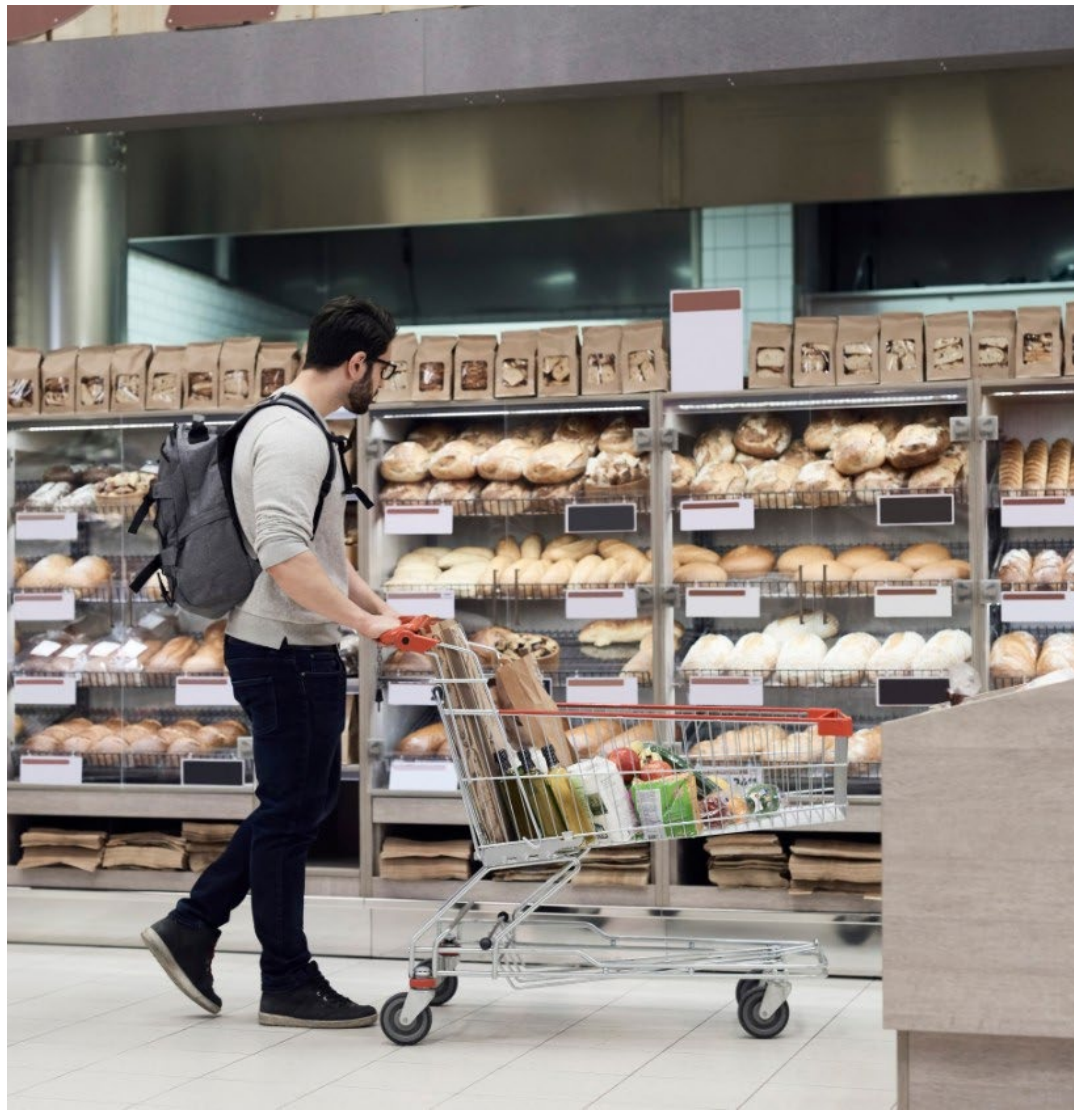


Retail and Consumer Deals Digest

November 2020



Retail and Consumer Deals Digest

Consumer Confidence witnessed ninth gain in a row, bolstered by the gains in economic conditions

Consumer sentiment rose throughout October, from 95.7 (compared to 112.3 at the same time last year) in early October to 99.7 by the month end. Confidence reached its highest level since the COVID-19 pandemic induced collapse in March.

Compared with September figures, economic conditions improved significantly. In October, consumer sentiment reached a high of 99.7 from 91.1 in early September. 'Current economic conditions' lifted by a significant margin of 8.4%, while 'future economic conditions' rose 0.7%.

