



Industry Update
Retail
Q3 2022

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Financial Performance

Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

Company Name	Ticker	Size Profile			LTM Operating Data		Forward Estimates		
		Price at 09/30/22	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2022 Est. Revenue	2022 Est. EBITDA
Department Stores									
Kohl's Corporation	KSS	\$25.15	39.1%	\$10,517	\$15,623	\$18,901	\$2,008	\$17,424	\$1,610
Macy's, Inc.	M	\$15.67	41.3%	\$10,435	\$16,342	\$25,926	\$2,930	\$24,481	\$2,546
Nordstrom, Inc.	JWN	\$16.73	45.9%	\$7,021	\$9,162	\$15,788	\$1,314	\$15,650	\$1,265
Dillard's, Inc.	DDS	\$272.76	65.5%	\$4,849	\$3,222	\$6,926	\$1,410	\$6,753	\$1,063
General Merchandising									
Target Corporation	TGT	\$148.39	55.2%	\$83,836	\$52,470	\$107,855	\$8,532	\$109,701	\$7,687
Dollar General Corporation	DG	\$239.86	91.5%	\$68,537	\$28,239	\$35,346	\$3,803	\$37,914	\$4,250
Dollar Tree, Inc.	DLTR	\$136.10	76.8%	\$39,772	\$22,676	\$27,169	\$2,914	\$28,049	\$3,047
Big Lots, Inc.	BIG	\$15.61	30.0%	\$2,483	\$3,831	\$5,789	\$120	\$5,602	-\$19
Clothing and Apparel									
Bath & Body Works, Inc.	LTD	\$65.86	N/A	\$13,069	\$4,901	\$7,776	\$2,179	\$7,384	\$1,452
The Gap, Inc.	GPS	\$8.21	32.0%	\$9,294	\$12,171	\$15,802	\$374	\$15,649	\$507
Foot Locker, Inc.	FL	\$31.13	53.9%	\$5,871	\$7,868	\$8,770	\$1,016	\$8,357	\$819
American Eagle Outfitters, Inc.	AEO	\$9.73	33.3%	\$3,593	\$3,629	\$5,035	\$546	\$4,922	\$375
Urban Outfitters, Inc.	URBN	\$19.65	51.5%	\$2,742	\$3,653	\$4,699	\$401	\$4,751	\$358
Ansell Limited	ANN	\$16.23	73.1%	\$2,357	\$2,506	\$1,952	\$293	\$1,912	\$302
Guess?, Inc.	GES	\$14.67	58.1%	\$1,861	\$2,317	\$2,679	\$328	\$2,630	\$325
Abercrombie & Fitch Co.	ANF	\$15.55	31.8%	\$1,675	\$2,734	\$3,684	\$283	\$3,536	\$212
Express, Inc.	EXPR	\$1.09	22.1%	\$893	\$1,163	\$1,983	\$90	\$1,953	\$61
Zumiez Inc.	ZUMZ	\$21.53	39.1%	\$509	\$761	\$1,077	\$120	\$964	\$58
Tilly's, Inc.	TLYS	\$6.92	38.9%	\$367	\$517	\$725	\$67	\$663	\$28

Source: Capital IQ

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Valuation Metrics

Return Profile, Trading Multiples

Company Name	Ticker	Return Profile					Trading Multiples		
		Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
Department Stores									
Macy's, Inc.	M	8.4%	46.2%	18.2%	11.3%	72.4%	1.7x	0.4x	3.6x
Kohl's Corporation	KSS	4.8%	14.3%	2.4%	10.6%	-2.3%	1.6x	0.6x	5.2x
Nordstrom, Inc.	JWN	4.9%	88.1%	17.8%	8.3%	54.2%	2.2x	0.4x	5.3x
Dillard's, Inc.	DDS	23.0%	61.0%	23.1%	20.4%	76.8%	0.8x	0.7x	3.4x
	Mean	10.2%	52.4%	15.4%	12.7%	50.3%	1.6x	0.5x	4.4x
	Median	6.6%	53.6%	18.0%	11.0%	63.3%	1.6x	0.5x	4.4x
General Merchandising									
Target Corporation	TGT	7.1%	33.2%	7.5%	7.9%	-24.2%	1.0x	0.8x	9.8x
Dollar General Corporation	DG	7.3%	37.6%	5.0%	10.8%	-5.3%	0.4x	1.9x	18.0x
Dollar Tree, Inc.	DLTR	6.3%	20.3%	5.4%	10.7%	1.7%	0.7x	1.5x	13.6x
Big Lots, Inc.	BIG	-0.5%	-4.9%	-6.6%	2.1%	-75.4%	2.0x	0.4x	20.7x
	Mean	5.0%	21.6%	2.8%	7.9%	-25.8%	1.0x	1.2x	15.5x
	Median	6.7%	26.8%	5.2%	9.3%	-14.8%	0.9x	1.1x	15.8x

