



SOLOMON
PARTNERS

MEDIA & ENTERTAINMENT SUMMIT

JANUARY 24, 2023



Mark Boidman

 @Mboidman

solomonpartners.com

LET'S DIG IN

OPPORTUNITIES IN A CHANGING MEDIA AND
TECH SERVICES LANDSCAPE

SOLOMON PARTNERS MEDIA & ENTERTAINMENT GROUP UPDATE

PROFESSIONAL AUDIOVISUAL

- Hardware and Software Solutions
- Event Tech

MARKETING & MEDIA/TECH SERVICES

- Advertising / Marketing Services
- Global Retail Tech
- Connected Media Solutions

ENTERTAINMENT

- Content Creation, Distribution and Exhibition
- Site-Based / Experiential Entertainment

Leading investment banking authority in the physical world of media

MEDIA & ENTERTAINMENT



Mark Boidman
Partner
Head of Media & Entertainment



Adam Jaffe
Director



Ben Zinder
Director



Christian Bermel
Associate



Brendan Kirk
Associate



Matt Fryfield
Senior Analyst



Blake McCann
Senior Analyst



Kate Plassman
Senior Analyst



Christian Kasmikha
Analyst



Trae Smith
Analyst



Ricky Yoo
Analyst

GLOBAL M&A



Richard Brail
Partner
Chairman of M&A



Jon Berger
Vice President

FINANCING ADVISORY



Joseph Stein
Partner



Gilbert Baltzer
Vice President

CAPITAL TRANSFORMATION & DEBT ADVISORY



Mark Hootnick
Partner



Tero Jänne
Partner

SOLOMON PARTNERS PLATFORM OVERVIEW

INVESTMENT BANK WITH ACCESS TO GLOBAL FINANCING CAPABILITIES OF OUR PARENT, NATIXIS

Founded in 1989, Solomon Partners continues to grow

150+

Investment Bankers

27

Partners & Managing Directors

SECTOR EXPERTISE

- Business Services
- Consumer Retail
- Financial Sponsors
- FinTech
- Grocery, Pharmacy & Restaurants
- Healthcare
- Industrials
- Infrastructure, Power & Renewables
- Technology, Media & Telecommunications

PRODUCT CAPABILITIES

- Mergers & Acquisitions
- Cross-Border
- Activist Defense
- Financing Advisory
- Capital Transformation & Debt Advisory
- Special Committee & Fairness Opinion
- SPACs

HOW WE MARKET OURSELVES BEYOND EXECUTING TRANSACTIONS

We Write

THOUGHT LEADERSHIP

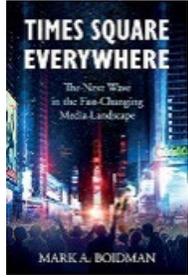
DIGITAL SIGN LANGUAGE
Book #2 Launches in 2023



Industry Updates



Trend Reports



Times Square Everywhere by Mark Boidman



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We Speak

CONFERENCES & INTERVIEWS



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We Host, Not Sponsor

EVENTS



JOIN US IN 2023



COCKTAIL PARTY

JANUARY | BARCELONA



FEBRUARY | PUERTO RICO

FRANCE
MEDIA, INC.

