KRIS KIPPERS – Equity Analyst (Brussels based)

KINEPOLIS

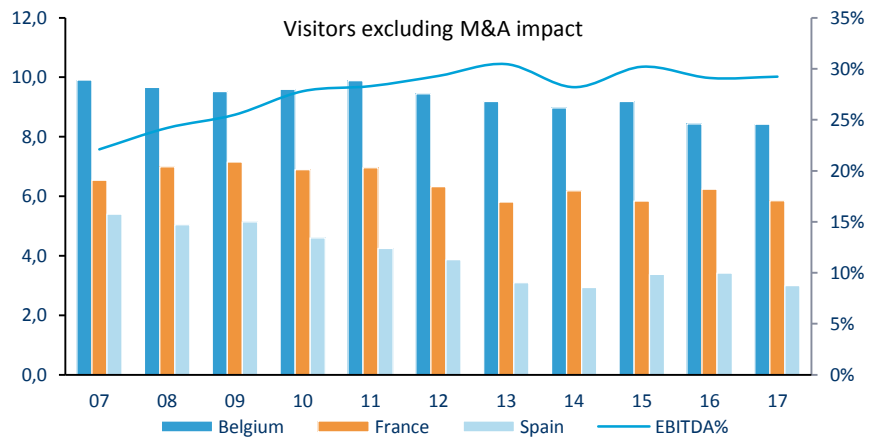
BASIC –FIT

BIOCARTIS

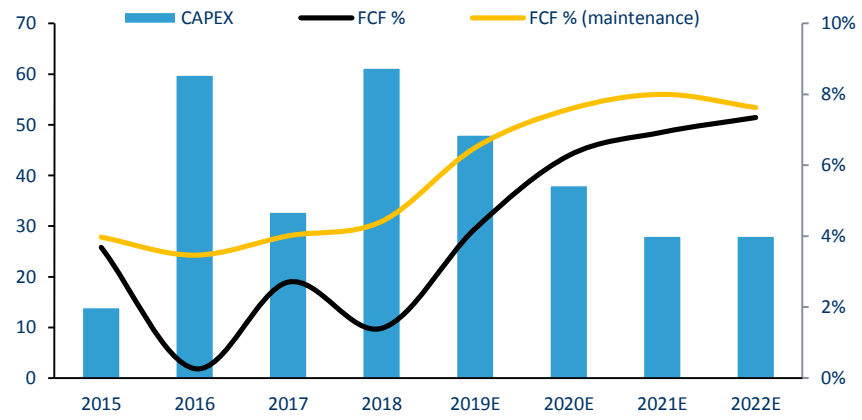
in cooperation with

Kinepolis – BUY – EUR 64.0 KOERSDOEL

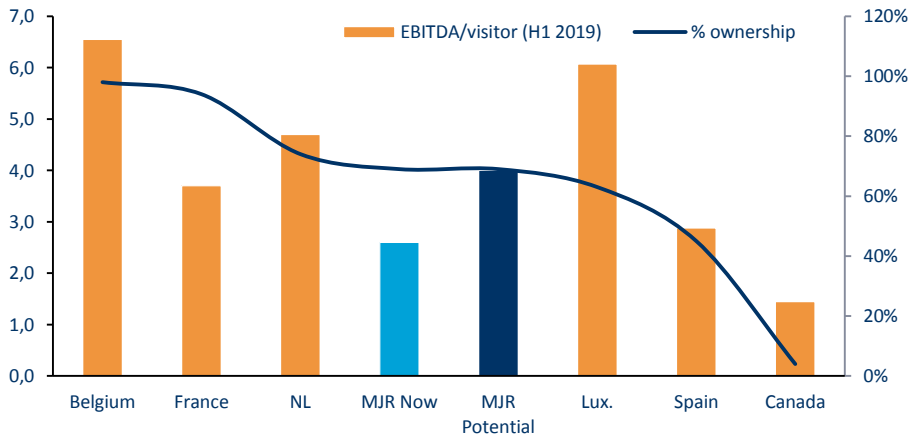
Visitors (in m) & EBITDA margins do not converge



