



Seale & Associates

PERSONAL CARE INDUSTRY
Q3 2024
VALUATION UPDATE

25 years

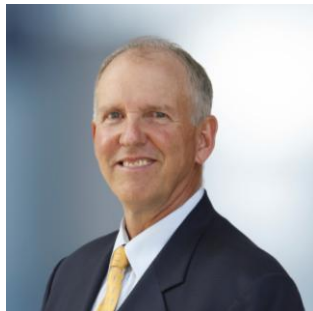
Introduction

We are pleased to share our Personal Care Industry Multiples Valuation Update for Q3 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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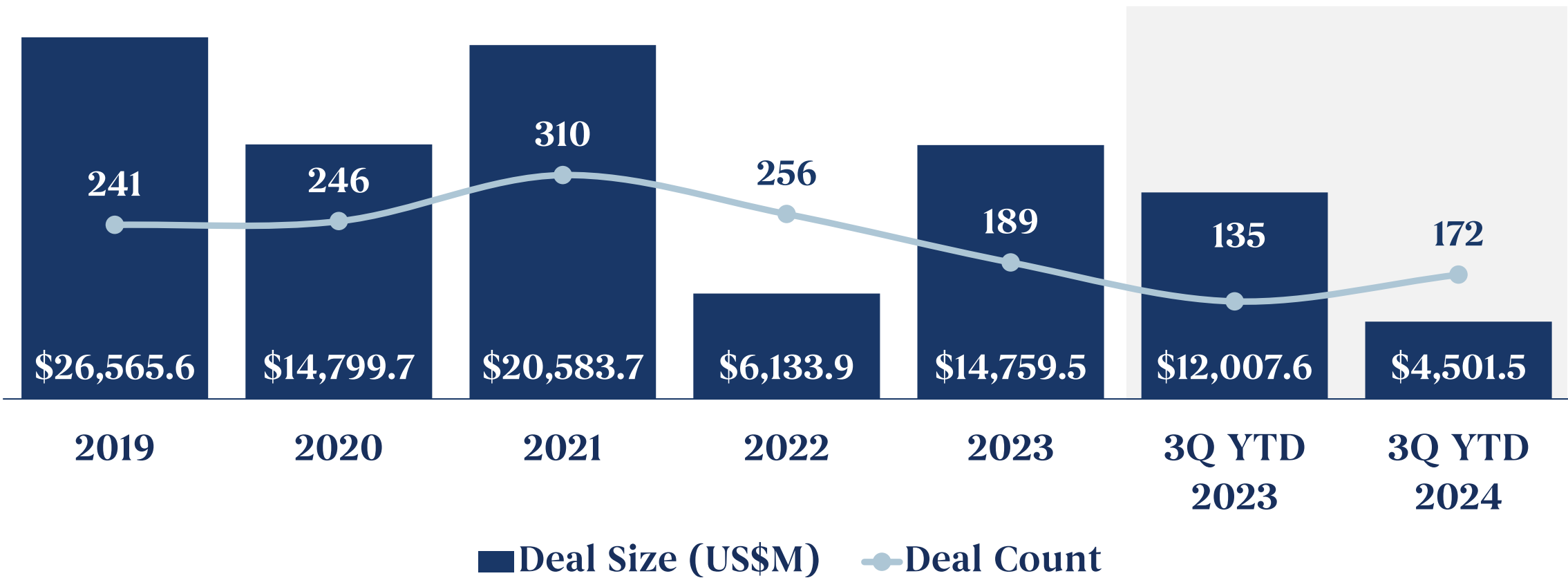


