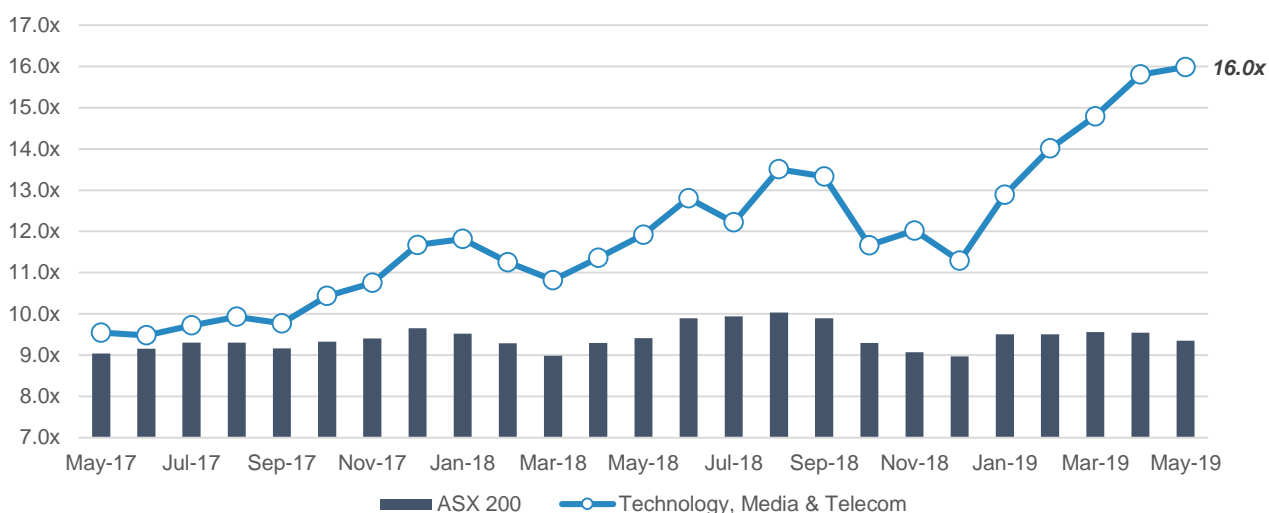


## VALUATION MULTIPLES

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

Multiples in the Technology, Media & Telecom sector have increased over the period. At the end of May, the sector traded on a forward EV / EBITDA multiple of 16.0x, 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 (\$m)	EV/EBITDA FY2019	EV/EBIT FY2019	Price / Earnings FY2019
Digital & Traditional Media	8,839	8.0x	10.4x	12.1x
Internet, IoT	25,812	20.9x	24.5x	31.8x
IT Services, Fintech	8,316	19.9x	18.4x	23.7x
Software (SaaS/Licence)	20,390	32.6x	41.0x	38.4x
Technological Hardware	271	6.5x	23.4x	16.8x
Telecommunications	76,861	9.0x	16.1x	16.8x
<b>Emerging vs Established</b>				
\$500m+ EV	143,029	21.0x	27.9x	29.6x
\$100m-\$500m EV	3,545	12.1x	11.7x	17.4x
EV Below \$100m	195	NA	NA	5.3x
<b>Technology, Media &amp; Telecom</b>	<b>146,770</b>	<b>17.8x</b>	<b>22.0x</b>	<b>24.7x</b>

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.

<sup>1</sup> 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: £7.3m

**RM plc**, a leading supplier of IT software and services to the UK and international education markets, announced the acquisition of **SoNET Systems**, a Melbourne-based provider of software as a service platforms to the education and government sectors, for GBP 7.3m. **SoNET's** e-testing software augments **RM's** existing e-marking capability.



Value: \$230m

**Wesfarmers** has entered into an agreement to acquire the Australian online retailer **Catch Group**, for a cash consideration of \$230m. **Catch Group** is an established, profitable and cash-generative business that operates an online business model offering branded products on a first-party basis and a third-party online marketplace. Subject to completion of the transaction, **Catch Group** will operate as an independent business unit.



Value: \$31m

**Nine Entertainment** announced on 21 May that it has sold a sports events portfolio to **The IRONMAN Group** for \$31m. The sale will see around half of the employees within the events and entertainment division (formerly **Fairfax Events and Entertainment**) moving across to **The IRONMAN Group's** Oceania Division

### GOING VIRAL...

- **GBST Holdings** has received a revised non-binding indicative \$2.72 per share cash proposal from **Bravura Solutions**. This follows receipt of an Indicative Proposal of \$2.50 per **GBST** share from **Bravura** as previously announced on 12 April 2019.
- **Dough**, a private Sydney, Australia-based neobank, is preparing to list on the ASX to raise \$10m.
- **Vocus Group**, the Australian telecommunications company, has terminated talks with **AGL Energy**. The move comes after **AGL** ceased undertaking due diligence and to withdrew its non-binding, indicative proposal to acquire **Vocus**.
- **Damstra Technologies**, an Australia-based workplace software business, has turned down private equity suitors. The business has received an increased level of interest from private equity players over the last few months due to the group's international growth prospects. Existing **Damstra** investors include **Ellertston Capital**, **Alium Capital**, and the **Flannery family**.
- Australian billionaires are believed to be among buyers interested in **Telstra's** \$1.5bn property portfolio. Billionaire families such as the Lowys, Triguboffs, Gandels, and the family of Hui Wing Ma are said to be interested in the asset.
- **MoneyMe**, an Australia-based non-bank lender, is preparing to list on the ASX. **MoneyMe** is anticipated to be presented as a financial technology group with high growth potential and may raise \$40m to \$50m.
- **NetLinkz**, an Australian cloud network solutions provider, could seek synergistic acquisitions and an entry into Europe before it becomes a potential target itself. The Sydney-based company, with a market capitalization of \$142.4m, could acquire businesses to add additional revenues and would look at smaller complementary cloud service companies, such as encrypted cyber security providers.
- **thedocyard**, a private Sydney, Australia-based deal management technology company, is considering its next growth capital raise, possibly in the next 12 months, to accelerate global expansion.
- **Nine Entertainment** could consider buying the remainder of **Domain Group** and delisting the company.
- **Cashrewards**, an Australian cash back rewards business, plans to list on the ASX next year. The company has raised \$5.25m in what is anticipated to be the first of many pre-IPO funding injections. **Alium Capital** has invested in the business as part of the raise.
- Private equity style infrastructure investors could be eyeing **Speedcast**, an Australia-based satellites business. Buyers similar to those pursuing the telecommunications businesses **Vocus** and **Vodafone New Zealand** are believed to be considering offers for **Speedcast**. **Speedcast** operates 80 satellites and around 40 teleports and is likely large enough to attract financial investors and groups seeking to enter the satellite space. The group could also be an attractive bolt-on target for a global player.

## CONTACT DETAILS

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