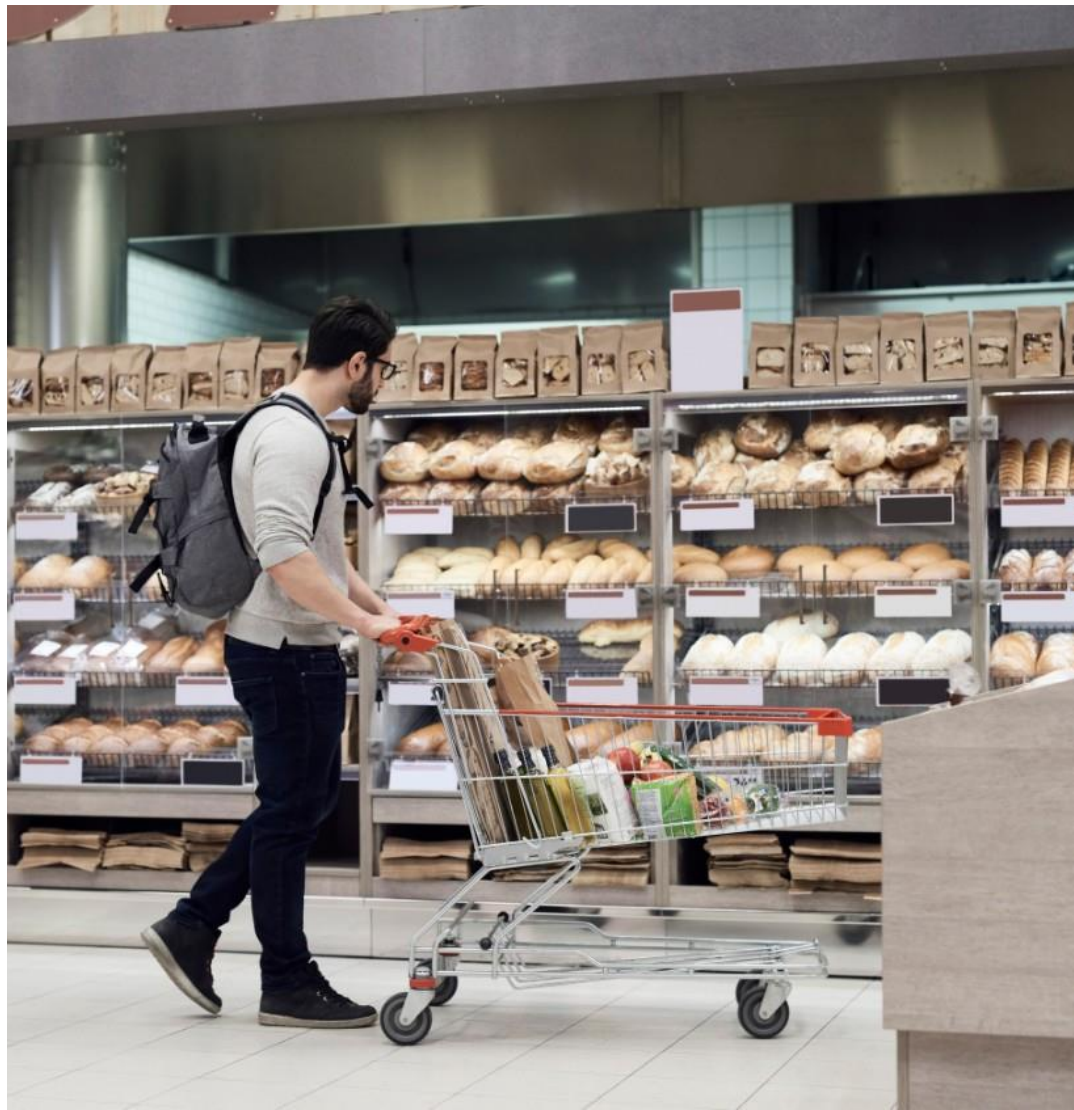


Retail and Consumer Deals Digest

August 2021



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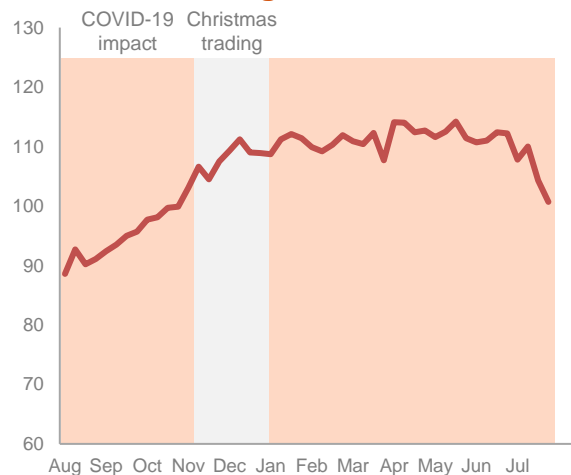
Consumer confidence fell by 3.5% in the last week, to its lowest level since early November 2020

Consumer confidence declined from 112.2 at end of June to 104.3 in mid-July, then further declining to 100.7 by the end of July. Confidence continues its descent as Sydney, Victoria and South Australia remained under lockdown, with cases rising in Sydney despite tightened restrictions.

All sub-indices registered a fall, with those that capture current conditions falling furthest. Current economic conditions dropped 6.0%, followed by current financial conditions, which declined 3.4%.

