

wild bunch

CORPORATE PRESENTATION

JULY 2020





# A LEADING MOVIE AND TV SERIES DISTRIBUTION AND PRODUCTION SERVICES COMPANY IN EUROPE

## OVERVIEW

- **Leading independent European distribution and production services company**
- Acting as a “publisher of filmed entertainment content<sup>1</sup>”, it offers an **integrated range of solutions** from **production to distribution** covering **both film and TV series (filmed entertainment)** for all key distribution platforms such as theatrical, e-cinema, Free and Pay TV or SVOD
  - It **finances, co-produces** and **acquires** filmed entertainment content
  - It **monetizes** the rights on a multi domestic distribution network across Europe on all media both through traditional and innovative ways (“direct distribution”)
  - It **monetizes** the rights over the rest of the world (“international sales”)
- **Wild Bunch AG** was created from the **merger between Wild Bunch SA** and **Senator Entertainment AG** in February 2015, and listed on the Frankfurt Stock Exchange Market
- Established presence in **France, Italy, Spain, Austria and Germany, offering a wide geographic coverage**
- Developed **strong commercial relationships with the electronic distribution platforms** and SVOD services
- **Owns one of the largest independent film & TV series libraries (c. 2,500 titles)** including The Artist, Drive, March of the Penguins, The King's Speech, Les Misérables...
- Strategy driven by:
  - **Content growth** through production and acquisition of new movies and TV series
  - **Increasing customer reach** in new geographies and/or through new platforms
  - **Delivering value to shareholders** through profitable growth and accretive acquisitions

<sup>1</sup> includes any “moving pictures with stories in them” such as feature films, TV series, web programs, etc...



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# I COMPANY OVERVIEW

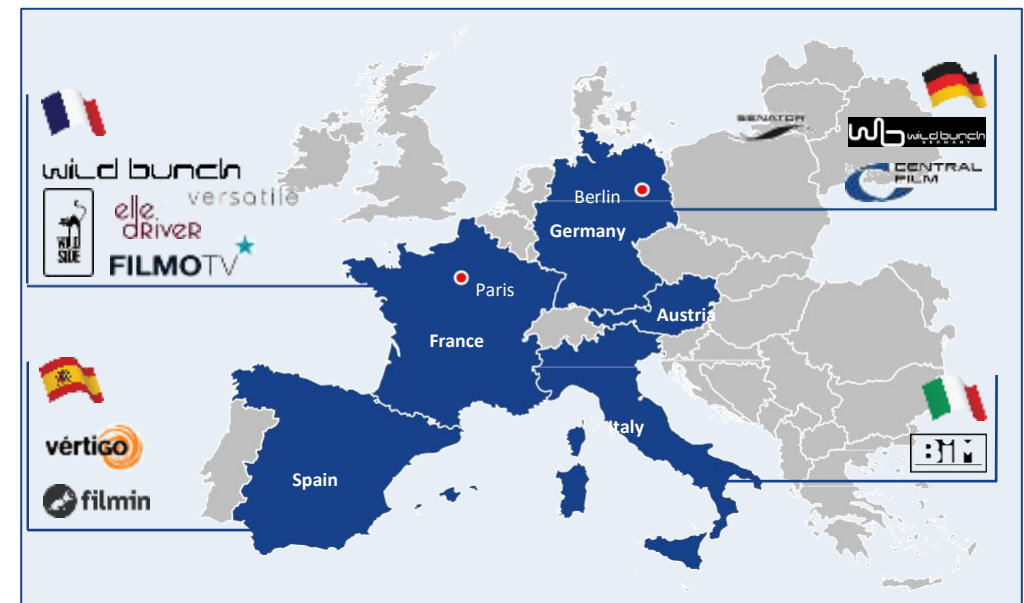


## Established Presence in Most of Europe's Largest Markets Across All Distribution Channels and a Worldwide Sales Capability

