

Notable Consumer Electronics M&A Transactions

07-Mar-2018: **Ecobee**, developer of Wi-Fi enabled thermostats, raised \$61 million of Series C venture funding in a deal led by **Energy Impact Partners** on March 7, 2018. Thomvest, Relay Ventures, Amazon Alexa Fund, North Leaf Capital Partners, Export Development Canada, Ontario Capital Growth Corporation, Tech Capital, GXP Investments and other undisclosed investors also participated in the round. The funds will be used to expand into different smart home categories. The Series C round included some capital raised through a secondary sale of shares. To date, the company has raised \$146 million.

07-Mar-2018: **Magic Leap**, a developer of human computing interfaces and software designed to superimpose 3D computer-generated imagery over real world objects, raised \$963 million of Series D venture funding in a deal led by **Temasek Holdings** and **Saudi Arabia's Public Investment Fund** on March 7, 2018, putting the pre-money valuation at \$5.45 billion. Alibaba Group, JPMorgan Chase & Company, T. Rowe Price, Temasek Holdings, Axel Springer, GV, Grupo Globo, Fidelity Management and Research, EDB Investments, Janus Henderson Group and other undisclosed investors also participated in the round.

02-Mar-2018: **Filament Brands**, a manufacturer of kitchen scales, thermometers, timers, outdoor weather measurement devices, was acquired by **Lifetime Brands (NASDAQ: CLUT)** for \$313 million on March 02, 2018. This implies an enterprise value to revenue of 1.76x. Lifetime intends to fund the cash portion with proceeds obtained from a newly committed \$275 million senior secured term loan and a \$150 million new asset based loan.

01-Mar-2018: **Laird (LRD)**, a provider of products and services that protect electronics from electromagnetic interference and heat, and enables connectivity through wireless apps and antenna systems, entered into a definitive agreement to be acquired by **Advent International** through a GBP 1.2 billion LBO on March 1, 2018. This equates to an enterprise of \$1,678.8 million, or 1.92x revenue and 14.81x EBITDA. The company reached a 200p-per-share cash deal. Completion of the deal remains subject to the go ahead from shareholders, courts and regulatory bodies, including the European Commission and the Ministry of Commerce of the People's Republic of China. Previously, the company completed its initial public offering on London Stock Exchange under the ticker symbol LRD on June 23, 1949.

27-Feb-2018: **Ring**, a developer of wireless frequency enabled smart security devices created to reduce crime in communities, was acquired by **Amazon.com (NASDAQ: AMZN)** for \$1.2 billion on February 27, 2018. The deal supports Amazon's initiatives in the emerging in-home delivery and in-home services market. The deal could also support the spread of Alexa to more smart home devices.

27-Feb-2018: **Digital Doc Repair**, a provider of cell phone repair and retail services, reached a definitive agreement to be acquired by **CPR Cell Phone Repair** for an undisclosed amount on February 27, 2018. The acquisition will enable the acquirer to expand its portfolio of tech repair stores.

26-Feb-2018: **Spectrum Brands (SPB)**, a manufacturer of consumer products and appliances, entered into a definitive agreement to receive \$374.295 million from **HRG Group (NYS: HRG)** on February 26, 2018. The transaction advances the wind down of the HRG parent company and eliminates its overhead. Importantly, the combination with Spectrum Brands provides HRG's shareholders with the ability to participate in the upside potential of the combined company. Previously, the company raised \$500 million in its second public offering on the New York stock exchange under the ticker symbol of SPB on May 13, 2015. A total of 5,405,405 shares were sold at a price of \$92.5 per share. After the offering, there was a total of 58,703,198 outstanding shares (excluding the over-allotment option) priced at \$92.5 per share, valuing the company at \$5.43 billion. The total proceeds, before expenses, to the company was \$490 million. The underwriters were granted an option to purchase up to an additional 810,811 shares from the company to cover over-allotments, if any.

