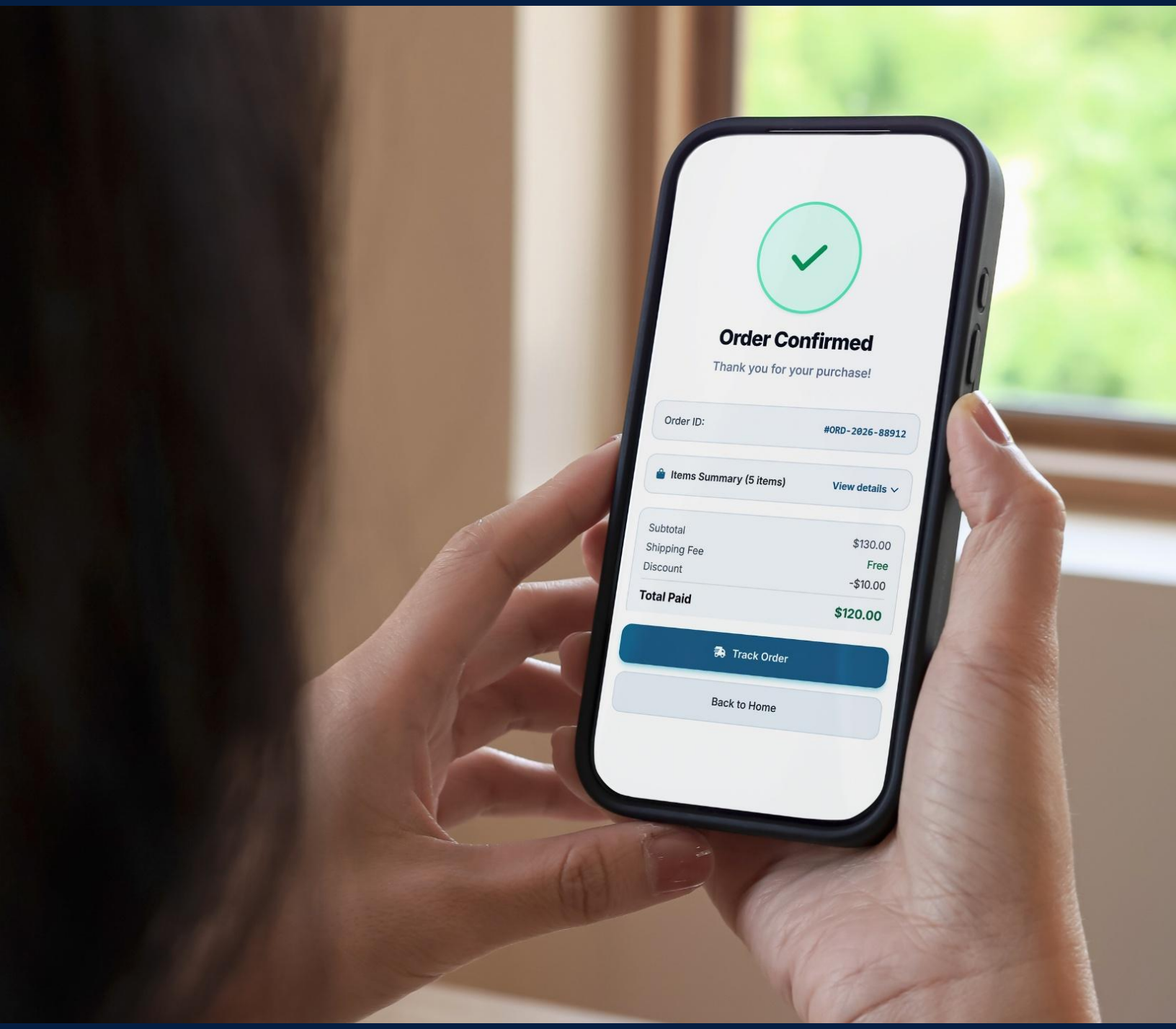
Digital Channels Continue to Outperform, Select Verticals Sustain E-Commerce M&A

E-COMMERCE SECTOR UPDATE | NOVEMBER 2026



CAPSTONE PARTNERS

Table of Contents

4 Key Sector Takeaways

5 E-Commerce Sales Accelerate Despite Macroeconomic Pressures

6 2027 Consumer Industry Outlook Reveals Bifurcated Owner Priorities

7 Omnichannel and Social Commerce Diversify DTC Growth

8 AI Search Reshapes Product Discovery, Erodes SEO Moats

9 E-Commerce M&A Market Remains Active but Concentrated

10 Capstone's Sector Knowledge Defines a Best-In-Class DTC E-Commerce Profile

11 Notable Transactions

12 Select Transactions

13 Public Company Multiples Trail S&P 500

14 Report Contributors

15 Firm Track Record and Transactions in Market

16 Capstone's Proprietary Research Reveals Top Services in Demand

17 Endnotes

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Dedicated Thought Leadership

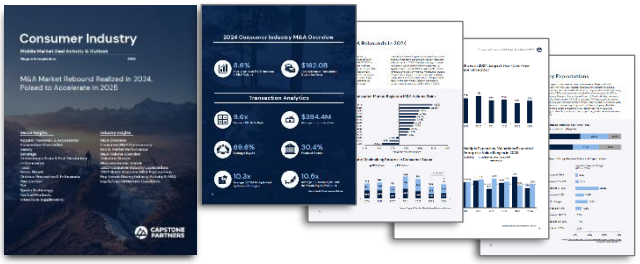
Biannual Sector Reports & Articles

Data analysis and commentary on sector-specific market trends, M&A activity, and equity financing, including statistics from Capstone's proprietary databases and indices.



Annual Industry Report

Industry-wide and sector-specific coverage of macroeconomic trends, valuation drivers, purchase multiples, M&A activity, buyer analysis, and funding dynamics.