Personal Care Industry Overview, M&A Trends and Market Intelligence

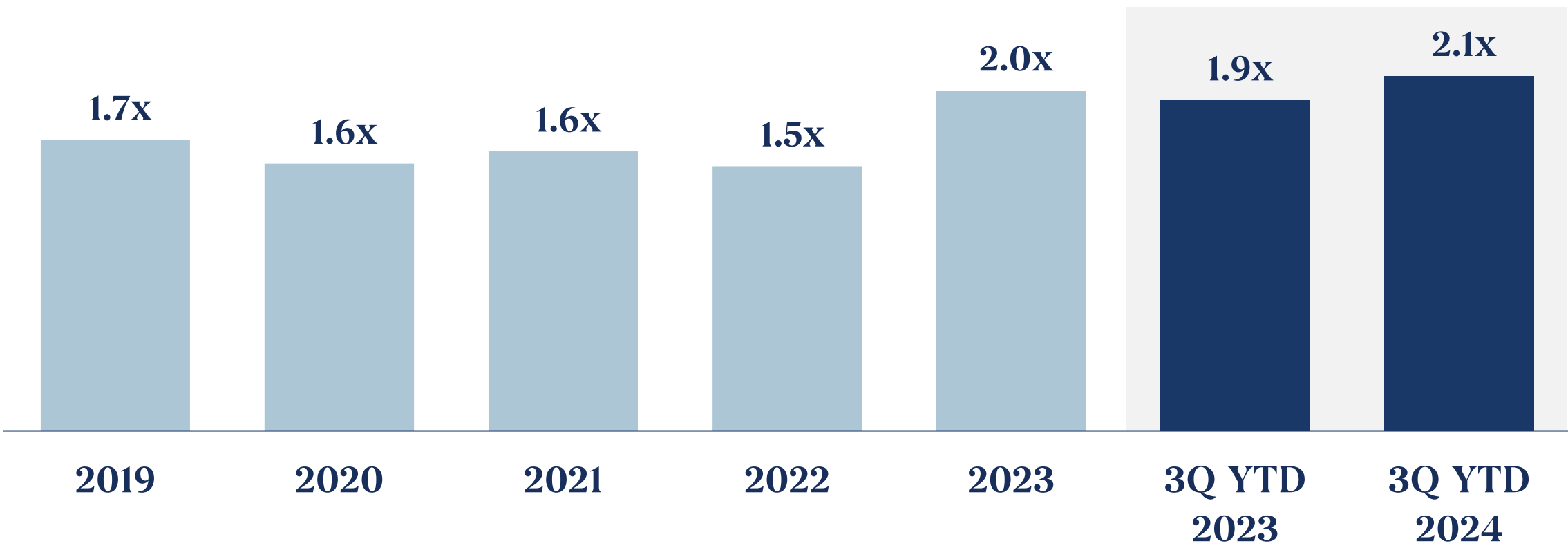
Beauty & Personal Care Industry Overview

- 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/Revenue



Source: Statista, Pitchbook, Capital IQ, Other Industry Reports







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		Third Quarter Sep. 30, 2024 EV/EBITDA EV/Revenue	
							2022	2023		
Colgate-Palmolive Company		USA	\$84,822	\$92,522	\$20,106	24.9%	16.3x	16.7x	18.5x	4.6x
Edgewell Personal Care Company		USA	\$1,792	\$2,908	\$2,254	15.4%	9.3x	10.0x	8.4x	1.3x
Essity AB (publ)		SWE	\$21,824	\$25,288	\$14,234	18.2%	12.5x	11.8x	9.7x	1.8x
Kimberly-Clark Corporation		USA	\$47,921	\$54,893	\$20,100	22.7%	13.4x	12.9x	12.1x	2.7x
Lion Corporation		JPN	\$3,116	\$2,934	\$2,847	12.8%	7.6x	9.1x	8.1x	1.0x
Pigeon Corporation		JPN	\$1,404	\$1,180	\$681	15.4%	13.0x	11.2x	11.2x	1.7x
Reckitt Benckiser Group plc		GBR	\$42,486	\$53,397	\$19,204	25.4%	16.0x	13.9x	11.0x	2.8x
The Procter & Gamble Company		USA	\$406,969	\$432,282	\$83,905	28.8%	17.5x	17.3x	17.9x	5.2x
Unicharm Corporation		JPN	\$21,214	\$19,513	\$6,815	19.9%	16.2x	17.9x	14.4x	2.9x
Unilever PLC		GBR	\$161,157	\$192,928	\$67,246	20.9%	12.5x	12.4x	13.7x	2.9x
Excluded from mean and median						Mean	13.0x	12.2x	11.1x	2.1x
						Median	13.2x	12.6x	11.6x	2.8x
















