

FASHION & APPAREL

Quarterly Review

Q3 2024



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- Market Summary and Perspectives, Public Companies and M&A Transactions

Lincoln's Q3 2024 Fashion & Apparel Quarterly Review

EXECUTIVE SUMMARY

While the 2024 macroeconomic and geopolitical backdrop resulted in uncertainty and caused continued sluggishness, we have observed clear signs of improved consumer sentiment and overall market conditions as we near the end of the year. Inflation remained relatively flat at 2.4% year-over-year for the period ending September 2024 vs. 2.5% the previous year. From a personal care expenditure perspective, we saw growth within durable goods, non-durable goods and services by 3.3%, 1.6% and 1.3%, respectively, while clothing and footwear stagnated, growing 0.1% this year as of Q3 2024. Furthermore, recent interest rate cuts have caused market participants to become increasingly interested in deal completion, and we expect anticipated future rate cuts to create improved conditions.

Although M&A activity remained mixed in 2024, down ~52% from its peak in 2021, we expect deal volume to pick up in Q4 2024 and into 2025. Companies have regained confidence in establishing defensible near-term outlooks, and we have seen both strategic and private equity buyers become active in the market. They remain receptive to exploring new opportunities given that the overall consumer section has shown signs of recovery, with significant growth in deal value that is outpacing other sectors. On the flip side, while long-term headwinds surrounding supply chain instability remain, we expect anti-trust concerns to diminish on a go-forward basis given recent election results. With this in mind, we are optimistic on M&A, bullish on the consumer and confident that apparel companies with strong growth profiles will succeed in an increasingly attractive market.

As of the conclusion of Q3 2024, median LTM EV/EBITDA multiples for active lifestyle and fashion brands were 11.3x and 11.2x, respectively. The fast fashion retail space, garnered the highest valuation at 19.3x, closely followed by the off-price retail category at 18.0x.

Select Fashion & Apparel Transactions

<p><i>Jaya</i> cinq/sept LIKELY</p> <p>has been sold to</p> <p>BVG</p> <p>Sell-Side</p> <p></p>	<p>IN THE STYLE</p> <p>has sold its trading operations to</p> <p>BAAJ Capital LLP</p> <p>Sell-Side</p> <p></p>	<p>HATCH COLLECTIVE</p> <p>has received a significant minority investment from</p> <p>MARQUEE BRANDS a portfolio company of NEUBERGER BERMAN</p> <p>Capital Raise</p> <p></p>	<p>COSABELLA</p> <p>has been sold to</p> <p>CALIDAGROUP</p> <p>Sell-Side</p> <p></p>	<p>DOMINUS CAPITAL</p> <p>has sold</p> <p>L2 BRANDS</p> <p>to</p> <p>Sentinel CAPITAL PARTNERS</p> <p>Sell-Side</p> <p></p>	<p>CALIDAGROUP</p> <p>has sold</p> <p>Lafuma WILLET MOUNTAIN GROUP</p> <p>to</p> <p>INSPIRING SPORT CAPITAL and a private investor</p> <p>Sell-Side</p> <p> </p>
<p>MAD ENGINE</p> <p>has received a controlling interest investment from</p> <p>Platinum Equity</p> <p>Growth Equity</p> <p></p>	<p>AURELIUS</p> <p>has acquired</p> <p>FOOTASYUM</p> <p>from</p> <p>UNDISPUTED KING OF TRAINERS</p> <p>Buy-Side Acquisition Financing</p> <p> </p>	<p>The Campello Family</p> <p>has acquired</p> <p>journelle</p> <p>Buy-Side</p> <p></p>	<p>FORTUNE</p> <p>has been sold to</p> <p>MAD ENGINE a portfolio company of Platinum Equity</p> <p>Sell-Side</p> <p> </p>	<p>MAUI</p> <p>has been sold to</p> <p>TRIMARK</p> <p>Sell-Side</p> <p></p>	<p><i>for Love & Lemons</i></p> <p>has received a significant minority investment from</p> <p>VICTORIA'S SECRET</p> <p>Sell-Side</p> <p></p>

* indicates a transaction was completed by a Lincoln banker at a prior firm

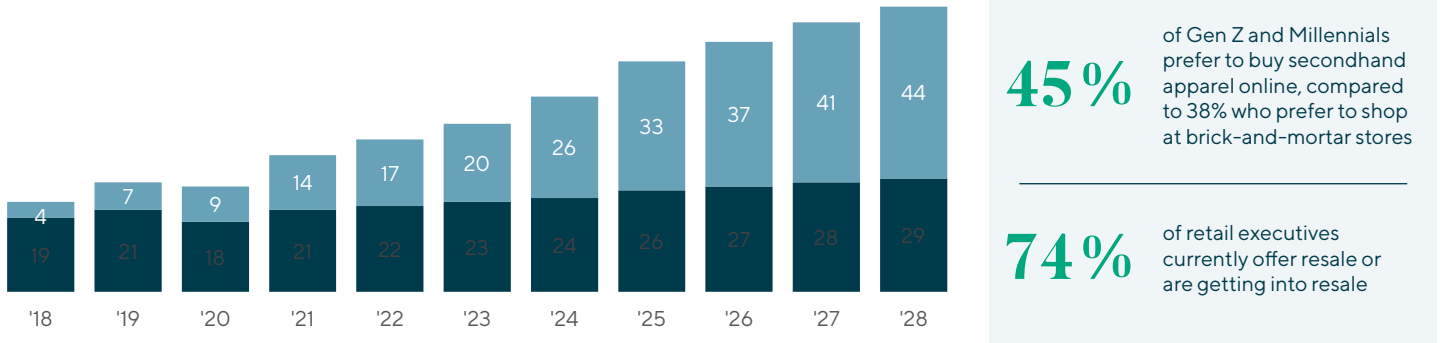
Trends & Insights

1. FOCUS ON SUSTAINABILITY: RISE OF THE RESALE MARKET

The global resale apparel market is growing 3x faster than the general retail clothing market, largely driven by consumer interest in sustainable fashion. About 42% of consumers believe the government should take legislative action to help promote sustainable fashion (52% among Gen Z and Millennials), and 78% of consumers say they would not switch to a cheaper brand if their company values were not aligned to their own.

Resale has also become popular as consumers are seeking shopping deals, as purchasing products secondhand provides the opportunity to buy high-end brands at more affordable prices. Branded resale saw continued momentum in 2023, up 31% YoY with several brands launching resale programs, including American Eagle, H&M and J.Crew.

