



# MM

## Media Monthly

---

### Report Summarizing Select Media & Entertainment Activity

October 2022

---



SOLOMON  
PARTNERS

# SMASHING IT: OOH + AV THE SOLOMON PARTNERS COCKTAIL PARTY

Join us in our offices to celebrate  
New York Digital Signage Week.

Wednesday, October 12th  
6:00 PM - 7:30 PM

1345 Avenue of the Americas - 31st Floor  
New York City

Registration is required, please visit  
<https://smashingitooohav2022.splashthat.com/> to RSVP



# SOLOMON PARTNERS MEDIA & ENTERTAINMENT SUMMIT

January 24-25, 2023

New York City

JOIN US FOR OUR INAUGURAL IN-PERSON SUMMIT IN MIDTOWN

Connect with over 75 industry leaders, investors, and experts focused on the physical world of media and technology. Our moderated panels, presentations and meetings will highlight the latest in marketing, tech services, digital signage hardware & software, advertising, experiential entertainment, and more!



**ADVERTISING  
& MARKETING**



**TECHNOLOGY  
SERVICES**



**DIGITAL  
SIGNAGE**



**EXPERIENTIAL  
ENTERTAINMENT**

# RECENT SOLOMON PARTNERS TRANSACTIONS

SEPTEMBER 2022

Interstate Chicago, a JV between



Has sold its majority stake in

**INTERSTATE JCDecaux**

to

**JCDecaux**

Served as financial advisor to Interstate Chicago

AUGUST 2022

**KKR**

Sale of

**CARDENAS**

to

**APOLLO**

Serving as financial advisor to Cardenas and KKR

AUGUST 2022

\$3,500,000,000



**DIGITAL REALTY**

Acquisition of a majority stake in

**TERACO**<sup>™</sup>

DATA ENVIRONMENTS

Serving as financial advisor to Digital Realty

AUGUST 2022

**OMERS** | Private Equity

To Acquire



A portfolio company of



Served as financial advisor to OMERS Private Equity

JULY 2022



**LINEAR ROOFING**  
GENERAL CONTRACTORS, LLC

Has been acquired by



A portfolio company of

**O2** O2 Investment Partners, LLC

Served as exclusive financial advisor to Linear Roofing

JULY 2022



Has acquired

**watchfire**

Served as financial advisor to H.I.G. Capital

JULY 2022



**STAR AMERICA**  
INFRASTRUCTURE PARTNERS

Has invested in



**CANADIAN**  
FIBER OPTICS

Served as financial advisor to Star America Infrastructure Partners

JUNE 2022



Dividend recapitalization financed by new senior secured credit facility

Served as financial advisor to AMI Entertainment Network

JUNE 2022



Sale to



Served as financial advisor to Onera

## Media & Entertainment

**Mark A. Boidman**  
Head of Media & Entertainment  
W | 212.508.1661  
M | 917.526.1092  
mark.boidman  
@solomonpartners.com  
Twitter: @MBoidman

**Adam Jaffe**  
Director  
W | 212.508.1695  
M | 407.342.0682  
adam.jaffe  
@solomonpartners.com

**Ben Zinder**  
Director  
W | 212.508.1621  
M | 646.522.8353  
ben.zinder  
@solomonpartners.com

**Jonathan Berger**  
Vice President  
W | 646.378.4062  
M | 973.464.8979  
jonathan.berger  
@solomonpartners.com

**Christian Bermel**  
Associate  
W | 646.708.8478  
M | 860.371.5882  
christian.bermel  
@solomonpartners.com

**Brendan Kirk**  
Associate  
W | 646.708.8474  
M | 715.410.8962  
brendan.kirk  
@solomonpartners.com

**Matt Fryfield**  
Senior Analyst  
W | 646.293.7303  
M | 732.939.7946  
matthew.fryfield  
@solomonpartners.com

**Kate Plassman**  
Analyst  
W | 646.293.7343  
M | 734.363.9141  
kate.plassman  
@solomonpartners.com

**Blake McCann**  
Analyst  
W | 646.293.7339  
M | 336.403.8459  
blake.mccann  
@solomonpartners.com

**Christian Kasmikha**  
Analyst  
W | 646.293.7350  
M | 248.904.0087  
christian.kasmikha  
@solomonpartners.com

**Trae Smith**  
Analyst  
W | 646.293.7365  
M | 602.317.1252  
trae.smith  
@solomonpartners.com

**Ricky Yoo**  
Analyst  
W | 646.293.7369  
M | 770.876.8715  
ricky.yoo  
@solomonpartners.com

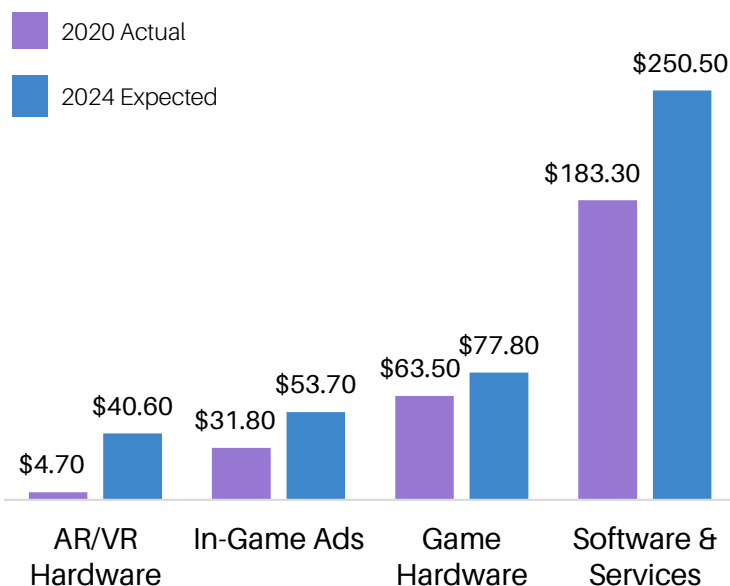
# MARKETING IN THE METAVERSE

The metaverse is evolving into a platform where people can work, socialize and engage in immersive, real-time experiences ranging from virtual learning to multiplayer gaming. The digital landscape offers virtual economic and social systems alongside refined consumer experiences that are all designed to enhance day-to-day lives with seamless interoperability. The metaverse’s recent popularity has garnered attention from a diverse set of corporations looking to create value in the sector.

The metaverse’s revenue opportunity is forecasted to reach \$800 billion in 2024 reflective of a 13.1% CAGR beginning in 2020<sup>(1)</sup>. The primary market opportunity is largely comprised of gaming software and services which is expected to generate \$413 billion in 2024, 70% of which is to come from software and in-game ads<sup>(1)</sup>.

## METAVERSE GAMING REVENUE OPPORTUNITY MIX<sup>(1)</sup>

(amt in billions, USD)



## INDUSTRY DATA INSIGHTS<sup>(2)</sup>

With the virtual landscape in its early stages, many associate the landscape with online gaming platforms. However, survey results demonstrate that playing video games does not top the list of digital interests for consumers. Over the next five years, 48% of consumers are interested in shopping experiences and 47% for telehealth appointments as compared to the 40% interested in gaming in digital realities<sup>(2)</sup>.

Growing interest and opportunity in the metaverse has footwear brands heavily investing in the virtual retail sphere geared toward augmenting the consumer experience. Digital realities will see large corporate contributions across sectors as virtual alternatives continue to prove their practicality and increased demand outside of gaming.

