TULLY & HOLLAND
INCORPORATED

Consumer Report

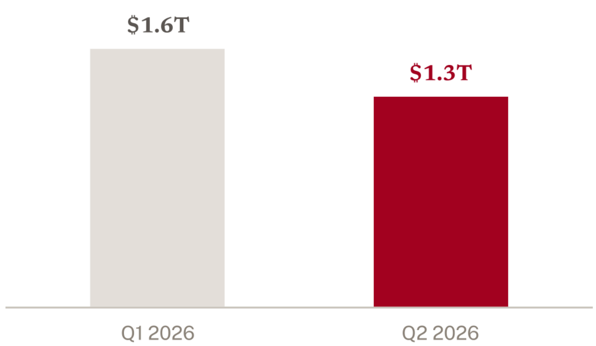
Q2 2026

General Market Commentary

Global M&A slowed down in Q2 2026 after a historic Q1. Deal value totaled an estimated $1.3 trillion in Q2 2026, up 35.3% YoY but down 18.4% from Q1's $1.6 trillion. Deal count held steady at 11,880 transactions, up 3.4% YoY. Strategic acquirers drove the quarter with $892.7 billion in deal value, funding large deals from balance sheets and stock, while sponsor buyout value fell to $287.3 billion. Macro-economic conditions explain the gap between strategic buyer and sponsor group deal flow: the Federal Reserve held rates steady as many speculate future rate hikes; the ECB hiked rates for the first time since 2023; and an energy-driven inflation shock tied to the conflict in Iran raised the cost of debt.

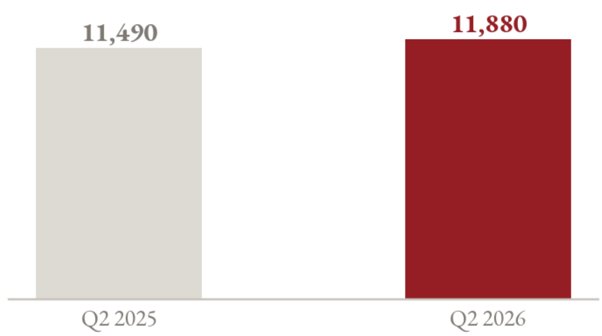
Q2 rewarded quality deals over volume, and the trend is expected to hold through the second half of the year. Buyers with cash and stock are paying full prices for category leaders. Quality consumer brands cleared at premiums (Grüns at 4.0x revenue), while average and/or heavily leveraged assets struggle to find buyers. Corporate portfolio reviews and aging sponsor inventory will keep supply coming in H2. **For owners of differentiated consumer businesses, this is a favorable window to prepare for market.**

GLOBAL M&A VALUE (QoQ)



−18.4% QoQ · +35.3% YoY

GLOBAL DEAL COUNT (YoY)



Deal count held steady, up 3.4% YoY

Financial Sponsors

U.S. sponsor deal volume remains high but skewed down-market: add-ons made up roughly three-quarters of buyouts, entry pricing held at a 12.5x median EV/EBITDA, and equity now funds about two-thirds of purchase price. Venture deployment set an H1 record at $413.8 billion, 86% of it AI-related. For sellers, sponsors remain a selective source of demand, concentrated in add-ons and quality platforms.

Private Equity (US)

$177.3B deal value, 2,384 deals	**12.5x** median 2025 EV/EBITDA at close	**~75%** of buyouts were add-ons

Venture Capital (US)

