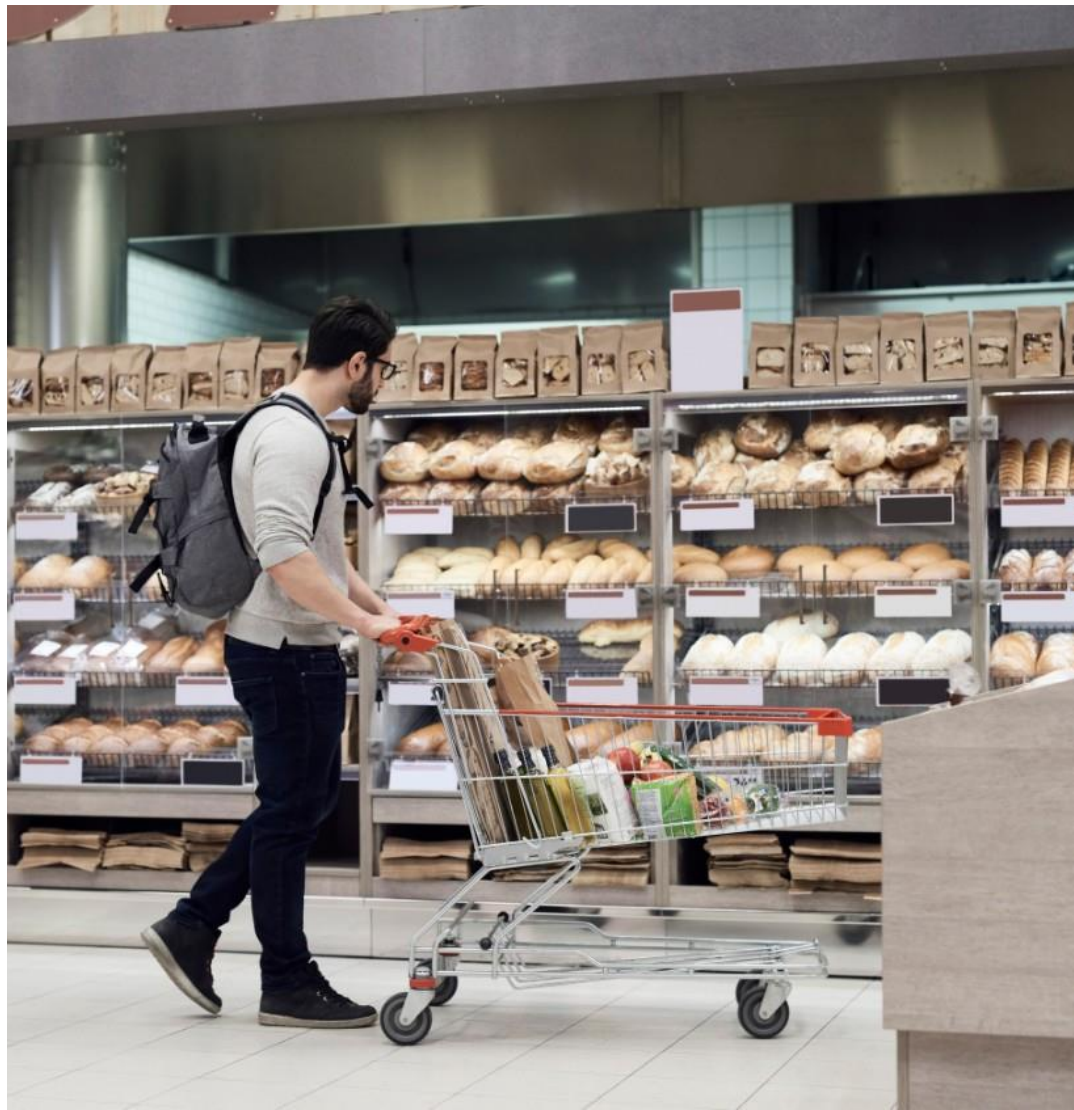


# Retail and Consumer Deals Digest

September 2021



# Retail and Consumer Deals Digest

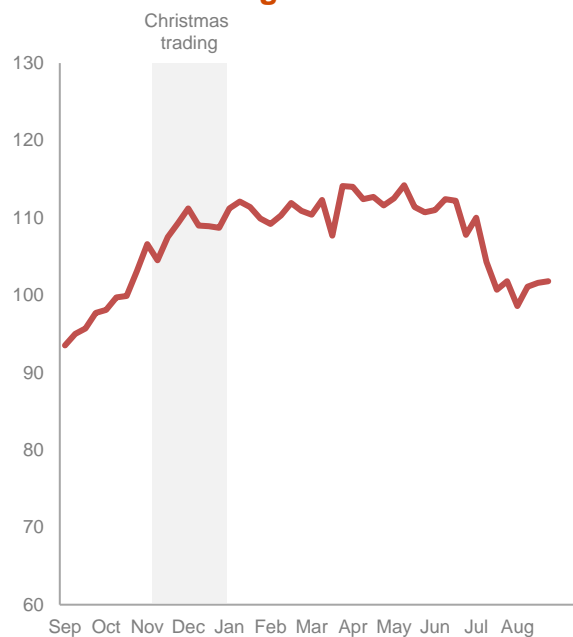
## Consumer Confidence remains flat at 101.8, with regional COVID-19 driven differences

Consumer Confidence increased 0.2% in the last week of August, despite higher COVID-19 case numbers in NSW and Victoria. Confidence is still well below the 2021 weekly average of 109.2, however, it has increased 12.3 points compared to the previous year's average. The increase in Consumer Confidence this week was driven by improving sentiment around people's personal financial situations.

Consumer Confidence is lowest in Victoria and NSW just below the neutral level of 100%, while it is slightly above 100 in South Australia and Queensland and significantly higher in Western Australia at 110, largely driven by COVID-19 status and impact of lockdowns across various states.

"Consumer confidence rose 0.2% last week despite rising COVID case numbers. Sentiment in Sydney gained 0.9%, as daily case numbers rose above 1,000 for the first time. Confidence fell in Brisbane (-1.6%), Melbourne (-1.9%), Adelaide (-8.6%) and Perth (-0.8%). The overall steady outlook may reflect the increasing vaccination rates across the country and the hope that this will eventually bring lockdowns and border closures to an end." – **David Plank, ANZ Head of Australian Economics, 31 August 2021**

