

Digital Media Update

KPMG Corporate Finance LLC
Winter 2023 Sector Update





KPMG Corporate Finance LLC (KPMG CF): Table of Contents

Table of Contents

1 KPMG CF: Digital Media Team

2 All The World's A Game

3 Welcome To The Twittersverse

4 Digital Media Landscape Overview

Authors

Roddy Moon - Head of Digital Media US Investment Banking

Managing Director



Boston, MA

+1 (917) 270-2828

roderickmoon@kpmg.com

Roddy joined KPMG CF to serve relationships with clients specifically in the Digital Media, Gaming, and Marketing Technology sectors with a focus on M&A advisory and private capital raises for middle-market technology companies. Roddy has over 21 years of Technology, Media & Telecom investment banking and has executed over \$32 billion in M&A and public and private capital markets transactions. Previously, Roddy led the Digital Media & Internet practices at Waller Capital and at Oppenheimer & Co. He also formerly led the east coast Internet practice for Jefferies and was a banker at LUMA Partners, Allen & Co., Merrill Lynch and Citicorp.

Roddy received his A.B. from Harvard University, graduating with honors, and earned his MBA from The Wharton School of the University of Pennsylvania.

Joe Mathew - Vice President of Digital Media Investment Banking

Vice President



Boston, MA

+1 (706) 255-9793

joemathew@kpmg.com

Joe joined KPMG CF in the US Technology practice to serve relationships with clients in the Technology & Media sectors with a focus on M&A advisory, capital formation, and corporate strategy for high growth technology companies. Joe's financial services experiences range from advising executives at Citi Global Markets to advising public technology companies on M&A and capital raising activities as an investment banker at Wells Fargo Securities. Joe also has an extensive operating background at Warner Bros. Entertainment and at two Kleiner Perkins backed technology companies, where he led corporate development.

Joe received his B.A. from The Johns Hopkins University, graduating with honors, and earned his JD and MBA from the University of Virginia's School of Law and Darden School of Business.

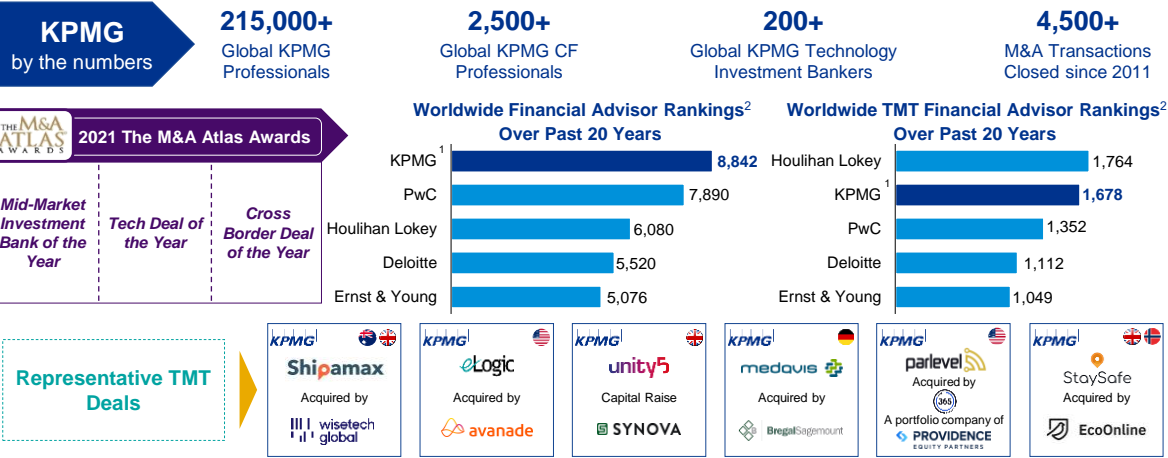


KPMG CF: Digital Media Team



KPMG CF: Digital Media Team

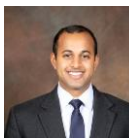
KPMG Corporate Finance¹ Credentials - Most Active Middle-Market Advisor Globally



Digital Media Investment Banking Team



Roddy Moon
MD
Digital Media
United States
20+ years experience
roderickmoon@kpmg.com



Joe Mathew
VP
Digital Media
United States
15+ years experience
joemathew@kpmg.com

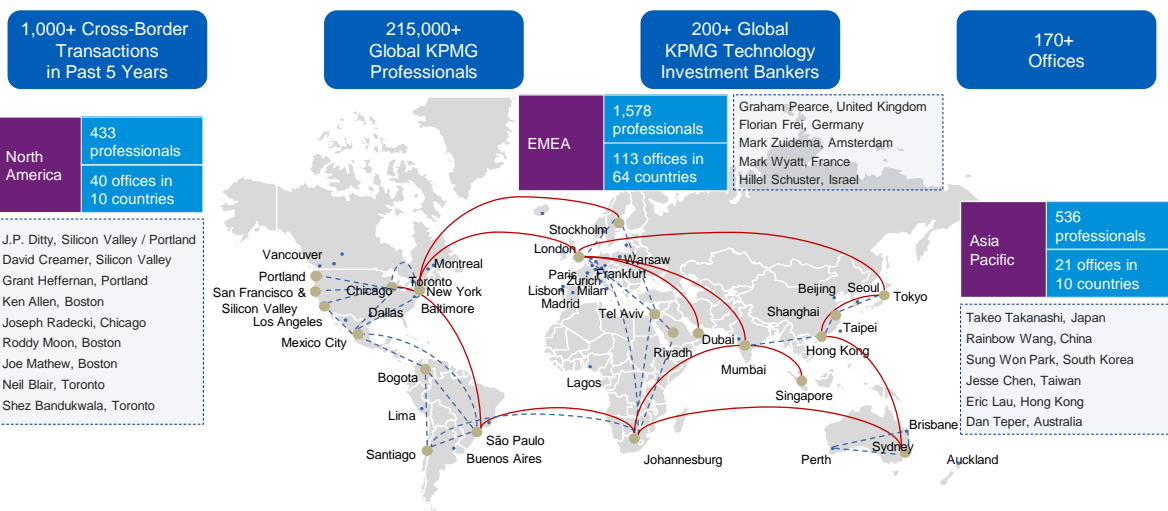


Jacquie Litwin
Sr. Associate
Digital Media
United States
6+ years experience
jlitwin@kpmg.com

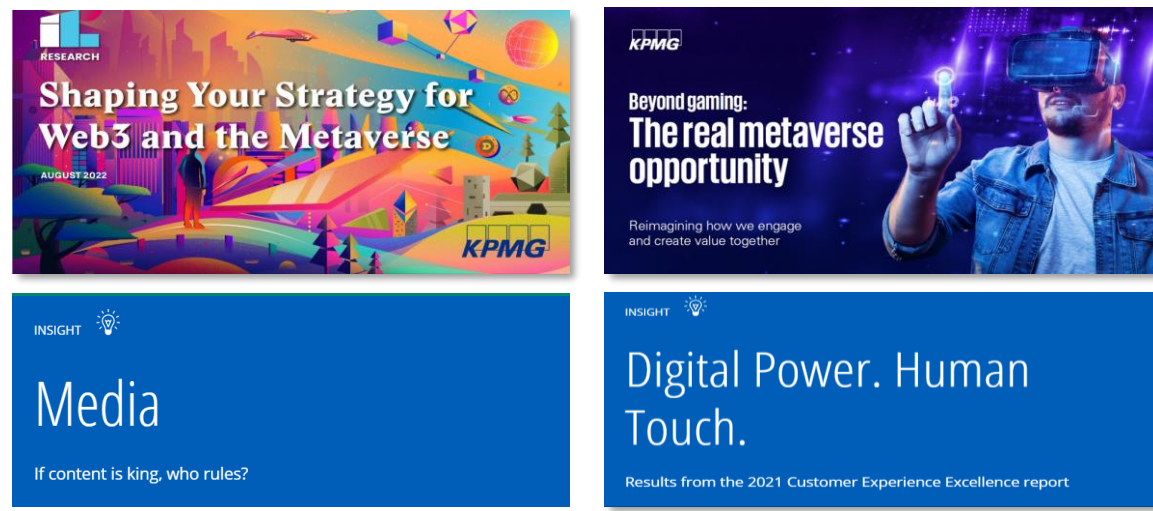
Representative Digital Media Transactions³



Global Senior Technology M&A Team¹



KPMG Thought Leadership



Notes:
1. Refers to the global Corporate Finance practices of KPMG International's network of independent member firms
2. Refinitiv - Transactions less than \$500M
3. Includes transactions completed by KPMG CF professionals at predecessor firms



