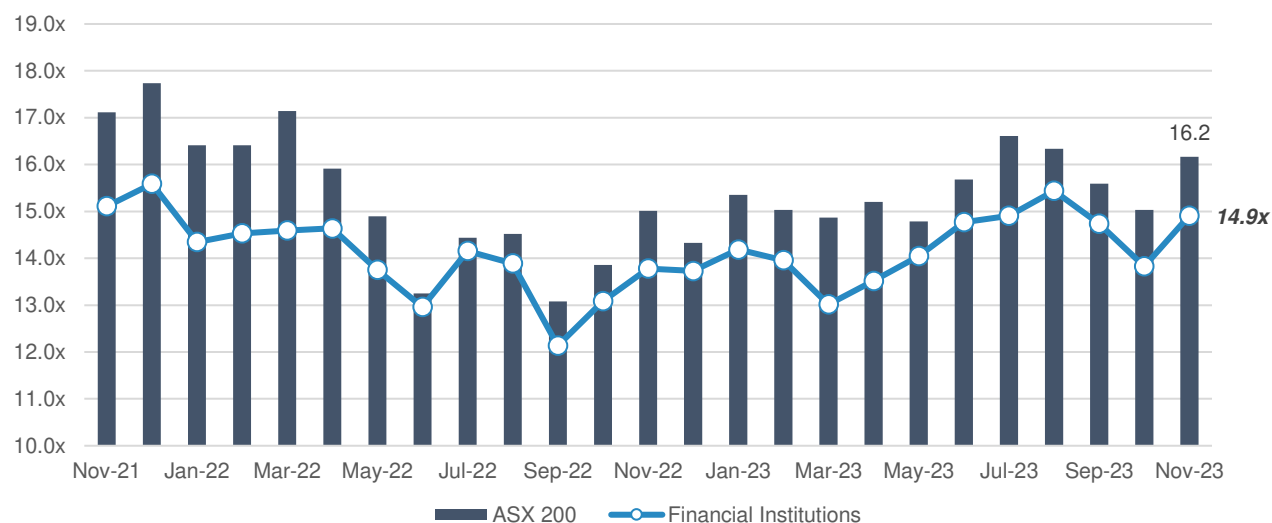


PRICING MULTIPLES

Forward Price Earnings Multiples (monthly to 31/12/2023) Source: FactSet Research Systems Inc.

Multiples in the Financial Institutions sector have increased over the period. At the end of October, the sector traded on a forward P/E multiple of 14.9x, compared to the ASX200 on 16.2x.



Average Values and Trading Multiples (values as at 31/12/2023) Source: FactSet Research Systems Inc.

Subsector	Market Cap (\$ m)	Price / Book Value	Price / Earnings FY2024	EPS Growth
Consumer Credit Businesses	5,122	13.1x	11.9x	(11.9%)
Financial Services Providers	59,210	3.5x	14.3x	(10.4%)
Insurance & Mortgage Brokers	35,932	2.1x	12.5x	53.0%
Lending Institutions	519,209	1.2x	13.0x	3.9%
Property Developers	3,283	2.0x	14.9x	(24.0%)
REIT	132,582	0.9x	15.7x	-
Financial Institutions	755,338	2.2x	14.5x	-

Note: Multiples are based on the forward year of the unreported period, which for the majority of companies in the sector is FY2024. 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.

MERGER & ACQUISITION NEWS...

Perpetual



Value: AUD 2.4 bn

Washington H Soul Pattinson & Co, the Australia based investment company engaged in coal mining, building products, property, equities, telecommunications, rural services, financial services and pharmaceuticals, is to acquire **Perpetual**, the local financial services group operating in funds management, financial advisory, fiduciary, portfolio management and trustee services.

WT | FINANCIAL GROUP

Value: AUD 1 m



WT Financial Group, the Australia based financial services company focused on financial planning and investment advice, insurance and superannuation, finance, tax and accounting services, is to acquire **Millennium3 Financial Services**, the local financial services provider, from **Insignia Financial**, the local asset management company engaged in providing financial advice, superannuation, investments, estate and trustee services.



Value: AUD 8 m

Consolidated Operations Group, the Australia based provider of asset finance brokerage and equipment finance services, has acquired 19.99% of **Centrepoint Alliance**, the local provides financial products to the business corporate community, from **ClearView Wealth**, the local provider of financial services including integrated life insurance, wealth management and financial planning solutions.



Value: AUD 96 m

Steadfast Group, the Australia based insurance broker focused on life insurance and business insurance services is to acquire 70% stake of **Combined Agency Group**, the local underwriting agency providing home and contents insurance.



ENVEST

Value: Not Disclosed

Macquarie Capital Principal Finance, the Australia based principal investment business of **Macquarie Group** has acquired 15% of **Envest Group**, the local insurance group from **Ardonagh Group**, the United Kingdom based holding company with subsidiaries engaged in insurance brokerage services.



Value: Not Disclosed

Wyllie Group Pty Ltd, the Australia based family-owned boutique investment company investing across all asset classes has acquired an undisclosed stake in **Aventuur**, the local surf park developer.

MERGER & ACQUISITION NEWS...



Value: Not Disclosed

Genesis Capital, the Australia based private equity firm investing in healthcare and technology sector companies, is to acquire **Pacific Smiles**, the local operates dental care centres.



