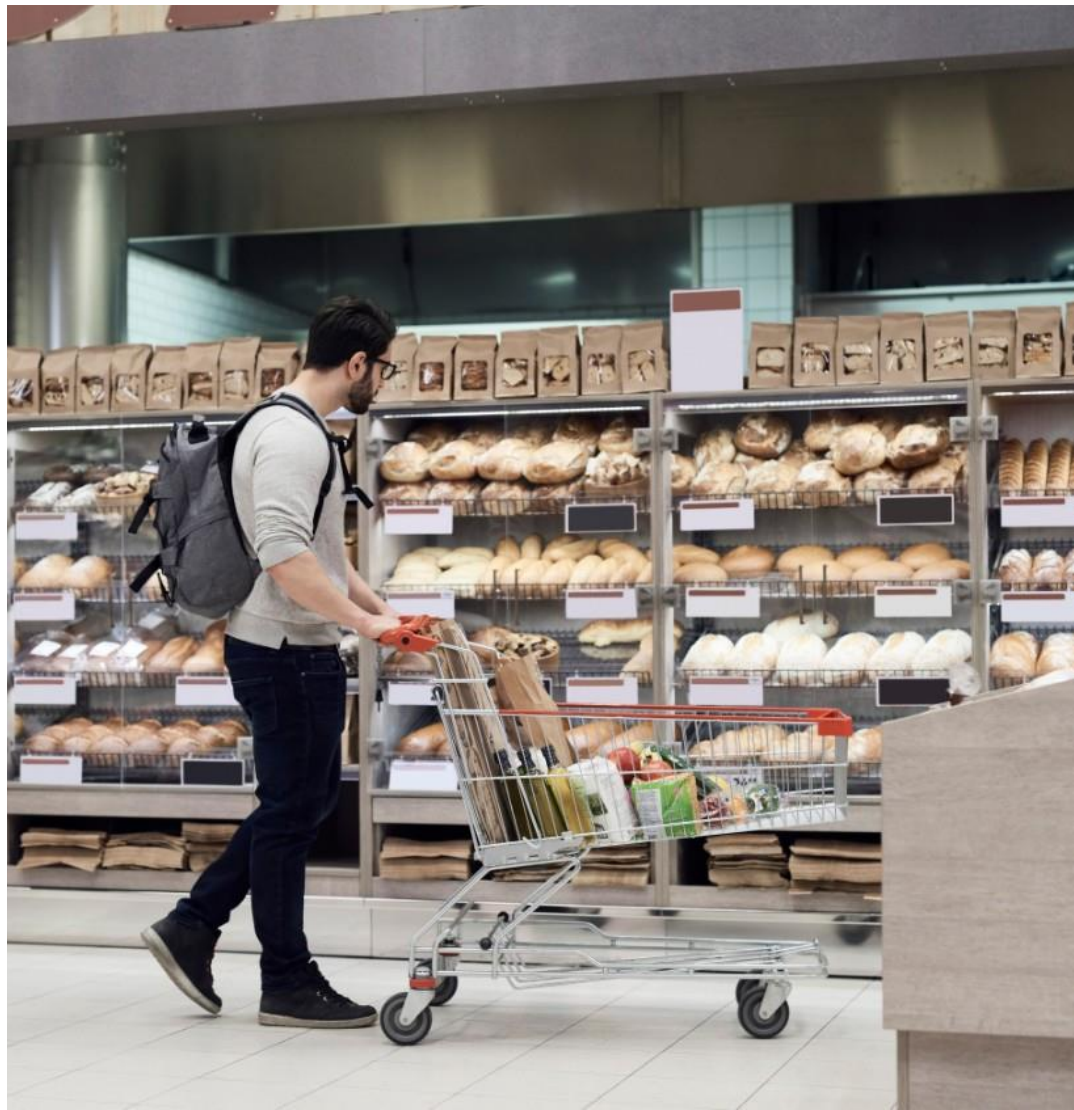


# Retail and Consumer Deals Digest

March 2021



# Retail and Consumer Deals Digest

## Consumer confidence has improved and is now around its long-run average

The consumer confidence reading ended a three week decline, jumping 1% in the last week of February as the roll out of COVID-19 vaccines commenced. Consumer confidence declined modestly from 112.1 in January to 110.3 in February.

The increase in consumer confidence, during the last week of February, was driven by increasing optimism around personal finance over the next year as well as a growing belief among the population that now is a 'good time to buy' major household items. The COVID-19 vaccine roll out and end of the third lockdown in Victoria also led to increased consumer confidence.

"Consumer Confidence reversed its three-week losing streak as the nationwide inoculation program began a week ago. Headline confidence is around its long-run average. What stands out is the jump in weekly inflation expectations to 3.9% (from 3.6% a week ago), its highest level since early April." – **David Plank, ANZ Head of Australian Economics, 02 March 2021**

## Latest Australian ABS trade results

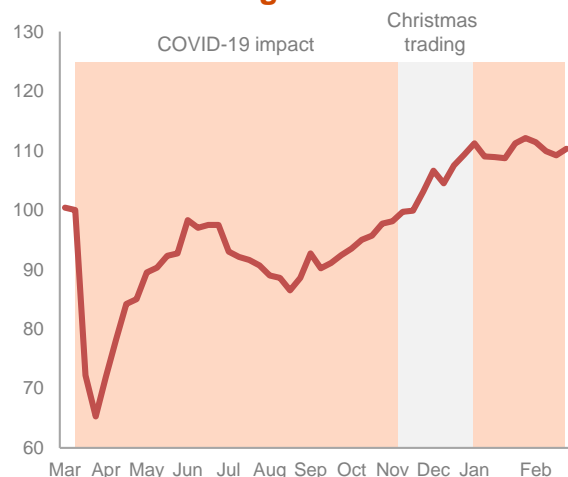
The latest Australian Bureau of Statistics (ABS) Retail Trade figures show that Australian retail turnover rose by 0.5% in January 2021 (seasonally adjusted), which follows a rise of 7.1% in November and a fall of 4.1% in December.

The following industries rose in seasonally adjusted terms in January 2021: Food retailing (1.6%), Household goods retailing (0.1%), other retailing (1.4%). Cafes, restaurants and takeaway food services (-0.8%), clothing, footwear and personal accessory retailing (-3.6%), and Department stores (-0.4%) fell in seasonally adjusted terms.

