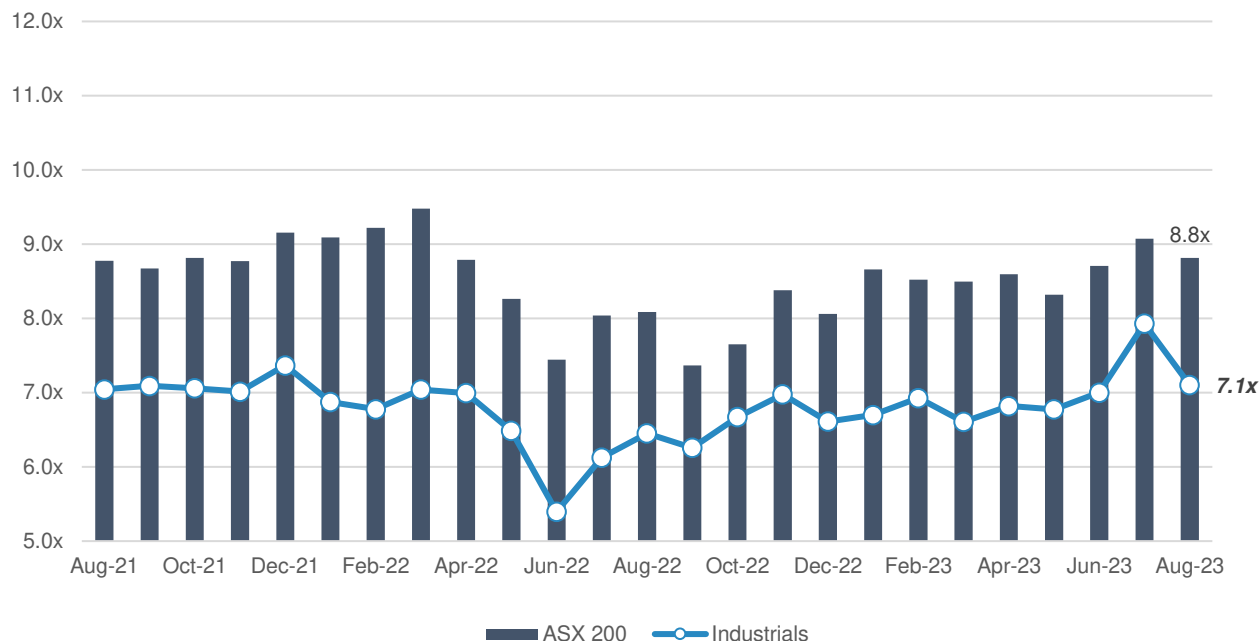


VALUATION MULTIPLES

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

Multiples in the Industrials sector have remained decreased over the period. At the end of August, the sector traded on a forward EV / EBITDA multiple of 7.1x, compared to the ASX200 on 8.8x.



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

Subsector	Enterprise Value (\$m)	EV/EBITDA FY2023	EV/EBIT FY2023	Price / Earnings FY2023
Chemicals and Plastics	16,325	7.1x	10.4x	14.6x
Construction and Building Materials	20,985	6.6x	9.9x	11.9x
Engineering Services	22,567	6.4x	9.1x	12.7x
Industrial Products and Services	13,472	7.3x	10.3x	15.2x
Infrastructure	22,278	7.7x	11.2x	17.9x
Packaging	5,360	6.7x	10.5x	9.8x
Industrials	100,988	7.0x	10.2x	14.6x

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.

¹ The InterFinancial Industrials Index set is an unweighted index comprising Industrials sector related companies trading on the Australian Securities Exchange (ASX). Estimates are sourced from FactSet Research Systems Inc.

MERGER & ACQUISITION NEWS...



Value: AUD 10.7m

Tap Rock Resources, the United States based upstream energy company is to acquire the **Half Moon Project** from **Black Mountain Energy**, the Australia based oil and gas exploration company. The consideration was AUD 10.7m. The transaction is subject to normal sale conditions including completion of a 30-day due diligence period by Tap Rock Resources.



Ausenco

Value: Not disclosed

Ausenco, an Australia-based provider of integrated engineering and consulting services to the minerals and metals industries, has signed a definitive agreement to be acquired by **Eldridge**, **Brightstar Capital Partners**, and **Claire Group**.



**CLAIRE
GROUP**

The bidders will acquire a majority stake in Ausenco from Resource Capital Fund VI L.P. and other co-investors, Ausenco.

BRUNSWICK

Value: Undisclosed

Brunswick Corporation [NYSE:BC], the Mettawa, Illinois-based pleasure boat manufacturer and maker of marine engines, parts and accessories, has acquired **Fliteboard**, an Australia-based electric foiling surfboard maker.

Flite

Founded in 2016, Fliteboard secured an investment from Victor Smorgon Partners and other investors in a Series B funding round in 2022, according to media reports.

SCUTTLEBUTT...

- **Solar** is to acquire **Alinta Energy** (Newman Storage) and **Alinta Energy Pilbara**, the local holders of Renewable Energy Projects from **Cheng Yu Tung Family**, the Hong Kong (China) based single Family Office for Cheng Kar Shun Henry family. The consideration was AUD 1.657bn. The transaction is subject to closing conditions and is expected to be completed by Q4 2023.
- **EQ Resources**, the Australia based exploration company specializing in gold and other minerals is to acquire **Saloro**, the Spain based mining company engaged in development and operation of a tungsten mine from **Tungsten Mining**, the local tungsten development and exploitation company. The consideration was AUD 134.45m through assumption of Saloro's liabilities. The transaction is subject to customary closing conditions.
- **Orbital UAV** [ASX:OEC], a Western Australia-based designer and manufacturer of integrated engine systems for military drones, could be a takeover target on the back of its strength in the global military drone space. Orbital could be on the radar of potential suitors as it is a niche specialist with unique IP; manufacturing facilities in Perth and the US; growing revenue, which increased from AUD 15.7m (USD 10m) in FY22 to AUD 22.7m in FY23; and significant customer wins, at a time when demand for autonomous technology-driven defence solutions is at an all-time high.
- **Adamantem Capital** has put **Legend Corp**, an Australia-based electrical and industrial distribution business. Adamantem acquired Legend Corp in 2019, in a deal valuing the company's equity at AUD 79.6m. Since the acquisition, Adamantem has expanded Legend through acquisitions, such as the purchase of Acculec in 2021. The Acculec deal was intended to enable Legend to capitalise on high-voltage transmission as governments in Australia work to secure the energy grid as the country transitions to renewable energy. Adamantem then restructured the company, separating its electrical and industrial distribution business from its high voltage operations.
- Australian ship builder **Austal's** [ASX:ASB] potential suitors might consider buying the company's US business separately. The AUD 649m (USD 417m)-market cap company, following local media speculation that it had received inbound interest, announced in June that it is regularly involved in discussions with potential parties concerning strategic initiatives to create value for shareholders.
- **Intermediate Capital Group** has launched a new sale process for **SCF Containers**, an Australian transport and storage solutions business. Interested parties are being asked to submit non-binding indicative bids in the first week of October. I Squared Capital submitted an offer for SCF in the sale process last year and is anticipated to return to the revived process. SCF is expected to sell for over AUD 350m.

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