

**INTERIM REPORT ON OPERATIONS**  
**Q3 2020**



**APPROVED BY THE BOARD OF DIRECTORS ON 13 NOVEMBER 2020**

## SUMMARY

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## 1. HIGHLIGHTS

<b>Reclassified condensed consolidated income statement</b>		
<i>(Euro thousands)</i>	<b>9M 2020</b>	<b>9M 2019</b>
<b>Revenues</b>	16,434	16,661
<b>Capitalisation of internally produced animated series</b>	2,968	2,642
<b>Operating costs</b>	(7,120)	(7,402)
<b>EBITDA</b>	<b>12,282</b>	<b>11,901</b>
Amortisation and depreciation, impairment, and provisions	(7,274)	(7,072)
<b>EBIT</b>	<b>5,008</b>	<b>4,829</b>
net finance income (expenses)	(249)	(200)
<b>Profit (loss) of the period before tax</b>	<b>4,759</b>	<b>4,629</b>
Income tax expense	(1,553)	(1,748)
<b>Net profit (loss) for the period</b>	<b>3,206</b>	<b>2,881</b>
Profit (loss) for the year attributable to non-controlling interests	(416)	(147)
<b>Profit (loss) attributable to owners of the Parent</b>	<b>3,622</b>	<b>3,028</b>
<b>Losses/Earnings per share (basic and diluted)</b>	<b>0.10</b>	<b>0.08</b>

<b>Reclassified condensed consolidated statement of financial position</b>		
<i>(Euro thousands)</i>	<b>30.09.2020</b>	<b>31.12.2019</b>
<b>Non-current fixed assets</b>	<b>53,230</b>	<b>50,492</b>
Current assets	29,945	27,681
Current liabilities	(12,253)	(14,594)
<b>Net working capital</b>	<b>17,692</b>	<b>13,087</b>
<b>Non-current liabilities</b>	<b>(663)</b>	<b>(632)</b>
<b>Invested capital</b>	<b>70,259</b>	<b>62,947</b>
Net financial position	(5,738)	(1,375)
<b>Shareholders' equity</b>	<b>64,521</b>	<b>61,573</b>
Non-controlling interests	858	1,211
<b>Equity attributable to owners of the Parent</b>	<b>63,663</b>	<b>60,362</b>

## MONDO TV GROUP

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<b>Consolidated cash flow statement</b>			
<b>(Euro thousands)</b>	<b>9M 2020</b>	<b>9M 2019</b>	<b>Change</b>
<b>A. OPENING CASH AND CASH EQUIVALENTS</b>	<b>7,999</b>	<b>12,463</b>	<b>(4,464)</b>
Cash flow from (used in) operating activities before changes in working capital	10,511	9,917	594
<b>B. NET CASH FROM (USED IN) OPERATING ACTIVITIES</b>	<b>6,610</b>	<b>5,949</b>	<b>661</b>
<b>C. NET CASH FROM (USED IN) INVESTING ACTIVITIES</b>	<b>(10,768)</b>	<b>(15,282)</b>	<b>4,514</b>
<b>D. NET CASH FROM (USED IN) FINANCING ACTIVITIES</b>	<b>2,543</b>	<b>6,229</b>	<b>(3,686)</b>
<b>E. NET INCREASE (DECREASE) OF CASH AND CASH EQUIVALENTS (B+C+D)</b>	<b>(1,615)</b>	<b>(3,104)</b>	<b>1,489</b>
<b>F. CLOSING CASH AND CASH EQUIVALENTS</b>	<b>6,384</b>	<b>9,359</b>	<b>(2,975)</b>

## 2. INTRODUCTION

### *2.1 General and methodological introduction*

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This interim report on the Group's operations in the third quarter of 2020 is on a consolidated basis and has been prepared in accordance with article 154-ter, paragraph 5 of Legislative Decree 58/1998 (CFA), as amended by Legislative Decree 195/2007, which implemented Directive 2004/109/EC (Transparency Directive) and takes into account the communication from CONSOB, the accounting rules office, dated 30.4.2008.

It consists of a number of statements containing quantitative figures and explanatory and supplementary notes.

