

WALT DISNEY

# Industry Update Media and Entertainment Q1 2023

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

(USD in millions, except per share data)

			Size Prof	ile	LTM Operating Data		Forward Estimates		
Company Name	Ticker	Price at 03/31/23	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2023 Est. Revenue	2023 Est. EBITDA
Broadcasting									
Warner Bros. Discovery, Inc.	WBD	\$15.10	54.9%	\$80,311	\$130,584	\$41,358	\$5,642	\$43,156	\$11,142
Gray Television, Inc.	GTN	\$8.72	38.7%	\$7,513	\$10,845	\$3,650	\$1,253	\$3,305	\$809
Stolt-Nielsen Limited	SNI	\$31.84	96.1%	\$3,339	\$4,736	\$2,874	\$667	\$2,873	\$808
Entravision Communications Corporation	EVC	\$6.05	82.6%	\$524	\$878	\$998	\$86	\$1,066	\$72

Cable and Satellite									
AT&T Inc.	Т	\$19.25	79.4%	\$297,325	\$400,873	\$121,168	\$43,806	\$122,087	\$42,855
DISH Network Corporation	DISH	\$9.33	27.7%	\$25,701	\$53,562	\$16,306	\$2,605	\$15,672	\$2,034
AMC Networks Inc.	AMCX	\$17.58	41.2%	\$3,045	<b>\$</b> 0	\$3,102	\$693	\$2,904	\$597

Movies and Entertainment									
The Walt Disney Company	DIS	\$100.13	71.9%	\$239,299	\$202,124	\$84,415	\$11,899	\$91,530	\$16,569
Netflix, Inc.	NFLX	\$345.48	87.2%	\$156,778	\$49,490	\$31,909	\$5,728	\$33,911	\$7,284
AMC Entertainment Holdings, Inc.	AMC	\$5.01	18.2%	\$12,030	\$8,848	\$4,080	\$63	\$4,429	\$365
Cinemark Holdings, Inc.	CNK	\$14.79	74.8%	\$5,104	\$4,712	\$2,605	\$378	\$2,902	\$507
Lions Gate Entertainment Corp.	LGF.A	\$11.07	66.1%	\$6,776	\$7,593	\$3,699	\$234	\$3,961	\$414

Source: Capital IQ

(USD in millions, except per share data)

		Size Profi	le		LTM Operating Data		Forward Estimates		
Company Name	Ticker	Price at 03/31/23	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2023 Est. Revenue	2023 Est. EBITDA
Publishing									
The New York Times Company	NYT	\$38.88	82.5%	\$6,035	\$2,534	\$2,279	\$329	\$2,415	\$372
The E.W. Scripps Company	SSP	\$9.41	43.1%	\$4,092	\$6,402	\$2,415	\$556	\$2,311	\$412
Gannett Co., Inc.	GCI	\$1.87	40.6%	\$1,588	\$2,328	\$2,866	\$276	\$2,768	\$280
Scholastic Corporation	SCHL	\$34.22	70.9%	\$1,143	\$1,878	\$1,690	\$115	\$1,767	\$184

