Beauty and Personal Care M&A

Q2 2025

Consumer Product M&A Markets See a Flight to Quality Amid Measured Rebound in Overall Dealmaking Activity

Despite the political uncertainty that defined 2024 and the beginning of 2025, total North American M&A activity regained some momentum in Q1, recording a +19.8% increase in deal count and a +10.3% rise in deal value relative to Q1-2024. However, dealmaking in the consumer sector broadly, and in the beauty and personal care segment specifically, remains below historical trends. So far in 2025, beauty and personal Care deals represent 12.8% of overall consumer transaction volume, slightly above the five-year average of 12.0%. Partially offsetting lower transaction volumes, median deal value has risen in 2025, suggesting that investors are increasingly targeting larger, higher quality assets. We are seeing legacy brands increasingly turn to M&A to keep up with rapidly changing customer preferences and shopping habits. While the outlook for the rest of the year remains clouded by global trade tensions and recession risks, we believe that the need to stay relevant and keep up with consumer trends will continue to necessitate dealmaking, particularly for private equity-backed brand platforms. Private equity firms are still sitting on near-record amounts of uninvested funds ("dry powder") and will likely become more aggressive pursuing add-on investments for the platform companies they purchased during the '20-'22 M&A boom to market.

Industry Drivers and Trends

- Skincare sits at the intersection of beauty and personal care, with more and more consumers recognizing the importance of a consistent skincare routine as an element of overall wellbeing. As strategic players and private equity firms race to capitalize on this growth, emerging brands are innovating with new products and marketing strategies to better engage consumers. Daily-use products like cleansers, serums and moisturizers foster strong brand loyalty, driving high customer lifetime value through repeat purchases. As the clean beauty movement continues to gain momentum, skincare remains at the forefront, with many brands emphasizing transparency and sustainability.

- Social media has become a critical tool for customer acquisition and brand building, especially on high-engagement platforms such as TikTok and Instagram. Influencer-driven marketing strategies, often fueled by viral trends, have proven highly effective in driving conversion and expanding customer reach. As a result, beauty and personal care products are increasingly being marketed and sold directly to consumers through social platforms. In 2025, sales through social media accounted for ~17% of total e-commerce sales. E-commerce itself now accounts for ~41% of all beauty and personal care sales in the U.S. market.

41%
E-commerce market share in U.S.

17%
E-commerce sales through social media platforms

Key Takeaways

– Dealmaking is driven by the need to remain relevant to stay ahead of quickly evolving consumer preferences

– PE groups are still sitting on high levels of uninvested capital and will likely seek to increase add-on acquisitions as they ready platform investments for resale

– Demand for personalized and transparent products continues to grow in the increasingly digital beauty and personal care space

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Sources: S&P Capital IQ, IbisWorld, Pitchbook, Griffin Financial Group Research

Beauty & Personal Care
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Demand for Ethical, Personalized and Safe Products Continues to Grow in the Increasingly Digital Beauty & Personal Care Space

Industry Drivers and Trends

- As consumers continue to focus on the ethical behavior in the manufacturing of beauty products, brands are increasingly required to both maintain and demonstrate ethical measures and practices as a cornerstone of branding strategy
- Evolving beauty and wellness trends, including personalization, minimalism and transparency, require manufacturers to respond with increasing speed and flexibility to meet consumer expectations
- With growing oversight on ingredients and product safety from consumers and regulatory bodies, manufacturers are facing pressure to produce cleaner formulations and employ third-party testing and approval procedures

Outlook

- The skincare segment has continued to be a primary engine of growth for the beauty industry, and firms in this space have been popular targets for recent M&A transactions. In particular, the position of these products at the intersection of the beauty and personal care segments means that they are highly sought after by brand groups operating in either area
- Within personal care, bath and shower products have helped propel category growth, as consumers remain focused on total body care as a facet of overall wellness
- Virtual marketplaces, including TikTok and Instagram, have become a necessary and profitable channel for social media teams and personalities to reach consumers
- The shift to e-commerce platforms, particularly in beauty, has put pressure on legacy retailers to develop their own e-commerce capabilities and diversify their product offerings. In 2024, while the sales of the top 20 beauty brands increased by only 2.7% (roughly in line with inflation), brands outside the top 20 grew at over double that rate (6.9%), suggesting that real sales growth will depend on the ability of retailers to stay on trend with emerging brand groups

