



# Action Report

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## PROFESSIONAL AUDIOVISUAL INDUSTRY ACTIVITY REPORT

February 2023

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SOLOMON  
PARTNERS

February 2023

# SPECIAL HIGHLIGHTS IN THIS ISSUE

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- AV Industry Outlook
  - ISE 2023 Recap
  - AV Industry Key Trends
  - AV Recent Earnings Summary & Commentary
  - AV Industry Experiencing Consolidation
  - AV Industry Trading and Valuation Update
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# Recent Solomon Partners Transactions

**JANUARY 2023**

**UBG**

Has sold a multi-decade lease of Times Square signage to

**PROVIDENCE**  
EQUITY PARTNERS

In partnership with

**OUTFRONT**

Served as financial advisor to Universal Branding Group

**JANUARY 2023**

**LEGACY**  
SERVICE PARTNERS

Received a growth investment from

**GRIDIRON**  
SPORTS

Served as financial advisor to Legacy Service Partners LLC

**DECEMBER 2022**

**GTCR**

has made a strategic investment in

**Sensre**  
services

Served as financial advisor to GTCR

**DECEMBER 2022**

**ami**

A portfolio company of

**TGG**  
The Green Group

Has been sold to

**Coral Tree Partners**

Served as financial advisor to AMI Entertainment Network

**DECEMBER 2022**

**KNOX-LANE**

has acquired

**RUPPERT**  
LANDSCAPE

Served as financial advisor to Knox Lane LP

**NOVEMBER 2022**

**VESTAR**

Strategic growth investment in

**nox**  
HEALTH

Served as financial advisor to Vestar Capital

**NOVEMBER 2022**

**IMPERFECT**  
FOODS

Sale to

**Misfits**  
Market

Served as exclusive financial advisor to Imperfect Foods

**NOVEMBER 2022**

**NOVUS**  
SOLUTIONS

A Portfolio Company of

**AVALT**

Has Been Acquired By

**COBEP**

Served as financial advisor to AVALT

**OCTOBER 2022**  
\$250,000,000

**Targus**

Sale to

**RILEY**  
Financial

Served as financial advisor to Targus

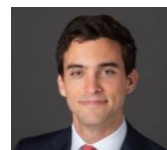
## Media Group



**Mark A. Boidman**  
Partner  
W | 212.508.1661  
M | 917.526.1092  
mark.boydman@solomonpartners.com  
Twitter: @MBoidman



**Ben Zinder**  
Director  
W | 212.508.1621  
M | 646.522.8353  
ben.zinder@solomonpartners.com



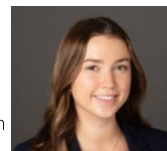
**Christian Bermel**  
Vice President  
W | 646.708.8478  
M | 860.371.5882  
christian.bermel@solomonpartners.com



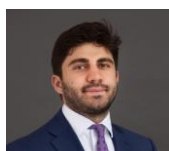
**Matthew Fryfield**  
Senior Analyst  
W | 646.293.7303  
M | 732.939.7946  
matthew.fryfield@solomonpartners.com



**Blake McCann**  
Analyst  
W | 646.293.7339  
M | 336.403.8459  
blake.mccann@solomonpartners.com



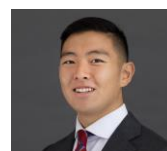
**Kate Plassman**  
Analyst  
W | 646.293.7343  
M | 734.363.9141  
kate.plassman@solomonpartners.com



**Christian Kasmikha**  
Analyst  
W | 646.293.7350  
M | 248.904.0087  
christian.kasmikha@solomonpartners.com



**Trae Smith**  
Analyst  
W | 646.293.7365  
M | 602.317.1252  
trae.smith@solomonpartners.com



**Ricky Yoo**  
Analyst  
W | 646.293.7369  
M | 770.876.8715  
ricky.yoo@solomonpartners.com

# AV Industry Closed the Year Out Strong

The AV market continues to perform and grow

## INDUSTRY OUTLOOK

- The AV Sales Index increased from a discouraging 57.0 in November to 61.2 in December—ending strong for the year
  - North America has fared worse in the initial read of the international outlook
- Outstanding growth with an annual sales change index of 72.5 vs 67.9 same time last year
  - Strong start expected in 2023 with holdover demand from unfinished projects

## GROWTH DRIVERS

- Shift from Hardware to Software technology is changing how companies invest in AV solutions
  - AV as a Service (AVaaS) requires less upfront investment and capital expenditure, creating software-agnostic solutions for users to use various devices in a variety of collaborative spaces
- Product advancements in AV categories driving higher meeting quality
  - AI in audio devices and camera framing have reduced static and acute noises without affecting quality
- Expansion of Pro AV and Display Technology into new spaces (i.e. in-home and in-car)
  - Large format and high-resolution display systems incorporated in-home and in-car entertainment systems built-in as autonomous driving becomes more popular

## PREVAILING TAILWINDS

- Uncertainty from inflation is causing a standstill on some projects for 2023 as the true project costs can change and result in once-profitable jobs ending unprofitable
- Rise in costs, lack of specialized employees, longer durations for delivery and higher interest rates on loans
- Some supply chain woes as prices for shipping, raw materials and microprocessors revert to normal levels

Source: AV Magazine, AVIXA, Commercial Integrator and MarketScale.

