



Seale & Associates

PERSONAL CARE INDUSTRY
Q4 2023
VALUATION UPDATE

25 years

Introduction

We are pleased to share our Personal Care Industry 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 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.



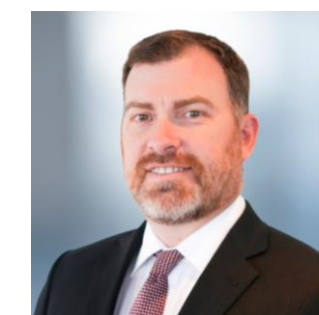
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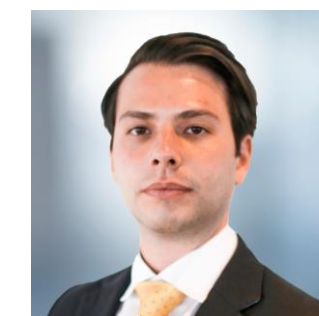
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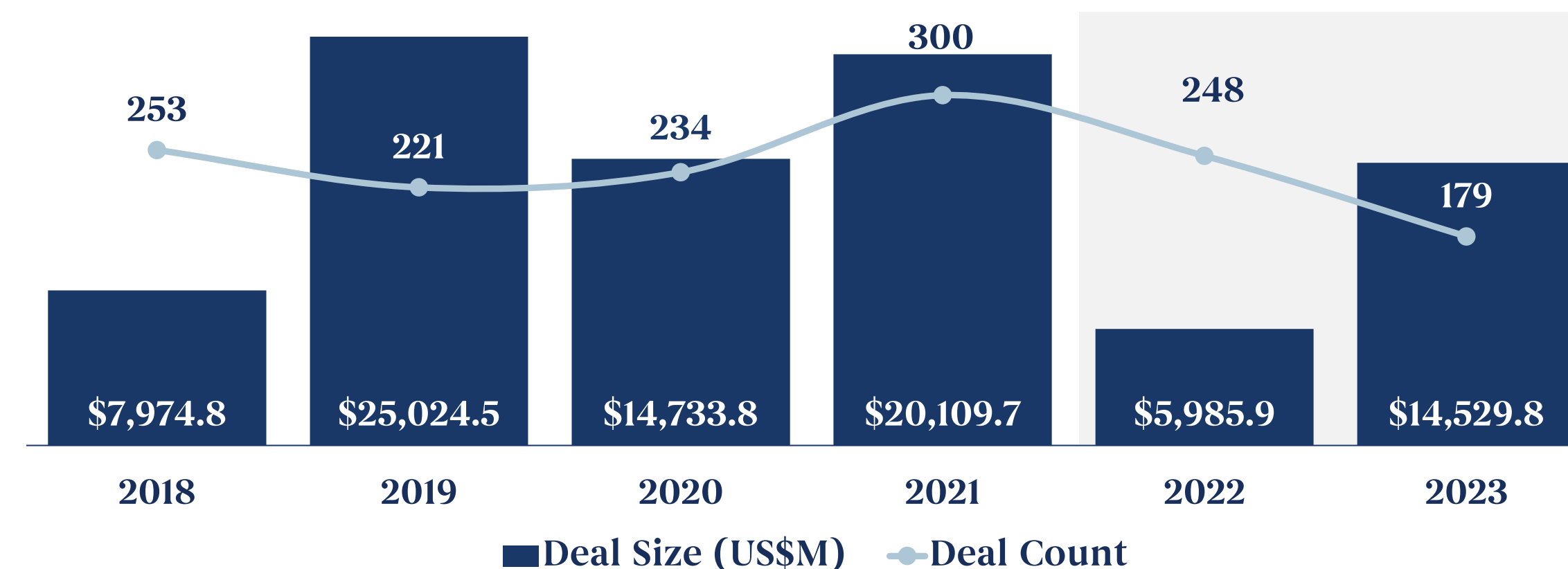
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Personal Care Industry Overview, M&A Trends and Market Intelligence

