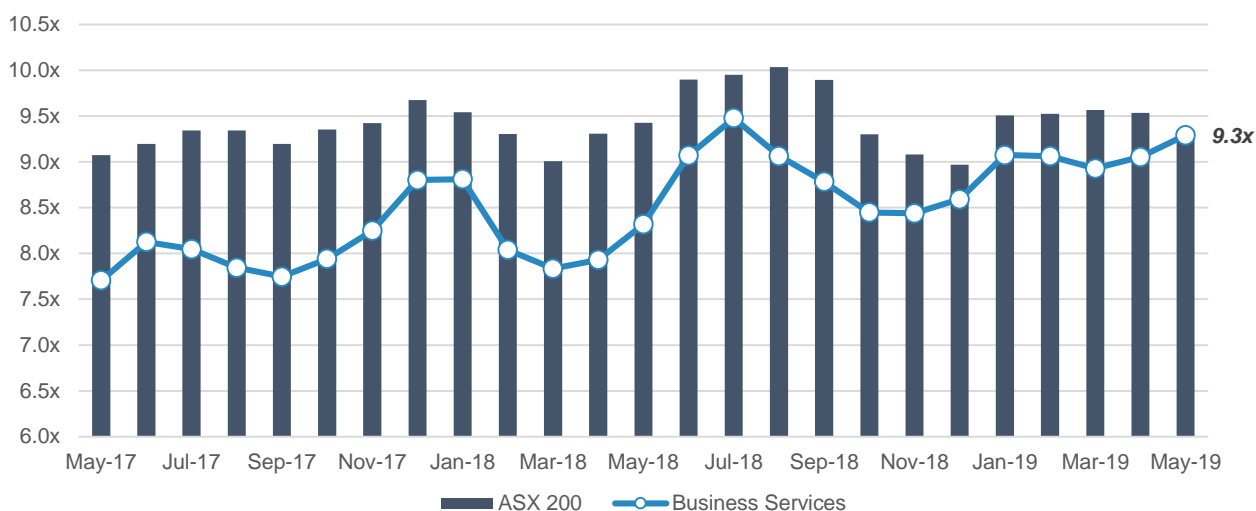


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 31/05/2019) Source: FactSet Research Systems Inc.

Multiples in the Business Services sector have increased over the period. At the end of May, the sector traded on a forward EV / EBITDA multiple of 9.3x, compared to the ASX200 on 9.3x.



Average Values and Trading Multiples (values as at 21/06/2019) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value	EV/EBITDA FY2019	EV/EBIT FY2019	Price / Earnings FY2019
Business and Technical Consulting	7,590	7.5x	7.8x	13.1x
Business Process Outsourcing	17,752	8.6x	13.1x	13.1x
Education	6,618	17.5x	21.5x	31.1x
Transportation, Logistics & Distribution	78,229	10.3x	16.9x	23.6x
Business Services	110,190	10.0x	13.3x	18.1x

Note: Multiples are based on the forward year of the unreported period, which for the majority of companies in the sector is FY2019. The constituents have been refreshed this month to ensure the sector groups and companies included are current. 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 Business Services Index set is an unweighted index comprising Business Services sector related companies trading on the Australian Securities Exchange (ASX). Estimates are sourced from FactSet Research Systems Inc.

MERGER & ACQUISITION NEWS...

PEOPLE INFRASTRUCTURE



Value: \$13.5m

People Infrastructure, an Australia-based human resources services business, has acquired **Halcyon Knights**, for \$13.5m. **Halcyon Knights** was established in 2007, and is an information technology recruitment company focused on the Melbourne, Sydney, New Zealand and Singapore markets.

OXFORD COLD STORAGE



Value: Not disclosed

Oxford Cold Storage, an Australia-based cold storage business, has been acquired by Texas-based **Emergent Cold**. This acquisition complements the broader **Emergent Cold** strategy of creating a global network of cold chain businesses. The acquisition is subject to regulatory approval.