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		Third Quarter Sep. 30, 2024 EV/EBITDA EV/Revenue	
							2022	2023		
Amorepacific Corporation	AMORE PACIFIC	KOR	\$6,878	\$6,688	\$2,760	9.9%	13.0x	16.2x	24.6x	2.4x
Beiersdorf Aktiengesellschaft	Beiersdorf	DEU	\$33,797	\$30,609	\$10,803	14.9%	15.3x	16.5x	19.0x	2.8x
Cosmax, Inc.	COSMAX	KOR	\$1,259	\$1,623	\$1,500	10.6%	7.1x	11.1x	10.2x	1.1x
Coty Inc.	COTY	USA	\$8,149	\$12,397	\$6,148	18.0%	11.9x	14.2x	11.2x	2.0x
e.l.f. Beauty, Inc.	elf	USA	\$6,148	\$6,343	\$1,218	14.9%	30.6x	51.0x	34.9x	5.2x
Kao Corporation	KAO	JPN	\$23,048	\$22,951	\$11,145	14.1%	11.2x	13.3x	14.6x	2.1x
KOSÉ Corporation	KOSÉ	JPN	\$3,698	\$3,001	\$2,235	9.3%	20.2x	18.8x	14.5x	1.3x
L'Oréal S.A.	L'ORÉAL	FRA	\$239,882	\$247,090	\$47,657	23.1%	24.9x	25.0x	22.5x	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		Third Quarter Sep. 30, 2024 EV/ EBITDA		EV/ Revenue
							2022	2023			
Natura &Co Holding S.A.		BRA	\$3,573	\$4,195	\$5,140	8.7%	10.3x	11.1x	9.4x		0.8x
Noevir Holdings Co., Ltd.		JPN	\$1,233	\$1,045	\$445	19.3%	15.1x	13.2x	12.2x		2.3x
Nu Skin Enterprises, Inc.		USA	\$366	\$682	\$1,775	11.6%	6.2x	6.6x	3.3x		0.4x
Shiseido Company, Limited		JPN	\$10,803	\$12,508	\$6,794	8.2%	22.0x	24.1x	22.4x		1.8x
The Estée Lauder Companies Inc.		USA	\$35,761	\$42,192	\$15,451	20.3%	19.3x	20.5x	13.5x		2.7x
Ulta Beauty, Inc.		USA	\$18,333	\$19,848	\$11,321	20.0%	11.0x	10.9x	8.8x		1.8x
Excluded from mean and median						Mean	14.2x	14.6x	11.8x		2.0x
						Median	14.0x	15.2x	14.0x		2.0x

Personal Care – Global Transactions

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Sep-24	CGSkin Limited	GBR	The Skin Diary , a provider of anti-ageing skincare solutions, acquired CGSkin , a University of Manchester spinout specializing in anti-ageing skincare products, to enhance its product portfolio and advance dermatological research		 The University of Manchester	100.0%	-	-	-
Sep-24		IND	Beauty Garage , a hair care brand, acquired Gofab Genesis , a hair cosmetics company, to enhance its product portfolio and strengthen its position in the premium salon segment		-	100.0%	-	-	-
Sep-24	FRUITS & PASSION	CAN	Fiberlinks Textiles , a supplier of general merchandising products, acquired Le Groupe Fruits & Passion , a brand known for its unique fragrances and eco-conscious body products		Multiple Sellers	100.0%	-	-	-
Sep-24	STENDERS	LVA	L Catterton , a global consumer-focused investment firm, acquired a majority stake in SIA STENDERS , a premium bath and body care company		-	>50.0%	-	-	-
Sep-24	 THE BODY SHOP	GBR	Auréa Capital , a growth capital firm, acquired The Body Shop International , a pioneer in ethical beauty products, to revitalize the brand and enhance its global leadership in the ethical beauty sector		 AURELIUS EQUITY OPPORTUNITIES	100.0%	-	-	-
Sep-24	Apcos Naturals Private Limited	IND	Marico , a consumer goods company, acquired Apcos Naturals , the owner of the Ayurvedic beauty brand Just Herbs , to enhance its presence in the beauty segment			40.0%	\$8.3	-	1.8x
Aug-24	Dermopal Brand of The Dermopal Group	ZAF	Adcock Ingram , a pharmaceutical manufacturer, acquired the Dermopal brand from The Dermopal Group , a developer of dermatological and suncare products, to expand its skincare portfolio		The Dermopal Group	100.0%	\$6.2	-	2.2x
Aug-24	DOT & KEY	IND	Nykaa , a beauty and fashion e-commerce platform, acquired Dot & Key Wellness , a skincare brand offering products like serums, face masks, toners, and cleansers		-	39.0%	\$31.6	-	3.4x
Aug-24	 THE MAN COMPANY	IND	Emami , a company specializing in personal and healthcare products, acquired Helios Lifestyle , a provider of men grooming products		-	49.6%	\$21.2	-	2.0x
Mean									2.4x
Median									2.1x

