EDISON

BRILLIANT KNOWLEDGE

MediaWatch | June 2024

GLIMPSES OF POSITIVITY

EDISON THEMES

As one of the largest issuer-sponsored research firms, we are known for our bottom-up work on individual stocks. However, our thinking does not stop at the company level. Through our regular dialogue with management teams and investors, we consider the broad themes related to the companies we follow. Edison themes aims to identify the big issues likely to shape company strategy and portfolios in the years ahead.

EDISON CLIENTS MENTIONED IN THIS REPORT

4imprint Group
Centaur Media
Dentsu
MGI - Media & Games Invest
The Pebble Group

ANALYSTS

Fiona Orford-Williams
Milo Bussell
Russell Pointon

media@edisongroup.com
edisongroup.com
+44 (0) 20 3077 5700

It may still be early days, but there are glimpses of positivity in the media sector performance numbers. The FY23 results season came in broadly as expected. There were fewer revisions to current year expectations during Q124 than there had been in Q423, implying that management outlook statements have not led to any substantive rethink on corporate prospects. The data are inevitably skewed by the scale of Alphabet and Meta Platforms in the North American region and the rebound in margins for these two stocks colours the overall mood. This slight brightening of prospects extends to the UK market. In our last edition of MediaWatch, there was just one stock with positive free cash flow trading above its long-term average ratio of EV/EBITDA (Next 15 Group). As at the date of this report, that number has increased to five, with a median discount of 30%, indicating that there may be plenty of value remaining on the table.

MediaWatch: An introduction

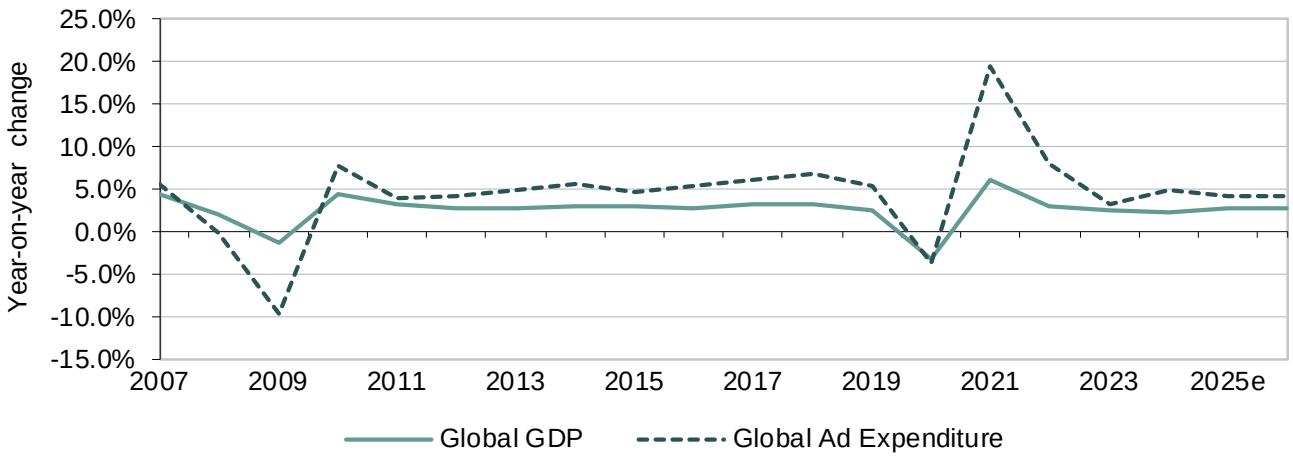
This is our sixth edition of MediaWatch, and as we build the data, we believe it delivers increasing value. The premise remains the same: we look at performance and changes to consensus forecasts for companies in the media sector across the UK, European and US markets. We highlight the direction of travel for revenue and EBITDA (as a proxy for earnings) by looking at estimate changes across the seven constituent subsectors, as defined by the MSCI Global Industry Classification Standard (GICS) for CY23 and CY24. We then look at the individual stock level to see where current valuations are compared to their long-term averages, using values back to 2006 to smooth out the cycle. On the basis of our screens, a large majority of stocks continue to trade at a substantial discount to their long-term average ratios, which indicates that pricing remains too low or that market earnings estimates are still too high, or both. In this edition, we have again included the absolute numbers of upgrades and downgrades in each of the subsectors, information sometimes swamped by movements in the dominating stocks.

KEY THEMES

Expectations for global ad spend improving

As in previous editions of MediaWatch, we note that global advertising expenditure is clearly correlated with GDP, as shown in the long-term pattern illustrated below. This exhibit includes the latest Dentsu forecasts, as revised in May 2024. These now show global ad spend growth of +5.0% for the current year, revised up from +4.6% in December 2023 and clearly well ahead of the global economic growth projections cited above. The forecast global ad spend gain projection for FY25 is unchanged at +4.2%, while that for FY26 is nudged down from 4.3% to 4.2%.

Exhibit 1: Long-term GDP growth versus ad spending



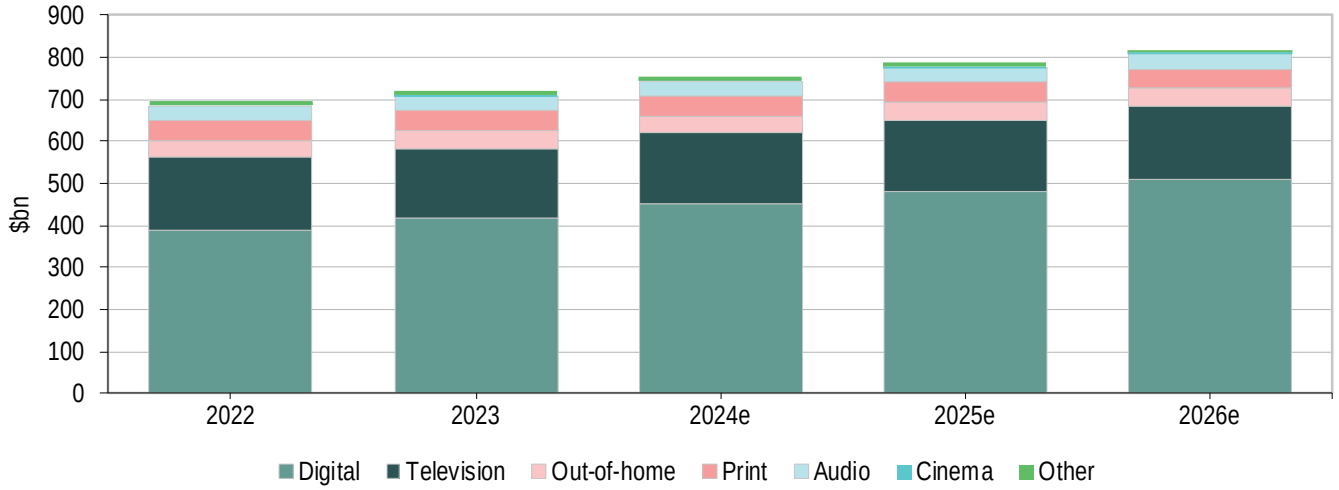
Source: World Bank, Dentsu

It is worth taking a closer look at where the underlying revisions sit. In terms of media type, with the continuing migration of consumers online, it is far from surprising that the main uplift is in the digital ad spending, which has been raised from +6.5% to +7.4% for CY24, putting it just shy of 60% of the total ad spend pie, as illustrated below. So, what is powering this latest upward revision? Digging deeper into the components of that digital ad spend, the figures shows that this augmentation is not limited to display formats (estimate up from +6.9% to +7.5%), with uplifts also in the smaller elements of paid search and (smaller still) classified.

Across the forecast period through to 2026, ad spend is forecast to increase at a CAGR of 4.5%, led by digital at +6.7%, with out-of-home set for a CAGR of 4.4%. As has been the case for a while, the only segment going backwards is print, set for an annualised decline of 2.4% over the period. Within digital, there is an increased emphasis on spend on retail media, which is defined as spend right at the end of the retail funnel at the point

of purchase, as people decide which product to opt for either online or in a physical environment. Typical examples would be 'sponsored' or 'promoted' products at the top of a search result on a retailer's website.

Exhibit 2: Global ad spend by media



Source: Dentsu, Edison Investment Research

Looking in terms of geography, the forecasting for the US, the world's largest market at 42% of global ad spend, is broadly stable. The same is true of China, the second largest market at 16% of global spend. Japanese forecast growth for 2024 is stepped up from 2.5% to 3.1% and there is a bigger upwards revision in the fourth largest market, the UK, where the 2024 projection rises from 3.5% to 6.0%, boosted by uplifts in digital ad spend. The current year outlook is also marked up in France (with Olympic benefits) and Germany, where the medium term is also more positive and where the components are cited as digital, retail media and the increasing use of connected TV as a medium.

Mixed Q1 performances from the majors

We have now had Q124 updates from all the major marketing services companies and the contrast between their performances has been marked, partly down to business mix and partly down to individual factors.

Exhibit 3: Q124 organic growth rates of major global marketing services groups

	Omnicom	Publicis	WPP	Interpublic	Havas	Dentsu
US	4.4%		-5.4%	2.1%		
North America		4.8%	-5.2%		-4.0%	-6.6%
UK	3.2%		0.3%	0.2%		
Europe	3.5%	6.1%	3.2%	8.9%	5.5%	-9.4%
Asia Pacific	3.0%	6.2%	-3.2%	-8.1%	0.8%	-7.1%
Japan						2.3%
Latin America	22.3%	7.8%	2.3%	3.0%	14.6%	
Middle East/North Africa	-4.2%	4.0%	7.8%			
Total	**4.0%**	**5.3%**	**-1.6%**	**1.3%**	**2.0%**	**-3.7%**

Source: Individual company reporting, Edison Investment Research

Coming off the back of an impressive performance in FY23, Publicis continues to lead the pack in the new year, with strong performances across all geographic regions. In its reporting and presentation, it ascribes the success to the tailwind from earlier new business wins and a rebound in demand from tech sector clients, along with a general uplift in activity, particularly in the juxtaposition of data and a scaled media offering. It was not necessarily robust across the board, though, with large-scale digital business transformation projects still thin on the ground, affecting its Sapient business, and limited uplift in its creative-led operations.

Omnicom also had a decent showing in the first quarter, led by its Advertising & Media practice (over half of the group) where organic revenues were ahead 7.0%. The integration of Flywheel Digital, bought out of Ascential in the UK, is a substantial undertaking that appears from the outside to be progressing well. The combination of Omnicom's audience and behavioural data and Flywheel's transactional data should give very rich insight into how people buy online, which would be difficult to replicate. Interestingly, on the results call, CEO John D Wren highlighted that Omnicom now refers to itself as a marketing and sales company, rather than as an advertising and marketing company.