All The World's A Game



Meta Is Making A Massive Bet On The Metaverse

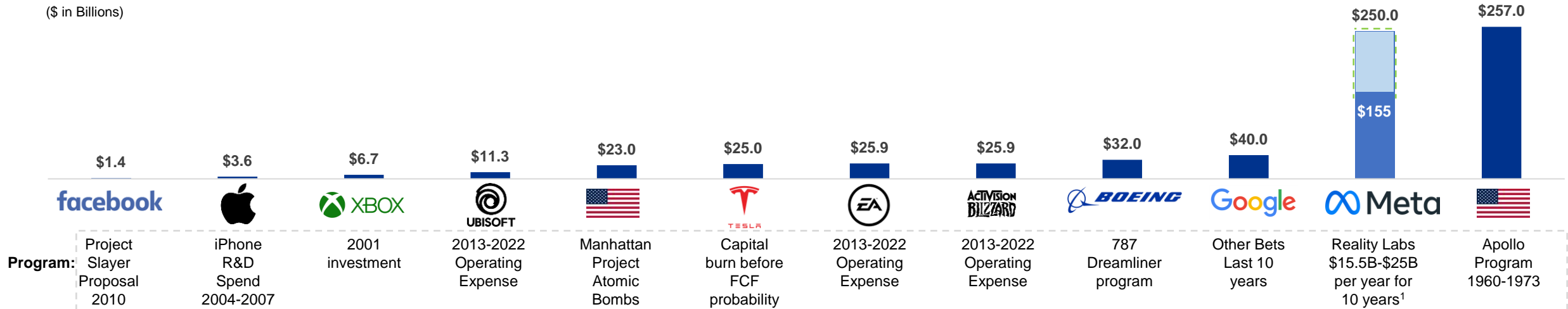
Meta: From A Few Entrepreneurs In A Dorm Room To The Apollo Program Or Bust

Silicon Valley’s apocryphal founding story is two entrepreneurs in a garage. Steve Jobs and Steve Wozniak built the Apple I out of their garage, selling the product without a monitor, keyboard, or casing in 1976. Mark Zuckerberg founded Facebook with a few of his friends out of his college dorm room in 2004. In 2022 that same Mark Zuckerberg, now the CEO of Meta, is employing approximately 17,000 people and is spending more than \$15.5 billion annually in a brazen attempt to outflank his Silicon Valley competitors Apple and Google and create the next major computing platform. Over the next ten years Meta is planning on spending as much as the Apollo Program to actualize their vision of the metaverse. This remarkable relationship was noted by Chamath Palihapitiya, the Founder and CEO of Social Capital in episode 102 of the *All In Podcast*.

Is Meta’s massive bet on the metaverse strategic gamesmanship or a gross misstep? Well, that depends on how imminent and how large the metaverse opportunity is. Last month Meta announced a 13% reduction in force, as they focus on a few high priority projects, including AI, ads, and their metaverse vision. There is a fair chance, though, that Meta and other major technology platforms missed the forerunner to the metaverse that has been hiding in plain sight within the worlds of gaming and gamers.

Muti Year Spending Programs Of Major Technological Innovations From Private And Public Endeavors

(\$ in Billions)



Estimated Number of Employees Developing Extended Reality & Metaverse Technologies



Sources: *All In Podcast*, CapitalIQ, Company Filings, Social Capital, The Planetary Society, The Wall Street Journal
 Note: 1. Meta's current Reality Labs operating expense is approximately \$15.5 billion, which is expected to "increase meaningfully"
 2. The Apollo Program spending is inflation adjusted to 2020



Meta Was Able To Adapt To Mobile, But Their Landscape Is Shifting

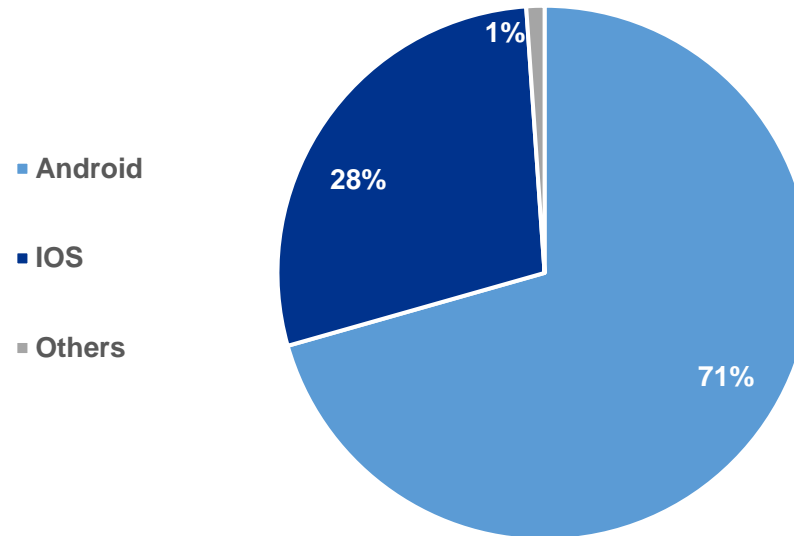
Meta's Moat Has Been Narrowing As Other Technology Players Shift Their Playing Field

Maybe you should be asking why does Meta care what the successor to the mobile internet is? Well let's take a trip down memory lane, the year is 2010, Chamath Palihapitiya, then the super star VP of Growth, Mobile, and International was placed in charge of Facebook's phone project, code named Project Slayer. The Project Slayer proposal was complete with a beautifully designed phone, partnerships with AT&T and Intel set to go, and a proposed investment amount of \$1 billion. Facebook, still private at the time, had barely \$1 billion on their balance sheet, though. Mark turned Project Slayer down to focus on making the Facebook platform mobile native, leading Chamath to exit and found Social Capital, and the rest is Silicon Valley history still in the making.

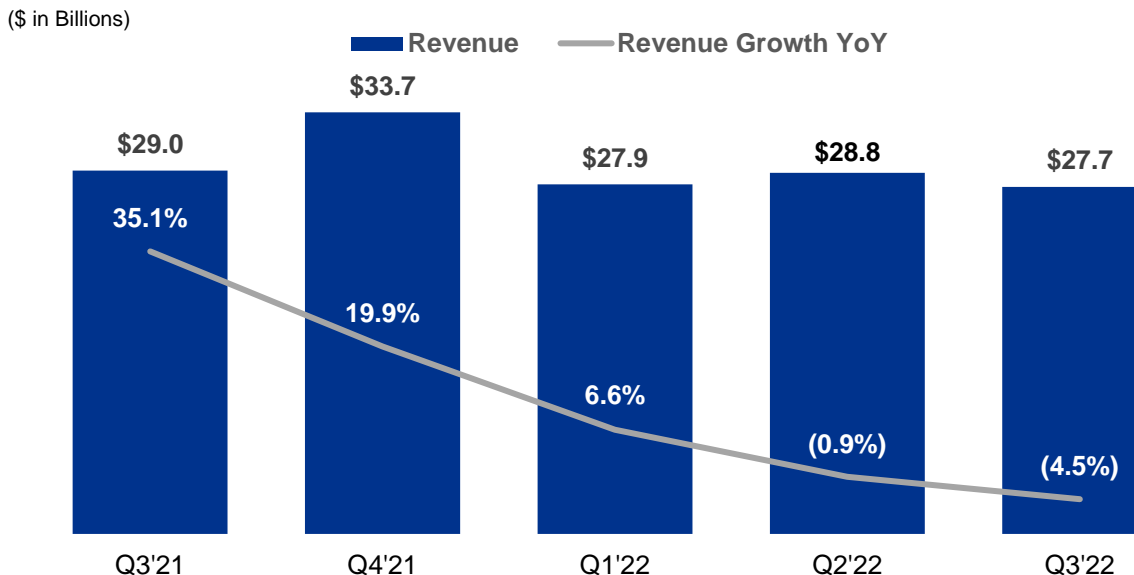
So why is Meta now deploying the Powell Doctrine in the race to pwn the next computing platform? ^{1,2} Since focusing on building or buying the best-in-class social apps that were available for sale such as Instagram and WhatsApp, Facebook has pivoted successfully to mobile devices and reaped the rewards for more than a decade. The company now named Meta, though, finds itself in a strategic predicament. The current mobile regime is a duopoly, dominated by Apple's iOS and Google's Android. Both Apple and Google, as the mobile platform ecosystem owners, set the rules of engagement for the applications within their walls.

