



MEDIA SECTOR REVIEW

INTERNET AND DIGITAL MEDIA COMMENTARY

Gaming Sector Receives A Pandemic Tailwind

Video Games has been one of the few sectors of the economy to benefit from Covid-19. Covid-19 lockdowns have boosted user engagement with video games and esports as consumers shelter in place. The pandemic is accelerating existing trends in the gaming industry. In April, the first full month of sheltering in place resulted in a 50% sequential increase in gaming hours watched on Twitch, the most popular video game streaming platform. According to Engine Media's (MLLLF) audience measurement subsidiary Stream Hatchet, total hours streamed in 2Q 2020 across the three largest platforms (Twitch, YouTube Gaming, and Facebook Gaming), increased by 54%, to 7.6 billion hours streamed vs. 4.9 billion streamed in 1Q 2020, which reflects an all-time high. According to market research firm NPD Group, 244 million people in the U.S., or three out of every four, play video games, an increase of 32 million people in the last two years alone.

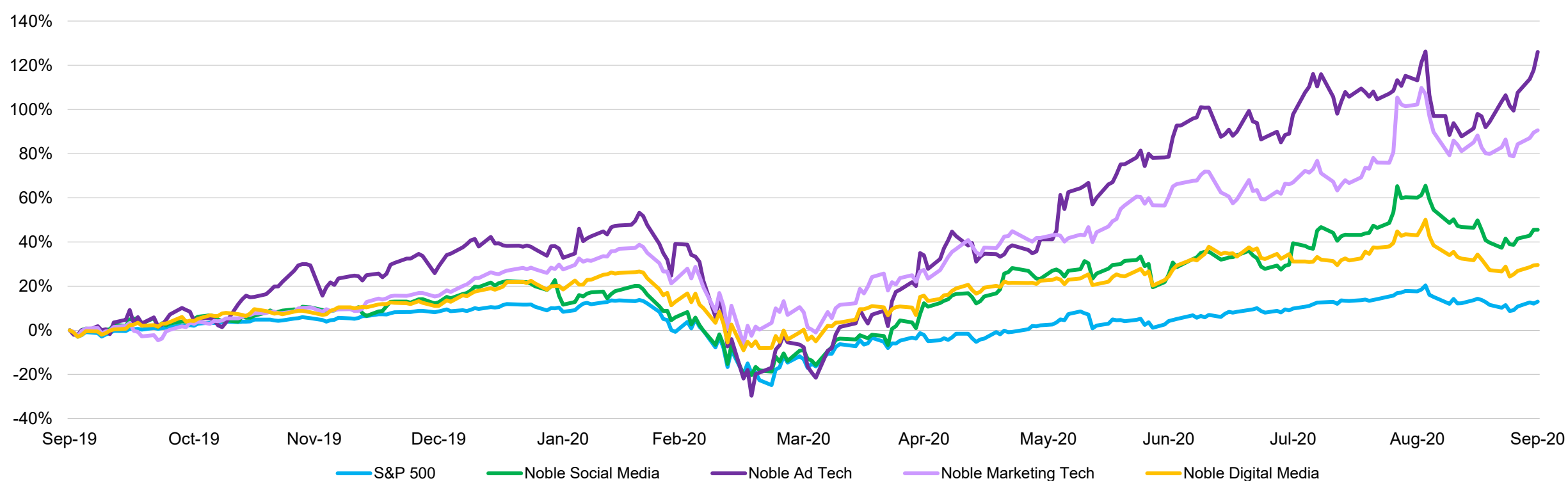
As millions have been quarantined at home, many have looked to esports for entertainment. Deloitte's 2020 digital media trends survey found that, during the crisis, a third of consumers have, for the first time, subscribed to a video gaming service, used a cloud gaming service, or watched esports or a virtual sporting event. According to Nielsen, while most consumers prefer to play games rather than watch others play, one-third of esports fans say they watched esports as an alternative to traditional TV content.

Like many ecommerce or online businesses, the pandemic has pulled forward and accelerated many trends that were already underway. We had expected that as people began returning to work, and as traditional sports returned to the airwaves, that streaming hours would begin reverting to pre-pandemic levels. However, according to Stream Hatchet's 3Q 2020 report, game streaming hours watched fell just 2% to 7.4 billion hours in 3Q 2020 from 7.6 billion hours in 2Q 2020. These types of numbers will likely increase investor and strategic interest in the gaming and esports sectors.

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STOCK MARKET PERFORMANCE: INTERNET AND DIGITAL MEDIA



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OUTLOOK – INTERNET AND DIGITAL MEDIA

INTERNET AND DIGITAL MEDIA COMMENTARY

Gaming Sector M&A Heats Up

The significant increase in time spent streaming games has helped to drive M&A activity in the gaming space to new levels. Noble tracked 14 gaming transactions in the third quarter with a transaction value of \$11.7 billion. Two transactions alone account for \$11.2 billion of this total: Microsoft's \$7.5 billion acquisition of gaming studio/game developer ZeniMax Media, and the \$3.5 billion reverse merger between esports platform Skillz and the SPAC Flying Eagle Acquisition Corp. Historically Noble tracks M&A transactions in the internet and digital media sectors and focuses on transactions in North America and Europe. The chart below shows the largest gaming/esports transactions in 3Q 2020 in those respective regions. We should note that the largest number of M&A deals in the sector in 3Q took place in Asia, which is home to the largest gaming audiences.

3Q 2020 - Notable Gaming/Entertainment M&A Transactions

Buyer	Target	Transaction Value	Enterprise Value/ Revenue	EBITDA
Microsoft Corporation	ZeniMax Media Inc.	\$7,500	NA	NA
Skillz Inc.	Flying Eagle Acquisition Corp.	\$3,500	15.6x	NA
Take-Two Interactive Software, Inc.	Playdots, Inc.	\$192	NA	NA
Zynga Inc.	Rollic Games	\$180	NA	NA
Stillfront Group AB (publ)	Nanobit d.o.o.	\$148	NA	NA
Sumo Group Plc	Pipeworks Inc	\$100	5.2x	23.8x
Enad Global 7 AB (publ)	Big Blue Bubble Inc.	\$58	6.3x	21.7x
Engine Media Holdings, Inc.	One Up Group, LLC	\$15	NA	NA
NA	Assets of NTN Buzztime	\$2	NA	NA
Saber Interactive, Inc.	New World Interactive, LLC	NA	NA	NA
Tilting Point Media LLC	Assets of FTX Games and Plamee Studios	NA	NA	NA
Daybreak Game Company LLC	Cold Iron Studios, Inc.	NA	NA	NA
Esports Entertainment Group, Inc.	Certain Assets of FLIP Sports Limited	NA	NA	NA
The 4D Factory LLC	NEON Media LLC	NA	NA	NA

Mean	\$1,299	9.0x	22.8x
Median	\$148	6.3x	22.8x

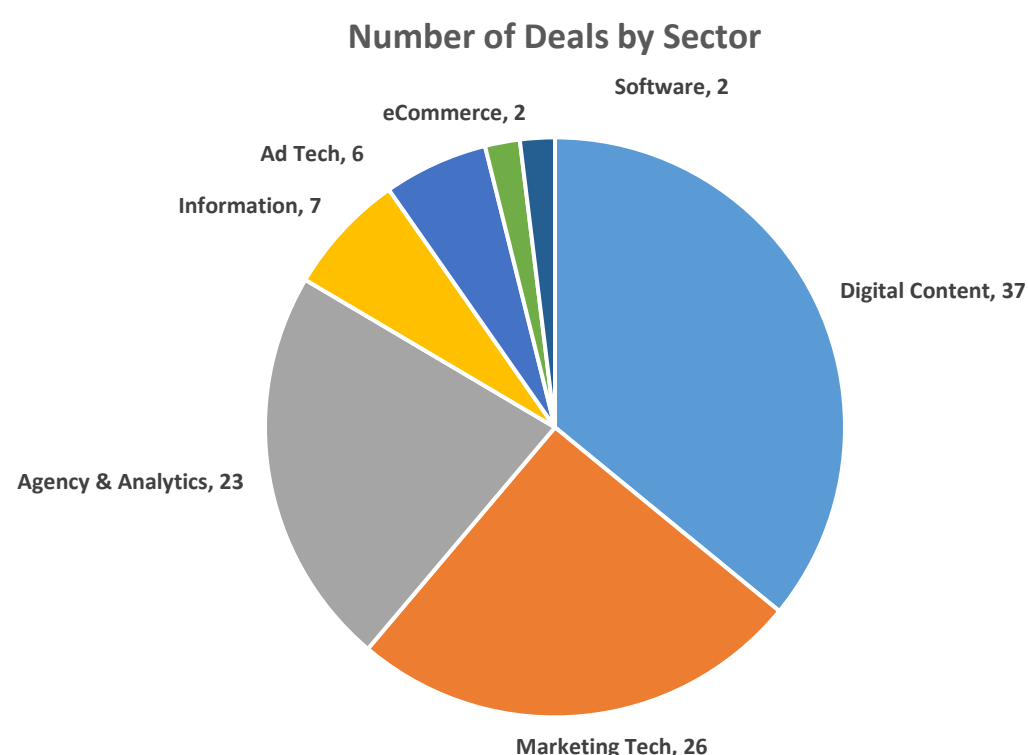
Internet & Digital Media M&A Sees Sequential Improvement in 3Q 2020

During the third quarter, Noble tracked 105 M&A transactions in the internet and digital media sector. This represents a 5% sequential improvement over the 100 M&A transactions we tracked in 2Q 2020. Third quarter deal values totaled \$28.1 billion, a 118% increase over 2Q 2020 levels, as four deals alone accounted for nearly \$25 billion worth of deal value. The largest deal was Adevinta's acquisition of eBay Classified Group for \$9.2 billion, followed by the gaming deals mentioned earlier (Microsoft's \$7.5 billion acquisition of gaming studio/game developer ZeniMax Media, and Skillz' \$3.5 billion reverse merger with Flying Eagle Acquisition Corp). Blackstone's \$4.7 billion acquisition of information/genealogy company Ancestry.com was the fourth deal of more than \$1 billion that we tracked.

Of the 105 deals we tracked in 3Q 2020, 37 of them were in the digital content category, while the marketing technology sector trailed with 26 deals, followed by the always active advertising agency deals with 23. These three sectors were also the most active sectors in the first and second quarters of 2020.

OUTLOOK – INTERNET AND DIGITAL MEDIA

INTERNET AND DIGITAL MEDIA COMMENTARY



The digital content sector had not just the largest number of transactions, but also the largest value of deals in the third quarter, with \$22.2 billion of deals, or 79% of the entire deal value of the internet and digital media deals we track. Within the digital content segment, the gaming sector accounted for 14 of the 37 transactions and totaled \$11.7 billion in deal value or nearly 53% of total digital content deal value.

Other segments of digital content where M&A was strong includes video focused transactions (6 transactions), publishing (4 transactions) and audio (5 transactions, 4 of which were in the podcast space). Notable video focused deals include CuriosityStream's \$512 million reverse merger with the SPAC Software Acquisition Group, and Enthusiast Gaming's \$34 million acquisition of Omnia Media, a YouTube Video Gaming Network. Notable digital publishing deals include Red Venture's \$500 million acquisition of CNET Media Group from ViacomCBS. Notable audio deals include SiriusXM's \$325 million acquisition of podcast network Stitcher from E.W. Scripps; The New York Times' \$25 million acquisition of podcast programmer Serial; and the \$70 million acquisition of Rhapsody International from MelodyVR Group.

Internet and Digital Media Stocks Continued to Rebound

In our 2Q media newsletter we noted that every single stock in the four sectors we monitor was up in the quarter. While 3Q 2020's performance was not nearly as strong, all sectors performed well, and three of the four sectors outperformed the S&P 500. In the third quarter the S&P 500 index increased by 8.5%, while Noble's Adtech Index increased by 26%, Noble's MarTech Index increased by 19%, Noble's Social Media Index increased by 16%, and Noble's Digital Media Index increased by 4%.

While last quarter saw 5 stocks more than double off their March lows, only one company, Autoweb (AUTO, +143%), posted a more than doubling of their stock price. The stock surged when the company provided a 3Q mid-quarter update that showed that gross margins in July 2020 had nearly doubled from July 2019 levels resulting in positive adjusted EBITDA (versus a loss a year-ago), and provided further evidence of the company's turnaround.

Autoweb wasn't the only adtech stock to perform well during the quarter. Other notable performers included the stocks of Quinstreet (QNST, +51%) and Fluent (FLNT, +39%). It's interesting to note that all three of the best performing advertising technology companies are lead generation businesses. As companies re-open their businesses post-pandemic, it's expected that performance marketing companies will do well as companies focus less on branding and more on generating new business, an imperative for many businesses that have struggled during the pandemic. Several other adtech stocks performed well during the quarter including the stocks of Synacor (SYNC, +34%), Perion Networks (PERI, +34%), The Trade Desk (TTD, +28%) and Interclick Interactive (ICLK, +25%).



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E-commerce retailing was hot, driven by stay at home mandates and social distancing. 1800Flowers.com's ([view report](#)) stock increased 144% from March lows in the latest quarter. The company reported that its fiscal fourth quarter end June 30 revenues increased a strong 61%. We believe that e-commerce trends will remain strong even as the pandemic subsides.

Marketing tech stocks that performed well during the quarter include Salesforce (CRM, +34%), Hubspot (HUBS, +30%), Brightcove (BCOV, +30%), SharpSpring (SHSP, +27%), and LivePerson (LPSN, +26%). As noted in our M&A study, MarTech was one of the most active sectors in M&A during 3Q 2020, but M&A was not a driver of stock price performance. Strong organic revenue appears to be the sector driver, with revenue growth exceeding 20% on average, as shown on our revenue growth chart on page 7.

Social media stocks also performed well during the quarter, with our index up 16%. Our index is market cap weighted so it generally performs in-line with how Facebook has performed. Nevertheless, several social media stocks significantly outperformed, including Twitter (TWTR, +49%) and Spark Networks (LOV, +48%). While the stock of Snap Interactive (SNAP, +11%) underperformed its peers during the quarter, it consolidated its gains for the year (+60%) and is the strongest performing social media stock in 2020.

Digital media stocks were the only stock sector to underperform the S&P 500, as shares of Google (GOOG.L) were up only 3%, and Google represents 73% of the market cap of this market-cap weighted sector. Google posted its first year-over-year quarterly revenue decline in the company's history and like Apple, Amazon and Facebook, is under intense regulatory scrutiny as the Justice Department reviews potential anti-competitive behavior among big tech companies. Despite Google weighing on the sector, several digital media stocks performed well including The Leaf Group (LEAF, +37%), The Maven (MVEN, +37%), Travelzoo (TZOO, +14%) and Netflix (NFLX, +10%).



DIGITAL MEDIA – SEGMENT ANALYSIS

	Share Price	% of 52 Week High	Market Cap (\$M)	Net Debt (\$M)	Ent. Value (\$M)	LTM		Ent. Value /						Net Debt / EBITDA	3 Year Revenue CAGR	EBITDA Margin	Gross Margin
						Revenues (\$M)	EBITDA (\$M)	Revenues LTM	2020E	2021E	EBITDA LTM	2020E	2021E				
Alphabet Inc.	\$1,510.45	87.5%	\$1,027,353	(\$104,937)	\$924,008	\$166,030	\$46,035	5.6x	5.3x	4.5x	20.1x	15.6x	12.6x	NM	21.5%	27.7%	54.2%
Netflix, Inc.	539.44	93.8%	237,901	10,555	248,456	22,628	3,865	11.0x	10.0x	8.5x	64.3x	52.2x	40.0x	2.6x	31.7%	17.1%	39.0%
Spotify Technology S.A.	250.00	83.4%	46,834	(1,068)	45,632	7,323	(161)	5.5x	4.9x	4.0x	NM	NM	NM	NM	31.8%	(2.2%)	25.5%
Pinterest, Inc.	43.39	96.0%	26,058	(1,552)	24,506	1,224	(392)	20.0x	16.8x	12.5x	NM	NM	NM	NM	0.0%	(32.0%)	68.4%
Tencent Music	14.52	80.8%	24,358	(21,221)	21,368	27,043	4,237	5.6x	4.9x	4.0x	NM	30.6x	21.9x	NM	80.0%	15.7%	32.7%
IAC/InterActiveCorp	125.09	90.7%	10,672	(2,698)	8,517	2,786	(46)	3.1x	2.9x	2.5x	NM	82.2x	30.8x	NM	15.7%	(1.7%)	76.0%
fuboTV Inc.	10.07	45.8%	477	47	1,107	56	(79)	19.9x	NA	NA	NM	NA	NA	NM	NA	(140.9%)	(12.3%)
Leaf Group Ltd.	7.24	97.2%	194	(4)	190	169	(14)	1.1x	0.9x	0.9x	NM	NM	26.5x	NM	11.0%	(8.1%)	37.4%
Travelzoo	6.77	54.6%	77	(4)	77	83	(7)	0.9x	1.4x	1.0x	NM	NM	NM	NM	(0.8%)	(8.4%)	86.5%
TheMaven, Inc.	0.70	62.5%	25	(1)	42	2	(13)	27.4x	NA	NA	NM	NA	NA	NM	0.0%	NM	NA

Mean

Median

10.0x

5.9x

4.7x

42.2x

45.2x

26.3x

2.6x

21.2%

(14.7%)

