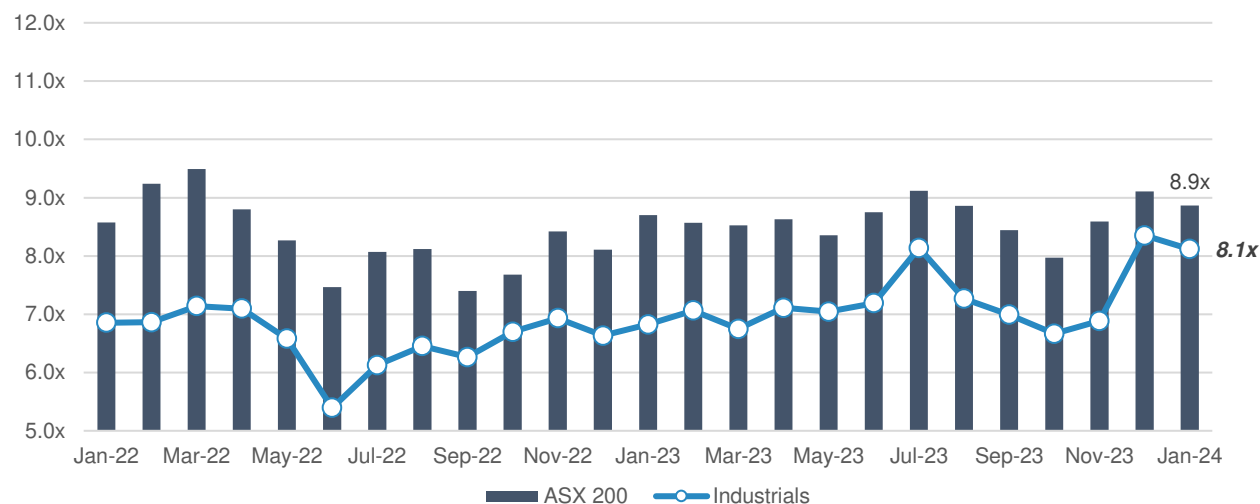


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 31/01/2024) Source: FactSet Research Systems Inc.

Multiples in the Industrials sector have decreased over the period. At the end of January, the sector traded on a forward EV / EBITDA multiple of 8.1x, compared to the ASX200 on 8.9x.



Average Values and Trading Multiples (as at 31/01/2024) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2024	EV/EBIT FY2024	Price / Earnings FY2024
Chemicals and Plastics	7,196	6.9x	11.2x	13.5x
Construction and Building Materials	22,906	10.2x	19.2x	28.9x
Construction/Mining Services	33,371	6.3x	8.7x	12.4x
Engineering Services	14,894	6.8x	10.2x	15.0x
Industrial Products And Services	30,008	11.8x	17.4x	25.0x
Packaging	4,939	5.1x	8.5x	10.0x
Industrials	126,071	9.2x	14.2x	19.0x

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 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: AUD457.3m

Trelleborg, a Swedish engineering group, has agreed to acquire **Baron**, an Australian-Chinese manufacturer of advanced precision silicone components.



Value: Not Disclosed

Montrose Environmental, Arkansas-based global environmental services company, has acquired **Epic Environmental**, an environmental consultancy firm headquartered in Brisbane.



Value: AUD9m

Mipac, subsidiary of **GR Engineering Services**, has agreed to acquire **Paradigm Engineers**, a Western Australia-based provider of control systems and electrical engineering, automation and technology services.



Value: AUD160m

Reliance Worldwide Corporation, an Australia-based plumbing supplies business, has agreed to acquire **Holman Industries**, a Perth, Australia-based manufacturer and distributor of branded plumbing and watering products.



Value: Not Disclosed

DaiEi Australasia, a Melbourne, Australia-based operating unit of **Spicers**, agreed to acquire all the issued shares of **Signet**, a Brisbane, Australia-based wholesaler of industry-used packaging products, according to a press announcement. Spicers is a subsidiary of **Kpp Group Holdings**, a Tokyo-based holding company of manufacturers and suppliers of paper products.



Value: Not Disclosed

Coates, an Australian equipment hire and solutions provider, has acquired the business assets of Sydney-based **GTH Equipment**, a leading telehandlers and access equipment hire provider. The acquisition of GTH Equipment enables Coates to expand its national network with the addition of high-quality equipment assets, supported by market-leading technology.



Value: Not Disclosed

LaserBond, an Australian industrial engineering company, has executed an agreement to acquire a 40% stake in **Gateway Group**, an Australian equipment parts and servicing business. The Enterprise Value for this transaction is 4.5x EBITDA.

SCUTTLEBUTT...

- Indonesia's **Pupuk Kaltim** emerged as a potential buyer for **Incitec Pivot**'s fertiliser division last year, yet several obstacles - particularly Australia's Foreign Investment Review Board's concerns over the sale of a critical asset to an Indonesian entity - are slowing down the deal. **Senex Energy** is ready to bid for the fertilizer business if Incitec Pivot's talks with Pupuk Kaltim collapse, however Senex may not meet price expectations.
- **Lake Resources**, an Australian lithium company with projects in Argentina, has launched a strategic partnering process to seek equity investment for its flagship project **Kachi**.
- **IMCD**, a Netherlands-based formulator of speciality chemicals and ingredients, is set to acquire **ResChem Technologies**, a speciality distribution company based in Sydney, Australia that specializes in resins, additives and pigments for use in inks, coatings, adhesives and construction applications.
- **Loscam**, a pallet pooling business, is expected to send out sale flyers to potential buyers in the coming weeks.
- **Boral**, an Australian building materials producer, has advised its shareholders to take no action on **Seven Group Holdings'** off-market takeover offer for all the remaining shares in the company.
- **Gilmour Space Technologies**, a Gold Coast, Australia-based space company, announced on 19 February that it has raised AUD55m in a Series D funding round.
- **QANTM Intellectual Property**, an Australia-based company engaged in intellectual property services businesses, is looking for Asian merger and acquisition opportunities.
- **Findex Group**, an Australian accounting, advisory and wealth management business, has reached agreement with private equity **Mercury Capital** for the latter to replace **KKR** as a new equity partner.
- **Monadelphous Group**, the Australian engineering business, is eyeing possible acquisition opportunities for market diversification.
- **Informatech**, a Canberra, Australia-based information technology professional services group, has appointed **Ad Astra Corporate Advisory** to search for a long-term funding partner to support its next phase of growth.
- **CSR**, an Australian building materials company, has confirmed receipt of a conditional, non-binding, indicative proposal at AUD9 per share from **Compagnie de Saint-Gobain** a French multinational supplier of construction material.
- **Pacific Equity Partners (PEP)** is leading the race to acquire **JR Richards & Sons**, an Australia-based waste management business. A deal is still some way from being signed, but PEP has requested additional due diligence materials and plans to progress its earlier interest.
- **Big River Industries**, an Australia-based supplier of building materials, is actively exploring acquisition opportunities as baby boomer business owners seek to retire.
- **Acrow**, a Sydney-based Australian supplier and hirer of formwork and scaffolding products, is exploring M&A opportunities in Australia.
- **KordaMentha Restructuring** has been appointed as the voluntary administrator to **K-TIG and** is now conducting an urgent assessment of the financial position of K-TIG with a view to its sale or recapitalization.

CONTACT DETAILS

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