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ENTERTAINMENT TECHNOLOGY

DRAKE STAR PARTNERS IS PUBLISHING A SERIES OF REPORTS ON ENTERTAINMENT TECHNOLOGY. THIS FIRST REPORT FOCUSES ON THEATRE / EXHIBITION-SPECIFIC TECHNOLOGIES IN NORTH AMERICAN MARKETS.

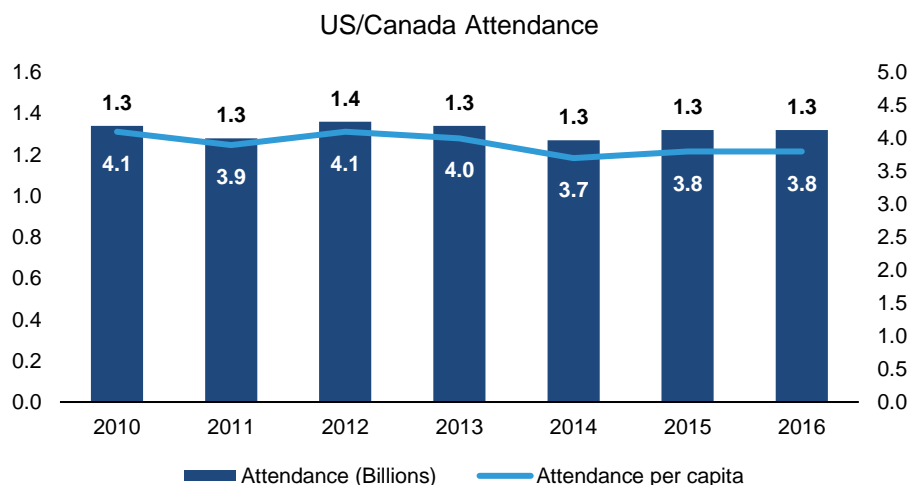


I. Introduction

The theatrical exhibition business is at a crossroads. Surprising to many, the box office in 2016 was a record, despite the publicity attached to Streaming Video On-Demand (SVOD) services such as Netflix and Amazon Prime. That said, the attendance trends continue to be worrisome for exhibitors with considerable weakness in the under 25 demographic. At the same time, with the halving of the home entertainment market, studios are pushing for a shorter window between theatrical and the home entertainment window to capitalize on a film's marketing during the theatrical window so that they don't have duplicate that spending in the home window. These trends have led exhibitors to increasingly experiment with new technologies (i.e. innovative ticketing platforms, Virtual Reality (VR), moving seats and subscription passes) to differentiate the theatrical exhibition experience.

II. Attendance Trends

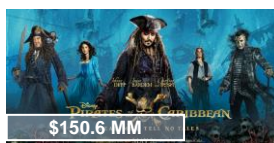
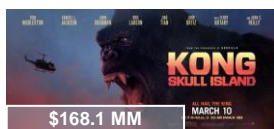
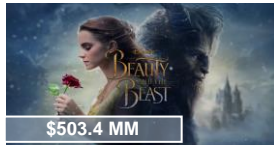
When analyzing attendance trends for the 2010 to 2015 time period, somewhat surprising is that aggregate attendance across this time frame is modestly down 20 million attendees from 1.34 billion to 1.32 billion (-1.5%) attendees. However, when we look at the various demographic groups the picture varies widely, which highlights a concern for longer term box office prospects.



(Source MPA Theatrical Statistics 2016)

While attendance trends are relatively positive at the two bookends, younger and older attendees, we view the negative attendance trends for the core middle demographic ages 18-24 and 25-39 -- which is also the target demographic for in-home viewing during the theatrical window -- as a concern for the broader exhibition industry. The core middle demographics (ages 18-24 and 25-39), which account for around 31% of the total population, have seen a material decline in attendance, down by 87.6 million to 475.2 million from 2010 to 2015.

Top 10 films by revenue YTD 2017 (US Box Office)



(Source: MPAA)

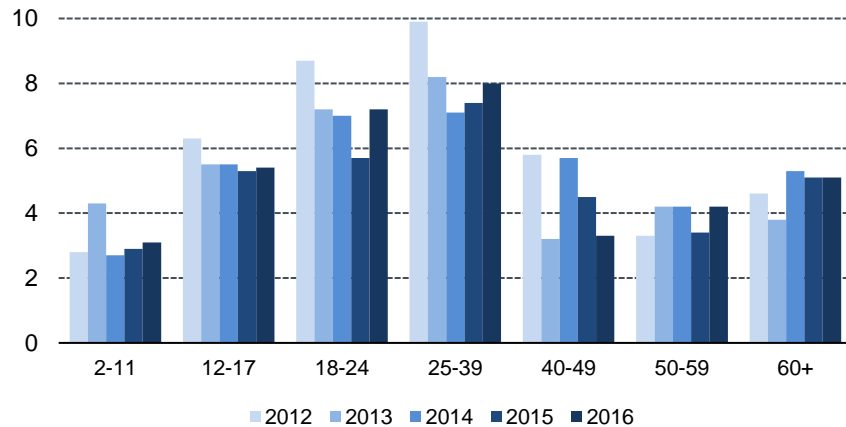
Among the key highlights from our analysis are the following:

The youngest demographic (ages 2-11), which accounts for around 14% of the total population, has seen attendance from 2010 to 2015 remain largely flat as this demographic accounted for around 145.2 million tickets in 2015 compared to 147.4 million in 2010.

The older demographic groups (ages 40-49, 50-59, and 60+), which account for around 48% of the total population, have seen attendance grow by 59.6 million attendees to 488.4 million from 2010 to 2015. The growth in ticket sales was largely attributable to the 60+ age group (+37.4 million from 2010 to 2015).

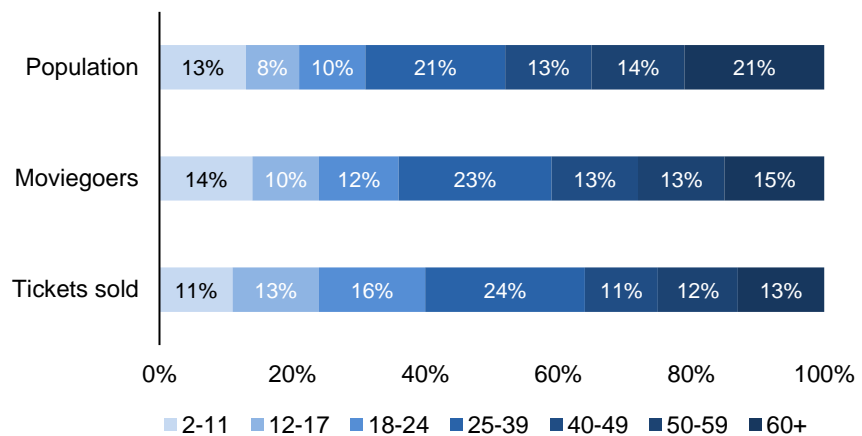
We note that the 60+ age group demographic has the most flexibility in terms of scheduling and therefore is more likely to choose an air time with a cheaper ticket price.