However, " 'current financial conditions' fell by more than 6% – its biggest weekly decline since the extreme weakness seen in March. This may be a sign that the cutbacks in the JobKeeper and JobSeeker payments are starting to be felt. The sub-indices can be volatile from week-to-week, as evidenced by the jump in inflation expectations after the plunge the week before..." – **David Plank, Head of Australian Economics, 03 November 2020**

Latest Australian ABS trade results

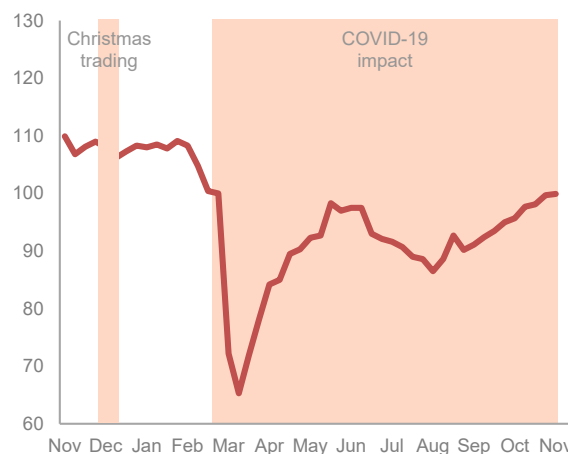
The latest Australian Bureau of Statistics (ABS) Retail Trade figures show that Australian retail turnover fell by 1.1% in September 2020 (seasonally adjusted), which follows a fall of 4.0% in August, and a rise of 3.2% in July.

The following industries fell in seasonally adjusted terms in September 2020: Household goods retailing (-3.6%), Other retailing (-0.7%), Food retailing (-1.5%), Clothing, footwear and personal accessory retailing (-1.1%) and rose for Department stores (1.0%), Cafes, restaurants and takeaway food services (3.5%).

The following states and territories fell in seasonally adjusted terms in September 2020: NSW (-0.9%), Queensland (-1.2%), Western Australia (-1.7%), South Australia (-2.9%), Tasmania (-2.0%), Victoria (-0.4%), ACT (-2.4%) and rose for the Northern Territory (4.3%) in seasonally adjusted terms.

Sources: ABS data released 04 November 2020. 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⁽¹⁾ decreased in value compared to the prior comparable period (PCP), with volumes declining significantly. 33 deals totalling AUD\$2.6bn were announced in the FY21TD period, versus 60 in the PCP, valued at AUD\$25.7bn.

In the last twelve months (LTM), deal value compared to the PCP has declined significantly with deal volume also witnessing a fall, from 160 announced deals (AUD\$41.9bn)⁽²⁾ to 114 (AUD\$7.6bn).

Australia and New Zealand Announced Retail and Consumer deals (FY2021TD⁽¹⁾ and LTM vs. PCP)

Deal value (in A\$m)	FY2021TD ⁽¹⁾		PCP ⁽²⁾		LTM		PCP ⁽²⁾	
	# 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	1	10	7	68	5	46	13	121
\$11 to \$20M	8	129	8	123	21	344	23	343
\$21 to \$30M	3	82	3	72	12	325	10	249
\$31 to \$50M	6	266	3	130	15	631	11	455
\$51 to \$100M	1	68	5	352	16	1,043	12	939
\$101 to \$300M	1	190	2	217	4	760	12	2,122
\$301 to \$500M	1	459	3	1,228	2	884	5	2,049
>\$500M	2	1,358	6	23,492	5	3,564	14	35,652
Subtotal	23	2,562	37	25,682	80	7,597	100	41,930
Undisclosed	10	n/a	23	n/a	34	n/a	60	n/a
Total Announced	33	2,562	60	25,682	114	7,597	160	41,930
Total Completed	16	411	53	24,701	82	3,046	150	40,759

Source: Mergermarket, based on announced and completed transactions as at 31 October 2020

(1) FY2021TD refers to the period 1 July 2020 to 31 October 2020, reflecting the latest available Mergermarket data

(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

- 28 October 2020 – Japan-based food and beverage conglomerate Asahi Group Holdings has agreed to sell its Australian beer and cider portfolio** to Dutch beverage giant Heineken International. The transaction is part of the process under the resolution of issues approved by the Australian Competition and Consumer Commission for the acquisition of Carlton and United Breweries
- 28 October 2020 – Australian-based packaged meals business, My Muscle Chef, has secured an investment of A\$100 million from Quadrant Private Equity, valuing the company at c.A\$200 million.** The capital will be used to fund My Muscle Chef's next stage of growth with the objective of increasing the scale of the business from selling 400,000 meals to one million meals per week prior to listing on the ASX. Quadrant's investment in My Muscle Chef is based on the opportunities in the food sector as it undergoes a significant phase of disruption arising from changing consumer habits and spending
- 27 October 2020 – The investment arm of the LK Group, Queens Lane Capital, announced its acquisition of Australian fashion retailer, PAS Group, for an undisclosed amount.** PAS Group, which includes brands such as Review, Black Pepper, Yarra Trail and Marco Polo within its portfolio, **entered into voluntary administration in late May with the appointment of PwC.** Queens Lane Capital will assist re-positioning PAS Group to deliver on its growth strategy with an increased focus on building its online business, which expanded by c.25% during COVID-19, and developing a single customer view via further marketing and online investment. The restructured business will have a portfolio comprised of 166 stores in addition to a wholesale design and development business
- 22 October 2020 – ASX-listed toy distributor Funtastic, announced the acquisition of the Hobby Warehouse Group (HWG) for c.A\$33 million.** The HWG portfolio is comprised of Australian e-commerce websites, Toys R Us, Babies R Us and Hobby Warehouse, as well as wholesale retailer Mittoni. The acquisition combines largely mutually exclusive customers bases and is expected to deliver immediate growth and diversification for Funtastic, particularly, with regards to B2B operations
- 19 October 2020 – Andrew Forrest's private investment group, Tattarang, announced the acquisition of Australian bootmaker RM Williams from L Catterton for c.A\$190 million.** Tattarang will initially focus on optimising the Australian and New Zealand operations of RM Williams, which account for the majority of total revenue, and its omni-channel presence. The medium to long-term growth strategy will focus on expanding RM Williams' geographic operations beyond its existing presence in the US and UK and into North America, Europe and Asia, as customers in the select regions are increasingly wanting to try and experience higher-end products