"Confidence fell in both Sydney (-2.2%) and Melbourne (-6.4%), but rose in Adelaide a touch (0.5%). Even with a much higher case load and longer lockdown, confidence in Sydney is a bit higher than in Melbourne. Confidence remains well above the lows seen in the early stages of the pandemic, suggesting the economic hit from the current lockdowns will be less than that seen in the second quarter of 2020." – **David Plank, ANZ Head of Australian Economics, 27 July 2021**

ANZ-Roy Morgan Weekly Consumer Confidence Rating



Source: ANZ-Roy Morgan Weekly Consumer Confidence Index

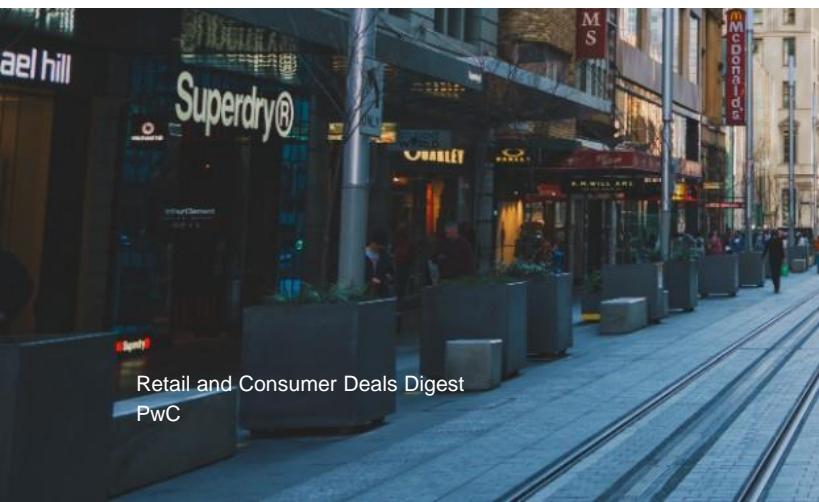
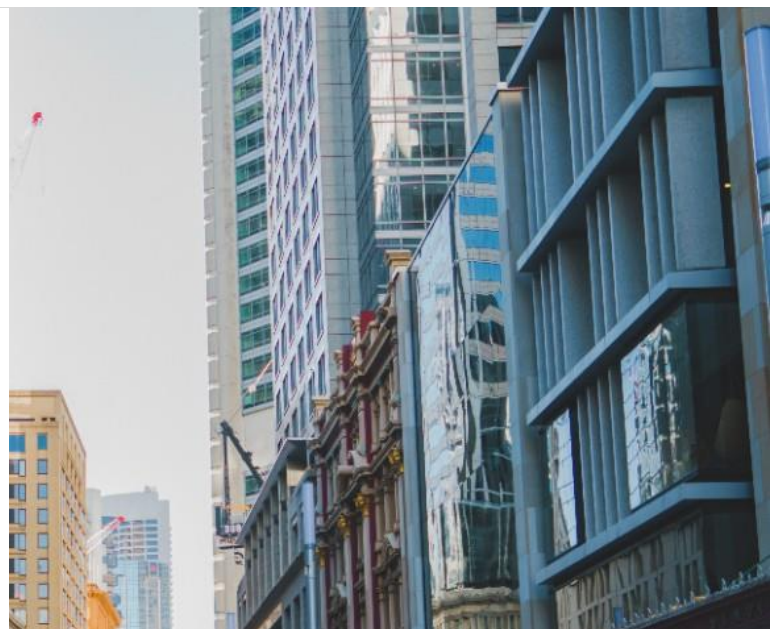
Latest Australian ABS trade results

The latest Australian Bureau of Statistics (ABS) Retail Trade figures show that Australian retail turnover declined by 1.8% in June 2021 which follows an increase of 0.4% in May 2021 and 1.1% in April 2021.

The following industries fell in seasonally adjusted terms in June 2021: Cafes, restaurants and takeaway food services (-6.0%), Other retailing (-1.6%), Clothing, footwear and personal accessory retailing (-9.5%), Department stores (-7.0%) and Household goods retailing (-1.3%). Food retailing (1.5%) rose in seasonally adjusted terms.

The following states and territories rose in seasonally adjusted terms in June 2021: South Australia (0.6%), Western Australia (0.1%) and the Australian Capital Territory (1.3%). NSW (-2.0%), Tasmania (-1.6%), Queensland (-0.9%). Victoria (-4.0%) and the Northern Territory (-1.8%) fell in seasonally adjusted terms.

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



Announced deals

According to Mergermarket, announced retail deal activity for FY2022TD⁽¹⁾ increased in value compared to the prior comparable period (PCP), with volumes increasing significantly. 19 deals totalling AUD\$1.4bn were announced in the FY22TD period, versus 9 in the PCP, valued at AUD\$768m.

In the last twelve months (LTM), deal value compared to the PCP has increased with deal volume also increasing slightly, from 142 announced deals (AUD\$39.7bn)⁽²⁾ to 122 (AUD\$13.3bn).

Australia and New Zealand Announced Retail and Consumer deals (FY2022TD⁽¹⁾ and LTM vs. PCP)

Deal value (in A\$m)	FY2022TD ⁽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	3	27	0	0	9	82	9	84
\$11 to \$20M	2	27	3	47	20	320	21	328
\$21 to \$30M	1	22	1	26	9	217	12	312
\$31 to \$50M	1	40	2	95	18	727	13	542
\$51 to \$100M	2	148	0	0	13	927	17	1,101
\$101 to \$300M	1	125	0	0	13	2,160	3	493
\$301 to \$500M	1	400	0	0	5	2,042	3	1,153
>\$500M	1	620	1	600	8	33,250	8	9,244
Subtotal	12	1,409	7	768	95	39,725	86	13,257
Undisclosed	7	n/a	2	n/a	47	n/a	36	n/a
Total Announced	19	1,409	9	768	142	39,725	122	13,257
Total Completed	12	559	3	13	90	26,048	103	11,171

Source: Mergermarket, based on announced and completed transactions as at 31 July 2021

(1) FY2022TD refers to the period 1 July 2021 to 31 July 2021, reflecting the latest available Mergermarket data