Frequent Moviegoers (Millions) by Age



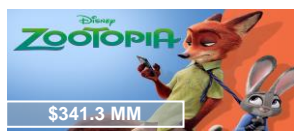
(Source MPAA Theatrical Statistics 2016)

2016 Age Group Share of Total Population, Moviegoers and Tickets Sold



(Source MPAA Theatrical Statistics 2016)

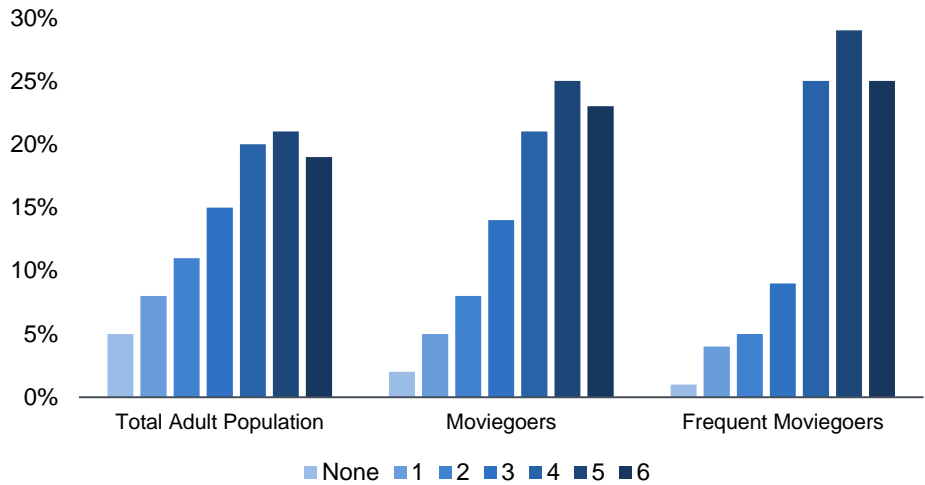
**Top 10 films by revenue 2016
(US/Canada Box Office)**



(Source: Boxofficemojo)

That said, all attendees are not equal. For starters, an older demographic fields a lower average ticket price (more flexibility during the cheaper weekdays and increasingly a 60-year-old threshold for senior tickets) as well as lower concession buys and less targeted advertising. Long-term, the aging of the audience base speaks for itself.

Number of Key Tech Products Owned



(Source MPAA Theatrical Statistics 2016)

Frequent moviegoers tend to own more technology products (computers, smart phones, tablets, etc.) than the general population. In this report, we highlight two “overlying” technologies which theatres are introducing to re-engage the key 18-39 demographics where attendance trends are strained.

III. Atom Tickets Case Study



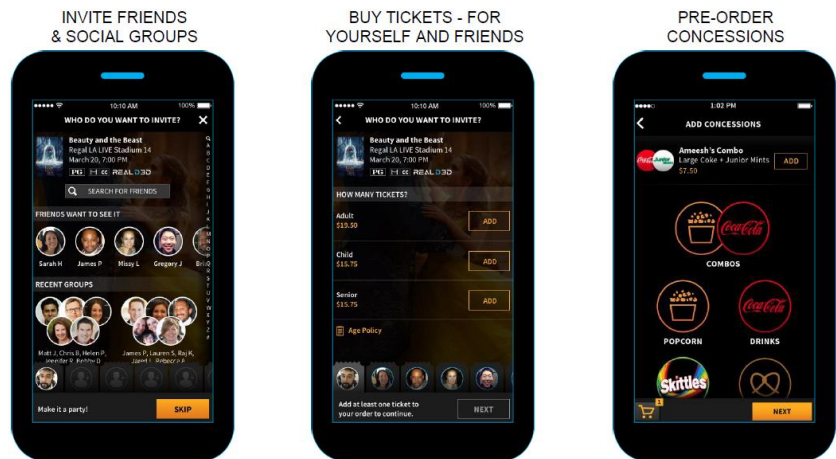
Location: Santa Monica, CA
Website: www.atomtickets.com
CEO: Ameesh Paleja

**Strategic
Investors:**



While studios have limited regulatory ability to invest in exhibition directly, they are increasingly interested in spurring the channel given challenges in the home entertainment market. Atom Tickets has managed to secure funding from both studios (Lionsgate, Disney, Fox) and Hollywood heavyweights (JJ Abrams, Tyler Perry), as well as form deep commercial partnerships with leading exhibitors (Regal and AMC). The Atom Tickets platform takes the current online ticketing apps from the exhibitors to a more integrated level with a full pre-ordering of concessions which capitalizes on studies that show line ups, rather than food and beverage offerings or pricing, are the single biggest impediment to concession purchases. To date exhibitors' apps have been limited in terms of functionality and this service capitalizes on that void.

Atom offers a polished app that allows users to quickly review movie posters representing current and upcoming releases. The software uses predictive analytics to provide movie recommendations based on previous purchases and information gathered from linked social network accounts. The app also gathers user data to determine which theatres users tend to frequent and with whom. Atom allows people to extend digital invitations to friends and family members as well as payment splitting. Through the app, patrons can often find group discounts (particularly for less popular show times) along with concession stand pre-orders and options to buy exclusive merchandise.



Atom is now live in every AMC and Regal theatre in the U.S. and boasts a number of leading regional exhibitors as customers as well. Atom's exhibitor network covers 17,500 screens in every major U.S. designated market area. Atom recently announced a partnership IMDb (the most-trafficked movie website in the world) where it will serve as the ticketing platform for IMDb Ticketing. Beginning with "Wonder Woman" in June 2017, Atom Tickets collaborated with T-Mobile for advance sales on the Tuesday before the blockbuster's opening weekend. Using the T-Mobile Tuesday app which offers weekly rewards for customers, Atom Tickets facilitates the ticket and concession purchases. Atom's presence is expanding across multiple channels as its compelling technology outperforms incumbents.

