

The background of the slide features a top-down view of several open paint cans and a color selection chart. The paint cans are arranged in a cluster, with some showing a light sage green and others a slightly darker shade. The color chart, positioned diagonally, displays a wide range of colors from deep blues and greys to lighter, muted greens and yellows. The entire scene is overlaid with a semi-transparent dark blue filter.

Seale & Associates

PAINTS & COATINGS INDUSTRY
Q4 2024
VALUATION UPDATE

25 years

Table of Content

Industry Overview 4

Global Comparable Public Companies 5

Global Transactions 7

About Seale 8

Introduction

We are pleased to share our Paints & Coatings “P&C” Industry Multiples Valuation Update for Q4 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.



James A. Seale | President
jseale@sealeassociates.com



Brett M. Carmel | Senior Managing Director
bcarmel@sealeassociates.com



Robert Whitney | Managing Director
rwhitney@sealeassociates.com



Sergio Garcia del Bosque | Managing Director
sgarcia@sealeassociates.com



Carlos Hernández Goudet | Managing Director
chernandez@sealeassociates.com



Alejandro Montemayor | Vice President
amontemayor@sealeassociates.com



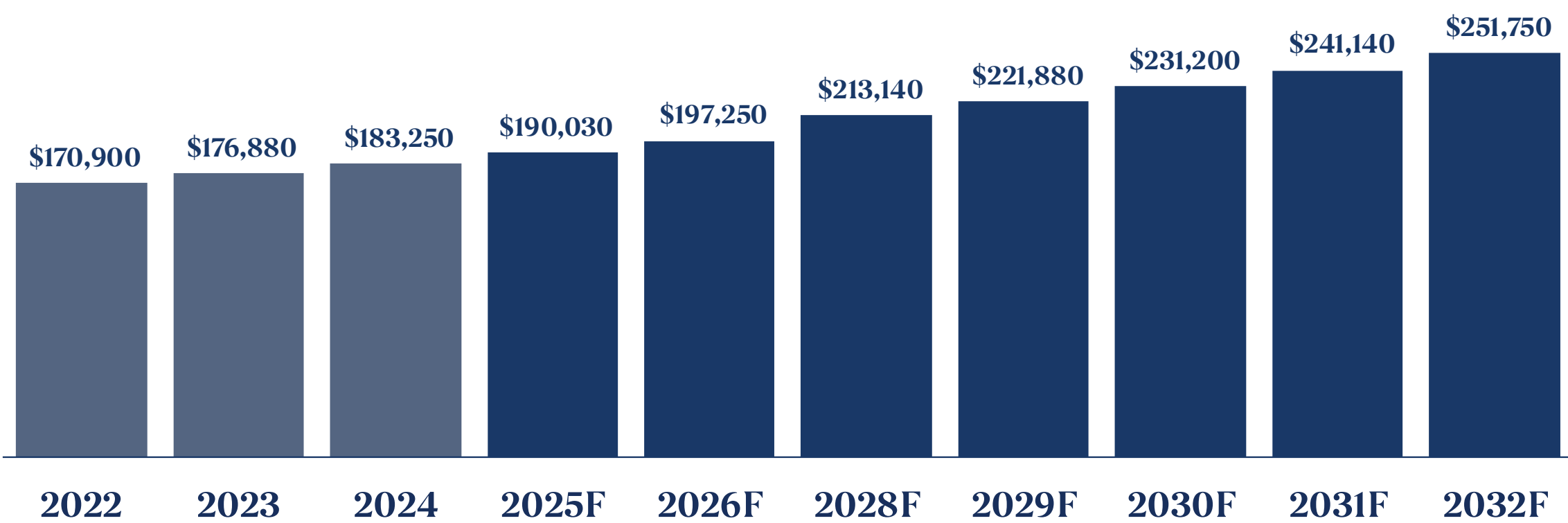
Armando Rios | Vice President
arios@sealeassociates.com