(2) The deal value for LTM includes the transaction for Blackstone Groups acquisition of Crown Resorts in March 21 (~A\$8.7bn) and Coca-Cola European's acquisition of Coca-Cola Amatil in November 20 (~A\$8.6bn). PCP includes KKR's acquisition of Campbell Soup in August 2019 (~A\$3.2bn)

Selected recently completed / announced deals

- **17 August 2021 – Quadrant Private Equity has agreed to acquire a majority stake in Papinelle, an Australia-based sleepwear and loungewear business, for an undisclosed consideration.** Quadrant Private Equity was attracted to Papinelle's brand and position for international growth and will work to accelerate global sales.
- **01 August 2021 – Square, the US-based company that develops and provides payment processing, point-of-sale (POS), financial, and marketing services, has agreed to acquire Australia-based ASX-listed Afterpay for A\$36 billion, the largest deal in Australian M&A history.** The transaction accelerates Square's strategic priorities for its Seller and Cash App ecosystems as well as Afterpay's growth in the US and globally.
- **30 July 2021 – One of the leading manufacturers of savoury snacks in Europe, The Intersnack Group, announced its acquisition of the remaining 60% stake in Unisnack ANZ, a leading snacks & biscuits company,** from Philippines-based Universal Robina Corp, for an undisclosed value. The acquisition is expected to strengthen its market coverage in the Oceania region and bolster its existing portfolio and innovation pipeline.
- **29 July 2021 – Plus-size fashion retailer City Chic Collective,** announced the expansion of its fashion group with the acquisition of **European plus-size online retailer and marketplace Navabi for A\$9.6 million.** The acquisition gives it a foothold in the €40 billion European plus-size market. Further, it would also help the company to introduce its brands to a European customer base.
- **27 July 2021 – Nature One Dairy, an Australia-based infant formula manufacturer,** announced its acquisition of milk producer **Nepean River Dairy, for A\$36.5 million.** The acquisition will see Nepean River Dairy's manufacturing capabilities and product portfolio merged under the Nature One Dairy brand.
- **23 July 2021 – Australian online bookstore Booktopia entered into a non-binding agreement to secure a 25% stake in Welbeck ANZ,** WPG's new standalone Australian entity which will see it distribute ~250 new titles annually. The move is part of company's strategy to position itself at the core of the ANZ book industry as retailer, distributor and publisher.

Source: Mergermarket, based on recently announced and completed transactions

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PwC

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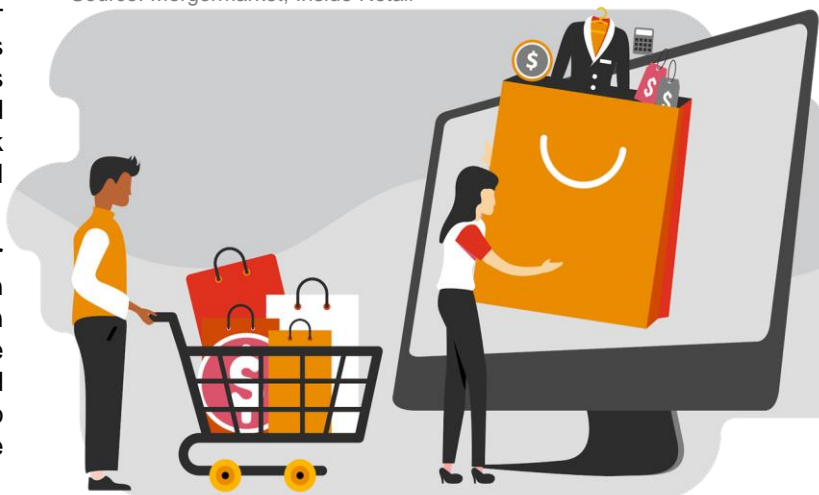
Selected recently completed / announced deals (cont'd)

- **23 July 2021 – Far East Group, a SGX-listed refrigeration and air-conditioning systems provider, announced acquisition of a 20% stake in Comfresh Group, an Australian fresh produce firm, for A\$7.3 million.** The acquisition is part of company's strategy to diversify its income streams.
- **21 July 2021 – Property developer Larry Kestelman's LK Group announced its acquisition of footwear and fashion retailer and wholesaler Brand Collective, which owns brands such as Shoes & Sox, Shoe Warehouse and Volley and licenses brands that include Hush Puppies, Superdry and Mossimo.** The acquisition is anticipated to generate significant synergies and maintain its brand identity as the company seeks to operate it as a standalone business.
- **13 July 2021 – Australia's largest meal kit supplier HelloFresh announced its acquisition of Brisbane based Youfoodz Holdings for A\$125.3 million.** The company offered to acquire the shares at A\$0.93 per share, representing an 82% premium to Youfoodz's last close price. The acquisition will increase HelloFresh's ready-to-eat manufacturing capabilities and its total addressable market, as well as add approx. 145,000 customers.
- **13 July 2021 – iFIT Health & Fitness, a global leader in connected fitness software, content and equipment, has acquired Sweat, an Australia-based women's fitness app, for an estimated consideration of ~A\$400 million.** The acquisition of Sweat, founded by Australian fitness entrepreneur Kayla Itsines and partner Tobi Pearce, expands iFIT's presence in the global digital fitness market, and accelerates the company's delivery of best-in-class interactive fitness experiences for consumers worldwide.
- **09 July 2021 – Australia's leading grower & marketer of fresh foods & vegetables, Costa Group, announced its acquisition of Select Fresh Group, a leading Western Australian based wholesale distribution business specialising in the supply of fresh produce to food service and independent supermarkets.** The acquisition is expected to increase its supplier grower base and provide a strong platform to extend its supply relationships with national customers, particularly in the catering and meal kit segments.

