

Semi-Annual Financial Report 2021

January 1 to June 30



yourfamilyentertainment

PUBLIC COMPANY

Your Family Entertainment AG is not obliged to publish financial reports in English.

As a service to our investors and the interested public, we regularly provide English versions. These versions are not subject to review and/or audited. In case of doubt, only the German version is valid.

KEY DATA IN €K

Income Statement (P&L)	01/01 06/30/ 2021	01/01 – 06/30/ 2020
Sales revenue	1,478	1,457
EBITDA* ¹	12	-103
EBIT* ²	147	-76
Semi-annual results	28	-192

*¹ EBITDA = Annual net profit + taxes on income and earnings + interest and similar expenses - other interest and similar income + depreciation - write-ups

*² EBIT = EBITDA + write-ups - write-downs

Balance	06/30/2021	12/31/2020
Total balance sheet amount	17,557	17,311
Film assets	16,783	16,638
Shareholders' equity	8,252	8,225
Shareholders' Equity ratio in %	47 %	48 %

SHARE

WKN	A161N1
ISINs	DE000A161N14
Shorthand	RTV
Stock	Regulated market in Frankfurt (General Standard); Regulated Unofficial market in Berlin, Dusseldorf, Stuttgart
Number of shares	10,457,730 Pieces (as at 06/30/2021)

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1. ABOUT YOUR FAMILY ENTERTAINMENT AG

The name **Your Family Entertainment AG** (YFE) stands for innovation and tradition. For more than 35 years, YFE has been producing and licensing high-quality and educational television series for children, youth and families.

Behind the YFE is a dynamic team of highly motivated employees who share a common goal: Pass on enthusiasm and passion for responsible and high-quality children's TV programs to children, young people, families and customers all over the world.

In the international licensing trade, YFE has one of the largest European, independent libraries for children's and family entertainment. YFE can draw on a stock of around 3,500 half-hour programs. These are a large number of series, all lovingly and with great effort created, which allows YFE to offer a varied offer. The library is continuously maintained and supplemented by further programs/formats. This continues to ensure value stability in the program library.

Since November 2007, YFE successfully operates the **award-winning pay-TV channel** "yourfamily", the 2010 with the renowned HOT BIRD™ In 2011, 2013, 2014 and 2015 he was again nominated for the final of the best three children's channels worldwide. Since December 2014, the pay-TV channel "yourfamily" is known under the name "Fix&Foxi". Through the integration of the brand "Fix&Foxi", which has a large fan base for over 60 years, not only in Germany, the popularity of the two foxes is combined with the quality of high-quality television content for families. With their 24-hour program, the two popular foxes present an optimal mix of high-quality entertainment and educational content as well as monthly highlights. In 2016, "Fix&Foxi" was able to win the **Eutelsat TV Award** in the category "Children's channels". Due to its expanded concept, the channel occupies an independent and clear position in the German-speaking kids Pay TV market; and since 2015 also via the **Amazon Fire** TV App "Fix&Foxi" TV. Furthermore, under the name "Fix&Foxi" since 2017, a channel bookable through **Amazon Prime Video** has been offered in the children's entertainment section. In January 2020, YFE was able to announce the inclusion of "Fix&Foxi" TV in the pay-TV portfolio of **Vodafone Germany** and announce the expansion of the existing cooperation in the video-on-demand sector. Thanks to its successful concept, the channel is already represented in many countries, in different languages, worldwide.

Since 2012, the YFE is also available on free TV with the family channel "RIC". "RIC" was able to establish itself as a private children's and family channel in the German-speaking countries through its high-quality and popular European programs very well. Thanks to its extensive know-how and carefully selected high-quality content, "RIC" positions itself as the third private



children's and family program in the German-speaking world. Both the child-friendly channel presentation and the decelerated content make "RIC" a counterpoint in the predominantly American and Asian offer. "RIC" is broadcast via satellite (ASTRA), many cable networks and as a live stream on the Internet of the German-speaking countries as well as on the mobile platforms iOS and Android.

