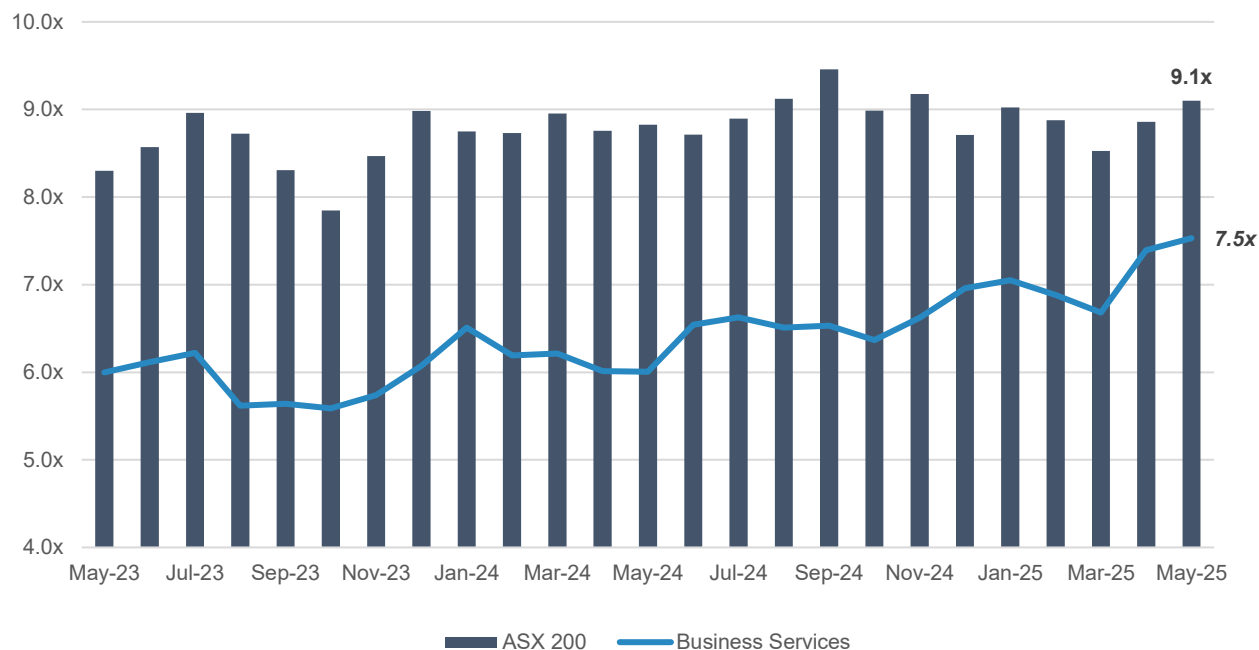


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 31/05/2025) Source: FactSet Research Systems Inc.

Multiples in the Business Services sector have increased over the period. At the end of May, the sector traded on a forward EV / EBITDA multiple of 7.5x, compared to the ASX200 on 9.1x.



Average Values and Trading Multiples (monthly to 31/05/2025) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2025	EV/EBIT FY2025	Price / Earnings FY2025
Business and Technical Consulting	37,618	8.4x	11.1x	14.1x
Business Process Outsourcing	1,990	6.5x	7.2x	11.6x
Education	3,233	6.3x	10.3x	12.6x
Staffing	156	4.4x	7.9x	7.6x
Transportation, Logistics & Distribution	60,757	8.1x	14.3x	16.0x
Business Services	103,755	7.8x	11.9x	14.2x

Note: Multiples are based on the forward year of the reported period, which for the majority of companies in the sector is FY2025. Difference in forward EV/EBITDA multiples between Figure and Table are representative of the timing difference between month-end result and current day result.

MERGER & ACQUISITION NEWS...



Value: >\$500m

Accel-KKR has agreed to acquire **Phocas Software**, a Sydney-based data analytics company, for over \$500m. The deal follows a competitive process that also saw interest from **Blackstone**. Phocas is backed by institutional investors including **OneVentures** and **Ellerston Capital**.