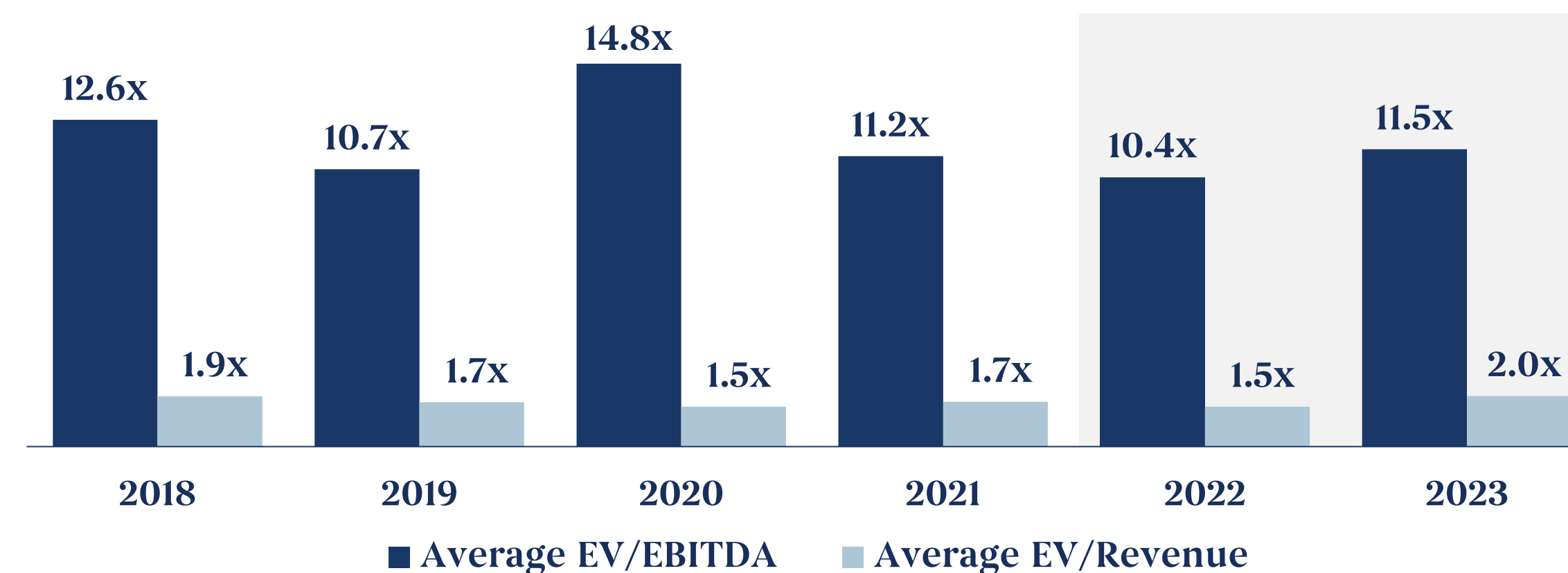
Beauty & Personal Care Industry Overview

- The global beauty & personal care market is estimated at **US\$525.6 billion** in **2023** and is expected to reach **US\$659.3 billion by 2028**, growing at a **CAGR of 4.6%**
- The beauty & personal care market in **North America** is projected to generate a revenue of **US\$118.5 billion in 2024**, with an expected **CAGR of 2.3% by 2028**
- With the **rising awareness** about the harmful effects of chemicals and synthetic products, consumers are **inclined toward organic** personal care products
- The **general optimism** surrounding personal care and beauty in 2024 is fueled by **technological advancements** across a broad spectrum, including blockchain, new component and formulation releases, and both conventional and generative AI
- Approximately **two-thirds of professionals** in the beauty and personal care industry anticipate that the **discounter channel** will **increase in market share** as consumers' purchasing power is diminished due to inflation. Alongside this increase, there will be **more retail e-commerce and internet activity**
- Online sales are expected to **contribute 27.1%** of the total revenue in the Beauty & Personal Care market **by 2024**, showing the growing significance of e-commerce channels in the industry's sales distribution

