



A MODERN PLATFORM FOR FUNDAMENTAL INVESTING

Investment Process Infrastructure for Decision-Support and Analytics

Optimize Your IR/Corporate Process

Agenda:

1. End-to-End Configurable Corporate Workflow Platform
2. IR/Corporate Example – Gannet
3. Special Project: Too Much to Lend

About EDS

A centralized platform that grows with your critical needs

- **Tier-One Customers**

- High Growth & Cash Flow Positive
- Tiger Cubs, Citadel Spins, SAC, Bernstein & Viking Alums

- **Expanding Partnerships**

- FactSet
- MSCI
- Northern Trust

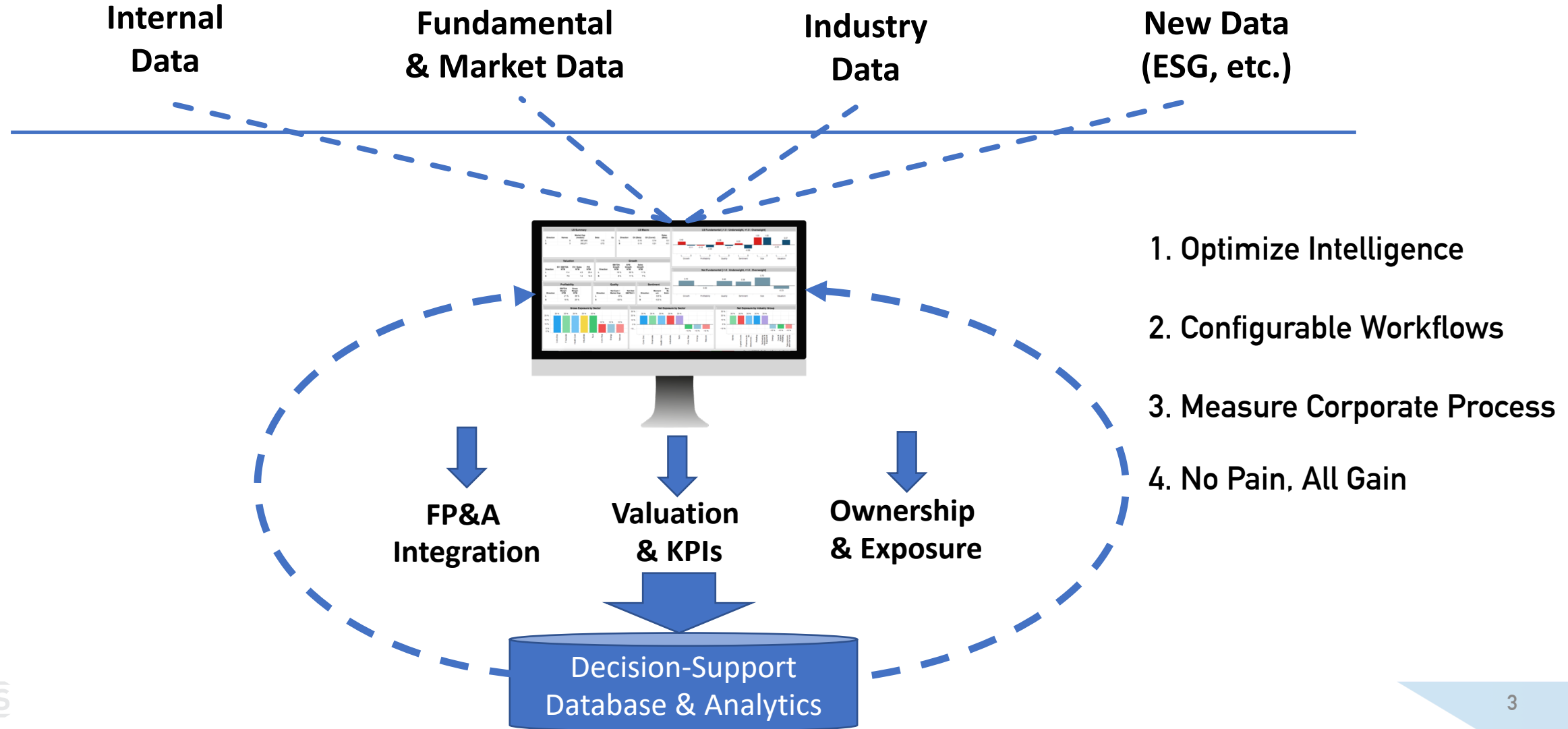