U.S. SECONDHAND APPAREL MARKET GROWING 11% ANNUALLY ON AVERAGE

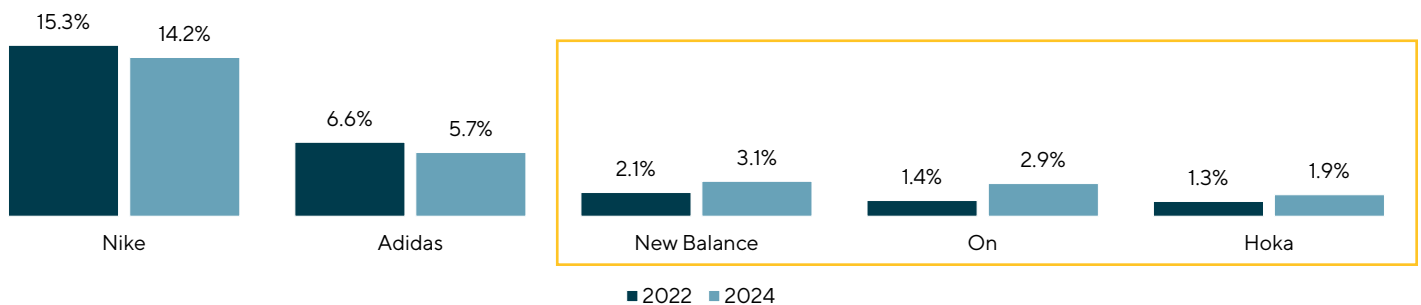


2. REACHING NEW HEIGHTS: INCREASED COMPETITION IN ACTIVE LIFESTYLE APPAREL

In a 2023 survey, 82% of US consumers responded that they are focused on a healthier lifestyle – up from 60% in 2020. Such consumer sentiment has translated into interest in exploring new brands and products, heightening the competition within the active segment and providing opportunities for brands like On, Hoka and New Balance to gain share again share from industry leaders such as Nike and Adidas.

Additionally, consumers have re-oriented outdoor apparel and footwear into everyday lifestyles over the past few years. To play into these trends, luxury brands have been utilizing collaborations (e.g., On x Loewe, Hoka x Moncler, Arc'teryx x Jil Sander) to enter the segment authentically.

CHALLENGER BRANDS ARE GAINING MARKET SHARE OVER NIKE AND ADIDAS: FOOTWEAR MARKET SHARE BY BRAND (US)



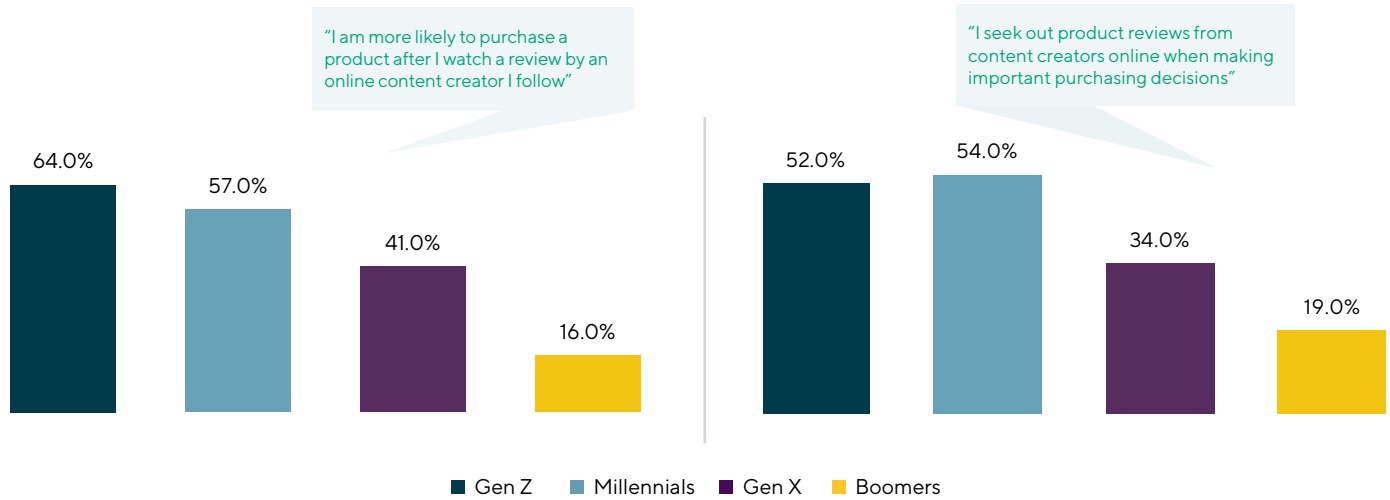
Recent collaborations between active lifestyle apparel brands



Trends & Insights (cont.)

3. CONVENIENCE IS KEY: RISE OF SHOPPABLE CONTENT

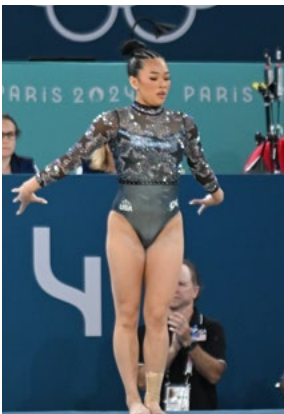
As the world continues to become more digital, brands are increasingly utilizing shoppable content as a crucial part of their marketing and brand awareness strategy. The growth in social commerce has largely been driven by social media platforms evolving their business model to facilitate in-app shopping. Shoppable content now exists in various forms including social media posts, videos, user generated content, articles and advertisements. This has provided opportunities for brands to reach consumers actively in the purchasing frame of mind through collaboration with influencers that can play a vital role in brand building and driving sales. More than 60% of Gen Zs and Millennials are more likely to trust a brand if a content creator / influencer they trust has talked about the brand’s product, and ~76% of American consumers having purchased a product they saw on a social media post.



4. FASHION X SPORTS: LOOK GOOD, FEEL GOOD, PLAY WELL

The intersection of sports and fashion has become increasingly popular in recent years, with athletes leveraging media to highlight their style and fashion brands focusing their campaigns on athletes. In 2023, athletes collaborated with over 15 industries, but sports and fashion dominated, comprising 78% of the total share of earned media value. Additionally, sports superstars Tom Brady, Cristiano Ronaldo and Roger Federer have launched their own fashion lines to capitalize on this growth.

Simultaneously, luxury brands are seizing opportunities to partner with the sporting industry. Given that sports is the last frontier for real time, mass audience engagement, fashion partnerships have been successful. Skims reached a \$4 billion valuation in four years, partly attributable to their athlete-focused campaigns with stars such as Olympic gold medal gymnast Sunisa Lee. In soccer, fashion endorsements comprise 15% of the marketing mix. LVMH’s \$163M investment in the Paris Olympics generated 17x more value than the brand’s average content on social media throughout the year.



Skims reached a \$4 billion valuation in four years, partly attributable to their athlete-focused campaigns with stars such as Olympic gold medal gymnast Sunisa Lee.