Mobile's platform owners have grown increasingly intertwined and involved in regulating their ecosystems. In April 2021 Apple rolled out new privacy updates as part of iOS 14.5, which prompts users to opt out of tracking in apps that seek to monitor behavior and share data with third parties. This change disrupted the mobile ad industry and was described as a "headwind" to Meta's core advertising revenue growth. These changes do not even account for the 30% commission Apple takes for App Store transactions and subscriptions in the first year. Driving a wedge between the mobile duopoly would appear infeasible as well, with Google paying Apple \$8 billion to \$12 billion in cash annually to be the default search engine in Safari. Combined with macroeconomic volatility that has sapped advertising demand, Meta is increasingly finding itself buffeted by forces outside of its control, which has hindered revenue growth of late.

iPhone vs. Android Market Share, Q3'22



Meta's Quarterly Revenue and Revenue Growth Rate YoY Q3'21 – Q3'22



Sources: CapitalIQ, Company Filings, Cyber Definitions, Pitchbook, Statista, Vox

Notes: 1. The Powell Doctrine, named after General Colin Powell, is a series of questions, that if affirmative then asserts that a state engaged in war should use overwhelming and decisive force against the enemy to resolve the conflict expeditiously
2. Originally a typo, the term pwn is often used on war-game sites to denote dominating or controlling a game, object or situation

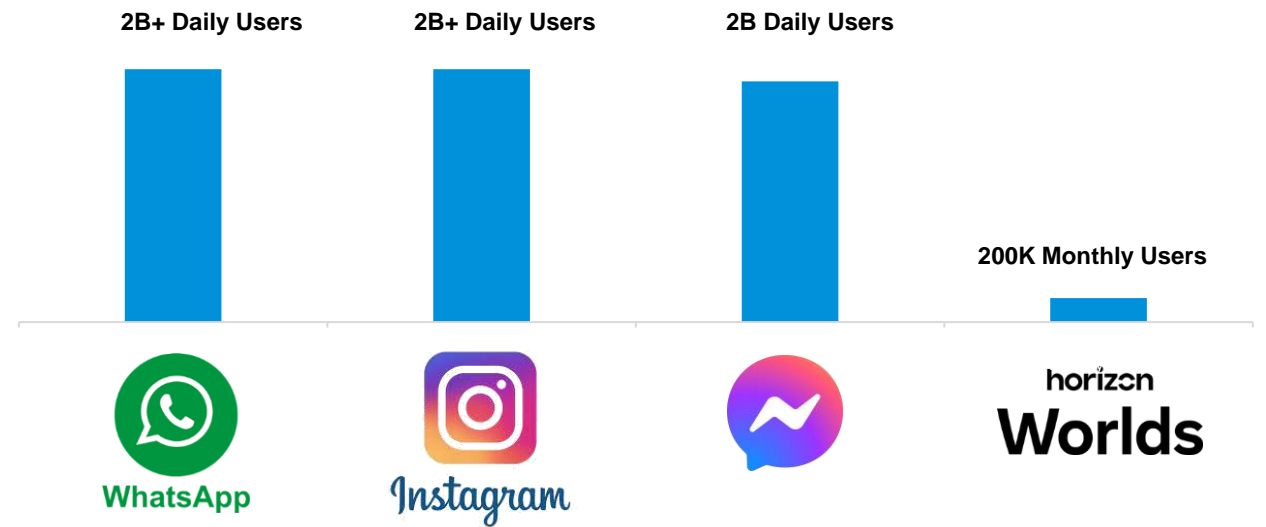


Horizon Is Still Attempting To Capture The Magic Of Their Core Platforms

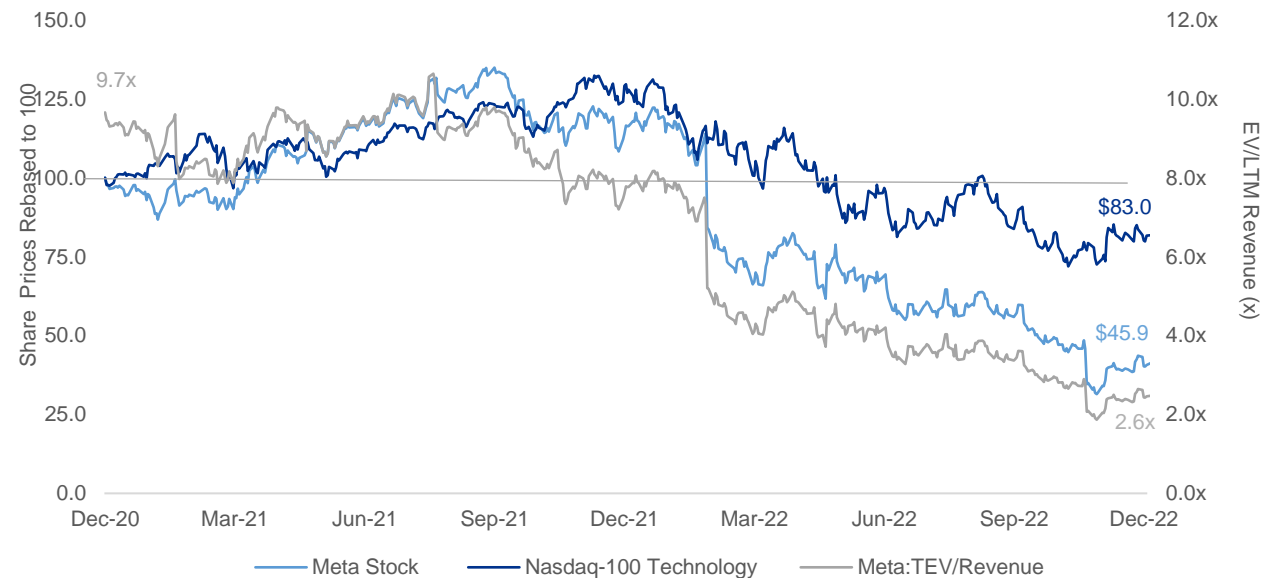
A War Is Emerging For Claiming The Commanding Heights In The Next Computing System

- **When an ecosystem is up for grabs the stakes are beyond high.** Whomever owns the successor to the mobile internet will be granted the ability to set the rules of the market, economics for the players, payment rails, advertising regulations, and more. Strategically, if Meta is able to create the next computing platform, they would extract the same benefits that Apple has for the past decade and half since combining the iPod with a cell phone to unveil the iPhone in 2007.
- **Meta's Progress to date:** Meta's Horizon Worlds, reportedly had less than 200,000 monthly active users as of October 2022. According to internal documents reported by The Wall Street Journal, most visitors don't return to the app after the first month. Meta's core apps, including Facebook, Instagram and WhatsApp, by comparison, attracted 3.7 billion people in Q3 2022.
 - Meta boasts a larger userbase on its overall platform, though, than all gaming globally. One would presume that even Meta's initial forays into the Metaverse would entice some percentage of their broader userbase. Meta's surveys cite users reporting not finding worlds "they liked" and that "people do not look real." Another barrier to Horizon Worlds has been the entry price. The Meta Quest 2 currently starts at \$399, while the Meta Quest Pro starts at \$1,499.
 - From a consumer perspective, Meta's other blockbuster apps all had a compelling "a-ha" moment hook. The original Facebook provided the magic of connecting to long-lost friends and family around the world. Instagram made everyone believe they were all amateur art photographers. WhatsApp has connected families spread across continents. Currently, there appears to be no killer activity within Horizon Worlds attracting users and sparking any virality loops.
- **How has Wall Street responded?** Capital markets, of late, have not looked kindly on low probability moonshots. Meta's stock is down 59% year-to-date, while the company's EV / Revenue multiple has compressed from 9.7x to 2.5x.

Meta's Monthly Active Users Are In The Billions For Their Core Platforms



Meta's Share Performance Has Underperformed vs. the Nasdaq-100 Technology Index



Sources: CapitalIQ, Company Filings, Newzoo, Pitchbook, The Wall Street Journal

Notes: 1. Market data as of January 2, 2023

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The Metaverse Is Still Being Defined

How Should We Define The Metaverse?

- **Wait, so what exactly does everyone mean by the “Metaverse”?** The concept of the metaverse was first encapsulated in Neal Stephenson’s novel *Snow Crash*, published in 1992. Aside from foreseeing America’s core competencies in computers and food delivery, *Snow Crash* envisioned a massively multiplayer online game that was accessed through virtual reality goggles and avatars.
 - **Meta’s** vision for the metaverse is the “successor to the mobile internet — a set of interconnected digital spaces that lets you do things you can’t do in the physical world. Importantly, it’ll be characterized by social presence, the feeling that you’re right there with another person, no matter where in the world you happen to be.” To bring this vision to life, Meta is building four major platforms, first is the “social metaverse platform” called Horizon, second is virtual reality, third is augmented reality, and the fourth platform is neural interfaces.
 - **Niantic’s CEO John Hanke** has called the metaverse “a dystopian nightmare” and encourages people to imagine “a future of worlds that can be overlaid on the real world.” Hanke calls these overlays “reality channels.” He views games and entertainment to be the key drivers of this new platform, but one that “will power more activities that entertain, educate, guide, explain, and assist us...”
 - **Epic Games’ CEO Tim Sweeney** defines the metaverse as “an evolution of how users interact with brands, intellectual properties and each other on the Internet. The metaverse, to Sweeney, would be an expansive digitized communal space where users can mingle freely with brands and one another in ways that permit self-expression and spark joy.”
 - **Jon Radoff, the CEO of Beamable**, defines the metaverse as “the internet evolving into a creative space for anyone who wants to craft experiences.”
 - **Matthew Ball, the CEO of Epyllion Co**, defines the metaverse as “a massively scaled and interoperable network of real-time rendered 3D virtual worlds which can be experienced synchronously and persistently by an effectively unlimited number of users with an individual sense of presence, and with continuity of data, such as identity, history, entitlements, objects, communications, and payments.”



