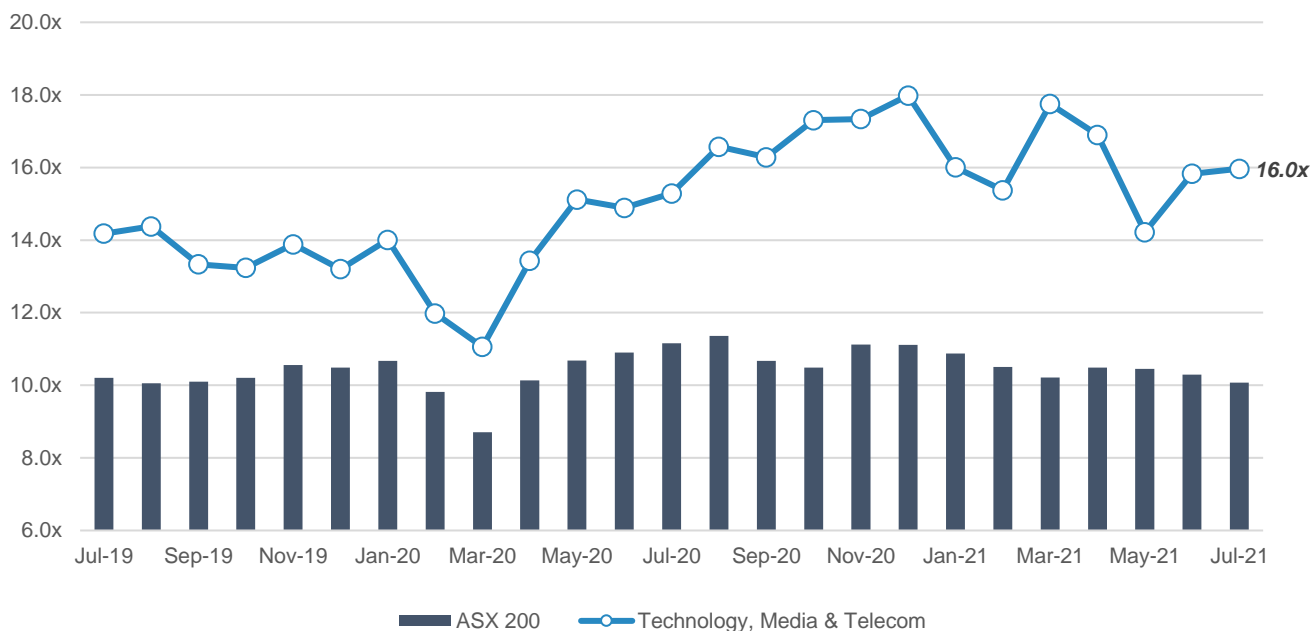


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 31/08/2021) Source: FactSet Research Systems Inc.

Multiples in the Technology, Media & Telecom sector has increased over the period. At the end of August, the sector traded on a forward EV / EBITDA multiple of 16.0x, compared to the ASX200 on 10.3x.



Average Values and Trading Multiples (values as at 16/09/2021) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/Sales FY2021	EV/EBITDA FY2022	EV/EBIT FY2022	Price / Earnings FY2022
Digital & Traditional Media	889	0.8x	4.7x	8.9x	10.0x
Internet, IoT	26,840	15.9x	27.1x	31.2x	45.2x
IT Services	6,302	4.6x	13.0x	20.7x	29.2x
Software (SaaS/Licence)	59,346	15.3x	39.8x	111.9x	501.1x
Telecommunications	85,516	6.1x	15.4x	67.2x	952.2x
Emerging vs. Established					
\$500m+ EV	176,702	11.7x	29.7x	79.8x	474.6x
\$100m-\$500m EV	2,185	3.0x	10.4x	18.1x	23.8x
EV Below \$100m	206	1.2x	5.8x	11.3x	14.0x
Technology, Media & Telecom	179,093	8.9x	22.7x	58.1x	329.3x

Note: Multiples are based on the forward year of the unreported period, which for the majority of companies in the sector is FY2022. 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 Technology, Media & Telecom Index set is an unweighted index comprising Technology, Media & Telecom sector related companies trading on the Australian Securities Exchange (ASX). Estimates are sourced from FactSet Research Systems Inc.