Established presence in five European territories (France, Italy, Spain, Germany, Austria) across all distribution channels (TV, theatrical, VOD/SVOD, e-Cinema, video)

### DOMESTIC SALES

FRANCE	<ul style="list-style-type: none"> <li>✓ <b>All direct distribution activities</b> via Wild Bunch Distribution &amp; Wild Side</li> <li>✓ <b>VOD/SVOD service</b> : FilmoTV</li> <li>✓ <b>Publishing &amp; Production of TV programs</b> through Wild Bunch TV</li> <li>✓ <b>Production</b> of feature films via Wild Bunch</li> </ul>
GERMANY /AUSTRIA	<ul style="list-style-type: none"> <li>✓ <b>All direct distribution activities</b> via Wild Bunch Germany/Wild Bunch Austria</li> <li>✓ <b>Production of TV programs and feature films</b> via Senator Produktion</li> </ul>
ITALY	<ul style="list-style-type: none"> <li>✓ <b>All direct distribution activities</b> via BIM Distribuzione</li> <li>✓ <b>Production</b> of feature films and TV series via BIM Produzione</li> </ul>
SPAIN	<ul style="list-style-type: none"> <li>✓ <b>All direct distribution activities</b> via Vértigo</li> <li>✓ <b>Production</b> of feature films &amp; TV series</li> <li>✓ VOD distribution via Filmin</li> </ul>



### INTERNATIONAL SALES

- **International sales labels** (Elle Driver and Versatile) as value-added intermediary, selling worldwide content “all rights” to local distributors





**An best-in-class library with more than 2,500 titles, including an outstanding selection of award-winning films**

Note: (1) Excluding Senator's catalog as of 2014

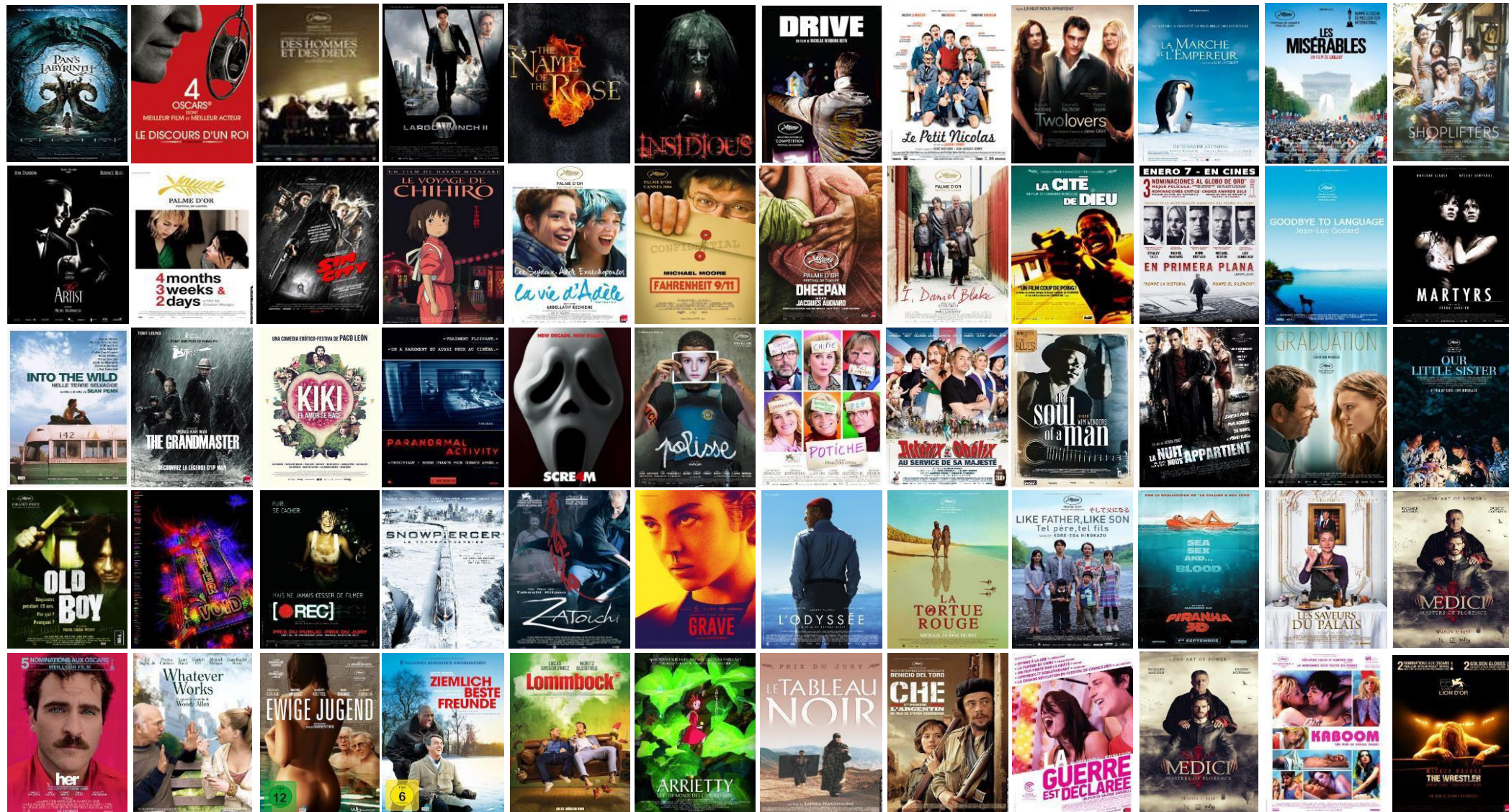
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Company overview