# ISE 2023 EVENT RECAP

## ISE 2023 by the Numbers

+1,000 Exhibitors

+58,000 Attendees

155 Countries

### Sustainability Focus

- Continued emphasis of sustainability in digital signage and display industry (e.g. Samsung, Sharp / NEC and Google)
  - ISE Digital Signage Summit included exhibits / keynotes dedicated to concerning power consumption, eco designs, circularity, recycling and more
  - Adoption of a modular approach to enable only certain parts of products to be replaced when needed
  - Sharp / NEC stand was made entirely of recyclable materials, including the rug, showcasing their efforts to drive sustainability
- Smart building industry encouraged to adopt lifecycle management model to ensure all aspects of a sustainable building are considered

### Technology Takeaways

- Immersive experiences sector highlighted importance of creative teams, technologist and AV working together for better storytelling
  - Frameless, the largest permanent immersive art gallery in London, displayed immersive experiences across 4 galleries
- Computer graphics games are broadening reach across industries from construction to live events, simulation, manufacturing to advertising and more
- Virtual production to be increasingly used for high-end visual communication
  - Pixotype, a graphics software company, believes that all video-based content will have the visual impact of high-end feature films combined with the scale of online content and social nature of video games

### Solomon Cocktail Event at ISE

- Solomon Partners hosted a cocktail event at the Spiral Restaurant at the Hotel Barcelona Porta Fira during ISE 2023 that was well attended by C-level executives, investors and AV industry leaders

Sources: ISE and Installation International.

# 2023 AV Trends

Spaces and events are increasingly being designed with an emphasis on audiovisual technology to enhance the visitor / customer experience

## AWARENESS OF THE ENVIRONMENT

- Sustainability is a key focus for brands and businesses, reducing environmental impact by replacing static signage with digital signage
- Reduction in the carbon footprint associated with manufacturing process, distribution and waste management



## EQUIPMENT FOR COMMERCIAL USE

- Commercial-grade equipment is becoming more energy efficient with longer product lifetimes and reliability
- System-on-chip technology will cost less overtime as it is less likely to fail, reducing operational cost and ensuring better customer service



## REMOTE CONTROL AND IoT

- Internet of Things is growing with artificial intelligence (AI) and companies need an effective way to control AV devices wherever they are
- AV solutions are enriched with remote management software and IoT devices, allowing business leaders better visibility into meeting tools



## EXTENDED REALITY AND THE METAVERSE

- The metaverse is a collective digital community in a virtual environment powered by Augmented / Virtual Reality
- AV innovators will get involved with new displays for connecting hybrid teams and the use of wearable headsets and extended reality technology




## ARTIFICIAL INTELLIGENCE

- AI solutions will become common place in meeting rooms and office environments with the ability to track relevant metrics and information, setting up meetings automatically and more
- AI tools can also get rid of external distractions by blocking out noise and adjusting positioning of cameras and streams for better face-to-face interaction




# AV Recent Earnings Summary & Commentary

2Q23 Results <sup>(a)</sup>	<ul style="list-style-type: none"> <li>• 2Q23<sup>(a)</sup> Sales: \$187.4M             <ul style="list-style-type: none"> <li>• 14.0% YoY Improvement</li> </ul> </li> <li>• 2Q23 Gross Margin: 16.9%             <ul style="list-style-type: none"> <li>• 2.7% YoY Decline</li> </ul> </li> <li>• 2Q23 Operating Income: \$1.5M             <ul style="list-style-type: none"> <li>• 65.2% YoY Decline</li> </ul> </li> </ul>
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 Commentary	<ul style="list-style-type: none"> <li>• “The unprecedented and persistent supply chain conditions caused lower gross profits through fulfillment as well as higher costs for materials, labor, and freight that were not all able to be passed on to our customers.”</li> <li>• “Our business continues to adapt and recover from the enduring implications of the pandemic. Supply chain disruptions have started to ease and we expect our inventory levels to peak in the third quarter and begin to decline to more normalized levels as order backlog is fulfilled and we reduce purchases.”</li> <li>• “The board's strategy and financing review committee is working with independent financial and legal advisors to ensure the company is on solid financial footing.”</li> <li>• “The committee is now focused on longer-term liquidity and is actively reviewing alternatives, including several proposals that the company has received. We expect to engage with Alta Fox on its proposal in connection with this review, as we have told Alta Fox on numerous occasions.”</li> </ul>
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Interim '22 Results <sup>(b)</sup>	<ul style="list-style-type: none"> <li>• Interim '22<sup>(b)</sup> Sales: £568.6M             <ul style="list-style-type: none"> <li>• 45.8% YoY Improvement</li> </ul> </li> <li>• Interim '22 Gross Margin: 14.9%             <ul style="list-style-type: none"> <li>• 0.2% YoY Decline</li> </ul> </li> <li>• Interim '22 Operating Income: £12.7M             <ul style="list-style-type: none"> <li>• 67.1% YoY Improvement</li> </ul> </li> </ul>
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 Commentary	<ul style="list-style-type: none"> <li>• “Significant organic revenue growth of 27.9%, which was supplemented by a strong contribution from the two UK businesses acquired in early 2022. Our performance compares very favourably with AVIXA’s global pro AV market growth estimate of 10.5% for 2022.”</li> <li>• “Trading performance in the UK &amp; Ireland, and North America was particularly impressive, with growth on a constant currency basis of 86.3% and 81.5% respectively on H1 2021. Growth was driven by a combination of market share gains, new vendors and technologies and partial recovery in some end user markets.”</li> </ul>
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a) Daktronics 2Q23 ended October 29, 2022.

b) Midwich Interim '22 ended June 30, 2022.

