

# Retail and Consumer Deals Digest

July 2023



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## ANZ-Roy Morgan Consumer Confidence jumps 2.6pts to 75.2 after decision to replace RBA boss Phil Lowe with Michele Bullock

Consumer confidence increased by 2.6pts. Among the mainland states, confidence rose in NSW, Victoria, Queensland and WA, while it fell in SA.

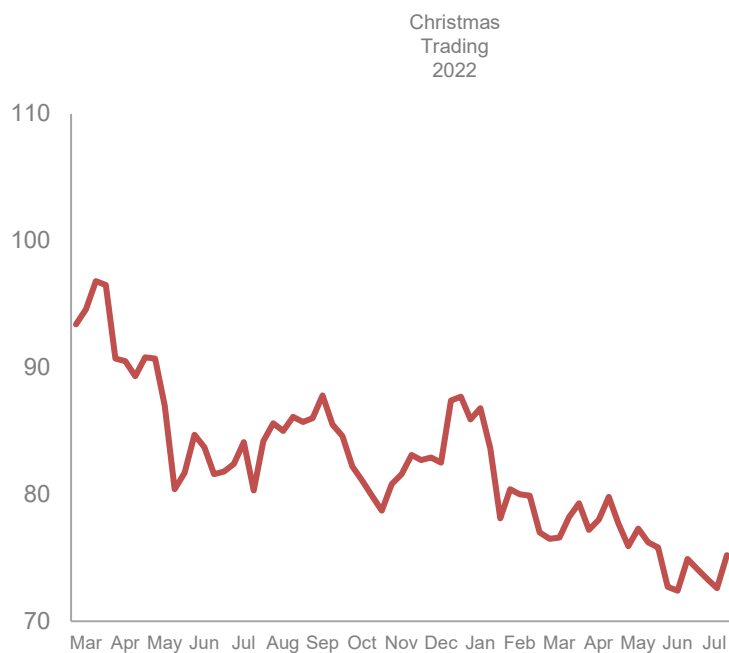
“Weekly inflation expectations’ fell 0.2ppt to 5.4%. Its four-week moving average fell from 5.7% to 5.6%.

“Current financial conditions’ jumped 6.7pts more than offsetting the 5.7pt fall the week before. ‘Future financial conditions’ bounced back above 90 with a 4.9pt increase.

“ANZ-Roy Morgan Australian Consumer Confidence rose last week, mostly due to an increase in renter confidence. Among the housing cohorts, confidence jumped 7.9pts for those renting, perhaps due to discourse around rent increases slowing as rate increases slow, or potential rental policy changes. It rose slightly by 0.9pts for those paying off their homes, while it softened 0.7pts for those who own their homes outright. The average confidence level was at its highest since the first week of June but has now stayed below the 80 mark for 21 weeks – one week shy of the record in the 1990–91 recession.”

– **Adelaide Timbrell, ANZ Senior Economist**  
25 July 2023

## ANZ-Roy Morgan Weekly Consumer Confidence Rating



Source: ANZ-Roy Morgan Weekly Consumer Confidence Index

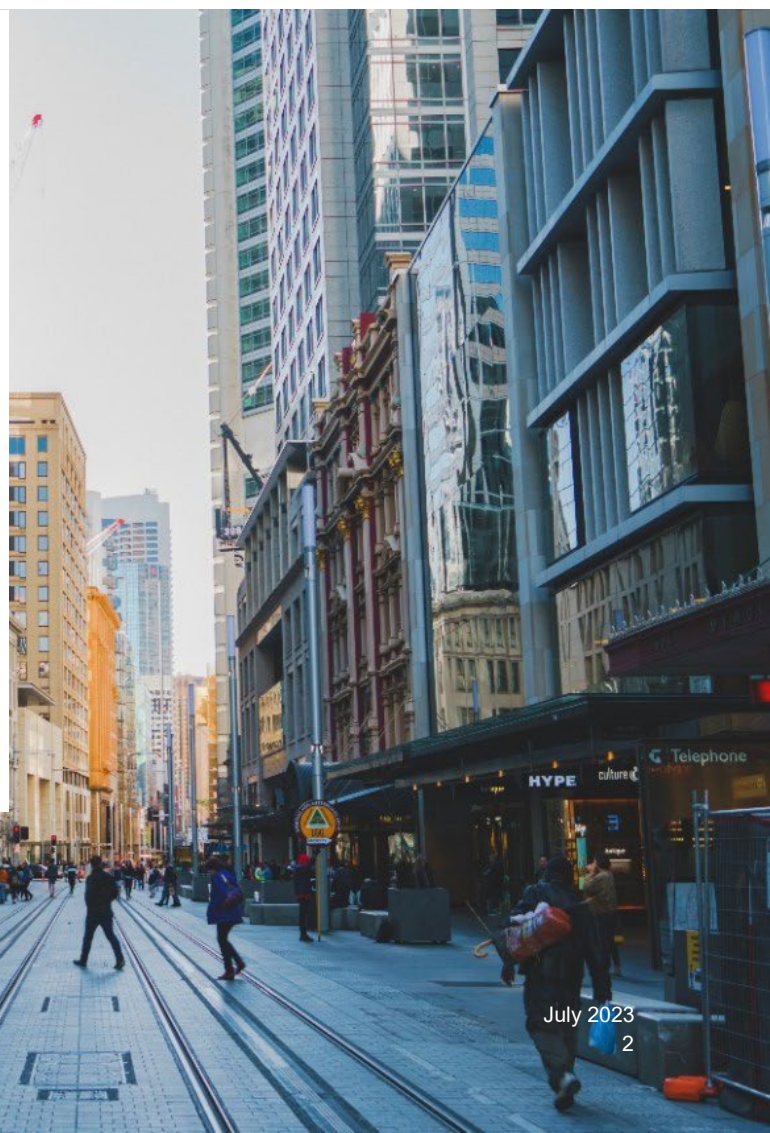
## Latest Australian ABS trade results

The latest Australian Bureau of Statistics (ABS) Retail Trade figures show that Australian retail turnover rose by 0.7% in May 2023, following an unchanged in April 2023, and an increase of 0.4% in March 2023.

The following industry rose in seasonally adjusted terms in May 2023: Cafes, Restaurants and Takeaway Food Services (1.4%), Other Retailing (2.2%), Household Goods Retailing (0.6%), Food Retailing (0.3%) whilst it fell for Clothing, Footwear and Personal Accessory Retailing (0.6%) and Department Stores (0.5%).

The following states and territories rose in seasonally adjusted terms in May 2023: Northern Territory (1.6%), Australian Capital Territory (1.4%), Victoria (1.0%), New South Wales (0.8%), Queensland (0.4%), South Australia (0.4%) and Western Australia (0.2%), whilst it fell for Tasmania (0.1%).

Source: ABS data released 29 June 2023. Data refers to the seasonally adjusted estimate increases/decreases by industry/state



## Announced deals

According to Mergermarket, announced retail deal activity for FY2023TD<sup>(1)</sup> declined significantly in value compared to the prior comparable period (PCP), with volume also decreasing. 213 deals totalling A\$16.4bn were announced in the FY23TD period, versus 224 in the PCP, valued at A\$42.0bn.