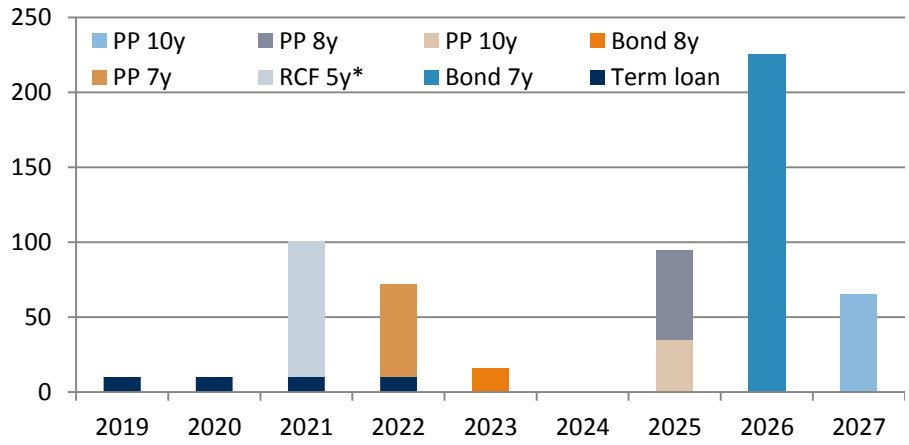
FCF % set to materially improve in the coming 3 years



MJR – EBITDA/visitor potential is a certainty



Debt maturity profile tailored for new M&A



Kinepolis: Waardering, schattingen, bezoekers/regio

ESTIMATES

FY to 31/12 (Euro)	2019E	2020E	2021E
Sales (m)	547.1	612.7	628.6
EBITDA adj (m)	168.3	195.9	206.3
EBIT adj (m)	101.5	122.0	129.9
Net profit adj (m)	57.6	73.3	79.6
Net fin. debt (m)	409.0	352.1	290.5
FCF (m)	63.9	95.6	105.6
EPS adj. and fully dil.	2.11	2.68	2.91
Consensus EPS	2.00	2.50	2.74
Net dividend	1.00	1.20	1.40

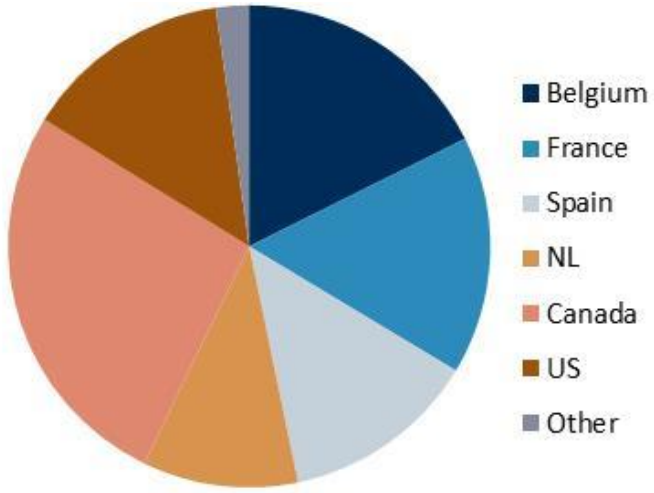
VALUATION

FY to 31/12 (Euro)	2019E	2020E	2021E
P/E (x) adj and ful. dil.	26.5	20.9	19.2
EV/EBITDA (x)	13.5	11.3	10.3
EV/EBIT (x)	22.4	18.2	16.4
FCF yield (%)	4.2%	6.2%	6.9%
Dividend yield (%)	1.8%	2.1%	2.5%
Net debt/EBITDA (x)	4.45	3.52	2.88
Gearing (%)	194.24	137.58	96.33
ROIC (%)	10.90	10.02	11.10
EV/IC (x)	2.6	2.5	2.6