Source: Capital IQ

Valuation Metrics (cont.)

Return Profile, Trading Metrics

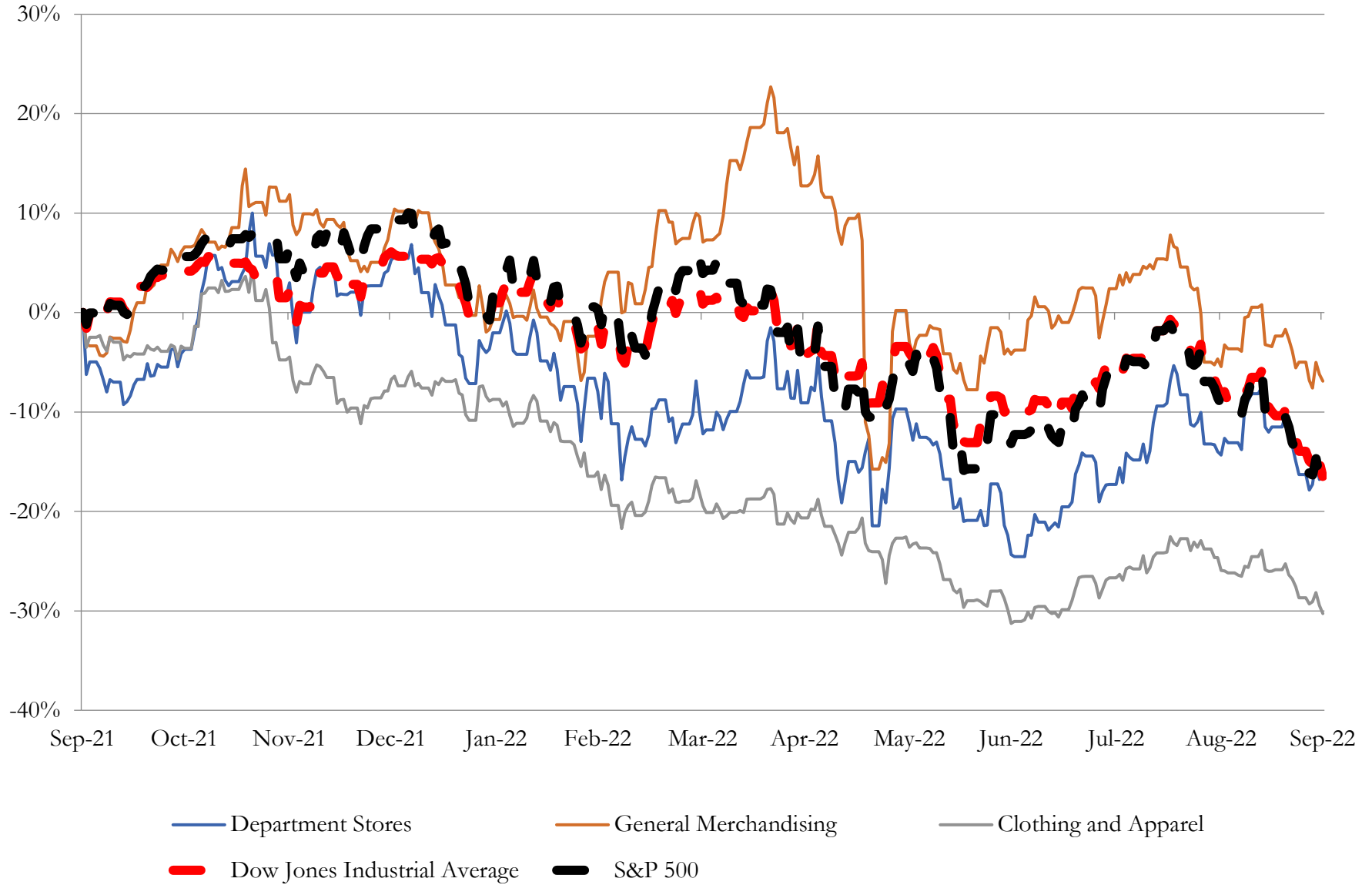
Company Name	Ticker	Return Profile					Trading Multiples		
		Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
Clothing and Apparel									
Bath & Body Works, Inc.	LTD	14.8%	N/A	2.4%	28.0%	-17.3%	0.0x	1.7x	6.0x
The Gap, Inc.	GPS	-0.7%	-14.2%	-4.9%	2.4%	-76.3%	1.7x	0.6x	24.9x
Foot Locker, Inc.	FL	6.5%	14.8%	0.5%	11.6%	-6.7%	1.2x	0.7x	5.8x
Ansell Limited	ANN	6.0%	10.2%	-3.7%	15.0%	-20.1%	0.5x	1.2x	8.1x
American Eagle Outfitters, Inc.	AEO	6.3%	14.5%	10.6%	10.8%	-18.9%	1.3x	0.7x	6.6x
Urban Outfitters, Inc.	URBN	5.1%	13.1%	13.4%	8.5%	-17.8%	1.3x	0.6x	6.8x
Abercrombie & Fitch Co.	ANF	3.2%	10.6%	2.7%	7.7%	-39.6%	1.4x	0.5x	5.9x
Guess?, Inc.	GES	7.0%	26.1%	13.2%	12.3%	23.5%	1.9x	0.7x	5.7x
Express, Inc.	EXPR	1.5%	N/A	27.4%	4.5%	N/A	1.6x	0.5x	9.9x
Zumiez Inc.	ZUMZ	6.9%	14.7%	-6.4%	11.2%	-35.5%	1.5x	0.5x	4.2x
Tilly's, Inc.	TLYS	6.2%	21.9%	6.1%	9.3%	-11.3%	1.8x	0.5x	5.4x
Destination XL Group, Inc.	DXLG	12.5%	123.4%	21.1%	14.4%	78.8%	1.5x	0.9x	6.2x
	Mean	6.3%	23.5%	6.9%	11.3%	-12.8%	1.3x	0.7x	8.0x
	Median	6.3%	14.6%	4.4%	11.0%	-17.8%	1.4x	0.6x	6.1x