# Audiovisual Industry Continues to Consolidate

- Integrators rely on M&A to grow and build scale globally
  - Customers require implementation of AV and collaboration technologies on a global scale as economic globalization continues
- M&A activity driven by rapid evolution of communication technologies and need for sophisticated integration skillsets to offer enterprise-wide unified communication
- Pro AV is a beneficiary of the private equity model, a “platform” acquisition with subsequent complimentary add-ons

## Notable Recent AV Industry Mergers & Acquisitions



- In January 2023, AVI-SPL announced its acquisition of Adtech, an audio-visual (AV) design and systems integration firm headquartered in Massachusetts
- Strengthens AVI-SPL’s presence and operations in the Northeast
- Considerable opportunity from untapped demand for IT services, including unified communications (UC), collaboration and experience technology solutions



- In November 2022, Uniguest acquired MediaStar Systems, a leading IP Video provider
- MediaStar Systems develops IPTV and digital signage software and hardware solutions
- Acquisition grants additional capabilities within IP video distribution and digital signage delivery



- In November 2022, Solutionz announced its acquisition of Spinitar, an AV integrator and services provider specializing in custom design, implementation and maintenance plans
- Strengthens company’s presence in the Western US and solidifies Solutionz as a top ten AV integrator



- In May 2022, Spectrio acquired Ping HD, a digital signage company based in Denver, Colorado
- The acquisition adds more than 35,000 screens to Spectrio’s digital footprint
- Partnership gives clients wider range of services as well as cohort of content creators



# Integrators by Revenue

Company	Projected 2022 Revenue (\$M) <sup>(a)</sup>	2022 Number of Installations	Recent Updates / Overview
	\$1,411	21,265	Dec 22 – AVI Systems to acquire Neurilink, a full-service audiovisual (AV) design and integration business that serves the Northwest US
	\$1,350	11,500	Jan 23 – AVI-SPL to acquire Adtech Systems, an AV design and systems integration firm based in Massachusetts, expanding presence into Northeast US
	\$990	2,600	Nov 22 – Diversified launches innovative Microsoft Solutions Center in EMEA, featuring the latest Microsoft Teams Rooms technology
	\$259	2,150	Nov 22 – Solutionz to acquire California-based AV Integrator Spinitar, strengthening company's presence in the Western US
	\$225	2,200	Nov 22 – Solotech and RSA Cosmos – Konica Minolta, a digital planterium company, announce new partnership
	\$221	2,973	Kinly is a global provider of AV systems integration services & support with 20+ years of experience and over 2,500 clients
	\$204	3,394	Jan 23 – Pavion, fka Corbett Technology Solutions, acquired Missouri-based Short Circuit Electronics, expanding security, fire and integration services for customers
	\$175	2,827	Avidex provides AV solutions for organizations and enterprises and is a wholly-owned subsidiary of ITOCHU International, a Fortune 500 company
	\$166	683	Ford AV designs, installs, and services professional and commercial sound, AV, network infrastructure and security
	\$150	890	IES Communications is a nationwide provider of communications infrastructure within data centers

Source: AVNetwork.com SCN Top 50 December 2022 Report and Wall Street research.

Note: Integrators ranked by Revenue from Commercial AV Systems.

(a) Represents revenue from commercial AV systems installations.

# Sector News

## Audio / Visual

- **2/6/23: Diversified**  
announces Paul Lidsky as Chairman, Board of Directors. Lidsky currently serves as the executive chairman at Core BTS, a former Tailwind portfolio company
- **1/31/23: Jabra**  
unveiled the PanaCast 50 Video Bar System at ISE 2023, a solution to facilitate next-level hybrid meeting experiences with no need for a dedicated PC and minimal cabling
- **1/31/23: Marshall Electronics**  
released the portable Middleton speaker with True Stereophonic technology, a multi-dimensional stereo system made up of Class D amplifiers
- **1/31/23: Sonos**  
adds integration with TuneIn radio and podcasts, making streaming audio content more accessible
- **1/19/23: AVI-SPL**  
launched new sub-brand, AVI-SPL Videolink, to represent its suite of modern enterprise video solutions and services
- **1/17/23: Barco & Creon**  
announced strategic partnership for the Benelux area and Sweden, allowing both companies to jointly approach the control room markets
- **1/10/23: d&b audiotechnik**  
launched new Immersive Business division that will provide immersive solutions for the event technology industry
- **1/6/23: Dolby**  
kicks off CES Week starting with Imagine Dragons' First-Ever Live Performance in Dolby Atmos
- **12/12/22: Exertis Almo**  
acquires Caddrillion to provide dedicated CAD/Engineering Expertise
- **12/9/22: ClearOne**  
and Shure Incorporated jointly announced that they have reached a global settlement of all pending legal disputes
- **11/16/22: Bang & Olufsen**  
launched flagship store on London's iconic New Bond Street in Mayfair
- **11/7/22: JDI**  
developed world's first 3D imaging technology deploying LCD panels, enabling unprecedented simultaneous capture of video and depth maps

