



Seale & Associates

CLEANING PRODUCTS INDUSTRY
Q4 2023
VALUATION UPDATE

Introduction

We are pleased to share our Cleaning Products Industry Multiples Valuation Update for Q4 2023.

At Seale & Associates, we are committed to providing process-driven solutions designed to optimize value and achieve our client's strategic objectives in a range of transactions, including **Mergers, Acquisitions, Divestitures and Carve-Outs, Business Sales, Recapitalizations, and Joint Ventures**, among other corporate finance and strategy consulting services.

Over the course of 25+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our Cleaning Products Industry clients who are looking to grow through acquisitions or optimize their portfolios through strategic divestitures.

Seale has extensive experience advising leading multinational companies, private equity firms, and family-owned businesses across a wide range of industries.



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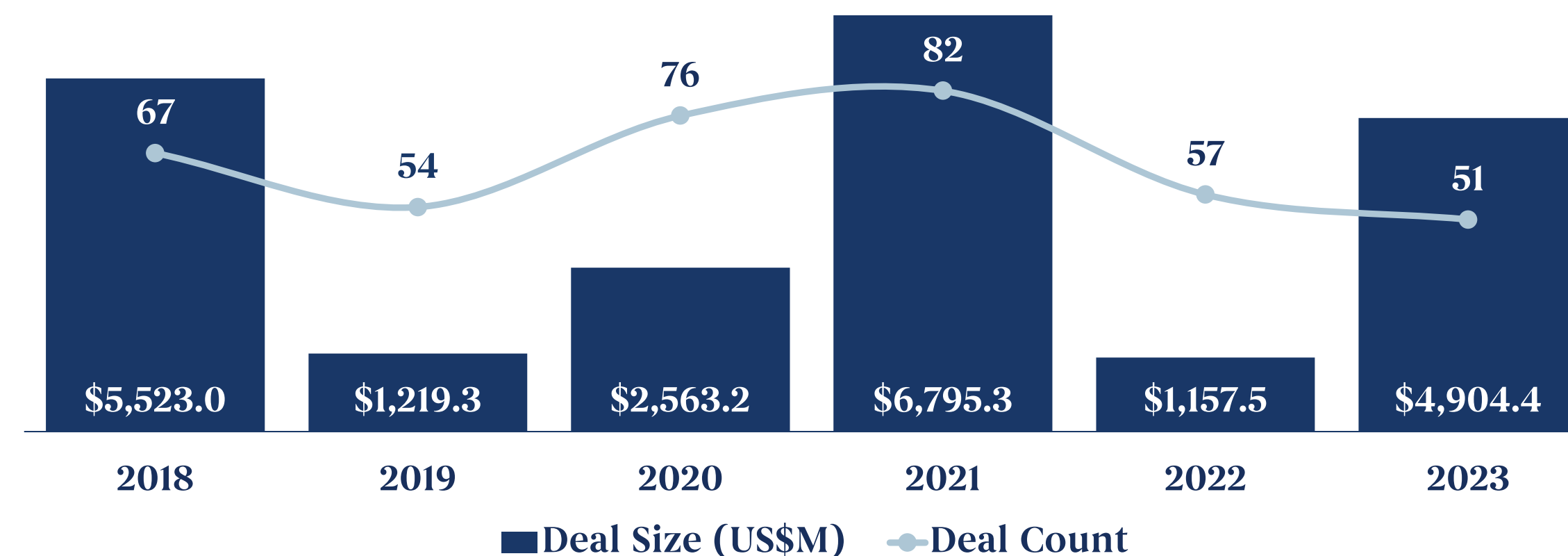
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Household Products Industry Overview, M&A Trends and Market Intelligence


Industry Overview

- The global household products market is expected to **grow** at a **CAGR of 6.2%** from **2024 to 2029**
- Demand for cleaning products has **risen significantly worldwide**, due to heightened consumer awareness about sanitation and well-being. **Primarily driven** by the increasing consciousness among individuals about maintaining the household clean
- The growth of the **surface cleaners'** market is fueled by **higher household spending** and a focus on hygiene, with advanced formulations designed to protect various surfaces such as glass, mirror, stainless steel, and wood
- **Asia Pacific** is estimated to be the highest-growing region over the 2024-2029 forecast
- The **North American market** is expected to expand backed by rising environmental concerns, increasing the demand for safe and organic homecare products
- The **real estate sector, household expenditure**, and **growth in housing units** are some of the factors increasing sales of household cleaners in the **United States**
- Major market players are **leveraging** their **online presence** by selling products on their websites and utilizing popular social media sites to increase their visibility and reach

