



**CAPITAL
ALLIANCE**

EST. 1999

Mergers &
Acquisitions

Capital
Raise

Strategic
Advisory

Online Retail Market Monitor

Fall 2024

Proven Track Record of Successful Transactions

KANDUI

has raised capital from Private Investors to support


Simple. 

We provided investment banking services for


BEYOND YOGA 

in its acquisition by





has been acquired by



Penetrex

has been acquired by



a portfolio company of



ANNEX
PRODUCTS

parent of




has been acquired by

QUADRANT
PRIVATE EQUITY 

Best Friends
BY SHERI

has been acquired by



a portfolio company of

PROSPECT HILL
GROWTH PARTNERS

Zone 4
Systems Integration and Design
A Paradigm Holdings Group Company

has been acquired by



JOHNNY WAS

has been acquired by

 ENDEAVOUR

Online Retail Trends

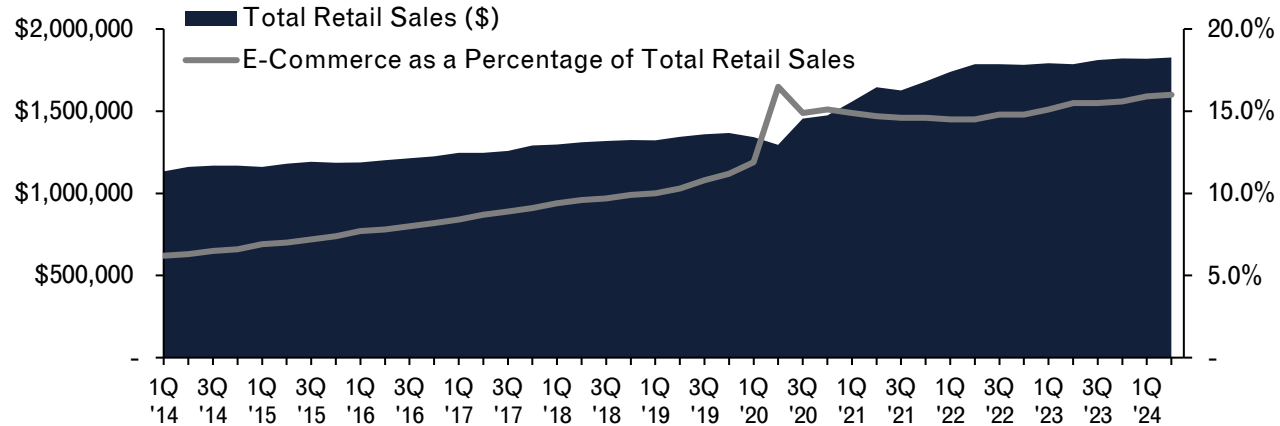
In the second quarter of 2024, total retail sales in the United States reached \$1.83 trillion, reflecting a 2.2% increase compared to the same period in 2023.

As summer winds down and kids go back to school, parents have spent an overall \$31.3 billion on back-to-school (BTS) items. Clothing and accessories, tech products, and school supplies were among the top spending categories. Online retailers have increased their share of traditional school supply sales, growing from 22.7% in 2019 to 37% in 2023. The largest online retailers for BTS were Walmart, Amazon, and Target, with Amazon overtaking Target in 2023.

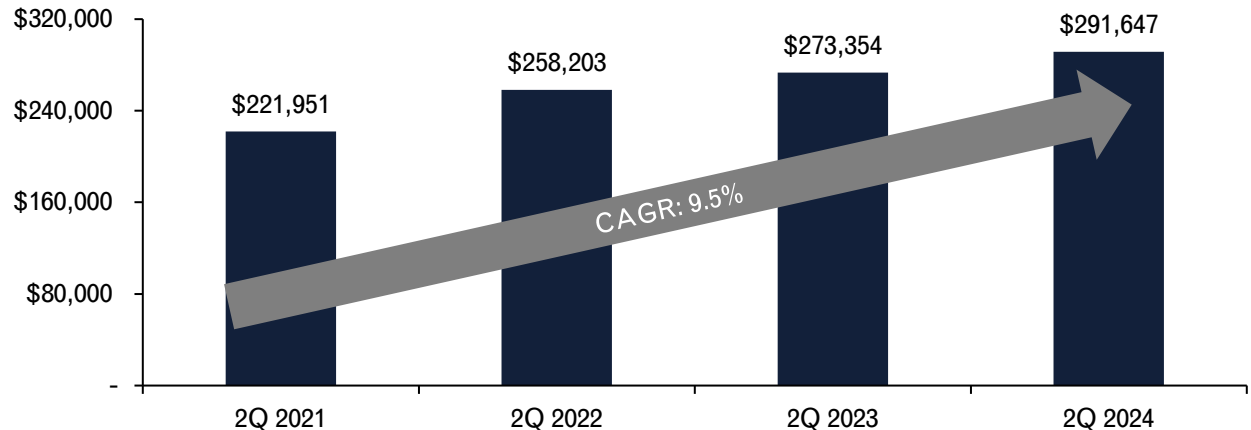
Amazon Prime Day 2024 was also the largest in the company's history, with total spending reaching \$14.2 billion, up 11% year-over-year (YoY). Strong growth was driven by a product refresh cycle, increased demand for new electronics, back-to-school shopping, and upgrades in home furniture and appliances. The average order value during Prime Day 2024 was \$57.97, with 60% of households placing two or more orders during the event. This year's Prime Day provides insight into anticipated spending trends for the upcoming holiday season, with growth being driven by higher purchasing volume rather than just price increases.