45.3%

5.6x

4.9x

4.0x

42.2x

41.4x

26.5x

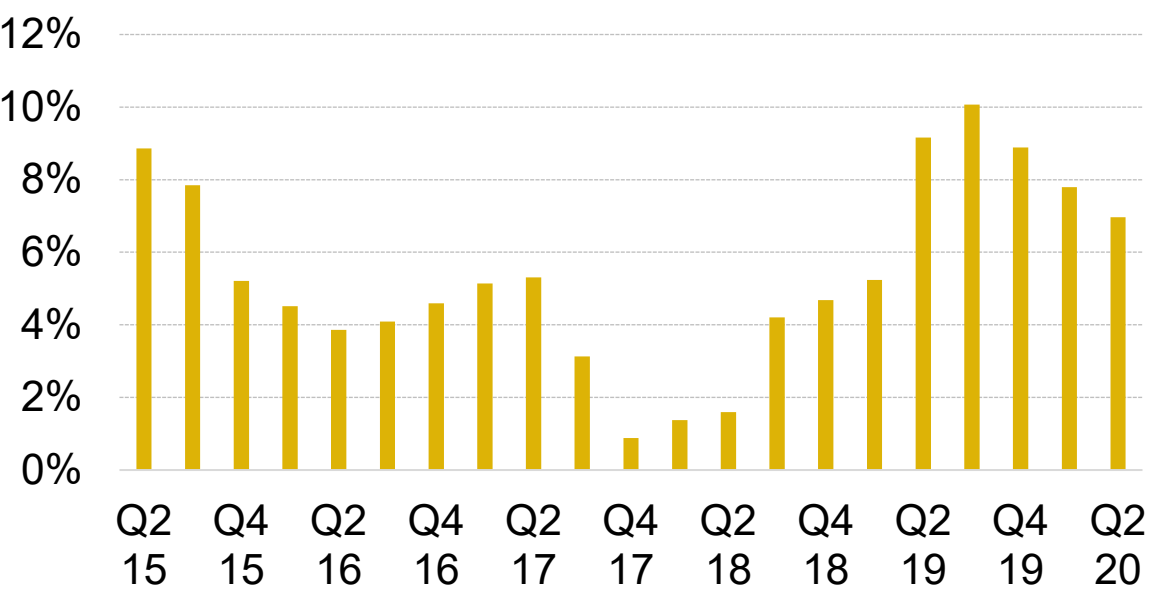
2.6x

15.7%

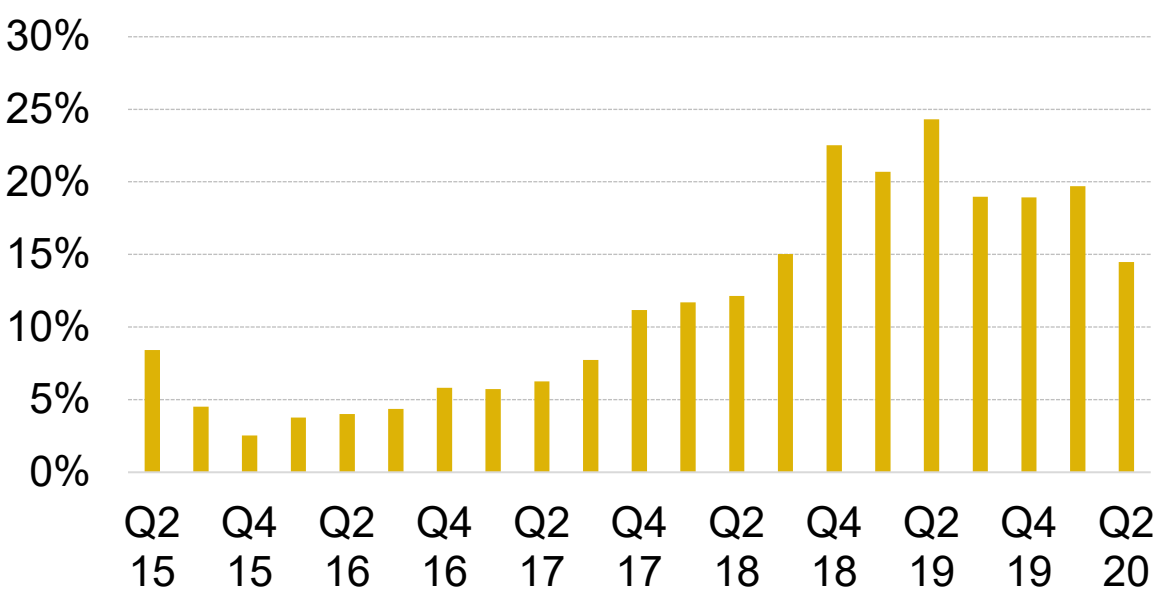
(2.2%)

39.0%

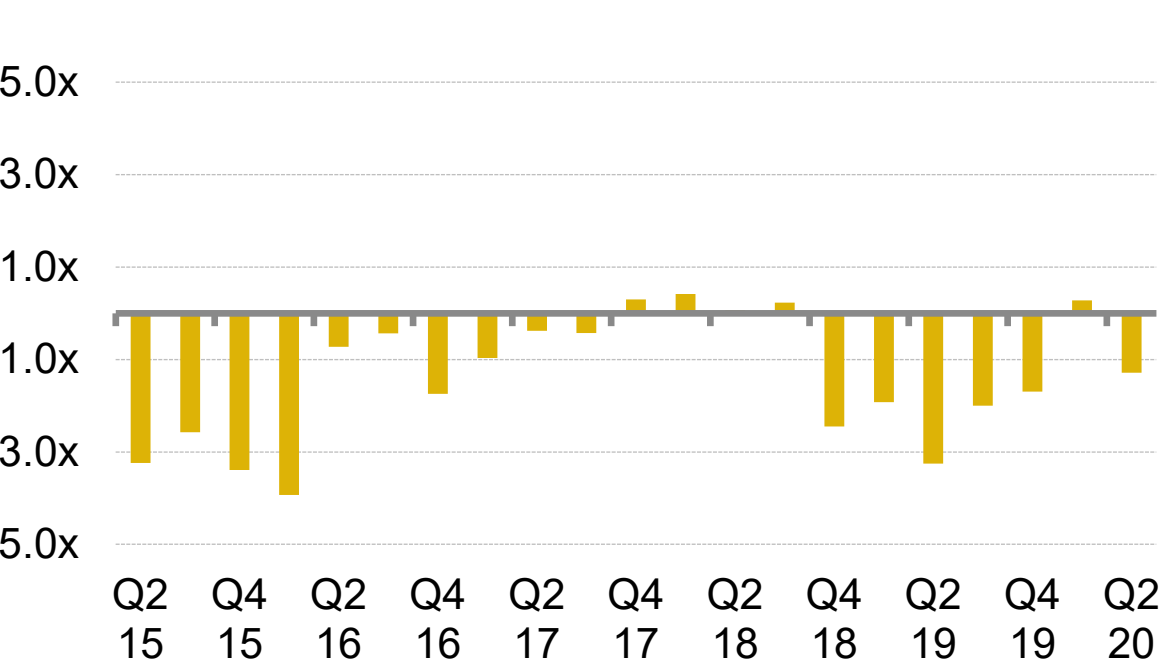
LTM EBITDA MARGIN



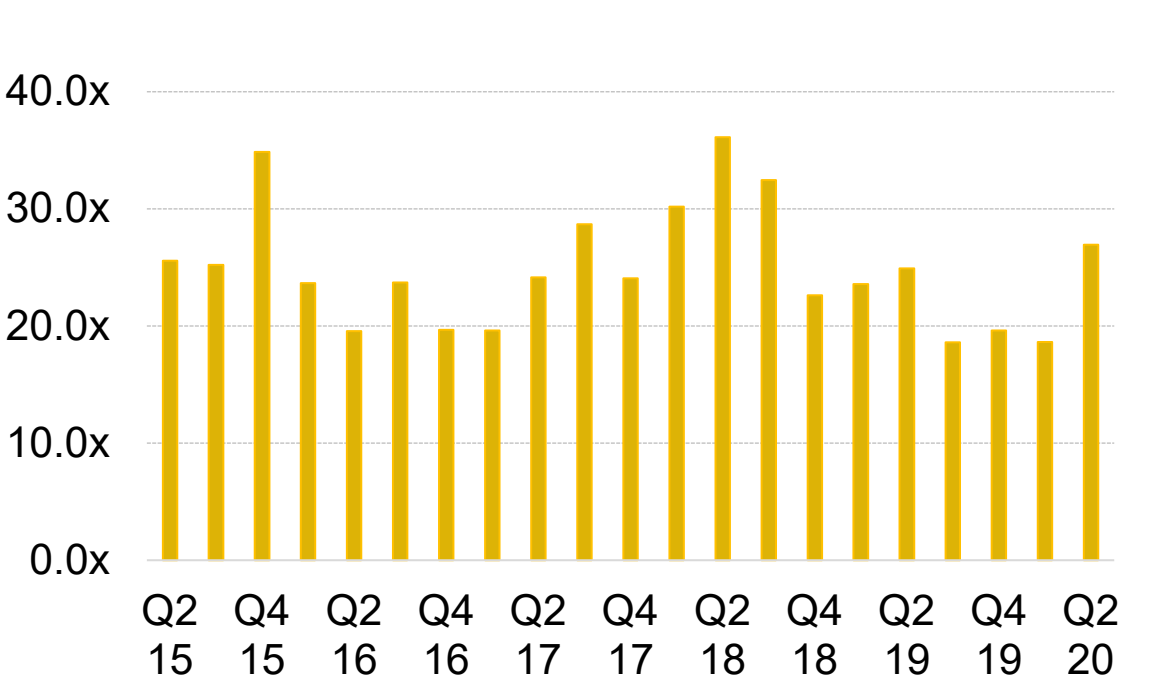
REVENUE GROWTH



NET DEBT / LTM EBITDA



EV / EBITDA

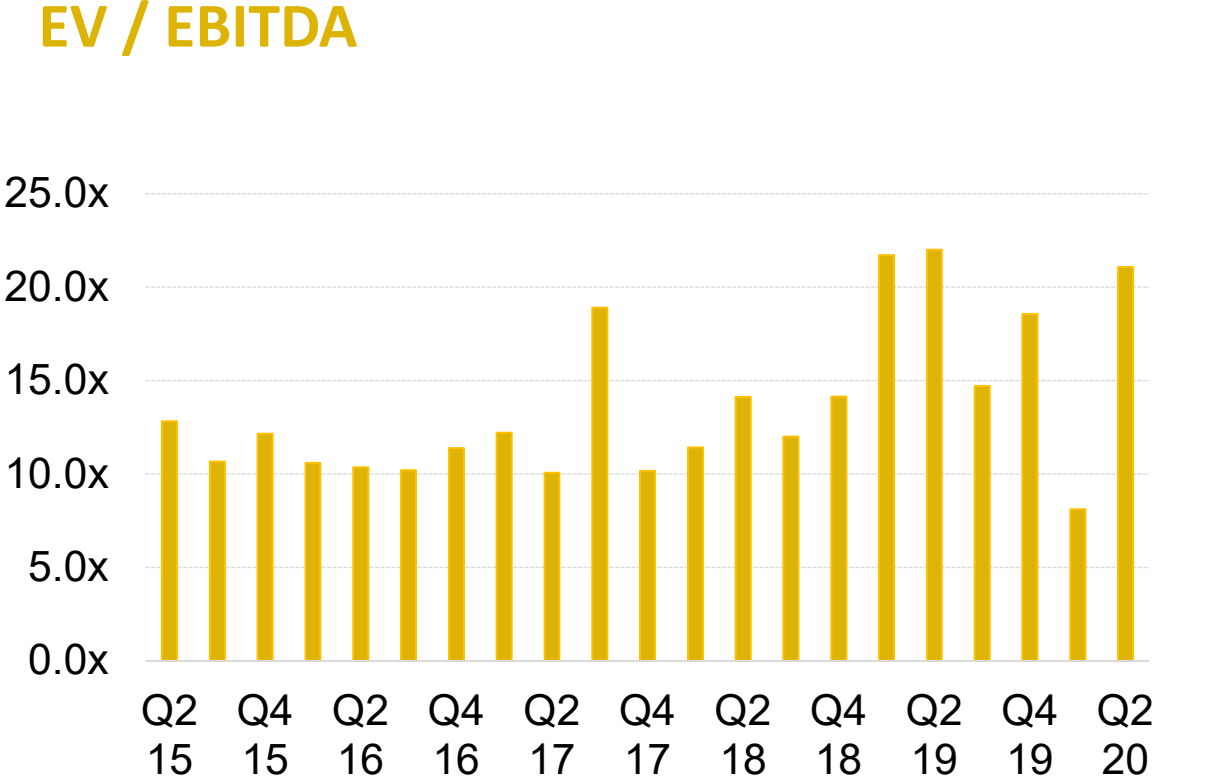
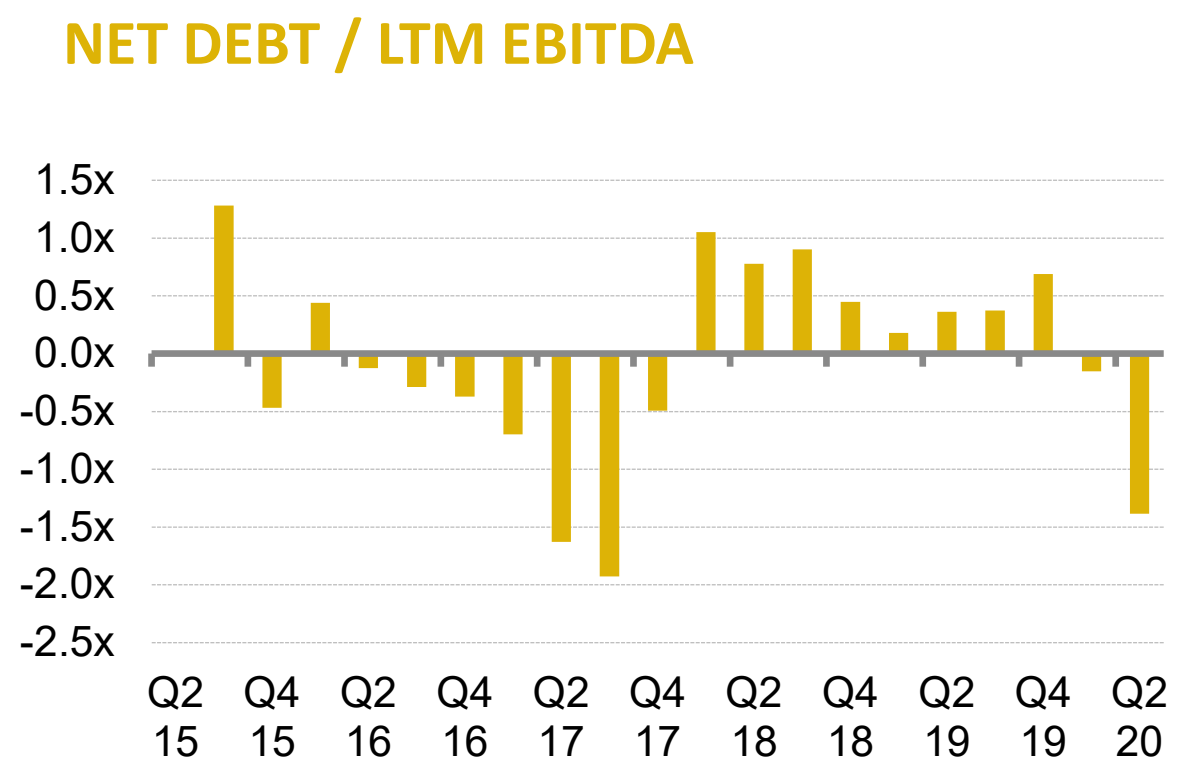
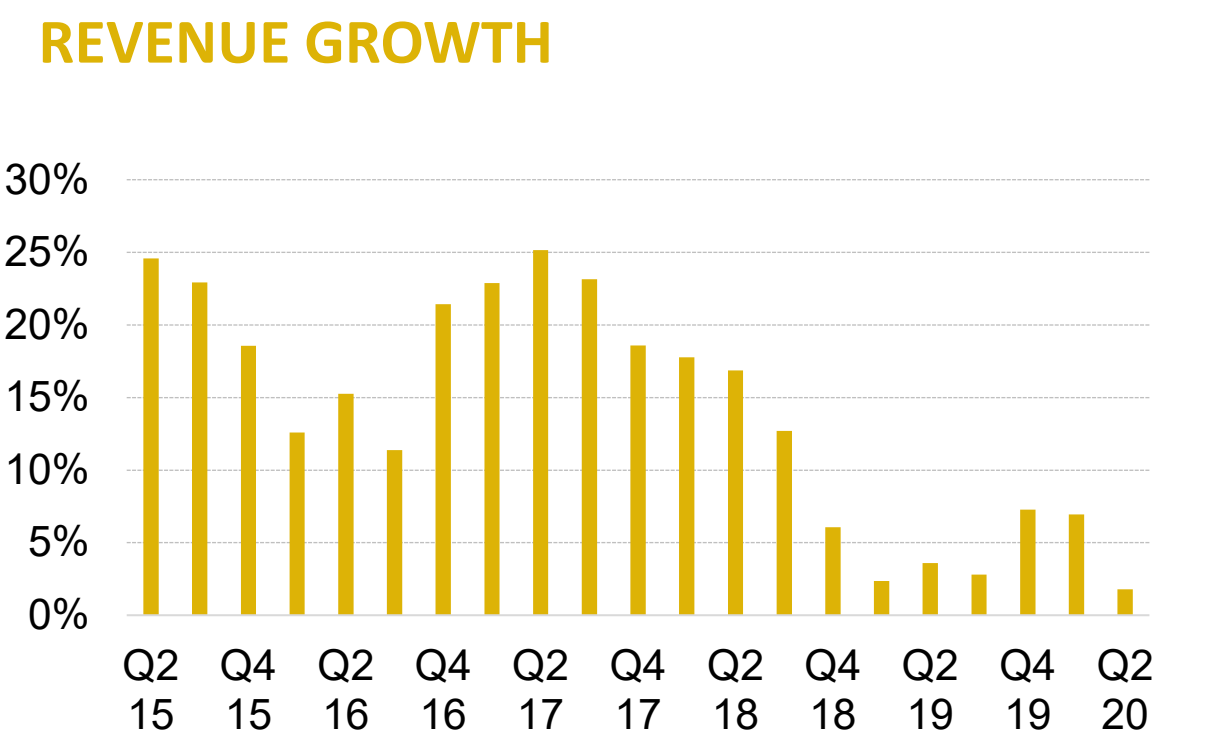
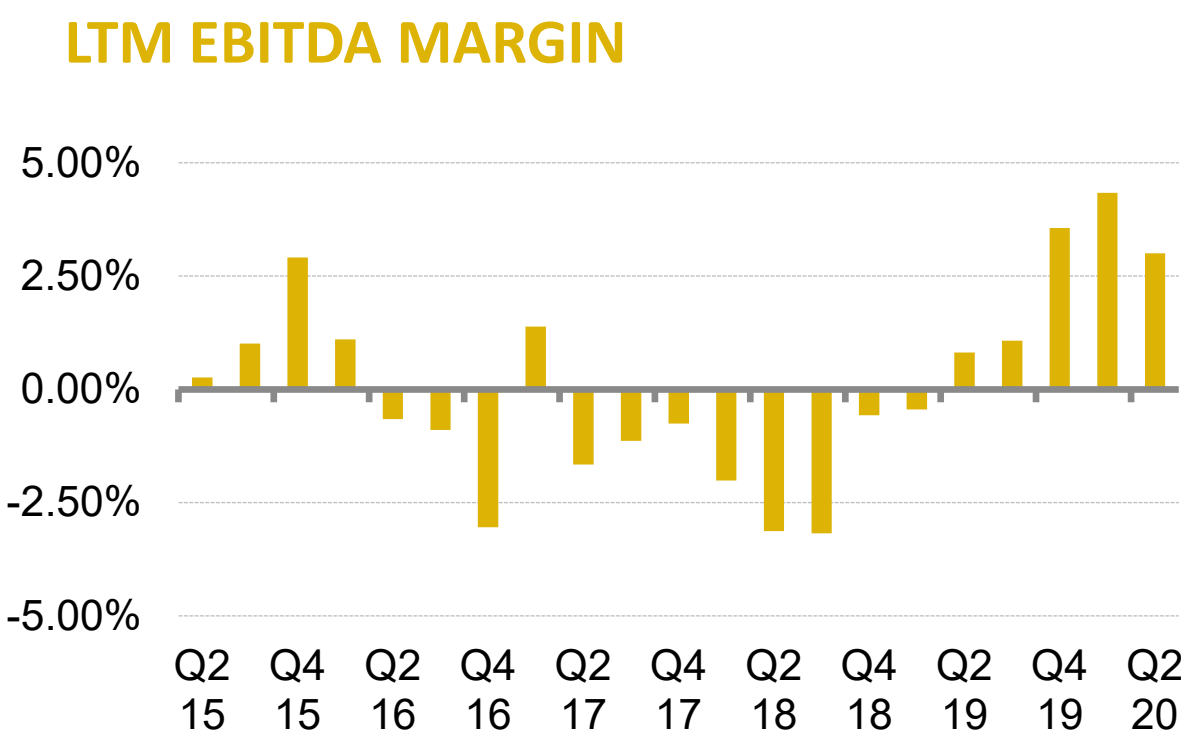