## Digital Signage

- **2/3/23: SNA Displays**  
received recognition at the 2023 Digital Signage Awards, including the top prize for Digital Out of Home Media
- **2/2/23: LG Displays**  
released OLED Monitor inspired by Dragonfly Eyes with a Micro Lens Array which maximizes light emissions
- **2/1/23: Uniguest**  
released a new range of NTB Digital Signage Players for its Onelan enterprise digital signage platform at ISE 2023
- **1/25/23: Broadsign**  
released next gen OOH platform which includes unified UI, new flexible audience-targeting campaign tools and expanded static access
- **1/20/23: Shell**  
to acquire Volta, an electric vehicle charging and advertising network, in an all-cash transaction valued at approximately \$169 million
- **1/18/23: Proto,**  
a 3D high-definition hologram communications firm, has extended its operations to Australia in its partnership with TeleIn, an ed-tech company
- **1/16/23: Daktronics**  
delivered largest LED marquee display, standing 134 feet tall, in Oklahoma in the Hard Rock Hotel & Casino
- **12/20/22: Astra Group**  
developed a recently acquired property near Manchester into a full DOOH assembly and quality control facility
- **11/17/22: Intersection**  
deployed digital network in 3 new San Francisco Subway Stations, including a five-year extension of the base contract and deployment of large format static and engaging digital media assets throughout new stations
- **11/16/22: Creative Realities**  
announced major milestones and enhancements to Reflect AdLogic, an advertising solution platform delivering over 1 billion ads per month and powering over 75,000 screens
- **11/9/22: Embed Signage**  
is a finalist for the 2022 Digital Signage Experience Awards in the Restaurants category for their Krispy Kreme's Edinburgh St James Store

Source: Press releases, company filings and Wall Street research.

# Sector News

## Augmented Reality & Event Production

- **2/5/2023: Samsung**  
released the Bespoke Home Virtual, a 3D home appliance experience in a virtual reality space using advanced digital twin technology, at the Kitchen & Bath Industry Show
- **2/1/2023: Google**  
partnered with Samsung and Qualcomm to build a new mixed-reality platform
- **1/26/2023: Solotech**  
announced new UK headquarters to continue its live productions and systems integration expansion in Europe
- **1/23/2023: Vuzix**  
announced that its Vuzix smart glasses have been deployed by OX, a Vuzix value added reseller, at one of the world's largest logistics platform providers
- **1/17/2023: VividQ & Dispelix**  
announced that they have designed a 'waveguide combiner' that can accurately display simultaneous variable-depth 3D content within a user's environment
- **1/10/2023: Magic Leap**  
announced that their Magic Leap device earned IEC 60601 certification, which grants approval for specific standards as electronic medical equipment
- **1/7/2023: Meta**  
has acquired Luxexcel, a company that 3D prints lenses for prescription eyewear and smart wearables
- **11/16/2022: Spatial**  
announced Spatial Space Kit, the first all-in-one immersive audio solution deployable in commercial applications
- **11/2/2022: Snapchat & Amazon Fashion**  
partnered to create an AR shopping experience, offering thousands of digital try-on styles for both brands and customers

## Diversified AV

- **1/31/2023: Panasonic**  
announced KAIROS Live Production Platform, a live production platform
- **1/31/2023: Huddly**  
launched an AI-directed multi-camera system at ISE 2023 that brings the expertise of TV and movie production to video conferencing
- **1/26/2023: LG**  
introduced 4K Smart Camera Solution for healthcare environments, facilitating medical staff-patient interactions
- **1/23/23: Sony**  
announced new pressure-free headphones called Float Run specifically designed for runners and athletes
- **1/18/2023 Apple**  
introduced new Homepod, a speaker that has advanced computational audio and support for immersive Spatial Audio tracks
- **1/11/2023: Samsung**  
added Spatial Audio recording to Galaxy phones for the first time
- **1/9/2023: Logitech**  
introduced Mevo Go, a new companion app in the Mevo ecosystem that provides creators with solutions in multicam streaming and recording
- **1/5/2023: Toshiba**  
Global Commerce Solutions announced partnership with PriceSmart, a LatAm warehouse retailer, to transform front-end experience retail experience for members
- **1/4/2023: Panasonic**  
unveiled EV audio system for electric vehicles that offers high-quality listening experience with reduced energy consumption and weight

Source: Press releases, company filings and Wall Street research.

# Audio / Visual M&A

## Recent deals in the Audio / Visual market

(\$ in millions)