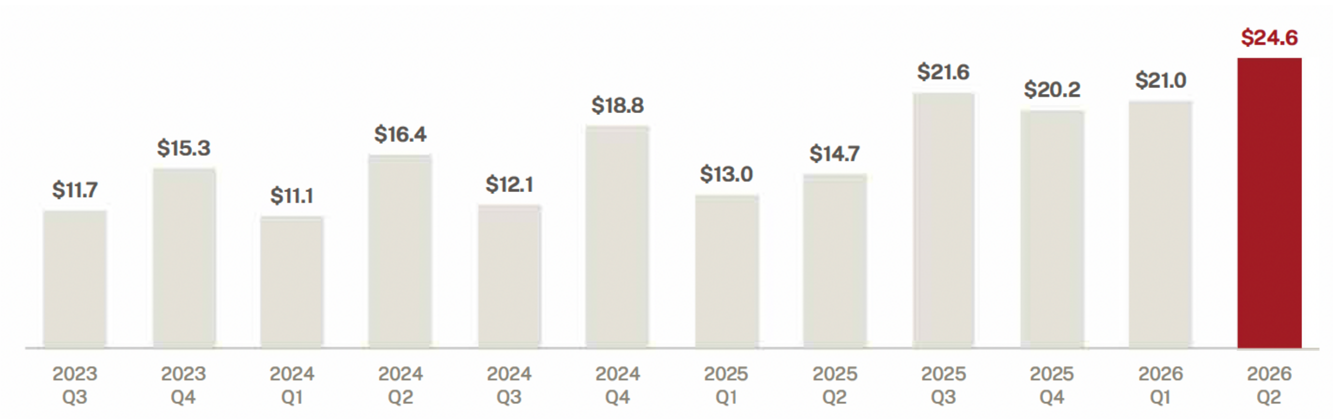
$413.8B H1 2026 deployed — record first half	**86%** of 2026 deal value is AI-related	**$2.19T** H1 exit value, led by SpaceX's IPO

Consumer Market Overview

Global consumer (B2C) M&A value fell 44.5% QoQ in Q2 2026 but rose 9.2% YoY. The decline reflects fewer large deals, similar to Q1. Megadeals now account for 47% of consumer deal value, up from 39% in 2025 and 23% in 2024, while capital invested in Tully & Holland's middle market tracked categories fell to $36.1 billion across 239 completed US and Canada transactions, down 32% from a year ago. The quarterly difference is largely attributed to the closing of megadeals like Peets/KDP and McCormick/Unilever. Pricing held firm even as volume fell: the median B2C EV/EBITDA multiple stands at 11.4x, deals above $250 million cleared at a 14x median EBITDA multiple over the trailing twelve months, and premium brands such as Grüns and GOJO commanded high EV/Revenue multiples. Sponsor buyouts fell to 63 transactions, the lowest quarterly count in more than two years, leaving strategic acquirers with cash and stock as the buyer. Repeat investors such as General Atlantic, Ares, and L Catterton stayed active in middle market consumer. For owners of differentiated consumer brands, the deal scarcity is an advantage: fewer competing processes and strong multiples. Corporate portfolio reviews, take-privates, succession planning, and PE exit backlogs point to fresh deal supply in the second half of 2026.

Consumer: Median Deal Value

Median disclosed deal size, trailing twelve quarters ($M)



Source: PitchBook, Tully & Holland Research.

Food & Beverage

161 deals

The most active consumer category, with 161 completed transactions in Q2 2026. Middle market activity picked up after Q1's megadeals: craft beverage and spirits consolidation (Four Roses Distillery, Mumm Napa, 21st Amendment Brewery), functional and better-for-you nutrition (No Cow, Good Karma Foods), and foodservice distribution roll-ups (Vesta Foodservice, Mayrand, Colabor Group).

Retail & E-Commerce

43 deals

Remained selective in Q2 2026, with 43 completed transactions. AI is changing how consumers discover and buy, raising the value of proprietary data, loyalty programs, and direct customer relationships. Activity concentrated in differentiated brands: Bella+Canvas (apparel), Dover Saddlery (equestrian), ReserveBar (premium beverage marketplace).

Consumer Discretionary

35 deals

Activity stabilized in Q2 2026, with 35 completed transactions. Personal care led, with wellness and beauty deals like Anomaly Haircare and VKTRY. Home furnishings consolidation continued with Palliser Furniture, American Drew, and Huppé. With luxury valuations still at multi-year lows, expect science-backed beauty and clinical skincare to lead large strategic activity.