Interpublic and Havas (reported as part of Vivendi) sit in the middle ground, with Interpublic having a tougher time of it in the Asia-Pacific region, while Havas found the going harder in North America. WPP had continuing headwinds from reduced demand in the tech sector, but with expectations that the situation will improve as the year progresses and with an additional boost from easing comparatives into H2. Dentsu (an Edison client) had a slower start to the year, with organic net revenue down by 3.7%. However, we believe its prospects are improving, buoyed by new business wins and weighted to H2. Its 'One dentsu' initiative, bringing together skill sets in consulting, technology, media and creative, is supporting improved pitch win rates, and giving greater coherence and consistency to the group product and service offering. We expect this to be a central element of a new medium-term management strategy, set to be unveiled during H2.

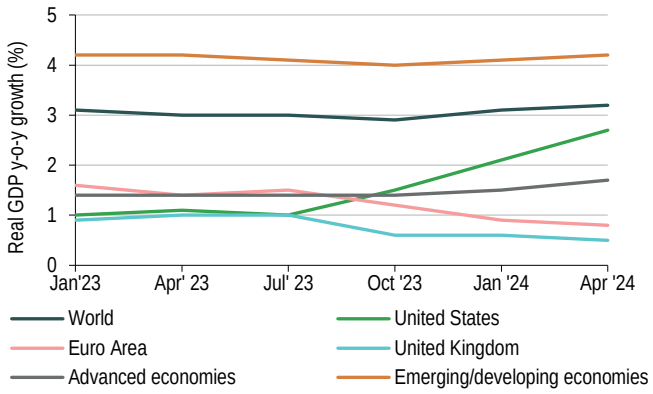
MACRO OVERVIEW

Improving but below-trend growth expected

There appears to be a consistent view among the economic forecasters, as we highlight below: that an economic crisis has been averted, but the outlook for growth, global and for the UK, in 2024 and 2025 is below the long-term trend, albeit the estimates for 2024 continue to nudge up. The International Monetary Fund (IMF) marginally increased its estimate for global economic growth for 2024, by 0.1% to 3.2%, in its April 2024 World Economic Outlook report, from 3.1% in the January 2024 report. Within the upgrade, there were quite divergent trends: continuing upgrades for the US and emerging/developing economies were partially offset by ongoing downgrades for the UK and Euro Area. The upgrades to the US's growth estimates are quite eye-catching; the estimates have almost tripled from the 1% growth forecast in the July 2023 update to 2.7% in the most recent update. Conversely, the estimates for the UK and the Euro Area have either halved or almost halved in the same time frame, from 1% to 0.5% and from 1.5% to 0.8%, respectively.

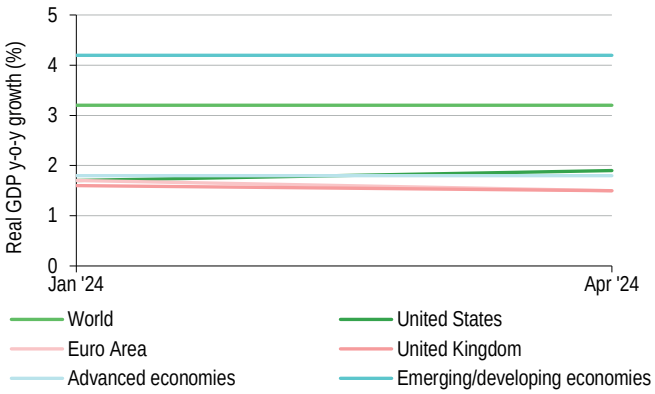
Looking into next year, the IMF's overall global growth estimate of 3.2% (ie a similar rate of growth as expected for 2024) is unchanged. Within the total, the IMF expects a slowdown versus 2024 for the US (1.9%) but better growth for the UK (1.5%) and Euro Area (1.5%); the estimate for the US has increased since the start of the year, while estimates for the UK and Europe have reduced.

Exhibit 4: Real GDP growth estimates for 2024



Source: International Monetary Fund

Exhibit 5: Real GDP growth estimates for 2025

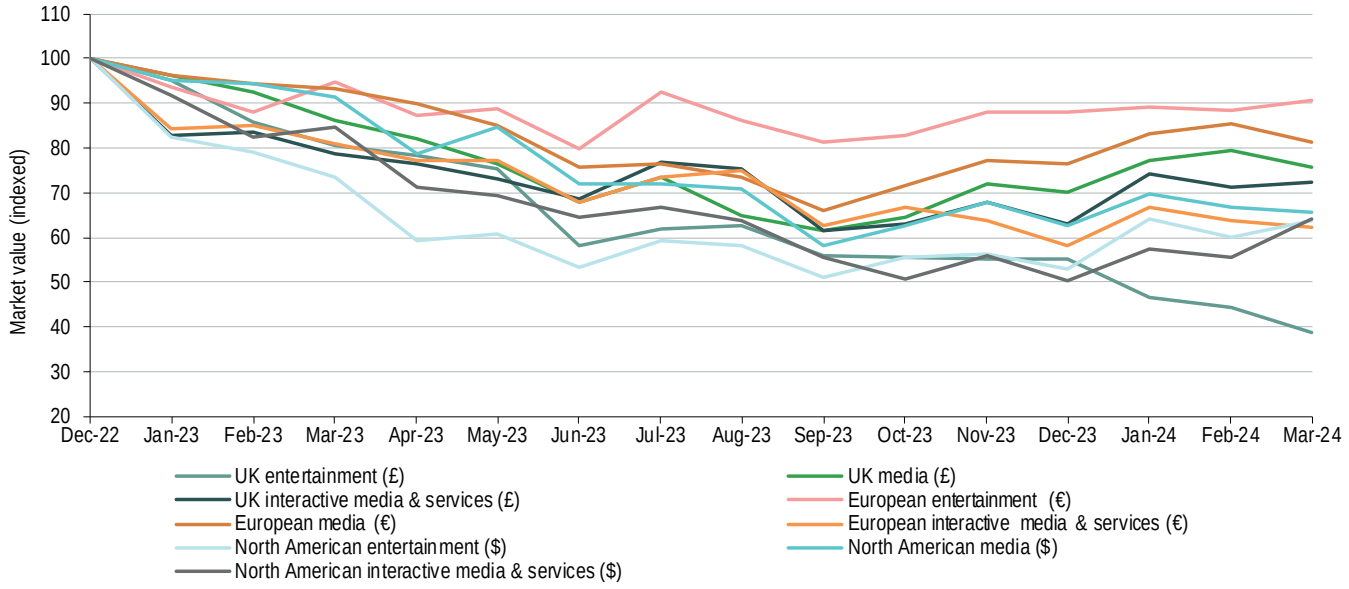


Source: International Monetary Fund

Media sector in Q124: Looking out for the positives

Over Q124, the North American sectors put in the strongest showing, with share prices up 11%, with the UK the weaker region with gains of 2% and European media stocks holding the middle ground. The UK entertainment sector had the poorest showing over the quarter, continuing its negative trend of the last couple of years, but, as described in greater detail below, this accounts for a small proportion if the UK market, which is dominated by the advertising sector. The best performing of these sectors over the quarter was the North American interactive media and services sector, which contains the dominant influences of Alphabet and Meta Platforms. Despite the gains in all but one of these sectors in Q124, prices are still some way short of those prevailing at the start of 2023.

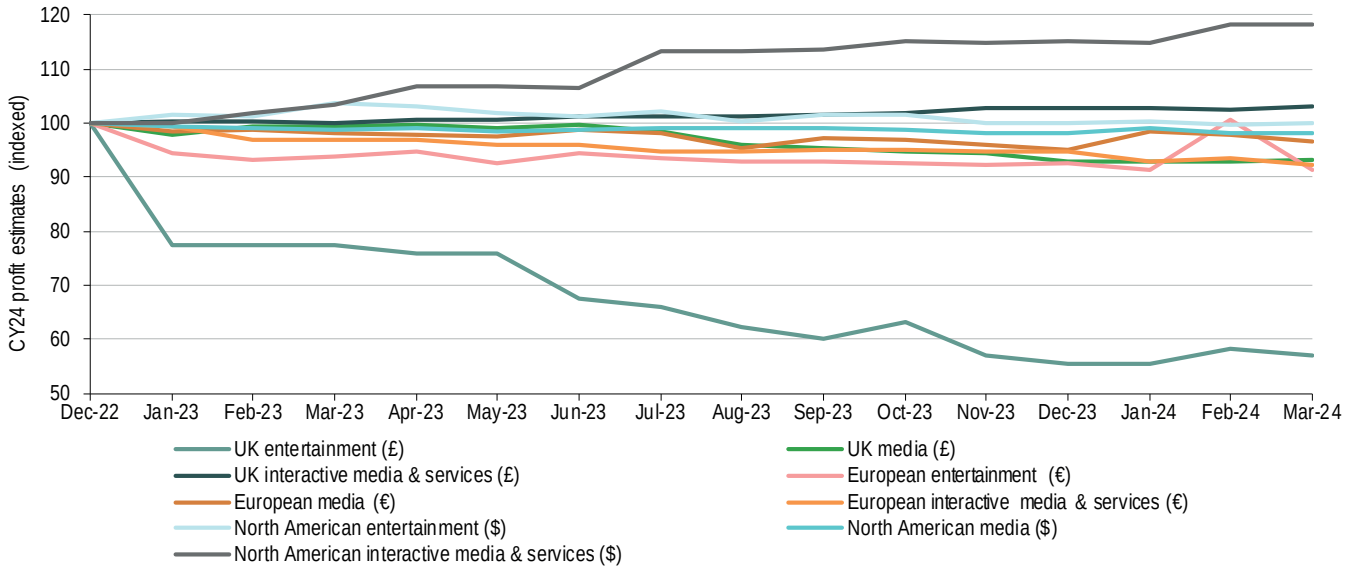
Exhibit 6: Performance of media sectors (indexed to December 2022)



Source: Edison Investment Research, LSEG (31 March 2024)

What seems of most interest in the exhibit below is just how little movement there has been in most of the forecasts of profitability for 2024 since the start of 2023. The obvious exceptions are the downgraded expectations for UK entertainment and the improved profitability prospects for North American interactive media and services, which (somewhat reassuringly) tallies with the share price performances above.