### Australia and New Zealand Announced Retail and Consumer deals (FY2023TD<sup>(1)</sup> and LTM vs. PCP)

Deal value (in AU\$m)	FY2023TD <sup>(1)</sup>		PCP		LTM <sup>(2)</sup>		PCP	
	# of deals	Deal value	# of deals	Deal value	# of deals	Deal value	# of deals	Deal value
\$0 to \$5M	3	6	3	13	3	6	3	13
\$6 to \$10M	10	90	10	86	10	90	10	86
\$11 to \$20M	18	277	16	244	18	277	16	244
\$21 to \$30M	17	431	14	383	17	431	14	383
\$31 to \$50M	17	735	16	594	17	735	16	594
\$51 to \$100M	17	1,244	19	1,337	17	1,244	19	1,337
\$101 to \$300M	18	3,450	17	2,878	18	3,450	17	2,878
\$301 to \$500M	4	1,490	10	4,240	4	1,490	10	4,240
>\$500M	5	8,642	10	32,177	5	8,642	10	32,177
<b>Subtotal</b>	<b>109</b>	<b>16,365</b>	<b>115</b>	<b>41,952</b>	<b>109</b>	<b>16,365</b>	<b>115</b>	<b>41,952</b>
<b>Undisclosed</b>	104	n/a	109	n/a	104	n/a	109	n/a
<b>Total Announced</b>	<b>213</b>	<b>16,365</b>	<b>224</b>	<b>41,952</b>	<b>213</b>	<b>16,365</b>	<b>224</b>	<b>41,952</b>
<b>Total Completed</b>	<b>172</b>	<b>5,975</b>	<b>199</b>	<b>23,202</b>	<b>172</b>	<b>5,975</b>	<b>199</b>	<b>23,202</b>

Source: Mergermarket, based on announced and completed transactions as of 30 June 2023

(1) FY2023TD refers to the period 1 July 2022 to 30 June 2023, reflecting the latest available Mergermarket data

(2) LTM refers to the period 1 July 2022 to 30 June 2023

## Selected recently completed / announced deals

- **18 July – Private equity fund Glow Capital Partners announced to acquire a 51% stake in an Australian hospitality uniform brand Cargo Crew.** The agreement states that the Cargo Crew executive team will retain full management control and three representatives from Glow Capital Partners will join the board of directors.
- **11 July – Tribe Breweries, a local manufacturer of craft beer, has successfully emerged from voluntary administration under new ownership by the Elsie Cameron Foundation.** Heath Baker, appointed as the new Chief Executive Officer, will manage the organisation's corporate operations of its brewery in Goulburn. The transaction provides an exit strategy for Advent Partners Pty Ltd.
- **10 July – Ahoy Club, the Australian based luxury yacht dealer and charter business has acquired an undisclosed 'significant' stake in Ray White Marina, the local luxury boat dealer.** The merger aims to strengthen Ahoy Club's market share in Australia and New Zealand as the firm continues to grow its yacht brokerage and new build sales divisions.
- **10 July – Australian red meat processor Thomas Food International has fully acquired Frew Foods International, the Victorian-based sheep and goat meat processor,** which will be renamed as Thomas Foods International Stawell. TFI acquired a 50% stake in Frew in 2020 and has now increased its investment to 100%.
- **7 July – Queensland-based Epicurean Foods, a producer of dressings, sauces, and desserts, has been acquired by Sydney-based Birch & Waite Foods, which is backed by Fortitude Investment Partners, for an undisclosed amount.** The 30-year-old company supplies professional chefs and family cooks in Australia and throughout the world.
- **6 July – Red Rich Fruits, the New South Wales arm of a farming and fresh produce marketing company, has announced merger with apple farmer Batlow Fruit and its majority shareholder Ausfarm Fresh Horticulture** to establish one of Australia's apple, mango, and mandarin enterprises. The united group is estimated to earn A\$150 to 200 million in revenue in the first year, with a combined A\$60 million in assets.
- **4 July – New York private equity investor Paine Schwartz Partners LLC has made a non-binding bid to acquire the remaining 86.24% stake in Costa Group Holdings Ltd, the Australia-based grower, packer and marketer of fresh fruit and vegetables. The consideration was A\$1.43bn based on an offer price of A\$3.5 per share.** Australia's Foreign Investment Review Board has approved the potential transaction however that approval may be required to be refreshed upon finalisation of any co-investors.

Source: Mergermarket, Australian Financial Review

## Selected recently completed / announced deals (cont'd)

- **4 July – Lion Group has acquired full ownership of Four Pillars Gin as part of its expansion into the premium spirits category, joining the Lion-owned Vanguard Luxury Brands distribution business.** Lion has purchased the remaining **50% stake in Four Pillars Gin for approximately A\$50 million**, and the initial **acquisition of a 50% stake** in the gin business took place in **2019 for an estimated A\$40 million**. The acquisition includes ownership of its world-class distillery in Healesville, and all domestic and international sales and marketing of the brand.
- **3 July – Lindsay Australia Limited has announced the acquisition of WB Hunter in a deal worth A\$34.6 million**, gaining 100% control of the rural merchandise company. The deal comprises of an upfront cash component, a scrip component of A\$7.2 million and a deferred cash payment for the inventory assets of about A\$14.5 million.
- **3 July – United Malt has announced to accept the A\$1.5 billion takeover offer from Malteries Soufflet, part of French company InVivo.** The acquisition could create the world's largest malt producer. United Malt, which has processing plants in Australia, Canada, the US and the UK, makes it the world's fourth-largest commercial maltster.

Source: Mergermarket, Australian Financial Review

### A Closer Look: Buy Now, Pay Later: Will regulations impact the industry?

Anticipated to come into effect following introduction into Parliament by the end of 2023, Buy Now, Pay Later (BNPL) providers will have to comply with a new regulatory framework, as the Federal Government will place BNPL services under the *National Consumer Credit Protection Act 2009*. This means that BNPL offers will be considered as credit products and providers will need an Australian Credit License (ACL). New regulation requirements will include the improvement of aspects such as dispute resolution, hardship provision, marketing practices and complaint processes. BNPL providers will also have to cover consumers' repayment history. A cap on late payments fees will be introduced, as well as affordability checks to assess customers' suitability for BNPL services. In addition, credit limits won't be increased unless consumers ask for it.

The Government's main reason to regulate the industry is that too many customers borrow more than they can pay back. Since the sector is currently self-regulated, BNPL can drive consumers further into debt, especially for vulnerable or less aware consumers. This payment method can also lead to high consumer fees, disproportionate charges and a huge effective rate, with users likely to experience financial stress. The legislation will focus on consumer protection with the aim to 'create a safer and more responsible environment for customers and avoid lending to those who can't afford it.'

As a consequence, BNPL providers might experience a decline in growth. Features such as fee caps and a more complicated application process could result in lower revenue and fewer providers offering the service. However, the National Retail Association expects that the popularity of BNPL will continue to grow, stating that "BNPL is unlikely to decline as a payment option. In fact, it represents a significant and growing portion of retail transactions, particularly in fashion and electronic goods, and predominantly among Gen Z's and millennials" who may be less likely to have credit cards.

