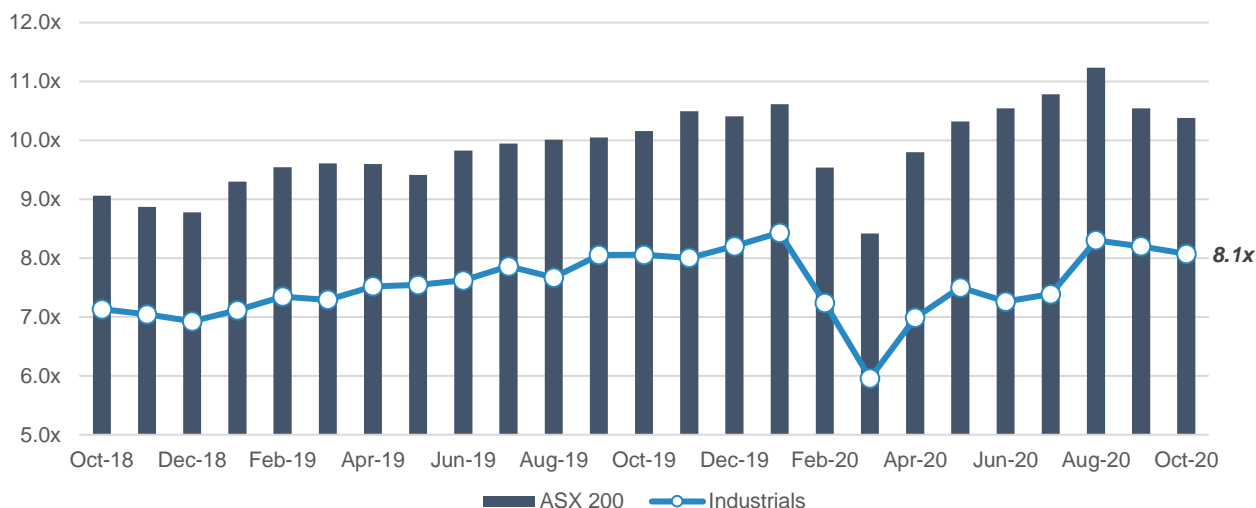


## VALUATION MULTIPLES

### Forward EV / EBITDA Multiples (monthly to 30/10/2020) Source: FactSet Research Systems Inc.

Multiples in the Industrials sector have decreased over the period. At the end of October, the sector traded on a forward EV / EBITDA multiple of 8.1x, compared to the ASX200 on 10.4x.



### Average Values and Trading Multiples (as at 27/11/2020) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2021	EV/EBIT FY2021	Price / Earnings FY2021
Chemicals and Plastics	14,767	7.9x	14.0x	20.2x
Construction and Building Materials	18,083	9.5x	15.1x	20.4x
Construction/Mining Services	14,909	6.3x	9.2x	13.4x
Engineering Services	10,968	7.4x	10.7x	17.5x
Industrial Products And Services	16,616	11.1x	15.7x	22.9x
Packaging	5,170	7.8x	12.7x	14.5x
<b>Industrials</b>	<b>80,512</b>	<b>8.8x</b>	<b>13.0x</b>	<b>18.8x</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...

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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 defense, 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.*

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Value: USD 1.015bn

**Boral** has agreed to sell its 50% interest in **USG Boral** for USD 1.015bn to **Gebr Knauf KG** to gain full ownership. The transaction represents a multiple of 15.1x FY2020 normalized EBITDA and 11.3x FY2010 EBITDA and is expected to close in FY2021.

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Value: GBP 5m - 8m

**MBH Corporation**, a London-based investment holding company, has acquired **Cobul Constructions**, the Australian project and construction management company specializing in projects for the commercial and government sectors.

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Value: \$53.5m

**Southern Cross Electrical Engineering [ASX: SXE]** will acquire 100% of **Trivantage**, a specialised electrical services group. The acquisition of Trivantage is consistent with SCEE's strategy and is expected to deliver strong operational synergies and considerable cross-selling opportunities, as the combined SCEE group is expected to generate revenue of circa \$500m on a pro forma FY21F basis.

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Value: Not disclosed

Belgium-based **Etex** has acquired **Knauf's** Australian plasterboard assets. With this move, Etex expands in the attractive Australian construction market with significant growth opportunities.

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## SCUTTLEBUTT...

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- **Gilmour Space Technologies**, an Australian developer of rockets used for the launch of small satellites, is raising its delayed Series C round, slated to close 1Q21.
- **South Pacific Laundry** has withdrawn its request for merger clearance by the Australian Competition and Consumer Commission of its proposed acquisition of **Spotless Laundries**.
- **GenusPlus**, an Australia-based infrastructure business, has begun pitching itself to prospective investors to list later this year.
- **Veolia Environment** and **Suez** could sell waste management assets in Australia to appease the Australian Competition and Consumer Commission (ACCC) should they succeed in merging.
- **Spire Global**, a San Francisco-based space-to-cloud data and analytics company that specializes in the tracking of global data sets powered by a large constellation of nanosatellites, is preparing to list on the ASX next year.
- **Perenti Global**, an Australian mining services business, is believed to be assessing potential acquisition or merger opportunities among its listed rivals.
- **3P Learning** [ASX: 3PL] and **IXL Learning** have mutually agreed to terminate the agreement of a scheme of IXL Learning to acquire 3P Learning.
- **ABB** [SWX:ABBN] is seeking a buyer for ABB Australia's Motor & Generator Services center located in Victoria.
- **HGL** [ASX: HNG] has signed a binding Heads of Agreement for the sale of a 50% share in its JSB Lighting business to **FOS Lighting**. The transaction remains subject to approval of HGL's lender ANZ, expected shortly.
- **Think Childcare** has received a nonbinding AUD 1.75/security all-cash takeover proposal from **Busy Bees Early Learning**.
- There is reported to be heavy interest by private equity buyers for Australian-based steel maker **BlueScope Steel** [ASX:BSL]. This is driven by expectations that countries will use infrastructure spending to boost their economies over the next decade, along with the anticipation of fiscal stimulus in the US.
- **Boral** [ASX:BLD], an Australia-based building materials business, has been subject to takeover interest from **Brookfield**. It has been reported that Brookfield lost interest after **Seven Group** [ASX:SVW] became one of Boral's major shareholders.
- **3P Learning** [ASX: 3PL] shareholders rejected the acquisition scheme proposed by **IXL Learning**. This was largely driven by 3PL's largest shareholder, Viburnum Funds which a 25% stake, voting against the proposed scheme of IXL Learning to acquire 3P Learning.
- Germany's **Henkel** [ETR:HEN3] is considered a serious contender to acquire **Wattyl**, an Australia-based paint business, and are in the process of preparing to submit offers to the group's owner **Sherwin-Williams** [NYSE:SHW].

## CONTACT DETAILS

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