



Seale & Associates

PERSONAL CARE INDUSTRY
Q2 2024
VALUATION UPDATE

25 years

Introduction

We are pleased to share our Personal Care Industry Multiples Valuation Update for Q2 2024.

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.

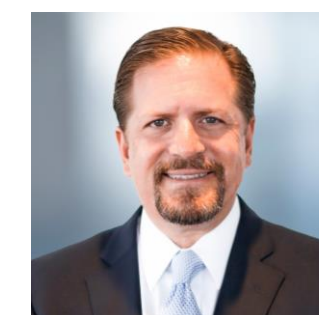
Over the course of 25+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our clients who are looking to grow through acquisitions or optimize their portfolios through strategic divestitures.

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



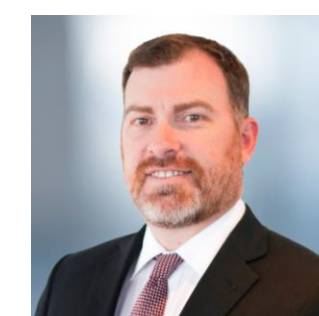
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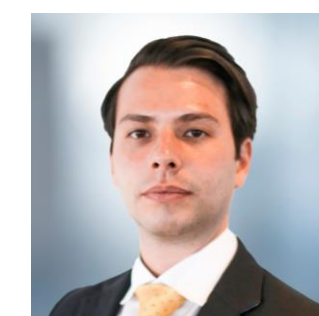
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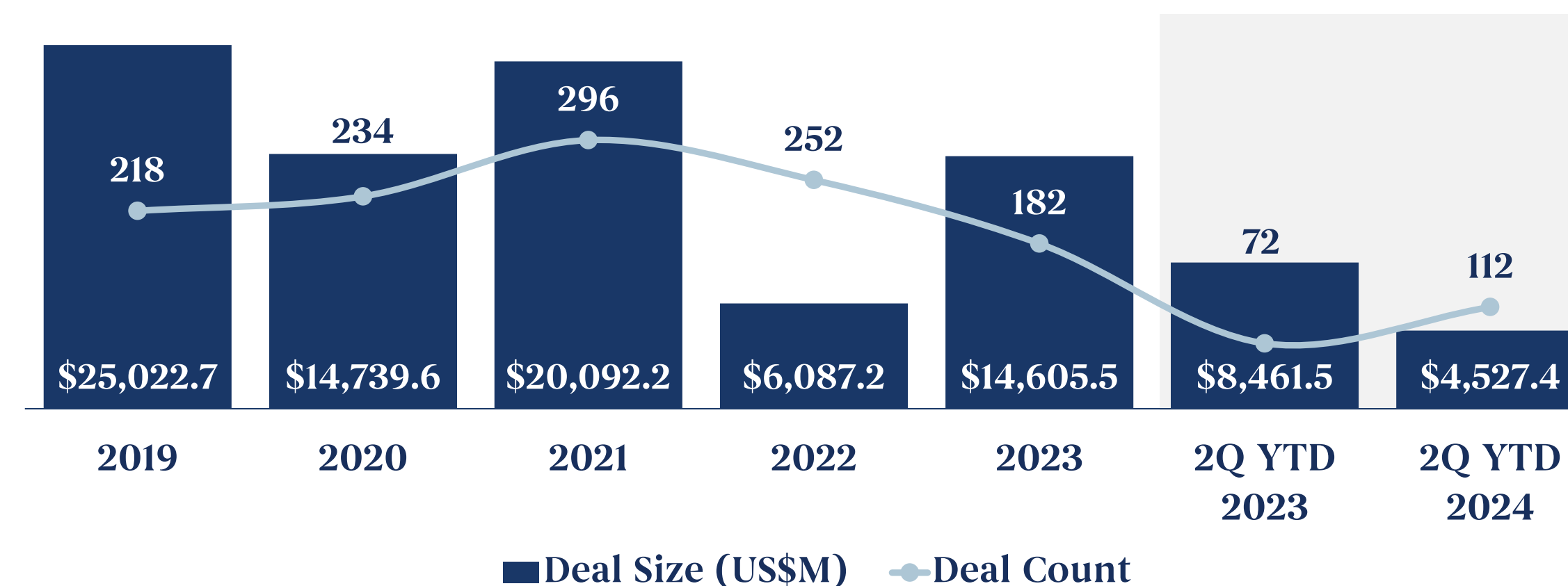
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Personal Care Industry Overview, M&A Trends and Market Intelligence

