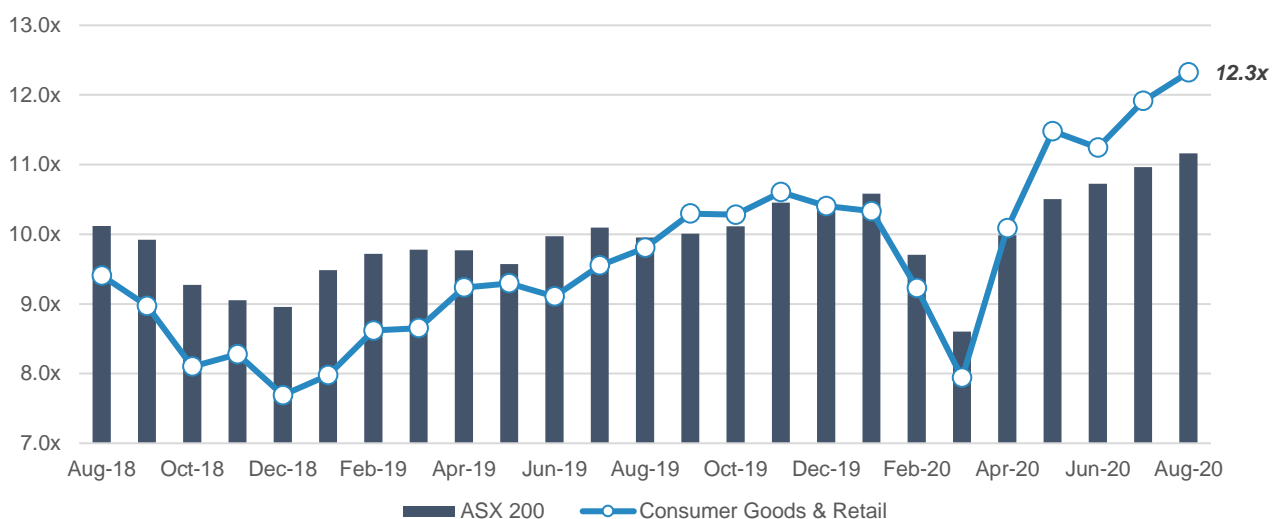


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 31/08/2020) Source: FactSet Research Systems Inc.

Multiples in the Consumer Goods & Retail sector have increased over the period. At the end of August, the sector traded on a forward EV / EBITDA multiple of 12.3x, compared to the ASX200 on 11.2x.



Average Values and Trading Multiples (values as at 21/09/2020) Source: FactSet Research Systems Inc.

| Subsector | Enterprise Value (\$ m) | EV/EBITDA FY2021 | EV/EBIT FY2021 | Price / Earnings FY2021 |
|------------------------------------|-------------------------|------------------|----------------|-------------------------|
| Consumer | 20,076 | 12.0x | 19.3x | 22.8x |
| Food & Agribusiness | 31,404 | 13.4x | 20.6x | 30.9x |
| Online Commerce | 3,089 | 24.7x | 27.5x | 41.9x |
| Personal and Household Goods | 7,985 | 14.7x | 17.9x | 27.9x |
| Retail | 169,823 | 10.2x | 15.1x | 19.3x |
| Travel | 18,465 | 15.0x | 23.5x | 57.7x |
| Leisure | 32,930 | 16.3x | 23.1x | 31.7x |
| Consumer Goods & Retail | 283,771 | 12.6x | 18.6x | 26.6x |

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.

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: Not disclosed

Aussie Traveller, the retailer and wholesaler of RV components and accessories to OEM, trade and retail customers has been acquired by mid market investment firm **Seneca Capital**. Aussie Traveller is well placed to benefit from the expected growth in domestic tourism following the global pandemic. The transaction was a great outcome for the founder owners after 30 years in operation, allowing them to retain an effective minority interest in the business while transitioning day to day responsibilities to a new management team.

InterFinancial advised Aussie Traveller in the transaction.



Value: AUD 57m

Metcash has completed the acquisition of a 70% interest in **Total Tools**, a leading participant in the professional tools segment in Australia. Metcash will acquire the Total Tools franchisor operations, as well as two company-owned stores. Metcash will provide Total Tools with a debt facility to support its growth plans.



Value: Not disclosed

Accolade Wines has completed the acquisition of the **Katnook Estate** winery in South Australia. The move comes after Accolade investigated opportunities to expand its presence and sourcing. Katnook is the second largest producer in the highly prized region and the deal is expected to increase domestic competition.



Value: Not disclosed

Bernie Brookes, formerly CEO of department store **Myer**, has bought **Colette by Colette Hayman**, an Australian-based retailer, out of administration. Brookes will own 90% of the business, while the remainder will be held by an unnamed silent investor. Colette by Colette Hayman entered administration in February.



Value: AUD 19.2m

Retail Food Group has announced the sale of **Dairy Country** to **Fonterra** via a Business Sale Agreement (BSA). The transaction comes amid Retail Food Group's strategic intent in focusing its resources on the Company's core retail food franchising and coffee business as it makes an exit from foodservice and manufacturing pursuits.

RETAIL RUMOURS...

