



### REVISIONS

Rating/Target	Rev.	Prior
Rating	Spec. Buy	Buy
Target Price (C\$)	\$0.75	\$1.40
Revenue F2021E (M)	\$1.5	\$2.5
Adj. EBITDA F2021E (M)	-\$2.6	-\$1.2
Adj. EPS F2021 (M)	-\$0.02	-\$0.01

### MARKET DATA

Date:	Sep 13, 2021
Current Price (C\$):	\$0.15
Target Price (C\$):	\$0.75
52-Week Range:	\$0.05 / \$1.02
Shares O/S (M):	160.6
Mkt Cap (C\$M):	\$24.1
EV (C\$M):	\$24.7
Avg. Weekly Vol. (M):	0.12

Website: [www.moovly.com](http://www.moovly.com)

### FINANCIALS

	F2020A	F2021E	F2022E
Revenue (\$M)	\$1.5	\$1.5	\$3.0
Adj. EBITDA (\$M)	-\$1.5	-\$2.6	-\$0.4
EPS (\$)	-\$0.01	-\$0.02	\$0.00
Cash (\$M)	\$0.0	\$1.4	\$1.4
Current Assets (\$M)	\$0.2	\$1.4	\$1.4
Net Cash (\$M)	-\$3.6	-\$1.3	-\$1.3
Total Assets (\$M)	\$0.7	\$1.9	\$1.9
Debt (\$M)	\$3.6	\$2.7	\$2.7
Total Liabilities (\$M)	\$0.0	\$0.0	\$0.0
Fiscal Year End:	Sept. 30		

Source: Company Reports, S&P Capital IQ, eResearch Corp.

Chris Thompson, CFA, MBA, P.Eng.  
Director of Equity Research

## Moovly Media Inc. (TSXV:MVY)

### Product Potential Overshadowed by Quarterly Sales Drop

#### COMPANY DESCRIPTION:

**Moovly Media Inc. ("Moovly" or "the Company")** is a cloud-based media platform for professional-level video production for businesses, educators, and home use. The Company focuses on providing leading-edge software that allows users to easily create professional live-action, animation, motion graphics, screenshots, or whiteboard videos without being an expert in video creation. **Moovly** is a leading provider of web-based video tools for creating videos and video presentations targeting marketing, corporate communications, and storytelling.

#### QUARTERLY HIGHLIGHTS:

- **Revenue down 20% Y/Y as COVID-19 sales bump eases. Moovly's** sales for the three months ended June 30, 2021, were \$0.30 million, a decrease of 20%, compared to \$0.37 million in the same quarter a year ago, and lower than our estimate of \$0.70 million.
- **Sales & Marketing efforts directed towards larger companies, education groups, and strategic partnerships.** Expenses in the quarter were almost double that of FQ3/2020 as the Company directed recently raised funds into Sales & Marketing efforts to target larger customers.
- **Strategic partnerships key to driving revenue higher.** Enterprise client revenue represents the largest revenue opportunity. We are waiting for an announcement that would show the sales potential as we estimate one Enterprise customer could increase revenue by \$1.1 million annually.

#### FINANCIAL ANALYSIS & VALUATION:

- Due to the slower revenue growth than we estimated, we are substantially lowering our revenue growth assumptions and also dropping the EV/Revenue multiple to 20.0x from 40.0x when we calculate the target price based on the one-year forward Revenue.
- **The revised Revenue estimates are:**
  - **F2021E: Revenue \$1.5 million, down from \$2.5 million;**
  - **F2022E: Revenue \$3.0 million, down from \$8.0 million;**
  - **F2023E: Revenue \$6.0 million, down from \$12.0 million.**
- We calculate an equal-weighted price per share of \$0.75 from a multiple of 20x the one-year forward Revenue of \$2.6 million and a DCF from a multiple of 30x the five-year forward terminal EBITDA of \$11.4 million at a 12% discount rate.
- **We are lowering our Target Price to \$0.75 from \$1.40 and changing our rating to Speculative Buy from Buy.**

*All figures in CAD unless otherwise stated.*

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## Company & Platform Overview

**Moovly Media Inc. (TSXV:MVY | OTC:MVVYF | FSE:OPV2)** is a cloud-based media platform for do-it-yourself, professional-level video production for businesses, educators, and home use.

The Company provides leading-edge software that allows users to easily create videos, picture-based videos, or whiteboard animation videos without being an expert in video creation.

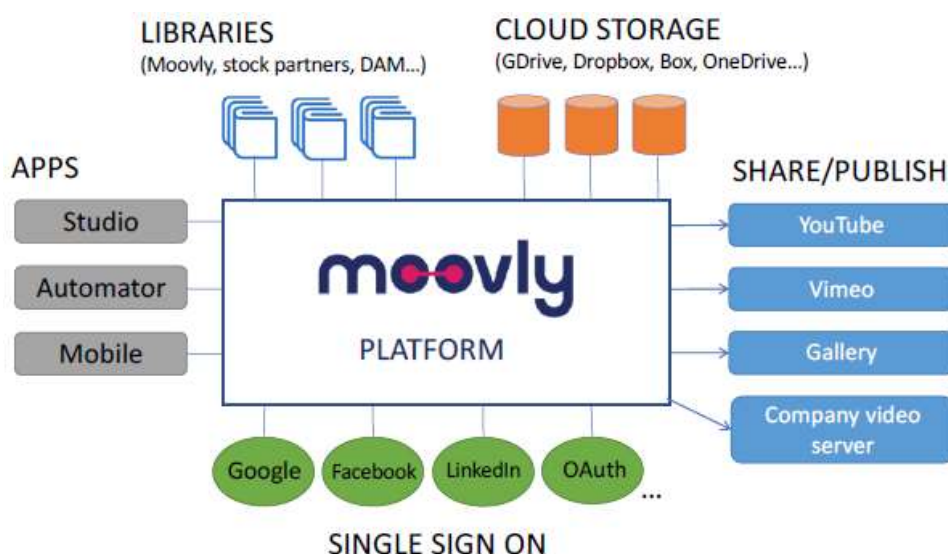


**Moovly's** flexible platform architecture and open API enables rapid and cost-effective feature development, third-party integrations, and platform integration.

The Company's main products and features include (1) **Moovly Studio**, (2) **Video Automator**, (3) **Mobile App**, (4) **Developer API**, (5) **WordPress Plugin**, and (6) **Platform Integrations** (see [Figure 1](#)).

1. **Moovly Studio:** **Moovly Studio** is a professional-level, easy-to-use, feature-rich video creation editor that enables users to upload their own media (photos, images, videos, or sounds) and combine it with thousands of media objects from various media libraries to create videos and share them through social media, e-mail, and on third-party applications.
2. **Video Automator:** **Moovly's** Video Automator allows users to produce template-based, customized videos in high volumes and distribute them to their target audiences.
3. **Mobile App:** **Moovly's** free Mobile App allows users to upload video clips, images, and sound files directly to their **Moovly Studio** library.
4. **Developer API:** **Moovly's** Developer API enables developers to integrate the Company's video production capabilities into their own platforms, products, or services.
5. **WordPress Plugin:** **Moovly's** WordPress Plugin allows WordPress websites to easily integrate videos and templates made in **Moovly**.
6. **Platform Integrations:** Third-party integrations connect the platform to provide a seamless workflow to applications such as **AWS, Box, Dropbox, Facebook, Getty Images, Google Drive** and **Sheets, Microsoft Azure and OneDrive, Storyblocks, Twitter, Wista, Vimeo, and YouTube**.

