

# ILBE

Sector: Media

# OUTPERFORM

Price: Eu2.07 - Target: Eu3.80

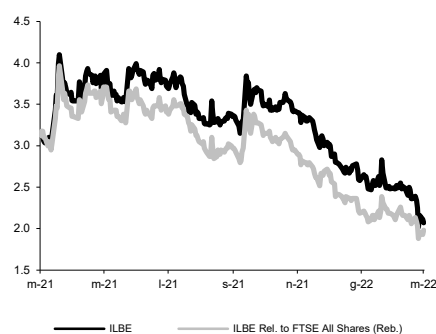
## FY21 Results Should Mark an Attractive Valuation

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### Stock Rating

<b>Rating:</b>	Unchanged		
<b>Target Price (Eu):</b>	from 5.00 to 3.80		
	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>
<b>Chg in Adj EPS</b>	-1.2%	2.9%	1.3%

### ILBE - 12M Performance



### Stock Data

Reuters code:	IE.MI		
Bloomberg code:	IE IM		
<b>Performance</b>	<b>1M</b>	<b>3M</b>	<b>12M</b>
Absolute	-16.5%	-31.5%	-33.8%
Relative	-6.2%	-23.5%	-38.9%
12M (H/L)	4.10/2.02		
3M Average Volume (th):	33.46		

### Shareholder Data

No. of Ord shares (mn):	35
Total no. of shares (mn):	35
Mkt Cap Ord (Eu mn):	72
Total Mkt Cap (Eu mn):	72
Mkt Float - Ord (Eu mn):	15
Mkt Float (in %):	20.9%
Main Shareholder:	
Andrea Iervolino	31.7%

### Balance Sheet Data

Book Value (Eu mn):	101
BVPS (Eu):	2.87
P/BV:	0.7
Net Financial Position (Eu mn):	-29
Enterprise Value (Eu mn):	101

■ **Preview of FY21 results, due out on 24<sup>th</sup> March 2022.** In 3Q21 (results released on 7<sup>th</sup> December) turnover was Eu19.9mn, down 2% YoY while EBIT after non-recurring charges of Eu0.2mn was Eu2.1mn, from Eu4.7mn posted in 3Q20. Notably, net debt as at end-September 2021 was Eu29.3mn, markedly higher than end-June (Eu17.3mn). As for 4Q21, we expect revenue to reflect a lower number of Puffins episodes delivered, coming to Eu24.4mn, down 46% YoY (the last episode of Arctic Friends, which generated more than 90% of 4Q20 revenues, was delivered in June 2021). However, EBIT is expected at Eu4.4mn, with a 17.9% margin, much higher than the 11.8% posted in 4Q20, and the 10.5% in 3Q21. Positively, net debt is foreseen at Eu29mn, a touch below the corresponding figure at 9M21.

■ **Management indications and outlook.** According to management the sharp increase in net debt during 3Q21 reflected the acceleration in investments related to film and web series productions. The group has indicated the value of the backlog, which consisted of Eu32.2mn for fully contractualised projects to be completed in 2H21 (Puffins Web Series, worth Eu23.3mn and, for the rest, films Eddie&Sunny, State of Consciousness and Dakota). On top of these projects, ILBE has resumed production of “Lamborghini”, shooting of which should have been completed in October. As for 2022, ILBE has already contractualised the production of the film “Muti”, on top of an additional Eu349mn for projects that are close to being contractualised, and Eu15mn for other services.

■ **Estimate update.** In this report we are broadly confirming our estimates for 2021/2022 EBIT (-1.1%/+2.6%). Compared to our previous estimates, we assume a larger number of episodes of the Puffins web series to be produced in 2022 but at a lower price per unit (as well as a lower cost per unit), hence making a similar overall contribution to revenue. In 2022-23 we expect the contractualisation of a new web series starring other characters from the “Arctic Friends” universe. Interestingly, ILBE is working to exploit the great potential of these intellectual properties through collaborations with other industry players. Looking ahead, we also expect the completion of the contracts with Paradox and WWPS. Management is focusing its efforts on finding a sustainable equilibrium between business growth and cash flow generation. However, in this report, we are raising our forecast for YE21 net debt by Eu9mn to about Eu29mn as a result of continued investments in new projects. Deleveraging should be visible in 2022 and accelerate in 2023. We expect new productions for 2022 and 2023 to be announced in the coming months: as in the past, our estimates must therefore be considered a work in progress.

