

Entravision Communications Corporation (EVC)

Spring Coils Tighter; Raising Estimates on 2Q Beat and Solid 3Q Outlook; Reaffirm Buy

James Dix, CFA

(1) 917 292 4293

james.dix@industrycapitalresearch.com

Higher estimates on higher-margin revenue mix and lower discount rates create more tailwinds for a growth story better suited to a risk-on market. Positive surprises in ongoing political ad spending and TV retransmission fees help margin outlook. 2Q22 beat and higher 3Q EBITDA estimate boost our 2022/23 EBITDA estimates, which combined with lower discount rate in our discounted cash flow analysis lift our valuation range. See Figure 4. Recession risk curbs our enthusiasm for boosting our PT just now, although applying strong balance sheet to M&A remains a less cyclical potential catalyst.

We raise our full-year 2022 and 2023 EBITDA estimates. 3Q core advertising (ex-political) is pacing -14% for TV (with total advertising pacing +6% excluding Univision affiliation changes in Orlando, Tampa and Washington, DC), +1% for radio, and +24% for digital, vs. our prior comparable estimates of -11%/-4%/+29%. Digital revenue puts and takes for 2022 see higher estimates for legacy digital (chiefly Smadex) and MediaDonuts, and lower estimates for Cisneros Interactive and 365 Digital, but no change to our 2022 estimate for overall digital segment operating cash flow. Although auto pacing adjusting for TV affiliation changes has improved to flat for 3Q, management said auto spending did not look to improve in 2H as much as they had previously expected. Rather, reflecting primarily a higher 2022 management outlook for broadcast political ad spending—up to \$17-19m from \$10-12m—our EVC 2022 revenue/EBITDA/EPS estimates go to \$906m/\$98.0m/\$0.41 from \$943m/\$96.0m/\$0.37. See Figure 3.

2Q recap: EBITDA beat a bit across all 3 segments, with total EBITDA of \$22.5m above our \$21.7m estimate. See Figure 2. Core advertising growth was -20% for TV vs. prior pacing of -14%, +2% for radio vs. prior pacing of +2%, and +22% for digital vs. prior pacing of +34% (although similar to our +25% estimate). Revenue growth at Cisneros Interactive of 9% slightly missed our 11% estimate, and its slowdown reflects macro and competition headwinds for its biggest media partner, Meta. Smadex revenue was up 162%, similarly to 1Q, helping the legacy digital business beat our estimates. The drag on TV growth from the auto vertical continued to moderate, with TV auto advertising (adjusting for affiliation losses) down 3% in 2Q vs. being down 17% in 1Q. OCF margin for TV was 39.1%, in line with our 39.2% estimate, and for radio was 30.5%, slightly above our 30.0% estimate. EVC repurchased in 1Q 600k shares for \$4.1m, and through 1H has used \$11.3m of its \$20m share repurchase authorization.

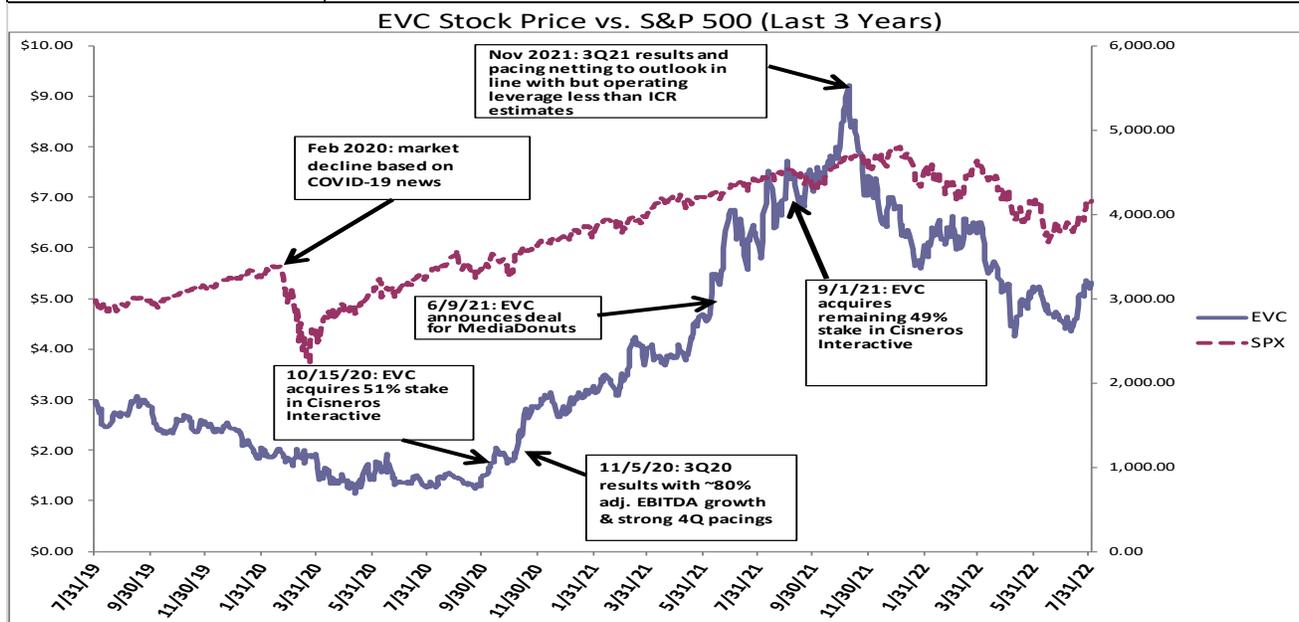
Reaffirm our \$7.50 price target; risks on page 3. Our PT is supported by a DCF valuation based on explicit financial forecasts through 2027.

BUY			
Price at 8/3/22 (USD)			5.31
Price Target			7.50
52-week range			4.21 - 9.34
Performance (%)	1m	3m	12m
Absolute	19	3	-9
S&P 500	8	0	-6
Market Cap (USDm)			464.0
Shares outstanding (m)			87.4
Float (%)			73
Average volume			268,416
S&P 500			4,072.4
Forecasts and ratios			
Year ended 12/31	2021A	2022E	2023E
1Q EPS (USD)	0.06	0.02	0.13
2Q EPS (USD)	0.09	0.10	0.12
3Q EPS (USD)	0.14	0.14	0.14
4Q EPS (USD)	0.04	0.16	0.05
FY EPS (USD)	0.33	0.41	0.44
% Change	NM	24%	7%
P/E (x)	15.9	12.8	12.0
EV/EBITDA (x)	6.0	5.6	5.3
Revenue (USDm)	760.2	906.2	1,011.2
% Change	121%	19%	12%

ANALYST CERTIFICATIONS AND IMPORTANT DISCLOSURES ARE LOCATED IN THE APPENDIX. Industry Capital Research does and seeks to do business with companies covered in its research reports. Thus, investors should be aware that the firm might have a conflict of interest that could affect the objectivity of this report.

Figure 1: EVC Investment Thesis, Metrics and Valuation Summary

		(in millions, except unit data)	
		12-month price target: \$7.50	
ENTERPRISE VALUE		COMPANY CHARACTERISTICS AND INVESTMENT THESIS	
Price per share	\$5.31	Company description	Entravision is a multimedia company focused primarily on Spanish-language markets globally. The company operates a digital media segment serving the U.S. and roughly 30 international markets, 49 TV stations (mostly Univision network affiliates) in 16 of the top-50 U.S. Hispanic markets, and 46 radio stations (37 FM and 9 AM) as well as a radio network with distribution to over 100 U.S. markets. The company's 2021 revenue by segment was 73% from digital, 19% from TV, and 8% from audio. 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	87.4		
Equity market capitalization	464		
+Pro forma net debt	106		
-Hidden value	31		
=Pro forma EV	\$539	Strategy Expand digital media operations into fast-growing markets outside the United States and manage for free cash flow and asset value TV-driven broadcast local platforms in U.S. Hispanic markets. \$348 Walter Ulloa is Chairman and CEO (since 1996). Jeffrey Liberman is President and COO (since 2017 and with EVC since 2000). Christopher Young is CFO (since 2008 and with EVC since 2000).	
OPERATING PROJECTIONS			Est. acquisition capacity Management
Pro forma net revenue			
2022	\$905		
2021	782		Positives
% Chg	15.7%		
Pro forma EBITDA			
2022	\$97		* Experience in expanding distribution in smaller, faster-growing markets, both in U.S. and internationally * Reduced expense base during and after the pandemic * Low leverage and high cash balances * Most of its TV stations affiliated with leading U.S. Spanish language network Univision * U.S. Hispanic buying power growing faster than general market * Secular growth in U.S. political advertising spending * Loss of broadcast audience and advertising share to digital alternatives * Volatility of international media business, reflecting early stage and potential competition * Competition with TelevisaUnivision's expanding direct to consumer business * TelevisaUnivision relationship through TV network affiliations and TelevisaUnivision's ownership stake may limit strategic flexibility * Impact of sudden advertising declines on cash flow (e.g., in 2009 and 2020) * Management succession plan (CEO has majority voting power)
2021	91		
% Chg	6.8%		
Pro forma EBITDA margin			Risks
2022	10.7%		
2021	11.6%		
Free cash flow per share			Valuation
2022	\$0.74		
2021	\$0.90		
% Chg	-17.8%	Recent events	
Est. 3-5 yr FCF Growth rate	7%		
VALUATION AND LEVERAGE		Upcoming potential catalysts	
Pro forma EV/EBITDA			
2022	5.6x		
2021	6.0x	Valuation	
Price / Free cash flow per share			
2022	7.2x		
2021	5.9x	Recent events	
Pro forma net debt / EBITDA			
2022	1.1x		
2021	1.2x	Upcoming potential catalysts	
Dividend yield			
2022	1.9%		
2021	1.9%		



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

Investment Thesis and Valuation: Buy With \$7.50 Price Target

Positives supporting our Buy rating include: 1) EVC's share price is not fully capturing the potential of digital media acquisitions in 2020-21 because their higher growth and different business models are more difficult for investors to assess; 2) EVC's lower post-pandemic expense base looks sustainable; 3) apart from the industry-wide pressure on auto advertising because of supply shortages, and any transitional risks introduced by measures to mitigate Covid-19 variants, operating risk at the core U.S. media business should be ebbing based on the cyclical rebound in the U.S. Hispanic economy and secular growth of political advertising; 4) relative stability of net retransmission fee revenue (42% of 2021 EBITDA) and pro forma net debt leverage under 3x enhance management's longer-term options; and 5) our DCF valuation supports substantial stock price upside over the next 12 months.

Our DCF-based 12-month price target is a weighted average of projected equity valuations at year-end 2022 and 2023; with U.S. GDP down in 1Q and 2Q, our PT assumes a 50% chance of a recession in 2023. First, we adjust the current net debt with the estimated free cash flow to be generated by each valuation date. Second, we adjust the current net debt for any estimated payments remaining on the acquisitions (e.g., earnouts), which are currently scheduled to occur from early 2022 to 2025. 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 set the range for our valuation, with the EVC-specific method incorporating market data on EVC shares' actual volatility setting the upper bound, and the sector method relying on measures of risk of comparables setting the lower bound. 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 like 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 shocks, such as a recession, 2) potential volatility of EVC's digital media business, given its increasing focus on emerging markets, its dependence on a small number of commercial relationships with media tech platforms, and increasing competition, 3) secular challenges and potentially increasing competition from TelevisaUnivision for EVC's broadcast media business, 4) potential barriers to sale of all or a portion of the company, and 5) risk-off market sentiment as an overhang for valuation of EVC's fast-growing, less mature digital advertising businesses.

Figure 2: 2Q beat on EBITDA and we raise our 3Q EBITDA estimate

Entravision Communications							
Summary of Quarterly Estimates							
In millions, except per share data							
	Last Yr	E	Results		YoY %CHG		A vs
			Beat/Miss	A	A	Consensus	Consensus
2Q22A							
As Reported							
Revenue	178.4	221.6	0.1	221.7	24.3%	219.3	1.1%
Op Expense	160.6	199.9	(0.6)	199.2	24.0%		
Adjusted EBITDA	17.8	21.7	0.7	22.5	26.4%	20.3	10.7%
Margin	10.0%	9.8%	0.3%	10.1%		9.3%	0.9%
Pro Forma EPS	\$0.09	\$0.08	+\$0.03	\$0.11	22.2%	\$0.11	4.8%
FCF/sh (core)	\$0.14	\$0.16	+\$0.00	\$0.16	14.3%		
	Last Yr	Prior	Estimates		YoY %CHG		ICR vs
			Chg	Current	Current	Consensus	Consensus
3Q22E							
Pro Forma *							
Revenue	\$199.0	\$238.2	(\$6.9)	\$231.3	16.2%		
Op Expense	175.7	212.4	(8.1)	204.3	16.3%		
Adjusted EBITDA	23.3	25.8	1.2	27.0	15.9%		
As Reported							
Revenue	199.0	238.2	(6.9)	231.3	16.2%	233.1	-0.8%
Op Expense	175.7	212.4	(8.1)	204.3	16.3%		
Adjusted EBITDA	23.3	25.8	1.2	27.0	15.9%	23.8	13.7%
Margin	11.7%	10.8%	0.8%	11.7%		10.2%	1.5%
Pro Forma EPS	\$0.14	\$0.12	+\$0.02	\$0.14	0.0%	\$0.14	3.7%
FCF/sh (core)	\$0.25	\$0.21	+\$0.02	\$0.23	-8.0%		

