LINCOLN INTERNATIONAL

Q2
2026

ONLINE RETAIL

Market Update

2026 Q2 Market Review

Resilient demand, improving market momentum and a selective outlook

The online retail sector entered Q2 2026 with resilient demand and improving market momentum. Consumer spending remained supportive, while profitability trends held up across the sector. Revenue growth diverged across public and private companies, with softer public company growth offset by stronger momentum among private peers. Market sentiment remained constructive, with companies highlighting improving operating momentum, disciplined execution and continued investment in growth initiatives.

Macro conditions remained mixed during the quarter. Consumer spending continued to recover, particularly in the U.S., while European spending remained broadly stable. Core inflation remained stable in the U.S. and edged up slightly in Europe, while consumer confidence weakened across regions amid heightened geopolitical uncertainty surrounding the U.S.–Iran conflict before showing signs of recovery toward the end of Q2.

Consensus estimates showed modest improvement quarter-on-quarter, with broadly stable revenue expectations and stronger 2026 EBITDA expectations, although 2027 revisions remained mixed. Management teams maintained a constructive outlook, supported by resilient demand, improving profitability and continued focus on strategic growth.

Public market performance strengthened during Q2 as broader market momentum improved, with the S&P 500 and all online retail segments showing stronger share price performance. However, valuation multiples remained broadly stable across all online retail segments.

M&A activity moderated in Q2 2026, with 131 transactions completed versus 141 in Q1 and 149 in Q2 2025. Activity remained below historical peak levels as buyers continued to prioritize high-quality assets with resilient margins and strong cash generation. Worth noting, IPO activity showed signs of renewed momentum in Q3, highlighted by Ellos Group’s Nasdaq Stockholm listing in July 2026.

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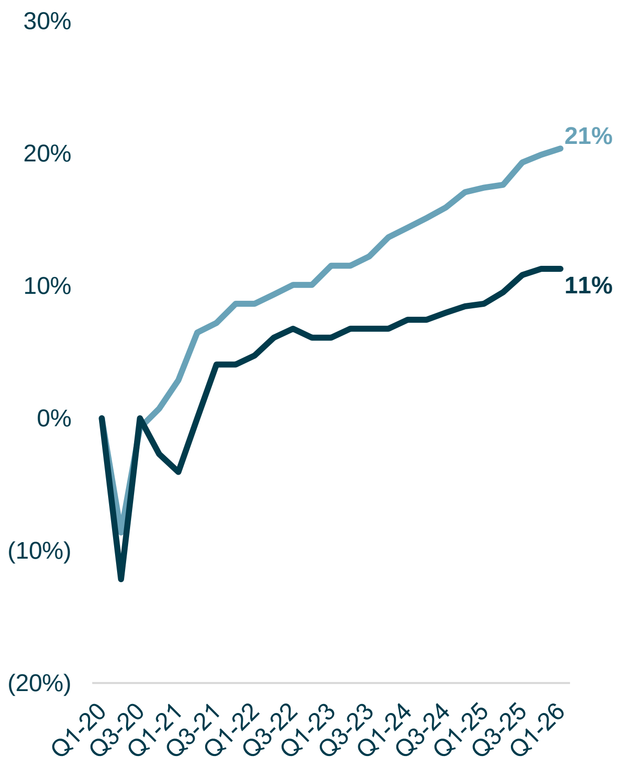
Appendix

Consumers Remain Resilient as Inflation Stabilizes

Consumer spending remained resilient and inflation stabilized, while consumer confidence remained subdued despite a recent rebound

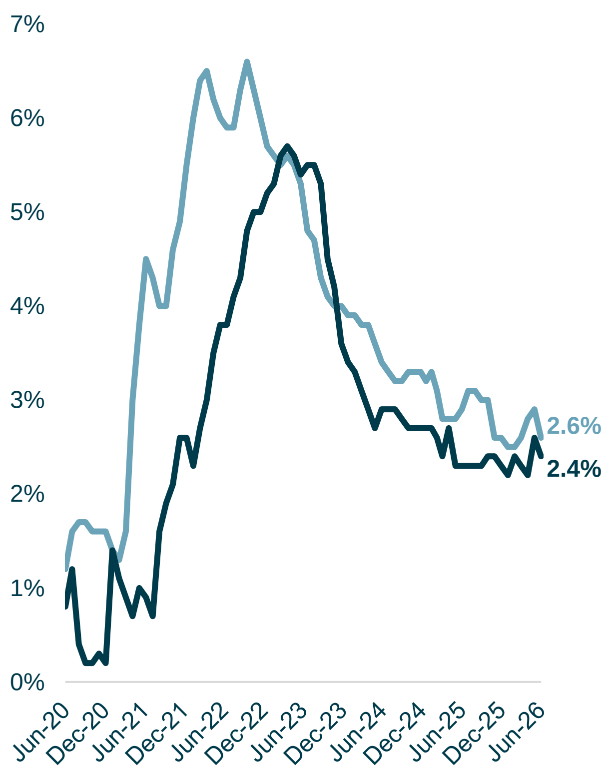
Spending continued to improve…

Consumer Spending Development[1]



