Industry Capital Research

3Q25 Preview October 30, 2025

Entravision Communications Corporation (EVC)

3Q Preview: Price Target Dips as EBITDA Slips; Digital Keeps the Lights On; Maintain Hold

James Dix, CFA (1) 917 292 4293 james.dix@industrycapitalresearch.com

Prior to 3Q results set for 11/4 AMC, our PT falls to $2.00 from $2.50. The webinar will be at 5:00pm ET, at investor.entravision.com. Our rating stays Hold.

Our 2025 adjusted EBITDA estimate drops to $23m from $26m, on 2Q miss and reduced margin outlook. See Fig. 2. After 1H miss, our 2025 Media segment revenue and OCF estimates fall again. See Fig. 3. Although the Advertising Technology & Services ("AT&S") segment beat our revenue estimates in 1Q and 2Q, its operating leverage missed in 2Q, resulting in a slight reduction of our 2025 AT&S OCF estimate. See Fig. 3 & 7. Aside from updating for 2Q, our primary forecast changes are: 1) raising our 2025 revenue estimate on AT&S's 2Q beat, while again shifting OCF mix to AT&S from Media, 2) reducing our out-year EBITDA growth estimates on lower margin assumptions, and 3) reducing WACC estimates in our DCF for updated macro inputs (a valuation boost). See Fig. 2, 3 & 8. Pro forma net debt has been steady, at $108m at 6/30, for estimated LTM leverage of 2.6x, which is comfortably within credit agreement covenants revised in July.

We see stock range bound on offsetting catalysts. We think it unlikely that AT&S's stellar growth will push EVC stock past macro headwinds, overall margin pressure, a reduced credit facility, and continuing countdown to the end of the current TV affiliation agreement with TelevisaUnivision at the end of next year. Although AT&S revenue growth accelerated again in 2Q, its 2-year CAGR did drop, a trend we assume will continue in 2H. See Fig. 5. AT&S had no operating leverage in 2Q, reflecting in particular surging cloud computing expenses, but management said it expected operating leverage going forward, which we assume in 2H. See Fig. 6. On the 2Q call, management confirmed our view that the AT&S Segment owes some of its soaring revenue growth to geographic expansion of its sales effort. 2Q call color also confirmed our concern that the Media Segment is suffering from economic uncertainty and immigration enforcement, resulting for example in fewer local advertisers. Reflecting 2Q call color, for the balance of 2025, we assume: 1) the nearly $2m y/y investment in sales and digital at Media in 2Q continues at a similar pace, 2) the ~$6m y/y increase in 2Q in AT&S opex to support its revenue growth will continue at a similar pace, and 3) the roughly $1m in annualized savings from a reorganization of Media sales kicks in starting in 3Q. We do assume that the big y/y decreases in corporate expense seen in 1H largely disappear starting in 3Q, as they cycle the cuts that started last year. Lower HQ lease expense comes in exchange for litigation with EVC's prior landlord in Santa Monica.

2Q recap—EBITDA missed again. See Fig. 4. We figure adj. EBITDA of $4.9m (5.0% margin) missed our $5.8m (5.9% margin) estimate. Revenue growth was -8% for Media and +66% for AT&S, vs. our -4% and +51% estimates, respectively. OCF margins missed at Media (6.5% vs. 11.5%), as well as at AT&S (10.1% vs. 11.9%). EPS was a loss of $0.04, missing our $0.09 estimate, driven by the operating miss. Reported free cash flow was $5.7m, down from $15.0m in 2Q24.

Our 12-month price target is $2.00; risks on page 2. Our PT is supported by a spectrum value estimate and a DCF valuation based on explicit financial forecasts through 2030. See Fig. 15.

HOLD			
Price at 10/29/25 (USD)			2.03
Price Target			2.00
52-week range			1.58 - 2.73
Performance (%)	1m	3m	12m
Absolute	-14	-14	-11
S&P 500	3	8	18
Market Cap (USDm)			184.7
Shares outstanding (m)			91.0
Float (%)			90
Average volume			184,229
S&P 500			6,890.6
Forecasts and ratios			
Year ended 12/31	2023A	2024A	2025E
1Q EPS (USD)	0.02	-0.55	-0.53
2Q EPS (USD)	-0.02	-0.35	-0.04
3Q EPS (USD)	0.03	-0.13	-0.20
4Q EPS (USD)	-0.21	-0.62	0.45
FY EPS (USD)	-0.18	-1.66	-0.30
% Change	-185%	NM	NM
P/E (x)	NM	NM	NM
EV/EBITDA (x)	6.8	4.2	9.0
Revenue (USDm)	297.0	364.9	403.6
% Change	-9%	23%	11%

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Investment Thesis and Valuation: Hold With $2.00 Price Target

We rate Hold the shares of EVC. Despite 1) a reduced operating risk profile for EVC's overall business because of the stability of TV retransmission revenue (68% of 2024 EBITDA), secular growth of political advertising revenue, modest pro forma net debt leverage of ~2x EBITDA, 2) potential monetization from future spectrum auctions (as in 2017), and 3) digital businesses that are posting impressive growth, EVC shares nevertheless face 4) audience declines at its U.S. broadcast business, and 5) dependence on and potentially increasing competition with its primary network programming supplier TelevisaUnivision. Our valuation supports stock price performance over the next 12 months consistent with a Hold rating.

Our 12-month price target is a weighted average of projected equity valuations using a discounted cash flow (DCF) analysis at year-end 2025 and 2026, plus an estimated value for spectrum assets the sale of which would be immaterial to continuing EVC's broadcast operations. See Fig. 15. Our PT assumes a base case forecast with 2025/26 adjusted EBITDA pro forma for asset sales of $23m/$38m, and $85m for spectrum asset value, resulting in a target valuation of $2.00. In structuring our DCF, first we adjust the current net debt for the value of any estimated payments remaining on the acquisitions (e.g., earnouts) and noncontrolling interest. Second, we adjust the current net debt by the estimated free cash flow after dividends to be generated by each valuation date. Third, we include in the forecast return any dividends projected through the year-end valuation dates. Finally, we value EVC both using a weighted average cost of capital (WACC) reflecting its own stock price trading and using separate WACCs for its broadcast and digital media businesses based on sector comparables, applied to separate free cash flow forecasts for each of these businesses. The results of these two methods, plus the estimated spectrum value, set the range for our valuation. Note that in our DCF, for our terminal value estimates, we assume that capex equals D&A, which results in a substantially higher capex estimate than in our financial statement forecasts because capex should be similar to D&A for a terminal value forecast, to support the need for an asset base in perpetuity.

Risks to our investment thesis include: 1) sensitivity of EVC's advertising-based businesses to macroeconomic flux, and 2) the impact of 2023 change in voting control and 2024 asset sales on company's strategy and pursuit of potential longer-term options, including capital allocation and sale of all or a portion of the company.

Figure 1: EVC Investment Thesis, Metrics and Valuation Summary

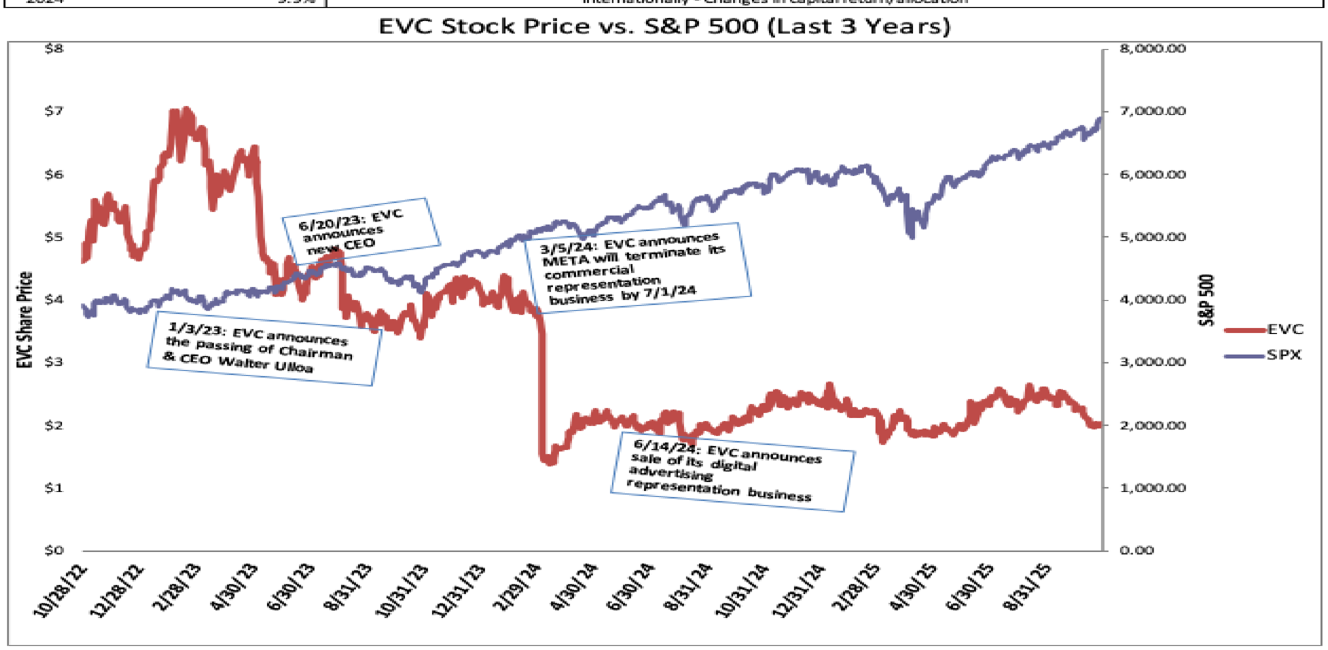
(in millions, except unit data)
12-month price target: $2.00

ENTERPRISE VALUE	
Price per share	$2.03
Diluted shares outstanding	91.0
Equity market capitalization	185
+Pro forma net debt	108
-Hidden value	85
=Pro forma EV	$208

OPERATING PROJECTIONS	
Pro forma net revenue	
2025	$404
2024	365
% Chg	*10.6%*
Pro forma EBITDA	
2025	$23
2024	50
% Chg	*-53.5%*
Pro forma EBITDA margin	
2025	*5.7%*
2024	*13.6%*
Free cash flow per share	
2025	$0.12
2024	$0.35
% Chg	*-65.7%*
Est. 3-5 yr FCF Growth rate	0%

VALUATION AND LEVERAGE	
Pro forma EV/EBITDA	
2025	9.0x
2024	4.2x
Price / Free cash flow per share	
2025	16.9x
2024	5.8x
Pro forma net debt / EBITDA	
2025	4.7x
2024	2.2x
Dividend yield	
2025	9.8%
2024	9.9%