## Selected Libraries Titles



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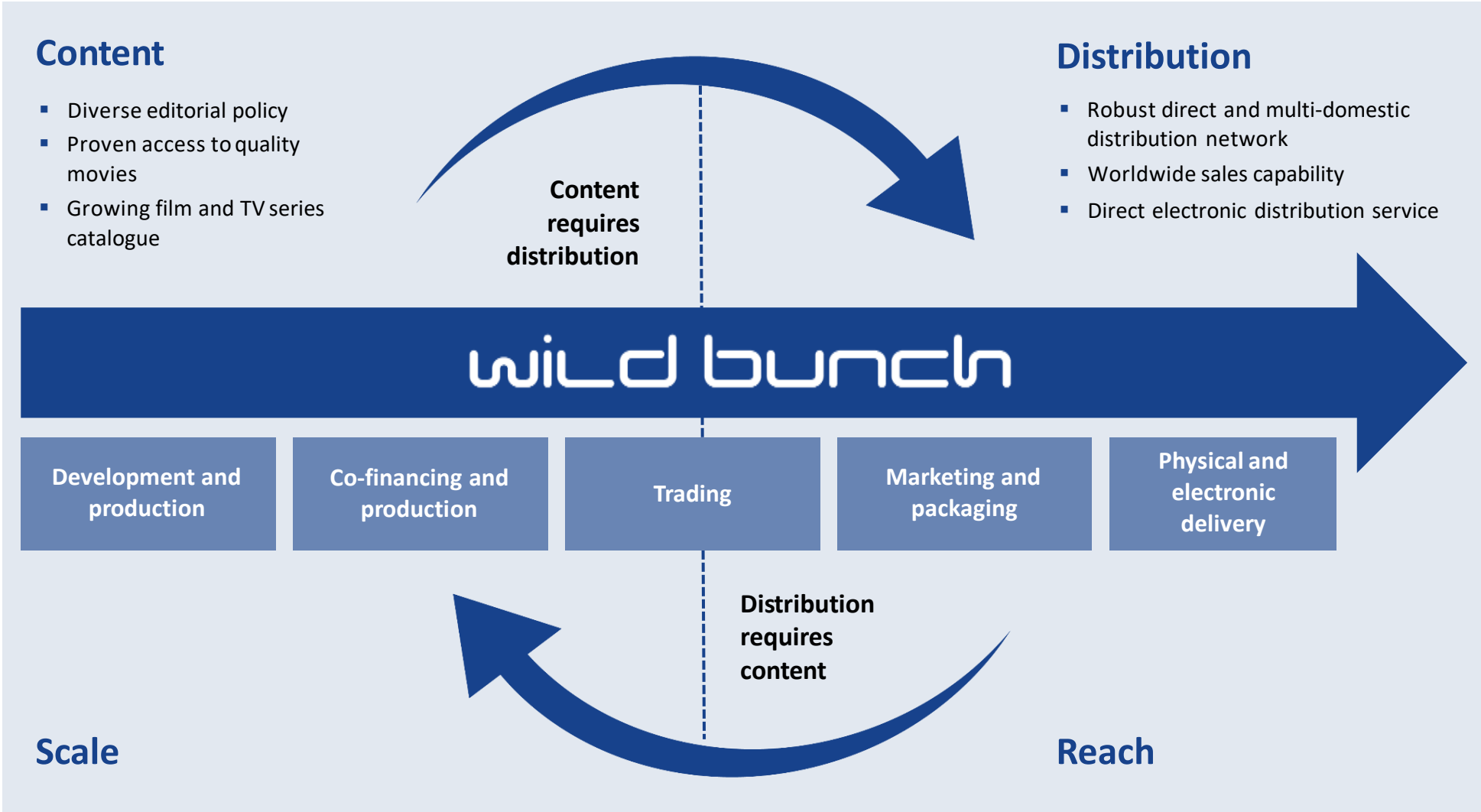
## II BUSINESS MODEL





