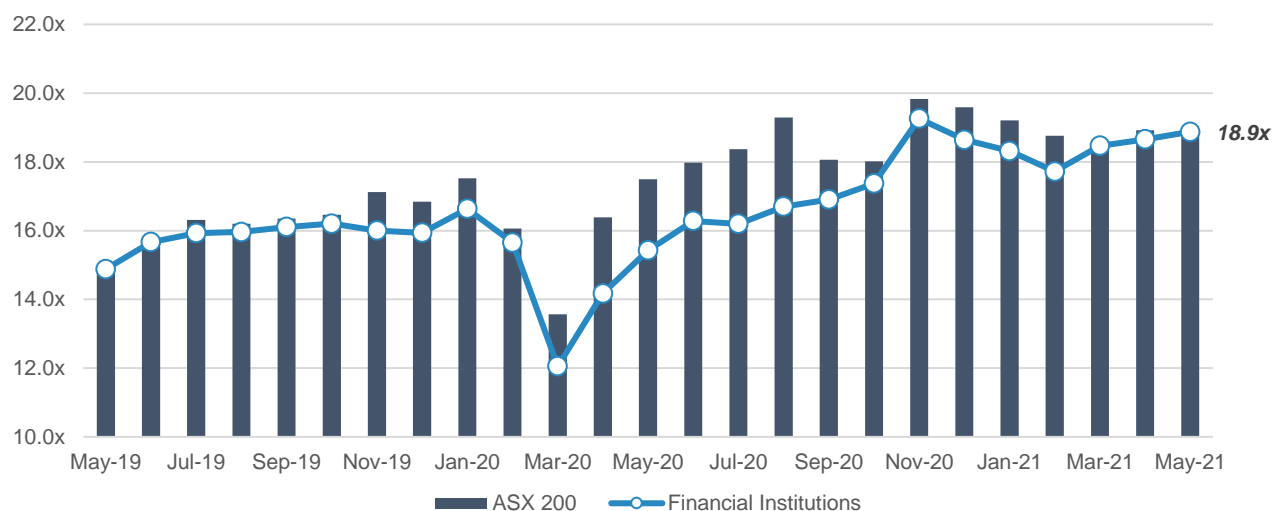


PRICING MULTIPLES

Forward Price Earnings Multiples (monthly to 30/05/2021) Source: FactSet Research Systems Inc.

Multiples in the Financial Institutions sector have increased over the period. At the end of May, the sector traded on a forward P/E multiple of 18.9x, compared to the ASX200 on 18.x.



Average Values and Trading Multiples (values as at 21/06/2021) Source: FactSet Research Systems Inc.

Subsector	Market Cap (\$ m)	Price / Book Value	Price / Earnings FY2021	EPS Growth
Consumer Credit Businesses	5,013	2.4x	22.0x	202.9%
Financial Services Providers	83,513	6.3x	21.5x	74.0%
Insurance & Mortgage Brokers	3,622	3.5x	22.3x	39.5%
Lending Institutions	518,135	1.3x	13.9x	94.3%
Property Developers	3,049	1.4x	28.5x	0.9%
REIT	132,295	1.3x	19.4x	4.5%
Financial Institutions	745,627	3.0x	20.0x	53.2%

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 PE 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: May 2021.

MERGER & ACQUISITION NEWS...



Value: AUD 1440 m

IOOF Holdings Ltd has agreed to acquire **MLC Asset Management**, an Australia-based company engaged in provision of wealth management services, from **National Australia Bank Limited**. The transaction forms a part of NAB's strategic plan to exit the asset management space, and serves as a form of diversification for IOOF while enhancing IOOF's advice-led strategy and business segmentation.



Value: AUD 40 m

Redwood North Pty Ltd backed **Scully RSV** has acquired **Australian Trailer Rentals**, the Australia-based suppliers of refrigerated trailer rentals. The acquisition sees two locally owned and operated businesses combine to deliver a large scale refrigerated fleet from vans through to full 34 pallet B-double combinations that will operate under the Scully RSV brand.



Value: AUD 149.2 m

Macquarie Capital Group Pty Ltd, the venture capital arm of Macquarie Group, has sold its stake in **Business Keeper GmbH**, a German developer of digital whistleblowing and internal company accountability systems, to **EQS Group AG**, a German public communications and online investor relations company. The sale marks a divestment from Macquarie Capital, away from a niche sector.



Value: Not Disclosed

HBF Health Limited, has agreed to acquire **CUA Health Limited**, an Australia-based private health insurance business, from **Credit Union Australia Limited**, for an undisclosed consideration. The acquisition is expected to be completed by third quarter of 2021. The acquisition seeks to build on HBF's national growth strategy by growing its member base to over 1 million, representing circa 8% of national market share with 17% living outside of WA.



Value: AUD 8 m

AUB Group Limited has acquired a 50% stake in **YDR Pty Ltd**, an Australia-based insurance service provider, from group of investors. The group of investors were Michael Davies, Jeremy Twelftree and BA Westbrook Pty Ltd. The AUB Group-owned broking arm says its investment will allow the business to leverage on the specialist loss adjusting services provider's experience and capabilities in handling larger and more complex claims, leading to improved client outcomes.

INSTITUTIONAL INTELLIGENCE...

- **CBA** set to complete sale of general insurance unit which could be worth around AUD 1bn (USD 748m). The item noted that **Hollard**, a South Africa-based insurance group, is considered a likely buyer with **Allianz** also potentially being involved.
- **Arctic Intelligence**, an Australian regtech company, is in talks with potential investors as it aims to raise capital within the next three to six months. The Sydney-headquartered company, which provides a financial crime risk assessment platform, looks to raise at least AUD 2m-AUD 3m (USD 1.5m-2.3m) and potentially up to AUD 8m-10m, depending on valuation.
- Final offers for **Westpac's** [ASX:WBC] life insurance unit are due on 25 June. Potential buyers include **Dai-ichi** [TYO: 8750]-owned **TAL** and **Resolution Life**.
- **Fidante Partners** has increased its stake in **Ardea Investment Management** to 49.9%, following share purchases from **Ardea** founder, Andrew Bartlett.
- **NorthWest Healthcare Properties REIT** [TSX:NWH.UN] has announced a proposal to acquire **Australian Unity Healthcare Property Trust**, a subsidiary of Australian Unity Limited [ASX:AYU], for USD 2.5b
- **Stakeshop Pty Ltd** has raised AUD 40m for expansion from **DST Global** and **Tiger Global**
- **Mainstream Group** [ASX:MAI] bidder **Apex Group** has raised the offer price for its unsolicited acquisition proposal to AUD 2.65 per share.
- **GreenCollar**, an Australian environmental markets platform which is backed by KKR, has acquired **Go Neutral**.
- **HashChing**, an Australian online home loan marketplace plans to raise between AUD 5m-10m in equity later in 2021 and is in talks with potential acquisition targets.
- **IOOF** [ASX:IFL] may sell assets from MLC's boutique fund management business, **Intermede Investment Partners**.
- **Little Birdie**, an Australian e-commerce aggregation firm, has raised AUD 30m from the **Commonwealth Bank of Australia** [ASX:CBA].
- **mx51**, an Australia-based banking technology business, has raised AUD 25m from several alternative investment funds.
- **HBF**, an Australia-based health insurance group, has entered into a binding agreement to acquire 100% of **CUA Health Limited** from its parent company, **Credit Union Australia Limited (CUA)**.

CONTACT DETAILS

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