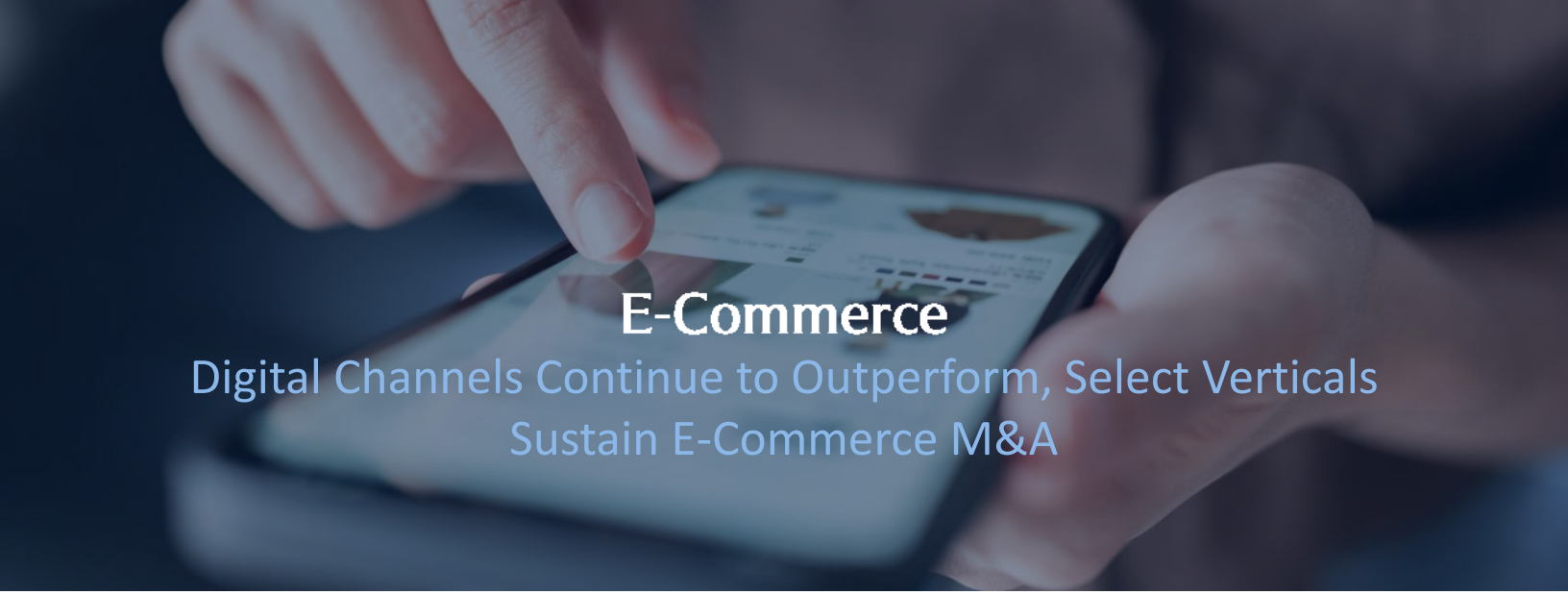


Sector Coverage Areas

- Apparel, Footwear & Accessories
- Automotive Aftermarket
- Beauty
- Beverage
- Residential Services
- Convenience Stores
- E-Commerce
- Food
- Home Goods
- Outdoor Recreation & Enthusiasts
- Pet
- Restaurants
- Sports Technology
- Tactical Products
- Vitamins & Supplements

Holistic Advisory Services

Mergers & Acquisitions	Capital Advisory	Private Equity Solutions	Financial Advisory	Special Situations & Restructuring
• Sell-Side Advisory • Buy-Side Advisory • Recapitalizations • Strategic Mergers	• Equity Advisory • Debt Advisory • Infrastructure Finance • ESOP Advisory	• Add-On Sourcing • Acquisition Financing • Performance Improvement • Plan & Execute Exits	• Transaction Advisory • Performance Improvement • Valuation Advisory • Litigation Support	• Distressed M&A • Turnaround • Restructuring • Bankruptcy



E-Commerce

Digital Channels Continue to Outperform, Select Verticals Sustain E-Commerce M&A

Key Sector Takeaways

Capstone Partners' Consumer Investment Banking Group is pleased to share its E-Commerce report. Merger and acquisition (M&A) activity in the sector has retreated slightly through year-to-date (YTD) 2026 as acquirers have become selective in the vertical and channel concentration they underwrite. Buyer interest will likely remain focused around companies that combine the customer ownership and first-party data advantages of direct-to-consumer (DTC) models with diversified distribution, recurring demand characteristics, and durable revenue profiles. Additionally, insulation from artificial intelligence (AI)-based search engine optimization (SEO) erosion and content adopted for large-language model (LLM) readability are expected to serve as key differentiators moving through 2027. Several additional key report takeaways are outlined below.

1. Deal volume in the E-Commerce sector has declined 5.6% year-over-year (YOY) to 68 transactions announced or completed through YTD 2026.
2. M&A appetite among private and public strategics has softened, though competition for assets offering differentiated products, attractive category exposure, or capabilities that would be more costly or time-consuming to develop internally has remained fervent.
3. Private equity (PE) appetite for pure-play DTC platforms has weakened while complementary add-ons and diversified brands have remained actionable targets for existing portfolio companies.
4. The average e-commerce M&A EV/EBITDA multiple has reached 10.6x from 2023 to YTD 2026. However, valuations still vary significantly depending on individual businesses characteristics.
5. Despite tariffs, persistent inflation, and slower economic growth, consumer spending—particularly from more affluent demographics—has proven resilient, leaving E-Commerce sector participants with opportunities to bolster scale and market share expansion.
6. E-commerce businesses acquired by PE during the flurry of activity in 2020-2021 are now five to six years into their hold periods. With consensus building that the worst of tariff uncertainty has passed, we expect PE portfolio company sale activity to increase in 2027 among performing businesses from these vintages.

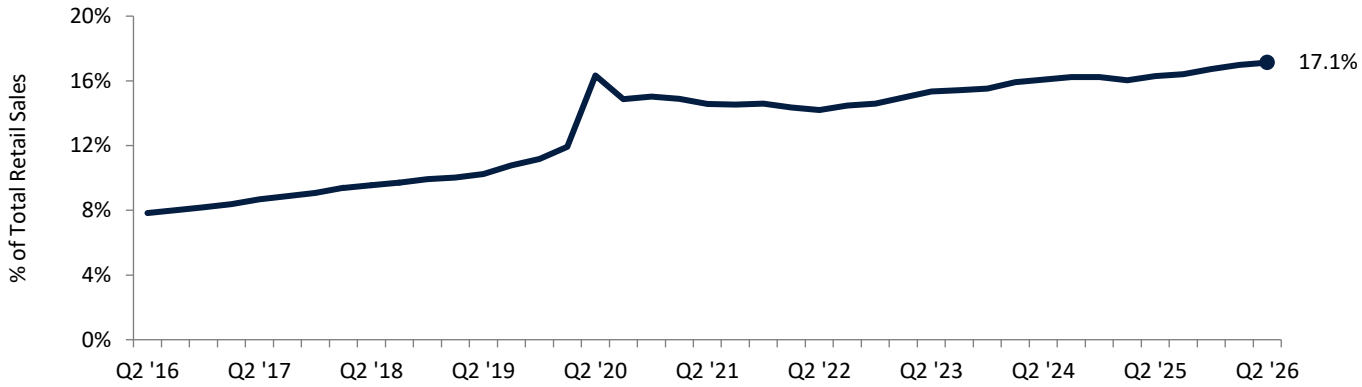
Capstone Partners has developed a full suite of corporate finance solutions to help privately-owned businesses and private equity firms navigate through each stage of a company's lifecycle. These solutions include financial advisory services, merger and acquisition advisory, debt advisory, equity capital financing and employee stock ownership plan (ESOP) advisory.

To learn more about Capstone's wide range of advisory services and E-Commerce sector knowledge, please contact us.

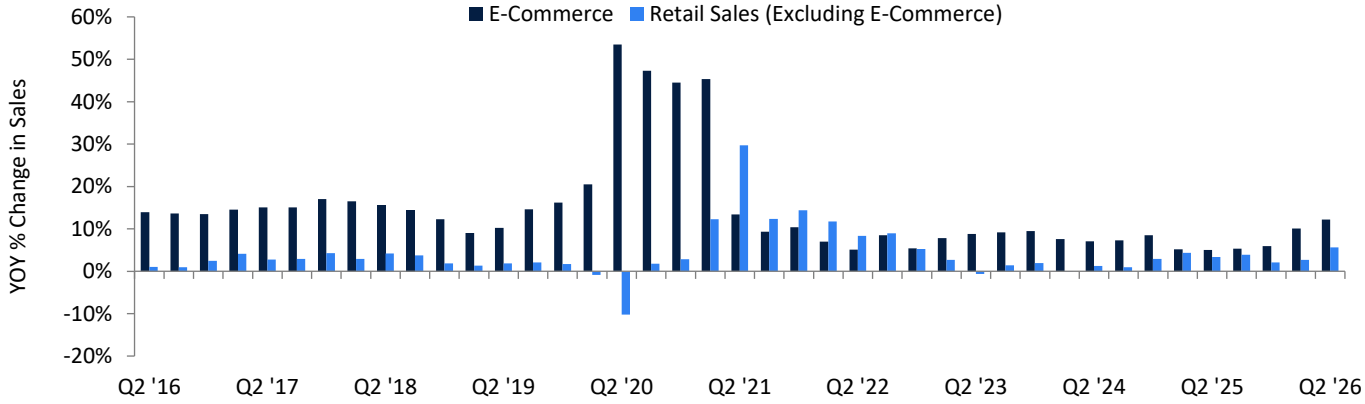
E-Commerce Sales Accelerate Despite Macroeconomic Pressures