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”



“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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<div><p>has been acquired by</p><div><p>HERITAGE DISTRIBUTION HOLDINGS</p></div></div>	<div><div><p>avangardinnovative MOVING THE CIRCULAR ECONOMY FORWARD</p></div><p>has sold a controlling interest to</p><div></div></div>	<div><div><p>ZN ZINC NACIONAL</p></div><p>has sold</p><div><p>GSDK</p></div><p>Zinc Oxide Corporation a subsidiary of</p><div></div></div>	<div><div><p>Electrolux PROFESSIONAL</p></div><p>has acquired</p><div><p>unified brands a DOVER company</p></div><p>from</p><div></div></div>	<div><div><p>Port Contractors STEVEDORES - TERMINAL OPERATORS</p></div><p>has been acquired by</p><div></div></div>	<div><div><p>Oxbow</p></div><p>Oxbow's Senior Subordinated debt issued by</p><div><p>H.J. BAKER ESTABLISHED 1850</p></div><p>was refinanced by</p><div></div></div>	<div><div><p>Hertz</p></div><p>has acquired</p><div></div></div>
<div><div><p>Standex</p></div><p>has sold</p><div><p>Enginetics</p></div><p>to</p><div></div></div>	<div><div><p>ITT</p></div><p>has sold</p><div><p>BURNY KALIBURN innovations in shape cutting PLASMA CUTTING INNOVATION</p></div><p>and</p><div><p>CMC Cleveland Motion Controls</p></div><p>to</p><div></div></div>	<div><div><p>Honeywell</p></div><p>has sold</p><div><p>TENSOR</p></div><p>to</p><div><p>GE Power Systems</p></div></div>	<div><div><p>TRIUMPH™</p></div><p>has sold</p><div><p>Triumph Processing - Embee Division</p></div><p>to</p><div></div></div>	<div><div><p>TRIUMPH™</p></div><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><div></div></div>	<div><div><p>Rheem</p></div><p>has acquired</p><div></div></div>	<div><div><p>GRACE</p></div><p>has sold its</p><p>GRACE Membranes business</p><div><p>Uop</p></div><p>a subsidiary of</p><div></div></div>
<div><div><p>convatec — forever caring —</p></div><p>has sold</p><div><p>SENSI CARE</p></div><p>and</p><div><p>ALOE VESTA™</p></div><p>to</p><div></div></div>	<div><div><p>United Technologies</p></div><p>has sold</p><div><p>MobileView</p></div><p>to</p><div><p>SAFE FLEET Driving Safety Forward™</p></div></div>	<div><div><p>United Technologies</p></div><p>has sold</p><div><p>HTPG A division of Carrier Commercial Refrigeration, Inc.</p></div><p>to</p><div></div></div>	<div><div><p>LOCKHEED MARTIN</p></div><p>has sold</p><div><p>Commercial Flight Training Business</p></div><p>to</p><div></div></div>	<div><div><p>FLOWSERVE</p></div><p>has sold</p><div><p>D&B</p></div><p>to</p><div></div></div>	<div><div><p>KBR</p></div><p>has acquired</p><div></div></div>	<div><div><p>HARRISON GYPSUM, LLC</p></div><p>has been recapitalized by</p><div></div></div>



