



Action Report

PROFESSIONAL AUDIOVISUAL INDUSTRY ACTIVITY REPORT

January 2024



SOLOMON
PARTNERS

Opening Thoughts

Happy 2024! Solomon's Global Media Group is excited about 2024 for Professional AV and the M&A market. In 2023, the group closed over 10 transactions and is bullish on strong industry tailwinds.

We believe the Pro AV sector is set for strong growth given the positive trends of digital transformation and AV IT to connect and message with customers in all environments. Businesses need to have the ability to show real time content, messaging and advertising, which digital signage and software enable in the physical world. The focus for 2024 will be providing full engagement solutions to customers, including hardware, software and value-added services.

We very much hope to help you grow and understand the M&A opportunities in the market. We look forward to seeing you at Solomon events throughout the year, including next week at ISE in Barcelona!

Best,



Ben Zinder, *Director - Global Media Group*

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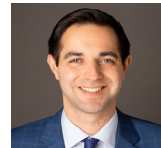
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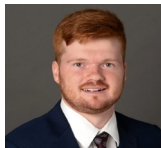
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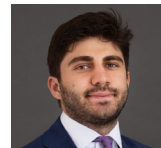
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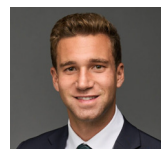
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January 2024

SPECIAL HIGHLIGHTS IN THIS ISSUE

- Pro AV Industry Outlook
 - AV Trends to Watch
 - Recent Earnings Summary & Commentary
 - Pro AV Industry Experiencing Consolidation
 - Trading and Valuation Update
-

Recent Solomon Partners Transactions

PENDING
\$28,000,000,000
SiriusXM
Merger with
Liberty
SiriusXM
Following its redemptive split-off
from

Serving as financial advisor to the
Special Committee of SiriusXM's Board
of Directors

PENDING
C\$410,000,000
OUTFRONT
Has agreed to sell its Canadian
business to
BellMedia
Served as exclusive financial
advisor to OUTFRONT Media

JANUARY 2024
\$1,000,000,000
chico's FAS
Has been acquired by
 **SYCAMORE
PARTNERS**
Served as exclusive financial
advisor to Chico's FAS

DECEMBER 2023

Sold to

Serving as financial advisor
to TIDI Products

DECEMBER 2023
 **HEARTLAND**
Sold to
PRITZKER
PRIVATE CAPITAL
Served as financial
advisor to HeartLand

DECEMBER 2023
Wilshire
To acquire
Lyxor U.S.
from
 **Amundi**
Serving as financial advisor
to Wilshire

NOVEMBER 2023
\$340,000,000
SYSTEM1
Sold
Total Security
to
Just Develop It
Served as financial advisor
to the Special Committee of
System1's Board of Directors

NOVEMBER 2023

Has been sold to
AmatoMartin
Served as financial advisor
to Valpak

NOVEMBER 2023
**SPECTRUM
EQUITY**
Invested in
 **BENCHMARK**
Served as financial advisor
to Spectrum Equity

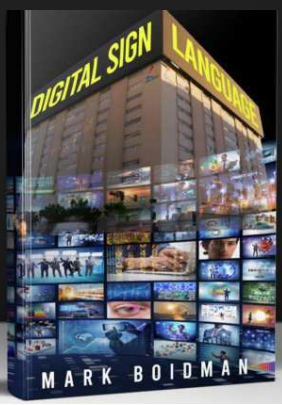
Book #2 Launched!



**integrated
systems
europe**

JANUARY 30 –
FEBRUARY 2
BARCELONA, SPAIN

In Stores Now



MARK BOIDMAN

Pro AV Primer by
Solomon Partners' Mark Boidman

AV Industry Shows Resilience Despite Economic Challenges

The AV industry is experiencing normalization resulting from economic headwinds, however growth opportunities are still prevalent

INDUSTRY OUTLOOK

- The AV Sales Index fell slightly towards the end of the year with November yielding 56.9, down 5.8% from August 2023 close of 60.2
 - The gap between North America and the rest of the world widened to 10.4 in the November outlook, but is expected to shrink moving forward
- As supply chain issues resolve and inflation is curbed, the pro AV industry is poised to see future growth

GROWTH OPPORTUNITIES

- AV integrators are leveraging advancements in AI applications to expedite the design process and remove costs associated with developing systems
 - AI-driven virtual reality allows clients to visualize what their environments will look and sound like in real life, enable designers to make adjustments quickly and accelerate the design process
 - In addition to design and integration, AI tools will also provide a boost to supply chain processes to become more resilient in the face of a disruption than they have been in the past
- Increased emphasis on immersive environments are driving new opportunities in production and collaboration
 - Corporate offices are investing in immersive environments to draw employees back into the office and keep them there, as affordable LED display technology provides for cross-functional spaces producing a high ROI for corporations
 - While most of the audio experiences in meeting spaces are mono or stereo, a shift to the application of immersive, spatial audio for conferencing will improve the conferencing experience

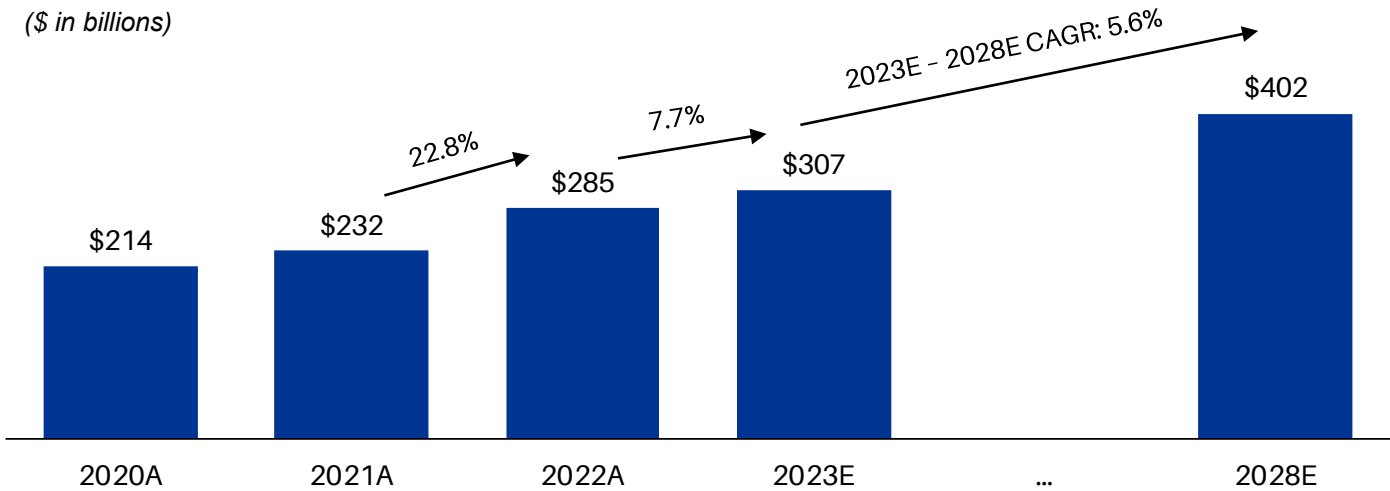
Source: AV Network and AVIXA.