Consumer spending has remained resilient despite tariffs, persistent inflation, and slower economic growth through YTD 2026, supporting continued growth opportunities across the E-Commerce sector. Households have directed an increasing share of this spend toward online channels, with e-commerce accounting for a record 17.1% of total retail sales in Q2 2026, according to the U.S. Census Bureau.[1] This represents a significant increase from the 7.8% share recorded a decade ago and sits comfortably above the 16.3% peak reached during the pandemic-era lockdowns in Q2 2020. E-commerce penetration has risen consecutively in each of the last five quarters, underscoring the structural shift in consumer shopping habits toward online convenience. Channel momentum has also reaccelerated after a multi-year normalization—with e-commerce sales in Q1 (+10.1% YOY) and Q2 (+12.2%) 2026 reaching double-digit growth for the first time since Q4 2021. Retail sales, excluding e-commerce, grew at nearly half this rate (+5.6% YOY) in Q2 2026, helping restore a growth gap that had compressed to ~160 basis points a year earlier. Shoppers have grown decidedly price conscious despite the robust top-line growth in e-commerce sales, concentrating spending on essential or genuinely differentiated goods. Notably, retail dollar sales rose 0.8% YOY in August 2026 while units declined 1.7% YOY within Circana's tracked channels, according to a press release.[2] This dynamic suggests consumers have absorbed higher prices or continued to spend on higher ticket items across a narrower basket of goods. Mid-priced discretionary products—which consumers treat as "nice-to-have" rather than "must-have"—have faced weaker demand while luxury and value-oriented categories have performed comparatively well.

E-Commerce Share of All Retail Sales Rises



E-Commerce Growth Outpaces Traditional Retail



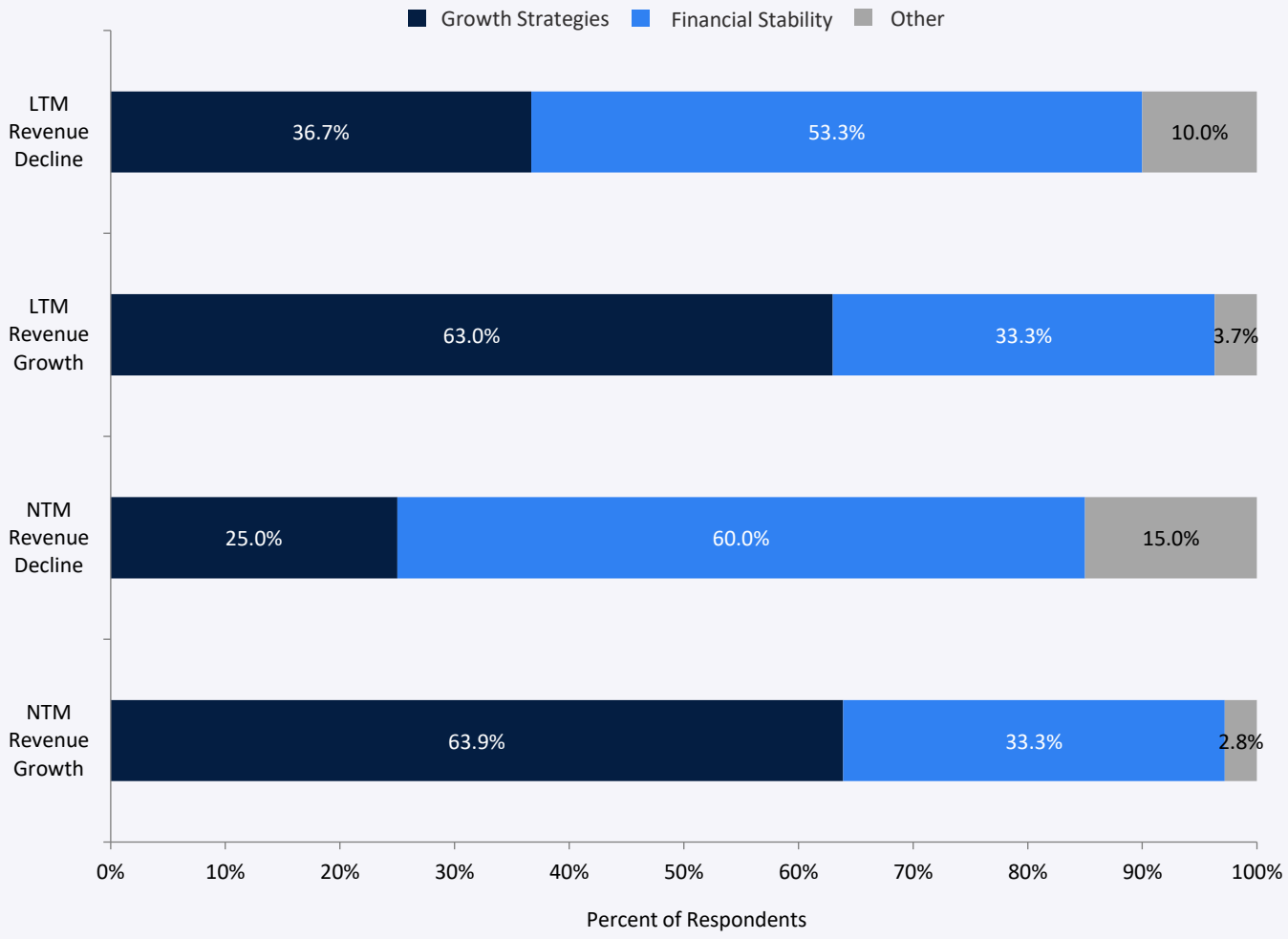
Source: U.S. Census Bureau and Capstone Partners

2027 Consumer Industry Outlook Reveals Bifurcated Owner Priorities

Consumer & Retail industry businesses have bifurcated, as those less impacted by soft market demand/ discretionary budget pressures have focused on accelerating growth initiatives, while those facing greater disruption have prioritized stabilizing operations and protecting profitability. Nearly two-thirds (63.9%) of consumer CEOs expecting revenue growth in the next 12 months (NTM) identified growth strategies as their NTM primary focus, a rate 38.9% higher than the consumer businesses anticipating NTM revenue declines, according to Capstone's 2026 Middle Market Business Owners Survey. Efforts to expand online, domestic, and international operations in the NTM period have buoyed revenue growth expectations among consumer CEOs; in contrast, consumer businesses expecting revenue declines have shifted their focus toward improving profitability, cash flow, and marketing efforts. Notably, customer retention-related growth concerns were more pronounced (+23.9%) among industry owners expecting revenue declines compared to those expecting NTM revenue growth, further underscoring the bifurcated sales outlook between both parties. These findings reinforce the importance of multi-channel strength, repeat purchasing, and durable customer economics in supporting sector performance.