Notable Consumer Transactions

Grüns → Unilever
Comprehensive daily supplement in gummy form through e-commerce and retail, with approximately $300 million in revenue. Unilever paid $1.2 billion (4.0x revenue) which is consistent with the premium demanded for better-for-you platforms.

$1.2B
4.0x Rev

SunOpta → Omnes Capital
Plant/fruit-based food and beverage manufacturer with $817.7 million in revenue and $75.9 million in EBITDA, taken private at $1.1 billion by a group led by Omnes Capital. The 15.0x EBITDA buyout shows sponsor appetite for scaled food manufacturing even in a selective credit market.

$1.1B
1.4x Rev | 15x EBITDA

GOJO Industries → Clorox
Family--owned maker of Purell along with a broader hygiene and skin-care portfolio. Clorox paid $2.25 billion, approximately 2.8x revenue on $800 million in sales. A change of control at a business of this profile is noteworthy on brand strength; category-leading personal-care assets rarely come to market.

$2.25B
2.8x Rev

Nathan's Famous → Smithfield Foods
Iconic American hot dog brand spanning branded packaged products, restaurants, and licensing. Smithfield Foods paid $471 million, 2.9x revenue and 15.1x EBITDA, adding a century-old consumer brand with strong licensing economics to its packaged meats portfolio.

$471M
2.9x Rev | 15x EBITDA

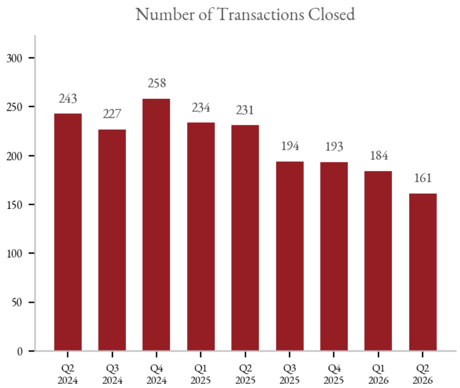
M&A Transaction Multiples (Last Twelve Months; Median)

Deal Size ($mm)	EV/EBITDA	EV/REV
$0 - 50mm	NM*	0.6x
$50 - 100mm	NM*	NM*
$100 - 250mm	12.5x	1.6x
> $250mm	14.1x	1.5x

Source: PitchBook, Tully & Holland Research. Median multiples of completed M&A and buyout deals with disclosed terms across the three consumer categories, Q3 2025 through Q2 2026. *NM: not meaningful — no disclosed multiples in the period.

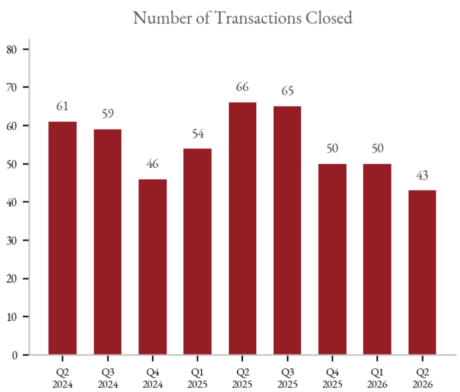
Tracked Consumer Verticals

Food & Beverage - US & Canada



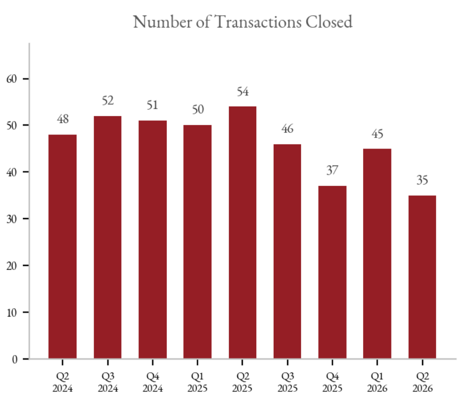
Transaction Value	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026
Not Disclosed	211	195	222	205	205	169	168	154	142
< $10 mm	10	13	11	8	7	8	7	8	1
$10 - 25 mm	4	3	2	4	8	1	5	2	3
$25 - 50 mm	1	6	4	3	3	2	1	1	1
$50 - 100 mm	2	1	6	4	2	3	3	2	1
$100 - 500 mm	12	3	6	7	3	4	5	9	8
> $500 mm	3	6	7	3	3	7	4	8	5
Total # Transactions	**243**	**227**	**258**	**234**	**231**	**194**	**193**	**184**	**161**
% Change vs. Prior Year	--	--	--	--	-4.9%	-14.5%	-25.2%	-21.4%	-30.3%

