Children’s Apparel Accessories Business

Teaser

Investment Considerations

R. L. Hulett

The Company is a U.S.-based supplier of premium children's apparel accessories to specialty retail, e-commerce, and wholesale channels. R.L. Hulett has been retained as exclusive financial advisor to explore strategic alternatives, including a sale.

Heritage Brand with Enduring Product Advantage

Family-owned for nearly five decades, with credibility built through handmade, artisan production and proprietary, patent-protected product design.

Multi-Channel Distribution Platform

Products sold across ~1,500 boutiques, specialty retailers, and department stores, giving a scalable base for DTC e-commerce growth alongside wholesale.

Talented and Experienced Management Team

Long-tenured leadership with deep design, sourcing, and key account expertise, plus a capable bench to run operations post-close.

Trusted, Timeless Brand Above Fashion Risk

The core product line is a year-round staple needing no seasonal markdowns, backed by decades of trust with mothers and retailers.

P&L Summary

(in $'s Thousands)

	Years ended December 31,					TTM
	2021A	2022A	2023A	2024A	2025A	July 2026
Total Revenue	$ 5,973	$ 7,837	$ 8,548	$ 8,908	$ 9,520	$ 9,654
Revenue Growth	52.3%	31.2%	9.1%	4.2%	6.9%	1.4%
Cost of Goods Sold	2,165	3,318	3,938	4,228	4,388	4,416
Gross profit	3,808	4,520	4,610	4,680	5,132	5,239
Gross Profit Margin	63.8%	57.7%	53.9%	52.5%	53.9%	54.3%
SG&A Expenses	2,837	3,229	3,426	3,796	4,234	4,435
Operating Income	971	1,291	1,184	884	898	804
Operating Profit Margin	16.3%	16.5%	13.9%	9.9%	9.4%	8.3%
Other Income (Expense)	2	(0)	(5)	(0)	(4)	(8)
Net Income (Loss)	973	1,290	1,179	884	894	796
Definitional Adjustments:						
Interest (Income) Expense	-	0	5	0	1	5
Depreciation & Amortization	90	88	92	89	66	73
EBITDA, as adjusted	**$ 1,063**	**$ 1,379**	**$ 1,276**	**$ 973**	**$ 962**	**$ 874**
EBITDA Margin	17.8%	17.6%	14.9%	10.9%	10.1%	9.1%

12.4%
4-year Revenue CAGR

9.1%
TTM July 2026 EBITDA Margin

56.4%
5-year Average Gross Profit Margin

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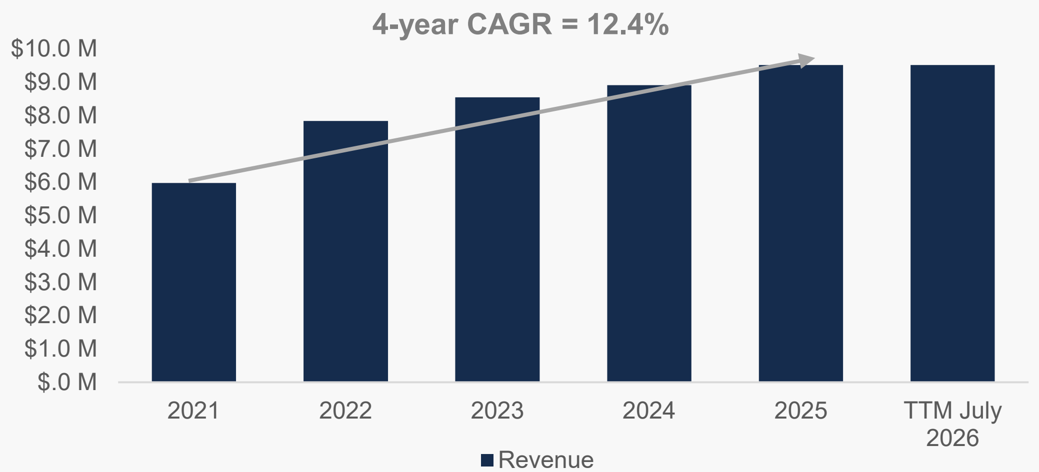
Revenue Growth



Growing Recurring Revenue Base

~1,500 sticky retail doors and 40+ collegiate licenses drive recurring, self-healing reorder revenue.

Multi-Channel DTC

DTC and Amazon are ~25% of revenue and have doubled since 2022, with whitespace in Target, Nordstrom, and TikTok Shop.

Key Investment Highlights (cont'd)

Consistent Top-Line Growth

Revenue has compounded at a 12.4% CAGR from FY2021 to FY2025, growing from ~$6.0M to ~$9.5M across expanding retail and digital channels

Attractive Gross Margin Profile

The business has sustained a ~56% average gross margin over the past five years, supporting strong operating leverage as revenue scales

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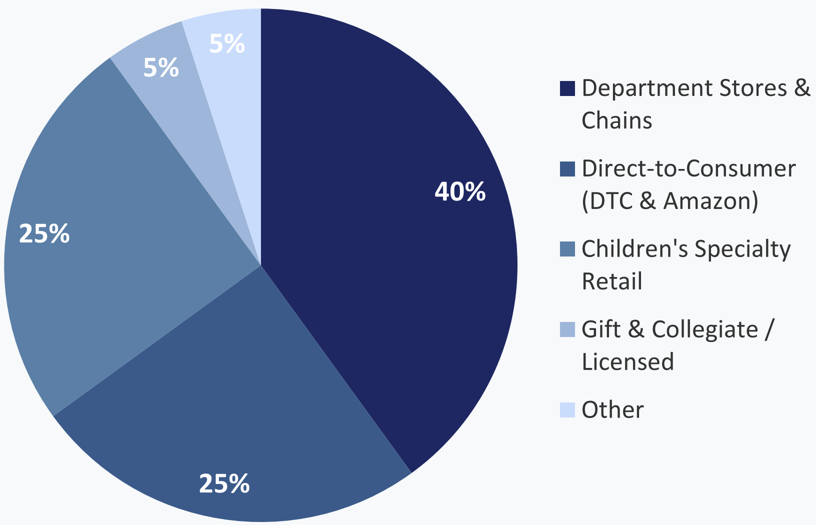
Diversified Channel Distribution



40%

Department Stores & Chains

Largest single channel; no other channel exceeds 25% of revenue, reflecting diversified distribution.

Annual Revenue (TTM July '26)	**$9.6MM**
Adjusted EBITDA Margin (TTM July '26)	**9.1%**
In-House Manufactured	**~75%**
Retail Outlets Served	**~1,500**
DTC Revenue Growth Since 2022	**Over 200%**

Investment Highlights

45+ Year Brand History

Market-leading children's accessory brand with exceptional loyalty

Cross-Border Manufacturing

Cross-border facility provides cost advantage, speed, and scalability

Proprietary IP

Patented functional design feature underscores innovation leadership

Independent Management

Experienced team with limited reliance on current owners

Contact Us

If you are interested in learning more about this opportunity, please complete and sign the Confidentiality Agreement ("CA"), and return it via e-mail. Upon receipt of the signed CA, we will follow up with more information on the transaction opportunity. Please direct all questions and communications through the RLH team members listed below.

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