

Industry Update **Telecommunications** Q3 2021

200 W. Madison Street, Suite 2150 | Chicago, IL 60606 | <u>www.houlihancapital.com</u> | 312.450.8600 Member of FINRA | Member of SIPC

Financial Performance *Size Profile, LTM Financials, Forward Estimates*

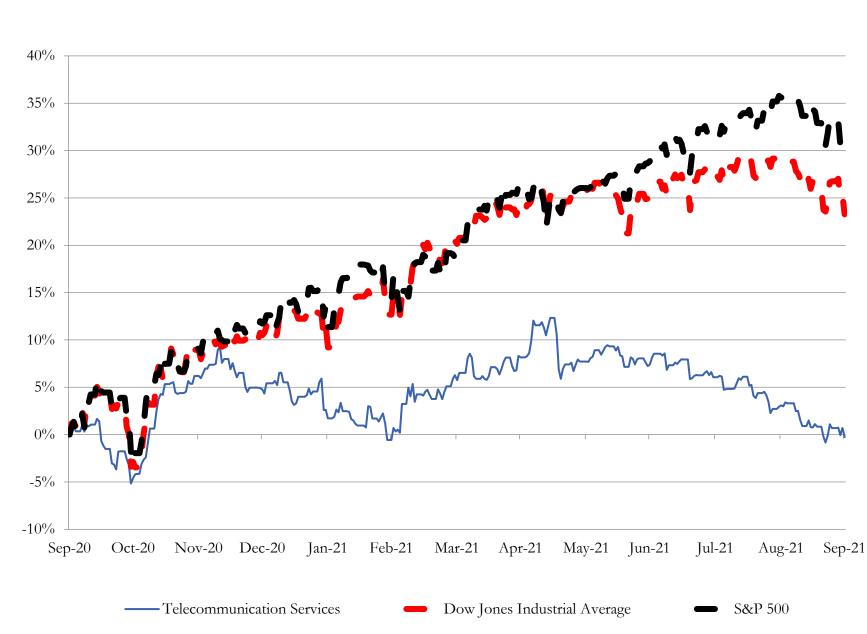
(USD in millions, except per share data)

| | | Size Profile | | | | LTM Operating Data | | Forward Estimates | |
|--|--------|-------------------|----------------------|-----------|-----------------|--------------------|---------------|----------------------|---------------------|
| Company Name | Ticker | Price at 09/30/21 | % of 52 Week High | TEV | Total Assets | LTM Revenue | LTM EBITDA | 2020 Est. Revenue | 2020 Est. EBITDA |
| Telecommunication Services | | | | | | | | | |
| Verizon Communications Inc. | VZ | \$54.01 | 87.2% | \$388,174 | \$353,457 | \$134,238 | \$50,295 | \$133,331 | \$48,426 |
| AT&T Inc. | Т | \$27.01 | 79.7% | \$377,296 | \$547,107 | \$173,597 | \$49,431 | \$168,704 | \$52,304 |
| T-Mobile US, Inc. | TMUS | \$127.76 | 85.1% | \$248,447 | \$204,124 | \$79,322 | \$27,133 | \$80,511 | \$27,174 |
| Lumen Technologies, Inc. | LUMN | \$12.39 | 74.6% | \$43,731 | \$58,947 | \$20,245 | \$8,523 | \$19,743 | \$8,417 |
| Frontier Communications Parent, Inc. | FYBR | \$27.87 | 83.6% | \$13,720 | \$15,102 | \$6,713 | \$2,572 | \$6,450 | \$2,449 |
| Telephone and Data Systems, Inc. | TDS | \$19.50 | 73.6% | \$7,436 | \$12,780 | \$5,330 | \$1,193 | \$5,407 | \$1,321 |
| Iridium Communications Inc. | IRDM | \$39.85 | 72.9% | \$6,617 | \$3,206 | \$605 | \$346 | \$61 0 | \$375 |
| United States Cellular Corporation | USM | \$31.89 | 79.8% | \$6,189 | \$9,920 | \$4,137 | \$886 | \$4,170 | \$1,026 |
| Cogent Communications Holdings, Inc. | CCOI | \$70.84 | 88.6% | \$4,332 | \$1,011 | \$563 | \$196 | \$592 | \$230 |
| Consolidated Communications Holdings, Inc. | CNSL | \$9.19 | 92.9% | \$2,616 | \$3,729 | \$1,290 | \$446 | \$1,285 | \$503 |
| Shenandoah Telecommunications Company | SHEN | \$31.58 | 51.3% | \$1,881 | \$2,115 | \$234 | \$59 | \$246 | \$ 70 |
| ATN International, Inc. | ATNI | \$46.85 | 89.0% | \$1,164 | \$1,627 | \$539 | \$118 | \$603 | \$130 |
| | | | | | | | | | |