The purpose of the interim report on operations is to provide a general description of the financial position and performance of the Mondo TV Group during the period under review and to illustrate the significant events and transactions that took place during the period under review and their impact on the Group's financial position.

The income statement figures are shown with reference to the nine months of the current year 2020 and are compared to the corresponding period of the previous year 2019.

The net financial position figures are compared with the closing figures for the previous year (31.12.2019).

All economic and financial figures are provided on a consolidated basis and are shown in Euro thousands.

The interim report on operations has not been audited.

This report is expressed in Euro (€), as this is the currency in which most of the Group's transactions are conducted. Operations abroad are included in the consolidated financial statements in compliance with the standards indicated in the following notes.

The items indicated in the reclassified financial statements presented above are in part taken from the statutory financial statements and reported further on in this document, and are in part the result of aggregations; the composition of the latter and the references to the items in the statutory financial statements are shown below.

**Current assets:** the sum of closing inventories, trade receivables, tax assets, and other assets.

**Current liabilities:** the sum of trade payables, tax payables and other liabilities.

**Non-current liabilities:** the sum of provisions for risks and charges (including current) and deferred tax liabilities.

**Net financial position:** the sum of financial receivables, cash and cash equivalents, current and non-current financial payables.

**Revenues:** the sum of revenues from sales and services, other revenues, change in inventories.

**Operating costs:** the sum of consumable raw materials, personnel costs and other operating costs.

**Amortisation, depreciation, impairment and provisions:** the sum of amortisation and impairment of intangible assets, depreciation and impairment of property, plant and equipment, and the allowance for doubtful debts.

**Gross operating margin (EBITDA):** the difference between operating revenues and costs as defined above.

**Operating result (EBIT):** the difference between EBITDA and amortisation, depreciation, impairment and provisions as defined above.

It is noted that the items mentioned above, such as EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation), EBIT, and net financial position are usually identified without having a consistent definition in the accounting standards or in the Italian Civil Code, and that therefore, they may not be comparable with items of the same name reported by other companies.

## ANNEXES

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In order to supplement the information contained in the report, the following statements and documents are annexed:

**Annex 1):** summary financial statements of the parent company Mondo TV S.p.A.

**Annex 2):** corporate bodies of the parent company Mondo TV S.p.A.

**Annex 3):** corporate bodies of subsidiaries

### ***2.2 Accounting policies and measurement bases***

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The income statement and statement of financial position figures presented in the interim report on operations have been determined in accordance with the International Financial Reporting Standards (hereinafter referred to as IFRS or international accounting standards) issued by the International Accounting Standards Board (IASB) and adopted by the European Commission in accordance with the procedure set out in article 6 of Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002 and pursuant to article 9 of Legislative Decree 38/2005.

The interim report on operations does not qualify as interim financial statements pursuant to IFRS and, in particular, IAS 34.

The term IFRS encompasses all International Financial Reporting Standards, all International Accounting Standards (IAS) and all interpretations of the International Financial Reporting Interpretations Committee (IFRIC) endorsed by the European Commission as of the date of approval of the Interim Report on Operations.

The valuation of financial statement items was based on general prudence and accrual criteria, on a going concern basis.

Application of the principle of prudence has resulted in the individual valuation of the elements making up the individual items or items of assets and liabilities, in order to avoid offsetting losses that should have been recognised with unrealised gains.

In compliance with the accrual principle, the effect of transactions and other events was accounted for and allocated to the period to which such transactions and events refer, and not to the period in which the related cash movements (collections and payments) take place.

The consolidation principles, accounting standards, measurement criteria and estimates adopted are consistent with those used in the preparation of the consolidated financial statements for the year ended 31 December 2019, to which reference is made for completeness.

## **2.3 Consolidation area and criteria**

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The financial statements of the consolidated companies as submitted by their respective Boards of Directors, have been used to prepare the interim report on operations at 30 September 2020. The financial statements prepared by the subsidiaries have been adjusted, where necessary, by the Parent Company to make them adherent to the IFRS.

Subsidiaries are all the companies (including special purpose entities) in relation to which the Group has the power to govern the financial and operating policies, generally with a shareholding of at least half plus one of the actual or potential voting rights in the Shareholders' Meeting. The subsidiaries are consolidated starting from the date when the Group acquires control. They will be deconsolidated on the date when such control is lost.

