

Retail and Consumer Deals Digest

January 2022



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Consumer confidence drops 8.1pts as the Omicron variant surges across Australia, representing the lowest January level since 1992

Consumer confidence this week was down in all states except in South Australia, and is now below the neutral level of 100 in all states. All confidence subindices registered losses, noting 'Current financial conditions' dropped 11.3% and 'future financial conditions' fell 4.3%.

'Weekly inflation expectations' and its four-week moving average remained unchanged at 4.9%.

"Consumer confidence dropped 7.6% last week as Omicron case numbers surged. Confidence is now below the neutral level of 100 for all states, though it is above neutral in the territories. It is also lower than the level during the Delta surge. Consumer confidence readings are usually positive during the month of January, and the level of 97.9 is the weakest January result since 1992, when the Australian economy was experiencing sharply rising unemployment. We **don't think the economy is as weak as these data might suggest**, with the shock of the Omicron surge and strains on testing capability the key drivers of the fall rather than underlying economic conditions. But the result **highlights that concerns about COVID have the potential to significantly impact the economy** if they linger." – *David Plank, ANZ Head of Australian Economics, 18 January 2022*

Latest Australian ABS trade results

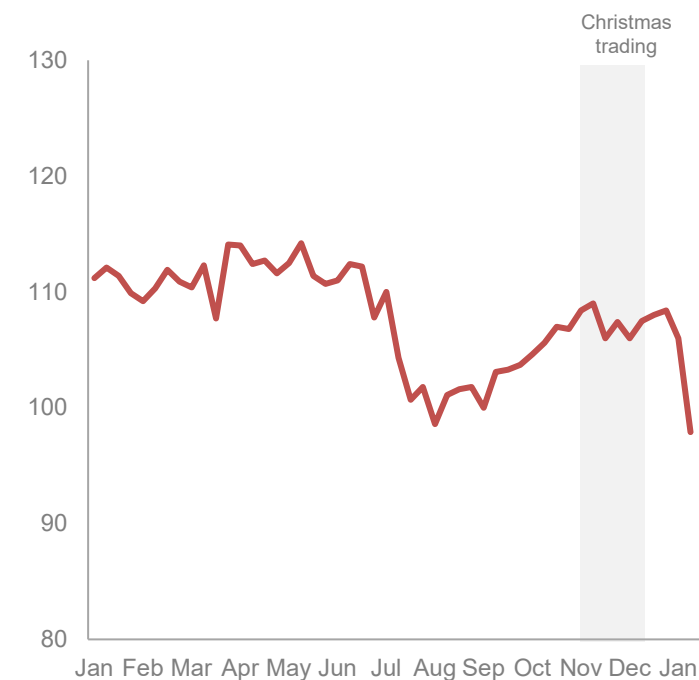
The latest Australian Bureau of Statistics (ABS) Retail Trade figures show that Australian retail turnover rose 7.3% in November 2021, which follows an increase of 4.9% in October 2021 and decline of 1.3% in September 2021.

The following industries rose in seasonally adjusted terms in November 2021: Cafes, restaurants and takeaway food services (9.3%), Clothing, footwear and personal accessory retailing (38.2%), Household goods retailing (11.6%), other retailing (7.3%) and department stores (26.0%). Food retailing (-2.5%) fell in seasonally adjusted terms.

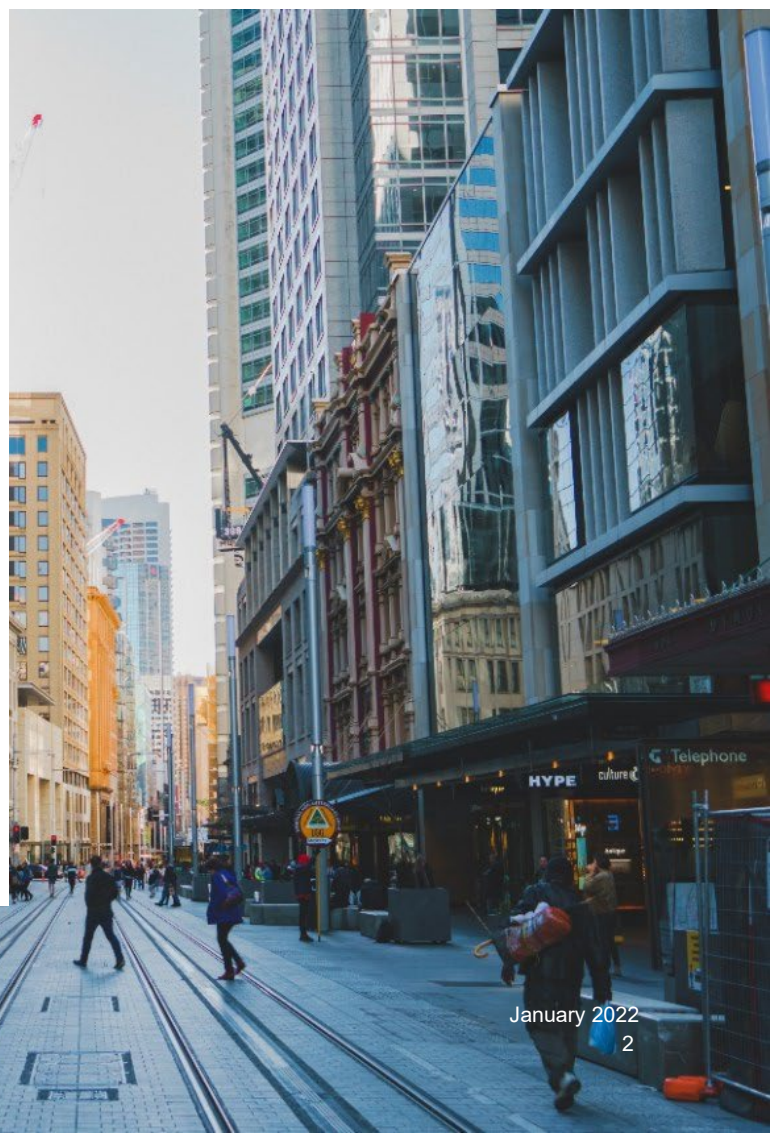
The following states and territories rose in seasonally adjusted terms in November 2021: New South Wales (5.1%), Queensland (0.9%), Australian Capital Territory (19.2%), Western Australia (1.7%), Victoria (20.0%), South Australia (2.4%) and Tasmania (3.0%). Northern Territory (2.7%) fell in seasonally adjusted terms.