Figure 1: Moovly Platform



Source: Company Presentation (2020)

## Sales and Growth Strategies

**Moovly** continues to focus on expanding the platform with new features, functionality, and integration with other platforms to reach the widest possible target audience.

**Moovly's** sales efforts focus on three main targets:

- 1) **Partnerships: Moovly** is partnering with companies interested in adding its products to their own product offerings, either as resellers, branded value-added resellers, or integration partners seeking to provide a video content creation tool to their own clients.
  - Enterprise or White-label Revenue:
    - Enterprise clients and Third-Party Partners are integrating **Moovly's** platform into their corporate platforms or offerings through multi-user and multi-year contracts.
    - **This target group represents the largest revenue opportunity and we are waiting for an announcement that would show the sales potential.**
    - In our model, we estimate that **Moovly** signs one company each year with at least 90,000 users and pays **Moovly** \$1 per user per month to generate revenue of \$1.2 million annually.
  - **Moovly's** Video Automator:
    - **Moovly's** Video Automator allows users to automate the creation of template-based, customized videos in high volumes and distribute them to target audiences. Revenue from this service can be structured on the number of videos per day. One client has the potential to generate 500 videos per day. If the service was billed at \$2.00 per video, then revenue for this service would be \$365,000 per year.
    - **Moovly** is targeting marketing agencies that are interested in developing services around its platform and Automator feature.
- 2) **Direct Corporate Sales to Larger Companies, Enterprises, and Education Groups: Moovly** is focusing on increasing the number of large multinational enterprise clients. Although a longer sales cycle, they are higher-value clients who tend to be loyal long term. This group is being led by the Company's co-founders and a team of three full-time dedicated corporate sales people. We expect this revenue segment will grow over the next year.
- 3) **E-Commerce: Moovly's** E-Commerce business is fully automated to allow individuals to quickly purchase subscriptions and begin using the software. The E-Commerce offering is a freemium model but the free version of the product carries a **Moovly** watermark to drive business to its paying subscription options. Growth in the E-Commerce business is directly related to marketing expenditure and dedicated customer service and support resources to keep customer churn low. **Moovly** reported that sales from this segment have "flattened off and are not accelerating at the same pace." This factor seems to be a key reason for **Moovly's** sales drop in the quarter.



## Review of FQ3/2021 Financials

### Revenue

Revenue for the three months ended June 30, 2021, was \$0.30 million, a decrease of 20%, compared to \$0.37 million in the same quarter a year ago and much lower than our estimate of \$0.70 million ([Figure 2](#)).

Without a detailed breakdown of the revenue components, we are assuming the revenue drop-off was caused by the e-commerce customers not renewing after registering to use the product during the height of the COVID-19 pandemic.

Our model also assumes that **Moovly** would have closed at least one enterprise partnership during the quarter that would have increased sales, which did not occur.

As with most Software-as-a-Service (SaaS) business models, **Moovly's** business model charges customers upfront for services that will be delivered over a period of time or customers pay monthly but can cancel at any time. Payments received in advance for annual licenses are recorded as Deferred Revenue and recognized on a monthly basis. Deferred Revenue in FQ3/2021 was \$0.60 million compared to \$0.50 million in the previous quarter, and \$0.58 million in FQ3/2020, which shows that Deferred Revenue sales have not substantially changed either quarter-over-quarter or year-over-year.

**Figure 2: Financial Highlights and Estimates**

	FQ320A	F2020A	FQ121A	FQ221A	FQ321A	FQ321E	Diff.	FQ421E	F2021E	F2022E
		Sep.30/20	Dec.31/20	Mar.31/21	Jun.30/21	Jun.30/21		Sep.30/21	Sep.30/21	Sep.30/22
Revenue (\$M)	\$0.4	\$1.5	\$0.4	\$0.5	\$0.30	\$0.70	-57%	\$0.3	\$1.5	\$3.0
Expenses (\$M)	\$0.6	\$3.2	\$0.6	\$1.8	\$1.22	\$0.69	78%	\$0.8	\$4.4	\$3.6
O.I. (\$M)	(\$0.2)	(\$1.7)	(\$0.2)	(\$1.3)	(\$0.9)	\$0.0	(\$0.9)	(\$0.4)	(\$2.9)	(\$0.6)
Adj. EBITDA (\$M)	(\$0.2)	(\$1.5)	(\$0.2)	(\$1.3)	(\$0.7)	\$0.1	(\$0.8)	(\$0.4)	(\$2.6)	(\$0.4)
Diluted EPS	(\$0.00)	(\$0.01)	(\$0.00)	(\$0.01)	(\$0.01)	(\$0.00)	\$0.01	(\$0.00)	(\$0.02)	(\$0.00)
Cash (\$M)	\$0.09	\$0.05	\$0.11	\$2.65	\$2.16	\$2.79		\$1.36	\$1.36	\$0.84
Debt (\$M)	\$3.54	\$3.65	\$3.65	\$2.74	\$2.76	\$3.70		\$2.71	\$2.71	\$2.50

Source: Company reports; eResearch Corp.

### Expenses

Total Operating Expenses were \$1.2 million in FQ3/2021, 78% higher than our estimate and almost double the Total Operating Expenses in the same period last year, but lower than \$1.8 million in FQ2/2021 ([Figure 2](#)).

As the Company ramped up sales and marketing efforts, Advertising & Promotion and Investor Relations in the quarter was \$0.3 million compared to only \$1,000 in FQ3/2020. The Company increased its corporate news flow and investor relations during the quarter in an effort to increase company & product awareness, and the shareholder base.

Other notable expense increases in the quarter included Consulting Fees, Management Fees, and Wages & Benefits, which totalled \$0.38 million compared to only \$0.18 million in the same period last year. During the quarter, the Company engaged with independent contractors to assist with business and sales development.

In a continued effort to reward and retain key employees, stock-based compensation increased to \$0.18 million in the quarter and \$0.71 million for the nine months ended June 30, 2021, up from nil in the same periods of the last fiscal year.

Net loss for the current quarter was \$0.92 million compared to \$0.25 million in the same period last year, representing an increase in loss of \$0.68 million.

**Cash, Financings, and Debt**

As of June 30, 2021, **Moovly** had \$2.16 million in cash compared to \$2.65 million in the previous quarter and \$0.11 million in cash on December 31, 2020.

After taking into account the Company's current cash position, management believes there is sufficient capital to meet short-term business requirements for the next year.

Management also believes that the Company can be cash flow positive from operations in the next 12 months given the current sales growth expectations.

Until it is cash flow positive, **Moovly's** continued operation and growth are dependent upon its ability to complete debt and equity financings.