Revenue Performance and Growth Outlook Shape Consumer & Retail Owners' NTM Business Focus

(Share of consumer CEOs NTM business focus by reported LTM/expected NTM revenue change)



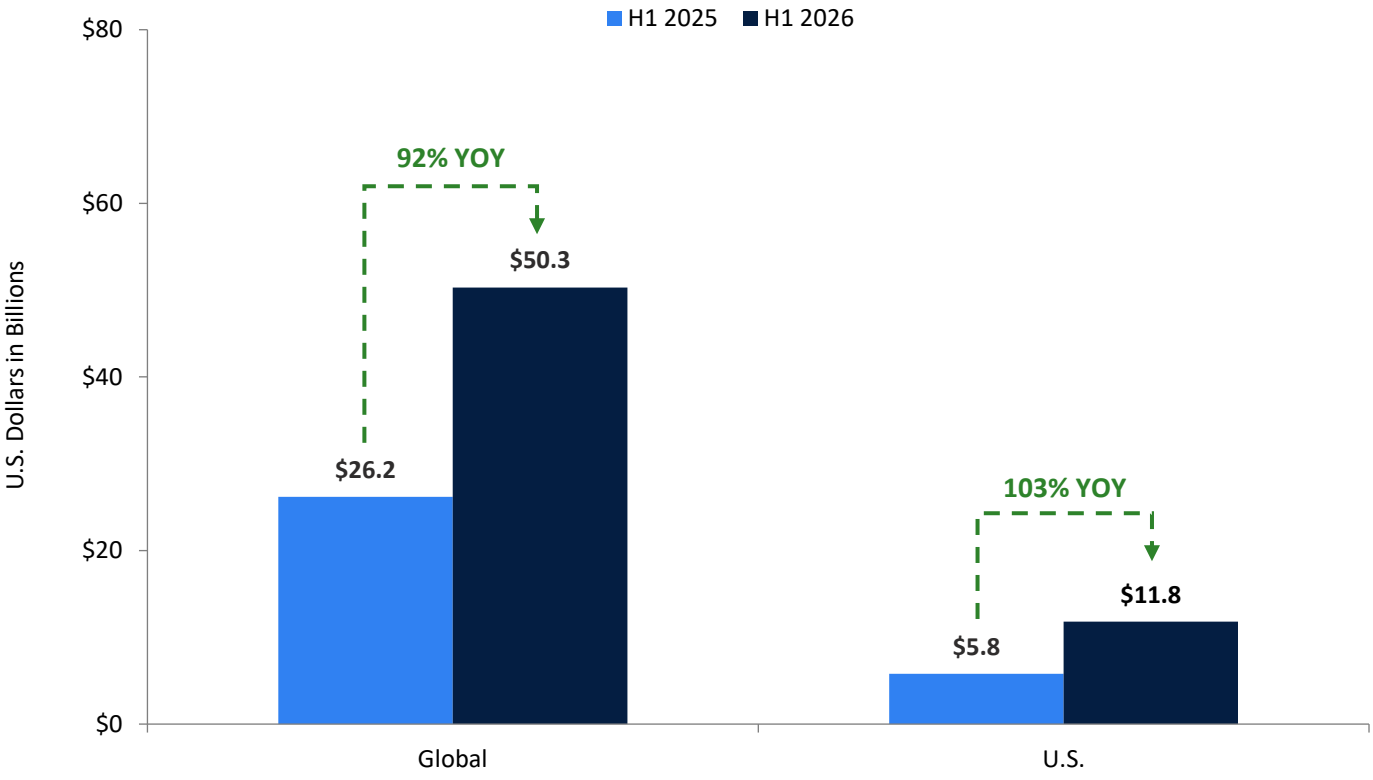
Questions: Revenue change in LTM/revenue change expected in NTM; What will be your primary focus over the NTM?
Source: Capstone Partners' 2026 Middle Market Business Owners Survey, Consumer Sample Size (N): 27, 30, 36, 20

Omnichannel and Social Commerce Diversify DTC Growth

Majority-DTC businesses with diversified distribution remain highly attractive to acquirers, offering proprietary channels that generate first-party data, foster direct customer engagement, and enhance brand control. However, omnichannel businesses, even those with modest exposure to physical retail, have outperformed single-channel peers. By expanding into retail, wholesale, Amazon (Nasdaq:AMZN), subscriptions, and social commerce, sector participants have reduced their reliance on any single channel and mitigated exposure to algorithm changes, traffic reallocation, and platform policy shifts. Notably, omnichannel customers have generated 2.5x higher lifetime value than single-channel customers, according to Adore Beauty (ASX:ABY) CEO Sacha Lang in the company's fiscal year (FY) 2026 Earnings Call.[3] Beyond diversifying revenue, these channels serve as powerful customer acquisition and brand-building engines, validating demand and introducing brands to a broader consumer base.

Social media platforms have continued to evolve from discovery channels into direct commerce platforms, with 57% of consumers open to making purchases within social applications, according to Sprout Social's 2026 Pulse Survey.[4] TikTok Shop's global gross merchandise value (GMV) climbed an estimated 92% YOY to $50.3 billion in H1 2026, while U.S. GMV more than doubled to $11.8 billion, according to Momentum Works.[5] Of note, Sephora and Ulta Beauty (Nasdaq:ULTA) launched dedicated TikTok Shops in 2026, further validating the channel's evolution into a legitimate brand incubation and transaction engine. However, TikTok's expanding fulfillment infrastructure has increasingly pushed participating brands toward platform-controlled logistics, which imposes margin trade-offs, with TikTok Shop demanding a 6% commission rate on top of standard payment processing fees. Acquirers and investors will likely evaluate TikTok dependence similarly to how they assess Amazon concentration. Best-in-class DTC brands will likely leverage these high-growth next-generation commerce platforms in tandem with owned digital storefronts and retail exposure.

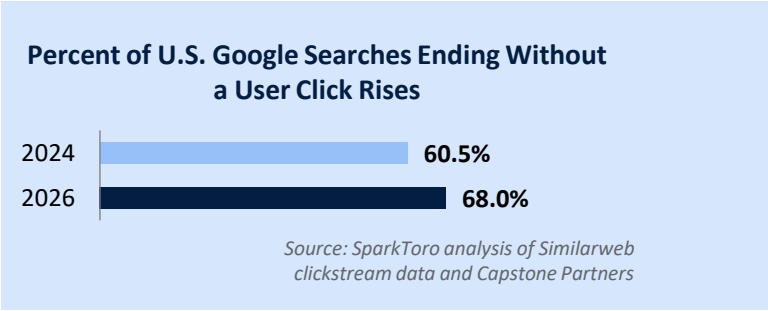
TikTok Shop's Robust GMV Expansion Underscores Rise of Social Commerce



Source: Momentum Works and Capstone Partners

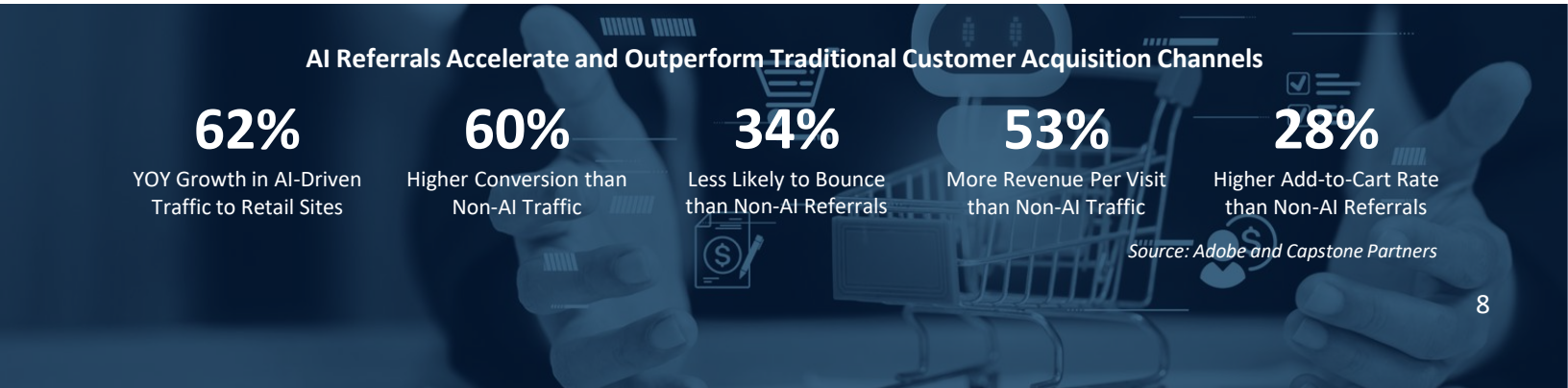
AI Search Reshapes Product Discovery, Erodes SEO Moats