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		Fourth Quarter Dec. 31, 2023	
						2021	2022	EV/EBITDA	EV/Revenue
Colgate-Palmolive Company	USA	\$65,631	\$73,572	\$19,457	21.8%	16.4x	16.3x	17.3x	3.8x
Edgewell Personal Care Company	USA	\$1,840	\$3,072	\$2,271	14.6%	8.9x	9.3x	9.2x	1.4x
Essity AB (publ)	SWE	\$17,451	\$24,415	\$14,632	17.8%	10.8x	12.5x	9.4x	1.7x
Kimberly-Clark Corporation	USA	\$41,063	\$48,709	\$20,431	20.9%	12.0x	13.4x	11.4x	2.4x
Lion Corporation	JPN	\$2,639	\$2,374	\$2,856	9.2%	11.4x	7.4x	9.1x	0.8x
Pigeon Corporation	JPN	\$1,377	\$1,182	\$670	19.9%	19.2x	13.0x	8.9x	1.8x
Reckitt Benckiser Group plc	GBR	\$49,291	\$59,020	\$18,606	26.0%	15.3x	16.0x	12.2x	3.2x
The Procter & Gamble Company	USA	\$345,378	\$372,658	\$83,933	27.3%	16.8x	17.5x	16.2x	4.4x
Unicharm Corporation	JPN	\$21,334	\$19,908	\$6,677	18.2%	17.0x	16.2x	16.4x	3.0x
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 13.5x 13.0x 10.2x 2.1x
Median 14.1x 13.2x 11.5x 2.3x

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		Fourth Quarter Dec. 31, 2023		
						2021	2022	EV/EBITDA	EV/Revenue	
Amorepacific Corporation	AMORE PACIFIC	KOR	\$6,826	\$6,316	\$2,829	11.0%	18.7x	13.0x	20.2x	2.2x
Beiersdorf Aktiengesellschaft		DEU	\$34,022	\$31,750	\$10,442	17.5%	16.3x	15.3x	17.3x	3.0x
Cosmax, Inc.		KOR	\$1,104	\$1,344	\$1,341	8.8%	13.3x	7.1x	11.4x	1.0x
Coty Inc.		USA	\$11,075	\$15,663	\$6,010	18.7%	30.1x	11.9x	13.9x	2.6x
e.l.f. Beauty, Inc.		USA	\$7,967	\$7,881	\$890	17.5%	38.6x	30.6x	50.7x	8.9x
Kao Corporation		JPN	\$19,116	\$19,175	\$10,866	11.8%	12.3x	11.2x	15.0x	1.8x
KOSÉ Corporation		JPN	\$4,278	\$3,566	\$2,130	11.9%	32.1x	20.2x	14.0x	1.7x
LG H&H Co., Ltd.		KOR	\$4,262	\$3,955	\$5,240	12.5%	15.1x	8.7x	6.1x	0.8x
L'Occitane International S.A.		LUX	\$4,203	\$4,990	\$2,549	20.0%	12.2x	10.9x	9.8x	2.0x
L'Oréal S.A.		FRA	\$266,358	\$271,695	\$45,521	22.3%	27.9x	24.9x	26.7x	6.0x










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		Fourth Quarter Dec. 31, 2023		
						2021	2022	EV/EBITDA	EV/Revenue	
Natura &Co Holding S.A.		BRA	\$4,806	\$5,137	\$5,510	11.0%	22.4x	10.3x	8.5x	0.9x
Noevir Holdings Co., Ltd.		JPN	\$1,245	\$1,049	\$446	19.4%	16.3x	15.1x	12.1x	2.4x
Nu Skin Enterprises, Inc.		USA	\$960	\$1,303	\$1,969	11.2%	6.8x	6.2x	5.9x	0.7x
Shiseido Company, Limited		JPN	\$12,048	\$13,337	\$6,899	9.4%	34.0x	21.8x	20.5x	1.9x
The Estée Lauder Companies Inc.		USA	\$52,335	\$60,383	\$15,157	17.4%	28.3x	19.3x	22.9x	4.0x
Ulta Beauty, Inc.		USA	\$23,795	\$25,773	\$10,880	20.8%	15.7x	11.0x	11.4x	2.4x
■ Excluded from mean and median						Mean	17.1x	11.7x	13.5x	1.9x
						Median	17.5x	12.5x	14.0x	2.1x