	COMPANY CHARACTERISTICS AND INVESTMENT THESIS
Company description	**Entravision operates a broadcast business targeting U.S. Hispanics** with 49 TV stations (mostly Univision network affiliates) in 14 of the top-50 U.S. Hispanic markets, and 44 radio stations (37 FM and 7 AM) as well as a radio network with distribution to over 100 U.S. markets together covering ~30% of the U.S. Hispanic population, and a digital media business serving the U.S. and a number of international markets. TelevisaUnivision owns ~11% of Entravision's stock. On August 2, 2000, Entravision completed an initial public offering at $16.50 per share of its Class A common stock, which is listed on the NYSE under the symbol "EVC."
Strategy	**Manage for free cash flow and asset value** its TV-driven broadcast platforms in U.S. Hispanic markets, while pursuing growth from digital media operations
Est. acquisition capacity	**$10**
Management	After the untimely death of former Chairman and CEO Walter Ulloa in December 2022, **Michael Christenson joined EVC from outside the company to become CEO** effective July 1, 2023. Jeffrey Liberman is President and COO (since 2017 and with EVC since 2000).
Positives	* **Experience in expanding distribution in smaller, faster-growing ad markets, both in U.S. and internationally** * Long-term potential for monetizing spectrum assets (as occurred, e.g., in 2017 FCC auction) * Modest debt leverage and free cash flow generation from broadcast business * Most of EVC's TV stations are affiliated with leading U.S. Spanish language network Univision * Secular growth in U.S. political advertising spending
Risks	* **Management succession, capital allocation, and corporate control**, especially given loss of management voting control triggered by death of prior CEO * Impact of sudden advertising declines on cash flow (e.g., in 2009 and 2020) * TelevisaUnivision relationship, including affiliation agreement expiring in 2026, may limit strategic flexibility * Competition with TelevisaUnivision's expanding direct to consumer business * Loss of broadcast audience and advertising share to digital competitors
Valuation	**Attributing firm value** primarily to digital business and U.S. broadcast spectrum assets
Recent events	**July 2025** - amended credit agreement. **June 2024** - sale of digital media representation business. **March 2024** - META informed the company that it would wind down the company's representation of META business by July 1. **June 2023** - appointment of new CEO effective July 1. **December 2022** - death of co-founder, CEO & Chairman Walter Ulloa. **September 2021** - acquired remaining 49% interest in Cisneros Interactive for $84 million. **July 2021** – announced acquisition of MediaDonuts AsiaPac digital media business for $36 million. **October 2020** – acquired 51% stake in Cisneros Interactive for $29 million.
Upcoming potential catalysts	**Exposure of advertising business to changes in macroeconomic growth**, both in U.S. and internationally - Changes in capital return/allocation



Source: Yahoo Finance, NASDAQ, company data and Industry Capital Research estimates

More on Our Outlook and Valuation

Figure 2: Our EBITDA estimates fall for 2025/2026

Entravision Communications (NYSE: EVC)
Summary of Annual Estimates
In millions, except per share data

		Estimates			YoY %CHG		
	Last Yr	Prior	Chg	Current	Prior	Chg	Current
2025E							
Pro Forma *							
Revenue	364.9	397.3	6.3	403.6	8.9%	1.7%	10.6%
Op expense	315.4	371.4	9.1	380.6	17.8%	2.9%	20.7%
Adjusted EBITDA	49.5	25.9	(2.9)	23.0	-47.7%	-5.8%	-53.5%
Margin	*13.6%*	*6.5%*	*-0.8%*	*5.7%*			
As Reported							
Revenue	364.9	397.3	6.2	403.6	8.9%	1.7%	10.6%
Op expense	315.4	371.4	9.1	380.5	17.8%	2.9%	20.6%
Adjusted EBITDA	49.5	25.9	(2.9)	23.0	-47.7%	-5.8%	-53.5%
Margin	*13.6%*	*6.5%*	*-0.8%*	*5.7%*			
Pro forma EPS	($0.58)	($0.29)	($0.01)	($0.30)	-50.0%	1.7%	-48.3%
Cash FCF/sh	$0.35	$0.15	($0.03)	$0.12	-57.1%	-8.6%	-65.7%
2026E							
Pro Forma *							
Revenue	403.6	460.3	(4.0)	456.3	14.1%	-1.0%	13.1%
Op expense	380.6	416.3	1.8	418.1	9.4%	0.5%	9.9%
Adjusted EBITDA	23.0	44.0	(5.7)	38.2	91.1%	-24.9%	66.2%
Margin	*5.7%*	*9.6%*	*-1.2%*	*8.4%*			
As Reported							
Revenue	403.6	460.3	(4.0)	456.3	14.1%	-1.0%	13.1%
Op expense	380.5	416.3	1.8	418.1	9.4%	0.5%	9.9%
Adjusted EBITDA	23.0	44.0	(5.7)	38.2	91.1%	-24.9%	66.2%
Margin	*5.7%*	*9.6%*	*-1.2%*	*8.4%*			
Pro forma EPS	($0.30)	($0.06)	($0.01)	($0.07)	-80.0%	3.3%	-76.7%
Cash FCF/sh	$0.12	$0.28	($0.05)	$0.23	133.3%	-41.7%	91.7%

* pro forma reflects announced acquisitions and dispositions

Source: Company reports, Industry Capital Research estimates

Our 2025 adjusted EBITDA estimate drops to $23m from $26m, on the 2Q miss and lower 2H OCF margin assumptions. At the Media segment, we assume an improvement in core broadcast advertising revenue growth trends throughout the year, while noting that management confirmed in 2Q that some of its advertisers have been pulling back in the face of immigration enforcement and uncertain economic trends. Although there is evidence that overall U.S. Hispanic spending capacity is weathering the macro turbulence, the risk continues that households concerned about the loss of earnings from immigration action could be saving more than spending. Reports suggest that Hispanic spending trends in Texas, Arizona and California—where EVC has meaningful broadcast operations—have been particularly hard hit.

Figure 3: Our 2025/2026 estimate changes again shift the mix of estimated OCF to the AT&S Segment

Entravision Communications (NYSE: EVC)

Summary of New Segment Annual Estimates

In millions, except per share data

		Estimates			YoY %CHG		
	Last Yr	Old	Chg	Current	Old	Chg	Current
2025E							
Media Revenue	222.1	191.2	(3.5)	187.7	-13.9%	-1.6%	-15.5%
Media Opex	170.5	170.5	0.3	170.9	0.0%	0.2%	0.2%
Media OCF	51.6	20.7	(3.9)	16.8	-59.9%	-7.5%	-67.4%
Margin	*23.2%*	*10.8%*	*-1.9%*	*9.0%*			
AT&S Revenue	142.9	206.1	9.8	215.9	44.3%	6.8%	51.1%
AT&S Opex	130.9	184.0	10.6	194.7	40.6%	8.1%	48.8%
AT&S OCF	12.0	22.1	(0.9)	21.2	83.5%	-7.2%	76.3%
Margin	*8.4%*	*10.7%*	*-0.9%*	*9.8%*			
Total Revenue	364.9	397.3	6.2	403.6	8.9%	1.7%	10.6%
Total Opex	301.3	354.6	11.0	365.5	17.7%	3.6%	21.3%
Total OCF	63.6	42.8	(4.7)	38.0	-32.8%	-7.4%	-40.2%
Margin	*17.4%*	*10.8%*	*-1.3%*	*9.4%*			
2026E							
Media Revenue	187.7	210.9	(4.0)	206.9	12.4%	-2.1%	10.3%
Media Opex	170.9	176.8	0.0	176.8	3.5%	0.0%	3.5%
Media OCF	16.8	34.0	(4.0)	30.1	102.6%	-23.5%	79.1%
Margin	*9.0%*	*16.1%*	*-1.6%*	*14.5%*			
AT&S Revenue	215.9	249.4	0.0	249.4	15.5%	0.0%	15.5%
AT&S Opex	194.7	222.0	3.7	225.7	14.0%	1.9%	15.9%
AT&S OCF	21.2	27.4	(3.7)	23.8	29.3%	-17.3%	11.9%
Margin	*9.8%*	*11.0%*	*-1.5%*	*9.5%*			
Total Revenue	403.6	460.3	(4.0)	456.3	14.1%	-1.0%	13.1%
Total Opex	365.5	398.8	3.7	402.5	9.1%	1.0%	10.1%
Total OCF	38.0	61.5	(7.6)	53.8	61.7%	-20.1%	41.6%
Margin	*9.4%*	*13.4%*	*-1.6%*	*11.8%*			

* pro forma reflects announced acquisitions and dispositions

Source: Company reports, FactSet, Industry Capital Research estimates

Figure 4: We fine-tune 2025 quarterly estimates after 2Q miss

Entravision Communications
Summary of Quarterly Estimates
In millions, except per share data

			Results			YoY %CHG	
	Last Yr	E	Beat/Miss	A	E	Beat/Miss	A
2Q25A							
As Reported							
Revenue	$82.7	$97.7	$3.0	**$100.7**	18.2%	3.7%	**21.9%**
Op Expense	72.2	91.9	4.0	**95.9**	27.3%	5.5%	**32.8%**
Adjusted EBITDA	10.5	5.8	(0.9)	**4.9**	-44.6%	-8.9%	**-53.6%**
Margin	*12.7%*	*5.9%*	*-1.1%*	***4.8%***			
EPS - Continuing Operations	$0.04	$0.09	($-0.13)	**($0.04)**	125.0%	-325.0%	**-200.0%**
			Estimates			**YoY %CHG**	
	Last Yr	**Prior**	**Chg**	**Current**	**Prior**	**Chg**	**Current**
3Q25E							
As Reported							
Revenue	97.2	104.7	$2.3	**107.0**	7.8%	2.3%	**10.1%**
Op Expense	82.1	98.9	2.6	**101.4**	20.5%	3.1%	**23.6%**
Adjusted EBITDA	15.1	5.8	(0.3)	**5.5**	-61.3%	-2.0%	**-63.3%**
Margin	*15.5%*	*5.6%*	*-0.4%*	***5.2%***			
EPS - Continuing Operations	($0.12)	($0.19)	($-0.01)	**($0.20)**	58.3%	8.3%	**66.7%**

* pro forma reflects announced acquisitions and dispositions
Source: Company reports, Industry Capital Research estimates

Here is color on our quarterly forecast assumptions for the balance of 2025:

- 3Q

We forecast that Media revenue was down more in 3Q than in 2Q, reflecting the political advertising comp. We assume that core segment ad revenue growth excluding political turned slightly positive, however, given the return of some of the commercial advertising displaced by political ads last year. We estimate that Media OCF margin compression increased slightly in 3Q, reflecting loss of high-margin political ad revenue from last year, despite cycling the reallocation of some corporate expense to the operating segments that started in 3Q24.

We assume that AT&S revenue was up strongly again in 3Q, although less than in 1H, as we assume that its 2-year CAGR declined sequentially, as it did in 2Q. See Fig. 5. We estimate that AT&S OCF margin expanded year over year. See Fig. 6 & 11.

