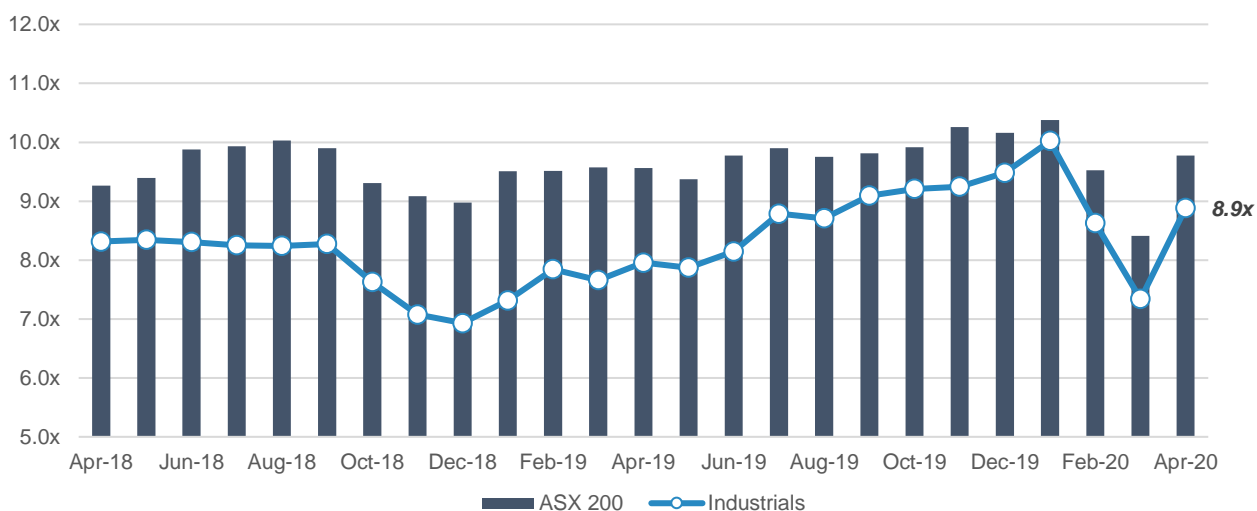


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 30/4/2020) Source: FactSet Research Systems Inc.

Multiples in the Industrials sector have increased over the period. At the end of April, the sector traded on a forward EV / EBITDA multiple of 8.9x, compared to the ASX200 on 9.8x.



Average Values and Trading Multiples (as at 20/05/2020) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2020	EV/EBIT FY2020	Price / Earnings FY2020
Chemicals and Plastics	18,150	9.3x	18.8x	17.7x
Construction and Building Materials	46,907	8.5x	12.7x	16.6x
Engineering Services	15,414	5.2x	7.7x	14.4x
Packaging	4,435	11.7x	17.5x	20.9x
Industrials	169,870	8.9x	15.5x	16.5x

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. Composition of companies in Sector Dashboards are updated every 6 months. Most recent update: February 2020.

SCUTTLEBUTT...

- Australian transport and fleet maintenance group **Elite Mining & Transport Services'** administrator is seeking expressions of interest for the group.
- **Adelaide Brighton** [ASX:ABC], an Australian cement business, is not actively discussing a potential merger with its largest shareholder Barro Group.
- **Decmil Group Ltd** [ASX: DCG] announced it has received one firm offer to acquire its asset **Homeground Gladstone Village**, with the company revaluing the asset to AUD 56.6m. Meanwhile, the company has appointed Executive Director Dickie Dique as Chief Executive Officer to be effective immediately.
- Australian environmental services firm **Greenfleet** is considering entering the South Pacific region, likely Fiji, in 2022 as part of overseas expansion plans. The Melbourne-based not-for-profit company, which plants native biodiverse forests in Australia and New Zealand to offset carbon emissions and tackle climate change on behalf of individuals and businesses, is mulling a Fiji entry in 2022 to take advantage of "enormous opportunities" for carbon offsetting.
- **Buckeridge Group of Companies** (BGC), an Australian privately-owned building materials group, is now expected to sell only part of the company. A private equity player is likely to buy a stake in the company and then acquire the remainder when its performance improves. BGC was put up for sale following the death of its founder Len Buckeridge. BGC has already sold its contracting unit to **NRW** for AUD 310m, and the remaining business is thought to be worth over AUD 1.5bn.
- **RGD Group**, a QLD-based building company, has entered voluntary administration.
- **Incitec Pivot Limited** (ASX: IPL) has announced an AUD 675m equity raising comprised of an underwritten institutional placement and a non-underwritten share purchase plan.
- **Archer Materials** [ASX:AXE], an Australian materials technology company, is screening potential acquisition targets as often as on a monthly or even weekly basis. The Adelaide-based company could acquire add-on technologies for its three verticals: quantum technology, human health, and reliable energy.
- **Seven Group Holdings** [ASX:SVW] is believed to be eyeing **Perenti Global's** [ASX:PRN] earthmoving parts and equipment subsidiary **BTP**. Seven is thought to be interested in combining BTP with its mining equipment parts company **FlexiParts**, which is held by Seven's heavy equipment business **WesTrac**.
- **O-I Glass** [NYSE:OI] announced with its first quarter results that it has officially suspended the sale process for its Australia and New Zealand business, driven by the COVID-19 pandemic.

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