Also recently in the news

- **Austrian mattress retailer Koala announced plans to expand its operations in South Korea, as its second international market.** The move follows the brand's recent success in Japan where it started operations 4 years ago and experienced strong revenue growth in the past 2 years.
- **Petroleum company Ampol and grocery retailer Woolworths launched their convenience retail format to Victorian consumers with the city's first Woolworths Metro store in Sandringham.** Ampol plans to establish 13 more sites before Christmas, including three new stores in Melbourne.
- **Priceline-owner Australian Pharmaceutical Industries rejected Wesfarmers A\$687m takeover bid as its board concluded that the offer undervalued the business and was "opportunistic", given the impact COVID-19 has had on its retail division.** The board also added that the business is well placed to bounce back from any short-term struggles with substantial growth expected in the medium-term.
- **Department store Myer signed a ten-year lease on a new 40,000 sqm warehouse which will serve as the new national distribution centre.** The centre is anticipated to provide improved inventory management, reduced markdowns and maximise sell-through whilst also producing significant efficiencies in its online fulfilment operations.
- **New Zealand sustainable leather accessories brand Deadly Ponies announced its plans to expand footprint into Australia with its first store set to open in the Melbourne suburb of Armadale.**
- **Australian buy now pay later firm Afterpay, announced to launch its banking app in October, as part of its strategy to broaden its offering beyond BNPL for over 3.5 million customers.**
- **Woolworths announced plans to establish a new online fulfilment centre in Sydney's Sutherland Shire, aiming to better serve the region and adding a further 150,000 potential customers to its home delivery and direct to boot & pick up orders.**

Source: Mergermarket, Inside Retail



Also recently in the news (cont.)

- **Branded sportswear startup OnTheGo collapsed** as COVID-19 put a stop to community events and its partnership with Wesfarmers didn't turn out as planned. The business has been in administration since June and owes c. A\$6.5 million to its creditors.
- **Australian omnichannel experience platform Brauz** announced plans to expand its platform to allow its customers **to shop physical stores from their own homes via Zoom**, assisting struggling retailers through lockdown by selling direct to customers. The platform will help customers **organize and book a virtual shopping appointment**.
- **EPIK Brands, a privately held Australia-based food brand owner and distributor, is assessing several acquisition opportunities** in Australia to grow its portfolio. The company is looking at early stage targets, with potential to become a brand incubator that assists smaller companies scale by utilising its expertise.
- **Lyka Pet Food, a privately held dog food subscription business, will seek to raise funding as part of a Series B round in 12 months time.** The company plans to use the proceeds to accelerate its growth as management foresee a large opportunity to scale locally before considering offshore expansion.
- **Australia-based furniture retailer Nick Scali** is in non-exclusive discussions with **Greenlit Brands** regarding a potential acquisition of the Plush Sofas business. **According to news reports, the company may pay c. A\$80-100 million for the business.**
- **digiDirect, a private consumer electronics retailer, is actively seeking acquisitions to fast track growth in its core camera category** and scale in newly introduced complementary areas such as computer, mobile, gaming and streaming products.
- **Leading milk tea retail brands Gotcha and Chatime announced plans to expand its Australian operations.** The brands are seeking to establish 20 new stores within the country by the end of the year. Further, Gotcha is aiming to expand to Saudi Arabia, New Zealand and Singapore this year.
- **Discount supermarket Aldi, is making a push into convenience, opening a corner store concept store in North Sydney.** The store is primarily designed to support smaller basket, convenience driven purchases, in contrast to bigger box Aldi Supermarkets.

Source: Mergermarket, Inside Retail

A CLOSER LOOK: Impacts of the iOS update on digital marketing

- With Apple's iOS 15 update anticipated to be released in September 2021, many digitally-focused retailers and consumer-facing brands more broadly are waiting to see what amendments Apple will make to its user data framework and how this will impact their digital marketing ecosystems and strategies.
- Before considering the potential impacts of the iOS 15 release on ad spend and customer reach, it makes sense to revisit the genesis of where this ongoing discussion began – Apple's iOS 14 update.
- As part of the iOS 14 update, Apple announced that it would give users the choice to block the Identifier for Advertisers (IDFA) at the app level. Among other changes, this means that the iOS 14 update required apps to ask users for permission to collect and share data, thus an 'opt in' approach, which generally results in lower consent and acceptance rates.
- According to reports, Apple took the position that privacy is a user right and chose to grant users the ability to opt out of some forms of targeting or tracking by third parties. This stance fell under Apple's new privacy policy at the time, called App Tracking Transparency (ATT).
- Apple then previewed a package of new privacy protections for iOS 15 in June 2021 at its annual Worldwide Developers Conference (WWDC).
- The pending changes are expected to make it more challenging for digital marketers to target and track consumer data, requiring them to develop alternative ways to find potential customers and engage with existing ones. For instance, the update will hide users' IP addresses (a unique identifier to connect activity across websites) from trackers, thus minimising the ability for advertisers to build a granular user profile.
- As a result, many digitally-focused retailers and consumer-facing brands are actively developing new strategies to transform their current digital marketing approach, with those with bigger budgets more likely to retain a larger share of 'reach' than smaller participants.
- Given the enhanced focus on privacy amongst consumers and this move by Apple, Google and Microsoft may consider implementing similar changes to respond to customer demand for privacy, which would impact Android and broader digital strategies further.