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Consumer Electronics Insights

Analysis of M&A, Financing, and Market Trends

Public Consumer Electronics Company Statistics as of March 12, 2018 (\$ in 000s)

Data as of: 12-Mar-2018

Company Name	Stock Price	% of 52 Week High	Price % Change 4 Week	Price % Change 52 Week	Market Cap	Total Debt (TTM)	Cash and Equivalents (TTM)	Enterprise Value	Revenue (TTM)	Revenue % Growth	Revenue % Growth, 3 Year CAGR	Adjusted EBITDA (TTM)	EV / Revenue	EV / EBITDA	Gross Margin % (TTM)
Diversified															
Apple	179.98	100.00%	10.6%	29.3%	897,795,860	122,400,000	27,491,000	943,042,860	239,176,000	9.7%	6.2%	73,957,000	3.9x	12.8x	38.4%
Samsung Electronics	2,311.92	90.11%	9.8%	30.7%	308,443,934	16,087,734	26,684,155	264,966,119	197,822,798	14.2%	-0.8%	59,500,239	1.3x	4.4x	45.2%
Sony	50.67	98.12%	6.6%	59.0%	64,025,835	12,216,509	11,787,565	59,735,726	59,819,859	-22.7%	-8.1%	(423,887)	1.0x	105.7x	23.3%
Philips	39.20	93.06%	5.8%	28.2%	36,594,079	5,599,011	2,326,223	39,893,261	20,051,557	4.0%	-10.9%	2,689,705	2.0x	13.7x	46.0%
Panasonic	15.36	97.02%	5.5%	36.4%	35,387,881	10,270,928	8,939,097	36,965,720	69,836,466	3.0%	-1.7%	5,882,908	0.5x	6.8x	29.8%
Toshiba	2.97	96.58%	5.2%	58.6%	19,326,116	9,959,227	5,666,529	25,612,666	43,687,633	24.7%	-12.0%	3,423,922	0.6x	7.0x	26.7%
Hewlett-Packard	24.65	100.00%	20.8%	40.9%	39,217,313	7,869,000	5,475,000	40,345,313	53,889,000	10.7%	8.4%	4,601,000	0.7x	9.8x	18.4%
LG Electronics	17.90	100.00%	0.0%	70.5%	16,834,400	7,798,418	3,208,473	22,633,218	49,979,375	5.2%	-1.8%	3,693,611	0.5x	6.8x	24.6%
ASUS	9.18	91.33%	-0.3%	1.8%	6,922,690	239,066	2,008,573	5,093,852	14,438,080	-0.1%	-2.7%	734,727	0.4x	7.2x	13.9%
Mean		96.25%	7.1%	39.5%	158,283,123	21,382,211	10,398,513	159,809,860	83,188,974	5.4%	-2.6%	17,117,692	1.2x	19.4x	29.6%
Median		97.02%	5.8%	36.4%	36,594,079	9,959,227	5,666,529	39,893,261	53,889,000	5.2%	-1.8%	3,693,611	0.7x	7.2x	26.7%
Audio, Video & Accessories															
Logitech	39.20	91.40%	2.8%	27.1%	6,525,063	0	564,888	5,960,175	2,484,989	16.0%	8.7%	279,046	2.4x	21.4x	36.0%
Hisense Electric Company	2.50	87.86%	1.6%	-12.1%	3,212,096	508,302	311,304	3,480,259	4,907,686	6.5%	1.4%	229,038	0.7x	16.5x	14.1%
GoPro	5.51	47.13%	4.8%	-27.2%	839,101	130,048	202,504	721,759	1,179,741	-0.5%	-5.4%	(121,249)	0.6x		32.6%
Pioneer	1.68	74.17%	-16.8%	-20.9%	641,122	459,120	335,561	806,273	3,287,459	-10.3%	-11.8%	184,935	0.2x	5.2x	18.2%
JVCKenwood	3.36	86.89%	4.9%	31.8%	470,954	596,383	350,933	747,486	2,684,654	-0.5%	-1.0%	154,971	0.3x	3.5x	26.8%
Kimball Electronics	18.00	81.08%	6.2%	17.3%	471,161	11,000	35,638	446,523	985,553	10.6%	7.4%	66,410	0.5x	6.7x	7.8%
VOXX International	5.85	65.73%	9.3%	30.0%	142,774	17,032	37,514	118,374	676,262	20.9%	-4.4%	(24,007)	0.2x	16.3x	28.6%
Turtle Beach	0.48	44.44%	10.2%	-55.6%	24,787	56,896	473	81,210	151,643	-14.0%		8,964	0.5x	10.4x	33.8%
Koss	2.18	70.55%	10.1%	0.9%	15,883	0	460	15,423	22,968	-12.6%	-0.0%	(483)	0.7x		27.5%
Mean		72.14%	3.7%	-1.0%	1,371,438	197,642	204,364	1,375,276	1,820,106	1.8%	-0.6%	86,403	0.7x	11.4x	25.0%
Median		74.17%	4.9%	0.9%	471,161	56,896	202,504	721,759	1,179,741	-0.5%	-0.5%	66,410	0.5x	10.4x	27.5%
Home Automation															
Energizer Holdings	54.49	91.09%	1.7%	-1.6%	3,205,123	1,092,400	454,300	3,843,223	1,769,400	4.9%	-0.1%	367,000	2.2x	10.6x	46.2%
iRobot	68.41	63.79%	11.1%	20.8%	1,870,377		128,635	1,704,517	883,911	33.8%	16.7%	99,777	1.9x	16.7x	49.0%
Control4	25.46	71.20%	3.3%	72.8%	648,678	0	29,761	574,860	244,725	17.2%	18.0%	23,006	2.3x	25.1x	50.9%
Hamilton Beach Brands	24.26	60.82%	-5.0%	-21.7%	383,468			383,468							
Mean		71.72%	2.8%	17.6%	1,526,912	546,200	204,232	1,626,517	966,012	18.6%	11.5%	163,261	2.1x	17.5x	48.7%
Median		67.49%	2.5%	9.6%	1,259,528	546,200	128,635	1,139,689	883,911	17.2%	16.7%	99,777	2.2x	16.7x	49.0%