Sources: Company filings, Jon Radoff’s “Building The Metaverse” in Medium, Matthew Ball’s “Framework For The Metaverse,” Neal Stephenson’s *Snow Crash*, The Washington Post

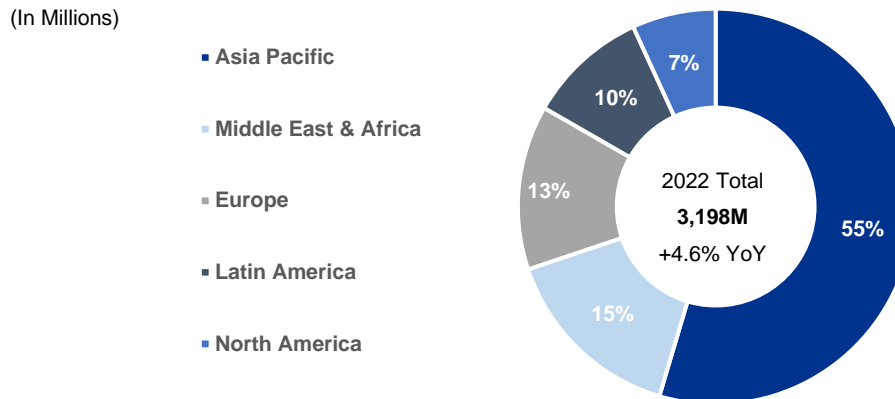


Gaming Has Been Building The Metaverse For Decades

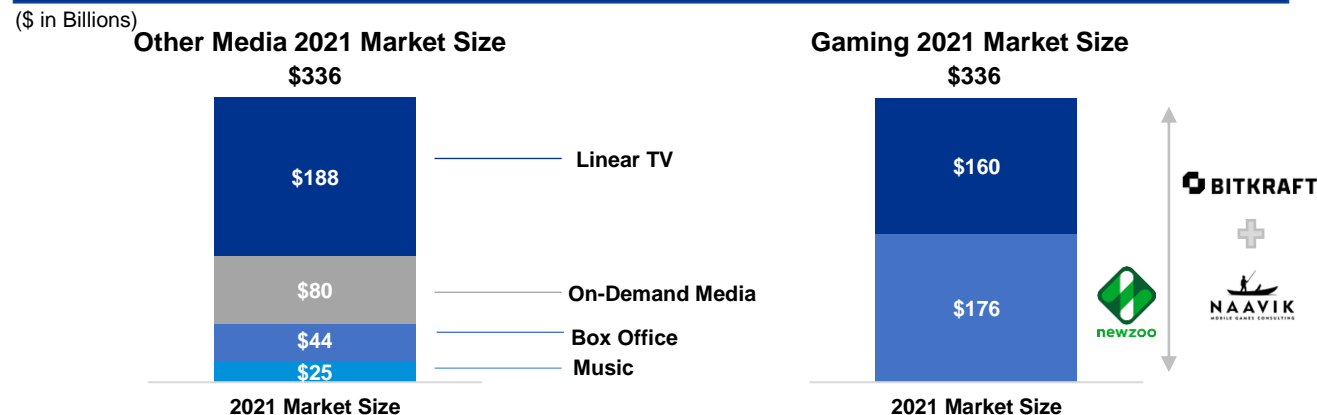
Is Gaming A Slice Of The Metaverse Or The Whole Pie?

- Ok got it, so where does gaming fit into the “Metaverse”?** One could argue that the metaverse is already here, in the form of social and cloud gaming. The #1 MMO¹ game *World of Warcraft* is estimated to have 122 million total players with 1.2 million daily players, while *Call of Duty: Mobile* has over 650 million downloads. Both franchises are owned by Activision Blizzard, which in turn is in the process of being acquired by Microsoft for \$75 billion, unless a recent suit to block the deal by the Federal Trade Commission is successful. Newzoo estimates that there are nearly 3.2 billion players globally, 2.7 billion of which are mobile in 2022. The gaming industry, at an estimated \$336B in 2021, is as large as all other media categories combined.
- Are you saying that where gaming goes, so goes the metaverse?** Bloomberg estimates the global metaverse revenue opportunity could approach \$800 billion in 2024, while McKinsey predicts the market value of the metaverse could reach \$5 trillion by 2030. Most leading analyses, though, identify gaming as a driver in actualizing the metaverse. One could argue, though, that with a built-in userbase of billions, an existing market of hundreds of billions of dollars, the game industry is in a prime position to unwittingly transition from eating the entertainment industry’s lunch to gobbling up Big Tech’s dinner in pursuit of a bit of fun and a dash of play-to-earn incentives.
- What data have you that supports the hypothesis that gaming is the launching pad, rocket and ultimate destination of the metaverse?** A portent of the gaming industry’s disruptive potential can be seen in the play-to-earn gamer movement, being led by companies such as Sky Mavis out of Vietnam. Sky Mavis’ primary game, *Axie Infinity* had over 2.5 million over daily active users at its peak. Setting aside the broader bear market and systemic issues happening in real time across the crypto landscape, at one point *Axie Infinity* players in developing nations reported higher earning than their local minimum wage. Playing an online game with millions of other people would appear to be a significant step forward in proving out one of the key value propositions of the metaverse.

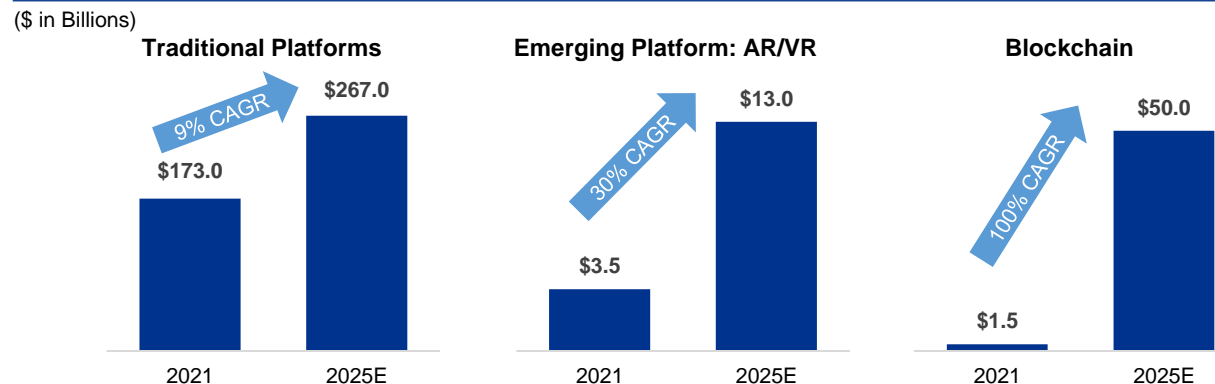
Global Players by Region 2022



Gaming Industry Estimate 2021



Traditional Platform, Emerging Platform (AR/VR) and Blockchain Platform Growth



Sources: Bitkraft, Bloomberg, Company Filings, IDC, McKinsey, Newzoo, Naavik, Statista, The Wall Street Journal, Two Circles

Note: 1. MMO stands for massively multiplayer online game

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What Can Gaming Executives Do To Exploit Their Prime Positioning?