Source: InsideRetail, Financial Review, The Australian



## Also recently in the news

- Global toy company **Mattel has partnered with Retail Prodigy Group (RPG) to launch an online store in time for the Barbie movie launch**. RPG is an Australian retail franchise partner for global brands and has worked with Nike to expand its footprint across Australia and New Zealand.
- Australian diversified spirits company **Top Shelf International secured A\$30 million through a placement, institutional entitlement and retail offer**. The funds will be utilised to assist in achieving positive cash flow and reducing debt.
- **Australia has been named as a global leader in omnichannel consumer experience** in the Omnichannel Leadership Report from NewStore. It is a retail survey that audits around 275 brands across several key international markets.
- Belgian chocolate brand **Godiva has opened its first Canberra store**, which features a wide range of premium chocolates, beverages and biscuits. The brand plans to open additional stores in major cities in Australia over the next two years.
- Australian burger chain **Grill'd opened its first drive-thru restaurant in Brisbane marking the brand's 165<sup>th</sup> local location as part of a broader expansion strategy** to service new markets and embrace new channels.
- Following the success of a Sydney pop-up, Melbourne's **Lune Croissanterie has announced to open its second premium outlet in Sydney's Martin Place next year**. The brand had planned to open its first Sydney flagship in Darlinghurst this year, however, due to delays in heritage approvals, the opening has been postponed until next year.
- Australian **McIntyre Merino will open two new flagship stores in Sydney and Melbourne**, along with offshore expansion opportunities in Europe.
- **French Connection stores has announced to be rebranded to Unison in Australia**, a fashion brand focusing on a relaxed modern lifestyle, launching its new brand identity in-store and online on 24 August.
- Children's shoe retailer **Minnow Designs has disclosed to cease its operations citing tough trading conditions**. Established in 2016 by Lorraine Nguyen and Stacey Fisher, the brand sells a range of waterproof beach shoes and sandals for kids.
- **Melbourne Airport and Lotte have launched the new Lotte Duty Free store, as part of the airport's plans to significantly expand its duty-free footprint**. The plans include a renovation to the arrivals store set to complete at the end of 2024, with the departures store updated by 2026.
- **Alex Davison has been appointed the new CEO of L'Oreal Group ANZ, succeeding Rodrigo Pizarro**. Davison has served as the CEO of L'Oreal Greece for the past three years
- **Kmart and Target are set to merge into a A\$10 billion dual-brand discount retail business** via a new operating model under Wesfarmers, designed to unlock scale and productivity across both brands, value offerings become more desirable to shoppers battling the rising cost of living.
- **Trans-Tasman electronics retailer JB Hi-Fi has announced a growth strategy to its store network in New Zealand**. In the next three to five years, the company is looking to double the size of its business.
- Japanese lifestyle brand **Uniqlo will launch its first physical location in Canberra later 2023**, following demands from Canberra residents. The store will feature the entire LifeWear range, including '23 Spring Summer Collection, six self-check-out machines, and 12 changing rooms for consumers to try on the apparel.
- **Dior has planned to open its first store in Perth late 2024** due to West Australians' strong domestic economy and purchasing power. The store aims to offer customers an "immersive" Dior experience.
- **Australia-based Mexican restaurant Mad Mex named Therese Frangie as the new CEO** after its CEO founder Clovis Young moves on to become Managing Director. Frangie, the former COO of the business, will now look after the day-to-day operations of the company and focus on growing the brand into more stores.
- **Social enterprise Thankyou has opened a 12-week pop-up called Inside Store in Melbourne's CBD** to increase consumer awareness of its newly relaunched product lines across home cleaning and personal care, open until 24 September.
- **Food delivery service HungryPanda has teamed up with smart food locker service Foodifox to deliver orders straight to lockers in Melbourne**. Foodifox offers a food storage solution through thermal food lockers ensuring orders are delivered hot and fresh to customers.
- Not-for-profit fashion charity **Thread Together plans to open its first clothing beneficiary centre in Melbourne on 29 June**. The hub is opened in partnership with **Northern Community CareWorks** and will help vulnerable people with clothing at no cost. The charity had a long-term objective of securing a permanent clothing hub after supplying clothing across Melbourne and regional Victoria through a Mobile Wardrobe van service.
- Australian menswear label **Calibre is ramping up its expansion across the country with two new stores in Melbourne and a Brisbane debut**. The boutique designs feature a minimalist approach. The latest Calibre retail concept focuses on strong frontage and contemporary design features.

Note: News may be speculative or rumoured in nature  
Source: Mergermarket, Inside Retail

## Retail sector trends

As reported by the ABS, the seasonally adjusted Australian retail turnover for May 2023 trends are as follows:

- **Food retailing:** The seasonally adjusted estimate for Food retailing rose 0.3% in May 2023. By industry subgroup, the seasonally adjusted estimate rose for Supermarkets and grocery stores (0.4%), Other specialised food retailing (0.6%) whilst it fell for liquor retailing (1.5%).
- **Household goods retailing:** The seasonally adjusted estimate for Household goods retailing rose 0.7% in May 2023. By industry subgroup, the seasonally adjusted estimate rose for Furniture, floor coverings, houseware and textile goods retailing (0.6%), building and garden supplies retailing (0.6%) and Electrical and electronic goods retailing (0.9%).
- **Clothing, footwear and personal accessory retailing:** The seasonally adjusted estimate for Clothing, footwear and personal accessory retailing fell 0.8% in May 2023. By industry subgroup, the seasonally adjusted estimate fell for Clothing retailing (1.2%) whilst it remained same for Footwear and other personal accessory retailing.
- **Department stores:** The seasonally adjusted estimate for Department stores fell 0.5% in May 2023.
- **Cafes, restaurants and take-away food services:** The seasonally adjusted estimate for Cafes, restaurants and takeaway food services rose 1.5% in May 2023. By industry subgroup, the seasonally adjusted estimate rose for Cafes, restaurants and catering services (1.6%) and Takeaway food services (1.4%).
- **Other retailing:** The seasonally adjusted estimate for Other retailing rose 2.6% in May 2023. By industry subgroup, the seasonally adjusted estimate rose for Pharmaceutical, cosmetic and toiletry goods retailing (4.1%), and Other retailing n.e.c (3.2%), whilst it fell for Other recreational goods retailing (2.5%) and Newspaper and book retailing (5.4%).

Source: ABS data released 29 June 2023. Data refers to the seasonally adjusted estimates by industry