Consumer Electronics Insights

Analysis of M&A, Financing, and Market Trends

Public Consumer Electronics Company Statistics as of March 12, 2018 (\$ in 000s)

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Imaging															
Canon	36.46	90.90%	-0.2%	20.0%	39,331,984	5,334,276	5,724,543	40,745,621	35,274,474	12.9%	-0.8%	5,462,555	1.2x	7.6x	48.6%
Olympus	38.48	93.51%	1.7%	4.8%	12,991,859	2,331,160	1,656,144	13,599,090	7,028,153	2.8%	-0.2%	1,328,968	1.9x	10.5x	65.7%
Nikon	19.37	92.50%	1.5%	29.5%	7,695,513	1,213,407	3,429,630	5,388,027	6,315,558	-13.1%	-8.2%	545,677	0.9x	11.1x	42.2%
Eastman Kodak	5.10	43.22%	-12.8%	-56.2%	219,243	410,000	342,000	449,243	1,449,000	-12.2%		286,000	0.3x	1.8x	24.6%
Mean		80.03%	-2.4%	-0.5%	15,059,650	2,322,211	2,788,079	15,045,495	12,516,796	-2.4%	-3.1%	1,905,800	1.1x	7.7x	45.2%
Median		91.70%	0.7%	12.4%	10,343,686	1,772,284	2,542,887	9,493,559	6,671,856	-4.7%	-0.8%	937,322	1.0x	9.0x	45.4%
Wearables															
Garmin	60.99	93.53%	-1.6%	17.6%	11,270,664	0	891,488	10,217,489	3,087,004	2.3%	2.5%	754,100	3.3x	14.0x	57.8%
Fitbit	5.19	72.69%	0.2%	-8.0%	1,226,225	0	280,681	566,996	1,618,538	-29.9%		(302,755)	0.4x		35.1%
Huami	11.38	96.20%	1.5%	1.2%	688,247			688,247	295,000	26.2%			2.3x		
Vuzix	8.70	80.56%	-1.1%	15.2%	238,776	0	8,677	230,099	4,561	122.5%	17.7%	(16,311)	50.4x		-20.5%
Mean		85.74%	-0.3%	6.5%	3,355,978	0	393,615	2,925,708	1,251,276	30.3%	10.1%	145,011	14.1x	14.0x	24.1%
Median		87.04%	-0.5%	8.2%	957,236	0	280,681	627,621	956,769	14.3%	10.1%	(16,311)	2.8x	14.0x	35.1%
Retail & Wholesale															
Amazon.com	1,578.89	100.00%	13.9%	84.8%	751,266,573	37,926,000	20,522,000	758,206,573	177,866,000	30.8%	26.0%	15,930,000	4.3x	47.6x	37.1%
Gamestop	15.85	63.53%	0.3%	-34.5%	1,584,401	817,200	454,700	1,946,901	8,767,500	-3.5%	-2.7%	685,500	0.2x	2.9x	34.5%
Universal Electronics	53.95	74.47%	24.2%	-19.0%	752,079	114,000	48,560	817,519	675,180	3.4%	6.4%	47,350	1.2x	17.1x	25.0%
Zagg	12.60	54.19%	-19.7%	81.3%	336,402	31,732	11,394	356,740	457,500	25.2%	26.5%	30,850	0.8x	11.6x	31.2%
Infusonics	7.53	40.63%	1.8%	-49.7%	5,439	0	453	4,986	26,141	-35.8%	-14.7%	(3,366)	0.2x		11.1%
Mean		66.56%	4.1%	12.6%	150,788,979	7,777,786	4,207,421	152,266,544	37,558,464	4.0%	8.3%	3,338,067	1.3x	19.8x	27.8%
Median		63.53%	1.8%	-19.0%	752,079	114,000	48,560	817,519	675,180	3.4%	6.4%	47,350	0.8x	14.3x	31.2%