**3.7 hours/day**

US consumers expect to spend in the metaverse by 2027<sup>(2)</sup>

**59%**

Of consumers prefer at least one activity in the virtual world over its physical alternative<sup>(3)</sup>

**70%**

Of metaverse consumers have made purchases in the metaverse<sup>(3)</sup>

1. Bloomberg

2. McKinsey: Probing reality and myth in the metaverse

3. McKinsey: Value creation in the metaverse

## GENERATING TANGIBLE VALUE IN A VIRTUAL WORLD

The metaverse is quickly being recognized as the single biggest growth opportunity over the next decade for several industries. Most enterprise efforts seen in the digital reality space have been focused on marketing operations, as well as virtual events and meetings. On the consumer front, e-commerce and advertising are expected to generate the most value. However -- when looking at use case potential from a corporate lens -- verticals, including media, advertising, telecommunications, retail and banking are projected to contribute most to the metaverse's forecasted \$5 trillion in impact by 2030<sup>(1)</sup>. Companies and institutions from a variety of fields have already established clear pathways for capitalizing on the interoperability and value prospects of digital landscapes.



Marketing through launch of International Friendship Day NFT collectibles for charity



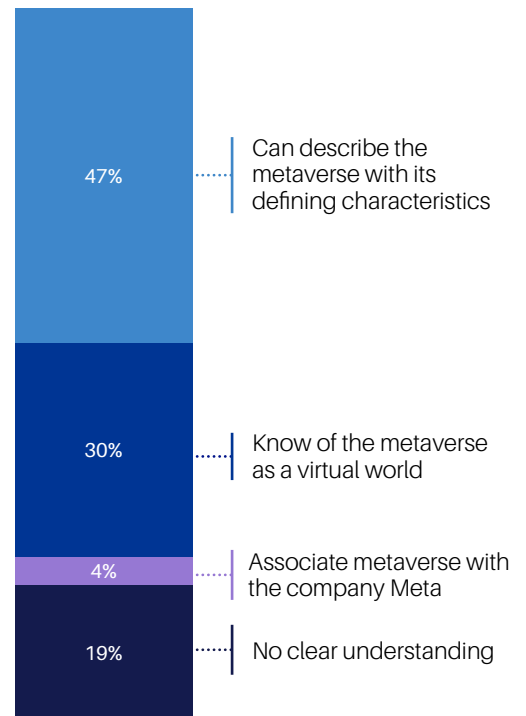
Recruiting efforts in *The Sandbox* - PIX-OWL's virtual world for players to construct and monetize their experience



UCSD launched an international micro-MBA program in its completely virtual campus powered by Virbela remote-work OS

## CONSUMER METAVERSE UNDERSTANDING<sup>(2)</sup>

US consumer understanding of the metaverse, % of survey respondents



## ADVERTISING AND BRAND ACTIVATION IN THE METAVERSE

Given the level of capital being invested in the metaverse by gaming focused companies, the traction the metaverse has gained presents marketers with a newfound scope to captivate consumers. Unique market dynamics driving value in the metaverse must be recognized for such marketing efforts to prove fruitful. Catering to the consumer in the virtual landscape requires companies to clearly define their target audience and subsequently identify metaverse platforms best-fit for promoting their products and brands. The market's current demographic consists largely of Gen Z consumers -- a consumer population accustomed to highly innovative experiences who influence \$500 billion in annual purchases<sup>(2)</sup> -- making high-quality integration a must for all companies looking to advertise.

Forbes indicates that the next few years are critical for companies navigating the metaverse and its potential for advertising. Gaming has so far been the clear pathway for marketing efforts by brands in digital landscapes<sup>(3)</sup>. For example, Air Jordan capitalizing on Fortnite's 350 million+ monthly active users by partnering with Epic Games to offer virtual basketball courts, a virtual Air Jordan museum and avatar wearable shoes<sup>(3)</sup>. It is also noted that other types of advertisements might take the form of interactive digital billboards or banners in a virtual sports game showcasing a brand's metaverse products<sup>(3)</sup>. The direct-to-avatar economy is expected to top \$1 trillion by 2030, which would make it the largest digital economy<sup>(4)</sup>. The metaverse creates a viable, lucrative route for media and retail firms to initiate inventive marketing campaigns. In conclusion, the metaverse offers possibilities for brands to market themselves, connect with younger target audiences and drive organic growth in novel ways as the internet and economy expand into digital reality.

1. McKinsey: Value creation in the metaverse

2. McKinsey: Probing reality and myth in the metaverse

3. Forbes: A Giant Leap for Advertising Kind

4. Ketner Group

# THE NEW WAY TO VIDEO CHAT: HOLOGRAMS

Holograms – the three-dimensional images formed by light beams to create life-like visuals of elements and people – have been seen in science fiction movies, amusement parks and even during the Billboard Awards. Holograms have always captivated audiences for their futuristic properties; however, they have traditionally failed to find successful applications for the everyday consumer. Now, the hologram market has a new target: videoconferencing.

During the height of the pandemic, videoconferencing emerged as a saving grace for businesses as companies were easily able to switch to remote work. With teleconferencing's meteoric success, many businesses permanently adopted a hybrid work model. For employees, however, long hours on the computer and video chat led to virtual fatigue. Companies and entrepreneurs are racing to combat virtual fatigue through the introduction of holograms, which offer a more engaging alternative. The technology to create realistic holograms, however, is complex and costly.

Innovations over the past decade such as increasing bandwidth, enhancing laser light technology and improving network capabilities have made producing holograms a more realistic opportunity, but there are still challenges. With technological developments happening daily, the holographic industry is set to expand rapidly. The global holographic display market was only valued at \$1.13B in 2020<sup>(1)</sup>. This number is expected to jump to \$11.65B by 2030, representing a CAGR of roughly 29%<sup>(1)</sup>.

While the holographic industry is set to grow over the next decade, the two elements that cannot be ignored are cost and infrastructure. Though with the technological advances mentioned previously companies can make holograms, the question whether they can do it in a cost-efficient manner without large, complicated cameras and the extensive web of wires needed for the filming process.

With dozens of companies and startups racing to be pioneers in holographic technology, competition is intense. One well-established tech conglomerate has created a communications platform utilizing virtual reality headsets to create holographic digital collaboration<sup>(2)</sup>. While these headsets do not have a specific hologram use, they are focused on being used by teams to build products, which is more suitable in the engineering and medical fields.

Another firm is working on technology that lets people create hologram versions of themselves, and can best be described as a video booth using virtual reality to create holograms<sup>(3)</sup>. A tech startup based in California even aims to create full-size holograms in a box, though these boxes with built-in cameras and screens can cost upward of \$75,000 each<sup>(4)</sup>.

Presently, the best solution to videoconference exhaustion is finding a less intense interface. For instance, some communication platforms emphasize chat features rather than typical video chats. These are cheaper alternatives than costly holographic initiatives, albeit less captivating.