M&A Activity

- Private equity-backed platforms are targeting add-ons at an increasing rate, particularly in the highly fragmented skincare and personal care verticals
- Scaled strategic players are also increasingly focused on acquiring existing brands with a loyal consumer base to maintain market position and stay on trend

Recent Marquee Transactions

Minimalist | Unilever

Manufacturer of skin and hair care products positioned at the intersection of beauty and actives-led science

touchland | Church & Dwight Co., Inc.

Provider of sensorial self-care essentials including smart dispensers of body and hair fragrance and hand sanitizer

Sources: S&P Capital IQ, IbisWorld, Pitchbook, Griffin Financial Group Research

Public Markets Insights

Q2 2025

($ in millions, except per share data)

As of 6/5/2025

Beauty and Personal Care	Stock Price	% of 52 Week High	Market Cap ($M)	Enterprise Value ($M)	LTM Revenue ($M)	LTM Revenue Growth	LTM Gross Margin (%)	EBITDA Margin (%)	TEV / Revenue	TEV / EBITDA
COLGATE-PALMOLIVE	$89.9	82.2%	73,100	80,428	19,947	0.8%	60.8%	24.4%	4.0x	16.5x
COTY SINCE 1904	$5.0	47.3%	4,344	8,614	6,004	1.4%	65.2%	16.5%	1.4x	8.7x
e.l.f.	$117.3	53.4%	6,604	6,768	1,314	-0.9%	71.2%	13.7%	5.2x	37.6x
L'ORÉAL	$437.8	94.8%	205,455	209,873	43,487	-0.9%	74.2%	22.2%	4.8x	21.8x
SHISEIDO	$17.0	46.3%	975	1,279	969	2.2%	76.6%	10.0%	1.3x	13.2x
Johnson&Johnson	$153.6	90.3%	368,659	382,130	89,331	-0.6%	68.9%	33.6%	4.3x	12.7x
P&G	$164.0	90.9%	389,077	415,156	83,927	0.5%	51.7%	28.8%	4.9x	17.2x
ESTĒE LAUDER	$68.6	54.5%	24,762	31,513	14,786	2.6%	73.9%	14.5%	2.1x	14.7x