Major changes to the Cash and Debt positions from the start of the year included:

- Equity Financing and Warrants Exercised
  - In February 2021, **Moovly** completed a non-brokered private placement, raising gross proceeds of \$1.5 million through the issuance of 15 million units at \$0.10 per unit. Each unit consists of one common share and one common share purchase warrant with each warrant having an exercise price of \$0.15 for a period of two years from the date of issue.
  - In March 2021, Moovly closed a non-brokered private placement of units at a price of \$0.45 per unit for aggregate gross proceeds of up to \$3.8 million. Each unit was comprised of one common share and one common share purchase warrant, with each warrant having an exercise price of \$0.62 for a period of 24 months from the date of issuance.
  - During the period ended June 30, 2021, 0.15 million stock options were exercised at \$0.10 per share for gross proceeds of \$15,000.
- Notes Payable
  - As of June 30, 2021, **Moovly** had \$1.92 million in Current Notes Payable and \$0.84 million of Long-Term Notes Payable.
  - **Moovly** commented that the Current Notes Payable are with "friendly" related parties and the lender has agreed to extend the due date as not to affect the Company's operations.
  - From FQ1/21 through FQ3/21, **Moovly** had a net repayment of outstanding debt of \$1.01 million.

**Events Subsequent to eResearch's March 29, 2021, Research Report****Financings:**

- As previously mentioned, on March 24, **Moovly** closed a non-brokered private placement of units at a price of \$0.45 per unit for aggregate gross proceeds of up to \$3.8 million. Each unit was comprised of one common share and one common share purchase warrant, with each warrant priced at \$0.62 per share for a period of 24 months from the date of issuance.

**Integrations:**

- In April, the Company announced its integration with **Mailchimp's** Mandrill email platform. Mandrill is **Mailchimp's** transactional email system designed to help applications or websites that need to send emails for transactional purposes such as password resets or order confirmations. The integration allows **Moovly** users to send and track personalized videos using the **Moovly** Automator tool and the **Mailchimp** platform. According to **Mailchimp's** 2020 Annual Report, it has over 14 million users that sent over 333 billion emails in 2020.

- Also in April, **Moovly** announced its integration with **Microsoft's** Excel to allow **Moovly's** users to generate customized videos by using **Microsoft's** cloud version of Excel to upload and feed data into **Moovly's** Automator. **Moovly** already had a similar integration with **Google's** GSheet that allowed **Moovly's** users to send personalized videos to a large number of recipients by using the data in a spreadsheet.
- In June, **Moovly** announced that it built an integration to the **HubSpot** Customer Relationship Management (CRM) platform. As part of sales & marketing activities, customers can now use **Moovly's** platform to create videos and easily publish the videos in the **HubSpot** CRM platform.

**Partner & Reseller Agreements:**

- In June, **Moovly** signed a reseller deal with Singapore-based travel specialist **ARichGlobe**. **ARichGlobe** is an e-commerce and travel booking platform serving the retail sector in Asia and offers a platform that allows travellers to explore destinations. **ARichGlobe** will resell **Moovly's** video editing platform to hospitality and travel companies in the region.
- Also in June, **Moovly** signed a reseller and partnership agreement with United Arab Emirates-based **SFA Dubai**. **SFA Dubai** is a business support and market access services company focusing on Arabic-speaking countries including the Gulf Cooperation Council (GCC) countries and Egypt. **Moovly** believes that through the partnership with **SFA Dubai** it should accelerate the sales and market presence in the GCC countries and help the localization of the product, including language support in Arabic.

**New Features:**

- In May, **Moovly** reported that it upgraded its platform to support multiple languages and now supports English, French, Dutch, and Spanish. The platform already includes other language features such as automated AI translation, "Text-to-Speech", and subtitling.
- In August, **Moovly** announced that it has added the ability to produce podcasts and also integrated with **Transistor.fm**, making it easy for users to publish their content from the **Moovly** platform. **Transistor.fm** is a podcast hosting service that also helps to distribute completed podcasts to Apple Podcasts, Spotify, and Google Podcasts. According to its website, it serves almost 16,000 podcasts on its network, including podcasts from **IBM**, **Indie Hackers**, and the **NHL's** Las Vegas Golden Knights.

## VALUATION

For **Moovly**, we are calculating our valuation based on a combination of short-term revenue and a five-year Discounted Cash Flow (DCF) model using future cash flows.

### Moovly's Target Price Calculation

Currently, **Moovly's** stock trades at 15.3x Enterprise Value to F2020A Revenue (EV/Revenue) and 11.1x F2021E (EV/Revenue). However, it is hard to compare it to U.S. Multimedia or Web Technology companies as the multiples range from F2021E 1.4x EV/Revenue to 38.6x EV/Revenue (see [APPENDIX D: TECHNOLOGY COMPARABLES](#)).

Our valuation for **Moovly** is based on the following assumptions:

- Due to the slower revenue growth than we estimated, we dropped the EV/Revenue multiple to 20.0x from 40.0x when we calculated a target price in one year;
- For the DCF calculation, we shifted the DCF model ahead one year to F2026 but maintained a terminal multiple of 30.0x EBITDA and a weighted average cost of capital (WACC) of 12%;
- We lowered our revenue growth assumptions as follows:

Year	Revenue Growth – New	Revenue Growth – Old
F2021	2.6%	70%
F2022	100%	220%
F2023	100%	50%
F2024	50%	33%
F2025	33%	25%
F2026	25%	n/a

- Our assumption is based on **Moovly** closing at least one technology/reseller/channel partner deal starting in F2022, which results in at least 90,000 new users from each partner and pays **Moovly** \$1 per user per month. This type of sale would generate \$1.0 million each year. The model then assumes that it will close three deals of this type each year from F2023-F2026.

**Valuation Method 1:** Our DCF model with a 12% WACC and a five-year terminal multiple of 30x EBITDA multiple in F2026 yields a one-year target share value of \$1.20.

**Valuation Method 2:** Using a revenue multiple of 20x and a one-year forward Revenue of \$2.6 million yields a one-year target share price of \$0.30.

**The equal-weighted target price per share is \$0.75. We are reducing our Target Price to \$0.75 from \$1.40 and changing our rating to Speculative Buy from Buy.**

Figure 3: Target Price (one year) Calculation

			Valuation
Method 1: DCF	WACC:12%	Terminal Multiple: 30x EBITDA	\$1.20
Method 2: Revenue Multiple	20.0x	1 Year Fwd Revenue (Est.): \$2.6M	\$0.30
<b>Equal-Weighted Valuation (1-year)</b>			<b>\$0.75</b>
<b>Target Price (1-year)</b>			<b>\$0.75</b>

Source: eResearch Corp.

**Moovly is a Potential Acquisition Target**

We still think that **Moovly** is a potential acquisition target. Due to the flexibility of its programming, the platform can be easily extended and customized and makes it a prime takeover target by an integrator, reseller, or channel partner.

Buyers could come from industries such as video hosting aggregators or providers, CRM software providers, E-Commerce websites, learning management systems (LMS), or outbound marketing companies, to name just a few. See [Appendix E: Competitive Marketplace and Industry M&A](#) for potential acquirers and valuation multiples.