Intercompany balances, transactions, and unrealised net gains from intercompany transactions, are eliminated.

Equity and the profit (loss) for the year attributable to non-controlling interests are presented separately in the statement of financial position and in the income statement of the consolidated financial statements.

There are no jointly controlled companies.

The subsidiaries were consolidated using the line-by-line method.

The assets and liabilities, expenses and income of the companies consolidated on a line-by-line basis are fully included in the consolidated financial statements, and the book value of equity investments is eliminated against the corresponding portion of the shareholders' equity of the investee companies, attributing to the individual assets and liabilities their current value on the date control was acquired. Any residual difference, if positive, is recorded under non-current assets as goodwill and consolidation differences, if negative it is charged to the income statement.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those adopted by the group.

Intra-group transactions, as well as those with related parties, were carried out on an arm's length basis, while no atypical transactions were carried out.

## **2.4 Estimated figures**

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The preparation of this consolidated interim report on operations requires the Directors to make estimates and assumptions that affect the amounts of assets and liabilities in the financial statements and related disclosure, and contingent assets and liabilities at the reporting date. The estimates and related assumptions are based on previous experience and on other factors that are considered to be reasonable in the present case and are adopted when the accounting value of assets and liabilities cannot be easily inferred from other sources. Therefore, the actual results

achieved may differ from said estimates. Estimates and assumptions are reviewed periodically and the effects of any changes are reflected in the income statement if it only involves that year. In the event that the review affects years, both current and future, the change is recognised in the year in which the review is carried out and in the related future years.

Actual results may differ even substantially from these estimates due to changes in the factors considered when determining said estimates.

Some valuation procedures, in particular the more complex ones such as determining any impairment of non-current assets, are generally carried out fully only in the preparation of the annual consolidated financial statements, except in cases where there are impairment indicators that require an immediate estimate of any updates.

## 3. STATEMENTS OF QUANTITATIVE FIGURES

### 3.1 Statement of financial position at 30 September 2020 and comparisons with 2019

Statement of financial position		
(Euro thousands)	30/09/2020	31/12/2019
<b>Non-current assets</b>		
- Intangible rights	39,579	35,733
- Goodwill	207	0
- Other intangible assets	54	40
Intangible assets	39,840	35,773
Tangible assets	293	246
Rights of use on leased assets	947	1,372
Equity investments	0	95
Deferred tax assets	12,106	12,965
Receivables	44	41
	<b>53,230</b>	<b>50,492</b>
<b>Current assets</b>		
Trade receivables	27,402	24,857
Tax assets	2,114	2,562
Other assets	482	262
Cash and cash equivalents	6,384	7,999
	<b>36,382</b>	<b>35,680</b>
<b>Total assets</b>	<b>89,612</b>	<b>86,172</b>
- Share capital	18,207	18,207
- Share premium	30,778	30,778
- Legal reserve	3,248	3,062
- Other reserves	7,711	7,971
- Retained earnings (losses)	97	(3,489)
- Profit (loss) for the year	3,622	3,832
Equity attributable to owners of the Parent	63,663	60,361
Non-controlling interests	857	1,211
<b>Total equity</b>	<b>64,520</b>	<b>61,572</b>
<b>Non-current liabilities</b>		
Provision for post-employment benefits	597	566
Provisions for risks and charges	0	0
Deferred tax liabilities	66	66
Financial payables	6,728	3,037
Non-current financial payables on leased assets	746	1,077
	<b>8,137</b>	<b>4,746</b>
<b>Current liabilities</b>		
Provisions for risks and charges	27	27
Trade payables	11,036	13,771
Financial payables	4,414	4,829
Current financial payables on leased assets	287	431
Tax liabilities	1,191	796
Other liabilities	0	0
	<b>16,955</b>	<b>19,854</b>
<b>Total liabilities</b>	<b>25,092</b>	<b>24,600</b>
<b>Total liabilities + equity</b>	<b>89,612</b>	<b>86,172</b>

