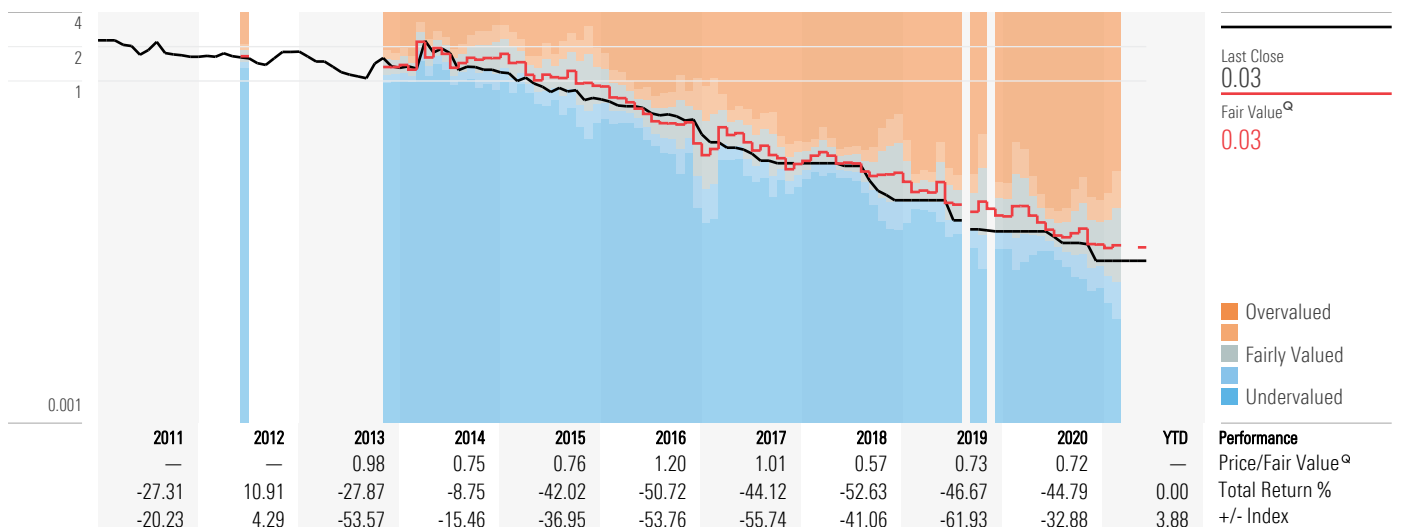


# Imaginarium SA **IMG** ★★★ 1 Mar 2021, 23:37 UTC

<b>Economic Moat</b> <sup>Q</sup>	<b>Uncertainty</b> <sup>Q</sup>	<b>Price/Fair Value</b> <sup>Q</sup>	<b>Trailing Dividend Yield %</b>	<b>Market Cap</b> 10.7146 Mil	<b>Investment Style</b> Small Value	<b>Sector</b> Consumer Cyclical	<b>Industry</b> Specialty Retail
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Total Return % as of 14 May 2021. Last Close as of 14 May 2021. Fair Value as of 1 Mar 2021, 23:37 UTC. Index: Morningstar Spain GR EUR.

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## Valuation <sup>Q</sup> as of —



Last Close  
**0.03**  
Fair Value<sup>Q</sup>  
**0.03**  
Uncertainty<sup>Q</sup> :  
—