ENTERTAINMENT
EXPERIENCE EVOLUTION

MARCH | LOS ANGELES



MARCH | NEW YORK



OOH MEDIA CONFERENCE

MARCH | NASHVILLE



APRIL | LAS VEGAS



GLOBAL CONGRESS

JUNE | LISBON



JUNE | CANNES



JUNE | ORLANDO

NEW YORK
DIGITAL
SIGNAGE
WEEK

OCTOBER | NYC



NOVEMBER | ORLANDO

SELECT RECENT MEDIA & ENTERTAINMENT TRANSACTIONS

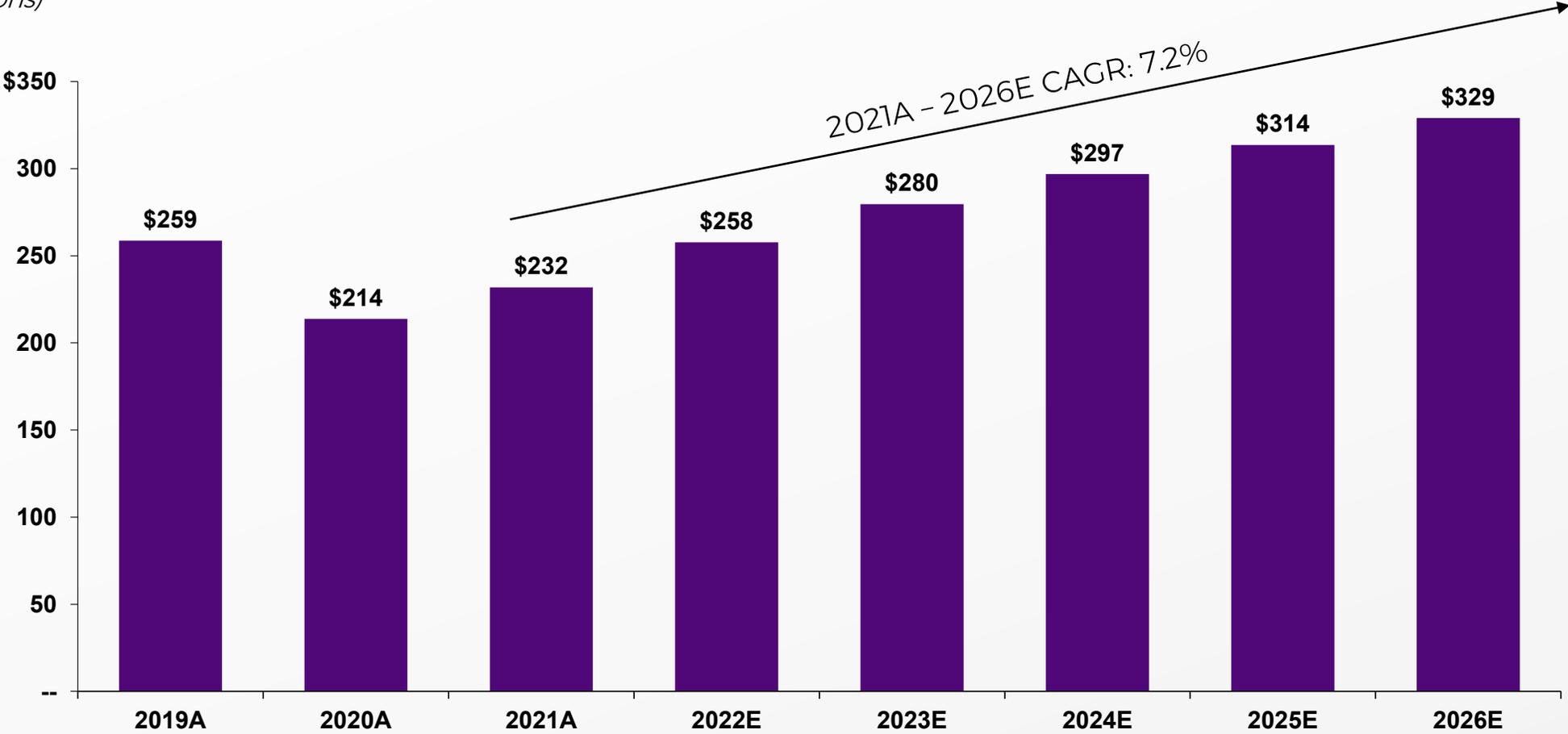
| | | | | | | |
|--|--|---|---|---|--|---|
| <p>2023</p> <p>UBG</p> <p>Has sold its leasehold interest in its signage at 2 Times Square and 1600 Broadway to</p> <p>PROVIDENCE EQUITY PARTNERS In partnership with OUTFRONT/</p> <p>Served as financial advisor to Universal Branding Group</p> | <p>2022</p> <p>ami</p> <p>Has been sold to</p> <p>Coral Tree Partners</p> <p>Served as financial advisor to AMI Entertainment Network</p> | <p>2022</p> <p>Interstate Chicago, a JV between INTERSTATE and FOSTER INTERSTATE</p> <p>Has sold its majority stake in INTERSTATE to JCDecaux</p> <p>Served as financial advisor to Interstate Chicago</p> | <p>2022</p> <p>H. I. G. CAPITAL</p> <p>Has acquired watchfire</p> <p>Served as financial advisor to H.I.G. Capital</p> | <p>2022</p> <p>ami</p> <p>Dividend recapitalization financed by new senior secured credit facility</p> <p>Served as financial advisor to AMI Entertainment Network</p> | <p>2022</p> <p>ONERA</p> <p>Sale to toolsgroup</p> <p>Served as financial advisor to Onera</p> | <p>2022</p> <p>PACIFIC OUTDOOR ADVERTISING</p> <p>Has sold its Portland portfolio and other assets aggregating ~1000 displays to OUTFRONT/</p> <p>Served as financial advisor to Pacific Outdoor Advertising</p> |
| <p>2022</p> <p>HBG HOLLYWOOD BOWL GROUP</p> <p>Has acquired splitsville</p> <p>Served as financial advisor to Hollywood Bowl Group</p> | <p>2022</p> <p>BOW-TIE CINEMAS</p> <p>Has sold theatres to amc</p> <p>Served as financial advisor to Bow Tie Cinemas</p> | <p>2022</p> <p>RUBYHAS</p> <p>Sale to shipmonk</p> <p>Served as financial advisor to Ruby Has</p> | <p>2021</p> <p>adams</p> <p>Strategic investment by SEARCHLIGHT BCI</p> <p>Served as financial advisor to Adams Outdoor</p> | <p>2021</p> <p>\$200,000,000+</p> <p>City Bridge, Intersection JMC</p> <p>Has raised capital led from ZenFi and LinkNYC</p> <p>Served as financial advisor to CityBridge</p> | <p>2021</p> <p>foris</p> <p>Has been sold to Alight</p> <p>Served as financial advisor to Foris Outdoor</p> | <p>2021</p> <p>Puttshack</p> <p>Has raised growth capital led by PROMETHEAN INVESTMENTS</p> <p>Served as financial advisor to Puttshack</p> |
| <p>2021</p> <p>ami</p> <p>Senior secured credit facility to refinance existing indebtedness</p> <p>Served as financial advisor to AMI Entertainment Network</p> | <p>2020</p> <p>MOOD:MEDIA</p> <p>Has agreed to be sold to VECTOR CAPITAL</p> <p>Served as financial advisor to Mood Media</p> | <p>2020</p> <p>RAND McNALLY</p> <p>Has been sold to TELEO CAPITAL</p> <p>Served as financial advisor to Rand McNally</p> | <p>2020</p> <p>\$400,000,000</p> <p>ARES, PROVIDENCE EQUITY</p> <p>Invested in newly issued convertible preferred stock in OUTFRONT/</p> <p>Served as financial advisor to Ares</p> | <p>2020</p> <p>MOOD:MEDIA</p> <p>APOLLO KKR</p> <p>Served as advisor to Mood Media on its pre-packaged Chapter 11 restructuring</p> | <p>2020</p> <p>-\$2,200,000,000</p> <p>Banijay Group</p> <p>Has acquired EndemolShine Group</p> <p>Served as strategic and financial advisor to Banijay</p> | <p>2020</p> <p>\$3,360,000,000</p> <p>vivendi</p> <p>Has sold a 10% stake in UNIVERSAL to a consortium led by Tencent</p> <p>Served as financial advisor to Vivendi</p> |
| <p>2019</p> <p>MJR DIGITAL</p> <p>Sold to KINERPOLIS</p> <p>Served as financial advisor to MJR Digital</p> | <p>2019</p> <p>TOTAL OUTDOOR</p> <p>Has sold assets to each of AMERICAN TOWER and NEW TRADITION</p> <p>OUTFRONT/</p> <p>Served as financial advisor to Total Outdoor and Flexis Capital</p> | <p>2019</p> <p>\$683,000,000</p> <p>BARNES & NOBLE</p> <p>Has been acquired by ELLIOTT Owner of Waterstones</p> <p>Served as financial advisor to Len Riggio, Founder, Chairman and 19% shareholder of Barnes & Noble</p> | <p>2019</p> <p>Broadsign</p> <p>Has agreed to acquire AYUDA</p> <p>Served as financial advisor to Broadsign</p> | <p>2018</p> <p>TOTAL OUTDOOR</p> <p>Sold its Seattle advertising portfolio to PACIFIC OUTDOOR ADVERTISING</p> <p>Served as strategic and financial advisor to Total Outdoor</p> | <p>2018</p> <p>ExterionMedia</p> <p>Has been sold to global</p> <p>Served as strategic and financial advisor to Exterion Media and Platinum Equity</p> | <p>2018</p> <p>NETFLIX</p> <p>Acquired LA market spectacular out of home media assets of REGENCY</p> <p>Served as strategic and financial advisor to Netflix</p> |