P&C Industry Overview, M&A Trends and Market Intelligence

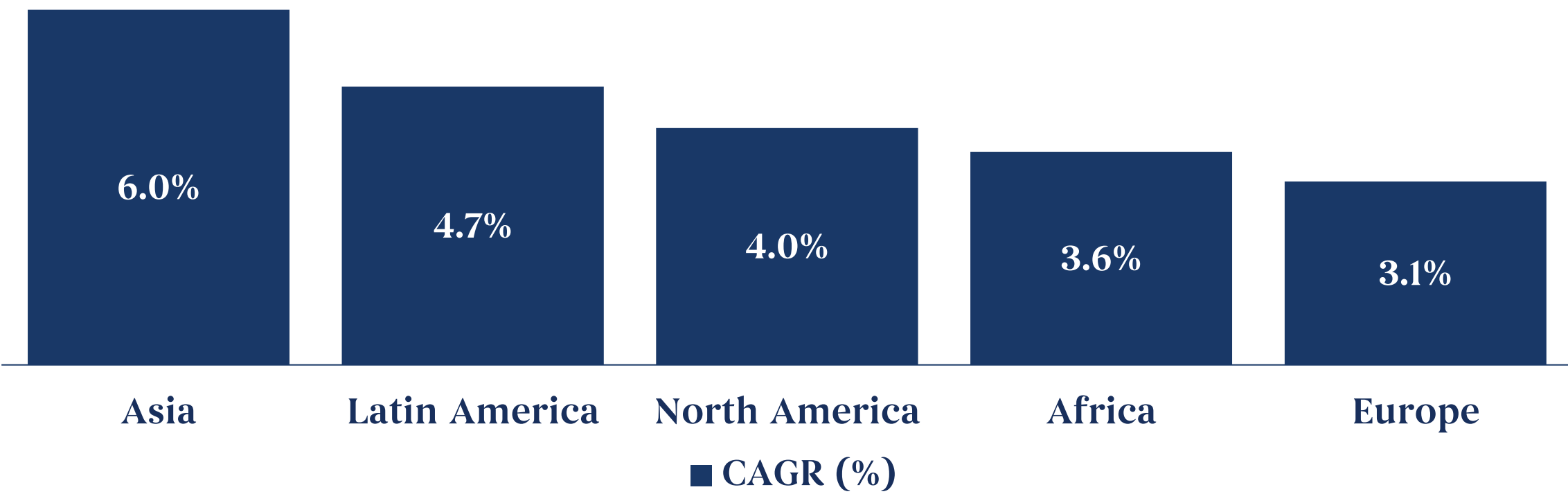
Industry Overview and M&A Trends

- The global P&C market size was **US\$183.3B** in **2024** and is expected to reach **US\$251.8B** by **2032**, growing at a **CAGR** of **4.1%**
- The U.S. **P&C** market **showcases resilience**, with steady growth despite economic fluctuations. This is attributed to factors such as **innovation**, **sustainability**, and **adaptability** within the industry
- There is an increasing **influence** of technology and **sustainability** in the P&C sector. Emphasis on **eco-friendly** products, coupled with advancements in technology, is **shaping** the market landscape and driving industry **evolution**
- The **architectural** sector, which covers coatings for residential and commercial buildings, is the **largest** in the industry, experiencing **rising** demand in areas like office buildings and malls
- **High M&A** activity is anticipated to persist in the industry, with both strategic and private equity buyers actively seeking **acquisitions**
- The driving **force** behind this M&A trend is the **pursuit** of growth in established markets. Typically, these acquisitions are smaller, bolt-on types, which are simpler to integrate and provide significant **synergies**
- The pandemic has spurred demand for **antimicrobial coatings**, particularly for indoor applications like kitchens and bathrooms
- Another significant trend is the **escalation** of **M&A** activities among leading companies with substantial **cash reserves**, especially in the well-performing **decorative coatings** segments

Market Value of Industrial Coatings Worldwide from 2022 to 2032 (US\$M)









Forecast CAGR of the Coatings Market Worldwide from 2021 to 2026, by Region










Source: Mordor Intelligence, CLN Worldwide, American Coatings Association, Statista, Precedence Research, Coatings World, Value Market Research

