

VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 28/02/2022) Source: FactSet Research Systems Inc.

Multiples in the Industrials sector have increased over the period. At the end of March, the sector traded on a forward EV / EBITDA multiple of 8.9x, compared to the ASX200 on 9.6x.



Average Values and Trading Multiples (as at 21/04/2022) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2022	EV/EBIT FY2022	Price / Earnings FY2022
Chemicals and Plastics	10,395	12.0x	16.6x	22.4x
Construction and Building Materials	21,401	6.8x	9.9x	13.7x
Construction/Mining Services	29,470	8.4x	12.2x	18.7x
Engineering Services	20,761	8.0x	11.8x	17.1x
Industrial Products And Services	25,304	12.3x	17.9x	24.6x
Packaging	6,153	8.1x	13.5x	13.9x
Industrials	124,966	9.7x	14.0x	19.2x

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: April 2022.

MERGER & ACQUISITION NEWS...

ROOT PARTNERSHIPS

Value: Not disclosed



Root Partnerships has entered into an agreement to acquire **InfraSol**, an Australian project management services business. The transaction will create a group with a combined revenue of AUD 50m and 160 employees.



Value: AUD 350.0 m



Liberty Hall Capital Partners via its OK-based defense firm **Accurus Aerospace Corporation**, has entered into an agreement to acquire **Ferra Holdings**, an Australian components provider for military and commercial aerospace end markets. The combination of the two companies is highly complementary and will create a global, more diversified business with expanded capabilities across commercial and military aerospace end markets.

TRICORBRAUN

Value: AUD 56.0 m



Pro-Pac Packaging Limited, an Australian packaging group, has announced that it has entered into a binding agreement for the sale of its Rigid packaging business to **TricorBraun Inc.** The divestment will simplify Pro-Pac's operations and allow it to focus on its core business to capitalize on key industry trends including innovation and sustainability. The capital from the sale will be used to invest in sustainable growth and accelerate its transformation into a leading player in the circular economy.



Value: Not disclosed

BioMar, a Denmark-based aquafeed supplier, has announced that it has entered into an agreement to acquire **AQ1 Systems**, an Australia-based producer of acoustic feeding technology. The acquisition will help BioMar to strengthen its core feed business with innovative technology solutions with the aim of creating synergies between farming technologies and feed solutions.



Value: AUD 70.0 m



H.W. Richardson Group, a family-owned, New Zealand-based transport operator, has acquired **Pacific Petroleum**, an Australia-based fuel distributor. The acquisition complements the groups existing fuel business in Australia and will assist with diversification.



Value: AUD 56.5 m



Cardno Limited has entered into an agreement with **DT Global Australia** for the sale of **Cardno International Development**. The transaction was done as part of a strategic review of Cardno's global operations, and the company intends to distribute the proceeds from the sale to shareholders via an unfranked dividend and capital return.

Value: AUD 25.8 m



MAAS Group Holdings Limited has acquired **Blackwater Quarries Limited**, an Australian operator of quarries and a concrete plant in Central Queensland. The acquisition is highly strategic and expands MGH's existing integrated network of construction materials operations across Central Queensland. It also enables further realization of synergies and provides MGH a platform for continued growth.

SCUTTLEBUTT...

- The Swiss technology group **RUAG International** and the Australian sovereign defence and advanced manufacturing group **ASDAM** have reached an agreement on the sale of **RUAG Australia**.
- **Synergy Business Systems**, an Australian industrial hardware supplier, has been acquired by **Metal Manufactures**, an Australia-based wholesale industrial hardware distributor.
- **SHAPE Australia** has entered into a contract to acquire a 100% interest in **KLMSA**, a modular construction business based in Victoria, for a total consideration of about AUD 10.7m.
- **Pact Group** is seeking regulatory approval to acquire **Synergy Packaging**, an Australia-based plastic packaging products business, from **Berry Global** in a deal that could be worth AUD 20m.
- **Merchant Place**, an Australian private investment group, is in talks to acquire a stake in **LegalStream**, an Australia-based legal and lender process outsourcing business.
- **Market Eye**, an Australian investor relations and PR company, is in talks with potential buyers. The company could be valued at over AUD 50m (USD 38m).
- **Oaktree Capital Management** is understood to be in talks to acquire a significant stake in Australia-based **Findex**. It is looking to acquire the 40% stake held by **KKR** and may seek to purchase additional share held by management.
- **Roberts Co** has announced that it has acquired five **Probuild** projects in Victoria. The agreement will save over AUD 100m of potential creditor claims and also avoids substantial liquidated damages risks from on-going project delays.
- **AcquireBPO**, an Australia-based outsourcing business, is set to launch a sale process in the coming months. The group currently generates revenues of AUD 257m and employs over 9,500 people across Australia, the Philippines and the US.
- **Geelong Commercial Waste (GCW)**, an Australian waste management and recycling business, is seeking expressions of interest for the acquisition of GCW's business and assets.
- **Reece Limited**, an Australia-based plumbing supplies business, is eyeing an acquisition in the US. Reece is targeting a private equity-owned business in the water distribution products space worth up to AUD 1bn (USD 740m).
- **Johnson Partners**, a privately held Australia-based executive search firm, could seek to acquire a smaller peer in Singapore to enter the market.
- The owners of **MAB Corporation**, an Australian property development company, are considering a sale. The group's sale could be valued at over AUD 1bn (USD 741m).
- **Ixom**, an Australian chemicals business, is likely to attract core-plus infrastructure investors.
- **Adrad**, a family-owned, Australia-based radiator maker, is preparing to list on the ASX. The company is considering raising AUD 30m (USD 22m) at a market capitalization of AUD 200m.
- Private capital buyers are believed to be circling **Cleanaway Waste Management**, an Australian waste management business. The interest is thought to come from core plus infrastructure investors such as **Macquarie Asset Management** and **Igneo**.
- **Richardson Family Law Group**, an Australian law practice, is planning an initial public offering within the next year. When the company IPOs, it is expected to have revenues of AUD 17m.
- **Condev**, a Queensland-based construction business, has collapsed after failing to secure the support of developers for an AUD 25m rescue plan. Condev is working on 18 projects across Queensland worth up to AUD 1bn.
- **Boral**, an Australia-based building products business, will consider takeover targets in Australia to rebuild its local presence. The company has been reducing its overseas exposure and recently sold its US-based fly ash business for AUD 1bn.
- **Sterning Group**, an Australian recruitment company, welcomes approaches from potential joint venture partners.

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