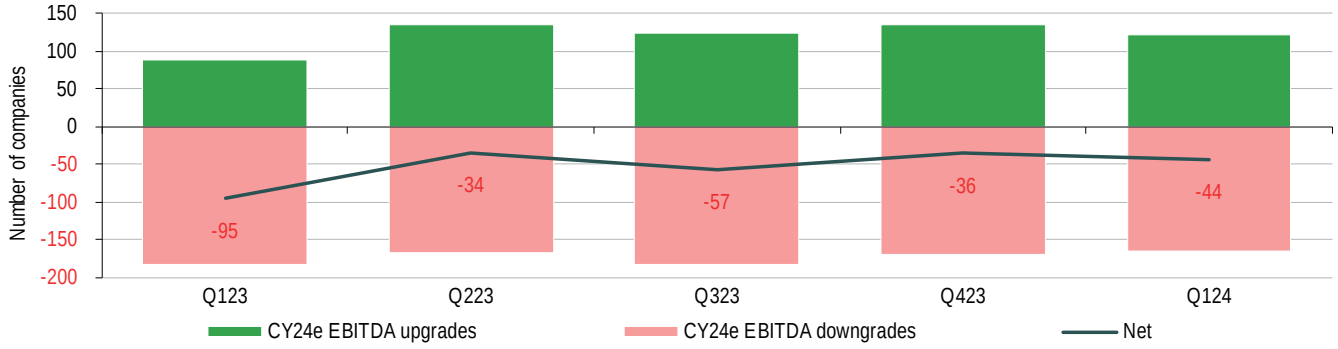
Exhibit 7: CY24 EBITDA estimates of media sectors (indexed to December 2022)



Source: Edison Investment Research, LSEG (31 March 2024)

Looking at estimate revisions for FY24 profitability (with EBITDA the proxy) in the latest quarter, it is apparent that the absolute number is lower, with fewer upgrades and fewer downgrades. Downgrades still prevail on a net basis, though. Net downgrades were more prevalent in the UK and in Europe, whereas the split in North America was more even.

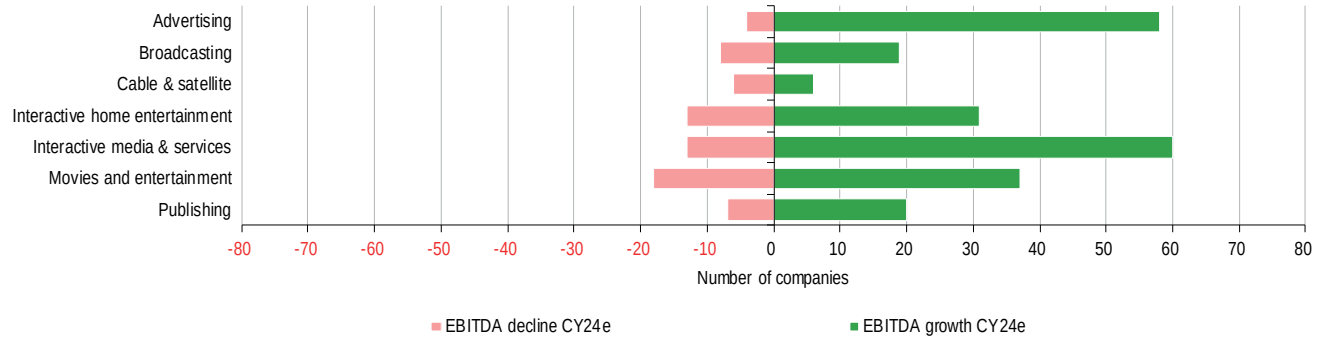
Exhibit 8: Quarterly progression in upgrades or downgrades to CY24 profit estimates



Source: Edison Investment Research, LSEG (31 March 2024)

Looking at the number of companies across the regions set to improve their levels of profitability in the current year, most sectors are positively weighted to growth. The small cable and satellite sector is the exception here, as might be anticipated given the overall market dynamics of media consumption.

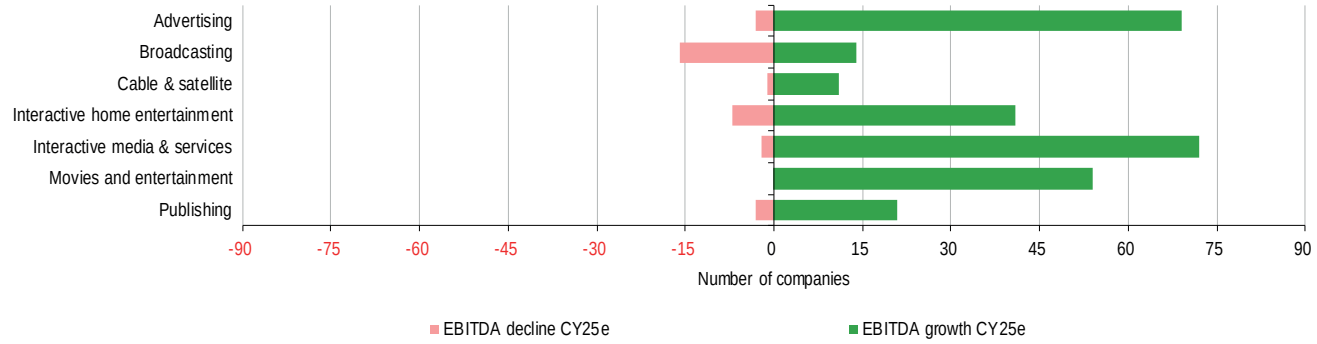
Exhibit 9: Number of companies with higher/lower CY24 profit than CY23



Source: Edison Investment Research, LSEG (31 March 2024)

The market is notably more optimistic when it comes to prospects for FY25, with the exception of broadcasting, where it looks as if some profits have been allocated to the current year, which aligns to cycles of major events like the Paris Olympics.

Exhibit 10: Number of companies with higher/lower CY25 profit expectations than CY24



Source: Edison Investment Research, LSEG (31 March 2024)

Pulling these factors together gives us the changes in the exhibit below. Note that the estimates that we are using are from the end of April, whereas the pricing changes are to the end of March, which is for comparability purposes for when we run the data to end June. The North American market is clearly the most dynamic, with a particularly strong recovery in operating margin in the current year, again driven by Alphabet and Meta Platforms, with Alphabet's Q124 figures reaching 32% from 29% in Q123 and Meta Platforms posting an operating margin of 38%, up from the prior year figure of 25%.

Exhibit 11: Regional media consensus estimates

Region	Market value change Q124	Revenue growth		EBITDA growth		EBITDA margin		
		CY24e	CY25e	CY24e	CY25e	CY23	CY24e	CY25e
United Kingdom (£)	1%	1%	4%	5%	9%	18%	19%	20%
Continental Europe (€)	6%	16%	5%	11%	8%	19%	19%	19%
North America (US$)	11%	8%	7%	24%	11%	28%	33%	34%

Source: Edison Investment Research, LSEG. Note: Market value change as at 31 March 2024 (LSEG). Revenue growth, EBITDA growth and EBITDA margin estimates as at 30 April 2024 (LSEG).

RELATIVE SECTOR VALUATIONS

In Exhibit 12 we show the valuations of the subsectors across all geographies as at 30 April 2024, ordered by the greatest discount to long-term average EV/EBITDA multiples, to highlight the relative valuations across the geographies and subsectors.

We show the following within our screens:

- Consensus CY24 revenue and profit estimates
- The absolute change in CY24 EBITDA margin in the between January and April 2024. The changes can reflect a combination of the introduction/removal of estimates for an individual company that was included/excluded previously, underlying changes to estimates and changes in foreign exchange rates during the period for those companies with overseas earnings.
- The change in both CY24 sales and EBITDA estimates.
- The prospective EV/sales and EV/EBITDA multiples for CY24, priced as at end April 2024, and how they compare with the long-term average multiples. The long-term average covers the period 2006–23, so that we include changes over the cycle (ie to include the global financial crisis of 2007–08). Unlike the company-specific screens, we have included EBITDA loss makers within the aggregate multiple to fully reflect the forecast profitability and subsequent ratings of the subsectors. Our enterprise value calculation includes IFRS 16 accounting changes, effective from 1 January 2019. Consequently, it will affect the comparability of EV/EBITDA multiples either side of that date, given that it affects both the numerator and the denominator of the multiple. The subsectors are sorted by ascending order of the discount/premium to their long-term average.
- For the company screens, we have excluded companies that are either currently EBITDA loss-making or where the long-term average EV/EBITDA multiple is negative. We have also only included those companies for which consensus is forecasting positive free cash flow in CY24 and CY25. Consequently, not every company in the region is shown in our screens.

- For the individual company screens, we show the CY24 EBITDA margin relative, which shows how the subsector's prospective margin compares with the range of reported profit margins between 2006 and 2023. A negative percentage indicates an expected margin that is below those achieved between 2006 and 2023, a percentage between 0% and 100% indicates where the expected margin is within the range within that period and a percentage greater than 100% indicates an expected margin that is greater than the subsector has achieved within that same period of 2006 to 2023. Comparison of relative margins over time is helpful in providing some context for the prospective EV/EBITDA multiples versus historical multiples.

At the end of April 2024, 13 of the 20 subsectors were trading at discounts to their long-term average EV/EBITDA multiple. For 17 of the subsectors the market was expecting sales growth in CY24 and for 14 of the subsectors profit growth.

EBITDA margins were broadly unchanged in the quarter at the sector level. Two subsectors, European cable & satellite and UK interactive home entertainment, witnessed a 3pp margin squeeze in Q124. As seen in Exhibit 12, most subsectors across all three regions continue to trade at significant discounts to their long-term average EV/sales and EV/EBITDA multiples.

Exhibit 12: Relative subsector valuations in Q124

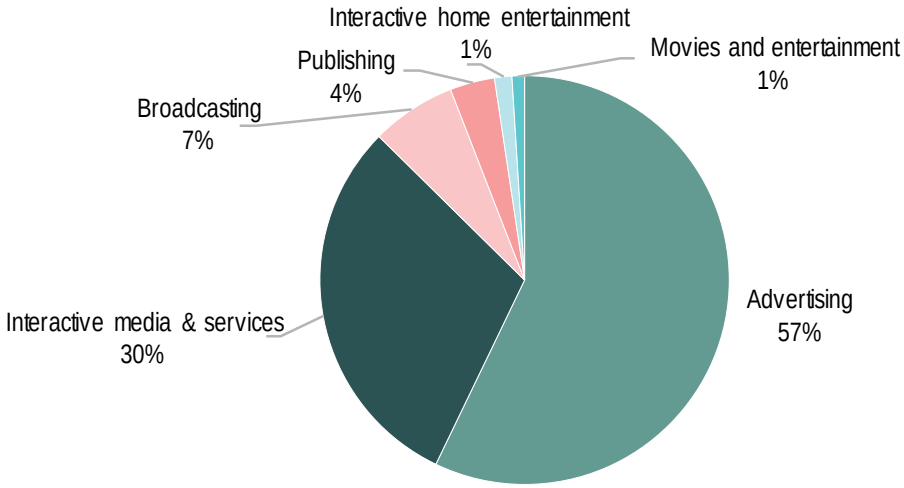
Regional sub-sectors	Sales growth CY24e	EBITDA growth CY24e	Change in CY24 EBITDA margin -3m (pp)	CY24e sales change -3m	EV/sales CY24e (x)	Premium/ (discount) to long-term average EV/sales	CY24e EBITDA change -3m	EV/EBITDA CY24e (x)	Premium/ (discount) to long-term average EV/EBITDA
UK Movies and entertainment	5%	(0%)	2%	(2%)	0.8	(31%)	16%	5.8	(54%)
NA Interactive home entertainment	12%	55%	(1%)	(1%)	2.9	(12%)	(7%)	14.4	(53%)
EU Interactive home entertainment	4%	3%	1%	(3%)	1.8	(36%)	0%	5.3	(48%)
EU Cable & satellite	6%	(12%)	0%	0%	1.7	(66%)	3%	4.9	(40%)
UK Broadcasting	1%	26%	(0%)	(0%)	0.9	(54%)	(0%)	5.9	(33%)
NA Cable & satellite	1%	2%	0%	(0%)	2.2	(31%)	0%	6.9	(28%)
UK Interactive media & services	8%	11%	(1%)	4%	7.2	(14%)	(0%)	15.1	(27%)
NA Broadcasting	4%	46%	(0%)	(3%)	1.1	(47%)	(4%)	6.0	(26%)
EU Broadcasting	29%	20%	(0%)	1%	0.8	(55%)	(0%)	6.0	(25%)
NA Interactive media & services	13%	48%	(2%)	25%	5.4	(7%)	7%	12.4	(24%)
UK Publishing	(3%)	(6%)	(2%)	1%	1.1	(0%)	(5%)	4.9	(16%)
UK Advertising	(13%)	3%	0%	0%	1.5	(4%)	2%	8.3	(12%)
EU Publishing	4%	(9%)	(0%)	(1%)	1.0	(8%)	(2%)	8.9	(10%)
EU Interactive media & services	11%	2%	0%	(0%)	4.7	(3%)	1%	15.0	0%
EU Advertising	1%	(2%)	(0%)	(1%)	1.5	9%	(3%)	8.7	7%
NA Advertising	(3%)	28%	1%	(1%)	2.1	39%	0%	11.4	10%
NA Publishing	1%	9%	(0%)	(1%)	1.4	27%	(3%)	9.3	14%
EU Movies and entertainment	27%	51%	(2%)	7%	2.0	57%	0%	12.8	22%
UK Interactive home entertainment	3%	28%	(0%)	0%	1.5	(97%)	(1%)	8.3	28%
NA Movies and entertainment	7%	(21%)	1%	1%	2.8	(1%)	3%	14.6	34%

