

Consumer/ Retail

INDUSTRY REPORT

Summer | 2023

CREATING
M&A STRATEGIES
FOR BUSINESS OWNERS

SINCE 1956

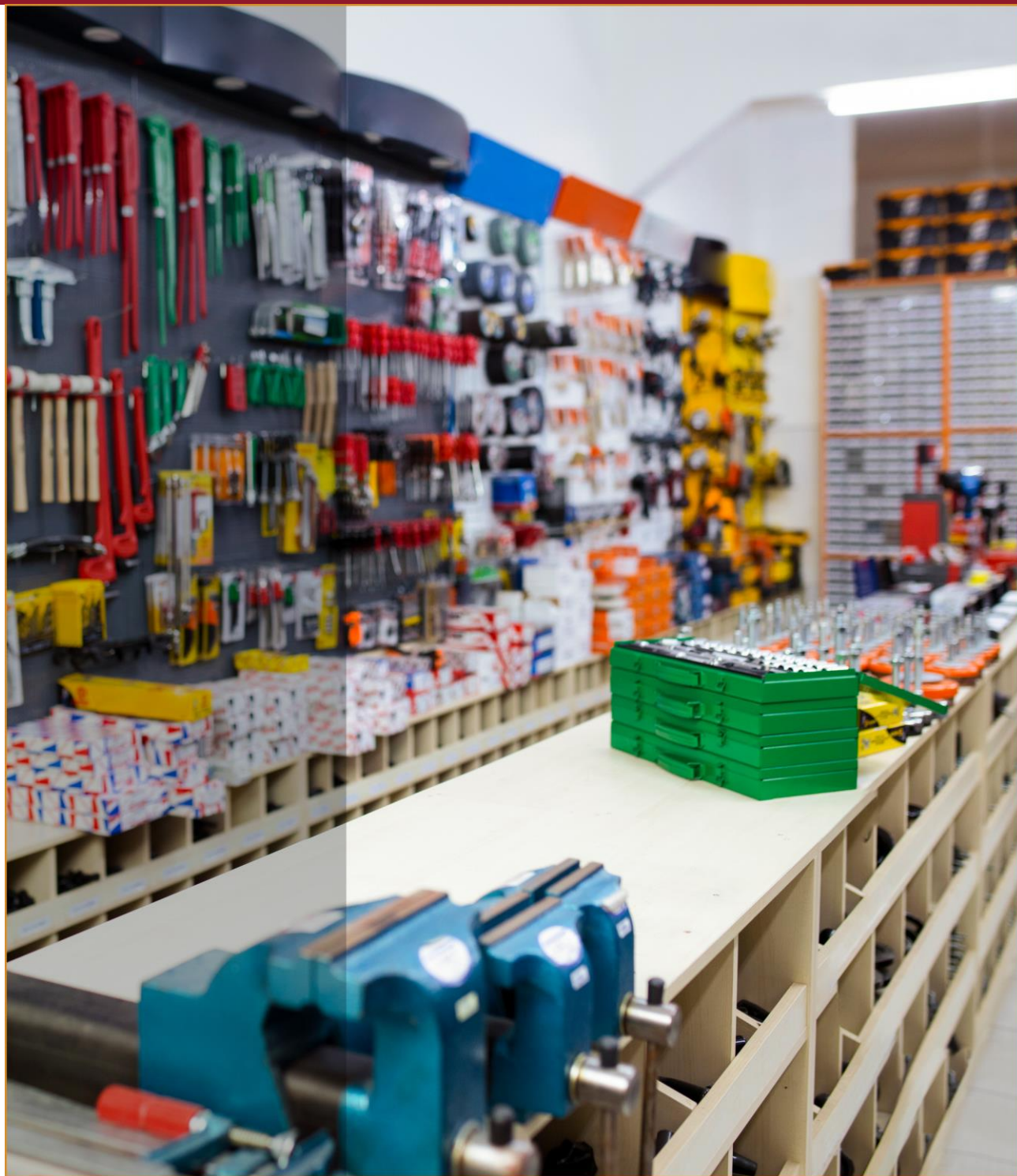




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Market Observations

Market Summary

Consumer Retail Market

The global retail market experienced growth from \$26.2 trillion in 2022 to \$28.3 trillion in 2023, with a CAGR of 8.3%, according to Research and Markets. The Russia-Ukraine war hindered immediate global economic recovery, resulting in economic sanctions, increased commodity prices, and supply chain disruptions that caused inflation and impacted various markets worldwide. Projections suggest that the retail market will reach \$37.7 trillion in 2027, with a CAGR of 7.4%. As per the US Census Bureau, the advance estimates of US retail and food services sales for May 2023, adjusted for seasonal variation and holiday and trading-day differences, but not for price changes, were \$686.6 billion, up 0.3% from the previous month, due to paused inflation hike. The Asia Pacific region plays a significant role in the industry, driven by investments from leading e-commerce companies in emerging economies like India and China. The fast-growing economies and the growing consumer disposable incomes in these regions are favoring industry growth. The adoption of Internet of Things (IoT) has reshaped the retail industry, particularly the e-commerce sector. Increased smartphone usage and accessibility to essentials from home have also contributed to market growth, alongside factors such as urbanization and higher disposable incomes. E-commerce is expected to rise 10-12% in 2023, representing approximately 70% of total retail sales, as per the National Retail Federation, making it the preferred shopping method post-COVID-19.

Public Company Valuations

The CFAW Select Consumer Retail Index went up by 1.8% in the second quarter of 2023, and the 12 months return on the Index increased by 7.7%. Our index for each of the subsector of Consumer Retail increased in the second quarter of 2023 except for Furnishings and Apparel/Footwear & Accessories. Recreational Products/crafts outperformed all other indices with 10.1% increase in the second quarter of 2022. Automotive After market had the highest median revenue multiple and median EBITDA multiple of 3.6x and 170.0x respectively. Electronics/appliances, Furnishings, Recreational Products/crafts, Tools and Hardware, Apparel/Footwear & Accessories, Consumer Packaged Goods-personal care, Consumer Packaged Goods-household products, Health & Wellness incl nutritional supplements had the median revenue multiple of 3.2x,1.8x,1.4x,1.2x,0.9x, 0.9x, 0.8x, and 0.6x respectively, and the median EBITDA multiple of 16.8x,10.8x, 11.4x,12.0x, 7.5x,9.6x, 7.5x, and 10.8x respectively.



The consumer retail sector index grew by 1.8% in the second quarter of 2023....

Mergers and Acquisitions

The global M&A activity in the consumer retail market decreased by more than 50% in 2nd quarter of 2023 compared to 2nd quarter of 2022 due to increasing financing costs and inflationary pressure. Uncertainty about the depth and duration of a potential recession significantly slowed mergers and acquisitions (M&A) activity in the consumer and retail (C&R) segment in Q1'23 and Q2'23. Interest rate hikes by the Federal Reserve, market volatility, and decline in consumer confidence are leading to value gaps, thereby impeding deals. It is anticipated that the declining trend may pertain in the industry for the H2'2023 as well.

Industry Trends

Continued Emphasis on Omni channel Experiences

The blend of online and in-store shopping experiences is expected to become a significant trend in the retail industry during 2023. According to a report by Market Research Future, the Omni-channel Retail market is predicted to thrive substantially during the assessment era from 2022 to 2030 at a healthy CAGR of approximately 19.20% to attain a valuation of around \$14.3 billion by the end of 2030. The rapid expansion of e-commerce sales globally is one of the key factors affecting growth in the worldwide Omni-channel retail commerce platform (ORCP) market. Due to the increasing sophistication of technologies & the ease with which essential resources are accessible, it is projected that small and medium-sized businesses will invest in this software, which might hasten the market's rise. This platform is used in a wide range of sectors and has several opportunities to drive the ORCP market's expansion.

Persistently High Inflation Poses a Challenge to Consumer Spending

The World Economic Outlook predicts that global inflation will decrease to 6.6% in 2023 and 4.3% in 2024. However, these levels will still surpass pre-pandemic rates making it unlikely for inflation to return to the target level before 2025 in most cases. A survey by Fidelity Investments Financial reveals that 43% of US consumers are concerned about inflation's impact on everyday expenses and savings in 2023. Forecasts by EIU for 2023 indicate widening disparities between nominal and real retail sales, with persistently high inflation driving a 4.8% growth in global retail sales in nominal US dollar terms. However, this headline rate is inflated due to high prices and masks slower growth in real terms, reduced purchasing power, and lower retailer margins. Nevertheless, certain middle-income countries in Asia and the Middle-east are expected to experience real-term growth in retail sales.



Scope of Expansion in Retail Analytics

The global retail analytics market size was valued at \$6.5 billion in 2022 and is projected to grow from \$7.6 billion in 2023 to \$23.5 billion by 2030 exhibiting a CAGR of 17.6% according to fortune business insights. Retail solutions integrated with artificial intelligence deliver intelligent insights to fuel sales and enhance customer experience through efficient product inventory management and resource allocation. The adoption of retail analytics has continued to gain strength in the retail industry to improve micro-level analysis and assortment planning. The demand for efficient shelf-space management is growing to cater to the specific preference of customers visiting retail stores and reduce the financial impact of several assortments. For instance, in January 2023, EY launched EY retail intelligence that enhanced customer shopping experience using Microsoft Cloud and Cloud for retail and offered Omni-channel, personalized shopping, product sustainability information, and step-change improvements in decision-making.

