



Seale & Associates

CLEANING PRODUCTS INDUSTRY
Q3 2023
VALUATION UPDATE

Introduction

We are pleased to share our Cleaning Products 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 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 Cleaning Products Industry 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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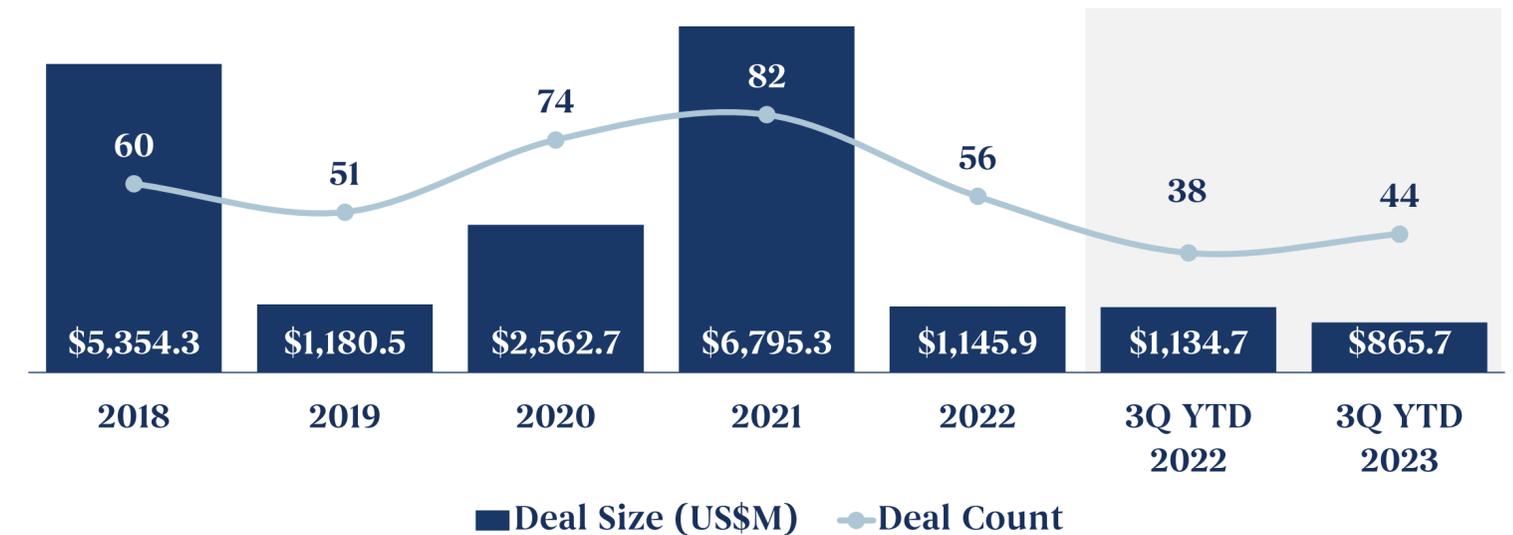
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Household Products Industry Overview, M&A Trends, and Market Intelligence