M&A activity is expected to pick up in consumer markets; however, the timing remains uncertain, and investors continue to be selective about which deals to pursue. Brands that adapt to market changes and continue to grow are well-positioned to attract investors at premium valuations.

U.S. Online Sales as a Share of Total Retail Sales (\$ in millions)



U.S. Online Sales (\$ in millions)



Source: U.S. Census Bureau, Deloitte, Adobe, Numerator, Digital Commerce 360, PwC

Public Company Valuations

		\$ in millions, except share price													
Category	Company Name	9/9/24 Share Price	Market Cap	Enterprise Value	TTM Data					NTM Est. Growth		EV Multiple			
					Sales	Gross Profit	Gross Margin	Adj. EBITDA	EBITDA Margin	Sales	EBITDA	TTM Sales	TTM Adj. EBITDA	NTM Sales	NTM EBITDA
Online Retailers / Brands	Amazon.com, Inc.	\$175.40	\$1,840,922	\$1,909,672	\$604,334	\$290,341	48.0%	\$113,296	18.7%	10.1%	30.3%	3.16x	16.2x	2.9x	12.9x
	eBay Inc.	59.43	29,061	32,072	10,190	7,340	72.0%	2,534	24.9%	2.8%	29.8%	3.15x	12.7x	3.1x	9.8x
	Etsy, Inc.	52.35	6,007	7,396	2,772	1,962	70.8%	435	15.7%	3.0%	78.8%	2.67x	17.0x	2.6x	9.5x
	Wayfair Inc.	43.18	5,331	8,095	11,904	3,621	30.4%	(380)	NA	1.1%	(247.1%)	0.68x	NA	0.7x	14.5x
	Revolve Group, Inc.	21.46	1,516	1,315	1,068	561	52.5%	34	3.2%	5.7%	83.8%	1.23x	38.4x	1.2x	20.9x
	Beyond, Inc.	10.25	469	320	1,538	259	16.9%	(200)	NA	5.0%	(62.6%)	0.21x	NA	0.2x	NA
	1-800-FLOWERS.COM, Inc.	7.26	466	616	1,831	735	40.1%	66	3.6%	(1.8%)	35.0%	0.34x	9.3x	0.3x	6.9x
	Lands' End, Inc.	13.55	423	686	1,442	639	44.3%	65	4.5%	(2.1%)	47.0%	0.48x	10.5x	0.5x	7.1x
	Duluth Holdings Inc.	3.78	132	288	642	323	50.4%	21	3.2%	0.9%	106.5%	0.45x	14.0x	0.4x	6.8x
	PetMed Express, Inc.	3.28	67	23	271	74	27.4%	5	2.0%	(1.3%)	85.1%	0.08x	4.2x	0.1x	2.3x
CarParts.com, Inc.	0.89	51	63	634	209	32.9%	(8)	NA	(5.8%)	(129.2%)	0.10x	NA	0.1x	27.3x	