## ANZ-Roy Morgan Weekly Consumer Confidence Rating



Source: ANZ-Roy Morgan Weekly Consumer Confidence Index

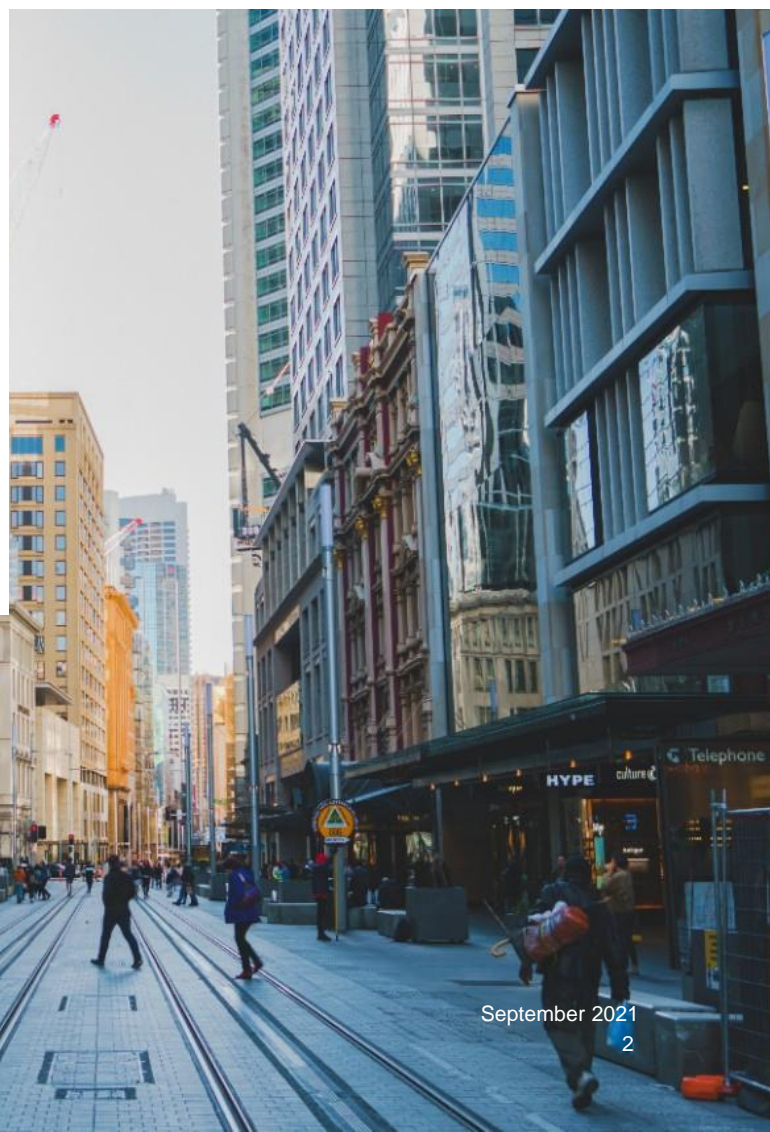
## Latest Australian ABS trade results

The latest Australian Bureau of Statistics (ABS) Retail Trade figures show that Australian retail turnover declined by 2.7% in July 2021 which follows a decline of 1.8% in June 2021 and increase of 0.4% in May 2021.

The following industries fell in seasonally adjusted terms in July 2021: Cafes, restaurants and takeaway food services (-12.3%), clothing, footwear and personal accessory retailing (-15.4%), Department stores (-11.4%) and Household goods retailing (-2.2%). Food retailing (2.3%) and other retailing (0.6%) rose in seasonally adjusted terms.

The following states and territories rose in seasonally adjusted terms in July 2021: Tasmania (2.7%), Victoria (1.3%), Northern Territory (2.2%), Western Australia (1.2%) and Australian Capital Territory (2.1%). South Australia (-3.3%), NSW (-8.9%), Queensland (-0.9%) fell in seasonally adjusted terms.

Source: ABS data released 27 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<sup>(1)</sup> increased in value compared to the prior comparable period (PCP), with volumes increasing significantly. 23 deals totalling AUD\$2.3bn were announced in the FY22TD period, versus 17 in the PCP, valued at AUD\$2.2bn.

In the last twelve months (LTM), deal value compared to the PCP has increased with deal volume also increasing, from 116 announced deals (AUD\$10.5bn)<sup>(2)</sup> to 142 (AUD\$39.2bn).

### Australia and New Zealand Announced Retail and Consumer deals (FY2022TD<sup>(1)</sup> and LTM vs. PCP)

Deal value (in A\$m)	FY2022TD <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	0	0	0	0	0	0	0	0
\$6 to \$10M	3	27	0	0	9	82	8	74
\$11 to \$20M	2	27	6	91	20	325	21	331
\$21 to \$30M	1	22	1	26	9	217	11	290
\$31 to \$50M	2	74	3	138	18	718	13	543
\$51 to \$100M	4	332	0	0	15	1,111	17	1,101
\$101 to \$300M	1	125	0	0	14	2,459	3	493
\$301 to \$500M	1	400	1	459	3	1,144	4	1,612
>\$500M	2	1,337	2	1,466	8	33,101	7	6,086
<b>Subtotal</b>	<b>16</b>	<b>2,344</b>	<b>13</b>	<b>2,180</b>	<b>96</b>	<b>39,157</b>	<b>84</b>	<b>10,530</b>
Undisclosed	7	n/a	4	n/a	46	n/a	32	n/a
<b>Total Announced</b>	<b>23</b>	<b>2,344</b>	<b>17</b>	<b>2,180</b>	<b>142</b>	<b>39,157</b>	<b>116</b>	<b>10,530</b>
<b>Total Completed</b>	<b>14</b>	<b>688</b>	<b>11</b>	<b>1,592</b>	<b>95</b>	<b>26,375</b>	<b>98</b>	<b>8,611</b>

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

(1) FY2022TD refers to the period 1 July 2021 to 31 August 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)