## 3.2 Changes in the Group's net financial position

Consolidated net financial position		
(Euro thousands)	30.09.2020	31.12.2019
Cash and cash equivalents	6,384	7,999
Current financial receivables	53	0
Current financial payables due to banks	(4,414)	(4,829)
Financial payables for IFRS 16 application	(287)	(431)
<b>Net current financial position</b>	<b>1,736</b>	<b>2,739</b>
Financial payables for IFRS 16 application	(746)	(1,077)
Non-current payables due to banks	(6,728)	(3,037)
<b>Net non-current financial position</b>	<b>(7,474)</b>	<b>(4,114)</b>
<b>Net financial debt as per comm. Consob DEM/6064293</b>	<b>(5,738)</b>	<b>(1,375)</b>
Non-current receivables due from third parties	0	0
<b>Consolidated net financial position</b>	<b>(5,738)</b>	<b>(1,375)</b>

## 3.3 Analysis of changes in intangible assets

Changes in intangible assets					
(Euro thousands)	Intangible rights	Intangible rights in progress	Goodwill	Other intangible assets	TOTAL
Cost as at 31/12/2018	212,565	0		1,251	213,816
Amortisation and impairment as at 31/12/2018	(181,677)			(1,222)	(182,899)
<b>Net value 31/12/2018</b>	<b>30,888</b>	<b>0</b>	<b>0</b>	<b>29</b>	<b>30,917</b>
<i>FY 2019</i>					
Increases in the period	14,106			13	14,119
Disposals in the period					0
Amortisation and impairment in the period	(9,261)			(2)	(9,263)
Reclassifications					0
Cost as at 31/12/2019	226,671	0		1,264	227,935
Amortisation and impairment as at 31/12/2019	(190,938)			(1,224)	(192,162)
<b>Net value 31/12/2019</b>	<b>35,733</b>	<b>0</b>	<b>0</b>	<b>40</b>	<b>35,773</b>
<i>9M 2020</i>					
Increases in the period	10,567		207	14	10,788
Disposals in the period					0
Amortisation and impairment in the period	(6,721)				(6,721)
Reclassifications					0
Cost as at 30/09/2020	237,238	0	207	1,278	238,723
Amortisation and impairment as at 30/09/2020	(197,659)			(1,224)	(198,883)
<b>Net value 30/09/2020</b>	<b>39,579</b>	<b>0</b>	<b>207</b>	<b>54</b>	<b>39,840</b>

Investments in the third quarter of 2020 mainly related to the animated series *MeteoHeroes* and *Invention Story* by the Parent Company, *Disco Dragon* by Mondo TV France and *Nina & Olga* by Mondo TV Producciones Canarias.

## 3.4 Economic position 9M and Q3 2020

### Consolidated income statement for the year ended 31 December 2013

<i>(Euro thousands)</i>	<b>9M 2020</b>	<b>9M 2019</b>
Revenue from sales and services	16,280	16,633
Other income	154	28
Capitalisation of internally produced animated series	2,968	2,642
Raw materials, consumables and goods	(37)	(32)
Personnel costs	(3,228)	(2,963)
Amortisation and impairment of intangible assets	(6,721)	(6,487)
Depreciation and impairment of tangible assets	(48)	(97)
Amortisation of rights of use	(405)	(413)
Allowance for doubtful debts	(100)	(75)
Other operating costs	(3,855)	(4,407)
<b>EBIT</b>	<b>5,008</b>	<b>4,829</b>
<b>Financial expenses</b>	<b>(249)</b>	<b>(200)</b>
<b>Profit (loss) of the period before tax</b>	<b>4,759</b>	<b>4,629</b>
Income tax expense	(1,553)	(1,748)
<b>Net profit for the period</b>	<b>3,206</b>	<b>2,881</b>
Profit (loss) for the year attributable to non-controlling interests	(416)	(147)
<b>Profit (loss) attributable to owners of the Parent</b>	<b>3,622</b>	<b>3,028</b>