# FILMED ENTERTAINMENT CONTENT AND DISTRIBUTION ARE CLOSELY LINKED TO GROW AND CREATE VALUE

Business model





## WILD BUNCH ACTS AS A GATEKEEPER WITHIN THE CONTENT VALUE CHAIN

Business model

Content	Diverse editorial policy	<ul style="list-style-type: none"><li>▪ <b>Innovative selection</b> of films and TV series with a clear focus on both local content for distribution in its home markets and premium independent movies</li><li>▪ Over time, the company has built a <b>network of relationships</b> with directors, producers and agents creating a <b>unique ability to identify new talents</b></li><li>▪ <b>Diverse library</b> of c. 2,500 titles that include director-driven, art-house, genre and mainstream fare, as well as documentaries. It includes local, international and English language titles</li></ul>
	Access to quality movies and TV series	
	Growing film catalogue	
Gatekeeper		<ul style="list-style-type: none"><li>▪ Wild Bunch <b>controls, manages and optimises the entire filmed entertainment value chain</b> from production, acquisition, distribution and marketing while building a catalogue of rights that can be exploited globally</li><li>▪ <b>Increased value</b> given that the distribution landscape is becoming more and more complex</li></ul>
Distribution	Direct network	<ul style="list-style-type: none"><li>▪ Today Wild Bunch has a unique multi domestic distribution network and is active in France, Italy, Spain, Germany and Austria</li><li>▪ Leading player in international film. Its market position has been strengthened by its experience with foreign distributors worldwide and creative talent</li><li>▪ Launched <b>Wild Bunch TV</b>, and extended its activities to coproduction and distribution of TV series dedicated to the international market,</li><li>▪ In 2008, pre-empting the competition, <b>Filmoline</b> was created with a focus on the direct electronic distribution of filmed entertainment across platforms and countries</li><li>▪ In 2015, it also launched its <b>eCinema activities</b> and <b>Wild Bunch Digital</b> in 2017, to concentrate all digital activities of the group and to aggregate third parties content, offering them first class commercial services</li></ul>
	Worldwide sales capability	
	Direct electronic distribution	