Significant News

Levi Strauss to cut prices as weak consumer spending hits outlook

Reuter, July 7, 2023

“Levi Strauss & Co ([LEVI.N](#)) cut its annual profit forecast on Thursday, in a sign that higher costs were weighing on the denim clothing maker's margins as it struggles with falling sales at its wholesale channels in North America. Levi's net revenues for the second quarter that ended May 28 declined by 9%, its steepest quarterly drop since the first quarter of 2021, according to Refinitiv data”

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Online retailer Overstock rebranding as Bed Bath & Beyond

Reuter , June 29,2023

“Overstock.com intends to sunset its company name and rebrand as Bed Bath & Beyond after purchasing that company's intellectual property assets in bankruptcy, Overstock CEO Jonathan Johnson said on Thursday. Overstock, which chose not to bid on any of Bed Bath & Beyond's retail locations or inventory, will remain an online-only home goods retailer, combining Overstock's strengths with a better-known and stronger brand name, Johnson said in an interview.

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US Retail Sales Increase in Sign of Steady Consumer Spending

Bloomberg, May 16,2023

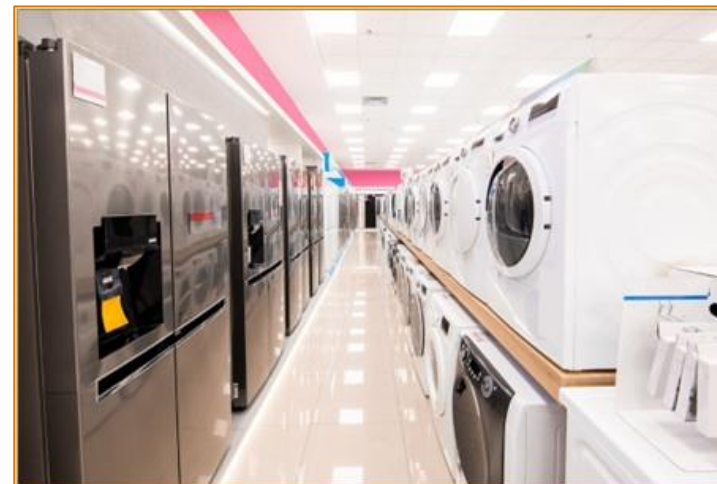
“The value of retail purchases rose 0.4% after an upwardly revised 0.7% decrease in March, Commerce Department data showed Tuesday. Excluding autos and gasoline, sales increased 0.6%. The figures aren't adjusted for inflation. While the overall figure came in below the median estimate in a Bloomberg survey of economists, the gain in sales excluding autos and gasoline topped expectations.”

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M&A Metrics

Consumer Retail Industry

The M&A activity in the Consumer Retail industry decreased in the second quarter of 2023. The number of M&A transactions decreased from 140 in Q1 2023 to 102 in Q2 2023. The number of sub-\$50 million transactions decreased from 120 in Q1 2023 to 87 in Q2 2023. The number of transactions above \$100 million decreased from 12 in Q1 2023 to 11 in Q2 2023. The total number of M&A transactions decreased 56% year on year from 272 in Q2 2022 to 102 in Q2 2023.



M&A Deal Summary Table | Count by Deal Size over Time

Transaction Value	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Not Disclosed	153	198	200	216	229	234	189	169	153	143	102	69
Under \$10 MM	39	52	35	42	49	53	43	39	31	35	11	11
\$10 - \$25 MM	19	16	11	19	15	21	17	15	18	14	2	3
\$25 - \$50 MM	8	11	21	17	8	21	12	9	11	15	5	4
\$50 - \$100 MM	9	12	12	20	14	13	11	12	9	6	8	4
\$100 - \$500 MM	23	30	13	29	17	38	17	24	19	10	3	5
\$500 MM+	12	18	14	12	14	16	14	4	9	9	9	6
Total Transactions	263	337	306	355	346	396	303	272	250	232	140	102

Source: FactSet

Industry Metrics

Industry Financial Data and Ratios

NAICs 3152 - Cut and Sew Apparel Manufacturing

Financial Metric	Last12 Mo	2022	2021
Current Ratio	3.18	3.21	3.17
Gross Profit Margin	45.40%	43.89%	38.90%
Net Profit Margin	8.37%	8.46%	6.58%
Accounts Receivable Days	48.73	45.57	50.54
Accounts Payable Days	44.26	42.39	51.58
Debt-to-Equity Ratio	1.96	1.49	2.35
Return on Equity	44.57%	35.01%	33.88%
Sales per Employee	\$274,384	\$274,384	\$159,755
Profit per Employee	\$17,888	\$17,888	\$4,789
Sales Growth	18.42%	21.21%	23.12%
Profit Growth	-8.09%	21.24%	70.85%

NAICs 3322 - Cutlery and Handtool Manufacturing

Financial Metric	Last12 Mo	2022	2021
Current Ratio	2.98	2.83	3.69
Gross Profit Margin	42.99%	42.07%	39.27%
Net Profit Margin	6.34%	5.35%	8.20%
Accounts Receivable Days	42.92	47.52	41.63
Accounts Payable Days	26.78	32.94	34.04
Debt-to-Equity Ratio	1.55	1.57	1.21
Return on Equity	19.91%	14.73%	31.63%
Sales per Employee	\$199,284	\$199,284	\$161,292
Profit per Employee	(\$575)	(\$575)	--
Sales Growth	15.86%	14.53%	15.81%
Profit Growth	12.53%	1.56%	42.11%

Source: Profit Cents

NAICs 3254 - Pharmaceutical and Medicine Manufacturing

Financial Metric	Last12 Mo	2022	2021
Current Ratio	3.21	3.13	3.2
Gross Profit Margin	47.99%	49.85%	51.50%
Net Profit Margin	-4.15%	-1.57%	5.56%
Accounts Receivable Days	61.49	66.05	69.16
Accounts Payable Days	73.76	65.92	66.33
Debt-to-Equity Ratio	1.19	1.28	1.62
Return on Equity	18.53%	19.81%	32.77%
Sales per Employee	--	--	\$232,724
Profit per Employee	--	--	\$26,251
Sales Growth	13.62%	13.10%	19.97%
Profit Growth	-13.79%	-8.19%	28.23%

NAICs 3352 - Household Appliance Manufacturing

Financial Metric	Last12 Mo	2022	2021
Current Ratio	8.21	4.81	2.44
Gross Profit Margin	40.93%	42.22%	41.24%
Net Profit Margin	12.55%	13.12%	8.84%
Accounts Receivable Days	47.66	43.87	37.46
Accounts Payable Days	16.42	37.83	48.28
Debt-to-Equity Ratio	0.3	0.36	0.56
Return on Equity	30.40%	42.21%	45.93%
Sales per Employee	\$528,837	\$528,837	\$650,949
Profit per Employee	\$56,200	\$56,200	\$116,105
Sales Growth	--	-3.24%	14.64%
Profit Growth	--	-46.72%	3.09%

Industry Metrics

Industry Financial Data and Ratios

NAICs 3399 - Other Miscellaneous Manufacturing

Financial Metric	Last12 Mo	2022	2021
Current Ratio	3.9	3.82	4.21
Gross Profit Margin	41.26%	40.82%	42.39%
Net Profit Margin	5.71%	5.96%	6.29%
Accounts Receivable Days	46.36	47.31	45.02
Accounts Payable Days	50.2	46.6	51.77
Debt-to-Equity Ratio	1.8	1.8	1.91
Return on Equity	26.94%	30.25%	43.63%
Sales per Employee	\$235,233	\$223,570	\$181,819
Profit per Employee	\$9,519	\$17,002	(\$3,943)
Sales Growth	17.48%	17.08%	19.28%
Profit Growth	11.21%	10.07%	29.13%

NAICs 4421 - Furniture Stores

Financial Metric	Last12 Mo	2022	2021
Current Ratio	3.73	3.63	3.68
Gross Profit Margin	41.44%	42.09%	42.16%
Net Profit Margin	5.02%	5.47%	7.35%
Accounts Receivable Days	17.2	16.42	17.58
Accounts Payable Days	36.26	40.25	37.15
Debt-to-Equity Ratio	1.96	1.84	1.96
Return on Equity	40.25%	37.71%	61.03%
Sales per Employee	--	--	\$300,266
Profit per Employee	\$28,227	\$28,227	\$39,444
Sales Growth	9.73%	9.78%	24.93%
Profit Growth	-17.71%	-12.10%	47.00%

