

Australian Industrials & Services (I&S) Deals Digest

May 2024



Overview

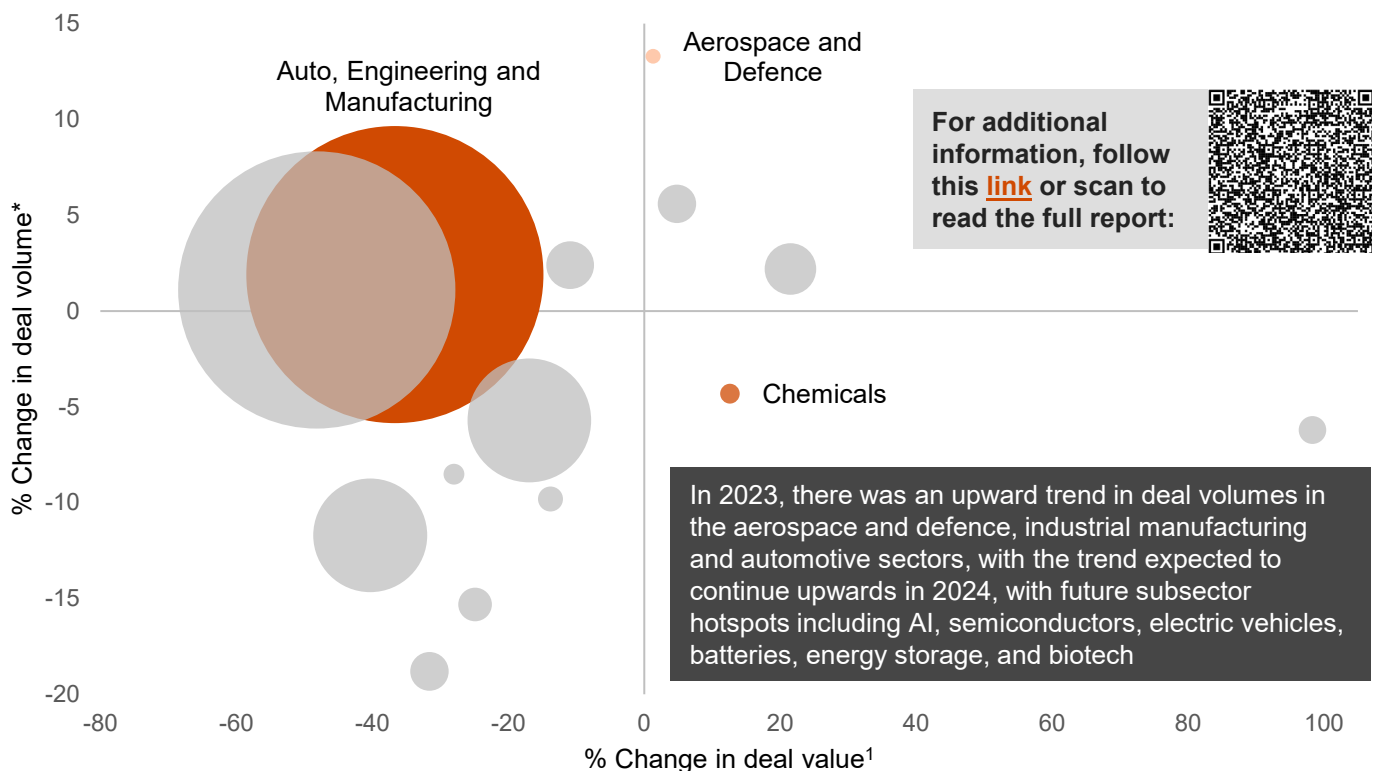
Welcome to the second edition of our I&S Deals Digest publication! Our goal is to keep our readers informed and engaged with the latest news and trends in the industrials world. In each issue, we will cover recently completed or announced M&A deals, relevant news articles, and provide a spotlight on interesting case studies or topical matters. Additionally, we will provide a summary of the ASX industrials sector.

The Industrials and Services (I&S) sector is expected to regain momentum in 2024, as investors turn to hard assets amidst volatile markets and inflation. Australia's interest rates are expected remain stable in 2024 following a the global decrease in rates, providing more certainty for pricing deals and financing. There is also a record amount of undeployed private capital (\$37bn) available for investment in Australia. Small business owners are preparing their businesses for sale or partial sale due to intergenerational wealth transfer. And given that more than one in five (22%) of small business owners in Australia are aged 60+, this is a trend that's set to continue.

Corporate divestments are expected to resume and carve-outs are a growing feature of the deal market as companies seek to transform their portfolios and transition to more sustainable practices. In this edition we reviews ways to maximise deal value and identify potential pitfalls and discuss PwC's integrated offering that helped Winson Group successfully separate and divest their business units, Signet and Insignia.