Source: Capital IQ

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LTM Equity Performance

Major Indexes



Source: Capital IQ

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Recent M&A Activity

Last Twelve (12) Months as of September 30, 2022

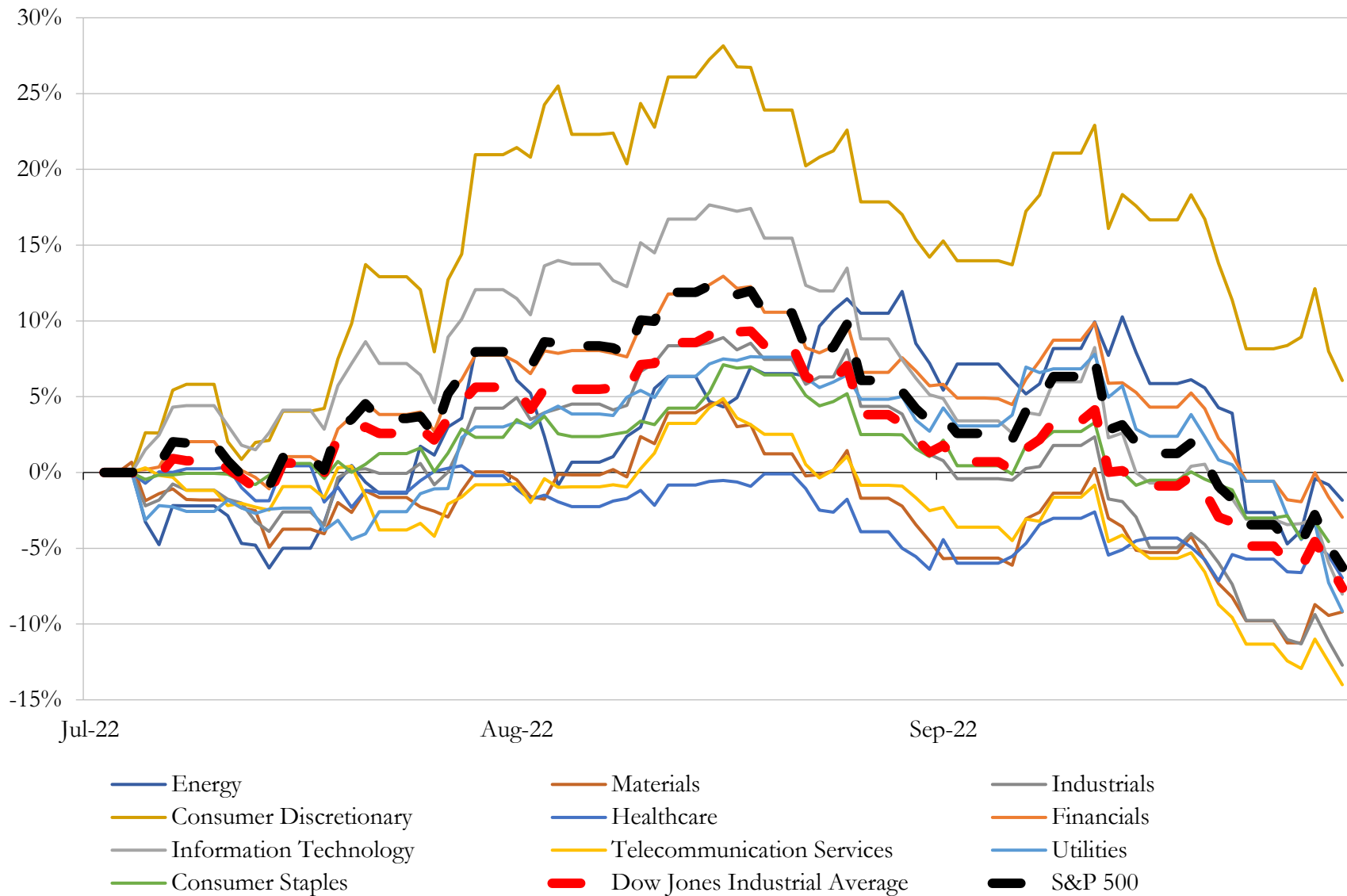
(USD in millions)

Close Date	Target	Acquirer	Implied TEV
Oct-21	Stamps.com Inc.	Thoma Bravo, L.P.; Thoma Bravo Fund XIV LP	\$6,165
Sep-21	Core-Mark Holding Company, Inc.	Performance Food Group Company	\$2,694
Dec-21	RFJ Auto Partners, Inc.	Sonic Automotive, Inc.	\$1,534
Dec-21	Consumer Club, Inc. d/b/a/ Getaroom.com	priceline.com LLC	\$1,200
Nov-21	All Assets of Prime Automotive Group, Inc.	Group 1 Automotive, Inc.	\$880
Jan-22	Flyers Energy, LLC	World Fuel Services, Inc.	\$778
Aug-21	C&W Motors, Inc./ Metro Motorcycle, Inc./ Tucson Motorcycles, Inc./ Tucson	RumbleON, Inc.	\$628
Dec-21	Almo Corporation	DCC Technology Limited	\$610
Nov-21	W.S. Badcock Corporation	Franchise Group, Inc.	\$581
Oct-21	Live Auctioneers LLC	ATG Media US, Inc.	\$525
Nov-21	Diamonds Direct USA Inc.	Sterling Jewelers Inc.	\$490
Apr-22	PGW Auto Glass, LLC	OEP Capital Advisors, L.P.	\$362
Apr-22	Operations in Mexico and The United States of Jafra S.A.	Betterware de México, S.A.P.I. de C.V.	\$255