	Median		\$469	\$686	\$1,538	\$639	44.3%	\$34	4.1%	1.1%	35.0%	0.48x	13.3x	0.5x	9.6x
	Average		\$171,313	\$178,232	\$57,875	\$27,824	44.2%	\$10,534	9.5%	1.6%	5.2%	1.14x	15.3x	1.1x	11.8x
E-Commerce Payment Processors	Fiserv, Inc.	\$172.44	\$99,278	\$124,326	\$19,780	\$12,057	61.0%	\$8,482	42.9%	0.9%	12.2%	6.29x	14.7x	6.2x	13.1x
	PayPal Holdings, Inc.	69.35	70,899	70,241	31,028	12,281	39.6%	5,899	19.0%	6.6%	11.9%	2.26x	11.9x	2.1x	10.6x
	Global Payments Inc.	110.00	27,988	44,852	9,898	6,220	62.8%	4,243	42.9%	(3.6%)	13.8%	4.53x	10.6x	4.7x	9.3x
	Shift4 Payments, Inc.	76.12	5,089	6,930	2,915	795	27.3%	413	14.2%	41.9%	NM	2.38x	16.8x	1.7x	9.1x
	Median		\$49,443	\$57,546	\$14,839	\$9,138	50.3%	\$5,071	30.9%	3.8%	12.2%	3.45x	13.3x	3.4x	10.0x
Average		\$50,814	\$61,587	\$15,905	\$7,838	47.7%	\$4,759	29.7%	11.4%	12.6%	3.86x	13.5x	3.7x	10.5x	
E-Commerce Infrastructure	Shopify Inc.	\$68.13	\$87,913	\$84,029	\$7,764	\$3,965	51.1%	\$991	12.8%	21.7%	58.5%	NM	NM	8.9x	NM
	Snowflake Inc.	109.96	36,859	33,252	3,206	2,175	67.8%	(1,130)	NA	20.7%	(123.9%)	NM	NA	8.6x	NM
	GoDaddy Inc.	152.87	21,550	24,886	4,403	2,781	63.2%	945	21.5%	7.1%	50.9%	5.65x	26.3x	5.3x	17.5x
	VeriSign, Inc.	181.96	17,759	18,872	1,528	1,335	87.4%	1,076	70.4%	3.6%	13.1%	NM	17.5x	11.9x	15.5x
	Wix.com Ltd.	156.40	8,754	8,942	1,653	1,119	67.7%	69	4.2%	13.4%	513.9%	5.41x	NM	4.8x	21.2x
	BigCommerce Holdings, Inc.	5.83	453	527	324	248	76.5%	(25)	NA	6.4%	(186.8%)	1.63x	NA	1.5x	24.6x
Median		\$19,655	\$21,879	\$2,430	\$1,755	67.8%	\$507	17.1%	10.2%	32.0%	5.41x	21.9x	6.9x	19.3x	
Average		\$28,881	\$28,418	\$3,147	\$1,937	68.9%	\$321	27.2%	12.2%	54.3%	4.23x	21.9x	6.8x	19.7x	
Overall Online Retail	Median		\$6,007	\$8,095	\$2,772	\$1,335	51.1%	\$69	14.9%	3.6%	30.0%	1.94x	14.31x	2.12x	11.79x
	Average		\$107,666	\$113,210	\$34,244	\$16,621	51.9%	\$6,516	19.0%	6.5%	21.0%	2.26x	15.73x	3.23x	13.27x