In the last few months, several significant transactions took place in the Australian industrials sector including Incitec Pivot's announced sale of it's Australian fertilizer division to Pupuk Kaltim for c.\$1bn; the Australian Takeovers Panel acceptance of the undertaking from Pact Group Holding's bidder, Kin Group; Alceon Private Equity's 50% acquisition of BOSS Engineering, in a deal valuing the company at c.AU\$170m; and Allegro Funds' acquisition of outsourcing specialist, Nutun Australia, in a deal worth c.AU\$120m.

2022-2023 year-over-year change in global deal volumes and values by sector



¹ The percentage change is calculated as the change in deal volume or deal value between 2022 and 2023. The size of the bubble represents the relative size of the sector based on deal volumes.

Demystifying carve-outs

How to create value in transactions

Four common pitfalls to avoid and three key focus areas

Carve-outs deals are becoming increasingly popular as companies aim to change their portfolios and shift towards more sustainable practices. This process involves selling off divisions that are not considered core to the company's operations. By doing so, companies can generate funds, streamline their complex holdings, and concentrate on their growth strategies. PE firms or specialised consolidators are often the buyers of non-core divisions, and they can revitalise and reinvigorate these previously peripheral divisions. Executing a carve-out transaction is complex, below we have outlined some of the common pitfalls which often results in transactions not delivering the full value intended.

Avoiding Common Pitfalls

1

Clearly define the transaction perimeter

The dedicated assets will have been clearly identified that are in the perimeter. However, typically this does not extend to corporate and shared functions/assets which are often being agreed during or post diligence leading to potential shifts in value between parties or complexity which needs to be resolved ahead of completion.

2

Align on separation fundamentals

Often it is not clear on what the planning activities are aiming to solve for (i.e. cost minimisation or speed of separation) and how costs and risks will be shared and managed. Early alignment on the separation fundamentals will help fastrack planning activities and remove uncertainty associated with the separation.

3

Prepare a clear plan for the target state

Detailed planning typically occurs post signing with the sign to close period focusing on transitional services required for Day 1 and the first 100 days post Day 1 focussed on separation execution planning. Building a separation blueprint that can be aligned between both parties around a clear target operating model, with a defined end state and transition plan will enable both parties to identify risks and define expectations prior to deal signing.

4

Identify the full value potential

Identify and analyse the opportunities for growth in adjacent markets or sectors as well as potential cost savings as part of your target end-state. In our experience a separation event can provide the catalyst for challenging operational assumptions and realising efficiencies in areas such as supply chain, back-office and technology. Gather the right data and analysis to support the potential initiatives to ensure no value is left on the table signing.

Three Key Focus Areas

Carve-out deals are complex, but bidders can reduce risk with planning and due diligence. Focus on three areas during separation analysis to avoid surprises after the deal.

01 Certainty over ongoing and one-off separation costs.

02 Deliverability of the separation plans without business disruption.

03 Efficiency of the standalone operating model and proposed transition plan.

Demystifying carve-outs

How to create value in transactions

Key questions to ensure certainty, deliverability and efficiency in separation

Outlined below are some of the key questions you should address to ensure certainty, deliverability and efficiency of the separation process:

Certainty

- Does the proposed standalone operating model deliver all required capabilities?
- Are there sufficient costs to support the proposed operating model?
- What are the key operating model changes required in the standalone state?
- What capabilities are existing and will transfer versus activities that need to be newly established?
- What are the one-off costs required to achieve separation? What is the split between the buyer's account and seller's account?
- Does the transferring perimeter or Transitional Services provide the necessary capabilities to ensure business continuity on Day 1?
- What are the separation principles you will adhere to as part of separation planning?

Efficiency

- What are the future value creation opportunities? How will they impact/ be impacted by the separation? Are there value creation opportunities that are a competitive advantage compared to other bidders (i.e. Synergies)
- Are there alternative separation approaches that could minimise one-off costs?
- Are there activities that could be accelerated to fastrack separation?

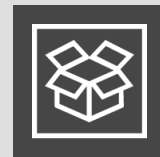
Deliverability

- How will the perimeter be operationalised on Day 1 to maintain business continuity?
- What services are provided under TSA/ reverse TSA?
- What activities does a buyer need to absorb or stand-up ahead of Day 1?
- What is the transition roadmap to deliver separation?
- How will systems, operational sites be separated (where required)?
- What activities is the seller/buyer responsible for?
- Is the proposed TSA duration sufficient to achieve separation?
- Who controls the overall planning activity between parties to ensure dependencies and timelines are aligned (i.e. technology establishment vs. TSA migration)?

Carve-out transactions are inherently more complex than the sale of a standalone business, however they do provide an opportunity to create value as long as you have asked the key questions early and have a clear plan to achieve separation.



