



PEAKSTONE

Consumer & Retail Industry M&A and Valuation Insights

February 2022

www.peakstone.com

Overview

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2008 <i>Year Founded</i>	500+ <i>Transactions by Peakstone MDs</i>	\$200+ Billion <i>Capital Raised by Peakstone MDs</i>	25+ Years <i>Average Years of Peakstone MD Experience</i>
40+ <i>Investment Banking Professionals</i>	18+ <i>Industries Covered</i>	\$10 - \$500 Million <i>Client Revenue Profile</i>	30+ Countries <i>Global Reach</i>

Selected Transactions

 The Science of Fresh Ideas. INVESTMENT PARTNERS M&A Advisor PEAKSTONE	 // GARAGE Majority M&A Advisor PEAKSTONE	 M&A Advisor PEAKSTONE	 Financing PEAKSTONE	 M&A Advisor PEAKSTONE	 COLLECTION RETAIL PEAK M&A Advisor PEAKSTONE
 M&A Advisor PEAKSTONE	 Every Mattress Needs Protection M&A Advisor PEAKSTONE	 HICKORY FARMS EST. 1961 M&A Advisor PEAKSTONE	 mountain outfitter CAMPING WORLD HOLDINGS M&A Advisor PEAKSTONE	 EST. 1902 M&A Advisor PEAKSTONE	 M&A Advisor PEAKSTONE

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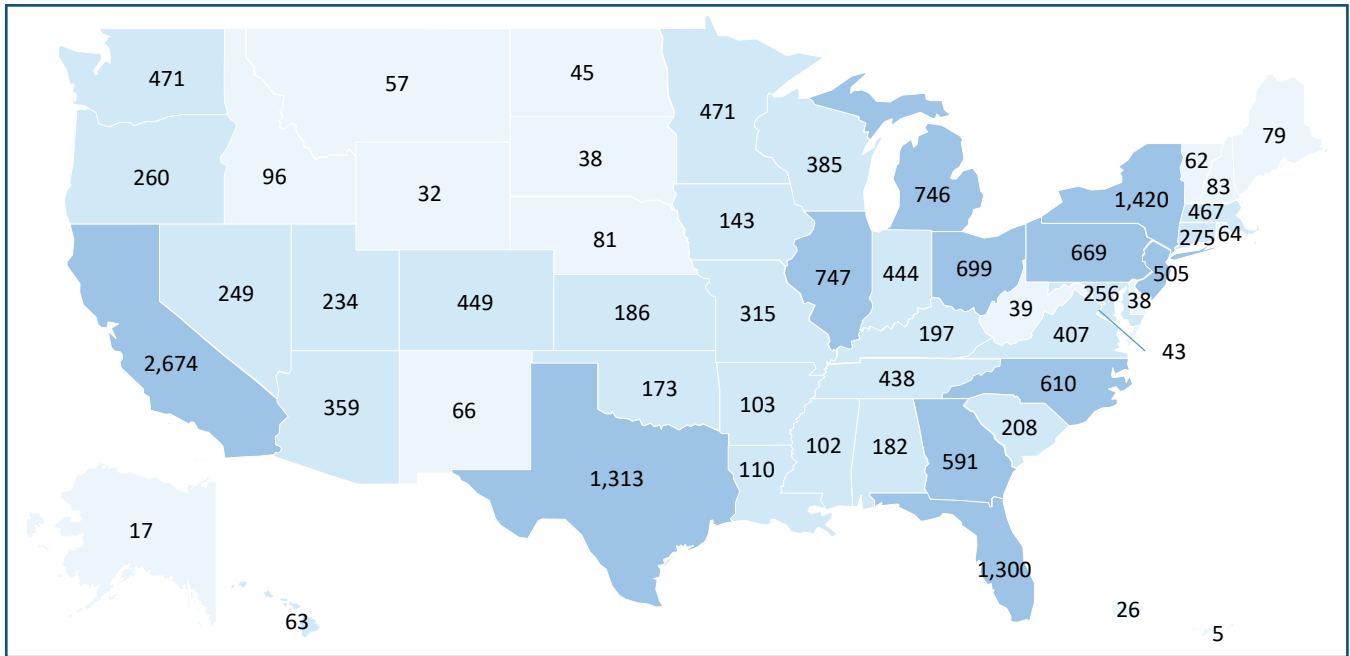