Global Pro AV Industry Expected to Reach Over \$402B by 2028

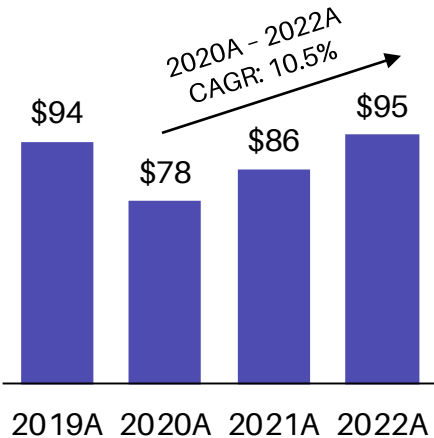
The global AV market projects growth of 5.6% reflecting a strong return of demand coupled with deflation in select core categories

Global Pro AV Market Continues Strong Growth

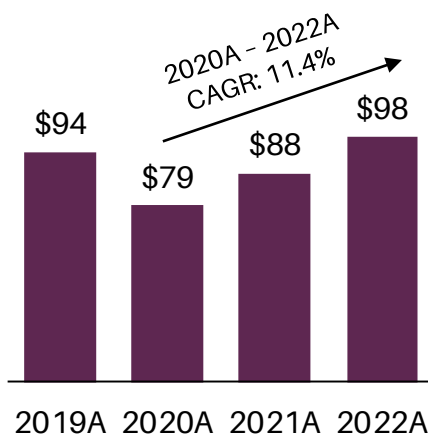
(\$ in billions)



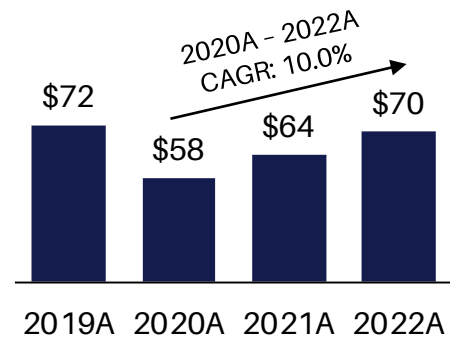
Americas



APAC



EMEA



Rate of recovery varies across regions, with APAC as fastest growing region and EMEA facing greatest headwinds due to conflict in Ukraine

Source: AVIXA Outlook Analysis 2023 and Market Report 2022.

Pro AV Trends to Watch in 2024

The use of enhanced technology to drive audiovisual product innovation will be a strong theme for the upcoming year

ARTIFICIAL INTELLIGENCE

- While AI is driving growth across multiple industries, its use in AV operations will continue to play a large role in the development of the industry
- AI tools are able to monitor screens to verify that content is playing correctly, create situation-specific images and dynamic playlists and utilize chatbots to buy and sell advertising inventory



MULTI-FACETED PRODUCTS

- Products performing multiple tasks in one unit are popular among end users because they reduce potential points of failure
- Cameras with auto-tracking features to follow the subject and AVoIP solutions that allow for users to connect with multiple pieces of hardware at once are two examples gaining popularity



USER-GENERATED CONTENT

- Leading AV providers are making an effort to give consumers a say in their content to give them a sense of empowerment and influence
- Through incorporating social media into digital signage and allowing consumers to interact with the environment, AV providers offer augmented content tailored to the current audience



HOLOGRAPHIC ADVERTISING

- Holographic advertising, particularly in indoor venues, is a use case of the advances in technology to create 3D digital advertising displays
- The Sphere in Las Vegas is shaping the market for outdoor large-format digital ads in premier locations with a focus on utilizing the technology to capture the attention of all those who pass by



AUDIO EVERYWHERE

- The demand for refreshed offices is strong, with AV distributors reporting that they are putting distributed audio into more projects than ever before
- 2024 will see higher demand for mounted speakers, speakers designed for sound isolation applications and integrated DSPs in commercial applications



Source: AV Network, Commercial Integrator and Digital Signage Today.

Digital Signage and Interactive Tech Drives Shopper Engagement

Retailers are investing in digital screens and interactive kiosks



As in-store retail media gains popularity, retailers are investing in digital signage and interactive displays to improve the shopper experiences

- In Q3 2023, the public information display market grew 14% YoY
 - Interactive Flat Panel / Touch Displays led the charge, with growth up 20.1% YoY
- This trend is expected to continue as over two-thirds of retail IT decision makers plan to increase retail technology spend in the next several years

~66%

of shoppers enter a store without a specific purchase in mind

40%

of shoppers are prompted to make a purchase by in-store messaging

75%

of shoppers were interested in using QR codes to discover more about a product

“[A] huge opportunity... exists to increase sales and encourage return visits by presenting impactful content using digital screens and interactive kiosks to empower customers to explore a retailer’s full range and personalization options”

– Linda Ralph, *International SVP, Mood Media*

Source: AV Interactive, Coresight Research, Mood Media 2023 In-Store Customer Trends Research, Sixteen:Nine.

CES 2024 Recap

Artificial intelligence, digital health and sustainability take center stage

CES 2024 by the numbers

- The event included over 135,000 attendees from over 150 countries, regions and territories
- There were more than 4,300 exhibitors, including over 1,400 startups within Eureka Park
 - 2.5+ million net square feet of exhibits, 15% bigger than CES 2023
- 25,000+ pieces of media content led to 160+ billion impressions

Notable Products



Key Trends

- **Artificial Intelligence**
 - Advancements in chips, hardware and data infrastructure have created a horizontal wave of AI tech innovation
 - CES featured AI applications and platforms from digital twins for simulating physical environments to the latest in self-driving technology
- **Digital Health**
 - Has benefitted from the AI research surge with early detection, treatment outcome prediction and intuitive primary care chatbot innovations
 - The event showcased health wearables and platforms enabling more personalized, accessible and intelligent solutions for consumers
- **Sustainability**
 - Companies are harnessing innovation to sustainably solve challenges such as streamlined electrification and battery recycling
 - Hundreds of exhibiting companies emphasized designing their technology to mitigate the human impact on climate change

Source: AV Magazine, AV Network, Consumer Technology Association.