ADVERTISING TECHNOLOGY – SEGMENT ANALYSIS

	Share Price	% of 52 Week High	Market Cap (\$M)	Net Debt (\$M)	Ent. Value (\$M)	LTM		Ent. Value /						Net Debt / EBITDA	3 Year Revenue CAGR	EBITDA Margin	Gross Margin
						Revenues (\$M)	EBITDA (\$M)	Revenues LTM	2020E	2021E	LTM	2020E	2021E				
The Trade Desk, Inc.	\$613.11	98.7%	\$28,661	(\$176)	\$28,485	\$680	\$90	41.9x	38.9x	28.8x	317.5x	163.5x	98.6x	NM	48.2%	13.2%	75.1%
Magnite, Inc.	8.11	61.9%	894	(61)	833	165	(13)	5.1x	4.1x	3.4x	NM	49.2x	20.7x	NM	(17.5%)	(7.7%)	61.9%
QuinStreet, Inc.	17.19	99.5%	905	(95)	811	490	15	1.7x	1.7x	1.5x	53.1x	23.7x	16.1x	NM	17.8%	3.1%	10.7%
iClick Interactive	7.59	74.3%	686	(0)	705	218	(3)	3.2x	2.8x	2.2x	NM	55.6x	24.8x	NM	27.9%	(1.4%)	27.8%
Digital Media Solutions	7.33	68.8%	426	204	630	271	32	2.3x	1.9x	1.5x	19.6x	12.4x	8.6x	6.3x	0.0%	11.9%	20.0%
Criteo S.A.	12.63	60.8%	758	(262)	506	2,116	232	0.2x	0.7x	0.6x	2.2x	2.6x	2.6x	NM	7.9%	11.0%	35.1%
Fluent, Inc.	2.62	67.2%	200	39	239	295	24	0.8x	0.8x	0.7x	9.9x	6.8x	5.8x	1.5x	14.7%	8.2%	30.1%
Tremor International Ltd	1.93	86.9%	255	(52)	213	317	6	0.8x	0.8x	0.7x	36.9x	11.1x	5.0x	NM	37.3%	1.8%	39.7%
Perion Network Ltd.	7.86	81.0%	210	(13)	196	270	15	0.7x	0.7x	0.6x	13.4x	7.6x	7.0x	NM	(5.8%)	5.4%	36.2%
Synacor, Inc.	1.54	83.2%	61	0	61	97	4	0.6x	0.7x	0.7x	15.8x	13.2x	6.9x	NM	(1.5%)	4.0%	50.6%
AutoWeb, Inc.	3.74	62.6%	49	7	56	97	(4)	0.6x	0.7x	0.6x	NM	NM	18.8x	NM	(10.1%)	(4.4%)	23.6%
SRAX, Inc.	2.50	74.5%	39	(2)	37	4	(16)	10.3x	6.5x	2.5x	NM	NM	NM	NM	(53.6%)	NM	60.2%
Inuvo, Inc.	0.34	30.5%	33	0	33	55	(5)	0.6x	0.7x	0.6x	NM	NM	66.3x	NM	(4.9%)	(9.1%)	72.8%

Mean	5.3x	4.7x	3.4x	58.5x	34.6x	23.4x	3.9x	4.7%	3.0%	41.8%
Median	0.8x	0.8x	0.7x	17.7x	12.8x	12.3x	3.9x	0.0%	3.6%	36.2%



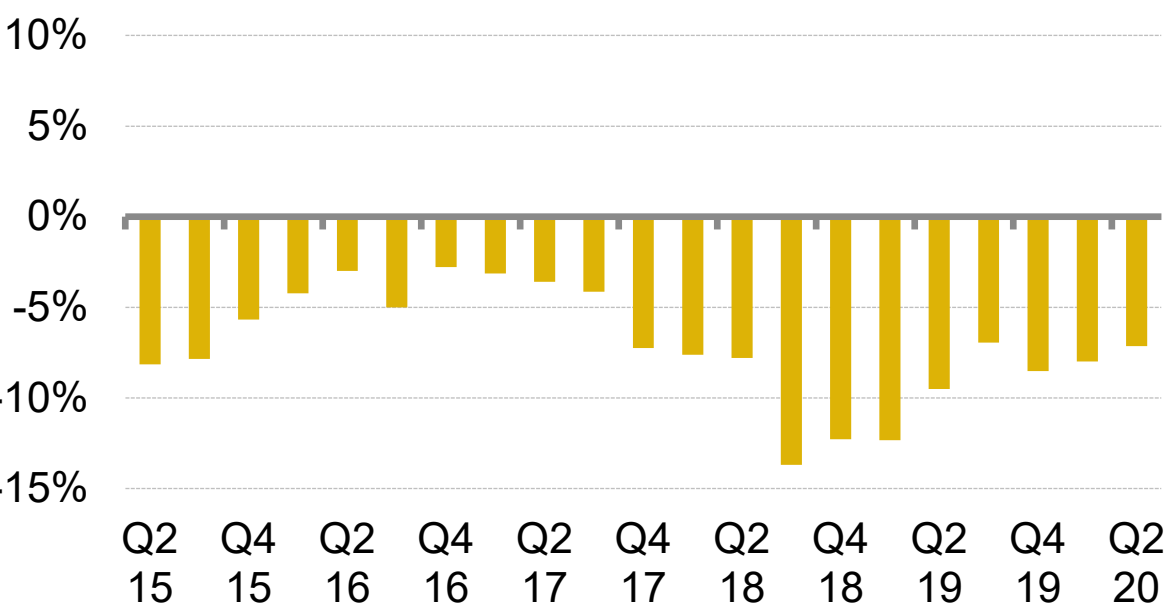


MARKETING TECHNOLOGY – SEGMENT ANALYSIS

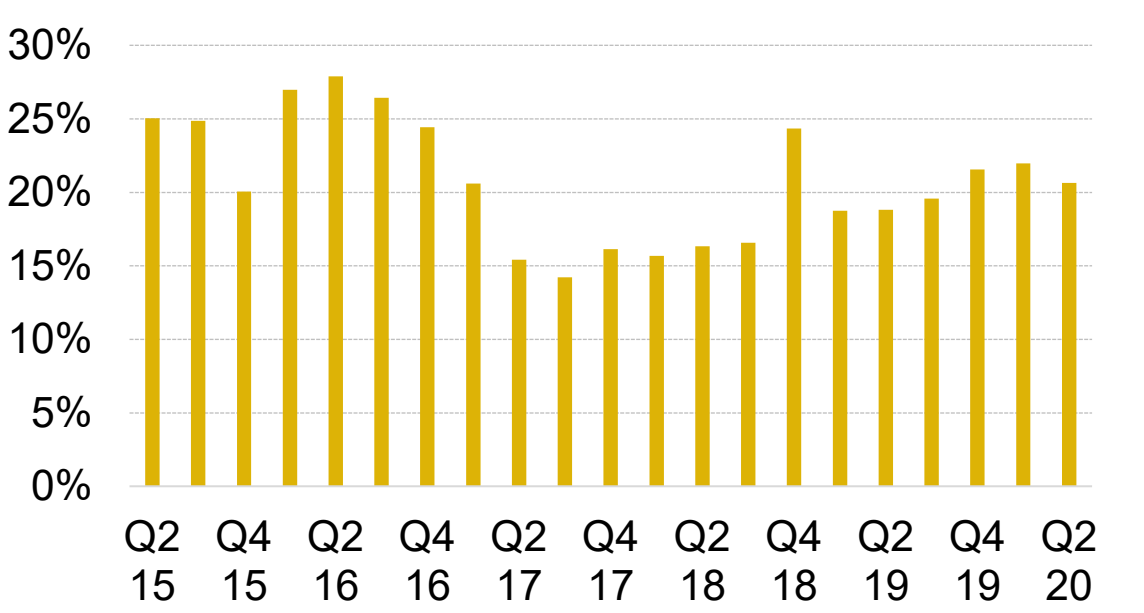
	Share Price	% of 52 Week High	Market Cap (\$M)	Net Debt (\$M)	Ent. Value (\$M)	LTM		Ent. Value /						Net Debt / EBITDA	3 Year Revenue CAGR	EBITDA Margin	Gross Margin
						Revenues (\$M)	EBITDA (\$M)	Revenues LTM	2020E	2021E	LTM	2020E	2021E				
Adobe Inc.	\$502.16	93.5%	\$240,896	(\$538)	\$240,358	\$12,436	\$4,559	19.3x	18.8x	16.3x	52.7x	38.9x	33.1x	NM	24.0%	36.7%	86.0%
salesforce.com, inc.	265.98	93.5%	242,042	(3,095)	238,947	19,380	2,093	12.3x	11.5x	9.8x	114.2x	38.3x	32.6x	NM	26.5%	10.8%	74.6%
Shopify Inc.	1,096.00	95.6%	133,578	(3,848)	129,730	2,080	(40)	62.4x	49.5x	37.9x	NM	NM	NM	NM	59.4%	(1.9%)	53.5%
Akamai Technologies, Inc.	112.53	93.8%	18,309	1,312	18,603	3,041	936	6.1x	5.9x	5.5x	19.9x	13.6x	12.7x	0.3x	7.2%	30.8%	65.5%
HubSpot, Inc.	321.57	99.6%	14,652	(364)	14,289	762	(31)	18.7x	17.2x	14.3x	NM	159.9x	114.8x	NM	35.5%	(4.0%)	80.8%
LivePerson, Inc.	57.48	90.0%	3,804	28	3,832	324	(63)	11.8x	10.7x	8.7x	NM	218.5x	118.0x	NM	9.4%	(19.5%)	71.4%
SVMK Inc.	22.92	87.3%	3,215	124	3,339	343	(53)	9.7x	8.9x	7.4x	NM	79.4x	60.1x	NM	14.0%	(15.3%)	76.4%
LiveRamp Holdings, Inc.	56.38	94.0%	3,714	(631)	3,083	397	(119)	7.8x	7.4x	6.1x	NM	NM	142.1x	NM	29.6%	(29.9%)	61.7%
Sprout Social, Inc.	46.95	98.4%	2,470	(105)	2,365	117	(46)	20.3x	18.2x	14.3x	NM	NM	NM	NM	0.0%	(39.5%)	72.0%
Cardlytics, Inc.	80.92	75.3%	2,208	(85)	2,123	199	(30)	10.6x	12.4x	8.5x	NM	NM	NM	NM	23.1%	(14.9%)	36.0%
Yext, Inc.	16.18	77.4%	1,935	(92)	1,843	331	(116)	5.6x	5.2x	4.3x	NM	NM	NM	NM	34.0%	(35.2%)	74.5%
ChannelAdvisor	16.64	74.6%	477	(51)	426	136	23	3.1x	3.0x	2.9x	18.5x	12.3x	11.2x	NM	4.7%	16.9%	79.2%
Brightcove Inc.	10.72	80.2%	423	(8)	414	190	1	2.2x	2.2x	2.1x	NM	39.2x	26.0x	NM	7.1%	0.7%	60.3%
SharpSpring, Inc.	10.60	76.0%	122	(1)	121	26	(7)	4.6x	4.1x	3.4x	NM	NM	179.3x	NM	25.3%	(26.8%)	68.6%
Marin Software	1.35	40.3%	9	5	14	39	(14)	0.4x	NA	NA	NM	NA	NA	NM	(21.1%)	(35.4%)	46.3%

Mean	13.0x	12.5x	10.1x	51.3x	75.0x	73.0x	0.3x	18.6%	(8.4)%	67.1%
Median	9.7x	9.8x	8.0x	36.3x	39.1x	46.6x	0.3x	23.1%	(14.9)%	71.4%