Valuation Metrics *Return Profile, Trading Multiples*

2

| | | | | Return | Profile | | | Trading | Multiples |
|--|----------------|---------------------|---------------------|-------------------|------------------|------------------|--------------|----------------------|---------------------|
| Company Name | Ticker | Return on Assets | Return on Equity | Revenue Growth | EBITDA Margin | EBITDA Growth | 5-yr Beta | TEV / LTM Revenue | TEV / LTM EBITDA |
| Telecommunication Services | | | | | | | | | |
| Verizon Communications Inc. | VZ | 6.5% | 31.2% | 4.6% | 37.5% | 5.8% | 0.4x | 2.9x | 7.7x |
| AT&T Inc. | Т | 3.3% | 1.4% | 0.4% | 28.5% | -10.0% | 0.7x | 2.2x | 7.6x |
| T-Mobile US, Inc. | TMUS | 3.3% | 6.0% | 53.4% | 34.2% | 65.7% | 0.6x | 3.1x | 9.2x |
| Lumen Technologies, Inc. | LUMN | 4.0% | -7.5% | -3.9% | 42.1% | 1.1% | 1.0x | 2.2x | 5.1x |
| Frontier Communications Parent, Inc. | FYBR | 4.2% | N/A | -12.5% | 38.3% | -13.3% | 0.0x | 2.0x | 5.3x |
| Telephone and Data Systems, Inc. | TDS | 1.6% | 3.7% | 2.9% | 22.4% | 3.5% | 1.1x | 1.4x | 6.2x |
| Iridium Communications Inc. | IRDM | 0.8% | -0.8% | 5.1% | 57.2% | 4.0% | 1.1x | 10.9x | 19.1x |
| United States Cellular Corporation | USM | 1.4% | 4.3% | 2.9% | 21.4% | 3.6% | 0.6x | 1.5x | 7.0x |
| Cogent Communications Holdings, Inc. | CCOI | 6.7% | N/A | 3.6% | 34.9% | 5.6% | 0.1x | 7.7x | 22.1x |
| Consolidated Communications Holdings, Inc. | CNSL | 2.5% | -32.4% | -1.5% | 34.6% | -7.3% | 1.4x | 2.0x | 5.9x |
| Shenandoah Telecommunications Company | SHEN | 0.2% | 1.3% | 9.8% | 25.4% | N/A | 0.2x | 8.0x | 31.6x |
| ATN International, Inc. | ATNI | 1.0% | -1.9% | 21.4% | 21.9% | -2.0% | 0.2x | 2.2x | 9.9x |
| | | | | | | | | | |
| Source: Capital IQ | Mean Median | 3.0% 2.9% | 0.5% 1.3% | 7.2% 3.3% | 33.2% 34.4% | 5.1% 3.5% | 0.6x 0.6x | 3.8x 2.2x | 11.4x 7.7x |