■ **OUTPERFORM confirmed; target Eu3.8 (from Eu5.0).** Market momentum is adverse for growth stocks with back-end loaded cash profiles and limited liquidity. For this reason, we have adopted a more cautious valuation multiple (9x 2022 EV/EBIT) and lowered our target to Eu3.8. The current market price reflects a highly undemanding valuation in light of the encouraging business updates expected that should confirm the soundness of the Group’s strategic choice of focusing on animation films for digital channels in international market. Achieving more sustainable cash flow equilibrium remains an essential condition for triggering a re-rating.

Key Figures & Ratios	2019A	2020A	2021E	2022E	2023E
Sales (Eu mn)	80	121	158	136	134
EBITDA Adj (Eu mn)	75	112	130	98	97
Net Profit Adj (Eu mn)	20	19	18	15	15
EPS New Adj (Eu)	0.607	0.557	0.500	0.419	0.435
EPS Old Adj (Eu)	0.607	0.557	0.506	0.407	0.430
DPS (Eu)	0.000	0.000	0.000	0.000	0.000
EV/EBITDA Adj	1.4	1.4	1.2	1.0	1.0
EV/EBIT Adj	4.7	6.9	7.0	5.6	5.1
P/E Adj	3.4	3.7	4.1	4.9	4.8
Div. Yield	0.0%	0.0%	0.0%	0.0%	0.0%
Net Debt/EBITDA Adj	0.0	0.1	0.2	0.3	0.2

