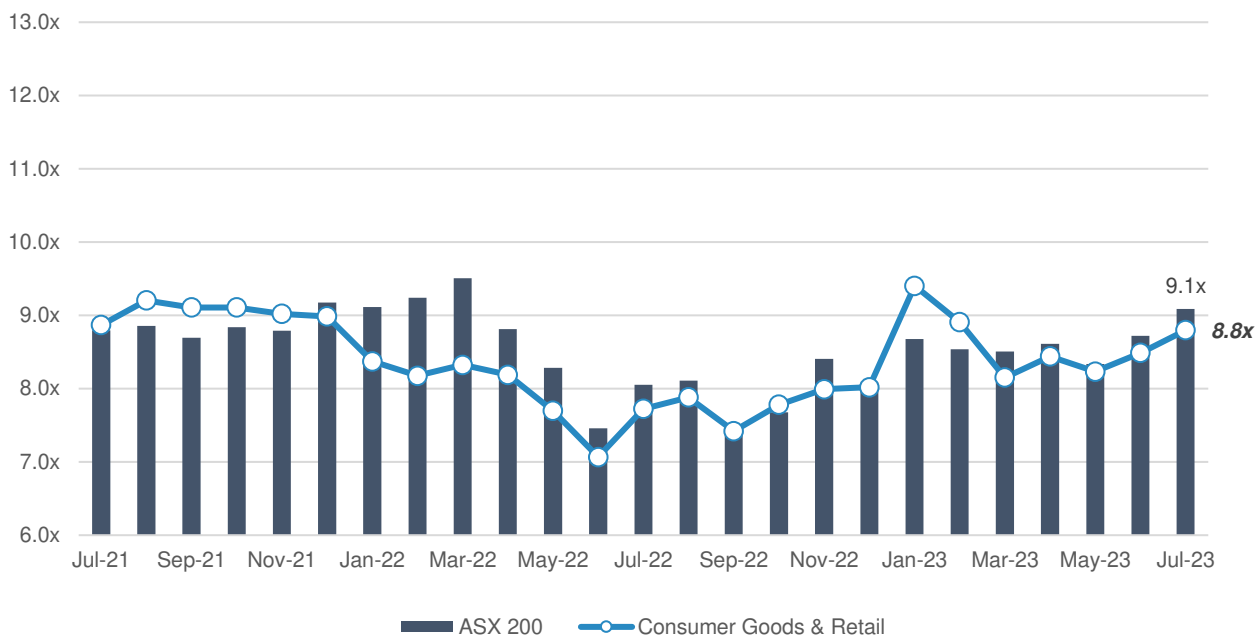


## VALUATION MULTIPLES

**Forward EV / EBITDA Multiples** (monthly to 30/07/2023) Source: FactSet Research Systems Inc.

Multiples in the Consumer Goods & Retail sector have remained constant over the period. At the end of July, the sector traded on a forward EV / EBITDA multiple of 8.8x, which was less than the ASX200's multiple of 9.1x.



**Average Values and Trading Multiples** (values as at 30/07/2023) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$m)	EV/EBITDA FY2023	EV/EBIT FY2023	Price / Earnings FY2023
Consumer	14,374	11.0x	16.0x	21.6x
Food & Agribusiness	21,938	7.0x	12.4x	19.2x
Luxury Goods & Services	27,706	12.7x	15.2x	21.2x
Online Commerce	1,267	49.5x	NA	114.3x
Personal and Household Goods	4,203	8.4x	13.4x	16.9x
Retail	176,920	7.5x	12.7x	16.5x
<b>Consumer Goods &amp; Retail</b>	<b>246,408</b>	<b>10.4x</b>	<b>18.5x</b>	<b>23.4x</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.

<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...

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Value: AUD 450m

**Kao Corp**, the Japan based manufacturer of household and chemical products including cosmetics and cleaning/hygiene products, announced it and its subsidiaries **Kao USA** and **Kao Australia** have acquired all shares in **Bondi Sands Australia**, the Australia based manufacturer of skin care products. According to reports, the consideration was AUD 450m.

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Value: AUD 70m

**An Undisclosed Acquiror** has acquired **Seafolly**, the local retailer of bikini, swimwear and beach accessories, from **Catterton Management Co**, the private equity firm focusing on buyout and growth capital investments. The consideration was AUD 70m. The transaction provides an exit strategy for Catterton Management Co.

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Value: AUD 652m

**Abacus Group**, the local REIT focused on office, retail and industrial properties announced intentions to spin-off **Abacus Storage King REIT**. Abacus Storage King was listed on the ASX. The consideration was AUD 652.31m based on 532,502,962 new shares issued to Abacus Storage King's Shareholders, valued at first trading day closing share price of AUD 1.225 per share.

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Value: AUD 85.6m

**Verde Mobility Inc**, the United States based provider of smart solutions for electric vehicles, has acquired an undisclosed stake in **H2X Global**, the Australia based hydrogen-driven vehicle developer. The consideration was AUD 85.6m.

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Value: AUD 11m

**TasFoods Limited** (ASX: TFL) has announced that it has entered into a binding business sale contract with **Bega Cheese Limited** (ASX: BGA) subject to a number of conditions for the sale of **Betta Milk and Meander Valley Dairy** for the cash consideration of AUD 11m.

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## RETAIL RUMOURS

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- **Broc On**, a privately held Australian nutrition supplement company, is on the lookout for investors to support its entry to China. The Sydney-based company, which sells a 100% natural plant-based health shot derived from broccoli sprouts, welcomes approaches from investors in the nutrition space or with marketing expertise to enter China. The proposed equity stake offering is less than 30% inclusive.
- **Cullen Jewellery**, a privately held Australian jewellery company, is mulling acquisitions for international growth. The Melbourne-based company would likely target jewellery businesses in “depressed” states, adding that it could pay multi-million AUD for targets as part of international expansion plans to enter the US, Canada, New Zealand and the UK. Cullen Jewelry has logged 400% annual revenue growth in each of the past four years.
- **Oaktree Capital** and **Bain Capital** are said to be working together on a refinancing deal for **Star Entertainment** [ASX: SGR], an Australian casino operator. Reportedly, Oaktree and Bain are mulling whether to submit a joint proposal to refinance Star and are among the last two groups in the process. Star Entertainment had AUD 1.3bn gross debt at the end of December, including AUD 685m in bank debt and AUD 584m in private placements.
- The **Western Australia Government** may be looking to restart the auction for the **Western Australia TAB**, the WA Tab has been put up for sale several times in the last few years, including last year and in 2020. The report noted that the WA Tab is likely to interest **Entain** [LON: ENT], **Tabcorp** [ASX: TAH], and **Sportsbet. Betr**, which withdrew a bid for WA Tab last October, is unlikely to bid in the latest effort.

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