

Notable Consumer Electronics M&A Transactions

June 7, 2018: **Good Sportsman Marketing**, a designer and distributor of hearing amplification and protection devices, raised EUR 60 million of venture funding in a deal led by **Shell Ventures**. Other undisclosed investors also participated in the round. The funds will be used accelerate growth in markets such as the United States and Australia.

June 5, 2018: **Toshiba (personal computer business)**, a manufacturer and seller of personal computers, including central processing unit, monitor, keyboard, computer data storage, graphic card, sound card and motherboard, was acquired by **Internet of Things (TSX: IIT)** (OTC: INOTF) (FSE: 71T) for \$2.53 million or 0.03x revenue. Internet of Things intends to acquire 100% of the issued and outstanding shares of WTX for \$2.53 million on the following terms: (i) \$230,000 in cash payable at closing; (ii) \$300,000 in cash payable on the 6th month anniversary post-closing; and (iii) \$2,000,000 in IoT treasury shares priced on a 5-day VWAP over the next five days, with 50% of the shares to be released over three years on the 12th month, 24th month and 36th month anniversaries post-closing and the 50% balance to be released on achieving \$8.2 million minimum net sales target over 36 months with pro rata releases every six months.

June 1, 2018: **PeerBridge Health**, a developer of a wearable vital sign monitoring technology designed to connect patients and consumers to leading wellness professionals, filed to go public on March 15, 2018. The company intends to sell 19,800,000 shares at a price range of TRY 9.50 to TRY 11.40 per share. At midpoint, the expected offering amount is TRY 206.91 million. Subsequently the offering was postponed on May 13, 2018.

May 31, 2018: **Nokia Health**, a developer of digital health and wellness smart devices include fitness watch, enabling users to measure their heart rate, filed to go public on the Hong Kong stock exchange on May 15, 2018. The expected offering amount is \$2 billion.

May 16, 2018: **Beam Dental**, a provider dental insurance and smartphone-connected toothbrushes that collect data about a user's daily hygiene and use it to determine the rate of insurance plans, closed on \$1.475 million of convertible debt financing from undisclosed investors on June 1, 2018.

May 15, 2018: **Vesper Technologies**, a developer of piezoelectric microphones designed to improve the reliability of the voice user interface for smartphones, smart speakers, and connected automobiles, received an undisclosed amount of development capital from **Caledonia Investments** on May 29, 2018 through a private placement.

May 15, 2018: **Cujo AI**, a smart home security device applies machine-learning security to protect homes against home hacking, enabling consumers to fortify software and hardware, was acquired by **Sentinel Capital Partners** through an LBO on June 7, 2018, for an undisclosed sum.

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Stanton Park Capital provides capital raising, business valuation, and merger & acquisition advisory services. Our professionals have advised more than 100 businesses and raised over \$2 billion in capital.

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Consumer Electronics Insights

Analysis of M&A, Financing, and Market Trends

Public Consumer Electronics Company Statistics as of June 11, 2018 (\$ in 000s)