P&C 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, 2024 EV/ EBITDA		EV/ Revenue
							2022	2023			
Axalta Coating Systems Ltd.		USA	\$7,462	\$10,467	\$5,276	20.7%	11.1x	11.8x	9.6x		2.0x
Clariant AG		CHE	\$3,662	\$5,663	\$4,582	16.1%	8.7x	6.4x	7.7x		1.2x
Element Solutions Inc		USA	\$6,158	\$7,731	\$2,457	21.4%	12.8x	13.2x	14.7x		3.1x
Elementis plc		GBR	\$1,072	\$1,307	\$738	21.5%	8.0x	7.7x	8.3x		1.8x
H.B. Fuller Company		USA	\$3,686	\$5,693	\$3,569	17.4%	11.4x	10.4x	9.2x		1.6x
Kansai Paint Co., Ltd.		JPN	\$2,564	\$3,781	\$3,719	14.3%	10.2x	9.7x	7.1x		1.0x
■ Excluded from mean and median						Mean	10.9x	9.9x	8.4x		1.6x
						Median	10.7x	10.0x	8.7x		1.7x

P&C 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, 2024 EV/ EBITDA		EV/ Revenue
						2022	2023			
Akzo Nobel N.V.		NLD	\$10,248	\$14,701	\$11,089	13.3%	12.3x	14.5x	9.9x	1.3x
BASF SE		DEU	\$39,234	\$62,714	\$67,564	10.3%	5.2x	11.6x	9.0x	0.9x
DuPont de Nemours, Inc.		USA	\$31,869	\$38,320	\$12,386	25.9%	9.8x	11.4x	12.0x	3.1x
Nippon Paint Holdings Co., Ltd.		JPN	\$15,290	\$18,617	\$10,423	14.2%	23.5x	18.6x	12.6x	1.8x
PPG Industries, Inc.		USA	\$27,677	\$33,720	\$15,845	20.0%	15.0x	14.1x	10.7x	2.1x
RPM International Inc.		USA	\$15,838	\$17,977	\$7,345	16.1%	15.7x	14.4x	15.2x	2.4x
The Sherwin-Williams Company		USA	\$85,320	\$97,181	\$23,099	22.2%	20.2x	17.1x	18.9x	4.2x
■ Excluded from mean and median						Mean	14.6x	14.3x	11.6x	2.0x
						Median	15.0x	14.4x	12.0x	2.1x

P&C Industry – Q4 Global Transactions

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Dec-24		ITA	Gruppo Decorlux , a company specializing in high-end product decoration, acquired La Tinto Spruzzo , a provider of decoration for cosmetic and perfume packaging		-	100.0%	-	-	-
Dec-24		GBR	Paramount Retail Group , a UK-based retail company, acquired Bartoline Limited , a manufacturer of adhesives, fillers, and decorating sundries		-	100.0%	\$29.2	-	1.0x
Dec-24		USA	Rodda Paint , a Portland-based paint manufacturer, acquired Miller Paint , a paint manufacturer to combine resources and strengthen their presence in the USA Pacific Northwest		-	100.0%	-	-	-
Nov-24		DEU	Avenue Capital Group & MAVCO Investments , two global investment firms, acquired Hubergroup , a leader in specialty chemicals and print solutions	Avenue Capital Group & MAVCO Investments	-	100.0%	-	-	-
Nov-24		USA	The INX Group Limited , a subsidiary of Sakata INX, acquired Coatings & Adhesives Corporation , a North American leader in specialty coatings		-	100.0%	-	-	-
							Mean	-	1.0x
							Median	-	1.0x