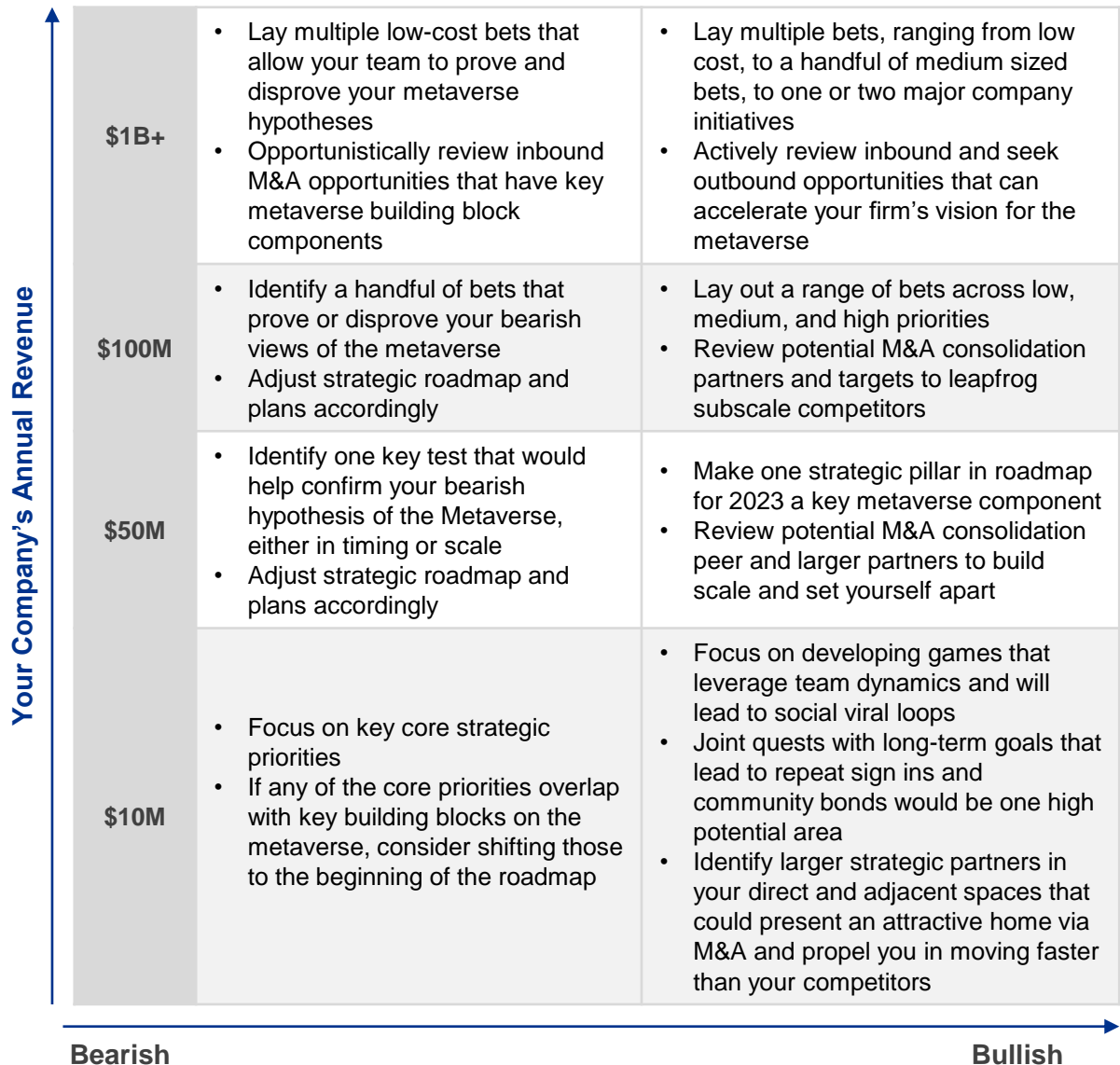
Gaming Studios' Strength In Numbers

- **How can the gaming industry take advantage of this superior location on Big Tech's wave towards the Metaverse?** The gaming industry is already under the direct or indirect control of more powerful players and platforms. On the console, there is a duopoly between Sony and Microsoft, in mobile there is the Apple and Google duopoly. The remaining standalone studios would benefit by making some ambitious, cross-industry bets that both accelerate the metaverse and provide a defensive moat against another monopoly or duopoly owning the next computing platform.
- Competitors such as Epic Games, Unity Technologies, Niantic Labs, Activision Blizzard, Electronic Arts and Ubisoft would all benefit from working together to both adopt standards and make collective offensive investments through consortiums such as the Oasis Consortium and the Metaverse Standards Forum.
- Key protocols to develop and test out would include converting token across platforms (*World of Warcraft* ↔ *Fortnite*) and adopting play-to-earn mechanics in an existing MMO. R&D teams from the major studios could also assign specific members to begin working on standardized inter-studio gaming APIs. This would provide the tunneling system to one day hop from *Grand Theft Auto* to *Fortnite* to *Diablo* and back again.
- Pushing the envelope further, an industry-wide protocol layer could be developed, or a new entrant, such as Elon Musk's new Twitter could enter from left field to provide the identification and username backbone and catalyze a multipolar metaverse.



Sources: Bitkraft, Bloomberg, Company Filings, IDC, McKinsey, Newzoo, Naavik, Statista, Two Circles

Capitalizing On The Metaverse Wave As A Game Studio Executive

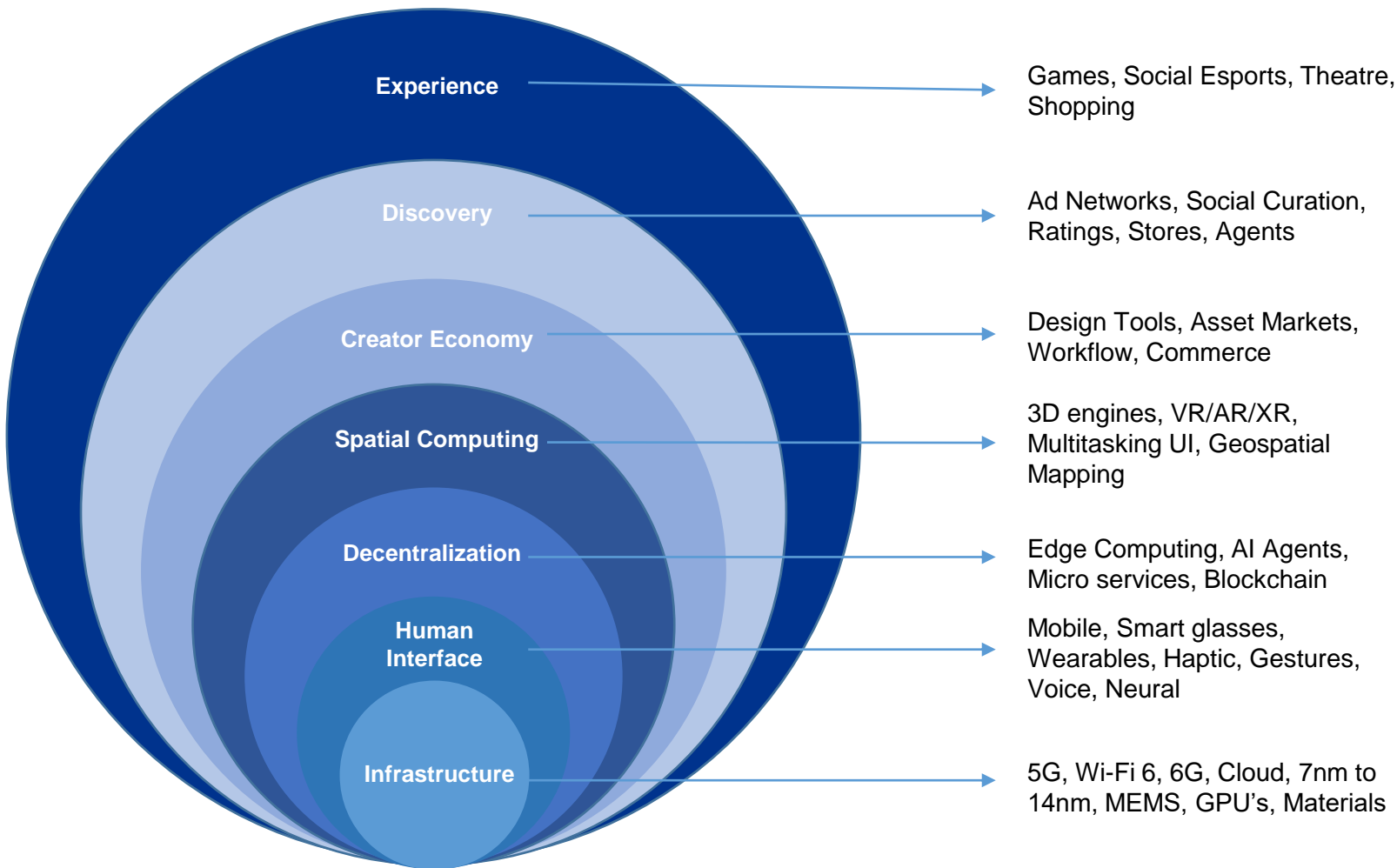


Your Company's Sentiment Towards The Metaverse



The Metaverse Ecosystem's Seven Layers & Power Players

Jon Radoff's The Seven Layers Of The Metaverse & Market Map



Metaverse Power Players		

Sources: Jon Radoff's "Market Map of The Metaverse" and "The Metaverse Value-Chain"



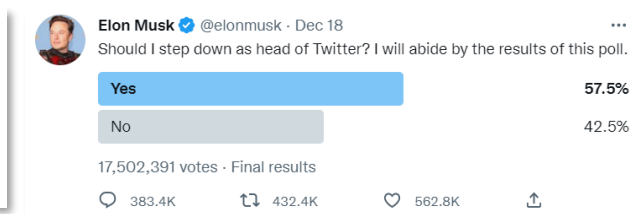
Welcome To The Twitterverse



Twitter's Multibillion Dollar Price Tag Necessitates Grand Ambitions

What Are Twitter's Growth Objectives?

- On October 27th, 2022, Elon Musk closed on his \$46 billion acquisition of Twitter, taking the company private in the process. Previously, Musk tweeted that Twitter would be an “*accelerant to creating X, the everything app.*” On the day of the acquisition, though, Musk wrote to Twitter’s Advertisers that he acquired the company “...*because it is important to the future of civilization to have a common digital town square...*” A few weeks post-acquisition, tweeted “*What should Twitter do next?*” Most recently, in late December Musk polled the Twittersphere if he should “step down as head of Twitter,” to which the audience voted Yes by 58%. Running a global social media company is clearly not all fun and games, for even the greatest entrepreneur of his generation.
- Before addressing Musk’s earlier broad philosophical and strategic questions, what are the ballpark financial returns that Twitter needs to deliver to its now private investors? Private equity firms typically expect 20-30% internal rate of returns on their investment. Assuming Musk’s goal is to take Twitter back to the public markets in five years, using some back of the envelope math, a 20-30% return on \$46 billion would imply an IPO valuation of between \$115 billion to \$171 billion, assuming all the free cash flows were invested back in the business.
- Given this financial north star of a \$171 billion valuation, on the high end, what type of users and revenue should Twitter strive for over the next few years? If we look at Snap Inc. and Meta as two directly comparable public companies and their enterprise value to daily active user ratios, Twitter will need to target 1.1 billion mDAUs - 4.4 billion mDAUs. For reference, Musk reported that Twitter had 254 million mDAUs on October 31st. Using the more standard enterprise value to revenue ratio, Twitter should be targeting \$37 billion to \$63 billion in annual revenue. Twitter’s annual revenue run rate as of their last quarterly filing was stood at \$4.7 billion.
- From either a product perspective, focused on growing mDAUs, or a financial perspective, focused on expanding revenue, the team at Twitter has its work cut out for itself. Adding a billion mDAUs and tens of billions to the topline revenue are grand objectives. Perhaps, though, when viewing project Twitter from the lens of Musk’s other endeavors, such as electrifying the \$2.9 trillion automotive industry by Tesla and regularly landing drone rockets onto drone ships in the middle of the ocean by SpaceX, the scope of his social media ambitions appears on point.