Source: ABS data released 11 January 2022. 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 FY2022TD⁽¹⁾ declined in value compared to the prior comparable period (PCP), however the volumes were almost stagnant. 70 deals totalling AUD\$5.1bn were announced in the FY22TD period, versus 68 in the PCP, valued at AUD\$13.5bn.

In the last twelve months (LTM), deal value compared to the PCP has increased significantly with deal volume also increasing, from 109 announced deals (AUD\$15.0bn)⁽²⁾ to 141 (AUD\$30.1bn).

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

Deal value (in A\$m)	FY2022TD ⁽¹⁾		PCP		LTM ⁽²⁾		PCP	
	# 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	2	18	8	74	4	37
\$11 to \$20M	4	61	13	208	16	259	19	305
\$21 to \$30M	7	191	6	153	10	259	12	311
\$31 to \$50M	6	228	12	507	13	503	18	751
\$51 to \$100M	7	532	4	316	14	995	11	778
\$101 to \$300M	7	1,030	4	728	15	2,467	4	728
\$301 to \$500M	4	1,690	1	459	6	2,434	1	459
>\$500M	2	1,337	5	11,097	5	23,561	6	11,649
Subtotal	40	5,096	47	13,486	87	30,552	75	15,018
Undisclosed	30	n/a	21	n/a	54	n/a	34	n/a
Total Announced	70	5,096	68	13,486	141	30,552	109	15,018
Total Completed	51	2,038	46	12,232	104	17,287	80	13,565

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

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

Selected recently completed / announced deals

- **10 January 2022 – Stealth Global Holdings, the ASX-listed industrial distribution group, has acquired United Tools, the Australian power tool specialist retailer, for A\$24,000 plus a deferred marketing subsidy of A\$1.25 million.** The acquisition is expected to double Stealth's store footprint from 33 to 66.
- **10 January 2022 – HungryPanda announced the acquisition of local food delivery firms Easi in Australia and Buy@Home in New Zealand.** HungryPanda paid ~A\$50 million in the all-cash acquisition and plans to expand into instant grocery deliveries and Groupon-style lifestyle vouchers in Australia. The acquisition is expected to increase the business' effectiveness and reach in a crowded industry.
- **07 January 2022 – My Foodie Box, the food and logistics technology business that provides meal kits to Western Australian households, has been listed on ASX, raising A\$6 million in an IPO.** The company plans to use the proceeds to expand into a broader online food retail offer, ramping up its marketing activity and further developing its technology platform to expand its geographical footprint.
- **04 January 2022 – JBS S.A., a leading global food company and Australia's largest meat producer, has completed the acquisition of Rivalea Australia Pty Ltd, Oxdale Dairy Enterprise Pty Ltd and Diamond Valley Pork Pty Ltd,** the Australia-based agri-food and dairy companies, from QAF Limited, for a cash consideration of approximately A\$175 million. Together, the companies generated annual sales of A\$400 million and EBITDA of A\$37 million for the period ended 31 December 2020. The deal was initially announced in June 2021, and recently received the requisite regulatory approvals from the ACCC and FIRB to enable completion.
- **31 December 2021 – Gauge Capital LLC, the private equity firm, has acquired Bondi Boost Pty Ltd,** the Australian provider of hair care products for ~A\$147 million, from Hyper Capital Pty Ltd, the local investment firm.
- **30 December 2021 – Andrew Forrest's private investment fund announced the acquisition of a 6.61% stake in Bega Cheese, for over A\$108 million.** The acquisition makes him the fourth largest shareholder of the company. Tattarang CIO, John Hartman, cited that Bega is a long-term investment for the group, which is committed to investing in Australian brands and businesses.
- **23 December 2021 – The SunRice Group has entered into a securities purchase agreement to acquire 100% of Pryde's Easifeed,** leading supplier of branded extruded cubes, extruded sweet feeds, and pellet products for the equine market in Australia. The acquisition would position the company to increase the scale of its CopRice business, and will support its diversification into new geographic regions while increasing its presence in the high-value equine market.

Selected recently completed / announced deals (cont'd)

- **21 December 2021 – QuintEvents, the US based provider of marketing consultancy services announced acquisition of Sportsnet Corporation**, the Australia based provider of premier sports travel packages from Travica Pty Ltd, the Australia based vertically-integrated travel technology company, for an undisclosed amount.
- **17 December 2021 – Dusk Group Ltd, the Australian-based retailer of candles, candle holders, scented goods, home decor and gifts, announced acquisition of Eroma Group**, the local manufacturer of candle making supplies including fragrance oils, waxes, packaging containers and candle making kits, for ~A\$28 million, funded through a mix of A\$15 million in cash and a A\$13 million placement of shares in Dusk to all Eroma shareholders.