Retail & E-Commerce - US & Canada



Transaction Value	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026
Not Disclosed	48	54	40	46	56	56	41	37	37
< $10 mm	5	1	1	4	3	2	2	2	1
$10 - 25 mm	5	1	1	1	0	3	1	2	1
$25 - 50 mm	0	1	0	1	1	0	0	0	2
$50 - 100 mm	1	1	0	0	2	1	2	3	1
$100 - 500 mm	2	1	2	2	1	1	1	4	1
> $500 mm	0	0	2	0	3	2	3	2	0
Total # Transactions	**61**	**59**	**46**	**54**	**66**	**65**	**50**	**50**	**43**
% Change vs. Prior Year	--	--	--	--	8.2%	10.2%	8.7%	-7.4%	-34.8%

Consumer Discretionary - US & Canada



Transaction Value	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026
Not Disclosed	42	50	41	46	50	41	31	40	30
< $10 mm	1	0	2	2	1	2	2	1	2
$10 - 25 mm	3	0	3	1	0	1	0	1	0
$25 - 50 mm	2	0	0	0	0	1	1	1	0
$50 - 100 mm	0	0	2	0	0	0	0	1	0
$100 - 500 mm	0	1	1	0	1	0	1	1	1
> $500 mm	0	1	2	1	2	1	2	0	2
Total # Transactions	**48**	**52**	**51**	**50**	**54**	**46**	**37**	**45**	**35**
% Change vs. Prior Year	--	--	--	--	12.5%	-11.5%	-27.5%	-10.0%	-35.2%

Source(s): PitchBook, Tully & Holland Research. Food & Beverage comprises Food Distributors, Food Retail, Beverages, Brewers, Distillers and Vintners, Soft Drinks, Food Products and Packaged Foods and Meats. Retail & E-Commerce comprises Internet and Direct Marketing Retail, Multiline Retail, Apparel Retail, Computer and Electronics Retail, Home Improvement Retail, Specialty Stores and Home Furnishing Retail. Consumer Discretionary comprises Home Furnishings, Housewares and Specialties, Leisure Products and Beauty Care Products. Transactions classified in more than one category are assigned to a single primary category, so vertical totals are additive across categories.