\$79M

in earned media value generated from 63 fashion collaborations with athletes

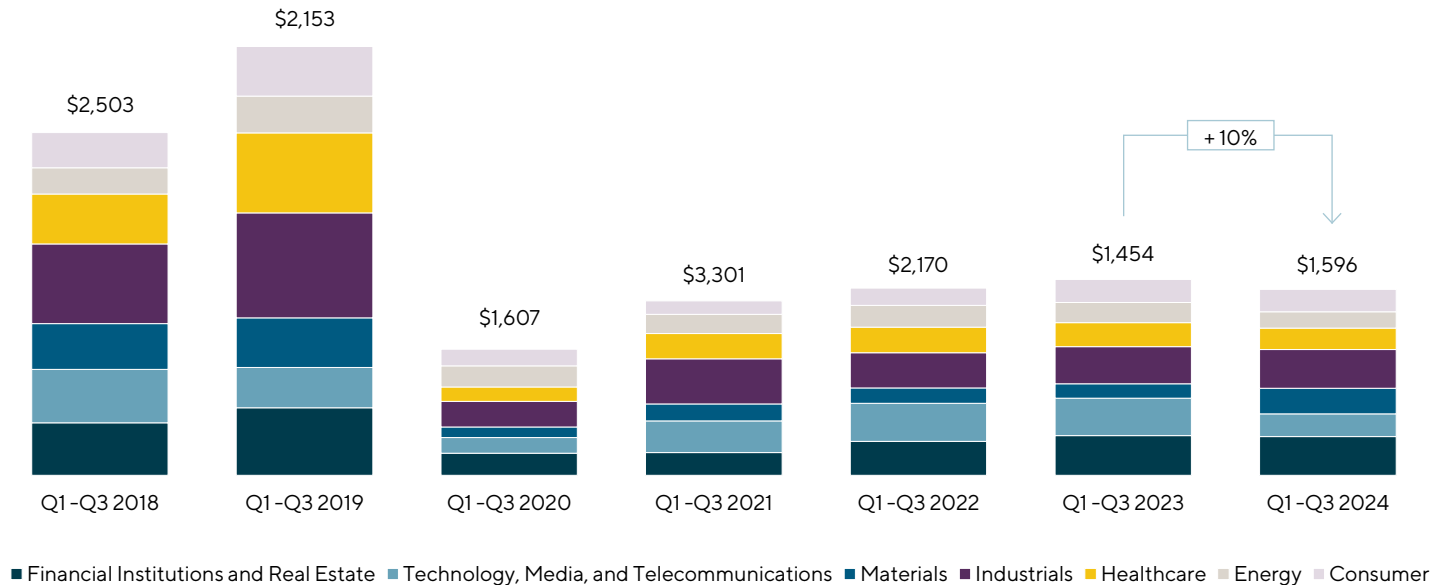
78%

of the total share in earned media value of athlete collaborations is from sports and fashion

Sector Spotlight | Looking Ahead into 2025 M&A Market

2024 M&A TRENDS

Global M&A activity remains muted relative to historical norms, totaling ~\$1.6 trillion in deal value in YTD Q3 2024, which is ~52% down from the peak in 2021. However, there are some signs of optimism as this reflects a modest 10% increase relative to the same period in 2023. Additionally, the overall consumer sector which had been lagging other sectors in prior quarters has shown first signs of recovery, growing 35% in aggregate deal value and outpacing all other sectors. In line with this, we have seen some momentum in the fashion & apparel subsector with notable \$1B+ transactions close in the apparel sector this year such as the Supreme to EssilorLuxotica (~\$1.5B) and Varsity Brands to KKR (~\$4.5B).



LOOKING AHEAD INTO 2025

In 2025, we foresee several tailwinds and are cautiously optimistic that the early signs of M&A activity recovery in YTD 2024 will accelerate and gain momentum in 2025. However, there are also some longer-term headwinds to consider as laid out below:



- **Interest Rate Cuts** - Experts anticipate short-term rates to be around 3.5% at the conclusion of 2025 representing substantial cuts from current levels.
- **Cash on Hand** - Strategics in the apparel sector have built large cash balances over the last few years, while private equity firms sit on \$2.6 trillion in dry powder which awaits to deployment
- **Political Certainty** - major elections in 2024, including those in the US, EU, France, UK and India will be behind us, providing dealmakers more certainty in more certainty regarding investment decisions.



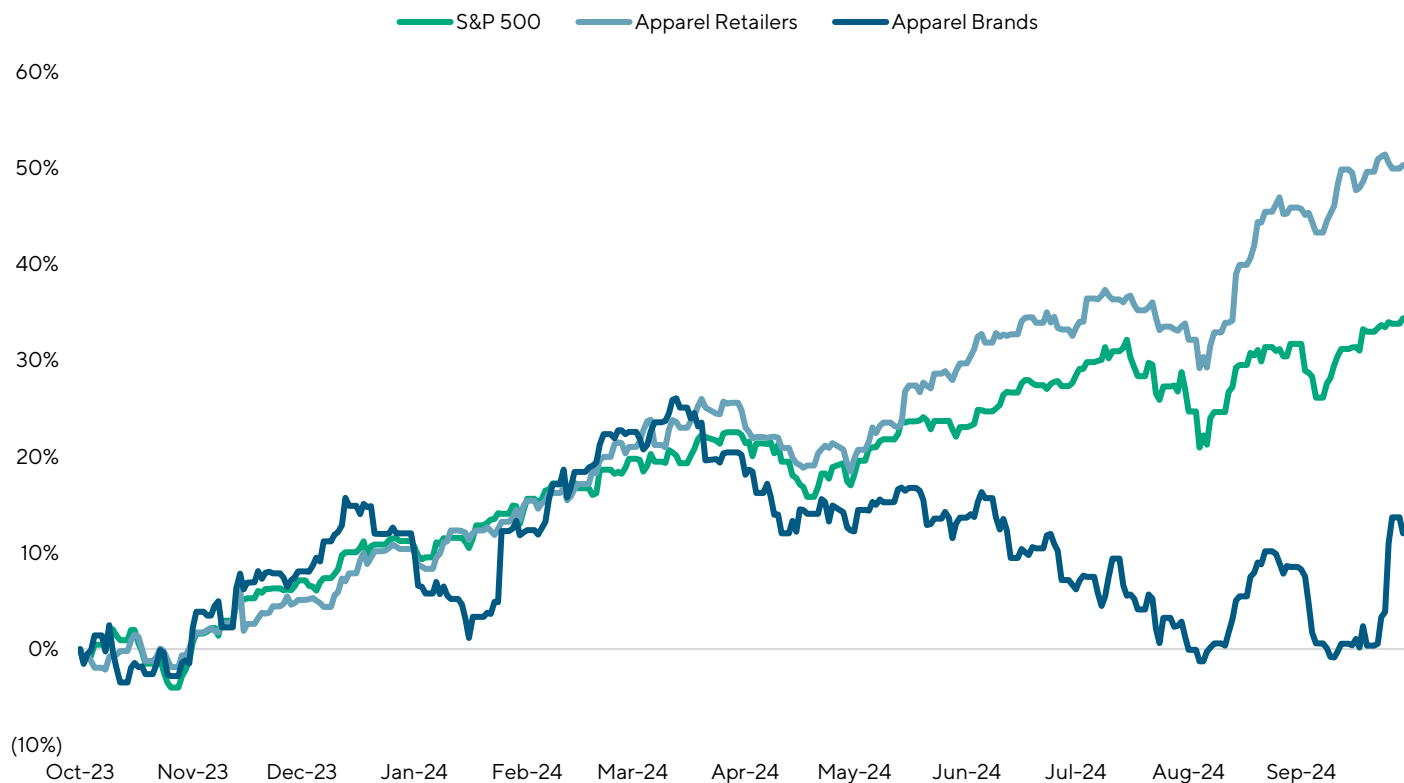
- **Antitrust Scrutiny** - While we expect anti-trust scrutiny to lessen given recent election results, major players may still be cautious given the recent halting of the Capri / Tapestry transaction.
- **Supply Chain Instability** - the newly elected Trump administration is likely to impose tariffs on China which may disrupt the supply chain and impact profitability for apparel brands
- **Geopolitics & National Security** - Continual concerns over national security will likely limit M&A transactions with foreign companies