Also recently in the news

- **Wellnex and Australian Dairy Nutritionals formed a joint venture that will produce Australia's first Organic A2 protein infant formula.** Australian Dairy Nutritionals will be responsible for the manufacture of the infant formula range, with Wellnex responsible for the sale of the new range in the Australian retail and pharmacy channels through its existing distribution network. The JV will commence in January 2022, with first product to be launched in the 1H CY2022.
- **Wesfarmers has emerged as a lead contender to acquire Greencross**, an Australian-based pet care business and retailer. Wesfarmers is believed to be one of a handful of buyers still pursuing Greencross and is seriously considering entering the pets sector. Greencross' owner TPG Capital gathered proposals from potential buyers before Christmas and has been in talks with suitors over the last few weeks.
- **Catalano's Seafood, an Australia-based seller of fresh and frozen seafood products, plans to raise ~A\$6 million** through an initial public offering on the ASX. ~30 million new shares will be on offer at A\$0.20 per share, with the minimum subscription set to raise A\$5 million. The offering opened on 24 December and will close on 10 February, 2022.
- **Alceon Group is rumoured to be in exclusive talks to acquire Flower Power**, an Australia-based garden centre chain. The deal could value Flower Power at nearly A\$500 million. Flower Power is primarily owned by members of its founding family, the Sammuts.
- **New Zealand based outdoor giant Kathmandu, hired a new general manager of International**, to drive overseas growth. The company focuses on expansion across Europe, Asia and North America.
- **Milkrun, a grocery delivery startup, has raised A\$75 million in a funding round led by Tiger Global.** Milkrun was founded eight months ago and has already expanded to 500 employees. Milkrun expects to reach 1000 employees in the coming months.
- **Quadrant Private Equity's, Journey Beyond, is rumoured to be acquired by Hornblower Group for A\$600 million.** Quadrant Private Equity has reportedly agreed to sell Journey Beyond, an Australia-based tourism business, to California-based Hornblower Group, a global leader in world-class experiences and transportation. Journey Beyond operates experiential attractions such as The Ghan train service between Adelaide and Darwin, The Rottneest Express ferry service, Outback Spirit Tours, and Horizontal Falls Seaplane Adventures.
- **Woolworths Group withdrew its A\$872 million proposal to pick up Australian Pharmaceutical Industries, leaving the business likely to be acquired by Wesfarmers.** The company stated that it was unable to validate the financial returns it would require from the acquisition after completing its due diligence process, and that it was therefore revoking its non-binding offer.
- **Melbourne Fashion Festival has partnered with PayPal as its naming rights sponsor for the 2022 show in a three-year partnership that aims to "ignite creativity and commerce".** As part of the deal, PayPal will cover participation fees across the program, and multiple independent designers will be offered support to create their work, engage in the community and host their own event during the festival.
- **The administrators of Hub Furniture, an Australian luxury furniture retailer, are determining interest from parties that could recapitalise or acquire the business.** Hub Furniture operates as a retailer of luxury furniture, lighting and living brands, operating in both Melbourne and Sydney.
- **JD Sports and Nike collaborate to bring a video styling service known 'Style on Speed Dial'** allowing customers to connect with in-store experts.

Source: Mergermarket, Inside Retail

Note: News may be speculative or rumoured in nature

Also recently in the news (cont'd)

- **Aussie consumer tech firm, Immertia, launched an augmented reality app for breweries to promote their beverage products to their customers using customers' handheld devices.** The app, known as "Swigr", is activated when shoppers scan a label with their phone. The app provides an interactive experience enabling shoppers to connect, engage and buy from the bottle or can, anywhere, anytime through augmented reality.
- **Sushi Sushi has put up a retail outlet for sale, listing the price in cryptocurrency. The retail chain aims to be the first retailer globally to list a sale and offer cryptocurrency in exchange.** Management believes it to be a strategic move, set to build both a good connection with customers and also lead the brand into the metaverse.
- **NSW grocery-delivery service Voly, has plans to expand its coverage beyond Sydney after securing A\$18 million in a seed funding round led by Sequoia Capital India.** The funds raised will enable the company to continue to scale, expand its personnel, rapidly increase its operations across key urban centres and commence a nationwide rollout.
- **Australian fashion label, Aje, established its first New Zealand store of its activewear spinoff brand, Aje Athletica, at Newmarket.** The launch is part of the business' expansion plans in ANZ which will see the rollout of 11 standalone stores across the region, with six standalone locations scheduled to open across Australia early this year.
- **After 10 years operating as an eCommerce fashion brand, Steele has established its flagship boutique in Hawthorn.** The store gives the brand a physical presence that transcends the digital realm and allows for a seamless customer experience.
- **Cosh Living, an Australia-based furniture retailer, is believed to be looking for buyers.** Cosh is the latest furniture retailer to come up for sale as players in the space look to take advantage of strong sales over the last year.
- **Carma, an Australia-based online used car business, raised A\$28 million in a seed funding round led by Tiger Global.** The company is in the final stages of launching its online platform and the company is already in discussions with investors to raise funds to support its accelerated expansion in 2022.

Source: Mergermarket, Inside Retail

Note: News may be speculative or rumoured in nature

SPOTLIGHT: Supply chain issues at LA ports

Australia's freight and logistics networks continue to be hampered with supply chain delays and setbacks caused by challenges from COVID-19. On the other side of the Pacific Ocean, the twin ports of Los Angeles and Long Beach in Southern California have been worse off, with a surge in consumer demand creating a major choke-point for the US economy.

Twin ports – why are they so important?

- The twin ports of Los Angeles and Long Beach have become an essential gateway for the US economy's growth during the past century, having opened up sizable trade lanes beyond Europe and more towards Asia.
- Collectively, the twin supply chain hubs now account for c. 40% of imported goods in the US.

The issue and its origins

- In 2021, the Port of Los Angeles was estimated to have broken a record for cargo throughput, with 11.7 million TEU (twenty-foot equivalent unit) containers passing through the port, up 13% increase on its 2018 record year.
- However, the twin ports have been severely under-resourced and short of capacity to process these shipments in an efficient and timely manner, such that a bottleneck of cargo ships has formed at the entry to these ports. This has caused ships to wait up to 2-3 days on the water before they enter the ports.
- The wait time is so extreme that it's often longer than the time taken to cruise from the ship's port of origin to Los Angeles.
- Even the Biden government has intervened in to develop a mitigation strategy and provide executive orders, such as expanding the ports' operating hours to 24-hours per day.

Has Australia been impacted?