What's In Store for Retail Media Networks

NRF and STRATACACHE presented
What's in Store for Retail Media Networks in NYC in January



NRF RECAP

- In the first event of its kind, NRF and STRATACACHE partnered to dedicate a full day before NRF 2024 to take a deep dive into how in-store media networks deliver significant streams of new revenue from the physical store
- Hundreds of retailers, in-store experience and technology experts, brands and agencies at the full-day event focused entirely on one of the most important channels in the Retail Media Network Ecosystem – the physical store
- Presenters included Solomon Partners' Mark Boidman, who discussed the multiplier effect of in-store retail media on overall enterprise value

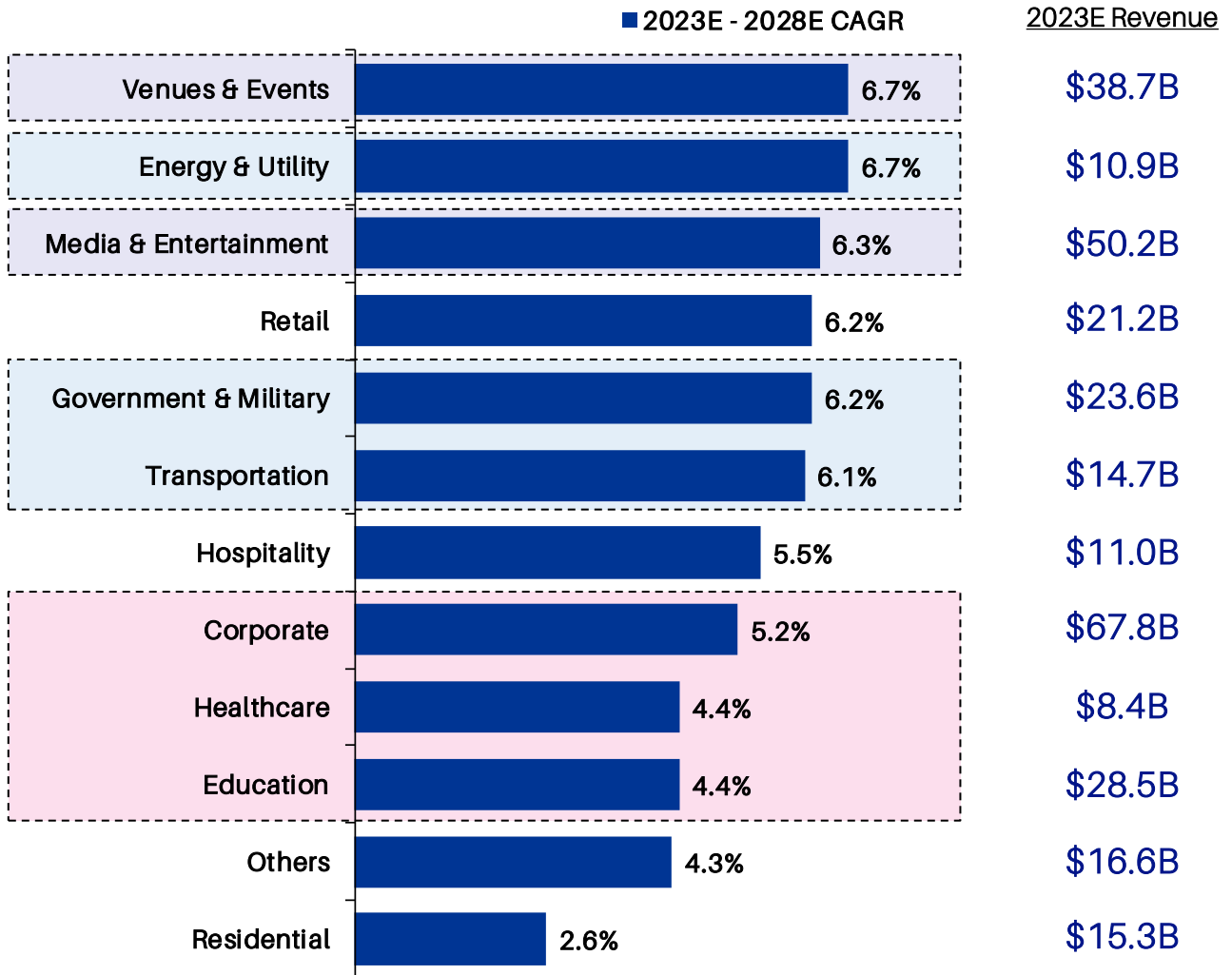
KEY TOPICS

- **In-Store Potential**
 - Well over 90% of retail media sales have so far been generated online, retail media is seeing a boom driven by the availability of data and new in-store technologies
- **Pro AV for In-Store Retail Media**
 - In-store screens can either be DOOH used to monetize the audience or shopper marketing designed to drive purchasing decisions, with both offering potential for digital signage infrastructure needs that hardware and software providers are capitalizing on
- **Future of In-Store Retail Media Networks**
 - The number of omnichannel RMNs is growing rapidly, as Deloitte currently counts 120 relevant retail media networks worldwide

Source: NRF

Pro AV End Market Growth

Investment shifting away from recovery with recession-resistant end markets among fastest growing



