

Entravision Communications Corporation (EVC)

4Q Preview: PT to \$3 on AT&S Surge; Concentration & Media Risks Cap Upside; HOLD

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With results set for March 5 AMC, we raise our 2026 estimates and our PT to \$3.00 from \$2.00, while looking for an update on 2026 drivers like political advertising and Smadex. The webinar will be at 5:00pm ET, at investor.entravision.com. Our rating stays Hold.

Our 2025/26 adjusted EBITDA estimates go to \$19m/45m from \$23m/38m, assuming continuing 2026 lift from major new customer at Smadex. See Fig. 2. After the big 3Q beat and guide above our 4Q estimates, our 2025/26 Advertising Technology & Services (“AT&S”) segment revenue and OCF estimates step up. See Fig. 3 & 7. On 3Q call color, we assume AT&S results in 4Q similar to 3Q’s. Aside from updating for 3Q, our primary forecast changes are: 1) raising our 2025 and 2026 revenue and OCF estimates for higher AT&S, partially offset by lower Media segment estimates (see Fig. 3), 2) increasing our out-year EBITDA growth estimates on boost from AT&S growth (see Fig. 8), and 3) updating the WACC estimates in our DCF for macro inputs (see Fig. 8). Pro forma net debt has been steady, at \$105.6m at 9/30, but estimated leverage has ticked up to 3.3x on falling LTM EBITDA, and short-term maturities rose to \$20m at 9/30/25 from \$5m at 6/30, reflecting liquidity leash tightened by amended credit agreement.

EVC’s higher trading range from AT&S step-up faces upper bound from digital valuation sanity check and Media segment mess. Smadex delivered a monster quarter in 3Q, but justifying the ~\$75m valuation surge that EVC saw post-3Q with a single customer-driven step-up could be a gateway to investors’ smoking their own supply. Although we see a bull case with healthy valuation upside, where AT&S continues to gain share of wallet, Smadex also faces customer concentration risk, a history of volatility, and continuing competition with larger peers. At Media, in 3Q25, revenue dropped to \$44.5m, down 22% from \$57.2m in 3Q21, at the same point in the last political cycle. Meanwhile Media opex was \$40.2m in 3Q25, up 26% from \$31.9m in 3Q21. Those trends draw a death cross, punctuated by an astonishing 3Q25 Media OCF loss, and on the call management conceded the obvious, namely that it had to improve Media operating performance. As bad as current trends are, they could get worse if, come 2027, the economics of a new Univision TV network affiliation agreement—or lack thereof—delivers a hammer blow on top of secular challenges to TV broadcast and demographic challenges to U.S. Hispanic advertising. To top it off, EVC’s prior landlord in Santa Monica claims \$31m in damages in ongoing litigation.

3Q recap—EBITDA beat a bit; AT&S step-up offset Media bust. See Fig. 4. Adj. EBITDA was \$5.8m (4.0% margin) vs. our \$5.5m (5.2% margin) estimate. Revenue growth was -26% for Media and +104% for AT&S vs. our -17% and +54% estimates, respectively. OCF margins missed at Media (-1.6% vs. 11.6%), but beat at AT&S (13.2% vs. 7.8%). Corporate expense was \$6.3m vs. our \$6.9m estimate. EPS loss of \$0.11 beat our \$0.20 loss estimate on income taxes. Reported free cash flow of \$7.1m was down from \$9.3m last year, and YTD was a loss of \$5.2m vs. \$55.0m last year.

Our 12-month price target is \$3.00; 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 2/26/26 (USD)			3.18
Price Target			3.00
52-week range			1.58 - 3.44
Performance (%)	1m	3m	12m
Absolute	1	12	43
S&P 500	-1	1	16
Market Cap (USDm)			289.3
Shares outstanding (m)			91.0
Float (%)			90
Average volume			257,019
S&P 500			6,908.9
Forecasts and ratios			
Year ended 12/31	2024A	2025E	2026E
1Q EPS (USD)	-0.55	-0.53	0.07
2Q EPS (USD)	-0.35	-0.04	0.01
3Q EPS (USD)	-0.13	-0.11	0.07
4Q EPS (USD)	-0.62	0.33	-0.08
FY EPS (USD)	-1.66	-0.33	0.06
% Change	NM	NM	NM
P/E (x)	NM	NM	51.1
EV/EBITDA (x)	6.3	16.6	6.8
Revenue (USDm)	364.9	431.2	515.7
% Change	23%	18%	20%

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Investment Thesis and Valuation: Hold With \$3.00 Price Target

We rate Hold the shares of EVC. Despite 1) a digital business posting impressive growth, 2) 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, and reasonable pro forma net debt leverage of ~3x EBITDA, and 3) potential monetization from future spectrum auctions (as in 2017), EVC shares nevertheless face 4) rising risk of digital business volatility, 5) audience declines at its U.S. broadcast business, and 6) dependence on and potentially increasing competition with its primary network programming supplier TelevisaUnivision, whose network affiliation agreement expires at the end of 2026. Our valuation supports stock price performance over the next 12 months consistent with a Hold rating.

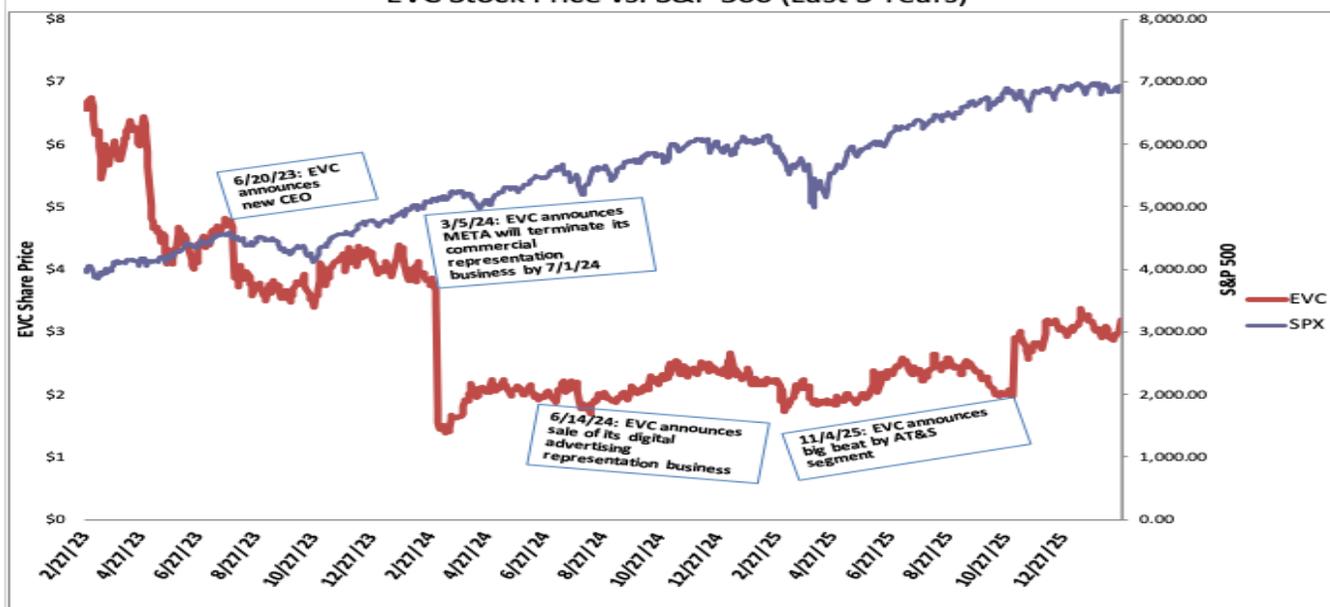
Our 12-month price target is a weighted average of projected equity valuations using a discounted cash flow (DCF) analysis at year-end 2025 and 2026, plus an estimated value for spectrum assets the sale of which would be immaterial to continuing EVC's broadcast operations. See Fig. 15. Our PT assumes a base case forecast with 2025/26 adjusted EBITDA pro forma for asset sales of \$19m/\$45m, and \$85m for spectrum asset value, resulting in a target valuation of \$3.00. 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 customer concentration and 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: \$3.00	
ENTERPRISE VALUE		COMPANY CHARACTERISTICS AND INVESTMENT THESIS	
Price per share	\$3.18	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."
Diluted shares outstanding	91.0	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
Equity market capitalization	289	Est. acquisition capacity	\$0
+Pro forma net debt	106	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).
-Hidden value	85	Positives	<ul style="list-style-type: none"> * High growth of its demand side platform business, 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
=Pro forma EV	\$310	Risks	<ul style="list-style-type: none"> * 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
OPERATING PROJECTIONS		Valuation	Attributing firm value primarily to digital business and U.S. broadcast spectrum assets
Pro forma net revenue		Recent events	November 2025 - big AT&S segment beat driven by new Smadex customer. July 2025 - amended credit agreement. June 2024 - sale of digital media representation business. March 2024 - META informed EVC that it would wind down EVC's representation of META 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.
2025	\$431	Upcoming potential catalysts	Exposure of advertising business to changes in macroeconomic growth , both in U.S. and internationally - Changes in capital return/allocation
2024	365		
% Chg	18.1%		
Pro forma EBITDA			
2025	\$19		
2024	50		
% Chg	-62.3%		
Pro forma EBITDA margin			
2025	4.3%		
2024	13.6%		
Free cash flow per share			
2025	\$0.09		
2024	\$0.35		
% Chg	-74.3%		
Est. 3-5 yr FCF Growth rate	0%		
VALUATION AND LEVERAGE			
Pro forma EV/EBITDA			
2025	16.6x		
2024	6.3x		
Price / Free cash flow per share			
2025	35.3x		
2024	9.1x		
Pro forma net debt / EBITDA			
2025	5.7x		
2024	2.1x		
Dividend yield			
2025	6.3%		
2024	6.3%		

