

CONSUMER & RETAIL MONTHLY

JANUARY 2021

We work with leading companies and brands across every major consumer product and retail category, including consumer products, gift and home accessories, food & beverage, restaurants, retail and retail services.

Gift & Home Decor

Food & Beverage













Apparel & Accessories

Recreational Products

Personal Care

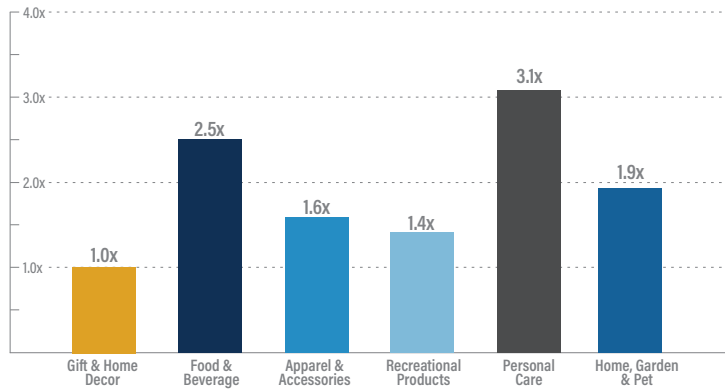
Home, Garden & Pet

HEADLINE TRANSACTIONS

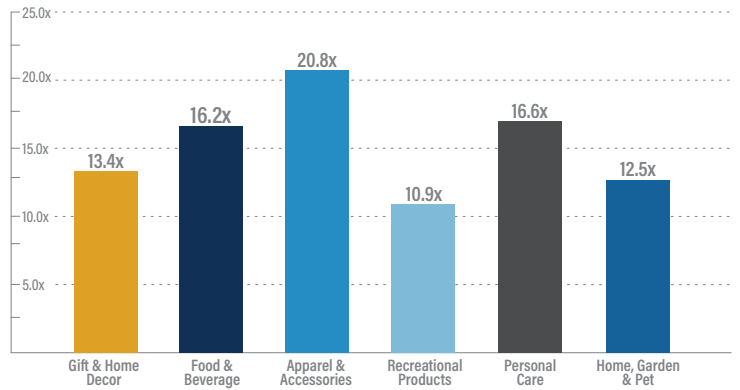
	TARGET	ACQUIROR	ACQUISITION SYNOPSIS
Gift/Home			<ul style="list-style-type: none"> BHG Group AB (OM:BHG), the largest Scandinavian DTC e-commerce retailer of home products including mattresses, bedding, kitchen goods and home appliances, has acquired Nordic Nest, a Swedish DTC e-commerce retailer of tableware, kitchen accessories, lighting and textile home furnishings, for \$194 million Nordic Nest, whose products are sold via 10 different websites in 10 different languages across Europe and Asia, has expanding rapidly and experienced 50% revenue growth per year since 2016
Food/Beverage			<ul style="list-style-type: none"> Wholesome Sweeteners, a manufacturer of organic sweetening products including sugar, honey, agave nectar, allulose and stevia, has been acquired by Whole Earth Brands (Nasdaq:FREE), a global manufacturer of natural sweetener products for the consumer and foodservice markets, for \$180 million or approximately 7.8X FY2020 Adjusted EBITDA Wholesome Sweeteners' product portfolio bolsters Whole Earth Brands' position in the natural sweetener segment, provides the company additional scale and helps to expand the company's reach to additional consumer interests
Apparel			<ul style="list-style-type: none"> Moncler S.p.A. (BIT:MONC), an Italian manufacturer of luxury apparel including Alps-inspired outerwear and other clothing for men, women and children, has acquired Sportswear Company S.p.A. (dba: Stone Island), an Italian manufacturer of luxury apparel including jackets, pants and accessories, for \$1.4 billion or 16.9x LTM EBITDA Moncler plans to expand Stone Island's streetwear-centric product portfolio, which is well known in Europe, to key luxury markets in the United States and China
Recreational			<ul style="list-style-type: none"> Peloton Interactive, Inc. (Nasdaq:PTON), a manufacturer of interactive stationary bikes and treadmills and provider of online interactive fitness classes, has agreed to acquire Precor, one of the world's largest manufacturers of commercial fitness equipment for \$420 million, from Amer Sports, the owner of brands including Salomon, Wilson, Atomic and Arc'Teryx The acquisition provides Peloton with a significant U.S. manufacturing presence that will allow it to better control its production process and deliver products faster; Peloton experienced difficulty scaling its supply chain to meet a substantial uptick in consumer demand
Personal			<ul style="list-style-type: none"> Church & Dwight (NYSE:CHD), a multinational manufacturer of personal products, home care and fabric care under brands including Arm & Hammer, Oxi Clean, Orajel and Nair, has acquired Matrixx Initiatives, the producer of Zicam products including cold shortening over-the-counter medication, lozenges, sinus relief and allergy relief, for \$530 million Following the acquisition Church & Dwight expects to leverage its global distribution network to drive cost savings for Zicam and expand its brand reach
Home/Gar./Pet			<ul style="list-style-type: none"> CapVest Partners, a London-based middle-market private equity investor, has acquired Inspired Pet Nutrition, a producer of branded natural dry pet food and treats under the Harrington's and Waggy brands, for \$455 million CapVest Partners outbid Cranswick, a British manufacturer of pet products, to purchase Inspired Pet Nutrition from L Catterton; Harrington's is the fastest growing dry dog food brand in Britain's dog care market, which is steadily expanding as consumers spend more time at home and invest in their pet relationships

