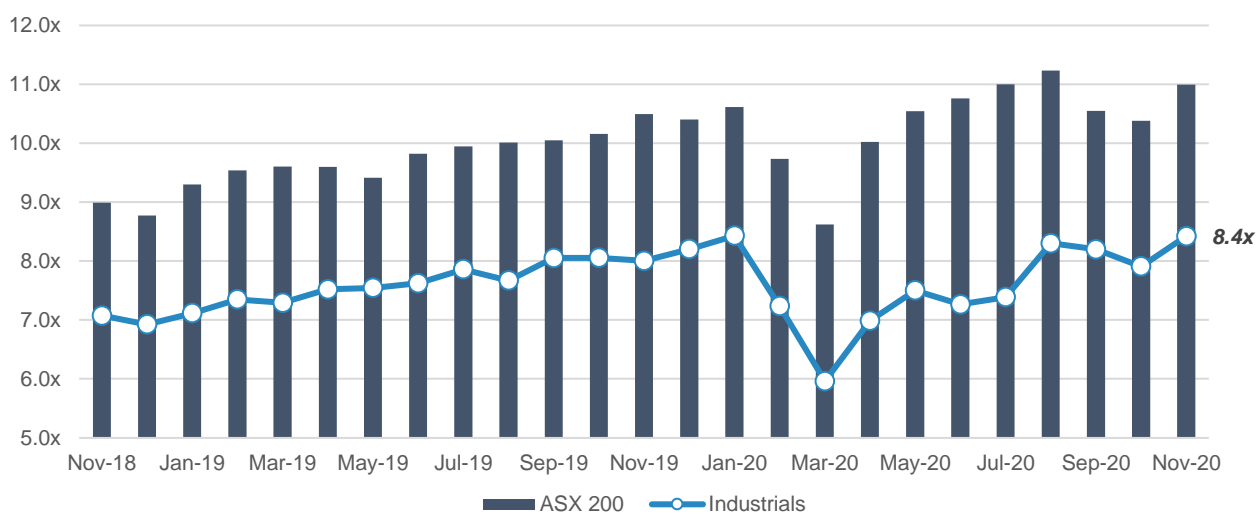


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 30/11/2020) Source: FactSet Research Systems Inc.

Multiples in the Industrials sector have increased over the period. At the end of November, the sector traded on a forward EV / EBITDA multiple of 8.4x, compared to the ASX200 on 11.0x.



Average Values and Trading Multiples (as at 17/12/2020) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2021	EV/EBIT FY2021	Price / Earnings FY2021
Chemicals and Plastics	13,924	7.5x	13.3x	19.1x
Construction and Building Materials	17,894	9.2x	14.9x	20.5x
Construction/Mining Services	15,428	6.5x	9.8x	14.5x
Engineering Services	10,493	8.3x	11.7x	16.7x
Industrial Products And Services	18,135	12.1x	18.1x	28.7x
Packaging	5,159	7.9x	12.6x	14.4x
Industrials	81,034	9.3x	14.1x	21.2x

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 155m

Adamantem Capital has agreed to acquire a 70% stake in Spotless Laundry and Linen Services from **Downer EDI**, for a consideration of approximately AUD 155m on a cash and debt-free basis. The acquisition is in line with Adamantem's strategy to expand its Laundries business. The disposal is in line with Downer's aim of exiting non-core businesses and focus on its core business.



Value: AUD 24m

Big River Industries will acquire the business and assets of Australia-based **Timberwood Group** for an enterprise value of AUD 24.0m. The Acquisition and Placement together are expected to be 17.4% EPS accretive on a pro-forma basis for FY20, with additional upside potential to come from synergies once integrated.



Value: AUD 300m+

Unispace, an Australia-based office design business, has agreed to be acquired by **PAG Capital Asia**. The transaction will enable Unispace to strengthen its footprint globally.



ARCADIACAPITAL

Value: Undisclosed

Orange Hire, an Australia-based industrial equipment business, has been acquired by **Arcadia Capital**. The report noted that the deal's value has not been disclosed, but Orange Hire has an AUD 93m fleet of industrial equipment and has been thought to be worth up to AUD 100m.

SCUTTLEBUTT...

- **Mercury Capital** has acquired a significant minority stake in **ResourceCo**, an Australia-based resource recovery and waste management business.
- **Capral**, an Australia-based aluminum products manufacturer is working on a potential restructure.
- **IGO** has raised AUD 446m via its already announced share placement to institutional investors.
- **IFM Investors** is said to have assigned a team to work on a potential bid for a stake in **WestConnex**. Other potential buyers include **QIC** and **MIRA**.
- **Asaleo Care** shareholder **Spheria Asset Management** does not plan to accept **Essity Aktiebolag's** AUD 1.26 per-share takeover offer.
- **WPP AUNZ** shareholders expect that the group's parent WPP will improve its AUD 0.55 share offer for the group.
- **Tianqi Lithium**, a Chengdu, China-based lithium-chemicals producer, said its fully owned subsidiary **Tianqi Lithium Energy Australia** (former Tianqi UK Limited) is close to an agreement over a sale of a 49% stake to Australia-based **IGO** wholly owned subsidiary **IGO Lithium** for USD 1.4bn.

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