IMG is — at a — %

**Economic Moat** <sup>Q</sup>

**Financial Health** <sup>Q</sup>  
Moderate

**1-Star Price** <sup>Q</sup>

> —

**5-Star Price** <sup>Q</sup>

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## Financials as of — (Fiscal Year End 31 Jan 2020)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	YTD	Fiscal
Revenue (Mil)	92	97	102	105	102	99	83	49	30	22	22	Revenue (Mil)
Operating Income (K)	2,699	3,117	-1,814	-755	-4,180	-2,551	-3,238	-7,098	-6,750	-7,683	-7,683	Operating Income (K)
Operating Margin (%)	2.94	3.21	-1.78	-0.72	-4.1	-2.57	-3.9	-14.34	-22.69	-35.14	-35.14	Operating Margin (%)
Net Income (Mil)	0.39	0.43	-2.78	-4.41	-7.44	-9.06	-18.69	-12.80	23.41	-8.29	-8.29	Net Income (Mil)
Diluted Earnings/Share	0.02	0.02	-0.16	-0.26	-0.44	-0.42	-0.86	-0.10	0.10	-0.02	-0.02	Diluted Earnings/Share
Operating Cash Flow (K)	6,336	7,799	-3,614	2,944	-5,896	-1,685	1,102	-8,765	-5,947	-8,362	-8,362	Operating Cash Flow (K)
Capital Spending (K)	-5,715	-3,794	-4,914	-3,476	-4,133	-1,151	-1,280	—	-284	-650	-650	Capital Spending (K)
Free Cash Flow (Mil)	0.62	4.01	-8.53	-0.53	-10.03	-2.84	-0.18	-8.77	-6.23	-9.01	-9.01	Free Cash Flow (Mil)
Avg Shares Outstand(Mil)	18	—	18	17	17	22	22	134	234	404	404	Avg Shares Outstand(Mil)
Dividend Per Share	—	—	—	—	—	—	—	—	—	—	—	Dividend Per Share

## Valuation as of —

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Current	Calendar
Price/Fair Value <sup>Q</sup>	—	—	0.98	0.75	0.76	1.20	1.01	0.57	0.73	0.72	—	Price/Fair Value <sup>Q</sup>
Price/Sales	0.30	0.32	0.22	0.19	0.11	0.08	0.06	0.52	0.38	0.49	0.49	Price/Sales
Price/Earnings	26.90	183.29	—	—	—	—	3.54	0.12	0.48	—	0.48	Price/Earnings
Price/Cash Flow	3.79	8.60	—	3.47	—	6.02	9.64	—	—	—	4.57	Price/Cash Flow
Price/Book	1.37	1.50	1.38	1.88	3.93	—	—	—	4.54	3.64	3.64	Price/Book

## Operating Performance as of — (Fiscal Year End 31 Jan 2020)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Q3	Fiscal (%)
Return on Assets	0.65	0.67	-4.08	-6.38	-10.48	-13.59	-36.39	30.24	72.05	-28.27	—	Return on Assets
Return on Equity	1.55	1.66	-11.62	-22.98	-58.61	-157	—	—	1842	-305	—	Return on Equity
Rtn on Invested Capital	3.39	0.98	-6.06	-9.54	-16.44	-21.38	—	—	5.05	-116	—	Rtn on Invested Capital

## Business Description

Imaginarium SA operates a chain of toy stores. The company offers various toys comprising wheel, furniture, and childcare toys to various customers, including educational institutions, such as schools, nurseries, or playgroups.

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Morningstar's quantitative equity ratings consist of: (i) Quantitative Fair Value Estimate, (ii) Quantitative Star Rating, (iii) Quantitative Uncertainty, (iv) Quantitative Economic Moat, and (v) Quantitative Financial Health (collectively the "Quantitative Ratings").

The Quantitative Ratings are calculated daily and derived from the analyst-driven ratings of a company's peers as determined by statistical algorithms. Morningstar, Inc. ("Morningstar", "we", "our") calculates Quantitative Ratings for companies whether or not it already provides analyst ratings and qualitative coverage. In some cases, the Quantitative Ratings may differ from the analyst ratings because a company's analyst-driven ratings can significantly differ from other companies in its peer group.