Source: Profit Cents

NAICs 4413 - Automotive Parts, Accessories, and Tire Stores

Financial Metric	Last12 Mo	2022	2021
Current Ratio	3.92	4.17	4.45
Gross Profit Margin	39.53%	40.21%	39.59%
Net Profit Margin	6.92%	8.20%	7.65%
Accounts Receivable Days	27.04	26.87	23.17
Accounts Payable Days	55.47	56.62	52.11
Debt-to-Equity Ratio	2.68	2.45	1.96
Return on Equity	42.93%	44.43%	47.87%
Sales per Employee	\$231,061	\$227,632	\$241,844
Profit per Employee	\$19,237	\$20,456	\$16,610
Sales Growth	8.76%	8.95%	20.82%
Profit Growth	3.07%	3.21%	35.60%

NAICs 325611 - Soap and Other Detergent Manufacturing

Financial Metric	Last12 Mo	2022	2021
Current Ratio	2.31	2.45	2.99
Gross Profit Margin	39.89%	37.71%	47.74%
Net Profit Margin	1.66%	3.16%	6.87%
Accounts Receivable Days	26.48	30.94	41.02
Accounts Payable Days	32.4	41.11	47.2
Debt-to-Equity Ratio	2.1	3.79	3.31
Return on Equity	25.40%	41.56%	66.49%
Sales per Employee	--	--	--
Profit per Employee	--	--	--
Sales Growth	32.99%	36.04%	21.07%
Profit Growth	-37.53%	-17.84%	12.61%

Industry Metrics

Industry Financial Data and Ratios

NAICs 325620 - Toilet Preparation Manufacturing

Financial Metric	Last12 Mo	2022	2021
Current Ratio	5.95	4.69	4.66
Gross Profit Margin	69.01%	61.74%	58.93%
Net Profit Margin	-6.15%	1.96%	2.50%
Accounts Receivable Days	42.92	47.88	43.26
Accounts Payable Days	106.79	118.7	81.08
Debt-to-Equity Ratio	0.96	1.15	1.82
Return on Equity	30.46%	36.47%	47.21%
Sales per Employee	--	--	--
Profit per Employee	--	--	--
Sales Growth	-1.08%	-0.91%	13.97%
Profit Growth	55.17%	55.17%	18.24%

Source: Profit Cents



Transaction Highlights

Notable Transactions



In June 2023, **Altria Group, Inc.**, an American corporation and one of the world's largest producers and marketers of tobacco, cigarettes and related products acquired **NJOY Holdings**, for \$2.5 billion. As part of the deal, NJOY e-vapor products will be marketed by NJOY LLC, a wholly owned subsidiary of Altria, and NJOY products will be distributed by Altria Group Distribution Co.

NJOY

ASDA

In May 2023, **Asda Stores Ltd.**, a British supermarket chain, acquired **EG Group UK and Ireland** in a deal valued at £2.27 billion (\$2.8 billion). As part of the acquisition, Asda will gain 350 petrol filling station sites and over 1,000 food-to-go locations across the UK, though EG Group will retain around 30 PFS sites for wider group development. With the merger, Asda plans to leverage its growing loyalty scheme and integrate convenience, fuel, general merchandise, grocery, foodservice, and omnichannel retailing.

EG
Group

L'ORÉAL

In April 2023, **L'Oréal**, a French personal care company acquired Australian cosmetic brand **Aesop** in a deal that values it at \$2.5 billion. The deal would be L'Oréal's largest acquisition of another brand on record, followed by its \$1.7 billion purchase of YSL Beauté in 2008, according to data from Dealogic.

Aēsop®

L CATTERTON

In March 2023, **L Catterton**, a leading global consumer-focused investment firm has agreed to acquire a controlling stake in Atelier de Production et de Création (A.P.C.) for an undisclosed sum. A.P.C. is a recognized French clothing brand offering women's and men's ready-to-wear clothing and accessories. A.P.C. holds a strong international presence, with 80% of sales outside of France and has a distribution footprint in 70 countries.

A.P.C.

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Select M&A Transactions

Date	Target Name	Acquirer Name	Enterprise Value (MM)	Revenue	EBITDA
06/30/23	Rauckman Utility Products LLC	National Safety Apparel, Inc.	NA	NA	NA
06/30/23	Scotts Liquid Gold, Inc. /Biz Business/	Commercial Brands LLC	2.10	NA	NA
06/29/23	Hedlunda Holding AB	Bergs Timber AB	36.52	NA	5.64
06/20/23	GS Optics LLC	Gooch & Housego Plc	15.74	NA	NA
06/16/23	Altitude International Holdings, Inc. /Subsidiaries 3/	Greenlite Ventures, Inc.	0.40	NA	NA
06/09/23	Henkel Ag Co. Kgaa/Diadermine Skincare Brand/	Beauty International BV	17.58	NA	NA
05/26/23	CYC Design Corp.	Aritzia, Inc.	18.01	NA	NA
05/03/23	Colson Group Usa /Colson Brazil Business/	Schioppa Casters And Wheels	NA	NA	NA
05/02/23	Aksels, Inc.	Lakeshirts, Inc.; Carlson Private Capital Partners	NA	NA	NA
05/02/23	Blanksoles, Inc.	Endstate	NA	NA	NA
05/02/23	Pipeline Games Co.	Surge Private Equity LLC; Amuze Products LLC	NA	NA	NA
04/27/23	Revela, Inc.	ODDITY Tech Ltd.	76.00	NA	NA
04/26/23	Iridian Spectral Technologies Ltd.	IDEX Corp.	110.17	NA	NA
04/20/23	Henkel Rus LLC	Augment Investments Ltd.; Elbrus Capital; Kismet Capital Group LLC; Henkel Ag & Co. Kgaa /Russian Business/ /Private Group/	660.35	1,163.44	NA
04/11/23	Harrison Audio LLC	Solid State Logic Ltd.	NA	NA	NA
04/10/23	Garrett Integrated Systems Nothwest LLC	Garrett Integrated Systems LLC	NA	NA	NA
04/04/23	Baum Enterprises LLC	Marucci Sports LLC	NA	NA	NA
(\$ in millions) Source: Factset					