Since February 2015 "RIC" is about **Vodafone Germany** (Legal successor of Unitymedia and Kabel BW) also in the areas of Baden-Württemberg, Hesse and North Rhine-Westphalia. Currently, "RIC" has expanded its reach to over 34 million households in the German-speaking countries and continues to expand its reach in the cable network.

In summary, Your Family Entertainment AG (WKN: A161N1, ISIN: DE000A161N14, abbreviation: RTV), based in Munich, has many years of expertise in the TV market. YFE is a producer and licensee of high-quality entertainment programs for children and the whole family. The company has one of the largest channel-independent libraries for children's and family entertainment in Europe. The program includes well-known and popular series such as "Enid Blyton", "Fix&Foxy", "Urmel" or "Altair". Since 2007, YFE has successfully operated award-winning pay-TV channels, which were renamed "Fix&Foxy" in December 2014 and have established themselves worldwide. The channels are available in the DACH region as well as in Africa, the Middle East and the Americas. The free-TV channel "RIC", which was put into operation in September 2012, is freely receivable in the DACH region and since 2019 the international distribution of "RIC" has also been promoted. In addition, YFE operates over 20 mobile TV channels in Austria on the Hutchison 3 TV platform.

2. INTERIM FINANCIAL STATEMENTS ON 06/30/2021

2.1 BALANCE SHEET

<i>ASSETS (in €)</i>	06/30/2021	12/31/2020
A. Fixed assets		
I. Intangible assets		
1. Concessions, industrial property rights and similar rights and values acquired for consideration, as well as licenses in such rights and values	7,521.40	11,334.65
2. Film assets and other rights acquired for a consideration	16,782,913.86	16,637,540.54
	16,790,435.26	16,648,875.19
II. Tangible Assets		
Other equipment, operational and office equipment	17,496.80	20,597.00
	16,807,932.06	16,669,472.19
B. Current assets		
I. Accounts receivable and other assets		
1. Trade receivables	578,377.29	364,783.99
2. Other assets	77,101.31	21,951.64
	655,478.60	386,735.63
II. Cash on hand and balances with credit institutions	6,161.96	229,068.28
	661,640.56	615,803.91
C. Accruals and deferrals		
		87,465.75
		25,974.97
	17,557,038.37	17,311,251.07

<i>LIABILITIES (in €)</i>	06/30/2021	12/31/2020
A. Shareholders' equity		
I. Subscribed capital	10,457,730.00	10,457,730.00
less the Nominal value of treasury shares	<u>-63,500.00</u>	<u>-63,000.00</u>
Issued capital	10,394,230.00	10,394,730.00
II. Capital reserve	2,839,997.52	2,840,227.52
III. Carry forward	-5,010,258.20	-5,057,311.95
IV. (Semi-)Annual net profit	<u>27,867.07</u>	<u>47,053.75</u>
	8,251,836.39	8,224,699.32
B. Provisions & accrued liabilities		
1. Pension provision and similar obligations	337,288.88	350,054.00
2. Other provisions and accrued liabilities	<u>377,644.58</u>	<u>450,583.29</u>
	714,933.46	800,637.29
C. Liabilities		
1. Bonds thereof convertible: € 4,375,460.00 (PY. €k 4,375)	4,375,460.00	4,375,460.00
2. Loans from credit institutions	3,768,380.47	3,490,495.79
3. Advance payments received on account of orders	0.00	2,000.04
4. Accounts payable, trade	304,417.26	337,257.24
5. Other liabilities	<u>98,927.45</u>	<u>56,027.99</u>
	8,547,185.18	8,261,241.06
D. Accruals and deferrals	43,083.34	24,673.40
	<u>17,557,038.37</u>	<u>17,311,251.07</u>

2.2 INCOME STATEMENT (P&L)

(values in €)