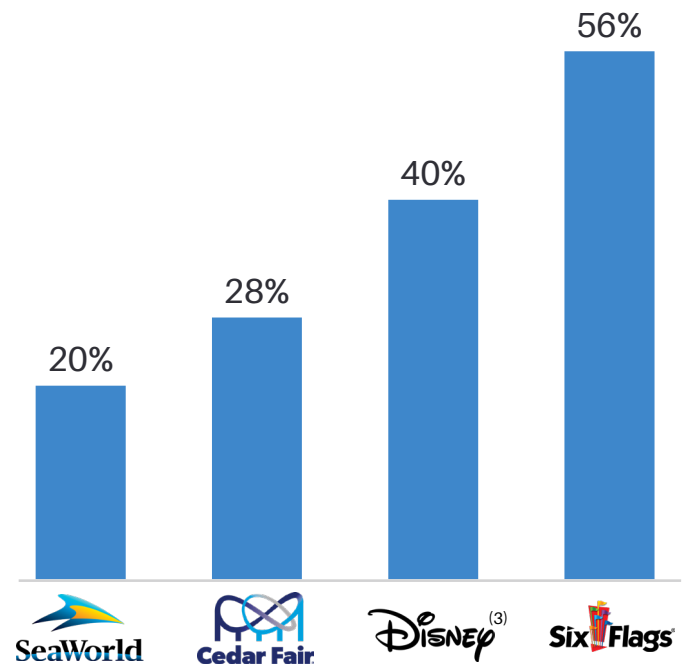


1. Allied Market Research; 2. Today Digital; 3. Wired; 4. Bloomberg

# PREMIUMIZATION OF THEME AND AMUSEMENT PARKS

The amusement and theme park industry experienced one of its strongest revenue years in 2021, prompting many of the largest parks to capitalize on momentum by reinvesting in their operations. Parks and operators have created a more immersive product, and as a result, now charge prices in-line with a premium experience. Operators are focused on improving customer satisfaction through a variety of technological enhancements that create an upscale and differentiated atmosphere. The trend towards “premiumization” is creating an elevated experience at America’s major theme parks, with expensive add-ons becoming essential for operators’ financial performance. With price increases on multiple revenue streams – admission, parking, food, travel and lodging – operators are trading previous record attendance figures for record per capita spending.

## PER CAPITA REVENUE GROWTH VS. 2019<sup>(1)(2)</sup>



## RISING PRICES TO CONTINUE

While consumers are familiar with recent price increases on staple goods and services, the rate at which high-end theme parks have been raising consumer costs exceeds baseline inflation. The cost of a trip to Disneyland for a family of four has outpaced inflation by nearly three times since 1960<sup>(4)</sup>. Premium parks are focusing on guests who are willing to pay more for an elevated experience, expecting drops in attendance to provide further value by decreasing crowding in parks and reducing operational pressures. Disney recently replaced its free FastPass line-skipping program with Genie+, a paid version with additional features such as audio tours and personalized itineraries. Six Flags removed its monthly pass, replacing it with a higher priced season-long pass including premium add-on purchases targeted toward higher paying customers. SeaWorld overhauled its food / merchandise offerings, raising prices to better represent the increased quality and variety.

During COVID, parks looked to improve the customer experience, implementing new technology such as mobile apps, electronic ticketing and virtual queueing to decrease wait times. They worked to become destination vacations as opposed to one-day trips, and many operators built out unique and immersive worlds intended to keep visitors in the park for longer periods of time. As high-end parks continue to invest in IP, new attractions and improved technology, prices will rise to cover these costs. With largely improved experiences, operators are increasingly focused on growing top line revenue by offering more value with less emphasis on growing overall attendance.

1. Company filings  
 2. Period of three months ended between March 27-April 3

3. Includes domestic parks only  
 4. The Hustle





*“Our decision to pursue a premiumization strategy... entails improving the guest experience and charging prices that are in line with the value we deliver our guests... **Our primary objective will be optimizing profits...** We made a conscious decision of trading off attendance for yield.”*

**- Selim A. Bassoul, Six Flags Entertainment CEO, President & Executive Director**

*“A lot of the investments we’ve made over the last several years... [are] all focused on driving more transactions... **We will certainly continue to... try and outpace... those cost growth curves.**”*

**- Brian C. Witherow, Cedar Fair Executive VP & CFO**

*“The main thing we’ve done during the pandemic in our theme parks is **we’ve continued to invest in them...** We added major attractions in all of our parks. We didn’t really slow it down much during the pandemic... We’re building a new park... which is going to continue to **add to our length of stay.**”*

**- Jeffrey S. Shell, NBCUniversal CEO**

*“We continue to realize double-digit pricing increases in our admissions and in-park products... Going forward, **we expect to continue to grow admissions and in-park [per-capita spending] by taking advantage of the pricing environment.**”*

**- Marc G. Swanson, SeaWorld Entertainment CEO**

## REGIONAL PARKS GAINING SHARE

As consumers are priced out of premium amusement park attractions, regional parks have begun to fill the gap. Lower-cost destinations took advantage of the shutdown during the pandemic to improve their product, but with a different focus than national brands. Working with a lower budget, regional players are not constantly investing in IP or building numerous new attractions every season. Instead, they focus on improving existing offerings while still satisfying loyal customers. During 2021, many regional chains extended 2020 annual passes and memberships an extra year for no additional fee<sup>(1)</sup>. Although the discounts reduced revenue, the goodwill gained from customers has had lasting effects on repeat customer rate. Consumers continue to reward local parks as they diversify away from the national brands.

Regional parks do not have to worry about marketing to international and long-stay consumers and are able to focus advertising spend locally. The parks emphasize value relative to their high-priced competition. While national parks attempt to brand as premium, experiential vacation destinations, regional parks are branding as a day of traditional, low-cost, family fun. The strategy appeals to a different customer base than Disney and Universal. Top-end players in the space will become increasingly more expensive to the average family, paving the way for lower-cost alternatives to grow attendance numbers without having to raise prices at the same rate.

1. Themed Entertainment Association

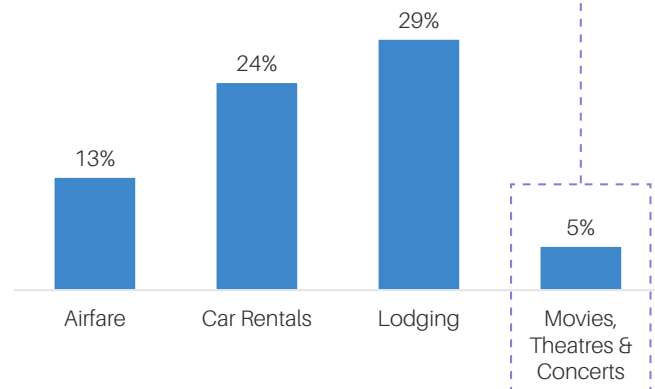
# SITE-BASED AND EXPERIENTIAL ENTERTAINMENT OFFERS RECESSION RESILIENCE

Demand for site-based and experiential entertainment is at record levels, driven by shifting consumer dollars toward experiences. Operators reported record first quarter performance as consumers look for experiential entertainment both close to home and via traditional travel / leisure. The Fourth of July weekend marks a recent travel high, with air travel reaching levels not seen since 2019. High inflation and rising transportation/lodging costs, however, are causing consumers to rethink how they spend their money. Consumers are postponing vacation plans in the back-half of the year and shifting their budgets toward more affordable entertainment alternatives closer to home. For example, flight searches on Kayak are already down 13% in June<sup>(1)</sup> despite record travel numbers. Local venues offering social competitive activities surrounded by affordable food and beverage are expected to outperform during Q3 and Q4.