* reflects announced acquisitions and dispositions

Source: Company reports, FactSet, Industry Capital Research estimates

Figure 3: We raise our 2022 and 2023 EBITDA estimates

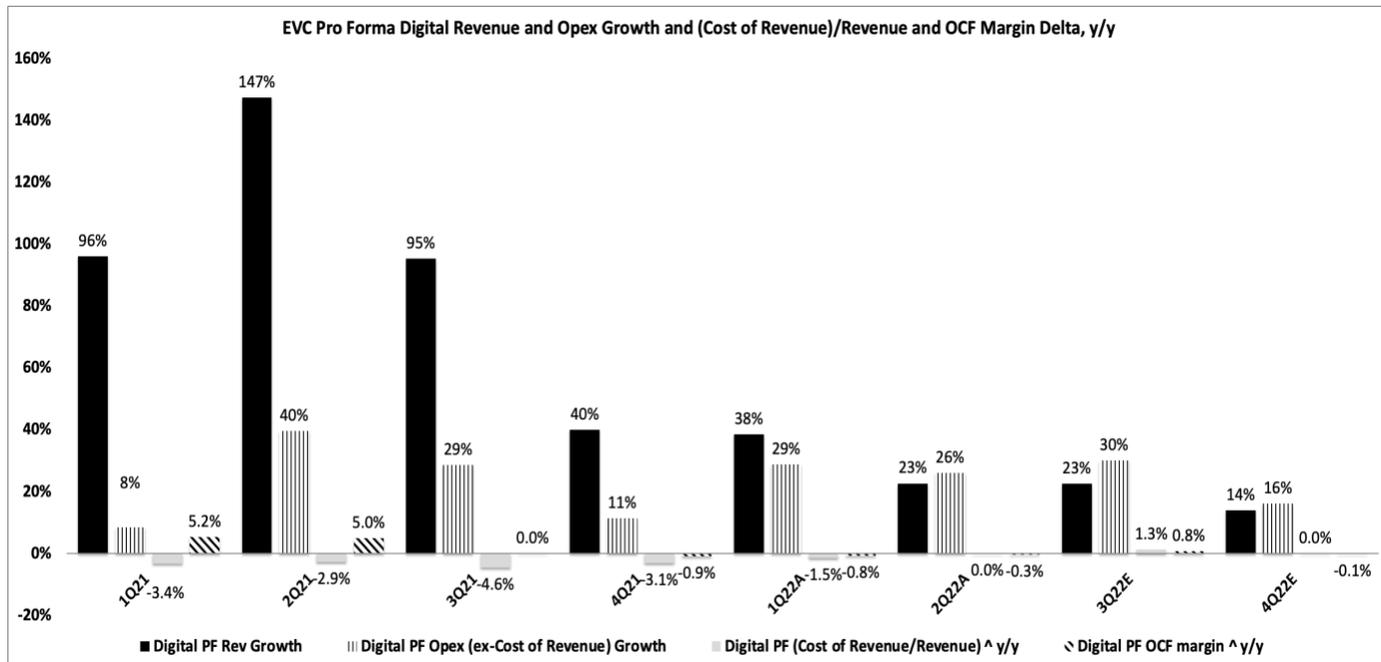
Entravision Communications (NYSE: EVC)							
Summary of Annual Estimates							
In millions, except per share data							
	Last Yr	Prior	Estimates Chg	Current	YoY %CHG Current	Consensus	ICR vs Consensus
2022E							
As Reported							
Revenue	760.2	942.9	(36.7)	906.2 ▼	19.2%	924 ▼	-1.9%
Op expense	672.0	846.9	(38.7)	808.2	20.3%		
Adjusted EBITDA	88.2	96.0	2.0	98.0 ▼	11.2%	96	2.4%
EPS	\$0.33	\$0.37	\$0.05	\$0.41 ▼	23.9%	\$0.48 ▼	-13.7%
Cash FCF/sh	\$0.90	\$0.78	(\$0.04)	\$0.74	-17.8%		
2023E							
Pro Forma *							
Revenue	904.9	1,008.5	2.7	1,011.2	11.7%		
Op expense	808.2	907.5	2.1	909.7	12.6%		
Adjusted EBITDA	96.8	101.0	0.6	101.6	5.0%		
As Reported							
Revenue	906.2	1,008.5	2.7	1,011.2	11.6%	1,013	-0.2%
Op expense	808.2	907.5	2.1	909.7	12.6%		
Adjusted EBITDA	98.0	101.0	0.6	101.6	3.6%	102	-0.1%
Margin	10.8%	10.0%	0.0%	10.0%		10.0%	0.0%
EPS	\$0.41	\$0.43	\$0.01	\$0.44	7.0%	\$0.57	-22.2%
Cash FCF/sh	\$0.74	\$0.81	(\$0.06)	\$0.75	1.4%		
* reflects announced acquisitions and dispositions							
Source: Company reports, FactSet, Industry Capital Research estimates							

Figure 4: Lower discount rates based on July market data are primary driver of our higher DCF valuation range

Entravision Communications													
Summary of Changes to Forecast and Valuation													
(in \$ million except unit data)													
CAGRs	2022		DCF Valuation		EBITDA CAGRs				Risk Free Rate	Equity Premium	WACC-EVC	WACC-EVC-D	WACC-EVC-B
	Rev	EBITDA	Low	High	2019-23	2021-25	2023-27	2022-26					
Prior	942.9	96.0	\$7.00	\$8.50	25%	9%	7%	10%	2.9%	5.7%	8.8%	12.1%	8.7%
Current	906.2	98.0	\$7.50	\$9.00	25%	9%	7%	10%	2.6%	5.3%	8.1%	11.1%	8.0%
Delta	-36.7	2.0	\$0.50	\$0.50	0.2%	0.1%	0.2%	-0.1%	-0.3%	-0.5%	-0.7%	-1.0%	-0.7%
Delta attribution (prior vs. current):													
Updated financial forecasts			\$0.00	\$0.00									
Updated balance sheet (e.g., earn-outs)			\$0.00	\$0.00									
Updated market risk inputs			\$0.50	\$0.50									
Subtotal			\$0.50	\$0.50									

Source: Company data and Industry Capital Research estimates

Figure 5: We continue to model relatively stable Digital Segment OCF margins throughout 2022



Source: Industry Capital Research estimates and company data

Figure 6: For Cisneros Interactive, we model more moderate revenue growth in 2H and relatively stable OCF margins for the full year

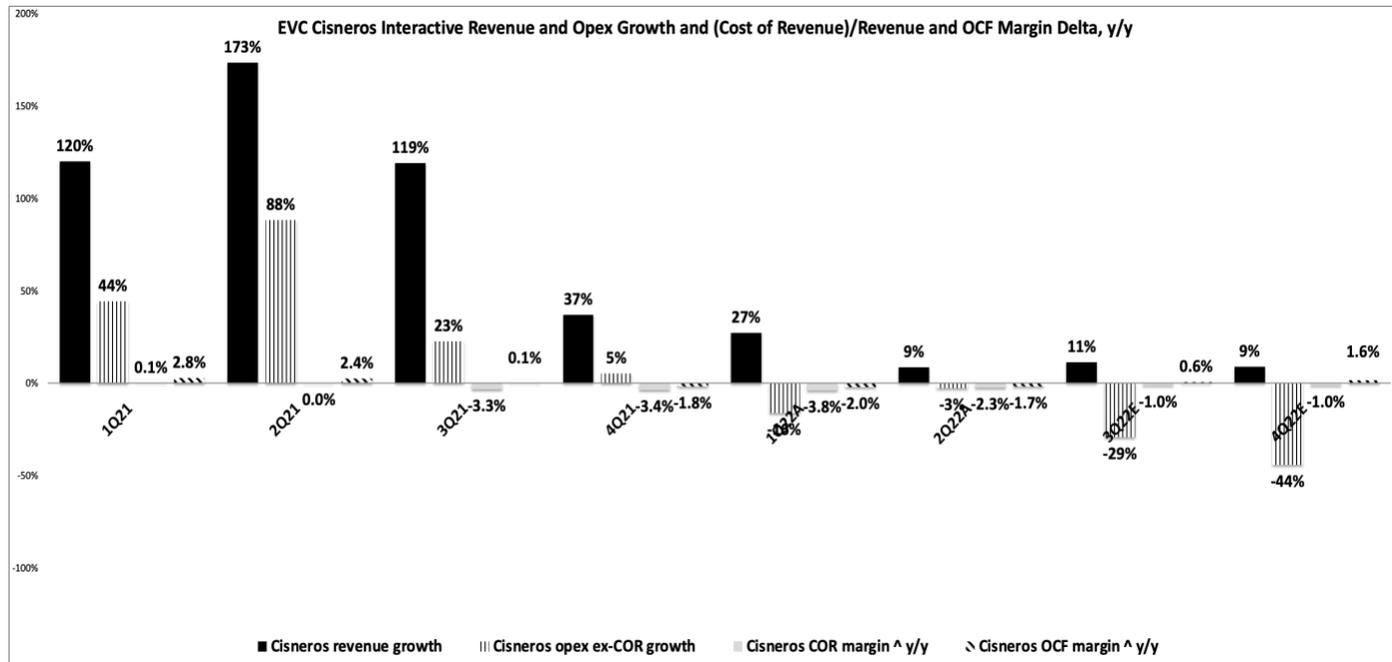
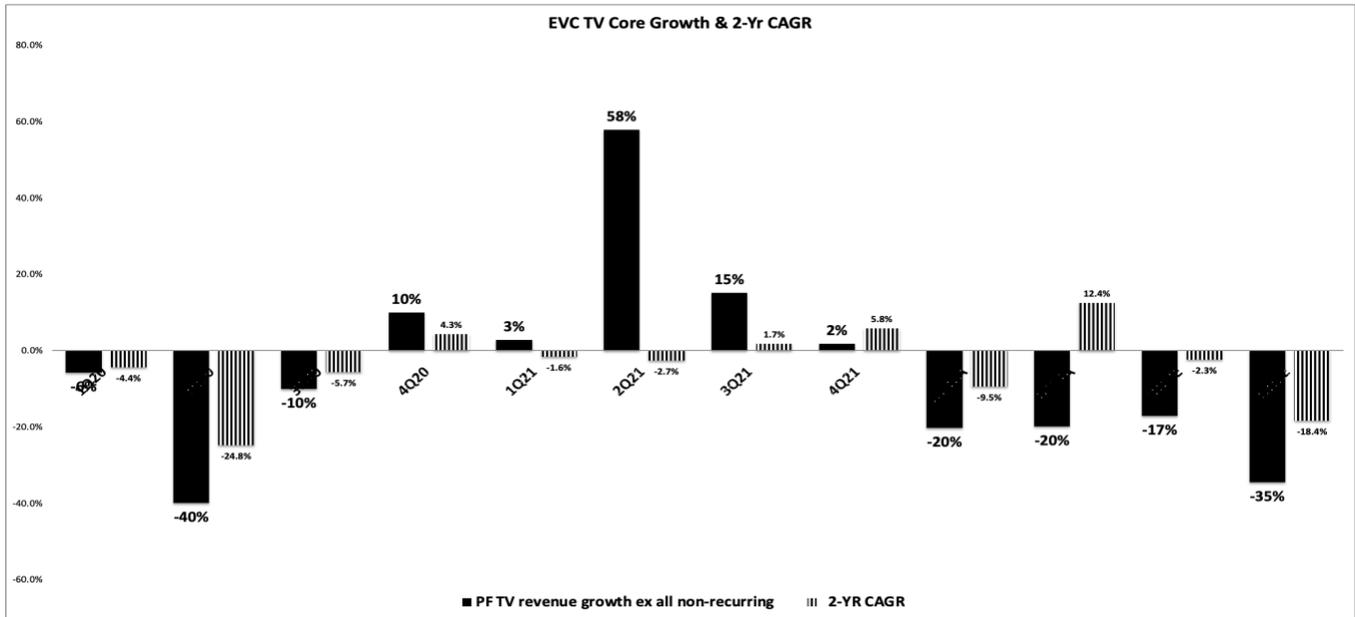
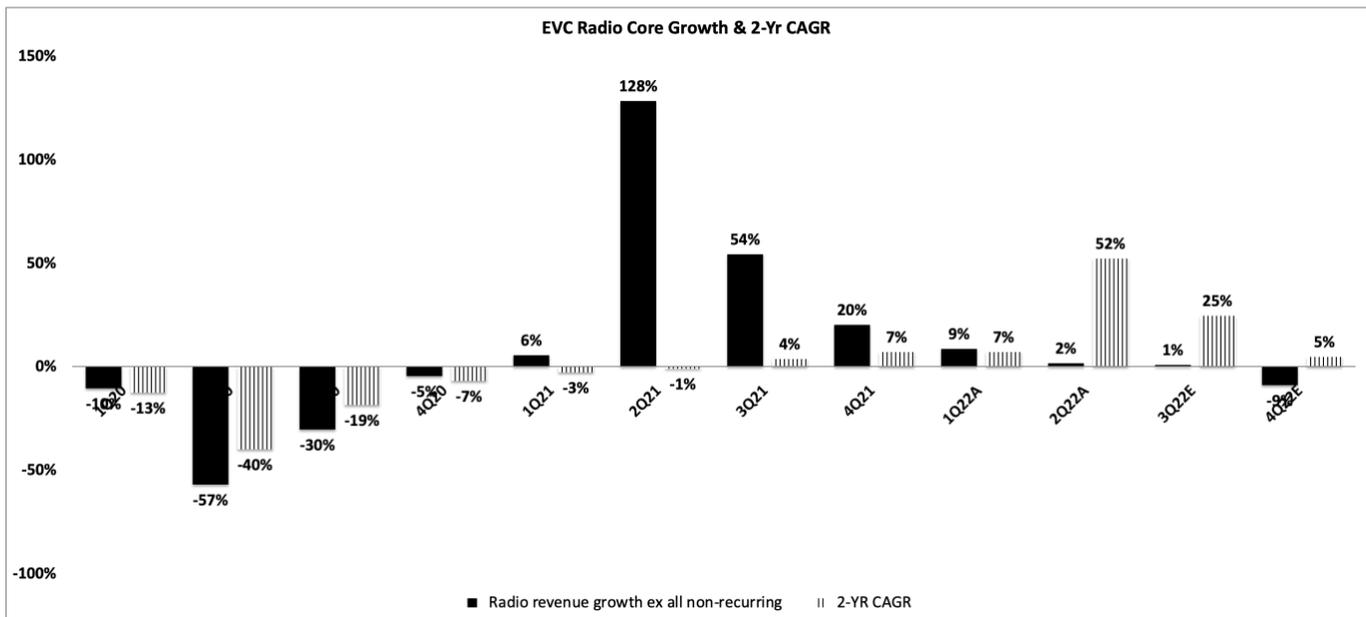