AI Discovery Supplanting Traditional Search. Generative AI has begun to replace traditional search as the starting point of the online shopping journey, upending customer-acquisition strategies that digitally-native brands have relied on for more than a decade. Google's Gemini-powered AI Overviews—located at the top of search results—have reached more than 2.5 billion monthly users, and its conversational AI Mode passed 1 billion monthly users, according to a March 2026 article from Google.[6] Consumers have also skipped search engines entirely, turning to ChatGPT, Gemini, and Perplexity to research products, compare options, and summarize reviews before they visit a single storefront. These answer engines settle many purchase questions before a shopper clicks a link. 68% of U.S. Google searches ended without a click in the first four months of 2026, up from 60.5% in 2024, according to SparkToro's analysis of Similarweb clickstream data.[7] When an AI Overview appears, click-through rates (CTR) on traditional results fall by ~60%.



Long Term SEO Moats Erode. This shift has worn down the SEO moats that many e-commerce businesses spent years building. Strong organic rankings once provided a durable, low-cost source of traffic that lowered blended customer-acquisition costs (CAC). AI-generated answers now sit above those listings, and much of that ranking and visibility advantage has faded. Paid search has lost some efficiency as well. Paid CTR on queries with an AI Overview (16.2%) trailed queries without one (21.8%) in February 2026, according to Seer Interactive.[8] As a result, brands have reassessed how much SEO is worth relative to paid search. The traffic AI sends, however, is highly qualified. AI-referred visits to U.S. retail sites grew 62% YOY in July 2026, converted at a 60% higher rate than non-AI traffic, and generated 53% more revenue per visit, according to Adobe.[9] This performance has pushed sector participants to prioritize AI recommendation as a lead-generation channel.

The Recipe for Winning in AI Discovery. Brands that earn AI recommendations combine authentic validation that cannot be bought with structured product data and targeted paid support. LLMs build answers from signals across the web. They favor products backed by high review volume and ratings, customer questions and answers, editorial "best of" coverage, and influencer and community content that independently supports a brand's claims. Bazaarvoice clients that converted reviews and user-generated content into formats AI crawlers can read saw a median 40% increase in AI-driven referral traffic, according to the company.[10] Product schema, accurate real-time pricing and availability, and content that answers pre-purchase and comparison questions also help AI systems understand who a product serves. Blogs, guides, and FAQs score highest for AI citation readability, while checkout and account-creation flows score lowest, according to Adobe. Owned websites have shifted their role accordingly, serving more as hubs for brand storytelling and immersion while AI interfaces handle a growing share of product research. AI visibility will likely become a growing focus for acquirers and investors, viewing search dependence as a channel-concentration risk in diligence. Brands with strong direct and branded traffic, deep review libraries, engaged communities, and measurable visibility in AI answers will likely attract widespread M&A interest in 2027.



E-Commerce M&A Market Remains Active but Concentrated

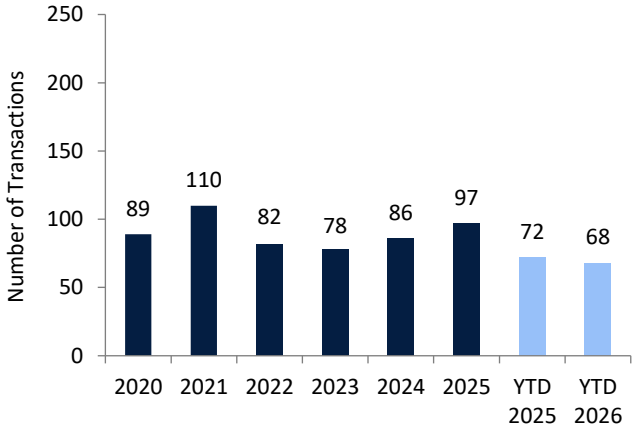
Deal volume in the E-Commerce sector has decreased marginally through YTD 2026 amid pervading buyer selectivity, dropping 5.6% YOY to 68 transactions announced or completed. Activity has concentrated in Wellness, Women's Health, Pet, Food, Sleep, and Premium Consumer Products verticals to date. Many of these categories have benefited from recurring demand profiles, subscription revenue, or strong customer retention, providing greater visibility into sales durability and making transactions easier to underwrite amid an unsettled macroeconomic backdrop.

Private (down two deals YOY) and public strategics (down five deals YOY) have displayed a tepid M&A appetite, though competition for assets offering differentiated products, attractive category exposure, or capabilities that would be more costly or time-consuming to develop internally has remained fervent. These buyers have comprised 61.8% of sector deal volume in YTD 2026, led by private strategics (47.1%). Looking ahead, corporates may leverage M&A to address market-share losses to faster-growing digital channels.

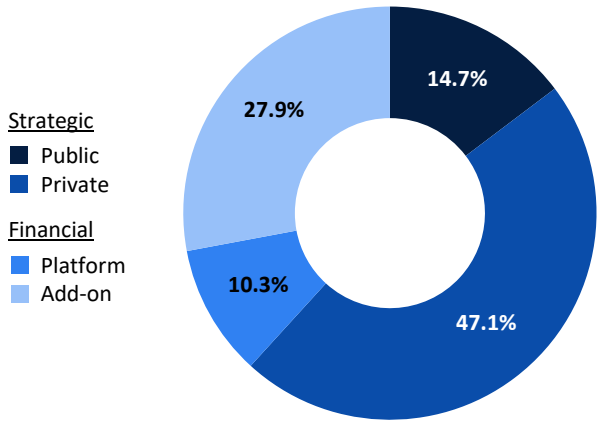
PE appetite has weakened for standalone DTC platforms while complementary add-ons and diversified brands have remained actionable targets for active portfolio companies. Platform creation has declined by three deals YOY to seven transactions while add-ons have increased by six deals to 19. Sponsors have remained reluctant to underwrite pure DTC growth following customer-acquisition disruptions and changes to third-party advertising platforms. Profitability, CAC, retention, first-party data, channel diversification, durable customer economics, and sourcing flexibility have served as key diligence items for new investments.

Brands with established customer loyalty, multi-channel success, and digital-commerce expertise have kept valuations higher in the space. The average E-Commerce EV/EBITDA multiple (10.6x) has slightly outperformed the broader Consumer industry (10.5x) in the 2023-YTD 2026 period. Capstone expects this strength to persist as high-growth brands with demonstrated omnichannel potential continue to garner pricing premiums.