Case study – Winson Group’s divestment of Signet & Insignia



Unlocking value: adopting a multiple divestment strategy to maximise returns

The Australian Industrials and Services (I&S) sector has recently seen the Winson Group successfully execute a dual divestment strategy, involving the separate sales of its two distinct businesses, Signet and Insignia. This strategic move is a great example of how companies can maximise value for shareholders by carving out and selling separate business units and/or assets to multiple acquirers. This divestment is a testament to the importance of strategic planning and execution in M&A deals, and highlights the significant role that divestitures can play in unlocking strategic value for both vendors and acquirers in the I&S sector.

Deal overview

- The **Winson Group** is a diversified company that operates two distinct businesses, **Signet** and **Insignia**.
- **Signet** is a well-established national brand in the Australian packaging industry, providing packaging products and supplies to more than 32,000 customers annually. The business generates more than \$150m revenue and \$12m EBITDA, with around 60% of sales made online. In April, **Spicers Australia**, a subsidiary of Japan listed Kokusai Pulp & Paper, announced the acquisition of Signet for an undisclosed value. The acquisition provides Spicers with significant scale in the domestic packaging sector and will play a pivotal role in the group’s ongoing growth strategy.
- **Insignia**, on the other hand, specialises in providing labelling, coding, and data capture solutions to over 3,000 customers, generating revenue of c.\$49m and c.\$5.6m EBITDA in the last financial year. Recently, **Peacock Group**, a leading Australian print packaging and supply chain technology provider, announced that it has signed an agreement to acquire Insignia for an undisclosed value. The deal merges two highly regarded and pre-eminent family-run businesses within the labelling and equipment industry, with the deal expected to be completed at the end of May.

PwC’s Differentiated Offering

- PwC Corporate Finance was appointed as the exclusive financial advisor to the Winson Group for the divestment of their 100% interest in Signet and Insignia. PwC and Winson made an early strategic decision to position the two businesses of the Group as separate, and stand-alone entities.
- This approach allowed the team to run simultaneous, separate processes which opened up the opportunity to a broader bidder pool. Many of these bidders would not have otherwise had the financial capacity or strategic alignment to pursue an acquisition of the consolidated Group.
- These bidders confirmed the initial thesis that the sum-of-the-parts was greater than the sum-of-the-whole - meaning that by separating the businesses, PwC were able to maximise the value for the Shareholders.
- PwC’s integrated offering combined corporate advisory (M&A), financial due diligence and value creation with dedicated separation experts from deals strategy & operations. This enabled the Winson Group to navigate the challenges associated with separating the two businesses and the overall divestment, ultimately leading to a successful outcome for all parties involved.

Source(s): AFR, Packaging News, Mergermarket, Peacock website



Recently completed and announced Australian M&A deals and news

February to April 2024

Please note that the deals announcements and news articles included in this publication have been sourced from the media and may contain speculative or rumored information. It is important to clarify that they do not necessarily reflect the views or proprietary intelligence of PwC.





Selected recently completed/announced Australian deals

- **24 April 2024 – Peacock Group, a print packaging and supply chain technology provider, has signed an agreement to acquire insignia Pty Ltd, a family-owned company specialising in labeling, coding and data capture solutions.** This strategic move promises growth and continued service excellence for the combined customer base, leveraging insignia's advanced technology and strong market presence.
- **22 April 2024 – Ellerston Capital Ltd, an Australia investment company acquired an undisclosed stake in Noja Power Switchgear Pty Ltd, a local manufacturer of switchgear products for AU\$60m.**
- **12 April 2024 – Incitec Pivot (ASX:IPL) is set to announce the sale of its Australian fertiliser division to Pupuk Kaltim, a state-owned Indonesian group.** Concerns that the FIRB might block the sale have been alleviated as the transaction appears to be on the verge of receiving regulatory approvals. The value of Incitec's fertiliser business is estimated to be between AU\$900m and AU\$1.5bn.
- **10 April – Huskee, an innovative Sydney-based company that creates reusable cups from coffee husks, has been acquired by sustainable packaging company BioPak.** Since its inception in 2017 Huskee has sold c.5 million cups and aims to become the world's largest reuse company. The acquisition was finalised after two years of discussions and will allow Huskee to leverage BioPak's resources to expand its reach and scale to international markets.
- **3 April 2024 – The Australian Takeovers Panel has accepted the undertaking from Pact Group Holdings (ASX:PGH) bidder Kin Group.** The undertaking includes the provision of additional disclosures to the shareholders and, pending regulatory approval, the offer of withdrawal rights for acceptances made during a specified period. The Panel is awaiting ASIC's decision on withdrawal rights before determining whether to proceed with hearings, while interim orders remain in effect.
- **25 March 2024 – Outsourcing specialist, Nutun Australia, has been acquired by Allegro Funds, and Australian alternative investments company, in a deal worth c.AU\$120m.** Nutun is provider of specialised business process outsourcing (BPO) services for a longstanding blue-chip customer base. Allegro sees a compelling opportunity for to broaden the range and capabilities of its service offering in ANZ and abroad, and will rapidly build these through organic investment and acquisition activity.
- **18 March 2024 – Big River Industries Ltd (ASX:BRI), an Australian manufacturer of formwork products, agrees to acquire Specialised Laminators, a company known for its laminated product manufacturing and distribution, for AU\$14.3m.** Payment comprises of AU\$ m in cash, AU\$3m in common shares, and an earnout of up to AU\$4.3m. The completion of the acquisition was expected in early April, contingent on meeting specific conditions precedent.
- **13 March 2024 – Alceon, the Australia based Private Equity firm is to acquire 50% of BOSS Engineering Pty Ltd, an Australia-based automated agricultural equipment business,** in its largest acquisition to date. According to reports, the deal values the company at c.AU\$170m on an enterprise valuation basis.
- **28 February 2024 – The Riverside Company, a global mid-market buyout firm, has agreed to sell its road rehabilitation business, Hiway Group, back to its previous owner, Direct Capital,** which had sold the business in 2018. Under Riverside's ownership, Hiway expanded its services from road maintenance to include projects in mining, renewables, defence, and rail sectors, doubling its revenue and earnings. The terms of the sale have not been disclosed. Riverside typically targets businesses with up to AU\$25m annual earnings.