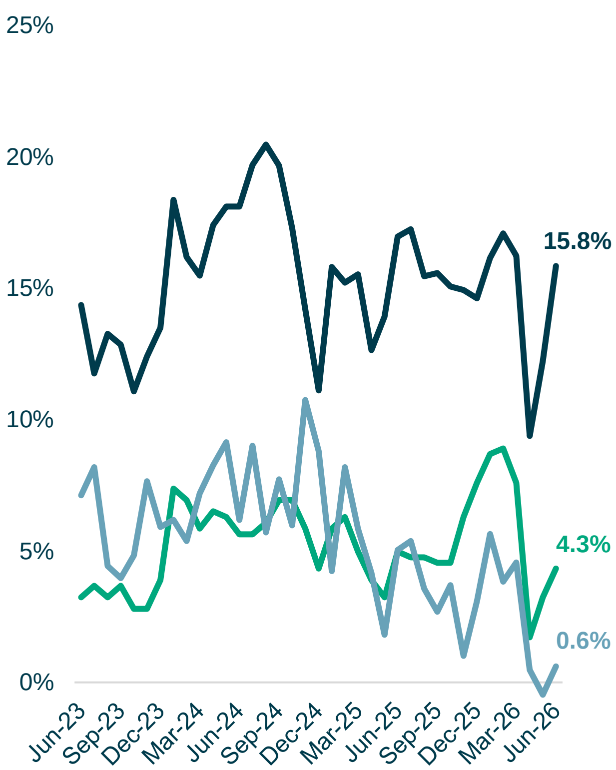
…and inflation remained stable…

Core Year-over-Year (YoY) Inflation



…while confidence weakened

Consumer Confidence Index Development



North America *Europe* *Global*

MACROECONOMIC LANDSCAPE

- The recovery in consumer spending continued, with North American spending increasing by 1% to reach a record high, while European spending remained unchanged from the previous quarter
- Core inflation rate in North America remained at 2.6%, while inflation in Europe edged up slightly from 2.3% to 2.4%
- Consumer confidence declined across regions following the escalation of the U.S.–Iran conflict before partially recovering in May and June

Sources: OECD, EUROSTAT, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics
Notes: (1) Latest figures reported as of Q1 2026

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Consensus Estimates Remain Broadly Stable

Management commentary remained positive while consensus revisions were limited and segment-specific

Management remained positive on 2026 outlook

Quotes from management of consumer online retail players

> *"There's a lot to be excited about, and we have much more coming for customers in the second half of the year and beyond."*
>
> **Andy Jassy, CEO, Amazon**

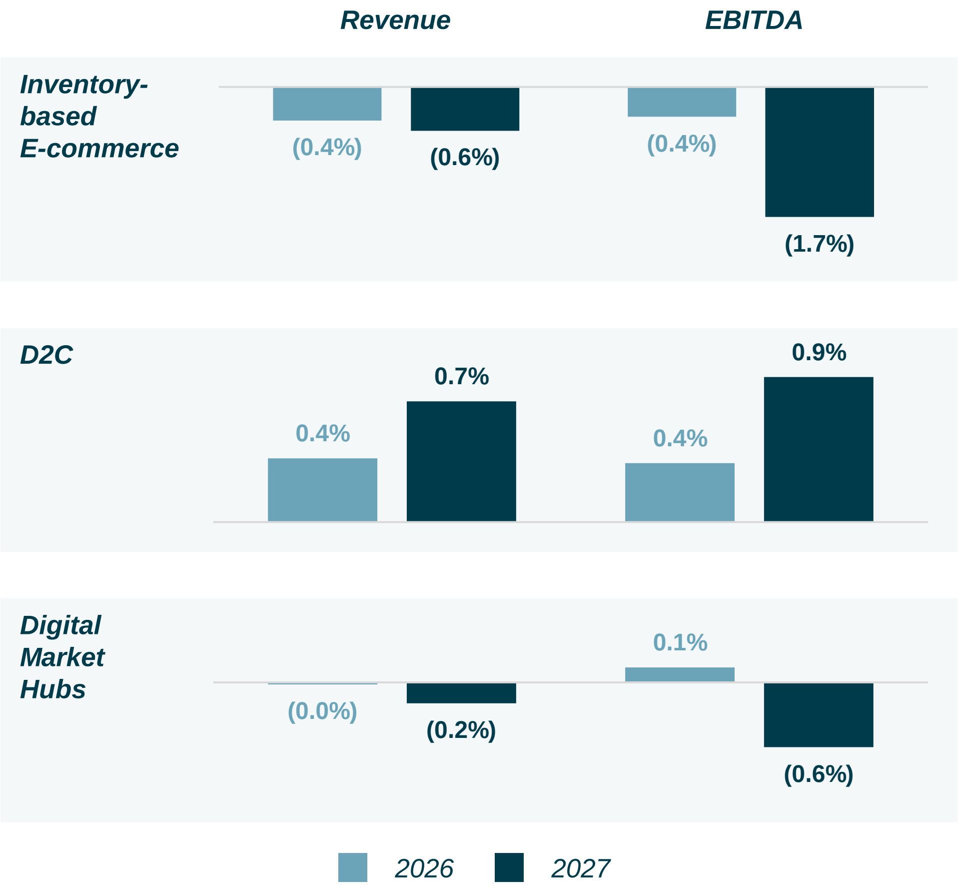
> *"Q2 marked another strong quarter of share capture and top line momentum."*
>
> **Niraj Shah, CEO, Wayfair**