Figure 7: TV core ad growth declines in 2022 reflect loss of 3 Univision affiliations; political advertising outlook is above expectations



Source: Industry Capital Research estimates and company data

Figure 8: Radio core ad revenue growth remains stable, as its post-pandemic recovery continues



Source: Industry Capital Research estimates and company data

Figure 9: Digital Segment Forecast

In millions, except unit data	2019A	2020A	1Q21	2Q21	3Q21	4Q21	2021A	1Q22A	2Q22A	3Q22E	4Q22E	2022E	2023E
Legacy													
Revenue	\$68.9	\$54.1	\$13.0	\$15.3	\$17.4	\$23.0	\$68.7	\$21.9	\$27.8	\$27.1	\$26.2	\$102.9	\$98.2
Cost of Revenue	36.8	30.6	7.4	8.7	9.9	13.2	39.2	12.4	15.8	15.5	15.0	58.6	56.0
Opex ex-cost of revenue	32.3	24.5	5.9	5.6	6.5	5.8	23.8	7.9	8.3	9.6	9.3	35.0	35.7
OCF	(0.1)	(1.0)	(0.2)	1.0	0.9	4.0	5.7	1.6	3.8	2.0	1.9	9.3	6.6
OCF Margin	-0.2%	-1.9%	-1.9%	6.8%	5.2%	17.4%	8.3%	7.4%	13.6%	7.4%	7.2%	9.0%	6.7%
Acquisitions-Stand Alone													
Cisneros revenue	159.4	233.3	88.5	114.9	116.6	133.8	453.9	112.5	124.9	129.7	145.7	512.8	623.6
Cisneros cost of revenue	136.2	201.7	77.6	100.4	104.7	119.1	401.7	102.9	111.9	117.7	131.1	463.6	551.9
Cisneros opex ex-cost of revenue	13.2	17.4	4.6	6.3	5.0	7.1	23.0	3.9	6.1	3.6	4.0	17.5	25.9
Cisneros OCF	9.9	14.2	6.3	8.3	6.9	7.7	29.1	5.7	6.9	8.4	10.6	31.7	45.7
CI OCF Margin	6.2%	6.1%	7.1%	7.2%	5.9%	5.7%	6.4%	5.1%	5.5%	6.5%	7.3%	6.2%	7.3%
MediaDonuts revenue	0.0	28.5	9.6	12.0	12.1	18.8	52.5	17.2	18.9	19.7	28.2	84.0	85.3
MediaDonuts cost of revenue	0.0	20.9	7.2	8.4	9.7	14.7	40.0	12.9	14.1	14.8	21.2	63.0	64.0
MediaDonuts opex ex-cost of revenue	0.0	2.5	1.2	2.4	1.4	2.3	7.2	3.1	3.4	3.3	4.4	14.3	12.0
MediaDonuts OCF	0.0	5.0	1.2	1.2	1.0	1.8	5.3	1.2	1.3	1.6	2.7	6.7	9.3
MD OCF Margin		17.7%	12.7%	10.0%	8.5%	9.7%	10.0%	6.7%	6.8%	8.1%	9.4%	8.0%	10.9%
365 Digital revenue	0.0	0.0	0.0	0.0	0.0	1.9	1.9	2.1	2.8	2.6	2.2	9.7	28.0
365 Digital cost of revenue	0.0	0.0	0.0	0.0	0.0	1.5	1.5	1.7	2.2	2.1	1.7	7.8	22.4
365 Digital opex ex-cost of revenue	0.0	0.0	0.0	0.0	0.0	0.2	0.2	0.3	0.4	0.5	0.4	1.6	3.4
365 Digital OCF	0.0	0.0	0.0	0.0	0.0	0.2	0.2	0.1	0.2	0.0	0.0	0.3	2.2
365 Digital OCF Margin		10.0%	16.9%	16.9%	44.2%	11.5%	11.5%	4.3%	7.1%	0.8%	1.3%	3.5%	7.8%
Acquisitions-PF Adjustments													
Cisneros revenue													
Cisneros cost of revenue													
Cisneros opex ex-cost of revenue			0.1	0.1	0.1	0.1	0.5						
Cisneros OCF			(0.1)	(0.1)	(0.1)	(0.1)	(0.5)						
MediaDonuts revenue													
MediaDonuts cost of revenue													
MediaDonuts opex ex-cost of revenue			1.0	0.0	0.0	0.0	0.1						
MediaDonuts OCF			(1.0)	(0.0)	(0.0)	(0.0)	(0.1)						
365 Digital revenue													
365 Digital cost of revenue													
365 Digital opex ex-cost of revenue													
365 Digital OCF													
Acquisitions-Pro Forma													
Cisneros revenue	159.4	233.3	88.5	114.9	116.6	133.8	453.9	112.5	124.9	129.7	145.7	512.8	623.6
Cisneros cost of revenue	136.2	201.7	77.6	100.4	104.7	119.1	401.7	102.9	111.9	117.7	131.1	463.6	551.9
Cisneros opex ex-cost of revenue	13.2	17.4	4.8	6.4	5.2	7.2	23.6	3.9	6.1	3.6	4.0	17.5	25.9
Cisneros OCF	9.9	14.2	6.1	8.1	6.799	7.5	28.6	5.7	6.9	8.4	10.6	31.7	45.7
OCF Margin	6.2%	6.1%	6.9%	7.1%	5.8%	5.6%	6.3%	5.1%	5.5%	6.5%	7.3%	6.2%	7.3%
MediaDonuts revenue		28.5	9.6	12.0	12.1	18.8	52.5	17.2	18.9	19.7	28.2	84.0	85.3
MediaDonuts cost of revenue		20.9	7.2	8.4	9.7	14.7	40.0	12.9	14.1	14.8	21.2	63.0	64.0
MediaDonuts opex ex-cost of revenue		3.5	1.2	2.4	1.4	2.3	7.3	3.1	3.4	3.3	4.4	14.3	12.0
MediaDonuts OCF		4.0	1.2	1.2	1.8	4.2	4.2	1.2	1.3	1.6	2.7	6.7	9.3
OCF Margin													
365 Digital revenue		0.0	0.0	0.0	0.0	1.9	1.9	2.1	2.8	2.6	2.2	9.7	28.0
365 Digital cost of revenue		0.0	0.0	0.0	0.0	1.5	1.5	1.7	2.2	2.1	1.7	7.8	22.4
365 Digital opex ex-cost of revenue		0.0	0.0	0.0	0.0	0.2	0.2	0.3	0.4	0.5	0.4	1.6	3.4
365 Digital OCF		0.0	0.0	0.0	0.0	0.2	0.2	0.1	0.2	0.0	0.0	0.3	2.2
365 Digital OCF Margin													
Acquisitions-Adjustments to Reported													
Cisneros revenue	(159.4)	(144.1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cisneros cost of revenue	(136.2)	(125.4)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cisneros opex ex-cost of revenue	(13.2)	(11.2)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cisneros OCF pre-minority interest	(9.9)	(7.5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
MediaDonuts revenue	0.0	(28.5)	-9.6	-12.0	0.0	0.0	(21.6)	0.0	0.0	0.0	0.0	0.0	0.0
MediaDonuts cost of revenue	0.0	(20.9)	-7.2	-8.4	0.0	0.0	(15.6)	0.0	0.0	0.0	0.0	0.0	0.0
MediaDonuts opex ex-cost of revenue	0.0	(3.5)	-1.2	-2.4	0.0	0.0	(3.6)	0.0	0.0	0.0	0.0	0.0	0.0
MediaDonuts OCF pre-minority interest	0.0	(4.0)	-1.2	-1.2	0.0	0.0	(2.4)	0.0	0.0	0.0	0.0	0.0	0.0
Memo: MediaDonuts minority interest	0.0	0.0					0.0						
365 Digital revenue	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
365 Digital cost of revenue	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
365 Digital opex ex-cost of revenue	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
365 Digital OCF pre-minority 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
Memo: 365 Digital minority interest	0.0	0.0					0.0						
Acquisitions-As Reported													
Cisneros revenue	0.0	89.2	88.5	114.9	116.6	133.8	453.9	112.5	124.9	129.7	145.7	512.8	623.6
Cisneros cost of revenue	0.0	76.3	77.6	100.4	104.7	119.1	401.7	102.9	111.9	117.7	131.1	463.6	551.9
Cisneros opex	0.0	6.1	4.8	6.4	5.2	7.2	23.6	3.9	6.1	3.6	4.0	17.5	25.9
Cisneros OCF	0.0	6.8	6.1	8.1	6.8	7.5	28.6	5.7	6.9	8.4	10.6	31.7	45.7
MediaDonuts revenue	0.0	0.0	0.0	0.0	12.1	18.8	30.9	17.2	18.9	19.7	28.2	84.0	85.3
MediaDonuts cost of revenue	0.0	0.0	0.0	0.0	9.7	14.7	24.4	12.9	14.1	14.8	21.2	63.0	64.0
MediaDonuts opex	0.0	0.0	0.0	0.0	1.4	2.3	3.7	3.1	3.4	3.3	4.4	14.3	12.0
MediaDonuts OCF	0.0	0.0	0.0	0.0	1.8	1.8	1.8	1.2	1.3	1.6	2.7	6.7	9.3
365 Digital revenue	0.0	0.0	0.0	0.0	0.0	1.9	1.9	2.1	2.8	2.6	2.2	9.7	28.0
365 Digital cost of revenue	0.0	0.0	0.0	0.0	0.0	1.5	1.5	1.7	2.2	2.1	1.7	7.8	22.4
365 Digital opex	0.0	0.0	0.0	0.0	0.0	0.2	0.2	0.3	0.4	0.5	0.4	1.6	3.4
365 Digital OCF	0.0	0.0	0.0	0.0	0.2	0.2	0.2	0.1	0.2	0.0	0.0	0.3	2.2
Digital segment as reported													
Digital revenue	68.9	143.3	101.5	130.2	146.1	177.5	555.3	153.7	174.4	179.1	202.2	709.4	835.1
Digital cost of revenue	36.8	106.9	85.0	109.0	124.3	148.399	466.7	129.9	144.0	150.1	169.0	593.0	694.3
Digital opex	32.3	30.6	10.6	12.0	13.1	15.5	51.3	15.2	18.2	17.0	18.0	68.4	77.0
Digital OCF	(0.1)	5.7	5.9	9.2	8.7	13.6	37.3	8.6	12.2	12.0	15.2	48.0	63.8