**Moovly's** take-out valuation could be based on a revenue of multiple but, more likely, it would be based on the acquirer's potential revenue per client.

**Figure 4: DCF Analysis**

Moovly Media Inc. FYE(September)								
DCF Analysis (C\$)	F2019E	F2020E	F2021E	F2022E	F2023E	F2024E	F2025E	F2026E
Revenue (\$)	1.2	1.5	1.5	3.00	6.0	9.0	12.0	15.0
Revenue Growth	36.7%	20.5%	2.6%	98.9%	100.0%	50.0%	33.3%	25.0%
EBITDA (\$)	(1.0)	(1.0)	(2.2)	(0.2)	2.8	5.8	8.6	11.4
EBITDA Growth	63.3%	0.3%	-133.7%	92.9%	1901.9%	103.2%	49.3%	32.9%
EBITDA Margin	-78.5%	-65.0%	-148.1%	-5.3%	47.3%	64.1%	71.8%	76.3%
Depreciation and Amortization	0.7	0.6	0.4	0.2	0.2	0.2	0.2	0.2
EBIT (\$)	(1.6)	(1.5)	(2.6)	(0.4)	2.6	5.6	8.4	11.3
NOPAT	(1.8)	(1.7)	(2.9)	(0.6)	2.3	4.9	7.6	10.2
Plus Amortization (\$)	0.7	0.6	0.4	0.2	0.2	0.2	0.2	0.2
Less Capital Expenditures (\$)	(0.4)	(0.4)	(0.3)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Capital Intensity	34.6%	28.9%	22.5%	6.5%	3.2%	2.2%	1.6%	1.3%
Net Working Capital Changes	0.2	0.6	(0.5)	0.2	0.2	0.1	0.1	0.2
EPS (Continuing)	(0.01)	(0.01)	(0.02)	(0.00)	0.01	0.03	0.04	0.06
<b>Unlevered Free Cash Flow (\$)</b>	<b>(1.3)</b>	<b>(0.9)</b>	<b>(3.4)</b>	<b>(0.4)</b>	<b>2.5</b>	<b>5.0</b>	<b>7.7</b>	<b>10.4</b>
PV of Unlevered FCFs (\$)	(1.6)	(1.0)	(3.3)	(0.4)	2.0	3.5	4.9	5.9
<b>Valuation Assumptions:</b>								
Discount Rate	12.0%							
Terminal Multiple	30.0x							
<b>Valuation Analysis:</b>								
	<b>Current</b>	<b>1-Yr Target</b>	<b>2-Yr Target</b>					
Total PV of FCFs (\$M)	12.5	14.1	19.9					
Terminal Value (\$M)	343.4	343.4	343.4					
PV of Terminal Value (\$M)	193.7	216.9	243.0					
Net (debt) cash position	(0.6)	(1.5)	0.3					
<b>Total Value (\$M)</b>	<b>205.6</b>	<b>229.4</b>	<b>263.2</b>					
DCF Value/Share (C\$)	<b>C\$1.08</b>	<b>C\$1.20</b>	<b>C\$1.38</b>					
DCF Value/Share (US\$)	<b>US\$0.85</b>	<b>US\$0.95</b>	<b>US\$1.09</b>					
FD Shares O/S (M)	191.1	191.1	191.1					

	Terminal EV/EBITDA Multiplier							
	15.00	20.00	25.00	30.00	35.00	40.00	45.00	
<b>Discount Rate</b>	<b>8.0%</b>	0.73	0.95	1.17	1.39	1.61	1.83	2.05
	<b>10.0%</b>	0.68	0.89	1.09	1.29	1.50	1.70	1.90
	<b>12.0%</b>	0.63	0.82	1.01	<b>1.20</b>	1.39	1.58	1.77
	<b>14.0%</b>	0.59	0.76	0.94	1.12	1.29	1.47	1.65
	<b>16.0%</b>	0.55	0.71	0.88	1.04	1.20	1.37	1.53
	<b>18.0%</b>	0.51	0.66	0.82	0.97	1.12	1.28	1.43

Source: Company reports; eResearch Corp.



## Appendix A: Investment Thesis – Why Invest in Moovly Media

### ADVANCED FEATURE-RICH PLATFORM FOR VIDEO CREATION

**Moovly** has developed one of the best-in-class, function- and media-rich, **proprietary cloud-based platforms** that transforms video creation and is unique in a massively growing marketplace. **Moovly's** Mobile App allows users to upload video clips, images, and sound files directly to their **Moovly** Studio library and create videos with the quick edit feature.

### VIDEO AUTOMATOR CAN QUICKLY GENERATE THOUSANDS OF CUSTOMIZED VIDEOS

**Moovly's** Video Automator allows users to **automate the video content-making process**, and produce template-based, customized videos in high volumes and distribute them to their target audiences.

### ROBUST DEVELOPER API ENABLES WHITE LABELLING OF MOOVLY'S PLATFORM

**Moovly's** Developer API allows developers to integrate **Moovly's** video production capabilities into their own platforms, products, or services.

### A USER-FRIENDLY VIDEO CREATION PLATFORM

**Moovly** Studio is an easy-to-use video creation platform with a simple "drag-and-drop" interface and integration with applications such as AWS, Box, Bynder, Dropbox, Facebook, Getty Images, Google (Drive and Sheets), Mailchimp, Microsoft (Azure, Excel, and OneDrive), Storyblocks, Twitter, Wista, Vimeo, and YouTube.

### SALES TRACTION WITH LARGE COMPANIES TO SMALL BUSINESSES

**Moovly services corporations, including over 300 Fortune 500 companies**, small and medium-sized enterprises (SMBs), freelancers, educational institutions, and students.

### LARGE & GROWING GLOBAL MARKET

Online video's momentum remained strong in 2020 with over 90% of marketers saying it is an important part of their strategy. According to Magisto, over the next year, **American businesses intend to spend US\$135 billion on digital video**.

### CLOUD-BASED VIDEO EDITING SOFTWARE GAINING IN POPULARITY

Cloud-based video editing software is becoming more popular as there is **no additional software to download and maintain**. It also enables users to upload videos and edit files remotely as well as link different social and web accounts to share their videos.

### LARGE USER BASE

**Moovly has more than 3.7 million customers**. A large customer base allows the flexibility to segment users to maximize revenue and word-of-mouth advertising helps to market the product.

### SCALABLE BUSINESS MODEL

The Company operates as a **SaaS model that is scalable to handle growth**. Earlier this year, to accommodate the growth in demand, **Moovly** announced an increase in bandwidth and enhanced support to its platform to assist over three million users.

### EXPERIENCED MANAGEMENT WITH PREVIOUS EXIT

**Moovly's** founders have a deep understanding of the content creation space and a **proven track record of creating significant shareholder value** and leading a startup to a successful exit.

### ACQUISITION TARGET

**Moovly would fill an important gap for any company making or exploiting video content**, such as video aggregators or agencies, that does not already have a leading-edge video editor.