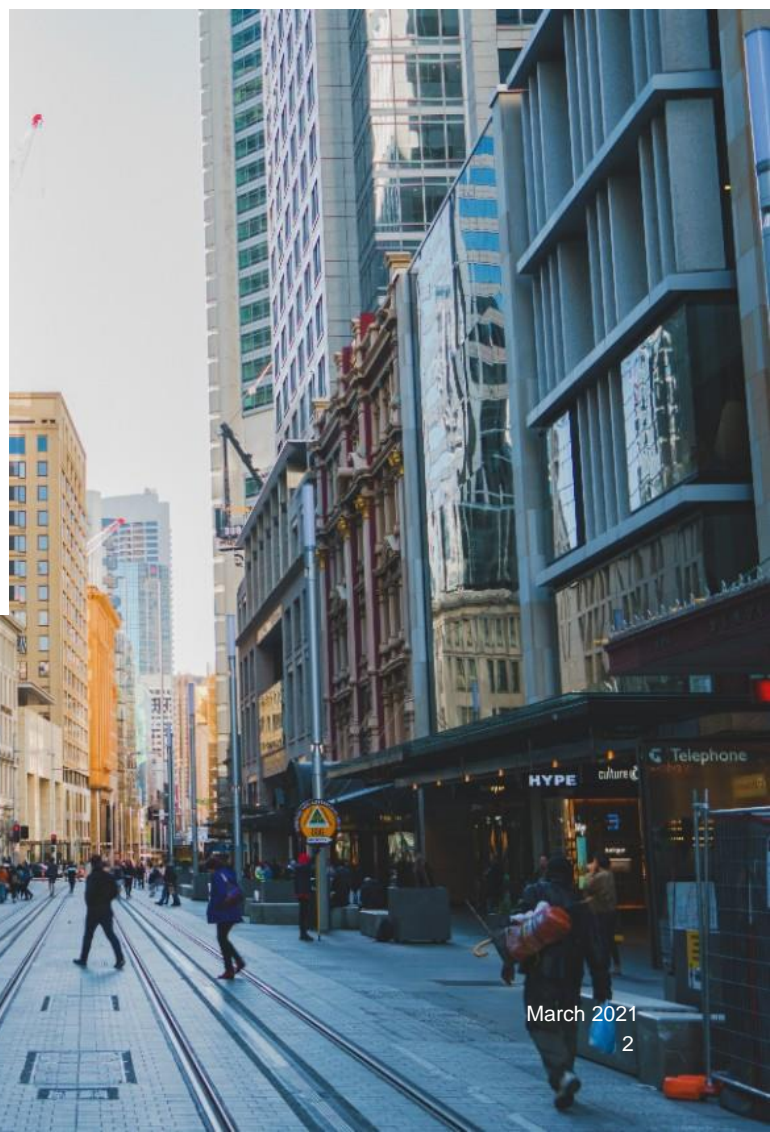
The following states and territories rose in seasonally adjusted terms in January 2021: South Australia (0.4%), NSW (0.8%), Victoria (1.0%), Western Australia (2.1%) Tasmania (1.0%), Australian Capital Territory (0.6%), Northern Territory (0.6%) Queensland (-1.5%) fell in seasonally adjusted terms.

Source: ABS data released 04 March 2021. Data refers to the seasonally adjusted estimate increases/decreases by industry/state

## ANZ-Roy Morgan Weekly Consumer Confidence Rating



Source: ANZ-Roy Morgan Weekly Consumer Confidence Index



## Announced deals

According to Mergermarket, announced retail deal activity for FY2021TD<sup>(1)</sup> decreased in value compared to the prior comparable period (PCP), with volumes declining significantly. 83 deals totalling AUD\$14.6bn were announced in the FY21TD period, versus 119 in the PCP, valued at AUD\$28.6bn.

In the last twelve months (LTM), deal value compared to the PCP has declined significantly with deal volume also witnessing a fall, from 166 announced deals (AUD\$38.3bn)<sup>(2)</sup> to 106 (AUD\$16.9bn).

### Australia and New Zealand Announced Retail and Consumer deals (FY2021TD<sup>(1)</sup> and LTM vs. PCP)

Deal value (in A\$m)	FY2021TD <sup>(1)</sup>		PCP <sup>(2)</sup>		LTM		PCP <sup>(2)</sup>	
	# of deals	Deal value	# of deals	Deal value	# of deals	Deal value	# of deals	Deal value
\$0 to \$5M	0	0	0	0	0	0	0	0
\$6 to \$10M	2	18	10	94	3	28	14	132
\$11 to \$20M	15	236	20	326	16	248	27	421
\$21 to \$30M	7	181	8	211	11	285	11	287
\$31 to \$50M	15	608	9	380	19	771	15	622
\$51 to \$100M	5	376	16	1,042	10	716	19	1,302
\$101 to \$300M	7	1,215	5	787	7	1,215	8	1,436
\$301 to \$500M	2	803	4	1,653	2	803	6	2,474
>\$500M	5	11,204	7	24,092	7	12,810	11	31,602
<b>Subtotal</b>	<b>58</b>	<b>14,641</b>	<b>79</b>	<b>28,585</b>	<b>75</b>	<b>16,876</b>	<b>111</b>	<b>38,276</b>
<b>Undisclosed</b>	<b>25</b>	<b>n/a</b>	<b>40</b>	<b>n/a</b>	<b>31</b>	<b>n/a</b>	<b>55</b>	<b>n/a</b>
<b>Total Announced</b>	<b>83</b>	<b>14,641</b>	<b>119</b>	<b>28,585</b>	<b>106</b>	<b>16,876</b>	<b>166</b>	<b>38,276</b>
<b>Total Completed</b>	<b>44</b>	<b>2,582</b>	<b>103</b>	<b>26,202</b>	<b>60</b>	<b>3,541</b>	<b>150</b>	<b>35,893</b>

Source: Mergermarket, based on announced and completed transactions as at 28 February 2021

(1) FY2021TD refers to the period 1 July 2020 to 28 February 2021, reflecting the latest available Mergermarket data. The deal value includes the transaction for Coca-Cola European Partners acquisition of Coca-Cola Amatil in Nov 20 (~A\$9bn)

(2) The deal value for PCP includes the transaction for Asahi Groups acquisition of CUB Pty Ltd from Anheuser-Busch InBev NV in July 19 (~A\$16bn) and Kohlberg Kravis Roberts & Co.'s acquisition of Campbell International from Campbell Soup Company in August 19 (~A\$3bn)