Sector Relevant Experience

<div>Acquisition</div> <div><p>Acquisition Advisory Services</p></div> <div>Advised Reacciones Químicas, a supplier of synthetic resins, on procurement analysis in the US</div>	<div>Acquisition</div> <div><p><i>has acquired</i></p><p>Advised Reacciones Químicas on the acquisition of Byrsa Resins, a supplier of resins for emulsions, acrylics, polyester, among others</p></div>	<div>Acquisition</div> <div><p><i>has acquired</i></p><p>Advised AZZ on the acquisition of Preferred Industries, a supplier of powder coatings to the automotive, HVAC, marine and other industries</p></div>	<div>Acquisition</div> <div><p><i>has acquired</i></p><p>K2 Partners, Inc</p><p>Advised AZZ on the acquisition of K2 Partners, a provider of powder coating and electroplating services</p></div>	<div>Acquisition</div> <div><p><i>has acquired</i></p><p>Advised GCP Applied Technologies, a leading building materials and specialty chemicals company on the acquisition of Stirling Lloyd</p></div>	<div>Divestiture</div> <div><p><i>has been acquired by</i></p><p>A Private Investment Group</p><p>Advised Houston Plating & Coatings, a leading coatings company, on its sale to a private investment group</p></div>	<div>Corporate Finance</div> <div><p>Corporate Finance Advisory Services</p><p>Advised Protexa, an offshore and onshore construction and engineering company, on a number of confidential corporate finance initiatives</p></div>
<div>Corporate Finance</div> <div><p>Corporate Finance Advisory Services</p><p>Advised Berel through a valuation and analysis of strategic alternatives, including potential share buyback among shareholders</p></div>	<div>Corporate Finance</div> <div><p>Project Finance Advisory Services</p><p>Advised Basell Polyolefins, the world leader in polyolefins, on project financing</p></div>	<div>Corporate Finance</div> <div><p>Corporate Finance Advisory Services</p><p>Advised Doal, a leader in architectural paints and coatings, on a corporate finance initiative</p></div>	<div>Corporate Finance</div> <div><p>Acquisition Advisory Services</p><p>Advised Sherwin Williams, a leading manufacturer of coatings and related products, on a targeted procurement program</p></div>	<div>Corporate Finance</div> <div><p>Corporate Finance Advisory Services</p><p>Advised Pyosa, a leading manufacturer and distributor of fine chemicals, pigments and dyes, on a corporate finance project</p></div>	<div>Corporate Finance</div> <div><p>Corporate Finance Advisory Services</p><p>Advised Axalta, a leader in high-performance coating systems with a corporate finance project</p></div>	

Sign up for M&A insights

We deliver sector-specific intelligence designed specifically for industry leaders, private equity firms, and their advisors. Our industry reports and featured articles deliver real-time access to key industry data, including:



Emerging industry trends

Quarterly reports covering 30+ industries

Monthly reports for the U.S., Mexico, and Colombia

Transaction analysis and market trends

Valuable insights for industry leaders

Receive email updates with our proprietary data, reports, and insights as they are published for the industries that matter to you the most

SUBSCRIBE

Global M&A Representative Engagements

 <p>has been acquired by</p> 	 <p>has sold a controlling interest to</p> 	 <p>has sold</p>  <p>Zinc Oxide Corporation a subsidiary of</p> 	 <p>has acquired</p>  <p>from</p> 	 <p>has been acquired by</p> 	 <p>Oxbow's Senior Subordinated debt issued by</p>  <p>was refinanced by</p> 	 <p>has acquired</p> 
 <p>has sold</p>  <p>to</p> 	 <p>has sold</p>  <p>and</p>  <p>to</p> 	 <p>has sold</p>  <p>to</p>  <p>GE Power Systems</p>	 <p>has sold</p>  <p>to</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>has acquired</p> 	 <p>has sold its GRACE Membranes business</p> 
 <p>has sold</p>  <p>and</p>  <p>to</p> 	 <p>has sold</p>  <p>to</p>  <p>Driving Safety Forward™</p>	 <p>has sold</p>  <p>A division of Carrier Commercial Refrigeration, Inc.</p> <p>to</p> 	 <p>has sold</p>  <p>to</p> 	 <p>has sold</p>  <p>to</p> 	 <p>has acquired</p> 	 <p>has been recapitalized by</p> 