EVC Stock Price vs. S&P 500 (Last 3 Years)



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

More on Our Outlook and Valuation

Figure 2: Our 2025/2026 EBITDA estimates assume continuing lift in 2026 from new AT&S customer

Entravision Communications (NYSE: EVC)							
Summary of Annual Estimates							
In millions, except per share data							
	Last Yr	Estimates			YoY %CHG		
		Prior	Chg	Current	Prior	Chg	Current
2025E							
Pro Forma *							
Revenue	364.9	403.6	27.6	431.2	10.6%	7.6%	18.1%
Op expense	315.4	380.6	31.9	412.5	20.7%	10.1%	30.8%
Adjusted EBITDA	49.5	23.0	(4.3)	18.7	-53.5%	-8.8%	-62.3%
Margin	13.6%	5.7%	-1.4%	4.3%			
As Reported							
Revenue	364.9	403.6	27.6	431.2	10.6%	7.6%	18.1%
Op expense	315.4	380.5	32.0	412.5	20.6%	10.1%	30.8%
Adjusted EBITDA	49.5	23.0	(4.3)	18.7	-53.5%	-8.8%	-62.3%
Margin	13.6%	5.7%	-1.4%	4.3%			
Pro forma EPS	(\$0.58)	(\$0.30)	(\$0.03)	(\$0.33)	-48.3%	5.2%	-43.1%
Cash FCF/sh	\$0.35	\$0.12	(\$0.03)	\$0.09	-65.7%	-8.6%	-74.3%
2026E							
Pro Forma *							
Revenue	431.2	456.3	59.3	515.7	5.8%	13.8%	19.6%
Op expense	412.5	418.1	52.2	470.3	1.4%	12.7%	14.0%
Adjusted EBITDA	18.7	38.2	7.1	45.3	104.8%	38.1%	142.9%
Margin	4.3%	8.4%	0.4%	8.8%			
As Reported							
Revenue	431.2	456.3	59.3	515.7	5.8%	13.8%	19.6%
Op expense	412.5	418.1	52.2	470.3	1.4%	12.7%	14.0%
Adjusted EBITDA	18.7	38.2	7.1	45.3	104.8%	38.1%	142.9%
Margin	4.3%	8.4%	0.4%	8.8%			
Pro forma EPS	(\$0.33)	(\$0.07)	\$0.13	\$0.06	-78.8%	-39.4%	-118.2%
Cash FCF/sh	\$0.09	\$0.23	\$0.06	\$0.29	155.6%	NM	NM

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

Our 2025 adjusted EBITDA estimate drops to \$19m from \$23m, as lower Media OCF outweighs higher AT&S OCF. See Fig. 2 and 3. At the Media segment, after core broadcast advertising's big miss in 3Q, we now assume that a choppy national ad market left it negative, although less so, in 4Q, and in fact assume a decline like 4Q23's, the last non-election year. See Fig. 9. The loss of 4Q24's political ad windfall should aggravate the overall ad decline, so that our 4Q broadcast advertising estimate drops to \$21.7m from \$31.3m. We assume that Media OCF margin compression was similar in 4Q to 3Q, as expense reductions instituted in 2H helped to offset the loss of high-margin political advertising. On the 3Q conference call, management explained its Media strategy as acting on an opportunity it saw to increase revenue by adding sales capacity; however, with national advertising down and local advertising

flat in 3Q, we wonder where the payoff is. Management also highlighted efforts to expand work serving the digital advertising needs of their existing broadcast customers, but this approach of acting as a sort of agency to broadcast clients is not new.

Figure 3: For our 2025/26 estimates, big AT&S increases are substantially offset by cuts at ailing Media segment

Entravision Communications (NYSE: EVC)							
Summary of New Segment Annual Estimates							
In millions, except per share data							
	Last Yr	Estimates			YoY %CHG		
		Old	Chg	Current	Old	Chg	Current
2025E							
Media Revenue	222.1	187.7	(14.5)	173.2	-15.5%	-6.5%	-22.0%
Media Opex	170.5	170.9	(1.4)	169.5	0.2%	-0.8%	-0.6%
Media OCF	51.6	16.8	(13.1)	3.7	-67.4%	-25.4%	-92.8%
Margin	23.2%	9.0%	▼	2.1%			
AT&S Revenue	142.9	215.9	42.1	258.0	51.1%	29.5%	80.6%
AT&S Opex	130.9	194.7	31.1	225.8	48.8%	23.8%	72.6%
AT&S OCF	12.0	21.2	11.0	32.2	76.3%	91.1%	167.5%
Margin	8.4%	9.8%	▲	12.5%			
Total Revenue	364.9	403.6	27.6	431.2	10.6%	7.6%	18.1%
Total Opex	301.3	365.5	29.7	395.3	21.3%	9.9%	31.2%
Total OCF	63.6	38.0	(2.1)	35.9	-40.2%	-3.3%	-43.6%
Margin	17.4%	9.4%	-1.1%	8.3%			
2026E							
Media Revenue	173.2	206.9	(14.2)	192.7	19.5%	-8.2%	11.3%
Media Opex	169.5	176.8	(5.2)	171.6	4.4%	-3.1%	1.3%
Media OCF	3.7	30.1	(9.0)	21.1	NM	NM	NM
Margin	2.1%	14.5%	▲	10.9%			
AT&S Revenue	258.0	249.4	73.6	323.0	-3.3%	28.5%	25.2%
AT&S Opex	225.8	225.7	55.2	280.8	-0.1%	24.4%	24.4%
AT&S OCF	32.2	23.8	18.4	42.2	-26.2%	57.2%	31.0%
Margin	12.5%	9.5%	▲	13.1%			
Total Revenue	431.2	456.3	59.3	515.7	5.8%	13.8%	19.6%
Total Opex	395.3	402.5	50.0	452.5	1.8%	12.6%	14.5%
Total OCF	35.9	53.8	9.4	63.2	50.0%	26.1%	76.0%
Margin	8.3%	11.8%	0.5%	12.3%			

* pro forma reflects announced acquisitions and dispositions

Source: Company reports, FactSet, Industry Capital Research estimates

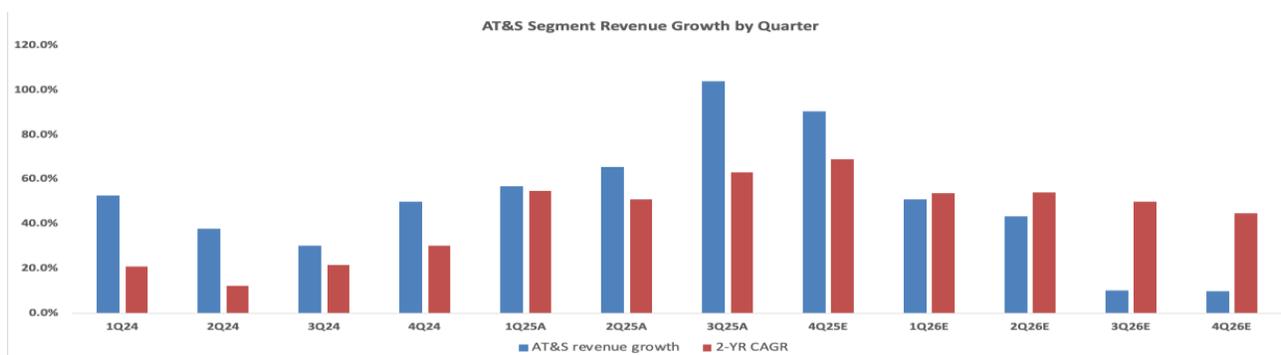
At the AT&S segment, our 4Q revenue and OCF estimates rise to reflect 3Q call commentary that segment results would look like 3Q's. See Fig. 11. We assume that AT&S revenue growth remained strong but decelerated slightly on a sequential basis. With the step up from Smadex's big new customer, we raise our full-year AT&S OCF margin estimate to 12.5% from 9.8%, well above the prior full-year high posted in 2022 of 8.6%. See Fig. 3. In its 3Q 10-Q, EVC disclosed that its largest ad customer now accounts for 9% of total EVC revenue. Whether or not related to Smadex's growth surge, on 10/1, EVC entered into a consulting agreement with board member (since 2023) Brad Bender, who has prior experience at Google Ads. Historically, most of Smadex business has been direct to enterprise clients, not SMBs.