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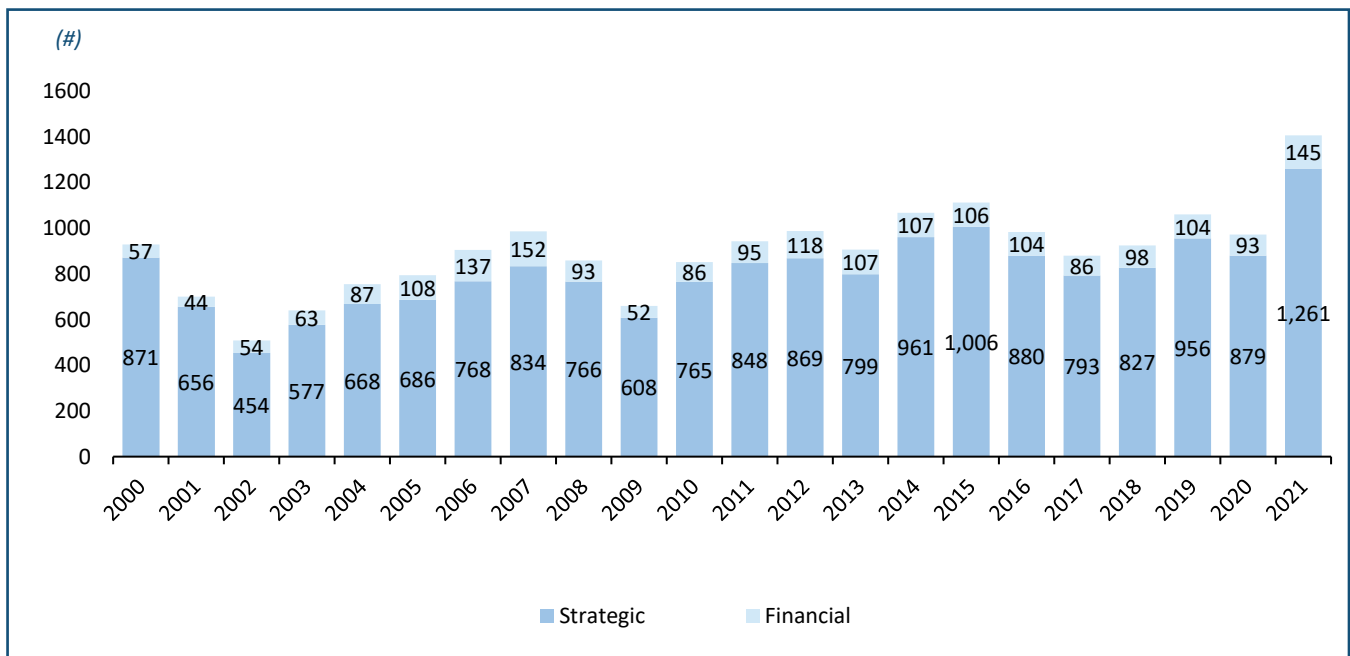
U.S. M&A Activity

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Consumer & Retail M&A Count Across the U.S. (2000 – 2021)



U.S. Consumer & Retail Count (2000 – 2021)