Source: Mergermarket, based on announced and completed transactions within the last month

Also recently in the news

- **Specialty fashion retailer group Mosaic Brands, has closed 73 stores over the last three months and is looking to close another 250** by the end of the financial year. The store closures are part of management's plan to shut 500 stores in the next two years. The store closures could impact any of Mosaic Brands retailers, which include **Noni B, Millers, Rockmans, Katies, Rivers, Autograph, W. Lane, and Crossroads**
- **LVMH and Tiffany & Co have agreed to new terms and a slightly reduced price for the French luxury group's takeover of the New York jeweller.** LVMH agreed to pay US\$16.2 billion to take full control of Tiffany in a deal struck late last year, well before Covid-19 changed the shape of the global luxury industry. Doubts about the completion of the deal emerged in late May as retail sales declined and LVMH tried to cancel the deal in early September, sparking a suit from Tiffany and a countersuit by LVMH
- **Australian Pharmaceutical Industries announced 14 Priceline stores are to be shut** across the country due to the impact of falling foot traffic in shopping centres and CBD locations as well as ongoing rent costs
- **Meal-kit provider Marley Spoon announced it will raise A\$56 million through an institutional placement. Seeks to issue ~17 million CHESSE depository interests (CDIs) at a price of A\$3.22 each, which represents a discount of 5% on the average price of \$3.39.** The company plans to use the proceeds to fund its future growth strategy and invest in the flexibility of its balance sheet
- **Australian pharmacy chain, Chemist Warehouse, announced its expansion into Europe, opening its first store in Blanchardstown, Ireland.** In addition to its presence in Ireland, Chemist Warehouse operates more than 460 stores across Australia, New Zealand and China
- **One of Australia's leading digital wine businesses, the Wine Collective, has relaunched creating a wine-led marketplace.** The relaunch follows an oversubscribed \$8.28 million capital raising completed last month to fund the business' growth strategy. The initiative will lead subsidiary My Wine Guy to merge with the main Wine Collective platform, which will allow ~10,000 wines to be offered in one place
- **Plant-based meat company, Fable, announced its plans to expand beyond Australia.** The Founder announced Fable would introduce its shiitake mushroom "meat" to restaurants across Singapore, Malaysia and the UK
- **Fast fashion retailer H&M announced its plans to close 250 stores worldwide** next year after noting a large number of its customers rapidly shifting to online shopping during the coronavirus crisis. Management is focused on stepping up the pace of its transformation via **investing more in digital, optimising its store portfolio and increasingly integrating channels**
- **Travel retailer Flight Centre announced it would close ~90 further stores across Australia,** prompted by the continued domestic and international travel bans put in place to stem the spread of COVID-19. Post this shutdown, **the business will hold a total national network of approximately 330 shops in its flagship brand, although 60 of these will remain in hibernation** for the next six to twelve months
- **The Chicago-based business Chowbus, which delivers authentic Asian dishes through its food delivery app, recently announced its expansion into the Australian market. The company partnered with ~300 restaurants** in Melbourne, Sydney and Canberra
- **The founders and former CEO of Catch Group announced to invest A\$9.3 million in online value retailer MySale Group for a 10% stake in the business.** The investment is expected to enhance its ANZ First Strategy as it seeks to scale its marketplace platform with leading brands across a wide range of new categories
- **Online fashion retailer The Iconic, launched a dedicated beauty destination, which would feature ~80 brands and is expected to add more beauty brands.** Besides fashion and sport selections, shoppers from Australia and New Zealand would have the option to choose from a selection of beauty products from both international and local brands

Source: Inside Retail



Also recently in the news

- **Change Foods, a US and Australia-based developer of bioengineered animal-free cheese and dairy products, is planning to launch a US\$5 million Series A round in Q2 CY21.** The firm will use the funds for further R&D, expanding the US team and product development
- **Australian plant-based meat maker V2foods, raised A\$77 million Series B round of funding led by Goldman Sachs and Tamasek Holdings,** which brings the total amount raised to ~A\$113 million. The company plans to use the funds to establish a foothold in Asia
- **MMG 1829 Holdings, an Australia-based meat supply group, seeks to make strategic acquisitions** and is looking for assets to build a supply chain that addresses challenges such as food security and sustainability
- **SPC, an Australian fruit and vegetable processor, is seeking acquisitions in Australia and offshore** ahead of a listing on the ASX in the next 18-30 months. SPC is assessing acquisition opportunities not only in Australia but also in Europe. Focused on a broad range of deals in terms of ticket size and will target small and large businesses that are growing, mature or even require turnaround
- **XBlades, an Australian-based sports apparel business,** is seeking interest from buyers. The company sought expressions of interest to be submitted by 4 November
- **Woolworths' liquor spin-off, Endeavour Group, could seek to buy ALE Group, an Australian pub landlord.** Once Endeavour begins trading as an independent entity it could pursue an offer for ALE, which owns approximately 86 pubs across Australia