- i. **Quantitative Fair Value Estimate:** Intended to represent Morningstar's estimate of the per share dollar amount that a company's equity is worth today. Morningstar calculates the Quantitative Fair Value Estimate using a statistical model derived from the Fair Value Estimate Morningstar's equity analysts assign to companies. Please go to <http://global.morningstar.com/equitydisclosures> for information about Fair Value Estimate Morningstar's equity analysts assign to companies.
- ii. **Quantitative Economic Moat:** Intended to describe the strength of a firm's competitive position. It is calculated using an algorithm designed to predict the Economic Moat rating a Morningstar analyst would assign to the stock. The rating is expressed as Narrow, Wide, or None.
  - Narrow** – assigned when the probability of a stock receiving a "Wide Moat" rating by an analyst is greater than 70% but less than 99%.
  - Wide** – assigned when the probability of a stock receiving a "Wide Moat" rating by an analyst is greater than 99%.
  - None** – assigned when the probability of an analyst receiving a "Wide Moat" rating by an analyst is less than 70%.
- iii. **Quantitative Star Rating:** Intended to be the summary rating based on the combination of our Quantitative Fair Value Estimate, current market price, Quantitative Uncertainty Rating, and momentum. The rating is expressed as One-Star, Two-Star, Three-Star, Four-Star, and Five-Star.
  - ★ – the stock is overvalued with a reasonable margin of safety.  
 $\text{Log (Quant FVE/Price)} < -1 * \text{Quantitative Uncertainty}$   
*Micro-Caps:  $\text{Log (Quant FVE/Price)} < -1.5 * \text{Quantitative Uncertainty}$*
  - ★★ – the stock is somewhat overvalued.  
 $\text{Log (Quant FVE/Price)}$  between  $(-1 * \text{Quantitative Uncertainty}, -0.5 * \text{Quantitative Uncertainty})$   
*Micro-Caps:  $\text{Log (Quant FVE/Price)}$  between  $(-1.5 * \text{Quantitative Uncertainty}, -0.75 * \text{Quantitative Uncertainty})$*
  - ★★★ – the stock is approximately fairly valued.  
 $\text{Log (Quant FVE/Price)}$  between  $(-0.5 * \text{Quantitative Uncertainty}, 0.5 * \text{Quantitative Uncertainty})$   
*Micro-Caps:  $\text{Log (Quant FVE/Price)}$  between  $(-0.75 * \text{Quantitative Uncertainty}, 0.75 * \text{Quantitative Uncertainty})$*
  - ★★★★ – the stock is somewhat undervalued.  
 $\text{Log (Quant FVE/Price)}$  between  $(0.5 * \text{Quantitative Uncertainty}, 1 * \text{Quantitative Uncertainty})$

## Uncertainty

*Micro-Caps:  $\text{Log (Quant FVE/Price)}$  between  $(0.75 * \text{Quantitative Uncertainty}, 1.5 * \text{Quantitative Uncertainty})$*

★★★★ – the stock is undervalued with a reasonable margin of safety.

$\text{Log (Quant FVE/Price)} > 1 * \text{Quantitative Uncertainty}$

*Micro-Caps:  $\text{Log (Quant FVE/Price)} > 1.5 * \text{Quantitative Uncertainty}$*

After the initial calculation for the star rating, there is a final filtering step based on the momentum of the company. We rank the companies based on their 12-1 month momentum, then restrict those below the 30th percentile to a maximum of 3 stars.

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**Low** – the interquartile range for possible fair values is less than 10%

**Medium** – the interquartile range for possible fair values is less than 15% but greater than 10%

**High** – the interquartile range for possible fair values is less than 35% but greater than 15%

**Very High** – the interquartile range for possible fair values is less than 80% but greater than 35%

**Extreme** – the interquartile range for possible fair values is greater than 80%

v. **Quantitative Financial Health:** Intended to reflect the probability that a firm will face financial distress in the near future. The calculation uses a predictive model designed to anticipate when a company may default on its financial obligations. The rating is expressed as Weak, Moderate, and Strong.

**Weak** – assigned when Quantitative Financial Health < 0.2

**Moderate** – assigned when Quantitative Financial Health is between 0.2 and 0.7

**Strong** – assigned when Quantitative Financial Health > 0.7

## Other Definitions

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**Fairly Valued – Last Price** is in line with Morningstar's quantitative fair value estimate.

**Overvalued – Last Price** is above Morningstar's quantitative fair value estimate.

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