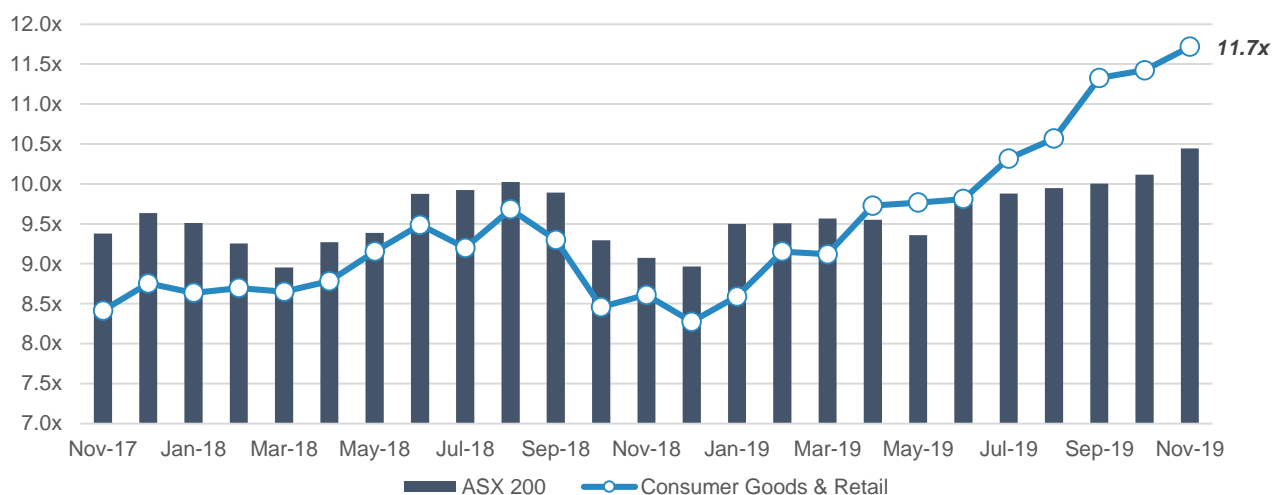


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 30/11/2019) Source: FactSet Research Systems Inc.

Multiples in the Consumer Goods & Retail sector have increased over the period. At the end of November, the sector traded on a forward EV / EBITDA multiple of 11.7x, compared to the ASX200 on 10.4x.



Average Values and Trading Multiples (values as at 17/12/2019) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2020	EV/EBIT FY2020	Price / Earnings FY2020
Consumer	12,432	12.0x	14.8x	21.1x
Food & Agribusiness	40,332	13.0x	17.6x	25.7x
Luxury Goods & Services	760	12.3x	14.7x	n.a.
Online Commerce	2,343	13.4x	16.7x	23.0x
Personal and Household Goods	3,966	14.9x	17.6x	25.7x
Retail	131,126	9.7x	12.4x	18.1x
Travel & Leisure	63,500	11.2x	15.0x	20.2x
Consumer Goods & Retail	254,460	11.6x	15.1x	21.4x

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

MERGER & ACQUISITION NEWS...



Value: \$14m

Viva Leisure Limited, has agreed to acquire 13 Australia-based health clubs of **FNF Australia**. **Viva Leisure Limited** is an Australia-based company engaged in operating health clubs. **FNF Australia** is an Australia-based operator of health clubs.

adairs

mocka

Value: \$76m

Adairs Limited (ADH), an Australia-based ASX-listed company engaged in retailing of home decor products and furnishings, has agreed to acquire **Mocka Limited**, the New Zealand-based company that makes and sells home and living products.



CALTEX
Caltex Australia

Value: \$136m

An undisclosed bidder, has agreed to acquire 25 convenience store sites of **Caltex Australia Limited**, the listed Australia-based oil refining company engaged in the purchase, refining, distribution and marketing of petroleum products.



BALTER

Value: Undisclosed

Carlton & United Breweries (CUB), an Australia-based brewery, has agreed to acquire **Emencee** (trading as, **Balter Brewing Company**), an Australia-based brewery.

MOUNTCASTLE

HGL

LW REID
For one and all.

Value: \$23m

Mountcastle, an Australia-based importer, exporter, and manufacturer of hats, and a 50% owned joint venture company of **HGL Limited**, has agreed to acquire **LW Reid**, an Australia-based company engaged in online wholesale of school and sports uniforms.



Value: \$600m

Kirin Holdings Company Limited has agreed to sell its Australia-based dairy business **Lion Dairy & Drinks** to **Monday Smoothie Pty Ltd.**, a wholly-owned subsidiary of China-based **Mengniu Dairy**, for \$600m.

