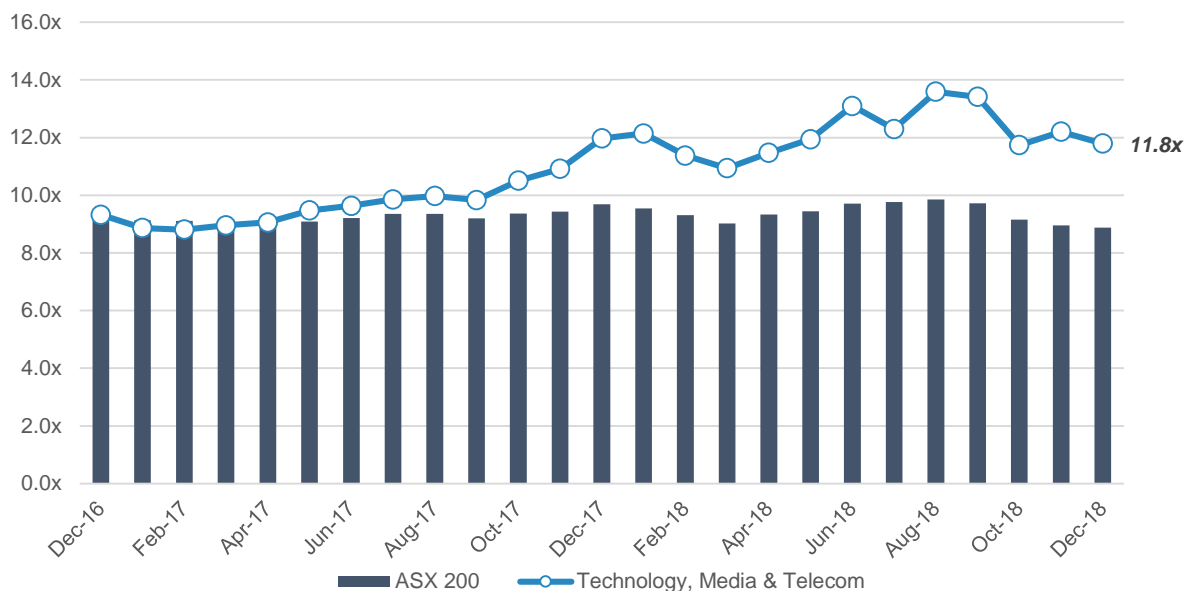


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 31/12/2018) Source: FactSet Research Systems Inc.

Multiples in the Technology, Media & Telecom sector have increased over the period. At the end of December, the sector traded on a forward EV / EBITDA multiple of 11.8x, compared to the ASX200 on 8.9x.



Average Values and Trading Multiples (values as at 18/01/2019) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$m)	EV/EBITDA FY2019	EV/EBIT FY2019	Price / Earnings FY2019
Digital & Traditional Media	7,965	7.8x	11.3x	10.0x
Internet, IoT	20,650	16.1x	18.7x	22.9x
IT Services, Fintech	4,154	11.7x	13.8x	46.1x
Software (SaaS/Licence)	10,974	18.8x	23.8x	23.2x
Technological Hardware	313	6.2x	14.2x	11.9x
Telecommunications	63,658	8.5x	13.7x	14.6x
Emerging vs Established				
\$500m+ EV	104,059	16.0x	21.5x	38.4x
\$100m-\$500m EV	3,169	8.4x	13.2x	13.7x
EV Below \$100m	486	7.8x	3.7x	11.4x
Technology, Media & Telecom	112,771	12.3x	16.1x	24.9x

Note: Multiples are based on the forward year of the unreported period, which for the majority of companies in the sector is FY2019. Difference in forward EV/EBITDA multiples between Figure and Table are representative of the timing difference between month-end result, and current day result.

¹ The InterFinancial Technology, Media & Telecom Index set is an unweighted index comprising Technology, Media & Telecom sector related companies trading on the Australian Securities Exchange (ASX). Estimates are sourced from FactSet Research Systems Inc.

MERGER & ACQUISITION NEWS...



Value: not disclosed



Orbis Technologies has completed the acquisition of **Turn-Key Systems**, an Australian software company. **Turn-Key** has over 20 years of experience in the content management market and holds an impressive client list of companies located in Australia, Europe, the United States, and Canada.



Value: \$4.5m



Swift Networks Group has announced the planned acquisition of **Medical Media**, the Australian digital-out-of-home media network. **Swift** will purchase all the outstanding shares in **Medical Media** for an upfront consideration of \$4.5m, entirely through the issue of 14.95m Swift shares at \$0.301 per share, via a Share Purchase Agreement (SPA) on a cash-free, debt-free basis.



Value: Not Disclosed

Telstra has entered into agreed terms to purchase a 25% stake in **Southern Cross Cable Network** (SCCN), an Australian and New Zealand undersea cable company. The expected cost of the **Southern Cross NEXT** cable project is \$418m.



Value: \$5.35m

Adapt IT, a South Africa-based software company, has agreed to acquire Australia-based **Wisenet Group**. **Adapt IT** will pay \$2.95m in cash on completion for the **Wisenet Group** and \$2.40m in cash on completion for **Wisenet SG**. The deal complements **Adapt IT's** Education Division growth strategy and provides access to key proprietary software, customers, and markets in the Australian higher education sector.



Value \$7m

ELMO Software, an Australian-based human resources (HR) software business, has announced the acquisition of **HROnboard**, the Australian-based provider of cloud-based employee onboarding software. The onboarding process is an essential function of an employee's lifecycle within an organization and the acquisition of **HROnboard** strategically strengthens **ELMO's** position as the leading provider of SaaS onboarding solutions in the Australian and New Zealand market.

GOING VIRAL...

- **Nine Entertainment** is anticipated to begin the sale of **Stuff**, a New Zealand-based media company, before the close of March. **Stuff** reported that the formal sale process for the business and the Australian regional publications previously owned by **Fairfax** will begin in the coming months.
- **irexchange**, an Australian company to help retailers and suppliers build more profitable and sustainable businesses, is seeking to raise as much as \$17.5m through an initial public offering. The company is offering 19.444m shares at \$0.90 per share. The indicative market capitalization upon the completion of the offer will be \$74.27m, with 82.52m shares on issue.
- Private equity firm **Adamantem** may still be considering an offer for Australian telecommunications company **Amaysim**. The company has a market capitalization of \$204m.
- **AltoStratos Holdings**, an Australian developer of supply chain delivery technologies, is seeking to raise \$16m through an initial public offering, according to a prospectus lodged with the Australian Securities and Investments Commission on the 19th of December.
- **EscaVox**, an Australian agricultural products supply chain tracking services provider, is looking to raise up to \$6m in an equity deal.

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