

Q1: Quarterly Industry Update

AS OF March 31, 2020

cogent valuation
FINANCIAL OPINIONS

Video Streaming and Content

INDUSTRY SUMMARY

COGENT VALUATION identified **Video Streaming and Content** publicly traded companies, IPOs, and recent M&A transactions within the Video Streaming and Content industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Over the last year since March 31, 2019, the median 52-week share price return of the Video Streaming and Content industry was 20.6%. Between March 31, 2019 and March 31, 2020, the median EV/EBITDA multiple increased from 15.8 to 16.9. The median revenue growth and EBITDA margins for the industry for the quarter were 4.1% and 15.9%, respectively.

Public Company Key Statistics

Median 52-Week
Return

20.6%

Median 3-Year CAGR
Return

23.7%

Median EV/Revenue
Multiple

4.1x

Median EV/EBITDA
Multiple

16.9x

Median Price/Earnings
Multiple

32.2x

Median EV/Gross CF
Multiple

17.2x

Comparable Public Company Market Price Returns as of March 31, 2020

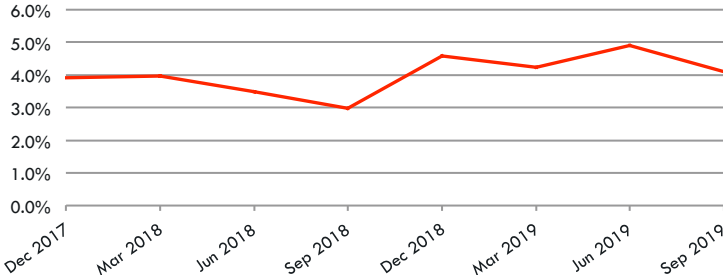
	2020	3 Month	1 Year	2 Year	3 Year	2019	2018	2017
Alphabet Inc.	-1.4%	-1.4%	24.4%	25.6%	35.6%	1.7%	44.6%	N/A
Brightcove Inc.	-2.1%	-2.1%	-21.9%	21.0%	-11.8%	29.8%	-20.3%	-45.0%
DISH Network Corporation	-20.6%	-20.6%	-40.3%	-3.6%	-17.6%	1.3%	-21.6%	25.8%
Facebook, Inc.	-9.4%	-9.4%	12.5%	37.9%	53.4%	9.9%	34.1%	42.8%
Limelight Networks, Inc.	-6.8%	-6.8%	59.3%	44.2%	75.0%	72.6%	-47.3%	39.9%
Netflix, Inc.	53.9%	53.9%	99.8%	32.5%	55.1%	8.2%	134.4%	-7.2%
Median of Industry Public Companies	-4.5%	-4.5%	18.4%	29.0%	44.5%	9.1%	6.9%	25.8%

Multiple year periods are calculated as the average annual return.

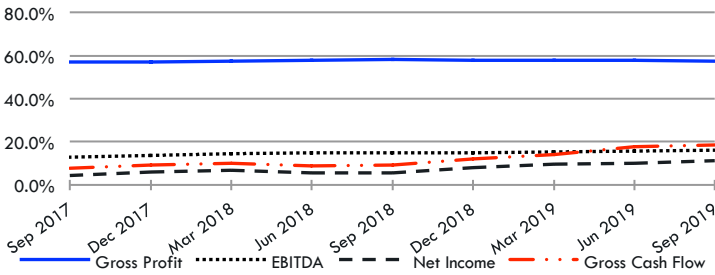
■ Highest Return
 ■ Lowest Return
 ■ Median Return

Industry Revenue Growth and Profit Margins for the Past Two Years

Median Quarterly Revenue Growth of All Video Streaming and Content Companies



Median Gross Profit, EBITDA, Net Income, and Gross Cash Flow Margins



Public Company Median Multiples by Quarter

	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/18	9/30/18	6/30/18
EV/Revenues Multiple	4.1x	3.9x	3.8x	4.1x	4.1x	4.2x	3.9x	3.8x
EV/EBITDA Multiple	16.9x	18.4x	16.6x	18.9x	19.6x	17.3x	16.5x	17.8x
Price/Earnings Multiple	17.2x	18.8x	22.9x	29.7x	23.9x	24.6x	18.6x	18.2x

■ Highest Multiple
 ■ Lowest Multiple
 ■ Median Multiple

Industry Initial Public Offerings—Video Streaming and Content (dollars in millions, except share prices)

Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
3/7/20	Bambuser AB (publ)	\$1.04	2.6	\$2.7	\$3.4	\$0.0	\$1.1	(\$0.0)	(\$0.3)	(\$0.0)
1/12/20	SyQic Plc	\$1.01	4.0	\$5.2	\$5.9	\$0.7	\$6.5	\$1.0	\$0.7	\$1.0
12/17/19	Facebook, Inc.	\$38.00	421.2	\$16,006.9	\$6,859.0	\$706.0	\$4,038.0	\$2,131.0	\$972.0	\$2,493.0
6/7/18	Limelight Networks, Inc.	\$15.00	16.0	\$240.0	\$79.1	\$25.0	\$77.8	\$12.7	(\$9.4)	\$23.9
4/17/17	Netflix, Inc.	\$15.00	5.5	\$82.5	\$44.7	\$6.6	\$89.4	(\$10.3)	(\$22.5)	(\$6.4)
	Median of all IPOs	nm	nm	\$122.6	\$42.5	\$12.8	\$42.1	\$6.9	\$0.2	\$12.4

Size of Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought
3/1/20	Massive Interactive, Inc.	Deltatre Limited	\$111.6	100%
2/19/20	CJ E&M Corporation	CJ O Shopping Co., Ltd (nka:CJ ENM CO., Ltd.)	\$4,267.3	100%
12/5/19	BitTorrent, Inc.	Tron	\$140.0	100%
10/5/18	Beijing Danmu Network Technology Co.,	Shanghai Youdu Broadband Technology Co., Ltd.	\$21.9	100%
10/31/17	Digital Barriers plc	Volpi Capital LLP	\$36.1	100%
4/3/17	GigPeak, Inc.	Integrated Device Technology, Inc.	\$245.9	100%
12/19/16	Opera TV AS	Moore Frères & Company	\$114.3	100%
6/30/16	Polycom, Inc.	Siris Capital Group, LLC	\$1,934.4	100%
6/21/16	Versus LLC	BC Partners	\$3.4	100%

■ USA
 ■ International

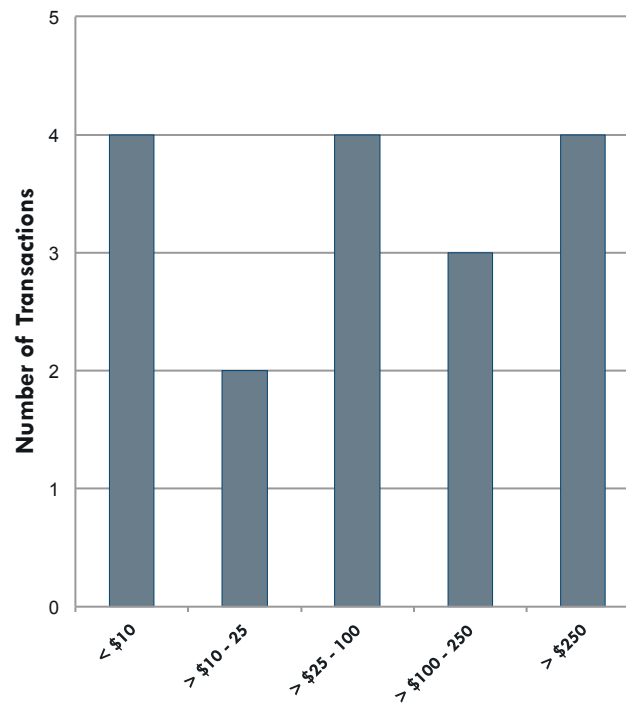
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Size of Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

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Transaction Date	Target	Acquirer	Transaction Size	% Bought
12/18/15	TeraLogics, LLC	Cubic Corporation	\$39.0	100%
12/17/15	iConcerts SA	Stingray Digital Group Inc.	\$8.6	100%
10/19/15	Elemental Technologies	Amazon Web Services, Inc.	\$296.0	100%
5/20/15	Boxmedia Oy	Amino Technologies plc	\$11.6	100%
4/30/15	ActiveVideo Networks, Inc.	Charter Communications	\$135.0	100%
3/20/15	Pacific Avionics Pte. Ltd.	Rockwell Collins, Inc.	\$24.0	100%
2/17/15	HRTV, LLC	ODS Technologies, L.P.	\$73.4	100%
1/30/15	DivX, LLC	NeuLion, Inc.	\$66.0	100%
Median of the 17 M&A Transaction Targets			\$39.0	100%

Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions) as of March 31, 2020



Definitions of Financial Terms Used in this Quarterly Industry Update:

Enterprise Value (EV): Market Value of Equity + Market Value of Debt —Cash

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Referred to as operating profit or operating earnings.

Gross Cash Flows: Net Income + Depreciation and Amortization Expense

Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

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