TRANSACTION DATA

Select, Recent M&A Activity

\$ in millions

Close Date	Target	Acquirer/Investor	Short Description	Implied EV	EV/ Revenue	EV/ EBITDA
Announced	Nordstrom, Inc.	Nordstrom Family & El Puerto de Liverpool	Provides apparels, shoes, beauty, accessories, and home goods online and in stores	\$7,567.0	0.51x	5.1x
Announced	Summit Electric Supply Co. Inc.	Sonepar Management US, Inc.	Sells electrical equipment, tools, and supplies to customers online	-	-	-
Announced	Jupiter Brands Inc.	The Boldest	Offers products for sleep issues, anxiety, brain fog, and inflammation online	-	-	-
Announced	PetIQ, Inc.	Bansk Group LLC	Offers pet products online and in store including pet health products and consumables	\$1,361.3	1.20x	11.8x
Announced	Good Sportsman Marketing, LLC	Platinum Equity, LLC	Distributes hunting and outdoor sports products online	-	-	-
Announced	Supreme Holdings, Inc.	EssilorLuxottica Société anonyme	Manufacture and retails apparel online and in stores	\$1,500.0	2.79x	11.8x
Announced	Neiman Marcus Group LTD LLC	Hudson's Bay Company	Sells luxury fashion products and accessories online and in stores	\$2,650.0	-	-
Sep-24	Speakeasy Commerce Inc.	SNAP41, INC.	Retails alcohol beverages online	-	-	-
Sep-24	Icon Direct Inc.	Patrick Industries, Inc.	Sells RV, golf cart, and marine products and accessories online	-	-	-
Sep-24	Hammacher Schlemmer & Company	S5 Equity LLC	Online retailer for a variety of products including apparel, personal care, electronics, and more	-	-	-
Aug-24	Loco Libre Gear	Dutch Clips LLC	Manufactures and sells camping quilts online	-	-	-
Aug-24	Facetory Inc.	Blue Zebra Brands, Inc.	Operates a monthly sheet mask subscription service online	-	-	-
Aug-24	Timeless Seeds Inc.	Mad Markets, PBC	Produces organic cereal grains, pulse crops, and edible seed online and in grocery stores	-	-	-
Aug-24	Stuffed Puffs LLC	Mount Franklin Foods, LLC	Produces and sells chocolate-filled marshmallows online	-	-	-
Aug-24	Inland Supply Co., Inc.	Imperial Dade Intermediate Holdings, LLC	Distributes industrial janitorial, cleaning, and maintenance equipment and products online	-	-	-
Aug-24	Quinoa Corporation	SACO Foods, Inc.	Sells gluten free grains, plant based protein, and organic wheat free grains online	-	-	-
Aug-24	Bellacor.com, Inc.	Capitol Lighting EH Divisions, Inc.	Operates as an online retailer for lighting and home furnishing products	-	-	-
Aug-24	Substantially all assets of Greats Brand	Unified Commerce Group	Sells footwear products online	-	-	-
Aug-24	Kona Gold LLC	Bemax Inc.	Produces and retails lemonade drinks online	-	-	-
Aug-24	Charles Smith Wines LLC	Ackley Brands	Produces and sells wines online	-	-	-
Jul-24	Clutch, Inc.	Topspin Consumer Partners	Manufactures and distributes skincare products online	-	-	-
Jul-24	Indie Lee & Co. Inc	American Exchange Group	Sells natural skin care products online	-	-	-
Jul-24	Packed Party, Inc.	Bio World Merchandising, Inc.	Sells party-themed accessories online	-	-	-
Jul-24	Angelic Bakehouse, Inc.	Legacy Bakehouse LLC	Produces and supplies sprouted grain bakery breads online and in stores	\$5.5	-	-
Jul-24	Reimagine Football Company	Woodside Ventures	Sells athletic wear and other apparel targeting female athletes online	-	-	-
Jul-24	Beauty Bakerie Cosmetics Brand, Inc.	West Lane Capital Partners LLC	Manufactures and sells cosmetics online	-	-	-
Jul-24	Curated, Inc.	Humans, Inc.	Sells outdoor and sport equipment online	\$330.0	-	-
Jul-24	Wedderspoon Organic Holdings, L.P.	Masthead Ltd.	Produces and sells raw honey products online	-	-	-
Jul-24	Mroue Ecommerce LLC	The Mountain Movers Firm LLC	Manufactures and sells footwear products online	-	-	-
Jul-24	Earthlite, LLC	Valesco Industries, Inc.; Valesco Fund III, L.P.	Manufactures and sells wooden massage and spa treatment tables online	-	-	-
Jun-24	Gehl Foods, LLC	Private Investor	Produces food and beverage products for sale in stores and online	-	-	-
Jun-24	Von Dutch LLC	WSG Brands	Sells fashionable apparel and accessories online	-	-	-
Jun-24	Stripes Beauty, LLC.	L Catterton Partners	Manufactures and sells personal care and beauty products online	-	-	-
Jun-24	ZeroHarm Nootropics LLC	Private Investor	Manufactures nootropic wellness products online	-	-	-
Jun-24	Summit Safety Shoes LLC	Saf-Gard Safety Shoe Company Inc.	Sells safety footwear for men and women online	-	-	-
Jun-24	Health-E Commerce	H.I.G. Capital, LLC	Sells consumer health products and solutions online	-	-	-
Jun-24	Only What You Need, Inc.	Simply Good Foods USA, Inc.	Manufactures and sells plant-protein and nutrition products in stores and online	\$280.0	-	-

EXPERIENCE

Proven Track Record of Successful Outcomes

- Deep expertise and strong relationships with relevant market participants
- Battle tested process that drives maximum valuation and enhanced terms
- Exclusive focus on private, middle market companies
- A life-cycle approach to client service



What We're About

Results Driven

Meticulously craft a transaction blueprint with steadfast commitment to achieve our clients' goals

Experienced Investment Banking Professionals

A 22-year firm with professionals with 125 years combined experience in middle market mergers & acquisitions and corporate finance advisory services

