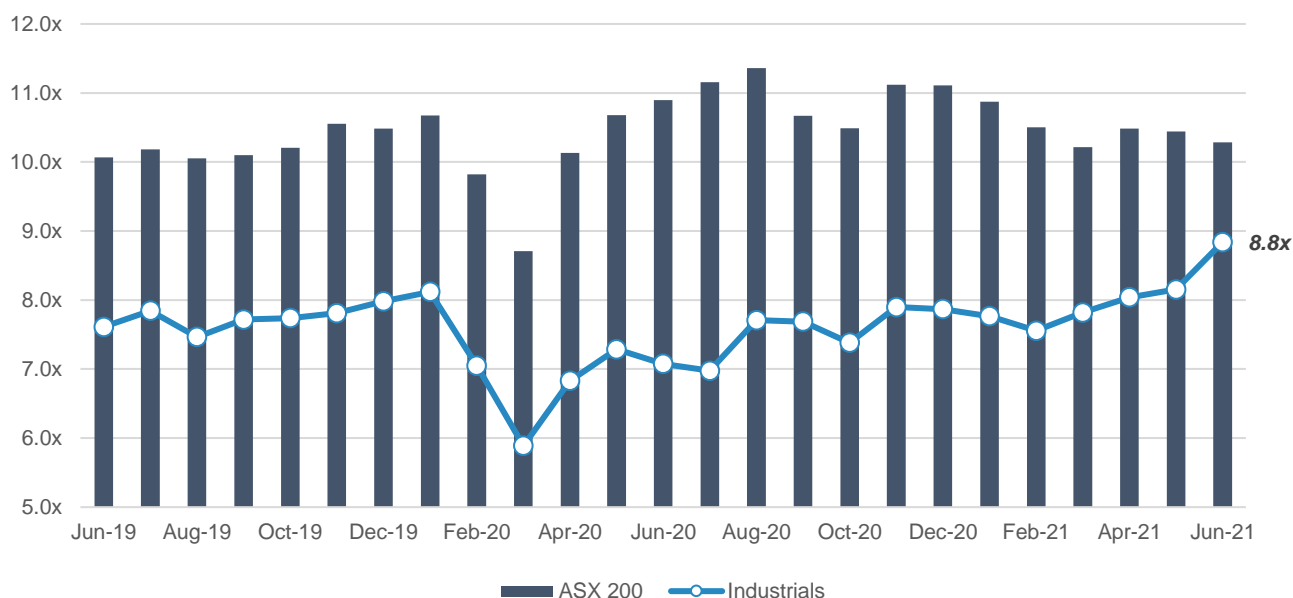


### VALUATION MULTIPLES

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

Multiples in the Industrials sector have increased over the period. At the end of June, the sector traded on a forward EV / EBITDA multiple of 8.8x, compared to the ASX200 on 10.3x.



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

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2021	EV/EBIT FY2021	Price / Earnings FY2021
Chemicals and Plastics	14,078	8.3x	15.8x	21.2x
Construction and Building Materials	21,709	8.5x	11.9x	15.4x
Construction/Mining Services	15,610	7.7x	11.2x	16.7x
Engineering Services	9,276	7.0x	10.8x	16.1x
Industrial Products And Services	24,390	12.9x	18.4x	28.4x
Packaging	6,083	9.1x	14.0x	16.6x
<b>Industrials</b>	<b>91,145</b>	<b>9.6x</b>	<b>14.2x</b>	<b>20.8x</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: May 2021.

<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

**Alliance Automation** has acquired **APC Integration**, an Australia-based provider of industrial automation, software systems and the Internet of Things. This acquisition will see APCI confidently competing against larger and more complex projects not only in the water industry but also other diverse and interesting industries where the skills and expertise from both companies can be combined.

**InterFinancial** were the lead advisor to **Alliance Automation**.



Value: Not Disclosed

**Protective Industrial Products, Inc.**, the portfolio company of **Odyssey Investment Partners, LLC**, has acquired **Paramount Safety Products**. The addition of Paramount is key to PIP's objective of servicing customers around the globe and to provide them with more opportunities for growth.



Value: AUD 61 m

**Gilmour Space Technologies Pty Ltd** was acquired by **NGS Super Pty Limited**, **Host-Plus Pty Limited**, **Blackbird Ventures Pty Ltd**, **Main Sequence Ventures**, **HEST Australia Ltd** and **Fine Structure Ventures**. The company has secured \$61 million (approximately \$47 million USD) from global investors in what is the largest private equity investment raised by a space company in Australia. This new investment is hoped to lead to the launch of the company's first orbital rocket in 2022.



Value: Not Disclosed

**Colinton Capital Partners Pty Ltd**, **Minderoo Foundation Pty Ltd** and **QIC Limited** have agreed to acquire an undisclosed controlling stake in **Buildsafe Australia Pty Ltd**, an Australia-based site safety products business



Value: AUD 37 m

**Reliance Worldwide Limited**, the Australian provider of water control systems and plumbing solutions, has announced the acquisition of **LCL Limited**, the Australian producer of copper-based alloys. The transaction will ensure that RWC has continued access to the supply of high-quality brass to support its future operations. It will also ensure that RWC can secure a favourable long-term cost position for the brass rod requirements and optimize materials handling and manufacturing through LCL's brass production facilities.