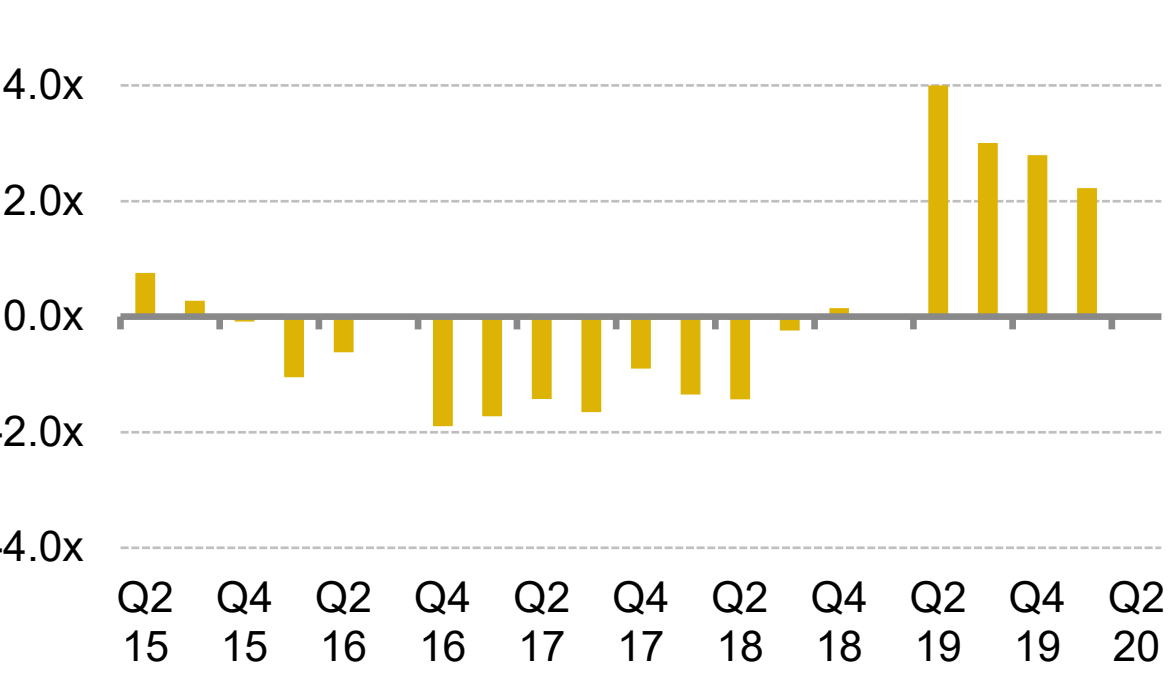
LTM EBITDA MARGIN



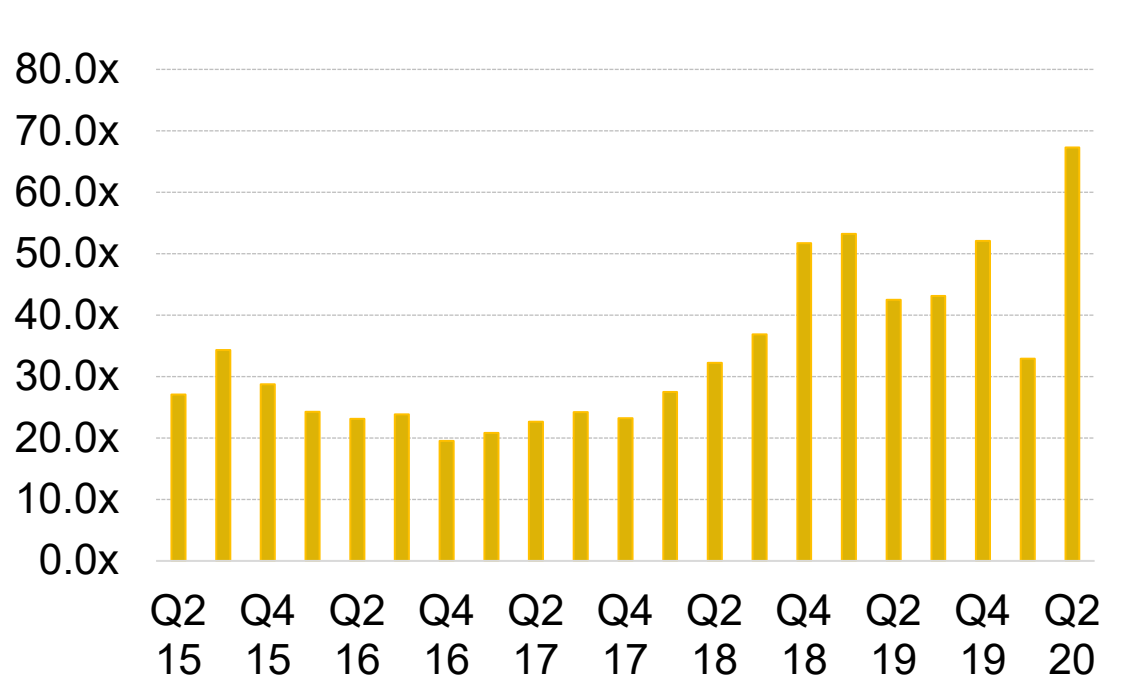
REVENUE GROWTH



NET DEBT / LTM EBITDA



EV / EBITDA



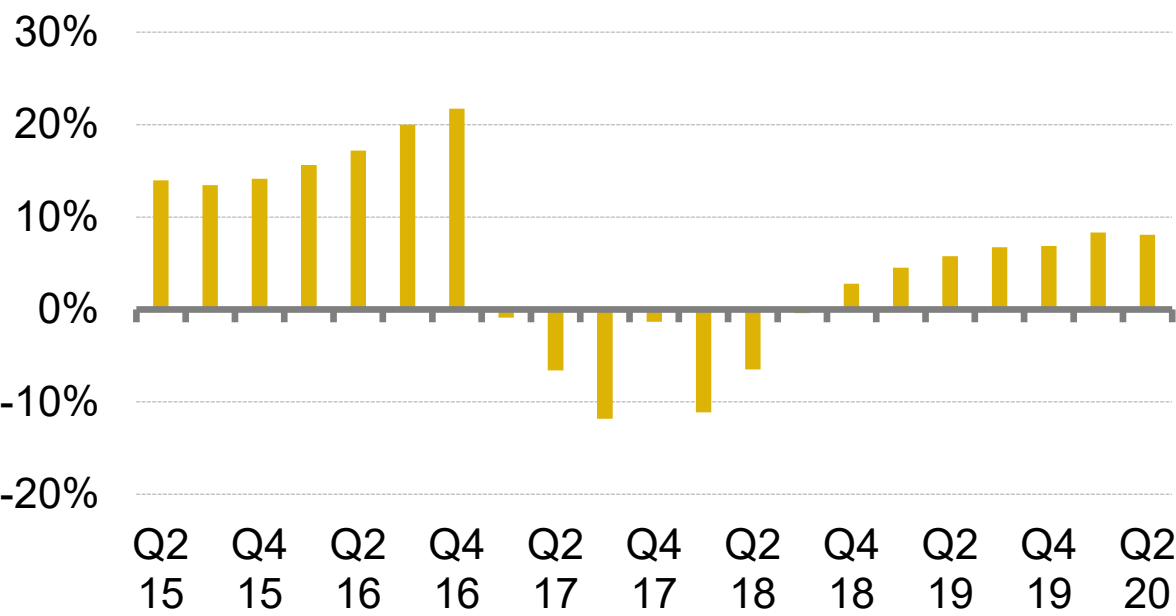


SOCIAL MEDIA– SEGMENT ANALYSIS

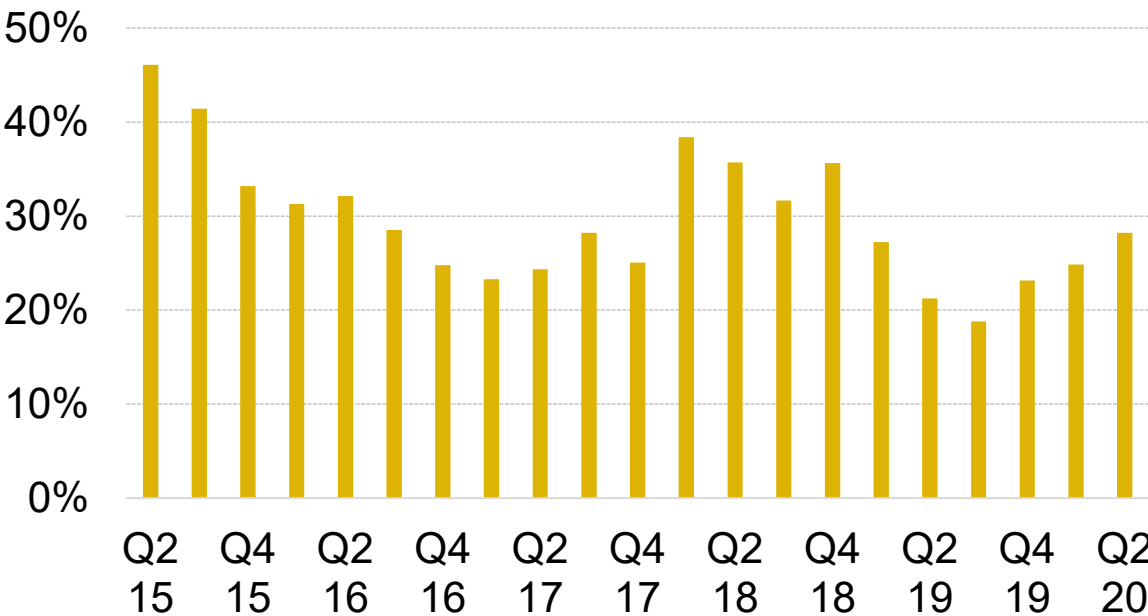
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						Revenues (\$M)	EBITDA (\$M)	Revenues LTM	2020E	2021E	EBITDA LTM	2020E	2021E				
Facebook, Inc.	264.45	86.8%	753,369	(47,236)	706,133	75,157	34,084	9.4x	8.8x	7.1x	20.7x	17.6x	14.1x	NM	36.8%	45.4%	81.5%
Snap Inc.	27.00	97.2%	39,669	(883)	38,786	1,924	(896)	20.2x	17.8x	12.9x	NM	NM	139.8x	NM	61.9%	(46.6%)	49.0%
Match Group, Inc.	112.38	91.4%	29,221	3,424	32,645	4,895	866	6.7x	14.0x	11.9x	37.7x	37.7x	29.9x	3.7x	14.9%	17.7%	76.1%
Twitter, Inc.	45.90	95.9%	36,204	(3,633)	32,570	3,322	281	9.8x	9.9x	8.0x	116.1x	39.6x	27.4x	NM	11.0%	8.4%	64.9%
Spark Networks SE	4.59	68.0%	120	77	206	203	16	0.9x	1.0x	1.0x	12.7x	6.4x	5.9x	4.4x	26.6%	8.0%	34.4%

Mean	9.4x	10.3x	8.2x	46.8x	25.3x	43.4x	4.1x	30.2%	6.6%	61.2%
Median	9.4x	9.9x	8.0x	29.2x	27.7x	27.4x	4.1x	26.6%	8.4%	64.9%

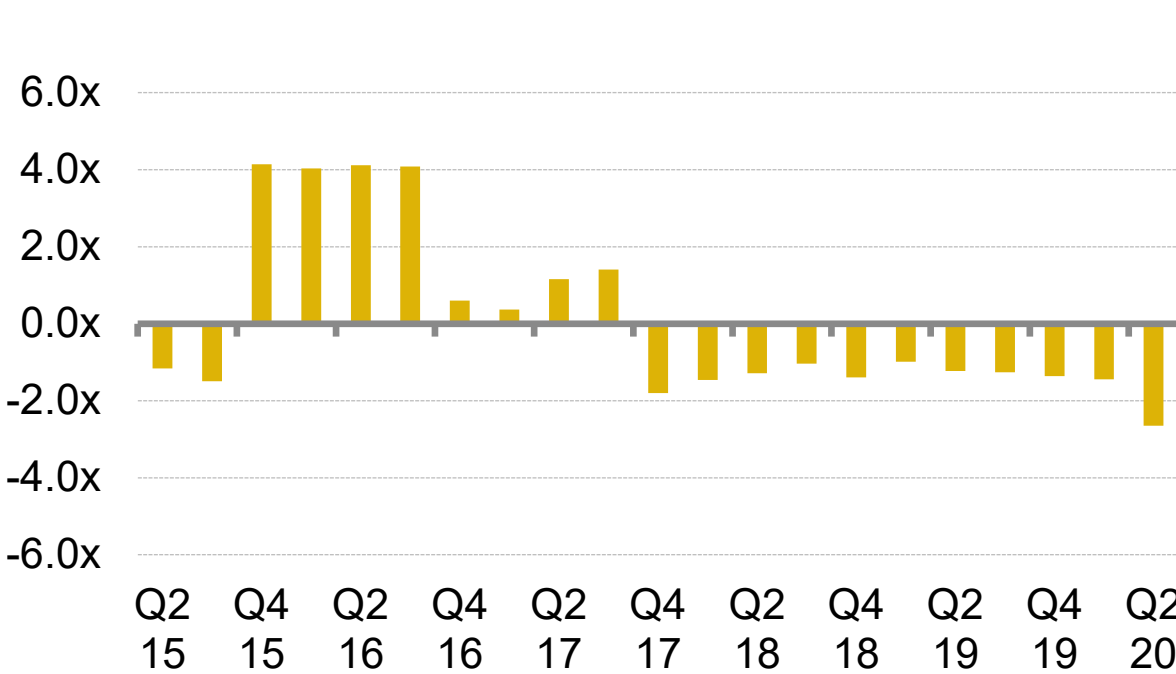
LTM EBITDA MARGIN



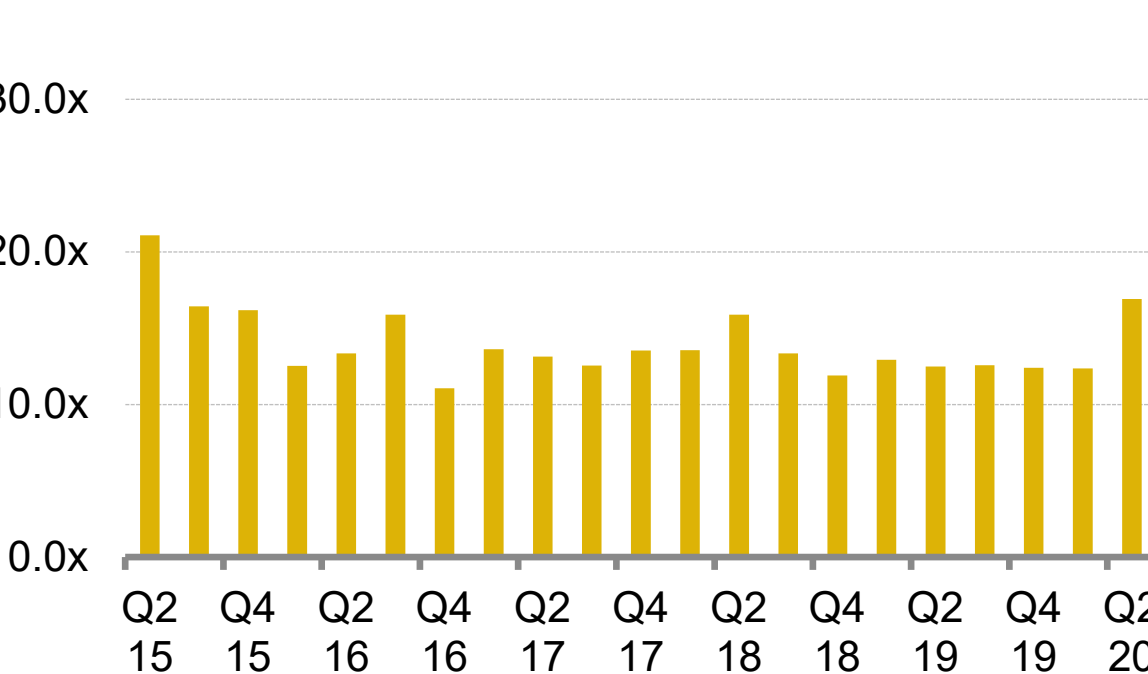
REVENUE GROWTH



NET DEBT / LTM EBITDA



EV / EBITDA





INTERNET AND DIGITAL MEDIA M&A ACTIVITY

Date	BUYER	TARGET	TRANSACTION VALUE (\$M)	EV / REVENUE	EV/ EBITDA	CLASSIFICATION
9/30/20	Ingrid Otero Smart	Casanova Pendrill Publicidad, Inc. from IPG	NA	NA	NA	Media Services; Hispanic Ad Agency
9/30/20	Sumo Group Plc	Pipeworks Inc	\$100.1	5.2x	23.8x	Games; Gaming Studio
9/30/20	Acceleration Community	Stripe Theory	NA	NA	NA	Digital Agency
9/29/20	J2 Global, Inc.	RetailMeNot, Inc.	\$420.0	NA	NA	Coupons; Marketing
9/28/20	PaeDae, Inc. dba Gimbal, Inc.	True[X], Inc.	NA	NA	NA	Ad Tech; Premium Video
9/25/20	Spectrio, LLC	Industry Weapon, Inc.	NA	NA	NA	Ad Tech; Digital Signage; CMS
9/25/20	The 4D Factory LLC	NEON Media LLC	NA	NA	NA	Games; Virtual Production
9/24/20	W2O Group	Elysia Group, LLC	NA	NA	NA	Market Research; Consulting
9/23/20	Petalfast Inc.	Business of A P Keaton, Inc.	NA	NA	NA	Digital Agency; PR; Social Media
9/22/20	Remedy Health Media, LLC	Caribou Publishing LLC	NA	NA	NA	News; Healthcare Vertical
9/22/20	Bloom	jacobstahl, inc.	NA	NA	NA	IR/PR
9/22/20	Barrington Media Group, LLC	Blackbird Garage, LLC	NA	NA	NA	Digital Agency
9/21/20	Microsoft Corporation	ZeniMax Media Inc.	\$7,500.0	NA	NA	Games; Game Developer; Studio
9/18/20	NA (Unknown Buyer)	Assets of NTN Buzztime, Inc.	\$2.0	NA	NA	Games
9/14/20	Red Ventures, LLC	CNET Media Group	\$500.0	NA	NA	Publishing; Tech News & Info
9/11/20	Overit Media Inc.	Smith and Jones	NA	NA	NA	Marketing; Healthcare Vertical
9/9/20	InMarket Media LLC	NinthDecimal, Inc.	NA	NA	NA	Attribution; Location Data; Analytic
9/9/20	NexTech AR Solutions Corp.	NEXT LEVEL NINJAS LLC	\$0.7	NA	NA	Marketing; Influencer Mktg
9/9/20	Astute, Inc.	Socialbakers a.s.	NA	NA	NA	Analytics; Social Media; Influencer
9/8/20	Bastion Elevate LLC	Huntington Pacific Media, LLC	NA	NA	NA	Digital Agency
9/8/20	CyberRisk Alliance LLC	Security Weekly	NA	NA	NA	Audio; Podcast Network; Security
9/4/20	salesforce.com, inc.	Mobify Research and Development, Inc.	NA	NA	NA	CEM; Mobile; eCommerce
9/3/20	Episerver Inc.	Optimizely, Inc.	NA	NA	NA	Marketing; Website Optimization
9/2/20	ASG Holdings LLC	Chute Gerdeman, Inc.	NA	NA	NA	Digital Agency; Brand Management
9/2/20	Adweek	Target Marketing and Publishing Executive	NA	NA	NA	Publishing
9/2/20	Skillz Inc.	Flying Eagle Acquisition Corp.	NA	NA	NA	Games; eSports
9/2/20	EducationDynamics, LLC	Education Client Vertical of QuinStreet Inc.	\$20.0	NA	NA	Lead Gen; Education
9/1/20	Just Drive Media LLC	Table Public Relations LLC	NA	NA	NA	IR/PR
9/1/20	MESH, LLC.	Converge Marketing LLC	NA	NA	NA	Marketing; Content Creation
9/1/20	DVL Seigenthaler, Inc.	Corporate Communications, Inc.	NA	NA	NA	IR/PR
8/31/20	Schafer Condon Carter, Inc.	Timezoneone Inc.	NA	NA	NA	IR/PR; Digital Agency
8/28/20	The Stage Fund; reStage	Needle, Inc.	NA	NA	NA	CEM; Brand Advocates; Live Chat
8/27/20	Delivery Hero SE	InstaShop Ltd	\$360.0	NA	NA	eCommerce; Food Delivery
8/27/20	Nuclear Networking, Inc.	Altitude SEO, LLC	NA	NA	NA	SEO; Social; Content Mktg
8/27/20	Enad Global 7 AB (publ)	Big Blue Bubble Inc.	\$57.8	6.3x	21.7x	Games
8/27/20	MidOcean Partners LLP	Music Reports, Inc.	NA	NA	NA	Information; Music Database
8/26/20	Kargo Global, Inc.	Social Canvas	NA	NA	NA	Ad Tech; Contextual Advertising
8/24/20	SugarCRM Inc.	Node Inc.	NA	NA	NA	CRM; Predictive Customer Intel.
8/24/20	MelodyVR Group PLC	Rhapsody International Inc.	\$70.2	0.6x	NA	Audio; Streaming Music
8/21/20	Judy Trietch	Local Difference, LLC	NA	NA	NA	Guides; Food
8/19/20	Engine Media Holdings, Inc.	One Up Group, LLC	\$14.6	NA	NA	Games; Mobile Gaming
8/18/20	Take-Two Interactive Software, Inc.	Playdots, Inc.	\$192.0	NA	NA	Games; Mobile Gaming
8/18/20	Milliman, Inc.	Leavitt Partners Insight, LLC	NA	NA	NA	Information; Data; Analytics
8/18/20	Slope Agency	Abacus Growth	NA	NA	NA	Digital Agency; Social
8/18/20	ReKTGlobal, Inc.	Fearless Media, LLC	NA	NA	NA	Digital Agency
8/17/20	Spotlight PA	PA Post (nka:PA Post)	NA	NA	NA	Publishing; News
8/17/20	TransUnion	Signal Digital, Inc.	NA	NA	NA	Identity
8/17/20	Dolphin Entertainment, Inc.	Be Social Public Relations, LLC	\$3.0	NA	NA	Marketing; Influencer Mktg
8/17/20	Innovation Women LLC	The Lioness Group	NA	NA	NA	Publishing; Women's Business
8/14/20	Charles Thayne Capital	World Archives SECZ, Ltd.	NA	NA	NA	Database; Information
8/14/20	Warner Music Group Corp.	IMGN Media	NA	NA	NA	Video; Social
8/13/20	PaeDae, Inc. dba Gimbal, Inc.	InStadium, Inc. (nka:Gimbal InStadium, Inc.)	NA	NA	NA	DOOH; Stadium Ad Network
8/13/20	Saber Interactive, Inc.	New World Interactive, LLC	NA	NA	NA	Games
8/13/20	Accenture plc	Creative Drive, Inc.	NA	NA	NA	Video; Creative Content; Cloud

