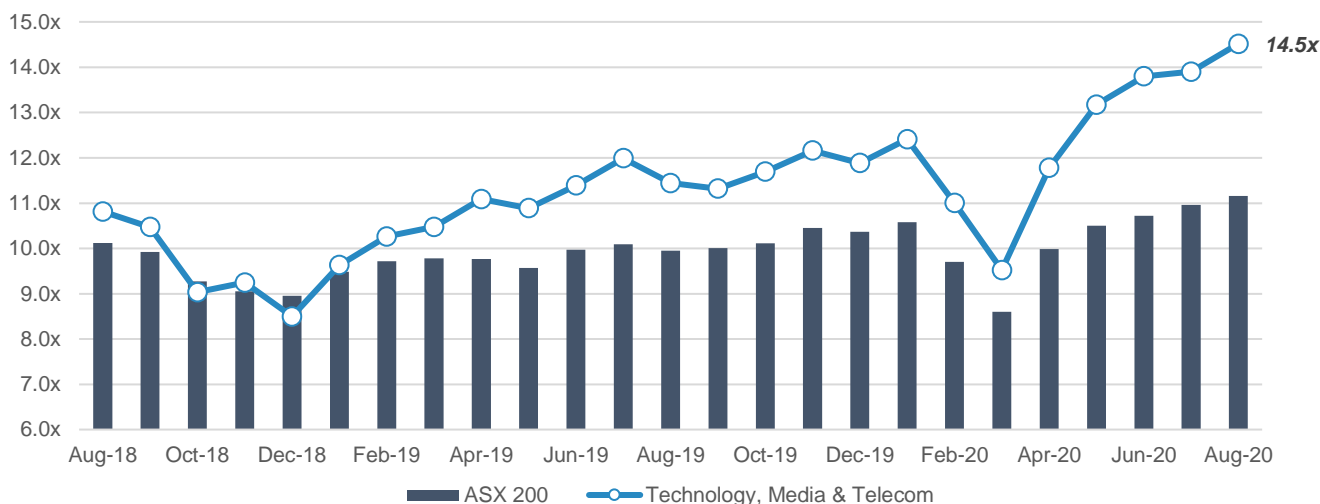


### VALUATION MULTIPLES

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

Multiples in the Technology, Media & Telecom sector have increased over the period. At the end of August, the sector traded on a forward EV / EBITDA multiple of 14.5x, 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
Digital & Traditional Media	10,687	9.3x	12.7x	13.9x
Internet, IoT	29,005	25.2x	35.0x	41.7x
IT Services, Fintech	4,672	13.3x	17.5x	26.4x
Software (SaaS/Licence)	21,365	21.2x	29.7x	42.8x
Technological Hardware	159	15.3x	NA	NA
Telecommunications	68,852	8.4x	19.9x	34.0x
<b>Emerging vs. Established</b>				
\$500m+ EV	137,224	17.7x	26.1x	36.6x
EV Below \$500m	2,413	9.6x	14.5x	23.0x
<b>Technology, Media &amp; Telecom</b>	<b>139,637</b>	<b>15.2x</b>	<b>22.8x</b>	<b>32.5x</b>

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.

<sup>1</sup> 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: AUD 7.8m

**Change Financial** has entered into a binding agreement to acquire all the business assets of **Wirecard** in Australia and New Zealand. The acquisition will provide Change with innovative card management and payment platform solutions which can be offered to banks and financial institution. It will also give Change scale and growth through the addition of 120 customers, capability in more than 35 countries and a global workforce.



Value: Not disclosed

**Wameja**, an Australia-based software and IT company, has entered into a scheme implementation agreement to be fully acquired by an entity controlled by **Mastercard**. Mastercard will acquire all the issued capital for GBP 0.08 per share, which gives the company a market capitalization of AUD 173.29m.



Value: Not disclosed

**Thedocyard**, an Australian-based end-to-end deal management platform, and **Ansarada**, an Australian provider of AI-powered virtual data rooms, have entered into an agreement for a merger under which thedocyard will acquire 100% of Ansarada. The proposed transaction believes that the combination of products and features that could be delivered by the combined entities are in high demand.



Value: AUD 503.1m

**The Citadel Group**, an Australia-based IT service management company, has agreed to be fully acquired by an entity owned by funds advised by **Pacific Equity Partners**, for a cash consideration of AUD 5.70 per share. The consideration represents a significant premium of 43.2% to the last closing price of AUD 3.98.