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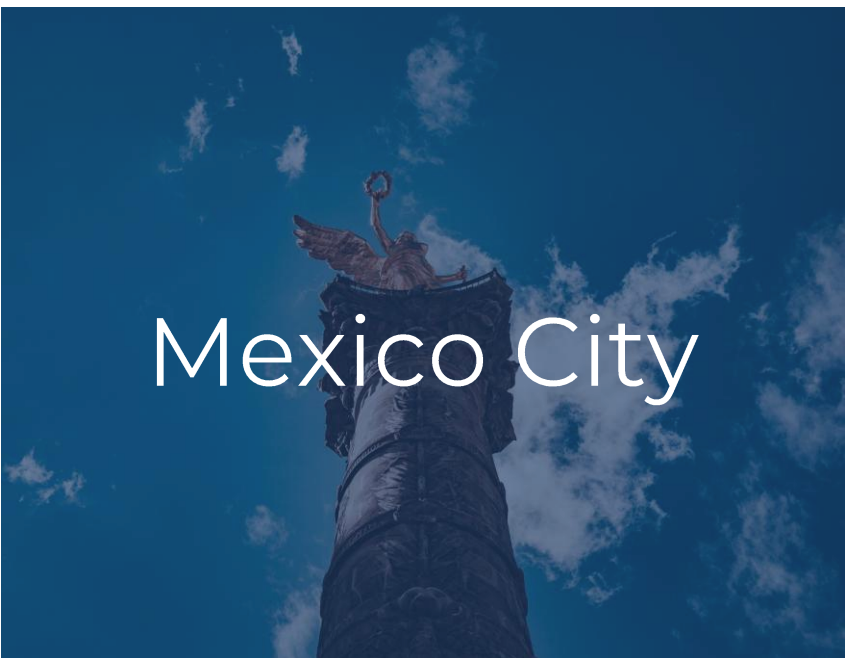
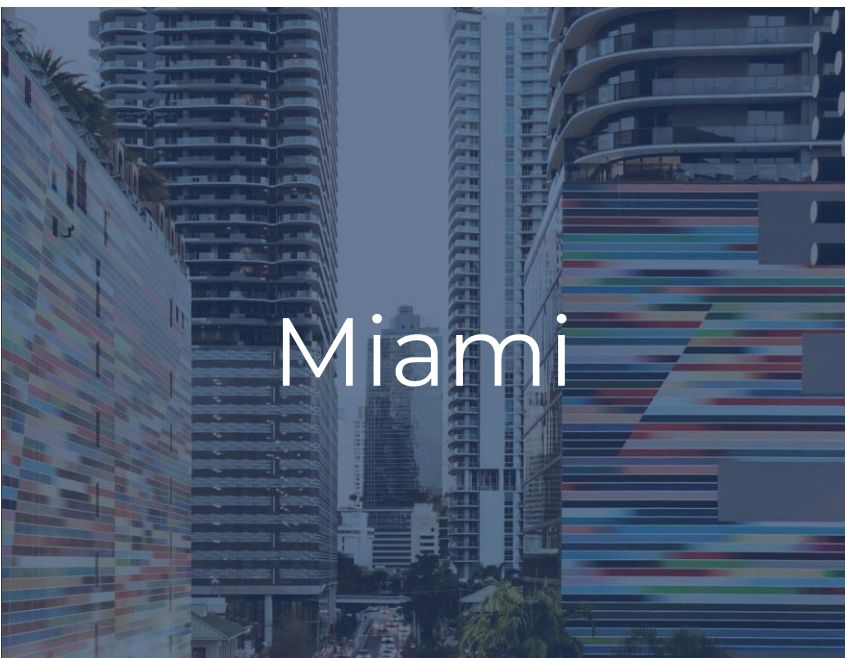


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