Household Products Industry M&A Deal Size and Volume



Household Products Key Trends

-  **Growing** demand for organic cleaning products eco-friendly, recyclable packaging
-  Urbanization, modern lifestyle and high demand for cleaning **drive** the household cleaners market
-  **Diverse** formats for cleaners: trigger sprays, aerosol cans, pump bottles
-  The transition from detergent powders to liquid forms, now overtaken by convenient **laundry pods**
-  Dishwashing liquids made from **naturally** derived ingredients, emphasizing renewable resources and recyclable packaging







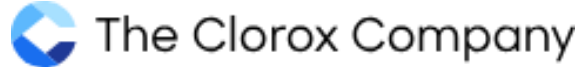
Cleaning Products Industry Global Comparable Public Companies

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		Fourth Quarter Dec. 31, 2023		
						2021	2022	EV/EBITDA	EV/Revenue	
Albaad Massuot Yitzhak Ltd		ISR	\$64	\$301	\$460	9.2%	5.2x	11.7x	7.1x	0.7x
Bombril S.A.		BRA	\$110	\$190	\$304	16.6%	5.1x	5.0x	3.8x	0.6x
Jyothy Labs Limited		IND	\$2,112	\$2,064	\$326	16.2%	18.6x	22.7x	39.1x	6.3x
McBride plc		GBR	\$173	\$385	\$1,132	3.6%	4.6x	11.5x	9.4x	0.3x
Net Detergent JSC		VNM	\$58	\$50	\$67	11.1%	7.8x	7.6x	6.7x	0.7x
Niitaka Co., Ltd.		JPN	\$79	\$52	\$150	6.9%	4.4x	4.3x	5.0x	0.3x
Peerapat Technology Public Company Limited		THA	\$17	\$27	\$31	17.0%	7.0x	7.9x	5.1x	0.9x
Prestal Holdings Limited		AUS	\$46	\$48	\$79	9.6%	4.3x	4.3x	6.4x	0.6x
PZ Cussons plc		GBR	\$817	\$860	\$760	11.9%	11.3x	11.0x	9.5x	1.1x
Sano Bruno's Enterprises Ltd		ISR	\$779	\$624	\$572	13.9%	8.9x	9.9x	7.8x	1.1x



■ Excluded from mean and median

Mean 5.9x 6.5x 6.8x 0.7x
Median 6.1x 8.9x 6.9x 0.7x

Cleaning Products Industry Global Comparable Public Companies (1/2)

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		Fourth Quarter Dec. 31, 2023 EV/		
						2021	2022	EBITDA	Revenue	
Church & Dwight Co., Inc.		USA	\$23,298	\$25,295	\$5,868	22.1%	19.9x	19.7x	19.5x	4.3x
Colgate-Palmolive Company		USA	\$65,631	\$73,572	\$19,457	21.8%	16.4x	16.3x	17.3x	3.8x
Ecolab Inc.		USA	\$56,557	\$64,733	\$15,053	21.3%	24.5x	19.3x	20.2x	4.3x
Henkel AG & Co. KGaA		DEU	\$31,756	\$33,763	\$24,771	12.8%	12.0x	9.5x	10.6x	1.4x
Kao Corporation		JPN	\$19,116	\$19,175	\$10,866	11.8%	12.3x	11.2x	15.0x	1.8x
Kimberly-Clark Corporation		USA	\$41,063	\$48,709	\$20,431	20.9%	12.0x	13.4x	11.4x	2.4x
Kimberly-Clark de México, S. A. B. de C. V.		MEX	\$6,680	\$7,380	\$3,119	24.5%	10.1x	11.7x	9.6x	2.4x
Lion Corporation		JPN	\$2,639	\$2,374	\$2,835	9.2%	11.4x	7.4x	9.1x	0.8x
Reckitt Benckiser Group plc		GBR	\$49,291	\$59,020	\$19,120	25.3%	15.3x	16.0x	12.2x	3.1x
The Clorox Company		USA	\$17,690	\$20,543	\$7,310	15.7%	15.2x	19.7x	17.9x	2.8x

Cleaning Products Industry Global Comparable Public Companies (2/2)

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		Fourth Quarter Dec. 31, 2023 EV/		
						2021	2022	EBITDA	Revenue	
The Procter & Gamble Company 	USA	\$345,378	\$372,658	\$83,933	27.3%	16.8x	17.5x	16.2x	4.4x	
Unilever PLC 	GBR	\$120,959	\$150,545	\$65,883	19.8%	13.0x	12.5x	11.5x	2.3x	
■ Excluded from mean and median						Mean	13.4x	12.8x	13.1x	2.3x
						Median	14.1x	14.7x	13.6x	2.6x