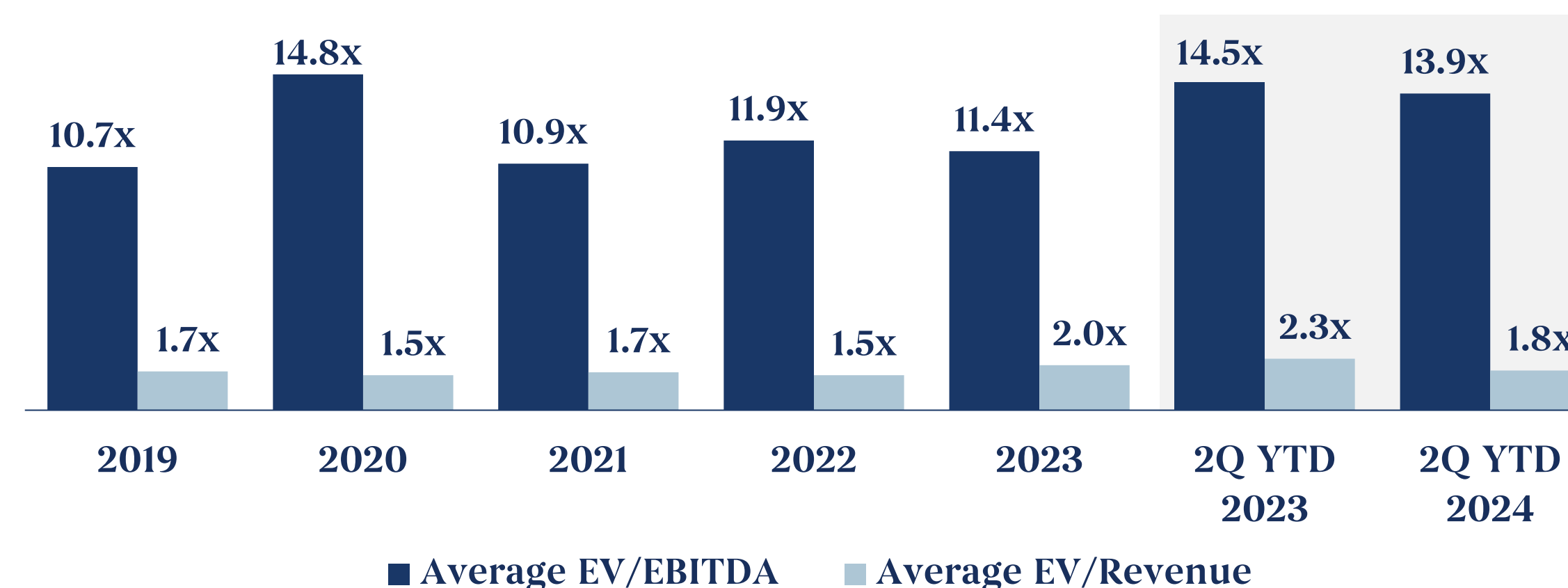
Beauty & Personal Care Industry Overview

- The Global Beauty & Personal Care market is projected to reach a revenue of **US\$646.2 billion in 2024**, with an expected **CAGR of 3.3%** from **2024 to 2028**. The **Personal Care** segment remains the largest within this market, estimated to reach a **market volume of US\$282.8 billion in 2024**
- Recent activity in the beauty sector and the anticipated resurgence in M&A activity are **prompting private equities** to consider exiting **mature portfolio companies**, as valuation multiples have stabilized and continue to **improve**
- **Strategic buyers** have been the most active in acquiring **beauty assets**, while **private equity firms** are focusing on executing **add-on acquisitions** for their existing portfolio companies
- In the US, **high interest rates** have made buyers **more selective**, with a greater focus on **profitability** for **Beauty & Personal Care** brands to achieve higher **valuation multiples**
- A strong pipeline of well-performing assets in the US is fostering a **positive outlook** for the second half of 2024, with **strategic** and **PE buyers** showing a preference for omnichannel brands, premium products, and those centered on customer loyalty and volume growth trends
- **Makeup** is the fastest-growing category in the US market. Many **independent brands** that have scaled are exploring **potential M&A activity**. Strategic buyers will continue to **prioritize brands** and **manufacturers** offering scale, complementary products, and support revenue growth