Figure 4: We now assume 4Q EBITDA was like 3Q's, reflecting dominance of AT&S contribution

Entravision Communications Summary of Quarterly Estimates							
In millions, except per share data							
	Last Yr	E	Results		E	YoY %CHG	
			Beat/Miss	A		Beat/Miss	A
3Q25A							
As Reported							
Revenue	97.2	107.0	\$13.6	120.6	10.1%	14.0%	24.2%
Op Expense	82.1	101.4	13.4	114.9	23.6%	16.3%	40.0%
Adjusted EBITDA	15.1	5.5	0.2	5.8	-63.3%	1.5%	-61.7%
Margin	15.5%	5.2%	-0.4%	4.8%			
EPS - Continuing Operations	(\$0.12)	(\$0.20)	+\$0.09	(\$0.11)	66.7%	-75.0%	-8.3%
	Last Yr	Prior	Estimates		Prior	YoY %CHG	
			Chg	Current		Chg	Current
4Q25E							
As Reported							
Revenue	\$107.0	\$104.0	\$14.0	\$118.0	-2.8%	13.1%	10.3%
Op Expense	87.5	93.6	18.5	112.1	6.9%	21.2%	28.1%
Adjusted EBITDA	19.4	10.4	(4.6)	5.8	-46.4%	-23.5%	-69.9%
Margin	18.2%	10.0%	-5.1%	5.0%			
EPS - Continuing Operations	(\$0.62)	\$0.45	(\$-0.12)	\$0.33	-172.6%	19.4%	-153.2%

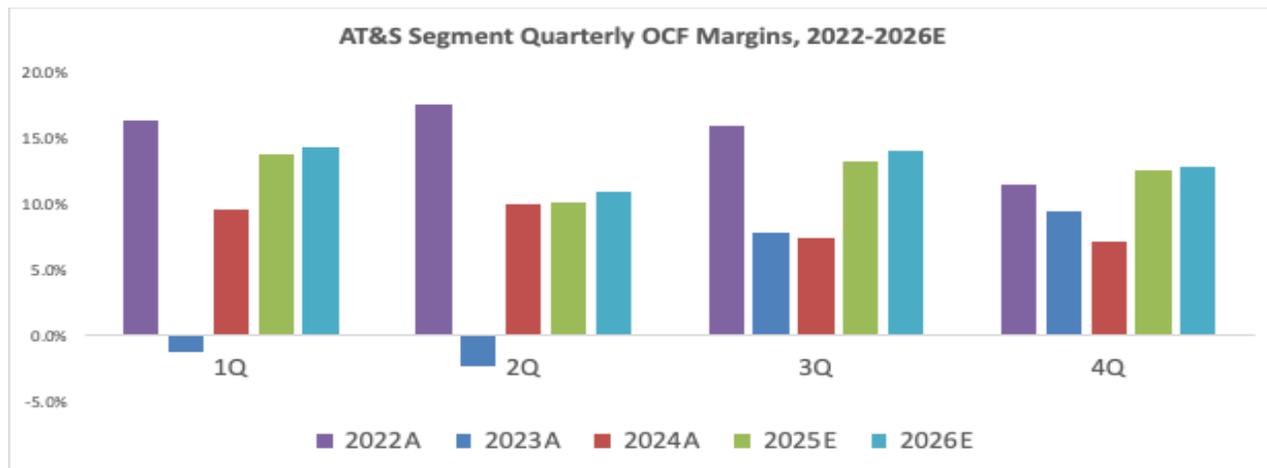
* pro forma reflects announced acquisitions and dispositions
Source: Company reports, Industry Capital Research estimates

Figure 5: We now assume that AT&S revenue 2-year CAGR peaks in 4Q25



Source: Industry Capital Research estimates and company data

Figure 6: We assume that AT&S OCF margin step-up continues from 3Q to 4Q and that AT&S margins expand in 2026



Source: Industry Capital Research estimates and company data

Figure 7: For our 4Q estimates, the cut to Media OCF offsets the increase in AT&S OCF, just as Media OCF miss offset AT&S beat in 3Q

Entravision Communications (NYSE: EVC)							
Summary of Segment Quarterly Estimates							
In millions, except per share data							
	Last Yr	Old	Estimates		YoY %CHG		
			Chg	Current	Old	Chg	Current
3Q25E							
Media Revenue	59.8	49.5	(5.0)	44.5	-17.2%	-8.4%	-25.6%
Media Opex	44.9	43.8	1.4	45.2	-2.6%	3.2%	0.6%
Media OCF	14.9	5.7	(6.4)	(0.7)	-61.4%	-43.4%	-104.7%
Margin	24.9%	11.6%	-13.2%	-1.6%			
AT&S Revenue	37.4	57.5	18.7	76.1	53.8%	50.0%	103.8%
AT&S Opex	34.6	53.0	13.1	66.1	53.1%	37.8%	90.9%
AT&S OCF	2.8	4.5	5.6	10.1	62.5%	NM	NM
Margin	7.4%	7.8%	5.4%	13.2%			
Total Revenue	97.2	107.0	13.6	120.6	10.1%	14.0%	24.2%
Total Opex	79.5	96.8	14.5	111.3	21.7%	18.2%	39.9%
Total OCF	17.6	10.2	(0.9)	9.4	-42.0%	-4.9%	-46.8%
Margin	18.1%	9.6%	-1.8%	7.8%			
4Q25E							
Media Revenue	67.3	51.8	(9.5)	42.3	-23.0%	-14.1%	-37.1%
Media Opex	45.6	44.0	(2.8)	41.2	-3.4%	-6.2%	-9.7%
Media OCF	21.7	7.7	(6.6)	1.1	-64.3%	-30.6%	-94.9%
Margin	32.2%	15.0%	-12.3%	2.6%			
AT&S Revenue	39.7	52.2	23.4	75.7	31.5%	59.0%	90.6%
AT&S Opex	36.9	48.1	18.1	66.2	30.4%	49.0%	79.4%
AT&S OCF	2.8	4.1	5.4	9.5	46.1%	NM	NM
Margin	7.1%	7.9%	4.7%	12.6%			
Total Revenue	107.0	104.0	14.0	118.0	-2.8%	13.1%	10.3%
Total Opex	82.5	92.1	15.2	107.3	11.7%	18.5%	30.2%
Total OCF	24.5	11.9	(1.3)	10.6	-51.6%	-5.1%	-56.7%
Margin	22.9%	11.4%	-2.4%	9.0%			

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

We summarize our long-term forecast assumptions in Fig. 8. For the Media segment, we assume that retransmission revenue continues to decline in 2026, but that EVC completes its plan to renew its Univision affiliation agreement that expires at the end of the year.

We currently assume political advertising will be similar in 2026 to the 2022 level of \$32m. At a broad level, this is shaping up to be a strong political advertising year, given the prospects for the Democrats to take control of the House and even the Senate, and the emergence of the Hispanic vote—which shifted perceptibly toward the Republicans in 2024—as an important potential swing factor. EVC’s broadcast footprint could benefit especially from spending in Arizona (especially Phoenix), Colorado (especially Denver) and Texas (Rio Grande Valley). However, we see some risk to EVC’s political ad growth from Nevada, which we estimate accounted for over half of EVC’s TV political advertising in 2022. In 2022, there were a couple of toss-up House races that overlapped with EVC stations in Las Vegas and Reno, and these races at present do not look to be as competitive (per Cook, for example).

Given the impact of the political advertising cycle, we track Media segment revenue and OCF margins by odd years and even years.

- Media revenue growth sequence by odd year is now -22% for 2025, -18% for 2027, and -19% for 2029.

- Broadcast ad core growth sequence by odd year is now -10% for 2025, -1% for 2027, and 3% for 2029.
- Media OCF margin sequence by odd year is now 2% for 2025, 6% for 2027, and 4% for 2029, a reset down from 20s-30s in 2023 and prior.
- Media revenue growth sequence by even year is now 13% for 2024, 11% for 2026, 11% for 2028 and 12% for 2030.
- Broadcast ad core growth sequence by even year is now -13% for 2024, -9% for 2026, -18% for 2028, and -22% for 2030.
- Media OCF margin sequence by even year is now 11% for 2026, 11% for 2028, and 12% for 2030, a reset down from 20s-30s in 2024 and prior.

