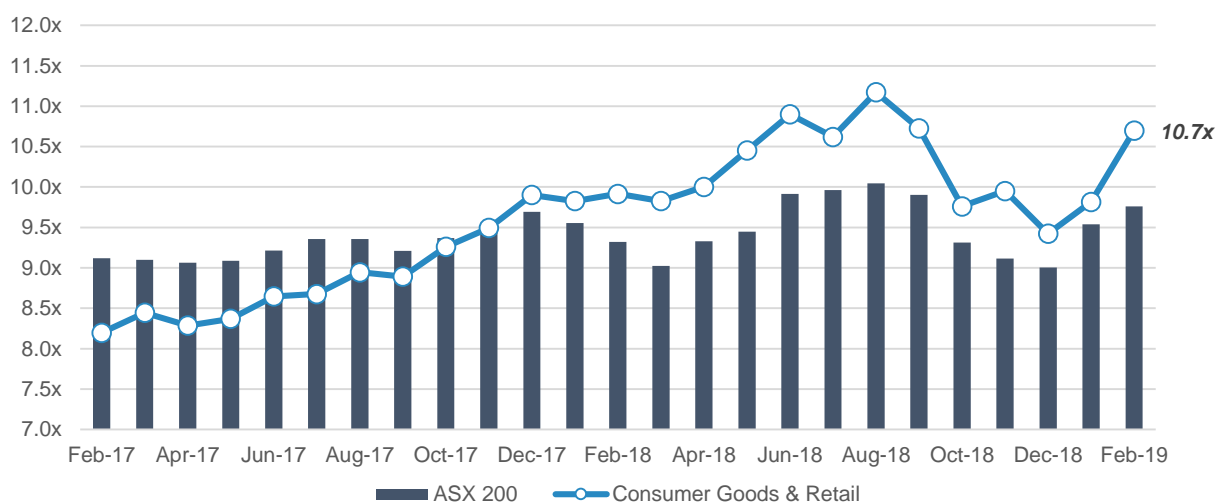


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 28/02/2019) Source: FactSet Research Systems Inc.

Multiples in the Consumer Goods & Retail sector have increased over the period. At the end of February, the sector traded on a forward EV / EBITDA multiple of 10.7x, compared to the ASX200 on 9.8x.



Average Values and Trading Multiples (values as at 20/03/2019) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2019	EV/EBIT FY2019	Price / Earnings FY2019
Consumer	12,808	10.8x	13.2x	17.4x
Food & Agribusiness	37,442	12.3x	18.1x	32.9x
Luxury Goods & Services	729	13.3x	15.5x	11.5x
Online Commerce	2,255	13.6x	16.7x	23.1x
Personal and Household Goods	3,375	10.3x	12.5x	17.0x
Retail	108,137	8.5x	10.8x	14.6x
Travel & Leisure	52,868	11.0x	14.7x	20.5x
Consumer Goods & Retail	217,613	10.6x	14.0x	21.2x

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 Consumer Goods & Retail Index set is an unweighted index comprising Consumer Goods & Retail sector related companies trading on the Australian Securities Exchange (ASX). Estimates are sourced from FactSet Research Systems Inc.

MERGER & ACQUISITION NEWS...



Value: \$100-150m

Odyssey Private Equity has agreed to acquire **Sushi Sushi**, an Australia-based fast food company. The deal is believed to value **Sushi Sushi** at between \$100m and \$150m.



Value: \$10m

Longtable Group has signed a conditional agreement to purchase the remaining 52% of shares in **Maggie Beer Products** for \$10m. **Longtable** has curated a house of premium brands over the last three years in lifestyle food and beverages with a focus on consumer demands for high quality, nutritious, premium food and beverages.



Value: \$350m

GrainCorp has entered into an agreement to sell its **Australian Bulk Liquid Terminals** business to **ANZ Terminals Pty Ltd** for a total enterprise value of approximately \$350m. Divesting the assets to another experienced operator allows **GrainCorp** ongoing and secure access to the storage needed to support their oils business – unlocking significant value for shareholders.



Value: Not Disclosed

Ticketmaster, a **Live Nation Entertainment Company**, has announced the acquisition of **Moshtix** to service the growing general admission event markets in Australia and New Zealand. The acquisition will provide Australian and New Zealand venues and promoters a unique offering which combines **Moshtix's** experience and technology for general admission, self-service and white label solutions with **Ticketmaster's** services, marketing, distribution and reach.