Market Summary and Perspectives – Public Companies

KEY TRADING STATISTICS

Industry and Segment	Stock Price % Change		EV / EBITDA % Change		Current Valuation Stats			Net Debt /	
	3 Month	1 Year	3 Month	1 Year	Fwd PE	LTM PE	EV / EBITDA	EBITDA	
Apparel Brands	Accessories	7%	(17%)	6%	(9%)	17.6x	13.4x	8.1x	2.5x
	Active Lifestyle	14%	21%	1%	(22%)	20.0x	22.5x	11.3x	3.5x
	Basic Apparel	19%	22%	(10%)	9%	16.2x	17.8x	10.0x	5.1x
	Diversified	11%	9%	4%	3%	15.8x	18.2x	10.9x	3.6x
	Fashion	(1%)	2%	10%	2%	11.6x	17.6x	11.2x	3.9x
	Luxury	1%	9%	1%	10%	22.8x	24.7x	15.6x	2.5x
	Footwear	(1%)	45%	(1%)	(10%)	16.0x	13.3x	9.0x	1.0x
Apparel Retailers	Contemporary Retail	(88%)	33%	(2%)	(30%)	12.5x	11.4x	6.5x	1.7x
	Department Stores	(11%)	26%	(6%)	(6%)	11.8x	11.2x	4.8x	3.5x
	Fast Fashion Retail	19%	52%	16%	10%	23.1x	30.3x	19.3x	2.9x
	Footwear Retail	19%	82%	13%	(21%)	21.3x	24.3x	8.4x	4.0x
	Mass/Club	5%	51%	3%	(5%)	23.6x	16.0x	13.1x	1.6x
	Off-Price Retail	7%	33%	3%	3%	27.1x	27.8x	18.0x	1.1x
	Women's Retail	(10%)	54%	(29%)	(9%)	14.1x	14.6x	5.7x	4.0x
Apparel Brands Median	7%	9%	1%	2%	16.2x	17.8x	10.9x	3.5x	
Apparel Retailers Median	5%	51%	3%	(6%)	21.3x	16.0x	8.4x	2.9x	
Overall Median	6%	29%	2%	(6%)	16.9x	17.7x	10.4x	3.2x	