### Selected recently completed / announced deals

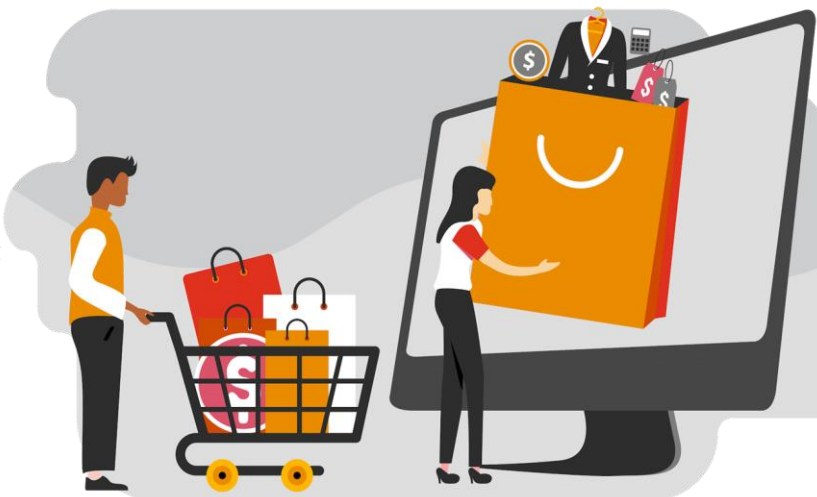
- **26 February 2021 – Australian wine group Fogarty Wine, announced the acquisition of Australian-based wine company, Planetwines, for an undisclosed consideration.**
- **17 February 2021 – Swedish toilet paper and tampon giant Essity Group Holding, announced its acquisition of ASX-listed consumer goods company Asaleo Care, in a transaction valuing the company at A\$788 million.** Essity will pay A\$1.45 for each share, which is a 44.7% premium to the level at which Asaleo Care shares were trading before Essity lobbed its indicative offer in December 2020. The acquisition is part of the company's **strategic focus on high growth and high margin retail and B2B professional hygiene businesses.**
- **16 February 2021 – Glen Dimplex, a manufacturer of electrical heating and domestic appliances, announced its acquisition of Thermofilm, a producer & distributor of outdoor radiant heating products.** The acquisition will expand Glen Dimplex's existing product portfolio, provide **access to the outdoor lifestyle market** and **expand its geographic presence in the Australian market.**
- **9 February 2021 – Arnott's Group announced its acquisition of cereal and snacks business, Diver Foods, as part of plans to launch a new division, Good Food Partners.** As part of the deal, the Arnott's group would acquire a 75% stake in the company, with current owner Chris Diver retaining 25%. Management believes the acquisition will help drive growth through offering **complementary products and capabilities to its existing brands** while helping to diversify its existing product portfolio and facilitating entry into new product categories.
- **30 January 2021 – The Chinese company China Pet Foods, announced that it had acquired a 70% interest in New Zealand PFNZ, New Zealand's largest pet canned food factory in the country, for ~US\$24 million.**
- **21 January 2021 – Nacon Group, leading international player in the video game industry, announced its acquisition of Big Ant, one of Australia's largest video game developers, for A\$23.5 million.** Nacon Group intends to become the **global leader in rugby, tennis and cricket video games.** The acquisition will also provide **deeper capabilities into the development of creative and ambitious games.**

Source: Mergermarket, based on recently announced and completed transactions

## Also recently in the news

- **Australian retail pharmacy chain, Chemist Warehouse, is understood to be seeking to list on the ASX**, with an intention to send a formal RFP to banks for assistance in listing the business. **The company is expected to have an equity value of over A\$5 billion and could be the largest listing** since Medibank Private debuted with a A\$5.7 billion market value in November 2014
- **Woolworths is launching its first Queensland “dark store” in Rochedale, southern Brisbane, with the project valued at ~A\$85 million.** First launched in 2014, Woolworths’ dark stores are now open in Lidcombe, Mascot and Brookvale in Sydney and West Footscray in Melbourne, further facilitating the business’ online grocery shopping offering
- **Online retailer The Nile is weighing up its options for a public listing after a A\$2.5 million pre-IPO raising.** The company has appointed various equity advisors to assist with its IPO efforts
- **Il Gelato, the Western Australian family-owned dessert maker, has resumed its Singaporean expansion strategy after putting the plans on ice due to the COVID-19 outbreak.** Management is also considering minority investment, JV or strategic partnership as potential partnering options for the initiative
- **Thankyou, an Australian personal care company, could consider potential JV opportunities** for its global expansion plans in 2021. The company plans **to enter overseas markets through partnerships** with entities such as manufacturers, product companies and service providers
- **Quick-service chain Oliver’s Real Food was suspended from trading on the ASX** after the business reported its half-year results, which were ruled inadequate by the ASX. The suspension will continue until Oliver’s is able to prove its financial stability to the ASX
- **Philippine lifestyle retailer Frankie & Friends, announced the opening of its first international store in Sydney, Australia.** Management chose Australia as the first international destination due to a strong demand for slow fashion
- **Global e-commerce marketplace Amazon announced acquisition of Sydney-based e-commerce platform Selz,** which is an e-commerce platform utilised by small businesses to develop their websites. The terms of the deals were not disclosed
- **Woolworths Group seeks to invest A\$184 million into the construction of a temperature controlled distribution centre in Heathwood, Queensland.** The distribution centre, which plans to service over 260 Queensland and northern New South Wales stores, is expected to launch in 1H FY22
- **Bilini, a footwear and accessories brand, has recently expanded into Queensland through the opening of 2 new stores,** in Westfield Chermside, Brisbane, and Pacific Fair Shopping Centre. The founders decided to launch two stores in Queensland due to rising customer demand in the state
- **Hong Kong based flash sale luxury retailer OnTheList, launched in Australia, in line with its overall geographic expansion plans**
- **Fast-growing, second-hand marketplace Poshmark launched in Australia, marking its first operations outside of North America.** The company stated that the move was part of its international growth strategy
- **Queensland-based discount chain Silly Solly’s is primed to launch its first three stores in New South Wales and one in Victoria, in March.** The company plans to **establish between 10 to 20 stores across the country by year end and pass the 100 store milestone** in next few years