LIVESTOCK SHIPPING SERVICES

Value: ~\$8 (rumoured)

Wellard has sold **Beaufort River Meats**, an Australian abattoir, to **Livestock Shipping Services (LSS)**, Australia-based livestock export business. All staff at **Beaufort River Meats** will transfer to **LSS** and the business would continue to operate as a going concern. **Wellard** had originally planned to sell **Beaufort River Meats** to **International Meat Co**, but the buyer failed to settle the transaction last month. **LSS** is believed to have paid around \$8m for **Beaufort River Meats**.



Value: \$20m

Sterling Buntine, an Australian rural property owner, has purchased the **Mimong cattle station** from **Consolidated Pastoral Company (CPC)**, a domestic cattle business, for \$20m. The Queensland-based station owns 9,000 head of cattle. **CPC** owner **Terra Firma** began a process last year to sell the group as a whole or in parts.



Value: Not Disclosed

Officeworks, a **Wesfarmers** group company that supplies office products and services, has acquired **Geeks2U**, a national provider of on-site information, communication and technology services. The value of the deal was not disclosed.

RETAIL RUMOURS...

- **Coca-Cola Amatil**, an Australia-based beverage company, denied a reported move to make a bid to acquire **Lion Dairy and Drinks**, an Australia-based dairy and juice business.
- **Adore Beauty**, a privately held Australian beauty products retailer, would consider taking on external investors to assist its overseas growth initiative. The Melbourne-based company, which sells more than 13,000 beauty products online, has been approached “a lot” by potential investors ever since it bought back a 25% stake from supermarket chain **Woolworths**.
- **Keybridge Capital Limited** advises that it intends to make an off-market bid for all of the fully paid ordinary shares in **Yowie Group Ltd** for a consideration of 9.2 cents per share.
- **PayRight**, an Australian consumer lending company, has raised \$30m in equity and debt over the past 12 months.
- **Bain Capital** is considering exit options for **Retail Zoo**, an Australia-based food franchise owner. Exit options for **Retail Zoo** include a trade sale, sale to another private equity firm, or an ASX listing. **Bain** purchased **Retail Zoo** in 2014 for \$185m.
- **Woolworths** is said to be debating options for its hotel and liquor business **ALH Group**. **Woolworths’** board is said to be mulling future options for the group, which is 75% owed by **Woolworths** and 25% owned by Bruce Mathieson. Under one potential scenario Mathieson could purchase an additional 25% stake in **ALH**, in a deal financed by **Woolworths**, and the remainder of the group would be listed. However, there is thought to be concern among board members that the plan would deprive **Woolworths** of earnings.
- **Lorna Jane**, the Australia-based apparel group, is expected to be acquired by an unidentified Chinese clothing company. **L. Catterton Asia** was considering an offer for **Lorna Jane**, but its interest is believed to have faded. **Lorna Jane** is 40% owned by **Champ Ventures**. The remaining 60% stake is held by founders Lorna Jane Clarkson and Bill Clarkson.
- **PETStock**, a family-owned, Australia-based pet products retailer, is close to being acquired by **TPG Capital**. **TPG** is likely to pay \$150m to \$200m for **PETStock**, which has EBITDA of around \$25m. **TPG** is expected to combine **PETStock**, which has over 100 stores and veterinary clinics in Australia, with **Greencross**, which **TPG** recently acquired. **TPG** is likely to pursue additional bolt-on acquisitions for **Greencross** in the years ahead.
- Australian entertainment business **Funlab**, backed by Sydney-based private equity firm **Next Capital**, expects to have discussions later this month or early April with prospective suitors, who may help the company accelerate its growth. Victoria-based **Funlab**, which operates the **Strike Bowling**, **Sky Zone** trampoline park, **Holey Moley Golf Club**, as well as **Archie Brothers Cirque Electriq** and **B. Lucky & Sons** venues, has received a number of inbound enquiries from parties based both in Australia and Asia.
- **Webjet**, an Australia-based digital travel business, may continue to seek acquisitions of complementary businesses, especially technology or B2B travel players, on an opportunistic basis. The Melbourne-based company, which has a market capitalization of \$2.13bn, has in-house expertise and resources to scout and assess potential M&A opportunities.

CONTACT DETAILS

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