For the AT&S segment, we assume that the 3Q25 revenue step-up holds, while AT&S margins compress ~200bps in the out years to reflect the negotiating leverage of a concentrated customer base. We completed, but are not presenting here separately, scenario analyses using our DCF model, looking at 1) a bull case where AT&S continues to scale as a differentiated global mobile DSP with another 20% revenue upside on increased wallet share of large new customers and an OCF margin lift of 300-400bps, and 2) a bear case where Smadex’s big new customer rolls off after a year, reversing the estimated AT&S revenue and margin step-up seen in 3Q25.

Figure 8: DCF-based valuation range rises and widens 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)															
CAGRs	2024		DCF Valuation		EBITDA CAGRs						Risk-Free Rate	Equity Premium	WACC-EVC	WACC-EVC-ID	WACC-EVC-B
	Rev	EBITDA	SoTP	Firm	2021-25	2022-26	2023-27	2024-28	2025-29	2026-30					
Pre-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%
Post-Changes	364.9	49.5	\$2.00	\$3.00	-32%	-19%	-15%	-15%	10%	-3%	4.0%	4.2%	5.6%	8.8%	6.5%
Delta	0.0	0.0	(\$0.50)	\$1.00	-3.6%	3.4%	2.1%	2.1%	13.0%	3.2%	-0.1%	0.4%	0.1%	0.3%	0.2%
Memo:															
Digital OCF					-3%	-2%	4%	31%	9%	1%					

Source: Company data and Industry Capital Research estimates

The upshot of our scenario analyses is no change from our base case valuation. We assume that our base case is more probable than not (i.e., over 50% chance), and that the bear case is slightly more probable (i.e., ~25% chance) than the bull case (i.e., ~20% chance). The valuation upside in our bull case would be roughly \$2.00 per share, slightly more than the roughly \$1.50 per share downside in our bear case.

For our valuation, our updates for interest rates and equity risk premium slightly increase the WACC estimates in our DCF valuation. See Fig. 8. Over the past quarter, although interest rates have been steady, the equity risk premium has increased, creating a small headwind for valuation.

Our current estimated 2025 EV/EBITDA for EVC’s AT&S segment is ~20x; similar multiples for much larger publicly traded peers are in the range of 47x for AppLovin (APP) and 30x for The Trade Desk (TTD). For our AT&S EV/EBITDA estimate, we allocate 70% of EVC’s corporate expense to the AT&S segment. In our scenarios, our estimated AT&S 2025 EV/EBITDA would be roughly 33x in our bull case and 15x in our bear case.

Smadex is smoking, but investors should avoid smoking something. After 3Q results, EVC’s trading range jumped by roughly \$75m in equity market cap. The AT&S beat—driven by Smadex and its big new customer—was the primary plausible explanation. Entravision paid \$3.5m for Smadex in 2018, when Smadex generated \$6.4m of revenue on \$5.8m of expense. Since then, Smadex’s DSP has benefited from its improving tech and its focus on mobile ad inventory in particular. Per EVC’s 3Q25 10-Q, revenue from EVC’s largest advertiser represented 9% of the EVC’s total revenue. We estimate a \$45-50m annualized revenue impact from Smadex’s new business. With this revenue comes increased customer concentration risk. Smadex has had periods where a large chunk of its customer base has come from demanding sectors such as gaming, which can put pressure on a DSP’s take rates and margins. Smadex’s growth slipped into reverse in 2023 on the loss of fintech and crypto business. All of which is to say that we, and investors, should be mindful of the potential in Smadex’s business for high volatility to go along with its high growth.

Figure 9: Media Segment revenue drivers

In millions															
MEDIA SEGMENT	2020A	2021A	2022A	2023A	1Q24	2Q24	3Q24	4Q24	2024A	1Q25A	2Q25A	3Q25A	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	\$44.5	\$42.3	\$173.2	\$192.7
Media revenue growth	0.4%	5.4%	2.4%	-14.7%	-1.4%	-0.4%	22.7%	29.1%	12.9%	-10.5%	-7.8%	-25.6%	-37.1%	-22.0%	11.3%
Media non-recurring items:															
Broadcast advertising	152.7	154.3	161.7	124.7	27.8	29.9	40.0	45.8	143.5	24.1	26.6	25.5	21.7	98.0	120.6
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 advertising	152.7	154.3	161.7	124.7	27.8	29.9	40.0	45.8	143.5	24.1	26.6	25.5	21.7	98.0	120.6
Media revenue ex advertising	61.0	70.9	69.0	72.0	17.9	19.4	19.8	21.4	78.5	16.9	18.8	19.0	20.6	75.2	72.1
Growth ex Advertising	-5.9%	16.3%	-2.7%	4.3%	6.7%	5.0%	10.3%	14.2%	9.1%	-5.9%	-3.1%	-4.0%	-4.0%	-4.2%	-4.2%
Retransmission Consent	36.8	37.0	36.0	36.6	9.2	8.8	8.0	7.9	33.9	8.1	7.7	7.4	7.2	30.4	26.5
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	7.4	7.2	30.4	26.5
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	37.1	35.1	142.8	166.2
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%	-28.3%	-40.9%	-24.1%	16.4%
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	1.3	1.5	6.3	5.5
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	1.3	1.4	6.3	5.5
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	43.2	40.9	166.9	187.2
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%	-25.6%	-37.5%	-22.4%	12.1%
Other	5.8	7.3	5.3	4.7	1.2	1.3	1.5	2.9	6.9	1.1	1.3	1.2	2.7	6.4	6.2
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	2.9	6.9	1.1	1.3	1.2	2.7	6.4	6.2
Media revenue ex Other	207.8	217.9	225.4	192.0	44.6	48.0	58.3	64.3	215.1	39.9	44.1	43.3	39.6	166.8	186.5
Growth ex Other	1.5%	4.9%	3.4%	-14.8%	-1.6%	-0.8%	22.3%	26.8%	12.0%	-10.5%	-8.1%	-25.7%	-38.4%	-22.5%	11.8%
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	44.5	42.3	173.2	192.7
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%	-25.6%	-37.1%	-22.0%	11.3%
PF U.S. Digital revenue	12.9	20.4	21.6	22.6	5.8	7.6	8.5	8.9	30.8	5.9	7.9	9.1	9.2	32.2	33.8

In millions															
BROADCAST ADVERTISING	2020A	2021A	2022A	2023A	1Q24	2Q24	3Q24	4Q24	2024A	1Q25A	2Q25A	3Q25A	4Q25E	2025E	2026E
Broadcast Advertising PF Rev Growth	3.1%	-6.9%	4.8%	-22.9%	-6.0%	-3.6%	29.9%	37.5%	15.1%	-13.4%	-10.8%	-36.3%	-52.6%	-31.7%	23.1%
Reported Broadcast Advertising Revenue	\$152.7	\$154.3	\$161.7	\$124.7	\$27.8	\$29.9	\$40.0	\$45.8	\$143.5	\$24.1	\$26.6	\$25.5	\$21.7	\$98.0	\$120.6
Growth	3.1%	1.1%	4.8%	-22.9%	-6.0%	-3.6%	29.9%	37.5%	15.1%	-13.4%	-10.8%	-36.3%	-52.6%	-31.7%	23.1%
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	23.0	107.9	24.1	26.6	24.8	21.4	96.9	88.3
Growth ex Political	-16.2%	23.2%	-15.1%	-4.0%	-7.9%	-8.5%	-4.8%	-30.8%	-13.4%	-11.7%	-6.1%	-15.2%	-6.8%	-10.1%	-8.9%
Broadcast advertising revenue ex-all non-recurring	123.9	152.7	129.6	124.5	27.3	28.3	29.3	23.0	107.9	24.1	26.6	24.8	21.4	96.9	88.3
Broadcast ad revenue growth ex all non-recurring	-16.2%	23.2%	-15.1%	-4.0%	-7.9%	-8.5%	-4.8%	-30.8%	-13.4%	-11.7%	-6.1%	-15.2%	-6.8%	-10.1%	-8.9%
Broadcast ad rev grth ex all non-rec 2-yr CAGR		1.6%	2.3%	-9.7%	-4.3%	-5.8%	-4.4%	-19.9%	-8.8%	-9.8%	-7.3%	-10.1%	-19.7%	-11.8%	-9.5%