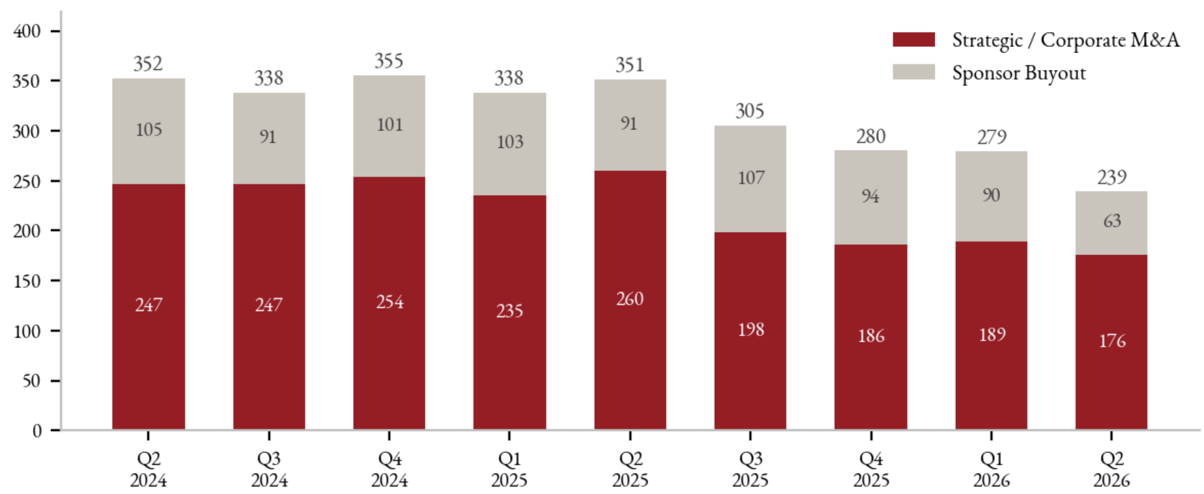
Consumer Buyers Profiles

Most Active Consumer Acquirers (Q3 2025 - Q2 2026)

Buyer	Deals	Areas of Focus	Recent Consumer Targets
General Atlantic	7	Apparel & consumer brands	Anomaly Haircare, Dockers, GUESS?
Ares Management	6	Diversified consumer & distribution	VKTRY, AmChem Industrial, NeueHouse
Audax Private Equity	5	Distribution & consumer add-ons	Sanitary Solutions, Axiflow Technologies, Global Market Foods
L Catterton	4	Restaurants & branded food	Hopdoddy Burger Bar, Made by Nacho, Good Culture
Apollo Global Management	4	Diversified consumer & beverages	Nivagen Pharmaceuticals, Tuscan Electric Heating & Plumbing, Gorges & Company
Snackruptors	4	Snack food brands	The Hain Celestial Group (North American Snacks Business), Terra Chips, Garden of Eatin'
Paine Schwartz Partners	4	Food & agribusiness	Gourmet International, Dell Tech Laboratories, TechniCAL
Heritage Restaurant Group	4	Restaurants & foodservice	Scales & Shells, The Quencher Newport, Anthony's Seafood
Sazerac	4	Spirits & beverages	SipMargs, Country Luau Spirits, Garrard County Distilling
Odeko	4	Foodservice & beverage distribution	Shirazi Distributing, District Distribution, Dairy Distributing

Trailing twelve months, count of completed M&A and buyout transactions participated in across Food & Beverage, Retail & E-Commerce, and Consumer Discretionary. Includes co-investors on group deals.

Deal Count - Buyer Mix



Source(s): PitchBook, Tully & Holland Research. Includes completed M&A, merger of equals, and buyout/LBO transactions per PitchBook deal type; strategic and corporate acquirers shown in maroon, financial sponsor buyouts in gray. Quarterly totals tie to the sum of the three vertical overview tables.

Recently Completed T&H Transactions

This announcement appears as a matter of record only

Cygnus Medical LLC has been acquired by **Aspen Surgical,** a portfolio company of **Audax Private Equity**

Financial Advisor to Seller

This announcement appears as a matter of record only

A.S.K. Foods, Inc. has been acquired by **Mrs. Gerry's Kitchen,** a portfolio company of **Sequel Holdings**

Financial Advisor to Seller

This announcement appears as a matter of record only

Mass. Bay Brewing Co., Inc. has merged with **Finestkind Brewing LLC**

Financial Advisor to MBBC

This announcement appears as a matter of record only

Avonix Imaging, LLC. has been acquired by **Nikon Americas, Inc.**

Financial Advisor to Acquirer

This announcement appears as a matter of record only

Indie Lee the brand has been acquired by **American Exchange Group**

Financial Advisor to Seller

This announcement appears as a matter of record only

Mariner Seafood LLC has been acquired by **True North Seafood, Inc** a part of **Cooke Inc.**

Financial Advisor to Seller

This announcement appears as a matter of record only

Aqua Leisure Industries, Inc. has been acquired by **Blackford Capital**

Financial Advisor to Seller

This announcement appears as a matter of record only

Rocket Innovations, Inc. has been acquired by **Société Bic S.A.**

Financial Advisor to Seller

Considering a sale, acquisition, or capital raise?