Value: Undisclosed



Sequana, a water engineering firm backed by **Pemba Capital Partners**, has acquired **Atlas Engineering Group** and **Infrastructure Project Solutions**. The combined group is expected to generate annual revenue of \$80m, up from \$40m in FY24.



Value: \$11.75m

Tasmea, an Australian industrial services group, has agreed to acquire **Vertex Group**, which provides water and pumping solutions for mining, agriculture, industrial, and local government sectors. The deal includes \$9m upfront and up to \$2.75m in earn-outs over three years. Vertex is expected to generate over \$2.5m EBIT annually under Tasmea's ownership.



Value: N/A

Novigi has acquired **Iress' Superannuation Consulting and Managed Services** business from **Apex Group**, adding over 100 consultants and expanding its team to nearly 400. The deal builds on Apex's recent purchase of Iress' superannuation business and strengthens the partnership between Novigi and Apex to enhance technology and member services.



Value: N/A

ARA Group has acquired **AWA Technology Services**, an Australian technology services provider. AWA was sold by **Cabrini Health**, which had owned the business for ten years and decided it was no longer a core investment. AWA generates annual revenue of \$27m.



Value: \$31.2m

Mpower Group Ltd, an Australian provider of engineering and development services, has agreed to sell most of its renewable energy and battery assets to **Wollemi Capital Pty Ltd**. The deal values the business at \$31.2m, including net debt.

SERVING UP SOME SUPPOSITION...

- **CIMIC** is exploring a sale of **UGL**'s transport division. The unit manufactures and maintains rail equipment, generating around \$1.5bn in revenue and over \$100m in earnings. Market estimates value the division at more than \$1bn, or 5-6x earnings.
- **Igneo Infrastructure Partners** is reportedly selling its 15.3% stake in **Adelaide Airport**. The deal could value the airport at nearly \$4bn. Adelaide Airport generated around \$170m in annual EBITDA, with 2.1 million passengers passing through in the March quarter.
- Japan-based inventory services firm **AJIS** is exploring expansion into Australia, New Zealand, and Europe as part of its international growth strategy.
- **Virgin Australia** is looking to raise \$685m from an initial public offering on the ASX. The airline plans to issue \$236.2m shares at \$2.90 each, representing 30% of the company and valuing it at around \$3.6bn. **Bain Capital** has signed off on the float and will see its stake reduce to 39.4%.
- **Renaissance Infrastructure** is reportedly bidding to acquire **Regional Express Airlines (Rex)**. The proposal includes keeping Rex listed on the ASX, relocating its headquarters to Canberra, and repaying the government's \$130m investment.

CONTACT DETAILS

If you are interested in specific information regarding mergers and acquisitions in the Business Services sector, please contact Anuk Manchanda

Name	Position	Email
Sharon Doyle	Executive Chair	sdoyle@interfinancial.com.au
Brad Shaw	CEO	bshaw@interfinancial.com.au
Mark Steinhardt	Executive Director	msteinhardt@interfinancial.com.au
Andrew Wheeler	Director	awheeler@interfinancial.com.au
Anuk Manchanda	Director	amanchanda@interfinancial.com.au
Luke Harwood	Director	lharwood@interfinancial.com.au
Shaun Conroy	Director - Growth Advisory	sconroy@interfinancial.com.au
Derek Thomson	Director - Clean Energy & ESG	dthomson@interfinancial.com.au
Michael Kakanis	Director	mkakanis@interfinancial.com.au
Jenny Zeng	Associate Director	jzeng@interfinancial.com.au
Lucy Clarke	Associate	lclarke@interfinancial.com.au
Tahlia Micallef	Associate	tmicallef@interfinancial.com.au
Nasia Christodoulou	Analyst	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: 49 136 962 966
AFSL: 341675
Level 2, 201 Charlotte Street
GPO Box 975
Brisbane Queensland 4001
(07) 3218 9100
admin@interfinancial.com.au
www.interfinancial.com.au