Company Name	Stock Price	Price % Change 52 Week	Market Cap	Total Debt (TTM)	Cash & Equivalents (TTM)	Enterprise Value (Daily)	Total Revenue (TTM)	Revenue % Growth (TTM)	Normalized EBITDA (TTM)	EV / Revenue	EV / EBITDA	Gross Margin (TTM)
Diversified												
Apple (NAS: AAPL)	191.70	31.8%	950,882,597	121,840,000	45,059,000	984,782,597	247,417,000	12.2%	75,887,000	4.0	13.0	38.3%
Samsung Electronics (KRX: 005930)	46.24	14.8%	330,815,490	17,606,183	28,584,133	330,815,490	211,270,940	21.9%	67,752,389	1.6	4.9	46.0%
Sony (TKS: 6758)	49.67	34.7%	63,387,384	12,657,071	14,927,355	63,387,384	77,067,371	9.8%	9,419,476	0.8	6.7	27.1%
Philips (AMS: PHIA)	42.46	19.2%	40,475,682	0		40,475,682	20,656,427	-2.5%	1,722,634	2.0	23.5	46.3%
Hewlett-Packard (NYS: HPQ)	23.71	33.5%	37,927,573	6,111,000	4,247,000	38,708,573	55,507,000	12.2%	3,934,000	0.7	11.0	18.4%
Panasonic (TKS: 6752)	14.20	5.9%	33,433,069	10,270,928	8,939,097	35,010,908	69,836,466	3.0%	5,882,908	0.5	6.5	29.8%
Toshiba (TKS: 6502)	2.87	-3.8%	18,516,045	9,959,227	5,666,529	24,802,595	43,687,633	24.7%	2,974,244	0.6	6.8	26.7%
LG Electronics (LON: 391B)	17.90	36.6%	15,179,821	8,843,759	3,135,489	22,241,155	54,142,671	13.9%	4,159,723	0.4	5.5	23.9%
ASUS (TAI: 2357)	9.45	1.8%	7,000,368	251,269	2,668,220	4,446,108	14,147,998	-1.3%	755,520	0.3	6.5	13.8%
Pioneer (TKS: 6773)	1.47	-19.9%	552,922	459,120	335,561	718,073	3,287,459	-10.3%	184,935	0.2	4.7	18.2%
Mean		15.5%	149,817,095	18,799,856	12,618,043	154,538,857	79,702,097	8.4%	17,267,283	1.1	8.9	28.9%
Median		17.0%	35,680,321	9,401,493	5,666,529	36,859,741	54,824,836	11.0%	4,046,862	0.7	6.6	26.9%
Audio, Visual & Accessories												
Logitech (SWX: LOGN)	44.16	23.7%	7,236,692	0	641,947	6,594,745	2,566,863	15.6%	279,174	2.6	23.2	35.4%
Hisense Electric Company (SHG: 600060)	2.26	4.5%	3,004,383	666,058	414,734	3,436,500	5,149,642	10.6%	185,229	0.7	19.6	13.8%
Kimball Electronics (NAS: KE)	19.10	2.7%	515,207	16,250	44,244	487,213	1,036,561	13.9%	70,511	0.5	6.9	7.9%
JVCKenwood (TKS: 6632)	2.93	6.1%	401,119	596,383	350,933	677,650	2,684,654	-0.5%	154,971	0.3	3.2	26.8%
VOXX International (NAS: VOXX)	5.45	-16.8%	133,095	16,905	51,740	92,430	507,092	-1.4%	(34,261)	0.2		26.1%
Koss (NAS: KOSS)	2.25	23.0%	16,463		1,570	14,894						
Mean		7.2%	1,884,493	259,119	250,861	1,883,905	2,388,962	7.6%	131,125	0.9	13.2	22.0%
Median		5.3%	458,163	16,905	201,337	582,432	2,566,863	10.6%	154,971	0.5	13.3	26.1%
Home Automation												
Energizer Holdings (NYS: ENR)	61.01	19.6%	3,613,992	1,128,700	490,300	4,252,392	1,784,800	4.3%	320,100	2.4	13.3	45.9%
iRobot (NAS: IRBT)	69.57	-29.5%	1,919,641		144,501	1,735,180	932,512	33.5%	111,409	1.9	15.6	49.5%
Control4 (NAS: CTRL)	24.65	24.6%	643,732	0	19,989	574,131	253,639	17.4%	25,772	2.3	22.3	51.3%
Hamilton Beach Brands (NYS: HBB)	26.82	-13.5%	359,361	85,508	2,389	442,480	747,100		45,547	0.6	9.7	26.4%
Turtle Beach (NAS: HEAR)	20.15	567.4%	293,974	32,706	4,335	322,345	175,669	6.9%	22,164	1.8	14.7	36.3%
Mean		113.7%	1,366,140	311,729	132,303	1,465,306	778,744	15.5%	104,998	1.8	15.1	41.9%
Median		19.6%	643,732	59,107	19,989	574,131	747,100	12.2%	45,547	1.9	14.7	45.9%



Consumer Electronics Insights

Analysis of M&A, Financing, and Market Trends

Public Consumer Electronics Company Statistics as of June 11, 2018 (\$ in 000s)