Source(s): Mergermarket, The Australian and AFR



Selected other Australian news

- **22 April 2024** – Livingbridge is preparing for the potential sale of Waste Services Group (WSG), with a sale process expected to start in 2H24. UBS has been hired to conduct a strategic review that may result in bringing in new investors. The company could be valued at c.AU\$1bn, with a projected EBITDA of AU\$90m for CY24. There's already interest from financial investors, and WSG is seen as attractive due to its stable business model and long-term contracts, which could appeal to private equity and core-plus infrastructure investors.
- **12 April 2024** – Seven Group (ASX:SVW) is close to fully acquiring Boral (ASX:BLD) after the latter's directors endorsed a revised AU\$1.9bn offer at AU\$1.70 per share, inclusive of dividends. Seven Group has increased its stake to 78.8% and has offered early payment bonuses to Boral shareholders for prompt acceptance. The directors recommend the offer, which also proposes a potential AU\$350m share buyback. The final offer, expiring on April 18, would expand Seven's holdings, which already include Coates Hire and shares in Beach Energy, and represents a significant industry consolidation. Boral's voting power increased to 87.51% as of 6 May.
- **11 April 2024** – Cyclion, an Australian waste management company, is seeking joint venture partners across India and Indonesia to expand its innovative patented technology that converts waste into energy. Having already established a joint venture partnership in the Philippines, the company is seeking expansion with plans to establish a Manila facility and anticipates revenues of US\$100m by CY25.
- **8 April 2024** – Palisade Impact is seeking to raise an additional AU\$100m to augment its AU\$450m fund. The move is intended to bolster the firm's investment capacity to AU\$230m which is focusing on growth opportunities in affordable housing and retirement living sectors. Its current portfolio includes includes GigaComm and RepurposeIT.
- **21 March 2024** – Downer EDI (ASX:DOW) is looking to sell its Mineral Technologies division estimated to be worth AU\$100-200m. Downer is intent on shedding non-core assets such as MinTech, aligning with its strategy to concentrate on soft services, which has already seen the sale of its Australian Transport Projects and a share in RepurposeIT.
- **4 March 2024** – QANTM Intellectual (ASX:QIP), owner of leading intellectual property businesses operating in ANZ, Singapore, Malaysia and HK, has granted exclusive due diligence to Adamantem for its AU\$1.817 per share acquisition offer, after receiving a non-binding indicative offer on 11 March 2024. QANTM has appointed MA Moelis Australia as financial adviser and Gilbert + Tobin as legal adviser.
- **7 March 2024** – Axis Green Steel, an Australian firm focused on producing low-emission steel and cement, is reportedly seeking financial backers. The Australian Financial Review indicates that the company requires AU\$70m initially and AU\$700m for later stages of its production facility development. Founder Kirk Tsihlis claims internal funding is in place and denies active fundraising but sources imply the company has approached investors without success so far.
- **5 March 2024** – Smash repairer, AMA Group (ASX:AMA) is progressing its debt refinancing and expects to finalise the new arrangements through 2H24. The group is currently considering a range of refinancing structures.
- **29 February 2024** – Fletcher Building (ASX:FBU) is selling its Tradelink plumbing supplies division after a significant write-down of the business's value. The company reported a net loss leading to a potential Moody's credit rating downgrade. Fletcher Building, listed on both AU and NZ stock exchanges, is seeking to cut debt amidst leadership changes, with CEO Ross Taylor and Chairman Bruce Hassall leaving later in the year. Despite competition from Reece Group, Tradelink's market presence and revenue may draw trade buyers and private equity interest.

