

Hempel to acquire Wattyl Australia and New Zealand

The seller is The Sherwin-Williams Company, the world's largest paint and coatings company and headquartered in the United States. The transaction is now pending customary approval from the authorities, which is expected in the first quarter of 2021.

"We are now taking the first large, visible step in our ambition of doubling Hempel by 2025, and the acquisition will have a major, positive impact on our footprint and development in our South & East Asia region," Hempel Group President & CEO Lars Petersson says.

"The acquisition is in line with our Double Impact strategy and the growth ambitions for our decorative and protective segments. Furthermore, the acquisition of Wattyl clearly highlights key points of the Hempel strategy: We are going for leadership positions in selected segments and geographies, and we aim to double our revenue within five years to EUR 3 billion. Doubling our revenue will allow us to double our positive impact by investing in more sustainable coating solutions, innovation and digitalisation."

For more than 100 years, Wattyl has continuously developed innovative and technologically advanced, highest quality, market leading products, building an iconic, trusted brand with high consumer brand awareness. Their business model is similar to the Hempel company Crown Paints in the UK, with a portfolio of branded products and nearly 100 company-owned stores across Australia and New Zealand, and strategic distribution partnerships servicing the DIY and trade consumers.

Strong platform for continuous growth

"Hempel and Wattyl working together, not only within decorative paints but also within protective coatings solutions, will put us in a great position to deliver our strategic ambition, particularly in our Decorative, Infrastructure and Energy segments, through combined expertise, industry knowledge and quality products. Consequently, our expectations for Wattyl as part of our family are high, and together, Wattyl and Hempel will create a strong platform for continuous growth for our entire South & East Asia region," says Lars Petersson.

Going forward, Wattyl will still be managed by current Managing Director Matt Crossingham, who is looking forward to joining the Hempel Group and is committed to the ongoing success of the region.

Matt Crossingham adds: "The entire team and I are pleased to join the Hempel family, and we are looking forward to contributing to Hempel's growth and development – not only in Australia and New Zealand – but throughout the South & East Asia region. We will gain access to increased know-how, experience and innovation as well as a broader product portfolio, which will benefit our customers. With Hempel's ownership, I am certain that Wattyl will raise to the next level."

Lars Petersson says: "Together with Matt Crossingham and his great team, we will focus on being the trusted partner to all our current and future customers throughout Australia and New Zealand. All of our strategic priorities are about ensuring a better end-to-end solution for our customers. Our customers will experience a continuing focus on sustainability, digitalisation and innovation."

From a branding perspective, Hempel fully recognises the strengths and attributes of the Wattyl brand. Hempel intends to invest in and further develop these attributes and use the endorsement "A part of Hempel" in branding and communication, as we see ourselves as guardians of strong brands.

Fact sheet Wattyl:

- Founded: 1915
- Employees: 750
- Revenue: EUR 150 million
- Headquarters in Baulkham Hills, Sydney, New South Wales
- 2 factories (Kilburn, South Australia and Footscray, Victoria)
- 5 distribution centres (4 in Australia, 1 in New Zealand)
- Nearly 100 company-owned stores

- Brands: Watty!, Watty! Protective Coatings

Fact sheet Hempel:

- Founded: 1915
- Employees: 6,000+
- Revenue: EUR 1.5 billion
- Factories: 28
- R&D Centres: 14
- Segments: Decorative, Marine, Infrastructure and Energy
- Headquarters in Lyngby/Copenhagen, Denmark

Contact

Sandra Baekby-Hansen, Communication Manager

Email: sabae@hempel.com

Phone: +45 2137 2985

About Hempel

As a world-leading supplier of trusted coating solutions, Hempel is a global company with strong values, working with customers in the decorative, marine, infrastructure and energy industries. Hempel factories, R&D centres and stock points are established in every region.

Across the globe, Hempel's paints and coatings can be found in almost every country of the world. They protect and beautify buildings, infrastructure and other assets, and play an essential role in our customers' businesses. They help minimise maintenance costs, improve aesthetics and increase energy efficiency.

At Hempel, our purpose is to shape a brighter future with sustainable coating solutions. We firmly believe that we will succeed as a business only if we place sustainability at our heart. Not only is it the right thing to do, it will strengthen our competitive position, make ourselves more resilient and reduce our risk.

Hempel was founded in Copenhagen, Denmark in 1915. It is proudly owned by the Hempel Foundation, which ensures a solid economic base for the Hempel Group and supports cultural, social, humanitarian and scientific purposes around the world

For pictures, please visit our press room here: <https://www.hempel.com/news/press-room>

Contacts

Luke Frost

0407271064

<mailto:>