MERGER & ACQUISITION NEWS...

**HAMPERS
WITHBITE**



Value: AUD 28.3m

Pental Group [ASX:PTL], an Australian owner of household cleaning laundry and personal care brands, has entered into an agreement to acquire 100% of e-commerce business **Hampers with Bite** for AUD 28.3m (USD 20.2m). Pental expects to grasp significant synergies and cross-channel selling opportunities following completion of the acquisition



Value: AUD 19.6 m

Beamtree Holdings Limited, formerly known as **PKS Holdings**, has entered into a binding agreement to acquire **Potential(x) Holdings Limited**, an Australian provider of health and data analytics services. The transaction will double the size of the company by revenue and employee numbers to create one of the largest health analytics and decision support platforms in Australia. The transaction is expected to close in September 2021.



WHITE OAK



Value: Not disclosed

Whiteoak Limited, an Australia-based venture capital firm that invests and partners with medium sized Australian businesses, has acquired an undisclosed majority stake in **Amplify-Now Limited**, an Australia-based developer of strategy execution management software.



Value: AUD 108.6 m

Semios, a Canada-based precision farming platform that provides crop data and pest management tools has announced the acquisition of **Agworld**, a data-driven farm management platform. The acquisition will form one of the largest AgTech solution providers in the world servicing growers, agronomists and ag retailers in the US, Canada, Australia, New Zealand, Europe and South Africa.

ADVENT
PARTNERS



Value: Not disclosed

Advent Partners Limited, an Australia-based private equity firm that typically invests in middle-market private companies, as acquired an undisclosed majority stake in **Zero Latency Limited**, an Australian operator of free-roam VR entertainment venues.



Value: AUD 50.0 m

Five V Capital has acquired a 40% stake in **Penten**, an Australia-based cyber security business which values the company at approximately AUD 150m. Penten is expected to use the capital to finance growth through acquisitions in Australia and overseas markets.



Value: AUD 13.5 m

Tesseract Limited has entered into an agreement to acquire **Loop Secure**, an Australian cybersecurity firm providing Managed Security Services. Loop Secure's offensive security, GRC and Managed Security Services will strengthen Tesseract's Cyber 360 capabilities and provide synergies through cross-sell opportunities. The acquisition is immediately EPS accretive and delivers significant locked-in recurring revenue.

MERGER & ACQUISITION NEWS...



Value: Not disclosed

Microsoft has acquired Australia-based video editing software startup **Clipchamp**.



Value: Not disclosed

Pearson, a UK educational publisher, has acquired **Faethm**, an Australian workforce AI and predictive analytics company. Faethm will allow Pearson to build out its new Workforce Skills Division and its data, insights and AI capabilities will power the next generation of Pearson's lifelong learning products.



Value: Not disclosed

INX Software, an Australia-based software business, has entered into an agreement to acquire **Sitepass**, an Australian workforce management software group.



GOING VIRAL...

