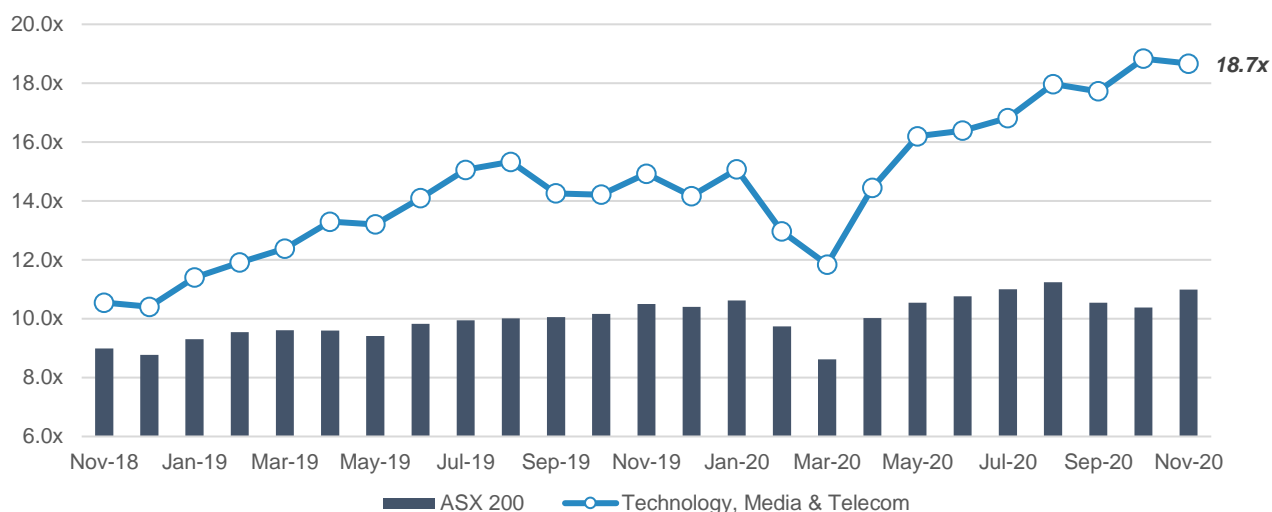


VALUATION MULTIPLES

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

Multiples in the Technology, Media & Telecom sector have decreased over the period. At the end of November, the sector traded on a forward EV / EBITDA multiple of 18.7x, compared to the ASX200 on 11.0x.



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

Subsector	Enterprise Value (\$ m)	EV/Sales FY2021	EV/EBITDA FY2021	EV/EBIT FY2021	Price / Earnings FY2021
Digital & Traditional Media	763	0.8x	5.8x	15.3x	19.6x
Internet, IoT	24,354	16.8x	28.7x	33.7x	47.9x
IT Services	4,541	2.2x	9.5x	14.2x	21.2x
Software (SaaS/Licence)	46,877	13.5x	35.1x	55.8x	83.6x
Telecommunications	70,773	3.9x	10.1x	22.9x	42.1x
Emerging vs. Established					
\$500m+ EV	144,598	10.4x	26.4x	41.7x	64.8x
\$100m-\$500m EV	2,551	2.3x	8.5x	14.4x	21.3x
EV Below \$100m	158	1.1x	6.3x	15.8x	17.3x
Technology, Media & Telecom	147,308	7.3x	18.7x	30.4x	46.3x

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.

¹ 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: Not disclosed

Idea 11, an Australia a multi-award winning full-stack AWS IT consulting company that specialises in digital transformations, cloud infrastructure, software development and managed service, has received investment from, **PieLab Council Capital**. PieLAB invest their capital, experience and a strong network into developing great leaders and help them build great businesses.



Value: Not disclosed

Honeywell [NYSE:HON], the Charlotte, North Carolina-based consumer and industrial products conglomerate, has acquired **Sine Group**, the Adelaide, Australia-based technology and software as a service (SaaS) company. Sine's technologies will support a cloud-based mobile platform for Honeywell Forge.



Value: AUD 36 (GBP 20m)

ELMO Software Limited [ASX: ELO] has acquired **Webexpenses**, a UK-based cloud-based expense management solution. The acquisition provides ELMO with highly complementary technology, as well as a large customer base, accelerating ELMO's mid-market expansion in the UK.



Value: AUD 145 (USD 110m)

Australian electronic design software company **Altium** has entered into an agreement with **FSN Capital** to sell the assets of its TASKING business for USD 110m.