“Should I step down as head of Twitter?”

Sources: CapitalIQ, Company filings, Pitchbook

Notes:

- Assumes all free cash flows are re-invested back into the business during private period
- Revenue annualized run rate based on Q2 2022 filings for Twitter and Q3 2022 filings for Snap Inc. and Meta
- DAUs stands for Daily Active Users, mDAUs stands for monetizable Daily Active Users, DAP stands for Family Daily Active people
- Market data as of January 2, 2023



Twitter Needs To Add Billions Of Dollars In Revenue Within Five Years

Twitter's User and Revenue Metrics Targets Needed To Generate Best-In-Class Private Equity Returns



Snap Inc.

Meta

Valuation:	\$46 billion Purchase Price	\$14 billion EV	\$300 billion EV
Private Equity Expected IRR:	20% - 30%		
Twitter's 2027E IPO Valuation:	\$115 billion - \$171 billion		
Active Users	254 million mDAUs	363 million DAUs	2.9 billion DAPs
Implied EV / Active Users	\$182 EV / mDAU	\$39 EV / DAU	\$102 EV / DAP
Annual Revenue Run Rate ² :	\$5 billion	\$5 billion	\$111 billion
Implied EV / Revenue	9.8x	3.1x	2.7x
Annual FCF Run Rate	(\$317 million)	\$72 million	\$18 billion
Implied EV / FCF	N/A	195.9x	16.4x

Based on Snap Inc.'s Comparable Ratios, Twitter Needs To Hit:

2027E mDAUs:	2.9 - 4.4 billion mDAUs
2027E Revenue:	\$37 billion - \$55 billion
2027E FCF:	\$586 million - \$875 million

Based on Meta's Comparable Ratios, Twitter Needs To Hit:

2027E mDAUs:	1.1 - 1.7 billion mDAUs
2027E Revenue:	\$42 billion - \$63 billion
2027E FCF:	\$7 billion - \$10 billion

Sources: CapitalIQ, Company filings, Pitchbook

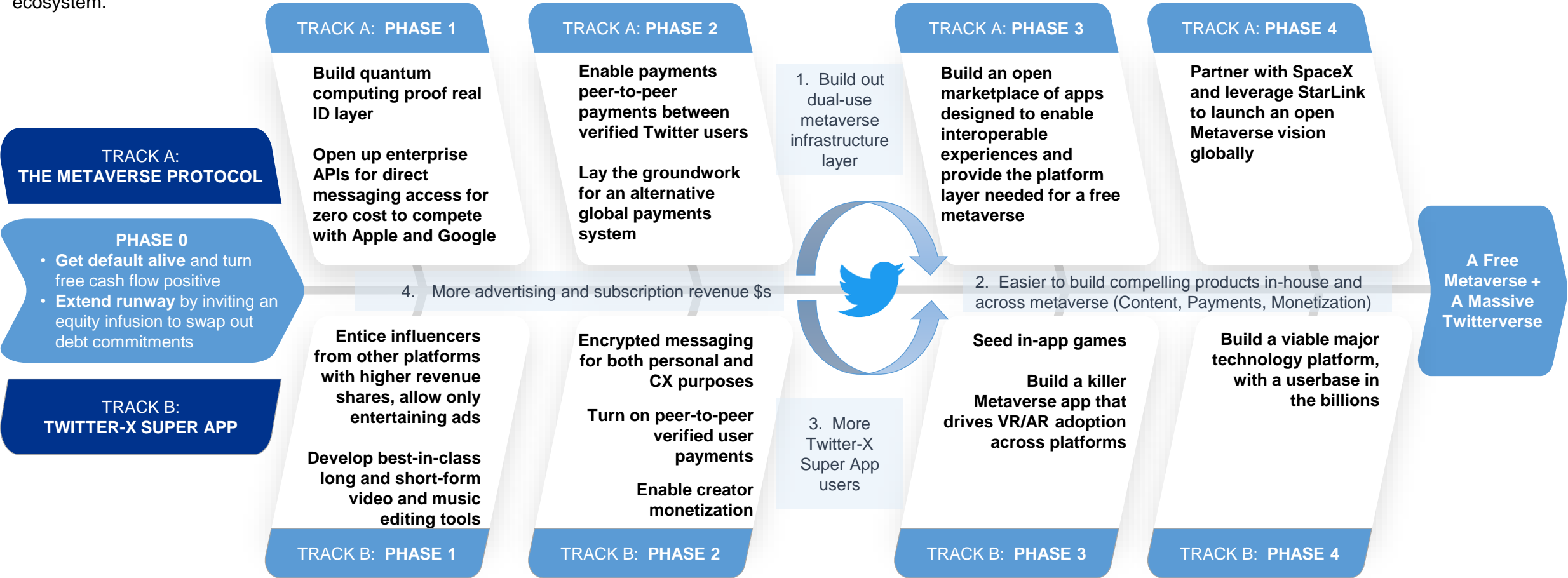
- Notes:
1. Assumes all free cash flows are re-invested back into the business during private period
 2. Revenue and FCF annualized run rate based on Q2 2022 filings for Twitter and Q3 2022 filings for Snap Inc. and Meta
 3. DAUs stands for Daily Active Users, mDAUs stands for monetizable Daily Active Users, DAP stands for Family Daily Active people
 4. Market data as of January 2, 2023
 5. EV stands for Enterprise Value and FCF stands for Free Cash Flow



Twitter Executive Advisory: A Strategic Plan With An Unstoppable Flywheel

Twitter's Mission: Free The Metaverse

Now to address Musk's question "What should Twitter do next"? Lofty goals such as a \$171 billion valuation in five years necessitates an equally soaring product roadmap. One approach that Twitter could take is executing upon a dual track strategic plan. Track A would double down onto key problems that Twitter needs to solve to grow the current app, while also opening those modules up to create building blocks for the metaverse. If Twitter were to develop a best-in-class proof of identity leveraging existing and novel payment rails, they could spread their identity standard across not only the internet (much like Google, Facebook, and Apple log-ins) but the pending metaverse. At the moment, a key obstacle to bringing anyone's vision of the metaverse to reality is the lack of an interoperable, cross-platform unique identifier. Twitter, with its hundreds of millions of user's scale, and freedom from any existing operating system ecosystem, could step into this gap. Also, this moves Twitter closer to a natural strategic partnership with Meta, which is also striving to break free of the Apple and Google power position over the mobile internet. Below is one potential strategic roadmap for Twitter that matches the level of aspirations Musk's other endeavors including Tesla, SpaceX, and Neuralink. Track B would execute on Musk's disclosed grand super app strategy following Tencent's model, including video, payments, gaming, and a vibrant app ecosystem.