<b>ILBE – Key Figures</b>						
<b>Profit &amp; Loss (Eu mn)</b>	<b>2018A</b>	<b>2019A</b>	<b>2020A</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>
Sales	35	80	121	158	136	134
EBITDA	34	75	112	130	98	97
EBIT	12	23	22	21	18	19
Financial Income (charges)	-0	-0	-1	-2	-2	-2
Associates & Others	0	0	0	0	0	0
Pre-tax Profit	11	22	21	19	16	17
Taxes	-1	-2	-2	-2	-2	-2
Tax rate	10.6%	9.5%	8.8%	10.0%	10.0%	10.0%
Minorities & Discontinued Operations	0	0	0	0	0	0
Net Profit	10	20	19	18	15	15
EBITDA Adj	34	75	112	130	98	97
EBIT Adj	12	23	22	21	18	19
Net Profit Adj	10	20	19	18	15	15
<b>Per Share Data (Eu)</b>	<b>2018A</b>	<b>2019A</b>	<b>2020A</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>
Total Shares Outstanding (mn) - Average	28	33	35	35	35	35
Total Shares Outstanding (mn) - Year End	28	33	35	35	35	35
EPS f.d	0.364	0.607	0.557	0.500	0.419	0.435
EPS Adj f.d	0.364	0.607	0.557	0.500	0.419	0.435
BVPS f.d	0.390	1.428	1.915	2.428	2.875	3.342
Dividend per Share ORD	0.000	0.000	0.000	0.000	0.000	0.000
Dividend per Share SAV	0.000	0.000	0.000	0.000	0.000	0.000
Dividend Payout Ratio (%)						
<b>Cash Flow (Eu mn)</b>	<b>2018A</b>	<b>2019A</b>	<b>2020A</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>
Gross Cash Flow	35	75	97	121	91	93
Change in NWC	4	-3	2	-10	14	-0
Capital Expenditure	-42	-87	-109	-124	-105	-88
Other Cash Items	0	0	0	0	0	0
Free Cash Flow (FCF)	-3	-14	-10	-13	0	5
Acquisitions, Divestments & Other Items	0	0	0	0	0	0
Dividends	0	0	0	0	0	0
Equity Financing/Buy-back	0	17	0	0	0	0
Change in Net Financial Position	-5	5	-15	-13	0	5
<b>Balance Sheet (Eu mn)</b>	<b>2018A</b>	<b>2019A</b>	<b>2020A</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>
Total Fixed Assets	21	49	69	83	109	119
Net Working Capital	-5	-5	6	22	11	11
Long term Liabilities	-0	-0	-1	-1	-1	-1
Net Capital Employed	17	48	83	114	129	141
Net Cash (Debt)	-6	-1	-16	-29	-29	-24
Group Equity	11	48	67	85	101	117
Minorities	0	0	0	0	0	0
Net Equity	11	48	67	85	101	117
<b>Enterprise Value (Eu mn)</b>	<b>2018A</b>	<b>2019A</b>	<b>2020A</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>
Average Mkt Cap		105	136	122	72	72
Adjustments (Associate & Minorities)	0	0	0	0	0	0
Net Cash (Debt)	-6	-1	-16	-29	-29	-24
Enterprise Value		106	152	151	101	96
<b>Ratios (%)</b>	<b>2018A</b>	<b>2019A</b>	<b>2020A</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>
EBITDA Adj Margin	98.6%	94.2%	93.1%	82.3%	71.6%	72.0%
EBIT Adj Margin	33.6%	28.3%	18.3%	13.5%	13.4%	14.0%
Gearing - Debt/Equity	53.6%	1.2%	23.3%	34.1%	28.3%	20.4%
Interest Cover on EBIT	48.2	84.6	33.5	10.7	9.6	9.9
Net Debt/EBITDA Adj	0.2	0.0	0.1	0.2	0.3	0.2
ROACE*	69.5%	69.7%	33.7%	21.8%	15.0%	13.9%
ROE*	93.4%	69.1%	34.0%	23.1%	15.8%	14.0%
EV/CE		3.3	2.3	1.5	0.8	0.7
EV/Sales		1.3	1.3	1.0	0.7	0.7
EV/EBITDA Adj		1.4	1.4	1.2	1.0	1.0
EV/EBIT Adj		4.7	6.9	7.0	5.6	5.1
Free Cash Flow Yield	-3.5%	-19.6%	-13.3%	-18.4%	0.6%	6.4%
<b>Growth Rates (%)</b>	<b>2018A</b>	<b>2019A</b>	<b>2020A</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>
Sales		131.1%	50.9%	31.3%	-14.1%	-1.5%
EBITDA Adj		120.8%	49.1%	16.0%	-25.2%	-1.0%
EBIT Adj		94.4%	-2.7%	-2.6%	-15.3%	3.5%
Net Profit Adj		98.5%	-3.7%	-10.1%	-16.3%	3.9%
EPS Adj		66.5%	-8.2%	-10.1%	-16.3%	3.9%
DPS						

\*Excluding extraordinary items Source: Intermonte SIM estimates

## 3Q/9M21 Results

1H21 results, released on 22<sup>nd</sup> September, showed revenues of Eu114.2mn, more than double the 1H20 figure. This line, which includes “government grants” on an accrual basis, recorded the following contributions: “Arctic Friends” (43% of total), “Puffins” (23%), and “Tell it like a woman” (2%). It is worth pointing out that in 1H21 ILBE produced and delivered 68 episodes of the Arctic Friends web series, thus concluding the whole project, and 59 episodes of the Puffins web series (61 episodes to be delivered in 2H21). Revenues from licences for the use of the pipeline and of animated characters were Eu25.8mn (23% of total). At Eu15.0mn, EBIT rose 25% YoY while net profit was Eu12.4mn, up 29% YoY. Net debt as at end-June was Eu17.3mn, up Eu1.7mn on YE20 but improving by almost Eu2mn on end-March 2021. Positively, the results confirm the soundness of the Group’s strategic choice of focusing on animation films for digital channels in the international market.