Sources: Company specific information based on publicly available information

Atom's core value proposition to the theatrical industry is bringing the younger audience (18-39-year-old), a large underrepresented cohort, back to the theatres. The app creates a more social and convenient experience from discovery (planning with friends) to sitting in their seats (eliminates lines). Exhibitors have inherently high fixed costs and continue to experience demand elasticity particularly by the time of day, and to a lesser degree, by movie. By engaging younger theatregoers with a more robust app and creating a frictionless experience, Atom has seen double-digit attendance and concessions growth in many theatres adopting the app. We continue to view such opportunities as evolving given the stagnation in attendance and the continued challenges for movies outside of the blockbuster genre which cannot fully match critical/audience acclaim with attendance.

IV. Innovative Theatre-Related Apps

Atom Tickets demonstrates how a well-designed mobile app can help drive attendance and enhance the theatre-going experience. The following companies developed innovative apps designed to add-value to moviegoers and drive incremental revenue for exhibitors.

MoviePass

MoviePass offers a novel approach to purchasing movie tickets. The New York-based company offers monthly plans that allow users to purchase monthly movie theatre subscriptions. Packages range from \$14.99 for 2 movies per month to \$49.99 for unlimited access. Subscribers tend to explore more movies that they may otherwise await to see post-theatrical release. This is a critical factor from mid-level to independent films that comprise the majority of the release schedule. MoviePass reduces the friction of the pay-per-view approach that has a very high customer acquisition cost to a risk-free model that subscription delivers. Patrons have frequently increased their annual movie spend from \$100 to \$400 per year on average with MoviePass.

MoviePass recently signed a partnership with Vista, the leading global provider of cinema management software solutions servicing 12,000 screens, representing +40% of the U.S. market, to provide MoviePass subscribers with: E-ticketing, the ability to invite friends, seat selection, concession ordering or integration to exhibitors' loyalty programs. Exhibitors integrated with MoviePass have shown a 100% lift in attendance, a 123% lift in concession spend and a 50% lift on midweek attendance at participating theatres. MoviePass members represent an important demographic, with 75% of its user base under the age of 35 years old.

In December 2016, Studio Movie Grill (SMG) made an equity investment in MoviePass. Movie Pass and SMG will be testing an Open Tab feature where subscribers will be able to pay for their ticket, meal and drinks using the MoviePass app without ever needing to pull out a credit card. MoviePass's patented geo-location based technology will automatically close the guests tab when they leave the SMG theatre.

TimePlay

TimePlay develops multiplayer interactive social games and media content through mobile phones, which interact with a second screen (i.e. a movie theatre screen). The company's social gaming app enables theatre patrons to play pre-movie interactive games in the theatre using their mobile devices. The TimePlay app connects users' mobile devices to a server which broadcasts player inputs on a second screen in real time and provides immediate individual feedback. The server records player performance and sends prizes directly to the mobile devices. The app captures audience attention during the pre-show, which typically entails a 93% repeat engagement rate. This also means that 86% of the audience would come early to the theatre. Research has proven that TimePlay drives concession sales, earlier and more frequent visits to the movie theatre and loyalty program engagement. TimePlay recently expanded its offering in the US through a partnership with Screenvision Media, reaching more than 1,000 screens. TimePlay is also working with brands to explore interactive advertising that could lead to better engagement and potential calls to action, both in and outside the theatre.



Location: New York, NY
Website: www.moviepass.com
CEO: Mitchell J. Lowe



Location: Toronto, ON
Website: www.timeplay.com
CEO: Jon Hussman

Sources: Company specific information based on publicly available information



Location: San Francisco, CA
Website: www.moviealala.com
CEO: Dana Loberg



Location: San Francisco, CA
Website: www.dealflicks.com
CEO: Sean Wycliffe



Appetize

Location: Los Angeles, CA
Website: www.appetizeapp.com
CEO: Max Roper

MovieLaLa

Founded in 2012, MovieLaLa is the leading social network specifically targeting movie lovers. The mobile application lets users share, comment and rate the movies they have watched. The social network enables Hollywood marketers to gather data on their core fan base while providing a new channel to reach them in a very impactful way. In 2016, MovieLaLa launched an Apple TV app designed to help users find, view, review and share the latest trailers available. The app learns users' tastes and provides movie recommendations. In exchange, MovieLaLa sends its consumer data to Hollywood studios which are more than ever looking for new consumer insights. The studios can use this data to more effectively reach its target audience and ultimately drive sales at the box office. MovieLaLa has raised \$1.4 million from Hollywood Veterans such as Jonathan Miller, Jay Rasulo and Salesforce CEO Marc Benioff since 2013.

Dealflicks

Dealflicks was designed to help movie theatre operators drive attendance and reduce the number of empty seats in their theatres. Dealflicks calls itself the "Priceline for movie tickets" and its mobile application provides users with temporary discount deals on movie tickets and related offers at nearby partner theatres. The application is easy to use and can include discounts for tickets and concessions reaching 80% and even 90% price reductions. As of today, DealFlicks offers deals in more than 750 locations across the US. The company has raised about \$6 million since its creation in 2012 from several investors like 500 Startups, Mogility Capital, Rubicon Venture Capital and SierraMaya360.

Appetize

Appetize is a fast-growing technology company that is replacing legacy point of sale systems (POS) in the sports and entertainment, education, and professional industries. Appetize redefines the ordering and payment process through its POS, handheld, kiosk, and inventory products for operators, as well as its mobile ordering platform for patrons. It enables users to order via the app and pay through several methods like Bluetooth, NFC or RFID, speeding up the purchasing process for customers. The software offers a faster, easier-to-use sales experience for the patron and sophisticated, customized backend analytics to track inventory and provide real-time sales information to the venue. Appetize raised \$20 million in December 2016 from Shamrock Capital Advisors and Oak View Group. It has deployed over 17,000 units and processed over \$1 billion in transactions in 2016 alone.

Sources: Company specific information based on publicly available information

V. IMAX VR CASE STUDY



In January 2017, IMAX CEO Richard Gelfond stated “we think it’s wise to diversify our bets [in VR] because there are going to be a lot of winners in this space”. Gelfond was discussing IMAX’s latest investment in the VR space and summarizing a strategy the company first outlined in May 2016: to create a fully integrated premium out-of-home VR offering encompassing capture, content and distribution.

Nearly 50 years since it first debuted its iconic format, IMAX finds itself in the throes of a new technology promising to deliver the same kind of immersive entertainment experience which IMAX pioneered. IMAX again faces the same “chicken and egg” challenge of content and delivery it faced in its early days – exhibitors do not want to own the technology given the absence of content, and studios do not wish to produce content since there is no quality distribution system in place. However, experience has proven the best teacher for IMAX and strategic partnerships and deployment of capital have effectively established this Canadian theatre company as a first mover in the VR space.

