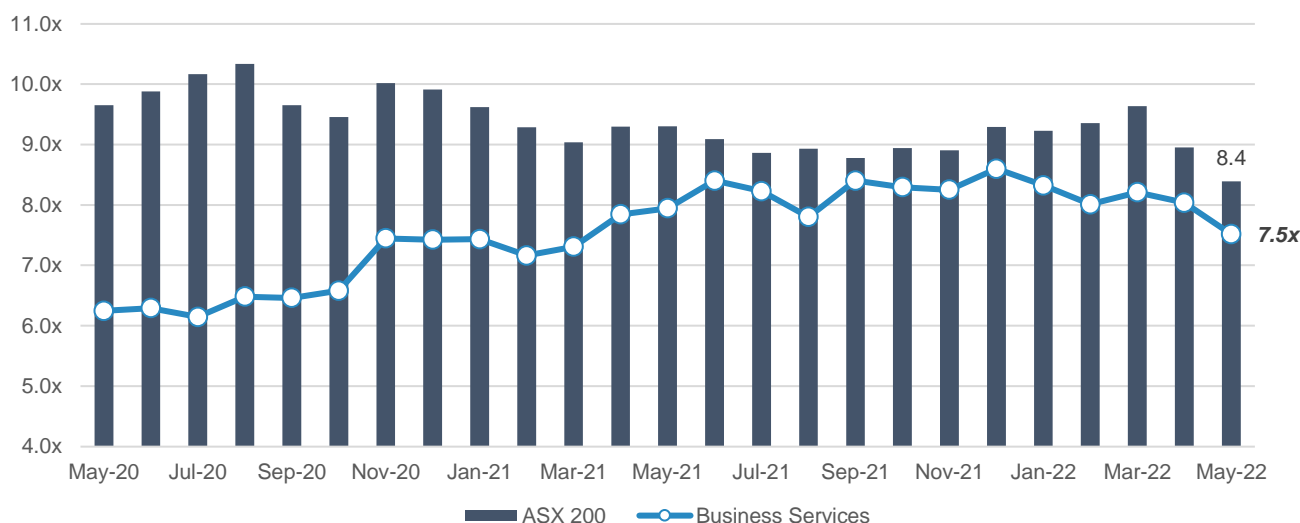


### VALUATION MULTIPLES

**Forward EV / EBITDA Multiples (monthly to 30/05/2022)** Source: FactSet Research Systems Inc.

Multiples in the Business Services sector have decreased over the period. At the end of May, the sector traded on a forward EV / EBITDA multiple of 7.5x, compared to the ASX200 on 8.4x.



**Average Values and Trading Multiples (values as at 20/06/2022)** Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2022	EV/EBIT FY2022	Price / Earnings FY2022
Business and Technical Consulting	25,539	8.2x	10.4x	13.6x
Business Process Outsourcing	3,574	7.2x	8.5x	8.2x
Education	7,686	6.7x	13.5x	20.6x
Facilities Management	533	3.9x	-	10.4x
Staffing	293	6.7x	8.2x	9.0x
Transportation, Logistics & Distribution	38,750	8.5x	16.0x	16.2x
<b>Business Services</b>	<b>76,376</b>	<b>7.7x</b>	<b>12.2x</b>	<b>13.8x</b>

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.

<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...

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PeopleiN



Value: AUD 45.0M

**Peoplein Ltd** (ASX:PPE), a diversified Australian technology-enabled workforce management and staffing company, has entered in an agreement to acquire **FIP Group Holdings**, an Australian Workforce solution company.

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arrotex

PHARMACEUTICALS



Value: Not Disclosed

**Arrotex Pharmaceuticals** has acquired **Farmaforce** out of administration, saying that Farmaforce fits with Arrotex's growth plans. Farmaforce entered administration as part of **iQ Group Global** and brought in over AUD 11.6m in contract sales and marketing services.

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Complii

FinTech Solutions Ltd

registrydirect

Value: AUD 9.0 m

**Complii Fintech Solutions**, an Australia-based digital platform, has announced an off-market, all-scrip takeover for **Registry Direct Limited**, an Australian fintech business providing share and unit registry services to Australian companies and trusts.

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EPTEC



Value: Not disclosed

**Eptec Limited**, an Australia-based engineering contractor providing corrosion solutions to the infrastructure and marine sectors has entered into an agreement to acquire **Corrosion Control International Limited**, a United Kingdom-based distributor of anti-corrosion coatings.

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ifm

investors



atlasArteria

Value: AUD 1.2 bn

**IFM Global Infrastructure Fund**, the infrastructure fund focused on the development and operation of infrastructure assets such as toll roads, airports and LNG terminals, managed by **IFM Investors Limited**, has acquired 15% of **Atlas Arteria**, an Australia-based operator and manager of a portfolio of toll road assets.

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## SERVING UP SOME SUPPOSITION...

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- **The State of Victoria** is seeking to bind bids for its registration and licensing business **VicRoads**. **Macquarie Asset Management's Voltaire** is working hard to secure **VicRoads** at an expected bid worth over **AUD \$4Bn**.
- **Edge Early Learning**, an Australian-based childcare business is seeking to double its size through acquisitions and organic development. **HEAL Partners**, the majority owner is planning to increase centres from 52-100 to 125.
- **Adcorp**, a South African workplace solutions and staffing company is expected to adopt more active acquisitions and organic growth this year, stated by CEO John Wentzel. John ventured onto discussed the performance of the company, stating debt has drastically reduced. With their presence already established in Australia, Adcorp is looking at suitable acquisitions that deliver excellence upon Return on Invested Capital.
- **Go1**, an Australian corporate education content hub for on-demand training and resources, has raised over USD 100m in its latest funding round closed in May. Participants in the round included; **AirTree Ventures**, **Blue Cloud Ventures**, **Five Sigma**, **Madrona**, **Salesforce Ventures**, and **SoftBank Vision Fund 2**.
- **Atlas Arteria** (ASX:ALX) an Australia-based toll road company, is being eyed for potential acquisition by **IFM Investors**, an Australian infrastructure investment firm. IFM investors were trying to acquire an additional 7% stake, on top of their present holding of 7.94%
- **Glencore** is understood to have walked away from plans to buy **One Rail Coal** from **Aurizon**. Private equity may now be eyeing the asset. The unit generated AUD 227m of revenue and AUD 137m of EBITDA in FY21 and could sell for AUD 1bn.
- **InvoCare** may interest private equity due to the group's defensive earnings and large brand portfolio. InvoCare has 26.6% of the funerals, crematoria and cemeteries market and is the number one operator in the space in Australia.
- **Edrolo**, an Australia-based education resources business, has raised AUD 40m in a Series B funding round.
- **Swoop Aero**, an Australian drone-based logistics business, has rejected an AUD 100m takeover offer from a US-based company servicing the defense sector. The suitor emerged as the company was seeking investors for its latest funding round.
- Private equity players may be eyeing **Qube Holdings**, an Australia-based import and export logistics services business. Qube currently has a market value of AUD 5.7bn.
- **Dye & Durham** has ended talks to sell **Link Group's** retirement and superannuation solutions business **RSS** to the wealth management platforms business **FNZ**. FNZ has tried to acquire RSS twice.
- **Atlas Arteria Limited**, an Australia-based toll road company, has confirmed that **IFM**, an Australian infrastructure firm has secured a 15% stake in the business.
- **Osaka Gas Co Limited** has announced that it has acquired a 16.75 interest in **Australian Integrated Carbon Limited**, a company engaged in obtaining and selling carbon credits from regeneration of native woodlands in Australia.

## CONTACT DETAILS

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