- **Rolf Binder**, a family-owned, Australia-based wine business, is available for sale.
- **McPherson's**, an Australia-based personal care, health, and household products maker, is seeking acquisitions and joint venture opportunities to accelerate growth.
- **Kirin Holdings Company**, the Japanese beverage company, has resumed the divestment of its Australian subsidiary, **Lion Dairy & Drinks**, after a potential takeover by **China Mengniu Dairy Co** was stalled by authorities.
- **Wattle Health Australia** has issued a default notice to **Corio Bay Dairy Group** under its secured loan agreements.
- **Quadrant Private Equity** is said to be in the process of selling **Amart Furniture**.
- **AGR Partners**, the U.S. Private Equity firm, is thought to be seeking buyers for its 19.7% stake in **Ridley Corporation**, an Australia-based animal feed business.
- **MNF Group**, an Australian-based voice communications provider, is open to acquisitions, according to an investor presentation released by the company.
- **Pana Organic**, an Australian-based vegan and organic products company is mulling acquisitions of smaller peers to grow.
- **Koala Eco**, an Australian eco-friendly products maker, is said to be open to discussions with potential strategic partners.
- **Wesfarmers** could consider selling **Officeworks**, an Australian-based office products retailer, following a strategic review of its retail operations.
- **Vita Group**, the Australian computer products retailer, is seeking to improve its store portfolio through acquisitions and divestments.
- **BWX**, an Australian skincare company, is continuing to assess strategic M&A and growth opportunities.
- **Get Wines Direct**, the Australian wine retailer, is seeking acquisitions with the aim to grow its customer base.
- **Corporate Travel Management**, the Australian corporate travel agent, is said to be considering potential acquisitions.
- **Pental Group**, an Australian owner of household cleaning, laundry, and personal care brands, is on the look out for acquisition targets with revenue of around AUD 20m and AUD 3m in earnings.
- **NBCUniversal Media**, has agreed to acquire a 4.9% stake in **PointsBet Holdings** as part of their five-year media partnership.
- **Woolworths** is continuing with plans to pursue a separation of **Endeavour Group**.
- **Coles Group** is expected to consider a bid for **Superior Food Services**, an Australia-based food services distribution business.
- **Byron Bay Holiday Village**, an Australian backpacker resort, is available for sale.
- **Ampol**, an Australian service station business, has not resumed takeover discussions with Quebec-based **Alimentation Couche-Tard**.
- **Ridley Corporation**, the Australia-based animal nutrition producer, is open to bolt-on acquisitions.
- **Bega Cheese** is considered a likely contender to buy **Lion Dairy and Drinks** from **Kirin Holdings**.
- A suitor may be circling **Adore Beauty**, an Australia-based online cosmetics retailer, as it prepares to list on the ASX.
- Australian retail brands owner **Accent Group** is believed to have been on the verge of buying **Brand Collective**, an Australian retail brands business.

CONTACT DETAILS

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

| Name | Position | Phone | Email |
|------------------|------------------------|----------------|--|
| Sharon Doyle | Executive Chair | (07) 3218 9122 | sdoyle@interfinancial.com.au |
| Paul Keehan | Non-Executive Director | (07) 3218 9100 | pkeehan@interfinancial.com.au |
| Ted Marchant | Non-Executive Director | (07) 3218 9100 | tmarchant@interfinancial.com.au |
| Mark Steinhardt | Head of M&A | (07) 3218 9105 | msteinhardt@interfinancial.com.au |
| Brad Shaw | Director – M&A | (07) 3218 9100 | bshaw@interfinancial.com.au |
| Brent Wall | Director – M&A | (07) 3218 9102 | bwall@interfinancial.com.au |
| David Hassum | Director | (07) 3218 9108 | dhassum@interfinancial.com.au |
| Andrew Wheeler | Director | (07) 3218 9107 | awheeler@interfinancial.com.au |
| Michael Kakanis | Associate | (07) 3218 9106 | mkakanis@interfinancial.com.au |
| Lachlan O'Rourke | Analyst | (07) 3218 9104 | lorourke@interfinancial.com.au |

DISCLAIMER

This information has been sourced from the ASX, Mergermarket.com and various other public information sources. Forecasts are consensus forecasts sourced from FactSet Research Systems Inc.

Important Disclaimer – This may affect your legal rights: Because this document has been prepared without consideration of any specific person's financial situation, particular needs and investment objectives, a financial services licensee or investment adviser should be consulted before any investment decision is made. While this document is based on information from sources which are considered reliable, InterFinancial, its directors, employees and consultants do not represent, warrant or guarantee, expressly or impliedly, that the information contained in this document is complete or accurate. Nor does InterFinancial accept any responsibility to inform you of any matter that subsequently comes to notice, which may affect any of the information contained in this document. This document is a private communication to clients and is not intended for public circulation or for the use of any third party, without the prior approval of InterFinancial. This report does not constitute advice to any person.

Disclosure. InterFinancial has no interest in any of the securities mentioned in this publication. However, its directors, executives or consultants may have an interest in some of the securities, directly or indirectly, which are mentioned

InterFinancial is a member of Clairfield International

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