Apr-22	Interbond Corporation of America (nka:Interbond Of America, Inc.)	Aaron's Retail Solutions, LLC	\$230
Dec-21	40 Pilot Convenience Stores of Pilot Corporation	CGS Stores, LLC	\$220
Jan-22	Retail fuel and convenience store sssets of Consumers Petroleum of	Global Partners LP	\$151
Nov-21	Operations and Leasehold Interest of 36 Convenience Stores and Gas Stations in	Oak Street Real Estate Capital, LLC; GPM Investments, LLC	\$112
Jun-22	Assets under Tires Now Operations and Certain Assets under Internal Tire	American Tire Distributors, Inc.	\$105
Mar-22	20 Service Stations in Arkansas, Virginia and Kentucky	N/A	\$89
May-22	Bob's Stores, LLC/Eastern Mountain Sports, LLC	GoDigital Media Group	\$70
Dec-21	Substantially All of the Assets of Shoe Station, Inc.	Shoe Carnival, Inc.	\$67
Nov-21	Bid4Assets, Inc.	Liquidity Services, Inc.	\$53
Aug-21	BYRV Inc.	Lazydays Holdings, Inc.	\$50
Apr-22	Denison Yacht Sales, Inc.	OneWater Marine Inc.	\$48
Sep-21	American Home Protect, LLC	Porch Group, Inc.	\$46
Apr-22	Two Travel Center Locations in Virginia and Kentucky	TravelCenters of America Inc.	\$45
Feb-22	Violet Grey Inc	Farfetch Limited	\$44
May-22	Mel Dawson, Inc.	Renewable Energy Group, Inc.	\$40
Jan-22	Eagle Alcohol Company LLC	Alto Ingredients, Inc.	\$29
Dec-21	Jaycox Implement, Inc.	Titan Machinery Inc.	\$28