CONSUMER GROWTH & VALUATION TRENDS

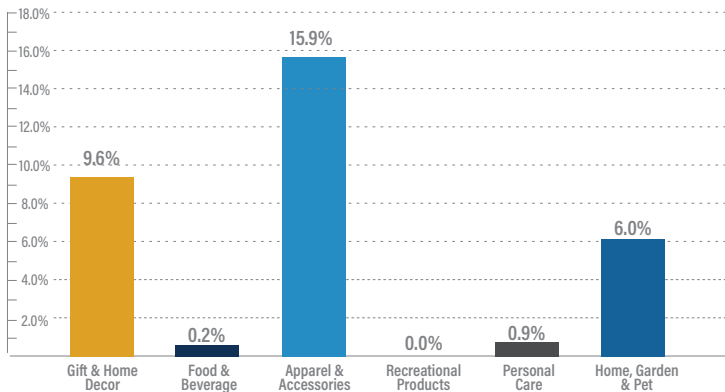
Enterprise Value / LTM Revenue



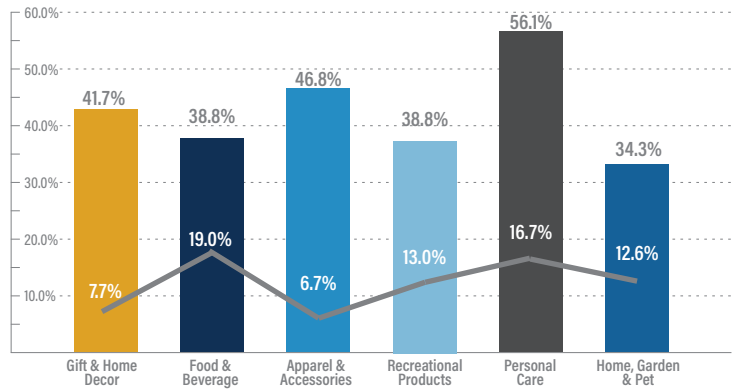
Enterprise Value / LTM EBITDA



LTM Revenue Growth

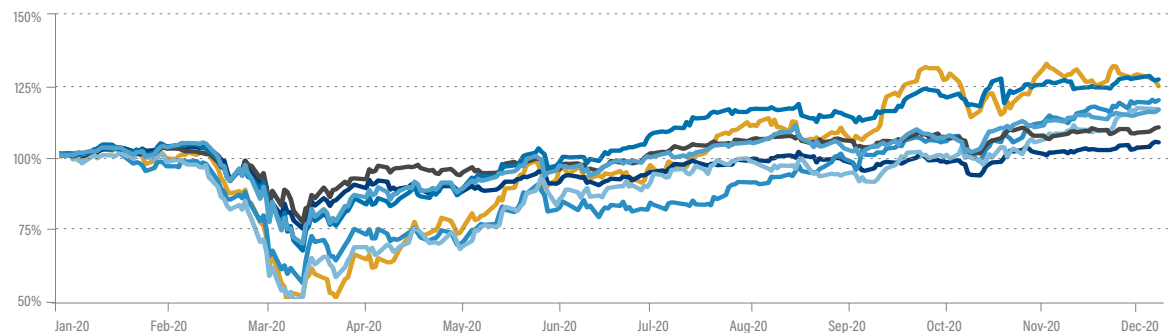


LTM Gross and EBITDA Margin*



*EBITDA Margins shown as the gray line.

LTM Stock Price Index



125% Gift & Home Decor 104% Food & Beverage 118% Apparel & Accessories 114% Recreational Products 109% Personal Care 126% Home, Garden & Pet 115% S&P 500

SELECTED CONSUMER TRANSACTIONS

Gift & Home Decor Transactions

Target	Acquiror	Transaction Description
Michigan Chandelier Co.	Unipro; Seneca Partners Inc.	Michigan Chandelier Company, a manufacturer of design-oriented ceiling and wall lights, ceiling fans and outdoor home lighting, has been acquired by two Michigan-based investment groups, Unipro and Seneca Partners; the acquisition marks the first institutional investment for Michigan Chandelier, which had been family-owned since its founding in 1913

firm LIVING ApS	Maj Invest Equity A/S	Maj Invest Equity, one of the largest diversified asset managers in Denmark, has acquired a majority stake in firm LIVING, a Danish sustainability-focused manufacturer of home products such as wall décor, lighting, rugs, tableware and kitchen products, from Vendis Capital, a Belgian growth equity firm; founded as a wallpaper manufacturer in 2006, firm LIVING has significantly expanded its product portfolio and geographic reach and now sells its products into more than 60 countries globally
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Apparel & Accessories Transactions