Personal Care – Global Transactions (1/2)

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Dec-23		USA	Develops and manufactures and markets health and beauty care products		-	100.0%	-	-	-
Dec-23		USA	Develops haircare products utilizing biomimetic science for deep molecular repair			100.0%	-	-	-
Dec-23		USA	Develops dermatologist-formulated skincare solutions blending scientific innovation with natural ingredients			100.0%	\$450.0	-	4.8x
Dec-23		GBR	Develops and manufactures skincare and bodycare products			100.0%	-	-	-
Dec-23		CAN	Develops and sells electric toothbrushes and oral care products		-	100.0%	-	-	-
Dec-23		USA	Develops science-backed haircare products free from silicone for salon-level results		-	100.0%	-	-	-
Nov-23	Sampling and Fragrance Coatings Business	USA	Develops and manufactures fragrance coating products			100.0%	-	-	-
Nov-23		CAN	Develops a portfolio of premium personal care and beauty brands		-	100.0%	-	-	-
Nov-23		GBR	Develops natural skincare and beauty products			100.0%	\$258.3	-	-

Personal Care - Global Transactions (2/2)

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue	
Oct-23	 LUCASMEYER COSMETICS by IFF	CAN	Develops innovative cosmetic ingredients	 CLARIANT	 IFF International Flavors & Fragrances	100.0%	\$810.0	16.3x	8.1x	
Oct-23	 DOLLAR SHAVE CLUB	USA	Develops and delivers personal grooming products	 NEXUS	 Unilever	>50%	-	-	-	
Oct-23	 BikiniZone	USA	Develops, manufactures and markets skincare solutions	 NFI	 cca core care AMERICA COMMITTED TO HEALTH & BEAUTY	100.0%	\$2.5	-	-	
								Mean	16.3x	6.4x
								Median	16.3x	6.4x

Selected Transactions Commentary



“Dr. Dennis Gross Skincare’s leadership in clean, innovative and science-based formulations and its loyal consumer following make it the perfect addition to the Shiseido Americas portfolio, and we look forward to working with the team with a focus on accelerating the brand’s growth plans.”

Ron Gee, President and CEO of Shiseido Americas



“We are thrilled to continue to grow our Unilever Prestige portfolio in high growth premium spaces with the addition of K18. This acquisition complements our fast-growing portfolio of premium, culturally-relevant consumer brands.”

Vasiliki Petrou, CEO of Unilever Prestige



“We are delighted to be undertaking this acquisition of an iconic British brand, which pioneered the cruelty-free and natural ingredient movement in the health and beauty market. We look forward to working with CEO Ian Bickley and his team to drive operational improvements and re-energize the business, and help to deliver the next chapter of success.”










Tristan Nagler, Partner at Aurelius



“The proposed acquisition of Lucas Meyer Cosmetics marks another major step forward for Clariant’s purpose-led growth strategy. It will strengthen our position as a true specialty chemical company, our exposure towards consumer markets, and our footprint in North America.”

Conrad Kejizer, CEO of Clariant

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
 Health and Personal Care Stores <i>NAICS 446 – Health and Personal Care Stores</i>	 2018 - 2023	 \$45.6M	 \$34.5M	 21.2%	 1.5x	 25.2%	 6.3x	 23
Cosmetics, Beauty Supplies, and Perfume Stores <i>NAICS 44612 – Cosmetics, Beauty Supplies, and Perfume Stores</i>	2018 - 2023	\$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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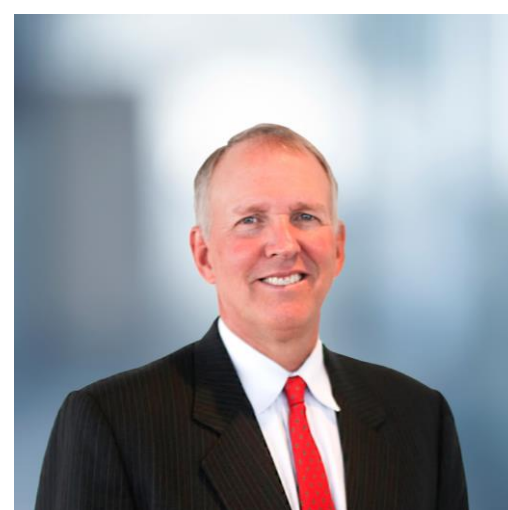
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Global M&A Representative Engagements