Source: Mergermarket, Inside Retail



## Also recently in the news

- **TasFoods Limited**, an Australian branded food company, **continues to look for potential acquisitions**, primarily focusing on the opportunities that can accelerate the business growth
- **Care A2 Plus**, the manufacturer of Care A2+, Australia's first infant and toddler formula, **announced to raise A\$50 million** through an equity funding agreement with global **alternative investment group LDA Capital**. The company seeks to use the proceeds for **capex on plant and equipment, local and offshore marketing activities and production costs**
- **Select Harvests**, an Australian almond grower and processor, **plans to divest its Lucky, Sunsol and NuVitality brands along with a processing facility**, as part of its strategic review to restructure the Food Division to focus on its almonds business. The business has **appointed an advisor to seek expressions of interests** for the consumer branded business and the Thomastown processing facility, which is located north of Melbourne
- **Canada Corp** announced an offer to acquire all issued and outstanding shares of **Royal Wins**, an Australian pure skill, real money gaming platform. Under the terms of the Offer, Canada Corp will acquire up to 100% of the issued and outstanding shares of Royal Wins for consideration A\$23 million
- **Pental**, an Australian owner of household cleaning laundry and personal care brands, is **currently assessing two to three target businesses that may be acquired** in order to enhance its channel diversification and may also potentially sell one of its brands to reduce its presence in grocery channels
- **The hospitality and brewing company Moa Group** announced to divest its craft beer brewery **Moa Brewing for A\$1.9 million**, to a firm associated with the current chief executive, Stephen Smith. The divestment is part of the company's strategy to allocate **capital and management attention to the areas of the business with the greatest growth and earnings potential**
- **Getter**, a privately-held Australian digital retailer of construction tools, **could seek up to A\$7 million** in a Series A round in 24 months for its next leg of growth. The company seeks to consider various ways to unlock further growth

Source: Mergermarket, Inside Retail

## A CLOSER LOOK: Spotlight on Australian grocery retailing trends

- **Historical price competition among the major supermarket chains**, such as Woolworths and Coles, and the **long-term impacts of drought on supply costs**, have forced **average industry margins down over time**. This has put a spotlight on profitability, and brought attention to initiatives that can meaningfully impact margins. Some of these initiatives include:
  - **Capital investment into technology and data capability** – helping to reduce labour and other operating expenses, as well as drive greater personalisation of customer promotions and discounts
  - **Investment into loyalty programs and store refurbishments** – driving and improving customer experience, and differentiating away from price as a pure determining factor of purchasing
  - **Product range expansion into private label products and prepared foods and meals** – helping to increase profitability in premium customer markets
- **Consumer preferences have shifted towards more organic and wellness products** on account of rising health concerns, and supported by increasing disposable incomes
  - **Freshness of fruit, vegetables and meat is the 2nd highest driver behind price for customer satisfaction in supermarkets** – leading to greater demand for organic products
  - Other factors weighing on consumer decision-making and impacting buying patterns, include dietary awareness, growing obesity concerns, parents' desire for fresh fruit and vegetables for their children, and agricultural sustainability
- **Impacts of COVID-19 and changing purchasing behaviours has shifted consumer demand towards online grocery experience**, leading to increasing investment in online platforms and physical supporting infrastructure e.g. Click-and-Collect in-store services
  - **Growth of food delivery and meal kit services**, such as UberEats and HelloFresh, are disrupting the industry and serving consumers' desire for convenience
  - **Woolworths and Coles have both reported growth of over 25% in online sales** for most of the past five-year period, outpacing overall industry growth
  - **Future technology disruptions**, some in pilot stages overseas, such as Amazon Go and Ocado, may further impact the industry