- Given increased appetite by Americans for Australian branded products and consumer goods in recent years, many Australian brands (particularly those with global digital reach) have been impacted alongside their US peers, resulting in delays to product delivery and resultant impact on customer experience.
- Given this issue is industry-wide, communication by brands is key to keep customers across the problem and anticipated timing for receipt of goods.

How much longer is the issue likely to last?

- The supply chain woes are expected to continue through the 1H CY2022, as the onset of surging consumer demand for durable and discretionary goods continues.

Source: Los Angeles Times, Bloomberg

Ticker	Company	Currency	Share price \$	Mkt cap million	EV million	Net debt	Net debt / EV	Dividend Yield LTM	TSR Dec-21	EV / EBITDA				EV / EBIT				PE							
										Actual		Forecasts		Growth		Actual		Forecasts		Growth		Actual		Forecasts	
										LTM	CY2021	CY2022	LTM-19	LTM	CY2021	CY2022	LTM-19	LTM	CY2021	CY2022	LTM-19	LTM	CY2021	CY2022	
Household Goods Retail																									
ASX:HVN	Harvey Norman Holdings Limited	AUD	4.81	5,995	7,457	1,433	19%	7.3%	-2.6%	6.0x	6.8x	7.2x	-9.2%	6.6x	8.5x	9.3x	-15.4%	8.7x	9.4x	11.5x					
ASX:JBH	JB Hi-Fi Limited	AUD	44.91	5,174	5,542	368	7%	6.4%	0.3%	5.8x	6.3x	6.9x	-8.7%	7.4x	8.5x	10.4x	-15.4%	11.4x	11.4x	13.5x					
NZSE:WHS	The Warehouse Group Limited	NZD	3.68	1,271	2,000	732	37%	8.3%	2.0%	4.7x	5.4x	5.4x	-6.6%	7.0x	9.3x	9.9x	-16.2%	8.2x	8.9x	9.8x					
ASX:ADH	Adairs Limited	AUD	3.79	648	728	81	11%	6.1%	11.7%	4.8x	4.8x	4.5x	3.0%	6.7x	7.8x	6.8x	-0.7%	10.1x	9.9x	9.2x					
ASX:BLX	Beacon Lighting Group Limited	AUD	2.90	648	756	108	14%	3.0%	15.2%	9.2x	9.4x	9.9x	-3.7%	13.3x	14.0x	15.5x	-7.5%	19.2x	19.2x	21.4x					
ASX:NCK	Nick Scali Limited	AUD	14.23	1,153	1,273	120	9%	4.6%	1.1%	8.1x	9.9x	9.3x	-6.4%	10.2x	11.2x	11.5x	-5.8%	15.8x	15.1x	16.2x					
NZSE:SCY	Smiths City Group Limited	NZD	0.14	7	-	105	n/m	0.0%	-	11.3x	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m					
ASX:TRS	The Reject Shop Limited	AUD	6.85	263	357	94	26%	0.0%	-1.1%	2.8x	2.8x	2.7x	1.2%	19.1x	54.5x	22.1x	-6.9%	34.6x	31.2x	21.8x					
ASX:BBN	Baby Bunting Group Limited	AUD	5.29	701	825	124	15%	2.7%	-1.4%	15.0x	11.1x	9.7x	24.0%	31.0x	18.5x	16.0x	39.3%	52.2x	25.4x	21.9x					
ASX:DSK	Dusk Group Limited	AUD	2.95	184	196	13	6%	8.5%	11.9%	3.6x	5.4x	5.7x	-19.8%	5.1x	5.9x	6.4x	-10.4%	7.8x	7.9x	8.6x					
	Mean									7.1x	6.9x	6.8x	-2.9%	11.8x	15.3x	12.0x	-4.3%	18.7x	15.4x	14.9x					
	Median									5.9x	6.3x	6.9x	-6.4%	7.4x	9.3x	10.4x	-7.5%	11.4x	11.4x	13.5x					
Household Goods Wholesale / Distribution																									
ASX:BRG	Breville Group Limited	AUD	29.55	4,118	4,027	(91)	-2%	0.9%	5.4%	26.4x	22.9x	20.1x	14.7%	28.7x	27.4x	23.9x	9.4%	51.3x	41.6x	35.9x					
ASX:GUD	GUD Holdings Limited	AUD	11.92	1,672	1,907	235	12%	4.8%	-2.5%	16.5x	12.6x	8.8x	37.0%	19.6x	17.9x	10.2x	38.7%	19.7x	20.4x	14.1x					
ASX:GWA	GWA Group Limited	AUD	2.70	716	887	171	19%	4.6%	7.0%	10.9x	9.7x	9.0x	10.1%	14.1x	12.4x	11.3x	11.9%	20.5x	16.0x	14.5x					
ASX:PTL	Pental Limited	AUD	0.40	68	57	(12)	-21%	6.5%	-2.5%	4.6x	n/m	3.8x	9.6%	6.7x	n/m	5.0x	16.0%	10.9x	n/m	8.6x					
ASX:SHM	Shiro Holdings Limited	AUD	0.97	92	87	(5)	-6%	12.4%	-3.4%	3.5x	n/m	n/m	n/m	4.3x	n/m	n/m	n/m	7.6x	n/m	n/m					
ASX:GL	Lynch Group Holdings Limited	AUD	3.47	424	457	33	7%	23.6%	-1.2%	13.0x	7.7x	7.2x	34.7%	20.3x	10.3x	10.1x	42.0%	25.6x	13.1x	12.8x					
NZSE:BRW	Bremworth Limited	NZD	0.75	52	51	(1)	-2%	0.0%	9.1%	34.1x	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m					