Capture

Just as it does for film, IMAX seeks to participate in all elements of the value chain for VR which begins with the cameras and other equipment involved in capturing content. At Google’s annual developer conference in May 2016, Google announced it was partnering with IMAX to develop the IMAX VR Camera, a cinema-grade VR camera to enable filmmakers and content creators to deliver the highest quality 3D 360-degree content. In addition, IMAX will provide Google with exclusive access to pre-existing IMAX documentary content for conversion and use with Google’s existing VR technology. The move will leverage Google’s Jump platform which stitches together 360-degree video into a seamless panoramic view.

Content

In November 2016, IMAX announced the completion of a \$50 million fund between IMAX and strategic investors including Acer, The Raine Group and China Media Capital. The fund’s sole purpose is to develop at least 25 interactive VR content experiences to be displayed in malls and multiplexes over the next three years.

IMAX has also taken steps to secure VR content in a manner similar to the theatre business. Just like in-home viewing has damaged movie theatres, IMAX views personal VR headset ownership as a threat and strives to differentiate its destination based experience. As a result, IMAX created a new kind of release window format for VR content in IMAX Centres through an exclusivity deal with Warner Bros. The deal calls for Warner Bros. to make an experience available for several of its tentpole features such as *Justice League* and *Aquaman* each year beginning in Q4 2017. These experiences will be made available at IMAX VR Centres before any other location or platform.

Distribution

In January 2017, IMAX opened the IMAX VR Experience Centre in Los Angeles, the first of six pilot locations it plans to roll out in the next year. IMAX teamed up with Acer and Starbreeze to create a headset with higher resolution and a wider field of view for the facility and charges customers \$10/ticket for 10 minutes of time with the devices. On a May 2017 conference call, IMAX announced the VR Centre was generating \$15,000 in revenue per week and was far more successful than they had initially anticipated.

IMAX’s strategy has centered around building and nurturing partnerships with a variety of companies across the value chain, but the company has been careful not to work exclusively with any one partner and remained agnostic in its relationships. IMAX executives have tactfully described IMAX VR as a “platform” for others to build on, and since it’s unclear where the technology could be in 10 years there’s no reason to get tied up with any particular partner. IMAX has already rolled out facilities in NY, LA and Manchester and given the excessive lobby space of many exhibitors we view the model as having considerable scalability.



Sources: Company specific information based on publicly available information

VI. INNOVATIVE THEATRE TECHNOLOGY COMPANIES

In order to increase demand and drive attendance in an increasingly more challenging market, theatres have introduced new technologies to draw in patrons and increase ticket prices. To combat VOD, new technologies have been developed to enhance the value proposition of exhibitors. IMAX is leading the way with its on-site VR offerings and operators have embraced new technologies to create a viewing experience that cannot be easily replicated at home. The following companies have technologies that are too expensive or impractical for home viewing, but provide unique or premium experience to draw patrons to theatres.

Dreamscape Immersive

Dreamscape Immersive is a startup for location-based virtual reality. The company is planning on opening a VR multiplex in the Century City Mall in Los Angeles in September 2017. The facility will use untethered VR headsets to allow patrons to freely move through a space and interact with real and virtual objects as well as with each other. Dreamscape has raised \$11 million in funding in a round led by Bold Capital, with contributions from Warner Bros. 21st Century Fox, Metro-Goldwyn-Mayer (MGM), IMAX Corporation, Westfield Corporation, and Steven Spielberg.

The Void

The Void owns and operates VR technologies in entertainment centers that enable visitors to see and feel digital worlds while moving in the real world. It partners with content owners and hardware providers like Unity 3D or Nvidia to create HYPREALITY experiences. The Void created *Ghostbusters: Dimension*, an experience that lets users join together in a quest to save New York from poltergeists. Mixing physical feelings and digital worlds, the experience creates a new way to interact with virtual environment. The Void raised an undisclosed amount from Burch Creative Capital and crowdfunding. It is currently seeking additional venture funding for growth and development.

The VR Cinema

The VR Cinema is the world's first Virtual Reality Cinema. Located in Amsterdam, it lets users choose from a VR content portfolio, gives them an Oculus VR headset and lets them appreciate the movie in 360 degrees chair for a better mobility. The cinema partners with VR content producers to distribute all types of movies including horror movies and documentaries for example. Operated by &samhoud media, The VR Cinema is planning on opening new locations in Madrid, London, Paris and Berlin through local partnerships. The VR Cinema wants to enhance great VR content while enabling people who do not want or cannot afford personal VR headsets. The company also wants to develop deeper partnerships with VR headset producers in order to propose higher quality technology to its clients.

D-BOX

D-BOX Technologies designs, manufactures, and markets motions systems for entertainment markets including amusement parks and movie theatres. The company offers seats which are motorized and provide precisely timed movement for the audience corresponding with what's happening in the footage they're viewing. D-BOX seats first debuted in movie theatres during the 2009 release of *Fast and Furious* and have since been well received with over 90% of users reporting an enjoyable experience. Big ticket releases like *Star Wars* have improved their visibility and demand which has led to noticeable improvements in attendance at theatres with D-BOX seats. D-BOX seats can be found at more than 400 screens world-wide and the company has integrated 190 movies in the 8 years since its debut D-BOX (TSX:DBO) is publically traded on the Toronto Stock Exchange.



DREAMSCAPE
IMMERSIVE

Location: Santa Monica, CA
Website:
www.dreamscapeimmersive.com
CEO: Bruce Vaughn



Location: Pleasant Grove, UT
Website: www.thevoid.com
CEO: Ken Bretschneider



Location: Amsterdam, The Netherlands
Website: www.thevrcinema.com
CEO: Jip Samhoud



Location: Longueuil, Quebec
Website: www.d-box.com
 CEO: Claude McMaster

Sources: Company specific information based on publicly available information

MEDIA *Mation*

Location: Los Angeles, CA
Website: www.mediamation.com
CEO: Dan Jamele



SIMULINE

Location: Seoul, South Korea
Website: www.simuline.com



Location: Seoul, South Korea
Website: www.cgv.co.kr
CEO: Byung-Hwan Choi

MediaMation

MediaMation is an Interactive Technology Company and a world leading supplier and producer of 4D/5D motion EFX theatres, seating and systems integration. Founded in 1991 and located in Los Angeles, it develops the MX4D motion effects seats, which enable theatres to create creative 4D and 5D immersive experience with effects including air blasts, water spray, scent, fog and 3 degrees of freedom. Through 10,000 seats installed worldwide and a full suite of systems integrators, film studios can imagine superior experiences for viewers in partnership with theatre operators. MediaMation is also developing a VR experience called REACTIVR, which combines gaming, MX4D motion pods and VR for cutting-edge experience technology.