Total Pro AV Industry 2023E - 2028E CAGR: 5.6%

Media & Entertainment and live events solutions poised for growth

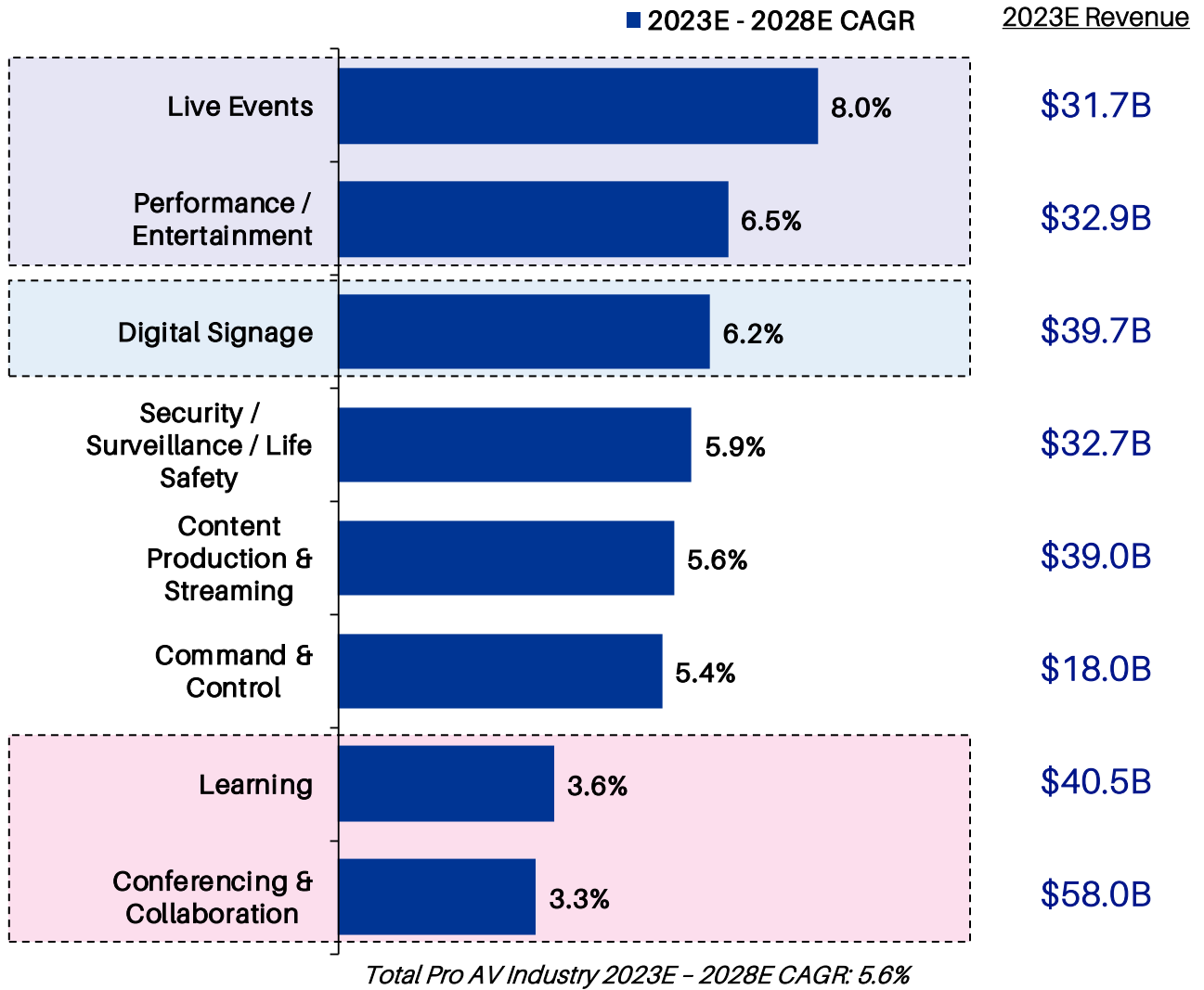
Recession-resistant end markets expected to benefit from stable investment

Growth expected to slow for adaptation solutions after strong investment made over past two years

Source: AVIXA Market Report 2023.

Pro AV Solutions Growth

Growth expected amongst all solutions with events and entertainment at the forefront



Performance / entertainment and live events segments poised for growth

Digital Signage growth driven by increased expansion of the segment in APAC region

Increasingly hybrid work environment hurting conferencing & collaboration and learning solutions

Source: AVIXA Market Report 2023.

AV Recent Earnings Summary & Commentary



<p>Q2 '24 Results^(a)</p>	<ul style="list-style-type: none"> • Q2 '24^(a) Sales: \$199.4M <ul style="list-style-type: none"> • 6.4% YoY Improvement • Q2 '24 Adjusted Operating Income: \$19.4M
<p>Commentary</p>	<ul style="list-style-type: none"> • "The... increase in gross profit percentage is attributable to the increased sales volume over our relatively fixed cost structure, strategic pricing actions and a stable supply chain causing fewer operational disruptions" • "[We expect] our High School Park and Recreation business unit to grow through adoption of video displays for sporting and educational use. These customers are deploying more Daktronics professional-grade technology and sophisticated content, increasing the total addressable market" • "Our plans are to spend approximately \$19 million for capital assets, primarily in manufacturing and technology areas. We also plan investments in digitization to improve customer and employee experiences... Over the long term, we remain focused on driving profitable growth"



<p>H1 '24 Results^(b)</p>	<ul style="list-style-type: none"> • H1 '24^(b) Sales: £9,616M <ul style="list-style-type: none"> • 11.3% YoY Decline • H1 '24 Adjusted Operating Profit: £247.6M <ul style="list-style-type: none"> • 12.0% YoY Improvement
<p>Commentary</p>	<ul style="list-style-type: none"> • "We were particularly pleased with our organic growth of 4.4% during the period. The Board proposes to increase the interim dividend by 5% to 63.04p per share" • "Group adjusted operating profit increased by 12% to GBP 247.6 million driven by an excellent performance in DCC Energy and partially offset, as anticipated, by a decline in both DCC Healthcare and DCC Technology" • "Since... May 2023, DCC has committed approximately GBP 310 million to new acquisitions in DCC Energy, including... Progas... a nationwide distributor of LPG in Germany... and... 5 energy management services businesses"



<p>H1 '23 Results^(c)</p>	<ul style="list-style-type: none"> • H1 '23^(c) Sales: £610M <ul style="list-style-type: none"> • 7.4% YoY Improvement • H1 '23 Adjusted EBITDA: £30.5M <ul style="list-style-type: none"> • 28.2% YoY Improvement
<p>Commentary</p>	<ul style="list-style-type: none"> • "Both gross and operating margins increased significantly and adjusted operating profit increased by 30.9% in the period compared with H1 2022" • "In June 2023... acquired SFM, a specialist value-add AV distributor in Canada, adding 1,500 new customers and strengthening relationships with key tier-1 vendors in the audio and visual markets" • "The Group finished the year well and the Board now expects to report... the highest revenue, gross margins and adjusted profit before tax in its history"

a) Daktronics Q2 '24 ended October 28, 2023.

b) DCC H1 '24 ended September 30, 2023.

c) Midwich H1 '23 ended June 30, 2023.