Source: Edison Investment Research, LSEG. Note: Growth rates and multiples priced at 30 April 2024 (LSEG). Change in estimates priced at 30 March 2024 (LSEG).

UNITED KINGDOM

In Exhibit 13 we show the breakdown of the UK media Global Industry Classification Standard (GICS) subsectors by market capitalisation at the end of Q124. We aim to provide a better idea of the drivers behind the media sector movements in each region. As shown in Exhibit 13, the UK has a heavy weighting to the advertising (57%) and interactive media & services (30%) subsectors. Broadcasting then makes up 7% of the total, with the remaining subsectors accounting for less than 5%.

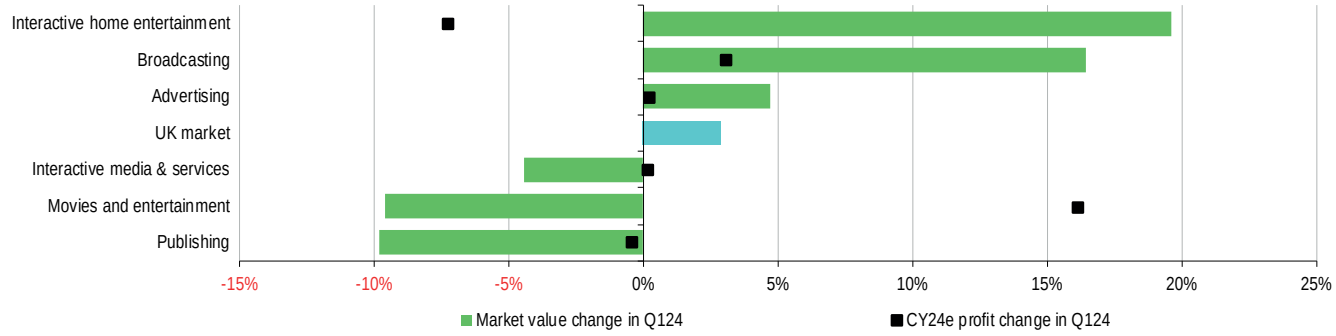
Exhibit 13: UK GICS media subsector breakdown by market value



Source: Edison Investment Research, LSEG (31 March 2024)

The UK media subsectors experienced a mix of performances in the first quarter of 2024, ranging from +20% in market value to a fall of 10% for two of the subsectors. Relative to the UK market's 3% return, the subsectors were evenly split between outperformance and underperformance. At the aggregate level, the UK media sector slightly underperformed the UK market's return of 3% with a positive market return of 2%.

Exhibit 14: UK sector performance versus consensus CY24 profits in Q124



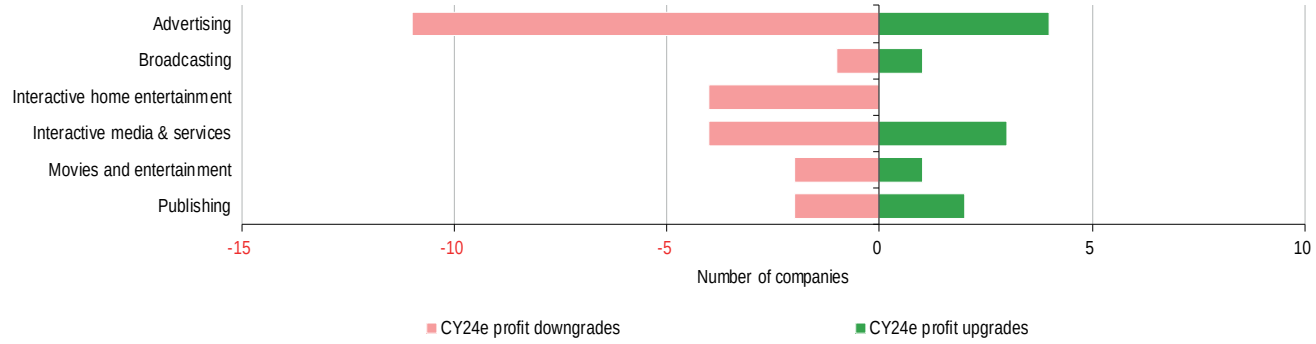
Source: Edison Investment Research, LSEG (31 March 2024)

Profit expectations for the UK media subsectors were also varied and did not necessarily reflect the direction of the market values in the quarter. The 10% fall in movies and entertainment was despite a 16% upgrade to profit estimates, which essentially reflected the £14m uplift to Celtic's CY24 EBITDA estimates. Conversely, interactive home

entertainment's positive 20% return in Q124 was in spite of the 7% downgrade to consensus profit numbers, the only notable downgrade among the UK media subsectors. This reflected the extent to which the market had already factored in greater downgrades given the weak last 12 months (-41%) for the interactive home entertainment subsector. Advertising outperformed the wider market despite negligible changes to profit estimates.

In Exhibit 15 we show the number of companies receiving upgrades and downgrades within the subsectors to show a clearer picture of the underlying health of the subsectors. This corrects for any skewing from larger companies in the aggregate. In total, there were more downgrades (24) to CY24 profit estimates than there were upgrades (11) in Q124. The advertising subsector witnessed both the largest number of downgrades and upgrades, although it contains the largest number of companies within the UK media sector by a considerable distance. No subsector experienced a net number of upgrades in Q124, while interactive home entertainment was the only subsector to see only downgrades.

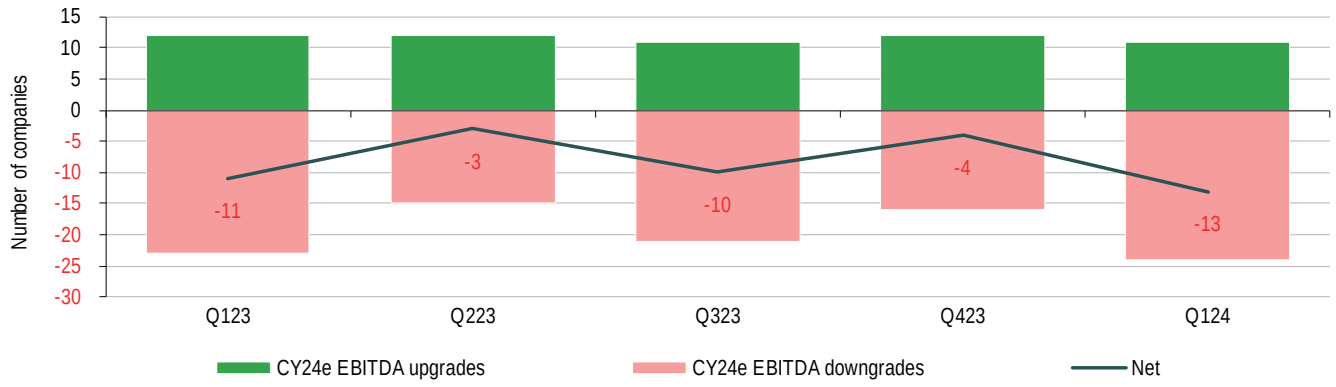
Exhibit 15: Number of companies to receive upgrades or downgrades to CY24 profit forecasts in Q124



Source: Edison Investment Research, LSEG (31 March 2024)

The net downgrades of nine in Q124 was greater than the four in Q423, reflecting a more negative sentiment towards profit estimates. Earnings estimate revisions have been fairly volatile, but overall more companies have received downgrades than upgrades.

Exhibit 16: Quarterly progression in upgrades or downgrades to CY24 profit forecasts



Source: Edison Investment Research, LSEG (31 March 2024)

Company forecasts and valuation

Having looked at the key changes to UK media sector valuations and estimates in Q124, we now turn our attention to assessing where consensus estimates were at the end of April 2024 and how EV/EBITDA multiples for the companies compare to their long-term (2006–23) historical average. We have run the valuation screen to end April so that the valuation data is more relevant.

We note that consensus is anticipating a slight increase in media revenue in CY24, up 1% year-on-year, before rebounding with 4% growth in CY25. The CY24 growth estimate should be taken with a pinch of salt however, as we found that the revenue consensus number for WPP, the largest company from a contribution perspective in the UK media sector, is a mix of both gross revenue and net revenue. To make the growth rates more comparable, we have taken an average of the gross revenue figures and have excluded the net revenue figures from WPP's consensus revenue numbers. Turning to profits, consensus was anticipating profit growth to exceed revenue growth at 5% for CY24 and 9% for CY25. Consequently, the adjusted EBITDA margin for UK media sector, which includes lossmakers to provide a fuller picture of the sector, is expected to expand from 19.2% in CY24 to 20.0% in CY25.

We provide two screens below, which show 40 companies that are trading at a discount to their long-term average EV/EBITDA multiples. We have included companies trading at discounts and premiums relative to their long-term history to show the full range of valuations. The first (Exhibit 17) highlights 30 companies that are expected to be free cash flow positive in CY24. The second (Exhibit 18) looks at the 16 companies that are either forecast to be free cash flow negative or where there is no estimate for free cash flow. For each company we include: consensus revenue and EBITDA growth estimates and subsequent valuation multiples for CY24 as at end April; where the EV/EBITDA multiple was at the end of April relative to its long-term average; and how the CY24 EBITDA margin sits within the long-term average at the end of April.