Metrics	2019A	2020A	1Q21	2Q21	3Q21	4Q21	2021A	1Q22A	2Q22A	3Q22E	4Q22E	2022E	2023E
Legacy growth													
Reported digital revenue growth		108%	661%	1045%	970%	69%	288%	51%	34%	23%	14%	28%	18%
Legacy digital revenue growth	-14.9%	-21.4%	-2.6%	34.5%	27.4%	45.8%	26.9%	68.7%	81.8%	55.5%	13.8%	49.9%	-4.6%
2-yr CAGR		-18.2%	-5.3%	-4.6%	-0.6%	7.2%	-0.2%	28.2%	56.3%	40.8%	28.8%	37.9%	19.6%
Legacy digital opex growth		-24.1%	-14.4%	-9.2%	21.5%	-4.7%	-2.8%	34.0%	47.6%	46.7%	59.6%	46.9%	2.0%
Legacy digital OCF		822.5%	-71.9%	-184.0%	95.7%	532.7%	-661.1%	-757.3%	266.3%	119.3%	-52.6%	63.3%	-29.4%
Cisneros growth													
Cisneros revenue growth		46.4%	120.0%	173.4%	118.9%	36.9%	94.5%	27.1%	8.7%	11.2%	8.9%	13.0%	21.6%
2-yr CAGR		69.8%	73.6%	67.3%	65.5%	68.7%	68.7%	67.2%	72.4%	56.1%	22.1%	48.3%	17.2%
Cisneros opex ex-COR growth		31.5%	44.3%	88.2%	22.7%	5.1%	32.5%	-16.2%	-2.5%	-29.1%	-44.0%	-23.8%	47.6%
Cisneros OCF		43%	266%	314%	122%	4%	105%	-9%	-17%	22%	39%	9%	44%
MediaDonuts growth													
MediaDonuts revenue growth y/y			205.0%	191.2%	53.5%	41.3%		79.1%	57.1%	62.8%	50.0%	59.9%	1.6%
2-yr CAGR								133.7%	113.9%	58.1%	45.6%	71.8%	27.5%
MediaDonuts opex ex-COR growth y/y			38.7%	183.8%	687.2%	264.3%		166.6%	43.2%	145.6%	90.1%	97.5%	-16.2%
MediaDonuts cost of revenue growth y/y			192%	209%	54%	56%		79%	68%	52%	44%	57%	2%
MediaDonuts OCF growth y/y			-803%	116%	-25%	-44%	5%	-6%	6%	56%	46%	27%	40%
365 Digital growth													
365 Digital revenue growth y/y												408.8%	188.8%
365 Digital opex ex-COR growth y/y												693.1%	114.4%
365 Digital cost of revenue growth y/y												422%	189%
365 Digital OCF growth y/y												55%	539%
Digital segment pro forma growth													
Digital revenue		38%	96%	147%	95%	40%	83%	38%	23%	23%	14%	23%	18%
Digital revenue, PF, pro rated for 4Q by days EVC owned Cisneros in 4Q20			83%										
Digital cost of revenue		46%	104%	156%	107%	45%	90%	41%	23%	21%	14%	23%	17%
Digital opex ex-cost of revenue		0%	8%	40%	29%	11%	21%	29%	26%	30%	16%	25%	13%
Digital OCF		76%	980%	681%	73%	25%	124%	21%	17%	56%	12%	24%	33%
Legacy margins													
Legacy cost of revenue/revenue	53.3%	56.6%	56.6%	56.7%	57.2%	57.4%	57.0%	56.6%	56.7%	57.2%	57.4%	57.0%	57.0%
Legacy COR margin ^ y/y		3.3%	1.5%	0.0%	0.0%	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%	-0.1%	0.0%
Legacy opex ex-COR/revenue	46.8%	45.3%	45.3%	36.6%	37.6%	25.3%	34.7%	36.0%	29.7%	35.5%	35.4%	34.0%	36.3%
Legacy OCF margin	-0.2%	-1.9%	-1.9%	6.8%	5.2%	17.4%	8.3%	7.4%	13.6%	7.4%	7.2%	9.0%	6.7%
Legacy OCF margin ^ y/y		-1.7%	4.7%	17.6%	1.8%	13.4%	10.2%	9.3%	6.9%	2.1%	-10.2%	0.7%	-2.4%
Cisneros margins													
Cisneros cost of revenue/revenue	85.5%	86.4%	87.7%	87.3%	89.7%	89.0%	88.5%	91.5%	89.6%	90.7%	90.0%	90.4%	88.5%
Cisneros COR margin ^ y/y		1.0%	-0.1%	0.0%	3.3%	3.4%	2.1%	3.8%	2.3%	1.0%	1.0%	1.9%	-1.9%
Cisneros OCF margin ^ y/y		-0.1%	2.8%	2.4%	0.1%	-1.8%	0.3%	-2.0%	-1.7%	0.6%	1.6%	-0.2%	1.2%
Cisneros EBITDA margin ^ y/y		-0.1%	2.8%	2.4%	0.1%	-1.8%	0.3%	-2.0%	-1.7%	0.6%	1.6%	-0.2%	1.2%
MediaDonuts margins													
MediaDonuts cost of revenue/revenue		73.5%	75.0%	70.0%	80.3%	78.0%	76.2%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%
MediaDonuts COR margin ^ y/y			-3.5%	4.1%	0.0%	7.4%		0.0%	5.0%	-5.3%	-3.0%	-1.2%	0.0%
MediaDonuts OCF margin ^ y/y			18.2%	-3.5%	-9.0%	-15.0%		-6.0%	-3.2%	-0.4%	-0.3%	-2.1%	3.0%
MediaDonuts EBITDA margin ^ y/y			18.2%	-3.5%	-9.0%	-15.0%		-6.0%	-3.2%	-0.4%	-0.3%	-2.1%	3.0%
365 Digital margins													
365 Digital cost of revenue/revenue		80.0%	75.0%	70.0%	0.0%	78.0%	77.9%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%
365 Digital COR margin ^ y/y			-5.0%	-10.0%	-80.0%	-2.0%		5.0%	10.0%	80.0%	2.0%	2.1%	0.0%
365 Digital OCF margin ^ y/y			6.9%	6.9%	34.2%	1.5%		-12.6%	-9.7%	-43.4%	-10.2%	-8.0%	4.2%
Digital Segment margins													
Digital Segment cost of revenue/revenue		74.6%	83.7%	83.7%	85.1%	83.6%	84.0%	84.5%	82.6%	83.8%	83.6%	83.6%	83.1%
MediaDonuts COR margin ^ y/y			28.6%	27.0%	27.9%	2.3%		0.8%	-1.1%	-1.3%	0.0%	-0.5%	-0.4%
MediaDonuts OCF margin ^ y/y			-83.7%	-97.9%	-152.9%	-363.3%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
MediaDonuts EBITDA margin ^ y/y			-83.7%	-97.9%	-152.9%	-363.3%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Digital Segment reported revenue mix:													
Digital as % of company revenue	25%	42%	68%	73%	73%	76%	73%	78%	79%	77%	79%	78%	83%
Cisneros Interactive as % of digital segment revenue		62%	87%	88%	80%	75%	82%	73%	72%	72%	72%	72%	75%
MediaDonuts as % of digital segment revenue		0%	0%	0%	8%	11%	6%	11%	11%	11%	14%	12%	10%
Legacy digital as % of digital segment revenue		38%	13%	12%	12%	13%	12%	14%	16%	15%	13%	15%	12%
365 Digital as % of digital segment revenue		0%	0%	0%	0%	1%	0%	1%	2%	1%	1%	1%	3%
Digital Segment reported OCF mix:													
Cisneros Interactive as % of digital segment OCF		118%	104%	89%	78%	56%	77%	67%	57%	70%	70%	66%	72%
MediaDonuts as % of digital segment OCF		0%	0%	0%	0%	13%	5%	13%	11%	13%	17%	14%	15%
Legacy digital as % of digital segment OCF		-18%	-4%	11%	10%	29%	15%	19%	31%	17%	12%	19%	10%
365 Digital as % of digital segment OCF		0%	0%	0%	0%	2%	1%	1%	2%	0%	0%	1%	3%
Minority interest		2.5	1.6	2.6	1.8	0.0	5.9	0.0	0.0	0.0	0.0	0.0	0.0

Note: Legacy digital is EVC's digital segment excluding Cisneros Interactive, MediaDonuts and 365 Digital. Source: Industry Capital Research estimates and company data

Figure 10: Forecast Drivers—Television Segment

In millions	2016A	2017A	2018A	2019A	2020A	1Q21	2Q21	3Q21	4Q21	2021A	1Q22A	2Q22A	3Q22E	4Q22E	2022E	2023E
TELEVISION SEGMENT																
Television PF Rev Growth	0.3%	-7.2%	2.5%	-1.4%	3.2%	-7.9%	26.3%	-3.5%	-20.3%	-6.9%	-16.0%	-6.0%	-3.4%	-6.5%	-7.6%	-9.0%
Reported TV revenue	\$159.5	\$148.1	\$151.7	\$149.7	\$154.5	\$36.1	\$34.1	\$36.5	\$40.2	\$146.8	\$30.9	\$32.4	\$35.2	\$37.6	\$136.1	\$123.5
Growth	7.4%	-7.2%	2.5%	-1.4%	3.2%	-7.9%	26.3%	-3.5%	-20.3%	-4.9%	-14.5%	-4.9%	-3.4%	-6.5%	-7.3%	-9.2%
TV non-recurring items:																
TV Political/Census	8.6	0.2	9.8	0.2	22.6	0.0	0.0	0.4	0.4	0.8	-1.3	2.8	3.2	7.3	14.6	0.2
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%	100.0%
Incremental political	8.6	0.2	9.8	0.2	22.6	0.0	0.0	0.4	0.4	0.8	1.3	2.8	3.2	7.3	14.6	0.2
TV revenue ex political	151.0	147.9	141.9	149.4	131.9	36.1	34.1	36.1	39.8	146.0	29.6	29.6	32.0	30.3	121.4	123.3
Growth ex Political	1.8%	-2.0%	-4.0%	5.3%	-11.7%	6.4%	32.5%	9.6%	1.1%	10.7%	-18.1%	-13.1%	-11.3%	-24.0%	-16.9%	-1.6%
Retransmission Consent	29.6	31.4	35.1	35.4	36.8	9.6	9.3	9.1	8.9	37.0	9.2	9.0	8.9	9.0	36.2	35.4
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%	100.0%
Incremental Retrans	29.6	31.4	35.1	35.4	36.8	9.6	9.3	9.1	8.9	37.0	9.2	9.0	8.9	9.0	36.2	35.4
TV revenue ex Retrans	130.0	116.6	116.7	114.3	117.7	26.5	24.8	27.3	31.3	109.9	21.7	23.4	26.3	28.6	99.9	88.1
Growth ex Retrans	7.6%	-10.2%	0.0%	-2.0%	3.0%	-10.7%	40.6%	-4.8%	-25.0%	-6.6%	-18.2%	-5.6%	-3.8%	-8.6%	-9.1%	-11.8%
TV World Cup/Other Soccer	1.5	0.0	0.0	0.0	0.0	0.0	0.5	1.5	0.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0
Assm: % Incremental to Core	25.0%	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%	100.0%
Incremental World Cup	0.4	0.0	0.0	0.0	0.0	0.0	0.5	1.5	0.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0
TV revenue ex WC	159.1	148.1	151.7	149.7	154.5	36.1	33.6	35.0	40.2	144.8	30.9	32.4	35.2	37.6	136.1	123.5
Growth ex WC	7.1%	-7.0%	2.5%	-1.4%	3.2%	-7.9%	24.5%	-7.5%	-20.3%	-6.2%	-14.5%	-4.5%	0.7%	-6.5%	-6.1%	-9.2%
TV Acquisitions/Dispositions (inc. Affiliations)	(6.4)	(10.9)	(10.6)	(9.4)	(9.4)	(2.1)	(1.6)	(2.8)	(3.3)	(9.8)	(6.5)	(6.1)	(7.5)	(7.2)	(27.3)	(28.5)
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%	100.0%
Incremental M&A	0.0	(6.4)	(10.9)	(10.6)	(9.4)	(2.1)	(1.6)	(2.8)	(3.3)	(9.8)	(6.5)	(6.1)	(7.5)	(7.2)	(27.3)	(28.5)
TV revenue ex M&A	159.5	154.5	162.6	160.3	163.9	38.2	35.6	39.2	43.6	156.6	37.4	38.5	42.7	44.8	163.4	152.0
Growth ex M&A	7.4%	-3.2%	5.3%	-1.5%	2.3%	-7.4%	24.9%	-2.8%	-19.0%	-4.4%	-2.0%	8.0%	8.7%	2.9%	4.3%	-7.0%
Spectrum usage/auction	1.5	0.0	3.6	13.1	5.4	2.8	1.1	1.1	1.1	6.2	1.5	1.7	1.7	1.8	6.6	5.0
Assm: % Incremental to Core	25.0%	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%	100.0%
Incremental Spectrum Usage	0.4	0.0	3.6	13.1	5.4	2.8	1.1	1.1	1.1	6.2	1.5	1.7	1.7	1.8	6.6	5.0
TV revenue ex Spectrum Usage	159.1	148.1	148.2	136.6	149.0	33.2	33.0	35.3	39.1	140.7	29.3	30.7	33.6	35.9	129.5	118.5
Growth ex Spectrum Usage	7.1%	-7.0%	0.1%	-7.8%	9.1%	-12.1%	28.7%	-3.0%	-20.4%	-5.6%	-11.8%	-6.8%	-5.1%	-8.3%	-8.0%	-8.5%
PF TV revenue ex-all non-recurring	120.7	122.9	114.2	111.6	99.2	25.7	24.7	27.1	33.1	110.7	25.4	25.1	28.8	26.7	106.0	111.5
PF TV revenue growth ex all non-recurring	1.5%	1.8%	-7.1%	-2.3%	-11.2%	2.8%	49.3%	8.4%	1.8%	11.6%	-1.3%	1.3%	6.5%	-19.4%	-4.3%	5.2%
TV rev grth ex all non-rec 2-yr CAGR	1.7%	-2.7%	-4.7%	-6.8%	-6.8%	-1.6%	-5.4%	-1.3%	5.8%	-0.4%	0.7%	22.9%	7.4%	-9.5%	3.4%	0.3%
PF TV advertising growth ex-political	-3.8%	-11.3%	-2.2%	-11.2%	2.8%	2.8%	57.8%	15.1%	1.8%	14.7%	-20.3%	-19.9%	-17.2%	-34.5%	-23.6%	5.4%
TV ad rev grth ex political 2-yr CAGR	-1.9%	-7.6%	-6.9%	-6.8%	-1.6%	-2.7%	1.7%	5.8%	1.0%	9.5%	-9.5%	12.4%	-2.3%	-18.4%	-6.3%	-10.2%
PF TV revenue growth ex-political	-2.0%	-4.0%	5.3%	-11.7%	6.4%	6.4%	32.5%	9.6%	1.1%	10.7%	-18.1%	-13.1%	-11.3%	-24.0%	-16.9%	1.6%
TV rev grth ex political 2-yr CAGR	-0.1%	-3.0%	0.5%	-3.6%	-2.9%	-2.9%	-5.4%	-0.5%	4.2%	-1.1%	-6.6%	7.3%	-1.4%	-12.3%	-4.1%	-8.1%
PF TV advertising growth	-10.0%	-3.0%	-10.5%	10.9%	-16.4%	45.6%	-4.1%	-25.2%	-7.6%	-14.8%	-8.2%	-6.1%	-11.1%	-10.0%	-10.9%	

Source: Company reports; Industry Capital Research estimates

Figure 11: Forecast Drivers—Radio Segment

In millions	2016A	2017A	2018A	2019A	2020A	1Q21	2Q21	3Q21	4Q21	2021A	1Q22A	2Q22A	3Q22E	4Q22E	2022E	2023E
RADIO SEGMENT																
Radio PF Rev Growth	-0.4%	-11.8%	-4.5%	-13.9%	-15.9%	-3.5%	108.2%	42.5%	-0.5%	23.4%	9.7%	-0.5%	3.4%	0.2%	3.1%	-12.0%
Pro forma radio:																
Revenue	\$75.8	\$66.9	\$63.9	\$55.0	\$46.3	\$11.3	\$14.1	\$16.4	\$16.1	\$58.0	\$12.6	\$14.9	\$17.0	\$16.2	\$60.7	\$52.6
Growth	-0.4%	-11.8%	-4.5%	-13.9%	-15.9%	-3.5%	108.2%	42.5%	-0.5%	25.4%	11.4%	5.8%	3.4%	0.2%	4.6%	-13.3%
Radio non-recurring items:																
Political/Census	2.1	0.1	2.2	0.1	5.9	0.0	0.0	0.6	0.2	0.8	0.3	0.6	1.0	1.7	3.6	0.1
Assm: % Incremental to Core	50.0%	50.0%	50.0%	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	2.1	0.1	1.1	0.1	5.9	0.0	0.0	0.6	0.2	0.8	0.3	0.6	1.0	1.7	3.6	0.1
Radio revenue ex political	73.8	66.9	62.8	54.9	40.4	11.3	14.1	15.9	15.9	57.2	12.3	14.3	16.0	14.5	57.1	52.6
Growth ex Political	-2.7%	-9.3%	-6.0%	-12.6%	-26.4%	5.5%	128.5%	54.2%	20.4%	41.6%	8.7%	1.6%	0.8%	-8.9%	-0.1%	-8.0%
NTR	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
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%	100.0%
Incremental NTR	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
Radio revenue ex NTR	35.1	36.2	36.2	38.4	39.5	11.3	14.1	16.4	16.1	39.5	12.6	14.9	17.0	16.2	39.5	39.5
Growth ex NTR	3.0%	3.0%	0.0%	6.1%	3.0%	-3.5%	108.2%	42.5%	-0.5%	0.0%	11.4%	5.8%	3.4%	0.2%	0.0%	0.0%
World Cup/Other Soccer	1.9									0.0%						
Assm: % Incremental to Core	66.7%	66.7%	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 World Cup	1.0	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
Radio revenue ex WC	75.8	66.9	63.9	55.0	46.3	11.3	14.1	16.4	16.1	58.0	12.6	14.9	17.0	16.2	60.7	52.6
Growth ex WC	-0.4%	-11.8%	-4.5%	-13.9%	-15.9%	-3.5%	108.2%	42.5%	-0.5%	25.4%	11.4%	5.8%	3.4%	0.2%	4.6%	-13.3%
Revenue	73.8	66.9	61.8	54.9	40.4	11.3	14.1	15.9	15.9	57.2	12.3	14.3	16.0	14.5	57.1	52.6
Radio revenue growth ex all non-recurring	-2.4%	-9.3%	-7.5%	-11.2%	-26.4%	5.5%	128.5%	54.2%	20.4%	41.6%	8.7%	1.6%	0.8%	-8.9%	-0.1%	-8.0%
Radio rev grth ex all non-rec 2-yr CAGR	-5.9%	-8.4%	-9.4%	-19.2%	-2.7%	-0.9%	3.7%	7.2%	2.0%	7.1%	52.3%	24.7%	4.7%	18.9%	-4.1%	