- **Broadening Market Adoption**

- Hedge Funds
- Asset Managers
- Credit Funds
- Corporate IR
- Broker/Dealer



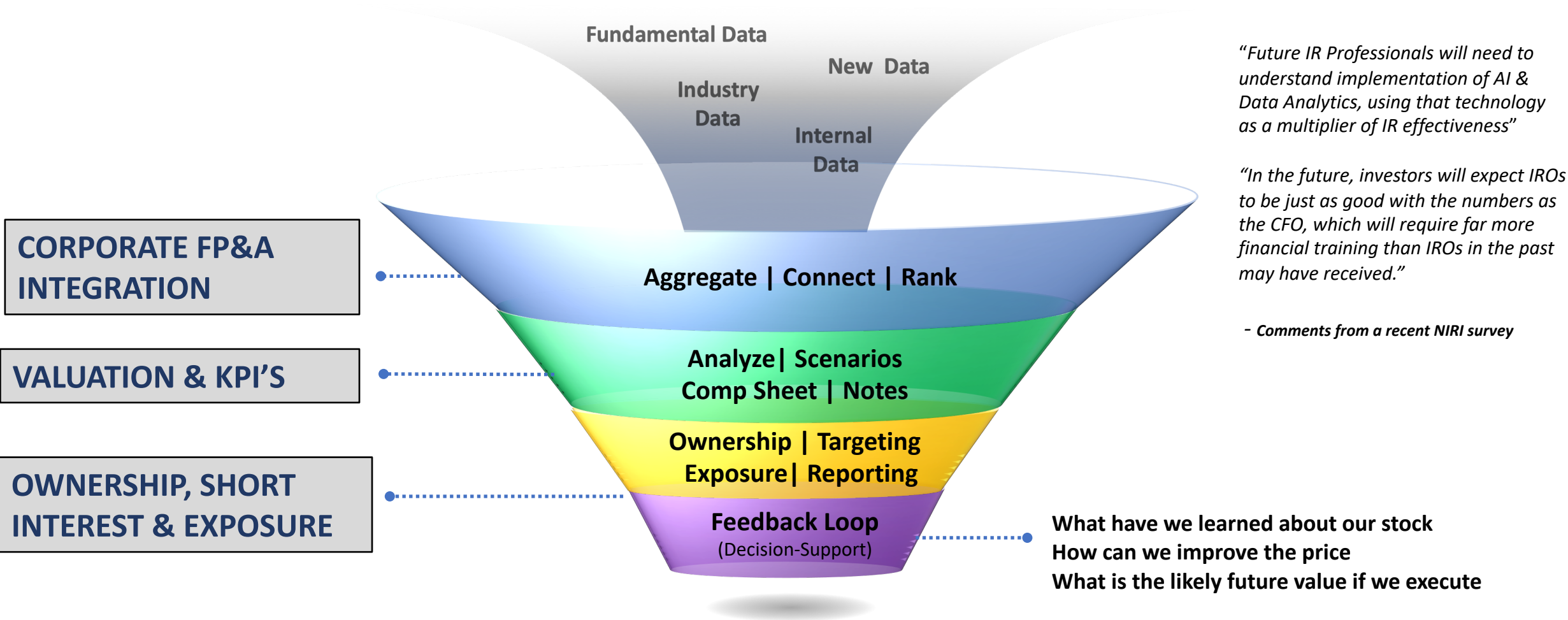
Why Clients Hire EDS

EDS drives large improvements in efficiency & critical investment processes through a centralized platform



EDS is a Modern IR Platform

Modules Built Around Common Workflows & Configurable to Each User



Corporate Intelligence – Answering Key Questions

1. What are the KPIs most influencing the valuation?
2. Who owns/shorts my stock and why?
3. How can I better understand why my shares are trading up/down?