## Selected recently completed / announced deals

- **3 September 2021 – Peter Walker, an Australian pub owner, has announced the acquisition of Adam's Tavern, a gaming pub in Blacktown, NSW for ~A\$25m.** The asset was sold by Bob McGhee, who established the venue 30 years ago.
- **31 August 2021 – Indevin, a New Zealand-based wine company, has acquired Villa Maria Estate, a peer in the country.** The transaction includes Villa Maria's supplier agreements, along with its Vidal, Esk Vally, and Leftfield brands.
- **27 August 2021 - ASX-listed natural products player BWX Group announced the acquisition of a majority stake (50.1%) in Go-To Skincare from Foster Blake, at an Enterprise Value of A\$177 million.** The transaction represents an Enterprise Value / EBITDA multiple of 14.9x FY21 EBITDA. The acquisition is part of company's growth strategy as the company has exciting growth outlook and will provide BWX access to the "masstige" premium market in Australia and the US. Through this partnership, BWX intends to support Go-To's growth potential by leveraging its capability, resources and international distribution network.
- **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.
- **10 August 2021 - Australian private equity firm Advent Partners has acquired a stake in multi-player virtual reality gaming and entertainment company, Zero Latency.** The PE firm has agreed to buy a majority stake and will invest alongside the company's founders, management, and local VC firm Carthona Capital. Advent is expected to use its experience in rollout strategies to significantly increase Zero Latency's footprint and seeks to triple the size of Zero Latency's network.
- **06 August 2021 - The world's largest meat-processing company, Brazil-based JBS, has announced the acquisition of Huon Aquaculture, Australia's second-largest salmon producer for A\$425 million, at A\$3.85 per share.** JBS management believes the aquaculture to be a new growth platform for the company. The acquisition will enable JBS to further grow its Australian protein business and strengthen presence with customers.

Source: Mergermarket, based on recently announced and completed transactions

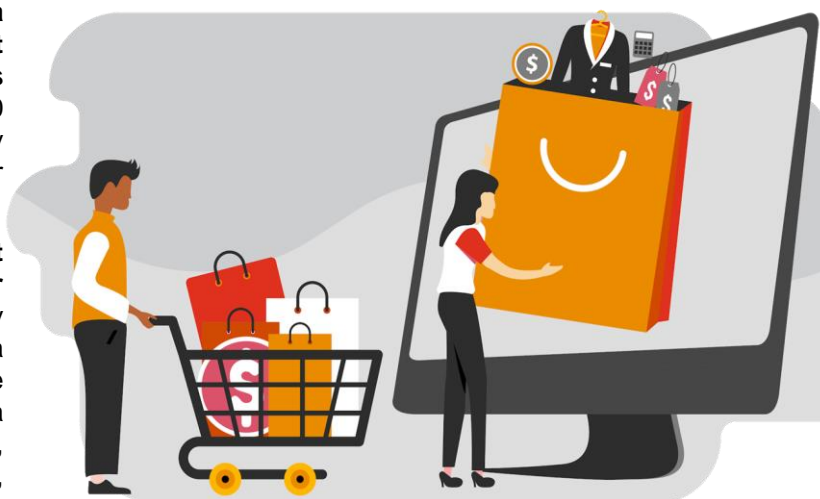
## Selected recently completed / announced deals (cont'd)

- **04 August 2021 - Market-leading digital games provider Scientific Games acquired digital content studio, Lightning Box for an undisclosed amount.** The acquisition is part of company's strategy to become a content-led sustainable growth company and continues to capitalize on its largest growth opportunities with a focus on digital markets. The acquisition also bolsters the Company's in-house studios with even more talented game makers.
- **30 July 2021 - One of the leading manufacturers of savoury snacks in Europe, The Internsack Group announced acquisition of remaining 60% stake in Unisnack ANZ, a leading snacks & biscuits company,** from Philippines-based Universal Robina Corp, for an undisclosed value. Management consider the acquisition to be a strategic fit and expect it to strengthen its market coverage in the Oceania region and enrich its existing portfolio and innovation pipeline.