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	3Q25A	4Q25E	2025E	2026E
Legacy																
Revenue	\$68.9	\$54.1	\$70.6	\$103.7	\$113.1	\$34.3	\$38.9	\$41.3	\$43.5	\$157.9	\$52.4	\$61.1	\$80.3	\$77.6	\$271.5	\$337.4
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	48.8	46.9	164.3	203.3
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	22.4	22.8	80.1	94.4
OCF	(0.1)	(1.0)	6.5	14.3	4.4	1.7	3.4	2.1	2.9	10.1	5.3	4.8	9.1	7.9	27.0	39.7
Legacy Digital OCF Margin	-0.2%	-1.9%	9.2%	13.8%	3.9%	5.0%	8.7%	5.0%	6.7%	6.4%	10.0%	7.9%	11.3%	10.2%	10.0%	11.8%
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	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	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	48.6	173.7	56.8	63.3	85.1	84.8	289.9	356.8
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	51.0	50.2	172.6	212.0
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	23.6	24.2	83.6	99.4
Digital OCF	9.8	17.3	5.9	20.1	9.2	3.6	3.9	3.5	4.3	15.2	7.5	5.3	10.5	10.5	33.7	45.4
Digital segment as reported																
Digital revenue	68.9	143.3	557.2	747.1	932.7	38.2	41.1	45.9	48.6	173.7	56.8	63.3	85.1	84.8	289.9	356.8
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	51.0	50.2	172.6	212.0
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	23.6	24.2	83.6	99.4
Digital OCF	(0.1)	5.7	38.2	49.0	36.6	3.6	3.9	3.5	4.3	15.2	7.5	5.3	10.5	10.5	33.7	45.4
Digital OCF Margin	-0.2%	4.0%	6.8%	6.6%	3.9%	9.5%	9.4%	7.6%	8.9%	8.8%	13.1%	8.3%	12.3%	12.4%	11.6%	12.7%
Digital segment as reported, ex-divestitures																
Digital revenue	68.9	54.1	70.6	103.7	122.9	38.2	41.1	45.9	48.6	173.7	56.8	63.3	85.1	84.8	289.9	356.8
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	51.0	50.2	172.6	212.0
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	23.6	24.2	83.6	99.4
Digital OCF	(0.1)	(1.0)	6.5	14.3	7.4	3.6	3.9	3.5	4.3	15.2	7.5	5.2	10.5	10.5	33.7	45.4
Digital OCF Margin	-0.2%	-1.9%	9.2%	13.8%	6.0%	9.5%	9.4%	7.6%	8.9%	8.8%	13.1%	8.3%	12.3%	12.4%	11.6%	12.7%
U.S. Digital																
U.S. Digital revenue	8.2	12.9	20.4	21.6	22.6	5.8	7.6	8.5	8.9	30.8	5.9	7.9	8.9	9.2	31.9	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	4.7	5.0	4.6	17.5	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	13.7
U.S. Digital OCF	0.7	1.2	2.1	5.1	3.5	0.5	0.5	0.7	1.5	3.2	0.4	(0.3)	0.4	1.0	1.5	3.2
U.S. Digital OCF Margin	8.9%	9.5%	10.2%	23.6%	15.3%	9.0%	6.6%	8.3%	16.7%	10.4%	7.5%	-4.4%	4.3%	10.9%	4.6%	9.5%
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	76.1	75.7	258.0	323.0
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	46.0	45.6	155.1	195.1
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	20.1	20.6	70.7	85.7
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	10.1	9.5	32.2	42.2
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%	13.2%	12.6%	12.5%	13.1%
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	76.1	75.7	258.0	323.0
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	46.0	45.6	155.1	195.1
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	20.1	20.6	70.7	85.7
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	10.1	9.5	32.2	42.2
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%	13.2%	12.6%	12.5%	13.1%

