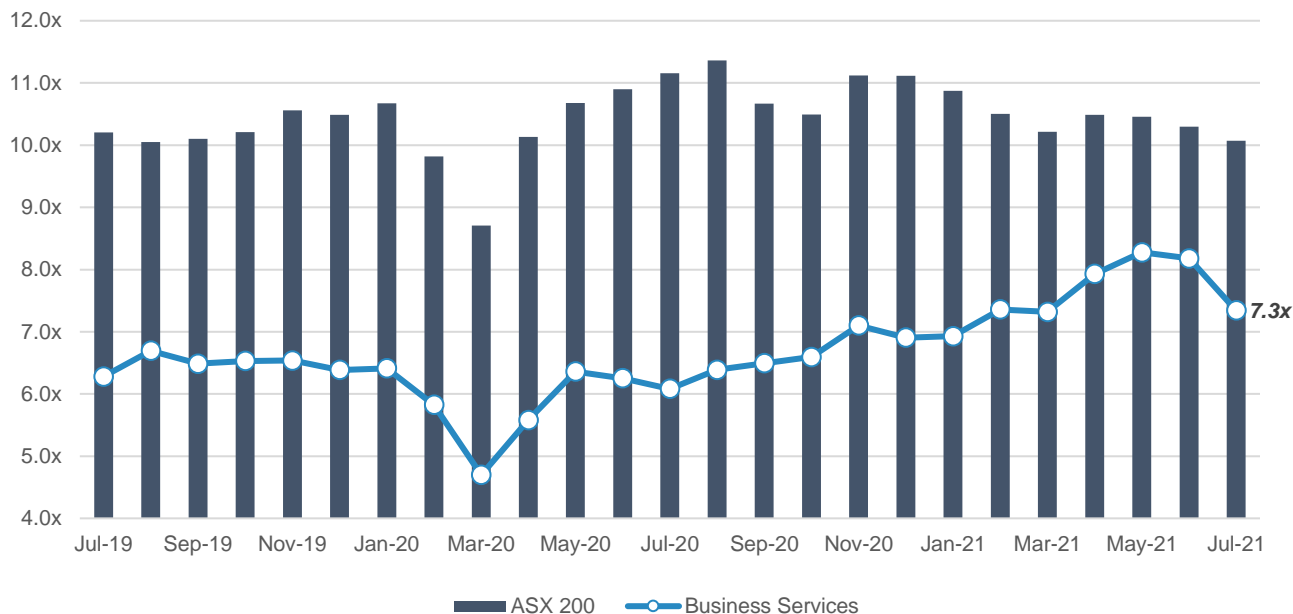


## VALUATION MULTIPLES

### Forward EV / EBITDA Multiples (monthly to 31/07/2021) Source: FactSet Research Systems Inc.

Multiples in the Business Services sector have decreased over the period. At the end of July, the sector traded on a forward EV / EBITDA multiple of 7.3x, compared to the ASX200 on 10.1x



### Average Values and Trading Multiples (values as at 17/08/2021) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2022	EV/EBIT FY2022	Price / Earnings FY2022
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
<b>Business Services</b>	<b>72,735</b>	<b>10.0x</b>	<b>16.8x</b>	<b>23.3x</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 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...



Value: Not disclosed

**EY Australia** has agreed to acquire cyber security consultancy **SecureWorx**, a provider of multi-cloud services, managed security operations and security advisory services designed to cater to the needs of customers with sensitive information. The acquisition will strengthen EY Australia's cyber security service offering to clients in responding to new mandatory requirements in the Security Legislation Amendment (Critical Infrastructure) Bill 2020 which will increase the need for sovereign cybersecurity capabilities.



Value: AUD 17.5 m

**ComfortDelGro Corporation Limited**, a Singapore-based passenger transport company, have agreed to acquire **Young's Bus Service**, the Australia-based company engaged in managing depots and operating buses. The transaction will add a fleet of 42 buses and 2 depots to its existing network. Post acquisition, ComfortDelGro's fleet in Queensland will increase to 197 buses.