*Source: Capital IQ as of 06/30/2020



INTERNET AND DIGITAL MEDIA M&A ACTIVITY

Date	BUYER	TARGET	TRANSACTION VALUE (\$M)	EV / REVENUE	EV/ EBITDA	CLASSIFICATION
8/11/20	Ignite Advertising, LLC	New School, LLC	NA	NA	NA	Digital Agency
8/11/20	Look Listen Creative, LLC	Valverde & Company, LLC	NA	NA	NA	Marketing; Content Marketing
8/11/20	QL Gaming Group	TennisInsight.com	NA	NA	NA	Information; Sports Betting
8/11/20	Scribd, Inc.	SlideShare, Inc.	NA	NA	NA	Digital Content; Professional Slide
8/11/20	CuriosityStream Inc.	Software Acquisition Group Inc.	\$512.0	NA	NA	Video; OTT Service; Documentaries
8/11/20	Daybreak Game Company LLC	Cold Iron Studios, Inc.	NA	NA	NA	Games; Multi-player Games
8/11/20	Esports Entertainment Group	Certain Assets of FLIP Sports Limited	NA	NA	NA	Games; Second Screen; Sports
8/10/20	Archenia, Inc.	Media Assets of Marchex, Inc.	NA	NA	NA	Lead Gen; Call Analytics
8/6/20	Enthusiast Gaming Holdings Inc.	Omnia Media, Inc.	\$34.3	0.6x	NA	Video; YouTube Video Gaming Network
8/6/20	Reach Labs, Inc.	Collectively, Inc.	NA	NA	NA	Marketing; Influencer Marketing
8/5/20	TTEC Digital, LLC	VoiceFoundry, LLC	\$67.2	NA	NA	CEM; Chat Bots
8/5/20	Power Digital Marketing, Inc.	Covet Public Relations Inc.	NA	NA	NA	IR/PR
8/5/20	Zynga Inc.	Rollic Games Oyun Yazilim ve Pazarlama	NA	NA	NA	Games
8/5/20	The Blackstone Group Inc.	Ancestry.com LLC	\$4,700.0	4.7x	NA	Information; Genealogy
8/4/20	Firefly Systems Inc.	Substantially All Assets of STRONG Outdoor	\$3.8	NA	NA	DOOH; Taxi Top Advertising
8/3/20	MV Index Solutions GmbH	BlueStar Indexes, LLC	NA	NA	NA	Information; Financial Data
8/3/20	Reischling Press, Inc.	Blurb, Inc.	NA	NA	NA	CMS; Self Publishing Platform
7/31/20	Northern Commerce Inc.	Digital Echidna	NA	NA	NA	Digital Agency; Web Design; CMS
7/30/20	NerdBrand Louisville Branding	JP Digital Imaging, Inc.	NA	NA	NA	Digital Agency; SEO; Content Mktg
7/28/20	FreeStar	Vdopia's Chocolate App Mediation Business	NA	NA	NA	Ad Tech; Programmatic Video
7/28/20	Industry Dive, Inc.	Businesses of NewsCred, Inc.	NA	NA	NA	Content mgmt
7/28/20	Performance Horizon Group Ltd.	Pepperjam, LLC	NA	NA	NA	Marketing; Affiliate Mktg
7/24/20	ChannelAdvisor Corporation	BlueBoard SAS	\$12.0	NA	NA	Analytics; eCommerce
7/23/20	Alpha Marketing Masters	AdFluence	NA	NA	NA	Marketing; Influencer Mktg
7/23/20	Talkwalker, Sàrl	Nielsen Social, Inc.	NA	NA	NA	Measurement; Analytics; Social
7/22/20	Content IQ LLC	Pub Ocean Limited	\$22.0	NA	NA	Ad Tech; Publisher Tools
7/22/20	The New York Times Company	Serial Productions, LLC	\$25.0	NA	NA	Audio; Podcast Programming
7/20/20	Adevinta ASA	eBay Classifieds Group	\$9,214.3	NA	NA	Classifieds
7/15/20	Tilting Point Media LLC	Assets of FTX Games and Plamee Studios	NA	NA	NA	Games
7/15/20	CB Information Services, Inc.	The Data Assets Of VentureSource	NA	NA	NA	Analytics; Data
7/15/20	kyu	Godfrey Dadich Partners LLC	NA	NA	NA	Digital Agency
7/14/20	QuinStreet, Inc.	Modernize, Inc.	\$63.6	NA	NA	Lead Gen; Home Repair
7/14/20	Structured Social	Boundless Labs LLC	NA	NA	NA	Marketing; SMS; Email
7/13/20	Sirius XM Holdings Inc.	Stitcher, Inc.	\$325.0	4.5x	NA	Audio; Podcast
7/13/20	Mediaocean LLC	4C Insights, Inc.	\$150.0	NA	NA	Ad Tech; Cross Channel Video Ad
7/10/20	Influence Marketing Inc.	Fervent Events Inc.	NA	NA	NA	Marketing; Experiential;
7/9/20	Nimble Inc.	Waggle Ventures, Inc.	NA	NA	NA	Digital Content; Pets
7/9/20	Three Part Advisors, LLC	Halliburton Investor Relations	NA	NA	NA	IR/PR
7/9/20	Waterfield & Oberwager Group	Linden Research, Inc.	NA	NA	NA	Video; VR
7/8/20	Pioneer Utility Resources, Inc.	WordSouth Public Relations, Inc.	NA	NA	NA	IR/PR
7/8/20	Seven Letter Ona LLC	Practices of O'Neill & Associates, LLC	NA	NA	NA	Digital Agency
7/7/20	ATTOM Data Solutions	Home Junction, Inc.	NA	NA	NA	Data; Real Estate Vertical
7/2/20	Project M Group LLC	The Hard Times	\$1.0	NA	NA	Digital Content; Music News; Satire
7/2/20	Digital Media Solutions, Inc.	SmarterChaos.com, LLC/ She Is Media LLC	NA	NA	NA	Digital Agency; Search; Social
7/1/20	TN Marketing, LLC	Assets of Blueprint	NA	NA	NA	Video; SVOD; Education

*Source: Capital IQ as of 06/30/2020



OUTLOOK - TRADITIONAL MEDIA

Overview

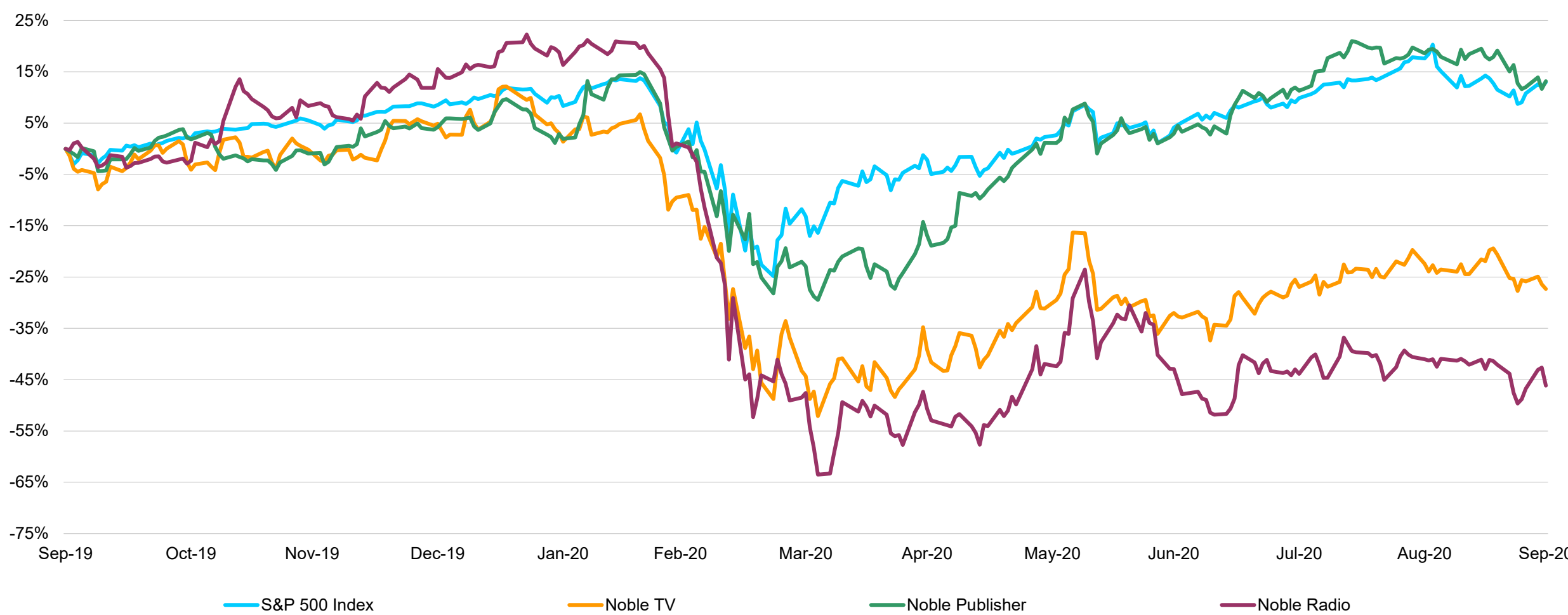
The Fog of the Elections

Most media stock Indices were in line to slightly outperformed the general market in the third quarter, save the radio stocks, as the following figure illustrates. Overall returns of media stocks were disappointing given that media stocks tend to outperform the general market in the early stage of an economic recovery. The media indices are market cap weighted, so what is notable regarding the media performance is that there was a disparity between larger cap and smaller cap companies. For instance, the average media stock was down in the quarter, though the indices (save radio) were up.

Following a difficult (to say the least) second quarter, revenue trends are expected to sequentially improve in the third quarter, fueled by political advertising and digital revenues. Investors have now realized, however, that the shape of the advertising recovery is not likely to be "V" shaped. Third quarter revenues, excluding political, are expected to be down double-digits for many advertising driven mediums, in the range of 10% to 15% versus 30% to 40% experienced on average in the second quarter. For mediums that benefit from political advertising, we believe that there likely will be some positive upside revenue and cash flow surprise potential. Political is coming in better than expected and some companies, discussed later in this report, gave updated third quarter and/or political guidance. The question will be whether investors will brush off the potential revenue and cash flow upside surprise?

We believe that investors are heavily engaged in the outcome of the general elections and implications for the broader economy. Investors worry that a Biden win could imply that tax rates will go up, given his tax platform plans to roll back the Trump tax cuts. We are often asked, when should we lock in gains? Now? Or, after the election? That question is not of significant importance for most media investors. The only traditional media sector that investors may have gains over the course of the last year are Publishing stocks, up 13%. Television and Radio stocks are down 27% and 46% respectively.

In addition, with many state economies not fully opened, investors are likely concerned about the sustainability of the economic recovery, especially without visibility of a Covid-19 vaccine. Given these concerns, investors may have already discounted the potential revenue and cash flow upside in the third and fourth quarters from political advertising. We highlight the fact that Townsquare Media's stock did not significantly react to the company's updated third quarter revenue guidance on September 21, which provided positive upside in revenue and implied positive cash flow expectations. TSQ shares increased a modest 5% since that announcement. As such, while we believe that fundamentals are improving, it appears likely that the media stocks may be range bound until the elections are over, or that there is a developed timetable for a Covid-19 vaccine, which may allow some normalcy to reopening the US economy.





OUTLOOK - TRADITIONAL MEDIA

TELEVISION BROADCASTING

Ion Got Investors Positively Excited

Television stocks slightly under-performed the general market in the last quarter, up 6.9% versus 8.5% for the market as measured by the S&P 500 Index. The best performing stocks in the index were ViacomCBS and E.W. Scripps, up 20% and 31% respectively. In the case of E.W. Scripps, the company announced a significant \$2.65 billion acquisition of Ion Media, with the backing of Warren Buffet's Berkshire Hathaway. Notably, the acquisition will bring Scripps to the current ownership cap of 39% of US TV households. This takes another potential buyer of local TV stations out of the market, leaving Gray Television as among the few large broadcasters with the ability to add stations. Gray Television currently covers 24% of the nation's TV households, with a significant runway to get to 39%. The question will be whether another inning of consolidation is in the offing with the mid-tier broadcast groups, like Meredith and Graham Holdings. Barring regulatory changes there is no mistaking that the industry is in the final innings of consolidation unless there is relaxation of ownership rules.

Such a prospect may come from the courts. Recently, the U.S. Supreme Court agreed to examine the media ownership rules that the FCC directed to relax but was blocked by the 3rd Circuit Court of Appeals. The FCC would have ended or loosened ownership limits such as 1) the elimination of the newspaper/television cross ownership rule (which would allow a company to own a newspaper and television station in a single market), 2) the elimination of radio/television cross ownership, 3) the elimination of owning two of the top four stations in a market, and 4) allow a company to own two TV stations in a single market. The prospective appointment of another conservative on the bench, like Amy Coney Barrett, could significantly improve the chances that the FCC would win the appeal.

For most investors, these rules don't matter much. Television station groups are not likely to buy a newspaper or radio station in an existing market. In many cases, public market values for television groups are double that of a publishing or radio company. Investors would frown on potentially lowering the stock valuation on such an acquisition. In addition, the history of broadcasters successfully integrating and operating a newspaper in market or even radio stations under grandfathered rules have not been that good. TV broadcasters would more likely seek to own two of the Big Four network affiliates in market. This is where a broadcaster would get the biggest bang for the buck and investors would cheer. Those opportunities will be few and far between given the recent consolidation. Consequently, we view the prospective rule ownership changes as ho hum from a TV perspective. It would be far more beneficial to the TV stocks to see the ownership cap lifted from the current 39%. There does not seem to be any political will or leadership to push for that change.

Consequently, we believe that management's will turn their attention to seek opportunities for internal growth. Recently, a number of broadcasters have launched expanded news programming. We believe it is likely that broadcasters will invest in original programming to take advantage of their increased scale. News programming tends to be the lowest hanging fruit for a broadcaster, but the development of original programming is only a modest incremental step toward enhanced cash flow growth. In our view, broadcasters will need to seek ways to take advantage of their spectrum and find innovative revenue opportunities, possibly through the implementation of the new broadcast standard, ATSC 3.0.

As we look toward the fourth quarter, investors will be looking at revenue recovery for some direction. There were some early indications that it will be a strong revenue quarter, fueled by political advertising. E.W. Scripps raised its political advertising guidance from \$200 million to over \$230 million. That guide was impressive given that it was based solely on the strength of political advertising in the third quarter. The company may once again increase its guidance, if, as we expect, the political advertising momentum continues into the fourth quarter. Political advertising carries very high margins, and as such, it is likely that there will be positive upside surprises in the quarterly results.

Given that the vast majority of Television stocks have not performed well in the latest quarter, we believe there should be better performance in the fourth quarter. In our view, the market has not baked in the improving revenue trends and the upside surprise potential from political advertising. In addition, the stocks should perform better as the fate of the upcoming elections is known.