PROFESSIONAL AV INDUSTRY UPDATE

GLOBAL AV INDUSTRY CONTINUING STRONG GROWTH

PRO AV REPRESENTS A \$258 BILLION INDUSTRY GLOBALLY IN 2022 AND IS EXPECTED TO GROW AT A CAGR OF 7.2% FROM 2021 TO 2026

(Amounts in Billions)



GROWTH ACROSS SELECT AV END MARKETS

PRO AV IS SEEING A SURGE IN DEMAND, WITH 2022 OUTPERFORMING PRE-PANDEMIC PEAK

| END MARKET | 2022E REVENUE ^(a) | 2022E – 2027E CAGR ^(a) |
|------------------------|------------------------------|-----------------------------------|
| Live Events | \$30.7B | 9.0% |
| Transportation | \$11.8B | 6.8% |
| Venues | \$10.7B | 8.5% |
| Digital Signage | \$14.3B | 7.0% |
| Energy | \$2.4B^(b) | 7.8% |

Spaces and events are increasingly being designed with an emphasis on AV tech to enhance visitor / customer experience

Source: AVIXA research.

a) Represents global market for Live Events and Transportation, but represents regional market for Venues, Digital Signage and Energy.

b) Estimation based on 2020 energy revenue, regional revenue mix and average CAGR from 2020-2025.