> *"eBay's second quarter delivered meaningful, broad-based momentum […] Given the strong momentum we are seeing in our business, we are increasing our full-year top- and bottom-line outlook."*
>
> **Peggy Alford, CFO, eBay**

> *"The results we are reporting today reinforce our conviction that this focus is translating into stronger marketplace fundamentals and accelerating growth."*
>
> **Kruti Patel Goyal, CEO, Etsy**

Consensus estimates remained broadly unchanged

Change in current estimates vs. prior quarter[(1)]



ESTIMATES

- Revenue estimates remained broadly stable, and D2C estimates increased modestly for both 2026 and 2027. Inventory-based e-commerce was revised slightly lower, and digital market hubs remained largely unchanged
- EBITDA revisions were similarly limited for 2026. For 2027, the picture was more mixed, driven primarily by a 1.7% reduction in inventory-based e-commerce, partially offset by a 0.9% increase in D2C
- Management commentary remained constructive following Q2, with several companies highlighting improving momentum, market share gains and confidence in the second-half outlook
- Overall, consensus estimates point to a broadly unchanged outlook rather than a material change in expectations, with revisions concentrated in selected segments and primarily affecting longer-term EBITDA assumptions

Sources: Market data sourced from Capital IQ as of 06-30-2026, Company Q2-26 reports
Notes: (1) Based on median estimates as of 06-30-2026, and 3 months prior; Nelly.com is excluded from the Inventory-based E-commerce comparable group due to the absence of forward estimates

Revenue Growth Varied While Profitability Remained Resilient

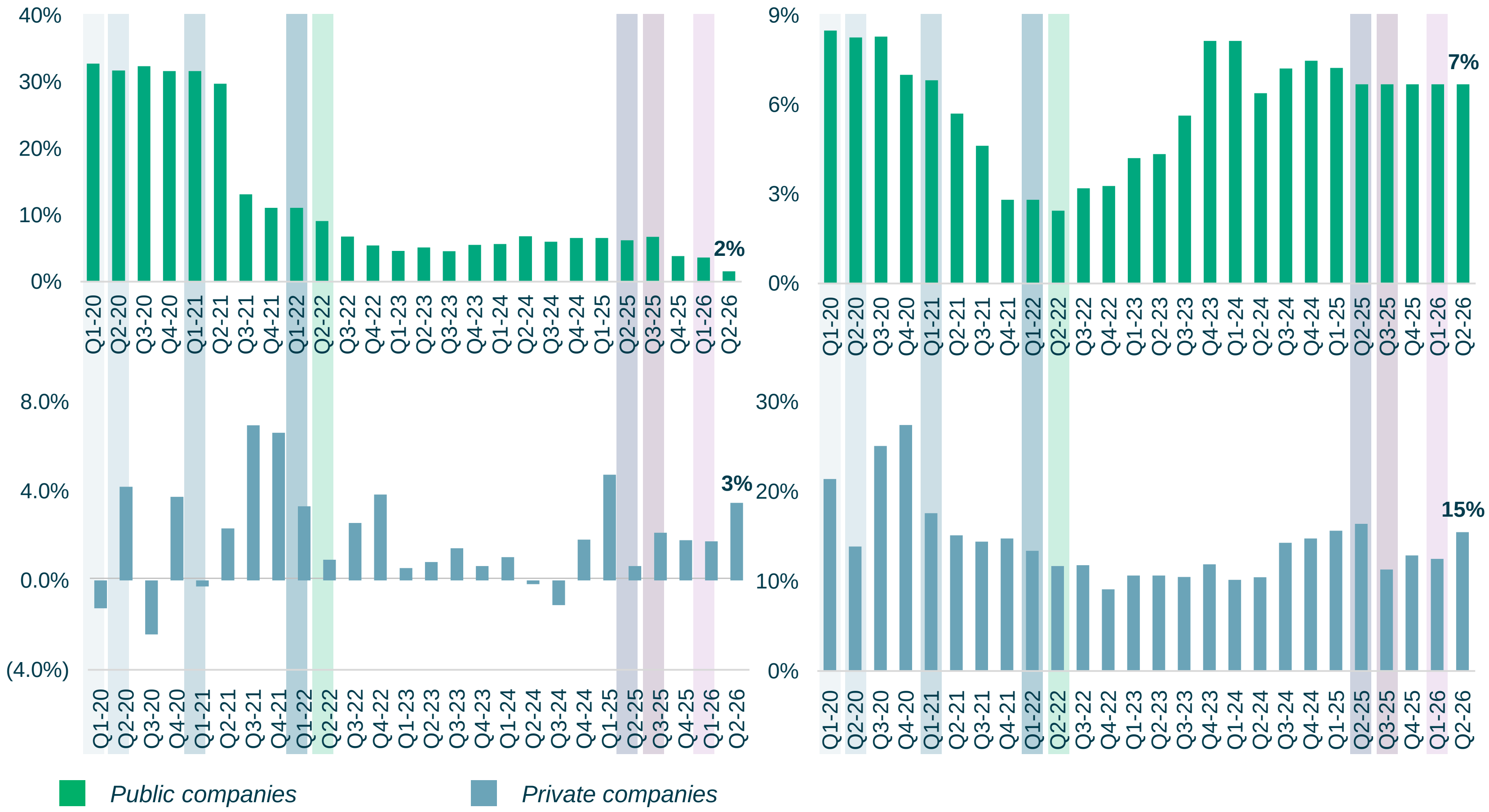
Public companies saw softer top-line growth, while private companies accelerated, with profitability remaining resilient across the sector