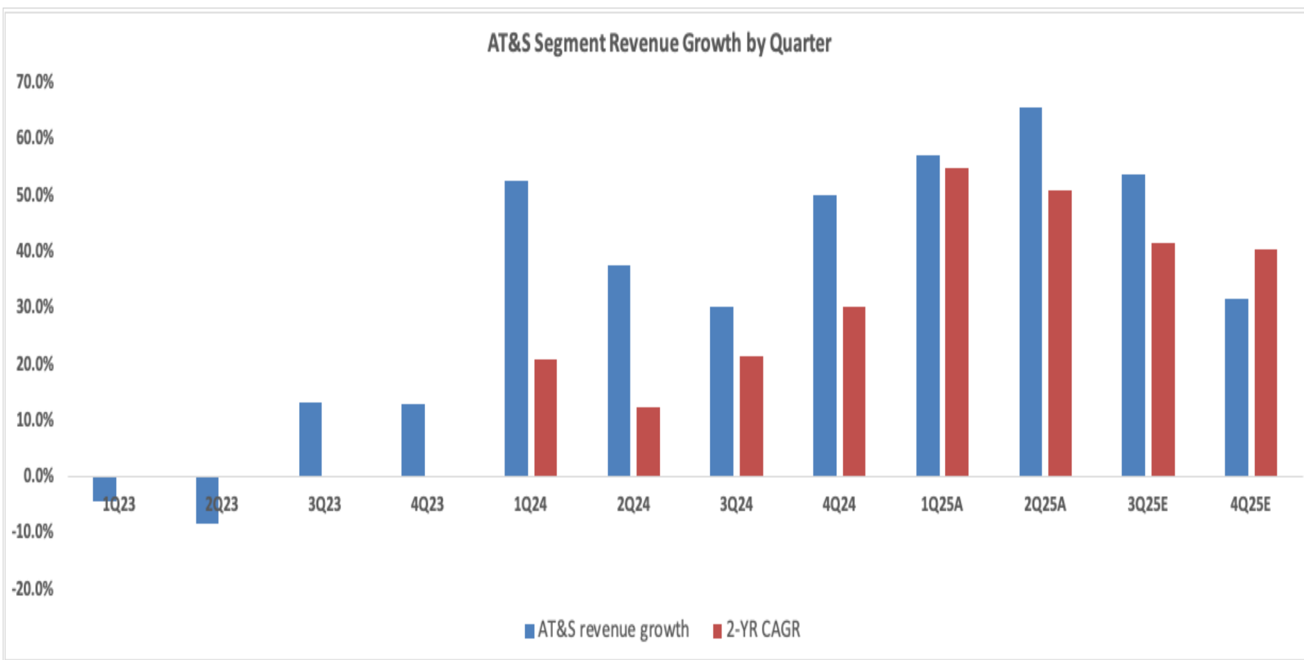
- 4Q

Our forecast assumes that Media revenue is down the most in 4Q, reflecting the toughest political ad comparison of the year, despite what we assume will be strong core advertising growth in 4Q. We note as well that the WSJ October survey calls for a deceleration in GDP growth in 4Q. Media OCF margin compression should be greater in 4Q than 3Q, reflecting the loss of the high-margin political advertising.

We assume that AT&S revenue is up least in 4Q, although still by solid double digits in percent, and that its 2-year CAGR declines from 3Q as well. Our forecast assumes AT&S OCF margin expansion continues, and we expect full-year AT&S OCF margin to exceed the prior high posted in 2022 of 8.6%.

Our updates for interest rates and equity risk premium slightly reduce the WACC estimates in our DCF valuation. See Fig. 8. Both interest rates and the equity risk premium have declined over the past quarter, providing a small lift to valuations.

Figure 5: AT&S revenue surge is lasting longer than we expected, but its 2-year CAGR did fall in 2Q



Our lower price target is consistent with our more negative sentiment for EVC's stock.

- U.S. Hispanics are disproportionately from lower-income households, which this year have cut back more on spending, seen a greater increase in use of and default on credit (e.g., credit cards and subprime auto loans), and have more negative outlooks for their financial condition over the next year. Per research from Numerator, spending of unacculturated Hispanic households—which EVC's broadcast properties super-serve with Spanish-language programming—has declined by 4.8% this year, a sharp reversal from 4.3% growth last year. Retailers like Walmart, as well as auto parts stores and budget airlines have reported a deterioration in spending trends among lower-income households on whom they are particularly dependent. Inflation has been higher on the lower cost goods (e.g., groceries) that form a greater relative share of U.S. Hispanic household spending.
- Although the outlook for a recession in the WSJ economists' survey was unchanged in October from July, economic growth is increasingly dependent on the higher-income U.S. households to which EVC's media business under-indexes. The stagnation in the U.S. immigrant population has contributed to lower job growth, while curbing the spending of the Hispanic demographic which EVC's media properties target. Moreover, consensus still calls for a meaningful deceleration in U.S. GDP growth in 4Q.
- Valuations of a number of public ad tech stocks, such as The Trade Desk and Pubmatic, have declined markedly this year, putting pressure on valuation assumptions for EVC's own AT&S segment.
- Positives for broadcast asset values from M&A or spectrum sales do not seem likely near-term catalysts.

Figure 6: We expect slight AT&S OCF margin expansion in 2H25

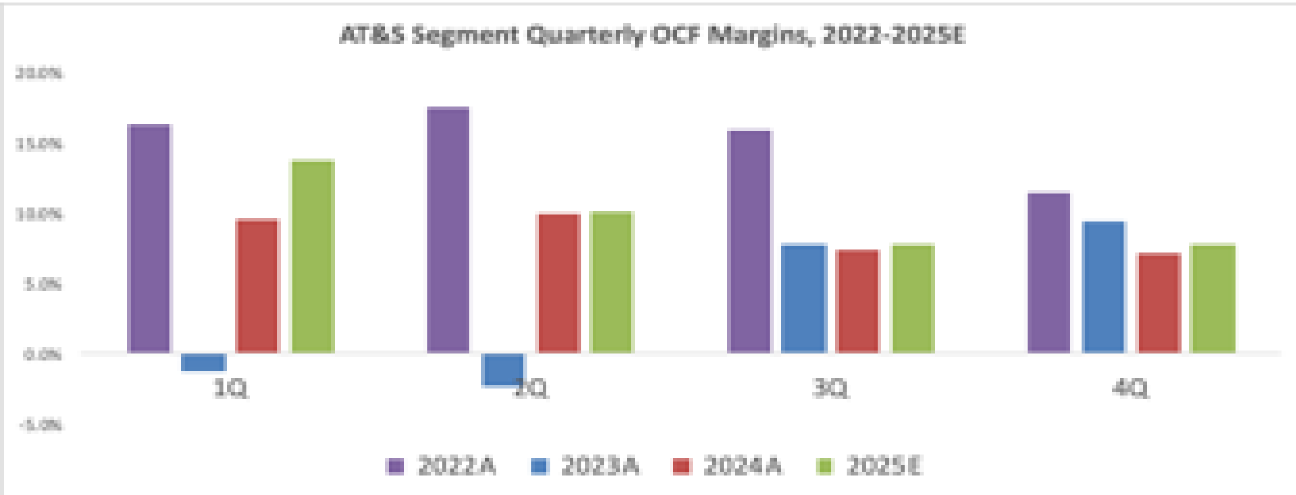


Figure 7: After the 2Q miss, we lower our OCF estimates for 3Q and 4Q

Entravision Communications (NYSE: EVC)

Summary of Segment Quarterly Estimates

In millions, except per share data

		Estimates				YoY %CHG	
	Last Yr	Old	Chg	Current	Old	Chg	Current
2Q25A							
Media Revenue	49.2	47.1	(1.7)	45.4	-4.2%	-3.5%	-7.8%
Media Opex	40.5	41.7	0.7	42.5	3.1%	1.8%	4.9%
Media OCF	8.8	5.4	(2.5)	3.0	-38.0%	-28.1%	-66.2%
Margin	*17.8%*	*11.5%*	*-5.0%*	*6.5%*			
AT&S Revenue	33.4	50.6	4.8	55.3	51.3%	14.3%	65.5%
AT&S Opex	30.1	44.6	5.2	49.7	48.2%	17.2%	65.4%
AT&S OCF	3.4	6.0	(0.4)	5.6	78.6%	-12.0%	66.6%
Margin	*10.1%*	*11.9%*	*-1.8%*	*10.1%*			
Total Revenue	82.7	97.7	3.0	100.7	18.2%	3.7%	21.9%
Total Opex	70.5	86.3	5.9	92.2	22.3%	8.4%	30.7%
Total OCF	12.1	11.4	(2.9)	8.6	-5.7%	-23.6%	-29.3%
Margin	*14.7%*	*11.7%*	*-3.2%*	*8.5%*			
3Q25E							
Media Revenue	59.8	50.3	(0.7)	49.5	-16.0%	-1.2%	-17.2%
Media Opex	44.9	43.8	0.0	43.8	-2.6%	0.0%	-2.6%
Media OCF	14.9	6.5	(0.7)	5.7	-56.4%	-4.9%	-61.4%
Margin	*24.9%*	*12.9%*	*-1.3%*	*11.6%*			
AT&S Revenue	37.4	54.5	3.0	57.5	45.8%	8.0%	53.8%
AT&S Opex	34.6	49.4	3.5	53.0	42.9%	10.3%	53.1%
AT&S OCF	2.8	5.0	(0.5)	4.5	82.4%	-19.9%	62.5%
Margin	*7.4%*	*9.2%*	*-1.4%*	*7.8%*			
Total Revenue	97.2	104.7	2.3	107.0	7.8%	2.3%	10.1%
Total Opex	79.5	93.2	3.5	96.8	17.2%	4.5%	21.7%
Total OCF	17.6	11.5	(1.3)	10.2	-34.7%	-7.3%	-42.0%
Margin	*18.1%*	*11.0%*	*-1.4%*	*9.6%*			
4Q25E							
Media Revenue	67.3	52.8	(1.0)	51.8	-21.5%	-1.6%	-23.0%
Media Opex	45.6	44.4	(0.4)	44.0	-2.6%	-0.8%	-3.4%
Media OCF	21.7	8.4	(0.7)	7.7	-61.2%	-3.1%	-64.3%
Margin	*32.2%*	*15.9%*	*-1.0%*	*15.0%*			
AT&S Revenue	39.7	50.2	2.0	52.2	26.5%	5.0%	31.5%
AT&S Opex	36.9	46.2	1.9	48.1	25.2%	5.2%	30.4%
AT&S OCF	2.8	4.0	0.1	4.1	43.1%	3.0%	46.1%
Margin	*7.1%*	*8.0%*	*-0.1%*	*7.9%*			
Total Revenue	107.0	103.0	1.0	104.0	-3.7%	0.9%	-2.8%
Total Opex	82.5	90.6	1.5	92.1	9.9%	1.9%	11.7%
Total OCF	24.5	12.5	(0.6)	11.9	-49.2%	-2.4%	-51.6%
Margin	*22.9%*	*12.1%*	*-0.7%*	*11.4%*			

* pro forma reflects announced acquisitions and dispositions

Source: Company reports, FactSet, Industry Capital Research estimates

Figure 8: DCF-based valuation range drops after changes to forecast and macro inputs

Entravision Communications

Summary of Changes to Forecast and Valuation Since Last Published Report

(in $ million except unit data)	2024		DCF Valuation		EBITDA CAGRs										
CAGRs	Rev	EBITDA	SoTP	Firm	2021-25	2022-26	2023-27	2024-28	2025-29	2026-30	Risk Free Rate	Equity Premium	WACC-EVC	WACC-EVC-D	WACC-EVC-B
Pre-Changes	364.9	49.5	$2.50	$3.00	-27%	-20%	-13%	-13%	2%	-3%	4.4%	3.9%	5.8%	9.0%	6.6%
Post-Changes	364.9	49.5	$2.50	$2.00	-29%	-23%	-18%	-18%	-3%	-6%	4.1%	3.8%	5.5%	8.5%	6.3%
Delta	0.0	0.0	$0.00	($1.00)	-2.1%	-2.7%	-4.1%	-4.1%	-5.3%	-2.9%	-0.3%	-0.2%	-0.3%	-0.5%	-0.3%
Memo:															
Digital OCF					-11%	-14%	-4%	23%	9%	6%					

