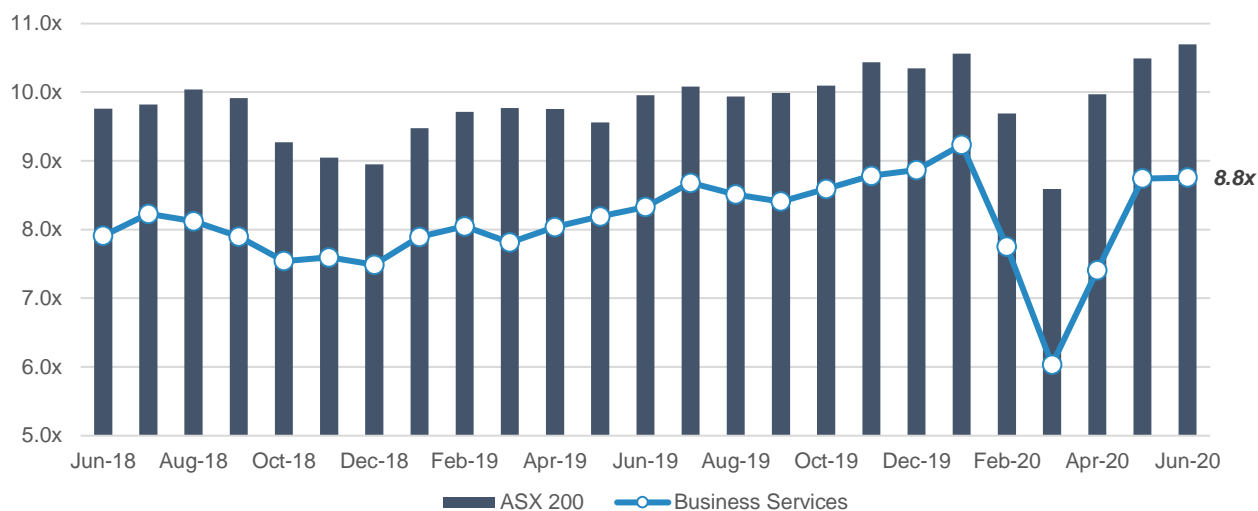


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 30/06/2020) Source: FactSet Research Systems Inc.

Multiples in the Business Services sector have increased over the period. At the end of June, the sector traded on a forward EV / EBITDA multiple of 8.8x, compared to the ASX200 on 10.7x.



Average Values and Trading Multiples (values as at 28/07/2020) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2020	EV/EBIT FY2020	Price / Earnings FY2020
Business and Technical Consulting	7,587	7.0x	9.2x	12.1x
Business Process Outsourcing	15,859	9.1x	12.0x	13.4x
Education	5,587	17.2x	29.1x	51.7x
Transportation, Logistics & Distribution	51,552	9.7x	15.1x	22.6x
Business Services	81,306	9.7x	14.2x	20.6x

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.

MERGER & ACQUISITION NEWS...



Value: Undisclosed

CS Logistics Solutions, an Australian warehousing and freight forwarding business, has sold its international freight forwarding division to New Zealand-based freight forwarder and supply chain manager **Mondiale Freight** for an undisclosed amount. **CS Logistics Solutions** generates an annual revenue of around \$80m, the majority of which comes from the international freight division that was sold to **Mondiale**.



Value: \$20m

The SMART Group, an Australian call centre business, has been acquired by **Acquire BPO**, an Australian outsourcing company, with the deal believed to have valued SMART at over \$20m. The SMART acquisition has increased Acquire BPO's workforce by around 200 and is anticipated to enhance the group's Australian offering.



Value: Undisclosed

Auscript, an Australian provider of recording and transcription services, has been acquired by **Bison Capital Asset Management LLC**, a US private equity firm, along with FTR Group. The deal was completed with the aim to accelerate growth and was acquired under Bison's fund "Bison Capital Partners V, LP."

SERVING UP SOME SUPPOSITION...

- **Downer EDI** [ASX:DOW] will make an unconditional offer to acquire the remaining shares in **Spotless Group**, one of Australia's largest integrated service providers.
- **Charter Hall** has re-emerged in the competition for **Qube's** logistics property portfolio, which is estimated to be worth up AUD 2.5bn.
- Indicative bids for **Kinetic Group** are due on September 4th, with **Infrastructure Capital Group** and **Pacific Equity Partners** thought to be eyeing the asset.
- **Virgin Australia Holdings** bondholders, **Broad Peak Investment Advisers** and **Tor Investment Management** have applied to the Federal Court seeking orders granting access to details of the sale of the airliner to **Bain Capital**.
- **Virgin Australia Holdings** unsecured creditors **Broad Peak Investment Advisers** and **Tor Investment Management** have submitted an application to Australia's Takeover Panel seeking a panel order to allow them to make an alternative proposal for the Australian airliner.
- **Swoop Aero**, a Melbourne, Australia-based drone logistics network company, will start considering future capital raising needs in the next 12-18 months, following the completion of a Series A raise in June.
- Australian environmental markets platform **GreenCollar** has received an investment from **Kohlberg Kravis Roberts**, as the US private equity firm will advance GreenCollar's mission to provide commercial solutions to climate change related challenges faced by governments, corporates and individuals.
- **Schlam**, an Australian supplier of services for asset management, maintenance, manufacturing, and engineering, will consider acquisitions as it seeks to grow into new markets and expand its products and services portfolio.
- **Credit Intelligence**, a Hong Kong-based ASX-listed diversified debt restructuring, insolvency management and credit funding business, is actively seeking more acquisitions in the aftermath of the COVID-19 pandemic.
- **Archer Capital** could soon revive the sale process for **illion**, an Australian credit reporting data and analytics business.
- **Nearmap**, a Sydney-based Australian aerial map technology company, could consider complementary aerial map technology acquisitions that can support its organic growth strategy.

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DISCLAIMER

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