<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 1880</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 PLASMA CUTTING INNOVATION</p> <p>and</p> <p>CMC 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 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</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>

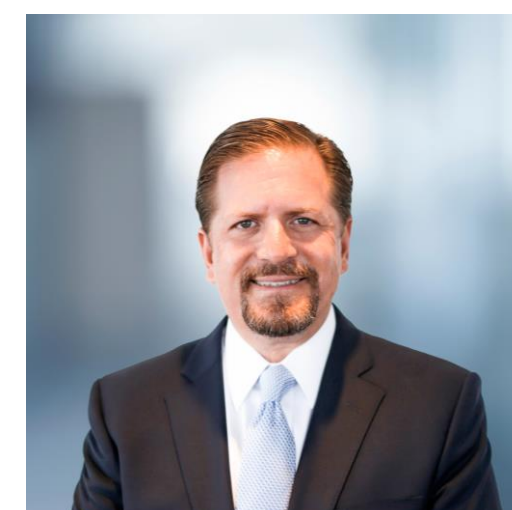


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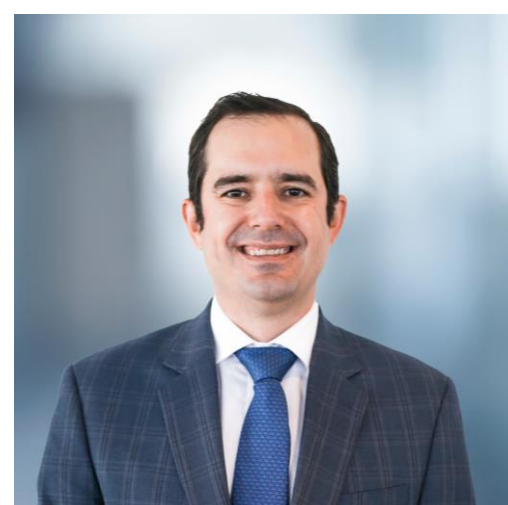


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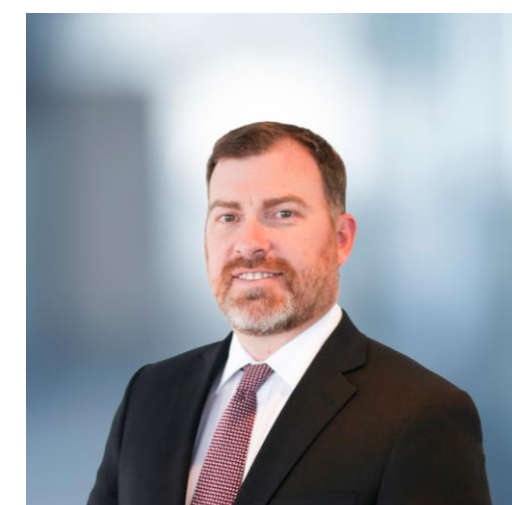


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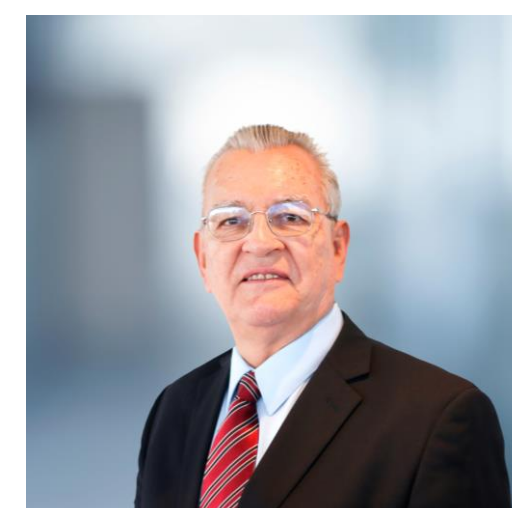