Source: Company reports; Industry Capital Research estimates

Figure 12: Forecast Drivers—Operating Expense

In millions	2016A	2017A	2018A	2019A	2020A	1Q21	2Q21	3Q21	4Q21	2021A	1Q22A	2Q22A	3Q22E	4Q22E	2022E	2023E
OPERATING EXPENSE																
Television PF Opex Growth				0.1%	-4.2%	-8.6%	10.0%	6.2%	-2.6%	-0.3%	-3.2%	-0.3%	-0.6%	-1.7%	-1.5%	-8.0%
Radio PF Opex Growth				-4.5%	-26.3%	-16.9%	8.2%	0.8%	-5.5%	-5.4%	-3.0%	4.0%	6.7%	1.7%	2.3%	-7.0%
Pro forma consolidated:																
Opex ex-cost of revenue	\$160.2	\$168.4	\$176.8	\$173.4	\$153.3	\$40.4	\$41.4	\$43.0	\$48.1	\$172.9	\$43.9	\$48.3	\$47.5	\$50.0	\$189.6	\$188.9
Growth	4.6%	5.1%	5.0%	-1.9%	-11.6%	0.4%	25.4%	26.2%	4.6%	12.8%	8.5%	16.5%	10.4%	4.0%	9.7%	-0.4%
Non-recurring opex items:																
M&A (Cisneros, MediaDonuts, 365 acquisitions)	0.0	0.0	0.0	0.0	5.7	4.8	6.4	6.5	9.7	27.5	7.4	9.9	7.4	8.8	33.4	41.3
Assm: % Incremental	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%	100.0%
Incremental Cisneros	0.0	0.0	0.0	0.0	5.7	4.8	6.4	6.5	9.7	27.5	7.4	9.9	7.4	8.8	33.4	41.3
Opex ex Cisneros adjustment	160.2	168.4	176.8	173.4	147.6	35.7	35.0	36.5	38.3	145.5	36.5	38.4	40.1	41.2	156.2	147.6
Growth ex Cisneros	4.6%	5.1%	5.0%	-1.9%	-14.9%	-11.5%	6.0%	7.1%	-4.7%	-1.5%	2.4%	9.6%	9.8%	7.6%	7.4%	-5.5%
Fixed & variable cost reductions	0.0	0.0	0.0	0.0	(27.2)	(5.0)	(5.8)	(11.4)	(10.6)	(32.8)	(6.4)	(7.8)	(14.4)	(13.2)	(41.8)	(35.7)
Assm: % Incremental	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%	100.0%
Incremental cost reductions	0.0	0.0	0.0	0.0	(27.2)	(5.0)	(5.8)	(11.4)	(10.6)	(32.8)	(6.4)	(7.8)	(14.4)	(13.2)	(41.8)	(35.7)
Opex ex cost reductions adjustment	0.0	168.4	176.8	173.4	180.5	45.4	47.3	54.4	58.6	205.7	50.3	56.1	61.8	63.2	231.4	39.7
Growth ex cost reductions	-27.8%	0.0	5.0%	-1.9%	4.1%	12.8%	20.5%	20.7%	4.8%	14.0%	10.7%	18.7%	13.6%	7.9%	12.5%	-82.8%
Salary true-up	0.0	0.0	0.0	0.0	2.0	0.0	0.7	0.7	0.7	2.0	0.0	0.8	0.8	0.8	2.3	2.2
Assm: % Incremental	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%	100.0%
Incremental salary true-up	0.0	0.0	0.0	0.0	2.0	0.0	0.7	0.7	0.7	2.0	0.0	0.8	0.8	0.8	2.3	2.2
Opex ex salary true-up	0.0	168.4	176.8	173.4	151.3	40.4	40.8	42.3	47.4	170.9	43.9	47.5	46.7	49.2	187.3	(2.2)
Growth ex salary true-up				5.0%	-12.7%	0.4%	23.4%	24.3%	7.9%	13.0%	8.5%	16.5%	10.3%	3.9%	9.6%	-101.2%
Opex ex-non-recurring	160.2	168.4	176.8	173.4	172.8	40.7	40.2	47.2	48.2	176.3	42.9	45.4	53.6	53.7	195.6	185.1
Opex growth ex all non-recurring	8.0%	5.1%	5.0%	-1.9%	-0.3%	1.0%	2.4%	4.8%	-0.1%	2.0%	5.5%	13.0%	13.6%	11.3%	11.0%	-5.4%
Opex grth ex all non-rec 2-yr CAGR		6.5%	5.0%	1.5%	-1.1%	-2.5%	-3.6%	4.5%	4.5%	0.8%	3.2%	7.6%	9.1%	5.5%	6.4%	2.5%
Revenue-driven variable expense	41.1	36.7	35.4	31.2	31.7	7.0	7.6	8.5	9.3	32.3	6.5	7.3	8.3	8.6	30.8	27.2
Non-sales opex ex-non-recurring	119.1	131.7	141.4	142.1	141.1	33.7	32.6	38.7	39.0	143.9	36.4	38.1	45.3	45.1	164.8	157.9
Non-sales opex growth ex all non-recurring	9.3%	10.5%	7.4%	0.5%	-0.7%	4.3%	-5.8%	3.7%	5.5%	2.0%	8.0%	16.7%	17.2%	15.8%	14.5%	-4.2%
Non-sales opex grth ex all non-rec 2-yr CAGR		9.9%	8.9%	3.9%	-0.1%	-2.6%	-3.9%	4.7%	4.0%	0.6%	6.1%	4.8%	10.2%	10.5%	8.1%	4.7%

Source: Company reports; Industry Capital Research estimates

Note: The above figure attempts to estimate core opex growth excluding the impact of variable sales expense by deducting 20% of estimated broadcast advertising revenue in all periods.

Figure 13: Financial Statement Forecasts supporting our valuation

In millions, except per share data	2016A	2017A	2018A	2019A	2020A	1Q21	2Q21	3Q21	4Q21	2021A	1Q22A	2Q22A	3Q22E	4Q22E	2022E	2023E
AS REPORTED																
Net revenue:																
Television	\$159.5	\$148.1	\$151.7	\$149.7	\$154.5	\$36.1	\$34.1	\$36.5	\$40.2	\$146.8	\$30.9	\$32.4	\$35.2	\$37.6	\$136.1	123.5
Radio	75.8	66.9	63.9	55.0	46.3	11.3	14.1	16.4	16.1	58.0	12.6	14.9	17.0	16.2	60.7	52.6
Net broadcast revenue	235.4	215.0	215.7	204.7	200.7	47.4	48.2	52.9	56.4	204.9	43.5	47.3	52.2	53.8	196.8	176.1
Digital	23.1	57.1	81.0	68.9	143.3	101.5	130.2	146.1	177.5	555.3	153.7	174.4	179.1	202.2	709.4	835.1
Total net revenue (core)	258.5	272.1	296.6	273.6	344.0	148.9	178.4	199.0	233.9	760.2	197.2	221.7	231.3	256.0	906.2	1,011.2
Revenue from spectrum usage rights		263.9	1.2	0.0	0.0					0.0					0.0	0.0
Total net revenue	258.5	536.0	297.8	273.6	344.0	148.9	178.4	199.0	233.9	760.2	197.2	221.7	231.3	256.0	906.2	1,011.2
Cost of Revenue																
Television		0.0														
Radio		0.0														
Digital	9.5	33.0	45.1	36.8	106.9	84.8	109.0	124.3	148.4	466.5	129.9	144.0	150.1	169.0	593.0	694.3
Digital cost of revenue as % of revenue	41.2%	57.8%	55.7%	53.3%	74.6%	83.5%	83.7%	85.1%	83.6%	84.0%	84.5%	82.6%	83.8%	83.6%	83.6%	83.1%
Total cost of revenue (core)	9.5	33.0	45.1	36.8	106.9	84.8	109.0	124.3	148.4	466.5	129.9	144.0	150.1	169.0	593.0	694.3
Cost of revenue from spectrum usage rights (television)		12.340														
Total cost of revenue	9.5	45.3	45.1	36.8	106.9	84.8	109.0	124.3	148.4	466.5	129.9	144.0	150.1	169.0	593.0	694.3
Opex																
Television opex	83.6	81.7	84.3	84.4	80.9	19.9	19.5	20.1	21.8	81.4	19.2	19.7	20.0	21.2	80.2	73.8
Radio opex	65.4	63.3	59.4	41.8	41.8	9.7	9.9	9.8	10.7	40.0	9.4	10.4	10.4	10.8	41.0	38.1
Digital opex	11.2	23.4	33.1	32.3	30.6	10.9	12.0	13.1	15.5	51.5	15.2	18.2	17.0	18.0	68.4	77.0
Total opex (core)	160.2	168.4	176.8	173.4	153.3	40.4	41.4	43.0	48.1	172.9	43.9	48.3	47.5	50.0	189.6	188.9
Spectrum usage rights																
Total Opex	160.2	168.4	176.8	173.4	153.3	40.4	41.4	43.0	48.1	172.9	43.9	48.3	47.5	50.0	189.6	188.9
OCF																
Television OCF	75.9	66.3	67.4	65.2	73.6	\$16.2	\$14.5	\$16.3	\$18.4	65.4	\$11.6	\$12.6	\$15.2	\$16.4	55.9	49.7
TV OCF Margin	47.6%	44.8%	44.4%	43.6%	47.6%	44.9%	42.7%	44.7%	45.7%	44.6%	37.7%	39.1%	43.1%	43.6%	41.1%	40.2%
Incremental Margin	-566.3%	83.6%	30.3%	105.6%	173.4%					106.6%					88.9%	49.0%
Radio OCF	10.5	3.6	4.6	(1.7)	4.5	1.6	4.2	6.7	5.5	18.0	3.2	4.6	6.6	5.4	19.7	14.5
Radio OCF margin	13.8%	5.4%	7.1%	(3.1%)	9.7%	14.4%	29.9%	40.5%	33.9%	31.0%	25.5%	30.5%	38.6%	33.4%	32.5%	27.6%
Incremental Margin	1189.2%	76.7%	(31.0%)	70.1%	(70.4%)					114.9%					64.4%	64.4%
Digital OCF	2.4	0.7	2.8	(0.1)	5.7	5.9	9.167	8.7	13.6	37.3	8.6	12.2	12.0	15.2	48.0	63.8
Digital OCF margin	10.2%	1.3%	3.4%	(0.2%)	4.0%	5.8%	7.0%	6.0%	7.6%	6.7%	5.6%	7.0%	6.7%	7.5%	6.8%	7.6%
Incremental Margin	28.8%	(4.8%)	8.5%	23.9%	7.9%					7.7%					6.9%	12.6%
Total OCF (core)	88.7	70.7	74.8	63.4	83.8	23.7	27.9	31.7	37.4	120.8	23.4	29.4	33.8	37.0	123.6	128.0
Margin	34.3%	26.0%	25.2%	23.2%	24.4%	15.9%	15.7%	15.9%	16.0%	15.9%	11.9%	13.2%	14.6%	14.5%	13.6%	12.7%
Incremental Margin	(114.5%)	(132.9%)	16.6%	49.1%		8.4%	16.7%	7.8%	(4.8%)		(0.6%)	3.3%	6.5%	(1.8%)		
Spectrum sales	0.0	251.6	1.2	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	88.7	322.3	75.9	63.4	83.8	23.7	27.9	31.7	37.4	120.8	23.4	29.4	33.8	37.0	123.6	128.0
Total OCF Margin	34.3%	60.1%	25.5%	23.2%	24.4%	15.9%	15.7%	15.9%	16.0%	15.9%	11.9%	13.2%	14.6%	14.5%	13.6%	12.7%
Incremental Margin	(114.5%)	84.2%	103.4%	51.6%		8.4%	16.7%	7.8%	(4.8%)		(1.6%)	3.3%	6.5%	(1.8%)		
Corporate Expense	24.5	27.9	26.9	28.1	27.8	7.2	7.3	7.3	11.2	33.0	8.7	8.5	9.0	9.7	36.0	37.1
GAAP EBITDA	64.2	294.4	49.1	35.4	56.0	16.6	20.6	24.4	26.2	87.8	14.7	20.8	24.8	27.3	87.6	91.0
Corporate non-cash comp	3.7	4.9	5.1	3.6	3.9	0.8	0.8	0.8	4.0	6.4	1.6	1.7	1.6	1.5	6.5	6.6
Opex adjustments to cash:																
Amortization of syndication contracts	(0.4)	(0.5)	(0.7)	(0.3)	(0.3)	(0.4)	(0.4)	(0.3)	(0.3)	(0.3)	(0.3)	(0.4)	(0.4)	(0.3)	(0.3)	(0.3)
Payments on syndication contracts	(0.4)	(0.4)	(0.6)	(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	1.3	1.2	0.7	0.7	1.2	0.3	0.3	0.3	2.3	3.2	1.0	0.9	0.9	1.1	3.9	4.0
Non-recurring cash severance		0.8	2.3	1.7	1.7	0.0	0.0	0.0	0.4	0.4						
EBITDA attributable to redeemable noncontrolling interest						3.4	2.8	4.3	2.0	0.0	9.1	0.0	0.0	0.0	0.0	0.0
Total opex (positive) adjustments to cash	(1.3)	(1.2)	(1.5)	(2.9)	3.4	2.5	3.9	1.7	(2.7)	5.5	(1.0)	(0.9)	(0.9)	(1.1)	(3.9)	(4.0)
Foreign currency (gain) loss	0.0	0.4	1.6	0.8	(1.1)	0.6	(0.3)	0.2	0.1	0.5	(0.8)	1.0	0.3	(0.4)	0.0	0.0
Total Adjusted EBITDA	69.2	300.1	54.0	41.2	60.4	14.2	17.8	23.3	32.9	88.2	18.1	22.5	27.0	30.4	98.0	101.6
Other opex for spectrum (in corporate)		2.1	1.2													
Adjusted EBITDA (core)	69.2	50.6	54.0	41.2	60.4	14.2	17.8	23.3	32.9	88.0	18.1	22.5	27.0	30.4	98.0	101.6
Memo: adj. EBITDA (core) reported	69.2	50.6	54.0	41.2	60.4	14.2	17.8	23.3	32.9	88.0	18.1	22.5	27.0	30.4	98.0	101.6
Model variance: adj. EBITDA	0.0	0.0	0.0	0.0	(0.0)	0.0	0.0	0.1	(0.0)	0.1	(0.0)					
Adj. EBITDA core margin	26.8%	18.6%	18.2%	15.1%	17.6%	9.5%	10.0%	11.7%	14.0%	11.6%	9.2%	10.1%	11.7%	11.9%	10.8%	10.0%
Incremental Margin	(161.7%)	(137.3%)	14.0%	55.6%	27.3%	5.3%	12.1%	5.1%	0.3%	6.7%	8.1%	10.8%	11.5%	(11.1%)	6.7%	3.4%