Ticker	Company	Currency	Share price \$	Mkt cap million	EV million	Net debt	Net debt / EV	Dividend Yield LTM	Stock performance				EV / EBITDA				EV / EBIT				PE		
									L1M	L3M	L6M	LTM	Actual	Forecasts		Growth	Actual	Forecasts		Growth	Actual	Forecasts	
													LTM	CY2023	CY2024	LTM-24	LTM	CY2023	CY2024	LTM-24	LTM	CY2023	CY2024
<b>FMCG - Beverage</b>																							
ASX:TWE	Treasury Wine Estates Limited	AUD	11.18	8,074	9,319	1,227	13%	1.4%	(2.3%)	(20.4%)	(21.1%)	(3.2%)	12.3x	n/m	n/m	n/m	14.9x	n/m	n/m	n/m	23.5x	n/m	n/m
NZSE:DGL	Delegat Group Limited	NZD	9.00	910	1,310	399	31%	2.2%	4.8%	-	(11.8%)	(16.9%)	10.4x	10.5x	9.9x	2.5%	12.7x	13.1x	12.2x	2.3%	15.9x	14.6x	13.4x
ASX:AVG	Australian Vintage Ltd	AUD	0.44	111	244	133	54%	7.7%	8.6%	(12.0%)	(27.9%)	(26.3%)	8.6x	7.1x	5.8x	22.2%	18.0x	17.5x	11.7x	23.9%	16.9x	14.3x	8.2x
ASX:GDA	Good Drinks Australia Limited	AUD	0.50	64	107	44	41%	0.0%	(6.6%)	(14.7%)	(25.6%)	(34.9%)	14.9x	n/m	n/m	n/m	49.8x	n/m	n/m	n/m	53.5x	n/m	n/m
	<b>Mean</b>												<b>11.6x</b>	<b>8.8x</b>	<b>7.8x</b>	<b>12.4%</b>	<b>23.9x</b>	<b>15.3x</b>	<b>11.9x</b>	<b>13.1%</b>	<b>27.5x</b>	<b>14.5x</b>	<b>10.8x</b>
	<b>Median</b>												<b>11.3x</b>	<b>8.8x</b>	<b>7.8x</b>	<b>12.4%</b>	<b>16.5x</b>	<b>15.3x</b>	<b>11.9x</b>	<b>13.1%</b>	<b>20.2x</b>	<b>14.5x</b>	<b>10.8x</b>
<b>FMCG - Food &amp; Dairy</b>																							
NZSE:ATM	The a2 Milk Company Limited	NZD	5.55	4,007	3,361	(655)	(20%)	0.0%	3.4%	(11.1%)	(24.3%)	9.9%	16.4x	13.9x	11.6x	18.6%	18.0x	20.6x	12.6x	19.4%	30.7x	24.0x	19.3x
NZSE:FCG	Fonterra Co-operative Group Limited	NZD	3.07	4,940	10,183	5,227	51%	0.0%	(5.8%)	12.9%	21.1%	24.6%	3.9x	n/m	n/m	n/m	4.9x	n/m	n/m	n/m	4.1x	n/m	n/m
ASX:BGA	Bega Cheese Limited	AUD	3.20	974	1,404	430	31%	3.1%	(8.8%)	(16.2%)	(16.2%)	(3.4%)	11.2x	8.5x	7.7x	20.7%	40.0x	24.2x	19.5x	43.2%	n/m	34.2x	25.0x
NZSE:SML	Synlait Milk Limited	NZD	1.60	350	894	544	61%	0.0%	(3.6%)	(25.2%)	(54.5%)	(52.4%)	8.6x	7.9x	6.1x	18.5%	17.7x	16.2x	10.1x	31.9%	15.1x	19.6x	7.6x
ASX:NOU	Noumi Limited	AUD	0.14	37	489	451	92%	0.0%	98.5%	51.7%	(10.0%)	(22.9%)	23.1x	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
	<b>Mean</b>												<b>12.6x</b>	<b>10.1x</b>	<b>8.5x</b>	<b>19.3%</b>	<b>20.1x</b>	<b>20.4x</b>	<b>14.1x</b>	<b>31.5%</b>	<b>16.6x</b>	<b>25.9x</b>	<b>17.3x</b>
	<b>Median</b>												<b>11.2x</b>	<b>8.5x</b>	<b>7.7x</b>	<b>18.6%</b>	<b>17.8x</b>	<b>20.6x</b>	<b>12.6x</b>	<b>31.9%</b>	<b>15.1x</b>	<b>24.0x</b>	<b>19.3x</b>
<b>FMCG - Food (Production)</b>																							
ASX:CGC	Costa Group Holdings Limited	AUD	3.27	1,520	2,490	923	37%	2.8%	18.5%	27.7%	16.7%	33.9%	11.2x	8.9x	8.5x	14.9%	26.5x	17.2x	15.8x	29.3%	n/m	22.4x	19.8x
ASX:AAC	Australian Agricultural Company Limited	AUD	1.47	886	1,313	427	33%	0.0%	-	(7.0%)	(18.3%)	(18.3%)	n/m	31.7x	31.0x	n/m	n/m	n/m	31.5x	n/m	n/m	n/m	n/m
ASX:ING	Inghams Group Limited	AUD	2.80	1,041	2,831	1,790	63%	1.8%	5.7%	(2.8%)	(2.0%)	2.8%	11.8x	6.5x	6.1x	38.5%	36.7x	17.4x	13.5x	64.9%	n/m	13.2x	11.2x
ASX:SHV	Select Harvests Limited	AUD	4.22	511	927	417	45%	0.5%	0.5%	(6.0%)	6.6%	(13.5%)	n/m	n/m	11.6x	n/m	n/m	n/m	19.8x	n/m	n/m	n/m	19.5x
NZSE:SAN	Sanford Limited	NZD	4.18	391	613	222	36%	2.4%	3.2%	2.4%	(1.6%)	4.0%	8.4x	7.0x	6.3x	15.8%	17.3x	11.0x	10.0x	31.9%	24.6x	12.5x	11.2x
ASX:E33	East 33 Limited	AUD	0.03	15	25	10	41%	0.0%	55.6%	(6.7%)	(33.3%)	(44.4%)	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
	<b>Mean</b>												<b>10.5x</b>	<b>13.5x</b>	<b>12.7x</b>	<b>23.1%</b>	<b>26.8x</b>	<b>15.2x</b>	<b>18.1x</b>	<b>42.0%</b>	<b>24.6x</b>	<b>16.1x</b>	<b>15.4x</b>
	<b>Median</b>												<b>11.2x</b>	<b>8.0x</b>	<b>8.5x</b>	<b>15.8%</b>	<b>26.5x</b>	<b>17.2x</b>	<b>15.8x</b>	<b>31.9%</b>	<b>24.6x</b>	<b>13.2x</b>	<b>15.3x</b>
<b>FMCG - Personal Care</b>																							
ASX:BKL	Blackmores Limited	AUD	94.73	1,843	1,802	(53)	(3%)	1.3%	0.5%	21.2%	11.2%	25.8%	22.5x	17.7x	15.1x	21.9%	32.8x	23.8x	19.7x	28.9%	n/m	38.7x	31.1x
NZSE:CVT	Comvita Limited	NZD	3.09	216	293	77	26%	1.8%	7.3%	10.0%	(8.8%)	(0.5%)	8.5x	7.7x	6.2x	17.1%	12.1x	11.1x	8.4x	20.0%	20.4x	12.6x	9.2x
ASX:SSG	Shaver Shop Group Limited	AUD	1.10	143	135	(8)	(6%)	9.3%	20.3%	0.9%	(3.5%)	14.9%	3.2x	3.0x	2.8x	7.4%	5.0x	5.1x	4.7x	2.9%	8.7x	7.5x	6.9x
ASX:BWV	BWX Limited	AUD	0.20	40	197	128	65%	0.0%	-	-	(20.0%)	(73.9%)	n/m	12.4x	8.4x	n/m	n/m	n/m	17.2x	n/m	n/m	n/m	17.8x
ASX:MCP	McPherson's Limited	AUD	0.45	64	92	28	30%	9.0%	(1.1%)	(23.3%)	(36.2%)	(42.5%)	5.8x	5.9x	5.4x	3.3%	9.2x	9.7x	8.6x	3.5%	11.1x	11.8x	10.1x
ASX:BIO	Biome Australia Limited	AUD	0.10	19	16	(3)	(21%)	0.0%	28.4%	17.3%	46.2%	18.8%	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
ASX:EZZ	EZZ Life Science Holdings Limited	AUD	0.52	22	12	(10)	(77%)	0.9%	(1.0%)	29.8%	42.0%	54.6%	3.5x	3.4x	2.9x	10.7%	3.6x	3.6x	2.9x	11.3%	10.3x	8.5x	7.0x
	<b>Mean</b>												<b>8.7x</b>	<b>8.4x</b>	<b>6.8x</b>	<b>12.1%</b>	<b>12.5x</b>	<b>10.6x</b>	<b>10.3x</b>	<b>13.3%</b>	<b>12.6x</b>	<b>15.8x</b>	<b>13.7x</b>
	<b>Median</b>												<b>5.8x</b>	<b>6.8x</b>	<b>5.8x</b>	<b>10.7%</b>	<b>9.2x</b>	<b>9.7x</b>	<b>8.5x</b>	<b>11.3%</b>	<b>10.7x</b>	<b>11.8x</b>	<b>9.7x</b>