Source: Company reports; Industry Capital Research estimates

Figure 11: Financial statement forecasts supporting our valuation

In millions, except per share data	2020A	2021A	2022A	2023A	1Q24	2Q24	3Q24	4Q24	2024A	1Q25A	2Q25A	3Q25A	4Q25E	2025E	2026E
AS REPORTED															
NEW SEGMENTS															
Net revenue:															
Media revenue	\$213.6	\$225.2	\$230.7	196.7	45.8	49.2	59.8	67.3	222.1	41.0	45.4	44.5	42.3	173.2	192.7
Seasonality					20.6%	22.2%	26.9%	30.3%		23.7%	26.2%	25.7%	24.4%		
AT&S revenue	41.2	50.2	97.2	100.3	32.4	33.4	37.4	39.7	142.9	50.9	55.3	76.1	75.7	258.0	323.0
Seasonality					22.7%	23.4%	26.1%	27.8%		19.7%	21.4%	29.5%	29.3%		
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	120.6	118.0	431.2	515.7
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	120.6	118.0	431.2	515.7
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	5.0	4.6	17.5	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%	11.3%	10.8%	10.1%	8.8%
AT&S	25.1	31.5	57.9	66.2	19.8	20.3	21.9	23.5	85.5	30.2	33.4	46.0	45.6	155.1	195.1
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%	60.4%	60.2%	60.1%	60.4%
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	51.0	50.2	172.6	212.0
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	51.0	50.2	172.6	212.0
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	40.2	36.6	152.0	154.7
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	20.081	20.6	70.7	85.7
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	60.3	57.2	222.6	240.4
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	60.3	57.2	222.6	240.4
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	(\$0.7)	\$1.1	3.7	21.1
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%	-1.6%	2.6%	2.1%	10.9%
Incremental Margin	1944.0%	53.8%	92.2%	110.8%	812.5%	2086.4%	15.8%	44.1%	-5.2%	123.9%	151.6%	101.8%	82.4%	97.9%	88.9%
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	10.1	9.5	32.2	42.2
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%	13.2%	12.6%	12.5%	13.1%
Incremental Margin	7.2%	74.2%	22.5%	-350.1%	30.0%	42.8%	5.7%	2.5%	19.0%	21.2%	10.2%	18.9%	18.6%	17.5%	15.3%
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	9.4	10.6	35.9	63.2
Margin	30.2%	32.7%	32.2%	19.1%	12.0%	14.7%	18.1%	22.9%	17.4%	8.0%	8.5%	7.8%	9.0%	8.3%	12.3%
Incremental Margin					-18.9%	-5.5%	11.4%	24.5%		-14.7%	-19.6%	-35.2%	-126.4%		
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	9.4	10.6	35.9	63.2
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%	7.8%	9.0%	8.3%	12.3%
Incremental Margin					-18.9%	-5.5%	11.4%	24.5%		-14.7%	-19.6%	-35.2%	-126.4%		
In millions, except per share data															
Corporate Expense	27.8	33.0	49.4	50.3	12.2	10.8	6.9	7.5	37.5	7.8	6.4	6.3	7.5	28.0	28.9
GAAP EBITDA	56.0	88.7	85.1	35.7	(2.9)	1.3	10.7	17.0	26.1	(0.4)	2.2	3.0	3.1	7.9	34.4
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	1.7	1.0	5.9	6.1
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)	(0.2)	(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	1.1	1.7	4.8	4.9
Non-recurring cash severance	1.7	0.4	4.3	0.9	0.0	3.1	1.7	4.8	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)	(1.1)	(1.6)	(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	0.1	(0.1)	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	5.8	5.8	18.7	45.3
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	5.8	5.8	18.7	45.3
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	(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	1Q23	2Q23	3Q23	4Q23	2023A	1Q24	2Q24	3Q24	4Q24	2024A	1Q25A	2Q25A	3Q25A	4Q25E	2025E	2026E
Memo: cash opex (core)	153.8	178.4	187.8	48.6	53.8	51.5	57.1	211.1	42.1	39.7	50.7	52.5	185.1	49.9	53.2	59.2	55.5	217.8	235.5
Memo: cash corporate expense	23.9	26.6	35.1	8.3	8.8	8.9	10.1	36.1	8.6	8.1	4.7	6.1	27.4	6.3	4.7	4.6	6.5	22.1	22.8
Memo: total non-cash comp	5.1	9.6	20.0	4.1	6.0	7.0	6.6	23.7	5.4	4.2	3.7	1.4	14.8	2.6	2.7	2.8	2.7	10.8	11.0
Memo: adj. EBITDA - (OCF - cash corporate)	0.6	(5.7)	7.0	2.7	2.1	1.8	1.2	7.7	3.7	6.4	2.2	1.0	13.4	1.1	1.1	1.0	1.7	4.8	4.9
Memo: PF EBITDA attributable to redeemable noncontrolling interest																			
D&A	17.3	22.4	25.7	6.5	6.5	7.4	7.7	28.0	4.7	4.4	3.9	3.8	16.8	3.5	3.0	3.1	3.5	13.2	15.5
D&A % of Revenue	5.0%	2.9%	2.7%	2.7%	2.4%	2.7%	2.4%	2.5%	6.1%	5.4%	4.0%	3.5%	4.6%	3.8%	3.0%	2.6%	3.0%	3.1%	3.0%
D&A % of Media Revenue	8.1%	10.0%	11.1%	13.9%	13.2%	15.1%	14.7%	14.2%	10.4%	9.0%	6.5%	5.6%	7.6%	8.5%	6.7%	7.0%	6.4%	7.6%	8.0%
D&A % of AT&S Revenue	41.9%	44.6%	26.4%	30.5%	26.8%	25.7%	29.3%	27.9%	14.6%	13.2%	10.4%	9.5%	11.8%	6.8%	5.5%	4.1%	4.7%	5.1%	4.8%
Change in fair value contingent consideration	0.000	8.2	14.2	(4.1)	1.1	(6.0)	6.4	(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	0.0	0.0	1.0	12.3	13.3	0.0	0.0	0.0	61.2	61.2	23.7	0.0	5.705	(29.4)	0.0	0.0
Other operating (gain) loss	(6.9)	(7.0)	0.4	0.0	0.0	0.0	0.6	0.6	0.0	0.0	0.0	0.0	0.0	25.2	0.0	0.000	0.7	25.9	0.0
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	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	0.0	(3.2)	0.0	(3.2)
Operating Income (EBIT Inc. Impairments)	6.6	61.5	40.2	6.7	0.5	5.1	(16.9)	(4.5)	(7.7)	(3.3)	7.6	(48.6)	(52.0)	(52.8)	(0.8)	(9.1)	28.4	(34.3)	18.9
Operating Margin %	1.9%	8.1%	4.2%	2.8%	0.2%	1.9%	-5.3%	-0.4%	-9.8%	-4.0%	7.8%	-45.4%	-14.2%	-57.5%	-0.8%	-7.5%	24.1%	-8.0%	3.7%
Interest expense	(8.3)	(6.9)	(8.7)	(4.0)	(4.3)	(4.5)	(2.9)	(15.7)	(4.4)	(4.1)	(4.1)	(3.8)	(16.5)	(3.7)	(4.0)	(3.8)	(3.2)	(14.7)	(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	0.0	0.0	0.0	0.0
Interest income	1.7	0.2	0.7	0.9	1.0	1.6	0.0	3.5	0.6	0.6	0.6	0.7	2.5	0.6	0.6	0.6	0.5	2.3	1.8
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	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net interest expense	(6.5)	(6.8)	(8.0)	(3.2)	(3.3)	(2.9)	(2.9)	(12.2)	(3.9)	(3.5)	(3.4)	(3.2)	(14.0)	(3.1)	(3.4)	(3.2)	(2.6)	(12.3)	(10.0)
Loss on debt extinguishment	0.0	0.0	0.0	(1.6)	0.0	0.0	0.0	(1.6)	(0.0)	(0.1)	0.0	0.0	(0.1)	0.0	(0.0)	(0.2)	0.2	0.0	0.0
Other income, net	0.0	0.2	(0.5)	(0.0)	(0.0)	(0.0)	0.0	(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	1.9	(2.7)	2.2	(19.8)	(18.4)	(11.7)	(6.9)	4.1	(51.7)	(66.2)	(55.8)	(4.3)	(12.5)	26.0	(46.7)	8.9
Pretax margin	0.0%	7.2%	3.3%	0.8%	NM	0.8%	NM	NM	NM	NM	4.3%	NM	NM	NM	NM	NM	22.0%	NM	1.7%
Income (taxes) benefit	(1.5)	(18.7)	(11.6)	(0.231)	0.739	0.5	1.7	2.8	4.1	10.7	(15.0)	(3.9)	(4.1)	8.1	0.8	2.8	4.7	16.3	(3.1)
Effective tax rate	1276.3%	34.0%	36.5%	12.0%	27.0%	-24.1%	8.7%	15.0%	35.6%	153.8%	361.7%	-7.6%	-6.2%	14.4%	18.6%	22.7%	-17.9%	35.0%	35.0%
Cash tax rate	6552.5%	7.5%	53.4%	3.7%	-128.1%	106.6%	-36.3%	-71.3%	-11.1%	-55.6%	37.0%	37.0%	18.8%	-0.3%	-29.2%	-0.4%	-33.2%	15.3%	7.0%
Net Income (Before Equity Investments)	(1.4)	36.2	20.1	1.7	(2.0)	2.7	(18.1)	(15.6)	(7.5)	3.7	(10.8)	(55.7)	(70.3)	(47.8)	(3.5)	(9.7)	30.6	(30.3)	5.8
Equity in net of noncon. affils.	0.0	0.0	(2.1)	0.3	0.0	(0.0)	(0.2)	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Reported Net income	(1.4)	36.2	18.1	2.0	(2.0)	2.7	(18.2)	(15.4)	(7.5)	3.7	(10.8)	(55.7)	(70.3)	(47.8)	(3.5)	(9.7)	30.6	(30.3)	5.8
Net margin	17.6%	11.7%	11.1%	5.4%	5.2%	5.2%	5.1%	5.2%	5.8%	12.7%	15.5%	18.2%	13.6%	2.4%	4.8%	4.8%	5.0%	4.3%	8.8%
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	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	0.0	0.0	0.0	0.0
Net inc. to common pre-1-time	(3.9)	30.3	18.1	2.0	(2.0)	2.7	(18.2)	(15.4)	(7.5)	3.7	(10.8)	(55.7)	(70.3)	(47.8)	(3.5)	(9.7)	30.6	(30.3)	5.8
Net margin	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	0.1	NM	NM	NM	NM	0.1	NM	NM
EPS - Continuing Operations	(\$0.05)	\$0.36	\$0.21	\$0.02	(\$0.02)	\$0.03	(\$0.21)	(\$0.18)	(0.1)	0.0	(0.1)	(0.6)	(0.8)	(0.5)	(0.0)	(0.1)	0.3	(\$0.33)	\$0.06
Extraordinary items/discontinued items	0.0	0.0	0.0	0.0	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	2.0	(2.0)	2.7	(18.2)	(15.4)	(48.9)	(31.7)	(12.0)	(56.4)	(148.9)	(48.0)	(3.3)	(9.7)	30.6	(30.3)	5.8
EPS - basic	(\$0.05)	\$0.36	\$0.21	\$0.02	(\$0.02)	\$0.03	(\$0.21)	(\$0.18)	(0.6)	(0.4)	(0.1)	(0.6)	(1.7)	(0.5)	(0.0)	(0.1)	0.3	(\$0.33)	\$0.06
EPS - diluted	(\$0.05)	\$0.34	\$0.21	\$0.02	(\$0.02)	\$0.03	(\$0.21)	(\$0.18)	(\$0.55)	(\$0.35)	(\$0.13)	(\$0.62)	(\$1.66)	(\$0.53)	(\$0.04)	(\$0.11)	\$0.33	(\$0.33)	\$0.06
EPS reported by company	(\$0.05)	\$0.21	\$0.02	(\$0.02)	\$0.03	(\$0.21)	(\$0.18)	(\$0.55)	(\$0.35)	(\$0.13)	(\$0.62)	(\$1.66)	(\$0.53)	(\$0.04)	(\$0.11)				
Model variance: EPS	\$0.00	(\$0.00)	\$0.00	(\$0.00)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$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	0.0	0.0	1.2	11.2	12.4	(0.2)	35.4	0.0	61.2	96.4	0.2	0.2	8.9	0.0	0.0	0.0
Pro forma net income	34.1	39.9	43.6	2.0	(2.0)	3.9	(7.0)	(3.0)	(49.1)	3.7	(12.0)	4.9	(52.5)	(47.8)	(3.2)	(0.8)	30.7	(30.3)	5.8
Pro forma EPS - basic	\$0.41	\$0.47	\$0.51	\$0.02	(\$0.02)	\$0.04	(\$0.08)	(\$0.03)	(\$0.55)	\$0.04	(\$0.13)	\$0.05	(\$0.58)	(\$0.53)	(\$0.03)	(\$0.01)	\$0.33	(\$0.33)	\$0.06
Pro forma EPS	\$0.41	\$0.45	\$0.50	\$0.02	(\$0.02)	\$0.04	(\$0.08)	(\$0.03)	(\$0.55)	\$0.04	(\$0.13)	\$0.05	(\$0.58)	(\$0.53)	(\$0.03)	(\$0.01)	\$0.33	(\$0.33)	\$0.06
EPS shares - Basic	84.2	85.3	85.4	87.6	87.8	88.0	88.2	87.9	89.5	89.8	90.0	90.2	89.9	91.0	91.0	91.0	92.1	91.5	93.0
EPS shares - Diluted	84.2	87.9	87.8	89.8	87.8	89.9	88.2	87.9	89.5	90.7	90.0	90.2	89.9	91.0	91.0	91.0	92.4	91.5	93.2