## Appendix A: Financial Statements

Figure 5: Income Statement

Moovly Media Inc. Income Statement (FYE September, C\$)	F2020A	FQ121A	FQ221A	FQ321A	FQ421E	F2021E	F2022E
<b>Total Revenue</b>	1,469,868	408,312	451,012	299,481	349,481	1,508,286	3,000,000
<b>Total Cost of Sales</b>	-	-	-	-	-	-	-
Sales and Marketing	14,936	25,298	329,486	100,153	104,844	559,781	570,000
General and Administrative	790,908	176,968	677,789	493,125	349,481	1,697,363	1,500,000
Consulting, Management, and Professional Fees	1,038,249	182,424	431,217	185,725	87,370	886,736	600,000
Finance expense	378,813	79,607	67,016	65,379	27,958	239,960	90,000
Hosting and Software	202,576	49,211	97,647	105,976	104,844	357,678	397,500
Stock Based Compensation	179,163	-	65,085	175,120	31,453	271,658	225,000
Depreciation of Property & Equipment	-	-	-	-	575	575	2,948
Amortization	574,486	115,856	107,306	96,795	48,321	368,278	193,285
<b>Total Operating Expenses</b>	<b>3,179,131</b>	<b>629,364</b>	<b>1,775,546</b>	<b>1,222,273</b>	<b>754,848</b>	<b>4,382,031</b>	<b>3,578,733</b>
<b>Operating Income</b>	<b>(1,709,263)</b>	<b>(221,052)</b>	<b>(1,324,534)</b>	<b>(922,792)</b>	<b>(405,367)</b>	<b>(2,873,745)</b>	<b>(578,733)</b>
<b>Total Other Income</b>	<b>(4,008)</b>	<b>(55,752)</b>	<b>-</b>	<b>(988)</b>	<b>(34,516)</b>	<b>(91,256)</b>	<b>(131,299)</b>
<b>EBT</b>	<b>(1,713,271)</b>	<b>(276,804)</b>	<b>(1,324,534)</b>	<b>(923,780)</b>	<b>(439,883)</b>	<b>(2,965,001)</b>	<b>(710,032)</b>
<b>Income Taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Income (Loss)</b>	<b>(1,713,271)</b>	<b>(276,804)</b>	<b>(1,324,534)</b>	<b>(923,780)</b>	<b>(439,883)</b>	<b>(2,965,001)</b>	<b>(710,032)</b>
<b>EPS</b>							
Basic EPS	(0.01)	(0.00)	(0.01)	(0.01)	(0.00)	(0.02)	(0.00)
Diluted EPS	(0.01)	(0.00)	(0.01)	(0.01)	(0.00)	(0.02)	(0.00)
<b>Shares Outstanding</b>							
Shares Outstanding, Basic (Weighted)	132,726,596	134,210,654	146,803,213	160,587,707	160,587,707	160,587,707	160,587,707
Shares Outstanding, Diluted (Weighted)	132,726,596	134,210,654	146,803,213	160,587,707	170,573,110	170,573,110	170,573,110

Source: Company reports; eResearch Corp.

Figure 6: Balance Sheet

Moovly Media Inc. Balance Sheet (FYE September, C\$)	F2020A	FQ121A	FQ221A	FQ321A	FQ421E	F2021E	F2022E
<b>Current Assets</b>							
Cash	48,869	113,475	2,651,197	2,164,170	1,358,479	1,358,479	836,504
Restricted Cash & Short-Term Investments	0	0	0	0	0	0	0
Trade & Other Receivables	90,151	44,970	333,060	120,681	13,396	13,396	16,427
Investment Tax Credits Receivable	0	0	0	0	0	0	0
Prepaid Expenses & Other Assets	42,649	42,586	40,270	53,335	33,408	33,408	39,994
<b>Total Current Assets</b>	<b>181,669</b>	<b>201,031</b>	<b>3,024,527</b>	<b>2,338,186</b>	<b>1,405,283</b>	<b>1,405,283</b>	<b>892,926</b>
<b>Non-Current Assets</b>							
Property and Equipment	439	0	3,234	8,265	7,855	7,855	6,051
Intangible Assets	551,708	515,463	488,225	483,213	483,213	483,213	483,213
Goodwill	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
<b>Total Assets</b>	<b>733,816</b>	<b>716,494</b>	<b>3,515,986</b>	<b>2,829,664</b>	<b>1,896,351</b>	<b>1,896,351</b>	<b>1,382,189</b>
<b>Current Liabilities</b>							
Trade & Other Payables	1,743,920	1,718,275	1,661,711	1,559,671	1,371,988	1,371,988	1,642,470
Deferred Revenue	626,371	598,279	500,604	596,506	314,533	314,533	225,000
Due to Related Parties	0	0	0	0	0	0	0
Short-Term Debt	2,493,647	2,668,902	1,901,443	1,919,342	1,948,313	1,948,313	1,998,834
Taxes Payable	0	0	0	0	0	0	0
<b>Total Current Liabilities</b>	<b>4,863,938</b>	<b>4,985,456</b>	<b>4,063,758</b>	<b>4,075,519</b>	<b>3,634,834</b>	<b>3,634,834</b>	<b>3,866,303</b>
<b>Non-Current Liabilities</b>							
Term Loan	1,155,974	980,074	841,974	841,974	757,777	757,777	497,177
Provision/Loan Payable/Benefits Payable	0	0	0	0	0	0	0
<b>Total Liabilities</b>	<b>6,019,912</b>	<b>5,965,530</b>	<b>4,905,732</b>	<b>4,917,493</b>	<b>4,392,610</b>	<b>4,392,610</b>	<b>4,363,480</b>
<b>Shareholders Equity</b>							
Capital Stock	12,688,048	13,000,483	17,922,987	17,922,987	17,922,987	17,922,987	17,922,987
Reserves	1,049,983	1,051,412	1,264,487	1,496,026	1,496,026	1,496,026	1,496,026
Contributed Surplus	0	0	0	0	31,453	31,453	256,453
Deficit	(19,024,127)	(19,300,931)	(20,577,220)	(21,506,842)	(21,946,725)	(21,946,725)	(22,656,758)
<b>Total Shareholders Equity</b>	<b>-5,286,096</b>	<b>-5,249,036</b>	<b>-1,389,746</b>	<b>-2,087,829</b>	<b>-2,496,259</b>	<b>-2,496,259</b>	<b>-2,981,291</b>
<b>Total Liabilities &amp; Shareholders Equity</b>	<b>733,816</b>	<b>716,494</b>	<b>3,515,986</b>	<b>2,829,664</b>	<b>1,896,351</b>	<b>1,896,351</b>	<b>1,382,189</b>

Source: Company reports; eResearch Corp.

