



Seale & Associates

PAINTS & COATINGS INDUSTRY
Q2 2023
VALUATION UPDATE

Introduction

We are pleased to share our Paints & Coatings Industry Multiples Valuation Update for Q2 2023.

At Seale & Associates, we are committed to providing process-driven solutions designed to optimize value and achieve our clients' 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 Paints & Coatings Industry clients that 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 | Managing Director
chernandez@sealeassociates.com




Alejandro Montemayor | Vice President
amontemayor@sealeassociates.com

Sector relevant experience

Extensive M&A transaction experience, including:

- Acquisition Advisory Services to Sherwin Williams Company
- Corporate Finance Advisory Finance to Pinturas Doal, S.A. de C.V.
- Corporate Finance Advisory Finance to Pinturas Berel, S.A. de C.V.
- Corporate Finance Advisory Finance to Pyosa, S.A. de C.V.
- Corporate Finance Advisory Finance to Velsicol Chemical Corporation
- Corporate Finance Advisory Finance to Axalta Coating Systems Ltd



**Corporate Finance
Advisory Services**




**Corporate Finance
Advisory Services**



**Acquisition
Advisory Services**



**Corporate Finance
Advisory Services**









**Corporate Finance
Advisory Services**










**Corporate Finance
Advisory Services**

Small & Mid Cap 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, 2023 EV/		
						2021	2022	EBITDA	Revenue	
Axalta Coating Systems Ltd.		USA	\$7,268	\$10,448	\$5,053	16.0%	12.0x	11.1x	12.7x	2.1x
Clariant AG		CHE	\$4,750	\$5,776	\$5,497	14.7%	11.3x	8.9x	5.7x	1.0x
Element Solutions Inc		USA	\$4,635	\$6,241	\$2,353	18.2%	14.5x	12.8x	12.7x	2.6x
Elementis plc		GBR	\$761	\$1,181	\$713	22.9%	11.5x	8.0x	7.4x	1.5x
H.B. Fuller Company		USA	\$3,852	\$5,677	\$3,607	14.1%	12.0x	11.4x	10.6x	1.6x
Kansai Paint Co., Ltd.		JPN	\$3,328	\$3,959	\$3,631	10.6%	14.2x	10.2x	10.0x	1.1x
						Mean	12.6x	10.4x	9.9x	1.6x
						Median	12.0x	10.7x	10.3x	1.5x

Large Cap 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, 2023 EV/EBITDA		
						2021	2022	EV/EBITDA	EV/Revenue	
Akzo Nobel N.V.		NLD	\$13,914	\$18,815	\$11,862	9.4%	13.6x	12.3x	16.2x	1.6x
BASF SE		DEU	\$43,395	\$64,341	\$85,771	10.1%	14.4x	5.2x	9.5x	0.7x
DuPont de Nemours, Inc.		USA	\$32,792	\$36,940	\$12,761	24.3%	10.0x	9.8x	11.2x	2.9x
Nippon Paint Holdings Co., Ltd.		JPN	\$19,215	\$22,626	\$10,187	12.4%	30.9x	23.3x	19.6x	2.4x
PPG Industries, Inc.		USA	\$34,912	\$41,588	\$17,905	14.5%	16.5x	15.0x	15.2x	2.3x
RPM International Inc.		USA	\$11,567	\$14,482	\$7,256	12.6%	14.9x	15.7x	14.1x	2.0x
The Sherwin-Williams Company		USA	\$68,498	\$81,347	\$22,961	17.6%	20.4x	20.2x	18.6x	3.6x
						Mean	15.0x	13.0x	14.9x	2.2x
						Median	14.6x	13.6x	15.2x	2.3x

■ Excluded from mean and median

Paints and Coatings – Q2 Global Transactions

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
May-23		DEU	Manufactures plasma coating technologies for metals and metal surfaces		-	100.0%	-	-	-
May-23		USA	Manufactures coatings and products for metal, concrete, and wood markets, and offers pigmented paints and primers, colorants and dyes		-	100.0%	-	-	-
Apr-23		CAN	Manufactures and distributes color pigments and dispersions for coatings, plastics, and ink industries		-	100.0%	-	-	-

Private Equity Transactions

INDUSTRY CLASSIFICATION	PERIOD	AVERAGE ENTERPRISE VALUE (IN USD)	REVENUE (IN USD)	TTM REVENUE GROWTH	ENTERPRISE VALUE / REVENUE	EBITDA MARGIN	ENTERPRISE VALUE / EBITDA	NUMBER OF TRANSACTIONS
 Paint and Coating Manufacturing <i>NAICS 325510 – Paint and Coating Manufacturing</i>	 2018-2021	 \$58.7M	 \$55.1M	 16.8%	 1.6x	 19.4%	 8.1x	 3
Paint, Coating, and Adhesive Manufacturing <i>NAICS 3255 – Paint, Coating, and Adhesive Manufacturing</i>	2018-2021	\$74.8M	\$51.3M	14.4%	2.0x	23.3%	8.2x	4

Source: GF Data

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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One of our core capabilities is to 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:



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S U S C R I B E

Representative Global Engagements

 has acquired 	 has acquired 	 has sold Triumph Processing - Embee Division to 	 has sold Triumph Air Repair & Triumph Engines businesses to 	 has acquired unified brands from 	 has partnered with a company backed by 	 has acquired 	 has sold the North American guarding business of to 	 has sold to 	 has sold to 	 a subsidiary of has sold to
 has sold to Daives Baird Pty Ltd a sister company of 	 has acquired 	 has sold to Code Flower Inc.	 has sold its GRACE Membranes Business a subsidiary of 	 has sold and to 	 has sold a controlling interest to 	 has been acquired by 	 has sold SENSI CARE and ALOE+VESTA to 	 has sold their Sanitaryware Manufacturing Plant to 	 has acquired Multiple snack companies 	 has sold to
 has sold Commercial Flight Training Business to 	 has been acquired by 	 has sold Oxbow Sulphur, Inc. to 	 has been acquired by 	 has sold to 	 Engineers & Constructors has acquired 	 has acquired 	 has acquired 	 has sold its SYCAR Resins business to 	 has sold to Private Equity Partners	 has been acquired by
 has sold to 	 has acquired KFC Costa Rica from 	 has been acquired by 	 has sold to 	 has sold the Films Business of to 	 has been acquired by 	 has sold to 	 Oxbow's Senior Subordinated debt issued by was refinanced by 	 has sold to 	 has acquired from THE MOORE COMPANY	 sold its concrete pumping business to

Advisor to Leading Companies Worldwide



Contact



Headquarters

901 N. Glebe Road
5th Floor
Arlington, Virginia
+1 (703) 294 6770



Latin America Office

Av. Javier Barros Sierra 495
3rd Floor
Park Plaza III
Mexico City, Mexico



Monterrey Office

Av. Lázaro Cárdenas 2225
3rd Floor
San Pedro Garza García, N.L.

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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