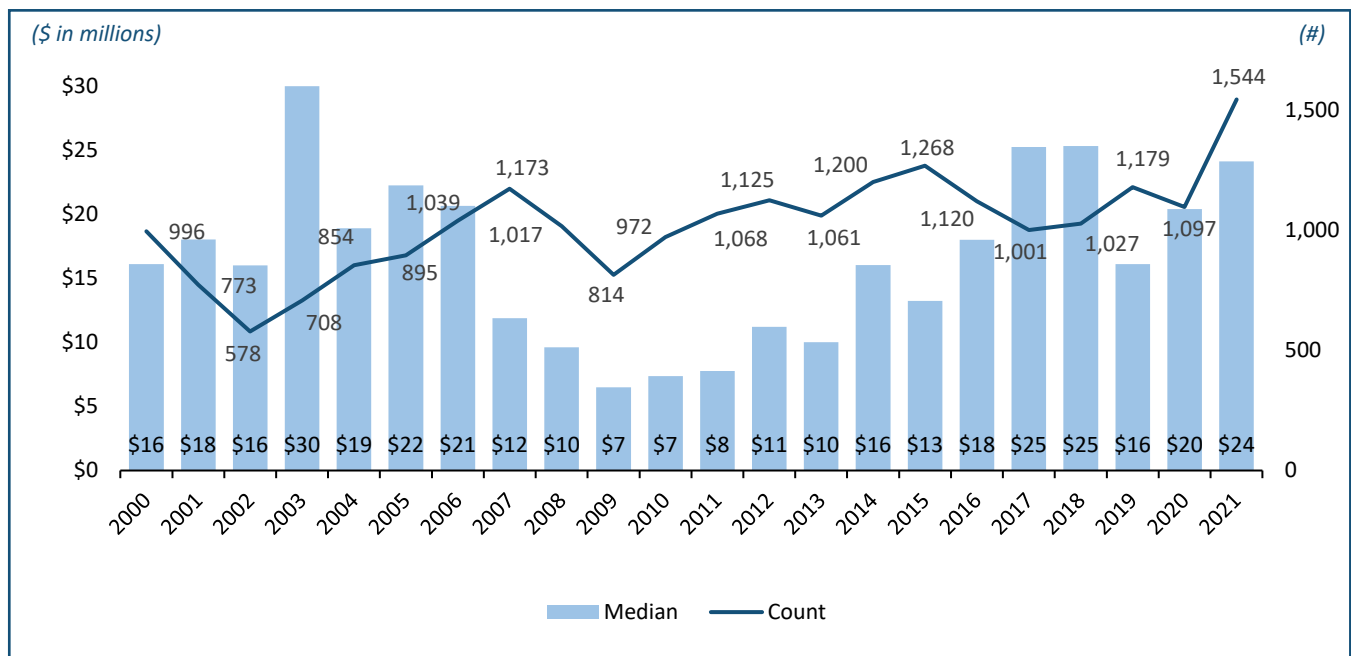


Source: Capital IQ
 Note: As of Dec 31, 2021

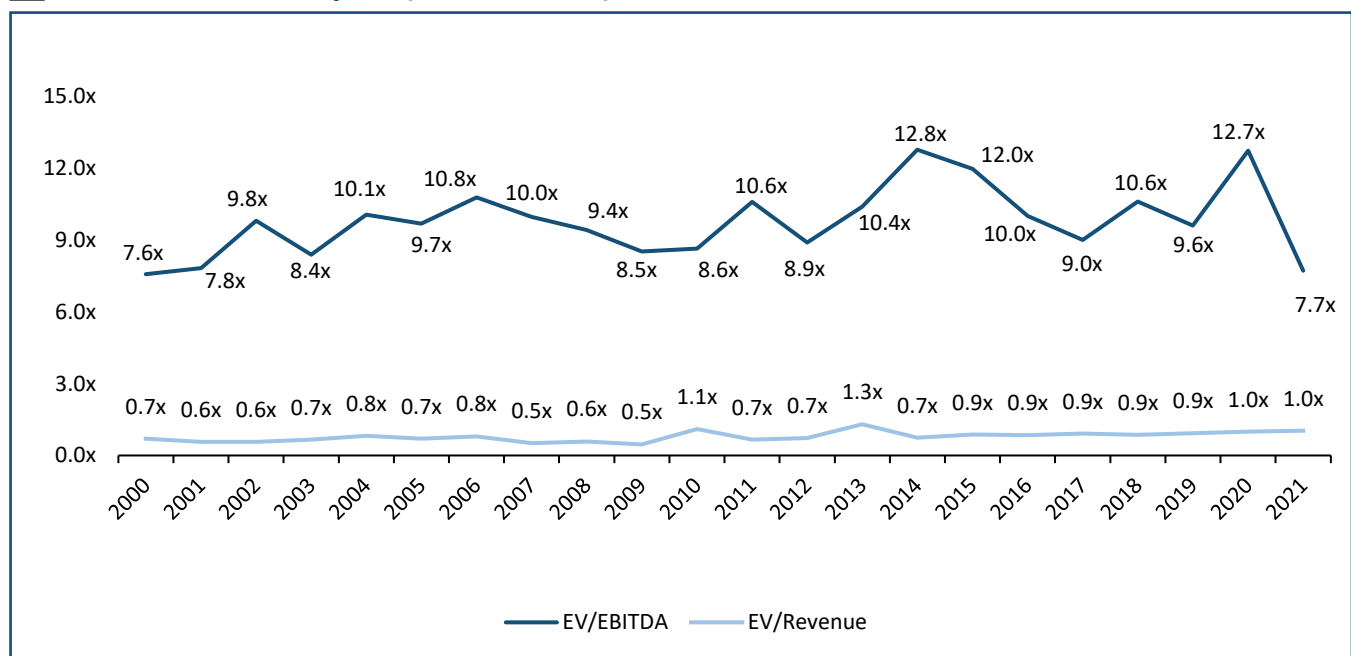
Transaction Analysis

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Median Transaction Value (2000 – 2021)