Movie-offering 2019

The most important movie releases for 2019 will be probably:
- Toy Story 4
- Remakes: The Lion King, Aladdin & Dumbo
- How to train your Dragon (3rd and final of trilogy)
- Captain Marvel
- Avengers: Endgame
- Godzilla: king of the monsters
- X-men: Dark Phoenix
- Men In Black International
- Spider Man: far from home
- IT: Chapter 2
- Frozen 2
- Star Wars: Episode IX (the last one :-))

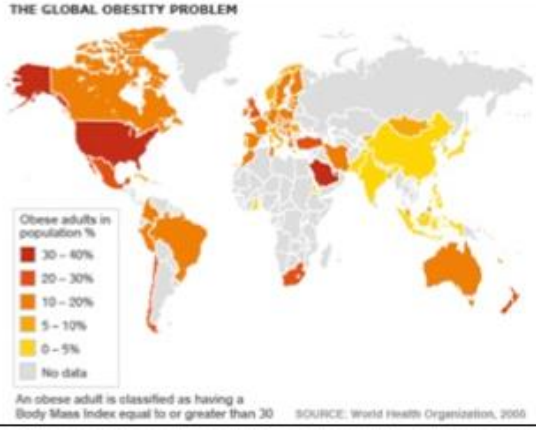
VISITORS BREAKDOWN 2020E



BASIC FIT – BUY – EUR 33.2 KOERSDOEL

OBESITAS PROBLEEM

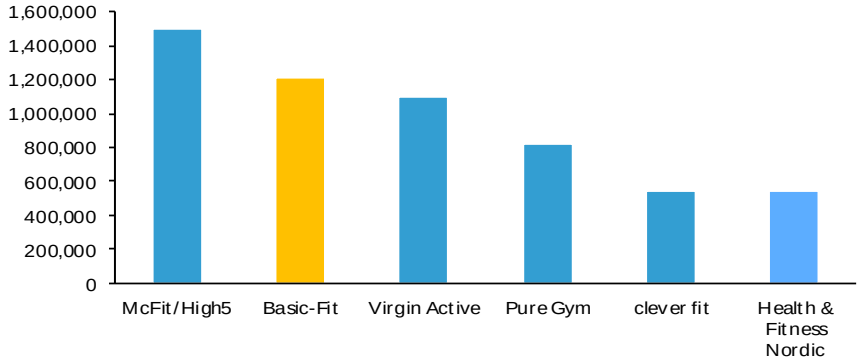
Chart 16: The global obesity problem



Source: World Health Organisatior

2e GROOTSTE SPELER IN EUROPA

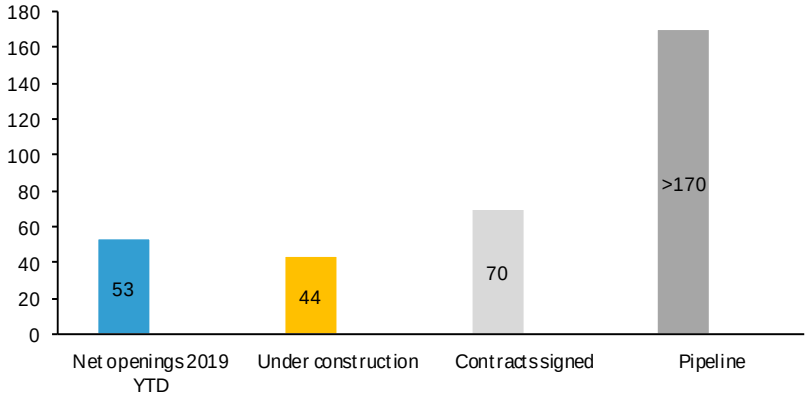
Leading European fitness club operators



Source: EuropeActive Deloitte and Basic-Fit

PIPELINE VOOR GROEI

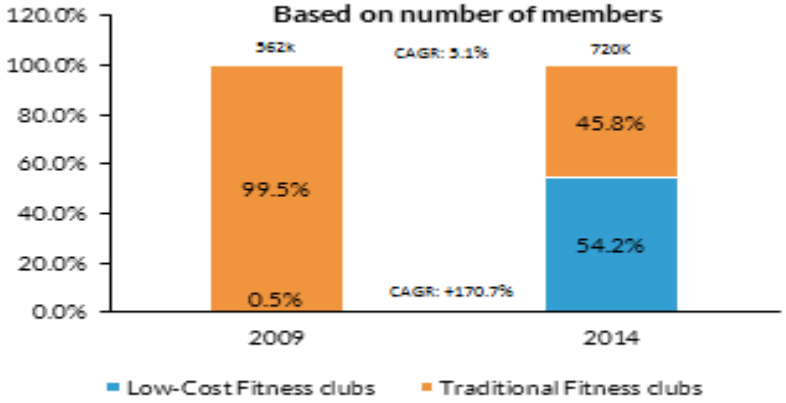
Basic-Fit: Pipeline club openings (June 2019)