Source: Company data and Industry Capital Research estimates

Figure 9: Media Segment revenue drivers

In millions															
MEDIA SEGMENT	**2020A**	**2021A**	**2022A**	**2023A**	**1Q24**	**2Q24**	**3Q24**	**4Q24**	**2024A**	**1Q25A**	**2Q25A**	**3Q25E**	**4Q25E**	**2025E**	**2026E**
Reported Media revenue	$213.6	$225.2	$230.7	$196.7	$45.8	$49.2	$59.8	$67.3	$222.1	$41.0	$45.4	$49.5	$51.8	$187.7	$206.9
Growth	0.4%	5.4%	2.4%	-14.7%	-1.4%	-0.4%	22.7%	29.1%	12.9%	-10.5%	-7.8%	-17.2%	-23.0%	-15.5%	10.3%
Media non-recurring items:															
Broadcast advertising	**152.7**	**154.3**	**161.7**	**124.7**	**27.8**	**29.9**	**40.0**	**46.3**	**144.0**	**24.1**	**26.6**	**30.2**	**31.3**	**112.2**	**134.9**
Assm: % Incremental to Core	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Incremental advertising	152.7	154.3	161.7	124.7	27.8	29.9	40.0	46.3	144.0	24.1	26.6	30.2	31.3	112.2	134.9
Media revenue ex advertising	61.0	70.9	69.0	72.0	17.9	19.4	19.8	20.9	78.1	16.9	18.8	19.3	20.5	75.4	72.0
Growth ex Advertising	-5.9%	16.3%	-2.7%	4.3%	6.7%	5.0%	10.3%	11.6%	8.4%	-5.9%	-3.1%	-2.4%	-2.3%	-3.4%	-4.5%
Retransmission Consent	**36.8**	**37.0**	**36.0**	**36.6**	**9.2**	**8.8**	**8.0**	**7.9**	**33.9**	**8.1**	**7.7**	**7.0**	**7.2**	**30.1**	**26.0**
Assm: % Incremental to Core	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Incremental Retrans	36.8	37.0	36.0	36.6	9.2	8.8	8.0	7.9	33.9	8.1	7.7	7.0	7.2	30.1	26.0
Media revenue ex Retrans	176.9	188.2	194.7	160.2	36.6	40.4	51.8	59.4	188.2	32.9	37.7	42.5	44.5	157.6	181.0
Growth ex Retrans	-0.4%	6.4%	3.5%	-17.7%	-0.5%	0.7%	30.0%	36.8%	17.5%	-10.1%	-6.7%	-17.9%	-25.0%	-16.2%	14.8%
Spectrum usage/auction	**5.4**	**6.2**	**6.0**	**8.2**	**1.8**	**1.6**	**1.7**	**1.8**	**6.9**	**1.8**	**1.8**	**1.7**	**2.2**	**7.4**	**6.6**
Assm: % Incremental to Core	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Incremental Spectrum Usage	5.4	6.2	6.0	8.2	1.8	1.6	1.7	1.8	6.9	1.8	1.8	1.7	2.1	7.4	6.6
Media revenue ex Spectrum Usage	208.2	219.0	224.7	188.6	44.0	47.6	58.1	65.5	215.2	39.2	43.6	47.8	49.7	180.3	200.4
Growth ex Spectrum Usage	4.2%	5.2%	2.6%	-16.1%	-0.6%	0.5%	24.5%	30.3%	14.1%	-10.9%	-8.4%	-17.8%	-24.1%	-16.2%	11.1%
Other	**5.8**	**7.3**	**5.3**	**4.7**	**1.2**	**1.3**	**1.5**	**1.6**	**5.6**	**1.2**	**1.2**	**1.6**	**1.8**	**5.9**	**5.6**
Assm: % Incremental to Core	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Incremental Other	5.8	7.3	5.3	4.7	1.2	1.3	1.5	1.6	5.6	1.2	1.2	1.6	1.8	5.9	5.6
Media revenue ex Other	207.8	217.9	225.4	192.0	44.6	48.0	58.3	65.6	216.4	39.8	44.2	47.9	49.9	181.8	201.3
Growth ex Other	1.5%	4.9%	3.4%	-14.8%	-1.6%	-0.8%	22.3%	29.3%	12.7%	-10.7%	-7.9%	-17.8%	-24.0%	-16.0%	10.7%
Media Acquisitions/Dispositions (inc. Affiliations)															
Assm: % Incremental to Core		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Incremental M&A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Media revenue ex M&A	213.6	225.2	230.7	196.7	45.8	49.2	59.8	67.3	222.1	41.0	45.4	49.5	51.8	187.7	206.9
Growth ex M&A	0.4%	5.4%	2.4%	-14.7%	-1.4%	-0.4%	22.7%	29.1%	12.9%	-10.5%	-7.8%	-17.2%	-23.0%	-15.5%	10.3%
PF U.S. Digital revenue	**12.9**	**20.4**	**21.6**	**22.6**	**5.8**	**7.6**	**8.5**	**9.7**	**31.6**	**5.8**	**8.0**	**8.9**	**9.2**	**32.1**	**33.8**

Core Advertising Growth

In millions															
BROADCAST ADVERTISING	**2020A**	**2021A**	**2022A**	**2023A**	**1Q24**	**2Q24**	**3Q24**	**4Q24**	**2024A**	**1Q25A**	**2Q25A**	**3Q25E**	**4Q25E**	**2025E**	**2026E**
Broadcast Advertising PF Rev Growth	3.1%	-6.9%	4.8%	-22.9%	-6.0%	-3.6%	29.9%	39.0%	15.5%	-13.4%	-10.8%	-24.5%	-32.4%	-22.1%	20.2%
Reported Broadcast Advertising Revenue	$152.7	$154.3	$161.7	$124.7	$27.8	$29.9	$40.0	$46.3	$144.0	$24.1	$26.6	$30.2	$31.3	$112.2	$134.9
Growth	3.1%	1.1%	4.8%	-22.9%	-6.0%	-3.6%	29.9%	39.0%	15.5%	-13.4%	-10.8%	-24.5%	-32.4%	-22.1%	20.2%
Non-recurring items:															
Political/Census	**28.8**	**1.6**	**32.1**	**0.2**	**0.6**	**1.5**	**10.7**	**22.9**	**35.7**	**0.0**	**0.0**	**0.7**	**0.3**	**1.0**	**32.3**
Assm: % Incremental to Core	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Incremental political	28.8	1.6	32.1	0.2	0.6	1.5	10.7	22.9	35.7	0.0	0.0	0.7	0.3	1.0	32.3
Broadcast ad revenue ex political	123.9	152.7	129.6	124.5	27.3	28.3	29.3	23.4	108.3	24.1	26.6	29.5	31.0	111.2	102.6
Growth ex Political	-16.2%	23.2%	-15.1%	-4.0%	-7.9%	-8.5%	-4.8%	-29.3%	-13.0%	-11.7%	-6.1%	0.9%	32.1%	2.7%	-7.8%
Broadcast advertising revenue ex-all non-recurring	**123.9**	**152.7**	**129.6**	**124.5**	**27.3**	**28.3**	**29.3**	**23.4**	**108.3**	**24.1**	**26.6**	**29.5**	**31.0**	**111.2**	**102.6**
Broadcast ad revenue growth ex all non-recurring	**-16.2%**	**23.2%**	**-15.1%**	**-4.0%**	**-7.9%**	**-8.5%**	**-4.8%**	**-29.3%**	**-13.0%**	**-11.7%**	**-6.1%**	**0.9%**	**32.1%**	**2.7%**	**-7.8%**
Broadcast ad rev grth ex all non-rec 2-yr CAGR		**1.6%**	**2.3%**	**-9.7%**	**-4.3%**	**-5.8%**	**-4.4%**	**-19.1%**	**-8.6%**	**-9.8%**	**-7.3%**	**-2.0%**	**-3.3%**	**-5.5%**	**-2.7%**