## Also recently in the news

- **Best known for its voluminous dresses and logo t-shirts, Sydney based designer fashion brands Aje launched its Athletica line** and plans for an accelerated rollout of 11 new stores to house the sub-brand across Australia and New Zealand. The move is part of company's strategy to expand into the athleisure and sportswear segment.
- **Stationery business Kikki.K has collapsed in voluntary administration for a second time in the past 17 months.** The company first went into voluntary administration in March 2020 owing \$20 million to creditors and was sold in June to US-based lifestyle products company, Erin Condren Designs. The administrators will attempt to find a buyer for the business amid a slump in retail spending triggered by the lockdowns.
- **TikTok launched an organic product discovery and shopping capability on the social video platform through a partnership with Shopify.** Creators with a TikTok for Business account will soon be able to add a shopping tab to their profile, and create a mini storefront that can link directly to their online store for checkout purposes. The offer is currently only available to Shopify merchants in the US and UK, but the feature will roll out to several other regions in the coming months.
- **Ride hailing app Uber, announced a partnership with supermarket giant Woolworths as it seeks to grow its Uber Eats marketplace.** The partnership will see over 1,200 products offered from its metro stores in Sydney and Melbourne, with Uber offering same hour grocery delivery.
- **Barbeques Galore, Australia's largest barbeque and outdoor furniture retailer** partnered with digital commerce consultancy **Amblique** and global technology platform as a service company, **Marketplacer** to grow online sales by 300%. The company will introduce a comprehensive third-party marketplace strategy, enabling the business to onboard new suppliers, scale its range quickly, and provide a highly personalised, integrated shopping experience.
- **Australian food franchise Donut King launched a mobile business, delivering donuts to consumer doors.** The company has been trialling the vans in different regions in Australia using its existing franchise partners to measure the demand.
- **Leading Australian apparel and sport business PAS Group, announced an exclusive agreement with Italy's Fashion Box Group** to relaunch the denim brand Replay in Australia and New Zealand. New concept stores, wholesale distribution and an online shopping site are set to roll out early next year.
- **New on-demand food & grocery service Geezy Go launched a digital supermarket** serving Sydney aiming to compete with Coles and Woolworths.
- **Australian online surfwear retailer SurfStitch** partnered with General Pants, with SurfStitch to offer its customers the full General Pants portfolio of 11 private label brands across men's, women's and accessories. The partnership comes as both General Pants and SurfStitch expand their operations.

Source: Mergermarket, Inside Retail



## Also recently in the news (cont'd)

- **Openway Food Co, an Australia-based, Five V Capital backed health food roll-up including brands Table of Plenty, Keep it Cleaner, Red Tractor, Raise the Bar and Hammer & Tuffy's, is seeking to make bolt-on acquisitions** in the health food space. The group is primarily targeting the breakfast, snacking, sports, and nutrition segments and seeks to triple in size.
- **Fable Food Co, a privately held Australian plant-based food company, raised A\$6.5m in a round led by Blackbird Ventures** along with other investors including Aera VC, AgFunder, Better Bite Ventures and Ban Choon Marketing. The company plans to use the proceeds to launch operations in the US by year-end.
- **Who Gives A Crap, an Australia direct-to-consumer toilet paper retailer, announced a A\$50m equity capital raise** which is the first major funding round by the group with a UK-based venture capital firm believed to have taken a stake as part of the equity capital raise.
- **Flight Centre announced a joint venture with Tokyo-based NSF Engagement Corporation,** as part of its strategic expansion within Asia's corporate travel sector.
- **Be Fit Food, a privately held Australia-based rapid weight loss business, could consider an external investor to accelerate its growth,** primarily on the technology side of the business. The company has been approached by various competitors and private investors but has not yet found the right party. The company seeks to invest primarily in analytical data, CRM, and other marketing initiatives.
- **7-Eleven partners with Australia Post to double parcel locker locations.** The partnership aims to offer customers access to free all hours parcel lockers at 7-Eleven stores across the country. The 24/7 service has been launched at ~200 7-Eleven stores.
- **Officeworks partners with design platform Canva to grows its personalised design offering, with thousands of new templates and designs** created by Canva. Customers can access the service online and can have personally designed products arrive via post or click & collect.
- **Discount supermarket Aldi, is making a push into convenience, with opening of corner store concept in North Sydney.** The store is primarily designed to support smaller-basket, conveniences driven purchases, in contrast to bigger box Aldi Supermarket.