Select Public Companies Summary

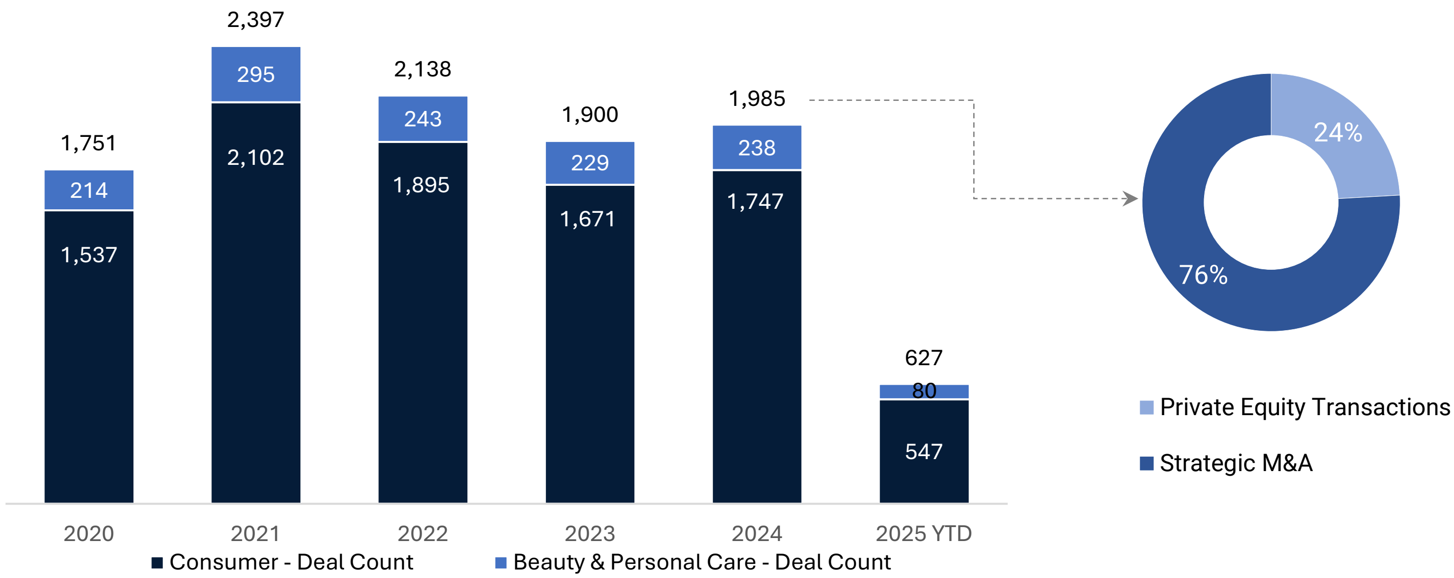
	% of 52 Week High	LTM Gross Margin (%)	EBITDA Margin (%)	TEV / Revenue	TEV / EBITDA
Mean	70.0%	67.8%	20.5%	3.5x	17.8x
Median	**68.3%**	**70.1%**	**19.3%**	**4.2x**	**15.6x**
Maximum	94.8%	76.6%	33.6%	5.2x	37.6x
Minimum	46.3%	51.7%	10.0%	1.3x	8.7x