Value: \$14m

Resimac Group has sold its 100% equity stake in its wholly owned subsidiary **Paywise Pty Limited** for total cash consideration of \$14m in a management buyout arrangement. **Paywise** is a salary packaging service provider that operates independently to **Resimac's** core Australia and New Zealand lending businesses.



Value: Not disclosed

Genuine Parts Company, the Atlanta-based distributor of automotive parts, announced the signing of a definitive agreement to acquire the remaining 65% stake of **Inenco Group**, the industrial distributor based in Sydney, Australia.



Value: Not disclosed

Canva, an Australia-based online design and publishing business, announced that it has acquired Germany-based photo companies **Pexels** and **Pixabay**.

THOMSON GEER LAWYERS



Value: Not disclosed

Thomson Geer has acquired **LSV Borrello**, a 10-year-old Perth property, infrastructure and litigation boutique law firm. The 8 partner and 20 staff boutique law firm will re-badge to **Thomson Geer**, becoming **Thomson Geer's** 5th office, on 1 July.

SERVING UP SOME SUPPOSITION...

- **Genuine Parts Company** plans to continue to pursue acquisition opportunities in Australia. **GPC Asia Pacific**, which includes **Repcor** and **Inenco Group**, will continue to target strategically sensible acquisitions in Australia.
- **ClickSend**, a privately held Australian cloud-based business communication and marketing solutions company, will relaunch its AUD 10m Series A later this year to fund a global expansion.
- **Affinity Equity Partners** has appointed **Macquarie Capital** to help sell its stake in the **Velocity Frequent Flyer** business. **Affinity** owns 35% of **Velocity**, the rewards program for the Australia-based airline **Virgin Australia**.
- **QuickFee**, an Australian fee funder for clients of accounting and law firms, is preparing to list on the ASX. **QuickFee** plans to meet with fund managers in Sydney and Melbourne over the next two weeks in a non-deal roadshow to build interest in the potential IPO.
- **Greater Data**, an Australian data-driven marketing solutions provider, has been approached many times over the years for potential takeovers and is currently talking to suitors.
- Buyers interested in ASX-listed **Eclipx** are believed to be waiting for the group to complete asset sales before making bids. The company is said to remain a potential takeover target with **McMillan Shakespeare**, **SG Fleet**, **Smart Group**, **Orix**, and **LeasePlan** among likely suitors. **Eclipx** is working to divest **GraysOnline** and **Right2Drive**.
- ASX-listed **Shine** and **Slater & Gordon** have both denied the reported merger talks, according to statements separately filed by the two major Australian law firms to the Australian Securities Exchange.
- Netherlands-based **Schiphol Group** and France-based **Vinci** are believed to be interested in **Hobart Airport**. The global airport players have been visiting Australia and are thought to be eyeing **Hobart Airport**. **Macquarie Infrastructure and Real Assets (MIRA)** is divesting its 50.1% stake in **Hobart Airport**. The stake could be worth \$250m.
- **Qantas Airways** and **American Airlines** are expected to gain approval soon from the US government for a plan to expand their alliance, an overturn of the previous decision made by the Obama administration. The proposed alliance in the form of setting up a joint venture has already gained a tentative approval from the US Department of Transportation, and a final decision is expected to come within a few weeks. The department concluded that the alliance should benefit consumers, with the impact of the total yearly consumer benefit estimated to be USD 310m, including an effect of lower airline ticket sales worth USD 89m.
- **Opteon**, a Melbourne-headquartered property valuation and services company, is actively looking for acquisitions in Australia and New Zealand, as well as to enter the US. The privately-owned company, which generates \$130m in revenue, has been an active acquirer in Australia and New Zealand in recent years and has an advanced pipeline of targets for US market entry.
- **CHAMP Private Equity** is set to acquire a major stake in **Unispace**, a Sydney-based office outfitter and renovator. The deal is expected to value the company at around \$500m. **CHAMP** entered into exclusive talks to buy the **Unispace** stake following a search for a new investor.

CONTACT DETAILS

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