### ILBE – 3Q/9M21 Results

Income Statement	2019	1Q20A	2Q20A	1H20A	3Q20A	9M20A	4Q20A	2H20A	2020A	1Q21A	2Q21A	1H21A	3Q21A	9M21A
<b>Value of production</b>	<b>80.0</b>	<b>23.8</b>	<b>31.7</b>	<b>55.5</b>	<b>20.2</b>	<b>75.7</b>	<b>45.0</b>	<b>65.2</b>	<b>120.7</b>	<b>44.5</b>	<b>69.7</b>	<b>114.2</b>	<b>19.9</b>	<b>134.0</b>
YoY %	131%	679%	381%	475%	-47%	59%	40%	-7%	51%	87%	120%	106%	-2%	77%
<b>EBITDA</b>	<b>75.4</b>			<b>53.6</b>				<b>58.8</b>	<b>112.4</b>			<b>108.0</b>		
D&A	(52.7)			(41.4)				(48.2)	(89.7)			(92.1)		
one-off items				(0.2)				(0.6)	(0.7)			(0.9)	(0.2)	(1.1)
<b>EBIT</b>	<b>22.6</b>	<b>5.6</b>	<b>6.4</b>	<b>12.0</b>	<b>4.7</b>	<b>16.7</b>	<b>5.3</b>	<b>10.0</b>	<b>22.0</b>	<b>5.9</b>	<b>9.1</b>	<b>15.0</b>	<b>2.1</b>	<b>17.1</b>
YoY %	94%	1149%	158%	311%	-58%	18%	-37%	-49%	-3%	5%	43%	25%	-56%	2%
margin %	28%	24%	20%	21.6%	23%	22%	12%	15%	18%	13.3%	13.1%	13.1%	10.5%	13%
Net financial income/exp	(0.3)			(0.4)				(0.3)	(0.7)			(1.9)		
<b>Pretax Profit</b>	<b>22.4</b>			<b>11.6</b>				<b>9.8</b>	<b>21.4</b>			<b>13.1</b>		
YoY %	96%			295%				-50%	-4%			13%		
Taxes	(2.1)			(2.0)				0.1	(1.9)			(0.8)		
Tax Rate	-10%			-17%				1%	-9%			-6%		
<b>Net profit</b>	<b>20.2</b>	<b>5.1</b>	<b>4.5</b>	<b>9.6</b>	<b>4.7</b>	<b>14.3</b>	<b>5.2</b>	<b>9.9</b>	<b>19.5</b>	<b>5.1</b>	<b>7.2</b>	<b>12.3</b>	<b>1.5</b>	<b>13.8</b>
YoY %	98.46%			259%				(44%)	(3.71%)	0.0%	61.5%	28.8%	(68.1%)	-3%

Source: Intermonte SIM estimates

### ILBE – 3Q/9M21 Results

Balance Sheet	2019	1Q20A	2Q20A	1H20A	3Q20A	9M20A	4Q20A	2H20A	2020A	1Q21A	2Q21A	1H21A	3Q21A	9M21A
<b>Trade Working Capital</b>	<b>(6.2)</b>			<b>(7.5)</b>					<b>(8.5)</b>			<b>(6.0)</b>		
Other current Assets/Lial	1.6			6.4					14.4			18.5		
<b>Net working capital</b>	<b>(4.6)</b>			<b>(1.1)</b>					<b>5.9</b>			<b>12.5</b>		
<b>Net Fixed Asset</b>	<b>53.2</b>			<b>63.8</b>					<b>77.3</b>			<b>84.8</b>		
Other LT Liabilities	(0.3)			(0.4)					(0.6)			(0.6)		
<b>Net capital employed</b>	<b>48.2</b>			<b>62.2</b>		<b>72.5</b>			<b>82.7</b>	<b>91.3</b>		<b>96.7</b>		<b>109.8</b>
Financed by:														
<b>Net (debt) cash</b>	<b>(0.5)</b>			<b>(4.8)</b>		<b>(10.3)</b>			<b>(15.6)</b>	<b>(19.2)</b>		<b>(17.3)</b>		<b>(29.3)</b>
<b>Net Equity</b>	<b>47.7</b>			<b>57.4</b>		<b>62.2</b>			<b>67.0</b>	<b>72.1</b>		<b>79.4</b>		<b>80.5</b>