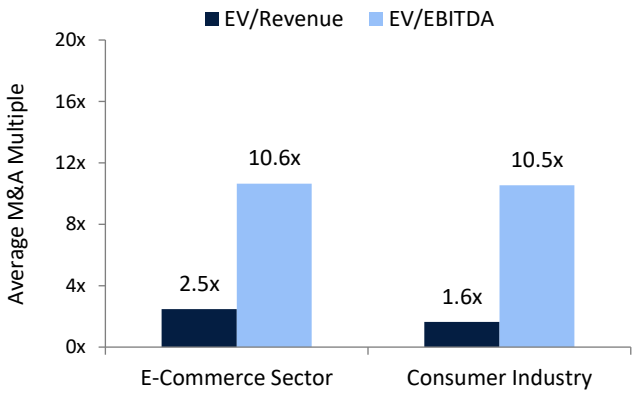
E-Commerce Sector M&A Trails Prior Year Period, Buyer Selectivity Continues



Private Strategic and PE Add-on Deals Lead Sector Activity to Date



Sector M&A Pricing Exceeds Industry
(2023-YTD 2026)



Year to date (YTD) ended September 8
Source: Capital IQ, FactSet, PitchBook, and Capstone Partners

Capstone's Sector Knowledge Defines a Best-In-Class DTC E-Commerce Profile

Capstone has identified key characteristics of a highly attractive DTC business through its deep knowledge of the E-Commerce sector and consistent conversations with relevant buyers. These attributes are outlined below.

Strong Customer Economics & Efficient Acquisition



- High lifetime value (LTV):CAC ratio—ideally 3x+



- Short customer payback period—less than 12 months, preferably less than six months



- Healthy contribution margins after marketing; diversified customer acquisition channels



- Limited dependence on Meta or Google

High Repeat Purchase & Customer Retention



- Subscription component or replenishment model



- 40-60% repeat customer revenue; low churn



- Strong customer cohorts



- Increasing customer LTV over time

Differentiated Brand with Defensible Positioning



- Strong brand awareness; authentic founder story



- Clear unique value proposition



- Loyal customer community; high review ratings and net promoter score (NPS)



- Premium positioning

Attractive Unit Economics & Profitability



- 20%+ annual revenue growth



- 60%+ gross margins; 15%+ EBITDA margins; healthy cash conversion



- Consistent profitability



- Limited inventory obsolescence

Multiple Growth Levers Beyond the Current Business

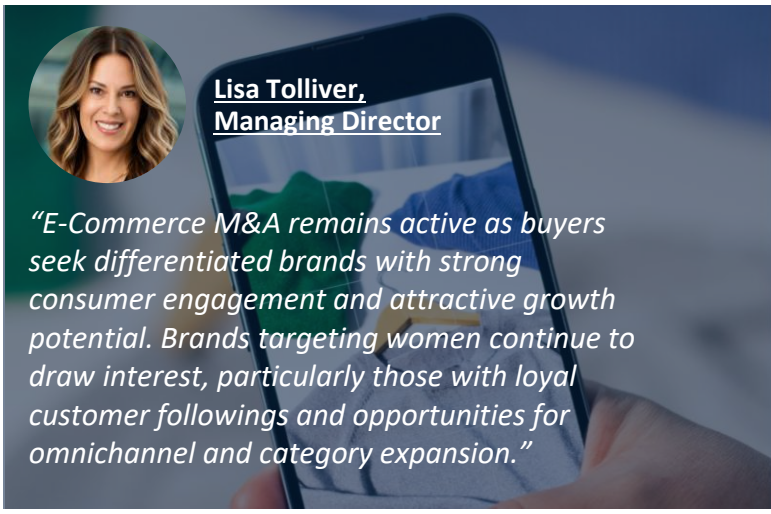


- Clear path to doubling or tripling the business after acquisition

Source: Capstone Partners

Notable Transactions

Nexus Capital Management-backed Dollar Shave Club acquired Truly Beauty for an undisclosed sum in September 2026. Truly Beauty offers mass-premium priced women's body care products. The acquisition expands Dollar Shave Club beyond its core men's grooming offering into a full beauty and personal care platform. Truly's strong Gen Z following and prestige-quality product formulas and packaging were key to the transaction. Dollar Shave Club plans to integrate Truly with its AI-driven inventory and backend logistics to accelerate innovation.



In September 2026, Randa Apparel & Accessories acquired digitally-native menswear brand UNTUCKit (undisclosed). Since launching its online store in 2011 and opening its first retail location in 2015, UNTUCKit has expanded into a nationwide omnichannel brand with more than 70 locations across the U.S., according to a press release.[11] Randa is expected to leverage its capital, global sourcing, and retail relationships to accelerate UNTUCKit's next phase of growth while furthering its goal to gain exposure closer to end-market consumers.

In August 2026, PE firm TowerBrook Capital Partners acquired women's wellness brand Rael for an enterprise value of $290 million. Rael offers high-performance feminine care, skincare, and hormonal wellness products with better-for-you (BFY) formulations. The brand boasts existing omnichannel infrastructure in the U.S. and South Korea. TowerBrook and Rael's founders aim to scale the brand further through channel and geographic expansion while continuing to fund innovation across its portfolio.

Samsonite (SEHK:1910) acquired 85% of the digitally-native lifestyle and travel brand BÉIS for $178.5 million, giving the company an implied enterprise value of $210 million (August 2026). BÉIS offers luggage and bag products and carries a social media following of more than 1.4 million on Instagram and 619,000 on TikTok, according to a press release.[12] The company's consumer engagement, margin profile, and sophisticated digital marketing and e-commerce ecosystem served as key differentiators bringing Samsonite to the deal.

In June 2026, intimate apparel company Dana-co acquired premium sleepwear and lifestyle brand Lunya. Terms of the transaction were not disclosed. The deal continues Dana-co's expansion into sleepwear and lifestyle categories. The company plans to leverage its operational expertise, product development resources, wholesale relationships, and DTC capabilities to support Lunya's growth. Lunya's unique voice in the market, brand equity, product design, and fabric innovation drew Dana-co to the transaction.

Select Transactions

Date	Target	Acquirer	Target Business Description	Enterprise Value (mm)	EV/LTM Revenue	EV/LTM EBITDA
09/01/26	Truly Beauty	Dollar Shave Club	Sells vegan personal care and beauty products online.	-	-	-
09/01/26	UNTUCKit	Randa Accessories Leather Goods	Offers casual apparel and accessories through an online platform.	-	-	-
08/25/26	Diamond Art Club	Sound Growth Partners	Designs and sells diamond-painting kits and accessories online.	-	-	-
08/24/26	Rael	TowerBrook Capital Partners	Provides feminine care and wellness products through an online storefront.	$290.0	-	-
08/12/26	BÉIS Travel	Samsonite (SEHK:1910)	Manufactures and sells luggage, bags, and travel accessories online.	$210.0	~1.0x	-
08/06/26	Woof Pet	The Farmer's Dog	Offers dog toys, treats, and wellness products through an online platform.	-	-	-
07/07/26	PIKKL	Paddletek	Designs and sells pickleball equipment and accessories online.	-	-	-
06/20/26	Lunya	Dana-Co	Produces and sells premium sleepwear and restwear online.	-	-	-
06/15/26	Jabanero	Paranovus Entertainment Technology (Nasdaq:PAVS)	Offers women’s activewear and lifestyle products online.	$17.5	-	-
05/27/26	Black Buffalo	Imperial Brands (LSE:IMB)	Manufactures and sells tobacco-alternative oral nicotine products online.	$150.0	-	-
05/27/26	The Clear Cut	Signet Jewelers (NYSE:SIG)	Operates an online retailer of bespoke engagement rings and fine jewelry.	-	-	-
05/20/26	Strongwater	The Perfect Puree Of Napa Valley	Produces and sells cocktail mixers, bitters, and non-alcoholic beverages online.	-	-	-
05/20/26	ROAR Athletic Performance	Scholl's Wellness	Develops and sells carbon fiber athletic insoles online.	-	-	-
05/18/26	Everlane	Roadget	Offers apparel, footwear, and accessories through an online platform.	$100.0	0.6x	-
04/21/26	Terrasoul Superfoods	Laird Superfood (NYSEAM:LSF)	Sells organic superfoods and functional ingredients online.	$53.0	0.8x	-
03/30/26	Allbirds (Nasdaq:BIRD)	American Exchange Group	Designs and sells footwear and apparel made with natural materials.	$39.0	-	-
03/17/26	Made by Nacho	“I and love and you.”	Produces and sells cat food, treats, and meal toppers online.	$420.0	-	-
03/12/26	Bathgems.com	AURA Modern Home	Operates as an online retailer of bathroom vanities, fixtures, and accessories.	-	-	-
03/05/26	Medterra CBD	Endovia Health Sciences (NYSEAM:EDVA)	Manufactures and sells cannabidiol-based wellness products online.	$51.0	1.0x	-
02/18/26	Ergatta	Interactive Strength (Nasdaq:TRNR)	Provides connected rowing machines with game-based fitness content.	$19.5	2.0x	-
02/03/26	Bachan's	Marzetti (Nasdaq:MZTI)	Produces and sells Japanese barbecue sauces online.	$400.0	4.6x	-
01/26/26	Rad Power Bikes	Life Electric Vehicles	Designs and sells electric bicycles, replacement parts, and accessories online.	$13.2	-	-