Source(s): AFR, The Australian Manufacturing, Australian Manufacturing

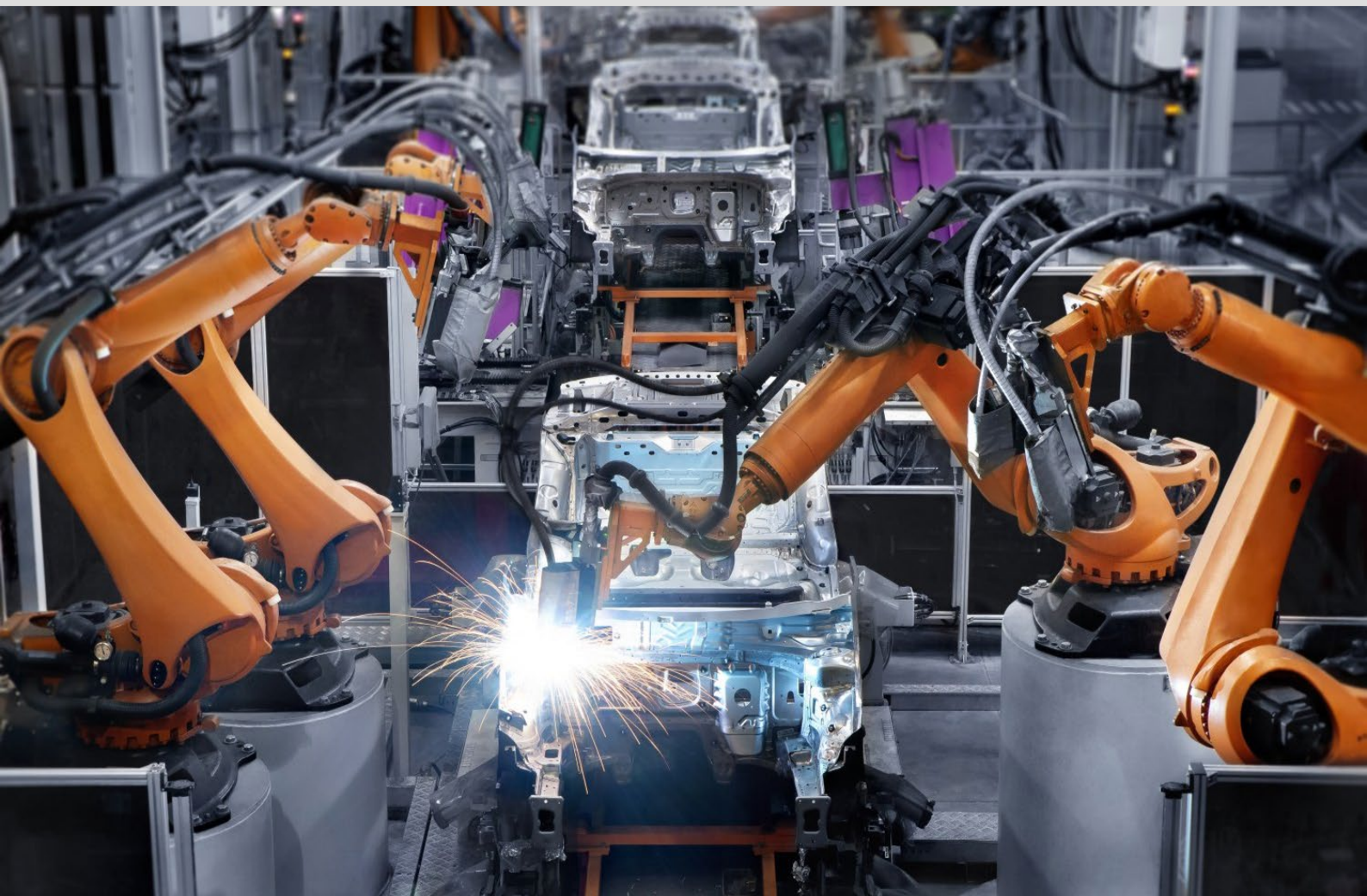


ASX listed industrials businesses

30 April 2024

On the following pages, you'll find an overview of ASX-listed industrial businesses, including their share prices, market capitalisation, enterprise value, net debt, dividend yield, stock performance, and valuation metrics (EBITDA multiples).

Note: All data is provided as of 30 April 2024 and is limited to companies with a market cap > \$100m.



