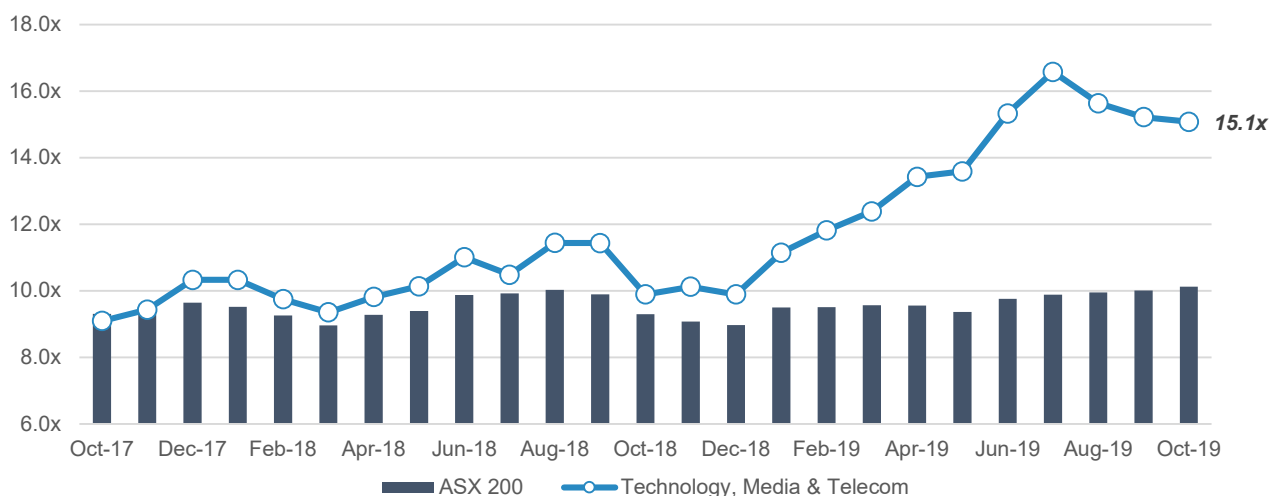


## VALUATION MULTIPLES

### Forward EV / EBITDA Multiples (monthly to 31/10/2019) Source: FactSet Research Systems Inc.

Multiples in the Technology, Media & Telecom sector have decreased over the period. At the end of October, the sector traded on a forward EV / EBITDA multiple of 15.1x, compared to the ASX200 on 10.1x.



### Average Values and Trading Multiples (values as at 26/11/2019) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2020	EV/EBIT FY2020	Price / Earnings FY2020
Digital & Traditional Media	11,019	11.5x	n.a.	14.9x
Internet, IoT	27,400	20.8x	25.8x	39.9x
IT Services, Fintech	10,037	14.3x	n.a.	24.6x
Software (SaaS/Licence)	20,103	22.1x	29.2x	39.9x
Technological Hardware	251	5.8x	n.a.	24.6x
Telecommunications	72,893	8.0x	16.4x	17.4x
<b>Emerging vs Established</b>				
\$500m+ EV	145,135	18.8x	26.6x	32.4x
\$100m-\$500m EV	3,862	11.7x	12.2x	25.0x
EV Below \$100m	294	5.7x	n.a.	8.7x
<b>Technology, Media &amp; Telecom</b>	<b>149,290</b>	<b>15.5x</b>	<b>20.2x</b>	<b>28.0x</b>

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.