Revenue growth diverged across markets…

LTM revenue growth

…while profitability remained resilient

EBITDA margin %



Key events

Q1-20
COVID-19 pandemic and surge in reliance on online channels

Q2-20
Supply chain disruptions following lockdowns

Q1-21
Suez Canal blocked and freight rates soar

Q1-22
Russia invades Ukraine

Q2-22
Rising inflationary pressures and economic uncertainty

Q2-25
Trump introduces tariffs

Q3-25
Fed's first rate cut since Dec 2024

Q1-26
Conflict broke out across the Middle East

OPERATIONAL PERFORMANCE

- Public company revenue growth softened in Q2 2026, while private company revenue growth accelerated to c. 3%, highlighting a clear divergence in top-line momentum
- Companies maintained disciplined cost control and spending measures, supporting resilient margins despite uneven revenue trends and continued macroeconomic uncertainty
- Profitability remained resilient across both groups, with private companies expanding margins further while public company margins remained stable

Sources: Market data sourced from Capital IQ as of 06-30-2026 Private e-commerce companies derived from Lincoln's VOG (Valuations and Opinions Group)

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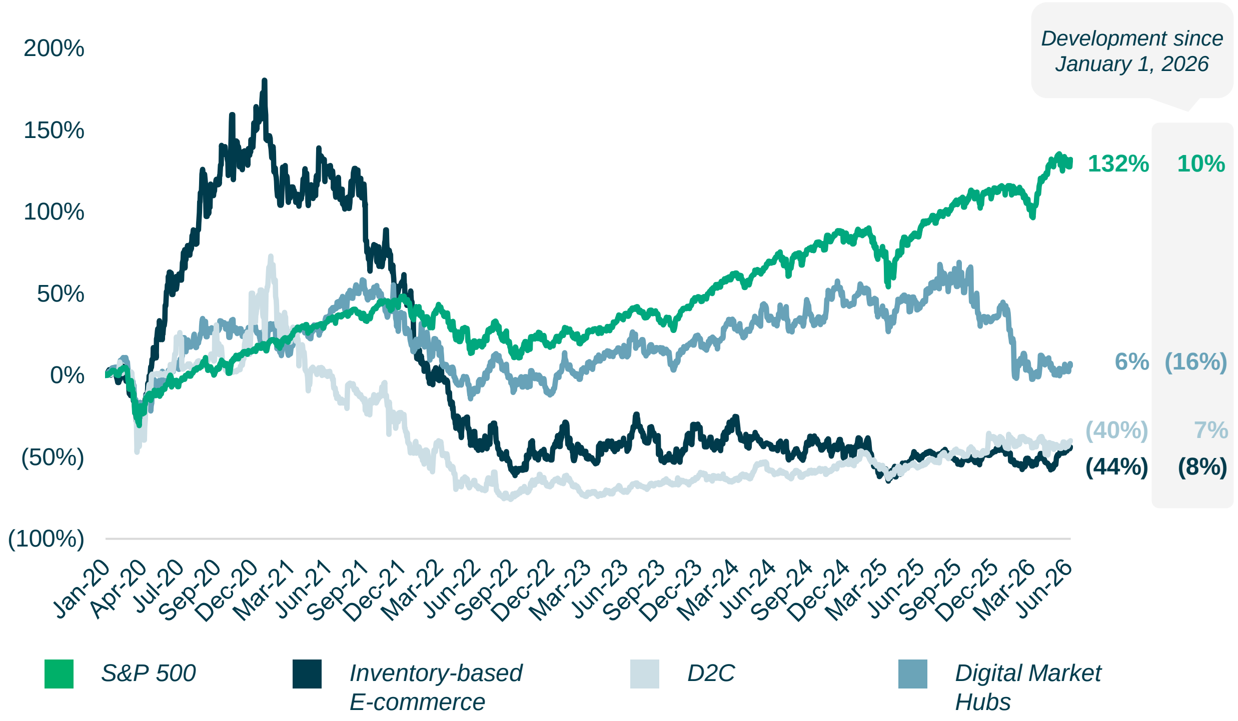
S&P 500 and Online Retail Momentum Strengthen