In the UK, all companies that had at least a 5% upgrade to CY24 EBITDA estimates up until the end of April were rewarded with a share price increase.

Exhibit 17: UK valuation screen – companies with forecast positive free cash flow in CY24 and CY25

Company	Ticker	Share price 30 April 2024 (p)	Market value 30 April 2024 (£m)	Sales growth CY24e	EBITDA growth CY24e	EV/EBITDA CY24 (x)	Premium/ (discount) to long-term average EV/EBITDA	CY24e EBITDA margin relative
Time Out Group	TMOT	53	179	(9%)	90%	15.6	(76%)	121%
S4 Capital	SFOR	49	284	(16%)	(15%)	5.5	(73%)	28%
Centaur Media	CAU	52	76	4%	14%	7.0	(73%)	104%
Ebiquity	EBQ	41	56	4%	4%	4.9	(71%)	99%
LBG Media	LBG	77	161	27%	38%	5.6	(66%)	83%
Team Internet Group	TIG	138	357	4%	8%	5.2	(66%)	2%
Pebble Group	PEBB	58	98	3%	7%	5.5	(59%)	68%
Gaming Realms	GMRG	37	109	16%	41%	7.7	(58%)	100%
Nexxen International Ltd	NEXN	232	323	9%	56%	3.1	(55%)	74%
Future	FUTR	663	764	1%	(9%)	4.6	(55%)	90%
Eagle Eye Solutions Group	EYE	480	143	14%	37%	11.6	(52%)	106%
Team17 Group	TM17	260	381	2%	1%	8.2	(50%)	(1%)
M&C Saatchi	SAA	188	231	(45%)	N/A	5.9	(33%)	126%
ITV	ITV	70	2,819	1%	25%	5.9	(32%)	20%
Reach	RCH	74	234	(5%)	(4%)	2.4	(30%)	43%
Rightmove	RMV	515	4,092	7%	6%	14.5	(30%)	83%
Moneysupermarket.com Group	MONY	215	1,157	4%	7%	8.3	(27%)	51%
WPP	WPP	808	8,717	1%	(5%)	6.3	(21%)	12%
STV Group	STVG	239	112	7%	47%	6.3	(21%)	39%
Devolver Digital Inc	DEVO	23	103	21%	2,861%	8.7	(20%)	46%
Auto Trader Group	AUTOA	698	6,286	9%	13%	16.2	(19%)	52%
YouGov	YOU	870	1,008	28%	29%	11.1	(18%)	63%
Baltic Classifieds Group	BCG	233	1,137	14%	15%	22.4	(11%)	73%
4imprint Group	FOUR	6,280	1,779	7%	4%	14.3	(8%)	96%
Informa	INF	796	10,802	8%	13%	11.5	(8%)	68%
Bloomsbury Publishing	BLPU	534	436	(9%)	(15%)	9.4	0%	90%
Ascential	ASCL	313	1,394	3%	77%	24.9	4%	96%
Next 15 Group	NFGN	897	891	4%	6%	6.6	9%	103%
Facilities By ADF	ADFF	52	42	N/A	64%	5.1	25%	1%
Trustpilot Group	TRST	190	792	16%	136%	46.6	124%	129%

Source: Edison Investment Research, LSEG (30 April 2024). Note: Sorted by discount to long-term average EV/EBITDA multiple.

Exhibit 18: UK valuation screen – companies with negative or no forecast for free cash flow in CY24 and/or CY25

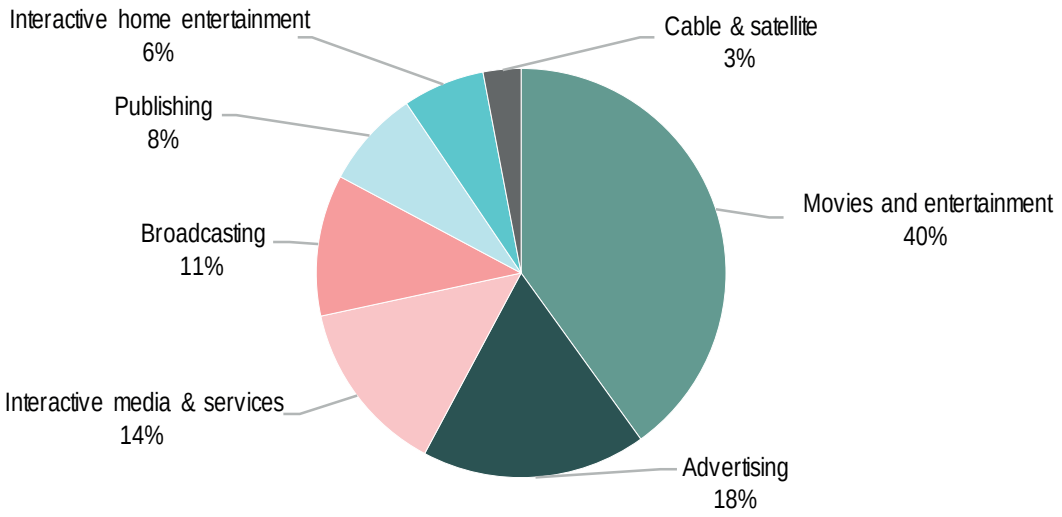
Company	Ticker	Share price 30 April 2024 (p)	Market value 30 April 2024 (£m)	Sales growth CY24e	EBITDA growth CY24e	EV/EBITDA CY24 (x)	Premium/(discount) to long-term average EV/EBITDA
Dianomi	DNM	49	15	8%	100%	7.1	(94%)
Celtic	CCP	133	126	(2%)	(37%)	3.4	(90%)
Digitalbox	DBOX	4	5	8%	100%	5.5	(75%)
Everyman Media Group	EMANE	58	53	0%	0%	8.7	(65%)
Tinybuild Inc	TBLD	5	28	(12%)	209%	12.7	(54%)
Frontier Developments	FDEV	229	91	(6%)	89%	8.7	(49%)
Merit Group	MRIT	61	15	10%	18%	5.0	(48%)
Audioboom Group	BOOMA	228	37	17%	N/A	33.1	(48%)
Spaceandpeople	SAL	86	2	12%	N/A	5.1	(42%)
System1 Group	SYS1	470	60	18%	39%	10.2	(37%)
Mission Group	TMGT	23	21	(53%)	23%	4.1	(25%)
One Media IP Group	OMIP	4	10	N/A	N/A	4.7	(19%)
National World	NWOR	14	38	14%	14%	2.5	(17%)
NAHL Group	NAH	67	31	10%	30%	5.5	(6%)
Brave Bison Group	BBSN	3	33	3%	(2%)	7.0	(1%)
Zinc Media Group	ZIN	78	18	5%	5%	7.3	4%

Source: Edison Investment Research, LSEG (30 April 2024). Note: Sorted by discount to long-term average EV/EBITDA multiple.

CONTINENTAL EUROPE

Exhibit 19 shows the breakdown of the European media GICS subsectors by market value. The spread of contributions among the subsectors is much greater than in the UK. Movies and entertainment is the largest subsector at 40% of the total, given the presence of large companies including Universal Music and Bolloré. Three of the remaining subsectors account for more than 10% of the total.

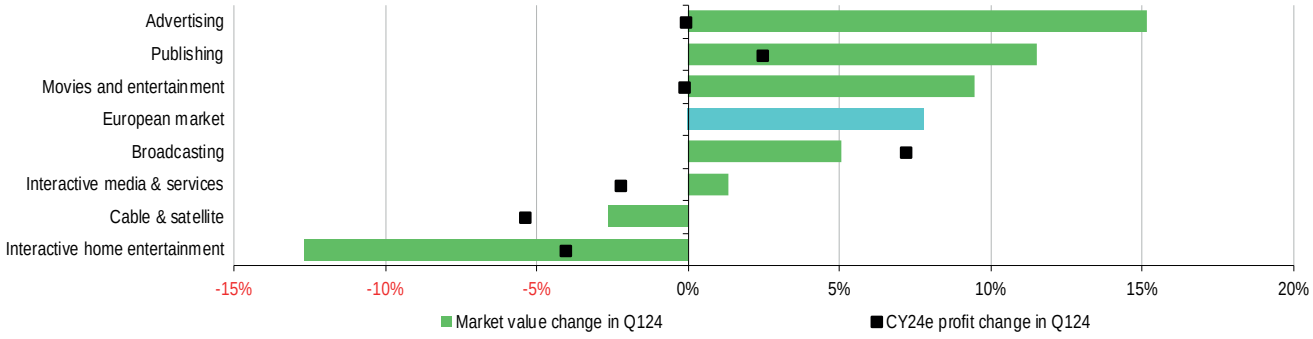
Exhibit 19: Continental Europe GICS media subsector breakdown by market value



Source: Edison Investment Research, LSEG (31 March 2024)

Much like in the UK, the Continental Europe media sector slightly underperformed its local market with a positive return of 7% versus the broader index return of 8%. Reflecting this, four of the seven subsectors underperformed the market. The underperformance was despite the two largest subsectors, movies and entertainment (40% of total market value) and advertising (18%), delivering market beating returns of 9% and 15%, respectively. The greatest contributor to the downside for the Continental European media sector was interactive home entertainment, which saw a 13% decline in market value in Q124.

Exhibit 20: Continental Europe subsector performance versus consensus CY24 profits in Q124

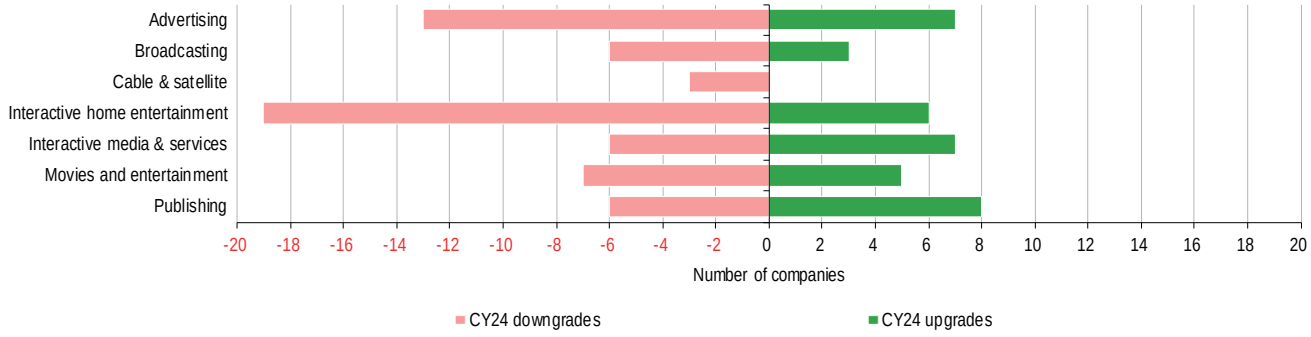


Source: Edison Investment Research, LSEG (31 March 2024)

In contrast to the UK, profit estimates broadly followed the direction of travel for market value changes in Q124. Aggregate media profit estimates were broadly unchanged, as a 7% upgrade to the broadcasting sector was offset by downgrades in cable & satellite, interactive home entertainment and interactive media & services. The muted profit estimates were accompanied by a net upgrade of 7% to CY24 sales estimates, implying tighter expected margins at 18.6% (Q423: 19.8%) at the aggregate level.