RETAIL RUMOURS...

- **Anchorage Capital** is believed to be close to acquiring **Automotive Holdings Group's (AHG)** refrigerated logistics business.
- **McPherson's**, an Australia-based beauty and wellness business, is believed to be considering the acquisition of **Bio-E Australia**, an Australian health and beauty products business.
- The **Australian Competition and Consumer Commission (ACCC)** has expressed its concerns over **Asahi Group Holdings'** proposed acquisition of Australian beer business **Carlton & United Breweries**, saying that the deal may substantially lessen competition in the supply of beer and cider products in Australia.
- **v2food**, an Australia-based start-up venture for whoppers has raised \$35m in the latest Series A round led by **Main Sequence Ventures**, for expanding its business into the Asian market as well as for its research and development activities.
- **Harris Scarfe (HS)**, an Australia-based department store chain, has entered receivership and voluntary administration. **HS** around 1800 employees, 66 stores in Victoria, South Australia, and Tasmania, and generates around \$380m in sales.
- **Charter Hall Long WALE REIT** is expected to make an official announcement soon on an equity raising to finance an acquisition deal for the property portfolio of snacks business **Arnott's** from **KKR**.
- **Forbidden Foods**, an Australia-based health food business, is planning to list next year.

RETAIL RUMOURS...

- **Bubs Australia**, an Australia-based baby formula business, plans to use funds raised through its \$30m share placement to support M&A activity.
- **Adamantem Capital** is believed to be among buyers interested in **Luxury Escapes**, an Australia-based e-commerce travel business. **Luxury Escapes**, which is forecast to bring in revenue of \$500m during the 2020 financial year.
- **Olam International Limited** has entered into an agreement to sell 89,085 megalitres of its permanent water rights in Australia to a related entity of the **Public Sector Pension Investment Board (“PSP Investments”)**, one of Canada’s largest pension investment managers, for a total consideration of \$490m.
- **University Co-operative Bookshop**, an Australia-based retailer, is seeking urgent expressions of interest. The business has a FY19 turnover exceeding \$90m and 180 staff.
- **Metcash** is in talks to buy **Total Tools**, an Australia-based tool retailer. **Total Tools** is said to have earnings of around \$25m per year.
- **SILK Laser Clinics**, an Australian laser treatments business backed by **Advent Partners**, could pursue an IPO or trade sale in the next 18 months.
- **Kresta Holdings**, an Australian blinds and awning retailer, announced on 30 November that it is undertaking a strategic review that could result in a sale of the company.
- **Graincorp**, an Australian grain handler, is continuing to field buyer interest in its malt business, wanting a price of \$2bn.
- **Bardot**, an Australia-based fashion retailer has entered voluntary administration.
- **M.J. Bale**, an Australian suit retailer, is seeking a new investor or buyer to back growth plans, including the sale of a majority stake or partnership-style transaction.
- **The Natural Grocery Company**, an Australia-based natural and organic grocery business, has entered administration. The company brought in revenue of \$66m during the 2018 financial year and had over 500 employees.

CONTACT DETAILS

If you are interested in specific information regarding mergers and acquisitions in the Consumer Goods & Retail Industry, please contact David Hassum or Sally McMillan.

Name	Position	Phone	Email
Sharon Doyle	Managing Director	(07) 3218 9122	sdoyle@interfinancial.com.au
Paul Keehan	Chairman	(07) 3218 9100	pkeehan@interfinancial.com.au
Mark Steinhardt	Head of M&A	(07) 3218 9105	msteinhardt@interfinancial.com.au
Brad Shaw	Chief Operating Officer	(07) 3218 9100	bshaw@interfinancial.com.au
David Hassum	Director	(07) 3218 9108	dhassum@interfinancial.com.au
Andrew Wheeler	Director	(07) 3218 9107	awheeler@interfinancial.com.au
Anna Green	Director	(07) 3218 9100	agreen@interfinancial.com.au
Ted Marchant	Director	(07) 3218 9100	tmarchant@interfinancial.com.au
Sally McMillan	Associate Director	(07) 3218 9100	smcmillan@interfinancial.com.au
Brent Wall	Associate Director	(07) 3218 9102	bwall@interfinancial.com.au
Michael Kakanis	Associate	(07) 3218 9106	mkakanis@interfinancial.com.au

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InterFinancial
Corporate Finance Limited
ABN: 49 138 962 986
AFSL: 341675
Level 2, 201 Charlotte Street
GPO Box 975
Brisbane Queensland 4001
(07) 3218 9100
admin@interfinancial.com.au
www.interfinancial.com.au