Source: Capital IQ, FactSet, PitchBook, and Capstone Partners

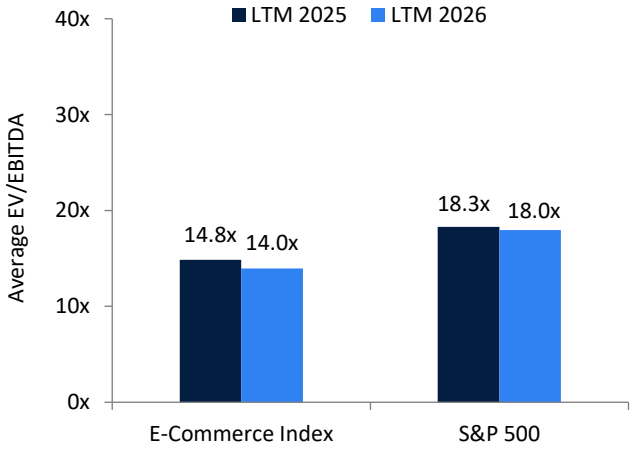
Public Company Multiples Trail S&P 500

Company	Price 09/08/26	% 52 Wk High	Market Cap	Enterprise Value	LTM Revenue	LTM EBITDA	LTM Margin	EV/LTM Revenue	EV/LTM EBITDA
1-800-FLOWERS.COM	$3.65	51.4%	$234.0	$435.4	$1,503.5	$26.9	1.8%	0.3x	16.2x
Amazon.com	$256.97	89.5%	$2,771,759.0	$2,900,406.0	$775,680.0	$186,516.0	24.0%	3.7x	15.6x
ASOS	$5.80	98.4%	$694.1	$1,397.9	$3,087.9	NM	NA	0.5x	NM
boohoo group	$0.29	72.0%	$463.6	$690.6	$1,234.2	$49.3	4.0%	0.6x	14.0x
Chewy	$23.27	55.1%	$9,527.3	$9,530.6	$13,068.7	$542.1	4.1%	0.7x	17.6x
eBay	$104.59	87.7%	$46,542.6	$50,373.6	$12,008.0	$3,255.0	27.1%	4.2x	15.5x
Etsy	$72.82	82.8%	$6,683.5	$8,637.1	$2,941.8	$478.1	16.3%	2.9x	18.1x
JD.com	$27.68	75.1%	$37,201.9	$23,733.0	$193,357.4	$5,073.2	2.6%	0.1x	4.7x
Neighborhood Intelligence	$3.85	30.4%	$366.5	$420.5	$1,139.5	NM	NA	0.4x	NM
Vipshop	$13.03	61.8%	$7,209.5	$4,566.8	$15,476.1	$1,602.7	10.4%	0.3x	2.8x
Wayfair	$99.97	83.3%	$13,692.7	$16,065.7	$12,904.0	$569.5	4.4%	1.2x	28.2x
Zalando	$27.18	76.8%	$6,552.3	$6,442.5	$15,437.1	$927.6	6.0%	0.4x	6.9x

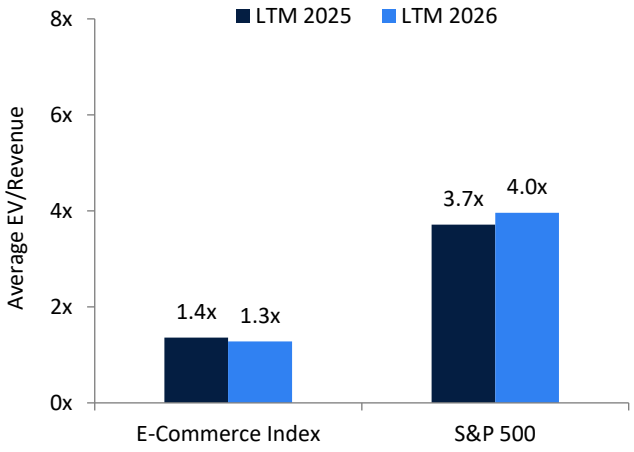
EV = enterprise value; LTM = last twelve months
NM = not meaningful
NA = not available
$ in millions, except per share data

Mean	**10.1%**	**1.3x**	**14.0x**
Median	**5.2%**	**0.5x**	**15.5x**
Harmonic Mean	**4.9%**	**0.4x**	**8.9x**

Last Twelve-Month EBITDA Multiple Performance



Last Twelve-Month Revenue Multiple Performance



E-Commerce Index includes: AMZN, ASC, CHWY, DEBS, EBAY, ETSY, FLWS, JD, NXH, VIPS, W, ZAL
Source: Capital IQ and Capstone Partners as of September 8

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Lisa has more than 25 years of experience in the Investment Banking industry, primarily focused on advising middle market private business owners in liquidity related transactions. As a Managing Director in Capstone's Consumer Investment Banking Group, she works closely with clients to advise and execute domestic and cross-border M&A transactions, recapitalizations and capital raises. Specifically, Lisa has strong expertise working with branded consumer, e-commerce, DTC, DNB, and Amazon businesses.

Prior to Capstone, Lisa worked in the Capital Strategies Group at Morgan Stanley Smith Barney and also spent 10 years working for the middle market investment banking arm of Citigroup, where she was involved in the evaluation, marketing and closing of numerous transactions involving private businesses and corporate divestitures. Over her career, Lisa has worked across several industry sectors including consumer, e-commerce, industrial & manufacturing, technology-enabled services, and government & defense.



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Phil is a Managing Director within Capstone Partners' Consumer Investment Banking Group. Leveraging nearly 20 years of experience across M&A, growth financings, and leveraged finance transactions, Phil has helped to realize outcomes for a wide range of clients including family-owned businesses, PE-owned platforms and large multinational public corporations.

Prior to its acquisition by Capstone in 2025, Phil was a Managing Director at TM Capital where he focused on the consumer industry including Consumer Products and Services.



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Andrew serves as a Market Intelligence Associate at Capstone Partners covering the Consumer industry. Prior to joining the Market Intelligence Team at Capstone, Andrew was a Senior Research Associate at Corporate Insight, where he provided digital banking competitive intelligence, user experience research, and consulting services to leading financial institutions. Andrew graduated with a Bachelor of Arts degree in Economics from Union College.