Looking at the individual companies in the Continental European media sector, there were more downgrades (60) to CY24 profit estimates than upgrades (36), consistent with the trend seen in the UK. The largest number of downgrades were seen in the subsector with the largest number of companies (interactive home entertainment). Publishing saw the greatest number of upgrades in Q124 with eight, partially offset by six downgrades. Just one other subsector, interactive media & services, saw a net positive number of upgrades.

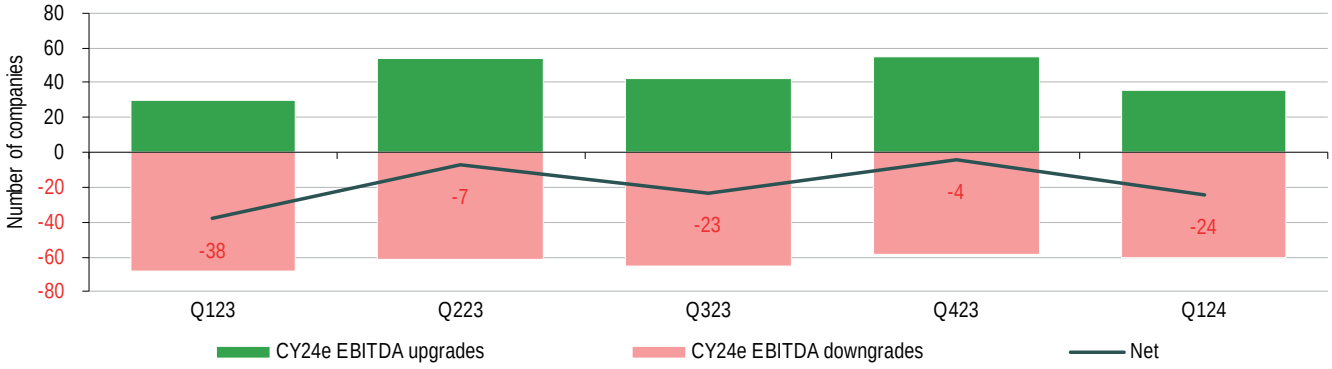
Exhibit 21: Number of companies to receive upgrades or downgrades to CY24 profit forecasts in Q124



Source: Edison Investment Research, LSEG (31 March 2024)

The net number of companies receiving downgrades in the media sector trended downwards in Q124, having improved substantially in Q423. As can be seen from Exhibit 22, the trend in the net number of companies has been volatile over the past 12 months, highlighting the continued uncertainty in the market over company earnings expectations.

Exhibit 22: Quarterly progression in upgrades or downgrades to CY24 profit forecasts



Source: Edison Investment Research, LSEG (31 March 2024)

Company forecasts and valuation

At the end of April, consensus was expecting robust sales growth of 16% in CY24, driven by growth in the broadcasting and movies and entertainment sectors and reflecting the 7% upgrade to sales in the year-to-date. However, this growth rate is artificially boosted in CY24 due to Bollore consolidating the revenues of Vivendi, resulting in an expected 58% growth in revenues. In Q124 Bollore reported growth of 63%, however organic growth was 3% for the quarter. The growth rate is then expected to slow to 5% in CY25. For EBITDA, CY24 growth was forecasted to grow at a slower rate than sales of 11% before slowing to 8% in CY25. The margin is therefore expected to grow from 18.5% in CY24 to 19.2% in CY25.

We have identified 60 companies that were trading at a discount to the long-term average EV/EBITDA multiple and that were expected to generate free cash flow in CY24 and CY25 at end April.

Additionally, we look for companies whose share prices have not benefited (ie their share price fell in 2024 to end April) from upgrades to profits of more than 5%. These companies included: Highlight Communications, CI Games, Fragbite Group, MeglioQuesto, PunaMusta Media, Ten Square Games and Vivendi.

Exhibit 23: Continental Europe valuation screen – companies with forecast positive free cash flow in CY24 and CY25

Company	Ticker	Share price 30 April 2024 (€)	Market value 30 April 2024 (€m)	Sales growth CY24e	EBITDA growth CY24e	EV/EBITDA CY24 (x)	Premium/ (discount) to long-term average EV/EBITDA	CY24e EBITDA margin relative
Kinepolis Group NV	KIPO	40	1,102	2%	5%	9.5	(97%)	103%
Squirrel Media SA	SQRL	1	131	19%	N/A	4.1	(97%)	16%
Enad Global 7 AB (publ)	EG7	14	105	(9%)	(25%)	1.9	(95%)	48%
Flexion Mobile PLC	FLEXM	9	46	22%	60%	4.4	(91%)	102%
Tourn International AB (publ)	TOURN	11	9	28%	100%	12.1	(91%)	102%
Roularta Media Group NV	RLRT	11	144	8%	63%	2.8	(89%)	67%
Bloober Team SA	BLOP	25	113	35%	111%	7.2	(86%)	87%
Meglioquesto SpA	1CALL	0	12	36%	40%	2.3	(83%)	146%
Making Science Group SA	MAKS	9	76	19%	N/A	5.6	(82%)	70%
Modern Times Group MTG AB	MTGb	95	1,013	3%	5%	5.8	(82%)	95%
Websolute SpA	WEBO	1	10	16%	158%	2.1	(81%)	161%
Nvp SpA	NVPP	3	21	20%	38%	3.0	(80%)	73%
Casta Diva Group SpA	CDGI	2	31	7%	29%	3.0	(79%)	106%
Yoc AG	YOCG	16	54	19%	N/A	9.9	(79%)	97%
PunaMusta Media Oyj	PUMU	2	30	(12%)	98%	2.2	(79%)	62%
Storytel AB (publ)	STORYb	51	334	8%	246%	7.2	(78%)	100%
Azerion Group NV	AZRN	2	212	15%	7%	4.7	(76%)	44%
Digital Bros SpA	DIB	9	126	16%	14%	3.6	(76%)	85%
Embracer Group AB	EMBRACb	28	3,102	3%	13%	4.7	(73%)	34%
G5 Entertainment AB (publ)	G5EN	121	87	(7%)	(10%)	3.1	(69%)	26%
Television Francaise 1 SA	TFFP	9	1,819	3%	(12%)	2.2	(68%)	71%
CTS Eventim AG & Co KgaA	EVDG	83	8,028	7%	5%	12.5	(67%)	87%
Syzygy AG	SYZG	3	38	9%	40%	3.0	(66%)	52%
New Work SE	NWOn	60	337	(11%)	(40%)	5.4	(64%)	46%
North Media A/S	NORTHM	61	164	42%	13%	2.8	(59%)	50%
SES SA	SESFd	5	2,044	(3%)	(6%)	3.4	(59%)	(3%)
Playway SA	PLWP	303	466	24%	28%	7.8	(59%)	63%
Reworld Media SA	ALREW	3	160	3%	(0%)	2.4	(58%)	61%
Mondo TV SpA	MTV	0	13	(13%)	(0%)	4.4	(57%)	92%
Vocento SA	VOC	1	117	4%	10%	4.0	(57%)	88%
Stillfront Group AB (publ)	SFRG	11	467	(0%)	(46%)	4.0	(56%)	30%

Cont.

Exhibit 23: Continental Europe valuation screen – companies with forecast positive free cash flow in CY24 and CY25 cont.

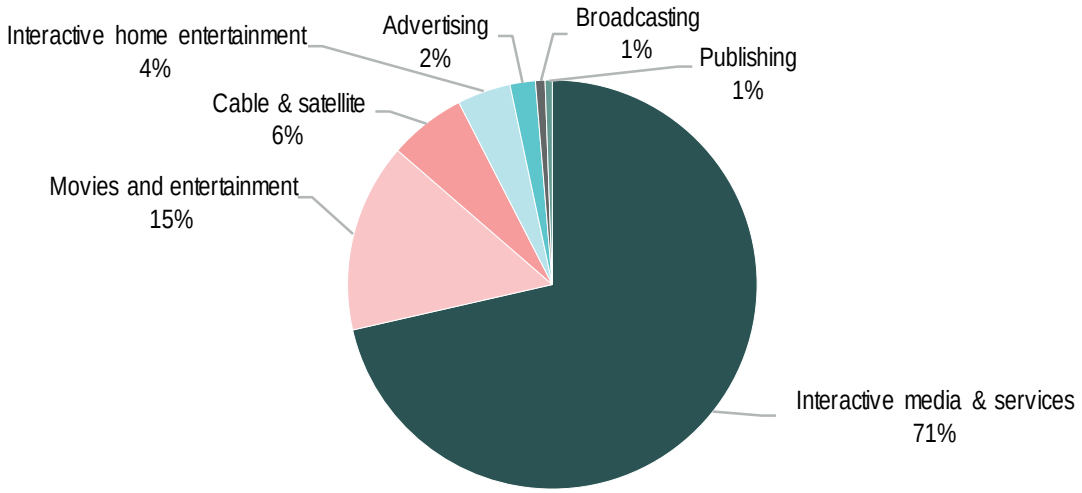
Company	Ticker	Share price 30 April 2024 (€)	Market value 30 April 2024 (€m)	Sales growth CY24e	EBITDA growth CY24e	EV/EBITDA CY24 (x)	Premium/ (discount) to long-term average EV/EBITDA	CY24e EBITDA margin relative
Believe SA	BLV	15	1,457	19%	155%	18.8	(51%)	881%
Arnoldo Mondadori Editore SpA	MOED	2	590	3%	18%	3.8	(50%)	114%
Adevinta ASA	ADEA	113	11,290	13%	(2%)	16.6	(49%)	65%
Bollore SE	BOLL	6	17,487	58%	89%	6.7	(49%)	100%
Paradox Interactive AB (publ)	PDXI	168	1,514	1%	11%	8.8	(49%)	106%
Triboo SpA	TB	1	24	13%	17%	3.4	(48%)	35%
Bilendi SA	ALBLD	17	78	7%	N/A	5.9	(46%)	82%
Atresmedia Corporacion de Medios de Comunicacion SA	A3M	5	1,071	3%	3%	5.8	(45%)	35%
Promotora de Informaciones SA	PRS	0	357	6%	5%	5.8	(43%)	55%
Bastei Luebbe AG	BST1	6	86	5%	4%	4.6	(42%)	54%
Huuuge Inc	HUGP	25	386	(4%)	(18%)	3.3	(40%)	76%
Vivendi SE	VIV	10	9,852	76%	68%	8.3	(38%)	1%
Scout24 SE	G24n	69	5,183	11%	17%	15.2	(37%)	120%
RTL Group SA	AUDK	29	4,503	6%	18%	5.4	(36%)	24%
MGI Media & Games Invest SE	M8G	19	262	0%	0%	1.5	(35%)	98%
Ubisoft Entertainment SA	UBIP	22	2,840	9%	17%	3.7	(33%)	99%
Cyfrowy Polsat SA	CPS	10	1,499	10%	(8%)	5.6	(29%)	(17%)
Metropole Television SA	MMTP	13	1,685	2%	(13%)	4.0	(28%)	41%
Awardit AB publ	AWRD	140	104	16%	30%	8.7	(26%)	4%
Prosiebensat 1 Media SE	PSMGn	7	1,710	2%	(1%)	5.7	(24%)	1%
Creepy Jar SA	CRJ	580	94	51%	N/A	13.4	(24%)	(17%)
Sanoma Oyj	SANOMA	7	1,121	(5%)	(7%)	5.4	(24%)	76%
Ipsos SA	ISOS	63	2,717	5%	(0%)	7.0	(19%)	92%
Wirtualna Polska Holding SA	WPPL	120	818	17%	12%	8.5	(11%)	(4%)
MFE-MEDIAFOREUROPE NV	MFEB	4	1,806	3%	3%	3.6	(8%)	0%
Karnov Group AB (publ)	KARNO	66	615	3%	(10%)	16.8	(6%)	(12%)
Stroeer SE & Co KgaA	SAXG	60	3,373	9%	11%	8.0	(6%)	69%
NRJ Group SA	SONO	8	612	(2%)	8%	7.2	(4%)	78%
Universal Music Group NV	UMG	28	50,910	6%	42%	20.5	(2%)	159%
TX Group AG	TXGN	143	1,546	1%	11%	6.9	1%	83%
Hemnet Group AB (publ)	HEM	289	2,316	32%	38%	37.3	2%	123%
APG SGA SA	APGN	208	643	3%	16%	12.1	3%	36%
Better Collective A/S	BETCO	296	1,596	25%	18%	13.8	4%	16%
Lagardere SA	LAGA	21	2,986	7%	(27%)	9.1	8%	34%
IMS SA	IMS	4	34	20%	19%	7.2	9%	81%
FL Entertainment NV	FLE	9	3,935	10%	22%	9.2	18%	134%
High Co SA	HIGH	3	63	(11%)	N/A	4.4	19%	34%
Alma Media Oyj	ALMAC	10	816	2%	(1%)	10.8	19%	96%
JCDecaux SE	JCDX	20	4,203	17%	(46%)	10.9	23%	7%
Publicis Groupe SA	PUBP	104	26,544	(7%)	14%	9.3	39%	127%
Schibsted ASA	SCHA	318	6,126	(2%)	4%	29.0	77%	38%