Source: Industry Capital Research estimates and company data

Figure 14: Financial Statement Forecasts supporting our valuation (cont.)

In millions, except per share data	2016A	2017A	2018A	2019A	2020A	1Q21	2Q21	3Q21	4Q21	2021A	1Q22A	2Q22A	3Q22E	4Q22E	2022E	2023E
Memo: cash opex (core)	\$158.9	\$167.2	\$175.3	\$170.4	\$153.8	\$42.9	\$45.4	\$44.7	\$45.4	\$178.4	\$42.9	\$47.3	\$46.6	\$48.9	\$185.7	\$184.9
Memo: cash corporate expense	20.8	23.1	21.8	24.4	23.9	6.4	6.5	6.5	7.2	26.6	7.1	6.8	7.4	8.2	29.5	30.4
Memo: total non-cash comp	5.0	6.1	5.8	4.4	5.1	1.1	1.1	1.1	6.3	9.6	2.6	2.6	2.5	2.6	10.4	10.6
Memo: adj. EBITDA - (OCF - cash corporate)	1.3	3.0	1.1	2.2	0.6	(3.1)	(3.6)	(1.9)	2.6	(6.0)	1.8	(0.1)	0.6	1.6	3.9	4.0
Memo: PF EBITDA attributable to redeemable noncontrolling interest																
D&A	15.3	16.4	16.3	16.6	17.3	5.2	5.1	5.9	6.3	22.4	6.4	6.3	6.3	6.3	25.2	26.3
D&A % of Revenue	5.9%	6.0%	5.5%	6.1%	5.0%	3.5%	2.8%	3.0%	2.7%	2.9%	3.2%	2.8%	2.7%	2.4%	2.8%	2.6%
Change in fair value contingent consideration			(1.2)	(6.478)	0.000	0.0	0.0	0.0	8.2	8.2	5.1	1.0	0.0	(0.98)	5.1	0.0
Impairments	0.0	0.0	0.0	32.1	40.0	1.3	0.1	0.2	1.4	3.0	0.0	0.0	0.0	0.0	0.0	0.0
Other operating (gain) loss		(0.3)	(1.2)	(6.0)	(6.9)	(1.9)	(0.5)	(2.4)	(2.1)	(7.0)	(0.1)	(0.8)	(0.1)	(0.1)	(1.2)	(1.2)
Gain (Loss) on Sale	(0.1)	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
Operating Income (EBIT Inc. Impairments)	48.9	277.9	33.6	(1.7)	6.6	11.4	16.2	20.6	12.4	60.6	4.2	13.4	18.3	22.6	58.5	65.8
Operating Margin %	18.9%	51.8%	11.3%	-0.6%	1.9%	7.6%	9.1%	10.4%	5.3%	8.0%	2.1%	6.1%	7.9%	8.8%	6.5%	6.5%
Interest expense	(15.5)	(16.7)	(13.7)	(13.7)	(8.3)	(1.7)	(1.8)	(1.7)	(1.7)	(6.9)	(1.4)	(2.3)	(1.5)	(1.5)	(6.8)	(8.4)
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
Interest income	0.3	0.8	2.0	3.4	1.7	0.1	0.0	0.0	0.0	0.2	0.0	0.7	0.0	(0.7)	0.0	0.0
Net interest expense	(15.2)	(15.9)	(11.8)	(10.3)	(6.5)	(1.6)	(1.8)	(1.7)	(1.7)	(6.8)	(1.4)	(1.6)	(1.5)	(2.3)	(6.8)	(8.4)
Loss on debt extinguishment	(0.2)	(3.3)	(0.6)	(0.3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other income, net	0.0	0.0	0.2	0.9	0.0	0.0	0.0	0.2	0.0	0.2	0.0	0.0	0.0	(0.0)	0.0	0.0
Pretax income	33.5	258.6	21.4	(11.3)	0.1	9.8	14.5	19.1	10.6	54.0	2.7	11.8	16.8	20.3	51.7	57.5
Pretax margin	13.0%	48.2%	7.2%	NM	0.0%	6.6%	8.1%	9.6%	4.6%	7.1%	1.4%	5.3%	7.3%	7.9%	5.7%	5.7%
Income (taxes) benefit	(13.1)	(82.6)	(7.9)	(8.2)	(1.5)	(2.8)	(4.0)	(5.1)	(6.8)	(18.7)	(0.9)	(3.4)	(4.7)	(6.6)	(15.5)	(20.1)
Effective tax rate	39.1%	31.9%	36.8%	-72.1%	1276.3%	28.5%	27.6%	26.8%	63.7%	34.6%	31.1%	28.5%	28.0%	32.4%	30.0%	35.0%
Cash tax rate	1.8%	0.3%	15.2%	-25.2%	6552.5%	-2.0%	22.7%	2.5%	5.4%	7.6%	44.2%	52.6%	23.1%	20.6%	30.0%	33.5%
Net Income (Before Equity Investments)	20.4	176.0	13.5	(19.5)	(1.4)	7.0	10.5	14.0	3.9	35.4	1.9	8.5	12.1	13.7	36.2	37.4
Equity in net of noncon. affils.	0.0	(0.3)	(1.4)	(0.2)	0.0	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	20.4	175.7	12.2	(19.7)	(1.4)	7.0	10.5	14.0	3.9	35.4	1.9	8.5	12.0	13.8	36.2	37.4
Net margin	26.8%	9.4%	18.1%	15.1%	17.6%	9.5%	10.0%	11.7%	14.0%	11.6%	9.2%	10.1%	11.7%	11.9%	10.8%	10.0%
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
Minority Interest					2.5	1.6	2.6	1.8	0.0	5.9	0.0	0.0	0.0	0.0	0.0	0.0
Net inc. to common pre-1-time	20.4	175.7	12.2	(19.7)	(3.9)	5.4	7.9	12.3	3.9	29.4	1.9	8.5	12.0	13.8	36.2	37.4
Net margin	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
EPS - Basic, Continuing Operations	\$0.23	\$1.95	\$0.14	(\$0.23)	(\$0.05)	\$0.06	\$0.09	\$0.14	\$0.04	\$0.34	\$0.02	\$0.10	\$0.14	\$0.16	\$0.42	\$0.45
Extraordinary Items/discontinued Items	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 income to common	20.4	175.7	12.2	(19.7)	(3.9)	5.4	7.9	12.3	3.9	29.4	1.9	8.5	12.0	13.8	36.2	37.4
EPS - basic	\$0.23	\$1.95	\$0.14	(\$0.23)	(\$0.05)	\$0.06	\$0.09	\$0.14	\$0.05	\$0.34	\$0.02	\$0.10	\$0.14	\$0.17	\$0.42	\$0.45
EPS - diluted	\$0.22	\$1.91	\$0.13	(\$0.23)	(\$0.05)	\$0.06	\$0.09	\$0.14	\$0.04	\$0.33	\$0.02	\$0.10	\$0.14	\$0.16	\$0.41	\$0.44
EPS reported by company	\$0.22	\$1.91	\$0.13	(\$0.23)	(\$0.05)	\$0.06	\$0.09	\$0.14	\$0.04	\$0.33	\$0.02	\$0.10	\$0.14	\$0.16	\$0.41	\$0.44
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
Pro forma adjustments	0.0	0.0	0.0	0.0	39.8	0.0	0.0	0.0	9.6	9.6	5.1	1.0	0.0	(1.0)	5.1	0.0
Pro forma net income	20.4	175.7	12.2	(19.7)	35.9	5.4	7.9	12.3	13.5	39.1	7.0	9.4	12.0	12.8	41.3	37.4
Pro forma EPS - basic	\$0.23	\$1.95	\$0.14	(\$0.23)	\$0.43	\$0.06	\$0.09	\$0.14	\$0.16	\$0.46	\$0.08	\$0.11	\$0.14	\$0.15	\$0.48	\$0.45
Pro forma EPS	\$0.22	\$1.91	\$0.13	(\$0.23)	\$0.43	\$0.06	\$0.09	\$0.14	\$0.15	\$0.44	\$0.08	\$0.11	\$0.14	\$0.15	\$0.47	\$0.44
EPS shares - Basic	89.3	90.3	89.1	85.1	84.2	85.0	85.2	85.4	85.6	85.3	86.5	85.0	84.7	83.3	85.1	82.1
EPS shares - Diluted	91.3	91.9	90.3	85.1	84.2	87.0	87.8	88.3	88.6	87.9	88.6	87.0	86.8	85.4	87.3	84.2
Free Cash Flow:																
EBITDA	69.2	50.6	54.0	41.2	60.4	14.2	17.8	23.3	32.9	88.2	18.1	22.5	27.0	30.4	98.0	101.6
Cash net interest	(14.4)	(12.7)	(10.6)	(9.4)	(5.9)	(1.4)	(1.6)	(1.5)	(1.6)	(6.2)	(1.2)	(1.2)	(1.5)	(3.0)	(6.8)	(8.4)
Other adjustments to cash		250.0	1.9	4.7	5.3	1.9	0.5	2.6	1.7	6.8	0.1	0.8			1.0	
- Cash taxes	(0.6)	(0.8)	(3.3)	(2.8)	(7.7)	0.2	(3.3)	(0.5)	(0.6)	(4.1)	(1.2)	(6.2)	(3.9)	(4.2)	(15.5)	(19.2)
Cash taxes / EBITDA	1%	2%	6%	7%	13%	0.0	18%	2%	2%	5%	7%	28%	14%	14%	16%	19%
Minus: capex	(9.1)	(12.1)	(17.0)	(25.3)	(9.5)	(1.8)	(1.0)	(1.4)	(1.3)	(5.8)	(1.5)	(1.7)	(1.7)	(7.6)	(12.5)	(11.1)
Capex / D&A	59%	74%	105%	152%	55%	35%	20%	24%	21%	25%	24%	27%	27%	122%	50%	42%
Capex / EBITDA	13%	24%	31%	61%	16%	13%	6%	6%	4%	6%	9%	7%	6%	25%	13%	11%
Plus: cost of revenue for spectrum usage rights		12.1														
= Free Cash Flow	45.2	287.1	25.0	8.3	42.6	13.0	12.4	22.5	31.1	79.0	14.3	14.3	20.0	15.6	64.1	62.8
Free cash flow (reported by company)	45.2	287.1	25.0	8.3	43.0	13.0	12.4	22.4	31.1	79.0	14.3	14.3	20.0	15.6	64.1	62.8
Free Cash Flow (core)	45.2	37.6	25.0	8.3	42.6	13.0	12.4	22.5	31.1	79.0	14.3	14.3	20.0	15.6	64.1	62.8
FCF per share (core)	\$0.50	\$0.41	\$0.28	\$0.10	\$0.51	\$0.15	\$0.14	\$0.25	\$0.35	\$0.90	\$0.16	\$0.16	\$0.23	\$0.18	\$0.74	\$0.75
Memo: FCF/Adjusted EBITDA (core)	65.3%	74.3%	46.3%	20.1%	70.5%	91.8%	69.8%	96.5%	94.6%	89.7%	79.1%	63.4%	73.9%	51.3%	65.5%	61.9%
Dividends per basic share	\$0.13	\$0.16	\$0.20	\$0.20	\$0.13	\$0.02	\$0.03	\$0.03	\$0.02	\$0.10	\$0.03	\$0.03	\$0.03	\$0.03	\$0.10	\$0.10
- Dividends	(11.2)	(14.7)	(17.8)	(17.0)	(10.5)	(2.1)	(2.1)	(2.1)	(2.1)	(8.5)	(2.2)	(2.1)	(2.1)	(2.1)	(8.5)	(8.2)
Dividends as % of FCF	24.7%	39.0%	71.1%	204.6%	24.7%	16.3%	17.2%	9.5%	6.9%	10.8%	15.1%	14.9%	10.6%	13.4%	13.2%	13.1%

Source: Industry Capital Research estimates and company data

Figure 15: Financial Statement Forecasts supporting our valuation (cont.)