GCI Initial Analysis:

- Leverage has been an important driver (-76% correlation/stock driver)
- FCF Margin has a significant relationship to the stock
- Leverage at High Levels (*tempting short story*)

IR Tearsheet: Leverage is the Main Driver of Performance

Configurable dashboards that represent your views



Comparative / Competitive Sheet

1. Are other media related stocks under pressure?
2. Is that the correct peer set to be looking at?

GCI Initial Analysis:

- **Peer Review (<\$5B, levered)** - Lowest margins, cheapest valuation
- **Investor Type:** Potentially, a shifting base from growth to value
- **Stock Performance:** Similar to peers

Peer Analysis that is Flexible, Powerful & Simple

Security

Ticker : **GCI-USA**

Price (local): **4.1**

Market Cap (USD): **533M**

Enterprise Val (local): **2,349M**

[Compare](#)

Select Compares

Sector

Type to search in list

☐ (All) 1 values

☒ Communication Ser...

Industry Group

Type to search in list

☐ (All) 1 values

☒ Media & Entertainment

Industry

Type to search in list

☐ (All) 3 values

☐ Entertainment

☐ Interactive Media & ...

☒ Media

Sub Industry

Type to search in list

☒ (All) 4 values

☒ Advertising

☒ Broadcasting

☒ Cable & Satellite

☒ Publishing

Ticker - 13

Type to search in list

☒ (All) 13 values

☒ AMCX-USA | AMC Net...

☒ ETM-USA | Entercom ...

☒ GCI-USA | Gannett Co...

☒ GTN-USA | Gray Telev...

03/06/2020

Scenario Analysis

Factors	Metric	GCI-USA	Min	Max	Median
Profitability	EBITDA Margin NTM	12.8%			27.7%
Growth	---	-			-
Quality	Assets / Equity	4.1	2		4.8

[Run Scenario](#) [Clear](#)

Compares

Ticker	Price (USD)	Return (12M)	Return (3Yr)	Market Cap	Assets / Equity	Net Debt / EBITDA CY1	EV / EBITDA NTM	EBITDA Margin NTM	FCF Margin CY1	Short Interest (% of Float)
SBGI-USA	21.9	-43 %	-49 %	2,004M	11.6	5.3	7.3	28.7 %	17.2 %	7.9 %
AMCX-USA	27.3	-57 %	-54 %	1,519M	8.4	2.5	5.2	27.7 %	14.9 %	21.9 %
NXST-USA	97.9	-5 %	34 %	4,487M	6.9	3.4	6.5	42.6 %	26.2 %	7.8 %
MDP-USA	23.1	-59 %	-64 %	1,428M	6.6	4.1	6.9	22.7 %	9.7 %	16.8 %
GTN-USA	15.1	-33 %	1 %	1,500M	4.9	4.0	6.7	35.7 %	20.2 %	4.9 %
LILA-USA	14.8	-26 %	-	2,700M	4.8	3.6	6.5	38.5 %	-11.2 %	1.1 %
LILAK-USA	14.9	-25 %	-	2,700M	4.8	3.6	6.5	38.5 %	-11.2 %	5.1 %
TGNA-USA	17.0	15 %	-35 %	3,703M	4.4	4.1	8.0	33.7 %	22.2 %	5.8 %
ETM-USA	3.3	-46 %	-78 %	451M	4.3	5.4	6.7	23.2 %	11.0 %	10.3 %
GCI-USA	4.1	-67 %	-72 %	533M	4.1	3.7	4.9	12.8 %	1.8 %	22.3 %
SSP-USA	10.3	-55 %	-56 %	831M	4.0	5.0	7.6	18.6 %	10.3 %	7.2 %
SCOR-USA	2.8	-88 %	-87 %	198M	2.8	5.6	11.4	8.5 %	2.5 %	8.3 %
JWA-USA	39.3	-11 %	-25 %	2,203M	2.5	2.2	7.9	20.0 %	12.0 %	2.1 %

