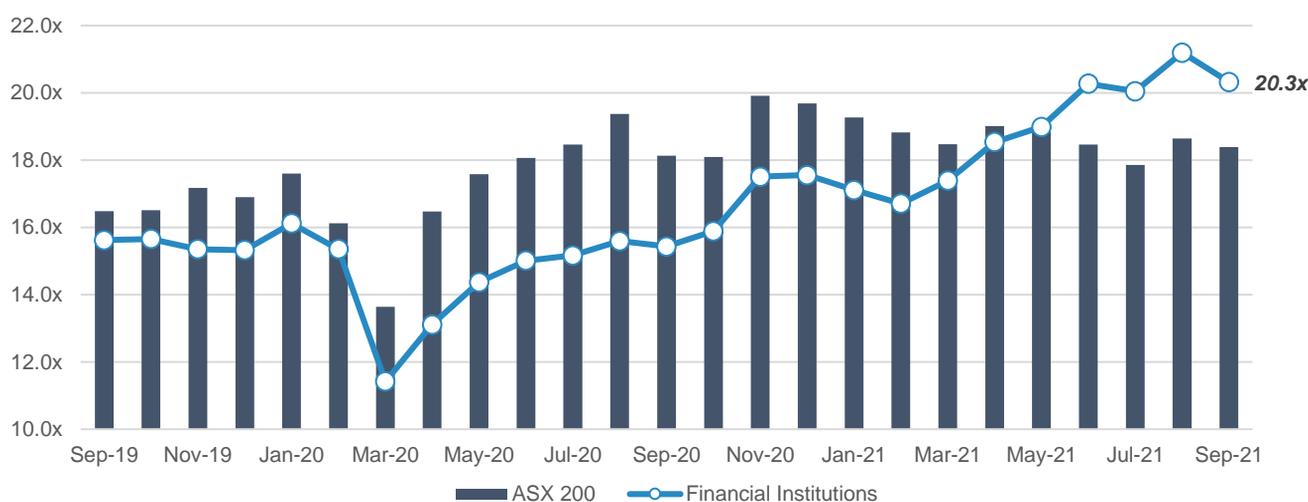


PRICING MULTIPLES

Forward Price Earnings Multiples (monthly to 30/09/2021) Source: FactSet Research Systems Inc.

Multiples in the Financial Institutions sector have decreased over the period. At the end of September, the sector traded on a forward P/E multiple of 20.3x, compared to the ASX200 on 18.4x.



Average Values and Trading Multiples (values as at 25/10/2021) Source: FactSet Research Systems Inc.

Subsector	Market Cap (\$ m)	Price / Book Value	Price / Earnings FY2021	EPS Growth
Consumer Credit Businesses	5,010	2.2x	15.0x	(25.1%)
Financial Services Providers	90,597	5.4x	24.6x	22.9%
Insurance & Mortgage Brokers	3,783	3.4x	20.7x	12.2%
Lending Institutions	550,517	1.5x	15.1x	(6.9%)
Property Developers	3,968	1.1x	20.4x	(13.3%)
REIT	143,214	1.3x	21.2x	(57.2%)
Financial Institutions	797,088	2.7x	20.8x	(20.6%)

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 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.

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

MERGER & ACQUISITION NEWS...



Value: AUD 25 m

CMC Markets Plc, a leading global provider of online trading and institutional (“B2B”) platform solutions has entered into an agreement to secure **Australia and New Zealand Banking Group Limited’s** share investing client base. The transaction involves the transition of over 500,000 ANZ share investing clients with total assets in excess of AUD 45bn.



Value: Not disclosed

Allied Credit has acquired **Macquarie Group’s** auto dealer finance unit, **Macquarie Leasing Limited**. The acquisition will provide the group with immediate growth and enhanced capability. As part of the transaction, Allied Credit will take over an AUD 670m floorplan loan book and most of the unit’s employees.