Recent Consumer Electronics Merger & Acquisition Transactions

Deal Date	Company Name	Description	Deal Size	Valuation/ EBITDA	Valuation/ Revenue
07-Mar-2018	RatPac Dimmers	Manufacturer of lighting control and power distribution products designed for performance enhancement and aesthetic appeal.			
07-Mar-2018	Magic Leap	Human computing interfaces and software designed to superimpose 3D computer-generated imagery over real world objects.	963.00		
07-Mar-2018	Labrador (London)	Developer of a home energy monitoring device	0.70		
07-Mar-2018	Ecobee	Developer of Wi-Fi enabled thermostats	61.00		
07-Mar-2018	C-Slide	Manufacturer of web camera covers designed to add an additional layer of security to electronic devices.			
05-Mar-2018	Whoop	Developer of performance optimization systems designed to understand human performance.	25.00		
05-Mar-2018	reBuy reCommerce	Provider of an online marketplace designed for the retail used electronics and media.	25.96		
05-Mar-2018	Hypertec	Manufacturer of memory cards, hard drives, keyboards, mouse, privacy filters, tablet security and portable data storage devices			
02-Mar-2018	Stop Alarms	Wholesaler of home security monitoring, business security monitoring, ip hosted video surveillance, and office security systems.			
02-Mar-2018	Filament Brands	Manufacturer of kitchen scales, thermometers, timers, outdoor weather measurement devices.	313.00	1.7x	
01-Mar-2018	WattMaster Controls	Manufacturer of electronic controllers and energy management systems.			
01-Mar-2018	Spocs	Manufacturer of final assembly and testing of electronic products.			
01-Mar-2018	Laird (LRD)	Protects electronics from electromagnetic interference and heat, and enables connectivity through wireless apps and antenna systems.	1,678.80	1.92x	14.81x
28-Feb-2018	Chirp Microsystem	Developer of ultrasonic 3D-sensing systems designed to help in industrial automation.			
28-Feb-2018	advanced PANMOBIL systems	Developer of a data capturing device and technology.			
28-Feb-2018	360 Blockchain (CODE)	Provider of financial investment services intended to accelerate the development and application of blockchain technologies.	10.99		
27-Feb-2018	Ring	Developer of wireless frequency enabled smart security devices created to reduce crime in communities.	1,200.00		
27-Feb-2018	Kraken Robotics (PNG)	Manufacturer and seller of sensors and underwater robotics designed to capture real-time, ultra-high resolution seabed data.	1.19		
27-Feb-2018	Digital Doc Repair	Provider of cell phone repair and retail services.			
27-Feb-2018	5D Robotics	Developer of software and sensors designed to automate and connect industrial vehicle and automobiles.			
26-Feb-2018	Spectrum Brands (SPB)	Provider of consumer products and appliances.	374.30		
26-Feb-2018	Nuki	Developer of smart door locks designed to make access controls smarter and physical keys irrelevant.			
26-Feb-2018	IDQ	Provider of a quantum-safe crypto services designed to protect data for the long-term future.	65.00		
26-Feb-2018	CommSolid	Operator of a cellular IP company designed to provide ultra-low power services for the growing IoT market.			
23-Feb-2018	Deveron UAS (DVR)	Unmanned Aerial Systems, sensors, software and analytics	3.90		
23-Feb-2018	Allegion (ALLE)	Provider of mechanical and electronic security products including residential and commercial locks, door closers, and exit devices			