Source: Capital IQ

# Valuation Metrics

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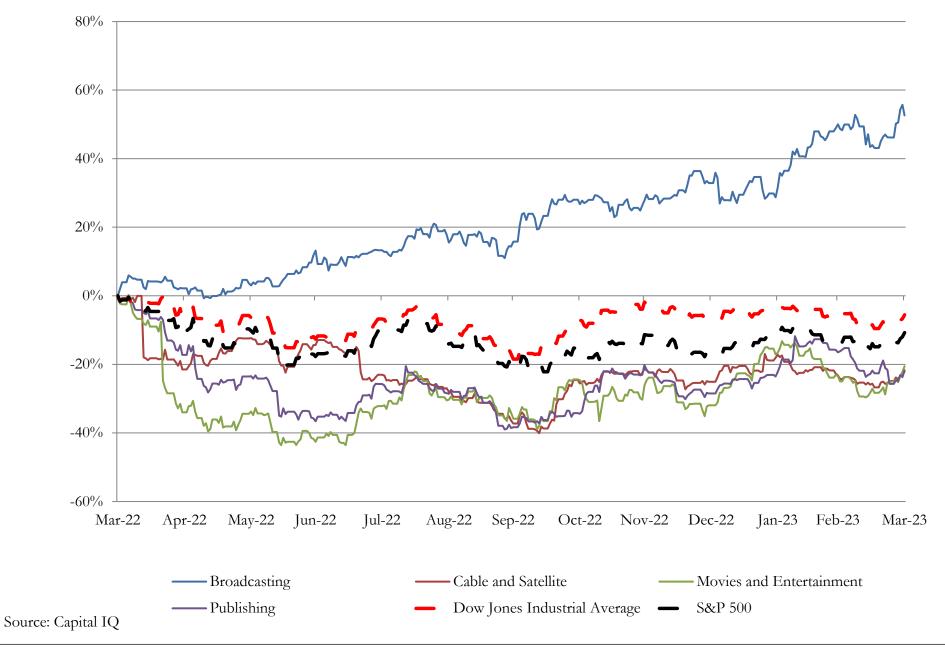
		Return Profile							Trading Multiples		
Company Name	Ticker	Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA		
Broadcasting											
Warner Bros. Discovery, Inc.	WBD	-1.7%	-23.5%	177.4%	14.6%	35.1%	1.5x	2.5x	16.9x		
Gray Television, Inc.	GTN	5.6%	17.6%	52.3%	36.3%	85.4%	1.6x	2.1x	5.9x		
Stolt-Nielsen Limited	SNI	5.9%	19.4%	24.6%	23.2%	33.4%	0.3x	1.2x	5.2x		
Entravision Communications Corporation	EVC	4.8%	7.4%	25.8%	9.7%	5.2%	1.1x	0.7x	7.2x		
	Mean Median	3.6% 5.2%	5.2% 12.5%	70.0% 39.1%	20.9% 18.9%	39.8% 34.2%	1.1x 1.3x	1.6x 1.7x	8.8x 6.6x		
Cable and Satellite											
AT&T Inc.	Т	3.8%	-5.1%	-25.5%	37.3%	-14.6%	0.8x	2.4x	6.4x		
DISH Network Corporation	DISH	2.5%	13.8%	-6.7%	16.6%	-29.7%	1.8x	1.6x	9.4x		
AMC Networks Inc.	AMCX	6.3%	1.0%	0.6%	22.1%	-10.8%	1.2x	1.0x	4.5x		
	Mean	4.2%	3.2%	-10.5%	25.3%	-18.4%	1.2x	1.6x	6.8x		
Source: Capital IQ	Median	3.8%	1.0%	-6.7%	22.1%	-14.6%	1.2x	1.6x	6.4x		

				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
Movies and Entertainment									
The Walt Disney Company	DIS	2.1%	3.5%	15.7%	14.1%	12.7%	1.3x	2.8x	20.2x
Netflix, Inc.	NFLX	7.1%	21.3%	5.0%	18.0%	-11.2%	1.3x	4.9x	27.2x
AMC Entertainment Holdings, Inc.	AMC	-2.4%	N/A	54.7%	0.2%	N/A	2.0x	3.1x	1288.8x
Cinemark Holdings, Inc.	CNK	1.0%	-118.1%	62.5%	12.8%	674.4%	2.3x	2.1x	16.4x
Lions Gate Entertainment Corp.	LGF.A	-0.2%	-95.9%	4.2%	6.3%	-30.6%	1.5x	1.8x	29.2x
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	Mean	1.5%	-47.3%	28.4%	10.3%	161.3%	1.7x	3.0x	276.3x
	Median	1.0%	-46.2%	15.7%	12.8%	0.7%	1.5x	2.8x	27.2x
Publishing									
The New York Times Company	NYT	6.2%	11.1%	11.3%	14.4%	5.9%	1.0x	2.7x	18.6x
The E.W. Scripps Company	SSP	4.2%	9.6%	7.4%	24.4%	2.9%	1.8x	1.7x	6.9x
Gannett Co., Inc.	GCI	2.9%	-19.0%	-8.2%	9.8%	-39.5%	2.4x	0.5x	5.6x
Scholastic Corporation	SCHL	2.5%	5.4%	10.5%	6.8%	-8.9%	1.1x	0.7x	10.1x
	Mean	4.0%	1.8%	5.3%	13.9%	-9.9%	1.6x	1.4x	10.3x
Sources Consisted IO									
Source: Capital IQ	Median	3.5%	7.5%	9.0%	12.1%	-3.0%	1.5x	1.2x	8.5x