Source: Merger Market

Highlight on Alibaba's 2020 Singles Day

- **According to Chinese retail giant Alibaba, Singles Day sales in 2020 were over US\$74 billion.** Singles Day on November 11, or Double 11, is a Chinese shopping holiday started by online retailer Alibaba to celebrate single people, in opposition to Valentine's Day, although the day mostly revolves around the online deals available.
- Sales each year surpass the US' Black Friday and Cyber Monday events combined, making it the world's single largest shopping event. This year, Alibaba adopted some of the same strategy as US retailers around Black Friday, expanding the sale. Some sales started between 1 – 3 November, including American brands Adidas, Nike and Apple.
- As reported by the ABC, "almost 800 million Chinese shoppers snapped up 'over \$1 billion' of Australian goods during the first 24 hours of the festival, according to a key distributor in Australia's cross-border trade industry. Australian brands were the fourth most popular overseas products for consumers during the event, following Japan, the United States and South Korea."
- Alibaba didn't release sales numbers for the first Singles Day window, but it said in a statement that sales "indicate strong consumption rebound and higher-than-ever demand in China."
- Alibaba Group Executive vice chairman Joe Tsai said in a livestreamed event that the Chinese economy has bounced back to pre-pandemic levels, pointing to the 17% growth year over year of e-commerce in China. As of 11 p.m. in China on the day of the event, US businesses passed US\$5 billion in sales, the most of any country outside of China.