Source: Industry Capital Research estimates and company data

Figure 10: Advertising Technology & Services Segment estimates

In millions, except unit data

	2019A	2020A	2021A	2022A	2023A	1Q24	2Q24	3Q24	4Q24	2024A	1Q25A	2Q25A	3Q25E	4Q25E	2025E	2026E
Legacy																
Revenue	$68.9	$54.1	$70.6	$103.7	$113.1	$34.3	$38.9	$41.3	$42.7	$157.0	$52.0	$61.7	$61.7	$54.2	$229.6	$263.8
Cost of Revenue	36.8	30.6	40.2	60.4	69.3	20.9	23.4	24.7	26.0	95.1	31.5	37.0	37.0	31.6	137.0	156.3
Opex ex-cost of revenue	32.3	24.5	23.8	29.0	39.4	11.7	12.1	14.5	14.5	52.8	15.7	19.2	20.7	20.1	75.7	86.1
OCF	(0.1)	(1.0)	6.5	14.3	4.4	1.7	3.4	2.1	2.1	9.2	4.9	5.5	4.0	2.5	16.9	21.5
Legacy Digital OCF Margin	*-0.2%*	*-1.9%*	*9.2%*	*13.8%*	*3.9%*	*5.0%*	*8.7%*	*5.0%*	*4.8%*	*5.9%*	*9.4%*	*8.9%*	*6.5%*	*4.7%*	*7.4%*	*8.1%*
Acquisitions Since 2020-Stand Alone																
BCNMonetize revenue		0.0		15.1	15.8	4.0	2.2	4.6	5.0	15.8	4.4	2.2	4.7	7.2	18.5	19.4
BCNMonetize cost of revenue		0.0		6.8	7.1	1.8	1.0	2.1	2.3	7.1	2.0	1.0	2.1	3.2	8.3	8.7
BCNMonetize opex ex-cost of revenue		0.0		2.5	3.9	0.3	0.7	1.1	1.4	3.5	0.2	0.8	1.2	1.4	3.5	5.0
BCNMonetize OCF		0.0		5.8	4.8	1.9	0.5	1.4	1.4	5.2	2.2	0.5	1.4	2.6	6.6	5.7
BCNMonetize OCF Margin				*38.6%*	*30.3%*	*48.0%*	*22.9%*	*30.4%*	*27.3%*	*32.8%*	*50.5%*	*20.8%*	*29.5%*	*35.9%*	*35.9%*	*29.1%*
Acquisitions Since 2020-Pro Forma																
BCNMonetize revenue		0.0	0.0	15.1	15.8	4.0	2.2	4.6	5.0	15.8	4.4	2.2	4.7	7.2	18.5	19.4
BCNMonetize cost of revenue		0.0	0.0	6.8	7.1	1.8	1.0	2.1	2.3	7.1	2.0	1.0	2.1	3.2	8.3	8.7
BCNMonetize opex ex-cost of revenue		0.0	0.0	2.5	3.9	0.3	0.7	1.1	1.4	3.5	0.2	0.8	1.2	1.4	3.5	5.0
BCNMonetize OCF		0.0	0.0	5.8	4.8	1.9	0.5	1.4	1.4	5.2	2.2	0.5	1.4	2.6	6.6	5.7
BCNMonetize OCF Margin																
Acquisitions Since 2020-Adjustments to Reported																
BCNMonetize revenue	0.0	(0.0)	(0.0)	(15.1)	(6.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BCNMonetize cost of revenue	0.0	(0.0)	(0.0)	(6.8)	(2.7)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BCNMonetize opex ex-cost of revenue	0.0	(0.0)	(0.0)	(2.5)	(1.5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BCNMonetize OCF pre-minority interest	0.0	(0.0)	(0.0)	(5.8)	(1.9)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Memo: 'BCNMonetize minority interest	0.0	0.0	0.0	0.0	0.0					0.0						
Acquisitions Since 2020-As Reported																
BCNMonetize revenue		0.0		0.0	9.8	4.0	2.2	4.6	5.0	15.8	4.4	2.2	4.7	7.2	18.5	19.4
BCNMonetize cost of revenue		0.0		0.0	4.4	1.8	1.0	2.1	2.3	7.1	2.0	1.0	2.1	3.2	8.3	8.7
BCNMonetize opex		0.0		0.0	2.4	0.3	0.7	1.1	1.4	3.5	0.2	0.8	1.2	1.4	3.5	5.0
BCNMonetize OCF		0.0		0.0	2.9	1.9	0.5	1.4	1.4	5.2	2.2	0.5	1.4	2.6	6.6	5.7
BCNMonetize OCF Margin					*30.0%*	*48.0%*	*22.9%*	*30.4%*	*27.3%*	*32.8%*	*50.5%*	*20.8%*	*29.5%*	*35.9%*	*35.9%*	*29.1%*
EBITDA to red non-con interests		0.0	0.0	0.0	1.5	1.0	0.3	0.7	0.7	2.6	1.1	0.2	0.7	1.3	3.4	2.9
BCNMonetize EBITDA		0.0	0.0	0.0	1.4	0.9	0.2	0.7	0.7	2.5	1.1	0.2	0.7	1.3	3.3	2.8
Digital non-cash comp adjustment					8.4											
Digital segment pro forma, ex-foreign exchange																
Digital revenue	228.3	315.9	70.6	118.8	128.9	38.223	41.1	45.9	47.7	172.9	56.4	63.9	66.4	61.4	248.1	283.3
Digital cost of revenue	173.0	253.2	40.3	67.2	76.4	22.7	24.4	26.8	28.3	102.2	33.5	38.0	39.1	34.8	145.3	165.0
Digital opex ex-cost of revenue	45.5	45.4	24.4	31.5	43.3	11.945	12.779	15.606	15.944	56.274	15.9	20.0	21.9	21.5	79.2	91.1
Digital OCF	9.8	17.3	5.9	20.1	9.2	3.6	3.9	3.5	3.4	14.4	7.1	6.0	5.4	5.1	23.6	27.1
Digital segment as reported																
Digital revenue	68.9	143.3	557.2	747.1	932.7	38.2	41.1	45.9	47.7	172.9	56.4	63.9	66.4	61.4	248.1	283.3
Digital cost of revenue	36.8	106.9	467.8	624.0	801.2	22.7	24.4	26.8	28.3	102.2	33.5	38.0	39.1	34.8	145.3	165.0
Digital opex	32.3	30.6	51.3	74.1	95.0	11.946	12.779	15.606	15.944	56.275	15.9	20.0	21.9	21.5	79.2	91.1
Digital OCF	(0.1)	5.7	38.2	49.0	36.6	3.6	3.9	3.5	3.4	14.4	7.1	6.0	5.4	5.1	23.6	27.1
Digital OCF Margin	*-0.2%*	*4.0%*	*6.8%*	*6.6%*	*3.9%*	*9.5%*	*9.4%*	*7.6%*	*7.2%*	*8.3%*	*12.5%*	*9.3%*	*8.1%*	*8.3%*	*9.5%*	*9.6%*
Digital segment as reported, ex-divestitures																
Digital revenue	68.9	54.1	70.6	103.7	122.9	38.2	41.1	45.9	47.7	172.8	56.4	63.9	66.4	61.4	248.1	283.2
Digital cost of revenue	36.8	30.6	40.2	60.4	73.7	22.7	24.4	26.8	28.3	102.2	33.5	38.0	39.1	34.8	145.3	165.0
Digital opex	32.3	24.5	23.8	29.0	41.9	11.9	12.8	15.6	15.9	56.3	15.9	20.0	21.9	21.5	79.2	91.1
Digital OCF	(0.1)	(1.0)	6.5	14.3	7.4	3.6	3.9	3.5	3.4	14.4	7.1	6.0	5.4	5.1	23.6	27.1
Digital OCF Margin	*-0.2%*	*-1.9%*	*9.2%*	*13.8%*	*6.0%*	*9.5%*	*9.4%*	*7.6%*	*7.2%*	*8.3%*	*12.5%*	*9.3%*	*8.1%*	*8.3%*	*9.5%*	*9.6%*
U.S. Digital																
U.S. Digital revenue	8.2	12.9	20.4	21.6	22.6	5.8	7.6	8.5	8.0	30.0	5.5	8.6	8.9	9.2	32.2	33.8
U.S. Digital cost of revenue	3.5	5.6	8.8	9.3	11.0	2.9	4.1	4.9	4.8	16.7	3.3	4.6	4.5	4.6	16.9	16.9
U.S. Digital opex ex-cost of revenue	3.9	6.1	9.5	7.2	8.1	2.4	3.0	2.9	2.5	10.9	2.2	3.6	3.5	3.6	13.0	13.5
U.S. Digital OCF	0.7	1.2	2.1	5.1	3.5	0.5	0.5	0.7	0.6	2.3	0.1	0.4	0.9	1.0	2.4	3.4
U.S. Digital OCF Margin	*8.9%*	*9.5%*	*10.2%*	*23.6%*	*15.3%*	*9.0%*	*6.6%*	*8.3%*	*7.6%*	*7.8%*	*1.0%*	*4.3%*	*10.3%*	*10.9%*	*7.3%*	*10.0%*
AT&S segment, pro forma																
AT&S revenue	60.7	41.2	50.2	97.2	106.3	32.4	33.4	37.4	39.7	142.9	50.9	55.3	57.5	52.2	215.9	249.4
AT&S cost of revenue	33.2	25.1	31.5	57.9	65.3	19.8	20.3	21.9	23.5	85.5	30.2	33.4	34.6	30.2	128.4	148.1
AT&S opex	28.3	18.4	14.3	24.3	35.2	9.5	9.8	12.7	13.4	45.4	13.7	16.4	18.4	17.9	66.3	77.6
AT&S OCF	(0.8)	(2.2)	4.4	15.0	5.8	3.1	3.4	2.8	2.8	12.0	7.0	5.6	4.5	4.1	21.2	23.8
AT&S OCF Margin	*-1.4%*	*-5.5%*	*8.8%*	*15.5%*	*5.4%*	*9.5%*	*10.1%*	*7.4%*	*7.1%*	*8.4%*	*13.8%*	*10.1%*	*7.8%*	*7.9%*	*9.8%*	*9.5%*
AT&S segment as reported																
AT&S revenue	60.7	41.2	50.2	82.1	100.3	32.4	33.4	37.4	39.7	142.9	50.9	55.3	57.5	52.2	215.9	249.4
AT&S cost of revenue	33.2	25.1	31.5	51.1	62.6	19.8	20.3	21.9	23.5	85.5	30.2	33.4	34.6	30.2	128.4	148.1
AT&S opex	28.3	18.4	14.3	21.8	33.8	9.5	9.8	12.7	13.4	45.4	13.7	16.4	18.4	17.9	66.3	77.6
AT&S OCF	(0.8)	(2.2)	4.4	9.2	3.9	3.1	3.4	2.8	2.8	12.0	7.0	5.6	4.5	4.1	21.2	23.8
AT&S OCF Margin	*-1.4%*	*-5.5%*	*8.8%*	*11.2%*	*3.9%*	*9.5%*	*10.1%*	*7.4%*	*7.1%*	*8.4%*	*13.8%*	*10.1%*	*7.8%*	*7.9%*	*9.8%*	*9.5%*

Source: Company reports; Industry Capital Research estimates

Industry Capital Research

Figure 11: Financial statement forecasts supporting our valuation

In millions, except per share data

AS REPORTED	2020A	2021A	2022A	2023A	1Q24	2Q24	3Q24	4Q24	2024A	1Q25A	2Q25A	3Q25E	4Q25E	2025E	2026E
NEW SEGMENTS															
Net revenue:															
Media	$213.6	$225.2	$230.7	196.7	45.8	49.2	59.8	67.3	222.1	41.0	45.4	49.5	51.8	187.7	206.9
Seasonality					*20.6%*	*22.2%*	*26.9%*	*30.3%*		*21.8%*	*24.2%*	*26.4%*	*27.6%*		
AT&S	41.2	50.2	97.2	100.3	32.4	33.4	37.4	39.7	142.9	50.9	55.3	57.5	52.2	215.9	249.4
Seasonality					*22.7%*	*23.4%*	*26.1%*	*27.8%*		*23.6%*	*25.6%*	*26.6%*	*24.2%*		
Total net revenue (core)	**254.8**	**275.4**	**327.9**	**297.0**	**78.2**	**82.7**	**97.2**	**107.0**	**364.9**	**91.9**	**100.7**	**107.0**	**104.0**	**403.6**	**456.3**
Revenue from spectrum usage rights	0.0	0.0	0.0	0.0					0.0					0.0	0.0
Total net revenue	254.8	275.4	327.9	297.0	78.2	82.7	97.2	107.0	364.9	91.9	100.7	107.0	104.0	403.6	456.3
Cost of Revenue															
Media	5.6	8.8	9.3	11.0	2.9	4.1	4.9	4.8	16.7	3.3	4.7	4.5	4.6	17.0	16.9
Media cost of revenue as % of revenue	2.6%	3.9%	4.0%	5.6%	6.3%	8.4%	8.2%	7.2%	7.5%	8.0%	10.2%	9.0%	8.8%	9.0%	8.2%
AT&S	25.1	31.5	57.9	66.2	19.8	20.3	21.9	23.5	85.5	30.2	33.4	34.6	30.2	128.4	148.1
AT&S cost of revenue as % of revenue	60.9%	62.7%	59.6%	66.0%	61.0%	60.7%	58.7%	59.1%	59.8%	59.4%	60.3%	60.2%	57.9%	59.5%	59.4%
Total cost of revenue (core)	**30.7**	**40.2**	**67.2**	**77.2**	**22.7**	**24.4**	**26.8**	**28.3**	**102.2**	**33.5**	**38.0**	**39.1**	**34.8**	**145.4**	**165.0**
Cost of revenue from spectrum usage rights (Media)															
Total cost of revenue	30.7	40.2	67.2	77.2	22.7	24.4	26.8	28.3	102.2	33.5	38.0	39.1	34.8	145.4	165.0
Opex															
Media opex	128.8	131.0	130.8	132.8	36.6	36.4	40.1	40.7	153.7	37.4	37.8	39.3	39.4	153.9	159.9
AT&S opex	18.4	14.3	24.3	30.2	9.5	9.8	12.7	13.4	45.4	13.7	16.4	18.4	17.9	66.3	77.6
Total opex (core)	**147.2**	**145.3**	**155.1**	**163.0**	**46.1**	**46.1**	**52.7**	**54.1**	**199.1**	**51.0**	**54.2**	**57.7**	**57.3**	**220.2**	**237.5**
Spectrum usage rights															
Total Opex	147.2	145.3	155.1	163.0	46.1	46.1	52.7	54.1	199.1	51.0	54.2	57.7	57.3	220.2	237.5
OCF															
Media OCF	79.3	85.5	90.6	52.9	$6.3	$8.8	$14.9	$21.7	51.6	$0.4	$3.0	$5.7	$7.7	16.8	30.1
Media OCF Margin	37.1%	38.0%	39.3%	26.9%	13.7%	17.8%	24.9%	32.2%	23.2%	0.9%	6.5%	11.6%	15.0%	9.0%	14.5%
Incremental Margin	1944.0%	53.8%	92.2%	110.8%	812.5%	2086.4%	15.8%	44.1%	-5.2%	123.9%	151.6%	88.7%	89.9%	101.1%	69.0%
AT&S OCF	(2.3)	4.4	15.0	3.9	3.1	3.4	2.8	2.8	12.0	7.0	5.6	4.5	4.1	21.2	23.8
AT&S OCF margin	-5.5%	8.8%	15.5%	3.9%	9.5%	10.1%	7.4%	7.1%	8.4%	13.8%	10.1%	7.8%	7.9%	9.8%	9.5%
Incremental Margin	7.2%	74.2%	22.5%	-350.1%	30.0%	42.8%	5.7%	2.5%	19.0%	21.2%	10.2%	8.6%	10.4%	12.6%	7.6%
Total OCF (core)	**77.0**	**89.9**	**105.6**	**56.8**	**9.4**	**12.1**	**17.6**	**24.5**	**63.6**	**7.4**	**8.6**	**10.2**	**11.9**	**38.0**	**53.8**
Margin	30.2%	32.7%	32.2%	19.1%	12.0%	14.7%	18.1%	22.9%	17.4%	8.0%	8.5%	9.6%	11.4%	9.4%	11.8%
Incremental Margin					-18.9%	-5.5%	11.4%	24.5%		-14.7%	-19.6%	-75.3%	425.2%		
Spectrum sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total OCF	77.0	89.9	105.6	56.8	9.4	12.1	17.6	24.5	63.6	7.4	8.6	10.2	11.9	38.0	53.8
Total OCF Margin	30.2%	32.7%	32.2%	19.1%	12.0%	14.7%	18.1%	22.9%	17.4%	8.0%	8.5%	9.6%	11.4%	9.4%	11.8%
Incremental Margin					-18.9%	-5.5%	11.4%	24.5%		-14.7%	-19.6%	-75.3%	425.2%		
Corporate Expense	27.8	33.0	49.4	50.3	12.2	10.8	6.9	7.5	37.5	7.8	6.4	6.9	7.5	28.6	29.5
GAAP EBITDA	56.0	88.7	85.1	35.7	(2.9)	1.3	10.7	17.0	26.1	(0.4)	2.2	3.3	4.4	9.4	24.4
Corporate non-cash comp	3.9	6.4	14.3	14.2	3.7	2.7	2.2	1.4	10.0	1.5	1.7	1.4	4.2	8.7	8.9
Opex adjustments to cash:															
Amortization of syndication contracts	(0.5)	(0.5)	(0.5)	(0.5)	(0.1)	(0.1)	(0.1)	(0.1)	(0.5)	(0.1)	(0.1)	(0.1)	(0.1)	(0.5)	(0.5)
Payments on syndication contracts	(0.5)	(0.5)	(0.5)	(0.5)	(0.1)	(0.1)	(0.1)	(0.1)	(0.5)	(0.1)	(0.1)	(0.1)	(0.1)	(0.5)	(0.5)
Non-cash comp in direct opex	1.2	3.2	5.7	9.5	1.8	1.5	1.5	0.0	4.7	1.1	1.0	1.0	1.8	4.8	4.9
Non-recurring cash severance	1.7	0.4	4.3	0.9	0.0	3.1	1.7		4.8						
EBITDA attributable to redeemable noncontrolling interest	3.4	9.1	0.0	1.7	0.2	0.0	0.0	0.0	0.2					0.0	0.0
EBITDA attributable to noncontrolling interest			3.4	0.0					0.0					0.0	0.0
Other adjustments to cash					(2.4)	(1.8)	1.1	(1.6)	(4.6)						
Total opex (positive) adjustments to cash	0.5	5.5	(10.0)	(8.6)	(4.0)	(6.4)	(2.0)	(1.6)	(14.1)	(1.1)	(1.0)	(1.0)	(1.8)	(4.8)	(4.9)
Foreign currency (gain) loss	(1.1)	0.5	3.0	0.9	0.3	(0.0)	(0.1)	0.6	0.7	0.0	0.0	0.0	(0.0)	0.0	0.0
Total Adjusted EBITDA	60.4	89.0	106.5	57.7	4.5	10.5	15.1	19.4	49.5	2.2	4.9	5.6	10.3	23.0	38.2
Other opex for spectrum (in corporate)															
Adjusted EBITDA (core)	60.419	89.0	**106.5**	**57.7**	**4.5**	**10.5**	**15.1**	**19.4**	**49.5**	**2.2**	**4.9**	**5.6**	**10.3**	**23.0**	**38.2**
Memo: adj. EBITDA (core) reported	60.4	88.0	103.1	57.7	4.5	10.5	15.1	19.4	49.5						
Model variance: adj. EBITDA	0.0	1.0		(0.0)	0.0		0.0	0.0	(0.0)						
Adj. EBITDA core margin	17.6%	11.7%	11.1%	5.2%	5.8%				13.6%						
Incremental Margin	27.3%	6.9%	8.9%	-32.4%	5.3%				1.1%						