Zimmermann Wear Pty Ltd	Style Capital Sgr S.P.A.	Zimmerman Wear, an Australian manufacturer of high-end, ready-to-wear swimsuits and resort apparel, has been acquired by Style Capital, an Italian private equity firm focused on investing in middle market fashion brands, for \$391 million; Zimmermann has expanded its retail presence to the United States and Europe in recent years after receiving a minority equity investment from American private equity firm General Atlantic in 2016
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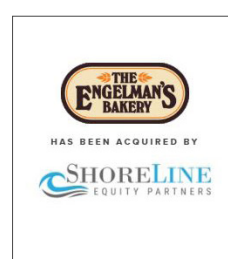
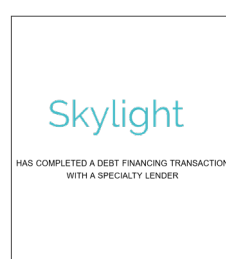
KORITE International LP	Clear North Capital	Clear North Capital, a Canadian family office investor, has acquired KORITE International, a Calgary-based producer of Ammolite jewelry and gemstones, from its creditors; KORITE, which became insolvent in June 2020, is the world's leading producer of Ammolite and constitutes more than 90% of the global market
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Personal Care Transactions

Biogix, Inc.	Alliance Pharma plc (AIM:APH)	Alliance Pharma, a British pharmaceutical company that provides anti-lice shampoo, teething gel and other personal care products, has acquired Biogix, a producer of branded menopause and perimenopause medication, for \$110 million; the acquisition provides Alliance Pharma increased scale in the US, the world's largest OTC medication market, and a brand in the fast-growing vitamin, supplement and mineral market
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Liberty Health Sciences Inc.	Ayr Strategies Inc.	Ayr Strategies (CNSX:AYR), a vertically-integrated, multi-state cultivator, manufacturer and retail of branded cannabis products, has agreed to acquire Liberty Health Sciences, a Florida "seed-to-sale" medical marijuana company for \$294 million or 6.7x LTM EBITDA; the acquisition provides Liberty access to Ayr's resources to support its expansion in the growing Florida medical marijuana market
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Selected TM Capital Consumer Experience



Food & Beverage Transactions

FONA International Inc.	McCormick & Company, Incorporated	McCormick & Company (NYSE:MKC), a multinational manufacturer of branded spices, seasonings and condiments for the consumer and food service markets, has acquired FONA International, a manufacturer of natural flavoring products serving the food, beverage and nutritional products markets, for \$710 million; this acquisition follows McCormick's November 2020 acquisition of The Cholula Food Company
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Nature's Bakery, LLC	KIND LLC	Nature's Bakery, a producer of branded fruit filled bakery products and other soft baked goods such as fig, oat and brownie bars, has been acquired by KIND, a manufacturer of healthy snacks including nut bars, granola and cereal, for approximately \$400 million; KIND, a rapidly growing consumer food brand, is backed by Mars International, having received investments from the company in 2017 and 2020
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Recreational Products Transactions

Kranoss Corporation (dba: Schutt, ProGear)	Innovatus Capital Partners, LLC	Innovatus Capital Partners, through its recently formed holding company, Certor Sports, has acquired the assets and brands of Kranos Corporation, the owner of sporting goods brands including Schutt and ProGear; Innovatus plans to leverage the complementary strengths of Schutt with VICIS, a high-tech football helmet manufacturer that Innovatus purchased out of bankruptcy in April 2020
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Canyon Bicycles GmbH	Groupe Bruxelles Lambert SA; Future Shape LLC	Canyon Bicycles, a German manufacturer of mountain, road and electric bicycles and cycling accessories, has been acquired by Groupe Bruxelles Lambert, a Belgian investment firm that holds major stakes in consumer brands including adidas and Pernod Ricard, and Future Shape, an investment firm founded by Tony Fadell, former SVP of Apple's iPod division
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Home, Garden & Pet Transactions

Global Home Appliances Business excluding Japan of Hitachi Global Life Solutions, Inc.	Arçelik AS	Arçelik AS, the leading household appliance manufacturer in Turkey, has announced its acquisition of 60% of Hitachi Global Life Solutions' Home Appliances business outside of Japan for \$300 million as a newly-formed joint venture; following the transaction Arçelik and Hitachi plan to leverage the companies' complementary resources to build a competitive value chain
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Natural Balance Pet Foods, Inc.	Nexus Capital Management LP	Nexus Capital Management, a Los Angeles-based private equity firm, has agreed to acquire Natural Balance Pet Foods, a manufacturer of branded high-end dog and cat foods sold exclusively through the pet specialty and e-commerce channels, from The J.M. Smucker Co. (NYSE:SJM) for \$50 million
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