### Consolidated income statement

<i>(Euro thousands)</i>	<b>Q3 2020</b>	<b>Q3 2019</b>
<b>Revenues</b>	<b>5,228</b>	<b>5,658</b>
<b>Capitalisation of internally produced animated series</b>	<b>1,244</b>	<b>858</b>
<b>Operating costs</b>	<b>-2,503</b>	<b>-2,373</b>
<b>EBITDA</b>	<b>3,969</b>	<b>4,143</b>
Amortisation and depreciation, impairment, and provisions	-2,529	-2,576
<b>EBIT</b>	<b>1,440</b>	<b>1,567</b>
net finance income (expenses)	-69	-122
<b>Profit (loss) of the period before tax</b>	<b>1,371</b>	<b>1,445</b>
Income tax expense	-387	-595
<b>Profit (loss) for the year</b>	<b>984</b>	<b>850</b>
Profit (loss) for the year attributable to non-controlling interests	-180	-157
<b>Profit (loss) attributable to owners of the Parent</b>	<b>1,164</b>	<b>1,007</b>

However, the third quarter of 2020, with production value in line with the third quarter of 2019, improved with respect to net profit.

### 3.5 Cash flow statement 9M

<b>Consolidated cash flow statement</b>		
<b>(Euro thousands)</b>	<b>9M 2020</b>	<b>9M 2019</b>
<b>A. OPENING CASH AND CASH EQUIVALENTS</b>	<b>7,999</b>	<b>12,463</b>
Group profit (loss) of the period	3,622	3,028
Profit (loss) for the year attributable to non-controlling interests	(416)	(147)
Total profit (loss) of the period	3,206	2,881
Depreciation, amortisation and impairment	7,274	7,072
Net change in provisions	31	(36)
<b>Cash flow from (used in) operating activities before changes in working capital</b>	<b>10,511</b>	<b>9,917</b>
(Increase) decrease in trade receivables	(2,648)	(9,760)
(Increase) decrease in tax assets	1,307	1,547
(Increase) decrease in other assets	(220)	11
Increase (decrease) in trade payables	(2,735)	3,365
Increase (decrease) in tax liabilities	395	869
<b>B. NET CASH FROM (USED IN) OPERATING ACTIVITIES</b>	<b>6,610</b>	<b>5,949</b>
(Acquisition) / Disposal of		
- Intangible assets	(10,768)	(13,389)
- Tangible assets	(95)	(58)
- Rights of use on leased assets	0	(1,835)
- Financial assets	95	0
<b>C. NET CASH FROM (USED IN) INVESTING ACTIVITIES</b>	<b>(10,768)</b>	<b>(15,282)</b>
Changes in capital	(258)	1,196
Increase (decrease) in financial payables	2,801	5,033
<b>D. NET CASH FROM (USED IN) FINANCING ACTIVITIES</b>	<b>2,543</b>	<b>6,229</b>
<b>E. NET INCREASE (DECREASE) OF CASH AND CASH EQUIVALENTS (B+C+D)</b>	<b>(1,615)</b>	<b>(3,104)</b>
<b>F. CLOSING CASH AND CASH EQUIVALENTS</b>	<b>6,384</b>	<b>9,359</b>

## 4. EXPLANATORY AND SUPPLEMENTARY NOTES

### 4.1 General description of the Group's financial position and performance

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The following table represents the nine months of 2020 compared to the corresponding period in 2019:

<b>Reclassified condensed consolidated income statement</b>		
<i>(Euro thousands)</i>	<b>9M 2020</b>	<b>9M 2019</b>
<b>Revenues</b>	16,434	16,661
<b>Capitalisation of internally produced animated series</b>	2,968	2,642
<b>Operating costs</b>	(7,120)	(7,402)
<b>EBITDA</b>	<b>12,282</b>	<b>11,901</b>
Amortisation and depreciation, impairment, and provisions	(7,274)	(7,072)
<b>EBIT</b>	<b>5,008</b>	<b>4,829</b>
net finance income (expenses)	(249)	(200)
<b>Profit (loss) of the period before tax</b>	<b>4,759</b>	<b>4,629</b>
Income tax expense	(1,553)	(1,748)
<b>Net profit (loss) for the period</b>	<b>3,206</b>	<b>2,881</b>
Profit (loss) for the year attributable to non-controlling interests	(416)	(147)
<b>Profit (loss) attributable to owners of the Parent</b>	<b>3,622</b>	<b>3,028</b>

Compared to the corresponding period of 2019, there was a slight increase in the production value of approximately Euro 0.1 million in absolute terms; revenues in the third quarter of 2020 mainly derive from sales relating to the animated series *MeteoHeroes*, *Invention Story*, *Nina & Olga* and *Robot Trains*.