Audiovisual Industry Continues to Consolidate

Midwich
Group Plc



- In December 2023, Midwich Group announced its acquisition of prodyTel Distribution GMBH, a distributor of professional audio and technical solutions products
- prodyTel is the latest in a string of acquisitions made by Midwich in 2023, adding to the acquisitions of SF Marketing, HHB Communications, Toolfarm, 76 Media Systems and Nimans made earlier this year

 **Raydiant**

 **perch**

- In September 2023, Raydiant acquired Perch, retail's leading digital shopper marketing platform for in-store product engagement and sales
- Combined with Raydiant AI and its customer experience platform and integrated into the new Raydiant Shop offering, Perch's technology will analyze how customers interact with in-store products



- In July 2023, Spectrio acquired InReality and its AI-driven, fully anonymous audience sensing and measurement technology
- The acquisition complements Spectrio's technology stack, which already includes modern digital signage CMS software, content production, overhead music, on-hold messaging, scent marketing and Wi-Fi marketing

SAMSUNG

 **eMagin**

- In May 2023, Samsung Display, a subsidiary of Samsung Electronics announced its acquisition of eMagin, an OLED microdisplay manufacturer headquartered in New York
- Strengthens Samsung's microdisplay and proprietary direct patterning (dPd) technology capabilities
- Partnership provides eMagin with the resources and expertise to expand product offerings and scale production

dancker



- In February 2023, Dancker acquired DBE Systems, an integrated technology contractor focused on delivering solutions for all connected technologies which communicate over copper, fiber and wireless
- Strengthens Dancker's ability to integrate architectural, furniture, technology and logistics solutions across its customer base

AVI  **SPL**



- 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

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

Sector News

Audio / Visual

- **1/18/24: Bose**
announced partnership with Kith, a leading fashion and lifestyle brand, to begin exclusively selling the new Bose Ultra Open Earbuds, that attach to the side of the ears with an innovative cuff-shaped design
- **1/15/24: 2B Heard**
acquired high-end microphone brand Sontronics, expanding into the microphone arena to reinforce its offerings to concert touring, theater and AV customers
- **1/11/24: AirDrop**
showcased Audio Radar, a plug-and-play hardware system compatible with consoles and PCs that translates surround sound output into visual cues to help hearing-impaired gamers compete
- **1/9/24: Samsung**
debuted the world's first transparent MicroLED screen with a brighter display, frameless design and more transparent glass panel than OLED and LCD models
- **1/3/24: Barco**
began scheduling the first order deliveries for its G50 single-chip projectors, fit for single and multi-channel projections in the 6,000 to 8,000 lumen range
- **1/3/24: Sharp**
unveiled its newest and most innovative set of AQUOS BOARD interactive displays, featuring a sophisticated appearance, high-performance touch capabilities and one of the most advanced security safeguards available
- **12/14/23: Bang & Olufsen**
opened its new flagship store on London's New Bond Street, designed to cater to the needs of individual customers by offering an immersive and tailored shopping experience
- **12/6/23: d&b audiotechnik**
announced En-Snap V3, the newest upgrade to the d&b Soundscape cue automation and show control software provided in collaboration with Gareth Owen Sound

Digital Signage Hardware and Software

- **1/17/24: Cineplex**
announced a deal with Cadillac Fairview for Cineplex Digital Media to manage a network of 200 screens in nine of the ten biggest shopping centers across Canada
- **1/17/24: Philips**
launched its PPDS Publisher app which brings CMS capabilities to mobile for Philips B-Line 4k business displays
- **1/16/24: Samsung**
launched its VXT platform, a cloud-native content management solution combining content and remote signage management on one secure platform
- **1/9/24: Assembly**
announced ShopConnect, a software tool designed in partnership with Talon and Place Exchange that combines programmatic buying of DOOH with real-time experiences for consumers
- **1/2/23: LG**
partnered with Veeo to launch three transparent OLED displays with eye contact technology which will be released in 2024
- **12/15/23: Daktronics**
partnered with the Detroit Tigers to replace a previous installation and deliver the second-largest main video display in an MLB stadium, as well as add five additional displays throughout the stadium
- **12/13/23: Creative Realities**
announced partnership with Black Rifle Coffee, a veteran-founded coffee chain, to revolutionize Black Rifle's concept stores and bring next-generation digital solutions to the forefront of their in-store experience
- **12/6/23: Broadsign**
announced its partnership with Zitcha, a unified omnichannel retail media platform, to develop on- and off-site retail digital marketing and OOH solutions

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

Sector News

Augmented Reality & Event Production

- **1/19/24: XReal**
unveiled the Xreal Air 2 Ultra, a set of special computing glasses positioned as a lightweight and more affordable competitor to the Apple Vision Pro, that will be available in March
- **1/15/24: LANG AG**
launched three10 X, an AV IT software for creating immersive digital experiences by allowing real-time control and distribution of a wide range of media formats
- **1/12/24: Microsoft**
renewed its partnership with the US Space Force as it builds an augmented reality space simulation that will provide an immersive intelligent environment that users can interact with via a HoloLens headset
- **1/10/24: Sony**
announced it has developed a brand new immersive spatial content creation system featuring a premium extended reality headset through its partnership with Siemens' Xcelerator enterprise platform
- **1/8/24: Apple**
announced that Apple Vision Pro, a device enabling users to watch shows and films from top streaming services through an immersive, spatial experience, will be available for purchase at the start of February 2024
- **1/4/24: Layered Reality**
announced it will open "Elvis Evolution" in London in November, using AI and holographic projection to create an immersive concert attraction
- **12/4/23: Snap**
received a \$20 million grant from the state of California to expand the company's offices and manufacturing of augmented reality devices

Diversified AV

- **1/23/24: STRATACACHE**
announced that it has reached more than 100,000 digital drive-thru screens, expecting the number to exceed more than 250,000 by 2025
- **1/16/24: Sennheiser**
integrated TeamConnect Ceiling Medium microphone with Lumens CamConnect voice-tracking camera system to enable active speaker tracking for hybrid meetings
- **1/16/24: Xyte**
announced a \$30M investment round to further its development of the first all-in-one servitization platform for device and hardware manufacturers
- **1/4/24: LG**
achieved UL 2594 and ENERGY STAR certifications on its 11kW electric vehicle model which will be rolled out in the United States in 2024
- **1/2/24: Panasonic**
plans to transfer its professional AV business and Panasonic Visual from its Panasonic Connect division to its Panasonic Entertainment & Communication division
- **12/19/23: Logitech**
product Logitech Sight has become the first panoramic camera to be certified for use with Zoom rooms and the first intelligent camera to be certified by Microsoft Teams
- **12/18/23: Q-SYS**
collaborated with Lenovo to launch a bundle certified for Microsoft Teams Rooms that streamlines the design, procurement and deployment of solutions for spaces
- **12/13/23: Trison**
UK division announced the launch of a games studio for brand experiences using custom-designed digital surfaces, mixed reality and virtual reality
- **12/6/23: Lenovo**
unveiled new Chromebox Micro media player, built for 24/7 digital display deployments in high-traffic facilities, which is smaller than most phones