AUDIOVISUAL INDUSTRY CONSOLIDATION

GRAVITATING TOWARD LARGE PROVIDERS OFFERING END-TO-END AV SOLUTIONS WITH SUPPORT AT SCALE

2022



Sold to



- Adtech offers AV video conferencing systems including digital signage and collaborative conferencing tables
- Strengthens AVI-SPL's presence and operations in the Northeast



Sold to



- MediaStar Systems develops IPTV and digital signage software and hardware solutions
- Adding to Tripleplay, UCView and ONELAN solutions enhances customer offerings



Sold to

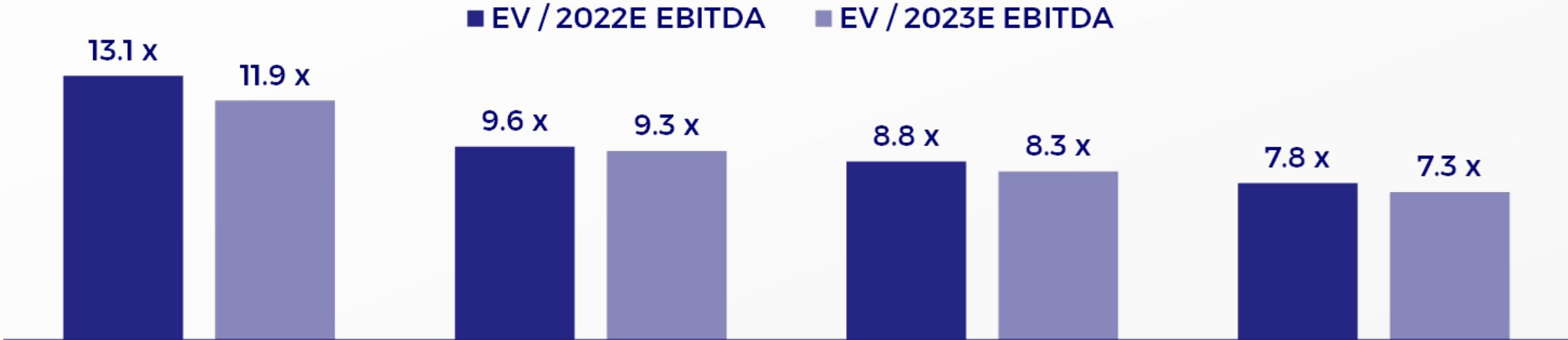


- Ping HD specializes in creative content and digital signage, live video and kiosks for sports and entertainment brands
- Adds more than 35,000 screens to Spectrio's digital signage footprint

AV industry is consolidating as businesses strategically join forces to offer increasingly robust solution suite

PRO AV PUBLIC TRADING MULTIPLES

AUDIO CONTINUES TO TRADE AT A PREMIUM WHILE VISUAL AND DIGITAL SIGNAGE MULTIPLES CONTINUE TO TRADE IN HIGH SINGLE DIGITS



Audio

Visual

Digital Signage

Diversified AV



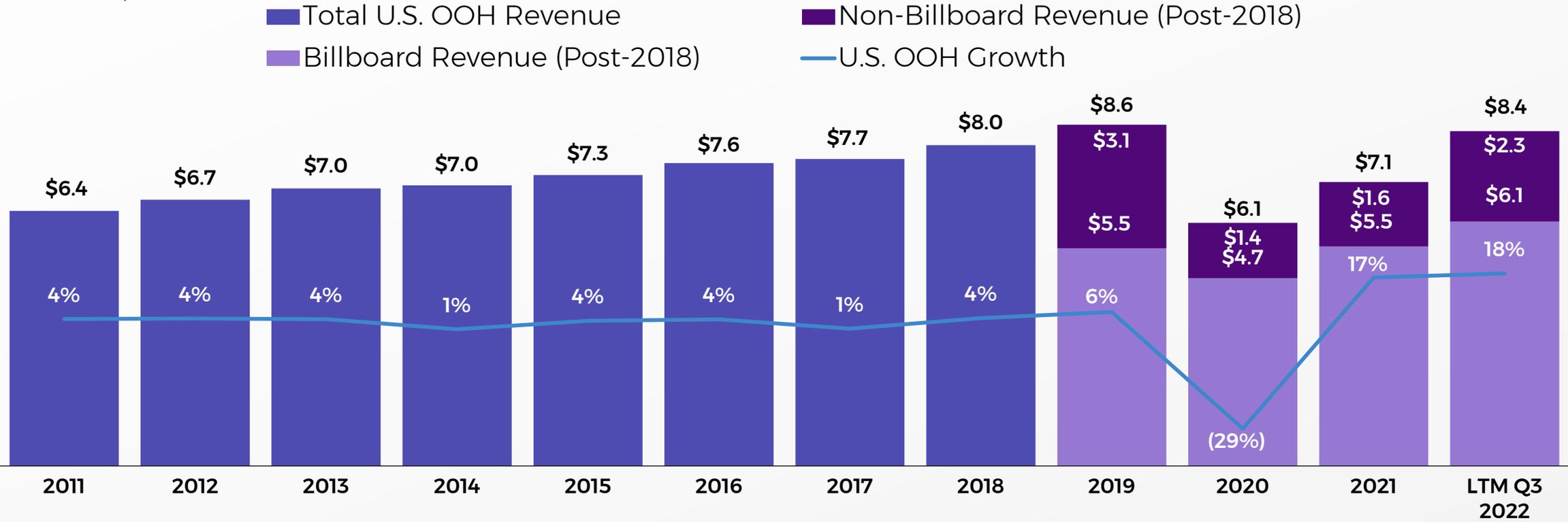
OUT OF HOME MEDIA INDUSTRY UPDATE

STATE OF THE U.S. OOH ADVERTISING INDUSTRY

- OOH ad spend increasing as other media channels are weak
- Billboards have shown strength, surpassing 2019 levels