Simuline

Simuline develops motion base systems including a 4D theatre package that includes 4D motion chairs, 3D surround sound and cinema quality projection. Primarily focused on the attraction industry, Simuline's line of seats offers cutting-edge effects integration through various ticklers, vibration, wind, bubbles or strobe. Simuline is already present in Asia, Europe, North America and Africa. It received \$12.6 million in funding in 2015 and has since been bought by the South Korean group CJ CGV, leading constructor and operator of movie theatres in South Korea. This acquisition proves that theatre operators can find opportunities in entertainment motion technologies in order to augment customer satisfaction and deliver premium experiences.

Sources: Company specific information based on publicly available information

VII. Select M&A and Private Placement Activity

Global M&A Activity – Theatre Related Apps & Technology

Date	Target	Buyers	Trans. Value (\$M)	Revenue (LTM \$M)	EBITDA (LTM \$M)	EV / Revenue	EV / EBITDA	Business Description
03/03/17	PORT Data Kft.	media-press.tv S.A.	n.a.	n.a.	n.a.	n.a.	n.a.	Collects, creates, and provides television, radio, and movie metadata.
01/26/17	Vodkaster, SAS	Télérama SA	n.a.	n.a.	n.a.	n.a.	n.a.	Operates a video streaming platform.
09/08/16	Simuline Inc.	CJ 4DPLEX Co., Ltd	n.a.	\$28.8	-\$0.8	n.a.	n.a.	Develops motion base systems for the attractions industry.
08/31/16	MobyTick GmbH	Cinema Mobile GmbH	n.a.	n.a.	n.a.	n.a.	n.a.	Operates online platform to find and book movie tickets.
05/30/16	Cine.ch	Cinergy AG	n.a.	n.a.	n.a.	n.a.	n.a.	Operates an online cinema portal.
05/19/16	OVGuide Inc.	FOTV Media Networks Inc.	n.a.	\$2.1	n.a.	n.a.	n.a.	Operates a platform for the discovery, guidance, and consumption of online video.
05/11/16	TixOS SARL	Webedia SA	n.a.	n.a.	n.a.	n.a.	n.a.	Develops a movie ticketing platform.
05/03/16	Style Cameos Inc.	Private	\$0.3	n.a.	n.a.	n.a.	n.a.	Operates a Website that allows users to identify various item that appear in movies and television shows.
02/17/16	Flixster, Inc.	Fandango Media, LLC	n.a.	n.a.	n.a.	n.a.	n.a.	Operates an online platform that enables users to discover, collect, watch, and store movies.
02/02/16	AB International Group	Private	\$0.2	n.a.	\$0.0	n.a.	NM	Focuses on the creation of a mobile app marketing engine for movie trailer promotion..
01/27/16	Hollywood Software, Inc.	Reentrak Corporation	n.a.	n.a.	n.a.	n.a.	n.a.	Develops and provides theatrical distribution and exhibition management software to distributors and exhibitors.
12/21/15	Share Dimension B.V.	Vista Group International Limited	n.a.	n.a.	n.a.	n.a.	n.a.	Provides business intelligence and predictive analytics applications for cinema exhibitors.
12/18/15	20 Year Media Corp.	Management	n.a.	n.a.	n.a.	n.a.	n.a.	Provides a technology system that aggregates consumer demand for movies.
12/03/15	West World Media, LLC	Webedia SA	n.a.	n.a.	n.a.	n.a.	n.a.	Provides showtimes listings and movie-related data.
11/19/15	CONiv, LLC	Cinedigm Corp.	n.a.	n.a.	n.a.	n.a.	n.a.	Operates an online community for watching movies, TV shows, and comic con panels.
11/16/15	Allure Global Solutions, Inc.	Christie Digital Systems USA, Inc.	n.a.	n.a.	n.a.	n.a.	n.a.	Provides digital media and point of sale (POS) software solutions.
11/09/15	RealD Inc.	Rizvi Traverse Management LLC; Rizvi Opportunistic Equity Fund III, L.P.	\$492.3	\$152.5	\$27.6	3.2x	17.9x	Operates as a licensor of 3D and other visual technologies worldwide.
11/09/15	West World Media, LLC	Private	\$2.2	n.a.	n.a.	n.a.	n.a.	Provides showtimes listings and movie-related data.
09/01/15	kinoheld GmbH	CTS Eventim AG & Co. KGaA	\$0.7	n.a.	n.a.	n.a.	n.a.	Operates online movie ticketing services.
06/16/15	Filmaster Sp. z o.o.	Free Stream Media Corp.	\$1.1	n.a.	n.a.	n.a.	n.a.	Provides cloud-based recommendation technologies and solutions for cable providers, VODs, IPTV platforms, and cinema chains.
05/27/15	20 Year Media Corp.	Weeve Ventures Inc.	\$1.1	n.a.	n.a.	n.a.	n.a.	Provides a technology system that aggregates consumer demand for movies.
05/13/15	Style Cameos Inc.	Crestwell Resources Inc.	\$0.2	n.a.	n.a.	n.a.	n.a.	Operates a Website that allows users to identify various item that appear in movies and television shows.
04/17/15	Simuline Inc.	CJ CGV Co., Ltd.	\$0.0	\$20.8	-\$3.2	1.6x	NM	Develops motion base systems for the attractions industry.
04/16/15	All Media Network, LLC	Blinkx plc (nka:RhythmOne plc)	\$4.5	n.a.	n.a.	n.a.	n.a.	Offers consumer entertainment products for connecting digital audience with the discovery services for music, movies, and TV.
02/11/15	Ticketsoft LLC	Vista Group International Limited	\$5.9	n.a.	n.a.	n.a.	n.a.	Provides enterprise point-of-sale and corporate office systems for high volume multi-site movie theatre operators.
12/24/14	CJ 4DPLEX Co., Ltd	CJ CGV Co., Ltd.	\$0.3	\$34.4	-\$2.1	1.4x	NM	Constructs and operates 4D cinema theatres.
10/23/14	Simuline Inc.	CJ CGV Co., Ltd.	\$1.0	\$29.0	\$1.6	1.0x	19.0x	Develops motion base systems for the attractions industry.