Broader markets continued to strengthen in 2026, while online retail segments showed improving momentum through Q2

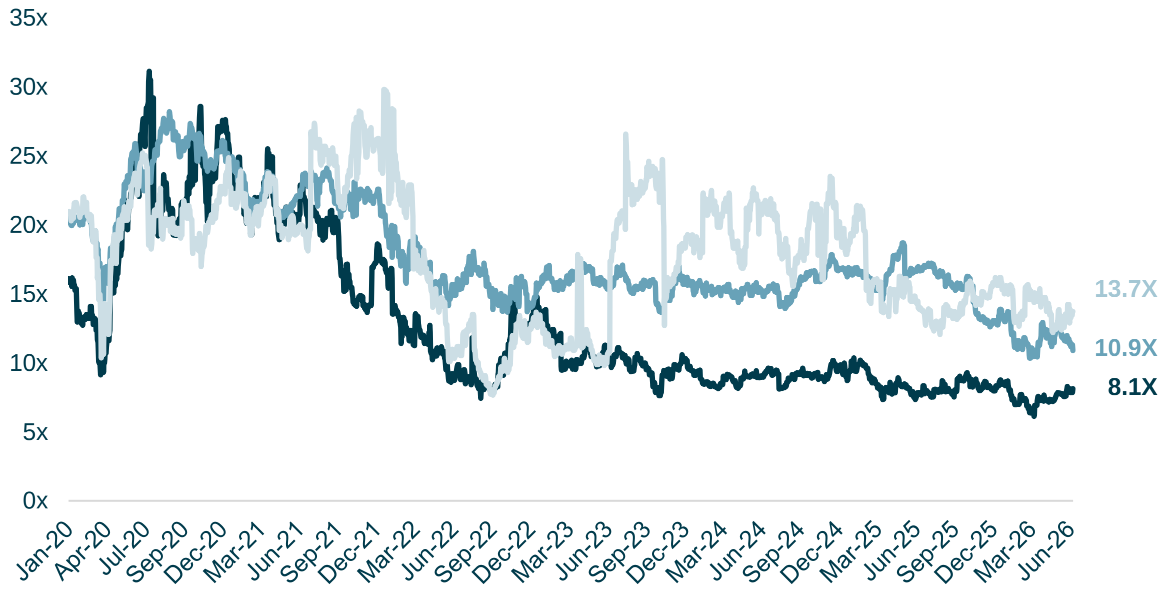
Share price performance strengthened across all online retail segments

Relative Stock Price Performance



Online retail multiples remained stable across all online retail segments

Median EV / NTM EBITDA multiple[(1)]



(€m, except share price)	% of High	Market Cap	Enterprise Value	EV / Revenue		EV / EBITDA		EV / (EBITDA – Capex)		EV / EBIT	
	52-Week			CY2026	CY2027	CY2026	CY2027	CY2026	CY2027	CY2026	CY2027
Median – Inventory-based E-commerce	(25%)	487	580	0.5x	0.5x	8.2x	7.1x	9.6x	8.5x	12.3x	10.1x
Median – D2C	(22%)	1,011	1,027	1.89x	1.60x	14.3x	11.9x	17.1x	15.0x	22.0x	15.9x
Median – Digital Market Hubs	(39%)	6,282	7,701	3.21x	2.96x	11.3x	9.8x	14.4x	13.0x	16.4x	14.6x

Source: Market data sourced from Capital IQ as of 06-30-2026
Notes: (1) Outliers excluded from Inventory-based dataset

M&A Activity Moderated in Q2 2026

Deal activity softened in Q2 2026, with transaction volumes below both the previous quarter and prior-year levels