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	1Q23	2Q23	3Q23	4Q23	2023A	1Q24	2Q24	3Q24	4Q24	2024A	1Q25A	2Q25A	3Q25A	4Q25E	2025E	2026E
EBITDA:																			
Net income (loss) attributable to common stockholders				2.0	-2.0	2.7	-18.2	-15.4	-48.9	-31.7	-12.0	-56.4	-148.9	-48.0	-3.3	-9.7	30.6	-30.3	5.8
Net income (loss) attributable to redeemable noncontrolling interest - discontinued operations				0.0	0.0	0.0	0.0	0.0	-2.8				-2.8						
Net income (loss) attributable to noncontrolling interest - discontinued operations				-0.3	-0.7	-1.1	0.5	-1.9	-0.6	-0.6	-0.6	-0.7	-2.5	-0.6	-0.6	-0.6	-0.5	-2.3	-1.8
Interest expense				3.9	4.2	4.3	4.0	16.5	4.4	4.1	4.1	3.8	16.5	3.7	4.0	3.8	3.2	14.7	11.8
Interest expense - discontinued operations				0.1	0.1	0.1	0.0	0.3	0.1	0.1			0.2						
Interest income				-0.6	-0.7	-1.1	0.5	-1.9	-0.6	-0.6	-0.6	-0.7	-2.5	-0.6	-0.6	-0.6	-0.5	-2.3	-1.8
Interest income - discontinued operations				-0.3	-0.3	-0.5	-0.5	-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	0.0	0.0	0.0	0.0
Realized gain (loss) on marketable securities				0.0	0.0	0.0	0.0	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	0.0	0.0	1.6	0.0	0.1	0.0	0.0	0.1	0.0	0.0	0.2	-0.2	0.0	0.0
Income tax expense				-0.4	-1.6	-1.0	-7.8	-10.9	-4.1	-10.7	15.0	3.9	4.1	-8.1	-0.8	-2.8	-4.7	-16.3	3.1
Income tax expense - discontinued operations				0.6	0.9	0.5	0.5	2.5	-3.7	3.0	-0.1	-0.2	-1.0						
Amortization of syndication contracts				0.1	0.1	0.1	0.1	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				-0.1	-0.1	-0.1	-0.1	-0.5	-0.1	-0.1	-0.1	-0.1	-0.5	-0.1	-0.1	-0.1	-0.2	-0.5	-0.5
Non-cash comp				4.1	6.0	7.0	6.6	23.7	5.4	3.3	3.7	1.4	13.8	2.6	2.7	2.8	2.7	10.8	11.0
D&A				3.5	3.7	4.7	5.0	17.0	4.7	4.4	3.9	3.8	16.8	3.5	3.0	3.1	3.5	13.2	15.5
D&A - discontinued operations				3.0	2.8	2.6	2.6	11.0	2.4	1.6	0.0	0.0	4.0						
Change in fair value contingent consideration				-0.4	0.0	-0.1	12.3	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				-3.7	1.1	-5.9	-5.9	-14.4	-1.2	-11.4	0.0	0.0	-12.6						
Impairment - discontinued operations				0.0	0.0	1.0	12.3	13.3	49.4	0.0	0.0	61.2	110.7	23.7	0.0	5.7	-29.4	0.0	0.0
Loss on lease abandonment														25.2	0.0	0.0	0.7	25.9	0.0
Non-recurring cash severance				0.1	0.5	0.0	0.3	0.9	0.0	3.1	1.7	2.5	7.3	0.0	0.0	0.0	0.0	0.0	0.0
Restructuring charge				0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.2	0.0	3.2	0.0
Other operating loss - discontinued operations							4.3	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				0.0	-0.4	-0.3	-0.8	-1.5	-0.2	0.0			-0.2						
EBITDA attributable to noncontrolling interest - disc ops				-0.2		0.0	0.0	-0.2					0.0						
= Adjusted EBITDA				13.0	14.2	14.2	16.2	57.7	4.5	10.5	15.1	19.4	49.5	2.2	4.9	5.8	5.8	18.7	45.3
Memo: adj. EBITDA (core) reported			103.1	13.0	14.2	14.2	16.2	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)	0.0	0.0	(0.0)	(0.0)						
Adj. EBITDA core margin				18.3%	18.6%	18.3%	20.8%	19.0%	5.8%	12.7%	15.5%	18.2%	13.6%	2.4%	4.8%	4.8%	5.0%	4.3%	8.8%
Incremental Margin									-80.7%	-41.9%	4.6%	11.1%	-12.0%	-17.1%	-31.0%	-39.7%	-123.7%	-46.6%	31.6%
Free Cash Flow:																			
EBITDA	60.4	89.0	106.5	13.0	14.2	14.2	16.2	57.7	4.5	10.5	15.1	19.4	49.5	2.2	4.9	5.8	5.8	18.7	45.3
Cash net interest	-5.9	-6.2	-6.7	-3.0	-3.2	-2.8	-2.8	-11.9	-3.3	-3.5	-3.4	-3.2	-13.5	-3.5	-3.6	-3.4	-2.6	-13.1	-10.0
Other adjustments to cash	5.3	6.8	4.7	0.7	2.2	0.0	-0.9	2.0	0.0										
- Cash taxes	-7.7	-4.1	-16.9	-0.1	-3.5	-2.3	-7.2	-13.1	-1.3	-3.9	-1.5	19.1	12.5	-0.2	-1.3	0.0	8.6	7.2	-0.6
Cash taxes / EBITDA	13%	5%	16%	1%	25%	17%	44%	23%	28%	37%	10%	-98%	-25%	8%	26%	1%	-148%	-38%	1%
Minus: capex	-9.5	-5.6	-11.5	-6.8	-8.1	-5.0	-7.4	-27.3	-2.1	-2.7	-2.7	0.4	-7.0	-2.6	-2.2	-1.2	-1.0	-7.0	-7.4
Capex / D&A	55%	25%	45%	104%	125%	68%	97%	98%	44%	60%	69%	-10%	42%	76%	71%	39%	28%	53%	48%
Capex / EBITDA	16%	6%	11%	52%	57%	35%	46%	47%	46%	25%	18%	-2%	14%	121%	44%	21%	17%	37%	16%
= Free Cash Flow	42.6	79.9	66.7	3.9	1.6	4.0	(2.1)	7.4	(2.2)	0.4	7.5	35.8	41.5	(4.1)	(2.2)	1.1	10.9	5.7	27.4
FCF per share	\$0.51	\$0.91	\$0.76	\$0.04	\$0.02	\$0.04	(\$0.02)	\$0.08	(\$0.03)	\$0.00	\$0.08	\$0.29	\$0.35	(\$0.05)	(\$0.02)	\$0.01	\$0.15	\$0.09	\$0.29
Memo: FCF/Adjusted EBITDA	70.5%	89.8%	62.6%					12.8%					83.7%					30.4%	60.5%
Cash flow from operations			78.9	36.7	10.4	22.0	6.1	75.2	33.4	17.7	10.9	12.8	74.7	(15.2)	7.8	8.3			
Cash for capital expenditures			11.5	6.8	8.1	5.0	7.4	27.3	2.7	2.7	1.6	2.2	9.1	2.6	2.2	1.2			
Free cash flow (reported by company, 2Q24-on method)				29.9	2.3	17.0	(1.4)	47.9	30.6	15.0	9.3	10.6	65.6	(17.9)	5.7	7.1			
Dividends per basic share	\$0.13	\$0.10	\$0.10	\$0.05	\$0.05	\$0.05	\$0.05	\$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)	(4.4)	(4.4)	(4.4)	(4.4)	(17.6)	(4.5)	(4.5)	(4.5)	(4.5)	(18.0)	(4.5)	(4.5)	(4.5)	(4.6)	(18.3)	(18.6)
Dividends as % of FCF	24.7%	10.7%	12.8%	112.1%	281.8%	109.9%	-212.4%	237.8%					57.9%					221.3%	69.8%