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

Audio / Visual M&A

Recent deals in the Audio / Visual market

(\$ in millions)			EV as a Multiple of:		
Date Announced	Acquiror	Target	Enterprise Value	LTM Sales	LTM EBITDA
Jan-24	LiveRamp	Habu	\$200	NA	NA
Jan-24	Informa	TechTarget	\$614	2.7 x	8.8 x
Dec-23	Midwich Group	prodyTel Distribution GMBH	€21	1.0 x	NA
Oct-23	VSBLTY	Shelf Nine	NA	NA	NA
Oct-23	Uniguest	pCare	NA	NA	NA
Sep-23	Raydiant	Perch	NA	NA	NA
Sep-23	AVFX	AV Matters	NA	NA	NA
Aug-23	Midwich Group	Pulse Cinemas	NA	NA	NA
Aug-23	AVPro Global	AudioControl Home Division	NA	NA	NA
Jul-23	Midwich Group	HHB Communications	~\$18	NA	NA
Jul-23	Midwich Group	Toolfarm and 76 Media Systems	NA	NA	NA
Jul-23	Spectrio	InReality	NA	NA	NA
Jul-23	Providence Equity Partners	d&b Group	NA	NA	NA
Jun-23	Q-SYS	Seervision	NA	NA	NA
Jun-23	Midwich Group	SF Marketing	CAD 44	0.5 x	7.2 x
May-23	Samsung	eMagin	\$218	~7.3 x	NM
May-23	Uniguest	Eversound	NA	NA	NA
May-23	Uniguest	Bunch	NA	NA	NA
Apr-23	Providence / Searchlight	Hyve	£524	NA	NA
Apr-23	Transom Capital	Bose Professional	NA	NA	NA
Feb-23	Midwich Group	Nimans	\$30	0.2 x	9.3 x
Feb-23	Dancker	DBE Systems	NA	NA	NA
Jan-23	Key Code Media	Access AV	NA	NA	NA
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

Source: Press releases and company filings.

Market Indicators

Share Price Performance

	Stock Price 1/18/24	1-Week % Change	1- Month % Change	LTM % Change
Audio				
B&O	\$1.44	(1%)	(2%)	(18%)
Dolby	\$84.26	(2%)	(2%)	10%
Sonos	\$15.79	(5%)	(7%)	(14%)
VOXX	\$8.78	(0%)	(22%)	(8%)

	Stock Price 1/18/24	1-Week % Change	1- Month % Change	LTM % Change
Visual				
Barco	\$17.36	(2%)	(0%)	(31%)
Japan Display	\$0.15	3%	6%	(56%)
Konka	\$0.50	(6%)	(10%)	(29%)
Sharp	\$7.38	1%	6%	(6%)
TCL	\$0.59	(1%)	9%	9%

Audio Median		(1%)	(4%)	(11%)
Audio Mean		(2%)	(8%)	(7%)

Visual Median		(1%)	6%	(29%)
Visual Mean		(1%)	2%	(23%)

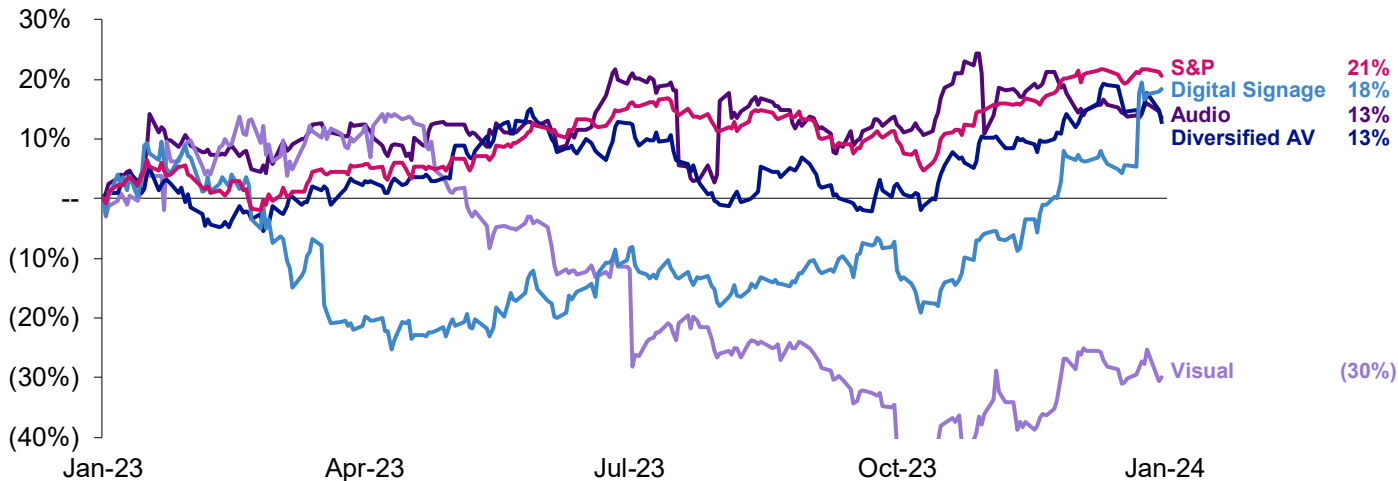
Diversified AV				
Creative Realities	\$2.49	(9%)	13%	34%
DCC	\$71.61	1%	(0%)	30%
Hisense	\$2.90	3%	(5%)	26%
Hitachi	\$74.92	(1%)	9%	45%
LG	\$68.17	(5%)	(8%)	(12%)
Logitech	\$94.03	(1%)	1%	67%
Midwich	\$4.69	(5%)	(15%)	(28%)
Panasonic	\$9.40	(6%)	(2%)	6%
Philips	\$23.29	(3%)	3%	47%
Samsung	\$53.59	(3%)	(4%)	9%
Sony	\$96.20	(2%)	5%	9%