- **TPG Telecom's** [ASX:TPG] telecommunications towers could be valued between AUD 1bn (USD 713m) and AUD 1.2bn. This comes as TPG reviews their portfolio following **Telstra** [ASX:TLS] securing AUD 2.8bn from the sale of a 49% stake in its tower portfolio and Optus seeing strong interest for a 70% stake in its towers.
- **Knosys** [ASX:KNO], an Australia-headquartered SaaS information technology company, continues to look for acquisitions to add solutions to its platform. The company will target Europe and USA to fulfil acquisition criteria.
- **Codan** [ASX:CDA], an Australian provider of communications, metal detection and mining technology solutions, is seeking to grow through acquisitions
- Private equity suitors are believed to have lost interest in **Link Administration** [ASX:LNK]. This comes as Link faces challenges with pricing liabilities in the UK related to regulatory issues.
- **ezyCollect**, an Australia-based invoice-to-payments subscription software platform, is preparing to list on the ASX. The company has raised AUD 6.2m (USD 4.45m) in a pre-IPO funding round at an enterprise value of AUD 38.4m.
- **Axicom**, owned by a group of financial investors including **Macquarie Infrastructure and Real Assets**, has dropped its pursuit for **Optus'** [SGX: Z74] telecommunications tower portfolio in Australia. Axicom were not able to compete against other suitors on prices for a 70% stake in the portfolio of telecommunications towers. Other bidders include OMERS, Brookfield, AustralianSuper, and a consortium comprised of QIC and Ontario Teachers' Pension Plan. **iSignthis Limited** [ASX: ISX], a payment verification company, is exploring a proposed demerger of subsidiary **ISX Financial EU Limited** by way of a reduction in capital of ISX.
- **ReadCloud**, a Melbourne, Australia-based e-learning company, is seeking acquisitions in FY22 to drive growth. The company has a market capitalisation of USD 25m.
- **5G Networks** [ASX: 5GN], a Melbourne-headquartered Australian telco and services provider, is eyeing targeted acquisitions for future growth. The company has a market capitalisation of USD 93m.
- **Booktopia** [ASX: BKG], an Australia-based online book retailer, is eyeing additional bolt-on acquisition opportunities in relevant international markets. Booktopia has a market cap of USD 283m.
- **Nuix** [ASX: NXL], an Australian investigative analytics and intelligence software services provider, is considering bolt-on mergers and acquisitions (M&A) to accelerate growth.

GOING VIRAL...

- **SKS Technologies Group** [ASX: SKS], an Australian technology firm, will continue to identify and analyse opportunistic acquisition targets.
- The board of **Mad Paws**, an Australia-based pet services technology platform, is continuing to monitor and discuss logical strategic acquisitions.
- **BikeExchange** [ASX: BEX], an Australia-headquartered bicycle marketplace, is pursuing a number of merger and acquisition (M&A) opportunities in FY22.
- **Comms Group** [ASX: CGC], an Australia-based provider of optimal ICT solution services, is pursuing discussions with financiers for a debt facility to facilitate acquisitions.
- **Advanced Human Imaging**, an Australia-based human body measurement software firm, has filed to raise USD 24.4m in an initial public offering in the US.
- **Objective Corporation** [ASX: OCL], an Australia-based IT services provider, is actively seeking acquisitions. The company has a market capitalisation of USD 1.3bn.
- **Prime Media Group Limited** [ASX: PRT], an Australia media company, is continuing to actively review revenue diversification opportunities including options for inorganic growth.
- **Hansen Technologies** [ASX: HSN] has agreed to extend the exclusivity period in connection with a takeover offer from **BGH Capital** to 10 September.
- **Global Data Centre Group** (formerly 360 Capital Digital Infrastructure Fund) [ASX: GDC], an Australian data centre company, is eyeing several follow-on investments and M&A opportunities in Europe and Southeast Asia.
- **COSOL Limited** [ASX: COS], an Australian digital services and transformation specialist company, is actively targeting several strategic opportunities.
- **Telstra's** [ASX: TLS] infrastructure assets could be worth nearly AUD 30bn (USD 22bn). Telstra, which recently sold a 49% stake in its telecommunication towers portfolio for AUD 2.8bn could generate substantial value by selling additional infrastructure
- **Shebah**, an Australian female-focused rideshare start-up, is in talks to be acquired by another rideshare provider or digital auto business. Shebah could be valued at up to AUD 15m due to its database of female drivers and licenses that allow it to transport minors unaccompanied.
- **Unleash live**, an Australia-based artificial intelligence start-up, has received an AUD 8m (USD 6m) investment from **SafetyCulture**.
- **Woolworths** [ASX: WOW] has sold its AUD 54m (USD 40m) stake in the food box delivery business **Marley Spoon** [ASX: MMM].
- **360 Capital** [ASX: TPG] has announced that it has sold its 33.2% stake in **Global Data Centre Group** [ASX: GDC] for AUD 42m (USD 31m).
- **HT&E Limited** [ASX: HT1] has signed a conditional agreement for the potential sale of its shares in **Lux Group Limited** to **Auctus Asset Management Limited**.
- **Ellerston Capital** has invested AUD 10m (USD 7.4m) into **Azupay**, an Australia-based fintech
- **OrderUp!**, an Australia-based meal ordering app, is open to takeover offers.

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