Personal Care Industry M&A Deal Size and Volume



Personal Care Industry M&A Average EV/EBITDA and EV/Revenue



Personal Hygiene Global Comparable Public Companies

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		Second Quarter Jun. 30, 2024	
						2022	2023	EV/EBITDA	EV/Revenue
Colgate-Palmolive Company	USA	\$79,616	\$87,382	\$19,989	24.4%	16.3x	16.7x	17.9x	4.4x
Edgewell Personal Care Company	USA	\$1,992	\$3,170	\$2,270	14.7%	9.3x	10.0x	9.5x	1.4x
Essity AB (publ)	SWE	\$17,974	\$21,401	\$13,698	17.6%	12.5x	11.8x	8.9x	1.6x
Kimberly-Clark Corporation	USA	\$46,533	\$53,816	\$20,280	21.6%	13.4x	12.9x	12.3x	2.7x
Lion Corporation	JPN	\$2,156	\$2,075	\$2,541	11.5%	7.6x	9.1x	7.1x	0.8x
Pigeon Corporation	JPN	\$1,082	\$908	\$608	15.5%	13.0x	11.2x	9.6x	1.5x
Reckitt Benckiser Group plc	GBR	\$37,807	\$46,870	\$18,108	25.9%	16.0x	13.9x	10.0x	2.6x
The Procter & Gamble Company	USA	\$389,234	\$415,464	\$84,039	29.2%	17.5x	17.3x	16.9x	4.9x
Unicharm Corporation	JPN	\$18,844	\$17,374	\$6,068	19.3%	16.2x	17.9x	14.9x	2.9x
Unilever PLC	GBR	\$137,046	\$166,033	\$64,602	19.4%	12.5x	12.4x	13.3x	2.6x







■ Excluded from mean and median

Mean 13.0x 12.2x 10.7x 2.0x
Median 13.2x 12.6x 11.2x 2.6x

Beauty & Skin Care 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		Second Quarter Jun. 30, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
Amorepacific Corporation	AMORE PACIFIC	KOR	\$7,493	\$6,887	\$2,651	9.9%	13.0x	16.2x	26.3x	2.6x
Beiersdorf Aktiengesellschaft		DEU	\$32,747	\$30,175	\$10,378	15.2%	15.3x	16.5x	19.1x	2.9x
Cosmax, Inc.		KOR	\$1,612	\$1,932	\$1,440	10.5%	7.1x	11.1x	12.8x	1.3x
Coty Inc.		USA	\$8,650	\$13,013	\$6,118	19.7%	11.9x	14.2x	10.8x	2.1x
e.l.f. Beauty, Inc.		USA	\$11,787	\$11,970	\$1,132	16.3%	30.6x	51.0x	64.7x	10.6x
Kao Corporation		JPN	\$18,864	\$19,164	\$9,840	13.1%	11.2x	13.3x	14.9x	1.9x
KOSÉ Corporation		JPN	\$3,632	\$3,033	\$1,961	9.0%	20.2x	18.8x	17.1x	1.5x
LG H&H Co., Ltd.		KOR	\$3,931	\$3,551	\$4,965	11.2%	8.7x	7.9x	6.4x	0.7x
L'Occitane International S.A.		LUX	\$6,271	\$7,127	\$2,724	14.8%	10.9x	10.0x	17.7x	2.6x
L'Oréal S.A.		FRA	\$234,935	\$239,626	\$45,783	22.1%	24.9x	25.0x	23.7x	5.2x



Beauty & Skin Care 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		Second Quarter Jun. 30, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
Natura &Co Holding S.A.		BRA	\$3,873	\$4,133	\$4,818	8.8%	10.3x	11.1x	9.7x	0.9x
Noevir Holdings Co., Ltd.		JPN	\$1,198	\$1,037	\$398	19.6%	15.1x	13.2x	13.3x	2.6x
Nu Skin Enterprises, Inc.		USA	\$523	\$882	\$1,844	12.4%	6.2x	6.6x	3.9x	0.5x
Shiseido Company, Limited		JPN	\$11,405	\$13,106	\$6,142	8.0%	22.0x	24.1x	26.6x	2.1x
The Estée Lauder Companies Inc.		USA	\$38,151	\$45,130	\$15,608	17.2%	19.3x	20.6x	16.8x	2.9x
Ulta Beauty, Inc.		USA	\$18,412	\$19,780	\$11,299	20.6%	11.0x	10.9x	8.5x	1.8x
■ Excluded from mean and median						Mean	11.7x	12.5x	12.6x	1.9x
						Median	12.5x	13.7x	15.8x	2.1x