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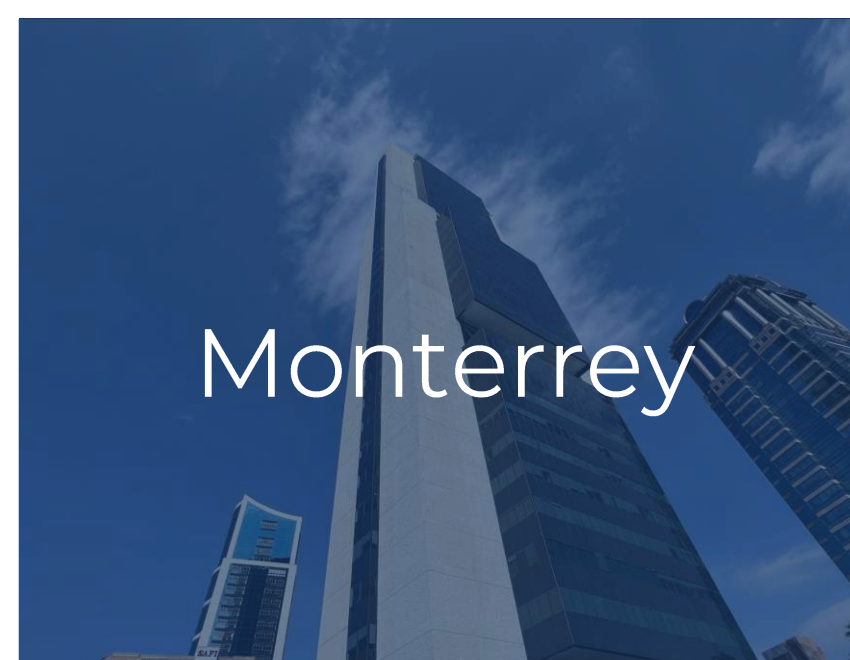
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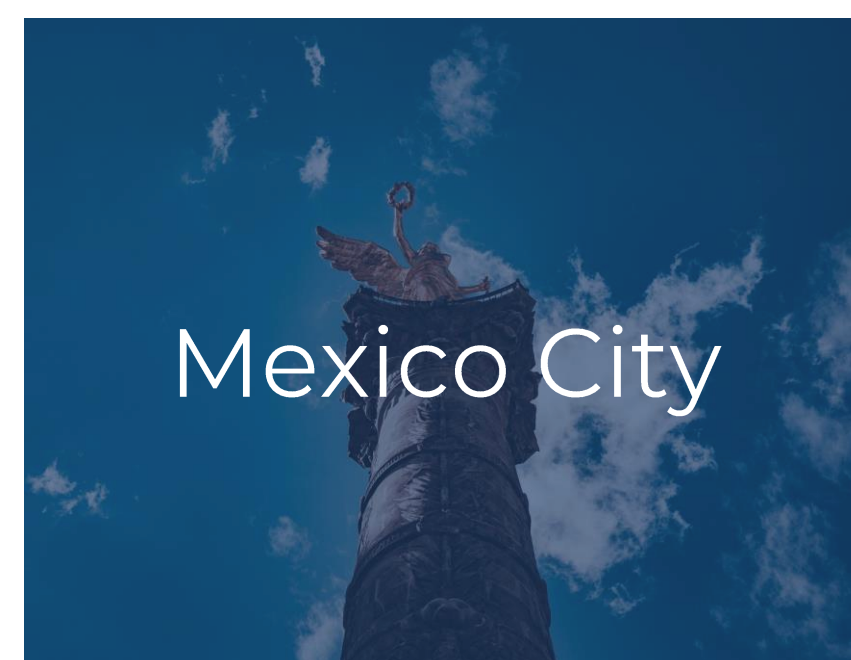
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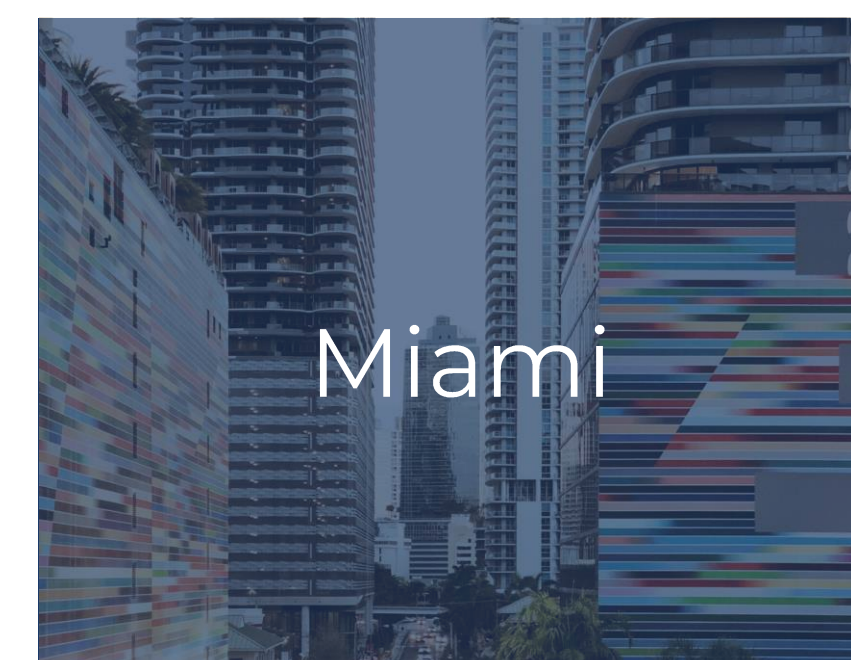
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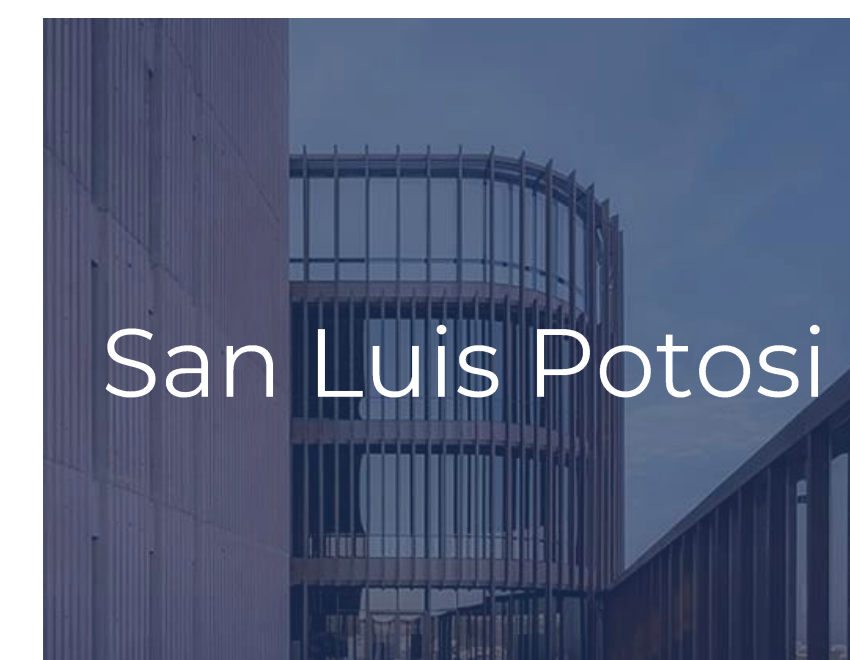
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For over 25 years, Seale & Associates has served leading public and private companies from around the world and operating in a broad range of industries with a high level of quality, integrity and independence while presenting innovative ideas and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

25

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\$50B+

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