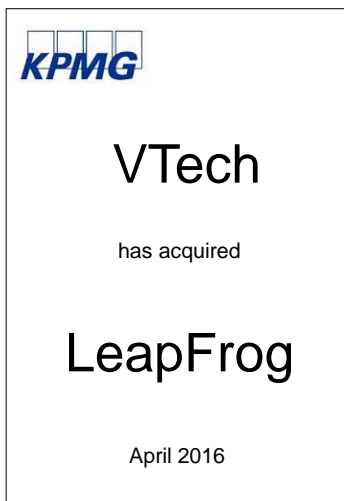


## KPMG Corporate Finance LLC acted as financial advisor to VTech Holdings Limited on its acquisition of LeapFrog Enterprises Inc.



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### About the engagement

KPMG Corporate Finance LLC ("KPMG CF") acted as financial advisor to VTech Holdings Limited ("VTech") on its acquisition of LeapFrog Enterprises Inc. ("LeapFrog"). VTech agreed to acquire 100% of the outstanding common stock of LeapFrog at US\$1.00 per share through an all cash tender offer followed by a second-step merger. Effective April 4, 2016, LeapFrog became an indirect wholly-owned subsidiary of VTech. The merger transaction will enable VTech to offer the broadest portfolio of products that enhance the education and development of children across the world.

VTech is the global leader in electronic learning products from infancy to preschool. Founded in 1976, VTech has been a pioneer in the electronic learning toy category with cutting-edge and innovative products that provide fun and learning to children across the world. The Group's mission is to design, manufacture and supply innovative and high quality electronic learning products in a manner that minimizes any impact on the environment, while creating sustainable value for its stakeholders and the community.

LeapFrog is a leader in innovative solutions that encourage a child's curiosity and love of learning throughout their early developmental journey. For 20 years, LeapFrog has helped children expand their knowledge and imagination through award-winning products that combine state-of-the-art educational expertise led by the LeapFrog Learning Team, innovative technology, and engaging play – turning playtime into quality time. LeapFrog's proprietary learning tablets and ground-breaking developmental games, learn to read and write systems, interactive learning toys and more are designed to create personalized experiences that encourage, excite and build confidence in children.

KPMG Corporate Finance was engaged by VTech to assist in analyzing, structuring, and negotiating a merger transaction with LeapFrog. Utilizing a cross-functional team of professionals from KPMG Hong Kong and KPMG LLP U.S., we advised VTech on all major aspects of the transaction, including transaction due diligence, deal pricing and negotiation, transaction structuring, and tax-related issues.

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### KPMG Corporate Finance LLC

Recently named Investment Bank of the Year by The M&A Advisor, KPMG Corporate Finance LLC provides a broad range of investment banking and advisory services to its domestic and international clients. Our professionals have the experience and depth of knowledge to advise clients on global mergers and acquisitions, sales and divestitures, buyouts, financings, debt restructurings, equity recapitalizations, infrastructure project finance, capital advisory, real estate, portfolio solutions, fairness opinions, and other advisory needs.

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