APPAREL INDUSTRY STOCK PERFORMANCE INDEX



Public Companies – Apparel Brands

KEY TRADING STATISTICS

Company	Stock Price	% of High 52-Week	Market Cap	Enterprise Value	LTM		Revenue CAGR		LTM Margins		EV/Revenue		EV/EBITDA		P/E
					Revenue	EBITDA	3-Yr Act	1-Yr Act	Gross	EBITDA	LTM	NTM	LTM	NTM	Multiple
Accessories															
Burberry (\$LSE:BRBY)	\$9.40	36%	\$3,351	\$4,781	\$3,749	\$659	5.1%	(2.1%)	67.7%	17.6%	1.28x	1.46x	7.3x	8.1x	9.8x
Capri (\$NYSE:CPRI)	42.44	81%	4,999	6,502	5,008	492	1.0%	(8.7%)	64.2%	9.8%	1.30x	1.36x	13.2x	11.8x	NM
EssilorLuxottica Societe (\$ENXTPA:EL)	237.12	97%	108,024	119,126	27,680	5,860	11.2%	0.0%	62.5%	21.2%	4.30x	3.91x	20.3x	15.1x	NM
Fossil Group (\$NasdaqGS:FOSL)	1.17	57%	62	114	1,280	(58)	(9.7%)	(19.1%)	49.2%	(4.5%)	0.09x	n/a	NM	n/a	NM
Movado Group (\$NYSE:MOV)	18.60	59%	414	218	663	48	0.3%	(6.7%)	54.4%	7.2%	0.33x	0.32x	4.6x	n/a	11.4x
Pandora (\$CPSE:PNDORA)	164.89	91%	13,151	15,319	4,566	1,289	9.6%	18.5%	79.7%	28.2%	3.36x	3.12x	11.9x	9.6x	18.0x
Safilo Group (\$BIT:SFL)	1.22	86%	507	633	1,078	82	(1.6%)	(6.4%)	59.3%	7.6%	0.59x	0.55x	7.7x	5.7x	NM
Tapestry (\$NYSE:TPR)	46.98	96%	10,936	10,974	6,671	1,430	5.1%	0.2%	73.3%	21.4%	1.64x	1.64x	7.7x	7.4x	13.4x
Swatch (\$SWX:UHR)	214.57	74%	11,130	9,600	8,139	1,191	3.5%	(7.9%)	84.4%	14.6%	1.18x	1.11x	8.1x	7.0x	19.3x
Vera Bradley (\$NasdaqGS:VRA)	5.46	65%	154	110	440	12	(5.6%)	(10.9%)	52.5%	2.8%	0.25x	0.26x	9.0x	6.1x	NM
Median		77%					2.2%	(6.6%)	63.4%	12.2%	1.23x	1.36x	8.1x	7.8x	13.4x
Active Lifestyle															
Adidas (\$XTRA:ADS)	\$265.34	98%	\$47,375	\$52,043	\$25,127	\$1,547	0.7%	8.8%	49.7%	6.2%	2.07x	1.92x	NM	17.4x	NM
Asics (\$TSE:7936)	20.95	97%	14,993	15,082	3,870	609	3.1%	1.8%	54.4%	15.7%	3.90x	3.11x	24.8x	17.8x	NM
Canada Goose (\$TSX:GOOS)	12.54	84%	1,213	1,779	977	158	8.7%	5.0%	68.4%	16.2%	1.82x	1.78x	11.3x	8.1x	26.7x
Columbia (\$NasdaqGS:COLM)	83.19	95%	4,871	4,497	3,332	398	4.6%	(7.4%)	50.0%	12.0%	1.35x	1.31x	11.3x	12.0x	22.8x
LuluLemon (\$NasdaqGS:LULU)	271.35	53%	33,315	31,705	9,989	2,700	21.8%	13.0%	58.5%	27.0%	3.17x	2.93x	11.7x	10.8x	20.4x
Mizuno (\$TSE:8022)	63.52	89%	1,624	1,499	1,450	136	(0.7%)	(6.0%)	40.0%	9.4%	1.03x	0.86x	11.0x	9.3x	17.7x
Nike (\$NYSE:NKE)	88.40	72%	132,543	131,259	50,012	7,201	2.7%	(2.8%)	45.0%	14.4%	2.62x	2.68x	18.2x	21.4x	25.0x
On (\$NYSE:ONON)	50.15	96%	16,054	15,684	2,230	239	53.5%	28.0%	60.0%	10.7%	7.03x	5.16x	NM	NM	NM
Puma (\$XTRA:PUM)	41.82	61%	6,241	8,114	9,121	808	7.2%	(5.7%)	47.1%	8.9%	0.89x	0.81x	10.0x	7.2x	22.2x
Under Armour (\$NYSE:UAA)	8.91	94%	3,735	3,446	5,569	362	0.7%	(5.2%)	46.4%	6.5%	0.62x	0.67x	9.5x	11.3x	NM
Median		92%					3.9%	(0.5%)	49.9%	11.3%	1.95x	1.85x	11.3x	11.3x	22.5x
Basic Apparel															
CALIDA (\$SWX:CALN)	\$34.09	89%	\$257	\$299	\$326	\$6	1.5%	8.1%	69.8%	1.7%	0.92x	1.00x	NM	10.4x	NM
Duluth (\$NasdaqGS:DLTH)	3.76	62%	132	179	642	21	(1.6%)	(1.5%)	50.4%	3.2%	0.28x	0.28x	8.7x	4.2x	NM
FIGS (\$NYSE:FIGS)	6.84	86%	1,169	900	551	30	15.7%	3.6%	68.0%	5.4%	1.63x	1.61x	NM	15.1x	NM
G-III Apparel (\$NasdaqGS:GIII)	30.52	86%	1,339	1,339	3,086	327	9.4%	(3.5%)	40.5%	10.6%	0.43x	0.42x	4.1x	4.3x	7.2x
Gildan Activewear (\$TSX:GIL)	47.12	99%	7,511	8,988	3,232	787	4.5%	3.1%	30.6%	24.3%	2.78x	2.71x	11.4x	10.6x	17.8x
Hanes (\$NYSE:HBI)	7.35	99%	2,585	5,639	5,491	537	(6.1%)	8.5%	36.7%	9.8%	1.03x	1.56x	10.5x	11.1x	NM
Lands' End (\$NasdaqCM:LE)	17.27	95%	539	776	1,442	65	(3.5%)	(6.0%)	44.3%	4.5%	0.54x	0.55x	11.9x	8.1x	NM
Superior Group of Companies (\$NasdaqGM:SGC)	15.49	71%	260	324	554	34	0.6%	1.2%	38.8%	6.2%	0.59x	0.56x	9.4x	9.1x	23.2x
ASOS (\$LSE:ASC)	5.74	94%	684	1,455	3,819	(210)	(10.8%)	(14.6%)	40.0%	(5.5%)	0.38x	0.35x	NM	8.4x	NM
Lulu's Fashion Lounge (\$NasdaqGM:LVLU)	1.60	56%	67	67	327	(20)	5.1%	(16.8%)	42.0%	(6.1%)	0.21x	0.21x	NM	NM	NM
Median		87%					1.0%	(0.1%)	41.2%	5.0%	0.56x	0.56x	10.0x	9.1x	17.8x

Source: Market data sourced from Capital IQ as of September 30, 2024

(1) Market data as of September 30, 2024

(2) FCF is calculated as EBITDA less CapEx

(3) Adjusted Mean excludes highest and lowest values

Public Companies – Apparel Brands (cont.)