Date Announced	Acquiror	Target	EV as a Multiple of:		
			Enterprise Value	LTM Sales	LTM EBITDA
Jan-23	C10 Media	ANC	NA	NA	NA
Jan-23	AVI-SPL	Adtech Systems	NA	NA	NA
Dec-22	AVI Systems	Neurilink	NA	NA	NA
Dec-22	AVI-SPL	Multimedia	NA	NA	NA
Nov-22	Uniguest	MediaStar Systems	NA	NA	NA
Nov-22	Solutionz	Spinitar	NA	NA	NA
Oct-22	Groove Technology Solutions	Ekho Comm	NA	NA	NA
Sep-22	ACT Entertainment	Ultimate Support Systems	NA	NA	NA
Jul-22	Livewire	Avico	NA	NA	NA
Jul-22	Sennheiser	Merging Technologies	NA	NA	NA
Jun-22	TPV Group	Philips Digital Signage	NA	NA	NA
Jun-22	Uniguest	CPI Global (Hospitality Division)	NA	NA	NA
Jun-22	Uniguest	Otrum AS	NA	NA	NA
Jun-22	AVI-SPL	Sonics AVI	NA	NA	NA
May-22	Spectrio	Ping HD	NA	NA	NA
May-22	AVI Systems	CIM Audio Video / CCS	NA	NA	NA
Mar-22	HP	Poly	\$3,300	2.0 x	14.7 x
Mar-22	Crestron	1 Beyond	NA	NA	NA
Mar-22	Disguise	Polygon Labs	NA	NA	NA
Feb-22	AVI Systems	Onsite AV Service Partners	NA	NA	NA
Feb-22	Kramer Electronics	UC Workspace	NA	NA	NA
Feb-22	Corbett Technology Solutions (CTS)	Systems Electronics	NA	NA	NA
Jan-22	RoomReady	Wired Technologies	NA	NA	NA
Jan-22	Utology	CloudThinQ	NA	NA	NA
Jan-22	Snap One	Staub Electronics	NA	NA	NA
Jan-22	Audinate	Silex Insight (Video Business)	NA	NA	NA
Jan-22	Solotech	XR Studios	NA	NA	NA
Dec-21	DCC Technology	Almo	610	0.5	8.1
Dec-21	AVI-SPL	SKC Communications	NA	NA	NA
Dec-21	Paladin Technologies	Videotronix	NA	NA	NA
Nov-21	Creative Realities	Reflect Systems	~23	2.2	NA
Nov-21	Boxlight	FrontRow	34	1.4	5.7
Nov-21	Emerald	AV-iQ	NA	NA	NA
Nov-21	Paladin Technologies	Spectra Audio Design Group	NA	NA	NA
Nov-21	Graham Partners	BrightSign	NA	NA	NA
Oct-21	Mood Media	PlayNetwork	NA	NA	NA

Source: Press releases and company filings.

# Market Indicators

## Share Price Performance

	Stock Price 2/9/23	1-Week % Change	1- Month % Change	LTM % Change
<b>Audio</b>				
B&O	\$1.73	(5%)	28%	(48%)
Dolby	\$83.94	2%	13%	7%
Sonos	\$20.80	7%	17%	(22%)
VOXX	\$10.55	(0%)	16%	(19%)

<b>Audio Median</b>		1%	17%	(20%)
<b>Audio Mean</b>		1%	19%	(21%)

### Diversified AV

Hisense	\$2.25	(1%)	6%	1%
Hitachi	\$53.72	(2%)	8%	4%
LG	\$85.64	4%	11%	(21%)
Logitech	\$58.22	(3%)	(14%)	(27%)
Midwich	\$6.03	(1%)	9%	(27%)
Panasonic	\$8.81	(5%)	6%	(17%)
Philips	\$17.20	(6%)	4%	(50%)
Samsung	\$49.96	(4%)	2%	(20%)
Sony	\$91.12	2%	13%	(16%)
Toshiba	\$35.13	0%	0%	(12%)

<b>Diversified AV Median</b>		(1%)	6%	(19%)
<b>Diversified AV Mean</b>		(2%)	5%	(19%)

	Stock Price 2/9/23	1-Week % Change	1- Month % Change	LTM % Change
<b>Visual</b>				
Barco	\$28.73	10%	10%	39%
ClearOne	\$1.73	--	--	74%
Japan Display	\$0.34	(4%)	13%	(1%)
Konka	\$0.71	(0%)	5%	(25%)
Sharp	\$7.19	(15%)	(4%)	(37%)
TCL	\$0.62	(1%)	8%	(33%)

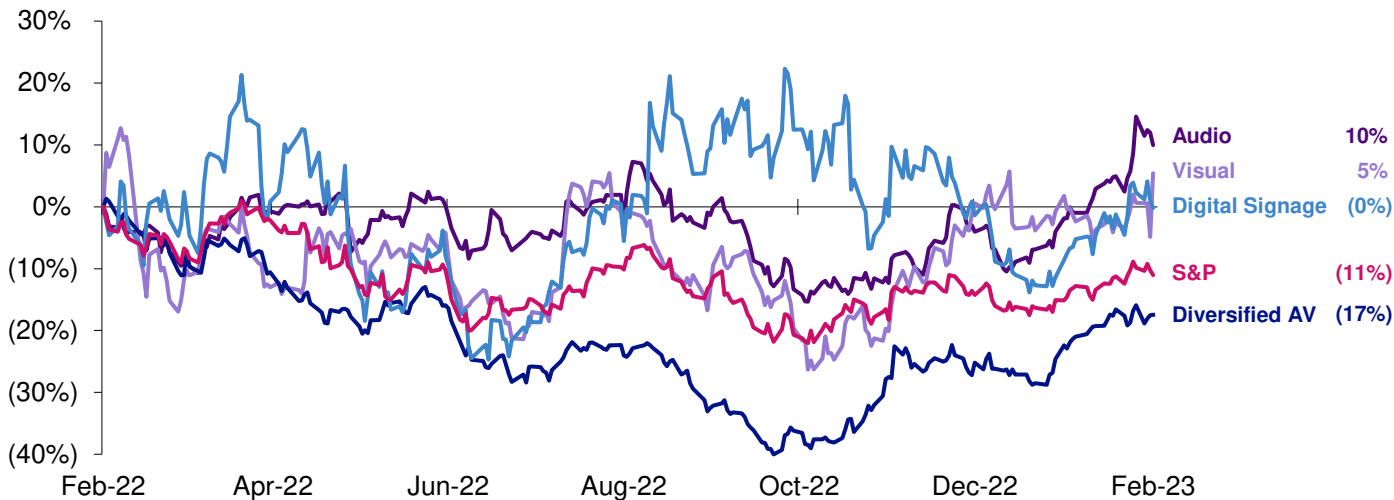
<b>Visual Median</b>		(0%)	7%	(13%)
<b>Visual Mean</b>		(2%)	5%	3%