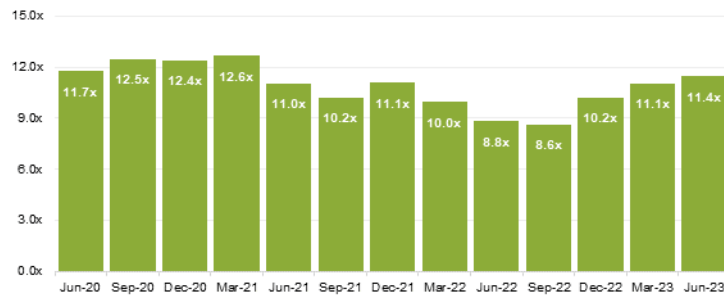


Public Companies

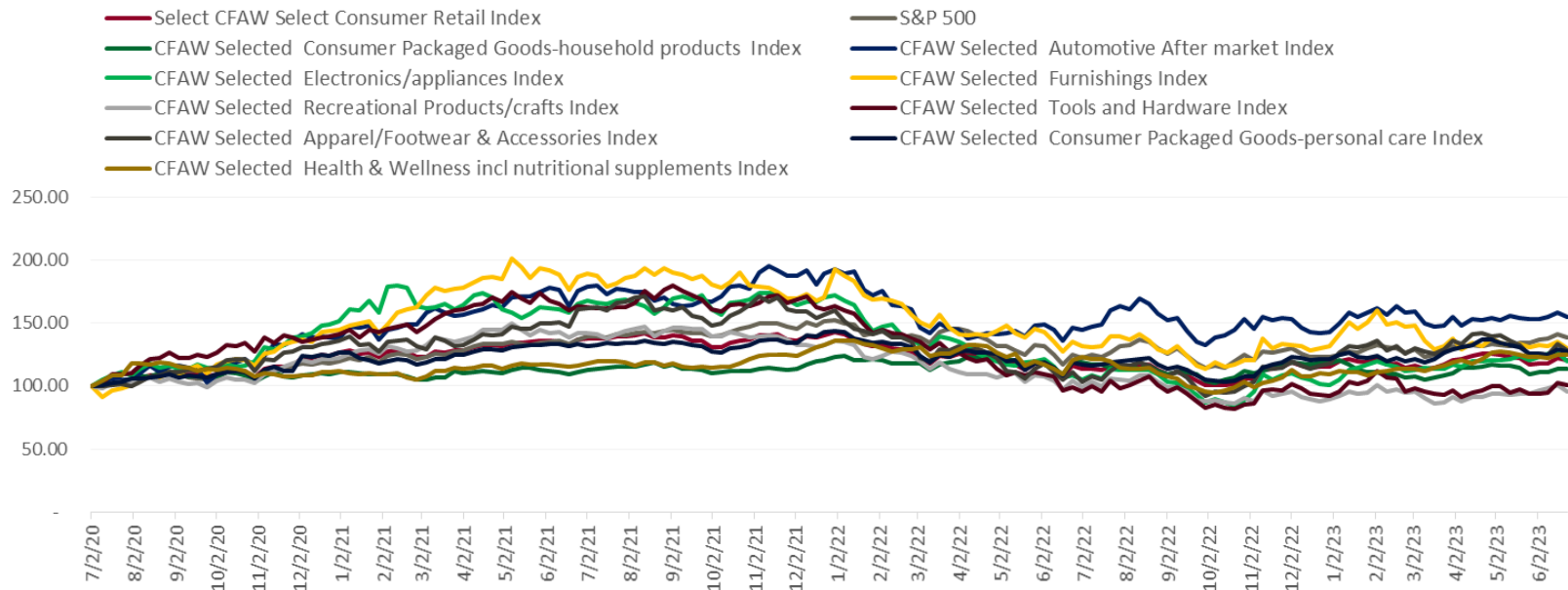
Industry Performance

CFAW Select Consumer Retail Index

CFAW Select Consumer Retail Index | Median EBITDA Multiples



CFAW Select Consumer Retail Index | Median Revenue Multiples

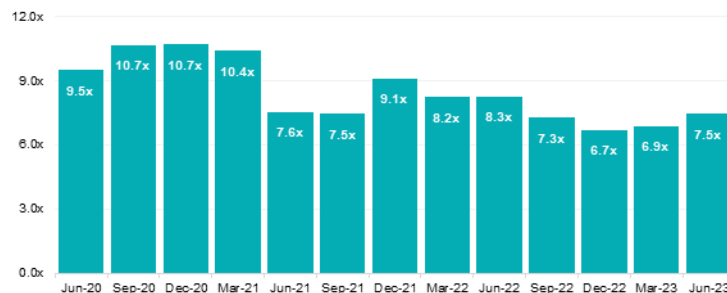


Source: FactSet

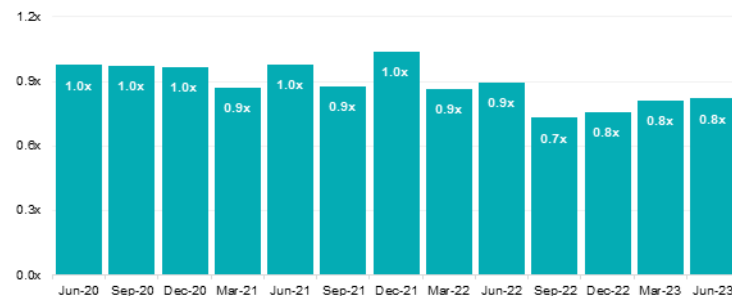
Public Comparables

Automotive Aftermarket

Automotive After market | Median EBITDA Multiples



Automotive After market | Median Revenue Multiples



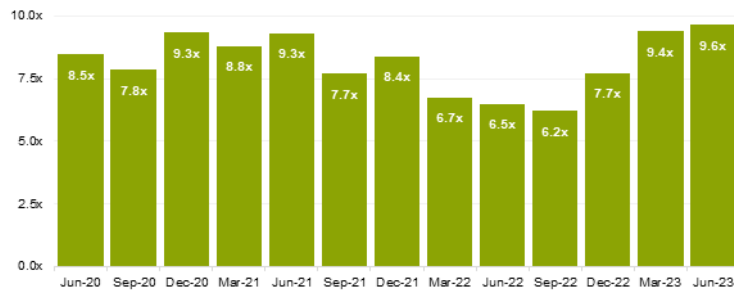
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Ningbo Joyson Electronic Corp. Class A	\$2.43	1,409	\$3,421	\$6,246	\$7,461	NA	0.8x	NM
BeijingWest Industries International Limited	\$0.03	574	\$19	\$42	\$317	\$12	0.1x	3.6x
JVCKENWOOD Corporation	\$3.42	164	\$561	\$679	\$2,551	\$278	0.3x	2.4x
Cryomax Cooling System Corp.	\$0.71	69	\$49	\$68	\$81	\$11	0.8x	6.5x
Goodyear Tire & Rubber Company	\$13.68	283	\$3,878	\$12,761	\$20,493	\$1,498	0.6x	8.5x
LKQ Corporation	\$58.27	268	\$15,591	\$19,064	\$12,902	\$1,719	1.5x	11.1x
Standard Motor Products, Inc.	\$37.52	22	\$815	\$1,102	\$1,371	\$171	0.8x	6.4x
Dorman Products, Inc.	\$78.83	31	\$2,482	\$3,195	\$1,862	\$200	1.7x	16.0x
Horizon Global Corp.	\$143.55	59	\$8,433	\$11,175	\$22,450	\$1,500	0.5x	7.5x
XPEL, Inc.	\$84.22	28	\$2,326	\$2,341	\$338	\$67	6.9x	35.0x
Mean				\$5,667	\$6,982	\$606	1.4x	10.8x
Median				\$2,768	\$2,206	\$200	0.8x	7.5x

Source: FactSet

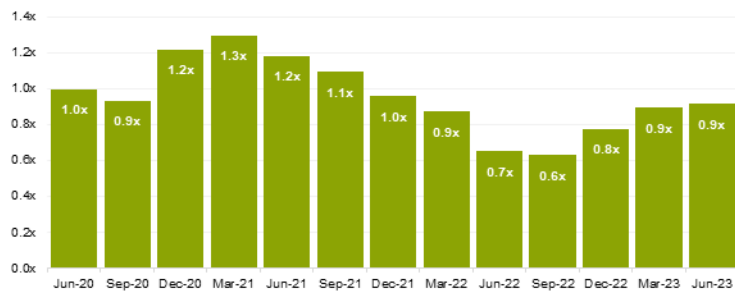
Public Comparables

Electronics/appliances

Electronics/appliances | Median EBITDA Multiples



Electronics/appliances | Median Revenue Multiples



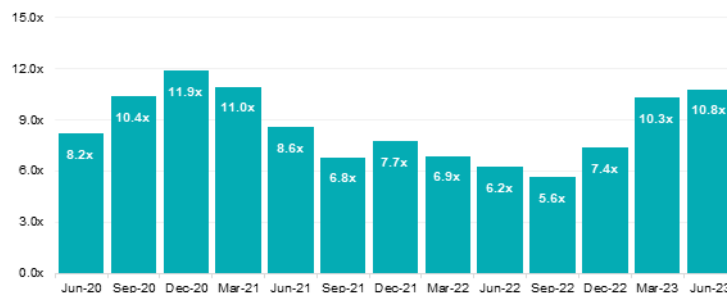
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
SEB SA	\$103.26	55	\$5,714	\$8,500	\$8,266	\$903	1.0x	9.4x
De'Longhi S.p.A.	\$21.84	151	\$3,299	\$3,479	\$3,284	\$392	1.1x	8.9x
Sharp Corporation	\$5.56	650	\$3,618	\$6,723	\$18,803	\$448	0.4x	15.0x
Panasonic Holdings Corporation	\$12.13	2,454	\$29,775	\$33,529	\$61,377	\$5,288	0.5x	6.3x
Sony Group Corporation	\$89.70	1,261	\$113,121	\$126,902	\$85,154	\$16,683	1.5x	7.6x
LG Electronics Inc.	\$96.16	164	\$15,736	\$11,820	\$63,205	\$4,720	0.2x	2.5x
Electrolux AB Class B	\$13.63	275	\$3,746	\$6,344	\$12,917	\$454	0.5x	14.0x
NIBE Industrier AB Class B	\$9.48	1,783	\$16,903	\$19,851	\$4,135	\$737	4.8x	26.9x
Hamilton Beach Brands Holding Co. Class A	\$9.66	10	\$101	\$251	\$612	\$21	0.4x	12.0x
Universal Electronics Inc.	\$9.62	13	\$124	\$163	\$487	\$17	0.3x	9.9x
iRobot Corporation	\$45.25	28	\$1,253	\$1,231	\$1,002	(\$243)	1.2x	NM
Spectrum Brands Holdings, Inc.	\$78.05	41	\$3,200	\$6,173	\$3,010	\$2	2.1x	3858.0x
Whirlpool Corporation	\$148.79	55	\$8,156	\$15,353	\$19,150	\$1,362	0.8x	11.3x
Roku, Inc. Class A	\$63.96	124	\$7,937	\$7,904	\$3,217	(\$576)	2.5x	NM
Mean				\$17,730	\$20,330	\$2,158	1.2x	331.8x
Median				\$7,313	\$6,200	\$451	0.9x	10.6x

