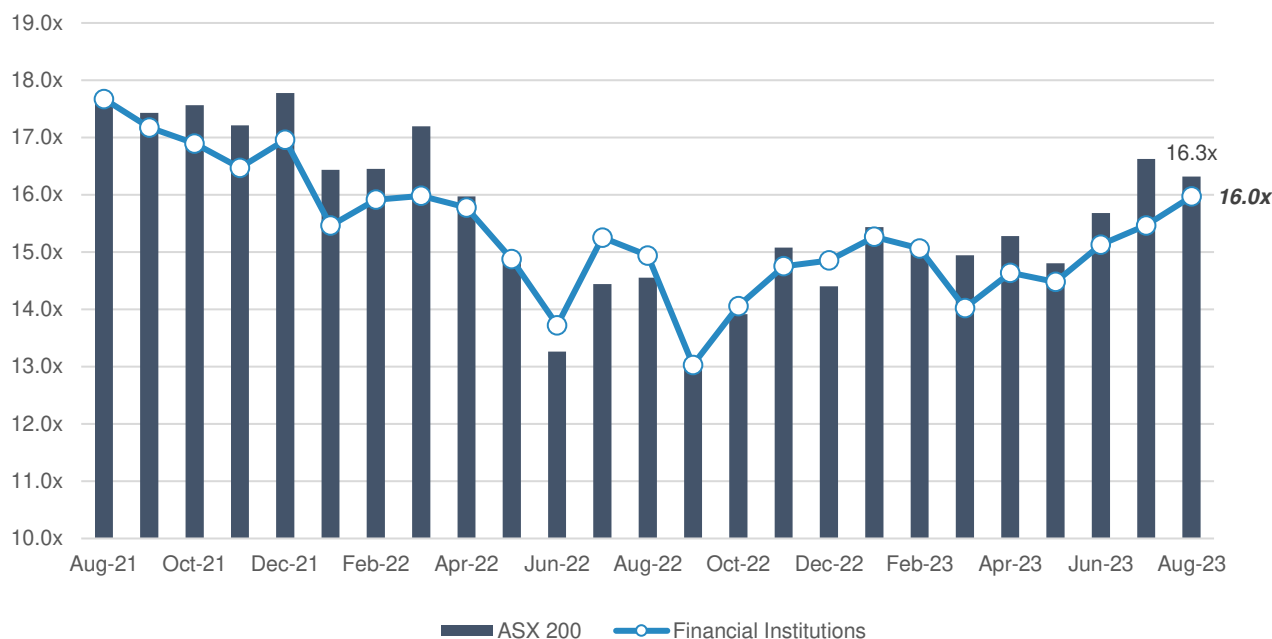


PRICING MULTIPLES

Forward Price Earnings Multiples (monthly to 30/08/2023) Source: FactSet Research Systems Inc.

Multiples in the Financial Institutions sector have increased over the period. At the end of August, the sector traded on a forward P/E multiple of 16.0x, compared to the ASX200 on 16.3x.



Average Values and Trading Multiples (values as at 30/08/2023) Source: FactSet Research Systems Inc.

Subsector	Market Cap (\$m)	Price / Book Value	Price / Earnings FY2023	EPS Growth
Consumer Credit Businesses	2,692	0.7x	8.6x	(64.7%)
Financial Services Providers	74,570	3.5x	16.8x	39.9%
Insurance & Mortgage Brokers	5,604	2.8x	17.7x	88.8%
Lending Institutions	509,613	1.2x	11.5x	3.1%
Property Developers	3,056	1.6x	15.4x	(22.0%)
REIT	118,193	0.9x	17.6x	750.2%
Financial Institutions	713,728	1.8x	15.6x	321.1%

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 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.

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 28.5231m

Somers Limited, the Bermuda based financial services investment holding company is to acquire 50.6468% of **Thorn Group**, the Australia based provider of leasing services for household and technology products. The consideration was AUD 28.5231m valued on the basis of 17,606,856 shares at the offer price of AUD 1.62 per share. The transaction is subject to definitive agreement and shareholders' approval.




Value: Undisclosed

Ontario Teachers' Pension Plan (Ontario Teachers') and KKR, a leading global investment firm announced the signing of a definitive agreement under which Ontario Teachers' will acquire KKR and other shareholders' stakes in GreenCollar, a leading Australian environmental markets platform.