Source: Mergermarket, Inside Retail

## A CLOSER LOOK: Trends that are driving growth in digital marketplaces

Given the proliferation of new and emerging digital marketplaces showing no signs of slowing, below we present some meaningful trends which are critically important to their continued growth.

### Shifting market dynamics

- Higher consumer expectations for personalisation are fuelling the emergence of more niche, consumer-specific sites.
- Multibrand retailers are opening up online platforms to third-party sellers.
- Large international players are also entering the US market, intensifying competitive pressures on US marketplaces.

### Marketplace consolidation

- As more players target similar consumer groups the market seems likely to consolidate. Larger players are acquiring or investing in marketplaces close to their core businesses.
- There will likely be an environment where similar marketplace value propositions continue to join forces or partner to serve a similar consumer base and unlock synergies.

### More value-added service offerings

- The proliferation of digital marketplaces and the growing reliance on sellers to build scale have increased competition to attract not only consumers but also sellers. Marketplaces must therefore work just as hard to create a differentiated value proposition for sellers and for consumers.
- Offering value-added services to sellers will increasingly spell the difference between marketplaces that thrive and those that fail.
- The most successful ones will find ways to generate revenues from these services when sellers recognize their value.

### Supporting ecosystem of tech enablement

- Tech providers like Shopify support both brands and retailers to maximize sales and marketplace potential; for instance, they help marketplace operators reinvent their service offerings to remain relevant.
- For brands to succeed, social commerce and transactions with hybrid marketplace/community forums (such as Facebook Marketplace) require other capabilities and enablers, including payments and security, detailed product tagging, and improved "shopability."
- Additionally, if these tech enablers establish their own marketplaces, some may evolve into competitors.