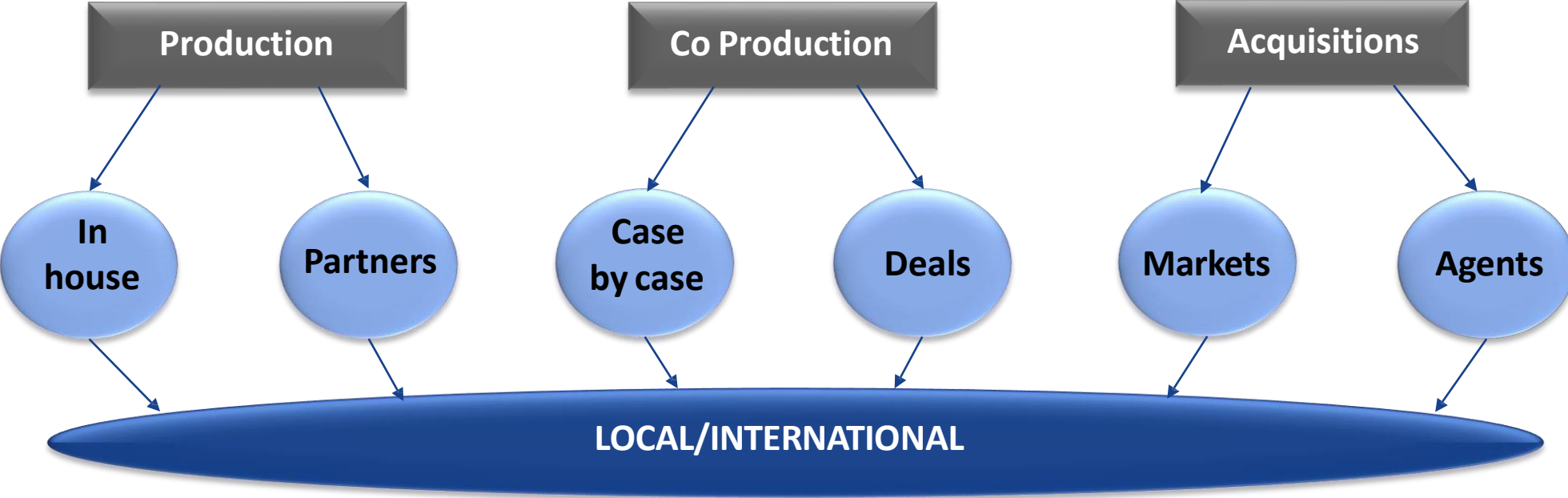
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ACCESS TO CONTENT

Business model



**WILD BUNCH CONTENT**  
Innovative – Independent – Visual - Provocative



## THE FILMED ENTERTAINMENT CONTENT DISTRIBUTION IS ORGANIZED AROUND THREE MAIN PILLARS

Business model

<b>Direct distribution platform</b>	<ul style="list-style-type: none"> <li>Established presence across five key European countries (France, Italy, Spain, Germany and Austria) with a pan European mind-set</li> <li>Well diversified revenue streams across various distribution channels: theatres, video, TV and electronic distribution</li> <li><b>Channel agnostic</b> positioning with a proven expertise across all distribution routes to market</li> </ul>
<b>International sales</b>	<ul style="list-style-type: none"> <li>Recognised sales expertise enables to <b>monetise</b> filmed entertainment content worldwide</li> <li>Allows Wild Bunch to realize <b>economies of scale on distribution costs</b>, spreading marketing and advertising expenses for the distribution of one movie across several territories</li> <li>Large distribution franchise gives Wild Bunch an <b>increased bargaining power</b> due to its geographic reach</li> <li>By managing the international sales process of movies and TV series, Wild Bunch is able to <b>mitigate its financial risk exposure</b></li> </ul>
<b>Direct Electronic distribution</b>	<ul style="list-style-type: none"> <li><b>Sells digital content</b> worldwide and has specific agreements in countries where it has direct distribution (e.g. Wild Side to Netflix and to iTunes)</li> <li>Precursor in using <b>innovative direct distribution means</b> since day one when allowed : day and date releases, ultra VOD*</li> <li><b>Launched eCinema</b> distribution and <b>Wild Bunch Digital</b></li> <li><b>Established FilmoTV</b> which acquires <b>VOD/SVOD film rights from a number of distributors</b> (Wild Bunch, Warner, Pathé, StudioCanal, Sony, Gaumont...) and mainly focuses on a subscription based revenue model. It is available through IPTV/cable, smart TVs and tablets accessing 80% of addressable market</li> </ul>