Source: Basic-Fit

SWITCH NAAR LOW COST FITNESS CLUBS

Chart 22: Belgium

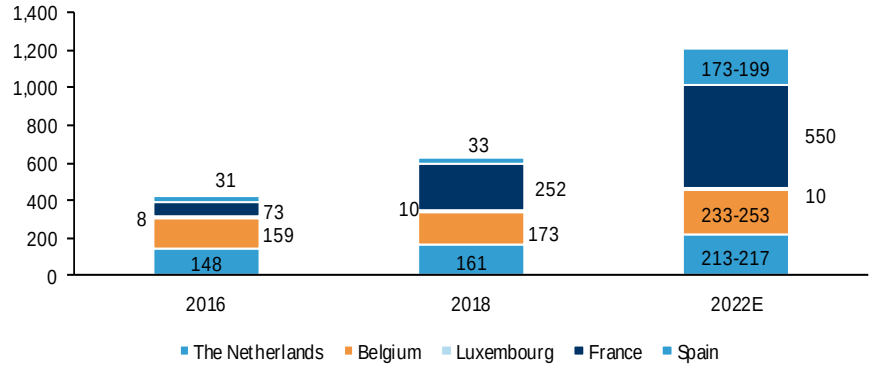


Source: OC&C Market Report, EFHM Report, IHRSA, Muller Institute

BASIC FIT – WAARDERING, SCHATTINGEN

NAAR >1,000 CLUBS IN 2020E (vs. ~700 H1 2019)…

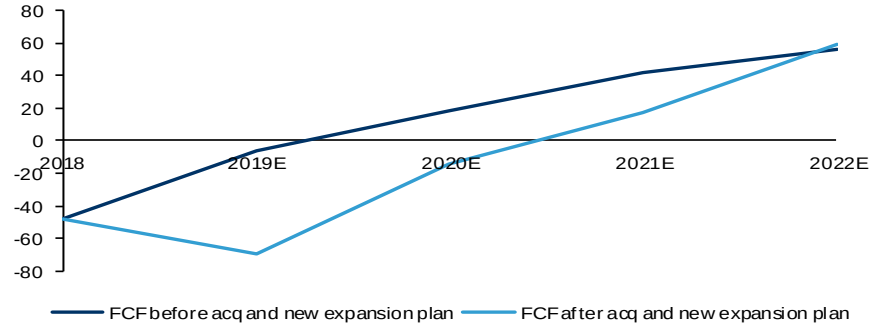
Number of clubs by country 2016-2022E



Source: Basic-Fit and Kepler Cheuvreux

…VERTAALT IN LAGE CASH FLOW MOMENTEEL

Group FCF 2018-22E



Source: Basic-Fit and Kepler Cheuvreux

SCHATTINGEN

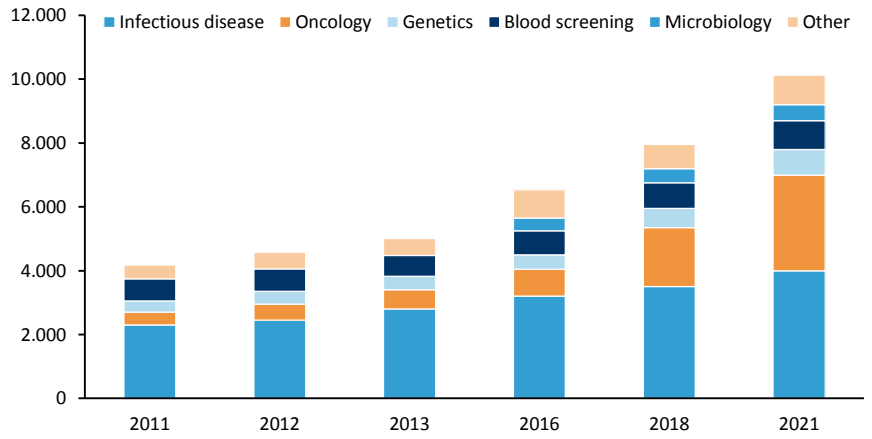
FY to 31/12 (Euro)	2019E	2020E	2021E
Sales (m)	502.8	618.3	719.5