NZSE:EBO	EBOSS Group Limited	AUD	40.09	7,365	7,915	517	7%	2.1%	13.0%	19.9x	19.2x	16.0x	11.6%	24.9x	23.5x	19.2x	13.9%	39.1x	33.8x	27.4x					
ASX:API	Australian Pharmaceutical Industries Limited	AUD	1.52	749	1,026	275	27%	2.3%	15.3%	7.6x	6.5x	6.3x	9.5%	16.1x	14.1x	12.9x	11.8%	23.7x	23.8x	17.0x					
	Mean									15.2x	13.1x	10.2x	18.2%	16.8x	17.6x	13.2x	20.5%	24.8x	24.7x	18.6x					
	Median									13.0x	11.1x	8.8x	11.6%	17.8x	16.0x	11.3x	13.9%	22.1x	21.9x	14.5x					
Diversified Retail																									
ASX:WES	Wesfarmers Limited	AUD	56.69	64,295	71,399	7,104	10%	3.1%	4.3%	13.6x	14.0x	13.8x	-1.0%	18.9x	20.8x	19.9x	-2.6%	30.0x	28.0x	28.1x					
ASX:VTG	Vita Group Limited	AUD	0.35	58	72	14	19%	22.9%	-11.1%	1.6x	1.9x	2.4x	-18.3%	4.5x	3.9x	4.2x	3.7%	5.0x	5.1x	5.2x					
ASX:SUL	Super Retail Group Limited	AUD	11.91	2,690	3,437	747	22%	7.4%	-0.6%	4.7x	4.8x	5.4x	-6.6%	7.3x	8.6x	10.6x	-17.1%	10.1x	11.3x	14.4x					
	Mean									6.6x	6.9x	7.2x	-8.6%	10.2x	11.1x	11.6x	-5.3%	15.0x	14.8x	15.9x					
	Median									4.7x	4.8x	5.4x	-6.6%	7.3x	8.6x	10.6x	-2.6%	10.1x	11.3x	14.4x					
Automotive Retail																									
ASX:APE	Eagers Automotive Limited	AUD	13.23	3,419	5,420	1,981	37%	3.4%	-3.9%	10.0x	9.6x	10.2x	-0.9%	13.7x	11.7x	12.9x	3.2%	18.6x	12.4x	14.0x					
ASX:ARB	ARB Corporation Limited	AUD	46.99	3,838	3,798	(40)	-1%	1.4%	-1.7%	22.0x	21.5x	21.0x	2.4%	24.9x	25.5x	25.1x	-0.5%	40.5x	34.0x	33.7x					
ASX:BAP	Bapcor Limited	AUD	6.96	2,362	2,755	391	14%	2.9%	-2.2%	10.1x	10.1x	9.1x	5.1%	13.7x	14.8x	13.6x	0.4%	20.5x	18.2x	17.4x					
ASX:PWR	Peter Warren Automotive Holdings Limited	AUD	2.95	506	791	286	36%	0.0%	-1.7%	8.0x	7.3x	7.3x	4.6%	10.5x	9.3x	9.4x	5.6%	6.5x	8.8x	11.0x					
ASX:MTO	MotorCycle Holdings Limited	AUD	3.36	207	275	68	25%	6.0%	4.5%	5.5x	6.0x	6.1x	-5.0%	7.5x	7.5x	9.0x	-8.4%	8.2x	8.2x	10.1x					
	Mean									11.1x	10.9x	10.7x	1.2%	14.1x	13.8x	14.0x	0.1%	18.9x	16.3x	17.2x					
	Median									10.0x	9.6x	9.1x	2.4%	13.7x	11.7x	12.9x	0.4%	18.6x	12.4x	14.0x					
Apparel / Accessories Retail																									
ASX:PMV	Premier Investments Limited	AUD	27.78	4,417	4,268	(149)	-3%	2.9%	-1.3%	7.5x	8.5x	9.2x	-9.8%	10.9x	14.0x	18.7x	-23.7%	18.8x	18.9x	17.7x					
ASX:LOV	Lovisa Holdings Limited	AUD	18.25	1,961	2,124	163	8%	2.1%	-2.5%	24.9x	16.2x	14.3x	32.1%	n/m	38.5x	27.5x	n/m	n/m	n/m	36.4x					
NZSE:KMD	Kathmandu Holdings Limited	NZD	1.45	1,028	1,274	242	19%	3.4%	3.4%	7.1x	7.6x	5.2x	16.8%	19.9x	13.5x	10.2x	39.8%	34.8x	15.1x	12.6x					
ASX:MOZ	Mosaic Brands Limited	AUD	0.61	66	163	97	60%	0.0%	-16.3%	1.1x	4.3x	3.8x	-46.7%	3.2x	8.5x	7.2x	-33.5%	2.3x	8.4x	5.3x					
ASX:AX1	Accent Group Limited	AUD	2.19	1,186	1,637	451	28%	5.1%	-3.2%	8.0x	8.3x	6.3x	12.4%	17.6x	13.1x	13.3x	14.9%	23.8x	28.0x	15.8x					
NZSE:HLG	Hallenstein Glasson Holdings Limited	NZD	7.00	415	453	37	8%	0.0%	0.2%	5.3x	n/m	n/m	n/m	9.1x	n/m	n/m	n/m	14.3x	n/m	n/m					
ASX:UNI	Universal Store Holdings Limited	AUD	5.95	436	472	36	8%	2.6%	-10.6%	6.8x	9.6x	7.9x	-7.5%	10.1x	12.2x	11.2x	-4.9%	17.2x	17.3x	15.5x					
NZSE:MHJ	Michael Hill International Limited	AUD	1.48	547	609	61	10%	3.0%	11.4%	5.7x	5.6x	5.6x	1.6%	10.2x	11.7x	12.2x	-8.5%	17.3x	14.0x	13.7x					
ASX:CCX	City Chic Collective Limited	AUD	4.51	1,080	1,036	(43)	-4%	0.0%	-8.5%	22.4x	19.8x	15.2x	21.3%	31.6x	25.7x	18.3x	31.2%	51.6x	38.2x	26.9x					
	Mean									9.9x	10.0x	8.4x	2.5%	14.1x	17.1x	14.8x	2.2%	22.5x	20.0x	18.0x					
	Median									7.1x	8.4x	7.1x	7.0%	10.6x	13.3x	12.8x	-4.9%	18.1x	17.3x	15.7x					