<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: Undisclosed <b>Professional services firm, EY, has acquired Aleron Group, an Australia-based company engaged in providing cyber security consultancy services, for an undisclosed consideration.</b>
		Value: \$35m <b>Domain Holdings Australia Limited, a digital company operating in the real estate space has agreed to acquire Bidtracker Holdings, an Australia-based company operating point of sale platforms that digitises key steps in the property journey including agency agreements, auctions and contracts.</b>
		Value: Undisclosed <b>The Access Group, the UK-based company engaged in developing business management software solutions, has acquired Attache Software Australia, the Australia-based provider of accounting software.</b>
		Value: \$40m <b>Omio (previousy GoEuro Corp.), the Germany-based company engaged in providing online travel search platform has acquired Rome2rio, the Australia-based company which offers search tools for travelers covering multiple transportation options all around the world.</b>
		Value: \$25m <b>Bravura Solutions Limited, an Australia-based ASX-listed company engaged in the provision of wealth management applications and professional services, has agreed to acquire Finocomp, an Australia-based software company. The acquisition will be funded from existing cash reserves.</b>
		Value: \$421m <b>Quadrant Private Equity, an Australia-based PE firm, has agreed to acquire QMS Media, an Australian outdoor media company.</b>
		Value: Undisclosed <b>Bora Bora Resources, a listed Australia based engaged in graphite, gold and other base metals exploration, has agreed to acquire AZoNetwork UK Limited, a UK-based digital science and technology information publisher.</b>
		Value: 139m <b>Fuji Xerox Co., the Japanese company engaged in designing and manufacturing digital color copying machines, color printing systems, multifunction machines, and publishing systems has agreed to acquire CSG Limited, an Australia-based communications and technology (ICT) company that provides technology solutions.</b>
		Value: 40m <b>Bauer Media Pty Limited, the Australia-based company engaged in publishing and selling magazines and digital products, and a wholly-owned subsidiary of Bauer Media Group, the Germany-based media company digital media business, has agreed to acquire Pacific Magazines, the Australia-based magazines publisher.</b>

## GOING VIRAL...

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- **OOH!Media's** chief executive, Brendon Cook, is believed to be working on a management buyout proposal, backed by a private equity player. The business faces challenges such as AUD 393.4m net debt, which amounts to 2.7x underlying EBITDA, and makes up approximately 35% of its capital structure.
- **TalkTalk Telecom** is close to agreeing a takeover of its **FibreNation** ultrafast broadband subsidiary by internet infrastructure company **CityFibre**. The deal is expected to be worth AUD 1,879m.
- **Trade Ledger**, an Australian-British Lending as a Service (LaaS) digital platform developer, has secured an AUD 3m strategic investment in a funding round.
- **Bauer Media** in talks to sell Australian and New Zealand publishing assets to **Mercury Capital** for AUD 150m. The bid is 6x Bauer's annual earnings of AUD 25m.
- Australian media company **Nine Entertainment Co.** sees no need to fully acquire and delist **Domain** right now, but this could change in the future if Domain becomes undervalued. Domain's current market capitalisation is AUD 1,820m.
- **SiteMinder**, an Australian-based hotel booking technology platform, is preparing to undertake an AUD 100m equity raising that will value the business at over AUD 1bn. SiteMinder's revenue reached AUD 100m in May.
- **AEROMETREX**, an Australia-based aerial imaging group, is seeking to raise AUD 25m, at AUD 1.00 per share, through an initial public offering (IPO) of its ordinary shares on the ASX. The indicative market capitalization upon completion of the offer will be AUD 94.4m, with a total of 94.4m shares on issue.
- **Nitro**, a San Francisco-headquartered software business, is continuing to consider an IPO as a potential growth option. It is rumored that Nitro has been laying the groundwork to list on the ASX for several months and the group is currently keeping its options open. The business is believed to be expecting revenue of USD 40m for FY20.
- **Atomos**, an Australia-based video content creation technology company, is undertaking an AUD 22m (USD 15m) equity raising to fund a new acquisition.
- **KKR**, **TPG Capital**, **The Carlyle Group**, **Brookfield**, and **Blackstone** are anticipated to submit first round offers for **Illion**, an Australian data registry business.
- **Ausgrid**, the Australian electricity distributor, is looking at acquisitions including smart metering businesses and other "market disruption" assets.
- **Openpay**, an Australian buy now, pay later business, is considering listing on the ASX in late November.
- **HealthShare**, a private Sydney-based digital health platform, is actively seeking AUD 10m-AUD 15m to accelerate growth in Australia and the US.
- **Bigtincan Holdings** is looking to raise AUD 20m to help fund the purchase of **Xinnovation Inc.**, a cloud software company based in Boston, Massachusetts.
- **OneMarket**, the Australian software company, has announced a decision to proceed with an orderly winding-up. The company will also continue to seek potential buyers for its assets.

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