Source: PwC Analysis, Statista

Ticker	Company	Currency	Share price \$	Mkt cap million	EV million	Net debt / EV	Dividend Yield LTM	TSR Feb-21	EV / EBITDA			EV / EBIT			PE		
									Actual	Forecasts		Actual	Forecasts		Actual	Forecasts	
									LTM	CY2021	CY2022	LTM	CY2021	CY2022	LTM	CY2021	CY2022
<b>Household Goods Retail</b>																	
ASX:HVN	Harvey Norman Holdings Limited	AUD	5.37	6,691	7,867	15%	7.1%	-1.5%	6.7x	7.3x	8.5x	7.5x	9.8x	11.9x	10.5x	12.2x	15.0x
ASX:JBH	JB Hi-Fi Limited	AUD	47.65	5,474	5,683	4%	5.7%	-12.0%	6.3x	6.9x	7.6x	8.3x	9.5x	11.0x	13.4x	13.6x	15.9x
NZSE:WHS	The Warehouse Group Limited	NZD	3.32	1,146	1,939	41%	0.0%	11.5%	8.2x	5.5x	5.6x	20.5x	11.3x	12.0x	37.5x	10.6x	11.5x
ASX:ADH	Adairs Limited	AUD	3.56	602	697	14%	6.7%	3.3%	4.7x	5.1x	5.4x	6.6x	7.0x	7.5x	9.8x	9.1x	9.6x
ASX:BLX	Beacon Lighting Group Limited	AUD	1.71	381	485	20%	3.9%	13.7%	6.3x	8.1x	7.0x	9.4x	11.5x	12.6x	13.2x	13.1x	14.1x
ASX:NCK	Nick Scali Limited	AUD	9.44	765	901	15%	6.6%	-0.7%	7.6x	9.0x	10.8x	10.3x	9.6x	11.5x	14.8x	11.6x	13.9x
NZSE:SCY	Smiths City Group Limited	NZD	0.14	7	112	93%	0.0%	-	11.3x	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
ASX:TRS	The Reject Shop Limited	AUD	5.91	226	308	27%	0.0%	-5.0%	2.4x	9.5x	7.5x	15.3x	18.5x	12.3x	25.4x	19.3x	12.9x
ASX:BBN	Baby Bunting Group Limited	AUD	5.13	663	784	15%	2.4%	6.6%	13.5x	10.9x	9.7x	24.2x	17.4x	14.9x	45.8x	23.9x	20.5x
ASX:DSK	Dusk Group Limited	AUD	2.94	183	185	1%	5.1%	32.0%	4.6x	3.6x	3.6x	6.0x	5.2x	5.0x	12.1x	7.5x	7.0x
	<b>Mean</b>								<b>7.2x</b>	<b>7.3x</b>	<b>7.3x</b>	<b>12.0x</b>	<b>11.1x</b>	<b>11.0x</b>	<b>20.3x</b>	<b>13.4x</b>	<b>13.4x</b>
	<b>Median</b>								<b>6.5x</b>	<b>7.3x</b>	<b>7.5x</b>	<b>9.4x</b>	<b>9.8x</b>	<b>11.9x</b>	<b>13.4x</b>	<b>12.2x</b>	<b>13.9x</b>
<b>Household Goods Wholesale / Distribution</b>																	
ASX:BRG	Breville Group Limited	AUD	26.25	3,647	3,577	-2%	1.3%	-3.2%	23.9x	21.1x	17.1x	27.2x	26.4x	21.0x	45.7x	35.8x	31.0x
ASX:GUD	GUD Holdings Limited	AUD	12.91	1,216	1,425	15%	2.9%	1.6%	14.1x	12.0x	11.3x	16.6x	13.5x	12.5x	24.9x	18.2x	16.7x
ASX:GWA	GWA Group Limited	AUD	3.05	806	1,003	20%	3.1%	-12.9%	12.0x	11.3x	10.0x	15.6x	15.0x	12.8x	22.6x	19.6x	16.2x
ASX:PTL	Pental Limited	AUD	0.39	52	51	-3%	6.5%	-7.4%	3.7x	3.8x	3.3x	5.4x	5.4x	4.4x	9.0x	8.0x	6.5x
ASX:SHM	Shriro Holdings Limited	AUD	0.93	88	83	-6%	7.5%	20.1%	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
NZSE:CAV	Cavalier Corporation Limited	NZD	0.34	23	20	-19%	0.0%	-	2.9x	n/m	n/m	5.4x	n/m	n/m	23.1x	n/m	n/m
NZSE:EBO	EBOS Group Limited	AUD	28.50	4,661	5,242	10%	2.7%	0.2%	13.9x	13.1x	12.3x	17.5x	15.9x	14.9x	29.5x	21.5x	20.1x
ASX:API	Australian Pharmaceutical Industries Limited	AUD	1.14	559	763	26%	1.8%	-9.8%	6.0x	5.6x	5.2x	14.5x	10.7x	9.7x	22.5x	14.4x	12.5x
	<b>Mean</b>								<b>10.9x</b>	<b>11.1x</b>	<b>9.9x</b>	<b>14.6x</b>	<b>14.5x</b>	<b>12.5x</b>	<b>25.4x</b>	<b>19.6x</b>	<b>17.2x</b>