Sources: Company Filings, CapitalIQ



Digital Media Landscape Overview



KPMG CF: Digital Media Innovators Spotlight

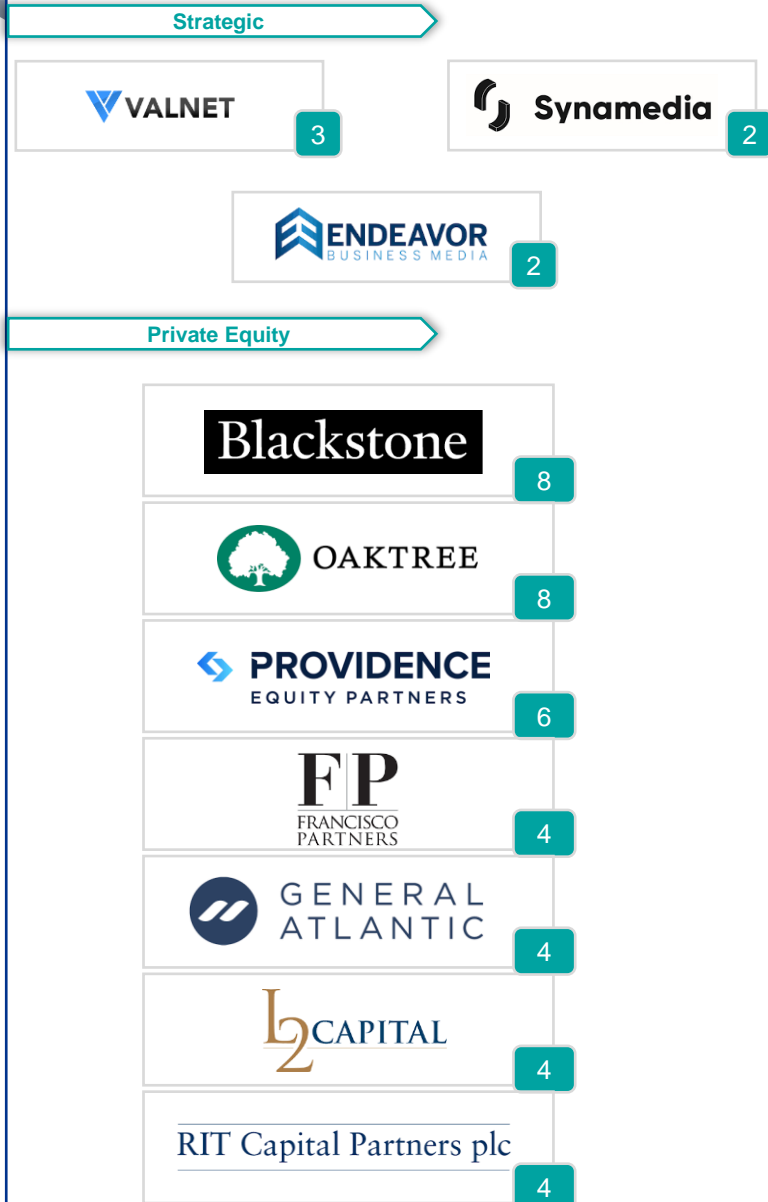
Leading Innovators In the Digital Media Ecosystem

Source: KPMG CF

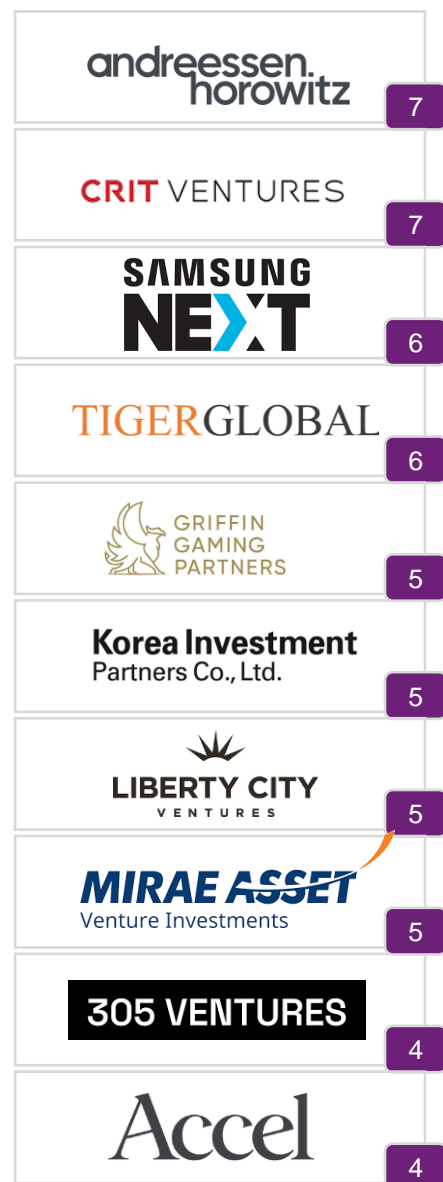


KPMG CF: Winter 2023 Digital Media Key Players

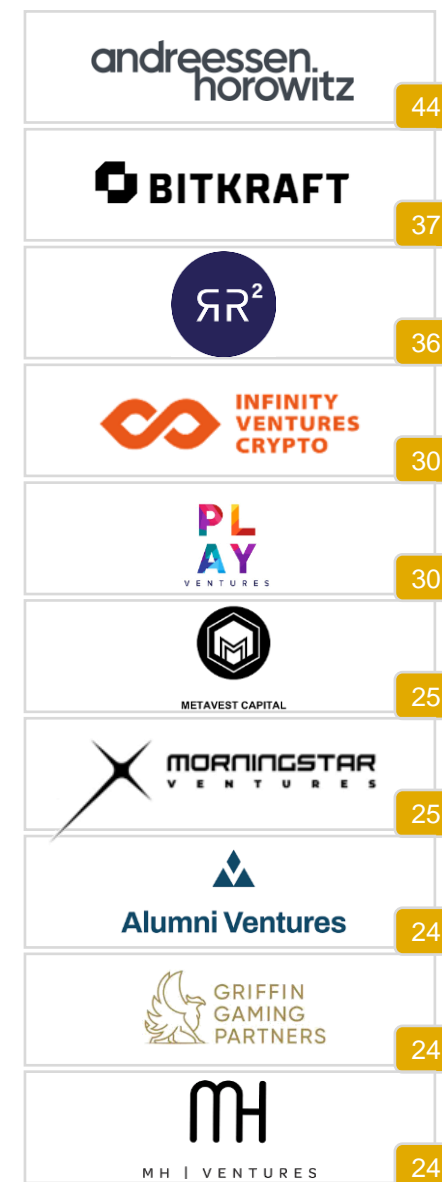
Top Digital Media Strategic & Private Equity Acquirers (TTM)



Top Late Stage & Growth Investors (TTM)



Top Early-Stage Investors (TTM)



■ Represents number of acquisitions made by the strategic as well as private equity acquirers in Trailing Twelve Months (TTM)

■ Represents number of investments made by the Private Equity / Venture Capital Firms in Trailing Twelve Months (TTM)

■ Represents number of investments made by the Private Equity / Venture Capital Firms in Trailing Twelve Months (TTM)

Sources: Pitchbook and 451 Research.

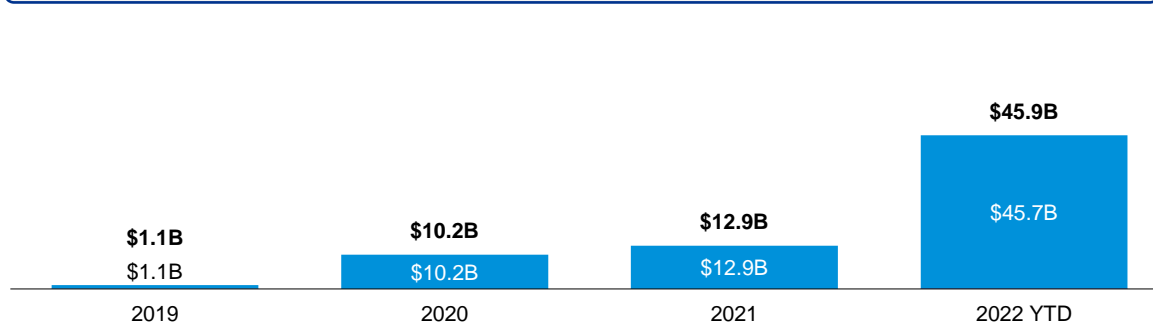
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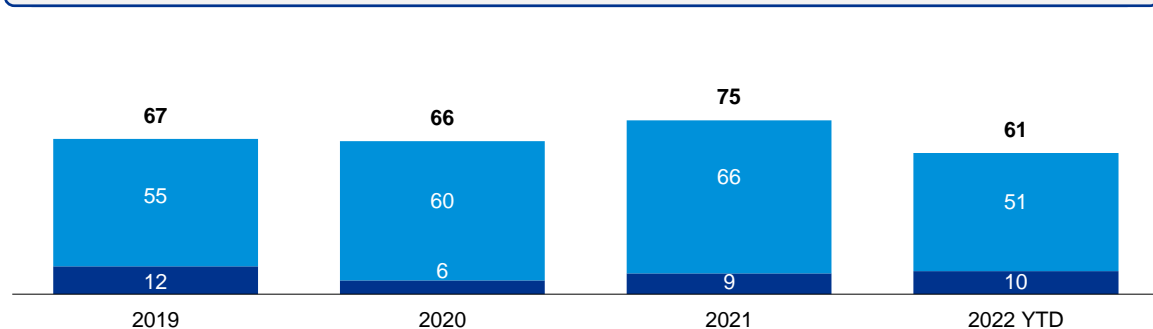
KPMG CF: Winter 2023 Digital Media Deal Activity

