

PANTAFLIX AG with improved earnings in 2019 despite decline in revenues – Extended VoD strategy creates new opportunities

- **Revenues at EUR 28.7 million due to project postponements (2018: EUR 35.1 million)**
- **EBITDA improved to EUR 3.3 million (2018: EUR 2.9 million)**
- **Solid financial foundation: EUR 7.2 million in cash and cash equivalents**
- **Equity ratio at 57%**
- **Promising start of AVoD offering**
- **Great interest in PANTAFLIX platform technology from business customers**

Munich, June 12, 2020. PANTAFLIX AG (GSIN: A12UPJ, ISIN: DE000A12UPJ7) successfully implemented key points of the corporate strategy in the 2019 fiscal year. In particular, the media and technology company succeeded in developing new possibilities for monetization in the streaming sector, as shown in the 2019 annual report, which the Company published today.

In the 2019 fiscal year, the PANTAFLIX Group generated revenues of EUR 28.7 million (2018: EUR 35.1 million) and a total operating performance plus other operating income of EUR 24.5 million (2018: EUR 34.2 million). Due to the completion of commissioned productions, the inventory of finished and unfinished products decreased. There were no new projects of a comparable size, which is reflected in the reduced total operating performance. Revenues were within the range of the Company's original expectations despite project postponements. Operative earnings before interest, taxes, depreciation and amortization (EBITDA) improved from EUR 2.9 million in 2018 to EUR 3.3 million in the reporting year. Consequently, earnings before interest and taxes (EBIT) of EUR -8.6 million were also slightly up on the previous year (EUR -9.0 million), despite the losses at the subsidiary PANTALEON Films GmbH and the planned advancement of the video-on-demand platform (VoD) PANTAFLIX. Earnings after taxes improved by 10.6% from EUR -8.8 million in 2018 to EUR -7.9 million. With EUR 7.2 million in cash and cash equivalents and an equity ratio of 57%, the PANTAFLIX group continues to display a solid financial foundation.

A milestone in the past year was the expansion of the transactional VoD business (TVoD) with an advertising-based variant (AVoD) that is free of charge for consumers. The advertising-financed offering started in October 2019 and was strategically implemented with wide-reaching partners from German social media. KRASS KLASSENFAHRT was among the first successful licensed productions immediately after the launch of the AVoD offering. With further exclusive series such as STREET LEGENDS and DAS INTERNAT as well as the first PANTAFLIX Original movie ROCCO REISE, the pipeline is also well filled. A content deal with Sony Pictures Entertainment Deutschland GmbH expands the range of PANTAFLIX's advertising-based offering. The beta phase of the advertising-based streaming offering in the fourth quarter of 2019 significantly exceeded expectations. In addition to advertising revenues, PANTAFLIX is expecting a positive effect on the number of visitors to the VoD platform, so this strategic move will result in a large cross-selling potential.

Especially promising are new opportunities in the B2B sector, where PANTAFLIX is creating further monetization opportunities thanks to its high technology and distribution expertise. The successful implementation of projects with the Deutsche Filmakademie and the cooperation with the multi-channel bookseller Weltbild announced in February 2020 clearly show that PANTAFLIX can make a significant contribution to the digitalization of business models in a wide range of user industries and is reflected in high demand from other potential partners.

In the production business, the focus was on the scheduled completion of the film projects DEM HORIZONT SO NAH, RESISTANCE and AUERHAUS. The production of MAPA was still in post production at the time of reporting. The answer print, which is decisive for revenue recognition, will be prepared in 2020. The project DAS LETZTE WORT (THE LAST WORD) for the US-American streaming service Netflix was also in post production at the time of reporting. A partial realization of revenues took place in the reporting year.

"In the 2019 fiscal year, we laid the foundations for the future-oriented alignment of the PANTAFLIX Group. 2020 is now under the decisive influence of the corona pandemic and the containment measures of the authorities limiting our business considerably. It is now necessary to make far-reaching decisions with a sense of proportion. In doing so, we are optimistic about the future. So far, the revenue expectations for the fiscal years 2020 and 2021 taken together have not changed. In this respect, postponements due to the pandemic in 2020 still have the potential to lead to an exceptionally strong business year 2021," says PANTAFLIX CEO Nicolas Paalzow.

For the 2020 fiscal year, the Management Board according to current project planning expects a significant decline in revenues for the PANTAFLIX Group due to the COVID-19 pandemic. Following various efficiency and optimization measures, a significant improvement of the also in 2020 expected negative operating income (EBIT) is nonetheless anticipated and should also be reflected in the cash flow from operating activities.

The Annual Report 2019 is available for download in the Investor Relations section at pantaflixgroup.com.

About PANTAFLIX AG:

PANTAFLIX AG (GSIN: A12UPJ, ISIN: DE000A12UPJ7) is a media and technology company with a clear growth strategy. Through the efficient integration of all Group divisions, the company achieves a high degree of integration with regard to the production, distribution, exploitation and marketing of films and series as well as their rights. In addition to the classic film production business PANTALEON Films, the music label PantaSounds, the production unit PANTAFLIX Studios and the creative agency Creative Cosmos 15 the cloud-based video-on-demand platform (VoD) PANTAFLIX is also part of the Group. The VoD-platform focusses on providing users with a tailor-made premium content offering via all relevant access channels.

PANTAFLIX AG cooperates with renowned partners such as Amazon, Disney, Netflix, StudioCanal, Warner Bros. and others. The Group is represented in Berlin, Cologne and Munich.

Further information is available at www.pantaflixgroup.com and www.pantaflix.com.

PANTAFLIX

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Investor Relations

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