Personal Care – Global Transactions

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue	
Jun-24	 iKOU <small>rest . relax . restore</small>	AUS	Provides organic skincare and wellness products	 ADOREBEAUTY GROUP	-	100.0%	\$16.7	-	-	
Jun-24	 Stripes BEAUTY	USA	Provides science-backed personal care and beauty products	 L CATTERTON	-	100.0%	-	-	-	
Jun-24	Assets of Occy Laboratory	CAN	Provides high-quality dermocosmetic products	 CRESCITA THERAPEUTICS	 OCCY laboratoire	100.0%	\$0.7	-	-	
Jun-24	 Reviva LABS	USA	Provides natural skincare products	 SENDAYCO	-	100.0%	-	-	-	
Jun-24	 V VIRAGE SANTE INC.	CAN	Provides natural health products	 G GROUPE PHARMA TSUYI, L.S.	-	100.0%	\$1.8	-	-	
Jun-24*	 なにげない感動をずっと。 FANCL	JPN	Provides additive-free cosmetics and dietary supplements	 KIRIN	-	67.5%	\$1,390.0	12.5x	1.8x	
May-24	 NATURE'S GREATEST SECRET	GBR	Provides natural health and skincare products	 SAMARKAND GLOBAL	-	100.0%	\$1.7	4.3x	1.1x	
May-24	 SILLY GEORGE	USA	Provides glue-free, vegan-friendly eyelash products	 NEXGEL advanced hydrogel solutions	Semmens Business Trust	100.0%	\$0.6	-	-	
May-24*	Target Co.	CAN	Provides a range of natural products in liquid, powder, as well as in capsule forms	 G GROUPE PHARMA TSUYI, L.S.	-	100.0%	\$1.8	-	-	
Apr-24	Ivia Beaute Cosmetics Business	IND	Provides cosmetics and personal care products	 CiplaHealth Improving lives, every day	 IVIA BEAUTE	100.0%	\$28.8	-	-	
*Announced transactions pending approval and other customary closing conditions								Mean	8.4x	1.4x
								Median	8.4x	1.4x

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
 Toilet Preparation <i>NAICS 325620 – Toilet Preparation Manufacturing</i>	2019 - 2024	\$46.2M	\$38.1M	22.9%	1.4x	21.7%	6.1x	17
 Cosmetics, Beauty Supplies, and Perfume Stores <i>NAICS 44612 – Cosmetics, Beauty Supplies, and Perfume Stores</i>	2019 - 2024	\$63.5M	\$44.9M	19.3%	1.5x	22.6%	7.1x	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.

ConvaTec

TARGET

Sensi-Care and Aloe Vesta

TRANSACTION TYPE

Sell-side advisory

INDUSTRIES

Skincare and Personal Care

GEOGRAPHY

Reading, GBR

SITUATION

Seale & Associates acted as financial advisor to ConvaTec Group (LON:CTEC) on the divestiture of Sensi-Care and Aloe Vesta to Medline Industries. ConvaTec Group (LON:CTEC), is a global medical products company based in the United Kingdom.

SEALE & ASSOCIATES' APPROACH

Seale managed a competitive auction process with potential strategic and financial buyers for Sensi-Care and Aloe Vesta. Seale's disciplined approach allowed our client to maintain momentum and negotiating leverage throughout the process and ensure closing at a premium value and more favorable terms.

OUTCOME

The process resulted in a successful acquisition of Sensi-Care and Aloe Vesta by Medline Industries, an American healthcare company with almost USD\$14 billion in annual sales. The divestiture is part of ConvaTec's strategy to focus on its core businesses and markets.

“Seale was instrumental in keeping the process moving in a swift, orderly fashion”



has sold

SENSI CARE

and

ALOE VESTA

to



“Seale was instrumental in keeping the process moving in a swift, orderly fashion. Their common sense and ability to find simple, common ground solutions while preserving our interests were invaluable in bringing this project to a successful conclusion.”