\* When VOD is released before the cinema window starts

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## MULTI-DOMESTIC DISTRIBUTION PRESENCE BRINGS STRONG BENEFITS

Business model

### Increased bargaining power due to scale

- **Large distribution franchise** strongly established in 5 European countries
- **Negotiating** economics for the rights of a movie made easier thanks to Wild Bunch's unique geographic reach
- Ability to **mitigate risk** amongst countries

### Enhanced ability to source local content

- Capitalising on a **close proximity with creative talent** emerging from each geography
- Sourcing via day-to-day **local relationships** and constant contacts
- **Producing and Distributing local content** is essential in Wild Bunch's 5 home territories



### "One-stop shop" for content owners

- Opportunity to address the European market in **multiple geographies** instead of having to deal with local players in each country
- **Attractive value proposition**, especially for international producers
















### Economies of scale on distribution costs

- **Spreading marketing and advertising expenses** for the distribution of one movie across several territories
- This is balanced by the need to continuously tailor distribution methods to local preferences



# WILD BUNCH IS PRESENT ON ALL THE MAIN ELECTRONIC PLATFORMS IN EUROPE

Business model

	FRANCE 	GERMANY 	ITALY 	SPAIN 
	<p><b>NETFLIX</b></p> <p><b>FILMOTV</b> Découvrez le meilleur des cinémas</p> <p><b>CINE +</b></p> <p><b>MUBI</b></p>	<p><b>NETFLIX</b></p> <p> <b>sky</b></p> <p>Deutsche Telekom </p>	<p><b>NETFLIX</b></p> <p> <b>TELECOM ITALIA</b></p> <p> <b>vodafone</b></p> <p> <b>MEDIASET</b></p>	<p> <b>movistar</b></p> <p><b>NETFLIX</b></p> <p><b>FILMIN</b></p>
	<p><b>amazon</b></p> <p> <b>francetélévisions</b></p>	<p> <b>maxdome</b></p> <p><b>amazon</b></p> <p> <b>WATCHEVER</b></p>	<p><b>mymovies.it</b> IL CINEMA DALLA PARTE DEL PUBBLICO</p> <p><b>amazon</b></p>	<p><b>amazon</b></p> <p> <b>one</b></p> <p> <b>wuaki.tv</b> Smart Entertainment</p>





### III MARKET POSITIONING AND STRATEGY



# INDUSTRY GROWTH IS ULTIMATELY SUSTAINED BY KEY STRUCTURAL DRIVERS

The demand for filmed entertainment has never been stronger

<div>1</div> <div>CONSUMERS</div> <div> </div>	Digitization of filmed entertainment	<ul style="list-style-type: none"> <li>Dematerialized content means consumers can access <b>filmed entertainment</b> “anytime and anywhere”</li> </ul>
	New experiences	<ul style="list-style-type: none"> <li>A new environment for Medias to renew and propose a <b>more sophisticated offering</b></li> </ul>
	Resilience of consumer spend on films and TV series	<ul style="list-style-type: none"> <li>Films &amp; TV series offer a comparatively <b>high entertainment value</b> for each dollar spent</li> </ul>
<div>2</div> <div>TECHNOLOGY</div> <div> </div>	Proliferation of connected devices	<ul style="list-style-type: none"> <li><b>Connected devices</b> increase the <b>size of the installed base</b> for consumption</li> </ul>
	Continued emergence of new TV/SVOD channels	<ul style="list-style-type: none"> <li>Progressive increase in the <b>number of TV/SVOD channels</b> creates new monetization opportunities</li> </ul>
<div>3</div> <div>INDUSTRY</div> <div> </div>	Tightening of anti-piracy laws	<ul style="list-style-type: none"> <li>The filmed entertainment industry keeps <b>fighting against piracy</b> with mixed effects across countries</li> </ul>
	Shift in sequence of releases (“windows”)	<ul style="list-style-type: none"> <li>New content delivery platforms enable distributors to shift the traditional movie window to <b>maximize the commercial success</b> of filmed entertainment</li> </ul>



