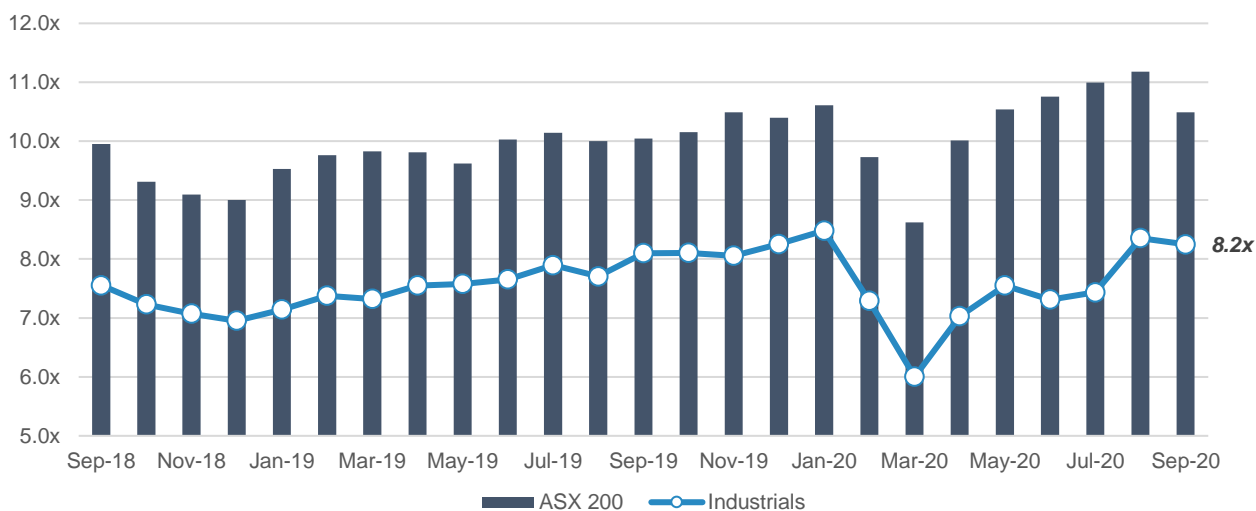


### VALUATION MULTIPLES

**Forward EV / EBITDA Multiples (monthly to 30/09/2020)** Source: FactSet Research Systems Inc.

Multiples in the Industrials sector have decreased over the period. At the end of September, the sector traded on a forward EV / EBITDA multiple of 8.2x, compared to the ASX200 on 10.5x.



**Average Values and Trading Multiples (as at 6/11/2020)** Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2021	EV/EBIT FY2021	Price / Earnings FY2021
Chemicals and Plastics	14,296	8.3x	14.4x	19.6x
Construction and Building Materials	16,459	10.3x	17.1x	23.8x
Construction/Mining Services	13,916	5.5x	8.7x	12.0x
Engineering Services	9,189	5.9x	8.6x	15.0x
Industrial Products And Services	17,430	11.5x	15.9x	21.7x
Packaging	4,898	7.6x	12.5x	14.0x
<b>Industrials</b>	<b>76,188</b>	<b>8.7x</b>	<b>12.9x</b>	<b>17.9x</b>

Note: Multiples are based on the forward year of the unreported period, which for the majority of companies in the sector is FY2021. 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: October 2020.

### MERGER & ACQUISITION NEWS...



Value: AUD 27.5m

**Austal Ltd.** [ASX:ASB] has entered into an agreement to acquire Australia-based **BSE Maritime Solutions Group**, a ship repair and support business for defence, commercial, tourism, and luxury vessel customers. The acquisition aligns with Austal's stated strategy of continuing to build the Company's key support business.

*InterFinancial advised BSE Maritime Solutions Group in the transaction.*



Value: Not disclosed

Norway-based recruitment firm **Competentia AS** announced that it has acquired Australia-based peer **Dare Holdings**, the provider of recruitment services for oil & gas, mining, infrastructure & renewable energy sectors.



Value: Not disclosed

**RDO Australia Group**, the parent company of **Vanderfield**, has agreed to acquire the **Chesterfield Australia** business, combining two of the best-known John Deere agricultural equipment dealerships in Australia together.



Value: AUD 4.3bn (50% stake)

**CIMIC Group**, has entered into an agreement for the sale of a 50% stake in **Thies**, its mining services provider unit, to **Elliott Advisors (UK)**. The price for Elliott's 50% equity interest in Thies implies an enterprise valuation of approximately AUD 4.3bn, subject to certain adjustments. The deal will generate cash proceeds of AUD 1.7 to AUD 1.9bn for CIMIC.

### SCUTTLEBUTT...

- Germany's **Knauf** is said to be in talks to sell its Australian plasterboard business to a Europe-based group. **Knauf** is thought to be seeking AUD 400m for the plasterboard assets.
- Elenium Automation**, an Australian airport check-in technology business is looking to raise AUD 30m in a new funding round. According to the report, **NRMA** has agreed to invest AUD 10m as part of the funding round which values **Elenium** at AUD 133m.
- Pact Group** is said to have revived efforts to sell its contract manufacturing business. Buyers have been told that the unit generated EBITDA of around AUD 60m for the year to 30 June, on revenue of around AUD 400m.
- Duratec Australia**, a company for remediation of assets used in the construction industry, is seeking to raise AUD 53m in an IPO.
- China State Construction** may be close to acquiring **Probuild**, an Australian construction business. **Probuild** could be worth over AUD 200m.
- Quantify Technology**, the Australian developer of 'Truly Intelligence Buildings' technology, will pursue more acquisitions once it consolidates the recent **GSM Innovations** transaction into its portfolio.
- SRJ Technologies**, an Australia-founded but now Jersey, Channel Islands-based specialized engineering company, looks to focus on M&A opportunities under its long-term strategy.
- ESR Australia** has sold the construction business **CIP Constructions** through a management buyout.
- Arcadia Capital** is said to be involved in exclusive talks to buy **Orange Hire**, an Australia-based heavy equipment business.
- UON**, a privately held power plant equipment supplier, is looking for strategic partnerships and potential acquisitions to complement its existing skillset and organic growth opportunities.

## CONTACT DETAILS

If you are interested in specific information regarding mergers and acquisitions in the Industrials sector, please contact Mark Steinhardt or Brad Shaw.

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