HISTORICAL U.S. OOH AD SPENDING

(Amounts in Billions)



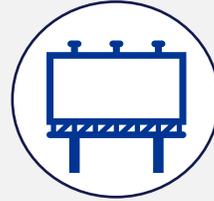
KEY DRIVERS OF OOH M&A

RECENT TRANSACTIONS DRIVEN BY GEOGRAPHIC EXPANSION AND NEW CAPABILITIES



GEOGRAPHIC EXPANSION

- Expanding to new markets
- Strengthening foothold in existing markets



LONG LEASE LIFE

- Focus on plants and assets with legal non-conforming status
- If not legal non-conforming, buyers seeking assets with 10+ years remaining on leases



DIGITAL CAPABILITIES

- Acquiring new capabilities
- Make it easier to buy OOH
- Transition to digital
- Programmatic advertising technology

RECENT SIZABLE CLASSIC OOH ADVERTISING M&A ACTIVITY

2022

2021

Interstate Chicago, a JV between



and



Has sold its majority stake in



To



- One of the largest digital billboard networks in the country, operating 52 large-format digital displays adjacent to primary expressways

Solomon advised Interstate Chicago

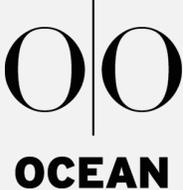


Has sold its Portland portfolio and other assets aggregating ~1000 displays to



- Sizable acquisition of scaled assets in rapidly-growing DMA
- Establishes OUTFRONT's urban presence in the Pacific Northwest

Solomon advised Pacific Outdoor



Has been taken private by



- Represents acquisition by a supportive existing investor
- Will continue to grow its differentiated platform through acquisitions



Strategic investment by



- Acquisition of a top OOH operator by investors with prior OOH experience
- Will allow Adams to expand its footprint and accelerate digital expansion

Solomon advised Adams Outdoor

RECENT SIZABLE OOH MEDIA / ON-PREMISE M&A ACTIVITY

2022

2021



Sold by



To



Coral Tree Partners

TouchTunes

Sold by



To





Has raised capital led from



To fund and expand



MOOD:MEDIA

Sold to



VECTOR CAPITAL

- Partnership to leverage Coral Tree's industry expertise across media and entertainment for the next phase of AMI's growth

- Partnership to accelerate TouchTunes' growth and innovation within existing and new markets

- Created the world's largest public Wi-Fi network enabled by a DOOH network
- Provides brands with a context-aware platform and generates millions of dollars in revenue for New York City

- Long-term capital support will enable Mood Media to invest in technology initiatives and acquisitions that will further differentiate Mood

Solomon advised AMI Entertainment

Solomon advised SCP on SCP's original investment

Solomon advised CityBridge

Solomon advised Mood Media

TRANSIT ADVERTISING UNDERVALUED

TRANSIT REVENUE GENERALLY RETURNING TO PRE-COVID LEVELS IN 2022

“Americas transit revenue was up 45% ... driven by growth across the portfolio, including Port Authority.”

Clear Channel Q3 2022

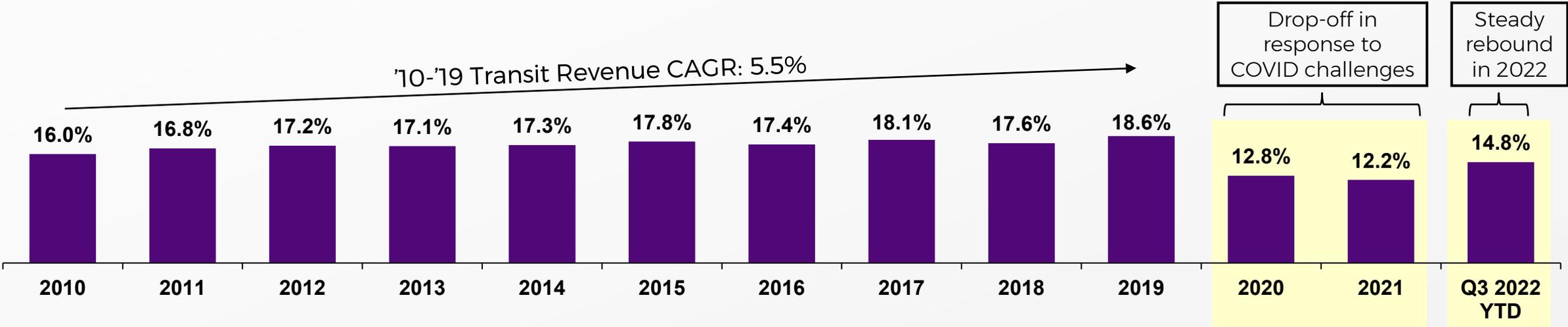
“Our transit and airport businesses also really performed well ..., all our business units have surpassed pre-COVID levels.”