KEY TRADING STATISTICS

Company	Stock Price	% of High 52-Week	Market Cap	Enterprise Value	LTM		Revenue CAGR		LTM Margins		EV/Revenue		EV/EBITDA		P/E
					Revenue	EBITDA	3-Yr Act	1-Yr Act	Gross	EBITDA	LTM	NTM	LTM	NTM	Multiple
Diversified															
a.k.a. Brands (\$NYSE:AKA)	\$23.61	70%	\$249	\$330	\$556	\$5	16.4%	(1.1%)	55.1%	0.9%	0.59x	0.58x	NM	15.2x	NM
Digital Brands Group (\$NasdaqCM:DBGI)	0.34	3%	1	8	13	(6)	56.3%	(25.9%)	42.2%	(44.5%)	0.64x	n/a	NM	n/a	NM
Fox-Wizel (\$TASE:FOX)	75.73	80%	1,043	2,015	1,523	185	13.9%	9.4%	56.3%	12.2%	1.32x	n/a	10.9x	n/a	18.5x
Kontoor (\$NYSE:KTB)	81.78	98%	4,554	5,030	2,578	387	1.6%	(3.4%)	44.5%	15.0%	1.95x	1.90x	13.0x	11.9x	18.2x
Levi Strauss (\$NYSE:LEVI)	21.80	90%	8,666	9,116	6,158	758	4.1%	0.5%	59.1%	12.3%	1.48x	1.40x	12.0x	10.4x	NM
Roots (\$TSX:ROOT)	1.58	73%	64	146	185	16	(2.4%)	(9.9%)	58.2%	8.6%	0.79x	0.74x	9.1x	4.2x	NM
Boohoo (\$AIM:BOO)	0.40	70%	504	778	1,846	(2)	(8.8%)	(13.9%)	51.8%	(0.1%)	0.42x	0.40x	NM	8.6x	NM
Delta Gali (\$TASE:DELG)	45.33	91%	1,178	1,612	1,894	252	3.4%	(2.5%)	42.1%	13.3%	0.85x	n/a	6.4x	n/a	12.7x
Median		77%					3.7%	(3.0%)	53.4%	10.4%	0.82x	0.74x	10.88x	10.37x	18.17x
Fashion															
Ermengildo Zegna (\$NYSE:ZGN)	\$9.84	64%	\$2,484	\$3,299	\$2,102	\$211	13.2%	15.5%	65.4%	10.0%	1.57x	1.49x	15.6x	6.9x	23.0x
Hugo Boss (\$XTRA:BOSS)	45.83	58%	3,163	4,514	4,723	537	18.3%	9.1%	61.5%	11.4%	0.96x	0.93x	8.4x	5.3x	13.2x
Lanvin Group (\$NYSE:LANV)	1.71	39%	194	523	410	(104)	n/a	(13.7%)	58.5%	(25.4%)	1.28x	1.35x	NM	NM	NM
Oxford Industries (\$NYSE:OXM)	86.76	76%	1,362	1,343	1,549	218	16.1%	0.9%	62.6%	14.1%	0.87x	0.87x	6.2x	5.8x	NM
PVH (\$NYSE:PVH)	100.83	71%	5,628	7,213	8,879	1,211	1.1%	(2.8%)	59.5%	13.6%	0.81x	0.83x	6.0x	6.1x	7.6x
Ralph Lauren (\$NYSE:RL)	193.87	97%	12,008	11,658	6,647	1,037	7.9%	3.1%	67.1%	15.6%	1.75x	1.71x	11.2x	10.1x	17.6x
V.F. (\$NYSE:VFC)	19.95	96%	7,764	13,514	10,093	787	(2.7%)	(9.5%)	52.2%	7.8%	1.34x	1.39x	17.2x	17.7x	NM
Vince (\$NYSE:VNCE)	1.85	39%	23	77	293	5	1.5%	(9.5%)	46.6%	1.6%	0.26x	0.26x	16.4x	6.6x	18.4x
Median		68%					7.9%	(1.0%)	60.5%	10.7%	1.12x	1.14x	11.2x	6.6x	17.6x
Luxury															
Brunello Cucinelli (\$BIT:BC)	\$107.91	79%	\$7,328	\$8,102	\$1,303	\$276	19.0%	13.9%	53.2%	21.1%	6.22x	5.45x	29.4x	19.0x	NM
Christian Dior (\$ENXTPA:CDI)	723.29	78%	130,489	206,130	91,707	25,679	12.1%	(0.8%)	68.5%	28.0%	2.25x	n/a	8.0x	n/a	20.9x
Compagnie Financière Richemont (\$SWX:CFR)	158.40	89%	93,511	90,258	22,242	5,918	13.0%	2.6%	68.1%	26.6%	4.06x	3.77x	15.3x	12.5x	36.7x
Hermes (\$ENXTPA:RMS)	2,460.41	91%	257,680	249,889	15,250	6,652	16.5%	8.9%	71.5%	43.6%	NM	14.21x	NM	NM	NM
Kering (\$ENXTPA:KER)	286.47	59%	35,118	52,559	19,767	4,843	1.9%	(11.9%)	75.4%	24.5%	2.66x	2.58x	10.9x	9.4x	15.8x
LVMH Moët Hennessy - Louis (\$ENXTPA:MC)	767.90	78%	383,601	417,276	91,707	26,043	12.1%	(0.8%)	68.5%	28.4%	4.55x	4.18x	16.0x	13.1x	25.6x
Moncler (\$BIT:MONC)	63.60	81%	17,209	17,187	3,298	999	18.8%	7.1%	77.7%	30.3%	5.21x	4.74x	17.2x	11.9x	24.8x
Prada (\$SEHK:1913)	7.72	90%	19,761	21,803	5,403	1,443	15.1%	9.2%	80.2%	26.7%	4.04x	3.52x	15.1x	9.4x	24.6x
Salvatore Ferragamo (\$BIT:SFER)	7.73	53%	1,281	1,847	1,156	111	(2.0%)	(13.3%)	72.6%	9.6%	1.60x	1.54x	16.6x	7.1x	NM
Median		79%					13.0%	2.6%	71.5%	26.7%	4.05x	3.97x	15.6x	11.9x	24.7x

Source: Market data sourced from Capital IQ as of September 30, 2024

(1) Market data as of September 30, 2024

(2) FCF is calculated as EBITDA less CapEx

(3) Adjusted Mean excludes highest and lowest values

Public Companies – Apparel Brands (cont.)

KEY TRADING STATISTICS

Company	Stock Price	% of High 52-Week	Market Cap	Enterprise Value	LTM		Revenue CAGR		LTM Margins		EV/Revenue		EV/EBITDA		P/E
					Revenue	EBITDA	3-Yr Act	1-Yr Act	Gross	EBITDA	LTM	NTM	LTM	NTM	Multiple
Footwear															
Caleres (\$NYSE:CAL)	\$33.05	74%	\$1,163	\$1,266	\$2,802	\$240	3.4%	(1.8%)	45.2%	8.6%	0.45x	0.46x	5.3x	5.1x	7.1x
Crocs (\$NasdaqGS:CROX)	144.81	88%	8,600	9,835	4,072	1,131	24.0%	3.2%	58.1%	27.8%	2.42x	2.32x	8.7x	8.5x	10.3x
Deckers (\$NYSE:DECK)	159.45	86%	24,310	23,085	4,657	1,145	17.6%	19.3%	57.1%	24.6%	4.96x	4.69x	20.2x	21.5x	27.8x
Dr. Martens (\$LSE:DOCS)	0.75	39%	726	1,188	1,108	179	1.3%	(10.5%)	65.6%	16.2%	1.07x	1.07x	6.6x	6.1x	8.3x
Skechers (\$NYSE:SKX)	66.92	89%	10,195	9,909	8,718	1,073	13.4%	10.1%	53.1%	12.3%	1.14x	1.05x	9.2x	8.3x	16.3x
Steven Madden (\$NasdaqGS:SHOO)	48.99	99%	3,557	3,389	2,148	263	13.8%	10.9%	41.4%	12.2%	1.58x	1.47x	12.9x	11.8x	19.8x
Wolverine World Wide (\$NYSE:WWW)	17.42	99%	1,394	2,068	1,875	10	(4.4%)	(26.3%)	41.2%	0.5%	1.10x	1.15x	NM	11.0x	NM
Allbirds (\$NasdaqGS:BIRD)	11.80	41%	93	6	220	(88)	(3.4%)	(21.8%)	44.0%	(39.9%)	0.03x	0.03x	NM	NM	NM
Median		87%					8.4%	0.7%	49.2%	12.3%	1.12x	1.11x	9.0x	8.5x	13.3x