	1/1 - 06/30/2021	1/1 - 06/30/2020
1. Sales revenue	1,478,088.98	1,457,279.95
2. Other operating income	741,233.22	631,400.86
	2,219,322.20	2,088,680.81
3. Cost of materials		
a) Cost of licenses, commissions and materials	41,488.75	41,639.68
b) Cost of purchased services	425,708.05	448,592.53
	467,196.80	490,232.21
4. Personnel expenses		
a) Wages and Salaries	492,452.62	576,298.34
b) Social security expenses and Pension scheme expenses and support expenses	63,175.60	69,456.79
	555,628.22	645,755.13
5. Depreciation on intangible assets and property, plant and equipment	568,701.76	592,765.82
6. Other operating expenses	481,179.64	436,366.88
7. Interest and similar expenses	115,711.48	114,740.78
9. Taxes on income	3,037.23	1,100.63
10. Earnings after taxes (semi-annual result)	27,867.07	-192,280.64

3. APPENDIX (SHORTENED)

3.1 INFORMATION ON ACCOUNTING POLICIES

In the present interim financial statements (half-year financial report) for the first half of the year (HY.) in 2021, the same accounting policies were used as in the last annual financial statements (Annual Financial Report as at 31 December 2020).

The profit and loss account is structured according to the total cost method.

3.2 SUBSCRIBED CAPITAL

As of the balance sheet date, the share capital is 10,457,730 No-par-value shares with a proportionate amount of the share capital of € 1.00. At 30 June 2021 the share capital thus amounts to € 10,457,730.00. The shares are in the name, they are fully paid.

3.3 LIABILITY

Collateral in the form of rights and Liabilities arising from film license agreements, which fully cover the line provided, was granted to cover the liabilities to UniCredit Bank Austria AG, Vienna, Austria in the amount of €3,600 thousand as part of the line granted. In addition, the Loans from credit institutions are backed by bills of exchange and blank bills of exchange.

3.4 AUDITOR'S REVIEW

The present interim financial statements were neither audited in accordance with § 317 HGB nor subjected to an audit review by an auditor.

4. INTERIM MANAGEMENT REPORT FOR THE FIRST HALF OF 2021

4.1 REPORT ON EARNINGS, FINANCIAL POSITION AND NET ASSETS

Business performance

The Board of Management manages the company using monthly reporting, among other methods. The Key Data used to manage the company relate in particular to Turnover, EBITDA (earnings before interest, taxes, depreciation and amortization) and liquidity status.

Appreciation and depreciation can have a significant impact on the company's earnings and thus do not allow any conclusions to be drawn about the company's operational business. In order to neutralize this effect, the Management Board decided to focus on the key figure EBITDA, among other things, when managing the company.

For the assessment of the asset situation, the liquidity status and the planning derived from it is also irreplaceable for making investment decisions.

The course of operations in 2021 continued to be shaped by the corona pandemic, so it is all the more gratifying that a slight increase in Sales revenues was recorded and at the same time cost savings were implemented, so that ultimately a slightly positive EBITDA is reported for the first half of 2021, which represents a significant improvement on the same period of the previous year.

Cost saving potential was also identified in the line item rent and ancillary costs. For this reason, the business address of Your Family Entertainment AG will be relocated and will be as follows from October 1, 2021: Your Family Entertainment Aktiengesellschaft, Türkenstraße 87, 80799 Munich.

Sales performance

The **Sales revenue** realized in the 1st half of 2021 in the amount of €k 1,478 were achieved entirely in the "License Sales" segment and were slightly higher by €k 21 than in the previous year (1st half of 2020: €k 1,457).

In principle, fluctuations in sales development can occur as a result of project transactions and/or so-called "package" deals. Furthermore, sales revenue is deferred due to the rules of accounting, as sales are not recognized until the beginning of the license period. This effect can lead to shifts in Sales revenues to later periods.

Earnings development

As of June 30, 2021, the company reported a profit of €k 28 (1st half of 2020: €k -192).