Digital Signage				
Acuity Brands	\$226.39	1%	12%	31%
AU Optronics	\$0.58	(2%)	11%	11%
Daktronics	\$8.05	(0%)	(4%)	151%
Dialight	\$1.90	(5%)	(1%)	(42%)
Ennostar	\$1.35	(7%)	(5%)	(16%)
Everlight	\$1.51	(5%)	1%	24%
Leyard	\$0.71	(7%)	(11%)	(25%)
LSI	\$13.68	(3%)	(1%)	4%
NEC	\$61.22	2%	8%	73%
Unilumin	\$0.95	(9%)	9%	9%
Wolfspeed	\$31.90	(8%)	(26%)	(61%)

Diversified AV Median		(3%)	(0%)	26%
Diversified AV Mean		(3%)	(0%)	21%

Digital Signage Median		(5%)	(1%)	9%
Digital Signage Mean		(4%)	(1%)	14%

LTM Indexed Market Capitalization Performance

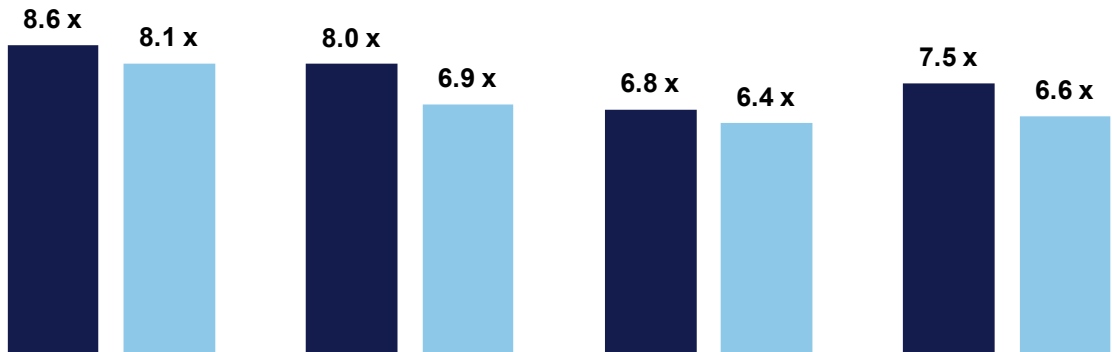


Source: Capital IQ as of January 18, 2024.

Valuation Summary

Current market trading multiples

EV / 2024E EBITDA EV / 2025E EBITDA



Audio



SONOS



Visual



KONKA

SHARP



Diversified AV



DCC

Hisense

HITACHI



midwich

Panasonic

PHILIPS

SAMSUNG

SONY

Digital Signage

AcuityBrands.

AUO



Dialight

Ennostar



LEYARD.



NEC

Unilumin

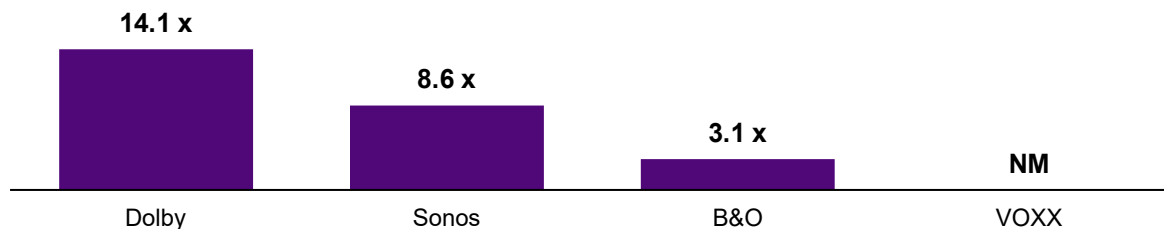
Wolfspeed.

Source: Capital IQ as of January 18, 2024.

EV / 2024E EBITDA

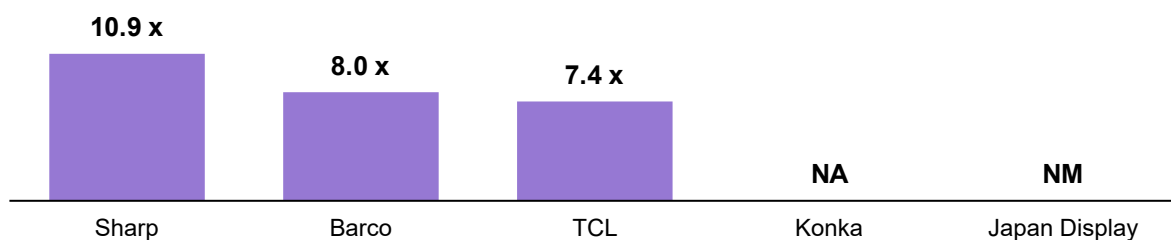
Audio

Median: 8.6 x



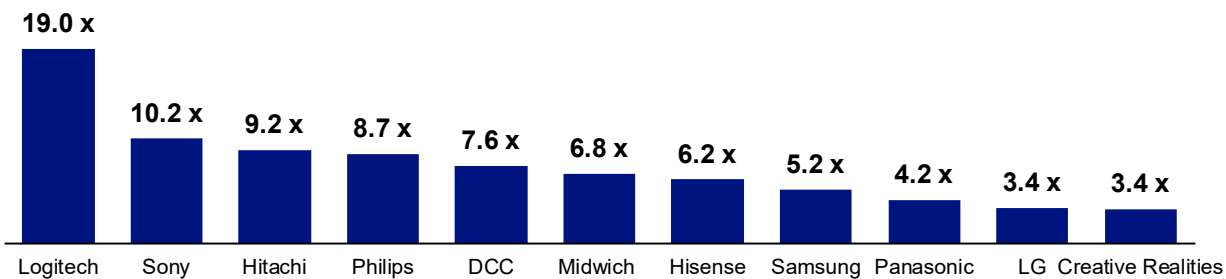
Visual

Median: 8.0 x



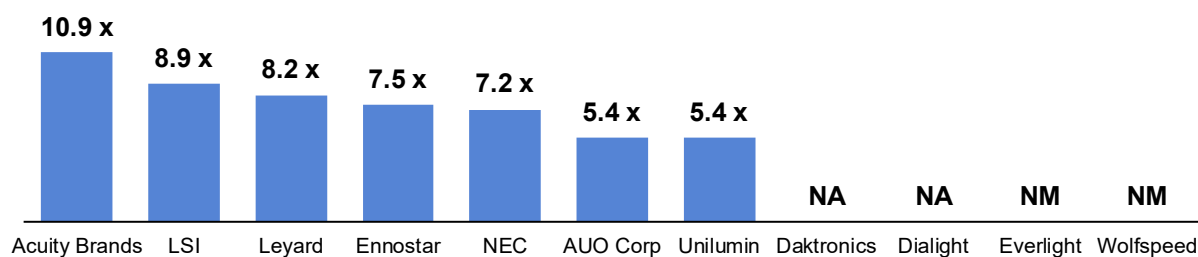
Diversified AV

Median: 6.8 x



Digital Signage

Median: 7.5 x



Source: Capital IQ as of January 18, 2024.