Source: Industry Capital Research estimates and company data

Figure 12: Financial statement forecasts supporting our valuation (cont.)

In millions, except per share data	2020A	2021A	2022A	2023A	1Q24	2Q24	3Q24	4Q24	2024A	1Q25A	2Q25A	3Q25E	4Q25E	2025E	2026E
Memo: cash opex (core)	153.8	178.4	187.8	211.1	42.1	39.7	50.7	52.5	185.1	49.9	53.2	56.7	55.5	215.3	232.6
Memo: cash corporate expense	23.9	26.6	35.1	36.1	8.6	8.1	4.7	6.1	27.4	6.3	4.7	5.6	3.3	19.9	20.5
Memo: total non-cash comp	5.1	9.6	20.0	23.7	5.4	4.2	3.7	1.4	14.8	2.6	2.7	2.3	5.9	13.6	13.9
Memo: adj. EBITDA - (OCF - cash corporate)	0.6	(5.7)	7.0	7.7	3.7	6.4	2.2	1.0	13.4	1.1	1.0	1.0	1.7	4.8	4.9
Memo: PF EBITDA attributable to redeemable noncontrolling interest															
D&A	17.3	22.4	25.7	28.0	4.7	4.4	3.9	3.8	16.8	3.5	3.0	3.4	3.8	13.7	15.2
D&A % of Revenue	*5.0%*	*2.9%*	*2.7%*	*2.5%*	*6.1%*	*5.4%*	*4.0%*	*3.5%*	*4.6%*	*3.8%*	*3.0%*	*3.2%*	*3.6%*	*3.4%*	*3.3%*
Change in fair value contingent consideration	0.000	8.2	14.2	(2.5)	(0.2)	0.2	(0.7)	0.0	(0.6)	0.0	0.0	0.0	0.0	0.0	0.0
Impairments	40.0	3.0	1.6	13.3	0.0	0.0	0.0	61.2	61.2	23.7	0.0	0.0	(23.7)	0.0	0.0
Other operating (gain) loss	(6.9)	(7.0)	0.4	0.6	0.0	0.0	0.0	0.0	0.0	25.2	0.0	(0.0)	0.7	25.8	8.8
Gain (Loss) on Sale	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Reserves, accruals and other, net	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Income (EBIT Inc. Impairments)	**6.6**	**61.5**	**40.2**	**(4.5)**	**(7.7)**	**(3.3)**	**7.6**	**(48.6)**	**(52.0)**	**(52.8)**	**(0.8)**	**(0.1)**	**23.6**	**(30.2)**	**0.4**
Operating Margin %	1.9%	8.1%	4.2%	-0.4%	-9.8%	-4.0%	7.8%	-45.4%	-14.2%	-57.5%	-0.8%	-0.1%	22.7%	-7.5%	0.1%
Interest expense	(8.3)	(6.9)	(8.7)	(15.7)	(4.4)	(4.1)	(4.1)	(3.8)	(16.5)	(3.7)	(4.0)	(3.2)	(3.2)	(14.1)	(11.8)
Noncash interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest income	1.7	0.2	0.7	3.5	0.6	0.6	0.6	0.7	2.5	0.6	0.6	0.6	0.5	2.3	1.6
Dividend income				0.0	0.0	0.0			0.0		0.0				
Net interest expense	(6.5)	(6.8)	(8.0)	(12.2)	(3.9)	(3.5)	(3.4)	(3.2)	(14.0)	(3.1)	(3.4)	(2.7)	(2.7)	(11.8)	(10.2)
Loss on debt extinguishment	0.0	0.0	0.0	(1.6)	(0.0)	(0.1)	0.0	0.0	(0.1)	0.0	(0.0)	0.0	0.0	0.0	0.0
Other income, net	0.0	0.2	(0.5)	(0.1)	(0.1)	0.0	(0.0)	0.0	(0.1)	0.0	0.0	0.0	(0.0)	0.0	0.0
Pretax income	**0.1**	**54.9**	**31.7**	**(18.4)**	**(11.7)**	**(6.9)**	**4.1**	**(51.7)**	**(66.2)**	**(55.8)**	**(4.3)**	**(2.8)**	**21.0**	**(41.9)**	**(9.8)**
Pretax margin	0.0%	7.2%	3.3%	NM	NM	NM	4.3%	NM	NM	NM	NM	NM	20.2%	NM	NM
Income (taxes) benefit	(1.5)	(18.7)	(11.6)	2.8	4.1	10.7	(15.0)	(3.9)	(4.1)	8.1	0.8	(15.0)	20.8	14.7	3.4
Effective tax rate	*1276.3%*	*34.0%*	*36.5%*	*15.0%*	*35.6%*	*153.8%*	*361.7%*	*-7.6%*	*-6.2%*	*14.4%*	*18.6%*	*-538.0%*	*-99.3%*	*35.0%*	*35.0%*
Cash tax rate	*6552.5%*	*7.5%*	*53.4%*	*-71.3%*	*-11.1%*	*-55.6%*	*37.0%*	*37.0%*	*18.8%*	*-0.3%*	*-29.2%*	*-22.1%*	*0.0%*	*-4.9%*	*0.0%*
Net Income (Before Equity Investments)	(1.4)	36.2	20.1	(15.6)	(7.5)	3.7	(10.8)	(55.7)	(70.3)	(47.8)	(3.5)	(17.8)	41.8	(27.3)	(6.4)
Equity in net of noncon. affils.	0.0	0.0	(2.1)	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.1)	0.1	0.0	0.0
Reported Net income	(1.4)	36.2	18.1	(15.4)	(7.5)	3.7	(10.8)	(55.7)	(70.3)	(47.8)	(3.5)	(17.9)	41.9	(27.3)	(6.4)
Net margin	*17.6%*	*11.7%*	*11.1%*	*5.2%*	*5.8%*	*12.7%*	*15.5%*	*18.2%*	*13.6%*	*2.4%*	*4.8%*	*5.2%*	*10.0%*	*5.7%*	*8.4%*
Accretion of Preferred	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minority Interest	2.5	5.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net inc. to common pre-1-time	(3.9)	30.3	18.1	(15.4)	(7.5)	3.7	(10.8)	(55.7)	(70.3)	(47.8)	(3.5)	(17.9)	41.9	(27.3)	(6.4)
Net margin	NM	NM	NM	NM	NM	NM	NM	0.1	NM	NM	NM	NM	NM	NM	NM
EPS - Continuing Operations	($0.05)	$0.36	$0.21	($0.18)	(0.1)	0.0	(0.1)	(0.6)	(0.8)	(0.5)	(0.0)	(0.2)	0.5	($0.30)	($0.07)
Extraordinary items/discontinued items	0.0	0.0	0.0	0.0	(41.4)	(35.4)	(1.1)	(0.7)	(78.6)	(0.2)	0.2	0.0	0.0	0.0	0.0
Net income to common	**(3.9)**	**30.3**	**18.1**	**(15.4)**	**(48.9)**	**(31.7)**	**(12.0)**	**(56.4)**	**(148.9)**	**(48.0)**	**(3.3)**	**(17.9)**	**41.9**	**(27.3)**	**(6.4)**
EPS - basic	($0.05)	$0.36	$0.21	($0.18)	(0.6)	(0.4)	(0.1)	(0.6)	(1.7)	(0.5)	(0.0)	(0.2)	0.5	($0.30)	($0.07)
EPS - diluted	**($0.05)**	**$0.34**	**$0.21**	**($0.18)**	**($0.55)**	**($0.35)**	**($0.13)**	**($0.62)**	**($1.66)**	**($0.53)**	**($0.04)**	**($0.20)**	**$0.45**	**($0.30)**	**($0.07)**
EPS reported by company	($0.05)		$0.21	($0.18)	($0.55)	($0.35)	($0.13)	($0.62)	($1.66)	($0.53)	($0.04)				
Model variance: EPS	$0.00		($0.00)	$0.00	$0.00	$0.00	($0.00)	($0.00)	$0.00	$0.00	$0.00				
Pro forma adjustments	38.1	9.6	25.6	12.4	(0.2)	35.4	0.0	61.2	96.4	0.2	0.2	0.0	0.0	0.0	0.0
Pro forma net income	34.1	39.9	43.6	(3.0)	(49.1)	3.7	(12.0)	4.9	(52.5)	(47.8)	(3.2)	(17.9)	41.9	(27.3)	(6.4)
Pro forma EPS - basic	$0.41	$0.47	$0.51	($0.03)	($0.55)	$0.04	($0.13)	$0.05	($0.58)	($0.53)	($0.03)	($0.20)	$0.46	($0.30)	($0.07)
Pro forma EPS	**$0.41**	**$0.45**	**$0.50**	**($0.03)**	**($0.55)**	**$0.04**	**($0.13)**	**$0.05**	**($0.58)**	**($0.53)**	**($0.03)**	**($0.20)**	**$0.45**	**($0.30)**	**($0.07)**
EPS shares - Basic	84.2	85.3	85.4	87.9	89.5	89.8	90.0	90.2	89.9	91.0	91.0	91.5	92.1	91.5	93.0
EPS shares - Diluted	84.2	87.9	87.8	87.9	89.5	90.7	90.0	90.2	89.9	91.0	91.0	91.5	92.4	91.5	93.0