**Figure 7: Cash Flow Statement**

<b>Moovly Media Inc.</b>							
<b>Cash Flow Statement (FYE September, C\$)</b>	<b>F2020A</b>	<b>FQ121A</b>	<b>FQ221A</b>	<b>FQ321A</b>	<b>FQ421E</b>	<b>F2021E</b>	<b>F2022E</b>
<b>Cash Provided By Operating Activities</b>							
Net Income (Loss)	(1,713,271)	(276,804)	(1,324,534)	(923,780)	(439,883)	(2,965,001)	(710,032)
Amortization of Intangibles	574,486	115,856	107,306	96,795	48,321	368,278	193,285
Depreciation of Property & Equipment	-	-	-	-	575	575	2,948
Stock Based Compensation Expense	179,163	-	65,085	175,120	31,453	271,658	225,000
<b>Changes in Non-Cash Working Capital</b>							
Trade & Other Receivables	(53,461)	45,181	(38,090)	(43,177)	107,285	71,199	(3,032)
Investment/Income Tax Credits	-	-	-	-	-	-	-
Prepaid Expenses & Other Assets	-	63	2,316	(13,065)	19,927	9,241	(6,586)
Trade & Other Payables	443,229	(7,712)	(68,469)	(66,139)	(187,683)	(330,003)	270,482
Deferred (Unbilled) Revenue	245,147	(28,092)	(97,675)	133,680	(281,973)	(274,060)	(89,533)
<b>Total Cash Provided By Operating Activities</b>	<b>(67,021)</b>	<b>(85,753)</b>	<b>(1,522,340)</b>	<b>(388,202)</b>	<b>(701,978)</b>	<b>(2,698,273)</b>	<b>(117,468)</b>
<b>Investing Activities</b>							
Purchase of Property & Equipment	-	-	(6,147)	(5,758)	(165)	(12,070)	(1,143)
Purchase of Intangibles	(424,528)	(95,676)	(89,795)	(93,067)	(48,321)	(326,859)	(193,285)
Business Acquisition	-	-	-	-	-	-	-
Redemption of Short-Term Investments & Restricted Cash	-	-	-	-	-	-	-
<b>Total Cash From Investing Activities</b>	<b>(424,528)</b>	<b>(95,676)</b>	<b>(95,942)</b>	<b>(98,825)</b>	<b>(48,487)</b>	<b>(338,930)</b>	<b>(194,428)</b>
<b>Financing Activities</b>							
Proceeds from Loan	514,456	103,600	195,000	-	-	298,600	-
Operating Line (Repayment)	-	-	-	-	-	-	-
Repayment of Loan	-	(170,000)	(1,142,003)	-	(55,226)	(1,367,229)	(210,079)
Issue/Repurchase of Equity	-	312,435	5,103,007	-	-	5,415,442	-
Proceeds from exercise of Stock Options and Warrants	-	-	-	-	-	-	-
<b>Total Cash From Financing Activities</b>	<b>514,456</b>	<b>246,035</b>	<b>4,156,004</b>	<b>-</b>	<b>(55,226)</b>	<b>4,346,813</b>	<b>(210,079)</b>
<b>Effect of Exchange Rates on Cash</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Increase in Cash</b>	<b>22,907</b>	<b>64,606</b>	<b>2,537,722</b>	<b>(487,027)</b>	<b>(805,691)</b>	<b>1,309,610</b>	<b>(521,975)</b>
<b>Beginning Cash</b>	<b>25,962</b>	<b>48,869</b>	<b>113,475</b>	<b>2,651,197</b>	<b>2,164,170</b>	<b>48,869</b>	<b>1,358,479</b>
<b>Ending Cash</b>	<b>48,869</b>	<b>113,475</b>	<b>2,651,197</b>	<b>2,164,170</b>	<b>1,358,479</b>	<b>1,358,479</b>	<b>836,504</b>

Source: Company reports; eResearch Corp.

## Appendix B: Outstanding Shares, Options & Warrants

Figure 8: Shares Outstanding for Fully Diluted Share Count and Valuation

Shares Outstanding		
Shares Outstanding: End of Current Quarter	FQ321A	160,587,707
Shares Outstanding: Basic - End of Previous Quarter	FQ221A	146,803,213
Shares issued in Quarter		13,784,494
Shares Outstanding: Basic - current quarter		160,587,707
Shares Issued After the Quarter End		
		160,587,707
- In the money options: Strike price below current stock price		10,900,000
- In the money warrants: Strike price below current stock price		19,564,166
Treasury Stock Method adjustment		-20,478,763
<b>Shares Outstanding, Fully Diluted: current quarter</b>		<b>170,573,110</b>

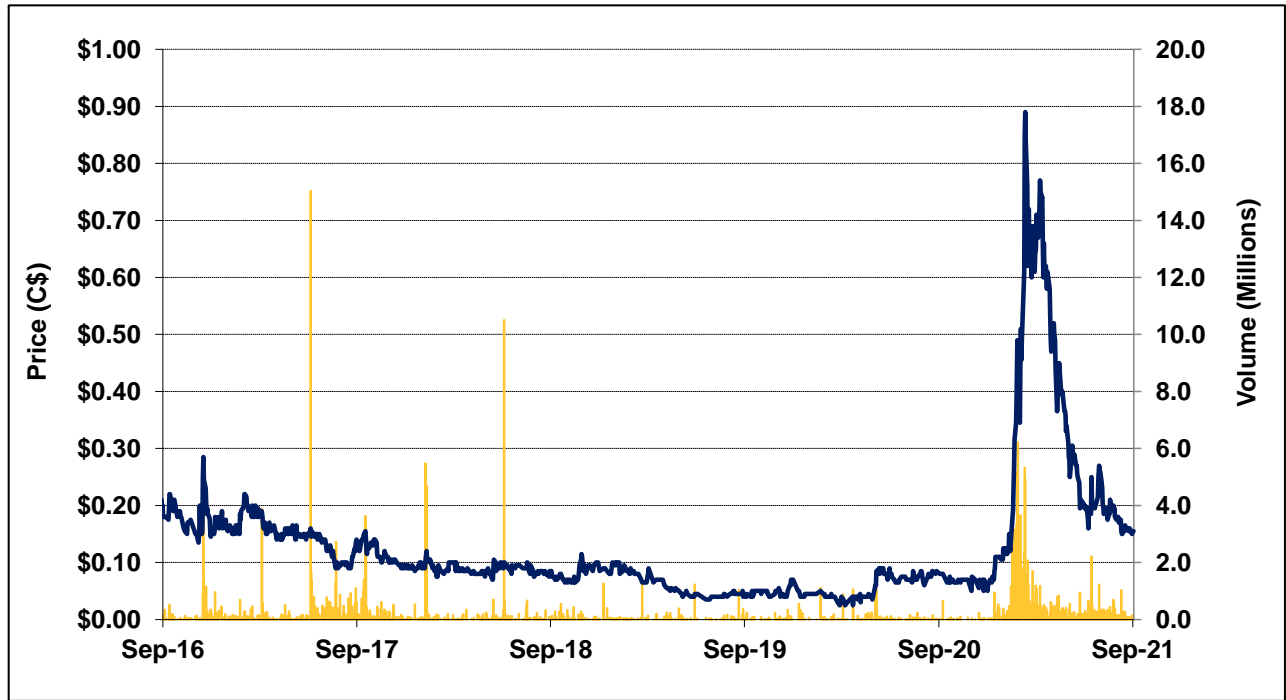
Shares Outstanding - DCF Valuation	
Shares Outstanding: Basic - current quarter	160,587,707
Shares Issued After the Quarter End	-
	160,587,707
- In the money options: Strike price below Target Price	15,900,000
- In the money warrants: Strike price below Target Price	28,235,267
Treasury Stock Method adjustment	-13,619,721
<b>Shares Outstanding, Fully Diluted: current quarter</b>	<b>191,103,253</b>

Ownership Summary	Shares	%
<b>Institutions</b>		
• Blue Planet Investment Management Ltd	2,688,303	1.7%
• Icevista Bvba, Asset Management Arm	445,392	0.3%
<b>Individuals/Insiders</b>		
• Geert Coppens, Founder & CTO	14,394,697	9.0%
• Brendon Grunewald, Founder & CEO	12,707,893	7.9%
• Robert Meister, Director	1,907,780	1.2%
<b>Public and Other</b>		
• Public	128,443,642	80.0%
<b>TOTAL</b>	<b>160,587,707</b>	<b>100.0%</b>

Source: Company reports; eResearch Corp.