Major Indexes

3

Recent M&A Activity Last Twelve (12) Months as of September 30, 2021

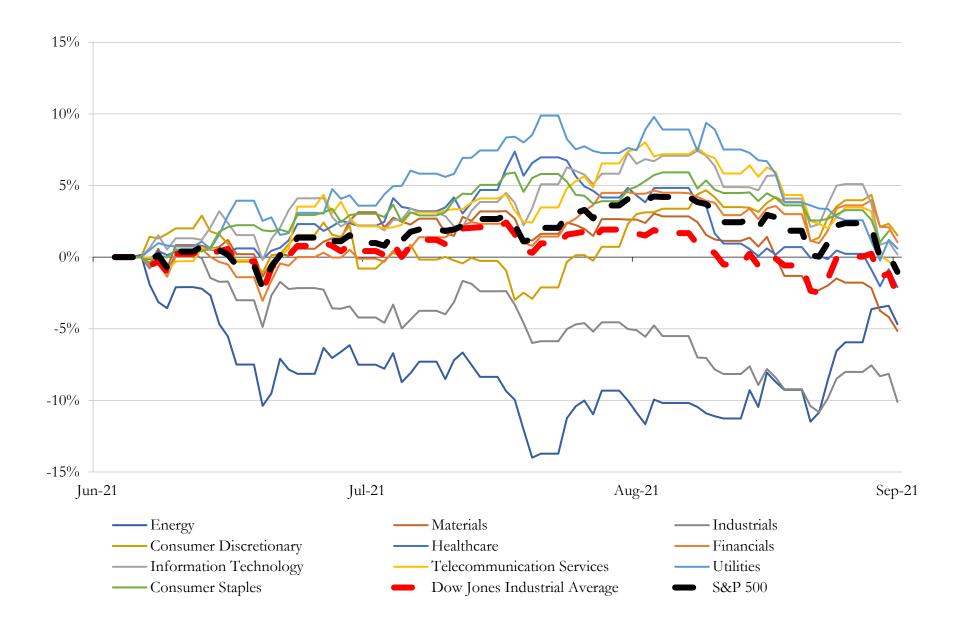
(USD in millions)

| Close Date | Target | Acquirer | Implied TEV |
|------------|--|--|-------------|
| Dec-20 | GCI Liberty, Inc. | Liberty Broadband Corporation | \$11,943 |
| Aug-21 | Astound Broadband LLC | Stonepeak Associates IV LLC | \$8,100 |
| Mar-21 | ZeniMax Media Inc. | Microsoft Corporation | \$7,332 |
| Jul-21 | McGraw-Hill Education, Inc. | Platinum Equity, LLC | \$6,388 |
| Dec-20 | Ancestry.com LLC | The Blackstone Group Inc. (nka:Blackstone Inc.) | \$4,700 |
| Sep-21 | Cincinnati Bell Inc. | Macquarie Infrastructure and Real Assets; MIP V (FCC) AIV, L.P. | \$2,922 |
| Nov-20 | The New York Metropolitan Baseball Club Inc. | N/A | \$2,816 |
| Jan-21 | ION Media Networks, Inc. | Scripps Media, Inc. | \$2,650 |
| May-21 | Hargray Communications Group, Inc. | Cable One, Inc. | \$2,492 |
| Apr-21 | Glu Mobile Inc. | Electronic Arts Inc. | \$1,983 |
| Oct-20 | Beach Holding Corporation | Leo Cable LP | \$1,950 |
| Jul-21 | Wireless Telecommunications Assets of Shenandoah Personal Communications | Sprint Spectrum L.P. | \$1,940 |
| Aug-21 | Stack Exchange Inc. | Prosus N.V. | \$1,800 |
| Jul-21 | MSG Networks Inc. | Madison Square Garden Entertainment Corp. | \$1,722 |
| Aug-21 | MDC Partners Inc. (nka:Stagwell Inc.) | The Stagwell Group LLC; Stagwell Media LP | \$1,463 |
| Apr-21 | The Gearbox Entertainment Company, LLC | Embracer Group AB (publ) | \$1,378 |
| Aug-21 | Crunchyroll, Inc. | Funimation Global Group, LLC | \$1,234 |
| Sep-21 | ORBCOMM Inc. | GI Manager L.P | \$1,149 |
| Apr-21 | SpotX, Inc. | Magnite, Inc. | \$1,141 |
| Sep-21 | Ohio Broadband Systems of WideOpenWest, Inc. | Atlantic Broadband Finance, LLC | \$1,125 |
| Aug-21 | Quincy Media, Inc. | Gray Television, Inc. | \$925 |
| May-21 | Tribune Publishing Company | Alden Global Capital LLC | \$692 |
| Mar-21 | Substantially All Assets of Global Eagle Entertainment Inc. | Apollo Global Management, Inc.; Blackrock Financial Management Inc.; Eaton | \$675 |
| Jun-21 | Boingo Wireless, Inc. | Digital Colony Management, LLC | \$669 |
| Mar-21 | Nearpod Inc. | Renaissance Learning Inc. | \$650 |
| Apr-21 | Assets of RentPath, LLC | Redfin Corporation | \$608 |
| Jul-21 | Epic! Creations Inc. | Think and Learn Private Limited | \$500 |
| Oct-20 | CNET Media Group | Red Ventures, LLC | \$500 |
| Sep-20 | Silvercup Studios, Inc. | Hackman Capital Partners, LLC; Square Mile Capital Investments Ltd | \$500 |
| Apr-21 | Aspyr Media, Inc. | Saber Interactive, Inc. | \$454 |
| | | | |