 Indicates target is featured in text

Source: Capital IQ

Global M&A Activity – Theatre Related Apps & Technology

Date	Target	Buyers	Trans. Value (\$M)	Revenue (LTM \$M)	EBITDA (LTM \$M)	EV / Revenue	EV / EBITDA	Business Description
10/01/14	RealD Inc.	Starboard Value LP	\$510.0	\$198.9	\$59.1	2.9x	9.6x	Operates as a licensor of 3D and other visual technologies worldwide.
09/23/14	Hollywood Software, Inc.	Private	n.a.	n.a.	n.a.	n.a.	n.a.	Develops and provides theatrical distribution and exhibition management software to distributors and exhibitors.
08/27/14	Simuline Inc.	CJ CGV Co., Ltd.	\$0.2	\$30.3	\$1.6	0.8x	15.4x	Develops motion base systems for the attractions industry.
06/25/14	moviepilot GmbH, moviepilot.de	FILMSTARTS.de GbR	\$20.0	n.a.	n.a.	n.a.	n.a.	Comprises an online web based portal for movie reviews.
04/24/14	Movieclips, Inc.	Fandango Media, LLC	n.a.	n.a.	n.a.	n.a.	n.a.	Operates a solution to search, find, view, discuss, and share scenes from client's favorite movies.
01/29/14	DigitalSmiths Corporation	TiVo Solutions Inc.	\$135.0	n.a.	n.a.	n.a.	n.a.	Provides an online video discovery platform that offers personalized search, recommendations, social discovery, mood discovery, sports discovery, and a business console for various connected devices.
01/29/14	Dijit Media Inc.	Viggle Inc. (nka:Function(x) Inc.)	\$1.4	n.a.	n.a.	n.a.	n.a.	Transforms the way people discover and experience TV shows and movies.
11/19/13	Crea Informatica S.r.l.	TicketOne S.p.A.	\$2.4	n.a.	n.a.	n.a.	n.a.	Offers online and offline ticketing solutions for cinemas.
10/15/13	OOO KinoPoisk	Yandex N.V.	\$80.0	n.a.	n.a.	n.a.	n.a.	Operates an online movies and entertainment database.
07/11/13	AlloCiné SA	F. Marc de Lacharrière (Fimalac) S.A.	\$87.3	\$26.1	n.a.	3.4x	n.a.	Owens and operates cinema Internet portal which provides online ticket ordering service and cinema information over multiple interactive platforms.
02/11/13	Mo-Net Srl	Elemedia S.p.A.	n.a.	n.a.	n.a.	n.a.	n.a.	Provides online multimedia services. It owns and operates a film and cinema website,

Source: Capital IQ

Global Private Financing Activity – Theatre Related Apps & Technology


Date	Target	Buyers	Trans. Value (\$M)	Revenue (LTM \$M)	EBITDA (LTM \$M)	EV / Revenue	EV / EBITDA	Business Description
12/31/16	THE VOID, LLC	Burch Creative Capital	n.a.	n.a.	n.a.	n.a.	n.a.	Owens and operates virtual-reality technologies enabled virtual entertainment centers.
12/19/16	MoviePass, Inc	Studio Movie Grill	n.a.	n.a.	n.a.	n.a.	n.a.	Offers online ticketing services.
12/14/16	Appetize, LLC	Shamrock Capital Advisors	\$20.0	n.a.	n.a.	n.a.	n.a.	Provides point of sale, mobile ordering, and order management solutions for live events.
12/06/16	Showtime Analytics Limited	Guandong Yueke Software	\$1.3	n.a.	n.a.	n.a.	n.a.	Operates a platform for cinema value chain to collect, store, analyze, visualize, and monetize data.
11/16/16	Fanpage, LLC	Private	n.a.	n.a.	n.a.	n.a.	n.a.	Develops a software application for creating fanpages.
10/21/16	WhatsCine S.L.	Creas; Creas Desarrolla	\$0.3	n.a.	n.a.	n.a.	n.a.	Develops and operates a software solution which creates virtual reality environment.
10/14/16	Dealflicks Inc.	Private	\$0.5	n.a.	n.a.	n.a.	n.a.	Operates an online platform that offers movie ticket and concession deals.
10/07/16	Hang With, Inc.	Friendable, Inc.	\$0.8	n.a.	n.a.	n.a.	n.a.	Provides a mobile phone application that enables users to hang with their favorite people and celebrities in live real-time videos.
06/30/16	Cinema Mobile GmbH	LOML Investment GmbH	n.a.	n.a.	n.a.	n.a.	n.a.	Develops and offers mobile application for cinema operators for communication and sales.
06/27/16	Atom Tickets, LLC	Disney Accelerator	\$0.0	n.a.	n.a.	n.a.	n.a.	Develops and markets an Android and iOS application that allows users to find and buy movie tickets and concessions.
04/29/16	VRCinematic, Inc.	Private	\$1.8	n.a.	n.a.	n.a.	n.a.	Provides virtual reality filming services for the travel and tourism industry.
04/27/16	AB42 GmbH	Speedinvest GmbH	\$0.6	n.a.	n.a.	n.a.	n.a.	Operates a Website that allows fans to request personal video messages from their idols.
03/23/16	SnagFilms Inc.	New Enterprise Associates	\$10.0	n.a.	n.a.	n.a.	n.a.	Operates an online platform that enables online audiences to watch, share, and support movies and documentary films.
01/31/16	Atom Tickets, LLC	Lions Gate Entertainment	\$50.0	n.a.	n.a.	n.a.	n.a.	Develops and markets an Android and iOS application that allows users to find and buy movie tickets and concessions.