## LTM Equity Performance

Major Indexes

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### **Recent M&A Activity**

Last Twelve (12) Months as of March 31, 2023

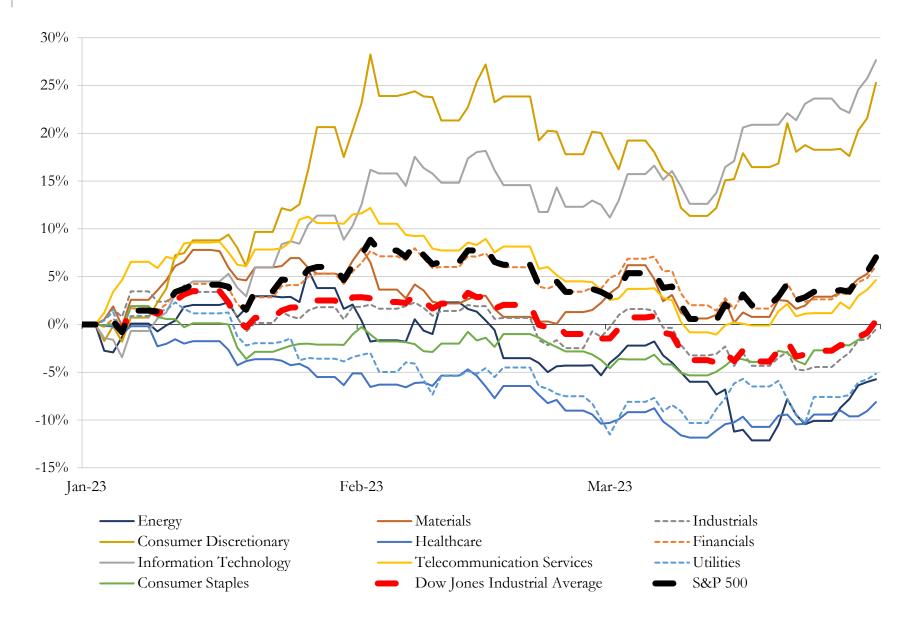
(USD in millions)