Initial Scenario

- Sub \$5 Billion
- Leverage > 2X
- Media Industry

Sentiment					Valuation					Profitability					Quality				
	GCI-USA	Median	P10	P90		GCI-USA	Median	P10	P90		GCI-USA	Median	P10	P90		GCI-USA	Median	P10	P90
Return (12M)	-67%	-43%	-66%	-6%	EV / EBITDA NTM	4.9	6.7	5.5	8.0	EBITDA Margin NTM	12.8%	27.7%	13.9%	38.5%	Assets / Equity	4.1	4.8	3.0	8.1
Return (3Yr)	-72%	-54%	-78%	1%						FCF Margin CY1	1.8%	11.0%	-8.6%	21.8%	Net Debt / EBITDA CY1	3.7	4.0	2.7	5.4
Short Interest (% of Float)	22.3%	7.8%	2.7%	20.9%															

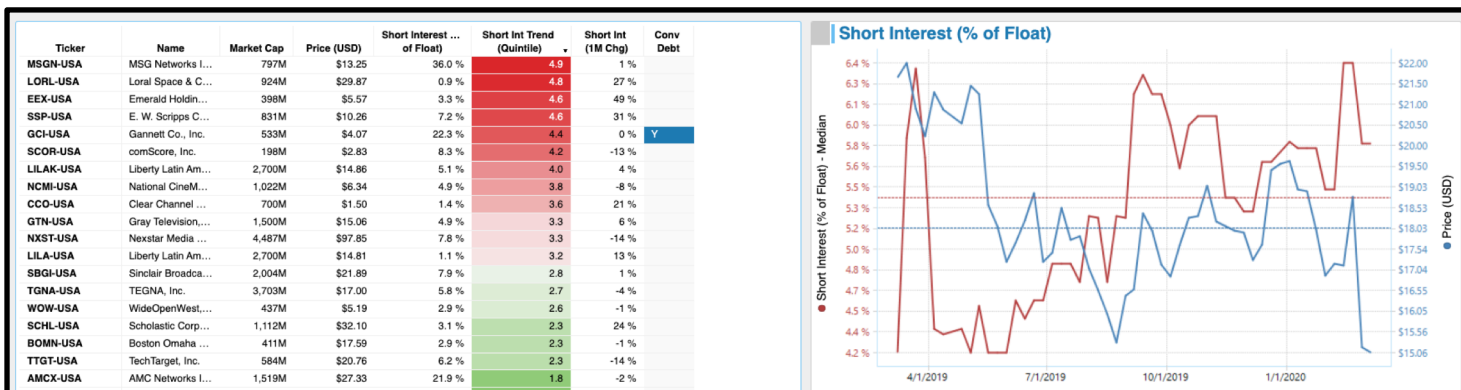
Ownership Trends:

- 1. Have active holders taken profits?**
- 2. Have active holders rotated to different sectors?**
- 3. Which institutions own my stock, and the trend?**