Source: Industry Capital Research estimates and company data

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

ANNUAL PERCENTAGE CHANGE	2020A	2021A	2022A	1Q23	2Q23	3Q23	4Q23	2023A	1Q24	2Q24	3Q24	4Q24	2024A	1Q25A	2Q25A	3Q25A	4Q25E	2025E	2026E
Net revenue (core) growth	-6.8%	8.1%	19.0%	-2.6%	-7.1%	-6.9%	-18.4%	-9.4%	15.6%	12.1%	25.5%	36.7%	22.9%	17.5%	21.9%	24.2%	10.3%	18.1%	19.6%
Media revenue growth	0.4%	5.4%	2.4%	-1.8%	-6.4%	-15.7%	-28.4%	-14.7%	-1.4%	-0.4%	22.7%	30.0%	12.9%	-10.5%	-7.8%	-25.6%	-37.1%	-22.0%	11.3%
AT&S revenue growth	-32.1%	21.9%	93.5%	-4.4%	-8.4%	13.3%	12.9%	3.3%	52.7%	37.7%	30.3%	50.0%	42.4%	57.0%	65.5%	103.8%	90.6%	80.6%	25.2%
Cost of revenue	-16.6%	31.3%	66.9%	14.0%	10.7%	22.0%	12.9%	14.9%	34.3%	24.3%	25.3%	46.7%	32.4%	47.7%	55.6%	90.2%	77.2%	68.9%	22.8%
Opex (core)	-15.1%	-1.3%	6.8%	10.2%	8.5%	7.2%	-4.0%	5.1%	17.1%	11.2%	29.7%	30.6%	22.2%	10.6%	17.4%	14.3%	5.6%	11.8%	8.0%
Media opex growth	-11.2%	1.7%	-0.1%	8.4%	4.6%	3.1%	-8.3%	1.5%	11.3%	8.9%	22.2%	20.8%	15.8%	2.1%	4.0%	0.4%	-10.2%	-1.2%	1.8%
AT&S opex growth	-35.1%	-22.2%	69.8%	19.8%	28.5%	28.9%	20.7%	24.6%	46.2%	20.6%	61.3%	73.2%	50.2%	43.2%	67.5%	58.4%	53.5%	55.7%	21.3%
Total OCF (core)	21.4%	16.8%	17.4%	-39.8%	-46.1%	-44.4%	-51.0%	-46.2%	-17.5%	-3.9%	14.6%	40.1%	11.9%	-21.4%	-29.3%	-46.8%	-56.7%	-43.6%	76.0%
Media OCF growth	23.3%	7.9%	5.9%	-23.6%	-29.7%	-44.5%	-54.5%	-41.6%	-45.9%	-33.5%	13.3%	44.6%	-2.5%	-94.3%	-66.2%	NM	-94.9%	-92.8%	NM
AT&S OCF growth	NM	NM	NM	NM	NM	-44.3%	-6.4%	-73.8%	NM	NM	22.0%	13.5%	NM	NM	66.6%	NM	NM	NM	31.0%
Corporate expense	-0.9%	18.6%	49.7%	20.4%	41.3%	39.5%	-36.1%	1.8%	16.6%	-10.2%	-47.9%	-48.1%	-25.4%	-36.4%	-41.0%	-8.5%	0.0%	-25.3%	3.0%
Cash corporate expense	-2.0%	11.3%	31.7%	16.8%	29.0%	15.2%	-24.9%	2.9%	3.4%	-8.2%	-47.3%	-39.5%	-23.9%	-27.2%	-41.8%	-1.7%	6.8%	-19.6%	3.3%
Adjusted EBITDA (core)	46.6%	47.4%	19.6%	-28.1%	-36.8%	-45.3%	-59.3%	-45.8%	-65.2%	-26.3%	6.4%	19.7%	-14.1%	-51.8%	-53.6%	-61.7%	-69.9%	-62.3%	142.9%
Pro forma adjusted EBITDA	46.6%	45.7%	17.1%	-28.1%	-36.8%	-45.4%	-55.5%	-44.1%	-21.5%	77.4%	83.0%	126.9%	73.9%	-51.8%	-53.5%	-61.7%	-69.9%	-62.3%	142.9%
Non-cash compensation expense	17.1%	87.2%	108.8%	57.5%	126.4%	152.4%	-44.8%	18.3%	34.4%	-29.1%	-47.6%	-78.6%	-37.6%	-52.0%	-36.6%	-24.0%	87.7%	-27.1%	2.0%
D & A	3.8%	29.7%	14.6%	1.2%	3.9%	12.2%	18.3%	9.0%	-26.8%	-32.0%	-47.2%	-50.8%	-39.9%	-26.6%	-31.6%	-19.4%	-6.2%	-21.7%	17.4%
Operating income	88.3%	50.0%	6.5%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Pretax income	NM	NM	-42.3%	-29.5%	NM	-83.2%	NM	NM	NM	NM	88.1%	NM							
Net income pre-extra.	NM	NM	-40.3%	8.1%	NM	-70.9%	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
EPS, Continuing Operations	NM	NM	-41.7%	0.0%	NM	-72.7%	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
EPS - diluted	NM	NM	-40.2%	6.8%	NM	-71.7%	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
FCF/share	NM	78.4%	-16.5%	-75.0%	-87.5%	-77.8%	NM	-89.5%	NM	-100.0%	100.0%	NM	NM	NM	NM	-87.5%	-48.3%	-74.3%	NM
EPS shares - Diluted	-1.0%	4.4%	-0.2%	1.3%	0.9%	2.8%	3.6%	0.2%	-0.3%	3.3%	0.1%	2.2%	2.2%	1.6%	0.3%	1.1%	2.4%	1.8%	1.9%

Source: Industry Capital Research estimates and company data

APPENDIX

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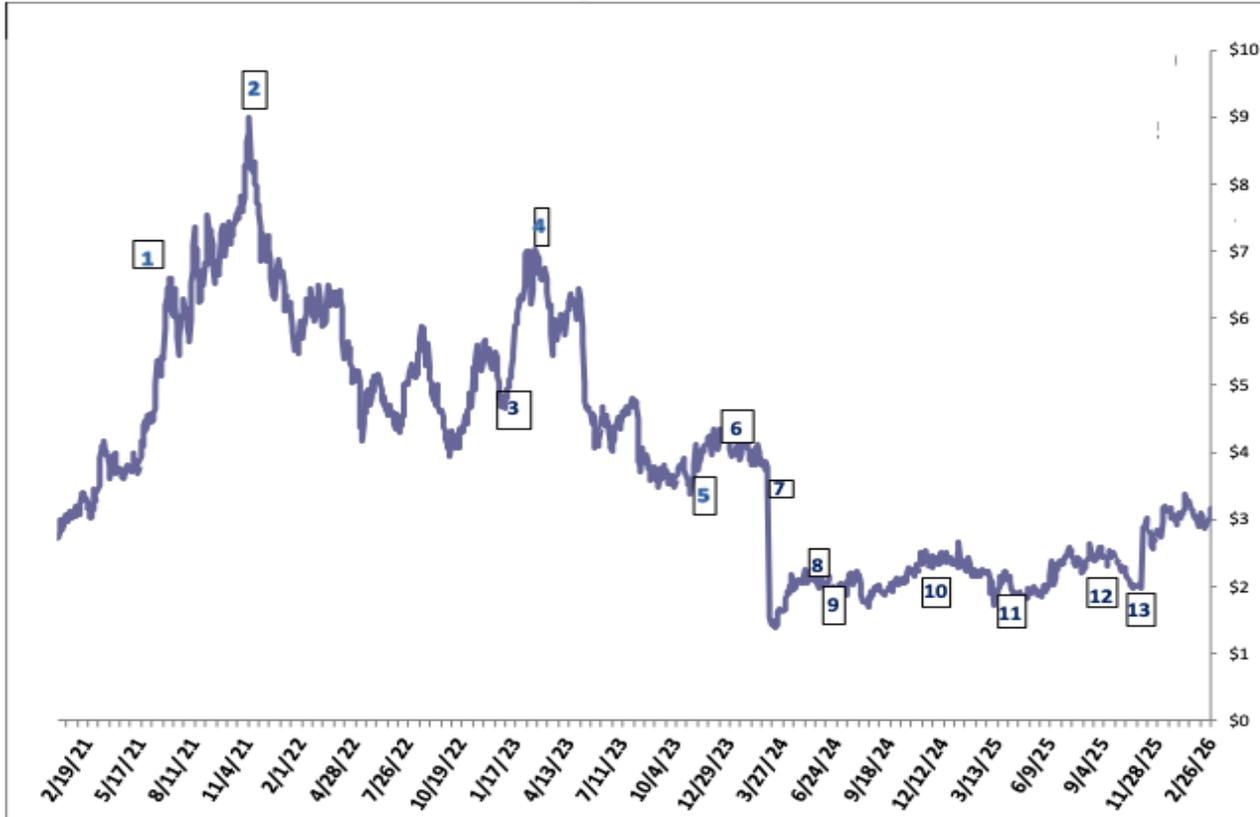
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Historical Recommendations and Target Prices: Entravision Communications (ticker: EVC)



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
13	10/30/25	Reaffirmed Hold @ \$2.03, Target Price \$2.00

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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