Source: Edison Investment Research, LSEG (30 April 2024). Note: Sorted by discount to long-term average EV/EBITDA multiple.

NORTH AMERICA

The North American media market is heavily weighted towards the interactive media & services subsector due to the inclusion of both Alphabet and Meta Platforms, which together account for 68% of the media market. Although the movies and entertainment subsector makes up 15% of the market, the remaining five subsectors account for less than 10%.

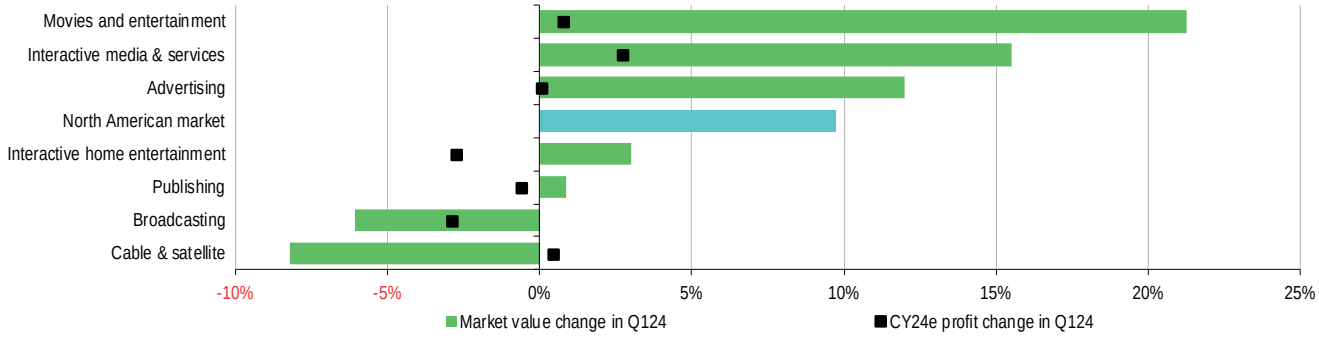
Exhibit 24: North American GICS media subsector breakdown by market value



Source: Edison Investment Research, LSEG (31 March 2024)

The North American media sector was the only region to outperform its local index in Q124, delivering a 14% return compared to the market's 10%. Contributing to the aggregate outperformance, three of the four subsectors delivered market-beating returns including the two largest subsectors, movies and entertainment and interactive media & services. This reflected the strong performances in the quarter from larger companies including Netflix (+23%), Spotify Technologies (+43%), Walt Disney (+36%) and Meta Platforms (+36%). Of note, Alphabet witnessed a more muted quarter, rising just 7%.

Exhibit 25: North American subsector performance versus consensus CY24 profits in Q124



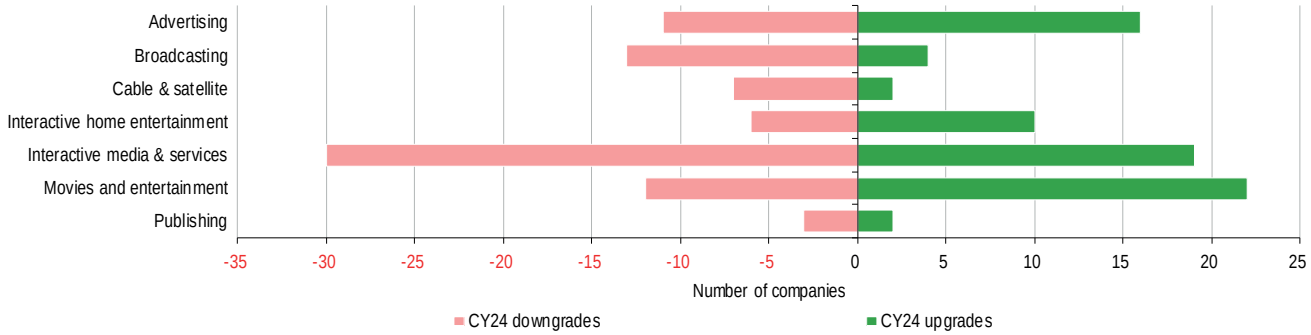
Source: Edison Investment Research, LSEG (31 March 2024)

As can be seen in Exhibit 25, profit estimates broadly tracked market value changes, with the media sector experiencing a net upgrade in Q124 of 2%. Alongside a 1% upgrade to CY24 sales estimates, this signals a slight improvement in the expected EBITDA margin from the end of last year to 32.3% (Q423: 32.2%). The market was more positive towards the largest subsector from a profit contribution perspective, interactive media & services,

as it saw a 3% upgrade to estimates, almost all of which was buoyed by the 10% upgrade to consensus EBITDA estimates for Meta Platforms. Notable downgrades of 3% were seen in the cable & satellite and broadcasting subsectors.

As with the UK and Continental Europe, there were a net number of downgrades in the North American media sector. However, the region did see the smallest difference between upgrades and downgrades of the three, with a net downgrade of seven companies. This reflects the more positive sentiment towards the North American market in recent months, particularly given that the region has the largest number of constituents. Despite interactive media & services recording the greatest uplift to the aggregate EBITDA estimates, the subsector experienced the highest number of downgrades in Q124, reflecting the dominance of Alphabet and Meta Platforms within the total. Notably the movies and entertainment subsector witnessed a net upgrade of 10 companies in Q124, highlighting increasingly positive noise coming from the space.

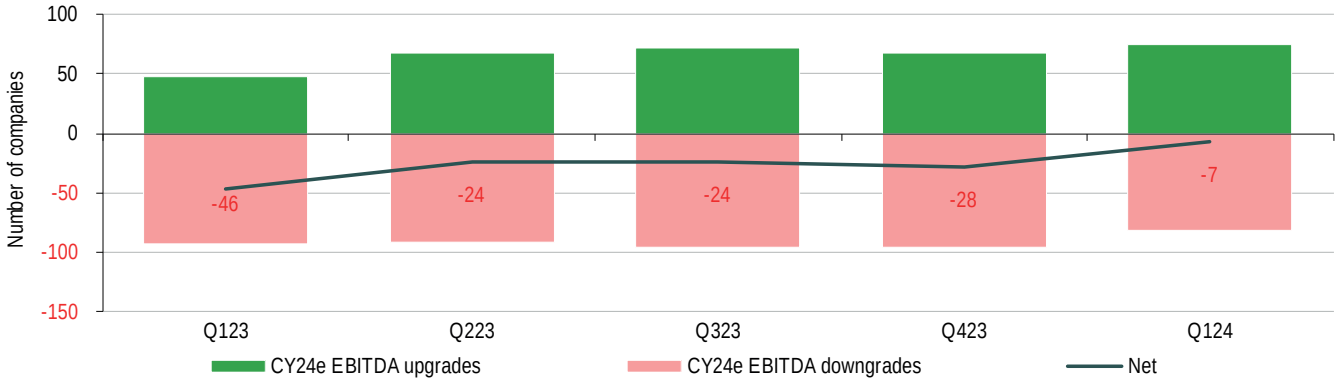
Exhibit 26: Number of companies to receive upgrades or downgrades to CY24 profit forecasts in Q124



Source: Edison Investment Research, LSEG (31 March 2024)

Reflecting the more positive sentiment towards the region, the net number of companies receiving downgrades to CY24 trended up from 28 in Q423 to seven in Q124. This is much improved as can be seen in Exhibit 26 from the lows at the start of 2023, when market negativity towards the media sector was near peak. North America was the only one of the three regions to experience an improvement in the net number of upgrades to downgrades in Q124.

Exhibit 27: Quarterly progression in upgrades or downgrades to CY24 profit forecasts



Source: Edison Investment Research, LSEG (31 March 2024)

Company forecasts and valuation

Consensus is expecting good levels of revenue growth for the North American media sector in both CY24 and CY25 of 8% and 7%, respectively. Just one subsector, advertising, is expected to experience a revenue decline in CY24. Profits are forecasted to deliver accelerated growth of 24% in CY24, slowing to 11% in CY25. This is driven by the very strong levels of profit growth expected in the interactive media & services (+48%), broadcasting (+46%) and interactive home entertainment (+55) subsectors. The expected CY24 EBITDA margin of 32.6% is forecasted to expand slightly to 33.9% in CY25.