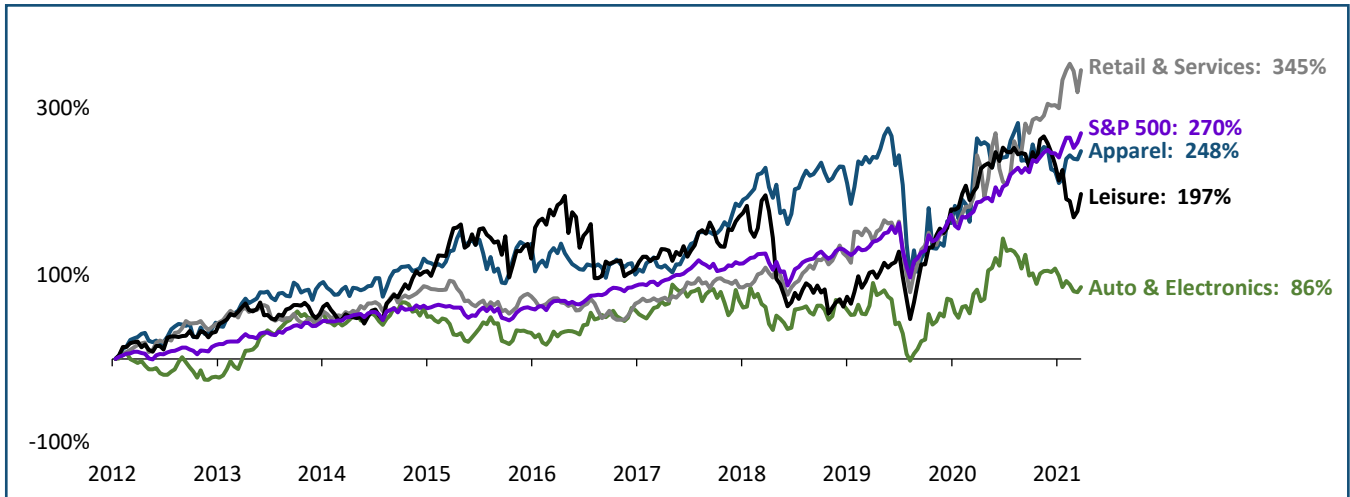


Median EV Multiples (2000 – 2021)

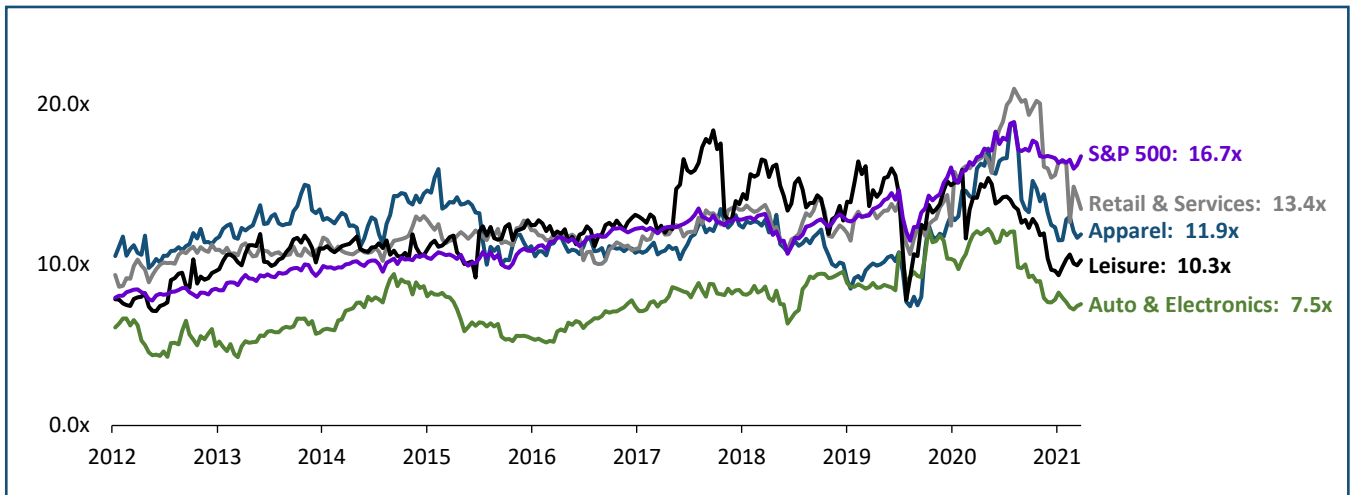


Source: Capital IQ
 Note: As of Dec 31, 2021

Relative Stock Performance (2012 – 2021)