Company Name	Stock Price	Price % Change 52 Week	Market Cap	Total Debt (TTM)	Cash & Equivalents (TTM)	Enterprise Value (Daily)	Total Revenue (TTM)	Revenue % Growth (TTM)	Normalized EBITDA (TTM)	EV / Revenue	EV / EBITDA	Gross Margin (TTM)
Imaging												
Canon (TKS: 7751)	34.16	-3.6%	36,884,957	5,012,763	5,652,690	38,315,653	36,693,364	11.1%	5,738,509	1.0	6.8	48.4%
Olympus (TKS: 7733)	37.27	3.3%	12,697,368	2,331,160	1,656,144	13,304,599	7,028,153	2.8%	1,328,968	1.9	10.3	65.7%
Nikon (TKS: 7731)	16.49	2.9%	6,596,409	1,213,407	3,429,630	4,288,923	6,315,558	-13.1%	545,677	0.7	8.9	42.2%
Eastman Kodak (NYS: KODK)	5.15	-47.7%	219,671	403,000	313,000	309,671	1,531,000	-5.7%	132,000	0.2	2.7	21.3%
Mean		-11.3%	14,099,601	2,240,083	2,762,866	14,054,712	12,892,019	-1.2%	1,936,289	1.0	7.2	44.4%
Median		-0.4%	9,646,889	1,772,284	2,542,887	8,796,761	6,671,856	-1.5%	937,323	0.9	7.9	45.3%
Wearables												
Garmin (NAS: GRMN)	61.85	19.1%	11,580,871	0	898,981	10,514,145	3,159,330	4.1%	775,881	3.3	13.2	58.2%
Fitbit (NYS: FIT)	6.35	21.2%	1,570,807	0	378,360	912,453	1,564,442	-20.3%	(137,651)	0.6		43.9%
GoPro (NAS: GPRO)	5.84	-31.5%	902,029	132,189	104,987	889,385	1,163,473	-4.7%	(110,543)	0.8		31.0%
Huami (NYS: HMI)	11.99	6.6%	703,700	0	177,783	523,985	347,718		31,541	1.5	16.6	24.6%
Vuzix (NAS: VUZI)	6.90	12.2%	185,150	0	36,068	149,082						
Mean		5.5%	2,988,511	26,438	319,236	2,597,810	1,558,741	-7.0%	139,807	1.6	14.9	39.4%
Median		12.2%	902,029	0	177,783	889,385	1,363,958	-4.7%	(39,501)	1.2	14.9	37.5%
Retail & Distribution												
Amazon.com (NAS: AMZN)	1,683.99	74.5%	819,693,809	24,640,000	16,676,000	819,370,809	193,194,000	35.5%	18,279,000	4.2	44.8	23.1%
GameStop (NYS: GME)	14.53	-33.1%	1,476,109	818,600	247,200	1,476,109	9,112,700	5.0%	238,500	0.2	6.2	32.9%
Zagg (NAS: ZAGG)	16.15	85.6%	442,116	22,038	17,745	446,409	538,615	24.6%	81,653	0.8	5.5	33.0%
Universal Electronics (NAS: UEIC)	29.95	-55.4%	432,248	141,000	40,229	533,019	699,082	5.6%	41,831	0.8	12.7	23.2%
Infonics (NAS: IFON)	3.89	-66.2%	14,505	14,767	869	28,403	22,489	-30.9%	(5,692)	1.3		12.5%
Mean		1.1%	164,411,757	5,127,281	3,396,409	164,370,950	40,713,377	8.0%	3,727,058	1.5	17.3	24.9%
Median		-33.1%	442,116	141,000	40,229	533,019	699,082	5.6%	81,653	0.8	9.4	23.2%