Objective Advice

We provide frank advice, backed with analysis and perspective, to map out and execute a process to reach our clients' transaction objectives

Industry Expertise

Real-time pulse of sector activity, corporate, family office & private equity participants and enterprise valuation metrics

The Right Capital

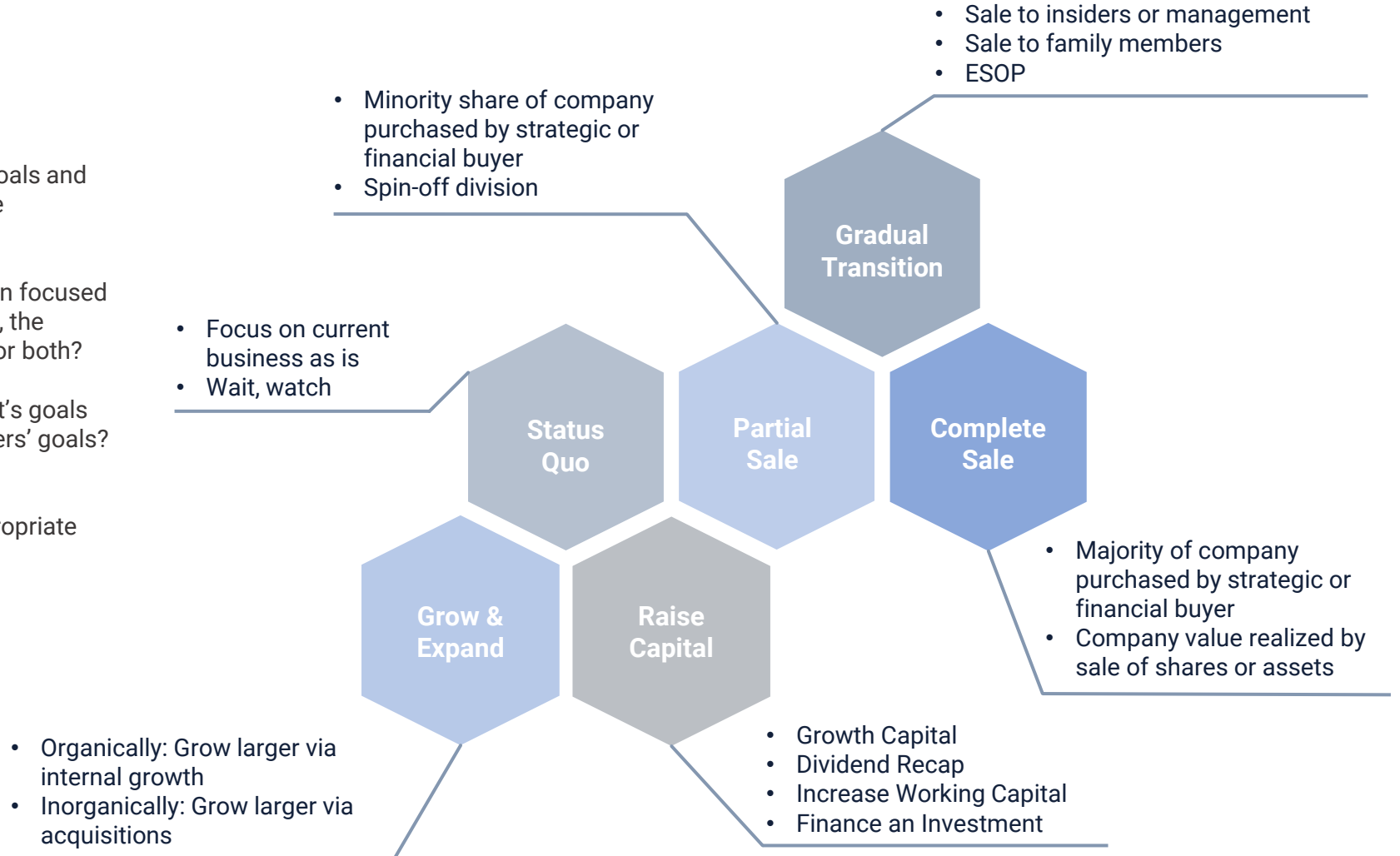
Capital is a commodity ... the investor behind the capital is targeted based on our clients' objectives

Senior Banker Immersion

From engagement inception through post-closing transaction functions, our senior bankers are front and center

Our Clients

- What are your goals and objectives of the transaction?
- Is the transaction focused on the company, the shareholder(s), or both?
- Do management's goals differ from owners' goals? How so?
- What is the appropriate timing?



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