Earnings before depreciation, appreciation, interest and taxes (**EBITDA**) €k 12 (1st half of 2020: €k -103) and could thus be improved by T € 115.

Which **other operating income** in 1st half 2021 total €k 741 (1st half of 2020: €k 631) and essentially include the appreciation on the Value of film assets of €k 704 (1st half of 2020: €k 620), which were carried out on the basis of the impairment test carried out on 30 June 2021.

The **appreciation** on the Value of film assets **unscheduled depreciation** in the amount of €k 58 (1st half of 2020: €k 11), which were carried out on the basis of the impairment test carried out at the reporting date (06/30/2021). Overall, the **Depreciation on intangible assets and property, plant and equipment** in the 1st half of 2021 €k 569 (1st half of 2020: €k 593).

Other operating expenses increased to €k 481 compared to the same period of the previous year (1st half of 2020: €k 436).

Financial and asset position

The Total balance sheet amount compared to the balance sheet date of the previous year, €k 17,557 (12/31/2020: €k 17,311). At 47%, the Shareholders' equity ratio is approximately at the level of the last balance sheet date (12/31/2020: 48 %).

Intangible assets (mainly paid Film assets and other rights acquired for a consideration) increased to €k 16,790 (12/31/2020: €k 16,649).

Investments

In 1st half of 2021, the company generated a total of €k 3 (1st half of 2020: T € 4).

4.2 RISK, OPPORTUNITY AND FORECAST REPORT

The following risks are likewise taken into account in the company's deliberations and in the risk management system. The aim is to avoid these risks or to counteract them with appropriate measures.

4.2.1 Business risk and organization

Fluctuations in future business results

During a financial year and also from year to year, Your Family Entertainment AG - as in general with companies in film and TV production - can experience fluctuations in sales and operating profit. These fluctuations have a variety of causes, such as for example the scope and timing of completion of new productions, the scope and timing of the sales of films and television rights, as well as market- and competition-related influences on the demand for products and, consequently, on sales prices. Due to the large number and complexity of the parameters that are included in the individual valuation of the film titles, fluctuations due to additions and depreciation in the balance sheet approach to the Value of film assets cannot be ruled out either.

At the time of the preparation of these semi-annual financial statements, the coronavirus remains active. The consequences are not yet fully foreseeable. Effects in the media industry were and are felt by the fact that, for example, one of the most important trade fairs in Cannes, France, was canceled in spring and trade fairs were held exclusively virtually.

At the moment, a loosening is felt here, i.e., the trade fair in Cannes, which will take place in October 2021, will be a trade fair with a physical presence, but interested parties from America and Asia will either not participate at all or not participate in the usual number. In addition, personal customer appointments and meetings, travel as well as workshops etc. are possible, but not yet at the level as before the pandemic.

Whether statements from the past confirm that more media are consumed in economically difficult times, and that this even represents an opportunity for the industry, has yet to be confirmed, since such an "exceptional situation" with school, daycare and store closures and bans on going out, as well as a restriction of freedom of assembly, has only existed in wartime in Europe. No one can seriously predict the consequences for the economy at this point in time. For this reason, this situation continues to pose a risk to the company, with possible effects on net assets, financial position and results of operations. However, the potential impact cannot be quantified at the time of the preparation of this report in September 2021.

Cyber attacks

The YFE assumes that global cyber-attacks will continue to increase in the future. Due to the implemented procedures, the Management Board currently assumes that the occurrence of IT risks is unlikely. Expenses for the recovery of files and the delays in

deliveries to customers could have a short-term impact on the situation of the company if such an attack were successful. Precautions have been taken to minimize this effort.

4.2.2 External risks / market risk

Competitive risks

The relevant film and television market for YFE is still characterized by the influence of a process of consolidation and concentration, both among producers and customers. These developments can have implications on the demand for programs. The target group of TV channels or groups of channels, in particular, perform a break-even analysis on the programs they broadcast to a much greater extent than in the past. In combination with the increasing multiple evaluation of individual productions in the industry and the introduction of own platforms for the exploitation of own productions leads to a more efficient use of endogenous program resources and thus to reduced new investments. Moreover, external factors such as current consumer and leisure behavior and basic shifts in the advertising market influence the channels' program planning and purchasing policy.