To discuss what this quarter's activity means for your business, contact Timothy Tully, President, at (617) 320-6816 or ttully@tullyandholland.com. To receive this report each quarter, visit www.tullyandholland.com.

"Over the years, we've worked on two acquisitions and the sale of two businesses. Tully & Holland was on top of the process from the beginning to the end and supplied great advice and council as we pursued these projects."

President & CEO

"We needed an advisor that would keep the deal moving while they looked out for our interests. Tully & Holland did a great job for us. We interviewed several banks and Tully & Holland was the best fit. They knew our industry, and had experience with the buyers."

President & CEO

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Tully & Holland is a leading Boston-based investment banking advisory firm offering highly customized M&A and corporate advisory to consumer and healthcare product companies in the US and abroad. Founded in 1992, our seasoned team brings decades of extensive industry and investment banking expertise and the proven ability to successfully complete deals on behalf of our clients. Tully & Holland is a member of FINRA & SIPC.

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AREAS OF FOCUS

Food & Beverage
Food Manufacturing & Distribution
Functional Food & Beverage
Specialty Foods
Frozen Foods
Beverages Manufacturers

Retail & E-Commerce
E-commerce
Multi-Channel Merchants
Catalogers
Specialty Retailers
Direct Marketers

Consumer Discretionary
Home Décor
Sports & Leisure
Toys, Gifts & Collectibles
Fitness & Recovery
Arts & Crafts

Pet Care
Food & Supplements
Preventative Health
Diagnostics & Tech
Vet Clinics & Hospitals
Pet Insurance

Wellness & Lifestyle
Mental Health & Emotional Wellness
Clean Beauty
Personalized Nutrition & Supplements
Sexual Wellness Products
Aging & Longevity Consumer Products

Consumer Health & Diagnostics
Life Sciences
Clinical Diagnostics
Consumer Diagnostics & At-Home Testing
Medtech & Connected Devices
Healthcare Communications & Consulting

SERVICE CAPABILITIES

Sales & Divestitures
Sales
Mergers
Recapitalizations
Divestitures

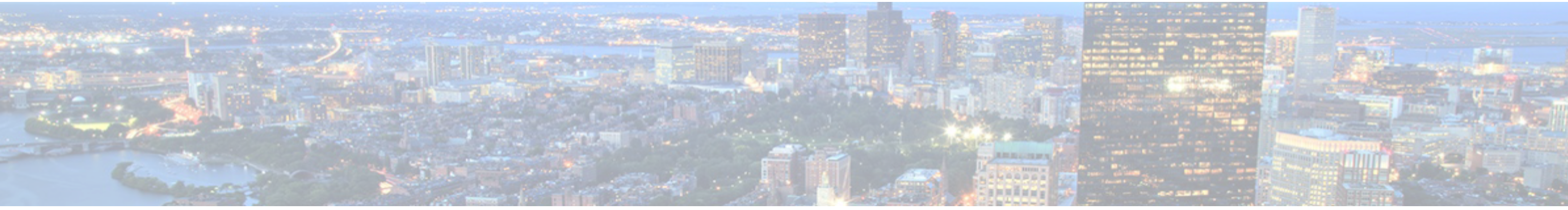
Financings
Equity Growth Capital
Senior Debt Financing
Bridge Financing
Mezzanine Financing

Valuations
Business Valuation
Strategic Consulting
Related to Growth and Capital Planning

Acquisition Advisory
Strategic Planning
Prospect Search
Valuation
Negotiation

PAST CLIENTS & BUYERS

Grupo nutresa
HEINEKEN
Chiquita
C&S wholesale grocers
Coast of Maine
STONEWALL KITCHEN FAMILY of BRANDS
HARPOON
CUDDLEDOWN® WHOLESALE
VERMONT COFFEE COMPANY
Brigham's ICE CREAM
VeggieLand™
INDIE LEE
ROCKETBOOK
CAINS
CYGNUS MEDICAL
Nikon



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