## THE EUROPEAN FILMED ENTERTAINMENT CONTENT MARKET PROVIDES SUBSTANTIAL GROWTH POTENTIAL

### KEY CONSIDERATIONS

- Wild Bunch is active in a **global growth market**: total worldwide revenue to exceed **\$340bn in 2019**
  - Wild Bunch European territories: a size of c \$40,5bn by 2019
  - **Expansion being driven by growing demand in emerging markets** (such as China), while **mature markets** (such as the U.S., the UK and Japan) will also **continue to grow**
  - **OTT/streaming services** will deliver the **fastest rates of growth** over the next years both in mature and emerging markets
- In terms of **potential consumers**, Europe is a larger market than the already matured U.S., and has **room for growth**
- Wild Bunch wants to **benefit from Europe's catch-up** potential by providing attractive content via all distribution channels
  - Average expenditure in the U.S. is much higher than in Europe, as a result of **more advanced digital penetration**





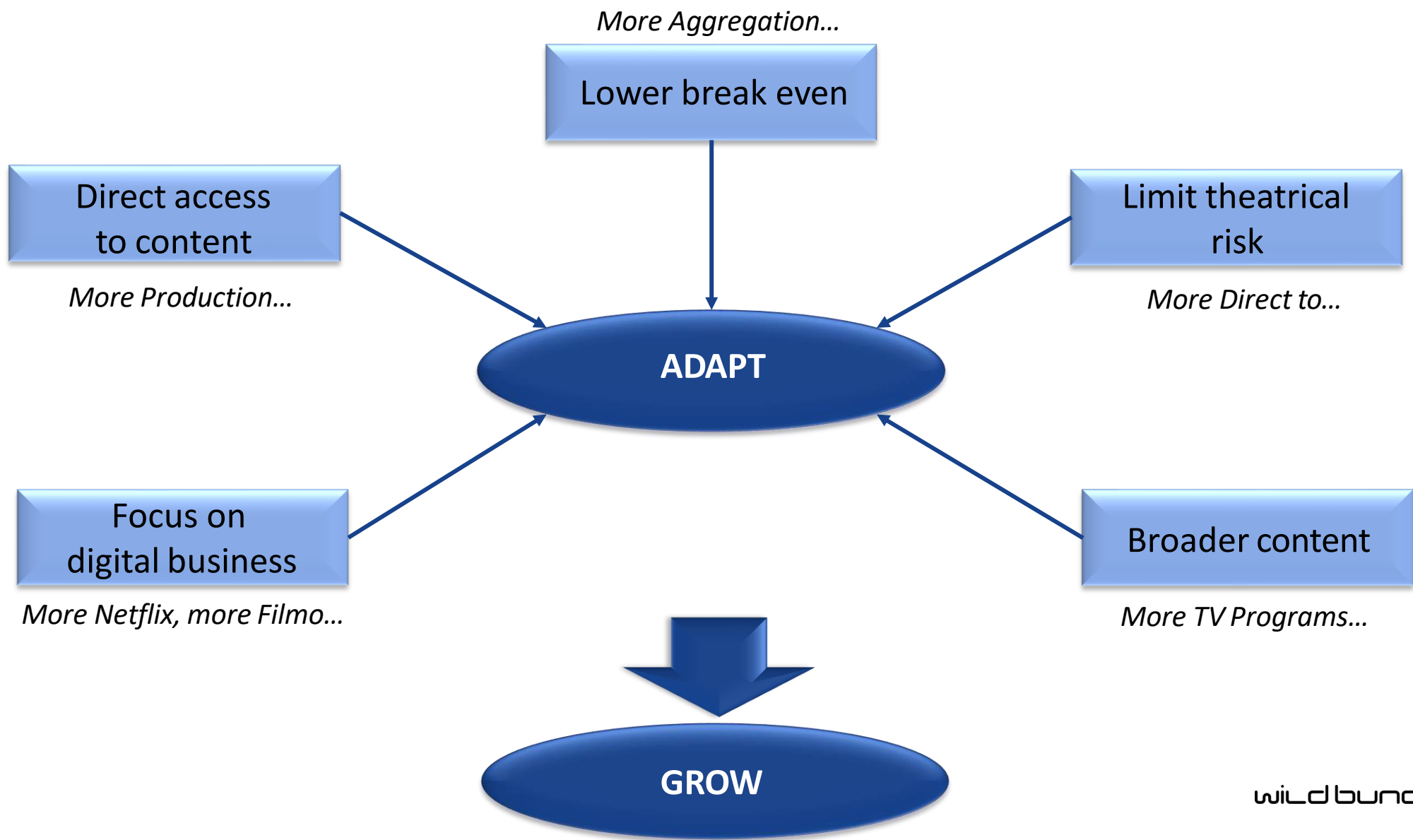


# WILD BUNCH IS IDEALLY PLACED TO BENEFIT FROM INDUSTRY DYNAMICS

MARKET CHALLENGES	ANSWERS FROM WILD BUNCH
<p>QUALITY OF THE CONTENT</p>	<ul style="list-style-type: none"> <li>✓ Wild <b>Bunch image and reputation</b> as a company and as a distributor make it an <b>attractive destination for artistic and managerial talents</b></li> <li>✓ Wild Bunch's <b>strong relationships in the industry</b> provide unique <b>access to high quality content</b></li> <li>✓ Proven ability to handle <b>increasing complexity</b></li> </ul>