<p><b>86%</b></p> <p>Of consumers expect to alter their consumption patterns due to inflation<sup>(2)</sup></p>	<p><b>40%</b></p> <p>Of Americans are considering cancelling a trip or vacation if higher prices persist<sup>(3)</sup></p>	<p><b>~13%</b></p> <p>Growth in local entertainment spending during the 2008 Financial Crisis<sup>(4)(5)</sup></p>
---	--	--

## YEAR-OVER-YEAR PRICE CHANGE PERCENTAGE<sup>(6)</sup>

Close-to-home, affordable entertainment has seen fewer price increases than lodging and travel related expenses



*"If you have inflation, high gas prices... it's easiest for [consumers] to spend close to home. Not getting on an airplane... not paying exorbitant hotel prices... not getting in the car and traveling long distances"*

- Tom Shannon, Bowlero Chief Executive Officer

*"Being the close to home, high value, low-cost alternative makes the largely distributed, high unit count bowling business a great place to be in times of economic dislocation."*

*"[During the financial crisis] AMF Bowling center business only saw revenue declines in the low single digits... The revenue resilience of the bowling businesses is extremely high"*

- Brett Parker, Bowlero Chief Financial Officer

## RECESSION RESILIENCE

Close to home, affordable, high value activities have generally responded well to economic downturns. When budgets are restricted, consumers are forced to make sacrifices on spending habits. Larger expenses such as luxury goods or indulgences are scaled back, while consumers increase spending at affordable, local and convenient entertainment alternatives.

Movie theatres, bowling alleys, arcades and mini golf courses have historically performed well in past recessions. Consumers still need to get out of their homes to have experiences with friends and family during economic downturns, with budgets shifting toward more frequent alternatives and away from one-time expensive and extravagant travel outlays. Coming out of a pandemic filled with extended periods of isolation, consumers are participating in the "Great Resurfacing" – showing eagerness to return to venues and live events. As economic uncertainty rises, site-based and experiential entertainment venues are well-positioned to weather any oncoming storm by capitalizing on shifting consumer preferences and capturing discretionary spending originally earmarked for large leisure travel.

1. The Washington Post; 2. Ipsos, 2022; 3. CNBC & Momentive, 2022; 4. White Hutchinson; 5. Time period defined as 2008-2009; 6. NerdWallet.

# MARKET INDICATORS

## Performance

	10/5/2022	% of 52 Week High	1-Month % Change	YTD % Change
Nasdaq Composite	\$11,149	69.4%	(4.1%)	(28.7%)
Dow Jones Industrial	30,274	82.3%	(3.3%)	(16.7%)
S&P 500	3,783	78.9%	(3.6%)	(20.6%)

## Bloomberg Economic Forecast

	4Q22E	1Q23E	2Q23E	3Q23E	4Q23E
Real GDP	-- %	0.60 %	1.00	0.80 %	0.90 %
Core CPI	7.20	5.80	4.00	3.20	2.90
Fed Funds	4.20	4.30	4.25	4.10	3.95
3 Mo. LIBOR	3.55	3.67	3.62	3.33	3.18
10 Yr Treasury	3.37	3.31	3.25	3.15	3.04
Unemployment	3.70	3.90	4.10	4.30	4.40

## SHARE PRICE PERFORMANCE

	Stock Price 10/5/22	1-Week % Change	1 - Month % Change	YTD % Change
<b>OOH Media</b>				
Clear Channel Outdoor	\$1.63	17%	4%	(51%)
JCDecaux	11.97	4%	(9%)	(52%)
Lamar	87.71	2%	(5%)	(28%)
National CineMedia	0.57	(26%)	(49%)	(80%)
OUTFRONT Media	16.38	3%	(5%)	(39%)

OOH Median		3%	(5%)	(51%)
OOH Mean		(0%)	(13%)	(50%)

### Broadcasting

Entravision	\$4.22	1%	(13%)	(38%)
Gray Television	15.24	--	(19%)	(24%)
Nexstar Broadcasting	178.38	5%	(7%)	18%
Sinclair Broadcast Group	19.19	2%	(15%)	(27%)
TEGNA	21.05	(2%)	(2%)	13%

Broadcasting Median		1%	(13%)	(24%)
Broadcasting Mean		1%	(11%)	(12%)

### Diversified Media

Paramount	\$19.57	(1%)	(15%)	(35%)
Fox Corporation	31.54	0%	(7%)	(15%)
Walt Disney	100.80	1%	(9%)	(35%)
Comcast	30.74	(1%)	(14%)	(39%)
Lions Gate	7.99	0%	(19%)	(52%)

Diversified Media Median		0%	(14%)	(35%)
Diversified Media Mean		(0%)	(13%)	(35%)

### Advertising Technology

Criteo	\$27.18	(1%)	(0%)	(30%)
HubSpot	296.71	4%	(6%)	(55%)
The Trade Desk	61.80	(2%)	1%	(33%)
Magnite	7.60	9%	5%	(57%)
QuinStreet	10.87	0%	(7%)	(40%)
Tremor International	3.68	10%	2%	(51%)

Advertising Technology Median		2%	0%	(46%)
Advertising Technology Mean		4%	(1%)	(44%)

### Radio

Beasley Broadcast Group	\$1.12	6%	(7%)	(41%)
Audacy, Inc.	0.41	(3%)	(19%)	(84%)
Saga Communications	23.58	(18%)	(12%)	(2%)
Salem Media	1.68	(10%)	(27%)	(45%)
Townsquare Media	7.66	2%	(8%)	(43%)
Cumulus Media	7.14	(2%)	(24%)	(37%)
Emmis Communications	3.01	--	(14%)	50%

Radio Median		(2%)	(14%)	(41%)
Radio Mean		(4%)	(16%)	(29%)

### Advertising/Marketing

BlueFocus Communication	\$0.63	(2%)	(21%)	(63%)
Cheil Worldwide	16.04	1%	(2%)	(16%)
Dentsu Inc.	29.39	5%	(6%)	(17%)
M&C Saatchi	1.56	9%	(16%)	(32%)
Next Fifteen Communications	9.69	15%	2%	(47%)
Omnicom Group	66.31	3%	0%	(9%)
Publicis Groupe	51.76	10%	7%	(23%)
The Interpublic Group	27.24	4%	0%	(27%)
WPP	8.67	6%	3%	(43%)

Advertising/Marketing Median		5%	0%	(27%)
Advertising/Marketing Mean		6%	(4%)	(31%)

### Diversified Internet

Alphabet	\$101.43	1%	(6%)	(30%)
Amazon	120.95	2%	(5%)	(27%)
eBay	39.12	1%	(11%)	(41%)
Meta	138.98	(2%)	(13%)	(59%)
Netflix	236.73	(3%)	5%	(61%)
Snap	11.20	4%	(0%)	(76%)
Twitter	51.30	19%	33%	19%
fuboTV	3.96	--	17%	(74%)

Diversified Median		1%	(3%)	(50%)
Diversified Mean		3%	2%	(44%)