LAMAR Q2 2022

“Transit revenue was up 19% versus the prior year, continuing its steady improvement towards returning to 2019 levels as subway, rail and bus ridership increases.”

OUTFRONT Q3 2022

TRANSIT % OF TOTAL U.S. OOH REVENUE (2010 - TODAY)



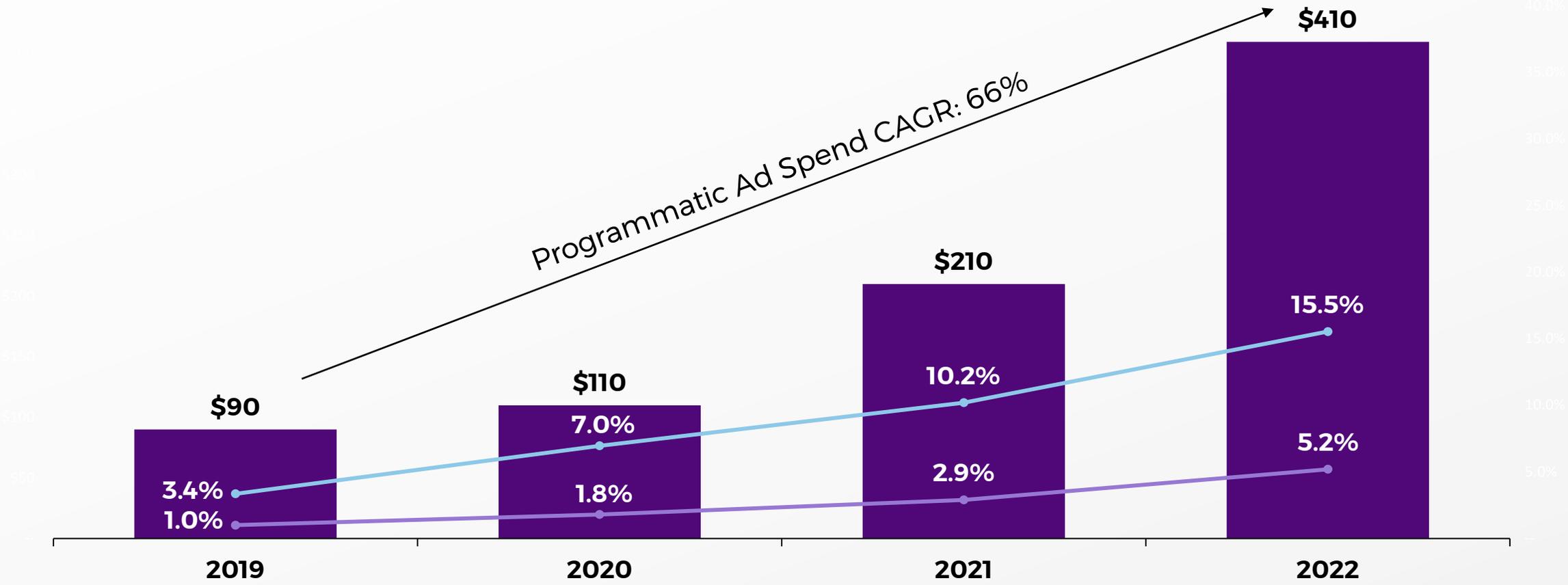
KEY OPPORTUNITY TO INCREASE OOH SHARE OF MEDIA SPEND

- Programmatic provides a key opportunity for OOH to increase its share of media spend
- U.S. programmatic OOH ad spend is projected to reach \$800M by 2024

(\$ in USD Millions)