Firm Track Record and Transactions in Market

Capstone's Consumer Investment Banking Group maintains an active presence in the E-Commerce sector with in-depth knowledge of the buyer universe and business characteristics that drive premium valuations in an M&A process. Our frequent conversations with industry participants provide us with increased transparency into market trends and buyer preferences. A sampling of Capstone's live and closed engagements are outlined below.

CONFIDENTIAL

(Project Acacia)

LIVE ENGAGEMENT

DTC HEALTHCARE & COMPRESSION PRODUCTS COMPANY

CONFIDENTIAL

(Project Possible)

LIVE ENGAGEMENT

DTC PROVIDER OF WOMEN'S WELLNESS PRODUCTS

CONFIDENTIAL

(Project Blackout)

LIVE ENGAGEMENT

DTC PROVIDER OF SLEEP WELLNESS PRODUCTS

CONFIDENTIAL

(Project Nightfall)

LIVE ENGAGEMENT

DTC PROVIDER OF LUXURY MATTRESSES & BEDDING ACCESSORIES

LEADING ONLINE APPAREL RETAILER

HAS RECAPITALIZED WITH

FAMILY OFFICE INVESTMENT FIRM

LightMart

HAS BEEN ACQUIRED BY

TB TONKA BAY

RESIDENT

HAS BEEN ACQUIRED BY

ASHLEY

Crowd Control Warehouse

a portfolio company of

BrookPark

HAS BEEN ACQUIRED BY

Brimar Industries

a portfolio company of

BLUEPOINT Capital Partners

cpap.com

HAS RECEIVED A STRATEGIC INVESTMENT FROM

CATHAYCAPITAL

coop

HAS RECAPITALIZED WITH

tOpspin CONSUMER PARTNERS

BIG BLANKET

HAS RECAPITALIZED WITH

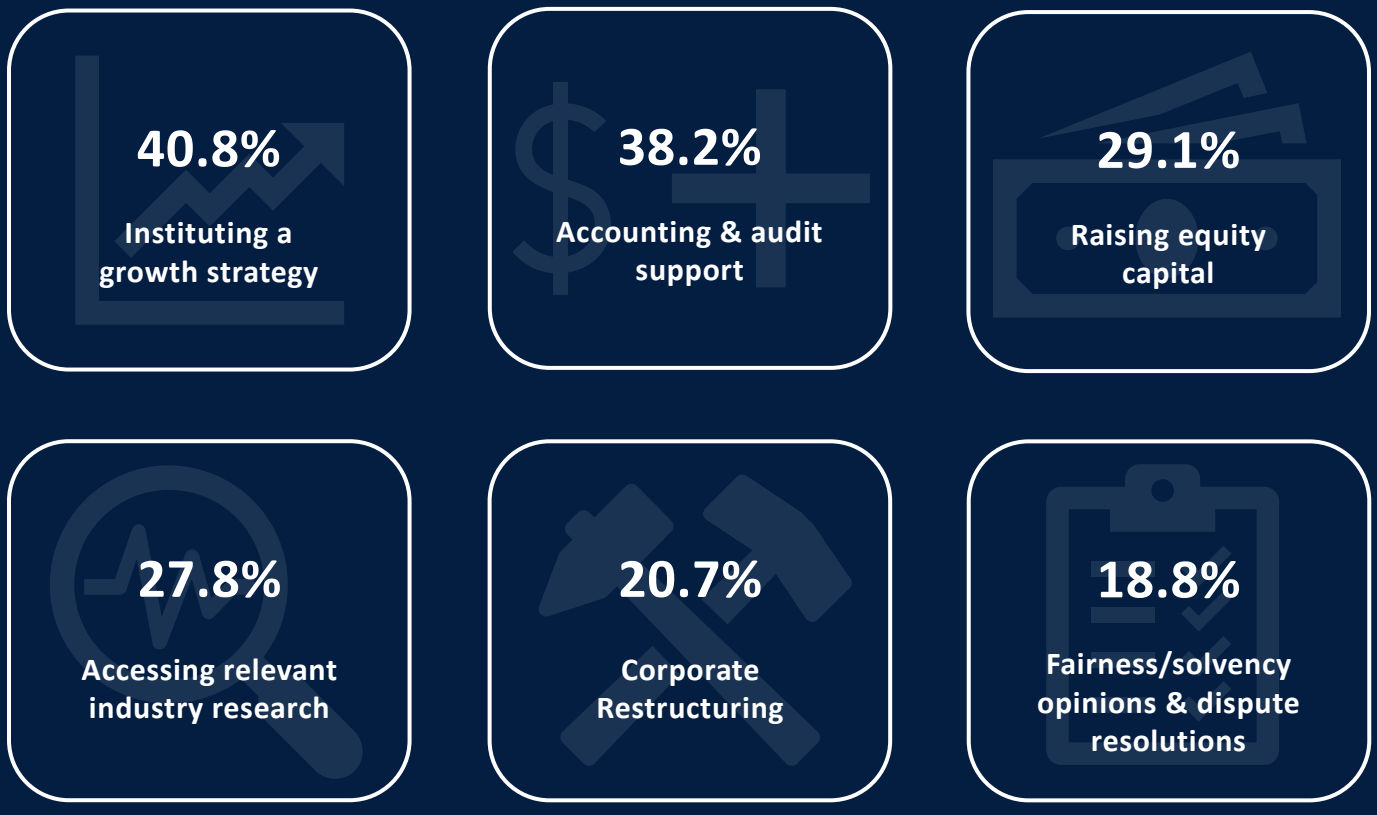
ALTACREST | CAPITAL

Capstone's Proprietary Research Reveals Top Services in Demand

The stage and initiatives of a business often dictate which financial services are in demand. As the bulk of CEOs polled in Capstone's 2026 Middle Market Business Owners Survey indicated growth strategies are a priority for 2027, the lion's share (40.8%) of owners anticipate a need for growth strategy support services. Similarly, 29.1% of CEOs require equity capital advisory services to support operational initiatives and business expansion. Notably, 27.8% of CEOs demonstrated an interest in accessing relevant industry research to keep up with emerging industry trends, complete competitor analyses, and track capital markets activity in their space. In addition, 18.8% of business owners have sought fairness/solvency opinion and dispute resolution support to mitigate litigation exposure and ensure fiduciary duties for transactions are fulfilled.

Capstone has developed a full suite of corporate finance solutions to help privately owned businesses and private equity firms through each stage of the company's lifecycle, ranging from growth to an ultimate exit transaction. In addition, we developed specialty advisory practices to provide financial performance, buy-side, employee stock ownership plan (ESOP), and equity and debt services. All of these capabilities are supported by 12 industry banking groups, an active sponsor coverage group, and a dedicated Market Intelligence Team.

Top Financial Services Required by Business Owners in 2027



Question: Have you ever had, or do you anticipate having, a need for any of the following services?
Source: Capstone Partners' Middle Market Business Owner Survey, Rebased Sample Size (N): 309

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Common Goals. Uncommon Results.

Disclosure

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CAPSTONE PARTNERS

Market Presence

The Power of Scale: Enhances Access & Credibility

U.S. Activity

25,000+	2,000+	3,000+	70+
Deal Related Calls Per Year	Private Equity & Family Office Relationships	Strategic Buyer Relationships	Managing Directors

Global Activity

Capstone's global platform partner, IMAP (International M&A Partners), combines global sector expertise with specific local knowledge to deliver top-tier M&A and advisory services

280	$20B	40%	51	450+	4th
Deals Closed per Yr.	Transaction Value per Yr.	Cross Border Deals	Countries with Local Offices	Professionals Worldwide	Global Ranking



Note: IMAP Global Activity data is based on H1-2026 annualized activity.