EV/EBITDA Trend (2012 – 2021)



Key

- Apparel, Accessories, Footwear & Luxury Index (“Apparel”) — Leisure Products Index (“Leisure”)
- Auto Components & Consumer Electronics Index (“Auto & Electronics”) — S&P 500
- Retailing & Consumer Services Index (“Retail & Services”)

Peakstone Apparel, Accessories, Footwear & Luxury Index: VFC, PVH, HBI, UAA, RL, NKE, GPS, LULU, SKX, TJX, DECK, WWW

Peakstone Automotive Components & Consumer Electronics Index: F, GM, BWA, LEA, GT, AAPL, MSFT, HPQ, UEIC

Peakstone Retailing & Consumer Services Index: AMZN, WMT, MRNA, TGT, M, URBN, HD, LOW, SHW, MCD, CCL, YUM, HLT, ARMK,

Peakstone Leisure Products Index: HAS, MAT, EA, BC, PII, JAKK, ATVI, PTON

Source: Capital IQ

Note: As of Dec 31, 2021

Selected Transactions

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Date	Target	Buyer	Deal Size (\$mm)	Target Description	Transaction Comments
Dec-2021	Ryzac	Skillssoft Corp.	\$525	Ryzac operates as an educational service provider	Skillsoft (NYSE:SKIL) entered into a definitive agreement to acquire Ryzac (Codecademy) for ~\$530 million on December 22, 2021. The consideration is ~40% cash and 60% equity.
Dec-2021	Hunter Fan Company	The Ames Companies	\$845	Hunter Fan Company manufactures fans for homes	The Ames Companies entered into a definitive agreement to acquire Hunter Fan Company for ~\$850 million on December 17, 2021. The purchase price of \$845 million is subject to closing adjustments. The purchase price is ~9.4x multiple of EBITDA from the first fiscal year of operation.
Dec-2021	Terminix Global Holdings	Rentokil Initial	\$7,717	Terminix Global Holdings provides residential and commercial termite and pest management services	Rentokil Initial (LSE:RTO) entered into a definitive agreement to acquire Terminix Global Holdings (NYSE:TMX) for \$6.7 billion on December 13, 2021. Rentokil Initial will issue Terminix's shareholders ~643.3 million new Rentokil Initial shares in the form of ADSs and ~\$1.3 billion in cash.
Dec-2021	Masterbuilt Holdings	The Middleby Corporation	\$385	Masterbuilt Holdings manufactures outdoor residential cooking appliances	The Middleby Corporation entered into an agreement to acquire Masterbuilt for ~\$390 million on December 6, 2021. The consideration is payable in cash and will be funded under Middleby's existing senior credit facility.
Dec-2021	Assets of Shoe Station	Shoe Carnival	\$67	The assets of Shoe Station comprises shoe retailing business	Shoe Carnival acquired Assets of Shoe Station for \$67 million on December 3, 2021.
Nov-2021	Osprey Packs	Helen of Troy Limited	\$415	Osprey Packs designs and manufactures products for outdoor activities	Helen of Troy (NasdaqGS:HELE) entered into an agreement to acquire Osprey Packs for ~\$410 million on November 29, 2021. The consideration value includes the impact of an ~\$6 million favorable customary closing net working capital.
Nov-2021	Two Peaks	Best Buy Co.	\$85	Two Peaks manufactures and retails outdoor furniture	Best Buy Co (NYSE:BBY) acquired Two Peaks for \$85 million.
Nov-2021	W.S. Badcock Corporation	Franchise Group	\$581	W.S. Badcock Corporation operates home furniture retail stores	Franchise Group (NasdaqGM:FRG) entered into an agreement W.S. Badcock Corporation for ~\$580 million on November 22, 2021. J.P. Morgan arranged for \$575 million in new term loans to finance the transaction (the "Financing").
Nov-2021	Casper Sleep	Durational Capital Management	\$375	Casper Sleep designs and sells sleep products to consumers	Durational Capital Management entered into a definitive agreement to acquire Casper Sleep (NYSE:CSPR) for ~\$310 million in a going private deal on November 14, 2021. Casper common stockholders will receive cash consideration of \$6.9 per share, representing a 94% premium to the closing share price on November 12, 2021.
Nov-2021	Consumer Club	priceline.com	\$1,200	Consumer Club, doing business as Getaroom, offers travelers with access to rates and discount coupons for hotels	priceline.com entered into an agreement to acquire Consumer Club ("Getaroom") for ~\$1.2 billion on November 12, 2021.