Source: Capital IQ

5 Change in Market Capitalization by Sector

Last Three (3) Months as of September 30, 2022

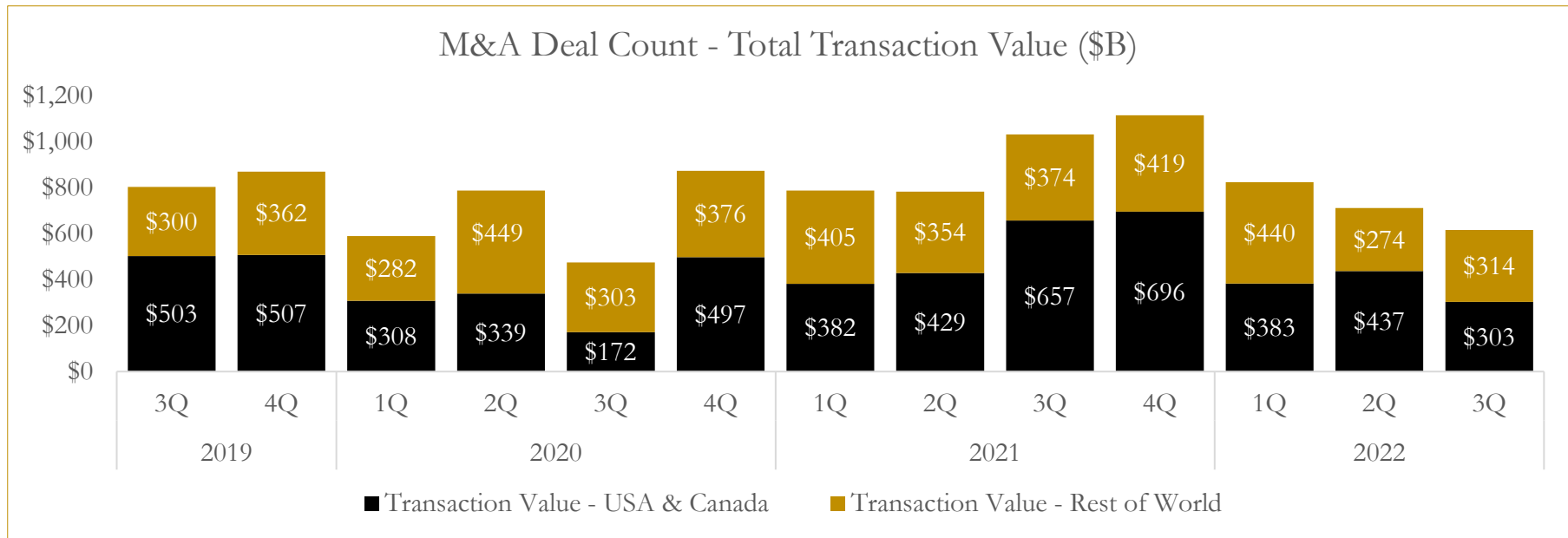
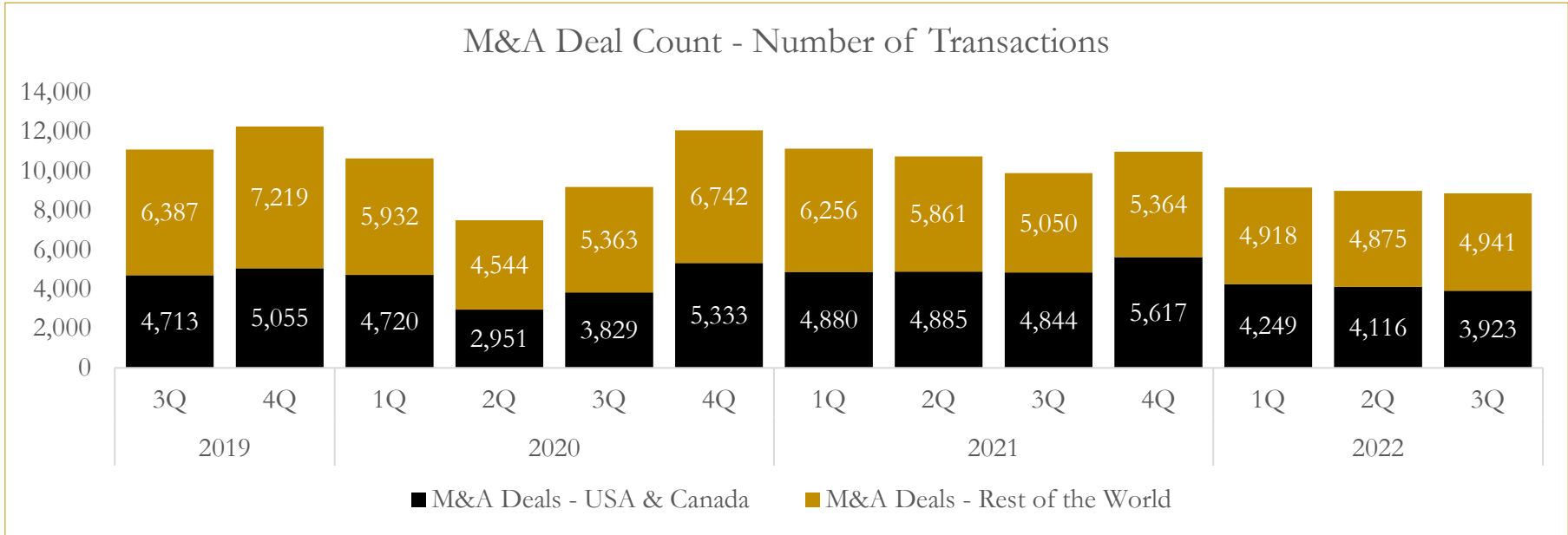


Source: Capital IQ

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M&A Deal Flow Statistics

Last Three (3) Years as of September 30, 2022



Source: Capital IQ

About Houlihan Capital

Houlihan Capital is a leading, solutions-driven valuation, financial advisory and boutique investment banking firm. We pride ourselves on being thought leaders in an ever-changing landscape.

Houlihan Capital is SOC-compliant, a FINRA and SIPC member and committed to the highest levels of professional ethics and standards.

Valuation & Financial Advisory

We provide an array of services that include enterprise valuations, portfolio valuation, valuation of carried interest, transaction opinions, tax and financial reporting compliance, purchase price allocations, and a wide variety of consulting services through our Financial Advisory Group.

Investment Banking

Through our Investment Banking Group, we offer sell-side/buy-side advisory and capital raises. Through our Special Situations desk, we provide services that fit outside the archetypal verticals, including liquidity solutions, transactional advisory, and secondary market advisory and trading.

Litigation Support

Our team provides support for a wide variety of situations including commercial and shareholder disputes, derivatives and structured finance litigation, and fraudulent conveyance.

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