Deal volumes moderated in Q2…

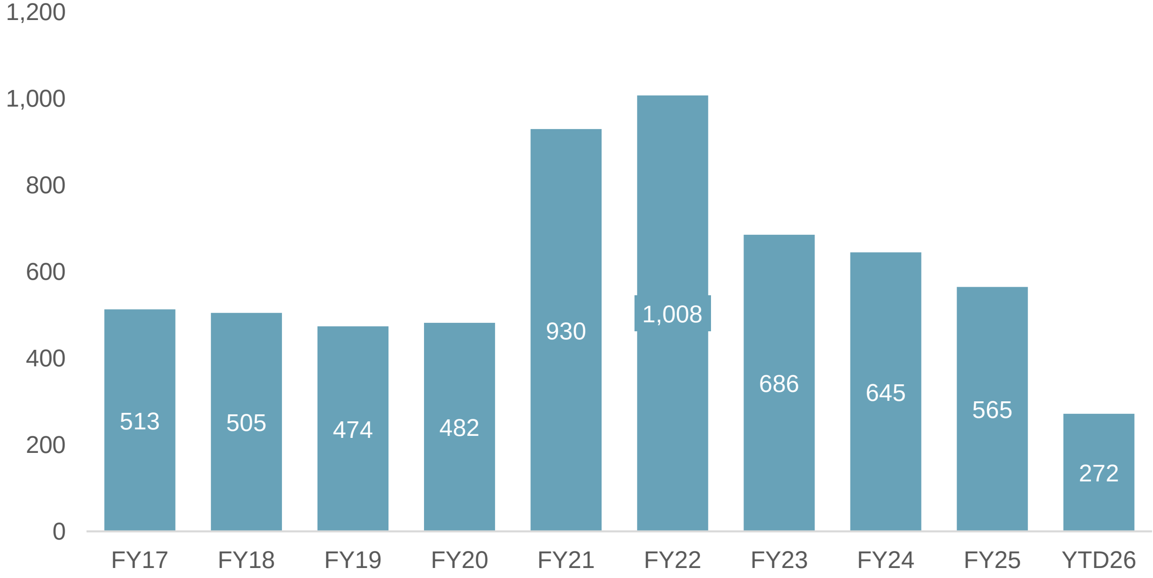
- 131 online retail transactions were completed in Q2, down from 141 in Q1 and 149 in Q2 2025
- YTD deal volume reached 272 transactions, with activity remaining well below the elevated levels seen in FY21–FY22
- Worth noting, IPO activity showed signs of renewed momentum in Q3, highlighted by Ellos Group's Nasdaq Stockholm listing in July 2026

…as market caution persisted

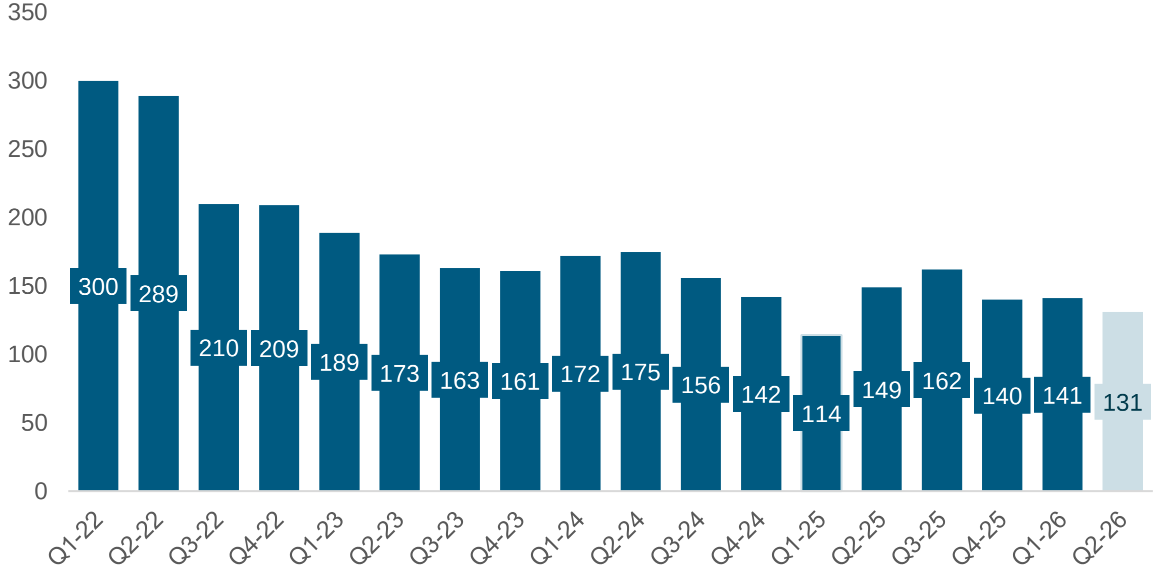
- Deal activity remained subdued in Q2, reflecting continued selectivity and a cautious transaction environment
- Buyers remained focused on high-quality assets with resilient margins, strong cash generation and differentiated market positioning
- ICIW's sale to RVRC at a double-digit EBITDA multiple further underscores continued appetite for premium assets

Number of completed online retail transactions

On annual basis



On quarterly basis



Sources: Mergermarket, Lincoln intelligence

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Select Lincoln International Credentials