### Appendix C: Five-Year Stock Chart

Figure 9: Stock Chart Since Listing in August 2016



Source: S&P Capital IQ

Appendix D: Technology Comparables

Figure 10: Technology Comparables

Name	Ticker	Sep 10 Close (US\$)	Mkt Cap (US\$ M)	Cash (US\$ M)	Debt (US\$ M)	EV (US\$ M)	REVENUE (US\$ M)			EBITDA (US\$ M)			EV/Revenue			EV/EBITDA		
							2020A	2021A	2022E	2020A	2021A	2022E	2020A	2021A	2022E	2020A	2021A	2022E
<b>US Comps - Large Cap Tech</b>																		
Adobe Inc.	NASDAQ:ADBE	\$658.94	\$313,919	\$5,768	\$4,693	\$312,844	\$12,868	\$15,675	\$17,972	\$4,808	\$7,829	\$8,935	24.3x	20.0x	17.4x	65.1x	40.0x	35.0x
Apple Inc.	NASDAQ:AAPL	\$148.97	\$2,462,499	\$61,696	\$135,491	\$2,536,294	\$294,135	\$373,784	\$389,504	\$85,159	\$122,878	\$122,128	8.6x	6.8x	6.5x	29.8x	20.6x	20.8x
IAC/InterActiveCorp	NASDAQ:IAC	\$131.46	\$11,731	\$3,487	\$879	\$9,713	\$3,048	\$3,332	\$3,759	-\$73	\$102	\$163	3.2x	2.9x	2.6x		94.8x	59.6x
Microsoft Corporation	NASDAQ:MSFT	\$295.71	\$2,222,228	\$130,256	\$82,278	\$2,174,250	\$153,284	\$180,769	\$203,320	\$71,687	\$88,856	\$104,251	14.2x	12.0x	10.7x	30.3x	24.5x	20.9x
Snap Inc.	NYSE:SNAP	\$74.50	\$118,518	\$3,467	\$2,907	\$117,957	\$2,507	\$4,201	\$6,195	-\$765	\$533	\$1,318	47.1x	28.1x	19.0x		221.5x	89.5x
<b>Website Builder, File Hosting, eCommerce Hosting</b>																		
Cimpress plc	NASDAQ:CMPR	\$84.79	\$2,124	\$335	\$1,886	\$3,746	\$2,400	\$2,731	\$2,905	\$275	\$331	\$382	1.6x	1.4x	1.3x	13.6x	11.3x	9.8x
GoDaddy Inc.	NYSE:GDDY	\$75.25	\$12,704	\$1,391	\$4,240	\$15,555	\$3,317	\$3,748	\$4,140	\$509	\$824	\$915	4.7x	4.1x	3.8x	30.6x	18.9x	17.0x
Shopify Inc.	NYSE:SHOP	\$1,484.10	\$185,316	\$7,755	\$1,077	\$178,638	\$2,929	\$4,630	\$6,219	\$235	\$794	\$830	61.0x	38.6x	28.7x	761.3x	224.9x	215.3x
Square, Inc.	NYSE:SQ	\$247.90	\$113,959	\$5,596	\$6,131	\$114,542	\$9,498	\$19,197	\$21,462	\$46	\$1,054	\$1,357	12.1x	6.0x	5.3x	2512.1x	108.7x	84.4x
Wix.com Ltd.	NASDAQ:WIX	\$216.00	\$12,219	\$1,279	\$931	\$11,871	\$989	\$1,265	\$1,537	-\$180	\$72	\$171	12.0x	9.4x	7.7x		164.9x	69.6x
<b>Mean (EV/Rev &lt;50; EV/EBITDA &lt;500)</b>													<b>14.2x</b>	<b>12.9x</b>	<b>10.3x</b>	<b>33.9x</b>	<b>93.0x</b>	<b>62.2x</b>
<b>Median</b>													<b>12.0x</b>	<b>8.1x</b>	<b>7.1x</b>	<b>30.6x</b>	<b>67.4x</b>	<b>47.3x</b>
Name	Ticker	Sep 10 Close (C\$)	Mkt Cap (C\$ M)	Cash (C\$ M)	Debt (C\$ M)	EV (C\$ M)	REVENUE (C\$ M)			EBITDA (C\$ M)			EV/Revenue			EV/EBITDA		
							2020A	2021A	2022E	2020A	2021A	2022E	2020A	2021A	2022E	2020A	2021A	2022E
<b>Moovly Media Inc.</b>	<b>TSXV:MVY</b>	<b>\$0.16</b>	<b>\$25</b>	<b>\$2</b>	<b>\$3</b>	<b>\$25</b>	<b>\$1.7</b>	<b>\$2.3</b>	<b>\$3.8</b>	<b>-\$1.4</b>	<b>-\$1.4</b>	<b>\$3.1</b>	<b>15.3x</b>	<b>11.1x</b>	<b>6.8x</b>			<b>8.2x</b>
<b>Canadian Tech Comps</b>																		
AcuityAds Holdings Inc.	TSX:AT	\$9.74	\$588.8	\$93.4	\$13.2	\$508.5	\$104.9	\$133.6	\$162.6	\$9.4	\$23.6	\$29.9	4.8x	3.8x	3.1x	54.3x	21.6x	17.0x
Aquarius AI Inc.	CNSX:AQUA	\$0.11	\$8.4	\$0.4	\$0.2	\$8.2	\$0.0	\$0.0	\$0.0	-\$1.3	\$0.0	\$0.0						
ARHT Media Inc.	TSXV:ART	\$0.21	\$27.3	\$4.4	\$0.5	\$23.4	\$2.2	\$0.0	\$0.0	-\$3.5	\$0.0	\$0.0	10.6x					
Engagement Labs Inc.	TSXV:EL	\$0.05	\$2.1	\$1.2	\$1.2	\$2.0	\$2.6	\$0.0	\$0.0	-\$2.6	\$0.0	\$0.0	0.8x					
Gatekeeper Systems Inc.	TSXV:GSI	\$0.73	\$65.9	\$4.4	\$0.8	\$62.4	\$21.9	\$0.0	\$0.0	\$2.7	\$0.0	\$0.0	2.8x			23.0x		
GreenPower Motor Company	TSXV:GPV	\$16.79	\$375.0	\$9.0	\$1.0	\$367.0	\$8.1	\$26.1	\$53.3	-\$5.1	-\$1.3	\$10.2	45.0x	14.1x	6.9x			35.9x
Fobi Ai Inc.	TSXV:FOBI	\$2.20	\$295.4	\$1.9	\$0.0	\$293.5	\$0.0	\$0.0	\$0.0	-\$7.6	\$0.0	\$0.0						
Nuvei Corporation	TSX:NVEI	\$162.65	\$22,664.7	\$533.7	\$509.2	\$22,658.3	\$375.0	\$703.3	\$917.7	\$136.0	\$302.9	\$399.7	60.4x	32.2x	24.7x	166.7x	74.8x	56.7x
Zoomd Technologies Ltd.	TSXV:ZOMD	\$0.40	\$38.1	\$2.2	\$2.4	\$38.3	\$25.4	\$0.0	\$0.0	-\$3.4	\$0.0	\$0.0	1.5x					
<b>Mean (EV/Rev &lt;50; EV/EBITDA &lt;500)</b>													<b>10.9x</b>	<b>16.7x</b>	<b>11.6x</b>	<b>81.3x</b>	<b>48.2x</b>	<b>36.5x</b>
<b>Median</b>													<b>4.8x</b>	<b>14.1x</b>	<b>6.9x</b>	<b>54.3x</b>	<b>48.2x</b>	<b>35.9x</b>