Source: PwC Analysis, Mumbrella

Company	Currency	Share price \$	Mkt cap million	EV million	Net debt / EV	Dividend Yield LTM	TSR Jul-21	EV / EBITDA			EV / EBIT			PE		
								Actual	Forecasts		Actual	Forecasts		Actual	Forecasts	
								LTM	CY2021	CY2022	LTM	CY2021	CY2022	LTM	CY2021	CY2022
Household Goods Retail																
Harvey Norman Holdings Limited	AUD	5.82	7,252	8,427	14%	6.5%	3.5%	7.1x	7.5x	8.5x	8.0x	10.1x	11.6x	11.4x	12.1x	14.5x
JB Hi-Fi Limited	AUD	50.51	5,803	6,171	6%	5.7%	-5.0%	6.4x	7.0x	7.8x	8.2x	9.4x	11.5x	12.8x	13.0x	15.5x
The Warehouse Group Limited	NZD	3.55	1,226	1,951	37%	3.7%	-0.9%	6.1x	5.2x	5.4x	10.8x	9.1x	10.5x	14.0x	8.7x	10.5x
Adairs Limited	AUD	3.82	646	741	13%	6.3%	-2.4%	5.0x	5.4x	5.6x	7.0x	7.4x	7.9x	10.5x	9.5x	10.0x
Beacon Lighting Group Limited	AUD	1.88	420	524	18%	3.5%	-10.5%	6.9x	6.8x	7.4x	10.2x	10.4x	12.3x	14.6x	13.0x	15.9x
Nick Scali Limited	AUD	12.09	979	1,099	11%	5.4%	4.7%	7.2x	9.1x	9.6x	9.0x	10.2x	11.9x	13.4x	13.3x	15.7x
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
The Reject Shop Limited	AUD	4.96	190	272	30%	0.0%	-5.4%	2.1x	8.7x	6.8x	13.5x	n/m	12.8x	21.4x	21.0x	13.1x
Baby Bunting Group Limited	AUD	5.53	718	842	15%	2.5%	2.3%	13.5x	12.3x	11.6x	24.7x	19.3x	17.2x	54.6x	26.1x	22.6x
Dusk Group Limited	AUD	3.11	194	196	1%	8.0%	-2.5%	4.5x	4.8x	4.8x	5.8x	5.3x	5.5x	9.3x	7.5x	7.5x
Mean								7.0x	7.4x	7.5x	10.8x	10.2x	11.3x	18.0x	13.8x	13.9x
Median								6.6x	7.0x	7.4x	9.0x	9.8x	11.6x	13.4x	13.0x	14.5x
Household Goods Wholesale / Distribution																
Breville Group Limited	AUD	30.36	4,218	4,031	-5%	0.0%	7.8%	1.7x	22.9x	20.0x	1.8x	27.5x	24.0x	n/m	42.6x	36.6x
GUD Holdings Limited	AUD	11.22	1,057	1,292	18%	5.1%	-2.1%	11.0x	10.3x	9.5x	13.1x	12.5x	11.2x	18.5x	15.6x	14.1x
GWA Group Limited	AUD	2.65	703	874	20%	4.7%	1.1%	10.7x	9.5x	8.9x	13.8x	12.4x	11.1x	20.2x	16.2x	14.2x
Pental Limited	AUD	0.44	60	59	-2%	5.7%	8.6%	4.2x	n/m	n/m	6.2x	n/m	n/m	10.3x	n/m	n/m
Shriro Holdings Limited	AUD	0.98	93	88	-6%	7.1%	-8.4%	3.3x	n/m	n/m	4.2x	n/m	n/m	7.8x	n/m	n/m
Lynch Group Holdings Limited	-	3.54	432	505	0%	0.0%	1.4%	0.0x	8.7x	8.1x	0.0x	12.3x	11.4x	n/m	14.8x	13.4x
Cavalier Corporation Limited	NZD	0.60	41	37	-10%	0.0%	2.0%	9.1x	n/m	n/m	33.6x	n/m	n/m	n/m	n/m	n/m
EBOS Group Limited	AUD	31.40	5,137	5,717	9%	0.0%	-4.0%	15.1x	14.4x	13.5x	19.1x	17.5x	16.2x	31.0x	24.4x	22.1x
Australian Pharmaceutical Industries Limited	AUD	1.41	695	1,005	30%	2.5%	26.5%	8.7x	7.6x	6.6x	24.2x	16.9x	12.2x	38.4x	21.7x	14.0x
Mean								7.1x	12.2x	11.1x	12.9x	16.5x	14.4x	21.0x	22.6x	19.1x
Median								8.7x	9.9x	9.2x	13.1x	14.7x	11.8x	19.4x	19.0x	14.2x