ANNUAL PERCENTAGE CHANGE	2016A	2017E	2018A	2019A	2020A	1Q21	2Q21	3Q21	4Q21	2021A	1Q22A	2Q22A	3Q22E	4Q22E	2022E	2023E
Net revenue growth	1.7%	107.4%	-44.4%	-8.1%	25.8%	131.7%	295.5%	216.0%	36.2%	121.0%	32.4%	24.3%	16.2%	9.5%	19.2%	11.6%
Net revenue (core) growth	1.7%	5.3%	9.0%	-7.8%	25.8%	131.7%	295.5%	216.0%	36.2%	121.0%	32.4%	24.3%	16.2%	9.5%	19.2%	11.6%
TV revenue growth	0.3%	-7.2%	2.5%	-1.4%	3.2%	-7.9%	26.3%	-3.5%	-20.3%	-4.9%	-14.5%	-4.9%	-3.4%	-6.5%	-7.3%	-9.2%
Radio revenue growth	-0.4%	-11.8%	-4.5%	-13.9%	-15.9%	-3.5%	NM	42.5%	-0.5%	25.4%	11.4%	5.8%	3.4%	0.2%	4.6%	-13.3%
Digital revenue growth	22.5%	146.7%	41.8%	-14.9%	108.0%	661.2%	1045.0%	970.1%	69.1%	287.5%	51.5%	33.9%	22.6%	13.9%	27.7%	17.7%
Cost of revenue	31.7%	NM	36.7%	-18.5%	NM	NM	NM	NM	73.9%	NM	53.3%	32.1%	20.7%	13.9%	27.1%	17.1%
Direct expense	3.7%	-2.2%	3.1%	41.7%	-12.1%	-25.5%	-11.9%	-16.7%	-31.5%	-22.4%	-3.2%	1.1%	-0.6%	-2.9%	-1.5%	-8.0%
SG&A	5.9%	NM	NM	-21.1%	-10.3%	-28.8%	-9.2%	-1.1%	NM	NM	-3.0%	4.9%	6.7%	25.8%	22.4%	12.9%
Opex	5.9%	NM	NM	-4.8%	23.8%	NM	NM	NM	49.7%	NM	38.8%	27.8%	18.0%	11.5%	22.4%	12.9%
Opex (core)	4.6%	5.1%	5.0%	-1.9%	-11.6%	0.4%	25.4%	26.2%	4.6%	12.8%	8.5%	16.5%	10.4%	4.0%	9.7%	-0.4%
TV opex	3.7%	-2.2%	3.1%	0.1%	-4.2%	-8.6%	10.0%	6.2%	-2.6%	0.6%	-3.2%	1.1%	-0.6%	-2.9%	-1.5%	-8.0%
Radio opex	5.5%	-3.2%	-6.2%	-4.5%	-26.3%	-16.9%	8.2%	0.8%	-5.5%	-4.2%	-3.0%	4.9%	6.7%	0.9%	2.3%	-7.0%
Digital opex	7.0%	107.8%	41.8%	-2.6%	-5.0%	58.1%	95.3%	142.7%	27.1%	68.1%	40.4%	51.2%	30.1%	16.0%	32.9%	12.5%
Total OCF (core)	-5.3%	-20.3%	5.8%	-15.2%	32.1%	42.6%	NM	50.1%	-7.4%	44.1%	-1.2%	5.1%	6.6%	-1.0%	2.3%	3.6%
TV OCF	-3.2%	-12.6%	1.7%	-3.3%	12.8%	-7.1%	57.7%	-13.3%	-34.5%	-11.0%	-28.3%	-13.0%	-6.9%	-10.7%	-14.6%	-11.0%
Radio OCF	-26.3%	-65.4%	25.8%	NM	NM	NM	NM	NM	11.0%	NM	97.1%	7.8%	-1.4%	-1.2%	9.8%	-26.3%
Digital OCF	NM	-68.5%	NM	NM	NM	NM	NM	NM	83.5%	NM	46.1%	32.5%	38.1%	12.1%	28.5%	32.9%
Corporate expense	9.0%	12.1%	1.0%	3.0%	3.0%	2.0%	15.0%	-4.0%	-18.0%	3.0%	-2.0%	-13.0%	4.2%	47.9%	3.0%	3.0%
Adjusted EBITDA (core)	-9.3%	-26.9%	6.8%	-23.7%	46.6%	46.7%	NM	42.4%	0.6%	45.9%	27.6%	26.4%	15.9%	-7.5%	11.2%	3.6%
D & A	-4.0%	7.0%	-0.8%	2.3%	3.8%	14.9%	31.0%	50.0%	26.2%	29.7%	23.4%	23.4%	6.1%	0.0%	12.3%	4.4%
Operating income	-11.5%	NM	-88.5%	-36.9%	88.3%	81.4%	NM	40.4%	-18.7%	47.7%	15.2%	17.3%	11.6%	5.9%	11.2%	-100.0%
Pretax income	-20.3%	NM	-91.7%	NM	NM	NM	NM	50.0%	-61.4%	NM	-72.0%	-18.2%	-12.1%	90.5%	-4.4%	11.2%
Net income pre-extra.	-20.5%	NM	-93.1%	NM	NM	NM	NM	35.9%	-81.0%	NM	-65.2%	7.6%	-2.1%	NM	22.9%	3.3%
EPS, Continuing Operations	-20.7%	NM	-92.8%	NM	NM	NM	NM	27.3%	-83.3%	NM	-66.7%	11.1%	0.0%	NM	23.5%	7.1%
EPS - diluted	-21.4%	NM	-93.0%	NM	NM	NM	NM	30.6%	-81.5%	NM	-65.9%	8.6%	-0.4%	NM	23.9%	7.0%
FCF/share	NM	-18.0%	-31.7%	-64.3%	NM	NM	NM	NM	6.1%	76.5%	6.7%	14.3%	-8.0%	-48.6%	-17.8%	1.4%
EPS shares - Diluted	1.1%	0.6%	-1.7%	-5.8%	-1.0%	3.2%	3.7%	4.1%	3.0%	4.4%	1.9%	-0.9%	-1.7%	-3.5%	-0.7%	-3.5%

Source: Industry Capital Research estimates and company data

Figure 16: Financial Statement Forecasts supporting our valuation (cont.)

Segments																
In millions	2016A	2017A	2018A	2019A	2020A	2021A	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E
AS REPORTED																
Revenue:																
Television	\$159.5	\$148.1	\$151.7	\$149.7	\$154.5	\$36.1	\$34.1	\$36.5	\$40.2	\$146.8	\$30.9	\$32.4	\$35.2	\$37.6	\$136.1	\$123.5
Radio	75.8	66.9	63.9	55.0	46.3	11.3	14.1	16.4	16.1	58.0	12.6	14.9	17.0	16.2	60.7	52.6
Digital	23.1	57.1	81.0	68.9	143.3	101.5	130.2	146.1	177.5	555.3	153.7	174.4	179.1	202.2	709.4	835.1
Revenue	258.5	272.1	296.6	273.6	344.0	148.9	178.4	199.0	233.9	760.2	197.2	221.7	231.3	256.0	906.2	1,011.2
Cost of revenue:																
Television	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
Radio	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
Digital	9.5	33.0	45.1	36.8	106.9	84.8	109.0	124.3	148.4	466.5	129.9	144.048	150.1	169.0	593.0	694.3
Cost of revenue	9.5	33.0	45.1	36.8	106.9	84.8	109.0	124.3	148.4	466.5	129.9	144.0	150.1	169.0	593.0	694.3
Opex:																
Television	83.6	81.7	84.3	84.4	80.9	19.9	19.5	20.1	21.8	81.4	19.2	19.7	20.0	21.2	80.2	73.8
Radio	65.4	63.3	59.4	56.7	41.8	9.7	9.9	9.8	10.7	40.0	9.4	10.4	10.4	10.8	41.0	38.1
Digital	11.2	23.4	33.1	32.3	30.6	10.9	12.0	13.1	15.5	51.5	15.2	18.2	17.0	18.0	68.4	77.0
Opex	160.2	168.4	176.8	173.4	153.3	40.4	41.4	43.0	48.1	172.9	43.9	48.3	47.5	50.0	189.6	188.9
OCF:																
Television	75.9	66.3	67.4	65.2	73.6	16.2	14.5	16.3	18.4	65.4	11.6	12.6	15.2	16.4	55.9	49.7
Radio	10.5	3.6	4.6	(1.7)	4.5	1.6	4.2	6.7	5.5	18.0	3.2	4.6	6.6	5.4	19.7	14.5
Digital	2.4	0.7	2.8	(0.1)	5.7	5.9	9.2	8.7	13.6	37.3	8.6	12.2	12.0	15.2	48.0	63.8
OCF	88.7	70.7	74.8	63.4	83.8	23.7	27.9	31.7	37.4	120.8	23.4	29.4	33.8	37.0	123.6	128.0
PRO FORMA																
Revenue:																
Television	159.5	148.1	151.7	149.7	154.5	36.1	34.1	36.5	40.2	146.8	30.9	32.0	35.2	37.6	135.7	123.5
Radio	75.8	66.9	63.9	55.0	46.3	11.3	14.1	16.4	16.1	58.0	12.6	14.1	17.0	16.2	59.8	52.6
Digital			92.1	228.3	315.9	111.1	142.2	146.1	177.5	577.0	153.7	174.4	179.1	202.2	709.4	835.1
Revenue	273.7	281.7	307.8	433.0	516.6	158.5	190.4	199.0	233.9	781.8	197.2	220.4	231.3	256.0	904.9	1,011.2
Cost of revenue:																
Television	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
Radio	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
Digital	9.5	33.0	45.1	173.0	253.2	92.2	117.4	124.3	148.4	482.3	129.9	144.1	150.1	169.0	593.0	694.3
Cost of revenue	9.5	33.0	45.1	173.0	253.2	92.2	117.4	124.3	148.4	482.3	129.9	144.1	150.1	169.0	593.0	694.3
Opex:																
Television	83.6	81.7	84.3	84.4	80.9	19.9	19.5	20.1	21.8	81.4	19.2	19.5	20.0	21.5	80.2	73.8
Radio	65.4	63.3	59.4	56.7	41.8	9.7	9.9	9.8	10.7	40.0	9.4	10.3	10.4	10.9	41.0	38.1
Digital			43.9	45.5	45.4	11.8	14.4	13.1	15.5	54.9	15.2	18.2	17.0	18.0	68.4	77.0
Opex	160.2	168.4	187.6	186.6	168.1	41.4	43.9	43.0	48.1	176.3	43.9	47.9	47.5	50.4	189.6	188.9
OCF:																
Television	75.9	66.3	67.4	65.2	73.6	16.2	14.5	16.3	18.4	65.4	11.6	12.5	15.2	16.2	55.5	49.7
Radio	10.5	3.6	4.6	(1.7)	4.5	1.6	4.2	6.7	5.5	18.0	3.2	3.8	6.6	5.3	18.9	14.5
Digital	17.5	10.4	3.2	9.8	17.3	7.1	10.4	8.7	13.6	39.7	8.6	12.2	12.0	15.2	48.0	63.8
OCF	103.9	80.3	75.2	73.4	95.3	24.9	29.1	31.7	37.4	123.2	23.4	28.5	33.8	36.7	122.3	128.0
CONSOLIDATED PRO FORMA																
Revenue	273.7	281.7	307.8	433.0	516.6	158.5	190.4	199.0	233.9	781.8	197.2	220.4	231.3	256.0	904.9	1,011.2
Growth	7.7%	2.9%	9.3%	40.7%	19.3%	47.3%	108.6%	60.3%	20.8%	51.3%	24.4%	15.8%	16.2%	9.5%	15.7%	11.7%
Cost of Revenue	9.5	33.0	45.1	173.0	253.2	92.2	117.4	124.3	148.4	482.3	129.9	144.1	150.1	169.0	593.0	694.3
Growth	31.7%	246.0%	36.7%	283.6%	46.4%	104.3%	156.1%	106.6%	45.4%	90.5%	40.9%	22.7%	20.7%	13.9%	22.9%	17.1%
Opex	160.2	168.4	187.6	186.6	168.1	41.4	43.9	43.0	48.1	176.3	43.9	47.9	47.5	50.4	189.6	188.9
Growth	4.6%	5.1%	11.4%	-0.5%	-9.9%	-6.6%	17.8%	10.7%	0.8%	4.9%	6.0%	9.3%	10.4%	4.8%	7.5%	-0.4%
OCF	103.9	80.3	75.2	73.4	95.3	24.9	29.1	31.7	37.4	123.2	23.4	28.5	33.8	36.7	122.3	128.0
Growth	2.9%	-22.7%	-6.4%	-2.4%	29.9%	37.1%	255.8%	26.2%	-14.6%	29.2%	-6.0%	-2.3%	6.6%	-2.0%	-0.7%	4.7%
Corporate	20.8	23.1	21.8	24.4	23.9	6.4	6.5	6.5	7.2	26.6	7.1	6.8	7.4	8.2	29.5	30.4
Growth	8.5%	10.8%	-5.5%	12.0%	-2.0%	3.6%	39.7%	15.3%	-3.2%	11.3%	11.0%	4.3%	13.6%	13.9%	10.8%	3.2%
Memo: adj. EBITDA - (OCF - cash corporate)	1.3	3.0	1.1	2.2	0.6	(3.1)	(3.6)	(1.9)	2.6	(6.0)	1.8	(0.1)	0.6	1.6	3.9	4.0
EBITDA	84.4	60.2	54.4	51.2	71.9	15.4	19.0	23.3	32.9	90.6	18.1	21.6	27.0	30.0	96.8	101.6
Growth	3.2%	-28.7%	-9.6%	-6.0%	40.6%	48.4%	343.4%	14.5%	-8.9%	25.9%	17.6%	13.7%	15.9%	-8.6%	6.8%	5.0%

Source: Industry Capital Research estimates and company data

Figure 17: DCF Analysis supports \$7.50 12-month price target within \$7.50-9 Range

Entravision DCF analysis			
\$ in millions except per share amounts			
	Current	YE 2022	YE 2023
Firm Value	772	774	772
(-) Total Net Debt	106	42	(21)
(+) NOLs/Tax Assets	30	30	30
(-) Options (Claims on Entravision)	(3.0)	(3.0)	(3.0)
Common Equity Value	693.6	759.4	820.5
Shares Outstanding	87.4	87.4	87.4
Current Share Price	\$5.31	\$5.31	\$5.31
Value Per Share	\$7.94	\$8.69	\$9.39
12-month	\$9.00		
12-month (SoTP)	\$7.50		

