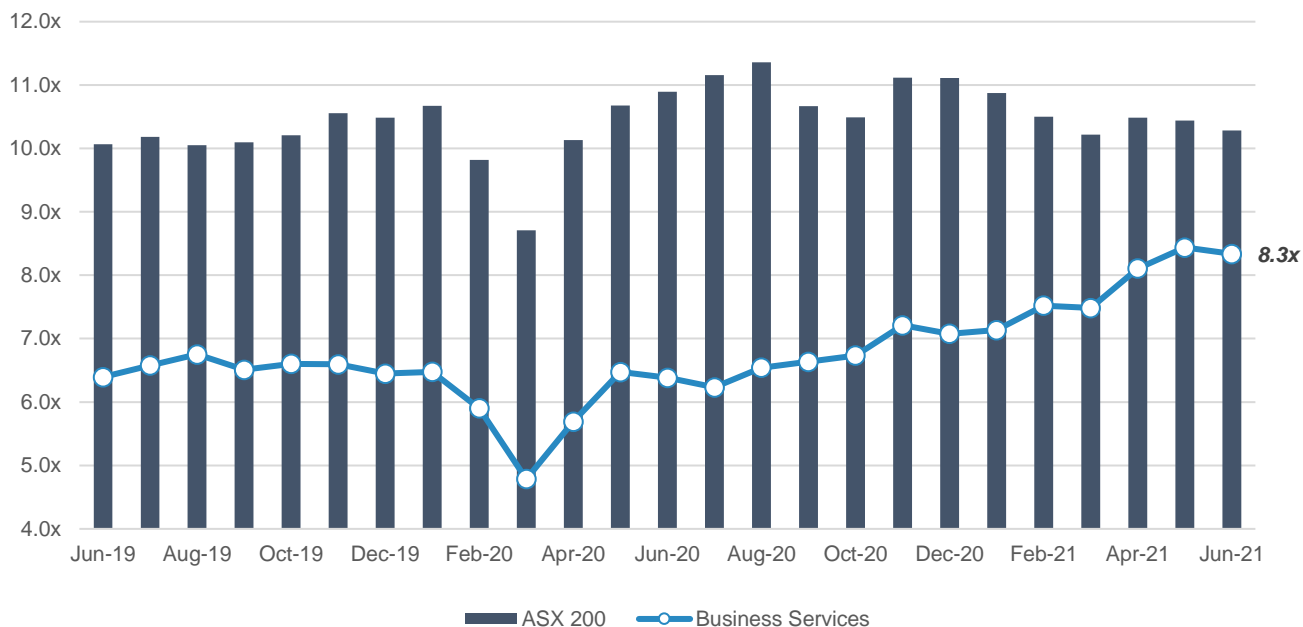


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 30/06/2021) Source: FactSet Research Systems Inc.

Multiples in the Business Services sector have decreased over the period. At the end of June, the sector traded on a forward EV / EBITDA multiple of 8.3x, compared to the ASX200 on 10.3x



Average Values and Trading Multiples (values as at 19/07/2021) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2021	EV/EBIT FY2021	Price / Earnings FY2021
Business and Technical Consulting	18,592	9.1x	11.9x	17.1x
Business Process Outsourcing	2,882	9.0x	10.2x	13.5x
Education	10,360	11.4x	29.7x	51.0x
Facilities Management	611	3.1x	5.3x	10.1x
Staffing	410	11.2x	13.1x	16.9x
Transportation, Logistics & Distribution	39,879	11.8x	19.9x	21.3x
Business Services	72,735	10.0x	16.8x	23.3x

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: May 2021.

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

MERGER & ACQUISITION NEWS...

JOHNS LYNG  GROUP

Value: AUD 8.0 m



Bright & Duggan Group Limited, a subsidiary of **Johns Lyng Group**, has acquired **Change Strata Management (CSM)**, an Australian-based company that manages high-end buildings, **Shift Facilities Management (SFM)** and **Structure Building Management**, Australia-based facilities and management companies. The strategic acquisitions allow John Lyng to continue to execute on its strata market growth strategy and obtain a portfolio of 2,974 lots across 75 strata schemes.



Value: Not disclosed



Whizz, an Australia-based home services business, announced that it has acquired **Rocket Removals**, an Australian removals company. The acquisition provides Whizz with a strong foundation for growth in the home services space and brings a fleet of over 25 vehicles to the Whizz business.



Value: Not disclosed



AbleDocs Inc, a Toronto-based provider of PDF accessibility products and services, announced that it has acquired **Web Key IT**, an Australia-based digital accessibility specialist. The acquisition will widen the global presence of the **AbleDocs** business and expand the products, services and localized document accessibility support across 49 languages.



Value: Not disclosed



MYOB Group Limited has acquired **Axsys** and **Exobiz**, the Australia-based enterprise (ERP) solutions provider, for an undisclosed consideration.



Value: Not disclosed



Capgemini SA has acquired **Acclimation Pty Ltd**, an Australia-based company engaged in providing SAP and cloud-based consulting services, for an undisclosed consideration. The transaction will enhance **Capgemini's** operations and strengthen its position. The acquisition will provide growth and expansion opportunities.



Value: AUD 10.0 m



Cirralto Limited, an Australia-based ASX-listed company engaged in providing data migration tools and related services has agreed to acquire **Invigo Limited**, an Australian FinTech company engaged in the provision of cash flow management and business services. The acquisition will assist Cirralto in reducing its cost basis as well as provide growth opportunities.

SERVING UP SOME SUPPOSITION...

- Private equity firm **KKR** is preparing to sell a 40% stake in **Findex**, an Australia-based accounting and advisory services business expected to be worth around AUD 400m (USD 303m).
- **Tenfold Australia**, a privately held Australian coaching and training company, could consider a potential joint venture (JV) opportunities to expand globally next year.
- **Five V Capital** is in exclusive talks to acquire Australian-based cyber security business and defense contractor **Penten** in a potential deal which could value the company at AUD 150m.
- **Downer EDI** and **Monadelphous** have withdrawn from the auction for **Lendlease's** services business, leaving **Service Stream** and **CIMIC** as the only remaining parties.
- **UCW** have ended discussions in relation to an off-market takeover bid for **RedHill Education** after failing to reach mutually acceptable terms.
- **RedHill Education** have entered into an indicative and non-binding term sheet with **iCollege**, an Australian vocational training provider, to facilitate the conduct of mutual due diligence.
- **Swoop Holdings Limited** [ASX:SWP] (formerly STEMify Limited) announced on 12 July that it has agreed to acquire **Beam Internet**, the largest privately owned fixed wireless network in regional South Australia, for AUD 6.7m (USD 5m).
- **IPH Limited** has acquired **Applied Marks Pty Ltd.**, an Australia-based online automated trademark application platform, for a consideration of AUD 7.1m.
- **Forum Group of Companies**, an Australia-based IT and communication solutions provider, has entered administration. **Westpac Banking Group** had alleged that Forum Group was involved in a scheme to defraud the bank of up to AUD \$285m.
- **AMP Capital** is considering the acquisition of **GeelongPort**, an Australia-based port operator. Other potential buyers from the port include **First Sentier**, **Aware Super** and **Palisade Investment Partners**.
- Australian mining service businesses such as **Perenti** [ASX: PRN], **Emeco** [ASX: EHL], **Downer** [ASX: DOW] and **Maca** [ASX: MLD] could be considering scrip-based mergers as their market values languish.
- **The Growth Fund** has acquired a 60% stake in **AFS Logistics**, an Australia-based logistics management solutions provider.

CONTACT DETAILS

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