Source: Intermonte SIM estimates

## Preview to 4Q/FY21 results

As for 4Q21, we expect revenue to reflect a lower number of Puffins episodes delivered, coming to Eu24.4mn, down 46% YoY (the last episode of Arctic Friends, which generated more than 90% of 4Q20 revenues, was delivered in June 2021). However, EBIT is expected at Eu4.4mn, a 17.9% margin, much higher than the 11.8% posted in 4Q20, and 10.5% in 3Q21. Positively, net debt is expected at Eu29mn, a touch below the corresponding figure at the end of September.

### ILBE – Preview to 4Q/FY21 Results

Income Statement	2019	1H20A	2H20A	2020A	1H21A	3Q21A	9M21A	4Q21E	2H21E	2021E
Value of production	80.0	55.5	65.2	120.7	114.2	19.9	134.0	24.4	44.3	158.5
YoY %	131%	475%	-7%	51%	106%	-2%	77%	-46%	-32%	31%
EBIT	22.6	12.0	10.0	22.0	15.0	2.1	17.1	4.4	6.5	21.5
YoY %	94.4%	310.5%	-49.1%	-2.7%	25.0%	-55.8%	2.1%	-17.4%	-35.6%	-2.6%
margin %	28.3%	21.6%	15.4%	18.3%	13.1%	10.5%	12.8%	17.9%	14.6%	13.5%

Source: Intermonte SIM estimates

## New Regulation is Good News for the Sector

On 10<sup>th</sup> December 2021, the new consolidated act for the provision of audiovisual media services was published in the Official Journal which, in consideration of market trends, implements Directive (EU) 2018/1808 of 14<sup>th</sup> November 2018.

Of particular interest for ILBE is art. 55, which defines the obligations of on-demand audiovisual media service providers, i.e. over the top operators such as Netflix, Amazon Prime, Disney +. In short, at least 30% of these entities' catalogues are required to programme European works produced within the last 5 years, and they must invest a certain percentage of net revenues in European audiovisual works produced by independent producers : 17% until 31<sup>st</sup> December 2022, 18% from 1<sup>st</sup> January 2023 and then 20% from 1<sup>st</sup> January 2024.

The text stipulates that OTTs must give these works "adequate prominence" within their catalogue by providing, for example, a dedicated section on the main access page or a specific category for searching for works in the catalogue. A share of no less than 50% of the percentage envisaged for European works must be reserved for works of original Italian expression, produced anywhere in the last five years, by independent producers.

## Dual Listing on Paris Euronext Growth

Starting on 12<sup>th</sup> January, ILBE shares have been traded on the Paris Euronext Growth exchange via direct admission. According to Andrea Iervolino, this dual listing was prompted by a desire to attract new investors on a market where a number of peers are already traded, with the hope of increasing liquidity and opening up possible new growth opportunities.

## Management indications and backlog

The Group has indicated the value of the backlog which, as at 30<sup>th</sup> June 2021, consisted of Eu44.2mn for fully-contractualised projects on top of an additional Eu349mn for projects close to being contractualised, and Eu15mn for other services.

We expect management to provide an update on backlog together with FY21 results.

### ILBE – Project backlog as at 30th June 2021

Projects	Value (Eu mn)	Exp. Delivery	Status
Puffins	23.2	2H21	Fully contractualised
Eddie&Sunny	1.3	2H21	Fully contractualised
Dakota	7.6	2H21/1H22	Fully contractualised
Muti	12.1	2H21/1H22	Fully contractualised
New web series	105.0	FY22-24	To be contractualised
New audiovisual projects	26.6	FY22-24	To be contractualised
New films	18.7	FY22-24	To be contractualised
Us scripted projects	0.3	FY22-24	To be contractualised
Servicing for Puffin:impossible	78.7	FY22-24	To be contractualised
Servicing and Licencing in other projects	120.0	FY22-24	To be contractualised
Celebrities mngm, digital del., other	15.0	FY22-24	To be contractualised

