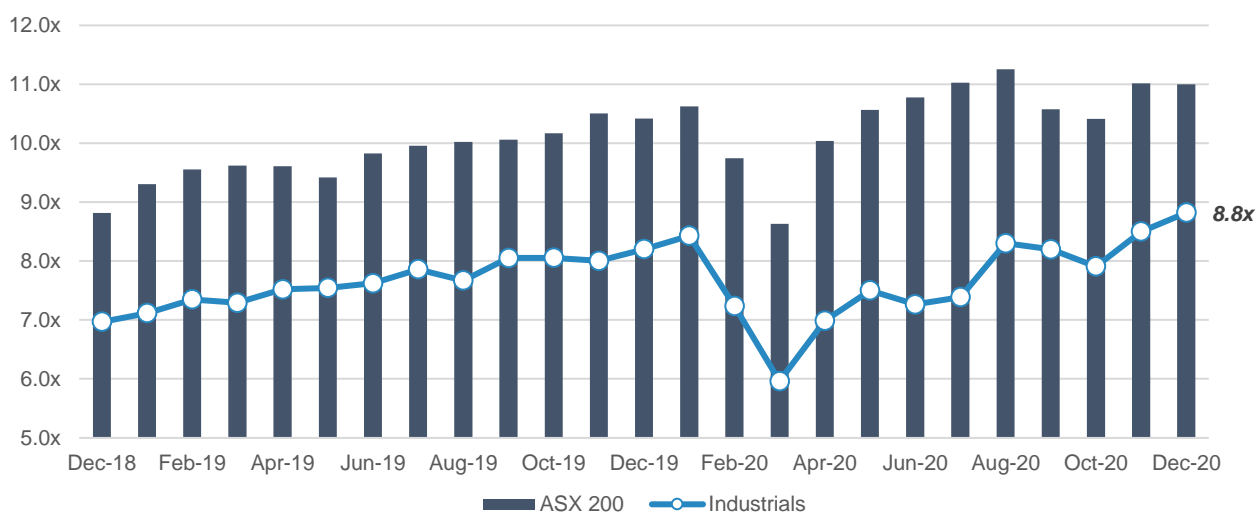


### VALUATION MULTIPLES

**Forward EV / EBITDA Multiples (monthly to 31/12/2020)** Source: FactSet Research Systems Inc.

Multiples in the Industrials sector have increased over the period. At the end of December, the sector traded on a forward EV / EBITDA multiple of 8.8x, compared to the ASX200 on 11.0x.



**Average Values and Trading Multiples (as at 11/01/2020)** Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2021	EV/EBIT FY2021	Price / Earnings FY2021
Chemicals and Plastics	14,096	7.6x	13.5x	19.6x
Construction and Building Materials	18,792	9.3x	15.3x	20.7x
Construction/Mining Services	15,753	6.8x	10.1x	15.1x
Engineering Services	10,636	7.1x	10.1x	16.8x
Industrial Products And Services	17,401	11.5x	17.6x	28.9x
Packaging	5,154	7.9x	12.6x	14.4x
<b>Industrials</b>	<b>81,832</b>	<b>8.8x</b>	<b>13.6x</b>	<b>21.1x</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.

<sup>1</sup> The InterFinancial Industrials Index set is an unweighted index comprising Industrials sector related companies trading on the Australian Securities Exchange (ASX). Estimates are sourced from FactSet Research Systems Inc.

### MERGER & ACQUISITION NEWS...



Value: Not Disclosed

**Janus International Group**, a **Clearlake Capital**-backed self-storage components manufacturer based in Temple, Georgia, has via wholly owned subsidiary **Steel Storage Australia** acquired **G&M Stor-More**., a Sydney, Australia-based storage parts maker.

The acquisition enables **Steel Storage Australia** to enhance its self-storage design and construction solutions offering to the Australasian market.



Value: Not Disclosed

**Leaf Resources** [ASX:LER] announced that it has acquired **Essential Queensland** in an all scrip deal.

**Leaf Resources** is now positioned to become a leading supplier of sustainable pine chemicals and will recommence trading on the ASX on Tuesday, 22 December 2020.



Value: Not Disclosed

The **AMES Companies**, a New York City-based landscaping supply business that is part of the **Griffon Corporation** [NYSE:GFF], has acquired **Quatro Design**, an Australia-based manufacturer and supplier of glass fiber reinforced concrete landscaping products for residential, commercial, and public sector projects.

**Quatro** is expected to contribute approximately USD 5m in annualized revenue and be accretive to **Griffon's** earnings in the fiscal year ending September 30, 2021.

### SCUTTLEBUTT...

- **Verbrec** [ASX:VBC], an Australian engineering services provider, is seeking bolt-on acquisitions for its six service lines in Australia, New Zealand and Papua New Guinea.
- **Pact Group** [ASX:PGH] is said to have been in talks to sell its contract manufacturing unit to a private equity group based in Sydney.
- **Boral** [ASX:BLD] is looking to to sell its US building products business.
- The government of Australia has blocked the acquisition of **Probuild**, an Australian building contractor, by **China State Construction and Engineering Corporation**. Australia's Treasurer, Josh Frydenberg, blocked the proposal on national security grounds.
- Australian waste management business **Bingo Industries Ltd** [ASX:BIN] has confirmed that it has received an AUD 3.50 per share offer from a consortium led by **CPE Capital**
- CPE Capital and Macquarie Infrastructure and Real Assets (MIRA) may have plans to expand Bingo Industries [ASX:BIN] through additional acquisitions in the waste management sector
- Australia's Cleanaway [ASX:CWY] has already indicated that it would be interested in asset sales resulting from the Veolia-Suez deal.

## 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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