Cleaning Products Industry – Global Transactions

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Dec-23		BRA	Manufactures and sales chemical products		-	100.0%	-	-	-
Nov-23		USA	Produces and distributes, commercial, residential, and industrial cleaning products		-	100.0%	-	-	-
Oct-23		USA	Formulates and packages commercial, residential, and industrial cleaning products		-	100%	-	-	-
Oct-23		BRA	Manufactures certified hygiene and disinfection products		-	100%	-	-	-

Selected Transactions Commentary



“This acquisition aligns with our long-stated M&A focus to further strengthen our Performance Chemicals segment and add a manufacturing base in South America. Following this acquisition, we continue to have an extremely strong, debt-free balance sheet and remain well-positioned for additional M&A, consistent shareholder returns, and organic growth investments.”

Patrick S. Williams, President and CEO of Innospec, Inc.



“I am excited to see this next phase for Texize. Texize is well respected throughout our markets and, with the additional resources from Paladin Holdings, I believe Texize will strengthen its product offerings and increase production capacity to reach more customers.”










Steve Gilliam, former owner of Texize



“We are delighted to partner with the PCI team and invest in a company that is instrumental in supporting key brands of its world-class customers.”

Tim Spihlman, Managing Director at Lewis & Clark

Private Equity Transactions

INDUSTRY CLASIFICATION	PERIOD	AVERAGE ENTERPRISE VALUE (IN USD)	REVENUE (IN USD)	TTM REVENUE GROWTH	ENTERPRISE VALUE / REVENUE	EBITDA MARGIN	ENTERPRISE VALUE /EBITDA	NUMBER OF TRANSACTIONS
 Soap, Cleaning Compound, and Toilet Preparation Manufacturing <i>NAICS 3256 – Soap, Cleaning Compound, and Toilet Preparation Manufacturing</i>	 2018-2023	 \$76.4M	 \$46.5M	 14.1%	 2.4x	 28.7%	 8.1x	 10
Soap and Other Detergent Manufacturing <i>NAICS 325611 – Soap and Other Detergent Manufacturing</i>	2018-2023	\$105.7M	\$68.2M	9.5%	2.0X	21.9%	8.6x	4

Notes:

- Data obtained via GF Data, a subscription-based information platform, offering detailed information and metrics about the transactions of Private Equity funds in the U.S.
- The data is provided under a blind confidential format. Users of the data are unable to identify the exact company and transaction corresponding to the transaction details. Given this blind approach, the data submitted is less likely to be biased or manipulated.

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<p>FEMSA has sold</p> <p> QUIMIPRODUCTOS</p> <p>to</p> <p>ECOLAB</p>	<p>KEY</p> <p>Corporate Finance Advisory Services</p> <p>Financial Advisor to Key Química</p>	<p> CHURCH & DWIGHT CO., INC.</p> <p>Corporate Finance Advisory Services</p> <p>Financial Advisor to Church & Dwight</p>	<p>Reynera</p> <p>Corporate Finance Advisory Services</p> <p>Financial Advisor to Reynera</p>	<p>BEIJER REF</p> <p>has been acquired by</p> <p> HERITAGE DISTRIBUTION HOLDINGS</p>	<p>avangardinnovative MOVING THE CIRCULAR ECONOMY FORWARD</p> <p>has sold a controlling interest to</p> <p>WM WASTE MANAGEMENT</p>	<p>Hertz</p> <p>has acquired</p> <p> DONLEN</p>
<p>Standex</p> <p>has sold</p> <p> Enginetics</p> <p>to</p> <p> Enjet AERO</p>	<p> ITT</p> <p>has sold</p> <p> BURNY  KALIBURN PLASMA CUTTING INNOVATION</p> <p>and</p> <p> CNC Cleveland Motion Controls</p> <p>to</p> <p> LINCOLN ELECTRIC</p>	<p>Honeywell</p> <p>has sold</p> <p> TENSOR</p> <p>to</p> <p> GE Power Systems</p>	<p> TRIUMPH</p> <p>has sold</p> <p> Triumph Processing - Embee Division</p> <p>to</p> <p> AMP ALL METALS PROCESSING</p>	<p> TRIUMPH</p> <p>has sold</p> <p>Triumph Air Repair, the APU Overhaul Operations of Triumph Aviation Services – Asia, and Triumph Engines businesses</p> <p>to</p> <p>TGG THE GORES GROUP</p>	<p> Rheem</p> <p>has acquired</p> <p> HTPG</p>	<p>GRACE</p> <p>has sold its GRACE Membranes business</p> <p> UOP</p> <p>a subsidiary of Honeywell</p>
<p> convatec – forever caring –</p> <p>has sold</p> <p>SENSI CARE</p> <p>and</p> <p>ALOE VESTA</p> <p>to</p> <p> MEDLINE</p>	<p> United Technologies</p> <p>has sold</p> <p>MobileView</p> <p>to</p> <p>SAFE FLEET Driving Safety Forward™</p>	<p> United Technologies</p> <p>has sold</p> <p>HTPG A division of Carrier Commercial Refrigeration, Inc.</p> <p>to</p> <p> MONOMOY and  Starboard Capital Partners</p>	<p>LOCKHEED MARTIN </p> <p>has sold</p> <p> Commercial Flight Training Business</p> <p>to</p> <p>ALTEON A BOEING COMPANY</p>	<p>FLOWSERVE</p> <p>has sold</p> <p> D&B</p> <p>to</p> <p> DB DaviesBaird</p>	<p> KBR</p> <p>has acquired</p> <p> Wabi Wabi Development Corporation</p>	<p> Electrolux PROFESSIONAL</p> <p>has acquired</p> <p> unified brands a DOW company</p> <p>from</p> <p> DOVER</p>