Close Date	Target	Acquirer	Implied TEV
Mar-23	Warner Media, LLC	Discovery, Inc. (nka:Warner Bros. Discovery, Inc.)	\$103,966
Mar-23	Twitter, Inc.	N/A	\$46,173
Mar-23	Zynga Inc.	Take-Two Interactive Software, Inc.	\$12,714
Mar-23	PDB Sports, Ltd.	N/A	\$4,650
Mar-23	Bungie, Inc.	Sony Interactive Entertainment LLC	\$3,700
Mar-23	Trader Interactive, LLC	carsales.com Ltd	\$1,609
Mar-23	FWD Media, Inc.	KIRKBI A/S	\$875
Mar-23	Barstool Sports, Inc.	PENN Entertainment, Inc.	\$634
Mar-23	Industry Dive, Inc.	Informa plc	\$525
Mar-23	Axios Media Inc.	Cox Enterprises, Inc.	\$525
Mar-23	Ryzac, Inc.	Skillsoft Corp.	\$502
Mar-23	Wurl, Inc.	AppLovin Corporation	\$388
Mar-23	Quixote Studios LLC	Hudson Pacific Properties, Inc.	\$353
Mar-23	Industrial Media Inc.	Sony Pictures Television, Inc.	\$350
Mar-23	Crystal Dynamics, Inc./Eidos Interactive Corporation	Embracer Group AB (publ)	\$300
Mar-23	TCGplayer, Inc.	eBay Inc.	\$295
Mar-23	Redbox Entertainment Inc.	Chicken Soup for the Soul Entertainment, Inc.	\$282
Mar-23	Diamond Baseball Holdings, LLC	Silver Lake Technology Management, L.L.C.	<b>\$28</b> 0
Mar-23	Pond5 Inc.	Shutterstock, Inc.	\$218
Mar-23	Kinetic Content/Left/Right/44 Blue Productions/Half Yard	Chernin Entertainment LLC	\$200
Mar-23	Assets in Portland, Oregon, Clark County, Washington	Outfront Media Inc.	\$185
Mar-23	D&D Beyond	Hasbro, Inc.	\$146
Mar-23	Findaway World, LLC	Spotify Technology S.A.	\$134
Mar-23	Burkhart Advertising, Inc.	Lamar Advertising Company	\$130
Mar-23	Clique Media, Inc.	Future plc	\$127
Mar-23	Pantaya, LLC	Univision Communications Inc.	\$125
Mar-23	Futbin and related assets	Better Collective A/S	\$113
Mar-23	Digital Media Management, Inc.	Keywords Studios plc	\$100
Mar-23	Borderfree, Inc./Pitney Bowes PayCo US Inc.	Globale U.K. Limited; Global-e US Inc.	\$100
Mar-23	Brainium Studios, LLC	Playstudios Us, LLC	\$97

Source: Capital IQ

### Change in Market Capitalization by Sector

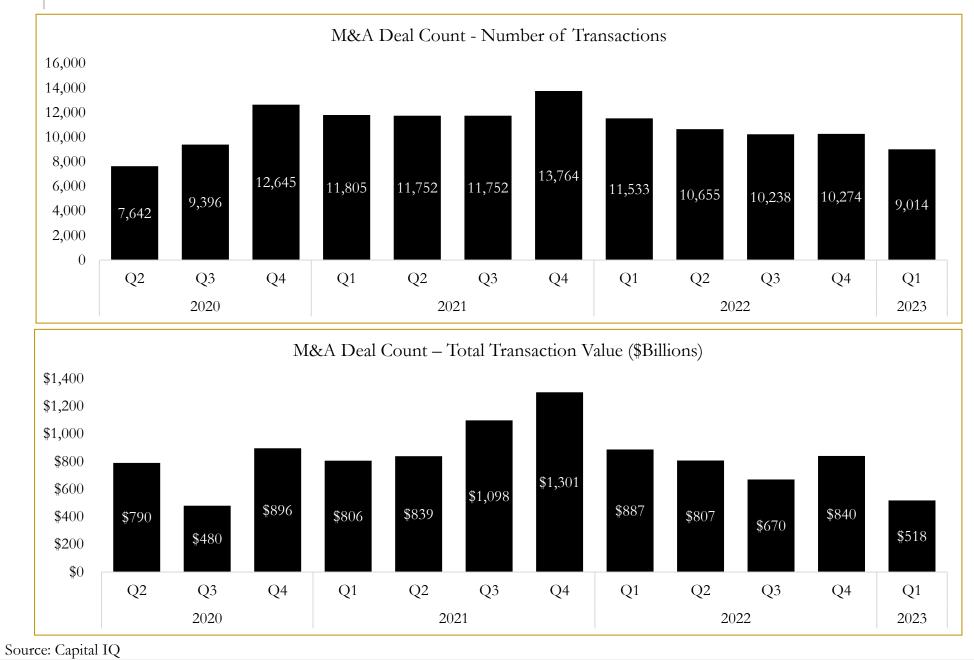
Last Three (3) Months as of March 31, 2023



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### M&A Deal Flow Statistics

Last Three (3) Years as of March 31, 2023



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#### 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.