Source: Company data

## Change in estimates

In this report we broadly confirm our 2021-2022 EBIT estimates (-1.1%/+2.6%). Compared to our previous estimates, we assume a larger number of episodes of the Puffins web series to be produced in 2022 but at a lower price per unit (as well as a lower cost per unit), hence making a similar overall contribution to revenue. In 2022-23 we expect the contractualisation of a new web series starring other characters from the “Arctic Friends” universe. Interestingly, ILBE is working to exploit the great potential of these intellectual properties through collaborations with other industry players. Looking ahead, we also expect the completion of the contracts with Paradox and WWPS. Management is focusing its efforts on finding a sustainable equilibrium between business growth and cash flow generation. However, in this report, we are raising our forecast for YE21 net debt by Eu9mn to about Eu29mn as a result of continued investments in new projects. Deleveraging should be visible in 2022 and accelerate in 2023. We expect new productions for 2022 and 2023 to be announced in the coming months: as in the past, our estimates must therefore be considered a work in progress.

### ILBE – Changes to estimates

(Eu mn)	NEW			OLD			% CHANGE		
	2021E	2022E	2023E	2021E	2022E	2023E	2021E	2022E	2023E
Value of production	158.5	136.2	134.2	175.0	133.1	133.8	-9.4%	2.3%	0.3%
EBIT	21.5	18.2	18.8	21.7	17.7	18.6	-1.1%	2.6%	1.2%
margin %	13.5%	13.4%	14.0%	12.4%	13.3%	13.9%			
Net financial charges	(2.0)	(1.9)	(1.9)	(2.0)	(1.9)	(1.9)			
Pretax Profit	19.5	16.3	16.9	19.7	15.8	16.7	-1.2%	2.9%	1.3%
margin %	12.3%	12.0%	12.6%	11.3%	11.9%	12.5%			
Taxes	(1.9)	(1.6)	(1.7)	(2.0)	(1.6)	(1.7)			
Tax Rate	-10.0%	-10.0%	-10.0%	-10.0%	-10.0%	-10.0%			
Net profit	17.5	14.7	15.2	17.7	14.2	15.0	-1.2%	2.9%	1.3%
YoY %	(10.1%)	(16.3%)	3.9%	(9.1%)	(19.7%)	5.6%			
margin %	11.1%	10.8%	11.4%	10.1%	10.7%	11.2%			
minorities	-	-	-	-	-	-			
Group net profit	17.5	14.7	15.2	17.7	14.2	15.0	-1.2%	2.9%	1.3%

Source: Intermonte SIM estimates

### IE – Turnover breakdown (film sales include tax credits)

Turnover breakdown	2018 A	2019 A	2020 A	2021 E	2022 E	2023 E
The Poison Rose	16.94	3.05	0.43	0.00	0.00	0.00
Arctic Friends	16.38	37.62	74.10	71.90	18.09	24.51
Waiting for the Barbarians	0.00	19.02	5.76	0.39	0.16	0.00
Women Stories	0.00	4.51	4.33	4.30	1.08	1.01
Puffins	0.00	12.16	26.89	41.17	44.51	49.71
Paradox films	0.00	0.00	2.26	4.88	9.74	6.99
WWPS films	0.00	0.00	0.00	7.13	22.49	11.84
Turnover from film productions	33.32	76.35	113.77	129.77	96.08	94.06
other revenues	1.30	1.59	1.11	0.25	0.26	0.27
Total turnover from film productions	34.63	77.95	114.88	130.02	96.33	94.33
Iervolino Studios (Serbian productions)	-	-	2.88	22.40	29.34	29.34
Arte Video	-	-	0.94	2.50	4.50	4.50
Celebrity Management	-	1.31	0.95	2.00	5.00	5.00
Other	-	0.75	1.09	1.00	1.00	1.00
Group Turnover	34.63	80.01	120.74	158.48	136.17	134.17