### Digital Signage

Acuity Brands	\$186.98	(2%)	7%	(3%)
AU Optronics	\$0.59	4%	11%	(40%)
Daktronics	\$3.89	(6%)	30%	(18%)
Dialight	\$3.13	4%	(21%)	(30%)
Ennostar	\$1.64	(4%)	4%	(56%)
Everlight	\$1.24	(3%)	1%	(39%)
Leyard	\$0.93	1%	8%	(2%)
LSI	\$13.71	1%	7%	93%
NEC	\$37.42	(0%)	8%	(16%)
Unilumin	\$0.91	2%	7%	(29%)
Wolfspeed	\$81.89	(5%)	13%	(18%)

<b>Digital Signage Median</b>		(0%)	7%	(18%)
<b>Digital Signage Mean</b>		(1%)	7%	(14%)

## LTM Indexed Market Capitalization Performance

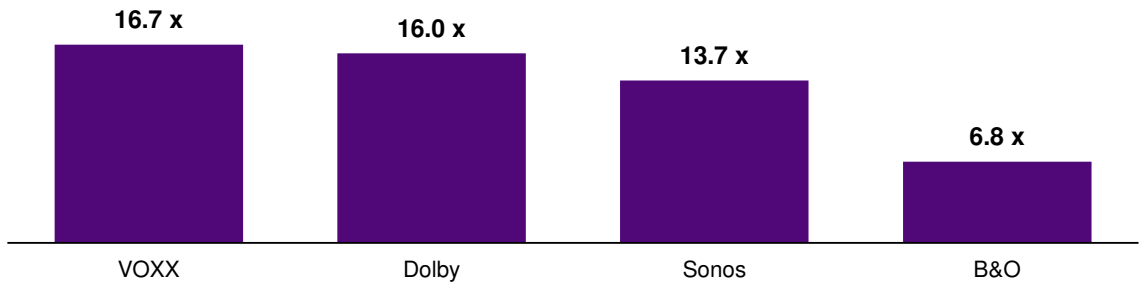


Source: Capital IQ as of February 9, 2023, Bloomberg and Wall Street Research.