### Advertising Research

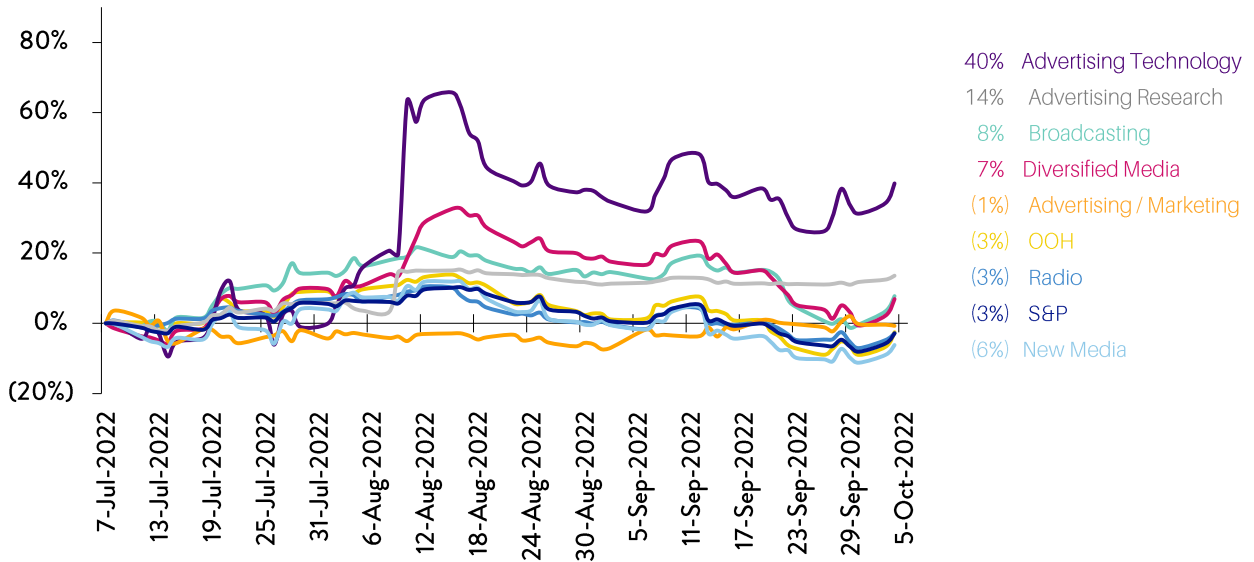
comScore	\$1.55	(14%)	(33%)	(54%)
Nielsen	27.90	0%	0%	36%
Ipsos	45.89	5%	2%	(2%)

Advertising Research Median		0%	0%	(2%)
Advertising Research Mean		(3%)	(10%)	(7%)

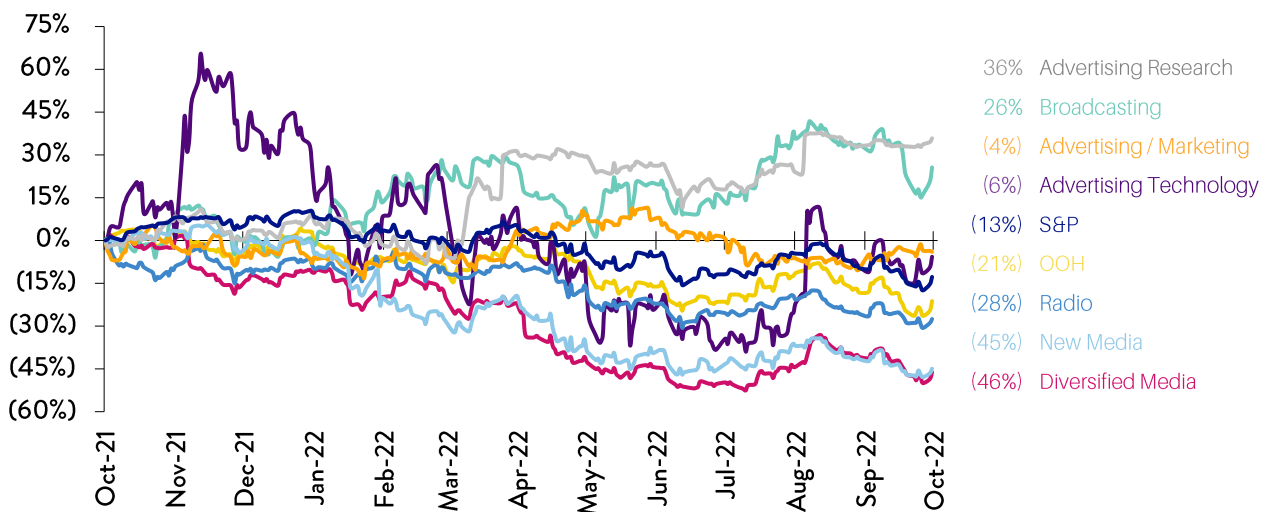
Source: Company information and Capital IQ as of October 5, 2022.

# INDUSTRY SHARE PRICE PERFORMANCE

## Last Three Months



## Last Twelve Months

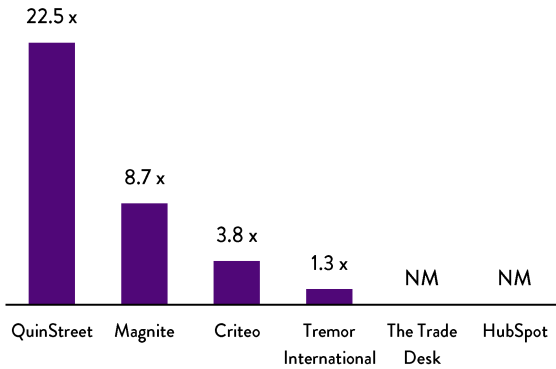


Source: Capital IQ and Wall Street Research as of October 5, 2022.