Company	Mkt cap AU\$m	EV AU\$m	Net debt AU\$m	Dividend Yield LTM	Stock performance LTM	EV/EBITDA		
						Actual LTM	Forecasts CY2024	
Aerospace and Defense								
ASX:ASB	Austral Limited	831	910	79	1.3%	41.2%	14.5x	6.7x
ASX:DRO	DroneShield Limited	581	527	(54)	0.0%	175.0%	n/m	20.2x
ASX:EOS	Electro Optic Systems Holdings Limited	340	353	18	0.0%	198.3%	n/m	28.3x
	Mean						14.5x	18.4x
	Median						14.5x	20.2x
Agricultural and Farm Machinery								
ASX:ROO	Roots Sustainable Agricultural Technologies Ltd	1	2	0	0.0%	(30.0%)	n/m	n/m
	Mean						n/a	n/a
	Median						n/a	n/a
Airport Services								
ASX:AIA	Auckland International Airport Limited	10,584	12,563	2,018	1.4%	(11.4%)	25.7x	20.1x
	Mean						25.7x	20.1x
	Median						25.7x	20.1x
Building Products								
ASX:FBU	Fletcher Building Limited	2,696	5,960	3,307	4.3%	(14.1%)	6.1x	6.1x
ASX:GWA	GWA Group Limited	682	825	144	5.4%	55.1%	8.8x	8.6x
ASX:MPP	Metro Performance Glass Limited	18	134	120	0.0%	10.0%	4.6x	n/m
	Mean						6.5x	7.4x
	Median						6.1x	7.4x
Construction and Engineering								
ASX:WOR	Worley Limited	7,962	9,576	1,620	3.3%	3.3%	11.1x	9.5x
ASX:VNT	Ventia Services Group Limited	3,105	3,643	538	4.9%	46.4%	8.1x	7.3x
ASX:JLG	Johns Lyng Group Limited	1,562	1,561	(31)	1.6%	(15.6%)	13.0x	11.1x
ASX:MND	Monadelphous Group Limited	1,315	1,158	(156)	3.7%	13.0%	10.3x	8.8x
ASX:NWH	NRW Holdings Limited	1,274	1,433	159	5.2%	22.5%	5.4x	4.4x
ASX:MGH	MAAS Group Holdings Limited	1,417	1,899	480	1.4%	45.3%	11.9x	8.7x
ASX:SSM	Service Stream Limited	784	839	55	2.4%	97.0%	8.5x	6.3x
ASX:LYL	Lycopodium Limited	490	436	(53)	6.7%	30.3%	5.4x	n/m
ASX:CVL	Civmec Limited	447	422	(25)	6.1%	28.7%	3.8x	3.8x
ASX:DUR	Duratec Limited	254	227	(27)	2.9%	5.3%	5.3x	4.5x
ASX:SRG	SRG Global Limited	438	459	21	4.8%	17.5%	5.4x	4.5x
ASX:GNP	GenusPlus Group Limited	336	316	(19)	1.1%	106.7%	9.4x	6.6x
ASX:SXE	Southern Cross Electrical Engineering Limited	324	268	(56)	4.1%	103.8%	7.4x	6.5x
ASX:SHA	SHAPE Australia Corporation Limited	172	101	(71)	7.0%	47.7%	3.9x	4.1x
ASX:RDG	Resource Development Group Limited	100	208	108	0.0%	(39.3%)	9.2x	6.9x
ASX:SND	Saunders International Limited	107	82	(25)	3.3%	(11.3%)	4.4x	n/m
ASX:DCGPA	Decmil Group Limited	44	98	30	0.0%	-	34.3x	n/m
	Mean						9.2x	6.6x
	Median						8.1x	6.5x
Construction Machinery and Heavy Transportation Equipment								
ASX:ANG	Austin Engineering Limited	296	328	32	0.8%	30.6%	10.4x	5.6x
ASX:MXI	MaxiPARTS Limited	132	193	59	2.4%	9.1%	9.7x	7.0x
	Mean						10.1x	6.3x
	Median						10.1x	6.3x
Industrial Machinery and Supplies and Components								
ASX:SLX	Silex Systems Limited	1,208	1,079	(129)	0.0%	52.2%	n/m	n/m
ASX:XRF	XRF Scientific Limited	199	197	(2)	2.3%	10.9%	13.8x	12.1x
ASX:VEE	VEEM Ltd	262	285	23	0.7%	303.5%	24.2x	18.5x
ASX:3DA	Amaero International Ltd	227	216	(11)	0.0%	162.5%	n/m	n/m
ASX:KOV	Korvest Ltd	105	106	0	6.7%	36.5%	5.2x	n/m
ASX:EGL	The Environmental Group Limited	103	100	(3)	0.0%	34.1%	15.1x	10.0x
	Mean						14.6x	13.6x
	Median						14.5x	12.1x

Source(s): Capital IQ, as of 30 April 2024, All figures are presented in AUD, with the exception of Computershare Ltd which is presented in USD