 Indicates target is featured in text

Source: Capital IQ

Global Private Financing Activity – Theatre Related Apps & Technology

12/11/15	Influence Mobile, Inc.	Private	\$3.6	n.a.	n.a.	n.a.	n.a.	Provides a mobile application for celebs, sports teams, movies and TV shows, non-profits, local retailers, and brands.
11/11/15	VRstudios, Inc.	Private	n.a.	n.a.	n.a.	n.a.	n.a.	Designs and develops virtual reality solutions for entertainment and commercial enterprise industries.
11/04/15	Our Film Festival, Inc.	Starz	\$7.0	n.a.	n.a.	n.a.	n.a.	Provides an online streaming video service to watch independent and thought-provoking films for independent film lovers worldwide.
09/21/15	Dealflicks Inc.	Private	\$0.8	n.a.	n.a.	n.a.	n.a.	Operates an online platform that offers movie ticket and concession deals.
09/08/15	Seen on Set Ltd.	National Digital Research Center	\$0.0	n.a.	n.a.	n.a.	n.a.	Develops a database that allows the user to search for any piece of furniture, decor or electronics featured in a movie or TV show.
08/21/15	Simuline Inc.	Hana Daetoo Securities	\$12.6	\$22,455.6	-\$1,455.6	n.a.	n.a.	Develops motion base systems for the attractions industry.
07/24/15	SnagFilms Inc.	Private	\$3.9	n.a.	n.a.	n.a.	n.a.	Operates an online platform that enables online audiences to watch, share, and support movies and documentary films.
07/21/15	Folio Holdings, LLC	Atlantic Merchant Capital	n.a.	n.a.	n.a.	n.a.	n.a.	Develops online data analytics platform for movie producers.
07/20/15	Appetize, LLC	LA Dodgers Accelerator	\$0.0	n.a.	n.a.	n.a.	n.a.	Provides point of sale, mobile ordering, and order management solutions for live events.
05/13/15	Crestwell Resources Inc.	Private	\$1.2	n.a.	n.a.	n.a.	n.a.	A media application and Website designed to allow users to identify style-related items that appear in movies and on television.
03/31/15	We Love Cinema Limited	Private	\$0.2	n.a.	n.a.	n.a.	n.a.	Develops a mobile application that enables users to know about the films in their area with exclusive offers.
03/27/15	Related Content Database	Private	\$8.0	n.a.	n.a.	n.a.	n.a.	Operates as a cloud platform for building synchronous experiences around film and television (TV) for IP connected devices.
02/20/15	VRstudios, Inc.	Private	\$1.4	n.a.	n.a.	n.a.	n.a.	Designs and develops virtual reality solutions for entertainment and commercial enterprise industries.
02/19/15	Fabric, Inc.	Manatt Venture Fund	\$1.5	n.a.	n.a.	n.a.	n.a.	Provides a mobile application that operates as a want-to list for the users.
11/04/14	SnagFilms Inc.	Private	\$2.5	n.a.	n.a.	n.a.	n.a.	Operates an online platform that enables online audiences to watch, share, and support movies and documentary films.
10/16/14	Media Predict, Inc.	Private	\$2.8	n.a.	n.a.	n.a.	n.a.	Offers a marketplace where people get paid to place bets on which media will fly and which will flop.
10/01/14	Crestwell Resources Inc.	Private	\$0.6	n.a.	n.a.	n.a.	n.a.	A media application and Website designed to allow users to identify style-related items that appear in movies and on television.
08/11/14	Our Film Festival, Inc.	Private	\$2.0	n.a.	n.a.	n.a.	n.a.	Provides an online streaming video service to watch independent and thought-provoking films for independent film lovers worldwide.
07/21/14	Dealflicks Inc.	Wavemaker Partners	\$1.7	n.a.	n.a.	n.a.	n.a.	Operates an online platform that offers movie ticket and concession deals.
06/24/14	MoviePass, Inc	Structure Capital	\$2.2	n.a.	n.a.	n.a.	n.a.	Offers online ticketing services.
04/29/14	MovieLaLa, Inc.	Private	n.a.	n.a.	n.a.	n.a.	n.a.	Operates a website which enables social networking on basis of movie interests.
01/20/14	Vodkaster, SAS	Partech International	\$1.6	n.a.	n.a.	n.a.	n.a.	Operates a video streaming platform.
12/24/13	FilmBot, Inc.	Private	\$0.1	n.a.	n.a.	n.a.	n.a.	Operates a movie going platform to seamlessly unify the search for basic movie data.
12/12/13	SnagFilms Inc.	Private	\$6.5	n.a.	n.a.	n.a.	n.a.	Operates an online platform that enables online audiences to watch, share, and support movies and documentary films.
11/06/13	Dealflicks Inc.	Sierra Maya Ventures	n.a.	n.a.	n.a.	n.a.	n.a.	Operates an online platform that offers movie ticket and concession deals.
10/08/13	Dealflicks Inc.	Private	\$2.0	n.a.	n.a.	n.a.	n.a.	Operates an online platform that offers movie ticket and concession deals.
09/02/13	Projector35 Ltd	Startupbootcamp ApS	\$0.0	n.a.	n.a.	n.a.	n.a.	Develops and provides a web and mobile based platform where customers can book movie tickets.
08/23/13	Seat Side Service, LLC	Wakestream Ventures	\$0.0	n.a.	n.a.	n.a.	n.a.	Develops a mobile application for the engagement between various entertainment venues and their customers.