# EV / 2022E EBITDA

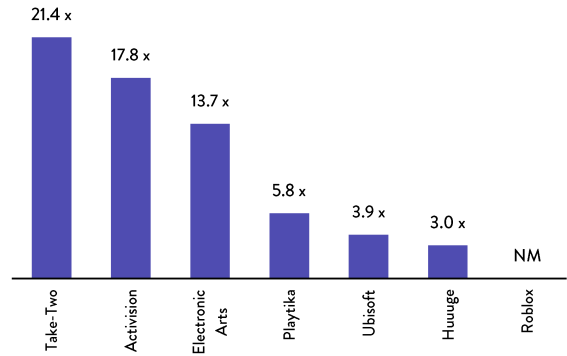
## Advertising Tech

Median: 6.2 x



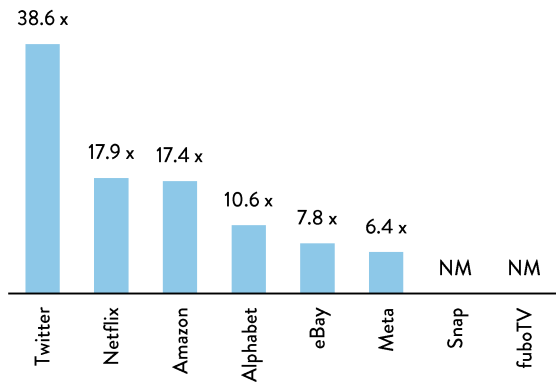
## Video Games

Median: 9.8 x



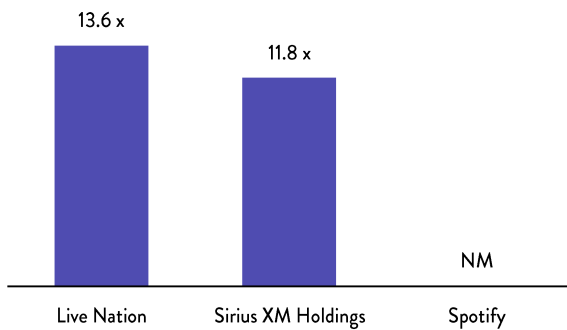
## New Media

Median: 14.0 x



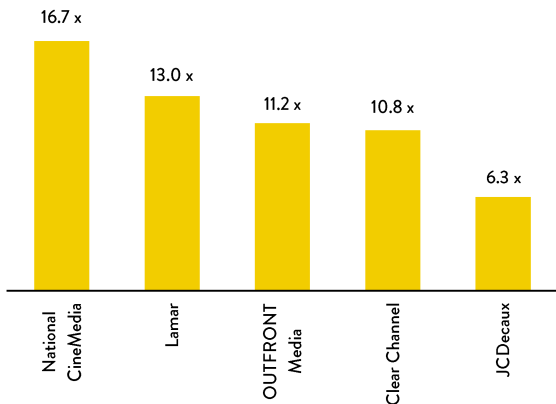
## Music / Events

Median: 12.7 x



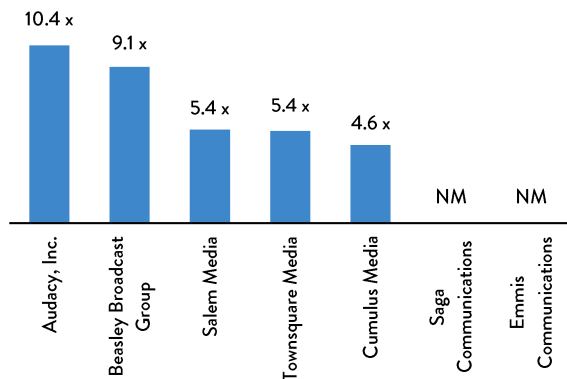
## OOH Media

Median: 11.2 x



## Radio

Median: 5.4 x

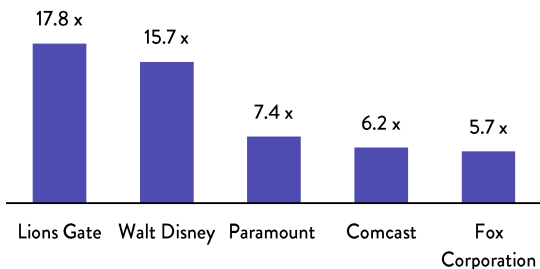


Source: Capital IQ and Wall Street Research as of October 5, 2022.

# EV / 2022E EBITDA (CONT.)

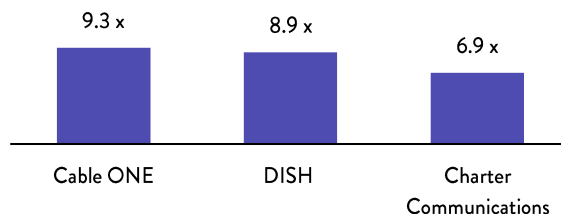
## Diversified Media

Median: 7.4 x



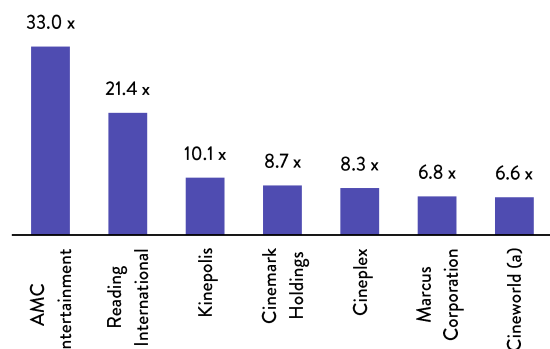
## Cable / Satellite

Median: 8.9 x



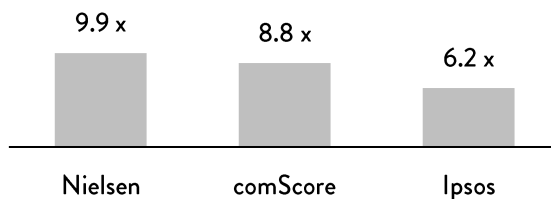
## Theatres

Median: 8.7 x



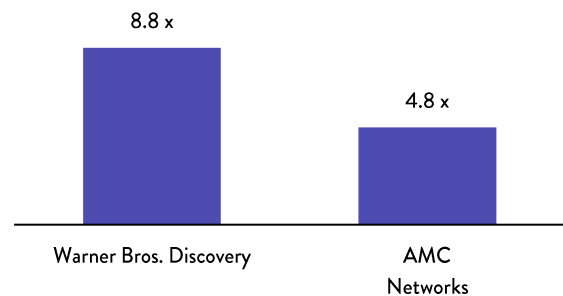
## Advertising Research

Median: 8.8 x



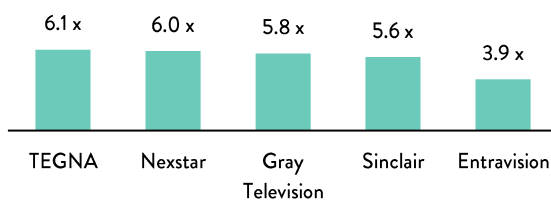
## Cable Content

Median: 6.8 x



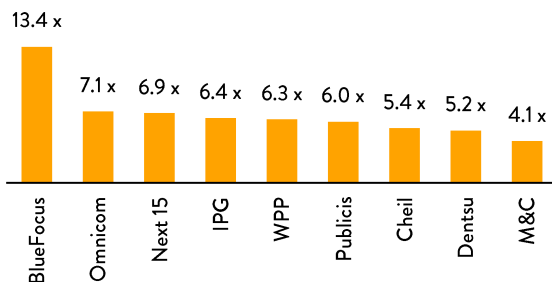
## Broadcast

Median: 5.8 x



## Advertising / Marketing

Median: 6.3 x



Source: Capital IQ and Wall Street Research as of October 5, 2022.  
 (a) Cineworld filed for Chapter 11 Bankruptcy as of September 7, 2022.