Source: Industry Capital Research estimates and company data

Figure 13: Financial statement forecasts supporting our valuation (cont.)

In millions, except per share data	2020A	2021A	2022A	2023A	1Q24	2Q24	3Q24	4Q24	2024A	1Q25A	2Q25A	3Q25E	4Q25E	2025E	2026E
EBITDA:															
Net income (loss) attributable to common stockholders				-15.4	-48.9	-31.7	-12.0	-56.4	-148.9	-48.0	-3.3	-17.9	41.9	-27.3	-6.4
Net income (loss) attributable to redeemable noncontrolling interest - discontinued operations				0.0	-2.8				-2.8						
Net income (loss) attributable to noncontrolling interest - discontinued operations				0.0					0.0						
Interest expense				16.5	4.4	4.1	4.1	3.8	16.5	3.7	4.0	3.2	3.2	14.1	11.8
Interest expense - discontinued operations				0.3	0.1	0.1			0.2						
Interest income				-1.9	-0.6	-0.6	-0.6	-0.7	-2.5	-0.6	-0.6	-0.6	-0.5	-2.3	-1.6
Interest income - discontinued operations				-1.5	-0.6	-0.2			-0.7						
Dividend income				0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Realized gain (loss) on marketable securities				0.1	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0
(Gain) loss on debt extinguishment				1.6	0.0	0.1	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Income tax expense				-10.9	-4.1	-10.7	15.0	3.9	4.1	-8.1	-0.8	15.0	-20.8	-14.7	-3.4
Income tax expense - discontinued operations				2.5	-3.7	3.0	-0.1	-0.2	-1.0						
Amortization of syndication contracts				0.5	0.1	0.1	0.1	0.1	0.5	0.1	0.1	0.1	0.1	0.5	0.5
Payments on syndication contracts				-0.5	-0.1	-0.1	-0.1	-0.1	-0.5	-0.1	-0.1	-0.1	-0.1	-0.5	-0.5
Non-cash comp				23.7	5.4	3.3	3.7	1.4	13.8	2.6	2.7	2.3	5.9	13.6	13.9
D&A				17.0	4.7	4.4	3.9	3.8	16.8	3.5	3.0	3.4	3.8	13.7	15.2
D&A - discontinued operations				11.0	2.4	1.6	0.0		4.0						
Change in fair value contingent consideration				11.8	-0.2	0.2	-0.7	0.0	-0.6	0.0	0.0	0.0	0.0	0.0	0.0
Change in fair value contingent consideration - disc ops				-14.4	-1.2	-11.4	0.0		-12.6						
Impairment - discontinued operations				13.3	49.4	0.0	0.0	61.2	110.7	23.7	0.0	0.0	-23.7	0.0	0.0
Loss on lease abandonment										25.2	0.0	0.0	0.7	25.8	8.8
Non-recurring cash severance				0.9	0.0	3.1	1.7	2.5	7.3	0.0	0.0	0.0	0.0	0.0	0.0
Other operating loss - discontinued operations				4.9	0.0	45.0	0.1	0.0	45.2	0.2	-0.2	0.0	0.0	0.0	0.0
EBITDA attributable to redeemable noncontrolling interest - disc ops				-1.5	-0.2	0.0			-0.2						
EBITDA attributable to noncontrolling interest - disc ops				-0.2					0.0						
= Adjusted EBITDA				**57.7**	**4.5**	**10.5**	**15.1**	**19.4**	**49.5**	**2.2**	**4.9**	**5.5**	**10.4**	**23.0**	**38.2**
Memo: adj. EBITDA (core) reported			103.1	57.7	4.5	10.5	15.1	19.4	49.5						
Model variance: adj. EBITDA				(0.0)	(0.0)	0.0	0.0	(0.0)	(0.0)						
Adj. EBITDA core margin				*19.0%*	*5.8%*	*12.7%*	*15.5%*	*18.2%*	*13.6%*	*2.4%*	*4.8%*	*5.2%*	*10.0%*	*5.7%*	*8.4%*
Incremental Margin					*-80.7%*	*-41.9%*	*4.6%*	*11.1%*	*-12.0%*	*-17.1%*	*-31.0%*	*-97.2%*	*303.5%*	*-68.7%*	*28.9%*
Free Cash Flow:															
EBITDA	60.4	89.0	106.5	57.7	4.5	10.5	15.1	19.4	49.5	2.2	4.9	5.5	10.4	23.0	38.2
Cash net interest	-5.9	-6.2	-6.7	-11.9	-3.3	-3.5	-3.4	-3.2	-13.5	-3.5	-3.6	-2.7	-2.7	-12.4	-10.2
Other adjustments to cash	5.3	6.8	-4.7	2.0	0.0										
- Cash taxes	-7.7	-4.1	-16.9	-13.1	-1.3	-3.9	-1.5	19.1	12.5	-0.2	-1.3	-0.6	0.0	-2.0	0.0
Cash taxes / EBITDA	13%	5%	16%	23%	28%	37%	10%	-98%	-25%	8%	26%	11%	0%	9%	0%
Minus: capex	-9.5	-5.6	-11.5	-27.3	-2.1	-2.7	-2.7	0.4	-7.0	-2.6	-2.2	-2.2	-0.5	-7.5	-7.9
Capex / D&A	*55%*	*25%*	*45%*	*98%*	*44%*	*60%*	*69%*	*-10%*	*42%*	*76%*	*71%*	*63%*	*14%*	*55%*	*52%*
Capex / EBITDA	*16%*	*6%*	*11%*	*47%*	*46%*	*25%*	*18%*	*-2%*	*14%*	*121%*	*44%*	*38%*	*5%*	*33%*	*21%*
= Free Cash Flow	**42.6**	**79.9**	**66.7**	**7.4**	**(2.2)**	**0.4**	**7.5**	**35.8**	**41.5**	**(4.1)**	**(2.2)**	**0.1**	**7.2**	**1.0**	**20.1**
FCF per share	**$0.51**	**$0.91**	**$0.76**	**$0.08**	**($0.03)**	**$0.00**	**$0.08**	**$0.29**	**$0.35**	**($0.05)**	**($0.02)**	**$0.00**	**$0.19**	**$0.12**	**$0.23**
Memo: FCF/Adjusted EBITDA	*70.5%*	*89.8%*	*62.6%*	*12.8%*					*83.7%*					*4.5%*	*52.7%*
Cash flow from operations			78.9	75.2	33.4	17.7	10.9	12.8	74.7	(15.2)	7.8				
Cash for capital expenditures			11.5	27.3	2.7	2.7	1.6	2.2	9.1	2.6	2.2				
Free cash flow (reported by company, 2Q24-on method)				47.9	30.6	15.0	9.3	10.6	65.6	(17.9)	5.7				
Dividends per basic share	**$0.13**	**$0.10**	**$0.10**	**$0.20**	**$0.05**	**$0.05**	**$0.05**	**$0.05**	**$0.20**	**$0.05**	**$0.05**	**$0.05**	**$0.05**	**$0.20**	**$0.20**
- Dividends	(10.5)	(8.5)	(8.5)	(17.6)	(4.5)	(4.5)	(4.5)	(4.5)	(18.0)	(4.5)	(4.5)	(4.6)	(4.6)	(18.3)	(18.6)
Dividends as % of FCF	*24.7%*	*10.7%*	*12.8%*	*237.8%*					*57.4%*					*162.1%*	*86.2%*

Source: Industry Capital Research estimates and company data

Figure 14: Financial statement forecasts supporting our valuation (cont.)