EBITDA adj (m)	260.7	327.3	390.1
EBIT adj (m)	55.0	85.8	120.8
Net profit adj (m)	18.6	33.0	50.2
Net fin. debt (m)	436.6	450.7	433.0
FCF (m)	-70.1	-14.0	17.7
EPS adj. and fully dil.	0.34	0.60	0.92
Consensus EPS	0.58	0.93	1.28
Net dividend	0.00	0.00	0.00

WAARDERING

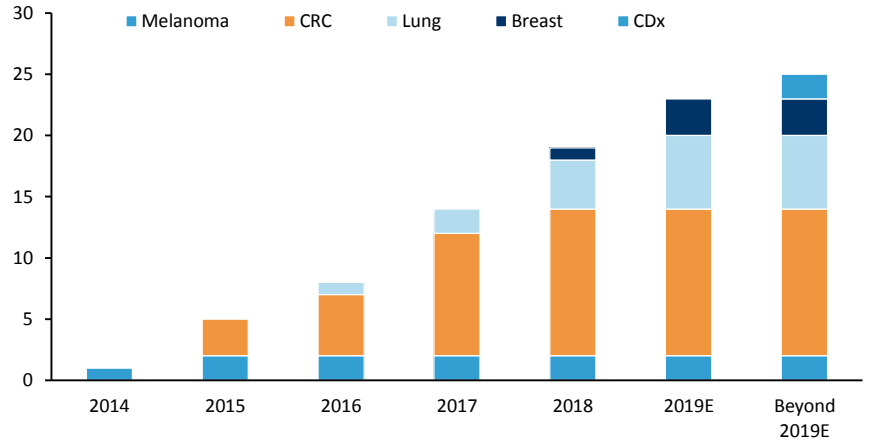
FY to 31/12 (Euro)	2019E	2020E	2021E
P/E (x) adj and ful. dil.	84.7	47.8	31.5
EV/EBITDA (x)	11.6	9.8	8.6
EV/EBIT (x)	55.2	37.5	27.7
FCF yield (%)	-4.5%	-0.9%	1.1%
Dividend yield (%)	0.0%	0.0%	0.0%
Net debt/EBITDA (x)	5.60	5.01	4.53
Gearing (%)	146.35	141.98	121.03
ROIC (%)	1.80	2.02	2.60
EV/IC (x)	1.2	1.1	1.0