Company	Mkt		Net	Dividend	Stock performance	EV/EBITDA		
	cap AU\$m	EV AU\$m	debt AU\$m	Yield LTM	LTM	Actual LTM	Forecasts CY2024	
Air Freight and Logistics								
ASX:FRW	Freightways Group Limited	1,367	1,961	605	4.6%	-	10.0x	9.2x
ASX:KSC	K&S Corporation Limited	421	456	34	5.8%	59.7%	5.7x	n/m
ASX:SLH	Silk Logistics Holdings Limited	127	383	256	3.8%	(31.5%)	4.4x	3.9x
ASX:CLX	CTI Logistics Limited	113	201	88	7.1%	(16.5%)	4.9x	n/m
ASX:MOV	MOVE Logistics Group Limited	51	235	184	0.0%	(41.2%)	7.6x	n/m
	Mean						6.5x	6.5x
	Median						5.7x	6.5x
Cargo Ground Transportation								
ASX:LAU	Lindsay Australia Limited	298	512	213	5.3%	(23.0%)	4.6x	4.8x
	Mean						4.6x	4.8x
	Median						4.6x	4.8x
Data Processing and Outsourced Services								
ASX:CPU	Computershare Limited	16,186	18,652	2,464	2.9%	25.5%	12.5x	9.9x
ASX:LNK	Link Administration Holdings Limited	1,160	1,905	745	1.8%	9.3%	9.2x	7.0x
	Mean						10.8x	8.5x
	Median						10.8x	8.5x
Diversified Support Services								
ASX:BXB	Brambles Limited	20,360	24,382	4,022	2.9%	5.7%	8.5x	6.8x
ASX:DOW	Downer EDI Limited	3,165	4,542	1,199	3.0%	37.3%	8.2x	6.1x
ASX:MAD	Mader Group Limited	1,344	1,387	43	1.1%	38.4%	15.8x	12.0x
ASX:C79	Chrysos Corporation Limited	651	569	(82)	0.0%	39.3%	n/m	37.2x
ASX:SGF	SG Fleet Group Limited	1,074	2,759	1,685	5.4%	65.3%	6.5x	16.5x
ASX:AMA	AMA Group Limited	108	565	447	0.0%	(58.7%)	9.4x	5.7x
	Mean						9.7x	14.1x
	Median						8.5x	9.4x
Electrical Components and Equipment								
ASX:CPV	ClearVue Technologies Limited	104	103	(1)	0.0%	145.7%	n/m	n/m
ASX:LIS	Li-S Energy Limited	93	66	(27)	0.0%	(47.3%)	n/m	n/m
ASX:LIT	Lithium Australia Limited	34	29	(5)	0.0%	(20.0%)	n/m	n/m
	Mean						n/a	n/a
	Median						n/a	n/a
Highways and Railtracks								
ASX:TCL	Transurban Group	38,776	56,325	16,871	4.9%	(12.6%)	30.0x	23.0x
ASX:ALX	Atlas Arteria Limited	7,530	8,945	1,415	0.0%	(14.7%)	23.1x	n/m
	Mean						26.6x	23.0x
	Median						26.6x	23.0x
Human Resource and Employment Services								
ASX:APM	APM Human Services International Limited	1,114	2,063	943	4.1%	(33.8%)	6.6x	6.8x
ASX:MMS	McMillan Shakespeare Limited	1,290	1,608	318	7.7%	29.8%	8.8x	9.2x
ASX:SIQ	Smartgroup Corporation Ltd	1,247	1,286	40	3.3%	50.1%	12.7x	11.1x
ASX:PPE	Peoplein Limited	101	211	106	10.3%	(66.7%)	5.7x	5.1x
	Mean						8.5x	8.1x
	Median						7.7x	8.0x
Trading Companies and Distributors								
ASX:REH	Reece Limited	17,991	19,483	1,493	0.9%	54.6%	20.6x	19.2x
ASX:SVW	Seven Group Holdings Limited	14,440	19,972	4,765	1.2%	62.7%	12.4x	9.7x
ASX:RDX	Redox Limited	1,623	1,575	(47)	0.0%	-	11.7x	10.7x
ASX:IPG	IPD Group Limited	473	416	(57)	2.0%	28.2%	13.4x	8.8x
ASX:EHL	Emeco Holdings Limited	372	662	290	3.5%	7.2%	2.5x	2.3x
ASX:ACF	Acrow Limited	334	430	96	4.9%	37.4%	9.4x	5.4x
ASX:CYG	Coventry Group Ltd	166	272	107	2.3%	45.5%	9.3x	11.6x
ASX:HNG	Hancock & Gore Ltd	120	103	(17)	3.8%	48.7%	n/m	n/m
	Mean						11.3x	9.7x
	Median						11.7x	9.7x

Source(s): Capital IQ, as of 30 April 2024, All figures are presented in AUD, with the exception of Computershare Ltd which is presented in USD