	<b>Median</b>								<b>12.0x</b>	<b>11.7x</b>	<b>10.6x</b>	<b>15.6x</b>	<b>14.2x</b>	<b>12.6x</b>	<b>23.1x</b>	<b>18.9x</b>	<b>16.4x</b>
<b>Diversified Retail</b>																	
ASX:WES	Wesfarmers Limited	AUD	49.60	56,238	62,809	10%	3.3%	-8.6%	12.7x	12.3x	12.1x	18.2x	17.5x	17.3x	27.6x	24.8x	24.2x
ASX:VTG	Vita Group Limited	AUD	0.96	158	177	11%	8.3%	-10.7%	2.8x	3.2x	2.8x	5.0x	4.7x	4.4x	7.0x	6.2x	5.7x
ASX:SUL	Super Retail Group Limited	AUD	10.75	2,428	2,897	16%	4.9%	1.4%	4.7x	4.3x	4.7x	7.9x	7.6x	9.1x	11.4x	12.0x	12.6x
	<b>Mean</b>								<b>6.7x</b>	<b>6.6x</b>	<b>6.5x</b>	<b>10.3x</b>	<b>10.0x</b>	<b>10.3x</b>	<b>15.3x</b>	<b>14.3x</b>	<b>14.2x</b>
	<b>Median</b>								<b>4.7x</b>	<b>4.3x</b>	<b>4.7x</b>	<b>7.9x</b>	<b>7.6x</b>	<b>9.1x</b>	<b>11.4x</b>	<b>12.0x</b>	<b>12.6x</b>
<b>Automotive Retail</b>																	
ASX:APE	Eagers Automotive Limited	AUD	15.09	3,877	6,135	37%	1.7%	0.4%	13.8x	12.4x	12.2x	22.1x	18.0x	17.8x	35.4x	22.1x	21.2x
ASX:ARB	ARB Corporation Limited	AUD	35.16	2,843	2,806	-1%	1.4%	-1.3%	22.1x	19.4x	19.1x	26.1x	23.1x	22.8x	42.5x	31.8x	32.0x
ASX:BAP	Bapcor Limited	AUD	7.14	2,423	2,723	11%	2.6%	-7.9%	11.0x	9.8x	9.3x	15.8x	14.0x	13.0x	23.6x	19.1x	17.4x
ASX:MTO	MotorCycle Holdings Limited	AUD	2.50	154	206	25%	4.0%	-6.1%	4.1x	4.9x	6.1x	5.6x	6.6x	8.8x	6.2x	7.2x	9.8x
	<b>Mean</b>								<b>12.8x</b>	<b>11.6x</b>	<b>11.7x</b>	<b>17.4x</b>	<b>15.4x</b>	<b>15.6x</b>	<b>26.9x</b>	<b>20.0x</b>	<b>20.1x</b>
	<b>Median</b>								<b>12.4x</b>	<b>11.1x</b>	<b>10.7x</b>	<b>19.0x</b>	<b>16.0x</b>	<b>15.4x</b>	<b>29.5x</b>	<b>20.6x</b>	<b>19.3x</b>
<b>Apparel / Accessories Retail</b>																	
ASX:PMV	Premier Investments Limited	AUD	22.78	3,619	3,612	0%	3.1%	-6.2%	8.0x	7.7x	6.7x	15.5x	13.9x	15.3x	25.1x	18.4x	19.8x
ASX:LOV	Lovisa Holdings Limited	AUD	14.99	1,611	1,736	7%	1.3%	34.2%	38.8x	15.1x	11.4x	n/m	33.3x	23.3x	n/m	46.5x	32.3x
NZSE:KMD	Kathmandu Holdings Limited	NZD	1.27	900	1,212	25%	0.0%	-1.5%	9.3x	5.2x	4.6x	39.9x	11.6x	9.3x	n/m	13.1x	10.5x
ASX:MOZ	Mosaic Brands Limited	AUD	0.81	78	172	54%	0.0%	-13.3%	3.8x	3.7x	3.8x	n/m	6.6x	6.8x	n/m	4.5x	4.5x
ASX:AX1	Accent Group Limited	AUD	2.25	1,218	1,565	22%	5.3%	-7.7%	6.9x	6.4x	6.0x	13.5x	13.1x	12.1x	19.0x	16.4x	15.1x
NZSE:HLG	Hallenstein Glasson Holdings Limited	NZD	7.17	427	463	8%	5.4%	2.0%	6.7x	n/m	n/m	12.2x	n/m	n/m	19.3x	n/m	n/m
ASX:UNI	Universal Store Holdings Limited	AUD	6.40	468	506	7%	0.8%	24.8%	6.5x	10.0x	8.8x	14.0x	11.0x	9.7x	30.3x	14.9x	13.0x
NZSE:MHJ	Michael Hill International Limited	AUD	0.71	258	308	16%	2.1%	-	3.9x	2.8x	3.0x	11.1x	5.0x	6.0x	17.9x	6.3x	8.1x
ASX:CCX	City Chic Collective Limited	AUD	3.71	848	788	-8%	0.0%	1.3%	21.9x	17.0x	13.9x	37.5x	20.8x	16.4x	n/m	31.0x	24.2x
	<b>Mean</b>								<b>11.8x</b>	<b>8.5x</b>	<b>7.3x</b>	<b>20.5x</b>	<b>14.4x</b>	<b>12.4x</b>	<b>22.3x</b>	<b>18.9x</b>	<b>15.9x</b>
	<b>Median</b>								<b>6.9x</b>	<b>7.1x</b>	<b>6.4x</b>	<b>14.0x</b>	<b>12.3x</b>	<b>10.9x</b>	<b>19.3x</b>	<b>15.6x</b>	<b>14.0x</b>