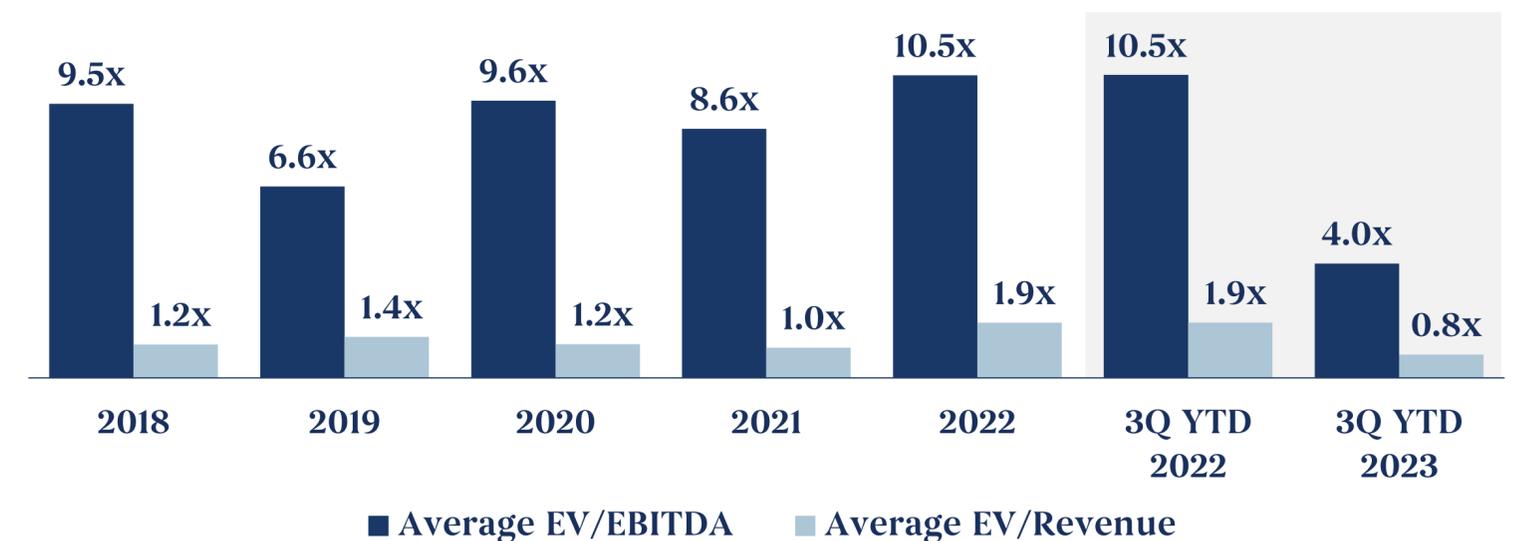
Household Products Industry Overview

- The global household products market is expected to **grow** from **US\$247.9B** in **2022** to **US\$334.2B** in **2029**, representing a **CAGR of 4.4%**
- Demand for cleaning products is **growing**, driven by **consumer awareness** of the **importance** of **hygiene** and the **spread** of **infectious diseases**. This is particularly true **after** the **COVID-19** pandemic, which has led to a **heightened focus** on **cleanliness** and **sanitation**.
- **All-purpose disinfectants** are a **popular** choice for **time-strapped** consumers looking for a **convenient way** to **maintain high standards** of **hygiene** and **cleanliness**.
- **Sustainability** is **becoming** increasingly **important** for consumers when purchasing cleaning products. This is evident because **nearly 40% of U.S. shoppers** now **prioritize purchasing eco-friendly** cleaning products.
- **Extending manufacturing lines** to include natural and **eco-friendly products and packaging options** is one-way companies can evolve to **meet changing consumer preferences**.
- **Dishwashing** products and **surface cleaners** are the two **most lucrative** global cleaning products **market segments**.
- E-commerce is playing an increasingly important role in the market.
- The cleaning products industry is **undergoing** a **wave** of **consolidation**. This is **driven** by several factors, including the **need** for companies to **expand** their **geographic reach**, gain access to **new technologies** and **products**, and **reduce costs**.

Household Products Industry M&A Deal Size and Volume



Household Products Industry M&A Average EV/EBITDA and EV/Revenue



Cleaning Products Industry 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, 2023		
						2021	2022	EV/EBITDA	EV/Revenue	
Albaad Massuot Yitzhak Ltd		ISR	\$47	\$267	\$415	7.6%	5.2x	11.7x	8.5x	0.6x
Bombril S.A.		BRA	\$91	\$170	\$298	15.8%	5.1x	5.0x	3.6x	0.6x
Jyothy Labs Limited		IND	\$1,599	\$1,571	\$310	14.9%	18.6x	22.7x	34.0x	5.1x
McBride plc		GBR	\$83	\$286	\$1,085	3.7%	4.6x	11.5x	7.1x	0.3x
Net Detergent JSC		VNM	\$57	\$50	\$69	9.0%	7.8x	7.6x	8.1x	0.7x
Niitaka Co., Ltd.		JPN	\$82	\$60	\$136	6.6%	4.4x	4.3x	6.6x	0.4x
Peerapat Technology Public Company Limited		THA	\$18	\$28	\$29	16.8%	7.0x	7.9x	5.8x	1.0x
Pental Limited		AUS	\$43	\$45	\$74	9.6%	4.3x	4.3x	6.3x	0.6x
PZ Cussons plc		GBR	\$723	\$765	\$801	10.8%	11.3x	11.0x	8.8x	1.0x
Sano Bruno's Enterprises Ltd		ISR	\$741	\$599	\$527	13.5%	8.9x	9.9x	8.4x	1.1x