In Exhibit 28 we draw attention to 82 companies that are trading at discounts to their long-term average EV/EBITDA multiples and that are forecast to generate free cash flow in CY24. The two companies in the screen that are trading at a discount greater than 100% to their long-term averages, JOYY and Autohome, are doing so due to a negative enterprise value rather than a negative EBITDA, as loss-making companies at the EBITDA level have been removed from the individual company screen.

Companies that did not witness a rise in their market value despite a 5% or more upgrade to CY24 EBITDA estimates in Q124 included: Angi, Arena Group Holdings, Bumble, Cineverse Corp, EchoStar, Fluent, Gambling.com Group, iQIYI, Lions Gate Entertainment, Roblox, Roku, Sabio Holdings, Snap, Thunderbird Entertainment Group and Vimeo

Exhibit 28: North American valuation screen – companies with forecast positive free cash flow in CY24 and CY25

Company	Ticker	Share price 30 April 2024 ($)	Market value 30 April 2024 ($m)	Sales growth CY24e	EBITDA growth CY24e	EV/EBITDA CY24 (x)	Premium/ (discount) to long-term average EV/EBITDA	CY24e EBITDA margin relative
JOYY Inc	YY	33	1,927	1%	117%	(4.3)	(137%)	86%
Autohome Inc	ATHM	26	3,252	1%	31%	(0.3)	(102%)	13%
Kanzhun Ltd	BZ	20	8,785	26%	N/A	18.8	(99%)	252%
Ziprecruiter Inc	ZIP	10	1,021	(20%)	(4%)	12.0	(99%)	119%
Yalla Group Ltd	YALA	5	747	4%	N/A	1.8	(98%)	119%
Bumble Inc	BMBL	10	1,274	9%	549%	4.6	(97%)	174%
Yelp Inc	YELP	40	2,730	7%	110%	7.0	(95%)	158%
Hello Group Inc	MOMO	6	1,079	(12%)	(11%)	1.4	(95%)	90%
Angi Inc	ANGI	2	1,059	(7%)	85%	8.6	(95%)	96%
Spotify Technology SA	SPOT	280	55,619	17%	100%	43.3	(95%)	177%
Roku Inc	ROKU	58	8,313	12%	100%	51.9	(92%)	71%
PopReach Corp	INIK	0	28	10%	24%	4.4	(92%)	44%
IAC Inc	IAC	48	4,094	(9%)	40%	12.5	(89%)	80%
Stagwell Inc	STGW	6	1,598	6%	71%	6.3	(88%)	102%
Electronic Arts Inc	EA	127	33,905	2%	10%	12.5	(88%)	106%
Zoominfo Technologies Inc	ZI	16	5,989	3%	51%	12.7	(86%)	281%
Mediaalpha Inc	MAX	20	1,333	25%	100%	35.5	(85%)	67%
Baidu Inc	BIDU	103	36,257	4%	(15%)	3.8	(85%)	13%
CarGurus Inc	CARG	22	2,413	(1%)	153%	10.1	(84%)	113%
Pinterest Inc	PINS	33	22,832	18%	3,951%	22.1	(79%)	109%
Magnite Inc	MGNI	9	1,236	(3%)	107%	7.5	(77%)	124%
Integral Ad Science Holding Corp	IAS	10	1,532	13%	122%	9.0	(77%)	686%
PLAYSTUDIOS Inc	MYPS	2	291	3%	55%	2.4	(76%)	107%
Live Nation Entertainment Inc	LYV	89	20,520	7%	25%	10.0	(76%)	101%
Harte Hanks Inc	HHS	7	51	0%	24%	2.0	(76%)	57%
Match Group Inc	MTCH	31	8,186	7%	27%	8.6	(75%)	160%
Trivago NV	TRVG	3	178	1%	(97%)	27.0	(73%)	45%
Shutterstock Inc	SSTK	43	1,529	0%	63%	6.1	(73%)	151%
VerticalScope Holdings Inc	FORA	8	123	8%	42%	6.9	(70%)	189%
Imax Corp	IMAX	16	843	1%	12%	7.7	(66%)	99%

Cont.

Exhibit 28: North American valuation screen – companies with forecast positive free cash flow in CY24 and CY25 cont.

Company	Ticker	Share price 30 April 2024 ($)	Market value 30 April 2024 ($m)	Sales growth CY24e	EBITDA growth CY24e	EV/EBITDA CY24 (x)	Premium/ (discount) to long-term average EV/EBITDA	CY24e EBITDA margin relative
WildBrain Ltd	WILD	1	154	(0%)	(2%)	7.9	(65%)	77%
E W Scripps Co	SSP	4	320	9%	44%	5.7	(64%)	86%
Endeavor Group Holdings Inc	EDR	26	12,346	28%	79%	8.7	(64%)	157%
Gambling.com Group Ltd	GAMB	9	322	21%	83%	6.5	(64%)	85%
Perion Network Ltd	PERI	13	610	(19%)	(40%)	1.7	(64%)	10%
Criteo SA	CRTO	35	1,935	(45%)	42%	5.0	(60%)	371%
Tripadvisor Inc	TRIP	26	3,631	9%	66%	8.7	(60%)	64%
TechTarget Inc	TTGT	28	785	1%	283%	12.0	(59%)	121%
Madison Square Garden Sports Corp	MSGS	186	4,452	2%	(1%)	52.2	(58%)	92%
Warner Music Group Corp	WMG	33	17,090	7%	21%	13.7	(55%)	119%
Playtika Holding Corp	PLTK	7	2,691	0%	3%	5.4	(53%)	71%
Ziff Davis Inc	ZD	50	2,312	5%	19%	5.0	(52%)	26%
Emerald Holding Inc	EEX	6	363	10%	23%	5.0	(51%)	7%
Cable One Inc	CABO	394	2,213	(4%)	(0%)	6.4	(51%)	113%
Trade Desk Inc	TTD	83	40,508	23%	240%	40.9	(50%)	150%
Vivid Seats Inc	SEAT	5	1,101	16%	47%	7.5	(47%)	101%
Sirius XM Holdings Inc	SIRI	3	11,309	(2%)	5%	7.5	(46%)	97%
Cinemark Holdings Inc	CNK	17	2,084	(6%)	(17%)	7.8	(44%)	92%
iHeartMedia Inc	IHRT	2	304	5%	(30%)	5.9	(43%)	37%
Gray Television Inc	GTN	6	589	18%	62%	5.0	(41%)	45%
Meta Platforms Inc	META	430	1,091,141	18%	52%	11.4	(40%)	102%
Taboola.com Ltd	TBLA	4	1,239	33%	483%	6.0	(40%)	193%
Charter Communications Inc	CHTR	256	36,863	(0%)	4%	6.0	(39%)	129%
Gannett Co Inc	GCI	2	360	(4%)	15%	4.8	(39%)	74%
Tegna Inc	TGNA	14	2,402	11%	37%	5.0	(38%)	42%
PubMatic Inc	PUBM	22	1,122	10%	99%	10.7	(37%)	69%
Stingray Group Inc	RAYa	8	279	6%	9%	5.9	(36%)	77%
AMC Networks Inc	AMCX	11	468	(11%)	(11%)	4.1	(32%)	2%
Tencent Music Entertainment Group	TME	13	21,537	1%	N/A	17.1	(31%)	220%
Nexstar Media Group Inc	NXST	160	5,272	13%	25%	5.7	(27%)	36%
Cineplex Inc	CGX	9	405	1%	4%	7.2	(27%)	100%
Liberty Media Corp	FWONA	62	27,458	18%	27%	34.1	(27%)	79%
Lions Gate Entertainment Corp	LGFa	10	2,273	10%	(37%)	11.5	(24%)	34%
Sinclair Inc	SBGI	12	812	14%	2,524%	5.0	(24%)	44%
Cars.com Inc	CARS	17	1,108	7%	35%	7.3	(21%)	43%
Altice USA Inc	ATUS	2	880	(3%)	(1%)	7.3	(21%)	15%
Townsquare Media Inc	TSQ	12	201	(1%)	7%	6.1	(19%)	82%
Comcast Corp	CMCSA	38	149,529	2%	2%	6.3	(19%)	12%
Fox Corp	FOXA	31	14,177	1%	(2%)	6.4	(18%)	(3%)
Quinstreet Inc	QNST	18	993	16%	274%	24.1	(17%)	42%
Paramount Global	PARA	11	7,970	3%	18%	7.1	(16%)	7%
NetEase Inc	NTES	93	60,241	8%	13%	9.2	(16%)	20%
TVA Group Inc	TVAb	2	43	(8%)	100%	4.1	(16%)	44%
Getty Images Holdings Inc	GETY	4	1,503	(49%)	N/A	9.3	(15%)	(0%)
Corus Entertainment Inc	CJRb	1	73	(11%)	(61%)	3.7	(15%)	(49%)
Yellow Pages Ltd	Y	10	98	(13%)	(21%)	2.5	(13%)	15%
Alphabet Inc	GOOGL	163	2,022,083	13%	45%	13.3	(13%)	103%
National Cinemedia Inc	NCMI	4	415	48%	100%	8.1	(11%)	65%
Cardlytics Inc	CDLX	12	590	9%	100%	39.8	(9%)	82%
Interpublic Group of Companies Inc	IPG	30	11,489	(13%)	0%	7.0	(7%)	114%
Omnicom Group Inc	OMC	93	18,181	7%	6%	7.5	(5%)	85%
Walt Disney Co	DIS	111	203,791	4%	21%	13.3	(2%)	37%
iQIYI Inc	IQ	5	4,654	5%	(75%)	9.7	5%	(53%)
TKO Group Holdings Inc	TKO	95	16,123	59%	55%	16.2	7%	98%
News Corp	NWSA	24	13,734	3%	10%	9.1	9%	110%
Manchester United PLC	MANU	16	2,643	8%	7%	18.8	11%	29%
Warner Bros Discovery Inc	WBD	7	18,033	0%	(41%)	5.9	19%	42%
Take-Two Interactive Software Inc	TTWO	143	24,384	25%	80%	19.8	42%	81%
New York Times Co	NYT	43	7,076	5%	7%	15.8	43%	78%
Direct Digital Holdings Inc	DRCT	5	75	15%	47%	7.7	57%	28%
Grindr Inc	GRND	10	1,714	23%	38%	15.5	61%	64%
Atlanta Braves Holdings Inc	BATRA	40	2,355	6%	53%	75.4	98%	44%
Thryv Holdings Inc	THRY	23	827	(10%)	9%	7.2	106%	14%
Netflix Inc	NFLX	551	237,271	15%	(52%)	23.6	174%	11%

Source: Edison Investment Research, LSEG (30 April 2024). Note: Sorted by discount to long-term average EV/EBITDA multiple.

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London | New York | Frankfurt
20 Red Lion Street
London, WC1R 4PS
United Kingdom