Source: CapitalIQ, as at 12 January 2022

Ticker	Company	Currency	Share price \$	Mkt cap million	EV million	Net debt	Net debt / EV	Dividend Yield LTM	TSR Dec-21	EV / EBITDA				EV / EBIT				PE		
										Actual LTM	Forecasts		Growth LTM-19	Actual LTM	Forecasts		Growth LTM-19	Actual LTM	Forecasts	
											CY2021	CY2022			CY2021	CY2022			CY2021	CY2022
Media																				
ASX:SEK	SEEK Limited	AUD	31.10	10,977	11,905	844	7%	0.6%	-5.8%	36.9x	29.3x	27.1x	16.7%	50.3x	31.7x	32.3x	24.8%	n/m	n/m	47.9x
ASX:REA	REA Group Limited	AUD	158.79	20,984	21,381	327	2%	0.8%	3.2%	43.4x	35.9x	31.2x	18.1%	45.3x	40.4x	33.6x	16.1%	n/m	n/m	47.8x
ASX:CAR	carsales.com Ltd	AUD	23.96	6,771	6,595	(177)	-3%	2.0%	-0.5%	28.8x	24.8x	23.5x	10.8%	31.8x	28.7x	25.9x	10.7%	51.3x	39.3x	32.9x
ASX:IFM	Infomedia Ltd	AUD	1.56	584	526	(58)	-11%	2.9%	4.1%	23.5x	9.6x	8.0x	71.0%	26.9x	22.9x	14.3x	37.5%	45.7x	26.0x	21.2x
ASX:KED	Keypath Education International, Inc.	USD	2.32	483	396	(65)	-16%	0.0%	-8.2%	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
	Mean									33.2x	24.9x	22.4x	29.1%	38.6x	31.0x	26.5x	22.3%	48.5x	32.6x	37.5x
	Median									32.8x	27.0x	25.3x	17.4%	38.6x	30.2x	29.1x	20.5%	48.5x	32.6x	40.3x
E-commerce																				
ASX:KGN	Kogan.com Ltd	AUD	8.43	901	904	3	0%	1.9%	10.4%	26.1x	15.5x	14.3x	34.8%	35.4x	19.4x	18.1x	39.9%	54.3x	25.3x	26.6x
ASX:WEB	Webjet Limited	AUD	5.49	2,088	1,945	3	0%	0.0%	-5.5%	n/m	n/m	17.6x	n/m	n/m	n/m	43.5x	n/m	n/m	n/m	44.3x
ASX:BKG	Booktopia Group Limited	AUD	1.34	183	183	(1)	0%	0.0%	-35.7%	15.3x	18.2x	14.2x	3.8%	20.1x	27.0x	25.9x	-11.8%	n/m	n/m	n/m
ASX:MPA	Mad Paws Holdings Limited	AUD	0.20	44	32	(12)	-39%	0.0%	-2.3%	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
ASX:CTT	Cettire Limited	AUD	3.42	1,304	1,257	(47)	-4%	0.0%	-6.6%	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
ASX:ABY	Adore Beauty Group Limited	AUD	4.28	403	375	(28)	-7%	0.0%	-11.1%	n/m	51.1x	45.9x	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
ASX:SDR	SiteMinder Limited	AUD	6.15	1,671	1,721	49	3%	0.0%	7.0%	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
ASX:STP	Step One Clothing Limited	AUD	1.36	252	241	(12)	-5%	0.0%	-43.8%	n/m	n/m	12.1x	n/m	n/m	n/m	12.1x	n/m	n/m	n/m	18.1x
ASX:MBX	My Foodie Box Limited	AUD	0.21	14	16	2	10%	0.0%	-	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	10.32	1,243	1,152	(91)	-8%	0.0%	1.0%	54.5x	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
	Mean									31.9x	28.2x	20.8x	19.3%	27.8x	23.2x	24.9x	14.1%	54.3x	25.3x	29.7x
	Median									26.1x	18.2x	14.3x	19.3%	27.8x	23.2x	22.0x	14.1%	54.3x	25.3x	26.6x
Department Stores																				
ASX:MYR	Myer Holdings Limited	AUD	0.41	337	1,960	1,624	82.8%	0.0%	-13.5%	5.5x	5.1x	5.2x	2.4%	11.6x	12.4x	13.3x	-6.6%	7.2x	7.4x	8.3x
Supermarkets																				
ASX:WOW	Woolworths Group Limited	AUD	36.06	43,520	57,759	13,879	24%	3.0%	-6.9%	11.4x	10.6x	11.8x	-1.5%	20.9x	18.3x	20.4x	1.3%	35.4x	41.4x	26.1x
ASX:COL	Coles Group Limited	AUD	16.51	22,045	31,156	9,111	29%	3.7%	-0.4%	9.7x	9.0x	8.6x	5.8%	17.7x	17.7x	16.3x	4.2%	24.4x	23.4x	20.0x
ASX:MTS	Metcash Limited	AUD	4.17	4,026	5,198	1,162	22%	4.8%	13.2%	9.6x	9.2x	8.5x	6.2%	13.1x	13.1x	11.9x	5.2%	17.6x	16.7x	14.9x
	Mean									10.2x	9.6x	9.6x	3.5%	17.2x	16.4x	16.2x	3.6%	25.8x	27.2x	20.3x
	Median									9.7x	9.2x	8.6x	5.8%	17.7x	17.7x	16.3x	4.2%	24.4x	23.4x	20.0x
Restaurants / Fast Food																				
ASX:DMP	Domino's Pizza Enterprises Limited	AUD	107.50	9,303	10,397	1,095	11%	1.6%	-9.0%	27.4x	24.1x	20.7x	14.9%	38.5x	34.7x	28.2x	16.8%	n/m	48.7x	40.8x
ASX:RFG	Retail Food Group Limited	AUD	0.07	153	272	119	44%	0.0%	-	9.5x	11.4x	8.4x	6.1%	15.1x	12.5x	9.5x	26.2%	16.9x	7.6x	7.9x
NZSE:RBD	Restaurant Brands New Zealand Limited	NZD	14.49	1,808	2,628	821	31%	0.0%	-5.2%	14.5x	14.5x	12.9x	5.9%	26.0x	24.9x	20.8x	11.9%	42.9x	31.2x	26.0x
ASX:CKF	Collins Foods Limited	AUD	12.06	1,407	2,025	617	30%	2.0%	-4.3%	11.1x	10.6x	9.8x	6.4%	20.8x	18.5x	17.1x	10.5%	33.4x	25.3x	22.7x
	Mean									15.6x	15.1x	13.0x	8.3%	25.1x	22.6x	18.9x	16.4%	31.1x	28.2x	24.3x
	Median									12.8x	13.0x	11.4x	6.3%	23.4x	21.7x	18.9x	14.4%	33.4x	28.2x	24.3x
Other																				
ASX:ELD	Elders Limited	AUD	12.10	1,898	2,118	217	10%	3.5%	9.4%	10.2x	10.0x	9.5x	3.6%	12.7x	13.7x	11.4x	5.6%	20.0x	13.8x	16.0x
ASX:FLT	Flight Centre Travel Group Limited	AUD	18.57	3,707	3,753	46	1%	0.0%	-0.7%	n/m	n/m	20.2x	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
ASX:ART	Airtasker Limited	AUD	0.76	314	269	(45)	-17%	0.0%	-12.0%	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
ASX:CCV	Cash Converters International Limited	AUD	0.26	163	-	62	n/m	0.0%	5.9%	0.0x	n/m	n/m	n/m	n/m	0.0x	n/m	n/m	n/m	14.4x	n/m
ASX:MEA	McGrath Limited	AUD	0.58	97	85	(12)	-14%	2.6%	-7.8%	3.6x	n/m	n/m	n/m	5.4x	n/m	n/m	n/m	11.2x	n/m	n/m
ASX:BBT	BlueBet Holdings Ltd	AUD	1.35	270	215	(55)	-26%	0.0%	-6.7%	28.3x	52.4x	n/m	n/m	28.8x	36.7x	52.1x	-25.6%	n/m	n/m	n/m
	Mean									10.5x	31.2x	14.9x	3.6%	11.8x	25.2x	31.8x	-10.0%	15.2x	13.8x	16.0x
	Median									6.9x	31.2x	14.9x	3.6%	9.1x	25.2x	31.8x	-10.0%	14.4x	13.8x	16.0x