Source: Business Insider, ABC



Company	Currency	Share price \$	Mkt cap million	EV million	Net debt / EV	Dividend Yield LTM	TSR Oct-20	EV / EBITDA				EV / EBIT				PE		
								Actual		Forecasts		Actual		Forecasts		Actual		Forecasts
								LTM	CY2019	CY2021	LTM-19	LTM	CY2019	CY2021	LTM-19	LTM	CY2019	CY2021
Restaurants / Fast Food																		
Domino's Pizza Enterprises Limited	AUD	84.48	7,309	8,541	14%	1.4%	7.0%	25.5x	29.0x	18.7x	16.8%	38.4x	37.5x	29.6x	14.0%	n/m	49.4x	39.2x
Retail Food Group Limited	AUD	0.07	148	288	48%	0.0%	-4.8%	20.5x	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
Restaurant Brands New Zealand Limited	NZD	12.11	1,511	2,061	27%	0.0%	-0.3%	14.7x	21.0x	14.1x	2.0%	25.6x	29.2x	23.8x	3.7%	43.7x	36.2x	24.3x
Collins Foods Limited	AUD	9.97	1,162	1,758	34%	2.0%	-5.9%	11.1x	14.6x	11.1x	0.0%	21.4x	22.2x	17.5x	10.5%	36.2x	24.6x	23.0x
Mean								18.0x	21.5x	14.7x	6.2%	28.5x	29.6x	23.6x	9.4%	40.0x	36.7x	28.8x
Median								17.6x	21.0x	14.1x	2.0%	25.6x	29.2x	23.8x	10.5%	40.0x	36.2x	24.3x
FMCG - Beverage																		
Coca-Cola Amatil Limited	AUD	12.58	9,108	11,316	16%	2.8%	30.8%	13.2x	12.0x	12.0x	5.0%	21.3x	18.3x	18.7x	6.8%	27.7x	24.2x	24.2x
Treasury Wine Estates Limited	AUD	8.75	6,312	7,792	19%	3.2%	2.6%	12.5x	10.8x	10.1x	11.5%	16.1x	10.9x	13.6x	8.5%	23.4x	13.5x	16.9x
Delegat Group Limited	NZD	14.78	1,495	1,829	18%	1.2%	1.4%	15.6x	17.4x	14.7x	3.0%	19.1x	20.4x	17.4x	4.8%	28.1x	26.8x	21.9x
Australian Vintage Ltd	AUD	0.43	121	247	51%	6.3%	-4.0%	7.9x	8.8x	6.5x	9.8%	13.9x	16.0x	10.7x	13.7%	11.5x	10.9x	9.1x
Gage Roads Brewing Co. Limited	AUD	0.06	68	86	21%	0.0%	-1.8%	n/m	32.0x	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
Mean								12.3x	16.2x	10.8x	7.3%	17.6x	16.4x	15.1x	8.4%	22.7x	18.9x	18.0x
Median								12.9x	12.0x	11.0x	7.4%	17.6x	17.1x	15.5x	7.7%	25.6x	18.9x	19.4x
FMCG - Food & Dairy																		
Fonterra Co-operative Group Limited	NZD	4.39	7,083	12,221	42%	1.1%	15.6%	8.7x	n/m	n/m	n/m	14.0x	n/m	n/m	n/m	19.0x	n/m	n/m
Bega Cheese Limited	AUD	5.16	1,110	1,346	18%	1.9%	-1.4%	17.4x	12.6x	10.1x	31.1%	34.7x	20.9x	16.1x	46.9%	n/m	33.1x	21.2x
The a2 Milk Company Limited	NZD	14.81	10,998	10,160	-8%	0.0%	-4.6%	19.1x	22.8x	16.1x	8.8%	19.2x	22.8x	16.3x	8.6%	31.5x	35.3x	25.3x
Freedom Foods Group Limited	AUD	3.01	834	1,152	28%	1.1%	-	23.6x	17.7x	10.6x	49.2%	41.2x	28.7x	23.6x	32.1%	53.2x	32.0x	24.2x
Synlait Milk Limited	NZD	5.50	987	1,529	35%	0.0%	-2.7%	9.1x	9.3x	7.6x	9.2%	12.4x	12.0x	10.5x	8.7%	15.0x	12.3x	11.5x
Mean								15.6x	15.6x	11.1x	24.6%	24.3x	21.1x	16.6x	24.1%	29.7x	28.2x	20.5x
Median								17.4x	15.2x	10.4x	20.1%	19.2x	21.9x	16.2x	20.4%	25.3x	32.6x	22.7x
FMCG - Food (Production)																		
Inghams Group Limited	AUD	3.28	1,219	3,135	61%	4.3%	-4.0%	8.0x	16.4x	7.1x	5.9%	24.9x	19.5x	17.4x	19.7%	35.0x	13.5x	14.2x
Australian Agricultural Company Limited	AUD	1.12	672	1,079	38%	0.0%	3.2%	n/m	n/m	37.1x	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
Costa Group Holdings Limited	AUD	3.68	1,475	2,016	25%	1.6%	6.0%	14.9x	14.4x	9.7x	23.7%	47.3x	38.0x	17.3x	65.5%	n/m	49.5x	21.4x
Select Harvests Limited	AUD	5.76	647	985	34%	5.0%	10.6%	10.8x	11.0x	11.8x	-4.5%	13.8x	14.3x	15.8x	-6.3%	12.3x	14.1x	15.8x