Source: CapitalIQ, as at 10 March 2021

Ticker	Company	Currency	Share price \$	Mkt cap million	EV million	Net debt / EV	Dividend Yield LTM	TSR Feb-21	EV / EBITDA			EV / EBIT			PE		
									Actual	Forecasts		Actual	Forecasts		Actual	Forecasts	
									LTM	CY2021	CY2022	LTM	CY2021	CY2022	LTM	CY2021	CY2022
<b>Media</b>																	
ASX:SEK	SEEK Limited	AUD	26.55	9,350	10,875	11%	0.0%	-8.2%	40.1x	22.1x	18.0x	49.3x	32.2x	24.4x	n/m	n/m	44.3x
ASX:REA	REA Group Limited	AUD	135.66	17,923	18,149	1%	0.8%	-5.8%	42.0x	30.7x	25.9x	44.5x	35.5x	29.5x	n/m	49.8x	41.0x
ASX:CAR	carsales.com Ltd	AUD	18.26	4,499	4,922	9%	2.7%	-2.0%	24.5x	19.0x	17.2x	27.8x	22.0x	19.7x	44.2x	29.6x	26.2x
ASX:IFM	Infomedia Ltd	AUD	1.39	522	429	-22%	3.1%	-17.9%	23.8x	8.6x	7.3x	17.8x	15.4x	12.5x	32.2x	24.8x	20.6x
	<b>Mean</b>								<b>32.6x</b>	<b>20.1x</b>	<b>17.1x</b>	<b>34.8x</b>	<b>26.3x</b>	<b>21.5x</b>	<b>38.2x</b>	<b>34.7x</b>	<b>33.0x</b>
	<b>Median</b>								<b>32.3x</b>	<b>20.6x</b>	<b>17.6x</b>	<b>36.1x</b>	<b>27.1x</b>	<b>22.0x</b>	<b>38.2x</b>	<b>29.6x</b>	<b>33.6x</b>
<b>E-commerce</b>																	
ASX:KGN	Kogan.com Ltd	AUD	13.39	1,425	1,359	-5%	2.2%	-28.9%	20.2x	14.5x	12.8x	22.2x	16.2x	14.1x	35.0x	24.0x	21.0x
ASX:WEB	Webjet Limited	AUD	5.86	1,987	2,067	4%	0.0%	14.4%	n/m	n/m	12.7x	n/m	n/m	26.0x	n/m	n/m	31.3x
ASX:BKG	Booktopia Group Limited	AUD	2.54	349	345	-1%	0.0%	-4.6%	31.6x	20.0x	12.2x	36.6x	31.4x	19.3x	n/m	50.6x	24.9x
ASX:CTT	Cettire Limited	AUD	0.96	366	321	-14%	0.0%	41.8%	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
ASX:ABY	Adore Beauty Group Limited	AUD	4.95	466	441	-6%	0.0%	-8.5%	n/m	37.8x	25.5x	n/m	43.9x	28.6x	n/m	n/m	42.9x
ASX:TPW	Temple & Webster Group Ltd	AUD	9.00	1,084	1,000	-8%	0.0%	-17.6%	48.3x	35.0x	26.0x	50.2x	35.7x	26.5x	n/m	43.4x	35.4x
	<b>Mean</b>								<b>33.3x</b>	<b>26.8x</b>	<b>17.8x</b>	<b>36.4x</b>	<b>31.8x</b>	<b>22.9x</b>	<b>35.0x</b>	<b>39.3x</b>	<b>31.1x</b>
	<b>Median</b>								<b>31.6x</b>	<b>27.5x</b>	<b>12.8x</b>	<b>36.6x</b>	<b>33.5x</b>	<b>26.0x</b>	<b>35.0x</b>	<b>43.4x</b>	<b>31.3x</b>
<b>Department Stores</b>																	
ASX:MYR	Myer Holdings Limited	AUD	0.29	238	1,780	86.7%	0.0%	-1.6%	6.6x	4.9x	5.0x	25.4x	13.1x	13.8x	n/m	13.7x	11.2x
<b>Supermarkets</b>																	
ASX:WOW	Woolworths Group Limited	AUD	38.90	49,164	65,368	24%	2.6%	-3.9%	11.3x	10.2x	9.8x	18.4x	17.2x	16.5x	29.3x	24.8x	23.3x
ASX:COL	Coles Group Limited	AUD	15.45	20,609	29,739	31%	3.9%	-13.7%	9.3x	8.6x	8.3x	16.8x	15.5x	14.9x	23.1x	22.0x	18.9x
ASX:MTS	Metcash Limited	AUD	3.59	3,670	4,368	16%	4.0%	-1.2%	8.9x	8.0x	8.0x	12.1x	11.4x	11.3x	16.5x	15.1x	15.0x
	<b>Mean</b>								<b>9.8x</b>	<b>8.9x</b>	<b>8.7x</b>	<b>15.8x</b>	<b>14.7x</b>	<b>14.2x</b>	<b>23.0x</b>	<b>20.6x</b>	<b>19.1x</b>
	<b>Median</b>								<b>9.3x</b>	<b>8.6x</b>	<b>8.3x</b>	<b>16.8x</b>	<b>15.5x</b>	<b>14.9x</b>	<b>23.1x</b>	<b>22.0x</b>	<b>18.9x</b>
<b>Restaurants / Fast Food</b>																	
ASX:DMP	Domino's Pizza Enterprises Limited	AUD	87.74	7,592	8,743	13%	1.6%	0.2%	24.6x	19.1x	17.0x	35.7x	27.3x	23.8x	55.0x	37.0x	32.0x
ASX:RFG	Retail Food Group Limited	AUD	0.07	142	266	47%	0.0%	-6.6%	15.9x	n/m	n/m	32.6x	n/m	n/m	n/m	n/m	n/m
NZSE:RBD	Restaurant Brands New Zealand Limited	NZD	12.45	1,553	2,344	34%	0.0%	6.2%	18.1x	14.3x	13.1x	39.8x	24.1x	21.3x	n/m	29.0x	24.8x
ASX:CKF	Collins Foods Limited	AUD	9.49	1,106	1,661	33%	2.2%	2.8%	10.1x	10.0x	9.6x	19.6x	16.1x	14.9x	32.9x	20.4x	18.3x
	<b>Mean</b>								<b>17.2x</b>	<b>14.5x</b>	<b>13.2x</b>	<b>31.9x</b>	<b>22.5x</b>	<b>20.0x</b>	<b>43.9x</b>	<b>28.8x</b>	<b>25.0x</b>
	<b>Median</b>								<b>17.0x</b>	<b>14.3x</b>	<b>13.1x</b>	<b>34.2x</b>	<b>24.1x</b>	<b>21.3x</b>	<b>43.9x</b>	<b>29.0x</b>	<b>24.8x</b>
<b>Other</b>																	
ASX:ELD	Elders Limited	AUD	11.98	1,873	2,112	11%	1.8%	7.8%	13.0x	11.6x	11.0x	17.5x	15.1x	14.1x	28.0x	14.8x	13.8x
ASX:FLT	Flight Centre Travel Group Limited	AUD	17.80	3,547	3,261	-9%	0.0%	15.3%	n/m	n/m	9.1x	n/m	n/m	17.6x	n/m	n/m	30.9x
ASX:CCV	Cash Converters International Limited	AUD	0.25	154	-	n/m	4.0%	12.5%	0.0x	n/m	n/m	0.0x	n/m	n/m	9.0x	12.5x	n/m
ASX:MEA	McGrath Limited	AUD	0.61	102	100	-2%	0.8%	22.3%	7.4x	n/m	n/m	12.4x	n/m	n/m	25.5x	n/m	n/m
	<b>Mean</b>								<b>6.8x</b>	<b>11.6x</b>	<b>10.1x</b>	<b>10.0x</b>	<b>15.1x</b>	<b>15.9x</b>	<b>20.8x</b>	<b>13.7x</b>	<b>22.3x</b>
	<b>Median</b>								<b>7.4x</b>	<b>11.6x</b>	<b>10.1x</b>	<b>12.4x</b>	<b>15.1x</b>	<b>15.9x</b>	<b>25.5x</b>	<b>13.7x</b>	<b>22.3x</b>