Valuation Metrics

(\$ in Millions, Except Per Share Values)

	Stock Price 1/18/23	52-Week Low	52-Week High	Equity Value	Enterprise Value	Valuation Multiples		Growth	
						EV / Revenue	EV / EBITDA	'22A - '24E CAGR	
						CY 2024	CY 2024	Revenue	EBITDA
Audio									
B&O	\$1.44	\$1.17	\$1.94	\$174	\$159	0.4 x	3.1 x	0%	NM
Dolby	84.26	76.09	90.62	8,010	7,143	5.5 x	14.1 x	3%	29%
Sonos	15.79	9.86	21.78	1,976	1,756	1.0 x	8.6 x	(1%)	57%
VOXX	8.78	7.28	14.70	198	194	0.4 x	NM	(7%)	NM
Audio Median						0.7 x	8.6 x	(0%)	43%
Audio Mean						1.8 x	8.6 x	(1%)	43%
Visual									
Barco	\$17.36	\$14.81	\$30.34	\$1,571	\$1,373	1.1 x	8.0 x	3%	22%
Japan Display	0.15	0.13	0.38	920	855	0.5 x	NM	(13%)	NM
Konka	0.50	0.50	0.78	877	3,189	NA	NA	NM	NM
Sharp	7.38	5.42	8.44	4,790	7,627	0.5 x	10.9 x	(7%)	(6%)
TCL	0.59	0.49	0.63	10,857	41,518	1.4 x	7.4 x	10%	48%
Visual Median						0.8 x	8.0 x	(2%)	22%
Visual Mean						0.9 x	8.8 x	(2%)	22%
Diversified AV									
Creative Realities	\$2.49	\$1.37	\$3.92	\$26	\$32	0.5 x	3.4 x	28%	NM
DCC	71.61	50.92	73.72	7,079	9,104	0.3 x	7.6 x	2%	14%
Hisense	2.90	2.20	3.41	3,723	2,941	0.3 x	6.2 x	13%	22%
Hitachi	74.92	49.64	78.10	69,466	79,974	1.3 x	9.2 x	(16%)	7%
LG	68.17	67.82	99.07	11,645	18,917	0.3 x	3.4 x	(0%)	3%
Logitech	94.03	51.98	96.03	14,742	13,520	3.1 x	19.0 x	(4%)	3%
Midwich	4.69	4.48	6.50	475	651	0.4 x	6.8 x	12%	28%
Panasonic	9.40	8.64	12.45	21,952	25,510	0.4 x	4.2 x	(3%)	20%
Philips	23.29	15.14	24.14	21,332	29,244	1.4 x	8.7 x	5%	NM
Samsung	53.59	45.21	60.96	355,910	301,466	1.3 x	5.2 x	(3%)	(5%)
Sony	96.20	81.02	100.77	118,321	144,430	1.7 x	10.2 x	2%	6%
Diversified AV Median						0.5 x	6.8 x	2%	7%
Diversified AV Mean						1.0 x	7.6 x	3%	11%
Digital Signage									
Acuity Brands	\$226.39	\$150.69	\$229.90	\$6,909	\$6,891	1.8 x	10.9 x	(2%)	2%
AU Optronics	0.58	0.46	0.68	4,436	5,807	0.7 x	5.4 x	2%	NM
Daktronics	8.05	3.02	12.17	372	363	NA	NA	NM	NM
Dialight	1.90	1.82	3.29	75	117	NA	NA	NM	NM
Ennostar	1.35	1.27	1.84	1,014	783	1.0 x	7.5 x	(10%)	(16%)
Everlight	1.51	1.22	1.75	671	409	0.7 x	NA	(4%)	NM
Leyard	0.71	0.71	1.03	1,788	1,725	1.2 x	8.2 x	10%	41%
LSI	13.68	11.59	16.75	396	422	0.9 x	8.9 x	(0%)	7%
NEC	61.22	34.10	62.49	16,323	19,814	0.8 x	7.2 x	(1%)	5%
Unilumin	0.95	0.86	1.45	1,032	906	0.7 x	5.4 x	11%	NM
Wolfspeed	31.90	27.72	86.54	3,998	5,819	5.4 x	NM	15%	NM
Digital Signage Median						0.9 x	7.5 x	(0%)	5%
Digital Signage Mean						1.5 x	7.6 x	2%	8%

Source: Capital IQ and Wall Street Research as of January 18, 2024.

Upcoming Events

Dates	Name	Location	Description
January 30 – February 2, 2024	Integrated Systems Europe*	Barcelona, Spain	<ul style="list-style-type: none"> Integrated Systems Europe (ISE) is the world’s largest professional AV and systems integration show, providing a unique showcase of technologies and solutions for commercial and residential applications
April 14 – 17, 2024	NAB Show*	Las Vegas, NV	<ul style="list-style-type: none"> NAB Show is where thousands of content professionals from all corners of the media, entertainment and technology ecosystem come together to discuss expanding content reach and creating uncommon audio and visual experiences
April 29 – May 1, 2024	Out of Home Advertising Association of America Media Conference*	Carlsbad, CA	<ul style="list-style-type: none"> At OAAA’s OOH Media Conference, industry leaders come together to discuss pressing Out of Home topics and discuss the trajectory for the future of the industry
June 5 – 7, 2024	World Out of Home Organization Congress*	Hong Kong, China	<ul style="list-style-type: none"> The World Out of Home Organization’s annual conference will feature leading industry speakers from across the globe representing all aspects of the OOH ecosystem
June 12 – 14, 2024	Infocomm*	Las Vegas, NV	<ul style="list-style-type: none"> Infocomm 2024 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
October 2024	Out of Home New York*	New York, NY	<ul style="list-style-type: none"> Out of Home New York, f.k.a Digital Signage Week, is a week-long mix of conferences, showcases, cocktails, open houses, breakfast debates, tours and other ad-hoc activities
December 7 – 10, 2024	Digital Signage Experience*	Las Vegas, NV	<ul style="list-style-type: none"> Digital Signage Experience explores every aspect of digital and interactive display technology, from concept and design to content and analytics 2024 event will be co-located with Live Design International (LDI), the official show of the Digital Signage Federation

Stay tuned for additional Solomon Media events...

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* Solomon to host cocktail/networking event



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