ASSUMPTIONS					
Risk Free Rate	2.60%				
Equity Premium	5.26%				
Assumed LT Growth Rate (g)	0%				
MV of Equity Calculation					
Share Price	\$5.31				
Outstanding Shares	87.4				
MV of Equity	464.0				
Estimate MV of Debt Calculation					
Interest Expense	6.9				
Current Cost of Debt	6.0%				
Wgtd Avg Maturity of Debt					
BV of Debt	105.9				
Estimate MV of Debt	105.9				

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Terminal
Discounted Cash Flow											
EBITDA	54.0	41.2	60.4	88.2	98.0	101.6	129.7	123.7	141.0	132.4	
EBIT	37.8	24.6	43.1	65.7	72.8	75.3	95.9	87.9	102.6	93.2	97.9
Less Cash Taxes	(11.3)	(7.4)	(12.9)	(19.7)	(21.8)	(22.6)	(28.8)	(26.4)	(30.8)	(28.0)	(34.3)
Plus D&A	16.3	16.6	17.3	22.4	25.2	26.3	33.8	35.8	38.5	39.2	39.2
Less Cap Ex	(17.0)	(25.3)	(9.5)	(5.6)	(12.5)	(11.1)	(11.7)	(12.3)	(12.9)	(13.5)	(39.2)
Less Increase in WC	(9.4)	(8.7)	8.7	(15.5)	(2.7)	(3.4)	(4.5)	(4.5)	(5.3)	(4.9)	(5.1)
Free Cash Flow to Firm	16.3	(0.1)	46.6	47.3	61.0	64.4	84.8	80.6	92.1	86.0	58.5
Tax Rate		30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	35.0%
Net Debt		106									
Leverage Mult.		1.8x									
D/Equity		23%									
D/EV		19%									
E/EV		81%									
Unlevered Beta		1.05									
Levered Beta		1.29									
D/Equity (long-term target)		33%									
Cost of Debt (AT)		4.2%									
Cost of Equity		9.4%									
WACC		8.1%	8%	8%	8%	8%	8%	8%	8%	8%	
PV of CF					56.4	55.1	67.1	59.0	62.4	53.9	
						59.6	72.5	63.8	67.4	58.3	
							78.4	68.9	72.9	63.0	
Sum of PV	353.9	321.6	283.2								721.9
PV of Terminal Value	418.3	452.2	488.9								5x EBITDA
NPV of all CF	772.2	773.8	772.1								

Source: Industry Capital Research estimates and company data

Figure 19: DCF analysis allocates ~30% of firm value to broadcast media business

Entravision DCF analysis - Broadcasting			
<i>\$ in millions except per share amounts</i>			
	Current	YE 2022	YE 2023
Firm Value	178	164	158
(-) Total Net Debt	106	42	(21)
(+) NOLs	30	30	30
(-) Options (Claims on Entravision)	(3.0)	(3.0)	(3.0)
Common Equity Value	99.0	150.0	206.2
Shares Outstanding	87.4	87.4	87.4
Current Share Price	\$5.31	\$5.31	\$5.31
Value Per Share	\$1.13	\$1.72	\$2.36
12-month	\$2.00		

ASSUMPTIONS				
Risk Free Rate	2.6%			
Equity Premium	5.3%			
Assumed LT Growth Rate (g)	-1%			
MV of Equity Calculation				
Share Price	\$5.31			
Outstanding Shares	87.4			
MV of Equity	464.0			
Estimate MV of Debt Calculation				
Interest Expense	6.9			
Current Cost of Debt	6.0%			
Wgtd Avg Maturity of Debt				
BV of Debt	105.9			
Estimate MV of Debt	105.9			

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Terminal
Discounted Cash Flow											
EBITDA	51.3	41.3	58.1	59.9	50.0	37.8	52.9	34.6	41.3	27.4	
EBIT	35.0	24.7	40.8	42.7	33.6	23.1	33.1	15.0	21.0	7.3	17.8
Less Cash Taxes	(10.5)	(7.4)	(12.2)	(12.8)	(10.1)	(6.9)	(9.9)	(4.5)	(6.3)	(2.2)	(6.2)
Plus D&A	16.3	16.6	17.3	17.3	16.4	14.7	19.8	19.6	20.3	20.1	19.6
Less Cap Ex	(17.0)	(25.3)	(9.5)	(5.6)	(12.5)	(11.1)	(11.7)	(12.3)	(12.9)	(13.5)	(19.6)
Less Increase in WC	(9.4)	(8.7)	8.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Free Cash Flow to Firm	14.3	(0.0)	45.0	41.5	27.4	19.7	31.3	17.8	22.1	11.7	11.6
Tax Rate	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	35.0%
Net Debt		106									
Leverage Mult.		1.8x									
D/Equity		23%									
D/EV		19%									
E/EV		81%									
Unlevered Beta		1.03									
Levered Beta		1.3									
D/Equity (long-term target)		33%									
Cost of Debt (AT)		4.2%									
Cost of Equity		9.3%									
WACC		8.0%	8%	8%	8%	8%	8%	8%	8%	8%	
PV of CF					25.4	16.9	24.9	13.1	15.0	7.3	
						18.3	26.9	14.1	16.2	7.9	
							29.0	15.3	17.5	8.6	
Sum of PV	102.7	83.4	70.4								128.5
PV of Terminal Value	74.9	80.9	87.4								3x EBITDA
NPV of all CF	177.6	164.3	157.8								

Source: Industry Capital Research estimates and company data

Entravision Communications Corporation (EVC)

APPENDIX

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

COMPANY-SPECIFIC DISCLOSURES

The following disclosures relate to relationships between Industry Capital Research and the company covered by Industry Capital Research and referred to in the research report (the “Company”).

The Company in this report is a participant in an issuer-paid research program by which Industry Capital Research receives compensation from the Company. Additional details of this program, including compensation rate information, are available at www.industrycapitalresearch.com. No part of the Industry Capital Research compensation was, is, or will be directly or indirectly related to any specific recommendation or views expressed by the analyst in this research report.

Industry Capital Research and/or its affiliate(s) does not make a market in securities issued by the Company.

RESEARCH ANALYST CERTIFICATION

The analyses and recommendations expressed in this research report accurately reflect my personal views and true opinions about the subject securities or issuers. No part of my compensation was, is, or will be directly or indirectly related to any specific recommendations or views expressed in the research report and/or any public appearance.

The author of this report (or a member of his/her household) has a direct ownership position in securities issued by the Company or derivatives thereof. No order that would have the effect of changing this position will be executed until five days after the release of this report.

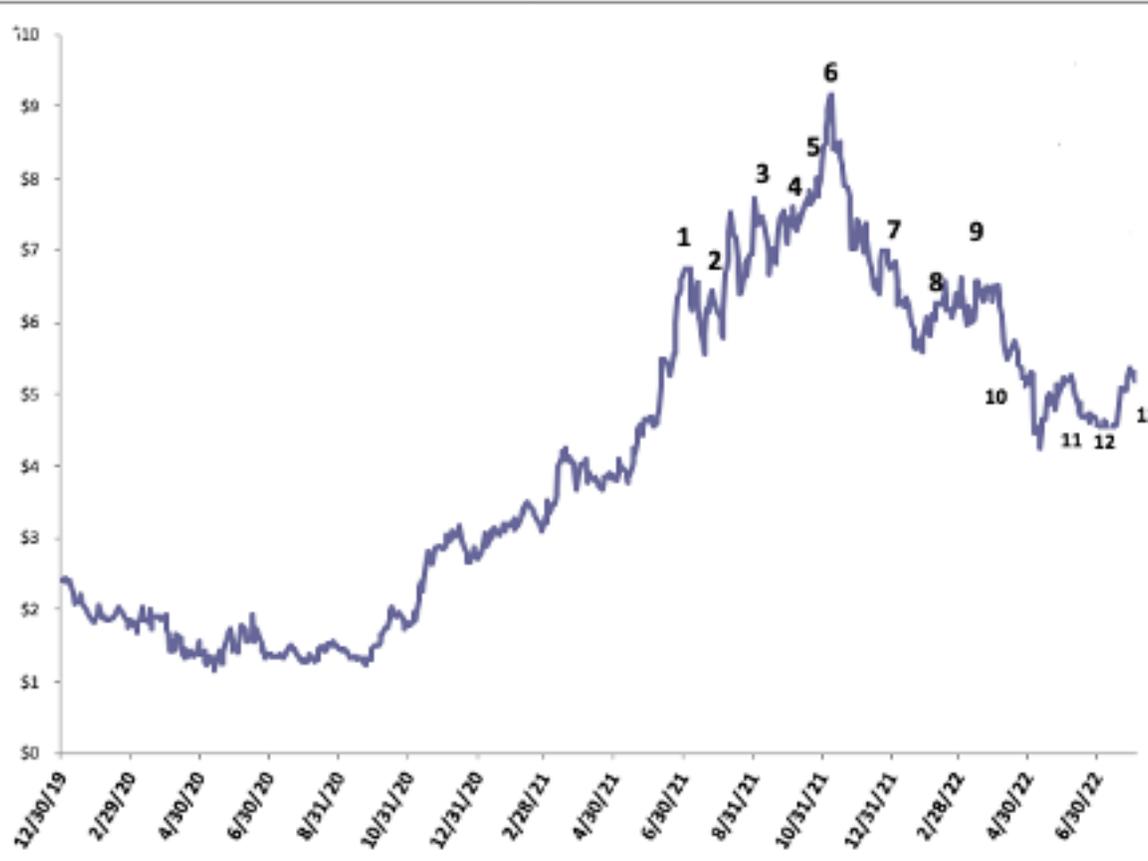
ANALYST CREDENTIALS, PROFESSIONAL DESIGNATIONS, AND EXPERIENCE

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.

CONTINUING COVERAGE

Unless otherwise noted through the termination of coverage or change in analyst, the analyst who is the author of this report will provide continuing coverage of the Company through the publishing of research available through the Company and Industry Capital Research’s distribution lists, website, and third-party distribution partners.

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



1	7/6/21	Initiated Buy @ \$6.76, Target Price \$9.00
2	8/6/21	Reaffirmed Buy @ \$6.15, Target Price \$9.00
3	9/2/21	Reaffirmed Buy @ \$7.75, Target Price \$10.00
4	10/5/21	Reaffirmed Buy @ \$7.60, Target Price \$10.00
5	10/28/21	Reaffirmed Buy @ \$7.85, Target Price \$10.00
6	11/5/21	Reaffirmed Buy @ \$8.83, Target Price \$10.50
7	12/20/21	Reaffirmed Buy @ \$6.40, Target Price \$10.00
8	2/2/22	Reaffirmed Buy @ \$5.87, Target Price \$8.00
9	3/4/22	Reaffirmed Buy @ \$6.42, Target Price \$8.50
10	4/15/22	Reaffirmed Buy @ \$5.53, Target Price \$8.50
11	5/6/22	Reaffirmed Buy @ \$5.14, Target Price \$8.00
12	6/9/22	Reaffirmed Buy @ \$5.16, Target Price \$8.00
13	7/29/22	Reaffirmed Buy @ \$5.23, Target Price \$7.50

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.

Global Disclaimer

The information and opinions in this report were prepared by Dix Consulting, LLC, a New York Limited Liability Company doing business as "Industry Capital Research" or one of its affiliates (collectively "Industry Capital Research"). The information herein is believed by Industry Capital Research to be reliable and has been obtained from public and non-public sources believed to be accurate and reliable, but Industry Capital Research does not represent that the information herein is accurate or complete, and it should not be relied on as such.

All statements or opinions contained herein that include the words "we", "us", or "our" are solely the responsibility of Industry Capital Research and do not necessarily reflect statements or opinions expressed by any person or party affiliated with the Company mentioned in this report.

Industry Capital Research may have published, and may in the future publish, other research reports that are inconsistent with, and reach different conclusions from, the information provided in this report. Industry Capital Research is under no obligation to bring to the attention of any recipient of this report any past or future reports.

Industry Capital Research, its officers, employees, and members of their households, or any one or more of them, and their discretionary and advisory accounts, may have a position in any security discussed herein or in related securities and may make, from time to time, purchases or sales thereof in the open market or otherwise. The author of this report will not cause to be executed any order that would change a position in a security of the Company discussed herein in a manner that is contrary to, or inconsistent with, the most recent published recommendations or ratings of Industry Capital Research.

Opinions, estimates and projections in this report constitute the current judgment of the author as of the date of this report. They do not necessarily reflect the opinions of Industry Capital Research and are subject to change without notice. Industry Capital Research has no obligation to update, modify or amend this report or to otherwise notify a reader thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate, except if research on the subject Company is withdrawn.

This report is provided for informational purposes only. It is not to be construed as an offer to buy or sell or a solicitation of an offer to buy or sell any financial instruments or to participate in any particular trading strategy in any jurisdiction.

Investors should consider this report as only a single factor in making their investment decision. The financial instruments discussed in this report may not be suitable for all investors and investors must make their own investment decisions using their own independent advisors as they believe necessary and based upon their specific financial situations and investment objectives. Investors should consider whether any advice or recommendation in this research is suitable for their particular circumstances and, if appropriate, seek professional advice, including tax advice. This report is not to be relied upon as a substitute for the exercise of independent judgment. No judgment is hereby expressed or should be implied as to the suitability of any security described herein for any specific investor or any specific investment portfolio.

Prices and availability of financial instruments are subject to change without notice. If a financial instrument is denominated in a currency other than an investor's currency, a change in exchange rates may adversely affect the price or value of, or the income derived from, the financial instrument, and such an investor effectively assumes currency risk. In addition, income from an investment may fluctuate and the price or value of financial instruments described in this report, either directly or indirectly, may rise or fall. Past performance is not necessarily indicative of future results, and a loss of capital may occur.

This report may not be reproduced, distributed or published by any person for any purpose without Industry Capital Research's prior written consent. Please cite source when quoting.