Source: FactSet

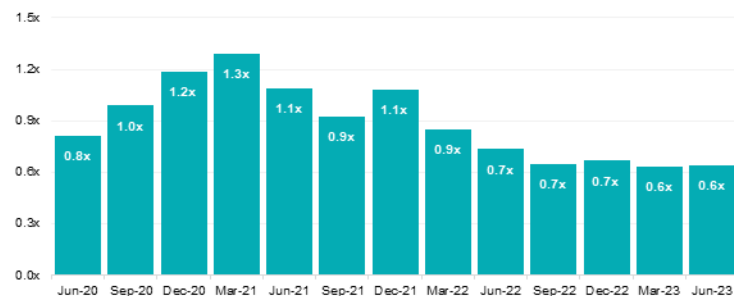
Public Comparables

Furnishings

Furnishings | Median EBITDA Multiples



Furnishings | Median Revenue Multiples



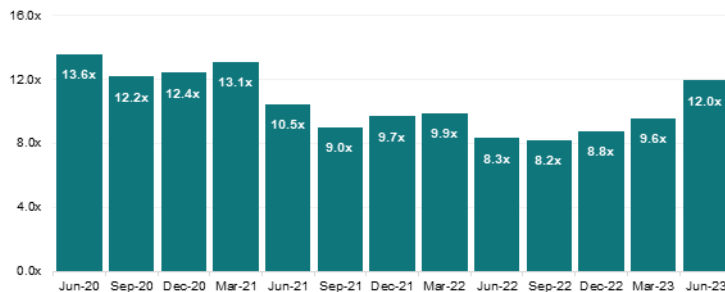
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Natuzzi S.p.A. Sponsored ADR	\$7.00	11	\$77	\$82	\$452	\$23	0.2x	3.6x
Mohawk Industries, Inc.	\$103.16	64	\$6,569	\$9,476	\$11,325	\$1,369	0.8x	6.9x
Leggett & Platt, Incorporated	\$29.62	133	\$3,945	\$5,922	\$4,929	\$546	1.2x	10.9x
Tempur Sealy International Inc	\$40.07	172	\$6,895	\$14,683	\$4,949	\$762	3.0x	19.3x
Hunter Douglas N.V.	NA	NA	NA	NA	\$4,607	\$888	NM	NM
La-Z-Boy Incorporated	\$28.64	43	\$1,240	\$1,344	\$2,349	\$328	0.6x	4.1x
Nobia AB	\$1.27	170	\$216	\$604	\$1,371	\$51	0.4x	11.9x
DFS Furniture PLC	\$1.37	234	\$321	\$979	\$1,396	\$202	0.7x	4.8x
Lifetime Brands, Inc.	\$5.65	22	\$123	\$418	\$686	\$39	0.6x	10.8x
Leifheit AG	\$21.11	10	\$211	\$167	\$260	\$7	0.6x	23.7x
Mean				\$3,742	\$3,232	\$421	0.9x	10.7x
Median				\$979	\$1,873	\$265	0.6x	10.8x

Source: FactSet

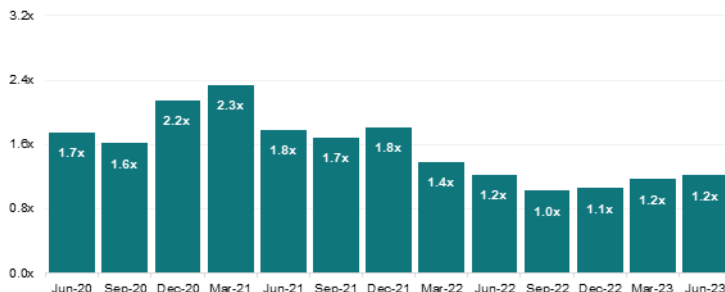
Public Comparables

Recreational Products

Recreational Products/crafts | Median EBITDA Multiples



Recreational Products/crafts | Median Revenue Multiples



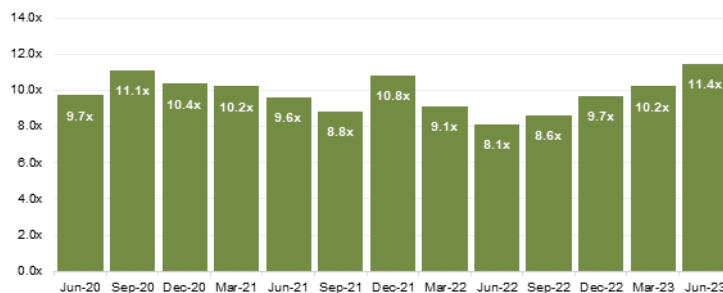
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Technogym S.p.A	\$9.25	201	\$1,863	\$1,728	\$799	\$132	2.2x	13.1x
Yamaha Corporation	\$38.09	187	\$7,135	\$5,885	\$3,331	\$481	1.8x	12.2x
Fluidra, S.A.	\$19.45	192	\$3,737	\$5,193	\$2,267	\$401	2.3x	13.0x
Giant Manufacturing Co., Ltd.	\$7.38	392	\$2,895	\$3,480	\$2,917	\$291	1.2x	12.0x
Polaris Inc.	\$120.93	57	\$6,855	\$8,689	\$9,141	\$1,044	1.0x	8.3x
Malibu Boats, Inc. Class A	\$58.66	21	\$1,210	\$1,215	\$1,369	\$261	0.9x	4.7x
Hasbro, Inc.	\$64.77	139	\$8,986	\$12,862	\$5,563	\$945	2.3x	13.6x
Winnebago Industries, Inc.	\$66.69	30	\$2,015	\$2,422	\$3,899	\$418	0.6x	5.8x
Brunswick Corporation	\$86.64	70	\$6,050	\$8,192	\$6,727	\$1,146	1.2x	7.2x
Topgolf Callaway Brands Corp.	\$19.85	185	\$3,682	NA	NA	NA	NM	NM
Mean				\$5,519	\$4,001	\$569	1.5x	10.0x
Median				\$5,193	\$3,331	\$418	1.2x	12.0x

Source: FactSet

Public Comparables

Tools and Hardware

Tools and Hardware | Median EBITDA Multiples



Tools and Hardware | Median Revenue Multiples



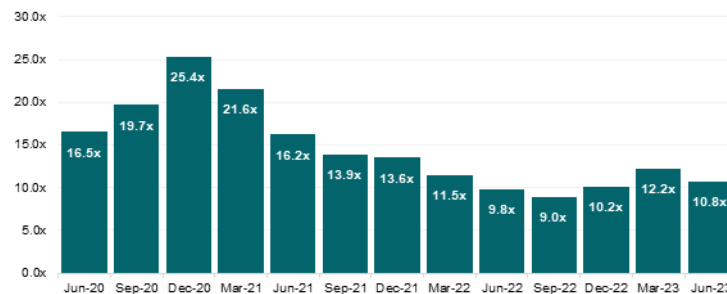
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Stanley Black & Decker, Inc.	\$93.71	153	\$14,359	\$21,849	\$16,197	\$859	1.3x	25.4x
Techtronic Industries Co., Ltd.	\$10.87	1,835	\$19,937	\$22,160	\$13,240	\$1,606	1.7x	13.8x
Makita Corporation	\$27.92	280	\$7,819	\$7,594	\$5,485	\$414	1.4x	18.4x
Snap-on Incorporated	\$288.19	53	\$15,250	\$15,672	\$4,994	\$1,369	3.1x	11.4x
Husqvarna AB Class B	\$9.04	466	\$4,215	\$6,333	\$5,368	\$658	1.2x	9.6x
Hangzhou Great Star Industrial Co., Ltd. Class A	\$3.01	1,203	\$3,622	\$3,303	\$1,786	NA	1.9x	NM
Einhell Germany AG Pref	\$167.80	2	\$282	\$862	\$1,030	\$99	0.8x	8.7x
Rexon Industrial Corp. Ltd.	\$1.12	181	\$202	\$212	\$117	\$2	1.8x	128.2x
Emak S.p.A.	\$1.14	164	\$186	\$426	\$595	\$70	0.7x	6.1x
Sabaf S.p.A.	\$15.58	12	\$180	\$270	\$250	\$30	1.1x	8.9x
Mean				\$7,868	\$4,906	\$567	1.5x	25.6x
Median				\$4,818	\$3,390	\$414	1.4x	11.4x

Source: FactSet

Public Comparables

Apparel/Footwear & Accessories

Apparel/Footwear & Accessories | Median EBITDA Multiples



Apparel/Footwear & Accessories | Median Revenue Multiples



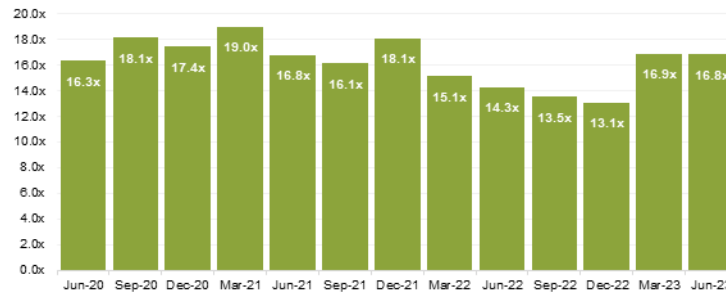
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Christian Dior SE	\$886.98	181	\$160,107	\$230,580	\$88,555	\$29,435	2.6x	7.8x
adidas AG	\$193.96	180	\$34,912	\$41,083	\$23,244	\$1,186	1.8x	34.6x
Prada S.p.A.	\$6.70	2,559	\$17,142	\$19,242	\$4,410	\$1,586	4.4x	12.1x
Swatch Group Ltd. Bearer	\$291.85	29	\$8,445	\$12,851	\$8,420	\$1,710	1.5x	7.5x
NIKE, Inc. Class B	\$110.37	1,225	\$135,211	\$170,556	\$51,191	\$6,016	3.3x	28.4x
Hanesbrands Inc.	\$4.54	350	\$1,587	\$5,661	\$6,047	\$549	0.9x	10.3x
Levi Strauss & Co. Class A	\$14.43	100	\$1,438	\$7,483	\$6,129	\$725	1.2x	10.3x
Under Armour, Inc. Class A	\$7.22	189	\$1,362	\$3,986	\$5,829	\$370	0.7x	10.8x
Wolverine World Wide, Inc.	\$14.69	79	\$1,167	\$2,440	\$2,669	\$181	0.9x	13.5x
Crocs, Inc.	\$112.44	62	\$6,931	\$9,106	\$3,887	\$1,112	2.3x	8.2x
Lululemon Athletica Inc	\$378.50	122	\$46,158	\$48,243	\$8,498	\$2,202	5.7x	21.9x
Mean				\$50,112	\$18,989	\$4,097	2.3x	15.0x
Median				\$12,851	\$6,129	\$1,186	1.8x	10.8x