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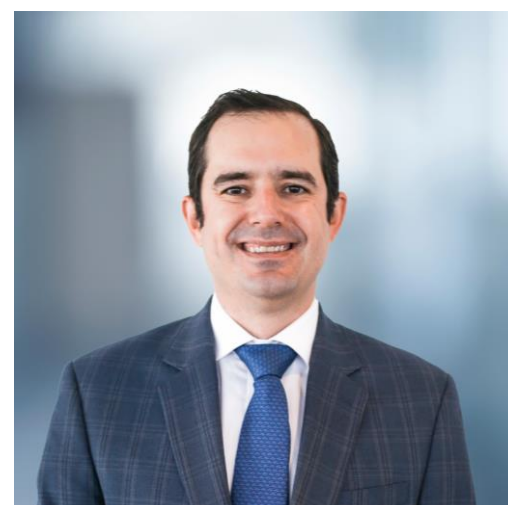


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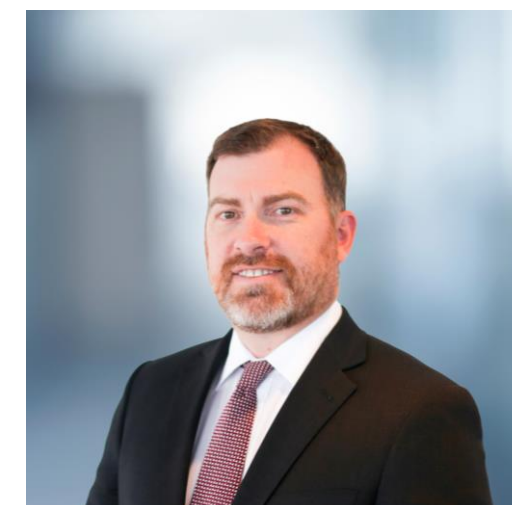


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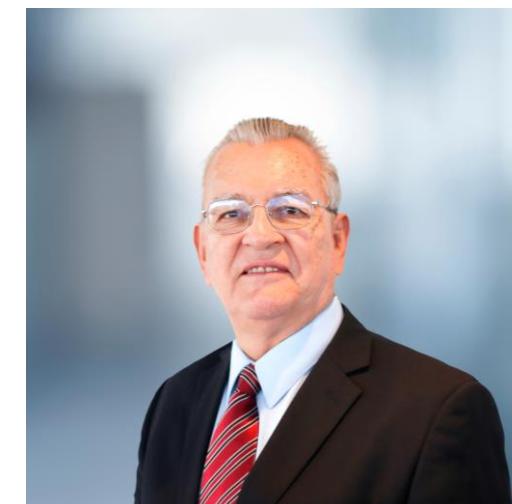


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Please contact us if you would like further information about M&A trends and/or specific transaction multiples for your industry.

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For over 25 years, Seale & Associates has served leading public and private companies from around the world and operating in a broad range of industries with a high level of quality, integrity and independence while presenting innovative ideas and trusted solutions to address their most complex dealings.

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