Value: AUD 310 m

**Service Stream Limited** [ASX: SSM] has entered into a binding agreement to acquire **Lendlease Services** from **Lendlease Group**. The transaction is expected to deliver strong EPS accretion due to the highly complementary nature of the assets. The acquisition will also enhance Service Stream's capabilities and expand its addressable markets. The acquisition will be funded through a combination of expanded debt facilities and proceeds from a fully underwritten AUD 185m equity raise.



### MERGER & ACQUISITION NEWS...



Value: AUD 104m



Sime Darby Berhad's wholly-owned subsidiary, **Sime Darby Industrial Australia Pty Ltd** (SDIA), will acquire **Salmon Earthmoving Holdings Pty Ltd** (Salmon Australia), a leading provider of rental and maintenance services in Australia servicing the civil construction, agricultural and mining sectors. The transaction provides a rare opportunity for Sime Darby to acquire an established company that will complement and strengthen its Industrial division's presence in the Australian market.



Value: Not Disclosed



**Mawsons**, a joint venture between **Adbri** [ASX:ABC] and **BA Mawson Pty Limited**, has agreed to acquire the **Milbrae** concrete and aggregate business. The acquisition is highly accretive to Mawsons at a multiple which represents 4.3 times forecast 2021 earnings before interest, tax, depreciation and amortisation. The acquisition will be funded by Mawsons through existing cash holdings and an external debt facility.



Value: Not Disclosed



**Airmaster Australia Pty Ltd.** has entered into an agreement to acquire fire protection services company **Celsius Fire** and its Queensland operations, **Fire2U**. This acquisition further strengthens Airmaster's fire services capability, having recently acquired Melbourne-based Specialised Fire Protection. Through this acquisition, Airmaster continues to grow its suite of in-house knowledge and expertise in fire services.



Value: Not Disclosed



**Axel Johnson International**, a Swedish industrial technology company, has announced that it has acquired five lifting companies in Australia – **The Rigging Shed**, **Lifting Victoria**, **Elevate Lifting & Rigging**, **Schillings Hoisting Equipment** and **On Call Lifting**. The acquisition will help Axel Johnson to expand globally, and this was its first set of acquisitions outside the Europe.



Value: Not Disclosed



**Valmec Limited** [ASX: VMX] has agreed to allow **Altrad Australia Limited** to acquire a 98% stake in the company for AUD 0.413 per share representing an implied equity value of AUD 52m. Altrad, has identified Valmec as a significant value-adding opportunity for Altrad's client base and service offering. Importantly, Altrad has the scale, strength, and global experience to invest in and significantly grow the Valmec business.



Value: Not Disclosed



**Brisbane Fire Protection**, an Australia-based fire prevention and detection business, has been acquired by Anacacia Capital-owned **Force Fire**. The transaction represents an exciting milestone in Force Fire's acquisition strategy, which is geared around expansion into other states and growing its portfolio of contracted service sites.

## SCUTTLEBUTT...

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- **Pacific Equity Partners (PEP)** is selling a stake in **Intellihub** which could be valued at over AUD 2bn (USD 1.5bn).
- **Sydney Waste Services**, a family-owned Australian waste management company, is receiving regular takeover approaches but is unlikely to sell as it prefers to assess domestic acquisitions to grow.
- **Maca [ASX:MLD]**, an Australia-based mining services business, is emerging as a potential takeover target.
- **Austral Resources**, an Australia-based copper miner, is preparing to list on the ASX.
- **Li-S Energy Ltd**, an Australia-based lithium-sulphur battery group, is seeking to raise as much as AUD 34m (USD 26.3m) through an initial public offering.
- **Alltype Engineering**, the Australia-based engineering and fabrication company, will assess acquisition opportunities as it embarks on a strategy to become a nationally recognised brand.
- **GO Resources**, a private Australian sustainable plant-based biodegradable oil producer, is seeking a cornerstone investor in an AUD 5m (USD 3.73m) pre-IPO raise.
- **Molycop**, an Australian mining consumables business owned by private equity firm **American Industrial Partners**, has drawn interest from a New York, US-based buyout fund **Blackstone [NYSE:BX]**.
- **Colinton Capital** has purchased a controlling stake in **Buildsafe**, an Australia-based site safety products business.
- **Lepidico [ASX:LPD]**, an Australian lithium mine developer and lithium process technology company, is continuing to evaluate acquisition targets.
- **Brambles [ASX:BXB]**, **Orora [ASX:ORA]**, and **Amcors [ASX:AMC]** could be targets in Australia's industrials space.
- **Triton Partners** is understood to be eyeing Orica's [ASX:ORI] commercial explosives and blasting subsidiary **Minova**.
- **Boral Limited [ASX: BLD]** announced that it has entered into an agreement with a subsidiary of Houston-based **Westlake Chemical Corporation [NYSE: WLK]** to sell its North American Building Products business for USD 2.15bn.
- **Carbonxt [ASX:CG1]**, a Sydney-based Australian activated carbon manufacturer, is actively seeking partnerships, which could include licensing and joint venture (JV) deals, to enter Japan and Canada.
- **Firefinch [ASX:FFX]** has agreed with a subsidiary of **Jiangxi Ganfeng Lithium Co. [SHE:002460]** to form a 50:50 joint venture to develop and operate the world-class Goulamina Lithium project.
- **1Millikelvin**, a privately held Australian non-destructive testing solutions company, welcomes approaches from external investors to fast-track its domestic growth plans.

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