Source: FactSet

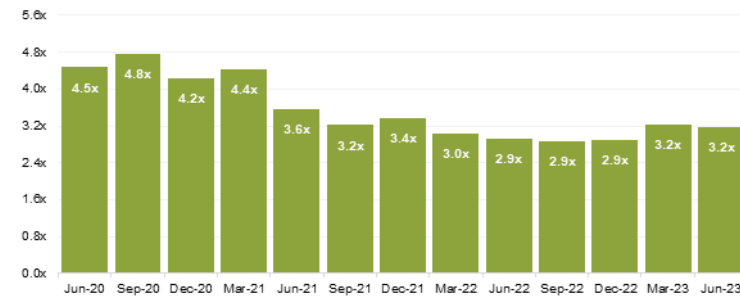
Public Comparables

Consumer Packaged Goods-personal care

Consumer Packaged Goods-personal care | Median EBITDA Multiples



Consumer Packaged Goods-personal care | Median Revenue Multiples



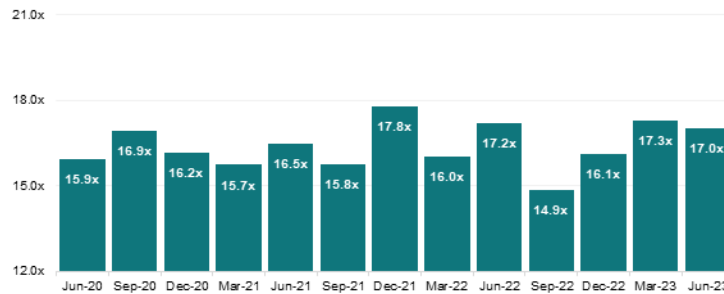
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
L'Oreal S.A.	\$465.97	536	\$249,754	\$255,009	\$42,313	\$9,426	6.0x	27.1x
Unilever PLC	\$52.09	2,515	\$131,022	\$160,475	\$63,695	\$12,029	2.5x	13.3x
Reckitt Benckiser Group plc	\$75.16	718	\$53,935	\$63,640	\$18,055	\$4,816	3.5x	13.2x
Procter & Gamble Company	\$151.74	2,357	\$357,698	\$386,710	\$82,006	\$21,071	4.7x	18.4x
Estee Lauder Companies Inc. Class A	\$196.38	232	\$45,535	\$74,939	\$15,799	\$2,501	4.7x	30.0x
Church & Dwight Co., Inc.	\$100.23	246	\$24,661	\$26,833	\$5,637	\$847	4.8x	31.7x
Coty Inc. Class A	\$12.29	853	\$10,481	\$15,212	\$5,371	\$992	2.8x	15.3x
Nu Skin Enterprises, Inc. Class A	\$33.20	50	\$1,659	\$1,990	\$2,042	\$222	1.0x	9.0x
Edgewell Personal Care Co.	\$41.31	51	\$2,099	\$3,285	\$2,254	\$345	1.5x	9.5x
Diversey Holdings, Ltd.	\$8.39	325	\$2,723	\$4,672	\$2,802	\$230	1.7x	20.3x
Mean				\$99,276	\$23,997	\$5,248	3.3x	18.8x
Median				\$45,237	\$10,718	\$1,746	3.2x	16.8x

Source: FactSet

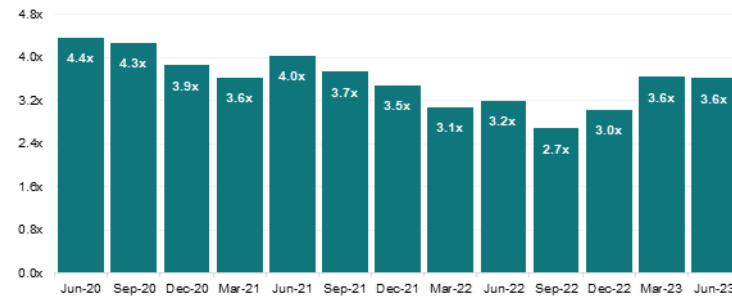
Public Comparables

Consumer Packaged Goods-household products

Consumer Packaged Goods-household products | Median EBITDA Multiples



Consumer Packaged Goods-household products | Median Revenue Multiples



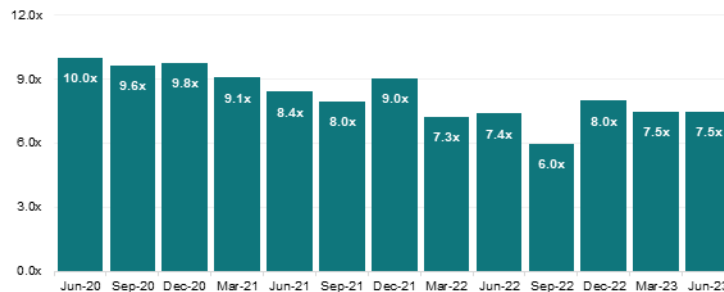
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Clorox Company	\$159.04	124	\$19,661	\$22,381	\$7,171	\$944	3.1x	23.7x
Kimberly-Clark Corporation	\$138.06	338	\$46,690	\$54,610	\$20,346	\$3,629	2.7x	15.0x
Reynolds Consumer Products Inc	\$28.25	210	\$5,933	\$7,992	\$3,846	\$513	2.1x	15.6x
Colgate-Palmolive Company	\$77.04	827	\$63,688	\$71,970	\$18,676	\$4,227	3.9x	17.0x
Procter & Gamble Company	\$151.74	2357	\$357,698	\$386,710	\$82,006	\$21,071	4.7x	18.4x
Church & Dwight Co., Inc.	\$100.23	246	\$24,661	\$26,833	\$5,637	\$847	4.8x	31.7x
Energizer Holdings, Inc.	\$33.58	71	\$2,400	\$5,693	\$2,939	\$549	1.9x	10.4x
Johnson & Johnson	\$165.52	2599	\$430,181	\$448,402	\$97,814	\$32,983	4.6x	13.6x
BellRing Brands, Inc.	\$36.60	131	\$4,811	\$5,695	\$1,573	\$307	3.6x	18.6x
Mean				\$114,476	\$26,668	\$7,230	3.5x	18.2x
Median				\$26,833	\$7,171	\$944	3.6x	17.0x

Source: FactSet

Public Comparables

Health & Wellness incl nutritional supplements

Health & Wellness incl nutritional supplements | Median EBITDA Multiples



Health & Wellness incl nutritional supplements | Median Revenue Multiples



Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
e.l.f. Beauty, Inc.	\$114.23	54	\$6,221	\$6,153	\$673	\$125	9.1x	49.3x
Church & Dwight Co., Inc.	\$100.23	246	\$24,661	\$26,833	\$5,637	\$847	4.8x	31.7x
LifeVantage Corporation	\$4.35	13	\$56	\$50	\$210	\$8	0.2x	5.9x
Mannatech, Incorporated	\$12.01	2	\$22	\$15	\$139	\$4	0.1x	4.0x
Nature's Sunshine Products, Inc.	\$13.65	19	\$260	\$218	\$420	\$30	0.5x	7.2x
Prestige Consumer Healthcare Inc	\$59.43	50	\$2,944	\$4,225	\$1,130	\$384	3.7x	11.0x
Riken Vitamin Co., Ltd.	\$14.79	34	\$498	\$451	\$655	\$80	0.7x	5.6x
Simply Good Foods Co	\$36.59	100	\$3,642	\$3,941	\$1,196	\$219	3.3x	18.0x
USANA Health Sciences, Inc.	\$63.04	19	\$1,217	\$916	\$974	\$122	0.9x	7.5x
Mean				\$4,756	\$1,226	\$202	2.6x	15.6x
Median				\$916	\$673	\$122	0.9x	7.5x

Source: FactSet



CFA Overview

About CFA

Who We Are / What We Do

Corporate Finance Associates (CFA) is an independent international investment banking firm serving middle-market businesses. For over 60 years, Corporate Finance Associates has been advocating on behalf of business owners, who are considering or executing strategic transactions such as a merger, acquisition, financing or sale of all or part of their business. Combining the knowledge and leverage typically found at a larger bank with the client focused detail of a boutique firm, from inception to completion, our senior principals provide hands-on expertise to clients throughout the engagement.