 Indicates target is featured in text

Source: Capital IQ

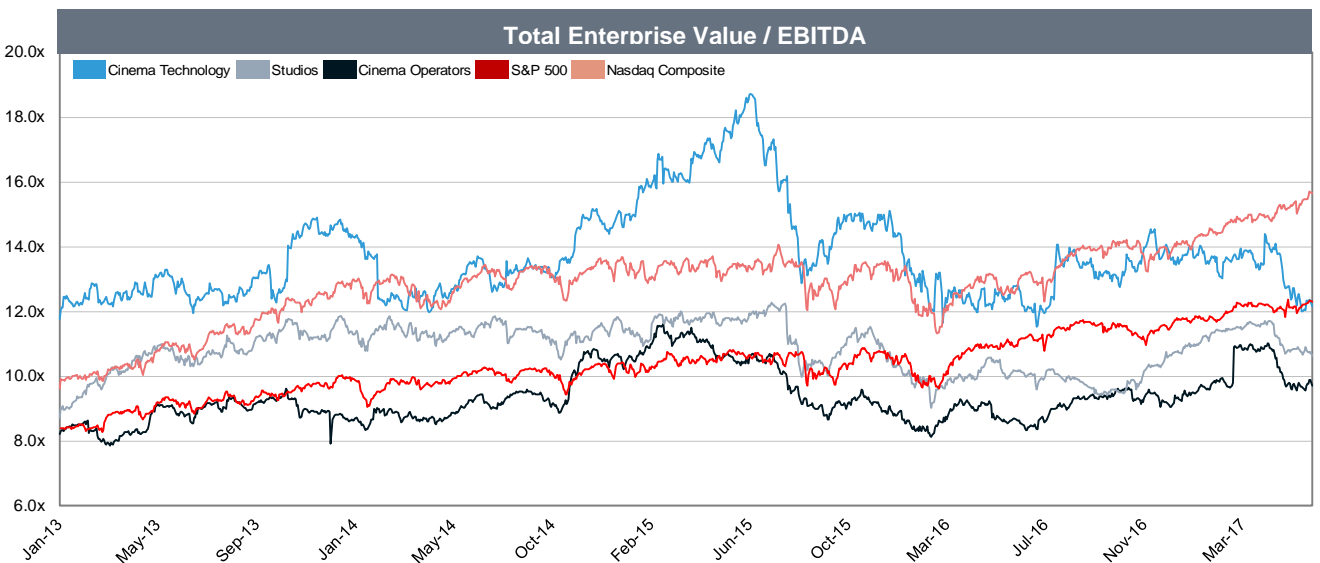
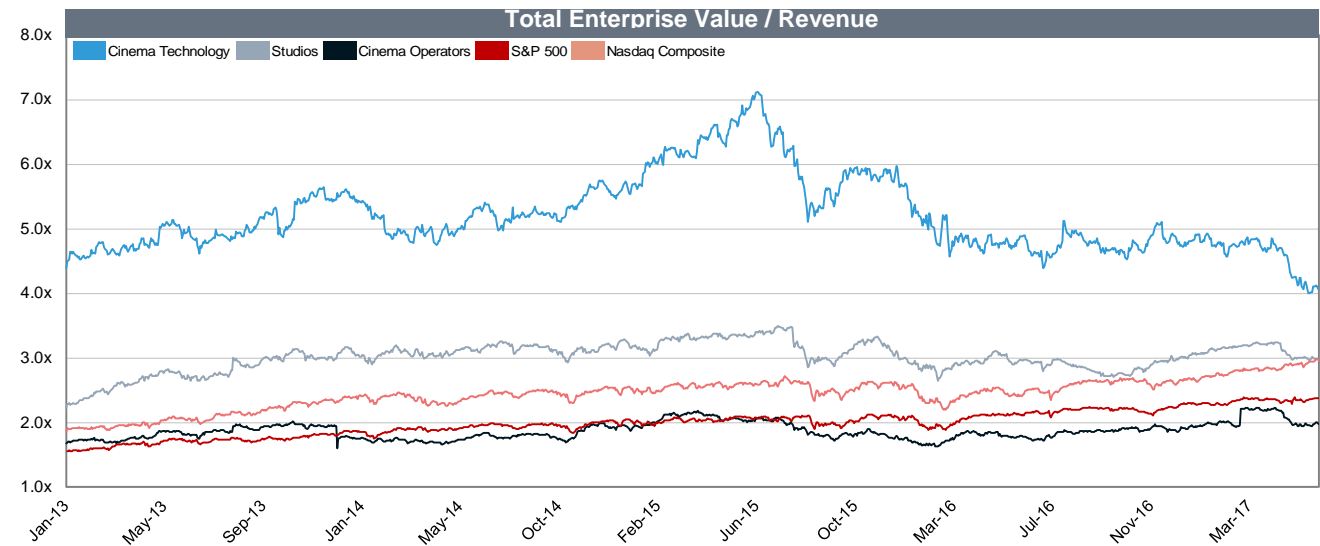
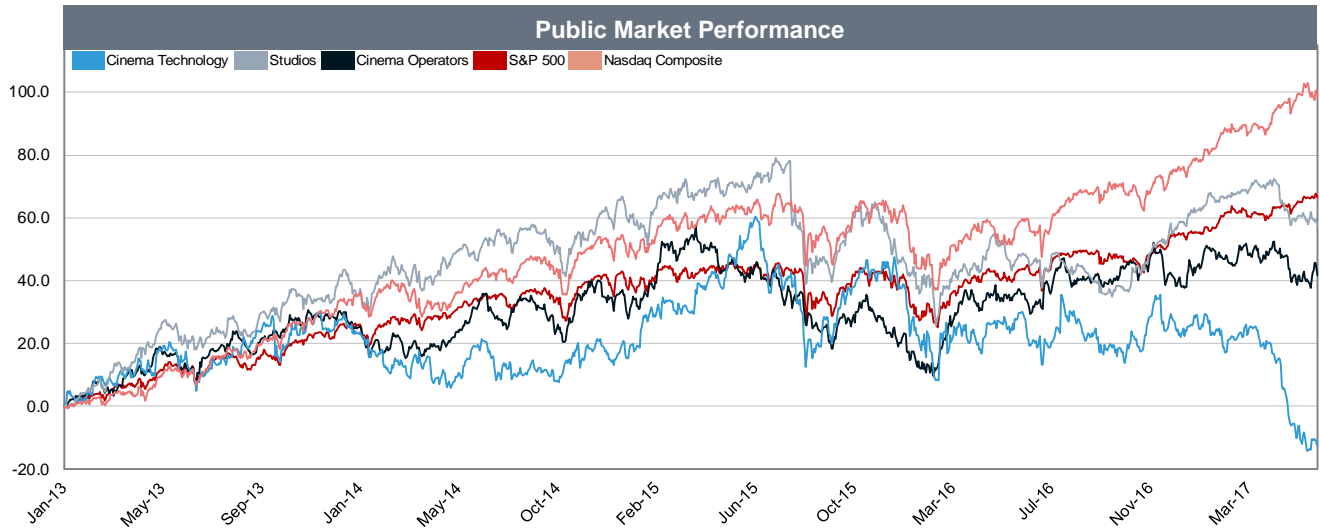
Global Private Financing Activity – Theatre Related Apps & Technology

07/16/13	Hang With, Inc.	Private	\$2.0	n.a.	n.a.	n.a.	n.a.	Provides a mobile phone application that enables users to hang with their favorite people and celebrities in live real-time videos.
07/12/13	MovieLaLa, Inc.	Private	\$1.0	n.a.	n.a.	n.a.	n.a.	Operates a website which enables social networking on basis of movie interests.
05/15/13	Related Content Database, Inc.	ARRIS Group	\$6.7	n.a.	n.a.	n.a.	n.a.	Operates as a cloud platform for building synchronous experiences around film and television (TV) for IP connected devices.
03/27/13	Dealflicks Inc.	Private	\$0.6	n.a.	n.a.	n.a.	n.a.	Operates an online platform that offers movie ticket and concession deals.
01/31/13	Dealflicks Inc.	Private	\$0.3	n.a.	n.a.	n.a.	n.a.	Operates an online platform that offers movie ticket and concession deals.

 Indicates target is featured in text

Source: Capital IQ

VIII. Select Public Market Data



Index composition:
Cinema Technology: IMAX (NYSE:IMAX), D-Box (TSX:DBO), NCMI (NasdaqGS:NCMI)
Studios: Lions Gate (NYSE:LGF.A), Walt Disney (NYSE:DIS), Time Warner (NYSE:TWX), Viacom (NasdaqGS:VIAB), Twenty First Century Fox (NasdaqGS:FOXA)
Cinema Operators: AMC (NYSE:AMC), Regal (NYSE:RGC), Cinemark (NYSE:CNK), Cineplex (TSX:CGX)

Source: Capital IQ



Drake Star Partners is a global investment banking firm serving the technology, media and communications sectors (TMC) with offices in New York, London, Paris, Munich, Los Angeles, Berlin, Amsterdam, Geneva and Tokyo. The firm focuses on M&A and corporate finance for its clients worldwide.

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