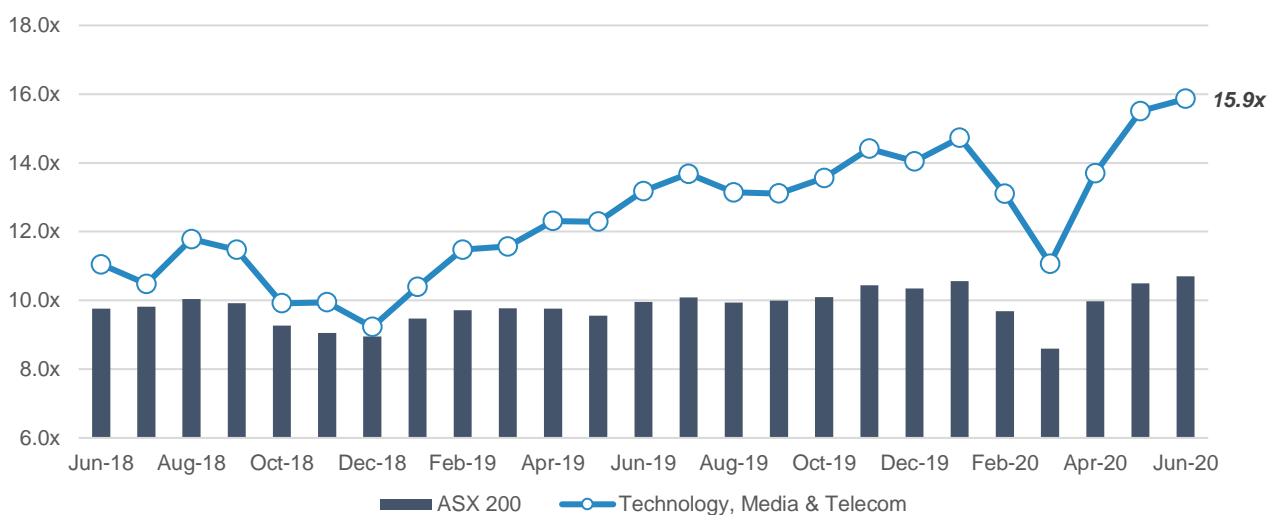


VALUATION MULTIPLES

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

Multiples in the Technology, Media & Telecom sector have increased over the period. At the end of June, the sector traded on a forward EV / EBITDA multiple of 15.9x, compared to the ASX200 on 10.7x.



Average Values and Trading Multiples (values as at 29/07/2020) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2020	EV/EBIT FY2020	Price / Earnings FY2020
Digital & Traditional Media	11,092	16.9x	NA	13.8x
Internet, IoT	28,537	26.1x	34.4x	57.9x
IT Services, Fintech	5,870	17.3x	23.7x	32.2x
Software (SaaS/Licence)	13,805	18.6x	24.8x	36.2x
Technological Hardware	149	18.8x	NA	NA
Telecommunications	77,100	10.5x	21.8x	29.3x
Emerging vs Established				
\$500m+ EV	139,862	17.3x	NA	33.6x
EV Below \$500m	1,427	12.3x	15.3x	27.9x
Technology, Media & Telecom	141,289	16.1x	23.2x	32.4x

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

¹ 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: \$2.9m



5G Networks [ASX:5GN] has agreed to acquire **Colocation Australia** (ColoAU), the Brisbane-based data centre operator, for \$2.4m in cash and \$500k worth of 5GN shares. The acquisition will fast-track 5GN's wholesale business and is anticipated to accelerate its indirect sales revenue by accessing ColoAU's network platform and data centres.

Colocation Australia was advised by IFL Ventures.

Value: Undisclosed



Datto, the Connecticut-based provider of data protection and backup software, backed by **Vista Equity Partners**, has announced the acquisition of **Glüh**, the Australian quoting, procurement and online store. The acquisition furthers Datto's commitment to Managed Services Providers, and to helping them grow.

Value: Undisclosed



ECH, an Australia-based aged care services business, has acquired **Billy**, an Australian health tech company, for an undisclosed price. ECH invested AUD 5m into Billy in November 2018.

Value: \$12.2m



Webcentral Group Ltd (Part of **Arq Group**) has entered into a scheme implementation deed to be fully acquired by **Web.com Group**, a wholly-owned unit of an affiliate of **Siris Capital Group**. Under the scheme, Webcentral shareholders will receive a cash consideration of AUD 0.10 per Webcentral share upon the scheme being implemented.

Value: Undisclosed



Basis Networks, a Melbourne-based cyber security provider with expertise in securing mission critical networks and cyber security services, was acquired by **CyberCX**.

Value: \$43.5m



Vault Intelligence Ltd. has agreed on a scheme to be fully acquired by **Damstra Holdings Ltd.** in a scrip deal. The acquisition will create a larger, more diversified, workplace management company with an expanded and highly complementary product range.

Value: Undisclosed



NextGen.Net, an Australian technology company, has today announced it has acquired **Frollo**, a purpose-driven Australian FinTech and leading provider of financial management and Open Banking solutions. The strategic acquisition brings together industry leaders from complementary business areas to help both companies lead the way in Australia's new Open Banking environment.

GOING VIRAL...

- Optus, an Australia-based telecommunications business owned by **SingTel** [SGX: Z74], is believed to be considering buying **Amaysim** [ASX:AYS], an Australian telecommunications provider.
- **Charter Hall** [ASX:CHC] is considered the most likely buyer for **Telstra's** [ASX:TLS] Melbourne data centres, anticipated to be worth AUD 600m.
- The administrators of **MoneyLoop**, an Australian buy now, pay later business, are seeking expressions of interest.
- **Inovor Technologies**, an Australian aerospace start-up designing and manufacturing nanosatellites, is in talks with investors to finance its next stage of growth.
- **PayGroup**, an Australian provider of human capital management technology and services, will continue to pursue acquisitions that can help it scale in existing markets or provide complementary technologies.
- **DUG Technology Ltd**, an Australia-based provider of high-performance computing as a service, is seeking to raise AUD 34.8m through an initial public offering of its ordinary shares on the ASX.
- **TCM international**, an Israel-based eCommerce business, is preparing to list on the ASX next year.
- **Aerometrex**, the Australia-based aerial mapper, will consider pursuing further acquisitions after having acquired local peer **Spookfish Australia**, as part of its expansion strategy both domestically and globally.
- **Seeing Machines**, an Australian, UK-listed developer of AI-powered driver monitoring systems, is in talks with a number of parties regarding potential acquisitions and joint ventures.
- **Directree**, a privately held Australian digital marketing company, is considering entering the US in 2022 and could take investors to accelerate growth.
- **DUG Technology**, an Australia-based data analytics business, is set to list on the ASX before the end of August.
- **Speedcast**, an Australian remote communication and satellite business, has received a recapitalisation proposal from **Open Gate Capital**.
- **Aussie Broadband**, an Australian internet services provider, is proceeding with plans to list on the ASX.

CONTACT DETAILS

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