Source: CapitalIQ, as at 24 July 2023

Ticker	Company	Currency	Share price \$	Mkt cap million	EV million	Net debt	Net debt / EV	Dividend Yield LTM	Stock performance				EV / EBITDA			EV / EBIT			PE				
									L1M	L3M	L6M	LTM	Actual	Forecasts		Growth	Actual	Forecasts		Growth	Actual	Forecasts	
													LTM	CY2023	CY2024	LTM-24	LTM	CY2023	CY2024	LTM-24	LTM	CY2023	CY2024
<b>Household Goods Retail</b>																							
ASX:HVN	Harvey Norman Holdings Limited	AUD	3.65	4,550	6,443	1,859	29%	8.4%	13.4%	-	(15.8%)	(6.0%)	5.7x	n/m	n/m	n/m	6.5x	n/m	n/m	n/m	7.7x	n/m	n/m
ASX:JBH	JB Hi-Fi Limited	AUD	44.24	4,837	5,011	174	3%	7.9%	6.1%	(1.7%)	(5.3%)	7.8%	4.7x	n/m	n/m	n/m	5.9x	n/m	n/m	n/m	9.4x	n/m	n/m
NZSE:WHS	The Warehouse Group Limited	NZD	1.80	622	1,505	882	59%	5.6%	7.1%	4.7%	(31.0%)	(43.1%)	5.6x	5.6x	5.2x	4.1%	11.5x	15.6x	13.4x	(7.3%)	10.7x	13.5x	10.6x
ASX:NCK	Nick Scali Limited	AUD	9.79	793	1,042	249	24%	7.7%	16.5%	(0.5%)	(13.5%)	12.8%	5.2x	5.9x	6.5x	(10.7%)	6.6x	8.1x	9.5x	(16.3%)	8.5x	9.7x	11.3x
ASX:BBN	Baby Bunting Group Limited	AUD	1.60	216	403	187	46%	7.3%	32.2%	(26.8%)	(38.6%)	(65.9%)	6.3x	6.2x	5.5x	7.3%	13.3x	13.9x	11.7x	6.5%	15.3x	13.7x	10.6x
ASX:BLX	Beacon Lighting Group Limited	AUD	1.80	404	529	125	24%	5.2%	20.8%	3.7%	(22.7%)	(11.0%)	5.8x	6.3x	6.2x	(3.1%)	8.6x	10.0x	9.9x	(6.9%)	11.5x	12.2x	12.2x
ASX:ADH	Adairs Limited	AUD	1.61	279	556	277	50%	11.2%	19.3%	(25.8%)	(41.2%)	(24.6%)	4.2x	4.4x	4.2x	(0.4%)	7.2x	8.9x	8.6x	(8.5%)	6.6x	7.8x	7.5x
ASX:TRS	The Reject Shop Limited	AUD	4.91	185	319	133	42%	0.0%	6.7%	1.7%	17.7%	21.2%	2.5x	2.3x	2.1x	10.6%	16.3x	16.1x	12.3x	15.0%	23.6x	16.8x	12.5x
ASX:DSK	Dusk Group Limited	AUD	1.17	73	78	6	7%	15.4%	34.5%	(21.7%)	(40.7%)	(43.2%)	2.2x	4.0x	3.9x	(25.8%)	3.1x	5.5x	5.8x	(26.5%)	4.7x	6.6x	6.5x
	<b>Mean</b>												<b>4.7x</b>	<b>5.0x</b>	<b>4.8x</b>	<b>(2.6%)</b>	<b>8.8x</b>	<b>11.2x</b>	<b>10.2x</b>	<b>(6.3%)</b>	<b>10.9x</b>	<b>11.5x</b>	<b>10.1x</b>
	<b>Median</b>												<b>5.2x</b>	<b>5.6x</b>	<b>5.2x</b>	<b>(0.4%)</b>	<b>8.8x</b>	<b>11.2x</b>	<b>9.9x</b>	<b>(7.3%)</b>	<b>9.4x</b>	<b>12.2x</b>	<b>10.6x</b>
<b>Household Goods Wholesale / Distribution</b>																							
NZSE:EBO	EBOS Group Limited	AUD	38.30	7,339	8,456	1,150	14%	2.4%	4.1%	(16.2%)	(13.8%)	1.8%	15.2x	12.9x	12.6x	9.9%	19.1x	15.7x	15.3x	11.7%	32.5x	23.8x	23.0x
ASX:BRG	Breville Group Limited	AUD	21.61	3,086	3,376	291	9%	1.4%	12.6%	6.4%	(2.7%)	7.8%	17.7x	15.4x	14.0x	12.5%	20.5x	20.2x	17.3x	8.7%	32.4x	26.7x	23.6x
ASX:GUD	GUD Holdings Limited	AUD	9.58	1,350	1,955	605	31%	4.1%	11.7%	1.3%	16.1%	15.9%	9.3x	8.5x	7.9x	8.4%	12.4x	10.7x	9.7x	12.9%	15.3x	11.6x	10.5x
ASX:GWA	GWA Group Limited	AUD	1.83	485	678	193	28%	7.7%	8.6%	4.0%	(9.4%)	(6.5%)	7.0x	7.4x	7.2x	(1.7%)	8.6x	9.2x	8.9x	(1.9%)	10.9x	10.1x	10.5x
ASX:LGL	Lynch Group Holdings Limited	AUD	2.60	317	404	87	22%	2.3%	2.4%	53.4%	64.0%	33.5%	11.7x	7.6x	5.9x	40.5%	31.6x	14.9x	10.3x	75.6%	n/m	15.6x	10.2x
ASX:SHM	Shriro Holdings Limited	AUD	0.72	69	69	(1)	(1%)	10.4%	2.9%	2.1%	(0.3%)	4.2%	3.5x	n/m	n/m	n/m	4.8x	n/m	n/m	n/m	7.5x	n/m	n/m
ASX:PTL	Pental Limited	AUD	0.35	59	58	(0)	(1%)	8.7%	4.5%	3.0%	(0.6%)	(10.3%)	4.9x	4.6x	4.0x	11.1%	7.1x	6.8x	5.6x	12.7%	11.9x	10.1x	8.3x
NZSE:BRW	Bremworth Limited	NZD	0.42	29	38	8	22%	0.0%	7.7%	16.7%	(10.6%)	(20.8%)	49.8x	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
	<b>Mean</b>												<b>14.9x</b>	<b>9.4x</b>	<b>8.6x</b>	<b>13.5%</b>	<b>14.9x</b>	<b>12.9x</b>	<b>11.2x</b>	<b>19.9%</b>	<b>18.4x</b>	<b>16.3x</b>	<b>14.3x</b>
	<b>Median</b>												<b>10.5x</b>	<b>8.0x</b>	<b>7.6x</b>	<b>10.5%</b>	<b>12.4x</b>	<b>12.8x</b>	<b>10.0x</b>	<b>12.2%</b>	<b>13.6x</b>	<b>13.6x</b>	<b>10.5x</b>