Value: Not disclosed

Rakuten, the Japanese e-commerce and online retailing company, has acquired **Fillr**, the Australian company that provides an autofill platform that grows shopper conversion rates by simplifying registration and checkout processes.



Value: AUD 91m

Dye & Durham, a Toronto, Ontario-based provider of cloud-based software and technology solutions, has agreed to acquire SAI Global's property division, **SAI Global Property**, for AUD 91m in cash. The acquisition creates a platform in Australia that is highly aligned with Dye & Durham's existing product lines in Canada and the United Kingdom.



Value: Not disclosed

Red Ventures, a Fort Mill, South Carolina-based provider of online marketing services, backed by General Atlantic and Silver Lake Partners, has acquired Australia-based **Lonely Planet** from Tennessee-based **NC2 Media**.



Value: AUD 15m

Spirit Technology Solutions (formerly Spirit Telecom) has acquired **Intalock**, the Australian cyber security services businesses. The acquisition will allow Spirit to cross sell and deliver highly secure bundled Cyber Security Services with Data, Cloud and Voice, and take a greater share of the Corporate and Government markets in line with its growth strategy for FY21.

GOING VIRAL...

- **EML Payments**, an Australian provider of digital banking services and prepaid cards, has invested USD 5m to secure an 11% stake in **Hydrogen**, a New York-based payments platform. **EML Payments** has also invested USD 2m for a 10% stake in the payout platform Interchecks.
- **Nine Entertainment** and **Seven West Media** are unlikely to complete the sale of TX Australia, an Australia transmission tower company, before next year.
- **NetLinkz**, an Australian cloud network solutions provider, has signed a strategic partnership with **LNS International** ('LNS') for distribution and delivery of total solutions in Asian and Japanese regions.
- **SS&C Technologies'** AUD 3.6bn indicative offer for **Link Group** could ignite a bidding war.
- **CareVision**, a Sydney-based health tech for the aged and disability care sectors, is actively seeking offshore market entry options ahead of an IPO in two to three years.
- **Shippit**, an Australia-based logistics technology start-up, has closed an AUD 30m funding round.
- **Healthmatch**, an Australia-based digital platform to connect patients with clinical trials, has raised AUD 18m in a funding round led by **Square Peg**.
- **Ellerston Capital** has invested AUD 20m through its JAADE fund to secure a significant minority stake in **Prospecta**, an Australian data management company. Prospecta is aiming to list in the next three to four years.
- **Stonepeak Infrastructure Partners** may pursue **Optus** or **Telstra's** mobile towers.
- **Trine Acquisition Corp**, a special purpose acquisition company led by US TV veteran Leo Hindery was behind an offer for the Australian pay TV group **Foxtel** earlier this year.
- **Nuix**, an Australian investigative analytics and intelligence software services provider, could pursue M&A opportunities following its AUD 1.8bn ASX listing.
- Bankers working for **Link Group** are believed to be testing buyer interest in the company's 44% stake in the Australian property settlements business **Property Exchange Australia**.
- **BikeExchange**, an Australia-based online marketplace business, is set to list on the ASX earlier next year.
- **Zella DC**, a globally focused private Australian micro datacenter firm, is actively seeking to scale the business worldwide via strategic partnerships and is welcoming advisors to pitch prospective partners.
- **Innovaero**, an Australian privately held complex aeronautical technology development company, is fast-tracking growth through acquisitions towards either a trade sale or an initial public offering.
- **Marketch Focus**, an unlisted public Perth-based Australian ASX share trading platform developer, is evaluating options, including an ASX listing, as it gears up for the next growth phase in 2021.

CONTACT DETAILS

If you are interested in specific information regarding mergers and acquisitions in the Technology, Media & Telecom sector, please contact Graeme McKellar.

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
Graeme McKellar	Managing Director IFL Ventures	(07) 3218 9100	graeme@iflventures.com
Jenny Zeng	Associate Director IFL Ventures	(07) 3218 9113	jenny@iflventures.com
Lisa McKellar	Associate Director IFL Ventures	(07) 3218 9100	lisa@iflventures.com
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 Director	(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, an international corporate finance firm that provides advisory services in crossborder mergers and acquisitions. Clairfield is represented by over 400 people across 22 countries, closing over 100 transactions each year.

InterFinancial
Corporate Finance Limited
ABN: 49 136 962 966
AFSL: 341675
Level 2, 201 Charlotte Street
GPO Box 975
Brisbane Queensland 4001
(07) 3218 9100
admin@interfinancial.com.au
www.interfinancial.com.au