Source: PwC Analysis

Company	Currency	Share price \$	Mkt cap million	EV million	Net debt / EV	Dividend Yield LTM	TSR Aug-21	EV / EBITDA			EV / EBIT			PE		
								Actual	Forecasts		Actual	Forecasts		Actual	Forecasts	
								LTM	CY2021	CY2022	LTM	CY2021	CY2022	LTM	CY2021	CY2022
<b>Household Goods Retail</b>																
Harvey Norman Holdings Limited	AUD	5.07	6,317	7,778	18%	6.9%	-5.1%	6.2x	7.2x	7.7x	6.9x	9.0x	10.0x	9.2x	10.1x	12.4x
JB Hi-Fi Limited	AUD	44.84	5,157	5,525	7%	6.4%	-2.5%	5.8x	6.3x	7.0x	7.4x	8.4x	10.3x	11.3x	11.6x	13.8x
The Warehouse Group Limited	NZD	3.80	1,312	2,037	36%	3.4%	7.8%	6.4x	5.5x	5.6x	11.3x	9.5x	11.0x	15.0x	9.3x	11.2x
Adairs Limited	AUD	3.91	661	742	11%	5.9%	-3.4%	4.9x	5.2x	5.1x	6.9x	7.9x	7.7x	10.4x	11.8x	10.2x
Beacon Lighting Group Limited	AUD	2.07	462	570	19%	4.3%	24.7%	6.6x	7.2x	7.7x	9.6x	10.9x	12.6x	13.7x	14.1x	16.8x
Nick Scali Limited	AUD	11.75	952	1,072	11%	5.5%	0.8%	7.0x	8.9x	9.3x	8.8x	9.9x	11.6x	13.0x	12.9x	15.3x
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	6.22	238	332	28%	0.0%	17.4%	2.6x	2.6x	2.5x	17.9x	50.8x	20.6x	31.4x	27.8x	18.7x
Baby Bunting Group Limited	AUD	5.24	680	804	15%	2.7%	-6.1%	14.7x	10.8x	9.5x	30.4x	18.2x	15.8x	51.7x	24.7x	21.4x
Dusk Group Limited	AUD	3.11	194	206	6%	0.0%	-18.5%	3.8x	5.3x	5.3x	5.3x	6.0x	6.3x	10.0x	7.8x	8.0x
<b>Mean</b>								<b>6.9x</b>	<b>6.6x</b>	<b>6.7x</b>	<b>11.6x</b>	<b>14.5x</b>	<b>11.8x</b>	<b>18.4x</b>	<b>14.5x</b>	<b>14.2x</b>
<b>Median</b>								<b>6.3x</b>	<b>6.3x</b>	<b>7.0x</b>	<b>8.8x</b>	<b>9.5x</b>	<b>11.0x</b>	<b>13.0x</b>	<b>11.8x</b>	<b>13.8x</b>
<b>Household Goods Wholesale / Distribution</b>																
Breville Group Limited	AUD	30.55	4,257	4,166	-2%	0.9%	0.0%	27.6x	23.7x	20.7x	30.0x	28.4x	24.8x	53.1x	43.0x	36.9x