Value: Not disclosed

**CloudBolt Software**, a Maryland-based provider of a hybrid cloud management software firm, will acquire **Kumolus**, an Australian cloud management software firm. The acquisition strengthens CloudBolt's cloud management platform with a rich set of cost management, security, and governance capabilities, while positioning the company for rapid growth in the Asia Pacific region.



Value: AUD 46m

**Tesseract**, an Australian provider of managed cyber security services, has announced the strategic acquisition of **Airloom**, the Australian cybersecurity firm. The Airloom acquisition is highly complementary to Tesseract's existing group of companies, further strengthening the Group's national footprint.



Value: Not disclosed

**Hyland**, an Australian media agency, has been acquired by the French advertising group **Havas**. The move is part of Havas' strategic plans across Australia and New Zealand to provide a comprehensive and agile offering to new and existing clients and offer a more distinct proposition in the increasingly sophisticated media landscape.



Value: AUD 23m

**PS&C**, the digital consultancy has executed a binding sale agreement with **LVP Technology Services**, to divest its Melbourne Consulting Business for a total cash consideration of AUD 23m. The Directors believe that a divestment now represents the best available opportunity for shareholders to realize the underlying value for MCB and is in line with PS&C's strategy to build shareholder value through direct ownership and commercialization of digital assets in significant growth markets.

### MERGER & ACQUISITION NEWS...



Value: AUD 80m

**Xero**, the New Zealand online accounting software company, has announced the acquisition of **Waddle**, a cloud-based lending platform that helps small businesses access capital through invoice financing, for AUD 80m. The acquisition is consistent with Xero's strategy to grow the small business platform and to address critical small business financial needs.



Value: AUD 40m

**EdApp**, an Australian online training startup, has been acquired by **SafetyCulture** who specialize in document management and compliance. The transaction is part of SafetyCulture's efforts in expanding its reach and capabilities.



Value: AUD 11.6m

India-based engineering and technology company **Cyient** has announced an agreement to acquire **Integrated Global Partners**, the Australia-based technology consulting company, via a cash consideration with an enterprise value of AUD 11.6m. The deal is expected to further Cyient's growing presence in Australia, providing solutions to the mining, oil and gas, rail, telecommunication, and utility industries.

### GOING VIRAL...

- **ReadCloud**, an Australia-based e-learning company, is seeing an increased number of targets in its market due to COVID-19.
- **My.Deal.com**, an Australia-based online retailer for household products, plans to raise AUD 40m via an IPO.
- **Aussie Broadband**, an Australian internet services provider, is seeking to raise AUD 40m via an IPO.
- **Webcentral Group**, an Australian digital services provider has received an off-market, non-binding indicative proposal from **5G Networks**, an internet services provider in Australia.
- **360 Capital Digital Infrastructure Fund** has reached an agreement to take about an AUD 25m stake in the Macquarie Infrastructure and Real Assets (MIRA)-led consortium that recently acquired an 88% stake in **AirTrunk**.
- **MedAdvisor**, an Australia-based medication management software business, is believed to have recently received approaches from potential buyers.
- **Plexure**, the Auckland-based software development company, is seeking to raise NZD 50m from an IPO on the ASX.
- The founder of **Integrated Research**, the Australia-based software and analytics company is believed to be selling a stake worth up to AUD 50m.
- **Over the Wire Holdings**, the Australian telecommunications, cloud, and information technology solutions provider, is planning to pursue additional accretive acquisitions.
- **StudioHawk**, a privately held Australian search engine optimization company, is looking to make a domestic acquisition to boost its local presence.
- **Infomedia**, an Australian parts and service software provider for the global automotive industry, is planning to pursue acquisitions.
- **Buildkite**, an Australian developer and resting software firm, has raised USD 28m in a funding round, bringing their valuation to over AUD 200m.
- **Appen** is looking for companies to buy to add to its data annotation capabilities.
- **Vault Cloud**, an Australian provider of secure cloud solutions for the government and critical infrastructure sectors, has recently started to actively look at acquisition opportunities.
- **Bravura Solutions**, a Sydney-based wealth management applications software company, is continuing to evaluate a pipeline of additional acquisitive and organic growth opportunities.
- Buyers interested in **Nuix**, an Australia-based analytics and intelligence software company, have been asked to submit first round bids in early September.

## CONTACT DETAILS

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