# EV / 2023E EBITDA

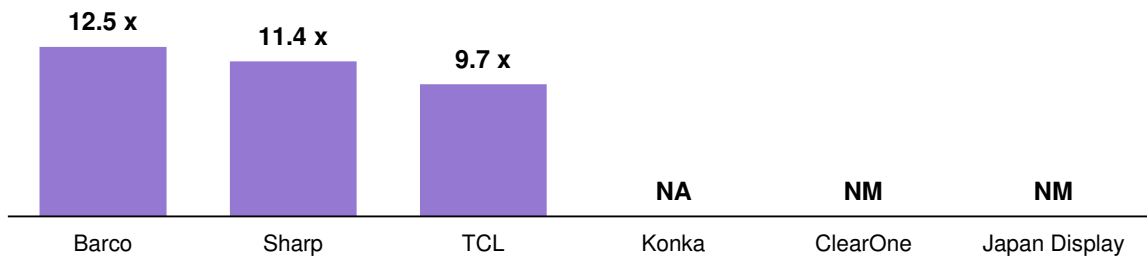
## Audio

Median: 14.8 x



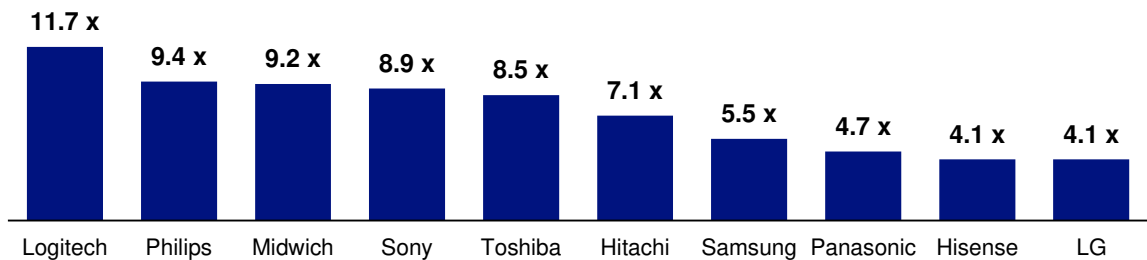
## Visual

Median: 11.4 x



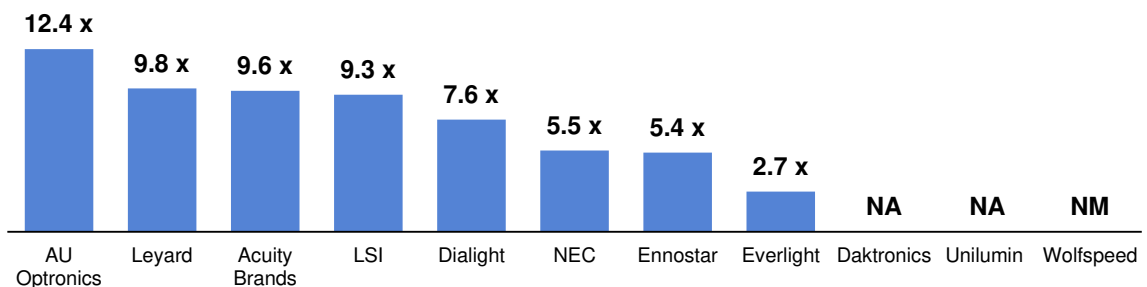
## Diversified AV

Median: 7.8 x



## Digital Signage

Median: 8.5 x

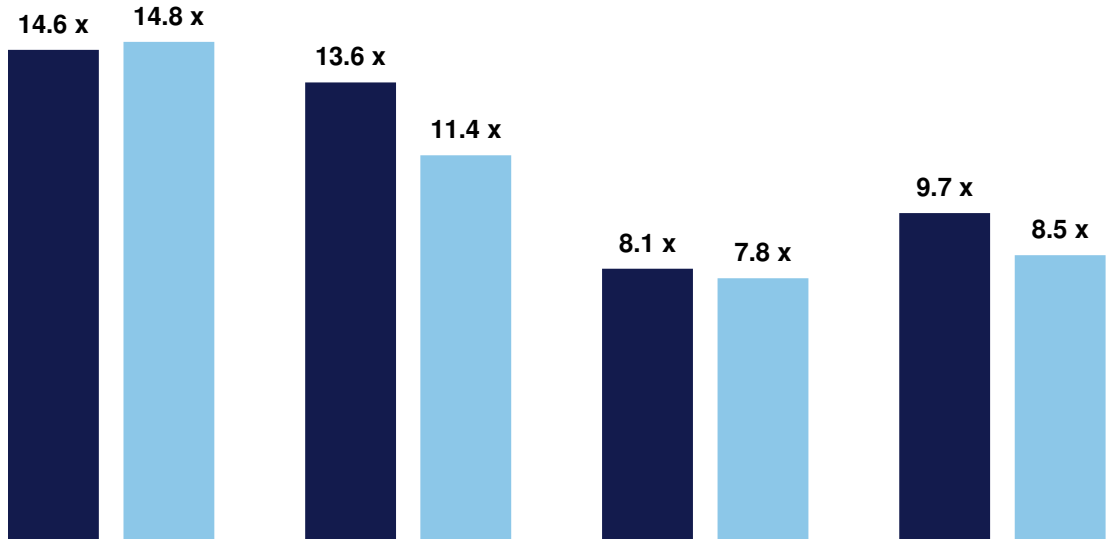


Source: Capital IQ as of February 9, 2023, Bloomberg and Wall Street Research.

# Valuation Summary

Current market trading multiples

EV / 2022E EBITDA    EV / 2023E EBITDA



## Audio



SONOS



## Visual



ClearOne



KONKA

SHARP



## Diversified AV

Hisense

HITACHI



midwich

Panasonic

PHILIPS

SAMSUNG

SONY

TOSHIBA

## Digital Signage

AcuityBrands

NUO



Dialight

Ennostar



LEYARD



Unilumin

Wolfspeed

Source: Capital IQ as of February 9, 2023.

# Valuation Metrics

(\$ in Millions, Except Per Share Values)