Tassal Group Limited	AUD	3.55	750	1,165	36%	5.1%	2.0%	6.9x	9.3x	7.3x	-2.3%	10.9x	12.3x	10.0x	4.4%	11.7x	12.4x	10.3x
Sanford Limited	NZD	4.85	454	651	34%	1.0%	-2.6%	10.2x	8.2x	8.0x	12.8%	20.6x	11.1x	12.2x	29.8%	28.6x	11.8x	13.4x
Huon Aquaculture Group Limited	AUD	2.57	282	622	55%	0.0%	-8.6%	10.4x	14.4x	9.7x	3.5%	n/m	44.7x	28.6x	n/m	n/m	28.7x	28.4x
Mean								10.2x	12.3x	13.0x	6.5%	23.5x	23.3x	16.9x	22.6%	21.9x	21.7x	17.3x
Median								10.3x	12.7x	9.7x	4.7%	20.6x	16.9x	16.5x	19.7%	20.5x	13.8x	15.0x
FMCG - Personal Care																		
Asaleo Care Limited	AUD	0.99	535	680	21%	2.0%	-5.5%	7.8x	8.5x	7.5x	2.2%	11.1x	12.4x	10.4x	3.4%	16.0x	17.9x	13.2x
BWX Limited	AUD	3.76	525	571	8%	1.0%	-14.1%	21.5x	21.2x	14.6x	21.4%	27.4x	26.4x	17.9x	23.6%	36.4x	40.4x	25.1x
Convita Limited	NZD	3.18	221	249	11%	0.0%	5.4%	20.1x	25.9x	9.7x	43.7%	n/m	53.7x	14.4x	n/m	n/m	n/m	18.1x
Blackmores Limited	AUD	71.25	1,379	1,445	5%	0.0%	11.4%	31.6x	19.6x	17.7x	33.8%	n/m	23.2x	23.6x	n/m	n/m	35.2x	34.2x
McPherson's Limited	AUD	2.23	277	294	6%	4.9%	-25.3%	10.7x	12.1x	8.1x	14.8%	12.9x	14.0x	9.2x	18.3%	17.5x	19.4x	13.0x
Pental Limited	AUD	0.46	62	60	-4%	4.8%	-1.1%	4.9x	n/m	4.4x	5.1%	7.8x	n/m	6.4x	10.8%	13.7x	n/m	9.5x
Mean								16.1x	17.5x	10.3x	20.2%	14.8x	25.9x	13.7x	14.1%	20.9x	28.3x	18.8x
Median								15.4x	19.6x	8.9x	18.1%	12.0x	23.2x	12.4x	14.6%	16.7x	27.3x	15.6x
Media																		
SEEK Limited	AUD	22.15	7,792	9,509	15%	0.6%	1.0%	38.0x	20.3x	24.4x	24.9%	46.6x	27.8x	38.4x	10.1%	n/m	42.1x	n/m
REA Group Limited	AUD	127.89	16,845	16,950	1%	0.9%	7.5%	45.4x	34.7x	28.8x	25.6%	47.9x	40.6x	33.4x	19.7%	n/m	n/m	47.1x
carsales.com Ltd	AUD	21.64	5,332	5,772	8%	2.2%	0.5%	30.2x	26.5x	22.5x	16.0%	34.0x	29.4x	25.9x	14.7%	53.3x	39.7x	34.9x
Infomedia Ltd	AUD	1.68	628	530	-18%	2.6%	-4.3%	20.8x	13.0x	9.2x	50.8%	23.2x	27.7x	17.2x	16.4%	35.8x	33.9x	24.9x
Mean								33.6x	23.6x	21.2x	29.3%	37.9x	31.3x	28.7x	15.2%	44.5x	38.6x	35.7x
Median								34.1x	23.4x	23.4x	25.2%	40.3x	28.6x	29.6x	15.5%	44.5x	39.7x	34.9x
E-commerce																		
Kogan.com Ltd	AUD	22.70	2,400	2,255	-6%	0.9%	2.0%	40.9x	n/m	27.3x	22.5%	47.3x	n/m	30.2x	25.2%	n/m	n/m	45.2x
Webjet Limited	AUD	4.20	1,424	1,424	0%	2.1%	-10.3%	n/m	9.6x	n/m	n/m	n/m	11.3x	n/m	n/m	n/m	13.9x	n/m
Adore Beauty Group Limited	AUD	6.15	579	-	n/m	0.0%	-	0.0x	n/m	n/m	n/m	0.0x	n/m	n/m	n/m	n/m	n/m	n/m
Temple & Webster Group Ltd	AUD	11.72	1,412	1,375	-3%	0.0%	-15.4%	n/m	n/m	47.0x	n/m	n/m	n/m	48.0x	n/m	n/m	n/m	51.6x
Mean								20.5x	9.6x	37.2x	22.5%	23.6x	11.3x	25.2%	n/a	13.9x	48.4x	48.4x
Median								20.5x	9.6x	37.2x	22.5%	23.6x	11.3x	25.2%	n/a	13.9x	48.4x	48.4x
Department Stores																		
Myer Holdings Limited	AUD	0.26	213	2,000	89.3%	0.0%	9.5%	7.5x	8.1x	6.2x	9.8%	29.3x	24.2x	18.6x	25.5%	n/m	6.3x	21.3x
Supermarkets																		
Woolworths Group Limited	AUD	38.96	49,100	65,981	25%	2.4%	4.7%	12.1x	13.7x	10.6x	7.0%	20.3x	22.1x	18.0x	6.2%	34.0x	26.5x	25.9x
Coles Group Limited	AUD	18.40	24,544	33,989	28%	3.1%	4.4%	10.9x	13.0x	9.8x	5.3%	20.1x	25.1x	17.7x	6.7%	29.8x	24.8x	23.7x
Metcash Limited	AUD	3.08	3,149	3,962	20%	4.1%	6.9%	8.9x	10.5x	7.8x	6.7%	12.9x	12.3x	11.5x	6.0%	15.9x	15.4x	14.9x
Mean								10.6x	12.4x	9.4x	6.3%	17.8x	19.9x	15.7x	6.3%	26.6x	22.2x	21.5x
Median								10.9x	13.0x	9.8x	6.7%	20.1x	22.1x	17.7x	6.2%	29.8x	24.8x	23.7x