Lincoln has vast transaction experience within online retail

AURELIUS has acquired FOOTASYLUM from JD UNDISPUTED KING OF TRAINERS		Buy-Side Acquisition Financing
verdane has sold SPARES to Clas Ohlson		Sell-Side
SCOPE has acquired STONE FASHION including its subsidiary GOLDBERGH		Buy-Side Acquisition Financing
IN THE STYLE has sold its trading operations to BAAJ Capital LLP		Sell-Side
TRILANTIC EUROPE has acquired a majority stake in PASSIONE UNGHIE with financing provided by EURAZEO, HLG WHITEHORSE		Acquisition Financing
ORVA has received an investment from TRILANTIC CAPITAL PARTNERS		Sell-Side
Virgin Wines a portfolio company of mobeus, connection capital has floated on AIM		Sell-Side
pechel INDUSTRIES and co-founders have sold PRIVATESPORTSHOP to Bridgepoint		Sell-Side
ORVA a portfolio company of TRILANTIC CAPITAL PARTNERS has received a significant minority investment from ONTARIO TEACHERS' PENSION PLAN CAPITAL PARTNERS		Sell-Side
Gordon Brothers has sold LAURA ASHLEY to MARQUES BRANDS a portfolio company of NEUBERGER BERMAN		Sell-Side
VENDIS CAPITAL has sold fatboy to calligaris a portfolio company of alpha		Sell-Side
JADE LEAF MATCHA has been sold to HPH II investments master fund, lp and affiliates managed by WM PARTNERS LP		Sell-Side
Louis Delhaize has sold houra.fr to private investors		Sell-Side
FRONT ROW has received strategic investment from Charlesbank		Buy-Side
Founders and LEITMOTIV PRIVATE EQUITY have sold AGORA STORE to 21 Invest, bpifrance and management		Sell-Side
mobilezone has sold its German operations to freenet		Sell-Side
Private founders have sold a majority stake in and have raised capital for BSTN From a German family office		Sell-side
WALKER EDISON a portfolio company of PROSPECT HILL GROWTH PARTNERS has received a significant minority equity investment from Blackstone		Sell-Side

Public Comparables

Appendix

Public Comparables – Inventory-based E-commerce

(€m, except share price) Company	Country	Share Price	% of High 52-Week	Market Cap	Enterprise Value	EV / Revenue CY2026	EV / Revenue CY2027	EV / EBITDA CY2026	EV / EBITDA CY2027	EV / (EBITDA – Capex) CY2026	EV / (EBITDA – Capex) CY2027	EV / EBIT CY2026	EV / EBIT CY2027
Inventory-based E-commerce													
JD	China	25.5	(31%)	4,434	585	0.0x	0.0x	0.1x	0.1x	0.3x	0.2x	0.3x	0.2x
Wayfair	United States	92.4	(23%)	10,678	12,964	1.1x	1.0x	17.2x	14.7x	23.4x	19.9x	25.4x	20.7x
Zalando	Germany	25.4	(17%)	6,116	6,264	0.5x	0.4x	5.9x	5.2x	8.0x	6.9x	9.1x	7.7x
Ocado	United Kingdom	1.8	(52%)	1,733	2,951	1.7x	1.7x	11.9x	8.4x	NM	26.1x	NM	NM
THG	United Kingdom	0.3	(43%)	573	1,012	0.5x	0.5x	8.6x	7.2x	10.9x	8.7x	NM	47.5x
Boozt	Denmark	148.0	(13%)	793	836	1.0x	1.0x	10.4x	9.2x	13.3x	13.5x	15.7x	13.6x
AO World	United Kingdom	0.9	(22%)	595	575	0.4x	0.4x	6.3x	5.5x	7.2x	6.2x	9.2x	8.2x
1-800-FLOWERS	United States	3.5	(51%)	195	372	0.3x	0.3x	44.3x	42.4x	NM	NM	NM	NM
ASOS	United Kingdom	2.9	(28%)	400	1,004	0.4x	0.4x	5.3x	4.9x	12.4x	10.5x	NM	42.9x
Kogan	Australia	4.4	(8%)	257	226	0.7x	0.6x	8.2x	7.1x	9.3x	8.0x	12.3x	10.0x
Victorian Plumbing Group	United Kingdom	0.8	(14%)	294	330	0.9x	0.8x	8.3x	7.6x	10.0x	9.0x	11.5x	10.1x
BHG	Sweden	21.8	(35%)	353	565	0.6x	0.5x	7.7x	6.7x	9.6x	8.4x	13.1x	10.5x
Nelly	Sweden	35.2	(74%)	96	101	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Westwing	Germany	16.6	(8%)	306	250	0.5x	0.5x	6.0x	5.1x	9.0x	7.0x	18.4x	10.0x
Median		**10.5**	**(25%)**	**487**	**580**	**0.5x**	**0.5x**	**8.2x**	**7.1x**	**9.6x**	**8.5x**	**12.3x**	**10.1x**