■ Excluded from mean and median

Mean 5.9x 7.1x 7.0x 0.7x
Median 6.1x 8.9x 7.6x 0.7x

Cleaning Products Industry 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, 2023		
						2021	2022	EV/EBITDA	EV/Revenue	
Church & Dwight Co., Inc.		USA	\$22,545	\$24,722	\$5,637	23.0%	19.9x	19.7x	19.1x	4.4x
Colgate-Palmolive Company		USA	\$58,786	\$67,068	\$18,676	22.1%	16.4x	16.3x	16.3x	3.6x
Ecolab Inc.		USA	\$48,285	\$56,821	\$14,764	21.0%	24.5x	19.3x	18.3x	3.8x
Henkel AG & Co. KGaA		DEU	\$28,033	\$29,956	\$23,719	12.8%	12.0x	9.5x	9.8x	1.3x
Kao Corporation		JPN	\$17,277	\$17,363	\$10,416	11.5%	12.3x	11.2x	14.5x	1.7x
Kimberly-Clark Corporation		USA	\$40,870	\$48,786	\$20,346	20.6%	12.0x	13.4x	11.6x	2.4x
Kimberly-Clark de México, S. A. B. de C. V.		MEX	\$6,167	\$6,892	\$3,035	23.3%	10.1x	11.7x	9.7x	2.3x
Lion Corporation		JPN	\$2,811	\$2,543	\$2,662	9.4%	11.4x	7.4x	10.1x	1.0x
Reckitt Benckiser Group plc		GBR	\$50,738	\$60,059	\$18,318	25.3%	15.3x	16.0x	12.9x	3.3x
The Clorox Company		USA	\$16,229	\$18,984	\$7,389	16.5%	15.2x	19.7x	15.5x	2.6x

Cleaning Products Industry 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, 2023 EV/		
						2021	2022	EBITDA	Revenue	
The Procter & Gamble Company 	USA	\$343,777	\$372,062	\$82,006	26.9%	16.8x	17.5x	16.9x	4.5x	
Unilever PLC 	GBR	\$124,363	\$152,708	\$64,435	19.4%	13.0x	12.5x	12.2x	2.4x	
■ Excluded from mean and median						Mean	12.6x	11.0x	11.6x	2.4x
						Median	14.1x	14.7x	13.7x	2.5x

Cleaning Products Industry – Global Transactions

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Sep-23		MUS	Manufactures and sells laundry and beauty soap products		-	100.0%	\$1.7	4.0x	0.1x
Aug-23		DEU	Provides infection prevention products for hand hygiene, skin hygiene, wound care, and surface disinfection	Bitburger Holding and ATHOS Service		100.0%	-	-	-
Jul-23	SOPRONEM SASU	FRA	Provides laundry detergents, dish wash, laundry care, household cleaners, and hydroalcoholic gel			100.0%	-	-	-
Jul-23		SAU	Manufactures homecare products, including air fresheners, cleaning products, and insecticides			98.8%	\$4.1	-	0.7x
Aug-23		SWE	Manufactures cleaning and hygiene products		-	100.0%	-	-	-
Aug-23		NLD	Distributes cleaning and hygiene products		-	100.0%	-	-	-
Aug-23		BRA	Distributes cleaning and hygiene products		-	100.0%	-	-	-
								Mean	0.4x
								Median	0.4x

Selected Transactions Commentary



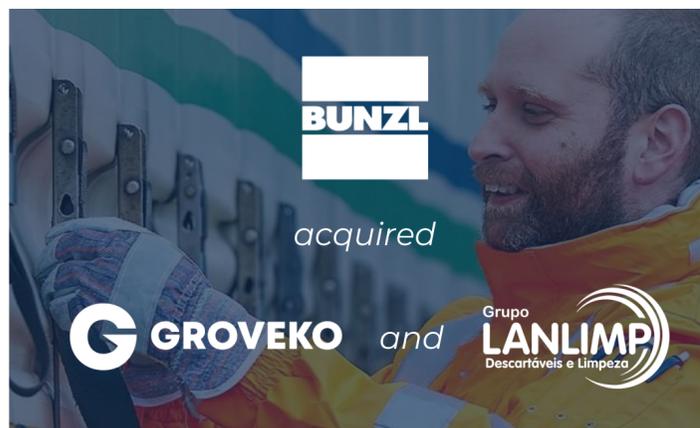
"It has been a pleasure working with EQT Private Equity over the past years. Together we have strategically re-positioned the business, driven organic growth, and pursued an active M&A agenda with five add-on acquisitions. Perhaps most importantly, we delivered on a sustainability transformation strategy to ensure that we live up to our mission and are set up for sustainable growth. We are grateful for the partnership and are now looking forward to building on this momentum under the ownership of the ATHOS Consortium."