Value: AUD 1.4 bn

Mitsubishi UFJ Financial Group, the Japan based holding company for investment banking and commercial banking, is to acquire through its subsidiary **Mitsubishi UFJ Trust & Banking Corp**, the Australia based software-Financial Technology company engaged with providing platform and administration services for superannuation, corporate markets, credit and fund managers.

INSTITUTIONAL INTELLIGENCE...

- An Australian Competition and Consumer Commission (ACCC) lawyer emphasized concerns over increased coordination among major banks in Australia, opposing **ANZ's** proposed AUD 3.2 billion acquisition of **Suncorp Group's banking arm**. The **ACCC** had earlier blocked the deal, stating it would solidify an **oligopoly**, and the high-stakes legal battle is set to conclude on Friday, with a decision expected in February.
- **KapVista Ventures**, an Australian VC firm, is raising its first USD 30 million fund for early-stage investments, targeting companies primarily in Australia and New Zealand. **Founder Daniel Hallawi** anticipates interest from US and UAE limited partners, aiming to close the round in 2Q24 and deploy capital starting March, supporting pre-seed to Series B rounds in the underserved early-stage segment.
- **Washington H. Soul Pattinson (WHSP)** is open to additional acquisitions following its AUD 3 billion bid for **Perpetual**, anticipating opportunities in undervalued companies amid the impact of higher interest rates. With AUD 900 million in cash and a portfolio net asset value of AUD 10.8 billion, WHSP is actively exploring similar opportunities.
- Private equity firms, including **KKR** and **EQT**, are reportedly exploring **Perpetual's** assets after the company's announcement of a strategic review. This comes in the wake of Perpetual rejecting a AUD 3 billion takeover bid from **Washington H. Soul Pattinson**, with **Challenger Financial**, **Macquarie**, and **Carlyle** also potentially interested in specific business units.
- **Plenary Group**, an Australian infrastructure developer is exploring options to find a new long-term investor, aiming to bolster its balance sheet for accelerated growth and future projects. Valued at potentially AUD 1 billion, **Plenary** is expected to attract institutional investors, and **CDPQ**, which owns 20% of Plenary, would collaborate closely with the new investor while retaining majority ownership.
- Australian mid-market private equity firm **Next Capital** is in exclusive talks for two investments from its fifth fund, aiming to finalize one before Christmas. The firm, with a defensive investment philosophy, recently closed its fifth fund at AUD 375 million and is also considering at least one exit in early 2024.
- **Plenti Group** and **National Australia Bank (NAB)** have entered a strategic partnership, introducing a "NAB powered by Plenti" car and electric vehicle loan. The collaboration involves an equity investment agreement, enabling NAB to acquire up to 15% of Plenti's share capital.

CONTACT DETAILS

If you are interested in specific information regarding mergers and acquisitions in the Financial Institutions sector, please contact Sharon Doyle or Michael Kakanis.

Name	Position	Phone	Email
Sharon Doyle	Executive Chair	0411 055 666	sdoyle@interfinancial.com.au
Brad Shaw	Chief Executive Officer	0499 058 582	bshaw@interfinancial.com.au
Mark Steinhardt	Executive Director – M&A	0403 628 842	msteinhardt@interfinancial.com.au
David Hassum	Director	0411 132 251	dhassum@interfinancial.com.au
Andrew Wheeler	Director	0438 316 716	awheeler@interfinancial.com.au
Kalum De Silva	Director	0414 685 903	kdesilva@interfinancial.com.au
Graeme McKellar	Managing Director – IFL Ventures	0416 428 993	graeme@iflventures.com
Michael Kakanis	Associate Director	0421 212 534	mkakanis@interfinancial.com.au
Anuk Manchanda	Director	0434 087 673	amanchanda@interfinancial.com.au
Nimerta Kumari	Associate Director	0459 165 035	nkumari@interfinancial.com.au
Jenny Zeng	Associate Director – IFL Ventures	0452 473 536	Jenny@iflventures.com
Lisa McKellar	Associate Director – IFL Ventures	0404 085 342	lisa@iflventures.com
Maggie Liu	Senior Consultant	0401 459 719	mliu@interfinancial.com.au
Nasia Christodoulou	Research Assistant	0427 737 493	nchristodoulou@interfinancial.com.au

DISCLAIMER

This information has been sourced from the ASX, Mergermarket.com and various other public information sources. Forecasts are consensus forecasts sourced from FactSet Research Systems Inc.

Important Disclaimer – This may affect your legal rights: Because this document has been prepared without consideration of any specific person's financial situation, particular needs and investment objectives, a financial services licensee or investment adviser should be consulted before any investment decision is made. While this document is based on information from sources which are considered reliable, InterFinancial, its directors, employees and consultants do not represent, warrant or guarantee, expressly or impliedly, that the information contained in this document is complete or accurate. Nor does InterFinancial accept any responsibility to inform you of any matter that subsequently comes to notice, which may affect any of the information contained in this document. This document is a private communication to clients and is not intended for public circulation or for the use of any third party, without the prior approval of InterFinancial. This report does not constitute advice to any person.

Disclosure. InterFinancial has no interest in any of the securities mentioned in this publication. However, its directors, executives or consultants may have an interest in some of the securities, directly or indirectly, which are mentioned

InterFinancial is a member of Clairfield International

InterFinancial
Corporate Finance Limited
ABN: 49 138 962 986
AFSL: 341675
Level 2, 201 Charlotte Street
GPO Box 975
Brisbane Queensland 4001
(07) 3218 9100
admin@interfinancial.com.au
www.interfinancial.com.au