Value: AUD 9 m

CountPlus (ASX:CUP), an Australia-based wealth management business, has acquired **Accurium**, the Australian supplier of Self-Managed Superannuation Fund (SMSF) actuarial certificates, from **Challenger Limited** (ASX:CGF) for AUD 9m. CountPlus has previously announced a strategic pivot and desire to pursue investments in “core-related” diversification activities



Value: Not disclosed

Perpetual (ASX:PPT), an Australia-based wealth manager, has acquired Australian specialist in debt markets and advisory business **Laminar Capital**. The acquisition of Laminar will also provide Perpetual access to new specialised capabilities, including Laminar’s ESG Risk Score, which is integrated into their Treasury Direct digital platform to support the public and mutual bank sector



Value: AUD 386 m

HUB24 Limited, an Australia-based financial services business, has entered into a scheme of arrangement to acquire **Class Limited**. The transaction is expected to accelerate HUB24’s platform of future strategy, consolidating the Group’s position as a leading provider of integrated platforms, technology and data solutions for financial advisers, accountants and private banks. The combined business will provide a compelling and unique competitive advantage and diversification of revenue with the acquisition expected to be 8% EPS accretive by FY23 and deliver cost synergies of AUD 2 million per annum.



Value: Not disclosed

BC Invest, a diversified financial services group which is 51% owned by **Far East Consortium International Limited**, has announced that it has acquired a 53% stake in one of Australia’s leading non-bank lenders, **Mortgageport Management Limited**. The acquisition will create a combined business with assets under management of over AUD \$3.3bn with 190 staff across 11 offices in 7 countries.

INSTITUTIONAL INTELLIGENCE...

- **PM Capital Global Opportunities Fund Limited** (ASX: PGF) has agreed to acquire all the remaining shares of **PM Capital Asian Opportunities Fund Limited** (ASX: PAF). The fund currently holds a 19.9% shareholding interest.
- **DelayPay**, an Australian buy now, pay later (BNPL) provider to the agriculture sector, is conducting a Series A raise. The company aims to raise AUD 1m (USD 0.7m) and is looking for new investors that understand the agriculture sector.
- **Zurich Insurance Group** (SWX: ZURN), a Swiss insurer, is mooting to sell certain Australia-based general insurance assets as it looks at streamlining its portfolio.
- **BNK Banking Corporation** (ASX: BBC), an Australia-based bank and mortgage aggregator, has announced a strategic review. The board is undertaking the review following the receipt of several unsolicited approaches.
- **Westpac Banking Corporation** (ASX: WBC) has terminated its agreements with **Kina Securities Limited** (ASX: KSL) for the sale of its Pacific businesses.
- **Westpac Banking Corporation** (ASX: WBC) may opt to seek an IPO or a demerger of its **BT Panorama** wealth platform after the Australian bank decided to suspend a sale plan for as long as two years.
- **Cover Genius**, an Australian insurance tech firm to provide personalized insurance products, is secured to raise approximately AUD 100m (USD 73.4m) in its Series C funding round
- **WAM Capital Limited** (ASX: WAM) has announced its intention to make a condition off-market takeover bid for **PM Capital Asian Opportunities Fund** (ASX: PAF).
- **MRHB DeFi**, a Sydney-based halal, decentralised finance platform, has secured a strategic investment from **NewTribe Capital**, an early-stage venture capital fund based out of the Middle East
- **Till Payments**, an Australian payments fintech company, has raised USD 110m in a Series C funding round. **Akuna Capital**, **Woodson Capital**, **Avenir Growth**, and **Regal Funds Management** joined the round.
- **Zerocap**, an Australian crypto-asset investment platform, announced that it has secured investment from **Victor Smorgon Group**.
- **Citigroup's** (NYSE:C) consumer franchises in Asia are likely to draw offers from Singapore-based **DBS Group** (SGX:DO5) and **Standard Chartered** among others, a newswire reported citing knowledgeable sources
- **Praemium** (ASX:PPS), an Australia-based funds administration business, is expected to be a takeover target in the financial services space. **HUB24's** (ASX:HUB) AUD 386m (USD 286) bid for **Class** (ASX:CL1), a superannuation administration company, has added to speculation that Premium will be a target for M&A.
- Australian banks and financial businesses are expected to emerge as M&A targets next year. This comes as companies such as **Plenti** (ASX:PLT), **Harmoney** (ASX:HMY), **Wisr** (ASX:WZR), and **Humm Group** (ASX:HUM), have underperformed and could be subject to takeover interest. Larger entities such as **Pepper Money** [ASX:PPM] and **Latitude Financial Group** [ASX:LFS], and **Liberty** [ASX:LFG] have also traded at underwhelming levels and could become potential targets as well.
- **CQG Partners**, a Florida-based global equities manager, has set its IPO price at AUD \$2.00 per chess deposition interest (CDI) which was at the bottom of the previously expected AUD 2.00 – AUD 2.20 price range.
- **Fupay**, an Australian money management platform and buy now, play later provider, has continuously received approaches from interested buyers and is currently in talks with two parties while it undertakes an AUD 8m-10m capital raising.
- The proposed scheme of **WAM Global** [ASX: WGB] to acquire **Templeton Global Growth Fund** [ASX: TGG] is now legally effective.
- **Fusion**, an Australian specialty insurer providing insurance solutions to small and medium-sized businesses, could acquire insurance agencies in specialty areas to add to its own expertise, as well as technology companies to enable its insurance business.
- **TWUSUPER** has announced that it has called off merger talks with **EISS Super**.