Diversified Retail																
Wesfarmers Limited	AUD	65.56	74,335	80,906	8%	2.5%	3.5%	16.3x	15.6x	15.4x	23.4x	22.1x	21.7x	36.5x	31.9x	31.2x
Vita Group Limited	AUD	1.00	166	184	10%	8.0%	6.3%	2.9x	3.6x	3.4x	5.2x	4.7x	4.5x	7.3x	6.3x	5.9x
Endeavour Group Limited	-	7.28	13,038	-	n/m	0.0%	5.4%	0.0x	n/m	n/m	0.0x	n/m	n/m	n/m	27.2x	25.0x
Super Retail Group Limited	AUD	13.13	2,965	3,434	14%	4.0%	2.5%	5.6x	5.0x	5.5x	9.3x	9.3x	10.8x	13.9x	13.6x	15.1x
Mean								6.2x	8.1x	8.1x	9.5x	12.0x	12.3x	19.2x	19.7x	19.3x
Median								4.2x	5.0x	5.5x	7.3x	9.3x	10.8x	13.9x	20.4x	20.1x
Automotive Retail																
Eagers Automotive Limited	AUD	15.69	4,055	6,313	36%	1.6%	-4.5%	14.2x	11.1x	12.6x	22.8x	14.0x	16.6x	36.8x	15.8x	19.0x
ARB Corporation Limited	AUD	48.55	3,958	3,919	-1%	1.4%	8.1%	24.2x	22.7x	22.8x	27.6x	26.3x	25.9x	44.7x	36.3x	37.0x
Bapcor Limited	AUD	8.09	2,746	3,046	10%	2.3%	-4.0%	12.3x	11.0x	10.3x	17.7x	16.4x	14.5x	26.7x	21.4x	19.8x
Peter Warren Automotive Holdings Limited	AUD	3.33	555	1,144	0%	0.0%	-3.0%	11.7x	12.6x	12.9x	15.7x	15.9x	16.8x	n/m	13.2x	14.9x
MotorCycle Holdings Limited	AUD	3.02	186	238	22%	3.3%	-0.7%	4.8x	4.7x	5.4x	6.5x	6.3x	7.8x	7.5x	7.5x	9.6x
Mean								13.4x	12.4x	12.8x	18.1x	15.8x	16.3x	28.9x	18.8x	20.1x
Median								12.3x	11.1x	12.6x	17.7x	15.9x	16.6x	31.7x	15.8x	19.0x
Apparel / Accessories Retail																
Premier Investments Limited	AUD	27.33	4,342	4,248	-2%	2.6%	-6.0%	7.9x	8.6x	9.5x	12.6x	16.3x	15.8x	20.7x	22.5x	21.4x
Lovisa Holdings Limited	AUD	16.20	1,741	1,866	7%	1.2%	3.3%	41.7x	16.2x	12.6x	n/m	34.1x	24.4x	n/m	47.4x	32.6x
Kathmandu Holdings Limited	NZD	1.32	936	1,226	23%	1.5%	-14.9%	8.9x	6.0x	5.4x	45.9x	10.7x	8.9x	n/m	12.8x	10.5x
Mosaic Brands Limited	AUD	0.50	48	141	66%	0.0%	-12.6%	3.1x	3.1x	2.9x	n/m	5.3x	4.7x	n/m	3.9x	3.0x
Best&Less Group Holdings Ltd	AUD	2.62	328	488	0%	0.0%	-	5.0x	n/m	n/m	14.1x	n/m	n/m	22.5x	n/m	n/m
Accent Group Limited	AUD	2.36	1,278	1,625	21%	5.1%	-2.2%	7.2x	6.6x	6.3x	14.0x	12.8x	12.0x	20.0x	15.7x	15.0x
Hallenstein Glasson Holdings Limited	NZD	6.67	397	441	10%	7.0%	-3.0%	5.6x	n/m	n/m	9.8x	n/m	n/m	15.0x	n/m	n/m
Universal Store Holdings Limited	AUD	6.64	486	524	7%	0.8%	-5.9%	6.8x	11.1x	9.9x	14.4x	12.1x	10.8x	31.5x	17.5x	14.4x
Michael Hill International Limited	AUD	0.84	307	357	14%	1.8%	1.1%	4.5x	3.3x	3.5x	12.8x	5.7x	6.8x	21.2x	7.8x	9.2x
City Chic Collective Limited	AUD	5.06	1,157	1,097	-5%	0.0%	-2.7%	30.5x	20.2x	16.3x	52.2x	26.0x	20.1x	n/m	38.5x	29.7x
Mean								12.1x	9.4x	8.3x	22.0x	15.4x	12.9x	21.8x	20.7x	17.0x
Median								7.0x	7.6x	7.9x	14.1x	12.5x	11.4x	20.9x	16.6x	14.7x