4.2.3 Performance risk / process risk

a) Risks in the production of programs

The production of programs – both produced by the company itself and co-productions – holds a range of operational risks. Basically, the development and production of formats or television programs are usually very cost-intensive and therefore associated with a high financial risk. If, for example, there are delays in completion despite the careful selection of co-production partners or service providers, there may be period shifts in terms of the Turnover and result sought by the company. Moreover, it cannot be excluded that YFE will not have sufficient financial resources available for the development of programs and their production, which is a basic condition for the economic activity of the company.

Co-production

YFE will secure the completion of co-productions through the careful selection of established and reliable co-production partners and service providers, but also, if necessary, through hedging instruments such as insurance or completion bonds. YFE also carries out regular checks on finances and content during the production. Nevertheless, delays in completion may occur on individual projects, which may lead to the postponement of Turnover and profit from one accounting period to the next.

Order production

If the company, as the producer of a made-to-order production, is responsible for carrying out the production according to contract, the company will usually receive a fixed price for this from the client. The producer therefore bears the risk of possible

budget overruns should it have wrongly estimated the costs of production or should unscheduled costs arise. In the event of a license production, the producer bears the full financing risk until the completed product is delivered. The costs of production and profit, if any, are covered by the license revenues if the production is delivered in accordance with the contract. If the budget is not covered or not fully covered by license sales, however, the producer bears the risk of the resulting loss.

b) Risks associated with the purchase and exploitation of programs

YFE tries to recognize trends in the program sector and in channel requirements as early as possible to tailor its own product range accordingly. In doing so, the company has to take into account the currently restrictive purchasing policy of the broadcasters and its own restrictions with regard to investment opportunities and protection of the productions. The company has concluded a variety of contracts with licensors for the licensing of programs. On the one hand, the company carries the general contractual risks, such as the risk of (non-)fulfilment. Moreover, a variety of copyrights and ancillary copyrights have to be transferred to the relevant customers as part of the contracts. The company must therefore ensure, within the framework of its contracts with those involved in the production of the particular program, that the necessary copyrights and ancillary copyrights are transferred to the company in order to avoid infringements of industrial property rights (e.g., copyrights, license rights and personal rights). Although the company provides internal and external legal advice, it cannot be ruled out that third-party claims may be asserted with regard to the aforementioned property rights, which could have a significant negative impact on the company's assets, financial position and results of operations.

The amortization of value of film assets (i.e., the rights of use and exploitation referred to above) and the other rights depend on the exploitation of the film rights. The distribution-dependent amortization is performed in accordance with the ratio of the actual sales in the financial year to the total expected revenue from the exploitation of film rights including the actual sales in that financial year. Moreover, an impairment test is carried out on each balance sheet cut-off date. It cannot be completely ruled out that in the future as well, the level of the valuation of the film library will be significantly changed, in part by the undertaking of impairment tests. Two thirds of the company's catalogue of film rights, which currently consists of around 155 titles, is made up of licenses from third parties, while only one third of the titles are owned or co-produced. In addition, there are programs from third parties which we have been authorized to sell. These titles are not held in fixed assets and are not subject to film valuation. The licenses from third parties in YFE's possession have not been granted indefinitely, but generally for a limited period of time. YFE may no longer use these licenses should it not be possible to renew a large part of them on expiry. Consequently, an essential part of the library and thus the basis of the company would cease to exist. This may have negative implications for the company's asset, financial and earnings situation.

There is an inherent risk that receivables from the exploitation of programs will remain unpaid. The Board of Management assumes that the default risks in total are sufficiently covered.