Source: CapitalIQ, as at 10 March 2021

Ticker	Company	Currency	Share price \$	Mkt cap million	EV million	Net debt / EV	Dividend Yield LTM	TSR Feb-21	EV / EBITDA			EV / EBIT			PE		
									Actual	Forecasts		Actual	Forecasts		Actual	Forecasts	
									LTM	CY2021	CY2022	LTM	CY2021	CY2022	LTM	CY2021	CY2022
<b>FMCG - Beverage</b>																	
ASX:CCL	Coca-Cola Amatil Limited	AUD	13.42	9,716	11,559	13%	2.0%	2.2%	13.5x	12.1x	11.2x	21.2x	18.3x	16.5x	28.7x	24.6x	22.1x
ASX:TWE	Treasury Wine Estates Limited	AUD	11.42	8,239	9,305	11%	2.0%	10.8%	16.0x	14.3x	13.1x	21.4x	18.8x	16.8x	36.9x	26.8x	23.3x
NZSE:DGL	Delegat Group Limited	NZD	14.61	1,478	1,840	20%	1.2%	-0.7%	14.4x	14.5x	13.8x	17.4x	17.1x	16.3x	24.2x	21.1x	19.9x
ASX:AVG	Australian Vintage Ltd	AUD	0.73	205	312	34%	3.7%	8.6%	7.3x	7.0x	6.6x	11.1x	9.6x	9.3x	12.8x	10.0x	9.5x
ASX:GDA	Good Drinks Australia Ltd	AUD	0.09	116	133	13%	0.0%	10.0%	20.6x	n/m	n/m	47.4x	n/m	n/m	n/m	n/m	n/m
	<b>Mean</b>								<b>14.4x</b>	<b>12.0x</b>	<b>11.2x</b>	<b>23.7x</b>	<b>16.0x</b>	<b>14.7x</b>	<b>25.6x</b>	<b>20.6x</b>	<b>18.7x</b>
	<b>Median</b>								<b>14.4x</b>	<b>13.2x</b>	<b>12.2x</b>	<b>21.2x</b>	<b>17.7x</b>	<b>16.4x</b>	<b>26.5x</b>	<b>22.8x</b>	<b>21.0x</b>
<b>FMCG - Food &amp; Dairy</b>																	
NZSE:FCG	Fonterra Co-operative Group Limited	NZD	5.02	8,099	13,237	39%	1.0%	11.6%	9.5x	n/m	n/m	15.3x	n/m	n/m	21.7x	n/m	n/m
ASX:BGA	Bega Cheese Limited	AUD	6.15	1,859	1,719	-8%	1.6%	11.3%	16.9x	9.4x	7.2x	28.4x	15.3x	10.8x	38.5x	27.1x	18.6x
NZSE:ATM	The a2 Milk Company Limited	NZD	9.70	7,214	6,457	-12%	0.0%	-14.5%	13.7x	17.0x	13.9x	13.8x	17.6x	14.5x	24.8x	32.5x	22.8x
ASX:FNP	Freedom Foods Group Limited	AUD	3.01	834	1,152	43%	0.0%	-	n/m	9.6x	7.8x	n/m	n/m	n/m	21.9x	14.9x	
NZSE:SML	Synlait Milk Limited	NZD	3.71	811	1,354	40%	0.0%	-14.8%	8.0x	9.6x	7.7x	10.9x	15.9x	11.6x	10.1x	17.8x	11.5x
	<b>Mean</b>								<b>12.0x</b>	<b>11.4x</b>	<b>9.1x</b>	<b>17.1x</b>	<b>16.2x</b>	<b>12.3x</b>	<b>23.8x</b>	<b>24.8x</b>	<b>17.0x</b>
	<b>Median</b>								<b>11.6x</b>	<b>9.6x</b>	<b>7.7x</b>	<b>14.6x</b>	<b>15.9x</b>	<b>11.6x</b>	<b>23.3x</b>	<b>24.5x</b>	<b>16.8x</b>
<b>FMCG - Food (Production)</b>																	
ASX:ING	Inghams Group Limited	AUD	3.55	1,319	3,198	59%	4.0%	5.7%	10.9x	7.1x	6.8x	24.2x	17.5x	16.1x	30.7x	14.8x	13.0x
ASX:AAC	Australian Agricultural Company Limited	AUD	1.15	693	1,078	36%	0.0%	2.7%	n/m	35.8x	24.2x	n/m	n/m	33.0x	n/m	n/m	n/m
ASX:CGC	Costa Group Holdings Limited	AUD	4.52	1,812	2,302	20%	2.0%	16.0%	11.3x	10.3x	9.5x	21.2x	17.2x	15.9x	40.1x	22.3x	20.7x
ASX:SHV	Select Harvests Limited	AUD	5.46	656	979	33%	2.4%	2.7%	12.0x	16.0x	10.2x	25.1x	24.8x	13.4x	23.1x	26.0x	13.4x
ASX:TGR	Tassal Group Limited	AUD	3.52	744	1,218	39%	4.5%	-2.9%	7.2x	8.2x	7.2x	13.3x	12.5x	10.6x	15.0x	12.5x	10.4x
NZSE:SAN	Sanford Limited	NZD	4.63	433	658	34%	1.1%	-6.0%	9.7x	9.0x	7.4x	19.5x	14.3x	11.2x	27.3x	15.8x	11.6x
ASX:HUU	Huon Aquaculture Group Limited	AUD	2.44	268	560	52%	0.0%	-21.6%	11.7x	13.4x	8.0x	n/m	n/m	20.9x	n/m	n/m	19.2x
	<b>Mean</b>								<b>10.5x</b>	<b>14.2x</b>	<b>10.5x</b>	<b>20.7x</b>	<b>17.3x</b>	<b>17.3x</b>	<b>27.2x</b>	<b>18.3x</b>	<b>14.7x</b>
	<b>Median</b>								<b>11.1x</b>	<b>10.3x</b>	<b>8.0x</b>	<b>21.2x</b>	<b>17.2x</b>	<b>15.9x</b>	<b>27.3x</b>	<b>15.8x</b>	<b>13.2x</b>
<b>FMCG - Personal Care</b>																	
ASX:AHY	Asaleo Care Limited	AUD	1.42	771	889	13%	2.1%	7.6%	10.2x	9.7x	9.1x	14.4x	13.8x	12.9x	23.1x	18.8x	17.4x
ASX:BWV	BWX Limited	AUD	4.86	682	651	-5%	0.7%	8.7%	21.8x	15.8x	13.1x	28.7x	20.6x	15.7x	47.7x	32.8x	24.1x
NZSE:CVT	Comvita Limited	NZD	3.26	227	255	11%	0.0%	1.6%	9.0x	10.9x	9.6x	13.9x	18.9x	15.5x	21.5x	24.6x	19.5x
ASX:BKL	Blackmores Limited	AUD	83.11	1,608	1,568	-3%	0.3%	11.9%	27.1x	18.0x	14.5x	49.0x	24.6x	18.6x	n/m	39.1x	29.1x
ASX:EZZ	EZZ Life Science Holdings Limited	AUD	0.97	41	37	-8%	0.0%	-	14.5x	n/m	n/m	15.5x	n/m	n/m	n/m	n/m	n/m
ASX:SSG	Shaver Shop Group Limited	AUD	1.12	144	133	-8%	5.3%	-2.2%	3.5x	3.3x	2.8x	5.2x	5.0x	4.1x	9.0x	8.2x	7.4x
ASX:MCP	McPherson's Limited	AUD	1.18	152	162	6%	8.9%	-9.6%	8.6x	6.8x	6.3x	11.4x	8.5x	7.7x	15.3x	11.9x	10.5x
	<b>Mean</b>								<b>13.5x</b>	<b>10.7x</b>	<b>9.2x</b>	<b>19.7x</b>	<b>15.2x</b>	<b>12.4x</b>	<b>23.3x</b>	<b>22.6x</b>	<b>18.0x</b>
	<b>Median</b>								<b>10.2x</b>	<b>10.3x</b>	<b>9.4x</b>	<b>14.4x</b>	<b>16.3x</b>	<b>14.2x</b>	<b>21.5x</b>	<b>21.7x</b>	<b>18.4x</b>

Source: CapitalIQ, as at 10 March 2021



## Retail sector trends

As reported by the ABS, the seasonally adjusted Australian retail turnover for January 2021 trends are as follows:

- **Food retailing:** The seasonally adjusted estimate for Food retailing rose 1.6% in January 2021. By industry subgroup, the seasonally adjusted estimate rose for Supermarkets and grocery stores (1.3%), Liquor retailing (2.3%), and for Other specialised food retailing (3.1%).
- **Household goods retailing:** The seasonally adjusted estimate for Household goods retailing rose 0.1% in January 2021. By industry subgroup, the seasonally adjusted estimate rose for Hardware, building and garden supplies retailing (1.0%), Furniture, floor coverings, houseware and textile goods retailing (0.4%) and fell for Electrical and electronic goods retailing (-1.0%).
- **Clothing, footwear and personal accessory retailing:** The seasonally adjusted estimate for Clothing, footwear and personal accessory retailing fell 3.6% in January 2021. By industry subgroup, the seasonally adjusted estimate fell for Clothing retailing (-6.1%), and rose for Footwear and other personal accessory retailing (2.0%).
- **Department stores:** The seasonally adjusted estimate for Department stores fell 0.4% in January 2021.
- **Cafes, restaurants and take-away food services:** The seasonally adjusted estimate for Cafes, restaurants and takeaway food services fell 0.8% in January 2021. By industry subgroup, the seasonally adjusted estimate fell for Cafes, restaurants and catering services (-0.4%), and Takeaway food services (-1.2%).
- **Other retailing:** The seasonally adjusted estimate for Other retailing rose 1.4% in January 2021. By industry subgroup, the seasonally adjusted estimate fell for Pharmaceutical, cosmetic and toiletry goods retailing (-1.2%), Newspaper and book retailing (-4.1%), and rose for Other retailing n.e.c. (2.8%) and Other recreational goods retailing (7.2%).

Source: ABS data released 04 March 2021. Data refers to the seasonally adjusted estimates by industry



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