Source: Capital IQ

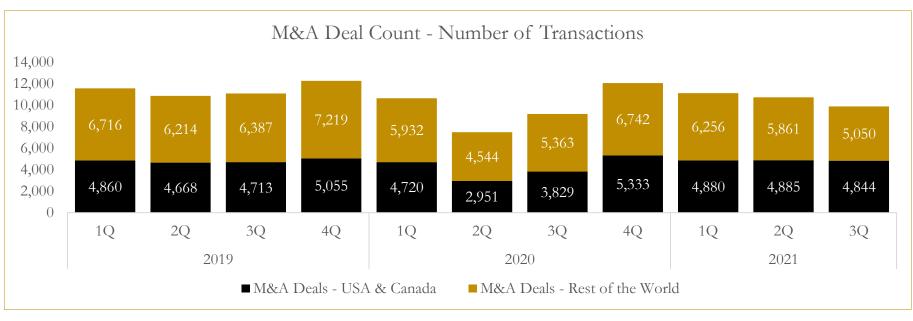
Change in Market Capitalization by Sector

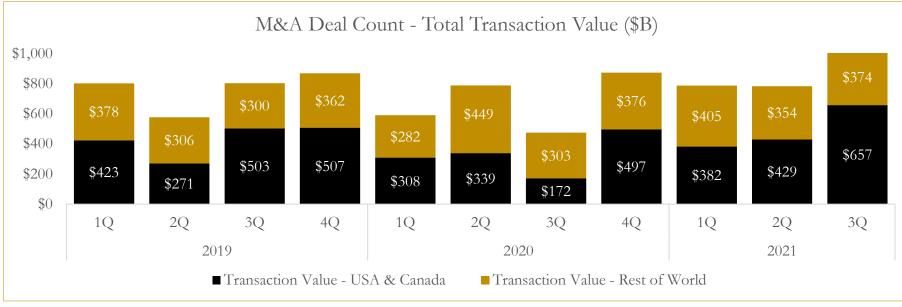
Last Three (3) Months as of September 30, 2021



M&A Deal Flow Statistics

Last Three (3) Years as of September 30, 2021





7 Houlihan Capital About Us

About Houlihan Capital

Houlihan Capital is a leading, solutions-driven valuation, financial advisory and boutique investment banking firm. We pride ourselves on being thought leaders in an ever-changing landscape.

Houlihan Capital is SOC-compliant, a FINRA and SIPC member and committed to the highest levels of professional ethics and standards.

Valuation & Financial Advisory

We provide an array of services that include enterprise valuations, portfolio valuation, valuation of carried interest, transaction opinions, tax and financial reporting compliance, purchase price allocations, and a wide variety of consulting services through our Financial Advisory Group.

Investment Banking

Through our Investment Banking Group, we offer sell-side/buy-side advisory and capital raises. Through our Special Situations desk, we provide services that fit outside the archetypal verticals, including liquidity solutions, transactional advisory, and secondary market advisory and trading.

Litigation Support

Our team provides support for a wide variety of situations including commercial and shareholder disputes, derivatives and structured finance litigation, and fraudulent conveyance.