ANNUAL PERCENTAGE CHANGE	2020A	2021A	2022A	2023A	1Q24	2Q24	3Q24	4Q24	2024A	1Q25A	2Q25A	3Q25E	4Q25E	2025E	2026E
Net revenue (core) growth	**-6.8%**	**8.1%**	**19.0%**	**-9.4%**	**15.6%**	**12.1%**	**25.5%**	**36.7%**	**22.9%**	**17.5%**	**21.9%**	**10.1%**	**-2.8%**	**10.6%**	**13.1%**
Media revenue growth	0.4%	5.4%	2.4%	-14.7%	-1.4%	-0.4%	22.7%	30.0%	12.9%	-10.5%	-7.8%	-17.2%	-23.0%	-15.5%	10.3%
AT&S revenue growth	-32.1%	21.9%	93.5%	3.3%	52.7%	37.7%	30.3%	50.0%	42.4%	57.0%	65.5%	53.8%	31.5%	51.1%	15.5%
Cost of revenue	-16.6%	31.3%	66.9%	14.9%	34.3%	24.3%	25.3%	46.7%	32.4%	47.7%	55.6%	45.8%	22.9%	42.2%	13.5%
Opex (core)	**-15.1%**	**-1.3%**	**6.8%**	**5.1%**	**17.1%**	**11.2%**	**29.7%**	**30.6%**	**22.2%**	**10.6%**	**17.4%**	**9.4%**	**5.9%**	**10.6%**	**7.9%**
Media opex growth	-11.2%	1.7%	-0.1%	1.5%	11.3%	8.9%	22.2%	20.8%	15.8%	2.1%	4.0%	-1.9%	-3.2%	0.1%	3.9%
AT&S opex growth	-35.1%	-22.2%	69.8%	24.6%	46.2%	20.6%	61.3%	73.2%	50.2%	43.2%	67.5%	44.9%	33.4%	46.0%	17.1%
Total OCF (core)	**21.4%**	**16.8%**	**17.4%**	**-46.2%**	**-17.5%**	**-3.9%**	**14.6%**	**40.1%**	**11.9%**	**-21.4%**	**-29.3%**	**-42.0%**	**-51.6%**	**-40.2%**	**41.6%**
Media OCF growth	23.3%	7.9%	5.9%	-41.6%	-45.9%	-33.5%	13.3%	44.6%	-2.5%	-94.3%	-66.2%	-61.4%	-64.3%	-67.4%	79.1%
AT&S OCF growth	NM	NM	NM	-73.8%	NM	NM	22.0%	13.5%	NM	NM	66.6%	62.5%	46.1%	76.3%	11.9%
Corporate expense	-0.9%	18.6%	49.7%	1.8%	16.6%	-10.2%	-47.9%	-48.1%	-25.4%	-36.4%	-41.0%	0.0%	0.0%	-23.7%	3.0%
Cash corporate expense	-2.0%	11.3%	31.7%	2.9%	3.4%	-8.2%	-47.3%	-39.5%	-23.9%	-27.2%	-41.8%	18.5%	-45.2%	-27.7%	3.4%
Adjusted EBITDA (core)	**46.6%**	**47.4%**	**19.6%**	**-45.8%**	**-65.2%**	**-26.3%**	**6.4%**	**19.7%**	**-14.1%**	**-51.8%**	**-53.6%**	**-63.3%**	**-46.4%**	**-53.5%**	**66.2%**
Pro forma adjusted EBITDA	**46.6%**	**45.7%**	**17.1%**	**-44.1%**	**-21.5%**	**77.4%**	**83.0%**	**126.9%**	**73.9%**	**-51.8%**	**-53.5%**	**-62.6%**	**-47.0%**	**-53.5%**	**66.2%**
Non-cash compensation expense	17.1%	87.2%	108.8%	18.3%	34.4%	-29.1%	-47.6%	-78.6%	-37.6%	-52.0%	-36.6%	-36.3%	NM	-8.1%	2.0%
D & A	3.8%	29.7%	14.6%	9.0%	-26.8%	-32.0%	-47.2%	-50.8%	-39.9%	-26.6%	-31.6%	-11.2%	0.5%	-18.3%	10.5%
Operating income	88.3%	50.0%	6.5%	-100.0%	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Pretax income	NM	NM	-42.3%	NM	NM	NM	88.1%	NM	NM	NM	NM	NM	NM	NM	NM
Net income pre-extra.	NM	NM	-40.3%	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
EPS, Continuing Operations	NM	NM	-41.7%	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
EPS - diluted	**NM**	**NM**	**-40.2%**	**NM**	**NM**	**NM**	**NM**	**NM**	**NM**	**NM**	**NM**	**NM**	**NM**	**NM**	**NM**
FCF/share	NM	78.4%	-16.5%	-89.5%	NM	-100.0%	100.0%	NM	NM	NM	NM	-100.0%	-34.5%	-65.7%	91.7%
EPS shares - Diluted	-1.0%	4.4%	-0.2%	0.2%	-0.3%	3.3%	0.1%	2.2%	2.2%	1.6%	0.3%	1.7%	2.4%	1.8%	1.6%

Source: Industry Capital Research estimates and company data

Industry Capital Research

Figure 15: DCF analysis supports our $2.00 price target

Entravision DCF analysis

$ in millions except per share amounts

	Current	YE 2025	YE 2026
Firm Value	268	192	181
(-) Total Net Debt	108	99	96
(+) Hidden Value (inc. NOLs)	85	85	85
(-) Options (Claims on Entravisior	0.0	0.0	0.0
Common Equity Value	245.6	178.0	170.0
Shares Outstanding	91.0	93.5	96.0
Projected Dividends		$0.10	$0.30
Current Share Price	$2.00	$2.00	$2.00
Value Per Share		$2.00	$2.07
12-month	$2.00		
12-month (SoTP)	*$2.50*		

ASSUMPTIONS

Risk Free Rate	4.08%
Equity Premium	3.77%
Assumed LT Growth Rate (g)	0%
MV of Equity Calculation	
Share Price	$2.00
Outstanding Shares	91.0
MV of Equity	**182.0**
Estimate MV of Debt Calculation	
Interest Expense	6.9
Current Cost of Debt	6.0%
Wgtd Avg Maturity of Debt	
BV of Debt	107.8
Estimate MV of Debt	**107.8**

CAGRs	2018-22	2020-24	2022-26	2024-28	2026-30	2029-30
EBITDA	18%	-5%	-23%	-3%	-6%	49%
FCF to Firm	44%	-9%	-26%	-5%	4%	175%

CAGRs	2019-23	2021-25	2023-27	2025-29
EBITDA	10%	-29%	-18%	-3%
FCF to Firm	NM	-30%	-30%	-5%

Discounted Cash Flow					2023	2024	2025	2026	2027	2028	2029	2030	Terminal	
EBITDA					59.4	49.7	23.0	38.2	27.5	44.9	20.2	30.2		
EBIT					31.4	32.9	9.3	23.1	11.5	27.7	3.0	12.5	7.8	
Less Cash Taxes					(9.4)	(9.9)	(2.8)	(6.9)	(3.4)	(8.3)	(0.9)	(3.8)	(2.7)	
Plus D&A					28.0	16.8	13.7	15.2	16.0	17.2	17.2	17.7	17.7	
Less Cap Ex					(27.3)	(7.0)	(7.5)	(7.9)	(8.3)	(8.7)	(9.1)	(9.6)	(17.7)	
Less Increase in WC					36.6	(1.5)	(1.5)	(1.9)	(1.5)	(2.2)	(1.2)	8.0	3.4	
Free Cash Flow to Firm					**59.3**	**31.3**	**11.3**	**21.6**	**14.2**	**25.7**	**9.0**	**24.9**	**8.5**	
Tax Rate					30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	35.0%	
Net Debt	108													
Leverage Mult.	1.8x													
D/Equity	59%													
D/EV	37%													
E/EV	63%													
Unlevered Beta	0.41													
Levered Beta	0.52													
D/Equity (long-term target)	39%													
Cost of Debt (AT)	4.2%													
Cost of Equity	6.0%													
WACC	**5.5%**	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%		
PV of CF														
							10.7	19.4	12.1	20.7	6.9	18.0		
								20.5	12.8	21.8	7.3	19.0		
									13.5	23.0	7.7	20.1		
													153.4	4x EBITDA

	Current	YE 2025	YE 2026
Sum of PV	**163.1**	**81.3**	**64.2**
PV of Terminal Value	**105.3**	**111.1**	**117.2**
NPV of all CF	**268.4**	**192.4**	**181.5**

Source: Industry Capital Research estimates and company data

APPENDIX

Additional information relative to securities, other financial products or issuers discussed in this report is available upon request.

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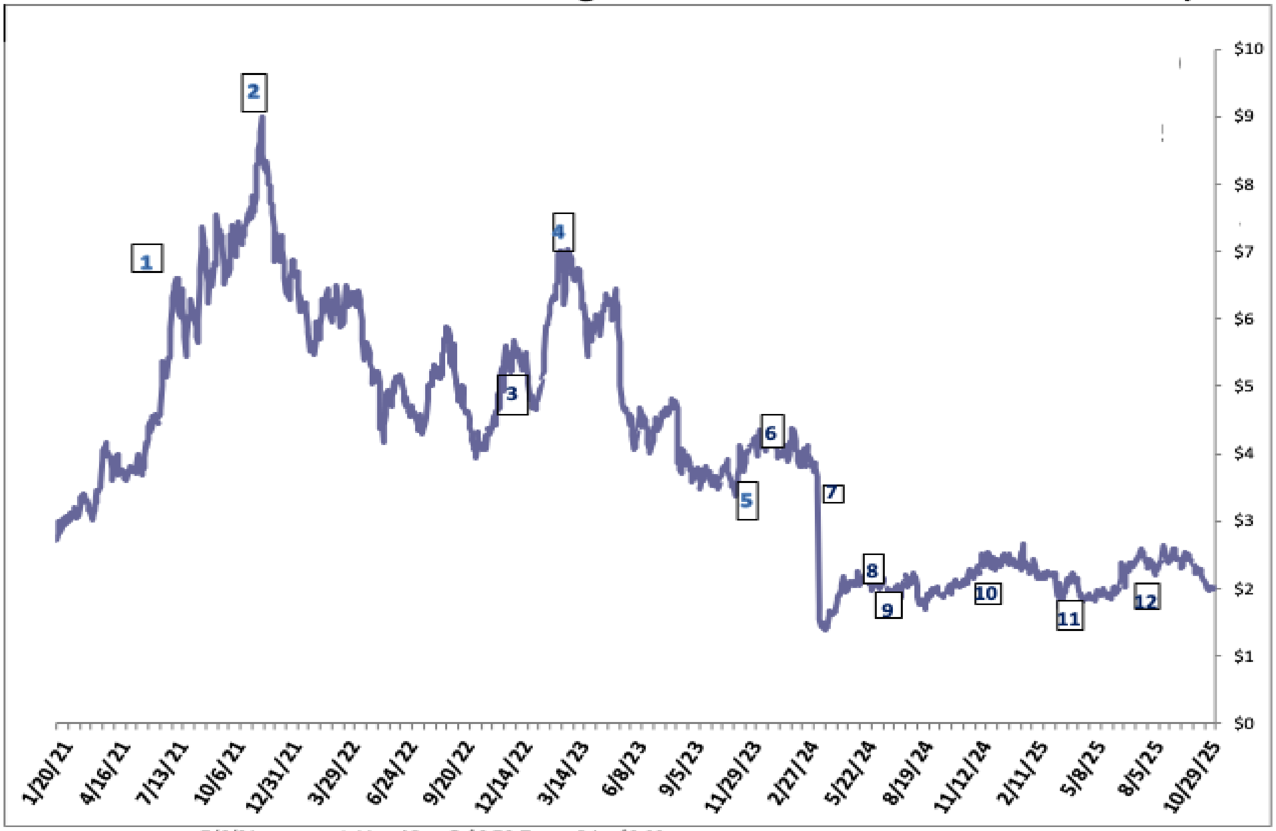
The author, Director of Research at Industry Capital Research, is a CFA® charterholder who has 18 years of experience as an analyst at U.S. broker-dealers covering the media sector, was rated #2 Stock Picker in U.S. Media for 2016 by Thomson Reuters, holds a BA (Economics) and MBA from the University of Chicago and a JD from the University of Virginia, and is a member of the Beta Gamma Sigma and Phi Beta Kappa honor societies.

Historical Recommendations and Target Prices: Entravision Communications (ticker: EVC)



1	7/6/21	Initiated Buy @ $6.76, Target Price $9.00
2	11/5/21	Reaffirmed Buy @ $8.83, Target Price $10.50
3	11/3/22	Reaffirmed Buy @ $4.69, Target Price $7.00
4	1/27/23	Reaffirmed Buy @ $6.33, Target Price $7.50
5	11/3/23	Reaffirmed Buy @ $3.81, Target Price $4.50
6	11/8/23	Downgraded to Hold @ $3.97, Target Price $4.00
7	3/6/24	Reaffirmed Hold @ $3.57, Target Price $1.50
8	4/11/24	Coverage Suspended @ $2.18
9	4/26/24	Coverage Resumed with Hold @ $2.10, Target Price $2.00
10	11/1/24	Reaffirmed Hold @ $2.32, Target Price $2.50
11	3/11/25	Reaffirmed Hold @ $1.80, Target Price $2.00
12	7/30/25	Reaffirmed Hold @ $2.36, Target Price $2.50

Ratings Definitions

BUY: total return expected is >15% over a 12-month period

HOLD: total return expected is between 15% and -15% over a 12-month period

SELL: total return expected is <-15% over a 12-month period

The target prices of shares mentioned in the accompanying text are based on the assumed investment horizon of 12 months. If company notes are published on these shares in the future, the target prices mentioned in the subsequent notes will have priority.

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