22-Feb-2018	YDream's Global Interactive Technologies	Developer of virtual reality technologies designed to offer augmented reality technologies	2.19		
22-Feb-2018	Visionstate (VIS)	Developer of an interactive technology designed to improve customer service offerings.	1.08		
21-Feb-2018	Repower America	Provider of rooftop solar installation systems intended to generate solar power easily.			
20-Feb-2018	Tyrata	Sensor development and data management company intended to provide report on vehicular tire tread-wear in real time.	4.50		
20-Feb-2018	OrCam	Provider of a portable artificial vision device designed to help the visually impaired understand text and identify objects easily.	30.40		
20-Feb-2018	Merus Audio	Developer of audio amplifiers			
14-Feb-2018	Keltron	Manufacturer of security systems.			
13-Feb-2018	Platinum Stairlifts	Manufacturer of stairlifts.			
12-Feb-2018	ProVita Health	Developer of digital health platform designed to manage employee's health and wellness.			
12-Feb-2018	OnlineTechStores.com	Retailer of computer peripheral equipment.			
12-Feb-2018	Flo Labs	Intelligent assistant platform designed to deliver a custom outdoor experience without doing the research.			
12-Feb-2018	Barracuda Networks (CUDA)	Provider of online security products and services designed to secure all threat vectors on-site or in the cloud.	1,600.00	41.85x	4.54x
09-Feb-2018	Huami (HMI)	Manufacturer of fitness tracking wearables	110.00		2.22x
09-Feb-2018	HealthifyMe	Provider of an online fitness application intended to help people reach their fitness goals.	12.00		
09-Feb-2018	Codoon	Provider of a digital health and fitness application designed to track fitness and health.	20.00		
08-Feb-2018	Aitech Rugged Group	Developer of rugged embedded and computing technologies for mission-critical applications.	30.00		
07-Feb-2018	Sigma Designs Israel, S.D.I.	Provider of standards-based home networking chipsets for the reliable networking			
07-Feb-2018	Elatec	Manufacturer of electronic components.			
06-Feb-2018	SectorQube	Developer of smart kitchen devices designed to cook food by consuming limited energy.			
05-Feb-2018	BroadLink	Light switches, air quality sensors, Wi-Fi speakers, Wi-Fi modules, firmware and other electronics	54.40		
02-Feb-2018	Phoniro	Keyless lock management systems designed to help elderly people			
02-Feb-2018	Innovative Office Products	Manufacturer of ergonomic arms and mounts for computer hardware.			
01-Feb-2018	Avigilon (AVO)	Designer and manufacturer of high-definition surveillance equipment.	783.22	12.46x	2.01x
01-Feb-2018	Themis Computer	Developer and supplier of computer hardware and single-board computers.	180.00		3.16x
01-Feb-2018	Escher Reality	3D augmented reality platform designed to create interactive augmented reality experiences.			
30-Jan-2018	Mezzi Holdings (MZI)	Manufacturer and seller of smart luxury accessories	3.58		
30-Jan-2018	Amber Enterprises (AMBER)	Manufacturer of household appliance components for air conditioners, washing machines and refrigerators.	93.48		
29-Jan-2018	Internet of Things (ITT)	Developer of internet of things software and services.	1.80		
26-Jan-2018	Limitless Entertainment	Provider of a creative VR environment platform intended to create VR content easily.			
25-Jan-2018	Sigma Designs (SIGM)	Developer of system-on-chip (SoC) technologies designed to enable smart home convergence.	285.00	33.40x	1.29x

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