This Consumer | Retail Industry Practice Group was established to draw on the experience of CFA advisors, who were also former business owners and CEOs, have first-hand operating knowledge and have completed many transactions in this industry. This collective wealth of knowledge and experience is available to every CFA client.



Sell-Side Advisory

Whether as a divestiture strategy or a recapitalization strategy selling all or part of a business requires equal parts creative thinking, critical analysis, expert advice, sound planning and flawless execution. Having the right team of investment banking professionals working for you is critical to ensure success.



Capital Markets

Our commitment to remaining independent from any investment or lending affiliates ensures that we deliver unbiased guidance. It also promotes maximum competition among capital sources, helping to fully leverage value for our clients. Our role is to help you raise the type of capital that best fits your needs.



Buy-Side Advisory

Growth through acquisition is a complex process. It involves strategy, planning, critical analysis, coordination and negotiation. When you want to take advantage of the fast growth offered by a consolidation or roll-up, CFA's broad reach, sources of financing and efficient closings can help you achieve your business growth goals.



Financial Advisory

Now that you have made the decision to raise capital for your business, choosing the right investment banker is critical. Whether you are buying out a partner, financing an acquisition or seeking growth capital, CFA is the right choice to help you achieve your financing goals.



Exit Planning

Every business will ultimately undergo a transfer via sale or merger, ESOP, MBO, a charitable donation, a transfer to a child or relative or even bankruptcy, liquidation or death. Every ownership transfer carries with it a unique set of consequences and the best consequences usually begin with a clearly defined exit plan.



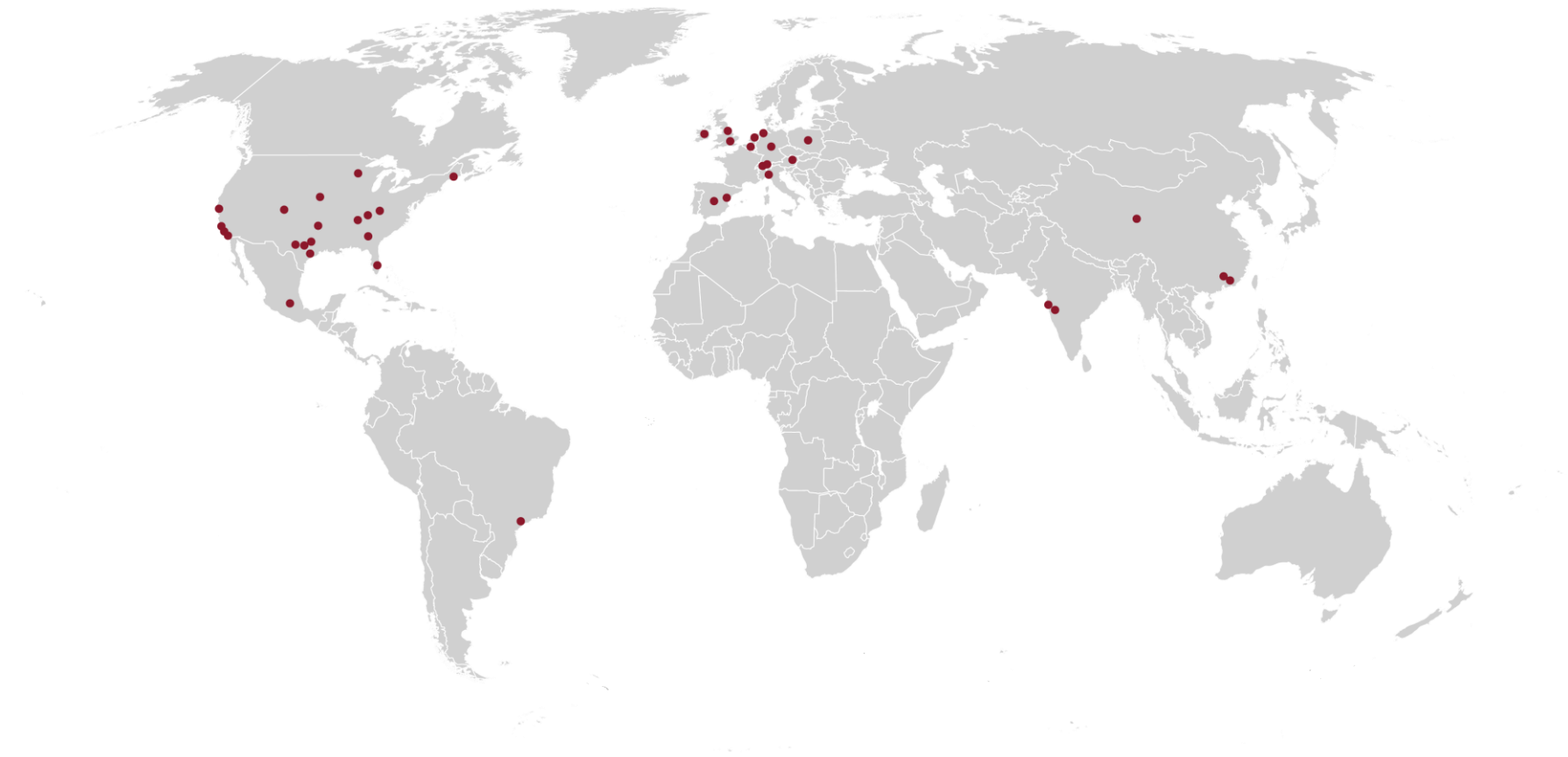
Business Valuation

"What is my business worth" is a question we often hear from business owners contemplating a business sale, merger or recapitalization. Answering this question depends on many factors, including the business valuation methods that are employed in the calculation.

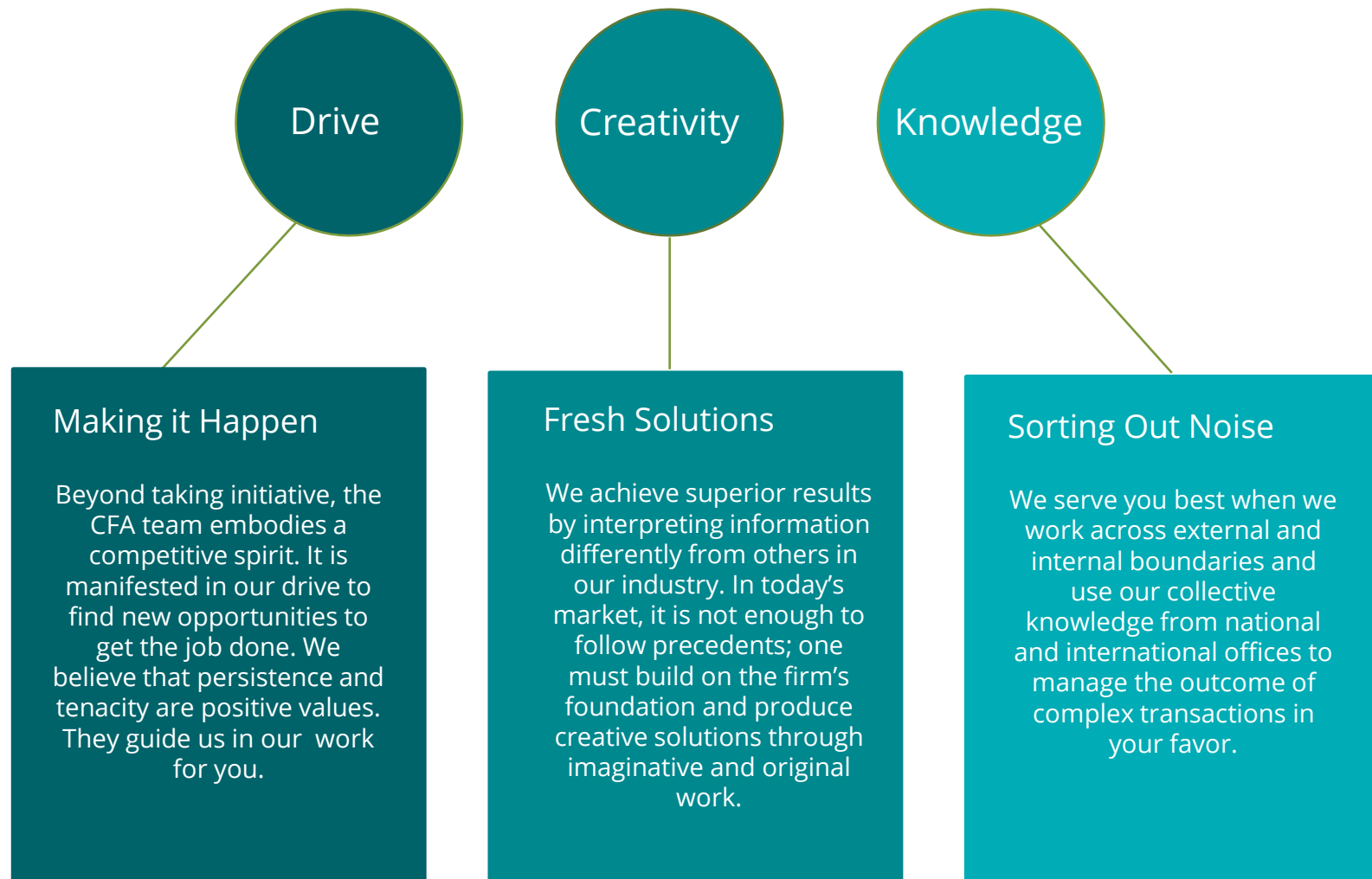
Local Service, Global Reach

Where We Are

With offices across the USA and in Austria, Belgium, Brazil, Germany, Hong Kong, India, Ireland, Italy, Mexico, Netherlands, Poland, Spain, Switzerland and the United Kingdom providing middle-market companies with a wide range of M&A, financial advisory services and access to capital resources.