Source: CapitalIQ, as at 7 November 2020

Company	Currency	Share price \$	Mkt cap million	EV million	Net debt / EV	Dividend Yield LTM	TSR Oct-20	EV / EBITDA				EV / EBIT				PE		
								Actual	Forecasts		Growth	Actual	Forecasts		Growth	Actual	Forecasts	
								LTM	CY2019	CY2020	LTM-19	LTM	CY2019	CY2020	LTM-19	LTM	CY2019	CY2020
Household Goods Retail																		
Harvey Norman Holdings Limited	AUD	4.64	5,781	6,940	16%	3.9%	1.8%	8.0x	9.2x	7.4x	3.8%	9.5x	12.9x	10.2x	-3.5%	13.1x	16.3x	13.3x
JB Hi-Fi Limited	AUD	48.75	5,601	6,091	8%	3.9%	0.8%	8.3x	13.9x	8.2x	0.6%	12.0x	16.0x	12.0x	0.0%	19.9x	22.0x	17.0x
The Warehouse Group Limited	NZD	2.43	839	1,632	49%	0.0%	10.1%	5.4x	9.4x	5.2x	1.7%	10.7x	14.4x	12.2x	-6.3%	11.9x	10.9x	10.8x
Adairs Limited	AUD	3.68	622	737	16%	3.0%	16.6%	6.7x	14.3x	10.1x	-18.5%	10.8x	17.0x	10.9x	-0.6%	17.5x	21.1x	14.2x
Beacon Lighting Group Limited	AUD	1.47	328	428	23%	3.4%	11.7%	7.0x	16.3x	6.5x	3.6%	12.6x	19.8x	10.5x	9.6%	21.5x	24.2x	13.1x
Nick Scali Limited	AUD	8.55	693	844	18%	5.6%	0.1%	9.2x	13.5x	9.5x	-1.8%	13.6x	14.5x	10.2x	15.3%	19.3x	17.1x	11.2x
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	n/m	n/m
The Reject Shop Limited	AUD	6.50	249	350	29%	0.0%	-3.4%	2.9x	17.1x	10.6x	-47.9%	35.3x	n/m	23.7x	21.9%	n/m	n/m	23.9x
Baby Bunting Group Limited	AUD	4.48	579	672	14%	2.3%	-9.3%	12.2x	21.2x	15.0x	-9.9%	22.0x	25.5x	16.8x	14.6%	43.6x	32.0x	21.8x
Dusk Group Limited	-	1.72	107	-	n/m	0.0%	-	0.0x	n/m	n/m	n/m	0.0x	n/m	n/m	n/m	n/m	n/m	n/m
Accent Group Limited	AUD	1.67	903	1,250	28%	5.5%	0.9%	6.5x	10.9x	5.7x	7.0%	14.1x	14.7x	12.2x	7.7%	19.1x	15.4x	14.1x
Shaver Shop Group Limited	AUD	1.06	134	158	15%	2.5%	14.1%	4.8x	10.6x	8.5x	-24.8%	8.6x	12.8x	9.9x	-6.8%	13.7x	16.2x	11.7x
Mean								6.9x	13.6x	8.7x	-8.6%	13.6x	16.4x	12.9x	5.2%	20.0x	19.5x	15.1x
Median								6.8x	13.7x	8.4x	-0.6%	12.0x	14.7x	11.5x	3.9%	19.1x	17.1x	13.7x
Household Goods Wholesale / Distribution																		
Breville Group Limited	AUD	27.00	3,751	3,647	-3%	1.5%	3.6%	29.2x	28.9x	21.9x	15.5%	32.4x	34.4x	26.5x	10.5%	n/m	51.7x	39.5x
GUD Holdings Limited	AUD	12.65	1,100	1,323	17%	2.9%	11.0%	13.5x	14.4x	12.6x	3.6%	16.0x	15.6x	14.3x	5.8%	25.0x	19.6x	18.6x
Mosaic Brands Limited	AUD	0.67	66	265	75%	0.0%	33.0%	9.1x	17.5x	8.2x	5.8%	n/m	n/m	n/m	n/m	n/m	n/m	9.1x
GWA Group Limited	AUD	2.70	713	933	24%	4.3%	-5.0%	10.9x	11.1x	12.0x	-4.6%	13.8x	12.1x	16.9x	-9.6%	18.2x	14.3x	22.1x
Shriro Holdings Limited	AUD	0.80	76	79	4%	7.5%	13.4%	3.9x	n/m	4.8x	-9.7%	5.5x	n/m	7.7x	-15.1%	9.9x	n/m	12.3x
Cavalier Corporation Limited	NZD	0.33	23	41	45%	0.0%	-11.4%	18.3x	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
EBOS Group Limited	AUD	25.70	4,203	4,815	12%	2.9%	5.4%	13.1x	17.1x	12.8x	1.1%	16.7x	19.5x	15.4x	4.2%	28.4x	26.5x	21.1x
Australian Pharmaceutical Industries Limited	AUD	1.12	549	753	27%	1.8%	4.3%	5.9x	6.6x	6.6x	-5.6%	14.1x	8.0x	10.6x	15.7%	22.1x	11.4x	14.1x
Mean								13.0x	16.0x	11.2x	0.9%	16.4x	17.9x	15.9x	1.9%	20.7x	24.7x	19.5x
Median								12.0x	15.8x	12.0x	1.1%	15.1x	15.6x	15.4x	5.0%	22.1x	19.6x	18.6x
Diversified Retail																		
Wesfarmers Limited	AUD	47.72	54,107	61,092	11%	3.2%	3.5%	13.9x	15.2x	12.9x	3.7%	20.7x	20.8x	19.4x	3.1%	31.1x	27.6x	26.7x
Vita Group Limited	AUD	0.98	161	183	12%	2.5%	-2.9%	4.2x	4.2x	3.5x	8.7%	9.9x	5.7x	4.9x	42.1%	11.0x	7.2x	6.3x
Super Retail Group Limited	AUD	11.48	2,592	3,494	26%	1.7%	6.4%	7.2x	8.3x	5.9x	10.9%	15.3x	14.5x	11.4x	15.9%	23.3x	18.0x	14.6x
Mean								8.4x	9.3x	7.4x	7.8%	15.3x	13.7x	11.9x	20.4%	21.8x	17.6x	15.9x
Median								7.2x	8.3x	5.9x	8.7%	15.3x	14.5x	11.4x	15.9%	23.3x	18.0x	14.6x
Automotive Retail																		
Eagers Automotive Limited	AUD	12.65	3,250	5,579	42%	0.9%	18.7%	13.0x	25.4x	15.3x	-7.7%	21.8x	31.1x	20.9x	2.2%	32.1x	31.3x	24.9x
ARB Corporation Limited	AUD	32.08	2,594	2,597	0%	1.2%	12.8%	24.6x	28.7x	21.4x	7.3%	30.1x	35.4x	25.8x	8.1%	52.5x	48.7x	35.7x
Bapcor Limited	AUD	8.00	2,715	3,002	9%	2.2%	12.8%	13.3x	17.7x	10.9x	10.5%	20.2x	21.0x	16.7x	9.8%	31.3x	28.3x	23.2x
MotorCycle Holdings Limited	AUD	2.43	150	217	31%	0.0%	24.3%	6.3x	12.3x	6.8x	-4.1%	10.5x	15.9x	8.8x	9.3%	11.0x	14.3x	9.1x
Mean								14.3x	21.0x	13.6x	1.5%	20.6x	25.8x	18.0x	7.3%	31.7x	30.6x	23.2x
Median								13.1x	21.6x	13.1x	1.6%	21.0x	26.0x	18.8x	8.7%	31.7x	29.8x	24.1x
Other																		
Elders Limited	AUD	11.35	1,768	2,089	11%	1.9%	3.3%	12.9x	27.4x	13.4x	-2.1%	17.3x	29.0x	15.9x	4.5%	26.5x	29.2x	14.9x
Flight Centre Travel Group Limited	AUD	14.01	2,790	1,993	-40%	0.0%	-18.2%	n/m	14.7x	16.6x	n/m	n/m	6.6x	n/m	n/m	n/m	15.1x	n/m
Cash Converters International Limited	AUD	0.19	117	-	n/m	0.0%	21.9%	0.0x	n/m	n/m	n/m	0.0x	n/m	n/m	n/m	5.9x	6.1x	9.5x
McGrath Limited	AUD	0.31	52	59	12%	0.0%	-1.9%	7.9x	n/m	n/m	n/m	52.6x	n/m	n/m	n/m	n/m	n/m	n/m
Mean								6.9x	21.0x	15.0x	-2.1%	23.3x	17.8x	15.9x	4.5%	16.2x	16.8x	12.2x
Median								7.9x	21.0x	15.0x	-2.1%	17.3x	17.8x	15.9x	4.5%	16.2x	15.1x	12.2x
Apparel / Accessories Retail																		
Premier Investments Limited	AUD	22.32	3,546	3,539	0%	3.1%	3.8%	7.8x	12.4x	8.6x	-4.8%	15.0x	20.5x	17.4x	-7.3%	24.6x	26.9x	22.4x
Lovisa Holdings Limited	AUD	7.83	841	987	15%	1.9%	-9.4%	17.0x	14.6x	9.6x	32.8%	44.2x	17.6x	23.7x	36.7%	49.9x	21.3x	30.2x
Kathmandu Holdings Limited	NZD	1.20	851	1,162	26%	0.0%	-6.4%	9.3x	13.6x	7.0x	15.5%	39.6x	17.4x	10.9x	90.4%	n/m	19.9x	12.1x
Hallenstein Glasson Holdings Limited	NZD	6.07	362	398	9%	6.4%	12.5%	6.0x	n/m	n/m	n/m	11.1x	n/m	n/m	n/m	16.3x	n/m	n/m
Michael Hill International Limited	AUD	0.56	206	363	43%	2.7%	20.5%	4.9x	6.6x	5.5x	-5.6%	17.8x	10.0x	9.7x	35.4%	26.7x	7.6x	11.0x
City Chic Collective Limited	AUD	2.77	657	681	3%	0.0%	-9.6%	20.5x	24.6x	14.2x	20.2%	40.1x	31.2x	20.6x	39.5%	49.1x	39.8x	26.6x
The PAS Group Limited	AUD	0.05	7	28	75%	0.0%	-	1.7x	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
Mean								9.6x	14.4x	9.0x	11.6%	28.0x	19.3x	16.5x	39.0%	33.3x	23.1x	20.5x
Median								7.8x	13.6x	8.6x	15.5%	28.7x	17.6x	17.4x	36.7%	26.7x	21.3x	22.4x