Value: Undisclosed

Commonwealth Bank of Australia [ASX:CBA] has announced that its venture-scaling arm **x15ventures** has acquired **Waddle**, a cloud-based invoice lending platform. Waddle was sold by Xero [ASX:XRO], which paid AUD 31m for the business in late 2020.




Value: AUD 31.9m

Advanced Share Registry [ASX:ASW], the Australian share registry business, announced on 8 September that it has entered into a Scheme Implementation Deed to be acquired by Automic for AUD 0.165 per share.



The Scheme Consideration of AUD 0.165 per share values ASW's equity at approximately AUD 31.9m and at an enterprise value of approximately AUD 25.8m.



Value: Undisclosed

nib holdings [ASX:NHF], the Australian insurance company has acquired BudgetNet, an Australian National Disability Insurance Scheme (NDIS) plan manager.



BudgetNet is the sixth plan manager to join nib Thrive's house of brands in less than 12 months after nib raised AUD 158.1m in equity in 2022 to enter the NDIS sector.



Value: Undisclosed

Australia-based Ironbark Asset Management is merging with Invest Blue, an Australian financial advice and wealth solutions business. Upon completion, the merged Ironbark and Invest Blue will have approximately AUD 64bn in funds under management, trusteeship, and advice.





Value: AUD 28.5231m

BKI Investment Company Limited [ASX:BKI] has acquired a privately held investment company with net assets of about AUD 15.69m. BKI Investment will issue the vendors a total of 8,879,406 new shares for consideration of the acquisition, the statement said.

BKI Investment shares closed at AUD 1.76.



Value: AUD 2.47bn

AustralianSuper, the Australian pension fund, has confirmed that it is acquiring a minority stake in the Europe, Middle East and Africa operations of **Vantage Data Centers**, the Denver, Colorado-headquartered data center operator, for AUD 2.47bn. The investment, which represents AustralianSuper's first significant exposure in hyperscale data centers, provides AustralianSuper with access to an attractive market with strong growth prospects.

INSTITUTIONAL INTELLIGENCE...

- **Mirae Asset Financial Group**, the South Korea based financial investment management company, mainly engaged in asset management, securities brokerage, life insurance, and capital funding has acquired through its subsidiary **Mirae Asset Global Investments Co**, the local investment management company 53% of **Stockspot**, the Australia based private Australian online investment advisor. The consideration is AUD 28m.
- **Marsh & McLennan Companies**, the United States based provider of insurance and reinsurance brokerage, consulting and investment management services, is to acquire **Honan Insurance**, the Australia based insurance brokerage firm, from **TA Associates Management**, the local private equity firm, via auction process. The consideration was AUD 700m as reported by AFR and Bloomberg. The transaction provides an exit strategy for TA Associates Management LP. The transaction is subject to regulatory approvals and is expected to complete in 2023.
- **Qantas Super** is considering merging its assets with a larger fund. A spokesperson for Qantas Super said that its trustee board has not made any decision to explore a merger with a larger superannuation fund, but sources with knowledge of the situation said that it was formally exploring its options. The spokesperson noted that Qantas Super regularly reviews its strategy to allow it to provide the best outcome for members. Qantas Super manages AUD 8.4bn in assets.
- **Sequoia Financial Group** [ASX:SEQ], an Australian integrated financial services group, is actively seeking acquisitions in line with its goal to provide holistic and diversified financial services solutions to advisers and accounting firms, said CEO and MD Garry Crole. Headquartered in Victoria, with offices in New South Wales, Queensland, South Australia and Western Australia, the AUD 67m (USD 43m) market cap company has an active acquisition pipeline and welcomes approaches from advisors with introductions to other potential targets, Crole said.
- **Pacific Current Group** [ASX:PAC], a global multi-boutique asset management firm, is seeing a mix of financial and strategic parties in the US, Europe, and Australia as it evaluates other prospective buyers, said MD, CEO and CIO Paul Greenwood. Pacific Current is pleased with the interest it has received so far, Greenwood said, adding that shareholders will be well served regardless of whether a transaction occurs or not, as FY24 is expected to be a watershed year for the company in terms of revenue and profit on the back of growing contributions from some of its portfolio companies.
- **Pepper Money** [ASX:PPM], the Australian finance company, is looking for additional acquisitions in New Zealand. Pepper Money announced on 1 September that it had entered into a binding agreement to acquire the NZD 1.4bn New Zealand prime residential mortgage portfolio of **The Hongkong and Shanghai Banking Corporation Limited (HSBC)**, a wholly owned subsidiary of **HSBC Holdings plc**.

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