# VALUATION METRICS

	Stock Price 10/5/22	52-Week Low	52-Week High	Equity Value	Enterprise Value	Valuation Multiples		Growth	
						EV / Revenue	EV / EBITDA	'19A - '22E CAGR	
						CY2022	CY2022	Revenue	EBITDA
<b>Advertising Technology</b>									
HubSpot	\$296.71	\$263.97	\$852.08	\$14,248	\$13,455	7.9x	NM	35.9%	NM
Magnite	7.60	6.35	30.58	\$1,010	\$1,502	2.9x	8.7x	48.2%	NM
QuinStreet	10.87	8.55	18.60	\$582	\$486	0.9x	22.5x	5.3%	(1.5%)
Tremor International	3.68	3.30	10.60	\$538	\$214	0.6x	1.3x	4.0%	76.1%
The Trade Desk	61.80	41.21	111.64	\$30,174	\$28,961	18.2x	NM	33.9%	69.9%
Criteo	27.18	21.38	43.06	\$1,647	\$1,107	1.1x	3.8x	(24.4%)	5.8%
<b>Advertising Technology Median</b>						<b>2.0x</b>	<b>6.2x</b>	<b>19.6%</b>	<b>37.8%</b>
<b>Advertising Technology Mean</b>						<b>5.3x</b>	<b>9.1x</b>	<b>17.2%</b>	<b>37.6%</b>
<b>Video Games</b>									
Activision	\$74.11	\$57.28	\$82.31	\$57,977	\$50,853	6.3x	17.8x	7.3%	11.4%
Take-Two	117.30	103.59	192.91	\$19,553	\$21,532	4.2x	21.4x	21.6%	32.6%
Electronic Arts	122.67	111.60	145.44	\$34,108	\$33,570	4.5x	13.7x	11.1%	20.4%
Ubisoft Entertainment	27.88	27.70	60.60	\$3,423	\$4,034	1.8x	3.9x	5.3%	15.8%
Roblox	38.00	23.19	134.72	\$22,677	\$20,594	7.3x	NM	NM	NM
Playtika	10.12	9.39	29.68	\$4,176	\$5,354	2.0x	5.8x	11.7%	15.9%
HUUUGE	4.49	3.50	9.59	\$357	\$198	0.6x	3.0x	7.6%	46.5%
<b>Video Games Median</b>						<b>4.2x</b>	<b>9.8x</b>	<b>9.4%</b>	<b>18.2%</b>
<b>Video Games Mean</b>						<b>3.8x</b>	<b>10.9x</b>	<b>10.8%</b>	<b>23.8%</b>
<b>New Media</b>									
Amazon	120.95	102.31	184.80	\$1,232,185	\$1,268,429	2.4x	17.4x	23.0%	26.1%
Twitter	51.30	32.42	66.11	\$39,196	\$38,322	7.3x	38.6x	14.9%	11.6%
Alphabet	101.43	95.65	149.84	\$1,327,922	\$1,217,741	4.2x	10.6x	21.4%	34.2%
Meta	138.98	134.40	347.56	\$373,515	\$333,638	2.8x	6.4x	18.4%	14.4%
eBay	39.12	36.81	80.59	\$21,491	\$25,987	2.7x	7.8x	9.5%	11.2%
Netflix	236.73	166.37	691.69	\$105,275	\$113,689	3.6x	17.9x	16.3%	33.0%
Snap	11.20	9.54	77.34	\$18,468	\$17,335	3.7x	NM	39.7%	NM
fuboTV	3.96	2.37	33.87	\$734	\$752	0.8x	NM	NM	NM
<b>New Media Median</b>						<b>3.2x</b>	<b>14.0x</b>	<b>18.4%</b>	<b>20.3%</b>
<b>New Media Mean</b>						<b>3.4x</b>	<b>16.4x</b>	<b>20.5%</b>	<b>21.7%</b>
<b>Music / Events</b>									
Live Nation	80.67	73.78	126.04	\$18,128	\$19,025	1.3x	13.6x	8.7%	23.3%
Spotify	91.40	86.30	300.95	\$17,640	\$15,764	1.4x	NM	15.1%	NM
Sirius XM Holdings	5.97	5.71	6.86	\$23,248	\$32,988	3.6x	11.8x	5.1%	8.4%
<b>Music / Events Median</b>						<b>1.4x</b>	<b>12.7x</b>	<b>8.7%</b>	<b>15.9%</b>
<b>Music / Events Mean</b>						<b>2.1x</b>	<b>12.7x</b>	<b>9.7%</b>	<b>15.9%</b>
<b>OOH Media</b>									
Clear Channel Outdoor	\$1.63	\$1.00	\$4.01	\$776	\$6,070	2.4x	10.8x	(2.2%)	(0.2%)
JCDecaux	11.97	11.31	29.22	\$2,546	\$3,508	1.1x	6.3x	(6.2%)	(12.4%)
Lamar	87.71	82.49	122.34	\$8,906	\$12,073	6.0x	13.0x	4.7%	6.8%
National CineMedia	0.57	0.56	3.89	\$98	\$1,080	4.0x	16.7x	(15.2%)	(27.1%)
OUTFRONT Media	16.38	15.19	29.04	\$2,687	\$5,317	3.0x	11.2x	0.0%	1.4%
<b>OOH Media Median</b>						<b>3.0x</b>	<b>11.2x</b>	<b>(2.2%)</b>	<b>(0.2%)</b>
<b>OOH Media Mean</b>						<b>3.3x</b>	<b>11.6x</b>	<b>(3.8%)</b>	<b>(6.3%)</b>
<b>Radio</b>									
Beasley Broadcast Group	\$1.12	\$1.06	\$2.71	\$33	\$277	1.1x	9.1x	(0.2%)	(8.2%)
Audacy, Inc.	0.41	0.39	3.75	\$59	\$1,853	1.5x	10.4x	(5.1%)	(16.9%)
Saga Communications	23.58	21.55	28.98	\$143	\$90	NA	NA	NA	NA
Salem Media	1.68	1.64	4.70	\$46	\$199	0.7x	5.4x	2.7%	3.6%
Townsquare Media	7.66	7.25	14.75	\$131	\$634	1.3x	5.4x	3.0%	5.7%
Cumulus Media	7.14	6.52	15.44	\$136	\$765	0.8x	4.6x	(4.9%)	(6.2%)
Emmis Communications	3.01	1.00	4.00	\$40	NM	NA	NA	NA	NA
<b>Radio Median</b>						<b>1.1x</b>	<b>5.4x</b>	<b>(0.2%)</b>	<b>(6.2%)</b>
<b>Radio Mean</b>						<b>1.1x</b>	<b>7.0x</b>	<b>(0.9%)</b>	<b>(4.4%)</b>

Source: Capital IQ and Wall Street Research as of October 5, 2022.