<b>Diversified Retail</b>																							
ASX:WES	Wesfarmers Limited	AUD	49.26	55,886	67,238	11,352	17%	3.8%	2.5%	(6.0%)	2.0%	7.7%	12.6x	n/m	n/m	n/m	17.9x	n/m	n/m	n/m	25.2x	n/m	n/m
ASX:SUL	Super Retail Group Limited	AUD	12.04	2,719	3,545	826	23%	6.4%	12.5%	(10.5%)	(3.9%)	29.0%	4.9x	4.9x	5.1x	(2.0%)	8.0x	9.2x	10.0x	(10.8%)	11.0x	11.5x	12.4x
	<b>Mean</b>												<b>8.7x</b>	<b>4.9x</b>	<b>5.1x</b>	<b>(2.0%)</b>	<b>13.0x</b>	<b>9.2x</b>	<b>10.0x</b>	<b>(10.8%)</b>	<b>18.1x</b>	<b>11.5x</b>	<b>12.4x</b>
	<b>Median</b>												<b>8.7x</b>	<b>4.9x</b>	<b>5.1x</b>	<b>(2.0%)</b>	<b>13.0x</b>	<b>9.2x</b>	<b>10.0x</b>	<b>(10.8%)</b>	<b>18.1x</b>	<b>11.5x</b>	<b>12.4x</b>
<b>Automotive Retail</b>																							
ASX:APE	Eagers Automotive Limited	AUD	14.31	3,699	5,885	2,149	37%	5.0%	13.0%	1.1%	30.2%	23.7%	9.9x	9.0x	9.4x	2.8%	12.3x	11.4x	12.0x	1.4%	16.0x	13.1x	14.0x
ASX:ARB	ARB Corporation Limited	AUD	30.46	2,501	2,507	6	0%	2.1%	10.3%	(3.9%)	2.3%	(4.7%)	15.5x	15.2x	13.9x	5.5%	17.9x	18.1x	16.6x	4.0%	28.9x	25.0x	22.9x
ASX:BAP	Bapcor Limited	AUD	6.22	2,111	2,708	596	22%	3.5%	5.6%	(6.6%)	(2.5%)	(3.8%)	9.6x	8.6x	7.6x	12.4%	13.7x	12.4x	10.7x	13.2%	19.2x	15.4x	13.1x
ASX:PWR	Peter Warren Automotive Holdings Limited	AUD	2.54	436	955	519	54%	9.4%	5.0%	(4.2%)	(8.2%)	12.5%	7.2x	7.2x	7.4x	(1.3%)	9.4x	9.5x	10.0x	(3.5%)	7.3x	7.9x	8.5x
ASX:MTO	MotorCycle Holdings Limited	AUD	1.63	120	261	141	54%	9.8%	11.6%	(8.4%)	(23.6%)	(24.9%)	5.6x	5.9x	5.5x	1.3%	8.2x	7.4x	7.3x	6.0%	5.6x	5.7x	5.6x
	<b>Mean</b>												<b>9.6x</b>	<b>9.2x</b>	<b>8.8x</b>	<b>4.2%</b>	<b>12.3x</b>	<b>11.8x</b>	<b>11.3x</b>	<b>4.2%</b>	<b>15.4x</b>	<b>13.4x</b>	<b>12.8x</b>
	<b>Median</b>												<b>9.6x</b>	<b>8.6x</b>	<b>7.6x</b>	<b>2.8%</b>	<b>12.3x</b>	<b>11.4x</b>	<b>10.7x</b>	<b>4.0%</b>	<b>16.0x</b>	<b>13.1x</b>	<b>13.1x</b>
<b>Apparel / Accessories Retail</b>																							
ASX:PMV	Premier Investments Limited	AUD	20.67	3,291	3,124	(167)	(5%)	5.2%	5.4%	(19.9%)	(22.6%)	2.9%	5.4x	n/m	n/m	n/m	7.5x	n/m	n/m	n/m	13.0x	13.3x	n/m
ASX:LOV	Lovisa Holdings Limited	AUD	20.71	2,233	2,471	238	10%	3.6%	14.9%	(23.0%)	(19.0%)	26.1%	17.1x	12.0x	9.7x	32.7%	24.0x	20.3x	16.0x	22.6%	37.7x	27.3x	21.5x
ASX:AX1	Accent Group Limited	AUD	1.72	947	1,460	513	35%	9.3%	11.4%	(33.8%)	(5.5%)	38.7%	5.4x	5.4x	4.8x	6.0%	11.6x	13.0x	10.9x	3.6%	13.7x	12.0x	12.1x
NZSE:KMD	KMD Brands Limited	NZD	0.95	676	1,063	382	36%	6.3%	(5.9%)	(12.8%)	(7.8%)	(9.4%)	5.3x	5.1x	4.6x	7.1%	11.7x	12.1x	9.9x	8.4%	13.4x	13.8x	10.8x
ASX:CCX	City Chic Collective Limited	AUD	0.36	86	145	59	41%	0.0%	16.1%	(23.4%)	(48.2%)	(86.0%)	31.8x	n/m	8.0x	99.6%	n/m	n/m	n/m	n/m	n/m	n/m	n/m
NZSE:MHJ	Michael Hill International Limited	AUD	1.00	346	422	77	18%	8.0%	(2.0%)	(7.4%)	(14.8%)	(7.1%)	4.1x	3.4x	3.4x	9.9%	6.1x	6.2x	6.0x	0.8%	9.0x	7.1x	7.6x
ASX:UNI	Universal Store Holdings Limited	AUD	3.35	257	308	51	17%	7.3%	27.4%	(30.4%)	(41.2%)	(28.6%)	4.7x	4.5x	4.1x	6.3%	7.5x	8.0x	7.4x	0.6%	9.7x	10.0x	9.0x
NZSE:HLG	Hallenstein Glasson Holdings Limited	NZD	6.52	387	427	40	9%	7.4%	7.4%	17.5%	30.1%	33.2%	5.0x	n/m	n/m	n/m	8.6x	n/m	n/m	n/m	13.1x	n/m	n/m
ASX:MOZ	Mosaic Brands Limited	AUD	0.19	34	157	123	78%	0.0%	15.2%	(13.6%)	(33.3%)	(5.0%)	2.5x	4.5x	3.4x	(13.9%)	n/m	6.7x	4.8x	n/m	n/m	3.9x	1.6x
	<b>Mean</b>												<b>9.0x</b>	<b>5.8x</b>	<b>5.4x</b>	<b>21.1%</b>	<b>11.0x</b>	<b>11.1x</b>	<b>9.2x</b>	<b>7.2%</b>	<b>15.7x</b>	<b>12.5x</b>	<b>10.4x</b>
	<b>Median</b>												<b>5.3x</b>	<b>4.8x</b>	<b>4.6x</b>	<b>7.1%</b>	<b>8.6x</b>	<b>10.1x</b>	<b>8.7x</b>	<b>3.6%</b>	<b>13.1x</b>	<b>12.0x</b>	<b>9.9x</b>

