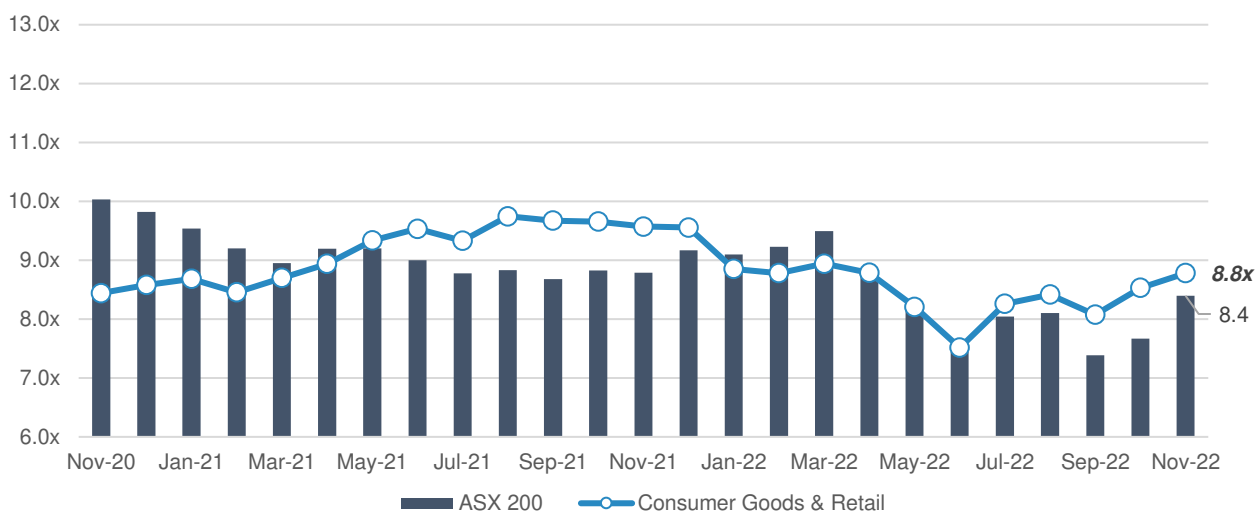


## VALUATION MULTIPLES

**Forward EV / EBITDA Multiples** (monthly to 12/12/2022) Source: FactSet Research Systems Inc.

Multiples in the Consumer Goods & Retail sector have increased over the period. At the end of November, the sector traded on a forward EV / EBITDA multiple of 8.8x, compared to the ASX200 of 8.4x.



**Average Values and Trading Multiples** (values as at 12/12/2022) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2022	EV/EBIT FY2022	Price / Earnings FY2022
Consumer	13,373	10.0x	13.9x	17.8x
Food & Agribusiness	24,210	11.1x	19.6x	23.0x
Leisure	23,255	12.3x	14.7x	21.4x
Online Commerce	815	25.8x	46.9x	71.6x
Personal and Household Goods	3,201	5.9x	7.7x	13.9x
Retail	169,875	8.6x	14.9x	17.5x
<b>Consumer Goods &amp; Retail</b>	<b>234,729</b>	<b>10.1x</b>	<b>15.9x</b>	<b>20.1x</b>

Note: Multiples are based on the forward year of the unreported period, which for the majority of companies in the sector is FY2023. 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 Consumer Goods & Retail Index set is an unweighted index comprising Consumer Goods & Retail sector related companies trading on the Australian Securities Exchange (ASX). Estimates are sourced from FactSet Research Systems Inc.

### MERGER & ACQUISITION NEWS...



Value: AUD 1.26bn



**Woolworths Group**, the Australia based operator of supermarkets, department stores, discount general merchandise stores, and hotels. Also a manufacturer of food and beverages products is to acquire 55% of **PETstock**, the local retailer of pet supplies, from **Auctus Investment Group**, the technology startup incubator.



Value: AUD 283.4m

**Edoc Acquisition**, the United States based blank check Company (BCC) is to acquire **Australian Oilseeds Investments**, the Australia based proprietary company that is focused on the manufacture and sale of sustainable oilseeds. The consideration was USD 190m.



Value: Not Disclosed

**Westpork**, the Australia-based company with pork producing operations has acquired **Cutting cart**, the local company that sells poultry and various other meats from **Dardanup Butchering Company**, the local company that sells poultry and various other meats. The terms of the deal were undisclosed.



Value: AUD 11m

**Alloggio**, the Australia based lessor of residential real estate property has acquired **A Perfect Stay**, the local property management and hospitality services provider. The consideration was AUD 11m, which consist of AUD 9m paid in cash, AUD 2m paid in earnout.



Value: Not Disclosed

**Southern Premium Vineyards**, the Australia based company operating in Crop cultivation is to acquire **Casella Wines**, the local 35 vineyard properties from **Casella Wines**, the local wine producer. The terms of the deal were undisclosed.



Value: Not Disclosed

**Metrics Credit Partners**, the Australia based investment company focusing on credit and fixed income markets has acquired 50% of **Caravan Camping Aus**, the local designs and sells wholesale recreational vehicle parts and accessories domestically. The terms of the deal were undisclosed.



Value: Not Disclosed

**BWT**, the Austria based manufacturer of metal parts and devices including water/gas/steam mains and pipes has acquired through its subsidiary **Lincoln Pool Equipment**, the Australia based swimming pool supply store **Austral Pool Solutions**, the Australia based distributor of Australian brands for the pool & spa industry. The terms of the deal were undisclosed.



Value: AUD 60m

**Autosports Group [ASX:ASG]** has entered into an agreement to acquire the business and assets of **Motorline BMW**, **Motorline MINI**, **Motorline Bodyshop**, **Gold Coast BMW** and **Gold Coast MINI** for about AUD 60m (USD 40.1m).