Recent Consumer Electronics Merger & Acquisition Transactions

Deal Date	Company Name	Description	Implied EV	Implied EV / Revenue	Implied EV / EBITDA
07-Jun-2018	Good Sportsman Marketing	Designer and distributor of hearing amplification and protection devices.			
05-Jun-2018	Toshiba (personal computer business)	Manufacturer of personal computers.	44.94	0.03x	
05-Jun-2018	NextInput	Provider of a force-sensitive touch technology designed to facilitate the operation of touch enabled devices.			
05-Jun-2018	Scanalytics	Developer of an intelligent floor sensor designed to measure consumer behavior insights in physical spaces.			
05-Jun-2018	Maplin Electronics	Operator of a chain of consumer electronics and computer hardware retail stores.			
04-Jun-2018	Weather Telematics	Developer of mobile weather observation platform designed to provide next generation technologies for safer vehicle operation.	2.53		
04-Jun-2018	ROU	Provider of a modular music creation system designed to open up new possibilities for musical expression.			
01-Jun-2018	PeerBridge Health	Developer of a wearable vital sign monitoring technology designed to connect patients and consumers to leading wellness professionals.			
01-Jun-2018	C2M/Intelware	Distributor and wholesaler of audiovisual products.			
31-May-2018	Nokia Health	Developer of digital health and wellness smart devices include fitness watch, enabling users to measure their heart rate.			
31-May-2018	Ecobee	Developer of Wi-Fi enabled thermostats created to deliver intelligent energy management services to homeowners and businesses			
31-May-2018	Avegant	Developer of light field display technology designed for mixed reality applications.			
31-May-2018	Cruise Automation	Developer of self-driving automobile technologies intended to safely connect people to the places, things and experiences they care about.			
31-May-2018	Cambridge Touch Technologies	Developer of a 3D touch technology designed to enhance experience with touch sensitive devices.			
31-May-2018	Chacon Group	Provider of security and home comfort equipment, including cameras, videophones, alarms, and programmable thermostats	14.01		
30-May-2018	Propeller Health	Provider of digital therapeutics designed to treat disease and improve clinical outcomes for patients across a range of therapeutic areas			
30-May-2018	Uvenco Uk	Manufacturer of hot drink and snack vending machines in the United Kingdom and Ireland.	3.41		
30-May-2018	CarBlock	Provider of a blockchain-based infrastructure platform intended to use data generated by smart devices.			
29-May-2018	Watco (NYS: WSO)	Distributor of air conditioning, heating and refrigeration equipment and related parts designed to provide heating and cooling for homes.			
25-May-2018	Techem	Provider of energy billing and energy management services for real estate.	6,444.87	6.81x	15.49x
25-May-2018	Healbe	Provider of mobile application and wearable device designed to track body fitness.			
25-May-2018	Jondetech (STO: JDT)	Manufacturer and marketer of infrared (IR) sensor based on nanotechnology designed for contactless temperature measurement.			
24-May-2018	Crimway Lighting	Manufacturer of lampshade and lighting products in Towcester, England.			
23-May-2018	Sonnen (Battery Storage)	Developer of a solar-based energy storage system designed to manage energy throughout the day.			
23-May-2018	Priwen Systems	Wrist-worn device that acts as a communications tool and safety sensor allowing both workers and management to stay connected			
21-May-2018	Avocado	Developer of an online food platform designed to connect publishers, brands and grocery retailers			
21-May-2018	SpaceoutVR	Developer of a mobile virtual reality software created to monetizes with upgrades and features for entertainment, gaming and communications.			
21-May-2018	mcSquares	Developer of digital whiteboards designed to inspire collaboration and spark creativity.			
18-May-2018	Gh2c	Distributor of air conditioners and related parts and supplies.			
18-May-2018	Humavox	Developer of a wireless charging technology designed to provide a natural and easy charging experience for users.			
16-May-2018	Iotas	Developer of smart apartment technology platform designed to support a wide variety of connected devices.			
16-May-2018	Beam Dental	Provider dental insurance and smartphone-connected toothbrushes that collect data to determine the rate of insurance plans.			
15-May-2018	Vesper Technologies	Developer of piezoelectric microphones for smartphones, smart speakers, and connected automobiles.			
15-May-2018	Canaan (Bitcoin Mining Hardware)	Developer of application-specific integrated circuit (ASIC) chips.			
15-May-2018	Cujo AI	Smart home security device applies machine-learning security to protect homes against home hacking.			
15-May-2018	Oak Labs	Developer of an intuitive customer technology designed to connect brick-and-mortar stores and online stores together.			
13-May-2018	Penta Teknoloji	Distributor of information technology and electronic products to 4,300 dealers all over Turkey			



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