CONTACT DETAILS

If you are interested in specific information regarding mergers and acquisitions in the Financial Institutions sector, please contact Brent Wall or Michael Kakanis.

Name	Position	Phone	Email
Sharon Doyle	Executive Chair	(07) 3218 9122	sdoyle@interfinancial.com.au
Paul Keehan	Non-Executive Director	(07) 3218 9100	pkeehan@interfinancial.com.au
Ted Marchant	Non-Executive Director	(07) 3218 9100	tmarchant@interfinancial.com.au
Mark Steinhardt	Head of M&A	(07) 3218 9105	msteinhardt@interfinancial.com.au
Brad Shaw	Director – M&A	(07) 3218 9100	bshaw@interfinancial.com.au
David Hassum	Director	(07) 3218 9108	dhassum@interfinancial.com.au
Andrew Wheeler	Director	(07) 3218 9107	awheeler@interfinancial.com.au
Michael Kakanis	Associate Director	(07) 3218 9106	mkakanis@interfinancial.com.au
Anuk Manchanda	Associate Director	(07) 3218 9100	amanchanda@interfinancial.com.au

DISCLAIMER

This information has been sourced from the ASX, Mergermarket.com and various other public information sources. Forecasts are consensus forecasts sourced from FactSet Research Systems Inc.

Important Disclaimer – This may affect your legal rights: Because this document has been prepared without consideration of any specific person's financial situation, particular needs and investment objectives, a financial services licensee or investment adviser should be consulted before any investment decision is made. While this document is based on information from sources which are considered reliable, InterFinancial, its directors, employees and consultants do not represent, warrant or guarantee, expressly or impliedly, that the information contained in this document is complete or accurate. Nor does InterFinancial accept any responsibility to inform you of any matter that subsequently comes to notice, which may affect any of the information contained in this document. This document is a private communication to clients and is not intended for public circulation or for the use of any third party, without the prior approval of InterFinancial. This report does not constitute advice to any person.

Disclosure. InterFinancial has no interest in any of the securities mentioned in this publication. However, its directors, executives or consultants may have an interest in some of the securities, directly or indirectly, which are mentioned

InterFinancial is a member of Clairfield International

InterFinancial
Corporate Finance Limited
ABN: 49 138 962 986
AFSL: 341675
Level 2, 201 Charlotte Street
GPO Box 975
Brisbane Queensland 4001
(07) 3218 9100
admin@interfinancial.com.au
www.interfinancial.com.au