Source: CapitalIQ, as at 24 July 2023




Ticker	Company	Currency	Share price \$	Mkt cap million	EV million	Net debt	Net debt / EV	Dividend Yield LTM	Stock performance				EV / EBITDA			EV / EBIT			PE					
									L1M	L3M	L6M	LTM	Actual	Forecasts		Growth	Actual	Forecasts		Growth	Actual	Forecasts		
													LTM	CY2023	CY2024	LTM-24	LTM	CY2023	CY2024	LTM-24	LTM	CY2023	CY2024	
<b>Media</b>																								
ASX:REA	REA Group Limited	AUD	148.28	19,591	19,904	258	1%	1.1%	11.7%	5.9%	21.7%	22.4%	36.8x	28.2x	23.9x	24.1%	38.6x	33.2x	27.9x	17.5%	n/m	49.6x	28.7x	
ASX:SEK	SEEK Limited	AUD	23.59	8,356	9,609	1,252	13%	1.9%	9.3%	(3.1%)	(2.3%)	7.1%	22.9x	16.8x	15.3x	22.1%	23.1x	21.1x	19.3x	9.4%	37.2x	32.0x	28.4x	
ASX:CAR	carsales.com Ltd	AUD	23.85	8,985	10,106	1,115	11%	2.2%	1.9%	1.9%	6.5%	23.6%	33.9x	20.4x	17.6x	38.5%	39.5x	22.9x	20.5x	38.9%	52.4x	28.8x	27.0x	
ASX:IFM	Infomedia Ltd	AUD	1.61	603	551	(52)	(9%)	3.2%	3.2%	7.4%	42.3%	0.2%	36.4x	10.2x	9.1x	100.4%	50.0x	25.2x	19.6x	59.6%	n/m	34.4x	27.3x	
ASX:KED	Keypath Education International, Inc.	USD	0.57	122	48	(50)	(104%)	0.0%	56.2%	-	(2.6%)	(50.9%)	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	
	<b>Mean</b>												<b>32.5x</b>	<b>18.9x</b>	<b>16.5x</b>	<b>46.3%</b>	<b>37.8x</b>	<b>25.6x</b>	<b>21.8x</b>	<b>31.3%</b>	<b>44.8x</b>	<b>36.2x</b>	<b>27.9x</b>	
	<b>Median</b>												<b>35.1x</b>	<b>18.6x</b>	<b>16.5x</b>	<b>31.3%</b>	<b>39.0x</b>	<b>24.0x</b>	<b>20.1x</b>	<b>28.2%</b>	<b>44.8x</b>	<b>33.2x</b>	<b>27.9x</b>	
<b>E-commerce</b>																								
ASX:WEB	Webjet Limited	AUD	7.58	2,904	2,630	(273)	(10%)	0.0%	11.6%	2.0%	12.8%	50.7%	33.1x	16.0x	12.7x	61.3%	44.9x	19.2x	15.6x	69.7%	n/m	29.1x	22.4x	
ASX:SDR	SiteMinder Limited	AUD	3.51	959	902	(56)	(6%)	0.0%	26.7%	2.9%	(5.1%)	(6.1%)	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	
ASX:TPW	Temple & Webster Group Ltd	AUD	6.51	783	707	(76)	(11%)	0.0%	29.2%	61.5%	21.0%	71.3%	n/m	42.7x	31.0x	n/m	n/m	n/m	40.5x	n/m	n/m	n/m	n/m	
ASX:KGN	Kogan.com Ltd	AUD	6.06	634	583	(51)	(9%)	0.0%	23.2%	68.3%	37.1%	85.3%	n/m	23.4x	12.9x	n/m	n/m	n/m	25.2x	n/m	n/m	n/m	41.0x	
ASX:CTT	Cettire Limited	AUD	3.10	1,182	1,129	(53)	(5%)	0.0%	21.6%	69.4%	61.5%	484.9%	n/m	36.1x	28.7x	n/m	n/m	39.3x	30.7x	n/m	n/m	n/m	46.0x	
ASX:ABY	Adore Beauty Group Limited	AUD	0.99	92	63	(29)	(46%)	0.0%	18.7%	(1.5%)	(12.8%)	(22.1%)	n/m	37.5x	12.3x	n/m	n/m	n/m	28.8x	n/m	n/m	n/m	49.0x	
ASX:STP	Step One Clothing Limited	AUD	0.35	64	31	(33)	(104%)	0.0%	4.5%	15.0%	15.0%	19.0%	3.3x	2.7x	2.5x	13.6%	3.3x	2.7x	2.6x	13.4%	10.4x	7.6x	7.5x	
ASX:MPA	Mad Paws Holdings Limited	AUD	0.10	34	33	(2)	(6%)	0.0%	8.9%	(18.3%)	(38.8%)	(24.6%)	n/m	n/m	19.2x	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	
ASX:BBG	Booktopia Group Limited	AUD	0.16	23	52	28	55%	0.0%	(13.9%)	(27.9%)	(40.4%)	(45.6%)	n/m	6.2x	4.1x	n/m	n/m	46.2x	10.3x	n/m	n/m	n/m	16.3x	
ASX:MBX	My Foodie Box Limited	AUD	0.01	0	1	1	65%	0.0%	-	(68.4%)	(82.9%)	(92.9%)	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	
	<b>Mean</b>												<b>18.2x</b>	<b>23.5x</b>	<b>15.4x</b>	<b>37.5%</b>	<b>24.1x</b>	<b>26.8x</b>	<b>22.0x</b>	<b>41.6%</b>	<b>10.4x</b>	<b>18.4x</b>	<b>30.4x</b>	
	<b>Median</b>												<b>18.2x</b>	<b>23.4x</b>	<b>12.8x</b>	<b>37.5%</b>	<b>24.1x</b>	<b>29.2x</b>	<b>25.2x</b>	<b>41.6%</b>	<b>10.4x</b>	<b>18.4x</b>	<b>31.7x</b>	
<b>Department Stores</b>																								
ASX:MYR	Myer Holdings Limited	AUD	0.66	542	1,964	1,422	72%	9.8%	14.8%	(24.1%)	(19.9%)	87.3%	4.8x	4.6x	5.0x	(2.2%)	8.7x	9.6x	10.8x	(10.7%)	6.5x	7.5x	10.0x	
<b>Supermarkets</b>																								
ASX:WOW	Woolworths Group Limited	AUD	38.83	47,136	62,475	15,208	24%	2.5%	(2.6%)	(0.4%)	13.0%	7.1%	12.3x	n/m	n/m	n/m	20.7x	n/m	n/m	n/m	32.5x	n/m	n/m	
ASX:COL	Coles Group Limited	AUD	18.09	24,117	32,238	8,121	25%	3.6%	(1.7%)	(1.4%)	7.0%	(0.4%)	9.8x	n/m	n/m	n/m	17.7x	n/m	n/m	n/m	24.8x	23.5x	n/m	
ASX:MTS	Metcash Limited	AUD	3.64	3,522	4,933	1,399	28%	6.2%	4.5%	(6.3%)	(10.1%)	(8.0%)	7.7x	n/m	n/m	n/m	10.1x	n/m	n/m	n/m	12.8x	n/m	n/m	
	<b>Mean</b>												<b>9.9x</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>16.2x</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>23.4x</b>	<b>23.5x</b>	<b>n/a</b>	
	<b>Median</b>												<b>9.8x</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>17.7x</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>24.8x</b>	<b>23.5x</b>	<b>n/a</b>	
<b>Restaurants / Fast Food</b>																								
ASX:DMP	Domino's Pizza Enterprises Limited	AUD	49.80	4,437	5,897	1,460	25%	2.7%	14.5%	(3.7%)	(30.8%)	(28.3%)	18.6x	16.4x	n/m	n/m	29.0x	n/m	n/m	n/m	39.2x	n/m	n/m	
ASX:CKF	Collins Foods Limited	AUD	10.02	1,176	1,936	760	39%	2.7%	28.2%	14.8%	26.6%	(0.4%)	13.3x	8.8x	7.8x	30.4%	38.2x	17.0x	14.7x	61.3%	n/m	22.1x	18.2x	
NZSE:RBD	Restaurant Brands New Zealand Limited	NZD	6.40	798	1,764	965	55%	2.5%	4.1%	(7.4%)	6.2%	(38.7%)	9.6x	8.8x	8.3x	7.7%	19.7x	17.6x	16.0x	10.8%	28.4x	25.5x	20.2x	
ASX:RFG	Retail Food Group Limited	AUD	0.05	130	230	101	44%	0.0%	12.8%	(15.9%)	(51.8%)	12.8%	24.5x	8.2x	7.5x	81.3%	n/m	9.0x	8.0x	n/m	n/m	6.3x	5.6x	
ASX:MCL	Mighty Craft Limited	AUD	0.04	16	45	27	61%	0.0%	(37.7%)	(73.1%)	(76.1%)	(78.5%)	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	
	<b>Mean</b>												<b>16.5x</b>	<b>10.6x</b>	<b>7.8x</b>	<b>39.8%</b>	<b>29.0x</b>	<b>14.5x</b>	<b>12.9x</b>	<b>36.1%</b>	<b>33.8x</b>	<b>18.0x</b>	<b>14.7x</b>	
	<b>Median</b>												<b>15.9x</b>	<b>8.8x</b>	<b>7.8x</b>	<b>30.4%</b>	<b>29.0x</b>	<b>17.0x</b>	<b>14.7x</b>	<b>36.1%</b>	<b>33.8x</b>	<b>22.1x</b>	<b>18.2x</b>	
<b>Other</b>																								
ASX:TLC	The Lottery Corporation Limited	AUD	5.07	11,285	12,848	1,563	12%	1.6%	-	0.6%	8.8%	16.2%	19.0x	16.5x	15.4x	11.1%	20.7x	19.5x	17.9x	7.6%	32.8x	30.0x	27.4x	
ASX:FLL	Flight Centre Travel Group Limited	AUD	22.39	4,883	5,393	510	9%	0.0%	19.0%	16.7%	44.0%	30.9%	n/m	14.1x	10.1x	n/m	n/m	23.1x	13.6x	n/m	n/m	33.8x	19.1x	
ASX:ELD	Elders Limited	AUD	7.06	1,105	1,689	582	34%	7.2%	13.9%	(13.0%)	(27.1%)	(34.7%)	7.2x	7.1x	7.0x	0.9%	9.3x	8.9x	9.3x	0.1%	11.7x	9.9x	10.0x	
ASX:ART	Airtasker Limited	AUD	0.19	86	66	(19)	(29%)	0.0%	5.6%	(7.3%)	(48.6%)	(34.5%)	n/m	n/m	49.9x	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	
ASX:CCV	Cash Converters International Limited	AUD	0.22	138	-	114	n/m	9.1%	(2.2%)	(6.4%)	(2.2%)	(2.3%)	0.0x	n/m	n/m	n/m	0.0x	n/m	n/m	n/m	7.2x	6.4x	5.6x	
ASX:BBT	BlueBet Holdings Ltd	AUD	0.21	42	11	(31)	(281%)	0.0%	16.7%	(30.0%)	(40.0%)	(61.8%)	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	
ASX:MEA	McGrath Limited	AUD	0.38	60	47	(13)	(27%)	5.3%	7.0%	5.6%	(0.1%)	(1.6%)	2.7x	n/m	n/m	n/m	n/m	5.0x	n/m	n/m	n/m	11.0x	n/m	n/m
	<b>Mean</b>												<b>7.2x</b>	<b>12.6x</b>	<b>20.6x</b>	<b>6.0%</b>	<b>8.7x</b>	<b>17.2x</b>	<b>13.6x</b>	<b>3.8%</b>	<b>15.7x</b>	<b>20.0x</b>	<b>15.5x</b>	
	<b>Median</b>												<b>5.0x</b>	<b>14.1x</b>	<b>12.7x</b>	<b>6.0%</b>	<b>7.1x</b>	<b>19.5x</b>	<b>13.6x</b>	<b>3.8%</b>	<b>11.3x</b>	<b>19.9x</b>	<b>14.6x</b>	