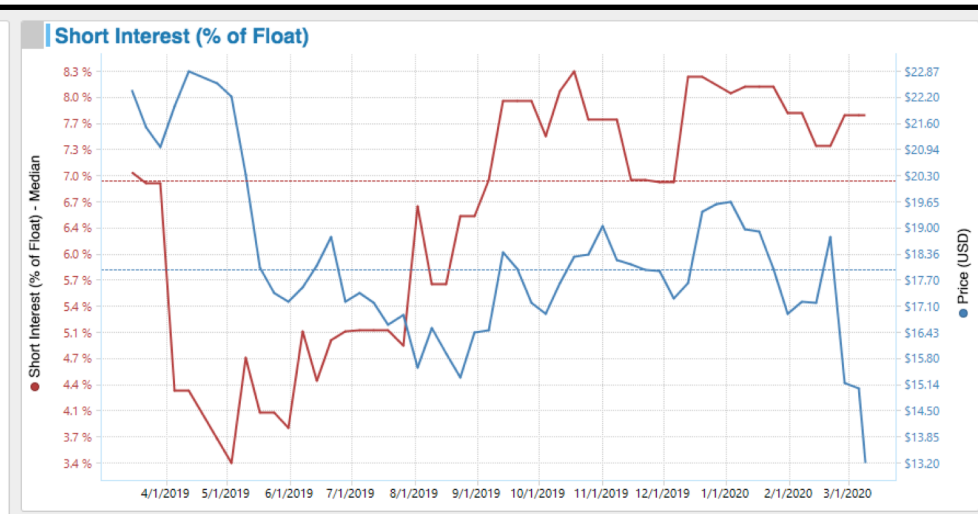
GCI Initial Analysis:

- Short trend in group and GCI is accelerating
- Short trend in highly levered group ~33% higher than the average
- 7 funds initiated last quarter (value profile)
- Potential shift from a growth to value shareholder base
- High activity in the group (AMCX, GCI, SBGI)

Ownership Trends: High Short Activity, Especially in Levered Names



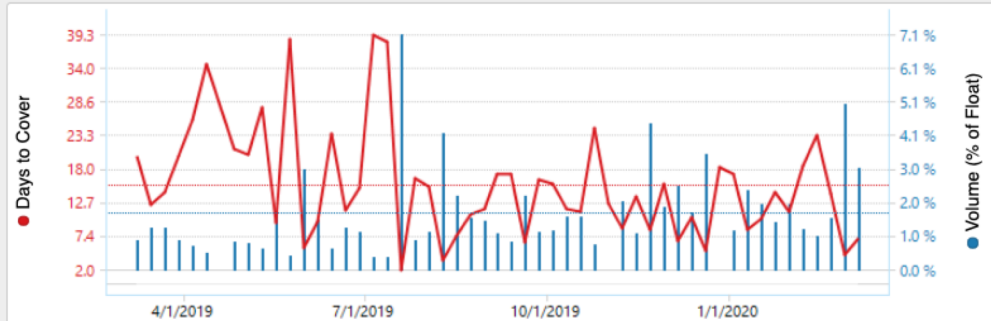
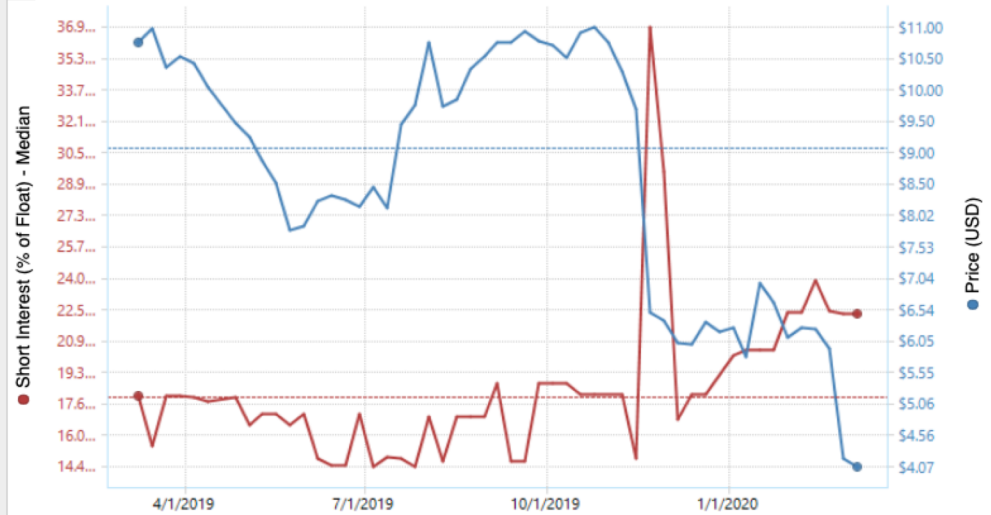
Levered names
have 33% Higher
Short Interest