Value: Not disclosed

**Institutional Shareholder Services Inc (ISS)**, a proxy advisory firm, has agreed to acquire **Rainmaker Information**, an Australia-based provider of financial market data, research, events and media solutions. Rainmaker's diversified client base and well-integrated platform of data, research and analytics will complement ISS's suite of offerings and provide material value to their client base.



Value: Not disclosed

**Our Kloud Limited** has acquired **Forum Group of Companies Limited**, an Australia-based company engaged in providing IT, asset tracking, process automation & managed printing services. Under the transaction, 25 Forum Group companies and 70 employees will transfer to Our Kloud. Forum Group went into administration in July 2021.



Value: AUD 1,803.8 m

**CBRE Group Inc (CBRE)** has agreed to acquire a 60% stake in **Turner & Townsend Limited (Turner)**, a UK-based provider of program management, cost consultancy, project management and advisory consulting services. Post acquisition, Turner's existing leadership team will continue to run the company retain a 40% equity stake.



Value: Not disclosed

**Insightsoftware**, a PE-backed North Carolina-based provider of financial reporting and performance management solutions for the office of the CFO has acquired **CALUMO**, a Sydney-based provider of business intelligence and corporate performance management solutions. The transaction will expand Insightsoftware's position in budgeting and planning within the Asia Pacific region.



Value: Not disclosed

**S4Capital [LON: SFOR]**, a London-based digital advertising and marketing services company, has announced a business combination between its subsidiary **MightyHive**, a San Francisco-based data and digital media consultancy, and **Destined**, an Australian salesforce specialist. The transaction will see S4Capital expand its data capabilities and digital media presence in Asia Pacific, and further augment its global salesforce and business support capabilities.

## SERVING UP SOME SUPPOSITION...

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- Administrators have sold **Forum Group of Companies'** main business unit Forum Group to **Our Kloud**.
- **Seers Digital**, a privately held Australian digital solutions company, could consider investors as it is currently assessing options to fund potential bolt-on acquisitions.
- **Palisade Investment Partners** has joined **AMP Capital** to bid for at least 50% of **GeelongPort**, an Australia-based port asset. **Brookfield** owns 50% of GeelongPort through **Linx**, while the other half stake is owned by **State Super**. The port could sell for around 20x its annual EBITDA of AUD 60m (USD 44m).
- **Probe CX**, an Australia-based customer experience and business process outsourcing (BPO) service provider is targeting private equity and strategic suitors.
- **Link Administration's** [ASX: LNK] former suitors could revive their efforts to buy the business now that **Property Exchange Australia** (PEXA) [ASX: PXA] has been listed on the ASX. PEXA remains 43% owned by Link.
- NSW is seeking bids for its remaining stake in **WestConnex**, an Australian motorway asset in September. The state is selling its remaining 49% stake in two tranches. **Sydney Transport Partners**, a consortium led by **Transurban** [ASX: TCL], which owns the other 51% of WestConnex is expected to pursue the asset.
- **Skyfii** [ASX:SKF], an Australian omnidata intelligence company, is interested in expanding into North America and EMEA. Potential targets include companies with complementary customer base and tech, and strong recurring revenue growth, such as UK/US AI corporation **CrowdVision**.
- Education Australia is preparing to sell down its stake in **IDP Education** [ASX:IEL]. IN March, Education Australia proposed distributing 25% of IDP to its university shareholders and selling its remaining 15% by 11 December.
- **RedHill Education** [ASX: RDH] and **iCollege Ltd** [ASX: ICT] announced in a joint statement filed to the Australian Securities Exchange that RedHill Education accepts iCollege's revised, upgraded off-market takeover bid for a merger, and recommends its shareholders to accept the offer.
- **Ausmain**, a privately held Western Australian mining maintenance and training services startup, will seek to set up a presence abroad, likely once COVID-19 has subsided, potentially through joint venture (JV) partnerships. Since its inception, Ausmain has grown its revenue by 400% year-on-year, with workforce expected to grow in line with revenue in the near future.

### CONTACT DETAILS

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