Source: Market data sourced from Capital IQ as of September 30, 2024

(1) Market data as of September 30, 2024

(2) FCF is calculated as EBITDA less CapEx

(3) Adjusted Mean excludes highest and lowest values

Public Companies – Apparel Retailers

KEY TRADING STATISTICS

Company	Stock Price	% of High 52-Week	Market Cap	Enterprise Value	LTM		Revenue CAGR		LTM Margins		EV/Revenue		EV/EBITDA		P/E
					Revenue	EBITDA	3-Yr Act	1-Yr Act	Gross	EBITDA	LTM	NTM	LTM	NTM	Multiple
Contemporary Retail															
Abercrombie & Fitch (\$NYSE:ANF)	\$139.90	71%	\$7,146	\$6,422	\$4,664	\$817	9.1%	21.1%	64.6%	17.5%	1.38x	1.29x	7.9x	7.4x	14.2x
American Eagle (\$NYSE:AEO)	22.39	85%	4,300	4,108	5,415	675	6.0%	7.9%	39.4%	12.5%	0.76x	0.75x	6.1x	5.9x	17.3x
GAP (\$NYSE:GAP)	22.05	72%	8,298	7,641	15,173	1,463	(3.0%)	0.4%	49.3%	9.6%	0.50x	0.51x	5.2x	5.1x	10.8x
Guess? (\$NYSE:GES)	20.13	60%	1,035	1,437	2,867	298	6.6%	6.7%	44.1%	10.4%	0.50x	0.46x	4.8x	4.8x	6.0x
NEXT (\$LSE:NXT)	131.11	88%	15,625	17,977	7,500	1,466	7.7%	12.8%	44.0%	19.5%	2.40x	2.21x	12.3x	10.2x	15.1x
The Buckle (\$NYSE:BKE)	43.97	91%	2,192	1,883	1,231	273	1.9%	(6.0%)	59.0%	22.2%	1.53x	1.57x	6.9x	7.4x	10.7x
Urban Outfitters (\$NasdaqGS:URBN)	38.31	78%	3,534	2,973	5,320	525	8.7%	7.6%	34.0%	9.9%	0.56x	0.53x	5.7x	5.0x	11.4x
Zumiez (\$NasdaqGS:ZUMZ)	21.30	68%	408	281	886	13	(8.3%)	(1.0%)	33.3%	1.5%	0.32x	0.31x	20.8x	7.9x	NM
Mytheresa (\$NYSE:MYTE)	3.81	61%	325	362	901	(4)	7.5%	7.7%	45.7%	(0.5%)	0.40x	0.35x	NM	8.9x	NM
Revolve (\$NYSE:RVLV)	24.78	95%	1,750	1,498	1,094	47	11.4%	2.2%	52.4%	4.3%	1.37x	1.32x	NM	23.7x	NM
Median		75%					7.0%	7.2%	44.9%	10.1%	0.66x	0.64x	6.5x	7.4x	11.4x
Department Stores															
Dillard's (\$NYSE:DDS)	\$383.69	81%	\$6,208	\$5,659	\$6,751	\$979	6.3%	(2.8%)	41.2%	14.5%	0.84x	0.90x	5.8x	7.6x	9.4x
Kohl's (\$NYSE:KSS)	21.10	71%	2,347	6,707	17,124	1,416	(2.5%)	(3.6%)	40.1%	8.3%	0.39x	0.42x	4.7x	5.1x	8.3x
Macy's (\$NYSE:M)	15.69	71%	4,352	6,705	23,509	1,937	2.3%	(4.1%)	41.0%	8.2%	0.29x	0.31x	3.5x	3.4x	23.7x
Nordstrom (\$NYSE:JWN)	22.49	94%	3,693	5,629	14,969	1,154	3.8%	1.0%	36.5%	7.7%	0.38x	0.38x	4.9x	4.8x	13.0x
Median		76%					3.1%	(3.2%)	40.6%	8.3%	0.38x	0.40x	4.8x	4.9x	11.2x
Fast Fashion Retail															
Fast Retailing Co. (\$TSE:9983)	\$331.00	97%	\$101,524	\$96,970	\$21,293	\$4,829	3.2%	12.1%	53.9%	22.7%	4.55x	4.26x	20.1x	19.4x	39.8x
H&M (\$OM:HM B)	17.04	89%	27,435	32,275	22,895	2,300	0.5%	6.2%	53.2%	10.0%	1.41x	1.34x	14.0x	7.4x	27.8x
Industria de Diseño Textil (\$BME:ITX)	59.27	99%	184,606	178,494	40,218	9,249	11.7%	5.5%	55.9%	23.0%	4.44x	3.96x	19.3x	14.3x	30.3x
Median		97%					3.2%	6.2%	53.9%	22.7%	4.44x	3.96x	19.3x	14.3x	30.3x
Footwear Retail															
Boot Barn (\$NYSE:BOOT)	\$167.28	99%	\$5,103	\$5,080	\$1,758	\$262	14.2%	3.5%	36.9%	14.9%	2.89x	2.65x	19.4x	16.9x	33.3x
Genesco (\$NYSE:GCO)	27.17	72%	305	338	2,301	61	1.4%	(1.5%)	47.0%	2.6%	0.15x	0.15x	5.6x	4.9x	NM
Shoe Carnival (\$NasdaqGS:SCVL)	43.85	93%	1,192	1,107	1,233	131	1.2%	2.1%	36.0%	10.7%	0.90x	0.86x	8.4x	7.8x	15.4x
Median		93%					1.4%	2.1%	36.9%	10.7%	0.90x	0.86x	8.4x	7.8x	24.3x
Mass/Club															
Costco (\$NasdaqGS:COST)	\$886.52	96%	\$392,840	\$389,091	\$254,453	\$11,522	9.1%	5.0%	12.6%	4.5%	1.53x	1.42x	NM	NM	NM
Target (\$NYSE:TGT)	155.86	86%	71,801	83,680	107,300	9,231	2.3%	(0.7%)	28.4%	8.6%	0.78x	0.77x	9.1x	9.1x	16.0x
Walmart (\$NYSE:WMT)	80.75	99%	649,089	695,469	665,035	40,779	5.5%	5.4%	24.6%	6.1%	1.05x	1.01x	17.1x	15.8x	NM
Median		96%					5.5%	5.0%	24.6%	6.1%	1.05x	1.01x	13.1x	12.5x	16.0x

Source: Market data sourced from Capital IQ as of September 30, 2024

(1) Market data as of September 30, 2024

(2) FCF is calculated as EBITDA less CapEx

(3) Adjusted Mean excludes highest and lowest values

Public Companies – Apparel Retailers (cont.)