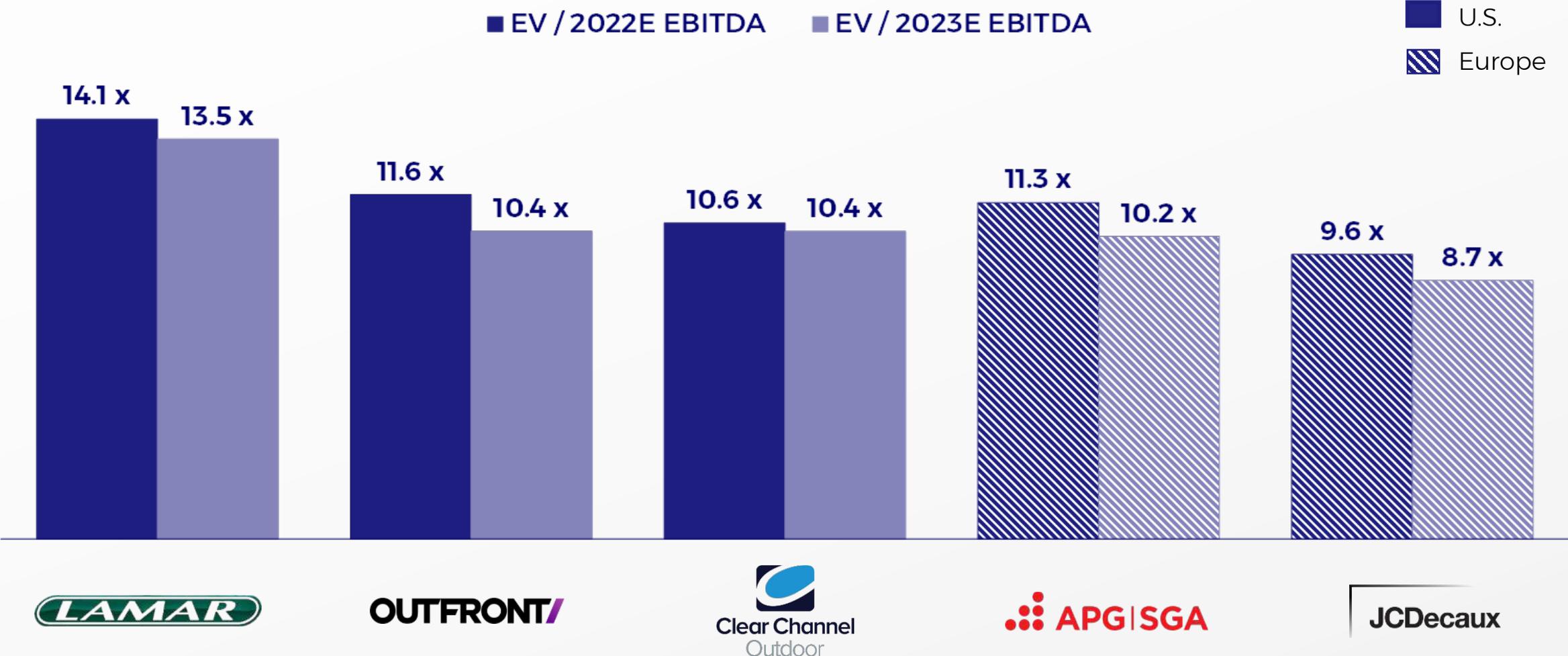
■ Total Programmatic Ad Spend
 —●— % of Total OOH
 —●— % of Total DOOH

Programmatic Ad Spend CAGR: 66%



OUT OF HOME ADVERTISING TRADING MULTIPLES

OOH FORWARD EBITDA MULTIPLES ARE TRADING ON AVERAGE IN THE LOW DOUBLE DIGITS SLIGHTLY REBOUNDING FROM LAST YEAR, BUT LOWER THAN 2019