Company	Mkt cap AU\$m	EV AU\$m	Net debt AU\$m	Dividend Yield LTM	Stock performance LTM	EV/EBITDA		
						Actual LTM	Forecasts CY2024	
Environmental and Facilities Services								
ASX:CWY	Cleanaway Waste Management Limited	6,019	7,693	1,669	1.8%	13.7%	13.3x	10.0x
ASX:CLG	Close the Loop Ltd	168	219	51	0.0%	(17.1%)	6.0x	4.6x
ASX:ARA	Ariadne Australia Limited	101	104	(12)	1.0%	(14.8%)	n/m	n/m
	Mean						9.7x	7.3x
	Median						9.7x	7.3x
Marine Ports and Services								
ASX:QUB	Qube Holdings Limited	5,883	8,091	2,211	2.5%	11.4%	13.1x	14.4x
ASX:DBI	Dalrymple Bay Infrastructure Limited	1,383	3,313	1,930	7.5%	18.2%	12.1x	11.9x
	Mean						12.6x	13.2x
	Median						12.6x	13.2x
Materials								
ASX:AMC	Amcor plc	19,884	30,246	10,576	5.3%	(11.2%)	0.0x	9.5x
ASX:ORI	Orica Limited	8,799	10,082	1,220	2.4%	14.8%	9.5x	8.6x
ASX:BLD	Boral Limited	6,259	6,343	85	0.0%	45.4%	11.7x	10.4x
ASX:IPL	Incitec Pivot Limited	5,438	7,005	1,567	5.4%	1.7%	8.9x	7.8x
ASX:LTM	Arcadium Lithium plc	7,284	8,163	105	0.0%	-	13.0x	9.8x
ASX:BKW	Brickworks Limited	4,076	5,289	1,213	2.5%	10.1%	31.3x	15.2x
ASX:ORA	Orora Limited	2,933	4,954	2,021	6.4%	(28.6%)	9.7x	7.3x
ASX:CSR	CSR Limited	4,243	4,410	155	3.9%	80.6%	14.0x	9.4x
ASX:NUF	Nufarm Limited	1,980	3,076	850	1.9%	(5.1%)	8.4x	6.4x
ASX:ABC	Adbri Limited	2,061	2,833	770	0.0%	98.7%	9.6x	8.5x
ASX:A4N	Alpha HPA Limited	1,013	980	(33)	0.0%	12.4%	n/m	n/m
ASX:CXL	Calix Limited	269	225	(46)	0.0%	(68.5%)	n/m	n/m
ASX:PGH	Pact Group Holdings Ltd	291	1,235	944	0.0%	(15.5%)	4.7x	4.4x
ASX:DGL	DGL Group Limited	174	341	168	0.0%	(57.8%)	6.1x	5.1x
ASX:WGN	Wagners Holding Company Limited	179	380	201	0.0%	24.8%	6.2x	6.8x
ASX:BRI	Big River Industries Limited	137	185	48	8.6%	(28.7%)	4.4x	5.4x
ASX:CLV	Clover Corporation Limited	86	94	8	1.5%	(57.5%)	24.3x	17.8x
ASX:HZR	Hazer Group Limited	105	95	(10)	0.0%	(25.0%)	n/m	n/m
	Mean						10.8x	8.8x
	Median						9.5x	8.5x
Passenger Airlines								
ASX:QAN	Qantas Airways Limited	9,738	14,315	4,576	0.0%	(10.6%)	3.4x	3.3x
ASX:AIZ	Air New Zealand Limited	1,688	2,942	1,279	3.7%	(18.7%)	2.7x	3.3x
ASX:AQZ	Alliance Aviation Services Limited	506	778	272	0.0%	1.6%	4.8x	4.2x
ASX:REX	Regional Express Holdings Limited	90	445	355	0.0%	(39.7%)	n/m	n/m
	Mean						3.7x	3.6x
	Median						3.4x	3.3x
Passenger Ground Transportation								
ASX:KLS	Kelsian Group Limited	1,498	2,291	794	3.1%	(6.1%)	10.9x	8.3x
ASX:THL	Tourism Holdings Limited	576	1,079	513	5.2%	(26.0%)	5.7x	4.6x
ASX:CHL	Camplify Holdings Limited	123	97	(26)	0.0%	(17.3%)	n/m	n/m
	Mean						8.3x	6.4x
	Median						8.3x	6.4x
Rail Transportation								
ASX:AZJ	Aurizon Holdings Limited	7,050	12,319	5,269	4.6%	17.4%	7.9x	7.2x
	Mean						7.9x	7.2x
	Median						7.9x	7.2x
Research and Consulting Services								
ASX:ALQ	ALS Limited	6,347	7,755	1,398	3.0%	3.3%	12.1x	11.1x
ASX:IPH	IPH Limited	1,558	2,000	442	5.3%	(18.8%)	12.1x	9.9x
ASX:KPG	Kelly Partners Group Holdings Limited	306	409	78	1.0%	54.1%	14.2x	n/m
ASX:QIP	QANTM Intellectual Property Limited	232	265	33	5.1%	108.5%	10.9x	7.6x
	Mean						12.3x	9.5x
	Median						12.1x	9.9x

Source(s): Capital IQ, as of 30 April 2024, All figures are presented in AUD, with the exception of Computershare Ltd which is presented in USD

Key contacts – PwC Australia

If you would like to discuss the above topics in more detail, our dedicated deals industrial teams will be pleased to assist.



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