

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.



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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



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		Enterprise Value	Revenue	EBITDA	Annual Average EV/EBITDA		Second Quarter Jun. 30, 2023	
Company	ірапу		Cap. US\$M		US\$M	Margin	2021	2022	EV/ EBITDA	EV/ Revenue
Axalta Coating Systems Ltd.	AXALTA	USA	\$7,268	\$10,448	\$5,053	16.0%	12.0x	11.1x	12.7x	2.1x
Clariant AG	CLARIANT	CHE	\$4,750	\$5,776	\$5,497	14.7%	11.3x	8.9x	5.7x	1.0x
Element Solutions Inc	element solutions	USA	\$4,635	\$6,241	\$2,353	18.2%	14.5x	12.8x	12.7x	2.6x
Elementis plc	ELEMENTIS	GBR	\$761	\$1,181	\$713	22.9%	11.5x	8.0x	7.4x	1.5x
H.B. Fuller Company	H.B. Fuller	USA	\$3,852	\$5,677	\$3,607	14.1%	12.0x	11.4x	10.6x	1.6x
Kansai Paint Co., Ltd.	KANSAI PAINT	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		Market Country		Enterprise Value	Revenue	EBITDA	Annual Average EV/EBITDA		Second Quarter Jun. 30, 2023	
		Country	Cap. US\$M	US\$M	US\$M	Margin	2021	2022	EV/ EBITDA	EV/ Revenue
Akzo Nobel N.V.	AkzoNobel	NLD	\$13,914	\$18,815	\$11,862	9.4%	13.6x	12.3x	16.2x	1.6x
BASF SE	□ • BASF We create chemistry	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	SHERWIN WILLIAMS.	USA	\$68,498	\$81,347	\$22,961	17.6%	20.4x	20.2x	18.6x	3.6x
Excluded from mean and median						Mean	15.0x	13.0x	14.9x	2.2x
						Median	14.6x	13.6x	15.2x	2.3x

Paints and Coatings - Q2 Global Transactions

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
May-23	shotec®	DEU	Manufactures plasma coating technologies for metals and metal surfaces	DE NORA	-	100.0%	-	-	-
May-23	ECERAMICE INDUSTRIAL COATINGS	USA	Manufactures coatings and products for metal, concrete, and wood markets, and offers pigmented paints and primers, colorants and dyes	CANLAK COATINGS	-	100.0%	-	-	-
Apr-23	See The Difference We Adde	CAN	Manufactures and distributes color pigments and dispersions for coatings, plastics, and ink industries	Blackstone	-	100.0%	-	-	-

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
	0-0-0-0	\$	\$	\$ \$ \ <u>\\$</u>	\$	\$	\$ 1	\$
Paint and Coating Manufacturing NAICS 325510 – Paint and Coating	2018-2021 g Manufacturing	\$58.7M	\$55.1M	16.8%	1.6 x	19.4%	8.1x	3
Paint, Coating, and Adhesive Manufacturing NAICS 3255 – Paint, Coating, and	2018-2021 Adhesive Manufacturing	\$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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Representative Global Engagements









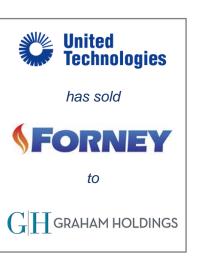






























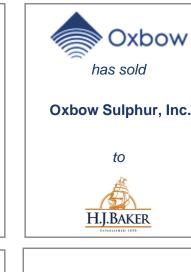


















































Advisor to Leading Companies Worldwide









































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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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