Sources: Market data sourced from Capital IQ as of 30-06-2026

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Public Comparables – D2C

(€m, except share price) Company	Country	Share Price	% of High 52-Week	Market Cap	Enterprise Value	EV / Revenue CY2026	EV / Revenue CY2027	EV / EBITDA CY2026	EV / EBITDA CY2027	EV / (EBITDA – Capex) CY2026	EV / (EBITDA – Capex) CY2027	EV / EBIT CY2026	EV / EBIT CY2027
D2C													
HIMS & HERS	United States	34.7	(47%)	7,024	7,358	2.6x	2.1x	28.5x	20.7x	56.0x	33.8x	NM	80.6x
YETI	United States	49.6	(8%)	3,286	3,371	2.0x	1.7x	10.7x	9.1x	12.8x	10.4x	12.6x	10.7x
Warby	United States	30.3	(2%)	3,259	3,215	3.8x	3.2x	31.5x	24.7x	98.3x	52.5x	65.6x	42.7x
RVRC	Sweden	56.4	(21%)	539	507	2.4x	1.9x	11.0x	8.9x	11.1x	9.0x	11.2x	9.1x
tonies	Luxembourg	12.8	(3%)	1,483	1,432	1.8x	1.5x	17.8x	12.3x	24.5x	15.6x	25.7x	15.9x
boohoo	United Kingdom	0.2	(23%)	426	621	0.6x	0.6x	9.6x	8.2x	11.0x	9.6x	18.3x	13.0x
The Honest Company	United States	3.7	(37%)	353	284	1.0x	1.0x	14.3x	12.8x	17.1x	14.5x	34.0x	29.7x
BARK	United States	10.0	(52%)	77	93	0.3x	0.3x	NM	11.5x	NM	19.5x	NM	NM
Median		**21.6**	**(22%)**	**1,011**	**1,027**	**1.9x**	**1.6x**	**14.3x**	**11.9x**	**17.1x**	**15.0x**	**22.0x**	**15.9x**

Sources: Market data sourced from Capital IQ as of 30-06-2026

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Public Comparables – Digital Market Hubs

(€m, except share price) Company	Country	Share Price	% of High 52-Week	Market Cap	Enterprise Value	EV / Revenue CY2026	EV / Revenue CY2027	EV / EBITDA CY2026	EV / EBITDA CY2027	EV / (EBITDA – Capex) CY2026	EV / (EBITDA – Capex) CY2027	EV / EBIT CY2026	EV / EBIT CY2027
Digital Market Hubs													
Amazon	United States	238.3	(17%)	2,244,137	2,325,060	3.2x	2.8x	12.0x	9.8x	NM	NM	24.3x	19.1x
Alibaba	China	96.0	(50%)	28,247	32,149	0.2x	0.2x	1.7x	1.2x	19.3x	4.1x	3.1x	2.0x
Copart	United States	28.2	(44%)	22,844	19,265	4.7x	4.4x	11.3x	10.7x	14.5x	13.7x	12.8x	12.1x
eBay	United States	111.8	(6%)	43,430	46,359	4.2x	4.0x	14.1x	13.2x	16.7x	15.5x	15.5x	14.6x
REA Group	Australia	139.2	(48%)	11,019	10,808	9.3x	9.0x	16.2x	13.9x	17.5x	15.9x	17.4x	15.7x
Zillow	United States	31.4	(65%)	6,282	5,962	2.3x	2.1x	9.1x	7.4x	11.6x	9.0x	61.5x	20.6x
CAR Group	Australia	25.8	(39%)	5,910	6,701	8.4x	7.6x	16.5x	13.6x	18.6x	16.5x	19.6x	16.0x
Allegro	Luxembourg	37.8	(20%)	8,611	9,400	3.0x	2.7x	10.3x	9.1x	14.4x	12.4x	14.1x	12.1x
Etsy	United States	75.3	(14%)	6,257	7,701	3.1x	3.0x	10.4x	9.8x	10.9x	10.3x	16.4x	14.8x
Auto Trader Group	United Kingdom	5.0	(40%)	4,568	4,792	6.4x	6.1x	9.7x	9.1x	10.0x	9.2x	10.1x	9.5x
Delivery	Germany	36.0	(10%)	10,935	13,602	0.9x	0.8x	14.3x	11.2x	23.1x	16.6x	27.7x	18.9x
Scout24	Germany	72.4	(39%)	5,042	5,380	7.0x	6.3x	11.6x	10.2x	12.5x	10.9x	13.4x	11.7x
Rightmove	United Kingdom	4.4	(45%)	3,777	3,736	7.1x	6.5x	10.2x	9.7x	10.7x	10.2x	10.5x	10.0x
Cars.com	United States	10.9	(22%)	535	874	1.4x	1.3x	4.7x	4.5x	5.3x	5.2x	9.3x	8.8x
AUTO1	Germany	23.2	(26%)	5,115	6,233	0.6x	0.5x	23.0x	16.5x	26.6x	18.4x	31.7x	20.7x
Median		**36.0**	**(39%)**	**6,282**	**7,701**	**3.2x**	**3.0x**	**11.3x**	**9.8x**	**14.4x**	**11.7x**	**15.5x**	**14.6x**

Sources: Market data sourced from Capital IQ as of 30-06-2026

About Lincoln International

We are trusted investment banking advisors to business owners and senior executives of leading private equity firms and their portfolio companies and to public and privately held companies around the world. Our services include mergers and acquisitions advisory, private funds and capital markets advisory, and valuations and fairness opinions. As one tightly integrated team of over 1,400 professionals in more than 30 offices across 14 countries, we offer an unobstructed perspective on the global private capital markets, backed by superb execution and a deep commitment to client success. With extensive industry knowledge and relationships, timely market intelligence and strategic insights, we forge deep, productive client relationships that endure for decades. Connect with us to learn more at **www.lincolninternational.com**

Lincoln International's 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 the 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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