OUTLOOK - TRADITIONAL MEDIA

RADIO BROADCASTING

Did Investors Overlook Favorable News?

Radio stocks underperformed the general market in the third quarter, down 6% versus an 8% gain for the market as measured by the S&P 500 Index. The Noble Radio index is market weighted, and, as such, the performance was skewed by the larger cap stocks in the index. The average stock was down greater than 6% and closer to 10%, with the worst performing stocks in the latest quarter being Beasley Broadcast Group (BBGI), Salem Media (SALM) and Saga Communications (SGA), which were down 49%, 19% and 22%, respectively. Shares of Cumulus Media (CMLS) outperformed the group, up 36% in the quarter, with Entercom (ETM) coming in second, up 17% and Townsquare Media (TSQ) up 4%. The outperformance of Cumulus Media shares in the second quarter was off an exceptionally low base established early in the second quarter, when the shares dropped from a high of over \$16 to below \$4.

The underperformance of radio stocks is despite the expected sequential improvement in third quarter revenues from the second quarter, when some radio broadcasters reported revenues down as much as 60%. Recently, Urban One announced in an 8K filing that its radio revenues declined 40% in July and 38% in August, with September down a more modest 11%. Combined with the company's other businesses outside of radio, Urban One's third quarter total company revenue is expected to be down in the high teens percent. Townsquare Media appears to be doing better than most in the industry. It updated its investor presentation on September 21st and indicated that its July and August total company revenues declined 21% in July and 16% in August. We expect that much like Urban One there will be a significant improvement in revenues for September. In addition to a higher than expected amount of political advertising, Townsquare appeared to benefit from strength in its digital businesses. The company indicated that its Townsquare Interactive business increased revenues in July and August by 13% and 15%, respectively. We believe that investors have not fully baked in the significance of this revenue improvement. In addition, given the high margin revenue, we believe that there is positive upside cash flow surprise potential.

Radio is among the most out of favor sectors in the traditional media landscape. The recent under performance of the sector is likely a combination of the industry's relatively high debt leverage and an extraordinary impact from Covid-19 mitigation efforts. Given that they are down an average of 52% year to date, radio stocks have been the poster industry for among the worst performing of many industries adversely affected by the pandemic. Are investors paying attention to the improving revenue trends? Surprisingly, the shares of Townsquare Media increased a modest 5% following the company's announcement that implied it will exceed third quarter revenue and cash flow expectations. In our view, there likely will be further positive developments heading into the fourth quarter as well. So, in our view, the answer is no.

PUBLISHING

The Dinosaurs Just Beat the Market!

Publishing stocks had a relatively good quarter, up 9%, slightly outperforming the general market as measured by the S&P 500 Index. The three largest cap stocks in the index, News Corp., New York Times, and Tribune, accounted for the gains, with News Corp. and Tribune accounting for the majority of the third quarter out performance, up 18% and 17%, respectively. Notably, all three companies have significant digital businesses, which have weathered well in the pandemic given increased digital subscriptions, visitors, and engagement.

Focusing on Tribune, we believe that despite the recent rise, the company's shares are significantly undervalued. Trading at roughly 4.5 times Enterprise Value to EBITDA, we believe that the shares do not reflect the underlying value of its assets, particularly its e-commerce business, BestReviews, nor reflect the positive upside cash flow potential. In lieu of recent upward revisions to our estimates, we believe that earlier cost cutting actions at the company are not fully realized. Noble revised its third quarter estimate upward (which was at the lower end of the company's guidance) and indicated that it believed fourth quarter estimates were also conservative.

Given the improved fundamentals, the company is building its cash hoard, estimated to be over \$90 million. Given the prospect that the company may sell BestReviews and given its pristine balance sheet, with virtually no debt, the company's board may reinstate its \$0.25 per share quarterly dividend. The dividend was suspended in the second quarter due to concerns over Covid-19.

Nearly one third of Tribune's market cap is reflected in its cash position. Another third of the company's market cap is reflected in the value of its 60% owned BestReviews business. This leaves only one third of the value of the company reflected in the cash flow generating publishing and digital businesses. Notably, should the company reinstate its dividend, near current levels the shares would offer an annualized dividend yield of over 7%.



TV – SEGMENT ANALYSIS

	Share Price	% of 52 Week High	Market Cap (\$M)	Net Debt (\$M)	Ent. Value (\$M)	LTM		Ent. Value /						Net Debt / EBITDA	3 Year Revenue CAGR	EBITDA Margin	Dividend Yield
						Revenues (\$M)	EBITDA (\$M)	Revenues LTM	2020E	2021E	EBITDA LTM	2020E	2021E				
ViacomCBS Inc.	\$28.92	67.2%	\$17,813	\$19,596	\$38,461	\$26,513	\$4,584	1.5x	1.5x	1.4x	8.4x	7.7x	7.3x	4.3x	28.3%	17.3%	3.2%
Fox Corporation	29.19	73.5%	17,432	3,875	21,631	12,303	2,779	1.8x	1.8x	1.8x	7.8x	8.7x	8.7x	1.3x	7.4%	22.6%	1.6%
Sinclair Broadcast Group, Inc.	18.96	44.1%	1,410	12,029	14,151	5,639	1,670	2.5x	2.3x	2.2x	8.5x	8.6x	9.3x	7.0x	17.4%	29.6%	4.1%
Nexstar Media Group, Inc.	92.16	69.2%	4,174	7,602	11,797	3,770	1,328	3.1x	2.7x	2.7x	8.9x	6.8x	7.3x	5.6x	40.2%	35.2%	2.4%
TEGNA Inc.	12.09	66.0%	2,647	4,028	6,690	2,508	724	2.7x	2.4x	2.4x	9.2x	7.4x	8.4x	5.5x	4.7%	28.9%	2.3%
Gray Television, Inc.	13.59	58.9%	1,296	3,385	5,319	2,081	655	2.6x	2.4x	2.4x	8.1x	6.9x	7.9x	5.1x	37.7%	31.5%	NA
The E.W. Scripps Company	11.00	65.0%	897	1,990	2,887	1,599	180	1.8x	1.6x	1.7x	16.0x	8.3x	11.9x	9.9x	17.6%	11.3%	1.8%
Entrevision Communications	1.76	58.3%	148	121	269	249	35	1.1x	1.2x	1.2x	7.8x	7.5x	7.4x	2.6x	1.9%	13.9%	5.9%