Biocartis – BUY – EUR 11.0 KOERSDOEL

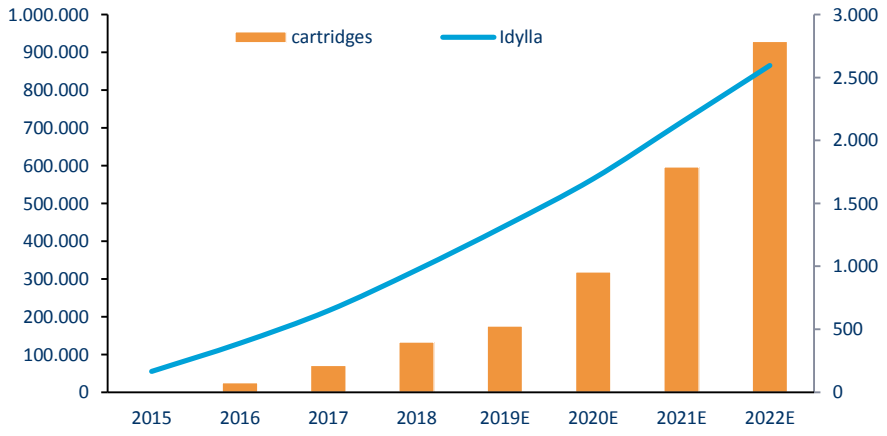
MDx MARKT ZAL STERK GROEINEN



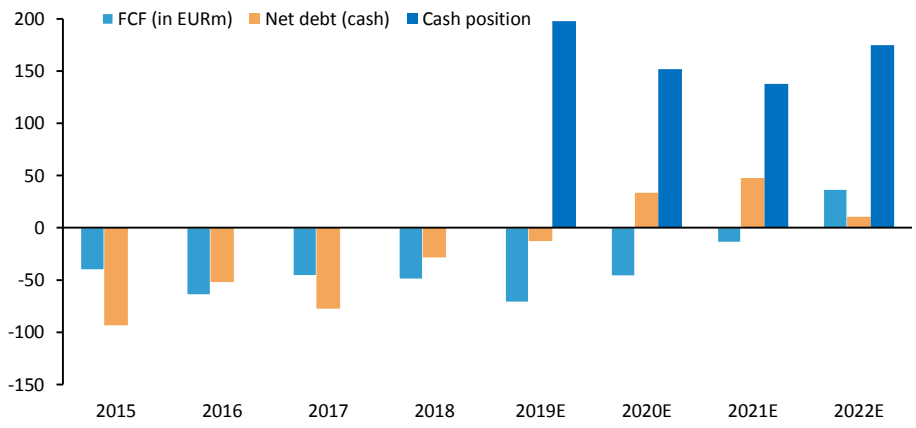
MENU EXPANSIE BIJNA TEN EINDE



CARTRIDGE VERKOOP MOET NU VERSNELLEN

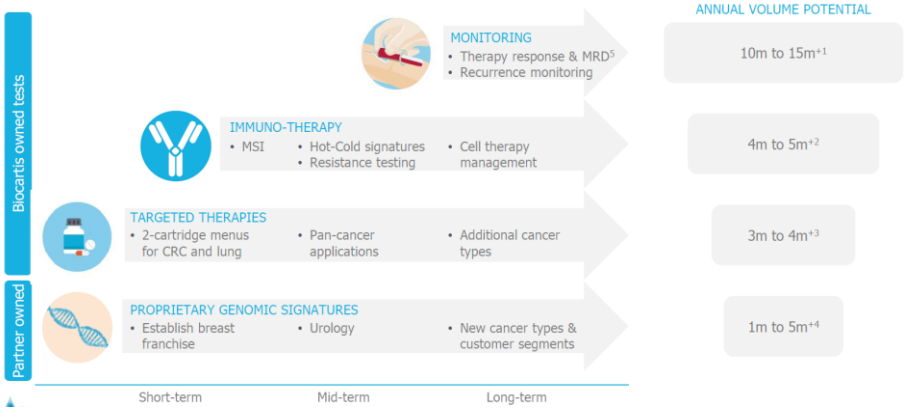


VOLDOENDE CASH OM STRATEGIE UIT TE VOEREN



Biocartis The moment of truth

IDYLLA – GROOT MARKTPOTENTIEEL



MENU EXPANSIE

MENU OUTLOOK KORTE TERMIJN

Area	Test	Timing
Colorectal cancer	• CE-marking Idylla™ MSI Assay	• Q1 2019 √
	• US FDA 510(k) submission Idylla™ MSI Test	• 2020
	• US FDA PMA submission Idylla™ RAS PMA[1] documentation	• 2020
Lung cancer	• Launch Idylla™ ctEGFR Assay (RUO[2])	• H2 2019
	• Launch Idylla™ GeneFusion Panel	• 2020
Breast cancer	• Placement of Idylla™ instruments at European sites for the clinical validation studies of the Idylla™ Oncotype DXi IVD Breast Recurrence Score™ test in H2 2019	• H2 2019