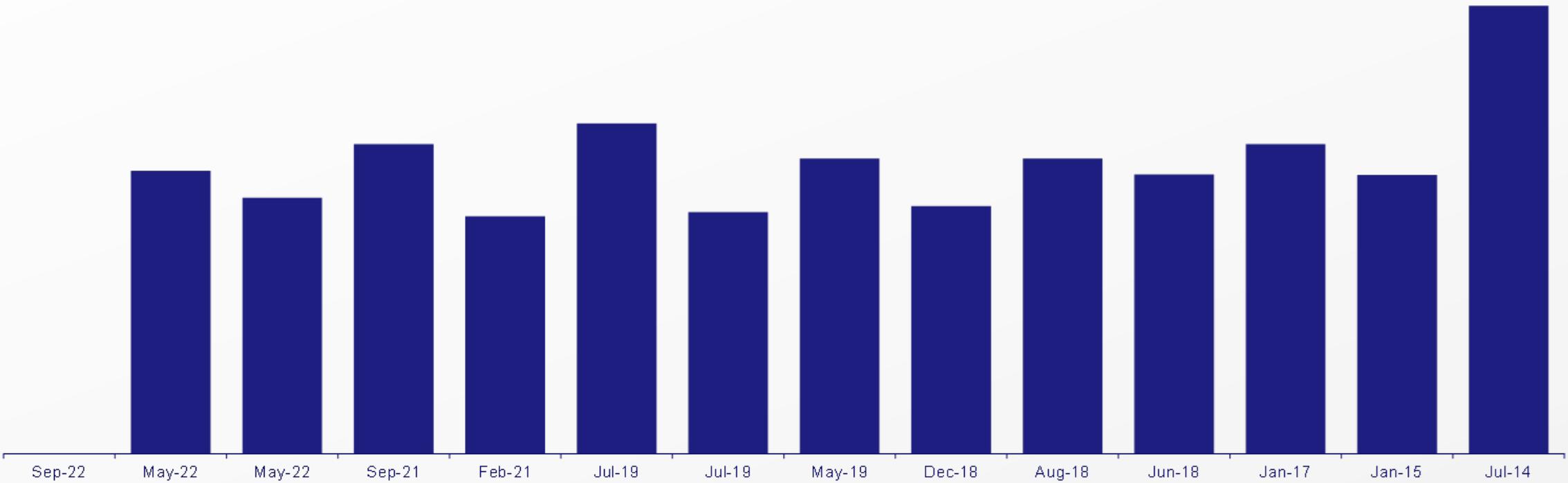


OUT OF HOME ADVERTISING PRECEDENT TRANSACTIONS

EV / LTM EBITDA

MEDIAN OF ~13.0X ONLY INCLUSIVE OF TRANSACTIONS WITH DISCLOSED MULTIPLES

| | | | | | | | | | | | | | | | |
|----------|------------|----------|--------------------------------|---------------------|--------------|----------------|-----------------------------------|---------------------------------|--|--|----------------------------------|----------------|------------------|--|------------|
| Acquirer | JCDecaux | OUTFRONT | ATAIROS | SEARCHLIGHT /BCI | NEWTRADITION | AMERICAN TOWER | LAMAR | Reagan Outdoor Advertising | LAMAR | NETFLIX | JCDecaux | Bell Media | GTCR/ adams | OUTFRONT | |
| Target | INTERSTATE | JCDecaux | PACIFIC OUTDOOR ADVERTISING | Ocean (a) | adams | REGENCY | TOTAL OUTDOOR Boston Assets | ASHBY ST OUTDOOR ADVERTISING | FAIRWAY FAIRWAY OUTDOOR ADVERTISING | FAIRWAY FAIRWAY OUTDOOR ADVERTISING | REGENCY Los Angeles Assets | APN OUTDOOR | Cieslok media | FAIRWAY FAIRWAY OUTDOOR ADVERTISING | Van Wagner |



Source: Publicly available information.
 Note: Represents market estimates in cases where transactions and valuations were not publicly disclosed.
 a) Represents EV / 2022 EBITDA.

SOLOMON PARTNERS BELIEVES IN THE EXPERIENCE ECONOMY

CONSUMER SPENDING HABITS SHIFT AWAY FROM GOODS / THINGS TOWARD EXPERIENCES

- Consumers more excited than ever to have experiences out of home (Experience Generation)
- 78% of American millennials prefer a desirable experience over a desirable product
- Continued push towards the intersection of physical activities with technology for enhanced social competition

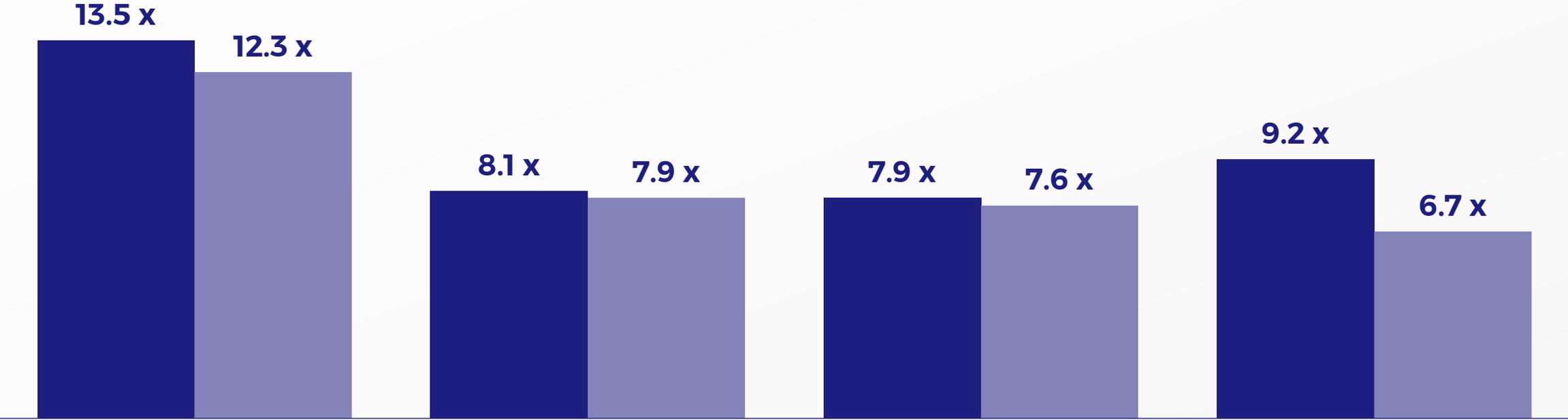


Concepts which offer a premium, differentiated experience primed for continued success

EXPERIENTIAL ENTERTAINMENT TRADING MULTIPLES

DESPITE CONTINUED GROWTH PROSPECTS AND POSITIVE TRENDS, MULTIPLES REMAIN IMPACTED BY MACRO CONCERNS

■ EV / 2022E EBITDA ■ EV / 2023E EBITDA



Live Entertainment



Theme Parks



Family Entertainment



Theatres





Thank You for Joining Us

Media & Entertainment Summit

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