George Landau
Vice President of Corporate Development at ConvaTec

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Global M&A Representative Engagements

<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>WASTE MANAGEMENT</p>	<p>ZN ZINC NACIONAL</p> <p>has sold</p> <p>GSDKO</p> <p>Zinc Oxide Corporation a subsidiary of</p>  <p>Korea Zinc</p>	<p>Electrolux PROFESSIONAL</p> <p>has acquired</p> <p>unified brands a DOVER company</p> <p>from</p>  <p>DOVER</p>	<p>Port Contractors STEVEDORES - TERMINAL OPERATORS</p> <p>has been acquired by</p>  <p>ENSTRUCTURE</p>	<p>Oxbow</p> <p>Oxbow's Senior Subordinated debt issued by</p>  <p>H.J. BAKER ESTABLISHED 1888</p> <p>was refinanced by</p>  <p>BMO</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 IMPROVEMENTS IN SHAPE CUTTING 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</p> <p>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 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>H I G HARRISON GYPSUM, LLC</p> <p>has been recapitalized by</p> <p>H. I. G. PRIVATE EQUITY</p>



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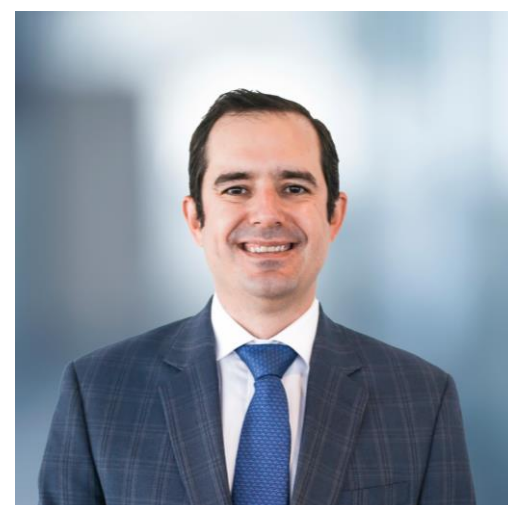


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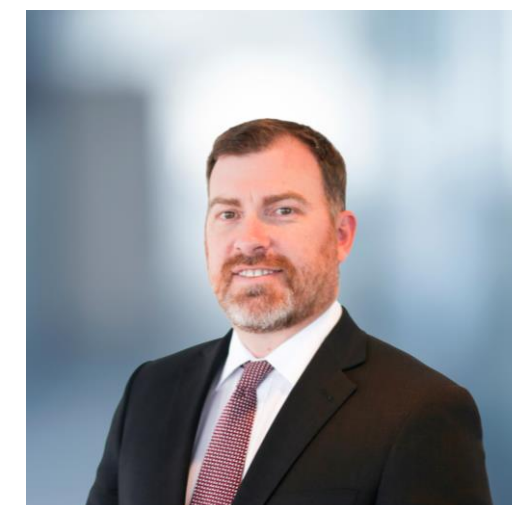


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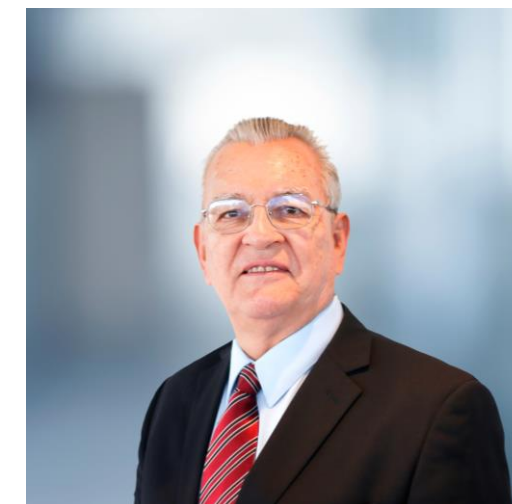