Ownership Trends: Ramping Short Interest in GCI

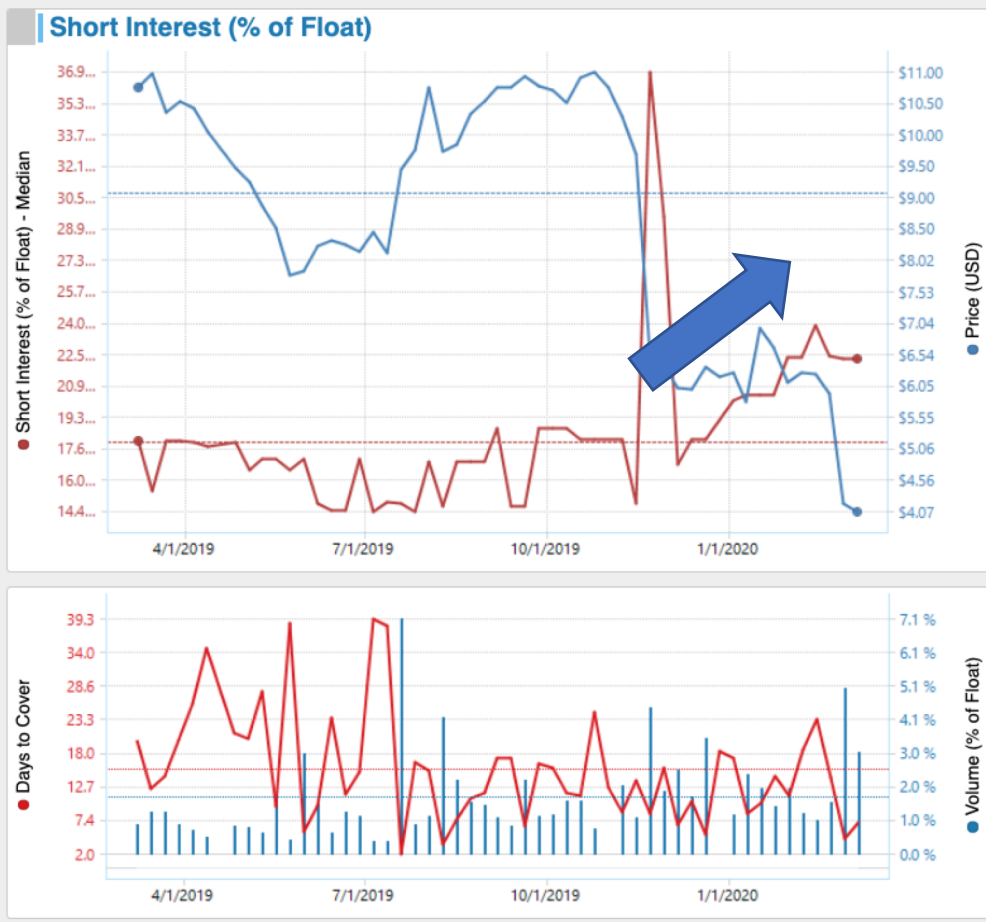
Ticker	Name	Market Cap	Price (USD)	Short Interest ... of Float	Short Int Trend (Quintile)	Short Int (1M Chg)	Conv Debt
MSGN-USA	MSG Networks I...	797M	\$13.25	36.0 %	4.9	1 %	
LORL-USA	Loral Space & C...	924M	\$29.87	0.9 %	4.8	27 %	
EEX-USA	Emerald Holdin...	398M	\$5.57	3.3 %	4.6	49 %	
SSP-USA	E. W. Scripps C...	831M	\$10.26	7.2 %	4.6	31 %	
GCI-USA	Gannett Co., Inc.	533M	\$4.07	22.3 %	4.4	0 %	Y
SCOR-USA	comScore, Inc.	198M	\$2.83	8.3 %	4.2	-13 %	
LILAK-USA	Liberty Latin Am...	2,700M	\$14.86	5.1 %	4.0	4 %	
NCMI-USA	National CineM...	1,022M	\$6.34	4.9 %	3.8	-8 %	
CCO-USA	Clear Channel ...	700M	\$1.50	1.4 %	3.6	21 %	
GTN-USA	Gray Television,...	1,500M	\$15.06	4.9 %	3.3	6 %	
NXST-USA	Nexstar Media ...	4,487M	\$97.85	7.8 %	3.3	-14 %	
LILA-USA	Liberty Latin Am...	2,700M	\$14.81	1.1 %	3.2	13 %	
SBGI-USA	Sinclair Broadca...	2,004M	\$21.89	7.9 %	2.8	1 %	
TGNA-USA	TEGNA, Inc.	3,703M	\$17.00	5.8 %	2.7	-4 %	
WOW-USA	WideOpenWest,...	437M	\$5.19	2.9 %	2.6	-1 %	
SCHL-USA	Scholastic Corp...	1,112M	\$32.10	3.1 %	2.3	24 %	
BOMN-USA	Boston Omaha ...	411M	\$17.59	2.9 %	2.3	-1 %	
TTGT-USA	TechTarget, Inc.	584M	\$20.76	6.2 %	2.3	-14 %	
AMCX-USA	AMC Networks I...	1,519M	\$27.33	21.9 %	1.8	-2 %	
MDP-USA	Meredith Corpor...	1,428M	\$23.08	16.8 %	1.7	-35 %	
JW.A-USA	John Wiley & So...	2,203M	\$39.28	2.1 %	1.3	19 %	
CDLX-USA	Cardlytics, Inc.	1,288M	\$48.25	12.0 %	1.2	-19 %	
ETM-USA	Entercom Com...	451M	\$3.27	10.3 %	1.1	-5 %	