The capitalisation of internally produced animated series mainly refers to the productions of the Parent Company and Mondo TV France and was Euro 3 million (Euro 2.6 million in the corresponding period of 2019), with an increase mainly attributable to the subsidiary Mondo TV France.

Operating costs decreased by approximately Euro 0.3 million, mainly due to the cancellation of trade fairs and lower advertising costs.

EBITDA increased from Euro 11.9 million for the 9M of 2019 to Euro 12.3 million for the 9M of 2020, an increase of

Euro 0.4 million due to higher production against lower operating costs.

The operating result after amortisation, depreciation, impairment and provisions (Euro 7.3 million, compared to Euro 7.1 million in the corresponding period of 2019) is positive for Euro 5 million, compared to Euro 4.8 million of the corresponding period in 2019, with a decrease of approximately Euro 0.2 million.

There were net financial expenses of Euro 0.25 million in the 9M compared to net financial expenses of Euro 0.2 million in the 9M of 2019; the change of Euro 0.05 million was mainly due to the exchange rate trend.

Group net profit for the period was Euro 3.6 million compared to Euro 3.0 million in 9M 2019, up Euro 0.6 million and 20% in percentage terms.

The net financial position went from net debt of Euro 1.4 million to a net position of Euro 5.7 million at 30 September 2020, due to the investments made in the development of the new animated series;

The current net financial position (within 12 months) is positive by Euro 1.7 million, while cash and cash equivalents at 30 September amounted to Euro 6.4 million.

Group equity went from Euro 60.4 million at 31 December 2019 to Euro 63.7 million at 30 September 2020 mainly due to the positive result for the 9M.

The collection of trade receivables has continued regularly; in particular, during the quarter, the balance of trade receivables decreased by 3.7 million, from 31.1 million at 30 June to 27.4 million at 30 September.

There are no significant updates in relation to the ongoing litigation with the Revenue Agency.

#### **4.2 Significant events and transactions in Q3 2020 and their impact on the Group's financial and economic position**

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The subsidiary Mondo TV Iberoamérica announced on 23 July 2020 that RTVE (Radio Televisión Española, Spanish national public channel) has confirmed its participation in the co-production of the animation series *Annie & Carola*, co-produced by Mondo TV Producciones Canarias, S.L.U. and MB Producciones, S.L., and of which Mondo Canarias currently holds 93% of the intellectual property rights.

*Annie & Carola* is the first co-production to be made entirely by the Canary Islands Company, which will take care of its development in the new 3D CGI offices; *Annie & Carola*, which will consist of 52 episodes lasting 11 minutes each, will still be made in 2D high definition, and is a project that aspires to create a rich cosmos of characters who immerse themselves in the world of emotions by sharing the aspirations and concerns of today's children. It is expected to be released in the second half of 2022.

This agreement reinforces the Group's growth, laying the foundations for increased development of its own intellectual property products and reaffirming the growing recognition of the importance of the animation production hub in the Canary Islands.

In August, the parent company Mondo TV S.p.A. finalised a 6-year loan from Credit Agricole, for a total amount of Euro 2 million.

On 29 September, the launch was announced on Samsung TV of Mondo TV Kids, a Mondo TV theme channel that will feature both classic and recent titles from the library.

### **4.3 Events after period-end and outlook for the year**

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In October, the launch was announced of the Mondo TV thematic channel also on the Huawei platform in 26 countries. On 13 October, the Extraordinary Shareholders' Meeting approved the issue of a Euro 10.5 million bond convertible into shares reserved for Atlas Special Opportunities; this issue is aimed at supporting the Group's growth and investments, with particular reference to the new co-productions with the German partner Toon2Tango and the creation of the production studio in the Canary Islands; at the date of this report, bonds for a total of Euro 6.25 million have been issued and collected, of which Euro 1.25 million already converted into shares.

On behalf of the Board of Directors  
Chief Executive Officer

*(Matteo Corradi)*

### **STATEMENT BY THE COMPANY'S FINANCIAL REPORTING MANAGER PURSUANT TO ARTICLE 154-BIS, PARAGRAPH 2, OF LEGISLATIVE DECREE 58/1998**

The company's financial reporting manager, Carlo Marchetti, declares, pursuant to paragraph 2 of article 154 bis of the Consolidated Finance Act, that the information contained in this document Interim Report on Operations Q3 2020 corresponds to the document results, accounting books and records.