<p>DIGITALISATION</p>	<ul style="list-style-type: none"> <li>✓ Further investment in the <b>expansion of e-business and FilmoTV</b> will enable Wild Bunch to fully benefit from <b>the digital revolution</b> in France and to replicate its <b>successful business model</b> in other geographies</li> <li>✓ With a <b>flexible mind-set</b>, Wild Bunch is channel agnostic and open to changes</li> </ul>
<p>SCALE</p>	<ul style="list-style-type: none"> <li>✓ Given its <b>unique presence in 5 European countries</b>, Wild Bunch has a substantial negotiating power and is able to mitigate risk across its movie portfolio</li> <li>✓ Wild Bunch is poised to <b>create value through consolidation</b></li> </ul>



## THE OPERATIONAL DECISIONS TO ADAPT THE COMPANY AND GENERATE PROFITABLE GROWTH ARE CLEAR AND UNDER IMPLEMENTATION







# IV FINANCIALS



# SUMMARIZED FINANCIALS

Simplified P/L 2015 to 2019

in '000 EUR	2015	2016	2017	2018	2019
Revenue	117 513	122 152	101 420	81 282	77 733
Other	7 795	9 731	7 722	2 970	4 436
<i>Total Income</i>	125 309	131 883	109 141	84 252	82 169
Cost of Sales	-108 694	-111 832	-91 157	-71 307	-68 489
<i>Gross Profit</i>	16 615	20 051	17 985	12 945	13 680
<i>EBIT</i>	-3 366	3 754	734	-6 503	-5 797
Finance result	-6 166	-4 097	-6 170	-6 581	-5 522
<i>Net income</i>	-7 253	803	-6 677	-13 267	-11 981

Historical Share Price