Short Interest (% of Float)



Ownership Trends: Ramping Short Interest in GCI

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CDLX-USA	Cardlytics, Inc.	1,288M	\$48.25	12.0 %	1.2	-19 %	
ETM-USA	Entercom Com...	451M	\$3.27	10.3 %	1.1	-5 %	



Ownership Trends: Shareholder Shift

Breakdown by Stock

Ticker	Name	Market Cap	Price (USD)	Crowding	# Funds Owning	Fund Position (Median)	% of Outstanding	% of Outstanding (Trend)	# Funds Bought	# Funds Sold
NCMI-USA	National Cine...	1,022M	\$6.34	1	17	0.00 %	12.69 %	2	7	10
LORL-USA	Loral Space & ...	924M	\$29.87	1	13	0.00 %	2.95 %	4	10	3
SSP-USA	E. W. Scripps ...	831M	\$10.26	1	14	0.00 %	8.97 %	4	2	9
MSGN-USA	MSG Network...	797M	\$13.25	2	36	0.01 %	11.90 %	2	12	23
CCO-USA	Clear Channel...	700M	\$1.50	4	49	0.01 %	27.85 %	1	20	22
TTGT-USA	TechTarget, Inc.	584M	\$20.76	2	24	0.01 %	13.22 %	4	12	10
GCI-USA	Gannett Co., Inc.	533M	\$4.07	2	25	0.01 %	18.99 %	1	12	13
ETM-USA	Entercom Co...	451M	\$3.27	1	25	0.01 %	9.27 %	4	13	10
WOW-USA	WideOpenWe...	437M	\$5.19	1	22	0.01 %	3.64 %	2	13	8
BOMN-USA	Boston Omah...	411M	\$17.59	1	7	0.00 %	0.33 %	5	2	5
EEX-USA	Emerald Holdi...	398M	\$5.57	1	15	0.00 %	3.25 %	1	7	8
SCOR-USA	comScore, Inc.	198M	\$2.83	1	17	0.00 %	20.71 %	1	8	7