Delivering Results



Founded in 1956 • 70 Managing Directors • 37 Offices Worldwide • Billions in M&A Transactions

Worldwide Transactions



Industry Practice Groups

Consumer | Retail





















The Consumer | Retail practice group is a multi-disciplinary team of investment banking advisors within Corporate Finance Associates. Collectively, the Consumer | Retail Practice Group advises companies in all sectors of the industry regarding mergers, acquisitions, recapitalizations, and financial resources. This Practice Group is comprised of advisors with extensive experience working with companies in the consumer retail industry. We specialize in advising middle market companies in the following sectors:

- Consumer Durables
 - Automotive Aftermarket
 - Electronics/Appliances
 - Furnishings
 - Recreational Products
 - Tools & Hardware
- Consumer Non-Durables
 - Apparel/Footwear/Accessories
 - Consumer Packaged Goods/Personal Care
 - Consumer Packaged Goods/Household Products
 - Health & Wellness/Nutritional Supplements
- Retail
 - Convenience Stores/Gas Stations
 - Department Stores
 - Mass Retail
 - Apparel/Accessories
 - Specialty
 - Home Improvement
- Consumer Services
 - Multi-Unit Services Providers
 - Multi-Unit Restaurants
- E-Commerce
 - B2B
 - B2C
 - C2C

Whether you want to acquire, merge, sell, or finance, let CFA's industry knowledge, international resources and proven skills work for you. We research, identify, qualify, advocate, negotiate and help steer you through the mine fields to maximize your value and secure your objective.

Aerospace/Defense/Government
Agriculture
Animal Health
Business Services
Commercial Real Estate
Consumer Retail
Energy
Engineering/Construction
Financial Services & FinTech
Food/Beverage
Healthcare/Life Sciences
Industrials
Metal Fabrication
Print/Packaging
Semiconductors
Technology/Media/Telecom
Transportation/Logistics/Supply Chain
Wholesale Distribution

Recent Industry Transactions

<p><i>This announcement appears as a matter of record only</i></p>  <p>has acquired</p>  <p>CFA Dublin and CFA Vienna acted as advisors to parties in the transaction</p> <p>cfa CORPORATE FINANCE ASSOCIATES Since 1956</p>	<p><i>This announcement appears as a matter of record only</i></p> <p>The Executive Team and Shareholders</p> <p>have acquired a 50% stake from the founding shareholder in</p>  <p>The undersigned initiated and acted as advisor to National Beauty Distribution in the transaction</p> <p>cfa CORPORATE FINANCE ASSOCIATES Since 1956</p>	<p><i>This announcement appears as a matter of record only</i></p>  <p>have been acquired by</p>  <p>The undersigned initiated the transaction and acted as the exclusive investment banker to the seller</p> <p>cfa CORPORATE FINANCE ASSOCIATES Securities transacted through Corporate Finance Securities, Inc.</p>	<p><i>This announcement appears as a matter of record only</i></p>  <p>has been acquired by</p>  <p>The undersigned acted as Purchaser Representative to shareholders of Prodigy Software, Inc.</p> <p>cfa CORPORATE FINANCE ASSOCIATES Securities transacted through Corporate Finance Securities, Inc.</p>	<p><i>This announcement appears as a matter of record only</i></p>  <p>has been acquired by</p>  <p>The undersigned initiated the transaction and acted as the exclusive investment banker to the seller</p> <p>cfa CORPORATE FINANCE ASSOCIATES Securities transacted through Corporate Finance Securities, Inc.</p>
<p><i>This announcement appears as a matter of record only</i></p>  <p>Douglas, Isle of Mann</p> <p>indirectly acquires 100% of the shares of Laica S.p.A., including its subsidiaries and participations in Taiwan, Spain and China.</p>  <p>CFAW Frankfurt initiated and acted as advisor to the seller in the transaction</p> <p>cfa CORPORATE FINANCE ASSOCIATES Since 1956</p>	<p><i>This announcement appears as a matter of record only</i></p>  <p>1100+ stores primarily in New England. Evaluated strategic alternatives involving a shareholder deadlock and litigation.</p> <p>A member of CFAs Consumer and Retail Industry Practice Group acted as financial advisor in the transaction</p> <p>cfa CORPORATE FINANCE ASSOCIATES Since 1956</p>	<p><i>This announcement appears as a matter of record only</i></p>  <p>has been acquired by</p>  <p>The undersigned initiated and acted as the exclusive investment banker to the seller in the transaction</p> <p>cfa CORPORATE FINANCE ASSOCIATES Securities transacted through Silver Oak Securities, Inc.</p>	<p><i>This announcement appears as a matter of record only</i></p>  <p>has been acquired by</p>  <p>The undersigned acted as an advisor to the seller in the transaction</p> <p>cfa CORPORATE FINANCE ASSOCIATES Securities transacted through Silver Oak Securities, Inc.</p>	<p><i>This announcement appears as a matter of record only</i></p>  <p>has acquired</p>  <p>The undersigned initiated and acted as advisor to Portwest in the transaction</p> <p>cfa CORPORATE FINANCE ASSOCIATES Since 1956</p>

Recent Industry Transactions

This announcement appears as a matter of record only

SLENDERTONE®

has received funding from

BEECHBROOKcapital

The undersigned initiated and acted as advisor to Slendertone in the transaction

cfa | CORPORATE FINANCE ASSOCIATES
Since 1956

This announcement appears as a matter of record only

 **Tattoo Goo®**
A FAMILY OF BODY ART PRODUCTS

has been acquired by

MAGNILIFE®
The Magni Group, Inc.

The undersigned initiated and acted as the investment banker for the seller in the transaction

cfa | CORPORATE FINANCE ASSOCIATES
Securities transacted through Corporate Finance Securities, Inc.

This announcement appears as a matter of record only

ULTRAMOTIVE
CORPORATION

has been acquired by

GUY
chemical

The undersigned initiated and acted as financial advisor in the transaction

cfa | CORPORATE FINANCE ASSOCIATES
Securities transacted through Corporate Finance Securities, Inc.

This announcement appears as a matter of record only

gingr

has been acquired by

TOGETHER
WORK

The undersigned initiated and acted as financial advisor in the transaction

cfa | CORPORATE FINANCE ASSOCIATES
Securities transacted through Corporate Finance Securities, Inc.

This announcement appears as a matter of record only

The Intellectual Property Of
DANIER LEATHER

has been acquired by

Amit Leatherwears

The undersigned initiated and acted as financial advisor to the seller in the transaction

cfa | CORPORATE FINANCE ASSOCIATES
Since 1956

This announcement appears as a matter of record only

Verbeelen
Belgium

has acquired

artmadis
France

CFAW Brussels initiated and acted as advisor to the buyer in the transaction

cfa | CORPORATE FINANCE ASSOCIATES
Since 1956

This announcement appears as a matter of record only



Tomberlin Automotive Group

has been acquired by

COLUMBIA
Columbia ParCar Custom Carts, Inc.

The undersigned initiated and acted as financial advisor to the seller in the transaction

cfa | CORPORATE FINANCE ASSOCIATES
Since 1956

This announcement appears as a matter of record only

PrimaMarketingLLC

a licensed operator of 83 locations

7 ELEVEN

has restructured
\$52,000,000 of debt

A member of CFA's Consumer and Retail Industry Practice Group acted as financial advisor in the transaction

cfa | CORPORATE FINANCE ASSOCIATES
Since 1956

This announcement appears as a matter of record only

J.Jill

a portfolio company of

ARCAPITA

has closed \$30,000,000 of subordinated financing with

GOLDEN GATE CAPITAL

in a recapitalization of its balance sheet

A member of CFA's Consumer and Retail Industry Practice Group acted as financial advisor in the transaction

cfa | CORPORATE FINANCE ASSOCIATES
Since 1956

This announcement appears as a matter of record only

Fred & Friends

has been acquired by

LIFETIME BRANDS
(NASDAQ: LCVT)

A member of CFA's Consumer and Retail Industry Practice Group acted as financial advisor in the transaction

cfa | CORPORATE FINANCE ASSOCIATES
Since 1956