SCHATTINGEN: GEEN WINST VOOR 2022E

FY to 31/12 (Euro)	2019E	2020E	2021E
Sales (m)	41.9	69.2	109.3
EBITDA adj (m)	-47.1	-28.0	4.8
EBIT adj (m)	-53.3	-34.3	-1.7
Net profit adj (m)	-58.2	-41.2	-7.7
Net fin. debt (m)	-13.4	35.0	53.7
FCF (m)	-70.4	-48.4	-18.7
EPS adj. and fully dil.	-1.09	-0.77	-0.14
Consensus EPS	-1.05	-0.66	-0.10
Net dividend	0.00	0.00	0.00

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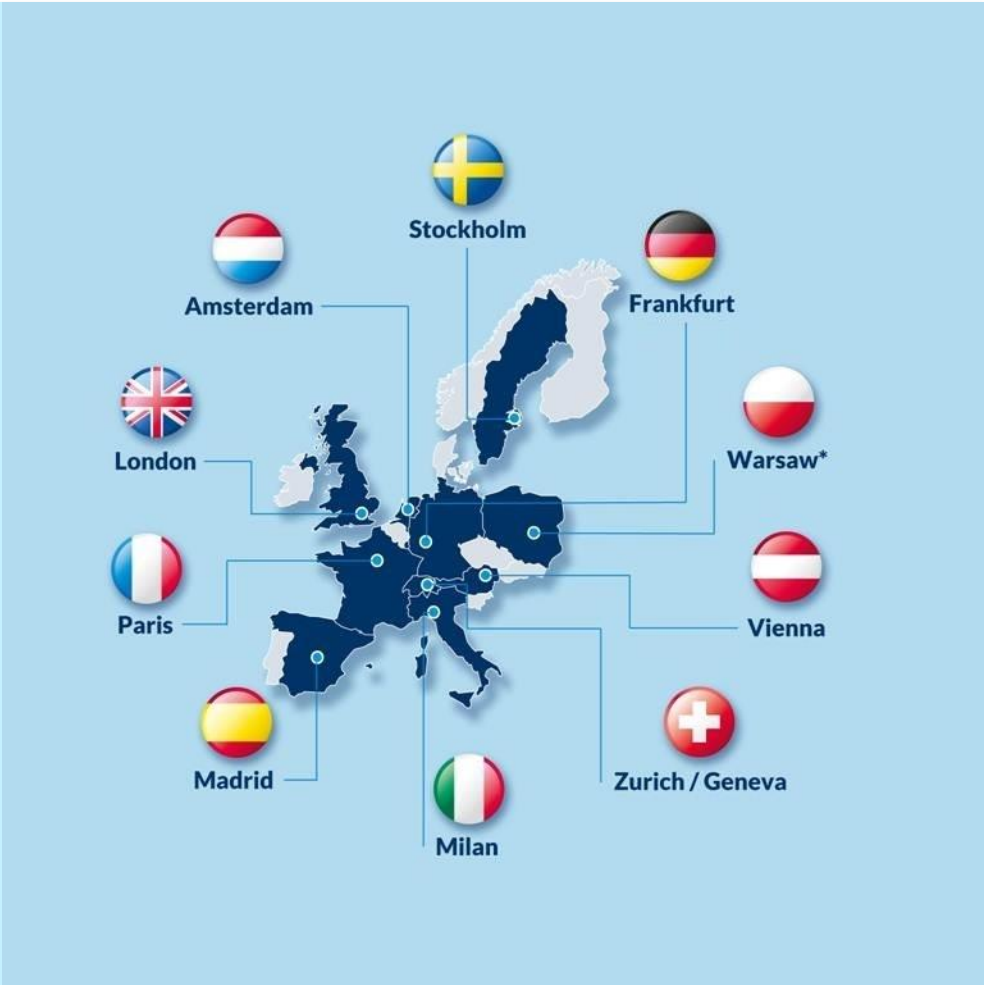

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