Mean

Median

2.1x

2.0x

2.0x

9.3x

7.7x

8.5x

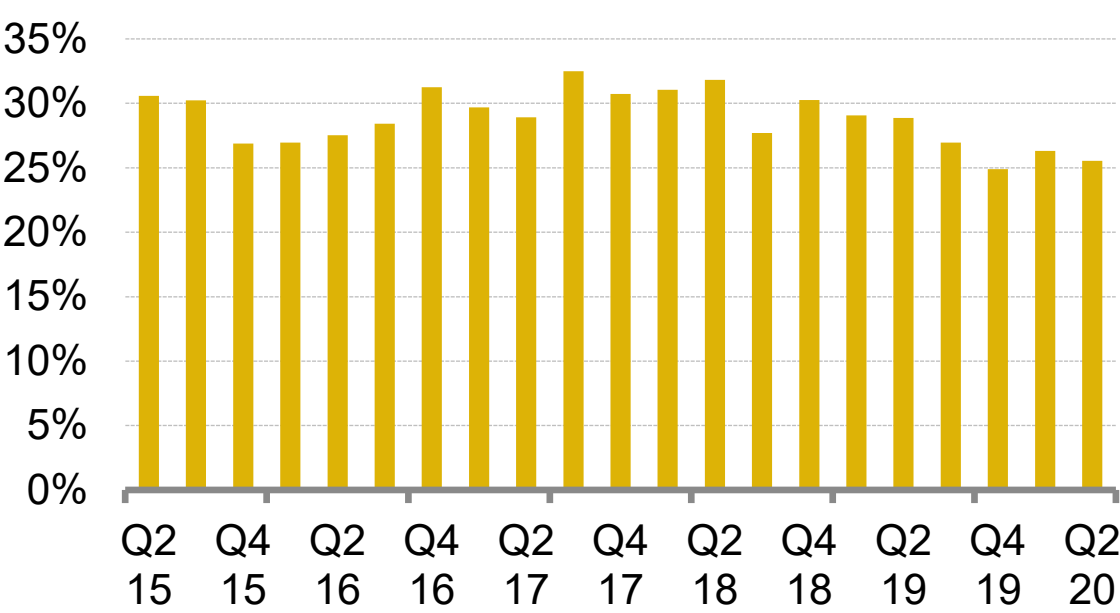
5.1x

19.4%

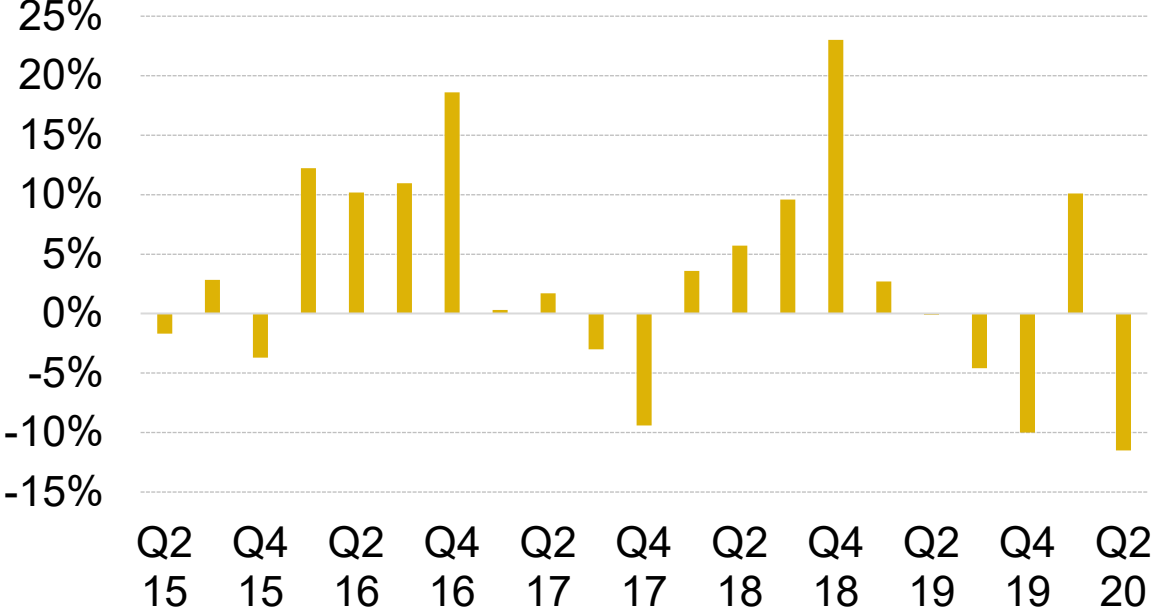
23.8%

3.0%

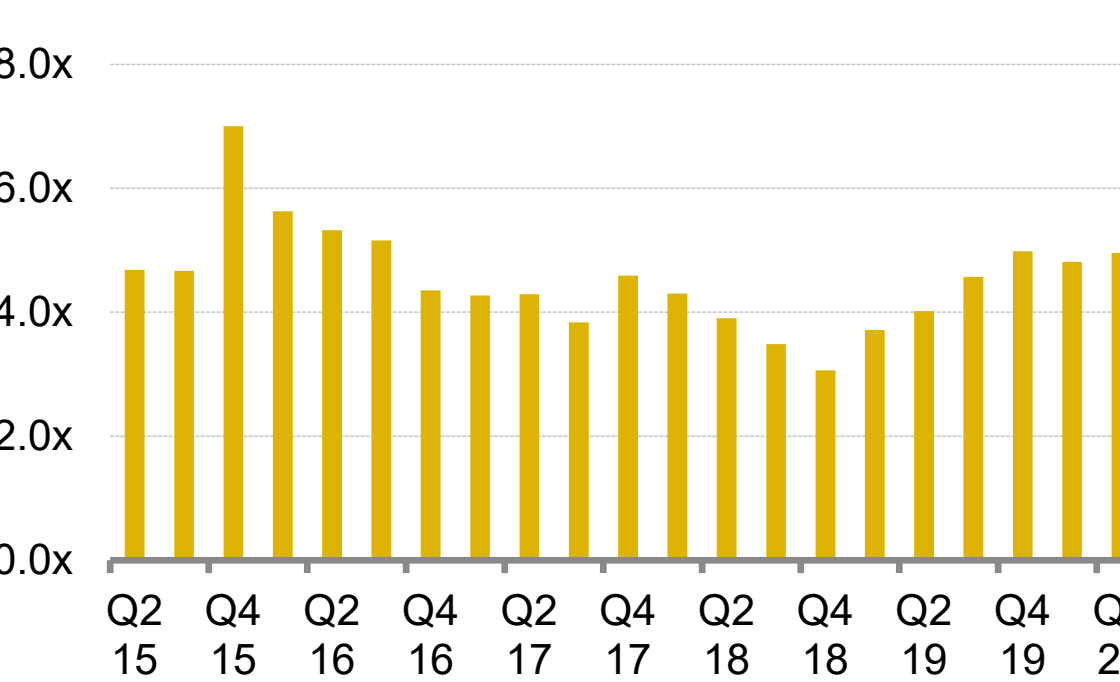
LTM EBITDA MARGIN



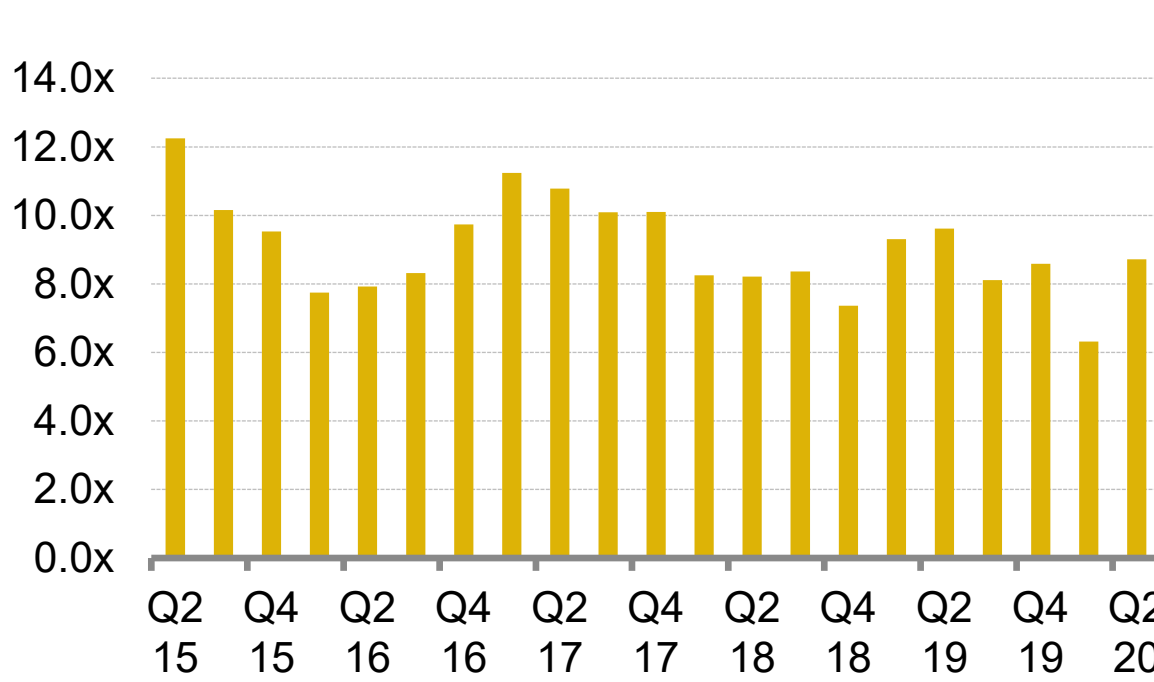
REVENUE GROWTH



NET DEBT / LTM EBITDA



EV / EBITDA



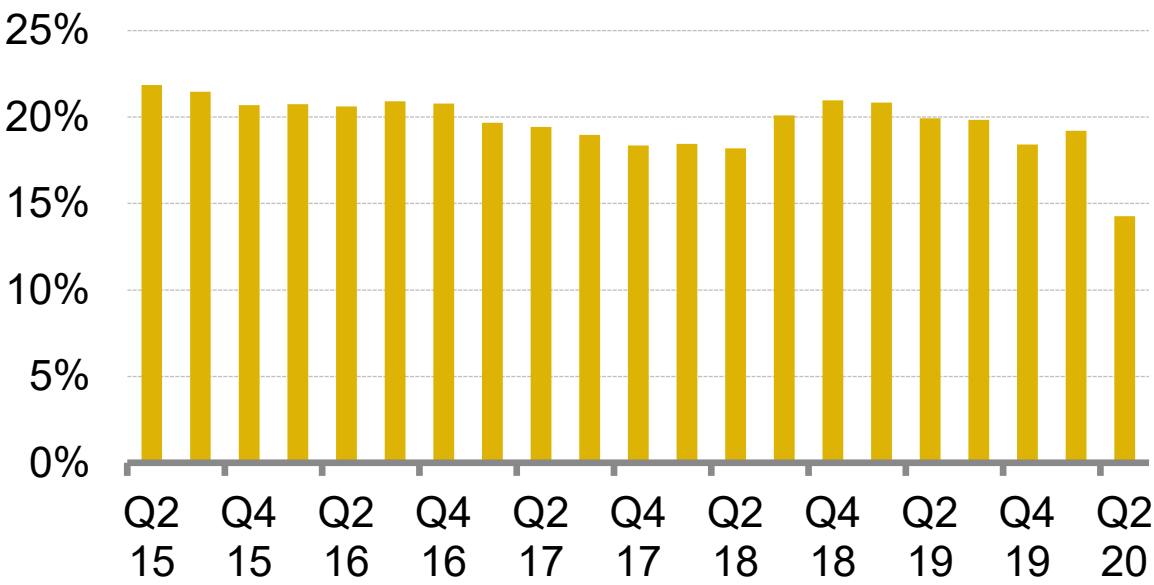


RADIO – SEGMENT ANALYSIS

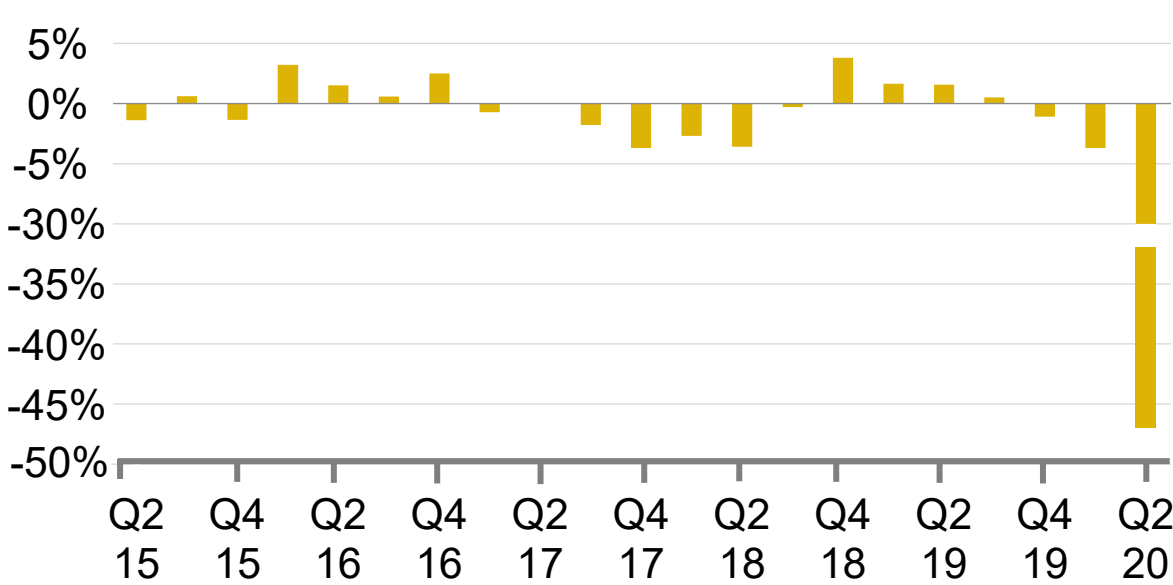
	Share Price	% of 52 Week High	Market Cap (\$M)	Net Debt (\$M)	Ent. Value (\$M)	LTM		Ent. Value /						Net Debt / EBITDA	3 Year Revenue CAGR	EBITDA Margin	Dividend Yield
						Revenues (\$M)	EBITDA (\$M)	Revenues LTM	2020E	2021E	EBITDA LTM	2020E	2021E				
iHeartMedia, Inc.	\$8.13	41.3%	\$1,196	\$6,233	\$7,438	\$3,243	\$549	2.3x	2.6x	2.2x	13.6x	14.5x	9.8x	8.2x	(16.2%)	16.9%	NA
Entercom Communications Corp.	1.53	29.3%	211	1,896	2,108	1,273	195	1.7x	2.0x	1.7x	10.8x	18.7x	9.0x	7.4x	47.4%	15.3%	NA
Cumulus Media Inc.	5.33	29.4%	108	1,022	1,117	940	121	1.2x	1.4x	1.2x	9.2x	19.6x	9.9x	6.5x	(0.8%)	12.9%	NA
Urban One, Inc.	1.21	17.7%	52	866	936	388	108	2.4x	NA	NA	8.7x	NA	NA	7.2x	(1.4%)	27.8%	NA
Townsquare Media, Inc.	4.89	47.3%	93	525	620	392	68	1.6x	1.7x	1.5x	9.1x	13.8x	7.7x	6.2x	0.8%	17.4%	NA
Beasley Broadcast Group, Inc.	1.30	25.2%	36	279	316	226	9	1.4x	1.7x	1.3x	33.4x	NM	10.5x	14.1x	24.2%	4.2%	NA
Salem Media Group, Inc.	0.98	37.5%	26	274	301	240	24	1.3x	1.3x	1.3x	12.8x	11.0x	9.8x	7.0x	(2.5%)	9.8%	NA
Saga Communications, Inc.	19.88	62.2%	119	(32)	87	106	13	0.8x	NA	NA	6.6x	NA	NA	NM	1.1%	12.4%	NA

Mean	1.6x	1.8x	1.5x	13x	15.5x	9.5x	8.1x	6.6%	14.6%	NA
Median	1.5x	1.7x	1.4x	10x	14.5x	9.8x	7.2x	0.0%	14.1%	NA

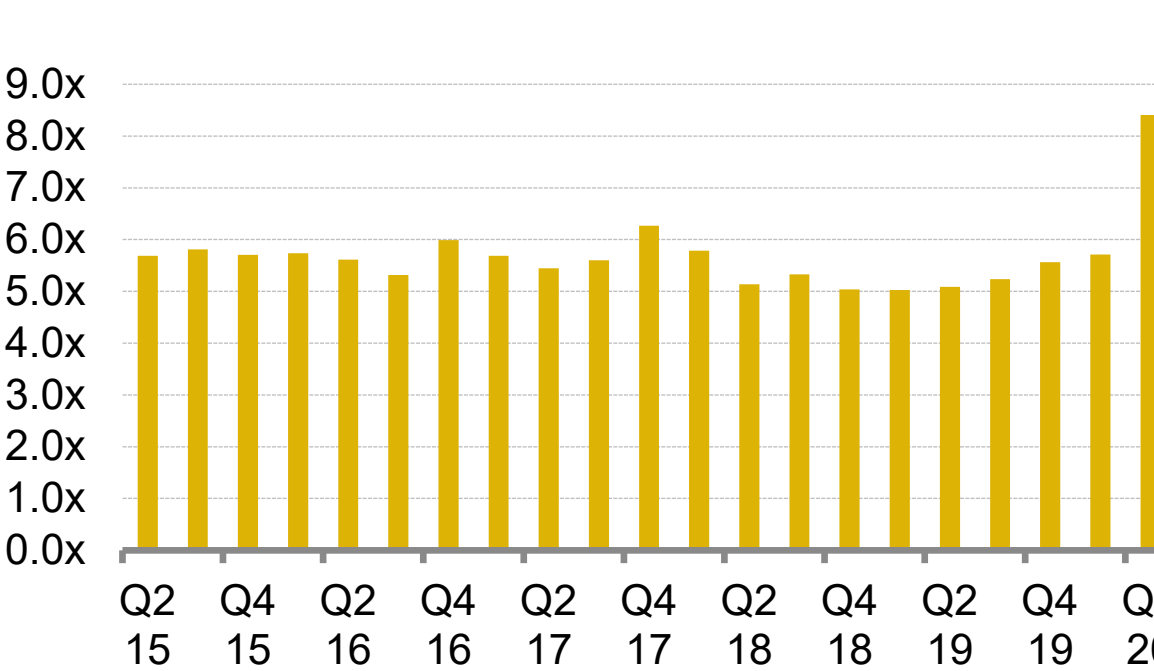
LTM EBITDA MARGIN



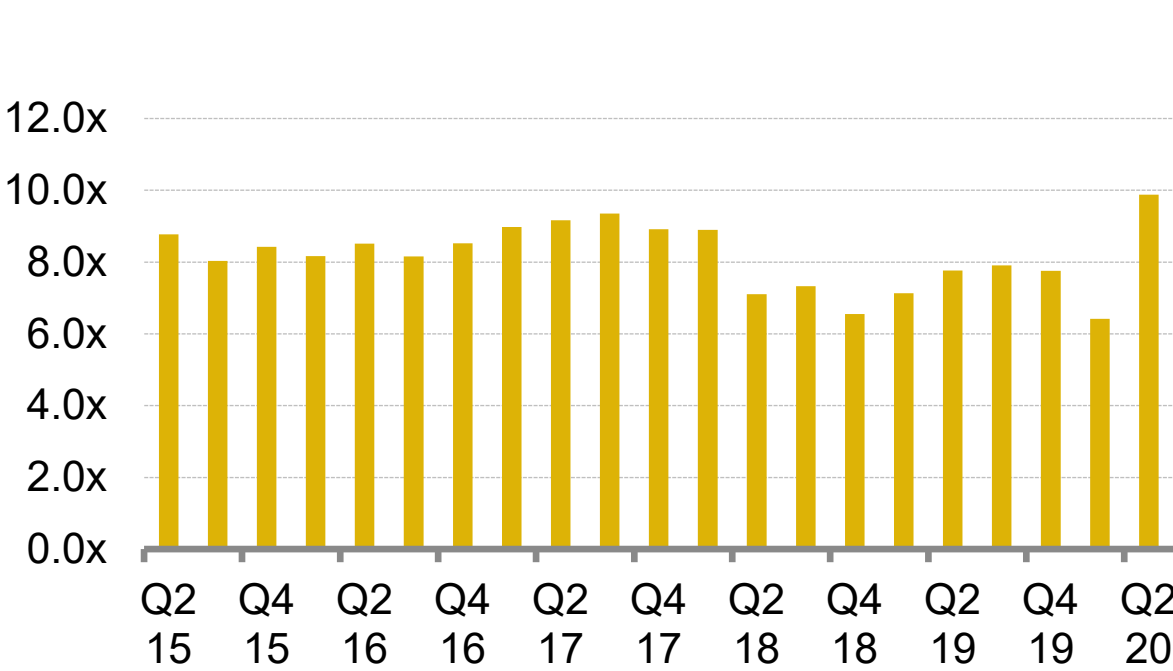
REVENUE GROWTH



NET DEBT / LTM EBITDA



EV / EBITDA



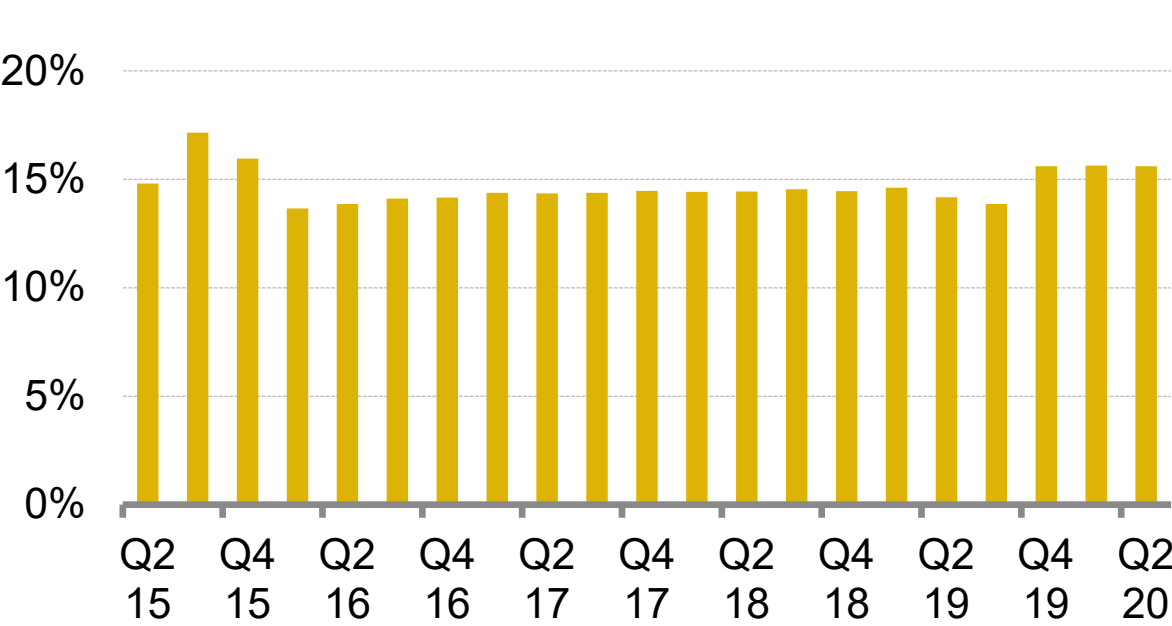


PUBLISHING – SEGMENT ANALYSIS

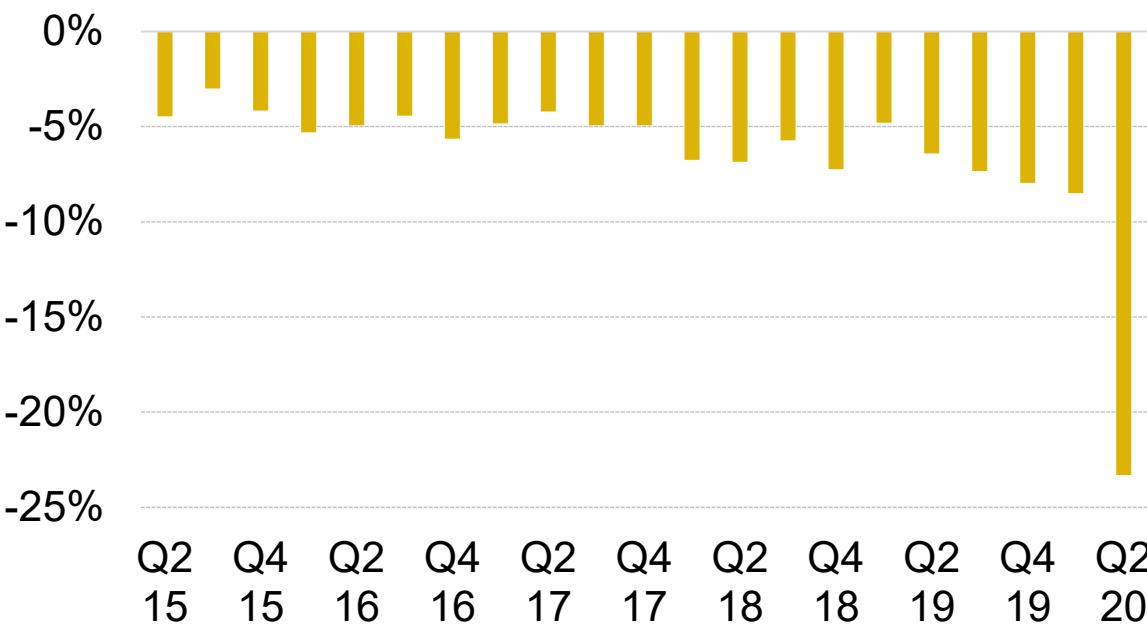
	Share Price	% of 52 Week High	Market Cap (\$M)	Net Debt (\$M)	Ent. Value (\$M)	LTM		Ent. Value /						Net Debt / EBITDA	3 Year Revenue CAGR	EBITDA Margin	Dividend Yield
						Revenues (\$M)	EBITDA (\$M)	Revenues LTM	2020E	2021E	EBITDA LTM	2020E	2021E				
News Corporation	\$14.25	89.6%	\$8,415	\$1,053	\$10,257	\$9,008	\$785	1.1x	1.2x	1.2x	13.1x	11.6x	9.3x	1.0x	3.4%	8.7%	1.4%
The New York Times Company	43.83	91.4%	7,309	(490)	6,554	1,752	207	3.7x	3.7x	3.4x	31.7x	29.4x	21.6x	NM	5.0%	11.8%	0.5%
Gannett Co., Inc.	1.44	15.3%	190	1,806	1,996	2,792	292	0.7x	0.6x	0.6x	6.8x	6.0x	4.8x	4.9x	14.2%	10.4%	NA
Lee Enterprises, Incorporated	0.90	29.1%	53	591	645	550	98	1.2x	NA	NA	6.6x	NA	NA	5.4x	(6.0%)	17.8%	NA
Tribune Publishing Company	12.58	90.8%	459	42	562	888	73	0.6x	0.7x	0.7x	7.7x	6.8x	6.9x	0.4x	(2.6%)	8.2%	NA
A.H. Belo Corporation	1.45	37.9%	31	(17)	14	166	(3)	0.1x	NA	NA	NM	NA	NA	NM	(11.0%)	(2.0%)	11.4%

Mean	1.2x	1.6x	1.5x	13.2x	13.4x	10.7x	2.9x	0.5%	9.2%	4.4%
Median	0.9x	1.0x	1.0x	7.7x	9.2x	8.1x	3.0x	0.4%	9.6%	1.4%