Source: CapitalIQ, as at 12 January 2022

Ticker	Company	Currency	Share price \$	Mkt cap million	EV million	Net debt / EV	Dividend Yield LTM	TSR Dec-21	EV / EBITDA				EV / EBIT				PE			
									Actual	Forecasts		Growth	Actual	Forecasts		Growth	Actual	Forecasts		
									LTM	CY2021	CY2022	LTM-19	LTM	CY2021	CY2022	LTM-19	LTM	CY2021	CY2022	
FMCG - Beverage																				
ASX:TWE	Treasury Wine Estates Limited	AUD	11.47	8,364	9,447	1,080	11%	2.4%	2.3%	15.3x	13.2x	12.8x	9.3%	20.0x	19.3x	15.7x	13.1%	32.4x	26.3x	22.9x
NZSE:DGL	Delegat Group Limited	NZD	14.05	1,446	1,798	352	20%	1.4%	3.6%	15.1x	14.9x	14.4x	2.4%	18.7x	18.5x	17.9x	2.2%	26.6x	23.2x	22.6x
ASX:AVG	Australian Vintage Ltd	AUD	0.79	200	295	96	32%	3.8%	3.8%	6.7x	6.9x	7.0x	-2.2%	10.0x	10.0x	9.6x	2.0%	11.3x	10.7x	10.4x
ASX:GDA	Good Drinks Australia Limited	AUD	0.90	116	133	18	13%	0.0%	-0.6%	13.5x	n/m	10.3x	14.2%	22.8x	n/m	15.8x	20.1%	29.7x	n/m	22.4x
	Mean									12.6x	11.7x	11.1x	5.9%	17.9x	15.9x	14.7x	9.3%	25.0x	20.0x	19.6x
	Median									14.3x	13.2x	11.6x	5.8%	19.4x	18.5x	15.7x	7.6%	28.1x	23.2x	22.5x
FMCG - Food & Dairy																				
NZSE:FCG	Fontterra Co-operative Group Limited	NZD	2.94	4,743	8,856	4,107	46%	6.8%	-4.2%	6.3x	n/m	n/m	n/m	10.2x	n/m	n/m	n/m	12.4x	n/m	n/m
ASX:BGA	Bega Cheese Limited	AUD	5.12	1,572	1,982	409	21%	2.0%	3.3%	14.7x	11.7x	9.0x	27.9%	26.9x	22.4x	17.2x	25.0%	32.5x	37.4x	20.6x
NZSE:ATM	The a2 Milk Company Limited	NZD	5.68	4,254	3,395	(859)	-25%	0.0%	-2.9%	25.6x	37.4x	15.7x	27.6%	27.1x	n/m	21.4x	12.5%	52.0x	n/m	31.3x
ASX:NOU	noumi Limited	AUD	0.37	101	532	431	81%	0.0%	5.1%	46.7x	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
NZSE:SML	Synlait Milk Limited	NZD	3.49	763	1,255	492	39%	0.0%	8.1%	40.8x	14.9x	8.6x	118.3%	n/m	43.6x	14.0x	n/m	n/m	n/m	15.2x
	Mean									26.8x	21.3x	11.1x	57.9%	21.4x	33.0x	17.5x	18.8%	32.3x	37.4x	22.3x
	Median									25.6x	14.9x	9.0x	27.9%	26.9x	33.0x	17.2x	18.8%	32.5x	37.4x	20.6x
FMCG - Food (Production)																				
ASX:ING	Inghams Group Limited	AUD	3.27	1,224	3,010	1,786	59%	5.0%	1.2%	6.9x	6.7x	6.4x	3.3%	17.0x	17.0x	16.2x	2.6%	17.1x	13.1x	12.5x
ASX:AAC	Australian Agricultural Company Limited	AUD	1.52	916	1,300	384	30%	0.0%	-1.3%	n/m	24.1x	33.1x	n/m	n/m	29.7x	n/m	n/m	n/m	45.7x	n/m
ASX:CGC	Costa Group Holdings Limited	AUD	2.98	1,393	1,948	518	27%	3.0%	5.6%	9.5x	9.1x	7.2x	14.4%	18.1x	18.3x	13.0x	18.0%	28.5x	23.1x	15.9x
ASX:SHV	Select Harvests Limited	AUD	5.55	674	1,025	351	34%	1.4%	-3.8%	13.9x	19.4x	10.5x	14.9%	34.3x	27.4x	14.0x	56.5%	37.0x	24.4x	13.3x
ASX:TGR	Tassal Group Limited	AUD	3.45	739	1,266	527	42%	4.1%	5.8%	8.1x	8.3x	7.3x	5.1%	16.5x	14.6x	15.9x	1.9%	19.2x	13.7x	11.6x
ASX:E33	East 33 Limited	AUD	0.18	50	65	15	23%	0.0%	2.4%	n/m	n/m	5.9x	n/m	n/m	n/m	7.0x	n/m	n/m	n/m	6.4x
NZSE:SAN	Sanford Limited	NZD	5.00	468	683	215	31%	0.0%	-2.6%	13.1x	12.0x	9.5x	17.7%	42.6x	25.0x	16.2x	62.1%	n/m	21.1x	19.4x
	Mean									10.3x	13.3x	11.4x	11.1%	25.7x	22.0x	13.7x	28.2%	25.5x	23.5x	13.2x
	Median									9.5x	10.6x	7.3x	14.4%	18.1x	21.6x	14.9x	18.0%	23.9x	22.1x	12.9x
FMCG - Personal Care																				