JAMES A. SEALE

President and Founder | Washington, DC

  +1 (703) 623-9253

32+ years of global M&A experience, Attorney, CPA Arthur Andersen, and Professor of Global Investment Banking at George Washington University
University of Virginia - JD
University of Kentucky - BS in Accounting



BRETT M. CARMEL

Senior Managing Director and Co-founder | Miami, FL

  +1 (703) 294-6530

25+ years of global M&A experience and Professor of M&A at Johns Hopkins University
The George Washington University - MBA International Business and MA - International Affairs
University of Florida - BA in Political Science with High Honors



SERGIO GARCIA DEL BOSQUE

Managing Director | Mexico City, Mexico

  +52 (55) 8000-7463

16+ years of global M&A experience
IPADE - MBA
Instituto Tecnologico y de Estudios Superiores de Monterrey
BS in Industrial Engineering



ROBERT E. WHITNEY

Managing Director | Washington, DC

  +1 (703) 801-8939

19+ years of global M&A experience, CPA Deloitte & Touche, Corporate Audit and Assurance Services
University of Richmond - BS Business Administration in Accounting



CARLOS HERNANDEZ GOUDET

Managing Director | San Luis Potosi, Mexico

  +1 (571) 482-3432

15+ years of global M&A experience
Columbia University - MBA
Instituto Tecnologico y de Estudios Superiores de Monterrey
BS in Industrial Engineering

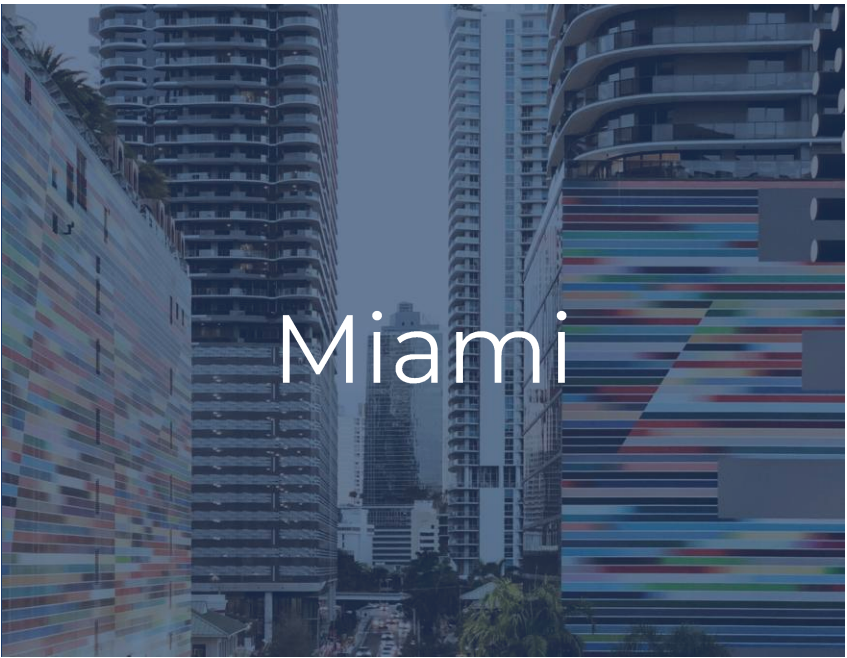


FELIPE BUENO

Senior Director | Monterrey, Mexico

  +52 (84) 4432-4444

32+ years with Grupo Industrial Saltillo with experience as Director, Corp. Dev. and extensive global commercial experience
Instituto Tecnologico y de Estudios Superiores de Monterrey
MBA and BS in Industrial Engineering



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
Years of
Experience

+\$50B
Closed Transactions
Globally

Services & Solutions

- Mergers & Acquisitions
- Divestitures
- Joint Ventures / Alliances
- Recapitalizations
- Due Diligence / Support
- Expert Witness Testimony
- Corporate Finance Advisory
- Strategy Consulting

Trusted Advisor to Leading Companies Worldwide

We have worked repeatedly with many of the most well-known and respected companies in the world...

...as well as with many private equity funds, family-offices and privately held companies.





Seale & Associates

Creative Solutions. Trusted Advice.