Financial Reporting Manager  
Carlo Marchetti

## **3. ANNEXES**

### **3.1 PARENT COMPANY CONDENSED FINANCIAL STATEMENTS**

## MONDO TV GROUP

<b>Mondo TV S.p.A. condensed statement of financial position</b>		
<i>(Euro thousands)</i>	<b>30.09.2020</b>	<b>31.12.2019</b>
<b>Non-current fixed assets</b>	<b>59,210</b>	<b>56,972</b>
Current assets	25,105	20,942
Current liabilities	(9,046)	(12,408)
<b>Net working capital</b>	<b>16,059</b>	<b>8,534</b>
<b>Non-current liabilities</b>	<b>(4,757)</b>	<b>(4,726)</b>
<b>Invested capital</b>	<b>70,513</b>	<b>60,780</b>
Net financial position	(2,417)	3,126
<b>Shareholders' equity</b>	<b>68,095</b>	<b>63,906</b>

<b>Mondo TV S.p.A. condensed income statement</b>		
<i>(Euro thousands)</i>	<b>9M 2020</b>	<b>9M 2019</b>
<b>Revenues</b>	14,246	12,691
<b>Capitalisation of internally produced animated series</b>	930	793
<b>Operating costs</b>	(2,694)	(3,336)
<b>EBITDA</b>	<b>12,482</b>	<b>10,148</b>
Amortisation and depreciation, impairment, and provisions	(6,391)	(5,266)
<b>EBIT</b>	<b>6,091</b>	<b>4,882</b>
net finance income (expenses)	(126)	48
<b>Profit (loss) of the period before tax</b>	<b>5,965</b>	<b>4,930</b>
Income tax expense	(1,807)	(1,503)
<b>Profit (loss) for the year</b>	<b>4,158</b>	<b>3,427</b>

### 3.2 CORPORATE BODIES OF THE PARENT

Board of Directors<sup>1</sup>

Chair and CEO

<sup>1</sup> In office until the approval of the Financial Statements at 31.12.2020

Matteo Corradi

**Directors**

Monica Corradi

Aurelio Fedele<sup>2</sup>

Angelica Mola<sup>3</sup>

Carlo Marchetti

**Internal Control Committee**

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**Chair**

Aurelio Fedele

**Members**

Angelica Mola

**Remuneration Committee**

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**Chair**

Angelica Mola

**Members**

Aurelio Fedele

**Investor Relator**

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Piergiacomo Pollonio

**Board of Statutory Auditors<sup>4</sup>**

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Maurizio Bernardo (Chair)

Adele Barra

Alberto Montuori

**Independent Auditors<sup>5</sup>**

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BDO Italia S.p.A.

**Sponsor and Specialist**

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Banca Finnat

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<sup>2</sup> Independent Director

<sup>3</sup> Independent Director

<sup>4</sup> In office until the approval of the Financial Statements at 31.12.2022

<sup>5</sup> Assignment for nine financial years, until the approval of the financial statements at 31.12.2023

## 3.3 CORPORATE BODIES OF THE SUBSIDIARIES

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**Mondo TV Suisse S.A.**

Board of Directors

Yvano Dandrea (Chair)

Matteo Corradi

Valentina La Macchia

Paolo Zecca

Alexander Manucer

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**Mondo TV Toys S.A.**

Liquidator

Yvano Dandrea

**Mondo France S.A.**

Board of Directors

Matteo Corradi (Chair)

Sylvie Mahé

Eve Baron

Carlo Marchetti

Feliciano Gargano

**Mondo TV Iberoamerica S.A.**

Board of Directors

Matteo Corradi (Chair)

Maria Bonaria Fois

Carlo Marchetti

Patricia Motilla

Jesus Garcia

**Mondo TV Producciones Canarias S.L.U.**

Board of Directors

Maria Bonaria Fois (Chair)

Matteo Corradi

Enrico Martinis

**Mars 1982 LTD**

Board of Directors

Cristian Salaris (Chair)

Matteo Corradi

Paolo Zecca