KEY TRADING STATISTICS

Company	Stock Price	% of High 52-Week	Market Cap	Enterprise Value	LTM		Revenue CAGR		LTM Margins		EV/Revenue		EV/EBITDA		P/E
					Revenue	EBITDA	3-Yr Act	1-Yr Act	Gross	EBITDA	LTM	NTM	LTM	NTM	Multiple
Off-Price Retail															
Burlington Stores (\$NYSE:BURL)	\$263.48	93%	\$16,594	\$17,336	\$10,234	\$961	7.0%	12.6%	43.1%	9.4%	1.69x	1.55x	18.0x	15.0x	38.7x
Ross Stores (\$NasdaqGS:ROST)	150.51	92%	49,934	47,728	21,093	2,984	6.8%	9.8%	32.5%	14.1%	2.26x	2.18x	16.0x	15.5x	24.1x
TJX (\$NYSE:TJX)	117.54	97%	132,570	130,184	55,623	7,125	8.8%	8.6%	36.6%	12.8%	2.34x	2.25x	18.3x	17.2x	27.8x
Median		93%					7.0%	9.8%	36.6%	12.8%	2.26x	2.18x	18.0x	15.5x	27.8x
Women's Retail															
Aritzia (\$TSX:ATZ)	\$37.63	98%	\$4,241	\$4,818	\$1,815	\$196	26.1%	9.5%	40.8%	10.8%	2.65x	2.44x	24.6x	11.9x	NM
J.Jill (\$NYSE:JILL)	24.67	61%	372	417	615	108	5.0%	1.6%	70.6%	17.7%	0.68x	0.67x	3.8x	3.8x	9.0x
The Cato Corporation (\$NYSE:CATO)	4.99	64%	96	(8)	679	(13)	(2.3%)	(7.1%)	34.3%	(1.9%)	NM	n/a	0.7x	n/a	NM
Torrid (\$NYSE:CURV)	3.93	43%	411	654	1,133	91	(2.6%)	(4.3%)	36.9%	8.0%	0.58x	0.57x	7.2x	5.5x	30.1x
Victoria Secret (\$NYSE:VSCO)	25.70	83%	2,018	2,994	6,125	521	(2.6%)	(0.8%)	44.7%	8.5%	0.49x	0.49x	5.7x	5.4x	14.6x
Median		64%					(2.3%)	(0.8%)	40.8%	8.5%	0.63x	0.62x	5.7x	5.4x	14.6x

Source: Market data sourced from Capital IQ as of September 30, 2024

(1) Market data as of September 30, 2024

(2) FCF is calculated as EBITDA less CapEx

(3) Adjusted Mean excludes highest and lowest values

Market Summary and Perspectives – M&A Transactions

Oct-2024	Oct-2024	Sept-2024	Sept-2024	Aug-2024	Jul-2024
<p>HATCH COLLECTIVE</p> <p>has been acquired by</p> <p>JANIE AND JACK</p>	<p>YOOX NET-A-PORTER GROUP</p> <p>has been acquired by</p> <p>MYTHERESA</p>	<p>Off-White™</p> <p>has been acquired by</p> <p>BLUESTAR ALLIANCE A Brand Management Company</p>	<p>THE ROW</p> <p>has been acquired by</p> <p>tethys IMAG/NARY</p>	<p>Brands For Less</p> <p>has been acquired by</p> <p>TJX</p>	<p>Supreme</p> <p>has been acquired by</p> <p>EssilorLuxottica</p>
<p>Jul-2024</p> <p>Von Dutch</p> <p>has been acquired by</p> <p>W5G BRANDS</p>	<p>Jul-2024</p> <p>noppies</p> <p>has been acquired by</p> <p>BRANDS@KIDS</p>	<p>Jul-2024</p> <p>Salt Life</p> <p>has been acquired by</p> <p>FORAGER</p>	<p>Jun-2024</p> <p>Varsity // Brands</p> <p>has been acquired by</p> <p>KKR</p>	<p>Jun-2024</p> <p>ALEXANDRE VAUTHIER</p> <p>has been acquired by</p> <p>REVOLVE</p>	<p>Jun-2024</p> <p>avenue WOMEN'S FASHION IN SIZES 14 TO 32</p> <p>has been acquired by</p> <p>FULLBEAUTY BRANDS</p>
<p>Jun-2024</p> <p>2XU</p> <p>has been acquired by</p> <p>TRIVANTAGE GOOD, DONE GOODER.</p>	<p>Jun-2024</p> <p>47</p> <p>has been acquired by</p> <p>NEW ERA</p>	<p>Jun-2024</p> <p>Champion</p> <p>has been acquired by</p> <p>authentic AUTHENTIC BRANDS GROUP</p>	<p>Jun-2024</p> <p>totes ISOTONER</p> <p>has been acquired by</p> <p>RANDA APPAREL & ACCESSORIES MARQUEE BRANDS</p>	<p>Jun-2024</p> <p>Outdoor Voices</p> <p>has been acquired by</p> <p>CONSORTIUM BRAND PARTNERS</p>	<p>May-2024</p> <p>ROBERTO COIN</p> <p>has been acquired by</p> <p>THE WATCHES OF SWITZERLAND GROUP</p>
<p>Apr-2024</p> <p>VHERNIER MILANO</p> <p>has been acquired by</p> <p>RICHEMONT</p>	<p>Apr-2024</p> <p>TCNS CLOTHING CO. LTD</p> <p>has been acquired by</p> <p>ADITYA BIRLA FASHION & RETAIL</p>	<p>Apr-2024</p> <p>EXPRESS</p> <p>has been acquired by</p> <p>SIMON Brookfield</p>	<p>Apr-2024</p> <p>Dia & Co ACTIVE</p> <p>has been acquired by</p> <p>FULLBEAUTY BRANDS</p>	<p>Mar-2024</p> <p>JYBH</p> <p>has been acquired by</p> <p>CHANEL</p>	<p>Mar-2024</p> <p>DISSH</p> <p>has been acquired by</p> <p>BBRC PRIVATE EQUITY</p>
<p>Mar-2024</p> <p>ASHLEY STEWART</p> <p>has been acquired by</p> <p>Kinbow Inc.</p>	<p>Feb-2024</p> <p>Rowing Blazers</p> <p>has been acquired by</p> <p>BURCH</p>	<p>Feb-2024</p> <p>rag & bone NEW YORK</p> <p>has been acquired by</p> <p>GUESS</p>	<p>Feb-2024</p> <p>TOD'S</p> <p>has been acquired by</p> <p>CATTERTON</p>	<p>Feb-2024</p> <p>RevolutionRace</p> <p>has been acquired by</p> <p>N/A</p>	<p>Jan-2024</p> <p>SPERRY</p> <p>has been acquired by</p> <p>authentic AUTHENTIC BRANDS GROUP</p>

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Lincoln's Global Consumer Group

Our team stays at the forefront of the latest trends in how consumers, live, think and shop across geographies, demographics and social strata. These insights, coupled with our experience in private markets and extensive industry relationships, inform and enable our advice and solutions for our clients. We are a global investment bank, inspired by the exciting changes in the consumer marketplace: the boom in e-commerce, the explosion in new, better-for-you food and beverage products, changing uses of retail spaces, the opportunities available through global sourcing expertise and the importance of the consumer experience in dining and leisure activities.

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