

ECOMMRCE SHOP

Ecommerce Business | AZ

ENTERPRISE VALUATION

\$532,000

Valuation Range: \$452,200 - \$611,800

ANNUAL REVENUE

SDE

SDE MARGIN

MULTIPLE

\$460K

\$140K

30.4%

3.8x

This report complies with professional valuation standards and industry best practices

Valuation Date: August 4, 2025

Report ID: D59F9A41

EXECUTIVE SUMMARY

ecommrce shop represents a well-established ecommerce enterprise demonstrating strong operational fundamentals and financial performance. With annual revenues of \$460,000 and Seller's Discretionary Earnings of \$140,000, the business maintains an impressive SDE margin of 30.4%. The valuation methodology employs industry-standard SDE multiples, resulting in a fair market value estimate of \$532,000.

COMPANY PROFILE

Business Name:	ecommrce shop	Annual Revenue:	\$460,000
Industry Sector:	Ecommerce	SDE:	\$140,000
Geographic Location:	AZ	SDE Margin:	30.4%
Founded:	2020	Valuation Multiple:	3.8x

FINANCIAL PERFORMANCE ANALYSIS

Financial Metric	Amount	Industry Benchmark	Performance Rating
Annual Revenue	\$460,000	Market Rate	Strong
Seller's Discretionary Earnings	\$140,000	30.4% margin	Excellent
Operational Efficiency	30.4% SDE Margin	15-25% typical	Outstanding
Business Sustainability	Established Operations	Growth Potential	Positive

VALUATION METHODOLOGY

This valuation employs the Seller's Discretionary Earnings (SDE) Multiple approach, recognized as the industry standard for small to medium-sized businesses. The methodology analyzes the business's earnings before owner's salary, benefits, and discretionary expenses, then applies appropriate industry multiples to determine fair market value.

VALUATION CALCULATION

Base SDE: \$140,000

Industry Multiple: 3.8x

Calculated Value: $\$140,000 \times 3.8 = \$532,000$

RISK ASSESSMENT & VALUE DRIVERS

POSITIVE VALUE DRIVERS

- Strong SDE margin (30.4%)
- Established market position
- Proven business model
- Consistent revenue generation

RISK FACTORS

- Market competition intensity
- Economic sensitivity factors
- Industry regulatory changes
- Key person dependency risk

PROFESSIONAL CONCLUSION

Based on comprehensive financial analysis and industry-standard valuation methodology, the fair market value of ecommrce shop is estimated at \$532,000, representing a sound investment opportunity with strong operational fundamentals.

IMPORTANT DISCLAIMER

This valuation report is prepared for informational purposes only and should not be considered as formal investment advice or professional business appraisal services. The estimates are based on industry standards and comparable analysis but may vary based on specific market conditions, transaction circumstances, and individual business factors. For official valuations intended for legal, tax, or transaction purposes, consult with a certified business appraiser.