# VALUATION METRICS (CONT.)

	Stock Price 10/5/22	52-Week Low	52-Week High	Equity Value	Enterprise Value	Valuation Multiples		Growth	
						EV / Revenue	EV / EBITDA	'19A - '22E CAGR	
						CY2022	CY2022	Revenue	EBITDA
<b>Diversified Media</b>									
Paramount	\$19.57	\$18.95	\$39.84	\$12,808	\$25,193	0.8x	7.4x	4.3%	(13.7%)
Fox Corporation	\$31.54	\$30.51	44.00	\$16,697	\$18,927	1.3x	5.7x	6.7%	8.3%
Walt Disney	\$100.80	\$91.84	177.71	\$183,764	\$235,765	2.7x	15.7x	4.7%	(2.7%)
Comcast	30.74	29.33	57.40	\$135,663	\$229,199	1.9x	6.2x	3.7%	2.8%
Lions Gate	7.99	7.31	18.38	\$1,733	\$4,951	1.3x	17.8x	(1.2%)	(15.0%)
<b>Diversified Media Median</b>						<b>1.3x</b>	<b>7.4x</b>	<b>4.3%</b>	<b>(2.7%)</b>
<b>Diversified Media Mean</b>						<b>1.6x</b>	<b>10.6x</b>	<b>3.7%</b>	<b>(4.0%)</b>
<b>Cable / Satellite</b>									
Cable ONE	\$865.04	\$853.05	\$1,850.61	\$5,086	\$8,635	5.0x	9.3x	13.7%	19.3%
Dish	15.04	13.83	45.32	\$7,976	\$26,749	1.6x	8.9x	9.5%	6.1%
Charter Communications	329.28	303.35	743.75	\$52,637	\$151,789	2.8x	6.9x	5.9%	10.0%
<b>Cable / Satellite Median</b>						<b>2.8x</b>	<b>8.9x</b>	<b>9.5%</b>	<b>10.0%</b>
<b>Cable / Satellite Mean</b>						<b>3.1x</b>	<b>8.4x</b>	<b>9.7%</b>	<b>11.8%</b>
<b>Theatres</b>									
Cineplex	\$6.54	\$6.32	\$12.20	\$414	\$1,746	1.8x	8.3x	(9.1%)	0.2%
AMC Entertainment	7.33	6.83	45.06	\$3,788	\$8,263	1.9x	33.0x	(7.7%)	(28.5%)
Cinemark Holdings	12.33	11.86	22.11	\$1,457	\$3,379	1.3x	8.7x	(7.8%)	(16.6%)
Cineworld	0.03	0.02	0.98	\$40	\$8,193	2.2x	6.6x	(5.7%)	3.9%
Kinepolis	38.15	36.03	69.67	\$1,029	\$1,870	3.3x	10.1x	(3.3%)	4.0%
Marcus Corporation	14.48	13.66	21.30	\$456	\$675	1.0x	6.8x	(4.0%)	(11.2%)
Reading International	3.30	3.21	5.33	\$98	\$280	1.2x	21.4x	(5.3%)	(26.6%)
<b>Theatres Median</b>						<b>1.8x</b>	<b>8.7x</b>	<b>(5.7%)</b>	<b>(11.2%)</b>
<b>Theatres Mean</b>						<b>1.8x</b>	<b>13.6x</b>	<b>(6.1%)</b>	<b>(10.7%)</b>
<b>Advertising Research</b>									
comScore	\$1.55	\$1.55	\$3.96	\$143	\$327	0.8x	8.8x	(0.0%)	NM
Ipsos	45.89	42.36	52.56	\$2,039	\$2,355	1.0x	6.2x	1.1%	16.3%
Nielsen	27.90	16.61	27.92	\$10,041	\$15,220	4.2x	9.9x	1.4%	9.9%
<b>Advertising Research Median</b>						<b>1.0x</b>	<b>8.8x</b>	<b>1.1%</b>	<b>13.1%</b>
<b>Advertising Research Mean</b>						<b>2.0x</b>	<b>8.3x</b>	<b>0.8%</b>	<b>13.1%</b>
<b>Cable Content</b>									
Warner Bros. Discovery	\$12.22	\$11.32	\$31.18	\$29,665	\$81,409	1.8x	8.8x	58.8%	25.9%
AMC Networks	21.55	20.25	49.10	\$925	\$3,278	1.1x	4.8x	0.6%	(6.0%)
<b>Cable Content Median</b>						<b>1.4x</b>	<b>6.8x</b>	<b>29.7%</b>	<b>9.9%</b>
<b>Cable Content Mean</b>						<b>1.4x</b>	<b>6.8x</b>	<b>29.7%</b>	<b>9.9%</b>
<b>Broadcast</b>									
Entertainment Communications	\$4.22	\$3.97	\$9.21	\$358	\$385	0.4x	3.9x	48.7%	33.1%
Gray Television	15.24	14.32	25.22	\$1,386	\$8,579	2.3x	5.8x	21.4%	28.1%
Nexstar Broadcasting Group	178.38	143.48	202.16	\$6,920	\$13,877	2.7x	6.0x	19.9%	31.2%
Sinclair Broadcast Group	19.19	17.85	30.99	\$1,340	\$5,319	1.3x	5.6x	(2.0%)	1.6%
TEGNA	21.05	18.16	22.93	\$4,696	\$7,580	2.2x	6.1x	13.9%	23.2%
<b>Broadcast Median</b>						<b>2.2x</b>	<b>5.8x</b>	<b>19.9%</b>	<b>28.1%</b>
<b>Broadcast Mean</b>						<b>1.8x</b>	<b>5.5x</b>	<b>20.4%</b>	<b>23.4%</b>
<b>Advertising/Marketing</b>									
BlueFocus	\$0.63	\$0.63	\$1.96	\$1,567	\$1,332	0.2x	13.4x	10.4%	(7.8%)
Cheil Worldwide	16.04	15.62	21.11	\$1,624	\$1,405	0.5x	5.4x	(2.0%)	8.1%
Dentsu	29.39	28.11	42.48	\$7,771	\$8,031	1.0x	5.2x	(4.4%)	(1.9%)
M&C Saatchi	1.56	1.42	2.84	\$190	\$207	0.7x	4.1x	(15.4%)	71.4%
Next 15 Communications	9.69	8.32	19.12	\$953	\$1,030	1.6x	6.9x	17.6%	42.0%
The Interpublic Group	27.24	25.32	39.44	\$10,652	\$11,682	1.2x	6.4x	3.2%	9.3%
Omnicom Group	66.31	61.92	90.12	\$13,583	\$16,750	1.2x	7.1x	(2.1%)	1.1%
Publicis Groupe	51.76	42.54	76.69	\$12,998	\$16,111	1.4x	6.0x	(1.3%)	6.1%
WPP	8.67	8.07	16.69	\$9,368	\$15,829	1.2x	6.3x	(9.5%)	5.9%
<b>Advertising/Marketing Median</b>						<b>1.2x</b>	<b>6.3x</b>	<b>(2.0%)</b>	<b>6.1%</b>
<b>Advertising/Marketing Mean</b>						<b>1.0x</b>	<b>6.8x</b>	<b>(0.4%)</b>	<b>14.9%</b>

Source: Capital IQ and Wall Street Research as of October 5, 2022.





Solomon Partners, an investment banking advisory firm, provides strategic advice to owners, chief executives, senior management and board of directors of companies and institutions worldwide.

Solomon Partners advises clients on mergers and acquisitions, divestitures, financings, recapitalizations, restructurings, and activism defense. To date, the firm has successfully completed more than 500 strategic and Financial Advisory assignments.

In June 2016, Solomon Partners sold a 51% stake in the firm to Natixis, a French financial services firm owned by Groupe BPCE, France's second largest financial institution. The remaining 49% of Solomon Partners' ownership continues to be held by existing partners, resulting in an entrepreneurially spirited company with a global M&A and financing platform and an increased breadth of product offerings.

Throughout our nearly thirty-year history, Solomon Partners has served as a trusted advisor to our corporate clients. With this latest development, our tradition of providing unbiased advice, grounded in intellectual integrity, will continue. Our goal is to bring the collective experience and knowledge of our senior bankers and the capabilities of Natixis to each assignment, advising our clients on how to achieve the optimum value and outcome for each transaction.

This document is a marketing presentation. It has been prepared by personnel of Solomon Partners and not by Natixis' research department. It is not investment research or a research recommendation and is not intended to constitute a sufficient basis upon which to make an investment decision. This material is provided for information purposes, is intended for your use only and does not constitute an invitation or offer to subscribe for or purchase any of the products or services mentioned. Nothing in this presentation constitutes investment, legal, accounting or tax advice, or a representation that any investment or strategy is suitable or appropriate to your individual circumstances. Solomon Partners and/or its affiliates, officers, directors and employees, including persons involved in the preparation or issuance of this material, may, from time to time, have long or short positions in, and buy or sell, the securities or derivatives mentioned in this material.