Breakdown by Strategy (Position Changes)

Strategy	Initiated	Increased	Decreased	Closed	Grand total
Growth	1	3	4	5	13
Multi	1	1	-	-	2
Quant	1	1	-	2	4
Tiger	1	-	-	-	1
Value	3	-	2	-	5
Grand total	7	5	6	7	25

Potential Shift
to Value Owners

Ownership by Fund

Ticker	Strategy	Investment Fund	Fund AUM	Flag	Fund Position (Current)	Fund Position Change (QoQ)	Fund Position \$	% of Outstanding
GCI-USA	Value	Alta Fundamental Ad...	\$108M	Initiated	9.85 %	6.47 %	\$7M	1.40 %
GCI-USA	Growth	Omega Advisors, Inc.	\$1,948M	Increased	2.40 %	0.29 %	\$31M	6.14 %
GCI-USA	Value	Summit Street Capita...	\$124M	Initiated	0.41 %	0.27 %	\$338k	0.07 %
GCI-USA	Growth	Teza Capital Manage...	\$361M	Initiated	0.07 %	0.05 %	\$173k	0.03 %
GCI-USA	Value	Zebra Capital Manag...	\$457M	Initiated	0.01 %	0.01 %	\$44k	0.01 %
GCI-USA	Multi	Millennium	\$61,200M	Increased	0.02 %	0.01 %	\$7M	1.31 %
GCI-USA	Quant	Dimensional	\$442,056M	Increased	0.01 %	0.00 %	\$40M	7.95 %
GCI-USA	Growth	ExodusPoint Capital ...	\$3,593M	Increased	0.01 %	0.00 %	\$199k	0.04 %
GCI-USA	Growth	Citadel Advisors LLC	\$80,812M	Increased	0.01 %	0.00 %	\$7M	1.30 %
GCI-USA	Multi	D. E. Shaw & Co. LP	\$64,408M	Initiated	0.00 %	0.00 %	\$780k	0.16 %
GCI-USA	Tiger	Coatue Management ...	\$12,585M	Initiated	0.00 %	0.00 %	\$63k	0.01 %
GCI-USA	Quant	AQR Capital Manage...	\$100,230M	Initiated	0.00 %	0.00 %	\$58k	0.01 %
GCI-USA	Quant	Renaissance Technol...	\$130,239M	Closed	0.00 %	0.00 %	\$0	0.00 %
GCI-USA	Growth	Babson Asset Mana...	\$15,592M	Decreased	0.00 %	0.00 %	\$12k	0.02 %

Areas of Interest – A POC to Highlight Specific Interests

- 1. Borrowing Capacity Impact**
- 2. Strategy Fulfillment Metrics**

GCI Questions:

- If we reduce the borrowing capacity of shorts, will it impact share price?
- If we meet our 2023 goals, what multiple/price should we trade at?

What Makes Our Clients Satisfied

A robust platform that grows with your critical needs

- **Flexible to Client Requirements**

- Their process is streamlined/systematic, so they have more time
- It is exactly configured to your company and the metrics that drive your business

- **Easy-to-Use**

- No work to get up to speed
- More intelligence improves corporate and strategic discussions

- **Scalable Platform**

- They are able to use their data more effectively and understand the sources of risk and reward more fully – and do so in less time than before.
- All the Intellectual Property they create, stays in-house



Thank you.

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