4.2.4 Financial risks

On the subject of liquidity risk monitoring, please refer to the description in section 4.2.5 Risk Management.

a) Maturity of the convertible bond (2020/2022)

The convertible bond (2020/2022) of € 4.375 million will come due on April 1, 2022. From today's perspective, the Management Board plans to replace the non-convertible share by issuing a new convertible bond. As already stated in the Annual Financial Report 2020, the refinancing of the convertible bond is secured.

(b) Access to external financing, interest rate risks, Interest rate hedges

As part of a credit line agreement with Bank Austria AG, Vienna, Austria, YFE transferred securities in form of titles and claims from film license contracts to the bank. YFE may find it significantly more difficult to take up further loans if valuable securities are not released. If the company is unable to acquire additional loans should they be required, this may have considerable negative implications for the company's asset, financial and earnings situation.

c) Exchange rate fluctuations, hedging transactions

The company's current and future activities outside the area of the European Monetary Union are partly transacted in currencies other than the euro, either by YFE or by its distribution partners. The applicable exchange rates are subject to fluctuations which cannot be foreseen and which may possibly prevent the company from generating a stable income. There is an inherent risk of losses from such exchange rate fluctuations.

Unfavorable exchange rate fluctuations or costs incurred in the future for currency hedging could therefore have negative effects on the development of sales and, consequently, on the asset, financial and earnings situation of the company.

At present, the company has not concluded any currency hedging transactions.

(d) Other financial instruments

An attempt is made to counteract bad debts by means of contractual agreements on prepayment and / or by securing guarantees for the performance of contracts from major European banks. Receivables will be regularly inspected as part of the process for determining the specific provisions for bad debt.

4.2.5 Risk Management

All general and operational risks are regularly recorded, assessed and risk minimization measures are determined.

We see risk management as a core responsibility of the Board of Management, the managers and all employees.

The risk management policy of Your Family Entertainment AG is divided into the following four steps:

Risk identification

Risk assessment

Risk management

Risk monitoring

For each of these steps, we have developed suitable instruments adapted to the size of the company, which have time horizons of less than one year to several years, depending on the content.

Regular discussions between the Management Board and the second management level are a central instrument of the company's risk management. These discussions serve to recognize, assess and, if necessary, counteract risks in time and to monitor the measures taken. Moreover, the second management tier informs the Board of Management about risks which may unexpectedly occur outside these regular meetings.

Particular facts are discussed promptly by the Board of Management and the Supervisory Board.

We use the following three instruments for continuous risk monitoring: Liquidity management, sales controlling and balance sheet controlling. By ensuring regular and systematic control of these areas, all major operational and structural risks of the company's business activities are monitored. The overall responsibility for the monitoring of these risks lies with the company's Board of Management.

The aim of liquidity management is to continuously review and ensure the solvency of the company. Liquidity management is based on four reports, the medium-term 24-

month liquidity planning, the annual liquidity planning in the context of budget preparation, the rolling liquidity forecast and the daily liquidity status.

Since the 2021 financial year, the annual liquidity planning has been extended to a period of 24 months (at the time of the preparation of the annual financial statements). This medium-term liquidity planning for the period April 2021 to March 2023 was submitted to the Supervisory Board during the preparation of the financial statements (annual financial statements 2020) and has thus become part of the company's early risk detection system in order to identify any liquidity requirements at an early stage and to counteract them.

The purpose of sales controlling is to recognize, quantify and develop the sales potential of the company by planning and coordinating the sales activities. This ensures that realizable medium-term sales potential is recognized, expenses and investments are covered by realizable income and realistic cash flow plans can be drawn up. Further, based on the sales planning, the sales activities of the company are planned. In addition, these figures are checked for plausibility using a rights-based approach.

The purpose of balance sheet controlling is to monitor the balance sheet items in order to recognize necessary corrective measures in time, in particular a shareholders' equity deficiency. Balance sheet controlling consists of three pillars, the audited annual financial statements, the semi-annual financial report and the continuous balance sheet controlling.