Source: Intermonte Sim estimates

## Peer comparison

### IE – Peer Group Multiples

	Mkt Cap	PE 2021	PE 2022	PE 2023	EV/EBIT 2021	EV/EBIT 2022	EV/EBIT 2023
<b>Iervolino Entertainment</b>	<b>74</b>	<b>4.2 x</b>	<b>5.0 x</b>	<b>4.8 x</b>	<b>7.0 x</b>	<b>5.6 x</b>	<b>5.2 x</b>
Notorious Pictures	33	7.4 x	5.8 x	4.7 x	10.1 x	7.4 x	6.0 x
Lucisano Media Group S.p.A.	19	5.4 x	3.9 x				
Lions Gate Entertainment Corp Class A	2,927	31.2 x	19.6 x	16.0 x	104.1 x	46.1 x	29.7 x
Mondo TV S.p.A.	49	7.4 x	5.9 x		6.7 x	5.0 x	
Xilam Animation SA	175	28.6 x	23.0 x	16.1 x	23.9 x	17.0 x	12.8 x
Thunderbird Entertainment Group Inc	134	30.7 x	16.9 x	11.3 x	6.8 x	5.2 x	
<b>Mean</b>		<b>18.4 x</b>	<b>12.5 x</b>	<b>12.0 x</b>	<b>30.3 x</b>	<b>16.1 x</b>	<b>16.2 x</b>
<b>Median</b>		<b>18.0 x</b>	<b>11.4 x</b>	<b>13.6 x</b>	<b>10.1 x</b>	<b>7.4 x</b>	<b>12.8 x</b>

Source: Intermont SIM and Factset

### IE – Peer Group Performance

	Mkt Cap	1M	3M	6M	YTD	1Y
<b>Iervolino Entertainment</b>	<b>74</b>	<b>-15.3%</b>	<b>-29.4%</b>	<b>-37.0%</b>	<b>-18.2%</b>	<b>-32.4%</b>
Notorious Pictures	33	-3.9%	-16.0%	-7.3%	-9.8%	-14.3%
Lucisano Media Group S.p.A.	19	0.8%	-7.9%	0.8%	1.6%	3.2%
Lions Gate Entertainment Corp Class A	2,927	-4.1%	7.7%	25.5%	-6.9%	5.0%
Mondo TV S.p.A.	49	-12.5%	-12.4%	-25.8%	-22.3%	-20.1%
Xilam Animation SA	175	-9.4%	-11.1%	-4.7%	-14.4%	-20.5%
Thunderbird Entertainment Group Inc	134	-2.6%	-21.6%	-9.1%	-11.1%	0.2%
<b>Mean</b>		<b>-5.3%</b>	<b>-10.2%</b>	<b>-3.4%</b>	<b>-10.5%</b>	<b>-7.8%</b>
<b>Median</b>		<b>-4.0%</b>	<b>-11.7%</b>	<b>-6.0%</b>	<b>-10.4%</b>	<b>-7.1%</b>

Source: Intermont SIM and Factset

DETAILS ON STOCKS RECOMMENDATION			
Stock NAME	ILBE		
Current Recomm:	OUTPERFORM	Previous Recomm:	OUTPERFORM
Current Target (Eu):	3.80	Previous Target (Eu):	5.00
Current Price (Eu):	2.07	Previous Price (Eu):	3.50
Date of report:	02/03/2022	Date of last report:	01/10/2021

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- Comparison with market peers, using the most appropriate methods for the individual company analysed: among the main ratios used for industrial sectors are price/ earnings (P/E), EV/EBITDA, EV/EBIT, price /sales.
- Return on capital and multiples of adjusted net book value are the main methods used for banking sector stocks, while for insurance sector stocks return on allocated capital and multiples on net book value and embedded portfolio value are used
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Prices: The prices reported in the research refer to the price at the close of the previous day of trading

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OUTPERFORM:	53,39 %
NEUTRAL:	25,42 %
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