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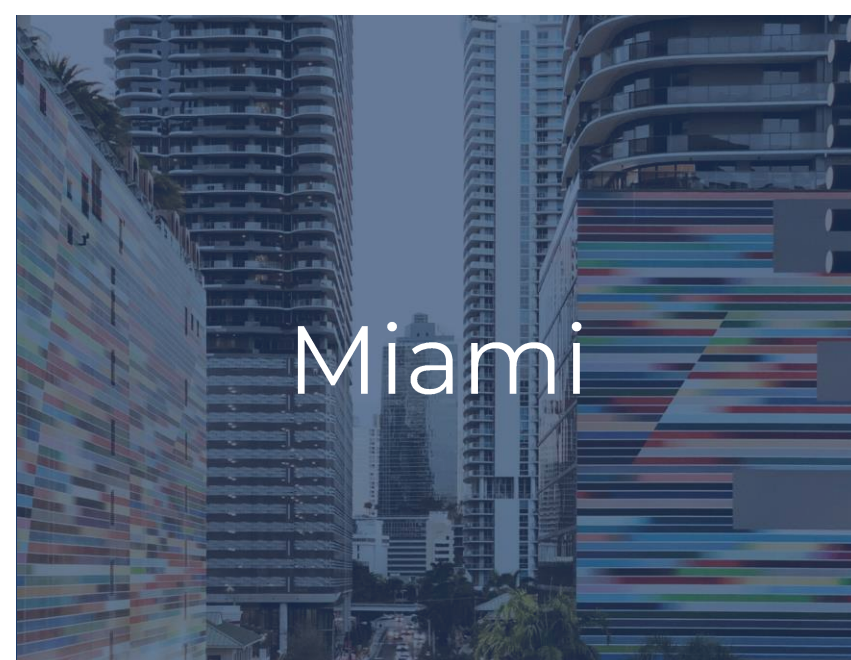
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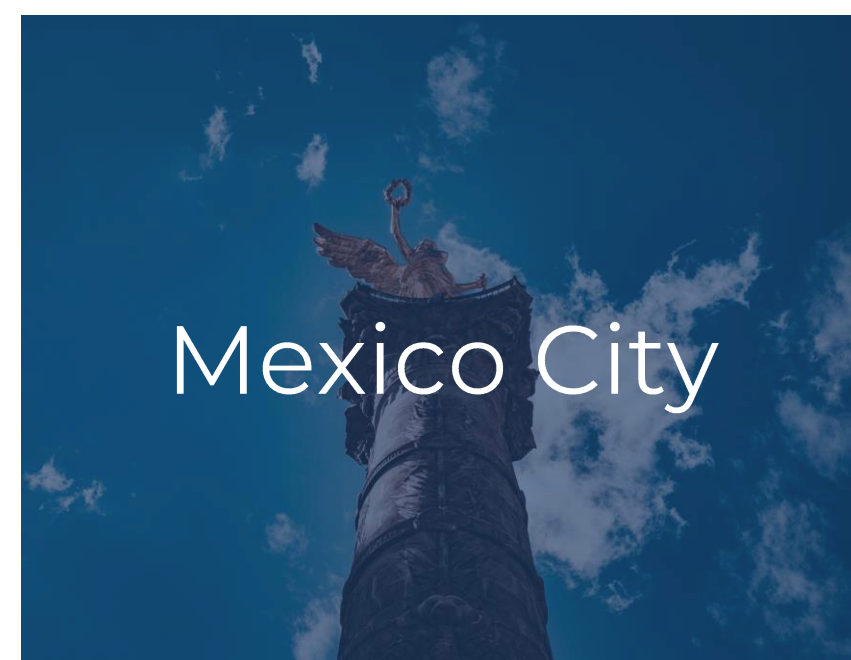
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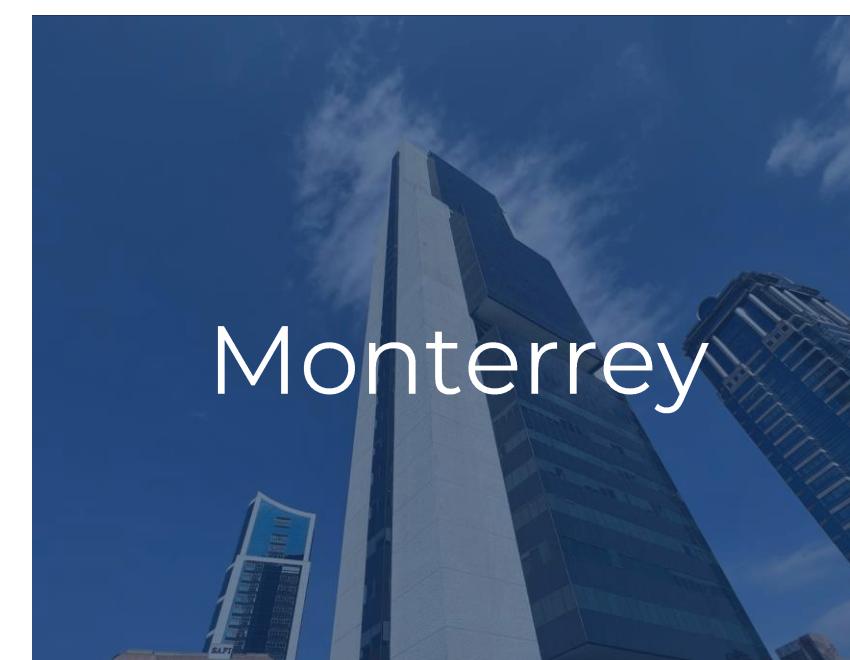
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Monterrey



San Luis Potosi

Creative Solutions. Trusted Advice.

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.

25

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\$50B+

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