	Stock Price 2/9/22	52-Week Low	52-Week High	Equity Value	Enterprise Value	Valuation Multiples		Growth	
						EV / Revenue	EV / EBITDA	'21A - '23E	CAGR
						CY 2023	CY 2023	Revenue	EBITDA
<b>Audio</b>									
B&O	\$1.73	\$1.02	\$3.32	\$207	\$207	0.5 x	6.8 x	(2%)	11%
Dolby	83.94	63.44	86.41	8,043	7,289	5.6 x	16.0 x	2%	11%
Sonos	20.80	13.90	30.95	2,649	2,217	1.3 x	13.7 x	(1%)	(7%)
VOXX	10.55	6.16	12.79	249	249	0.5 x	16.7 x	(10%)	(21%)
<b>Audio Median</b>						<b>0.9 x</b>	<b>14.8 x</b>	<b>(1%)</b>	<b>2%</b>
<b>Audio Mean</b>						<b>2.0 x</b>	<b>13.3 x</b>	<b>(3%)</b>	<b>(1%)</b>
<b>Visual</b>									
Barco	\$28.73	\$19.83	\$28.73	\$2,561	\$2,330	1.9 x	12.5 x	16%	NM
ClearOne	1.73	0.47	1.87	41	42	NA	NA	NA	NA
Japan Display	0.34	0.29	0.62	1,385	1,682	0.8 x	NM	(8%)	NM
Konka	0.71	0.65	0.96	1,337	3,877	NA	NA	NA	NA
Sharp	7.19	5.38	11.61	4,670	8,268	0.4 x	11.4 x	(4%)	(27%)
TCL	0.62	0.51	0.93	10,302	39,196	1.4 x	9.7 x	4%	(12%)
<b>Visual Median</b>						<b>1.1 x</b>	<b>11.4 x</b>	<b>(0%)</b>	<b>(20%)</b>
<b>Visual Mean</b>						<b>1.1 x</b>	<b>11.2 x</b>	<b>2%</b>	<b>(20%)</b>
<b>Diversified AV</b>									
Hisense	\$2.25	\$1.44	\$2.35	\$2,894	\$1,669	0.2 x	4.1 x	3%	33%
Hitachi	53.72	41.23	54.57	50,371	70,121	1.0 x	7.1 x	(9%)	11%
LG	85.64	54.55	107.58	14,592	21,204	0.3 x	4.1 x	3%	(2%)
Logitech	58.22	43.25	81.56	9,333	8,292	1.9 x	11.7 x	(12%)	(18%)
Midwich	6.03	4.86	8.63	532	716	0.5 x	9.2 x	16%	35%
Panasonic	8.81	6.94	10.71	20,555	26,093	0.4 x	4.7 x	0%	1%
Philips	17.20	11.84	34.69	15,158	22,740	1.2 x	9.4 x	(0%)	20%
Samsung	49.96	36.79	63.13	335,292	252,115	1.2 x	5.5 x	(4%)	(20%)
Sony	91.12	63.21	110.97	112,434	136,557	1.6 x	8.9 x	1%	0%
Toshiba	35.13	31.93	45.72	15,197	17,392	0.7 x	8.5 x	(7%)	(4%)
<b>Diversified AV Median</b>						<b>0.8 x</b>	<b>7.8 x</b>	<b>0%</b>	<b>1%</b>
<b>Diversified AV Mean</b>						<b>0.9 x</b>	<b>7.0 x</b>	<b>(1%)</b>	<b>6%</b>
<b>Digital Signage</b>									
Acuity Brands	\$186.98	\$146.36	\$196.61	\$5,918	\$6,129	1.5 x	9.6 x	8%	7%
AU Optronics	0.59	0.46	0.98	4,492	4,912	0.6 x	12.4 x	(24%)	(66%)
Daktronics	3.89	1.75	4.73	177	196	NA	NA	NA	NA
Dialight	3.13	2.49	4.87	102	142	0.6 x	7.6 x	12%	58%
Ennostar	1.64	1.26	3.63	1,236	1,031	1.1 x	5.4 x	(14%)	(13%)
Everlight	1.24	1.04	2.02	549	309	0.5 x	2.7 x	(14%)	(11%)
Leyard	0.93	0.75	1.44	2,329	2,344	1.4 x	9.8 x	8%	20%
LSI	13.71	5.53	14.98	373	434	0.9 x	9.3 x	15%	39%
NEC	37.42	31.59	45.75	9,966	14,718	0.6 x	5.5 x	(4%)	35%
Unilumin	0.91	0.75	1.33	993	918	NA	NA	NA	NA
Wolfspeed	81.89	58.67	122.07	10,188	10,735	10.6 x	NM	29%	NM
<b>Digital Signage Median</b>						<b>0.9 x</b>	<b>8.5 x</b>	<b>8%</b>	<b>13%</b>
<b>Digital Signage Mean</b>						<b>2.0 x</b>	<b>7.8 x</b>	<b>2%</b>	<b>9%</b>

Source: Capital IQ and Wall Street Research as of February 9, 2023.



# Upcoming Events

Dates	Name	Location	Description
March 7 – 8, 2023	Entertainment Experience Evolution	Los Angeles, CA	<ul style="list-style-type: none"> <li>Entertainment Experience Evolution features top executives from new retail concepts, restaurateurs, entertainment venues, landlords and service providers to the retail industry</li> </ul>
March 27 – 29, 2023	OAAA / Geopath OOH Media Conference*	Nashville, TN	<ul style="list-style-type: none"> <li>OAAA / Geopath OOH Media Conference brings together a line-up of brand and agency executives and industry thought leaders</li> </ul>
April 24 – 27, 2023	CinemaCon	Las Vegas, NV	<ul style="list-style-type: none"> <li>The largest gathering of movie theater owners from around the world. From exclusive Hollywood product presentations, to feature screenings, to celebrities, producers and directors, in 2023, CinemaCon will feature the highlights of the fall and holiday season and more at the box office</li> </ul>
June 7 – 9, 2023	World Out of Home Organization Congress*	Lisbon, Portugal	<ul style="list-style-type: none"> <li>The World Out of Home Organization's annual conference is scheduled for June 7th - 9th, 2023, in Lisbon, Portugal. The conference will feature leading industry speakers from across the globe representing all aspects of the OOH ecosystem</li> </ul>
June 14 – 16, 2023	InfoComm*	Orlando, FL	<ul style="list-style-type: none"> <li>InfoComm 2023 is the largest professional audiovisual trade show in North America, with thousands of products for audio, unified communications and collaboration, display, video, control, digital signage, home automation, security, VR, and live events</li> </ul>
June 19 – 23, 2023	Cannes Lions Festival*	Cannes, France	<ul style="list-style-type: none"> <li>The Cannes Lions International Festival of Creativity has championed creative excellence since 1954, providing the definitive benchmark for creativity that drives progress</li> </ul>
October 1, 2023	New York Digital Signage Week*	New York, NY	<ul style="list-style-type: none"> <li>New York Digital Signage Week is a week-long showcase highlighting retail, employee communication, wayfinding, ad-tech, digital signage, AV and LED displays</li> </ul>

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Christian Kasmikha, Analyst | 646.293.7350 | christian.kasmikha@solomonpartners.com

Trae Smith, Analyst | 646.293.7365 | trae.smith@solomonpartners.com

Ricky Yoo, Analyst | 646.293.7369 | ricky.yoo@solomonpartners.com

\*Solomon to host cocktail/networking event



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