Source: CapitalIQ, as at 24 July 2023



# The Retail landscape is shifting - Survival of the fittest

With interest rates at their highest since April 2012 and inflation putting significant pressure on rent, wages and input costs, many retailers are entering FY2024 with some trepidation. Retailers are having to carefully consider how much of the additional costs they can or are willing to absorb, how much they are able to pass onto consumers and how it will impact on operations, when there are clear signs that discretionary spending is weakening across the economy.



Clear evidence of weakening discretionary spending with a marked pullback in travel spending and entertainment

The majority of retail categories saw double-digit percentage declines in April 2023 (Mastercard SpendingPulse)

Confidence about current financial conditions remain subdued on the ANZ—Roy Morgan Consumer Confidence Index

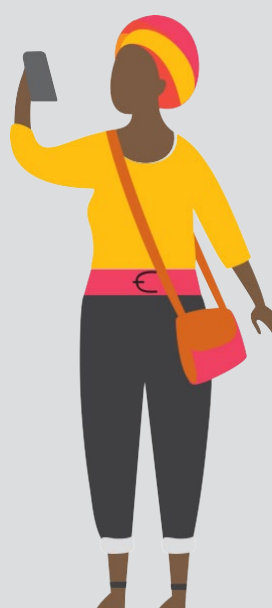
Electricity prices across households across most states are expecting to increase by 17-29% from 1 July, putting further pressure on discretionary spending

Spending slowdown expecting to worsen over the next few months, with accumulated savings now exhausted (UBS)

Consumers are switching to lower cost and lower margin products

Retail sales volumes fell for the second straight quarter (December and March quarters) (Australian Bureau of Statistics)

Combination of a continued switch in spend outside of retail and higher interest rates mean the downturn will become more acute in the next six months (Retail Mosaic)



## Key red flags for retailers to look out for....

Reach out to your local PwC Retail Restructuring team to discuss proactive steps you can take, when you observe any of the following:

1. Prolonged like-for-like sales or gross margin declines
2. Supplier payments stretched and some suppliers restricting trading terms
3. Unfunded forecast working capital requirements, particularly post Christmas
4. Retail portfolio with a number of loss-making stores, geographies or brands
5. Disputes with key landlords
6. Daily foot traffic and / or clicks declining by over 5%
7. Stock turn and ageing increases with no plan or capital to remedy
8. Restructuring plan in place but key milestones not being met
9. High turnover of key management or operations team members
10. Failing or significantly prolonged capital raising process

# How the PwC Retail Restructuring team can help?

1

## Developing credible retail restructuring plans

Key stakeholders prefer company-led restructuring processes and these will achieve wider support. We can help formulate a restructuring strategy and provide support for discussions with stakeholders. We provide a rapid and critical financial assessment of the retailer to improve confidence in future forecasts, understand sensitivities and formulate contingency plans and options.

We have hands-on retail turnaround experience and know 'what it takes', 'how long it takes', and consequently, how much funding is required to implement these plans.

2

## Stakeholder management in distressed or complex retail situations

We are experts at articulating the key messages and negotiating with stakeholders (including funders, landlords, customers, employees and suppliers) when times get tough. This can help buy time and support to refocus on 'steering the ship out of troubled waters'. We also know credit funds and special situation lenders who understand distressed situations and can provide rapid funding solutions to support a restructuring plan.

3

## Retail operational restructuring

We deliver hands-on improvements and operational changes to retailers, including business turnaround and transformation (company-wide or divisional), controlled store rationalisation, cash and working capital management, rapid & sustainable cost reduction and bespoke divestments & exits.

We believe each turnaround should not just survive, but also establish a sustainable platform for growth and a defensible business and operating model.

4

## Using a formal insolvency process in the retail sector

In the retail sector, a controlled insolvency process can be a valuable tool as part of a broader restructuring. We undertake appointments as Administrators, or Receivers and will look to preserve 'business as usual' retail operations while exploring the best strategic options such as an accelerated sale process. In a retail restructuring we utilise the inhouse skills of PwC such as Retail M&A and Retail Data & Analytics to deliver the best outcome in a difficult situation.

5

## Safe Harbour advice for Directors of retail companies

We provide Safe Harbour advice (that can reduce personal risk) to Directors of companies experiencing solvency issues. We work with Retailers to develop and implement credible restructuring plans that actively work towards a better outcome for creditors and allow Directors to access the Safe Harbour protections.

## Your #1 deal advisors

*PwC has been ranked #1 Global M&A Advisor by deal volume for 2022  
by Thomson Reuters, Bloomberg and Dealogic.*

*Our Australian team has also been ranked #1 by Mergermarket in Australasia.*



## Contact us

If you would like to discuss any of the information in this newsletter or be added to the distribution list for this newsletter, please contact one of our Deals Retail and Consumer specialists:



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