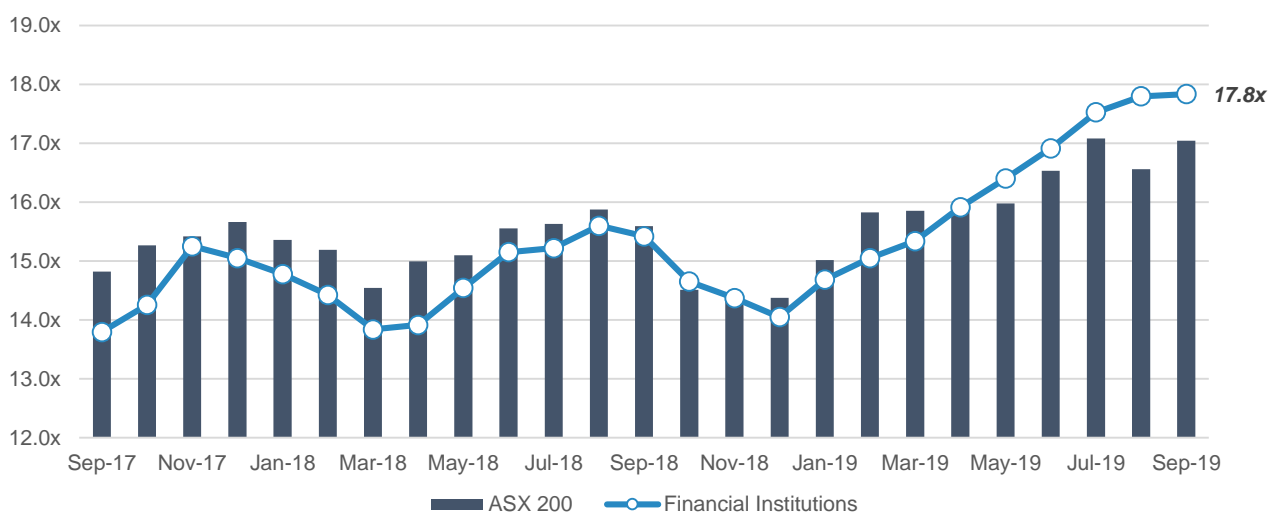


PRICING MULTIPLES

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

Multiples in the Financial Institutions sector have remained steady over the period. At the end of September, the sector traded on a forward Price / Earnings multiple of 17.8x, compared to the ASX200 on 17.0x.



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

Subsector	Market Capitalization	Price / Book Value	Price / Earnings FY2020	EPS Growth
Consumer Credit Businesses	2,404	1.8x	10.7x	21.4%
Financial Services Providers	81,605	3.6x	19.1x	11.8%
Insurance & Mortgage Brokers	4,431	3.0x	18.1x	15.5%
Lending Institutions	474,279	1.4x	14.2x	3.7%
Property Developers	2,073	0.9x	12.3x	26.9%
REIT	139,911	1.2x	19.5x	2.4%
Financial Institutions	704,703	2.1x	17.7x	9.1%

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

MERGER & ACQUISITION NEWS...



Value: \$18.25m

Silver Chef Limited has entered into a share purchase agreement to sell its hospitality business to a consortium of investors investing under the leadership of **Next Capital**.



Value: \$20m (60% stake)

Western Australian fintech company, **Fair Go Finance**, has announced an AUD 20m investment from **Skybound Capital**, which has purchased a 60% stake in the business from parent company, Frankfurt-listed **MyBucks S.A.** The acquisition is part of **Skybound Capital's** strategy to grow its exposure in the Australian market.



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

Cuffelinks, a publishing service providing content written by financial market professionals has been acquired by **Morningstar's Australian** subsidiary **Morningstar Australasia**. The company will now be branded as **Firstlinks**. This is to broaden **Morningstar's** investment commentary.

INSTITUTIONAL INTELLIGENCE...

- **AMP** is thought to be preparing a plan to fold its banking unit into its wealth division.
- **Money Me**, an Australian-based personal lender, is said to have secured a cornerstone investor for its upcoming IPO. Money Me may be planning to raise between AUD 40m and AUD 50m.
- **Eclix** is reportedly preparing to sell **Carloans.com.au**, an Australian online car loan business. It follows their divestment of **Grays Online** in July 2019.
- **Macquarie Capital** has been appointed to seek a new strategic investor or buyer for **BizInsure**, an Australian insurance provider for small businesses.
- **Ares Management Corporation** and **Fidante Partners**, part of Australia-based **Challenger Limited**, have established a strategic joint venture in Australia, **Ares Australia Management**. The venture will act as the investment manager for new investment vehicles specifically structured for investors in Australia and New Zealand.
- Private equity players are believed to be circling **National Australia Bank's** wealth management division **MLC**.
- **Infinity Group**, an Australian budget management and money mentoring business, receives approaches from parties interested in investing in or buying the company.
- **Flexigroup**, an Australian finance business, is believed to have opened a data room for the sale of its Australian and New Zealand commercial leasing operations.
- **Alceon Group**, an Australian private investment finance and advisory group, has acquired a significant stake in the specialist real estate and infrastructure manager **Freehold Investment Management**.
- **Latitude Financial**, an Australian non-bank lender, has decided to call off its initial public offering, following the outcome of its bookbuild. The decision was based on a concern over after-market performance of the company's shares after the planned listing on 18 November, and was made even after the offer price was cut twice eventually to AUD 1.78 per share from the originally set AUD 2.25 per share
- **Openpay**, an Australian buy now, pay later business, is considering listing on the ASX in late November to raise AUD 60m.

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