Stefan Kukacka, CEO of Schülke



"Together with NSI, we can intensify our continued work to make PLS a market-leading producer of cleaning and hygiene products in the Nordics. It feels incredibly exciting to take new steps in our development together with our talented employees and our new owner."

Marcus Dyberg, CEO of PLS



"I am delighted to welcome these new acquisitions to the Bunzl family. It is very exciting to see the broad range of sectors and end markets represented. This truly demonstrates the great breadth of opportunities that we have around the world for continued acquisition growth through consolidation of our fragmented markets and geographic expansion. Our pipeline remains active, and the strength of our balance sheet supports our ability to continue investing in the significant opportunities that we see."

Frank van Zanten, CEO de Bunzl

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
 Soap, Cleaning Compound, and Toilet Preparation Manufacturing <i>NAICS 3256 – Soap, Cleaning Compound, and Toilet Preparation Manufacturing</i>	 2017-2021	 \$76.4M	 \$46.5M	 14.1%	 2.4x	 28.7%	 8.1x	 10
Soap and Other Detergent Manufacturing <i>NAICS 325611 – Soap and Other Detergent Manufacturing</i>	2018 - 2021	\$105.7M	\$68.2M	9.5%	2.0x	21.9%	8.6x	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.

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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

Sector Relevant Experience

Extensive M&A transaction experience, including:

- Provided **corporate finance** advisory services to the shareholders of **Key Quimica**, a leading Mexican manufacturer and distributor of cleaning products
- Provided **corporate finance** advisory services to **Organizacion Reynera**, a Mexican market leader in the design, manufacture, sale, and distribution of consumer cleaning products
- Provided **acquisition** advisory services to **FEMSA** a Mexican conglomerate operating in various industries, on the sale of its division **Quimiproduktos** a manufacturer of chemical products to **Ecolab** a provider of water, hygiene, and infection prevention solutions and services
- Provided **corporate finance** advisory services to **Church & Dwight** a leading manufacturer of household, personal care, and specialty products



*Corporate Finance
Advisory Services*



*Corporate Finance
Advisory Services*



has sold



QUIMIPRODUCTOS

to



*Corporate Finance
Advisory Services*

Mandatos Representativos

 <p>INMAGUSA Grupo Galaz, S.A de C.V.</p> <p>has been acquired by</p> 	 <p>has sold</p>  <p>to</p> 	 <p>has sold its Sanitaryware business units</p> <p>ST. THOMAS CREATIONS <small>SAFARIROOMS THAT WORK BEAUTIFULLY</small></p> <p>and</p>  <p>to</p> 	 <p>has sold</p>  <p>to</p> 	 <p>has sold</p>  <p>to</p> 	 <p>has been acquired by</p> 	  <p>acquired</p> <p>The Zinc Recycling Business</p> <p>of</p> 
 <p>acquired</p>  <p>Automotive dealerships from</p> 	 <p>has sold</p>  <p>to</p> 	 <p>has sold</p> <p>Kidde de Mexico, S.A. de C.V.</p> <p>Fire Safety Solutions Business</p> <p>to an affiliate of</p> 	 <p>has sold its concrete pumping business</p> <p>to</p> 	<p>CORPORACION</p>  <p>has sold</p>  <p>to</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 
 <p>has been acquired by</p> 	<p>intelectiva®</p> <p>has acquired</p>  <p>KFC Costa Rica from</p> 	 <p>Multiple acquisitions</p> 	 <p>has partnered with</p>  <p>a subsidiary of</p> 	 <p>has been acquired by</p> 	 <p>has merged its Beverage Division with</p> 	 <p>has merged its Beverage Division with</p> 

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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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Creative Solutions. Trusted Advice.

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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Recapitalizations

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