Global Deal Activity: Digital Media M&A

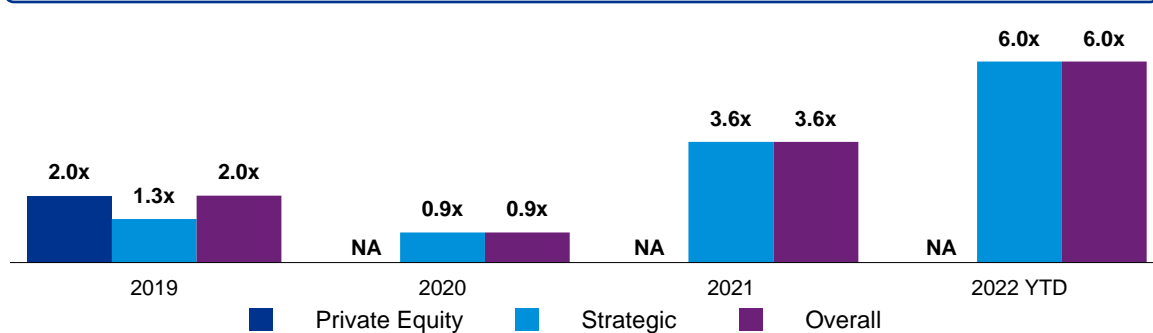
Total Deal Value



Deal Count¹

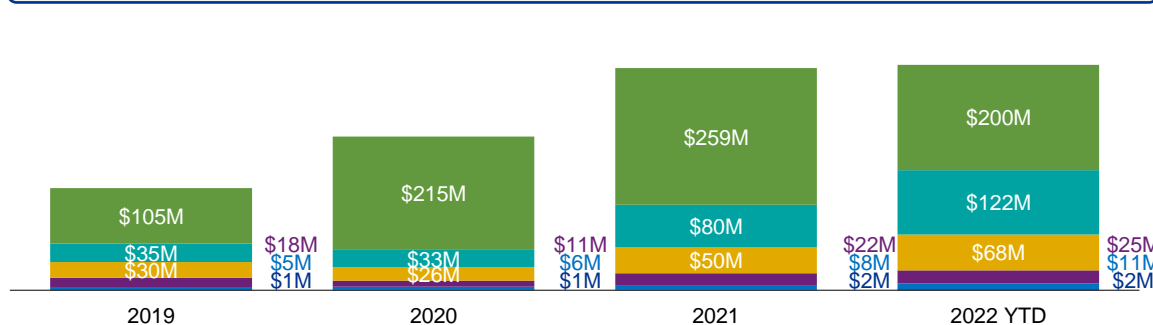


Median EV / Revenue Multiple

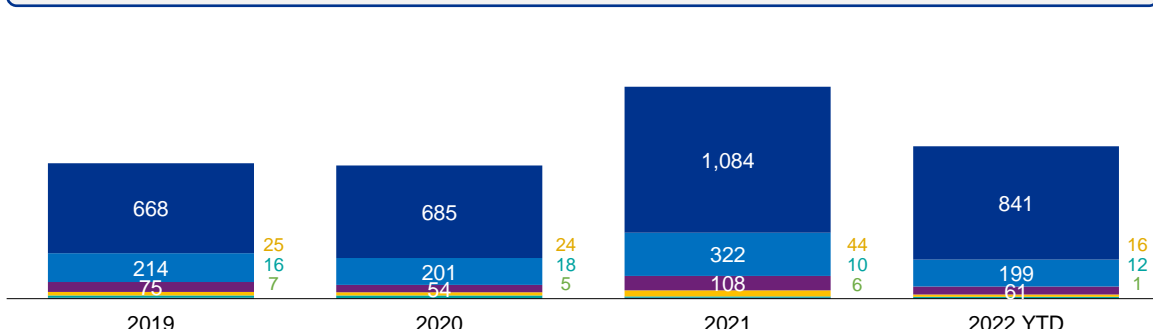


Global Deal Activity: Digital Media Private Placements

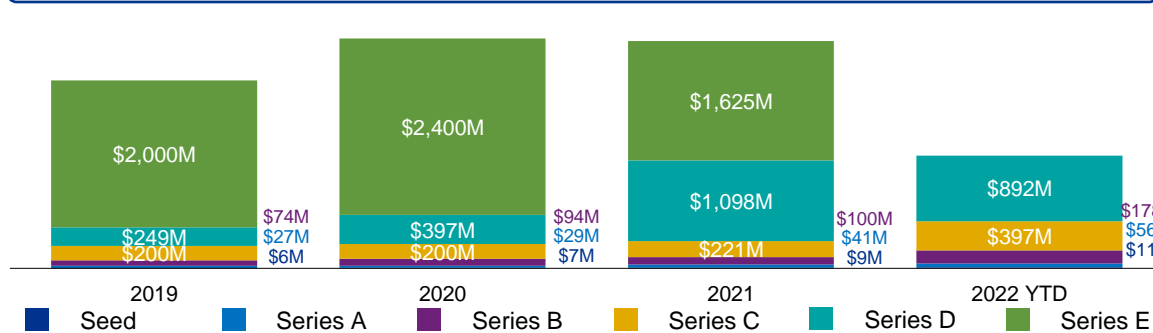
Median Round Size



Deal Count



Median Post-Valuation



Source: 451 Research, Pitchbook
 Notes: 1. Includes undisclosed deal counts
 2. 2022 YTD = Jan'22-Sep'22



KPMG CF: Digital Media Valuation Overview

Valuation Overview - Publicly Traded Comparable Companies^{1,2}

\$USD in millions

Digital Media	Country	Market Cap	Enterprise Value	Revenue	Revenue Growth 2022-23	Gross Margin %	EBITDA %	LTM EV/Revenue	LTM EV/EBITDA	CY 2022 EV/Revenue	CY 2022 EV/EBITDA	CY 2023 EV/Revenue	CY 2023 EV/EBITDA
Meta	U.S.	\$315,555	\$300,260	\$118,115	(1.4%)	80.3%	37.1%	2.5x	6.8x	2.6x	5.9x	2.4x	6.2x
The Walt Disney Company	U.S.	\$158,434	\$212,448	\$82,722	9.9%	34.2%	14.5%	2.6x	17.7x	2.5x	14.2x	2.3x	12.4x
Netflix, Inc.	U.S.	\$131,228	\$141,546	\$31,473	6.4%	39.6%	19.1%	4.5x	23.5x	4.5x	22.4x	4.2x	20.4x
Warner Music	U.S.	\$18,030	\$21,473	\$5,919	4.3%	48.0%	17.8%	3.6x	20.3x	3.6x	18.7x	3.4x	16.9x
Snap Inc.	U.S.	\$14,437	\$14,192	\$4,600	12.1%	61.5%	(17.2%)	3.1x	NM	3.1x	41.0x	2.8x	21.5x
Pinterest, Inc.	U.S.	\$16,467	\$13,985	\$2,772	9.1%	77.1%	5.6%	5.0x	NM	5.0x	32.2x	4.3x	25.7x
Spotify	Luxembourg	\$15,248	\$13,480	\$11,032	21.8%	25.2%	(3.5%)	1.2x	NM	1.1x	NM	0.9x	NM
Mean		\$95,628	\$102,483	\$36,662	8.9%	52.3%	10.5%	3.2x	17.1x	3.2x	22.4x	2.9x	17.2x
Median		\$18,030	\$21,473	\$11,032	9.1%	48.0%	14.5%	3.1x	19.0x	3.1x	20.6x	2.8x	18.7x

Valuation Overview - Recent Precedent M&A Transactions

Date	Acquirer	Target	Target Country	EV	EV / Revenue	EV / EBITDA	Target Description
Nov-22	Eagle Eye Solutions Group	Untienots SaS	France	\$40.4	12.9x	-	Provides a promotion personalization platform for retailers
Nov-22	Metadvertise Société	PM-SA	France	\$141.9	4.9x	14.8x	Offers film and audiovisual production service
Oct-22	Elon Musk	Twitter	U.S.	\$46,173.4	8.8x	51.2x	Engaged in the provision of social networking and micro-blogging website
Sep-22	STACJA Sluzew.	Audioteka S.A.	Poland	\$36.0	2.0x	12.7x	Operates mobile platform for digital audiobooks
Sep-22	Kambi Group	Shape Games A/S	U.S.	\$77.9	10.3x	27.9x	Operates a digital B-to-B platform
Sep-22	Prism Data, LLC	Digital Media Solutions	U.S.	\$332.3	0.8x	19.6x	Digital performance marketing company
Jul-22	Unity Software Inc	ironSource Ltd	Israel	\$4,301.0	6.9x	37.7x	Provides features for application monetization & mobile advertising
Mean				\$7,300.4	6.7x	27.3x	
Median				\$141.9	6.9x	23.8x	

Valuation Overview - Recent Capital Raise Transactions³

Date	Lead Investors	Target	Target Country	Round Size	Target Description
Nov-22	General Atlantic Service Company	Amagi Media Labs Private Limited	India	\$79	Operates as a media technology company
Sep-22	Sabadell Capital; Claret Capital Partners	Pangealand, S.L.	Spain	\$20	Operates online travel agency
Aug-22	Undisclosed Buyer	beNX Co., Ltd.	South Korea	\$117	Develops a mobile application and online live video
Aug-22	Kato Sangyo Co., Ltd; ASAHI SHOKUHIN	every, Inc.	U.S.	\$18	Produces videos and online content
Aug-22	Affirma Capital Managers (Korea) Limited; NPX Private Equity	Terapin Studios, Inc.	South Korea	\$93	Operates as a digital content company

Sources: CapitalIQ and 451 Research
 Notes: 1. Market data as of January 2, 2023, Capital IQ
 2. The EV/Revenue>20x and EV/EBITDA>50x are considered "NM" ("not meaningful") for publicly traded comparables
 3. Excludes <\$10M round size capital raise transactions

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