In addition, a monthly report featuring a break-even analysis is prepared. The development of the particular market and business is also updated in an internal rolling forecast. Short-term budgeting is therefore used both as an important early warning system and as the basis for variance analyses and budget control.

In principle, the risk management system serves to avoid risks. As some of the risks lie outside the Board of Management's sphere of influence, even a functioning risk management system is unable to guarantee that all risks are eliminated. As such, developments may occur that deviate from the Board of Management's plans.

4.2.6 Opportunities

In addition to the high-quality and broad program library with around 3,500 half-hour programs, the many years of experience in the production of television programs and the extensive cooperation network with purchasing broadcasters can be seen as the strengths of Your Family Entertainment AG.

Significant potential for the development of the company is the ongoing expansion of the pay-TV channel "Fix&Foxi", through the acquisition of further platforms and thus ultimately of subscribers, and the free TV channel "RIC", through the possibilities of advertising time marketing.

Furthermore, the company's opportunities lie in an even better exploitation of its stock of rights via new distribution channels, supported by the development of exploitation and production concepts. The value-oriented approach pursued in this respect as regards content clearly distinguishes the company from its competitors.

The progressive digitalization and the thus changed possibilities and/or habits of media consumption continue to develop into positive framework conditions.

The aforementioned opportunities provide a balanced basis on which to continue developing the company.

4.2.7 Overall assessment of the risk and opportunity situation

The overall picture of the risk and opportunity situation of the company is composed of the individual risks and opportunities presented in all risk and opportunity categories.

Apart from the stated risk categories, there are unforeseen events that could disrupt business operations.

The opportunities and risks have not changed significantly from the previous year. There is no evidence of any risks that, by themselves or in combination with other risks, could jeopardize the company's continued existence either on the balance sheet cut-off date or at the time of preparing the Annual Financial Statement.

In order to identify risks and opportunities at an early stage and to successfully address the currently existing risk and opportunity situation, the established risk and opportunity management system is continuously monitored and further developed.

4.2.8 Forecast report

As in previous years, the company will continue to focus more and more on expanding its international and national broadcasting activities. Both in the free TV area with "RIC", as well as in the pay TV area with "Fix&Foxi", a further development of the markets is sought.

In addition, the company would like to benefit from the rapidly increasing development in the VOD sector driven by the Covid-19 pandemic and concentrate on this business area even more than in the past. The size of the film library in the area of children's and family programs is a good starting point for society not only for supplying existing customers, but also for basic equipment of new players.



Although the development of sales and earnings will continue to be subject to natural fluctuations in the future due to the dependence on projects or so-called “package deals”, the greater concentration on broadcasters is intended to provide further impetus for strong sales growth in addition to the stabilizing element of continuity of sales.

The Management Board expects sales for the current 2021 financial year to be slightly higher than in the previous year, with slightly positive EBITDA. However, this assumption is based on the fact that currently ongoing negotiations with potential customers will be concluded in a revenue-effective manner this year.

Thus, and taking into account the development of the ongoing corona pandemic, the future situation may deviate significantly from the forecast of the Management Board.

5. ASSURANCE OF LEGAL REPRESENTATIVES (*BILANZEID*)

"To the best of our knowledge, in accordance with the applicable accounting principles for interim reporting, the interim financial statements give a true and fair view of the company's net assets, financial position and results of operations, and the interim management report presents the course of business including the results of operations and the position of the company in such a way as to give a true and fair view, as well as the material opportunities and risks of the company's anticipated development in the remaining financial year."

Munich, 09/30/2021

Your Family Entertainment AG

The Board of Management

Dr. Stefan Piëch
CEO

Bernd Wendeln
COO

6. FINANCIAL CALENDAR 2021

> 04/29/2021	Publication of Annual Financial Report 2020
> 06/29/2021	Annual General Meeting 2021
> 09/30/2021	Publication of Semi-annual Financial Report 2021

7. LEGAL NOTICE / CONTACT

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