Source: CapitalIQ, as at 17 August 2021

Company	Currency	Share price \$	Mkt cap million	EV million	Net debt / EV	Dividend Yield LTM	TSR Jul-21	EV / EBITDA			EV / EBIT			PE		
								Actual	Forecasts		Actual	Forecasts		Actual	Forecasts	
								LTM	CY2021	CY2022	LTM	CY2021	CY2022	LTM	CY2021	CY2022
Media																
SEEK Limited	AUD	30.31	10,691	12,216	10%	0.0%	-11.7%	45.0x	26.8x	25.5x	n/m	36.7x	34.9x	n/m	n/m	49.7x
REA Group Limited	AUD	151.02	19,952	20,349	2%	0.9%	-4.4%	41.5x	35.4x	31.0x	43.3x	40.8x	33.3x	n/m	n/m	46.8x
carsales.com Ltd	AUD	24.27	6,843	6,668	-3%	2.0%	10.7%	29.4x	25.0x	23.7x	32.5x	27.5x	26.1x	51.9x	40.5x	35.3x
Infomedia Ltd	AUD	1.56	586	494	-19%	2.8%	-9.1%	27.3x	9.9x	8.2x	20.4x	17.0x	14.1x	36.1x	27.7x	22.8x
Keypath Education International, Inc.	USD	3.50	729	783	-1%	0.0%	8.4%	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
Mean								35.8x	24.3x	22.1x	32.1x	30.5x	27.1x	44.0x	34.1x	38.6x
Median								35.5x	25.9x	24.6x	32.5x	32.1x	29.7x	44.0x	34.1x	41.1x
E-commerce																
Kogan.com Ltd	AUD	11.71	1,248	1,182	-6%	2.5%	-10.3%	16.9x	18.6x	15.7x	18.6x	22.0x	17.6x	29.3x	33.1x	27.2x
Webjet Limited	AUD	4.93	1,868	1,871	0%	0.0%	2.0%	n/m	n/m	16.8x	n/m	n/m	30.4x	n/m	n/m	32.9x
Booktopia Group Limited	AUD	2.72	374	369	-1%	0.0%	-	33.8x	19.8x	13.1x	39.2x	32.0x	20.6x	n/m	48.2x	26.7x
Mad Paws Holdings Limited	AUD	0.16	34	38	10%	0.0%	-2.9%	0.0x	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
Cettire Limited	AUD	2.24	854	809	-6%	0.0%	-23.5%	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
Adore Beauty Group Limited	AUD	5.10	480	455	-5%	0.0%	22.7%	n/m	n/m	43.0x	n/m	n/m	51.9x	n/m	n/m	n/m
Temple & Webster Group Ltd	AUD	12.05	1,451	1,367	-6%	0.0%	10.8%	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
Mean								16.9x	19.2x	22.1x	28.9x	27.0x	30.1x	29.3x	40.6x	28.9x
Median								16.9x	19.2x	16.2x	28.9x	27.0x	25.5x	29.3x	40.6x	27.2x
Department Stores																
Myer Holdings Limited	AUD	0.49	397	1,940	79.5%	0.0%	39.4%	7.2x	5.1x	5.1x	27.6x	12.7x	12.9x	n/m	12.3x	9.4x
Supermarkets																
Woolworths Group Limited	AUD	41.19	52,166	68,370	23%	2.5%	1.7%	11.8x	12.0x	13.0x	19.3x	20.5x	22.5x	31.0x	29.3x	31.1x
Coles Group Limited	AUD	18.33	24,451	33,581	27%	3.3%	2.3%	10.5x	9.6x	9.2x	18.9x	17.8x	17.5x	27.4x	26.3x	23.6x
Metcash Limited	AUD	4.19	4,046	4,964	18%	4.2%	3.0%	9.6x	8.7x	8.5x	13.2x	12.6x	12.5x	19.1x	16.5x	16.5x
Mean								10.6x	10.1x	10.2x	17.1x	17.0x	17.5x	25.8x	24.0x	23.7x
Median								10.5x	9.6x	9.2x	18.9x	17.8x	17.5x	27.4x	26.3x	23.6x
Restaurants / Fast Food																
Domino's Pizza Enterprises Limited	AUD	126.97	10,986	12,137	9%	1.1%	-3.2%	34.2x	26.8x	23.6x	49.6x	38.3x	33.3x	n/m	53.9x	46.2x
Retail Food Group Limited	AUD	0.08	165	289	43%	0.0%	19.4%	17.3x	10.2x	8.9x	35.5x	11.2x	9.5x	n/m	6.8x	5.6x
Restaurant Brands New Zealand Limited	NZD	15.00	1,871	2,662	30%	0.0%	11.5%	20.6x	14.4x	13.3x	45.2x	23.5x	21.0x	n/m	31.2x	26.6x
Collins Foods Limited	AUD	11.02	1,286	1,859	31%	2.1%	-2.9%	10.7x	9.3x	8.5x	20.2x	17.4x	15.8x	32.8x	23.9x	21.1x
Mean								20.7x	15.1x	13.6x	37.6x	22.6x	19.9x	32.8x	29.0x	24.9x
Median								18.9x	12.3x	11.1x	40.3x	20.5x	18.4x	32.8x	27.5x	23.9x
Other																
Elders Limited	AUD	12.31	1,926	2,192	12%	2.7%	-2.0%	11.9x	11.3x	10.9x	15.5x	14.8x	14.0x	24.5x	14.3x	15.4x
Flight Centre Travel Group Limited	AUD	14.12	2,815	2,530	-11%	0.0%	1.3%	n/m	n/m	9.1x	n/m	n/m	28.4x	n/m	n/m	n/m
Airtasker Limited	AUD	0.97	400	385	-4%	0.0%	-10.5%	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
Cash Converters International Limited	AUD	0.26	163	-	n/m	3.8%	20.5%	0.0x	n/m	n/m	0.0x	n/m	n/m	9.4x	n/m	n/m
McGrath Limited	AUD	0.55	91	89	-2%	0.9%	-6.8%	6.6x	n/m	n/m	11.0x	n/m	n/m	22.7x	n/m	n/m
BlueBet Holdings Ltd	AUD	2.13	426	427	-2%	0.0%	-	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
Mean								6.2x	11.3x	10.0x	8.8x	14.8x	21.2x	18.9x	14.3x	15.4x
Median								6.6x	11.3x	10.0x	11.0x	14.8x	21.2x	22.7x	14.3x	15.4x