Source: S&P Capital IQ; eResearch Corp.

## Appendix E: Competitive Marketplace and Industry M&A

The online video industry is transforming the presentation of information and entertainment across various industries including advertising, education, entertainment, financial, and health. The industry has attracted many companies competing for a slice of the market with startups and mature tech companies trying to shape the future of how digital video is created, stored, distributed, and analyzed. Below are some competitors in the video creation industry with selective transactions and financings information.

### **LARGE CAP MULTIFACETED COMPANIES**

#### **Adobe Inc. (NASDAQ:ADBE)**

**www.adobe.com**

Adobe operates as a diversified and multinational software company that provides software tools and solutions to enable individuals, teams, and enterprises to create, publish, promote, and monetize digital content. Acquisition and investment in the video industry include:

- 2021-02-23: Adobe led the US\$50 million, Series C financing for VidMob, Inc. that operates an online platform and mobile application to connect video content creators with video editors.

#### **Apple Inc. (NASDAQ:AAPL)**

**www.apple.com**

Apple designs, manufactures, and sells smartphones, computers, tablets, wearables, and accessories. It also sells various related software and services, including iMovie, a video editing software application.

#### **IAC/InterActiveCorp (NASDAQ:IAC)**

**www.iac.com**

IAC/InterActiveCorp operates as a media and internet holding company and owns more than 150 digital products and brands. Acquisitions in the video industry include:

- 2020-12-22: IAC/InterActiveCorp announced its plan to turn Vimeo, Inc. into an independent, publicly traded company. Vimeo owns and operates an online video platform for users to upload, share, and watch videos.

#### **Microsoft Corporation (NASDAQ:MSFT)**

**www.microsoft.com**

Microsoft is a multinational technology company that develops, manufactures, licenses, supports, and sells computer software, consumer electronics, personal computers, and related services. Acquisitions in the video industry include:

- 2018-06-18: Microsoft acquired Flipgrid, Inc. Flipgrid developed a video-based platform to record, share, and view short videos.

#### **Snap Inc. (NYSE:SNAP)**

**www.snapchat.com**

Snap offers Snapchat, an application with functionalities such as Camera, Advertising, Filters & Lenses, Snap Map, Stories, and Spotlight that enable people to communicate through images, photographs, and short videos. Since 2014, Snap has made at least 19 acquisitions, including:

- 2020-09-30: Snap acquired Ariel AI that developed technology to integrate three-dimensional models of moving humans for augmented reality, immersive gaming, and kinetic learning applications;
- 2019-12-31: Snap acquired AI Factory for US\$166 million. AI Factory designed and developed software allowing image and video recognition, analysis, and processing through computer vision.



**PRIVATE COMPANIES FOCUSED ON VIDEO****Animoto Inc.****www.animoto.com**

Animoto provides a web and mobile application that allows users to drag-and-drop photos and video clips into professional videos to publish online and share on social media.

- 2011-06-29: Animoto received US\$25 million in a Series C financing led by the Investment Arm Amazon.com.

**Eko****www.eko.com**

Eko, formerly known as Interlude, provides a platform for the creation of interactive video entertainment that lets viewers shape the stories as they unfold. The company partners with media companies, independent creators and brands, and distributes the interactive content through eko.com, affiliate partners, and social media networks.

**Kaltura Inc.****www.kaltura.com**

Kaltura provides live and on-demand video SaaS solutions for enterprises, media companies, service providers, and educational institutions.

In 2016, Kaltura raised US\$50 million from Goldman Sachs Private Capital at a pre-money valuation of US\$450 million.

Kaltura's recent acquisitions include:

- 2020-01-22: Kaltura acquired Newrow Inc. Newrow offered a video collaboration platform for enterprises and educational institutions to deliver video conferencing, training, and education;
- 2018-05-25: Kaltura acquired Rapt Media, Inc. Rapt Media provided a cloud-based two-way interactive video authoring platform that enabled companies to create interactive videos (for sales & marketing, education, entertainment, and training) and interact with viewers.

**Lumen5 Technologies Ltd.****www.lumen5.com**

Lumen5 provides an easy-to-use video creation platform designed for brands and businesses to produce video content for social media posts and advertisements.

**PowToon Limited****www.powtoon.com**

PowToon provides do-it-yourself software that allows users to create animated presentations, such as business presentations and product demonstrations that target the business and education sectors.

- 2019-02-21: PowToon acquired Showbox Ltd. that operated as an online video creation platform.

**Vyond****www.vyond.com**

Vyond's online animation software allows businesses to create professional animated videos.

**WeVideo, Inc.****www.wevideo.com**

WeVideo is a cloud-based collaborative video creation platform targeted at businesses, consumers, educators, and students. The cloud-based platform can be accessed from any computer or mobile device for users to capture, edit, view, and share videos.

## Appendix F: eResearch Disclosure

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### ANALYST ACCREDITATION

**eResearch Analyst on this Report:** Chris Thompson CFA, MBA, P.Eng.

**Analyst Affirmation:** I, Chris Thompson, hereby state that, at the time of issuance of this research report, I owned 150,000 common shares and 150,000 share warrants of **Moovly** Media Inc. (TSXV:MVY) that were purchased as a private investor as part of **Moovly's** February 5, 2021 financing.

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**eResearch** accepts fees from the companies it researches (the "Covered Companies"), and from financial institutions or other third parties. The purpose of this policy is to defray the cost of researching small and medium capitalization stocks which otherwise receive little or no research coverage.

**Moovly Media Inc. (TSXV:MVY)** paid eResearch a fee to have it conduct research and publish reports on **Moovly** Media for one year.

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