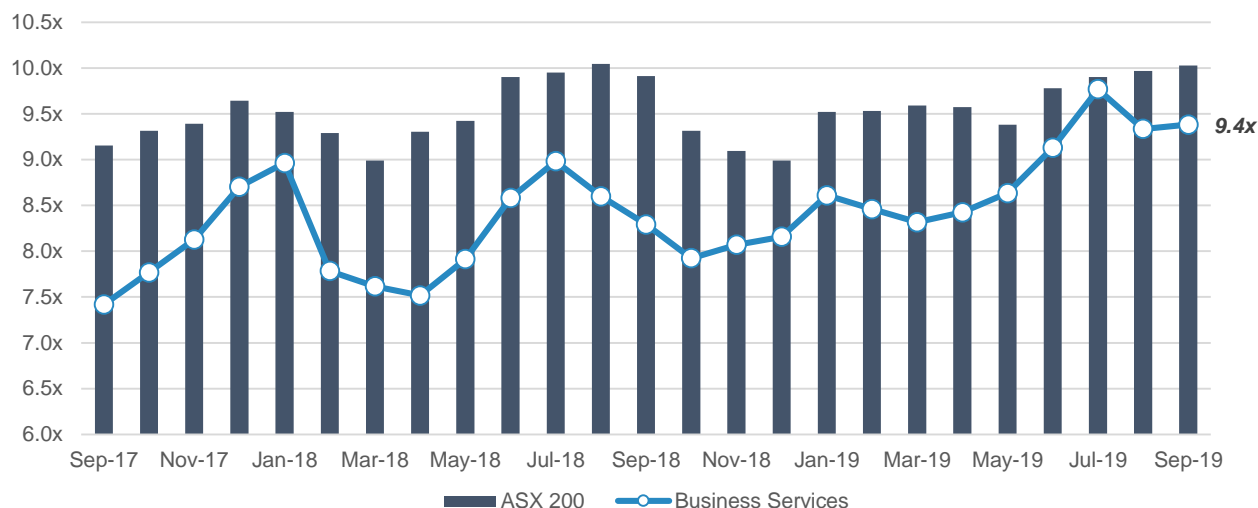


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 30/09/2019) Source: FactSet Research Systems Inc.

Multiples in the Business Services sector have increased over the period. At the end of September, the sector traded on a forward EV / EBITDA multiple of 9.4x, compared to the ASX200 on 10.0x.



Average Values and Trading Multiples (values as at 23/10/2019) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2020	EV/EBIT FY2020	Price / Earnings FY2020
Business and Technical Consulting	8,947	7.6x	8.7x	12.8x
Business Process Outsourcing	18,874	9.5x	13.1x	14.6x
Education	6,599	15.5x	19.0x	23.0x
Transportation, Logistics & Distribution	82,277	9.7x	16.4x	20.9x
Business Services	115,762	9.7x	13.3x	16.9x

Note: Multiples are based on the forward year of the unreported period, which for the majority of companies in the sector is FY2020. 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...



Value: \$440m

Suncorp Group has signed a binding agreement with **AMA Group** to sell **Capital S.M.A.R.T Group**, **Suncorp's** smash repair business in Australia and New Zealand. The sale consideration will be in the form of upfront cash proceeds and the retention of a 10% interest in the business.



Value: Undisclosed

DTN, an independent source of insights, analysis and decision-support solutions, has acquired **Weatherzone**, from **Nine Entertainment**. The value of the deal was not disclosed.



Value: Undisclosed

Mitsubishi Corp announced it will sell Australia-based **Crosslands Resources** to **Sinosteel Ocean Capital**. The value of the deal was not disclosed.



Value: Undisclosed

HireRight, a provider of background check and verification services, based in California, announced that it has made two acquisitions in the Asia Pacific region, namely, **J-Screen** in Japan and **PeopleCheck** in Australia.



Value: Undisclosed

Anacacia Capital, a Sydney-based private equity firm, has acquired a majority stake in Australian consultancy and project management group **Root Partnerships**. **Anacacia** will support **Root Partnerships'** leadership team and its plans to reinforce its growth trajectory going forward.



Value: \$635m

SeaLink Travel Group has entered into binding agreements to acquire 100% of **Transit Systems Group**, an Australia-based family owned operator of metropolitan public bus services. The transaction has an enterprise value of AUD 635m, plus a earn-out component of up to AUD 63m.



Value: \$52m

APM, the human services business which is backed by **Quadrant Private Equity**, is paying AUD 52m to buy **Konekt**, an Australian workplace safety business and is believed to be seeking additional acquisitions.



Value: \$21.25m (4.4x FY19 normalized EBITDA)

Acrow is to acquire **Uni-span**, the provider of formwork and scaffolding for AUD 21.25m (pre-earnouts), representing a multiple of 4.4x normalised FY19 EBITDA. There will be an initial consideration of AUD 16.25m, comprising AUD 12.75m cash and shares of AUD 3.5m (issued at 35cps).



Value: \$170m (estimated)

Pemba Capital Partners, along with the management of **ONCALL**, has agreed to acquire the company, in a management buyout transaction. **ONCALL** is an Australia-based provider of services in emergency and non-emergency situations. The value of the deal is estimated at AUD 170m.

SERVING UP SOME SUPPOSITION...

- **Quadrant Private Equity** is thought to be considering the sale of Australian employment services business, **APM**. A UK-based group operating in the space is thought to be interested. **APM** could be worth around AUD 800m.
- Australian data registry business **Illion** is thought to be seeking to sell for at least AUD 1.5bn. This price is likely too high for private equity, so is aimed at competitors who will be able to extract significant synergies.
- **PS&C Limited** has received a binding offer from **Tesserent Limited** for the sale of the company's security segment for an upfront consideration of AUD 16m.
- **CF Asia Pacific**, an Australian transport company, is anticipated to be sold within two weeks.
- **Evolve Education Group**, the New Zealand-based childcare operator, has acquired four childcare centres in Melbourne for AUD 11.8m.
- **Spotless**, the Australian services business controlled by **Downer**, is running an auction for its commercial laundries business. **Downer** has also sent out an information memorandum to buyers for their AUD 700m contract mining unit.
- **Infinity Group**, an Australian budget management and money mentoring business, receives approaches from parties interested in investing in or buying the company.
- **CIMIC's** majority owner **Hochtief** is believed to be working on an AUD 1.5bn proposal to buyout the remainder of the Australian construction and engineering business.
- **Anacacia Capital** has been in talks to buy a major stake in **Direct Couriers**, an Australian transport and logistics business. It is not known whether **Anacacia** and **Direct Couriers** have reached an agreement but is expected to be worth over AUD 100m.
- The state of Victoria is anticipated to start a sale process of **VicRoads**, the state's motor vehicle registry operation.
- **Modern Star**, an Australian education resources provider, is said to have received indicative interest from over a dozen potential suitors.

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