Sources: S&P Capital IQ, Pitchbook, Griffin Financial Group Research

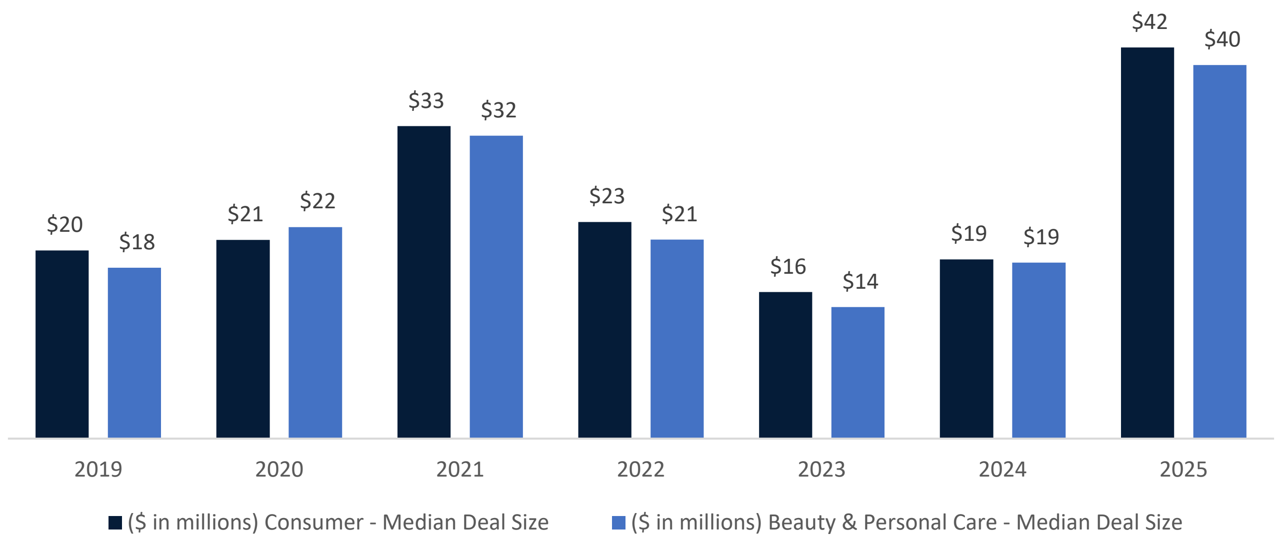
M&A Market Insights

Q2 2025

Global Industry & Sector M&A Deal Volume



Global Industry & Sector Median Deal Value



Notable Recent Transactions: Beauty and Personal Care

Date	Target	Acquirer	Target Business Description
May-25	Rhode	E.L.F. Beauty	Operator of a personal care products company offering skincare essentials
May-25	Touchland	Church & Dwight Company	Operator of sensorial self-care essentials including on-the-go products that enhance the sensory experience, enabling customers to maintain hygiene and a healthy lifestyle
Apr-25	Skin Sapiens	BEAUTYPRO	Manufacturer of certified skincare products with specialization in vegan products made from natural ingredients
Mar-25	Wild	Unilever	Brand of natural deodorants, washes, and balms that are vegan, natural and plastic-free
Mar-25	Look Beauty	Upper Canada	Manufacturer of skincare products specializing in clean facial packs, eye masks, cooling masks and capsule creams
Feb-25	Creative Laboratories	Gemspring Capital	Provider of shampoos, conditioners, treatments and a wide variety of other personal care products
Feb-25	Wolf Project	Hakkawise	Offers hydration face mask sheets made from organic sheets of bamboo charcoal and soaked in natural serums
Feb-25	Cosme Hunt	Trenders	Offers a monthly subscription box with personalized beauty picks in addition to an online store
Jan-25	111Skin	SKKY Partners	Offers serums, cleansers, night creams, retinol patches, moisturizers, masks and sunscreens
Jan-25	Minimalist	Unilever	Digital-first brand that sits at the intersection of beauty and actives-led science
Jan-25	GlamLash	Red Whale Capital	Offers false press-on lashes that are easy to apply and remove
Jan-25	Lake & Skye	Tru Fragrance	Mission-driven fragrance and wellness brand that debuted in 2015
Dec-24	Urban Skin Rx	AX Beauty Brands	Offers cleansers, masks, serums, moisturizers, lipsticks and other related beauty products
Aug-24	Carpe	Topspin Partners	DTC brand specializing in whole body antiperspirants and sweat management
Aug-24	Profectus Beauty	BoselyMD	Operator in the Hair Thinning category with hair regrowth, strengthening and volumizing offerings via the ThickHead and Hydroxtone brands
Aug-24	Winky Lux	CORE Industrial Partners	Offers paraben-free, cruelty-free, non-toxic and heavily pigmented color cosmetic
Jul-24	Indie Lee	AX Beauty Brands	DTC brand offering such products as eye balm, toner, cleanser and body scrub
Jul-24	Summer Fridays	TSG Consumer	Skincare brand known for its clean, effective, products such as its popular Jet Lag Mask
Jun-24	Stripes Beauty	L Catterton	Brand of science-backed personal care and beauty products in the Nutritional Supplements, Skincare and Haircare categories
May-24	Deciem	Estee Lauder	Parent company of The Ordinary, a leading brand in the clean and ethical skincare space

Sources: S&P Capital IQ, IbisWorld, Pitchbook, Griffin Financial Group Research

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- We specialize in working with closely held private and small-cap public companies, with particular expertise regarding family-owned and owner-operated businesses
- Part of Stevens & Lee/Griffin, a multidisciplinary professional services platform of 280+ professionals providing financial, legal, tax and consulting services

Select Consumer and Retail Transaction Experience

The Parent Company of hidden still SPIRITS has received growth equity capital in a private placement	Catbird has recapitalized with Victor Capital Partners. Principals of Griffin served as financial advisor	Siegel Egg Co. has been acquired by Rotunda Capital Partners. Principals of Griffin served as financial advisor	HALO the safer way to sleep has been acquired by aden + anais / SPC. Principals of Griffin served as financial advisor
Andover has been acquired by Milliken. Principals of Griffin served as financial advisor	Robbins Brothers has been acquired by Main Street Capital Corporation. Principals of Griffin served as financial advisor	Ruffle Butts has recapitalized with Summit Park. Principals of Griffin served as financial advisor	DC Thomson has divested wild+wolf. Principals of Griffin served as financial advisor