Source: CapitalIQ, as at 7 November 2020

Retail sector trends

As reported by the ABS, the seasonally adjusted Australian retail turnover for September 2020 trends are as follows:

- **Food retailing:** The seasonally adjusted estimate for Food retailing fell 1.5% in September 2020. By industry subgroup, the seasonally adjusted estimate fell for Supermarkets and grocery stores (-1.3%), Liquor retailing (-2.3%) and Other specialised food retailing (-3.5%).
- **Household goods retailing:** The seasonally adjusted estimate for Household goods retailing fell 3.6% in September 2020. By industry subgroup, the seasonally adjusted estimate fell for Hardware, building and garden supplies retailing (-0.5%), Electrical and electronic goods retailing (-7.4%), and for Furniture, floor coverings, houseware and textile goods retailing (-2.2%).
- **Clothing, footwear and personal accessory retailing:** The seasonally adjusted estimate for Clothing, footwear and personal accessory retailing fell 1.1% in September 2020. By industry subgroup, the seasonally adjusted estimate fell for Clothing retailing (-0.9%), and Footwear and other personal accessory retailing (-1.5%).
- **Department stores:** The seasonally adjusted estimate for Department stores rose 1.0% in September 2020.
- **Cafes, restaurants and take-away food services:** The seasonally adjusted estimate for Cafes, restaurants and takeaway food services rose 3.5% in September 2020. By industry subgroup, the seasonally adjusted estimate rose for Cafes, restaurants and catering services (4.3%), and Takeaway food services (2.7%).
- **Other retailing:** The seasonally adjusted estimate for Other retailing fell 0.7% in September 2020. By industry subgroup, the seasonally adjusted estimate rose for Pharmaceutical, cosmetic and toiletry goods retailing (2.5%), Newspaper and book retailing (13.7%), Other recreational goods retailing (0.7%) and fell for Other retailing n.e.c. (-4.9%).

Source: ABS data released 04 November 2020. Data refers to the seasonally adjusted estimates by industry



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