ASX:BWV	BWV Limited	AUD	3.60	589	582	(7)	-1%	1.1%	-	18.6x	16.7x	9.9x	37.2%	23.9x	17.1x	11.6x	43.4%	33.7x	27.4x	20.0x
NZSE:CVT	Comvita Limited	NZD	3.73	265	283	18	6%	1.1%	2.6%	11.8x	10.4x	9.2x	13.2%	20.4x	17.1x	14.6x	18.3%	30.2x	23.7x	18.6x
ASX:BKL	Blackmores Limited	AUD	82.60	1,596	1,562	(40)	-3%	0.9%	0.1%	21.5x	19.4x	15.2x	19.2%	33.3x	33.4x	22.5x	21.5%	n/m	51.0x	34.7x
ASX:EZZ	EZZ Life Science Holdings Limited	AUD	0.52	23	14	(9)	-63%	0.9%	8.5%	4.1x	n/m	n/m	n/m	4.3x	n/m	n/m	n/m	10.3x	n/m	n/m
ASX:SSG	Shaver Shop Group Limited	AUD	1.16	155	174	19	11%	7.1%	-1.2%	4.3x	4.3x	4.1x	2.0%	6.6x	6.7x	6.4x	1.3%	9.3x	9.0x	8.5x
ASX:BIO	Biome Australia Limited	AUD	0.12	23	22	(1)	-2%	0.0%	-	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
ASX:MCP	McPherson's Limited	AUD	0.83	107	120	14	11%	6.0%	-8.4%	15.6x	9.0x	6.2x	58.7%	44.2x	14.2x	8.3x	131.4%	n/m	14.0x	11.8x
	Mean									12.6x	12.0x	8.9x	26.0%	22.1x	17.7x	12.7x	43.2%	20.9x	25.0x	18.7x
	Median									13.7x	10.4x	9.2x	19.2%	22.1x	17.1x	11.6x	21.5%	20.3x	23.7x	18.6x

Source: CapitalIQ, as at 12 January 2022

Retail sector trends

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

- **Food retailing:** The seasonally adjusted estimate for Food retailing fell 2.5% in November 2021. By industry subgroup, the seasonally adjusted estimate fell for Other specialised food retailing (-2.2%), Liquor retailing (-6.8%) and Supermarkets and grocery stores (-2.0%).
- **Household goods retailing:** The seasonally adjusted estimate for Household goods retailing rose 11.6% in November 2021. By industry subgroup, the seasonally adjusted estimate rose for Furniture, floor coverings, houseware and textile goods retailing (21.4%), Electrical and electronic goods retailing (17.7%) and fell for Hardware, building and garden supplies retailing (-1.6%).
- **Clothing, footwear and personal accessory retailing:** The seasonally adjusted estimate for Clothing, footwear and personal accessory retailing rose 38.2% in November 2021. By industry subgroup, the seasonally adjusted estimate rose for Clothing retailing (38.9%), and Footwear and other personal accessory retailing (36.7%).
- **Department stores:** The seasonally adjusted estimate for Department stores rose 26.0% in November 2021.
- **Cafes, restaurants and take-away food services:** The seasonally adjusted estimate for Cafes, restaurants and takeaway food services rose 9.3% in November 2021. By industry subgroup, the seasonally adjusted estimate rose for Cafes, restaurants and catering services (17.1%) and fell for Takeaway food services (-0.7%).
- **Other retailing:** The seasonally adjusted estimate for Other retailing rose 7.3% in November 2021. By industry subgroup, the seasonally adjusted estimate rose for Newspaper and book retailing (9.7%), Other recreational goods retailing (8.9%), Pharmaceutical, cosmetic and toiletry goods retailing (3.7%) and Other retailing n.e.c. (9.4%).

Source: ABS data released 11 January 2022. Data refers to the seasonally adjusted estimates by industry



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