Source: CapitalIQ, as at 17 August 2021

Company	Currency	Share price \$	Mkt cap million	EV million	Net debt / EV	Dividend Yield LTM	TSR Jul-21	EV / EBITDA			EV / EBIT			PE		
								Actual	Forecasts		Actual	Forecasts		Actual	Forecasts	
								LTM	CY2021	CY2022	LTM	CY2021	CY2022	LTM	CY2021	CY2022
FMCG - Beverage																
Treasury Wine Estates Limited	AUD	12.58	9,076	10,142	10%	1.8%	2.0%	17.3x	15.1x	13.9x	23.2x	19.5x	17.4x	40.6x	28.7x	25.1x
Delegat Group Limited	NZD	13.35	1,350	1,713	21%	1.3%	-9.3%	13.2x	14.8x	14.3x	16.0x	17.8x	17.1x	22.1x	21.7x	20.8x
Australian Vintage Ltd	AUD	0.81	203	310	34%	3.7%	-1.1%	7.2x	7.3x	6.9x	10.9x	9.9x	n/m	12.7x	10.4x	9.8x
Good Drinks Australia Ltd	AUD	0.09	112	129	13%	0.0%	-	19.8x	n/m	n/m	45.6x	n/m	n/m	n/m	n/m	n/m
Mean								14.4x	12.4x	11.7x	23.9x	15.7x	17.3x	25.2x	20.3x	18.6x
Median								15.3x	14.8x	13.9x	19.6x	17.8x	17.3x	22.1x	21.7x	20.8x
FMCG - Food & Dairy																
Fonterra Co-operative Group Limited	NZD	3.13	5,050	10,944	54%	3.2%	-24.2%	7.2x	n/m	n/m	11.0x	n/m	n/m	11.8x	n/m	n/m
Bega Cheese Limited	AUD	5.22	1,580	1,439	-10%	1.9%	-12.4%	14.0x	7.9x	6.1x	23.5x	11.7x	9.7x	32.7x	24.6x	16.8x
The a2 Milk Company Limited	NZD	6.72	4,996	4,239	-18%	0.0%	-3.4%	9.1x	20.5x	13.6x	9.2x	41.1x	15.1x	17.2x	36.9x	24.8x
Freedom Foods Group Limited	AUD	0.37	103	596	83%	0.0%	-6.8%	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
Synlait Milk Limited	NZD	3.49	763	1,261	40%	0.0%	2.5%	8.5x	13.2x	8.1x	13.2x	33.2x	13.0x	14.0x	n/m	14.5x
Mean								9.7x	13.8x	9.2x	14.2x	28.6x	12.6x	18.9x	30.8x	18.7x
Median								8.8x	13.2x	8.1x	12.1x	33.2x	13.0x	15.6x	30.8x	16.8x
FMCG - Food (Production)																
Inghams Group Limited	AUD	3.93	1,461	3,339	56%	3.6%	-4.5%	11.4x	7.4x	7.1x	25.3x	19.2x	17.2x	34.0x	15.2x	13.7x
Australian Agricultural Company Limited	AUD	1.42	856	1,246	31%	0.0%	1.8%	n/m	31.4x	39.8x	n/m	n/m	n/m	n/m	n/m	n/m
Costa Group Holdings Limited	AUD	3.31	1,454	1,944	24%	2.7%	-3.3%	9.5x	8.9x	7.3x	17.9x	17.7x	13.1x	29.3x	22.3x	16.2x
Select Harvests Limited	AUD	7.97	958	1,327	28%	0.5%	17.8%	22.3x	27.9x	14.7x	n/m	46.7x	19.1x	n/m	54.8x	20.2x
Tassal Group Limited	AUD	3.51	745	1,860	60%	0.0%	-9.5%	1.4x	12.1x	10.8x	1.6x	19.3x	20.3x	33.7x	14.0x	11.4x
Sanford Limited	NZD	4.80	449	662	32%	0.0%	-2.2%	11.0x	10.1x	8.0x	28.3x	21.0x	14.2x	50.7x	27.6x	16.5x
Huon Aquaculture Group Limited	AUD	3.93	432	723	40%	0.0%	-14.5%	15.1x	16.7x	10.0x	n/m	43.1x	24.7x	n/m	n/m	26.2x
Mean								11.8x	16.4x	14.0x	18.3x	27.8x	18.1x	36.9x	26.8x	17.4x
Median								11.2x	12.1x	10.0x	21.6x	20.1x	18.1x	33.8x	22.3x	16.4x
FMCG - Personal Care																
BWX Limited	AUD	5.04	712	681	-5%	0.7%	-8.1%	23.3x	17.3x	13.7x	30.7x	21.5x	16.3x	49.5x	34.1x	25.8x
Comvita Limited	NZD	3.30	232	259	11%	0.0%	-5.2%	9.3x	10.1x	9.1x	14.3x	16.8x	14.3x	21.7x	21.7x	17.9x
Blackmores Limited	AUD	75.32	1,459	1,418	-3%	0.4%	-1.1%	22.8x	16.5x	13.7x	38.9x	24.1x	18.1x	n/m	37.9x	28.7x
EZZ Life Science Holdings Limited	AUD	0.41	17	13	-28%	0.0%	-1.7%	3.9x	n/m	n/m	4.0x	n/m	n/m	5.9x	n/m	n/m
Shaver Shop Group Limited	AUD	1.02	131	120	-9%	5.8%	2.0%	3.1x	3.1x	2.9x	4.6x	4.8x	4.3x	8.2x	7.7x	7.3x
McPherson's Limited	AUD	1.16	148	159	7%	9.1%	-3.6%	8.1x	8.8x	7.7x	10.7x	12.1x	10.0x	15.0x	17.6x	14.0x
Mean								11.7x	11.2x	9.4x	17.2x	15.8x	12.6x	20.1x	23.8x	18.7x
Median								8.7x	10.1x	9.1x	12.5x	16.8x	14.3x	15.0x	21.7x	17.9x

Source: CapitalIQ, as at 17 August 2021

Retail sector trends

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

- **Food retailing:** The seasonally adjusted estimate for Food retailing rose 1.5% in June 2021. By industry subgroup, the seasonally adjusted estimate rose for Supermarkets and grocery stores (1.5%), Liquor retailing (1.3%), and Other specialised food retailing (2.7%).
- **Household goods retailing:** The seasonally adjusted estimate for Household goods retailing fell 1.3% in June 2021. By industry subgroup, the seasonally adjusted estimate fell for Furniture, floor coverings, houseware and textile goods retailing (-3.1%), Electrical and electronic goods retailing (-2.0%) and rose for Hardware, building and garden supplies retailing (0.7%).
- **Clothing, footwear and personal accessory retailing:** The seasonally adjusted estimate for Clothing, footwear and personal accessory retailing fell 9.5% in June 2021. By industry subgroup, the seasonally adjusted estimate fell for Clothing retailing (-11.1%), and Footwear and other personal accessory retailing (-6.1%).
- **Department stores:** The seasonally adjusted estimate for Department stores fell 7.0% in June 2021.
- **Cafes, restaurants and take-away food services:** The seasonally adjusted estimate for Cafes, restaurants and takeaway food services fell 6.0% in June 2021. By industry subgroup, the seasonally adjusted estimate fell for Cafes, restaurants and catering services (-8.0%) and Takeaway food services (-3.5%).
- **Other retailing:** The seasonally adjusted estimate for Other retailing fell 1.6% in June 2021. By industry subgroup, the seasonally adjusted estimate fell for Pharmaceutical, cosmetic and toiletry goods retailing (-4.3%), Newspaper and book retailing (-7.7%) and rose for Other retailing n.e.c. (0.7%) and Other recreational goods retailing (0.4%).

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



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