Value: ~AUD 100m

**Woolworths Holdings [JSE:WHL]**, the South Africa based retail group operating department stores, supermarkets and clothing, food, homeware and beauty retail chains has entered into an agreement to sell its entire shareholding in its Australian subsidiary **David Jones**, the retailer, with stores throughout Australia operating 36 department stores and 2 warehouse outlets, to private equity firm **Anchorage Capital Partners**.

## RETAIL RUMOURS...

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- **Mosaic Brands [ASX:MOZ]**, an Australia-based retail business, could be put up for sale next year. The company is being discussed as a potential takeover target by its own shareholders, managers, and directors. A sale is not currently underway, but insiders believe it may be considering the option. The group's directors believe that the market is undervaluing the business, which currently has a market value of AUD 51m (USD 35m). Mosaic Brand's major shareholders include Alceon, which owns 20.5%, and Spotlight founder Morry Fraid, with 5.19%.
- **KKR** may only be considering a partial exit from **Australian Venue Co (AVC)**, an Australia-based pub operator. **BGH Capital** and **Blackstone** have been eyeing AVC. However, the target is likely too large for BGH, while Blackstone, which owns Crown Resorts, is unlikely to be granted regulatory approval to buy all of AVC. One option could be for Blackstone to acquire part of AVC or embark on a funding deal.
- Australian furniture retailer, **AMart's** is considering options for the business. **AMart's** owner, **Quadrant**, was close to selling the business to **Allegro Funds** in 2020 but changed plans due to the global pandemic. Quadrant could look to recapitalise AMart, which underwent an AUD 300m (USD 204m) refinancing in 2019, and put the group in a continuation fund.
- Large Australian fast-food companies **Domino's Pizza [ASX:DMP]**, **Collins Foods [ASX:CKF]**, and **Restaurant Brands Group [ASX:RBD]** could acquire smaller industry players and independent operators. Smaller groups suffering from increased costs and reduced spending could become targets for larger industry players. Collins Foods could buy KFC outlets from franchisees in Germany, while both Collins Foods and Restaurant Brands could buy more Taco Bell locations. Meanwhile, Domino's is raising up to AUD 165m (USD 111m) to buy its German joint venture partner.
- **Natura Cosmetics [BVMF:NTCO3, NYSE:NTCO]**, a Brazil-based multi-channel and multi-brand cosmetics group, announced that the sale of a minority stake in its Australian unit **Aesop** is in initial stage of confidential consultations. So far, there is no definition as to the terms and conditions of a potential transaction.
- Australian fashion retailers **Cue**, **Shieke**, **Kookai**, and **Bardot** could seek buyers in the new year. Expect privately owned apparel brands to look for buyers early in the new year, while some may fall into administration. Cue and Sheike, which was pitched to potential suitors last year, may interest potential buyers, while Kookai and Bardot could consider options. Fashion label **Sir** is believed to have been offered for sale. **Status Anxiety** has also considered sale options but is not longer looking for suitors. Finding buyers could be a challenge as the appetite for consumer businesses fades.

## CONTACT DETAILS

If you are interested in specific information regarding mergers and acquisitions in the Consumer Goods & Retail Industry, please contact David Hassum or Andrew Wheeler.

Name	Position	Phone	Email
Sharon Doyle	Executive Chair	(07) 3218 9122	<a href="mailto:sdoyle@interfinancial.com.au">sdoyle@interfinancial.com.au</a>
Paul Keehan	Non-Executive Director	(07) 3218 9100	<a href="mailto:pkeehan@interfinancial.com.au">pkeehan@interfinancial.com.au</a>
Anne-Marie Birkill	Non-Executive Director	(07) 3218 9100	
Rhyll Gardner	Non-Executive Director	(07) 3218 9100	
Brad Shaw	Chief Executive Officer	(07) 3218 9100	<a href="mailto:bshaw@interfinancial.com.au">bshaw@interfinancial.com.au</a>
Mark Steinhardt	Director – M&A	(07) 3218 9105	<a href="mailto:msteinhardt@interfinancial.com.au">msteinhardt@interfinancial.com.au</a>
David Hassum	Director	(07) 3218 9108	<a href="mailto:dhassum@interfinancial.com.au">dhassum@interfinancial.com.au</a>
Andrew Wheeler	Director	(07) 3218 9107	<a href="mailto:awheeler@interfinancial.com.au">awheeler@interfinancial.com.au</a>
Graeme McKellar	Director	(07) 3218 9100	<a href="mailto:gmckellar@interfinancial.com.au">gmckellar@interfinancial.com.au</a>
Michael Kakanis	Associate Director	(07) 3218 9106	<a href="mailto:mkakanis@interfinancial.com.au">mkakanis@interfinancial.com.au</a>
Anuk Manchanda	Associate Director	(07) 3218 9100	<a href="mailto:amanchanda@interfinancial.com.au">amanchanda@interfinancial.com.au</a>
Nimerta Kumari	Associate Director	(07) 3218 9100	<a href="mailto:nkumari@interfinancial.com.au">nkumari@interfinancial.com.au</a>
Maggie Liu	Associate	(07) 3218 9100	<a href="mailto:mliu@interfinancial.com.au">mliu@interfinancial.com.au</a>

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InterFinancial  
Corporate Finance Limited  
ABN: 49 138 962 966  
AFSL: 341675  
Level 2, 201 Charlotte Street  
GPO Box 975  
Brisbane Queensland 4001  
(07) 3218 9100  
admin@interfinancial.com.au  
www.interfinancial.com.au