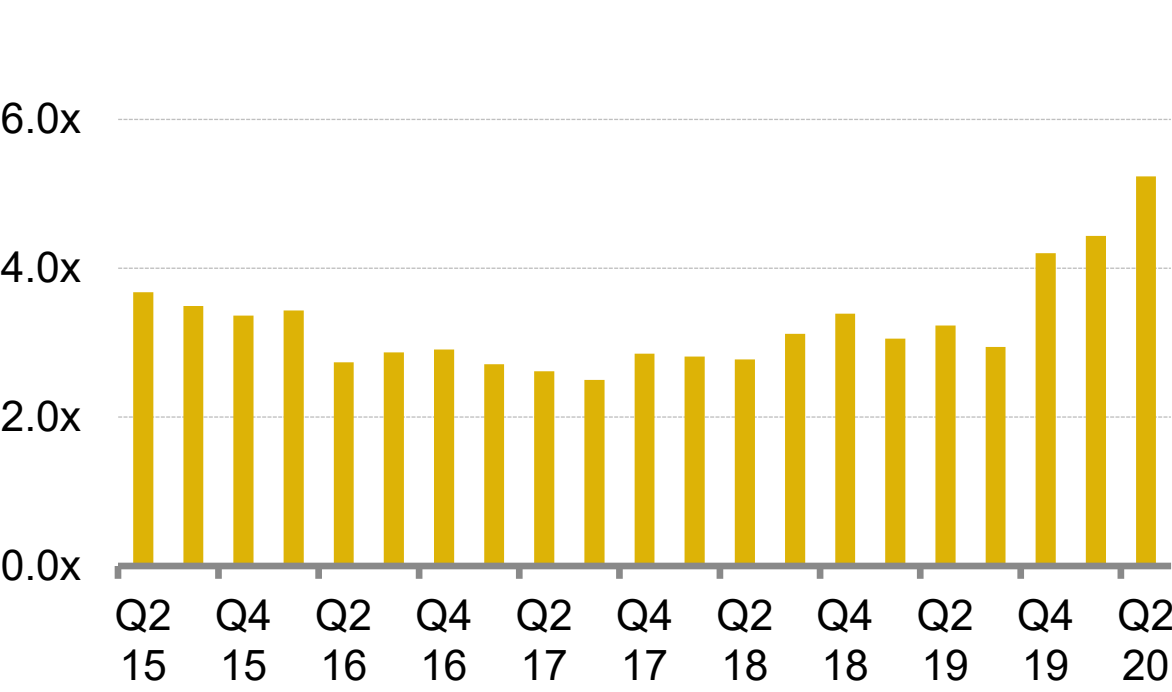
LTM EBITDA MARGIN



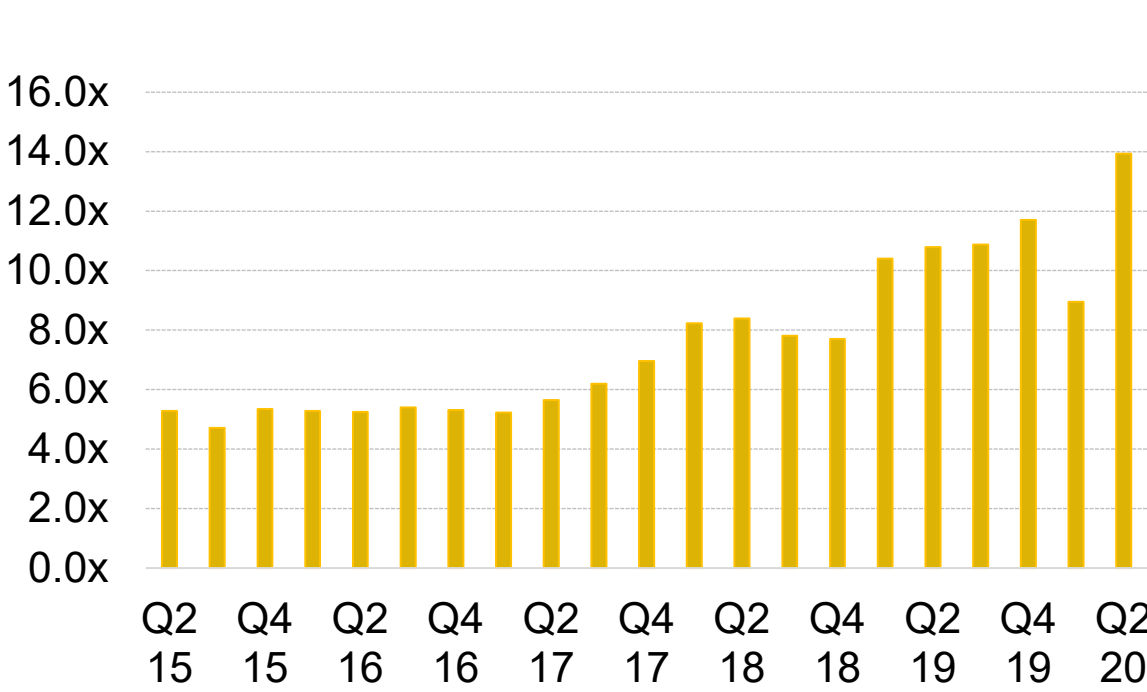
REVENUE GROWTH



NET DEBT / LTM EBITDA



EV / EBITDA





TRADITIONAL MEDIA M&A ACTIVITY

Date	BUYER	TARGET	TRANSACTION VALUE (\$M)	EV / REVENUE	EV/ EBITDA	CLASSIFICATION
9/24/2020	Scripps Media, Inc.	ION Media Networks, Inc.	\$2,650.0	4.7x	8.2x	TV Stations; TV Network
9/22/2020	Educational Media Foundation	KFMK 105.9 FM	NA	NA	NA	Radio Station
9/10/2020	Farms.Com Canada Inc.	Small Farm Canada/Service Truck	NA	NA	NA	Magazine
9/7/2020	Discovery, Inc.	Free-to-air TV business of MediaWorks	NA	NA	NA	Broadcast TV
9/4/2020	Cinq Music, LLC	The Beluga Heights label	NA	NA	NA	Music Label
9/3/2020	Schneps Media	Dans Independent Media	NA	NA	NA	Weekly Newspapers; Magazines
9/3/2020	Clint Reilly Communications	Gentry Magazine	NA	NA	NA	Luxury Lifestyle Magazine
9/3/2020	RodeoFX Inc.	BLVD-MTL INC.	NA	NA	NA	Multi-Media Production Studio
9/2/2020	Paxton Media Group, LLC	Wilkes Journal-Patriot	NA	NA	NA	Newspaper
9/2/2020	Mission Broadcasting, Inc.	WNAC-TV	\$3.2	NA	NA	TV Station
8/31/2020	UP Invest OÜ	Movie Businesses in Estonia, Latvia and Lithuania	\$65.0	NA	NA	Movie Theaters
8/31/2020	Arkansas Democrat-Gazette, Inc.	Pine Bluff Commercial, Inc.	NA	NA	NA	Newspaper
8/31/2020	iHeartMedia, Inc.	WUST-AM 1120 of Potomac Radio Group, Inc.	NA	NA	NA	Radio Station
8/27/2020	Liberman Broadcasting, Inc.	Certain Puerto Rico Television Stations of Univision	NA	NA	NA	TV Station
8/25/2020	Tophatmonocle Corp.	bluedoor LLC	NA	NA	NA	Publishing; Textbooks
8/20/2020	Westplex Media Group LLC	The Mexico Ledger of Gannett Co., Inc.	NA	NA	NA	Newspaper
8/20/2020	Augustus Foundation, Inc.	WALQ-AM 1130	NA	NA	NA	Radio Station
8/17/2020	Allen Media Broadcasting LLC	KITV, Inc.	\$30.0	NA	NA	TV Station
7/31/2020	Gray Television, Inc.	Most of the Assets of KTVA	NA	NA	NA	TV Station
7/31/2020	Zimmer Radio of Mid-Missouri	Meyer Communications Inc	\$1.8	NA	NA	Radio Stations
7/29/2020	Paxton Media Group, LLC	Jasper Herald Company	NA	NA	NA	Newspapers
7/27/2020	Gray Television Inc.	Winstar Odessa, Inc. (Two TV Stations)	\$1.8	NA	14.6x	TV Stations
7/21/2020	Middle Market Information LLC	Mergers & Acquisitions Magazine of Arizent	NA	NA	NA	Trade Magazine; B2B Publishing
7/21/2020	Ruder Finn, Inc.	Osmosis Technologies LLC	NA	NA	NA	TV & Film Production Studio
7/17/2020	NA	CTM Media Group, Inc.	NA	NA	NA	Publishing; Information; Brochures
7/16/2020	HH Global Limited	InnerWorkings, Inc.	\$296.1	0.3x	6.5x	Marketing Services; Direct Mail
7/15/2020	Allured Business Media	Creative Age Publications, Inc.	NA	NA	NA	Publisher; Magazines
7/13/2020	Syco Entertainment	Syco Entertainment	NA	NA	NA	Record Label
7/13/2020	Acadia Broadcasting Limited	Two radio stations	NA	NA	NA	Radio Stations
7/12/2020	Mission Broadcasting, Inc.	WPIX, Inc.	\$75.0	NA	NA	TV Station
7/10/2020	Chatham Asset Management	Substantially All the Assets of The McClatchy	\$312.0	0.5x	5.6x	Newspapers
7/8/2020	Gray Television, Inc.	Mauna Kea Broadcasting Group (KSIX-TV)	\$1.0	NA	NA	TV Station
7/2/2020	Educational Media Foundation	Flinn Broadcasting Corporation (Nine FM Stations)	\$3.4	NA	NA	Radio Station

*Source: Capital IQ though 12/31/2019

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NOBLE CAPITAL MARKETS

NOBLE CAPITAL MARKETS

NOBLE CAPITAL MARKETS is a research-driven investment and merchant bank focused on small cap, emerging growth companies in the healthcare, technology, media and natural resources sectors. That's what we are. Who we are is what makes us different.

Our people are talented, dedicated, experienced professionals who come together with a common cause; advising on long-term client solutions by employing innovative, collaborative and responsive strategies. We're passionate and personable. We approach things from our clients' perspective.

We know that developing lasting relationships is reliant upon putting our clients' interests before ours. We understand the impact of our services. Insightful advisory and effective capital procurement can change lives. Empowering our clients to create employment, engineer technological and medical breakthroughs, producing products and services that lay the foundation for the future. For more than 30 years these have been our guiding principles. While much has changed over the three decades since we began, these core values and our reputation have not. Our clients must know what to expect from us. Then we can strive to exceed expectations.

A SIMPLE FORMULA OUR VALUE PROPOSITION.

It starts with research With a fundamental belief that information guides the management process, NOBLE understands that there is no short-path to success. With this as a solid foundation, apply experience and execution delivered by people with passion. This is our formula to add value to your creation.

Research + Experience & Execution + People with Passion = Value

FULL-SERVICE INVESTMENT BANK

- Established 1984.
- Private firm, employee owned.
- Built on commitment to provide value and support for our clients.

FOCUSED INSTITUTIONAL SALES AND TRADING

- Seasoned sales and sales trading team.
- Long standing relationships with premier growth-focused investors.

RESEARCH DRIVEN CAPITAL MARKETS PLATFORM

- Experience team of Research Analysts covering approximately 100 companies.
- Focus on Technology, Media, Healthcare and Natural Resources.
- Strong Institutional Sponsorship.

INVESTMENT BANKING COMMITMENT

- Proven track record.
- Senior level attention to every client and transaction.
- Ability to deliver complete "mind share" of NOBLE on all transactions.

$$R + (e^2 + p^2) = \text{Tr}$$

INVESTMENT BANKING

Our investment banking team, together with our well-recognized equity research analysts and the equity capital markets group, provide our clients with fundamental capital markets advisory and support - prior, during and most importantly, after a transaction. NOBLE's investment banking team works closely with the management and Board of our corporate clients in order to fully understand operational and financial objectives. With this knowledge our banking team will develop an efficient and effective advisory program which offers a variety of services including:

EQUITY CAPITAL MARKETS

- Secondary and Follow-on Offerings
- Registered Direct Offerings
- Initial Public Offerings
- At the market Offerings (ATM's)
- PIPEs/Private Sale Offerings


DEBT CAPITAL MARKETS

- Senior Debt
- Mezzanine
- Convertible Debt
- Bridge Financings

ADVISORY SERVICES


- Merger & Acquisitions
- Fairness Opinions
- Valuation Services


SELECT MEDIA TRANSACTIONS


(SEAC)

Valuation Services

ASC 350 Analysis



September 2020


(AUTO)

Valuation Services


Business Interruption Analysis


September 2020


(GAME)

Convertible Notes

Private Placement
Co-Placement Agent


August 2020


(MNI)

Valuation Services

ASC 350 Analysis



July 2020


(SRAX)

Valuation Services


ASC 350 Analysis


April 2020


(CMLS)

Valuation Services

ASC 350 Analysis



March 2020


(PRIVATE)

Convertible Notes

Private Placement -
Placement Agent


November 2019


(SRAX)

M&A Advisory

\$43,500,000 Sale of SRAXmd
to Halyard Capital


August 2018

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VALUATION SERVICES

NOBLE's Valuation and Advisory Services team specializes in providing business and intangible asset valuations, fairness opinions, financial and strategic analysis, and transaction support services covering a broad spectrum of industries and situations from early stage, middle market and Fortune 500 companies and capital market constituents. NOBLE's team is made up of professionals with numerous accreditations and bring excellence in accounting, taxation, and financial due diligence to provide companies with valuation advice for a multitude of purposes.

Valuation – NOBLE's professionals have significant experience in the valuation of privately owned and public businesses across a wide range of industries. We perform an extensive analysis of the business as well as evaluate industry trends and various other factors in order to inform our clients as to the likely range of value they can expect. Our services are characterized by intellectual and analytical rigor and our conclusions are backed by thorough documentation.

Chief Accounting Officers, Corporate Controllers, CFOs, and Corporate Boards rely on Noble's experienced valuation professionals to produce sophisticated, supportable, and timely valuations to assist in complying with financial reporting requirements, including:

- Purchase price allocation and fresh start accounting
- Goodwill and long-lived asset impairment testing
- Tangible asset valuation
- Fair Value measurement of financial assets & liabilities

Opinions - Whether our clients are looking to fulfill their fiduciary duties, mitigate risk or determine corporate value, we are there throughout the transaction process to offer objective advice based on rigorous analysis. We work on behalf of boards of directors, investors, trustees and other corporate leaders to advise and provide opinions on a wide range of transactions.

We have advised Corporate Boards, special transaction committees, independent trustees, management and other fiduciaries of middle market public and private companies on the financial aspects of a transaction. Our independent advice withstands scrutiny from shareholders, bondholders, the SEC, IRS, or counterparties to a transaction

MERCHANT BANKING

Our Principal Investment focus is primarily on private and small-cap public (\$10mill to \$50mill market caps) companies in industries within NOBLE's research verticals. Investments are made directly by NOBLE and its affiliates and may also involve syndicate participants. We work to identify those companies with game-changing or superior products and technologies that have management teams with proven track-records of success. NOBLE structures investments to meet a company's capital needs whether its growth capital, liquidity or debt repayment. Capital commitment ranges from \$200k to \$2million principal and \$2million above with syndicate.

The scope of our Merchant Banking activities includes:

- Targeting domestic companies within our areas of focus and expertise
- Analyzing a company's opportunities and assessing its risks within their respective industry
- Structuring, negotiating and executing the transaction
- Work in assessing the appropriate time and manner in which to harvest the investment

NOBLE's Merchant Banking Team works continuously with our portfolio companies to assist the management team and Board of Directors to create value and grow their businesses to facilitate long-term shareholder value. Through our extensive sector research coverage, institutional investor non-deal road shows, equity conferences and market making, we blend a powerful mix of capital markets acumen to procure success.

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INVESTMENT BANKING TEAM

Richard Giles, Managing Director

rgiles@noblecapitalmarkets.com – (617) 692-9346

- Joined NOBLE in 2010 as Head of the Technology, Media & Telecommunications Investment Banking Group.
- 25 years of investment banking experience.
- Executed more than 100 M&A and capital raising transactions totaling \$10+ billion.
- Former head of Stifel Nicolaus' Technology Group.
- Former head of A.G. Edwards' Emerging Growth. Group and member of Investment Committee for A.G. Edwards Capital.
- A.B., Harvard College; M.B.A., Harvard Business School.

Christopher Ensley, Managing Director

censley@noblecapitalmarkets.com – (917) 970-8850

- Joined Noble in 2016
- 20 years of equity capital market expertise
- Previous experience at Salomon Brother, Lazard, Bear Stearns, Coady Diemar Partners
- Participated in \$16+ billion transactions over his tenure on Wall Street
- M.B.A., Vanderbilt University - Owen Graduate School of Management
- B.S., William & Mary

Mark Suarez, Managing Director

msuarez@noblecapitalmarkets.com – (917) 810-5378

- Joined Noble as a Managing Director in 2017
- Over 12 years of investment banking and equity research experience
- Prior experience holding senior positions at McQuilling Partners and Euro Pacific Capital
- B.Com McGill University with concentrations in Economics and Finance; M.S. in Economics University of Toronto
- Holds a CFA and various FINRA licenses

Francisco Penafiel, Managing Director, Investment Banking Operations

fpenafiel@noblecapitalmarkets.com – (561) 994-5740

- Executed M&A and capital raising transactions totaling over \$1 billion dollars in value.
- 7 years of sell side equity research experience, covering enterprise & infrastructure software, business services, media, communications, and banks.
- 6 years of portfolio managing experience.
- Manage the business development efforts in LATAM for NOBLE.
- Engineering, IT & Statistics, Escuela Superior Politecnica (Guayaquil, Ecuador); M.S. Economics, Florida Atlantic University.

Stevan Grubic, Director - Valuation Services

sgrubic@noblecapitalmarkets.com – (323) 578-4936

- 15 years of middle-market investment banking experience
- Expertise in valuations, including business valuations, fairness opinions, litigation, and valuations for financial and tax reporting purposes (ASC805, ASC350, 123R, 409A).
- Accredited Senior Appraiser with the American Society of Appraisers (ASA) and has completed over 100 valuation engagements representing well over \$1.0 billion in asset values.
- Prior experience includes Orion Valuation Group, Singer Lewak, B. Riley & Co., L.H. Friend Weinress, Frankson & Presson and North American Capital Partners

Stephen McGee, Analyst

smcgee@noblecapitalmarkets.com – (561) 994-5726

- Joined Noble in 2019 and assists the TMT, Natural Resources and Transportation & Logistics bankers
- Previously spent 6+ years in the MILB for various affiliated teams
- B.S. Hospitality Management FSU
- Level II CFA candidate December 2020

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RESEARCH – MEDIA & ENTERTAINMENT

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