GUD Holdings Limited	AUD	10.48	994	1,229	19%	5.4%	-7.5%	10.5x	10.0x	9.3x	12.5x	11.9x	10.7x	17.3x	14.7x	13.3x
GWA Group Limited	AUD	2.63	697	869	20%	4.8%	0.7%	10.6x	9.5x	8.8x	13.7x	12.1x	11.1x	20.0x	15.5x	14.0x
Pental Limited	AUD	0.39	61	49	-24%	6.7%	-	4.2x	n/m	n/m	6.1x	n/m	n/m	10.6x	n/m	n/m
Shriro Holdings Limited	AUD	1.12	106	101	-5%	6.3%	-9.2%	3.8x	n/m	n/m	4.8x	n/m	n/m	8.8x	n/m	n/m
Lynch Group Holdings Limited	AUD	3.65	446	479	7%	22.5%	-0.3%	14.3x	8.0x	7.5x	22.3x	10.7x	10.5x	27.0x	13.4x	13.0x
Bremworth Limited	NZD	0.82	57	56	-2%	0.0%	28.0%	16.5x	n/m	n/m	32.8x	n/m	n/m	n/m	n/m	n/m
EBOS Group Limited	AUD	35.53	5,833	6,383	8%	2.3%	15.9%	16.2x	16.2x	15.2x	20.2x	19.8x	18.3x	34.6x	28.2x	25.8x
Australian Pharmaceutical Industries Limited	AUD	1.48	727	1,037	30%	2.4%	-4.6%	8.9x	7.8x	6.9x	25.0x	17.4x	13.0x	40.1x	22.7x	15.5x
<b>Mean</b>								<b>12.5x</b>	<b>12.5x</b>	<b>11.4x</b>	<b>18.6x</b>	<b>16.7x</b>	<b>14.7x</b>	<b>26.4x</b>	<b>22.9x</b>	<b>19.8x</b>
<b>Median</b>								<b>10.6x</b>	<b>9.7x</b>	<b>9.1x</b>	<b>20.2x</b>	<b>14.7x</b>	<b>12.0x</b>	<b>23.5x</b>	<b>19.1x</b>	<b>14.8x</b>
<b>Diversified Retail</b>																
Wesfarmers Limited	AUD	56.98	64,606	71,710	10%	3.1%	-1.9%	14.0x	14.0x	13.9x	19.5x	20.5x	19.9x	30.1x	28.1x	28.2x
Vita Group Limited	AUD	0.91	150	164	8%	8.8%	-9.9%	3.8x	4.3x	4.6x	10.4x	8.8x	6.9x	12.9x	13.1x	9.6x
Super Retail Group Limited	AUD	12.24	2,764	3,511	21%	7.2%	-2.8%	4.8x	5.0x	5.6x	7.5x	9.1x	10.7x	10.3x	12.1x	13.4x
<b>Mean</b>								<b>7.5x</b>	<b>7.8x</b>	<b>8.0x</b>	<b>12.5x</b>	<b>12.8x</b>	<b>12.5x</b>	<b>17.8x</b>	<b>17.8x</b>	<b>17.1x</b>
<b>Median</b>								<b>4.8x</b>	<b>5.0x</b>	<b>5.6x</b>	<b>10.4x</b>	<b>9.1x</b>	<b>10.7x</b>	<b>12.9x</b>	<b>13.1x</b>	<b>13.4x</b>
<b>Automotive Retail</b>																
Eagers Automotive Limited	AUD	16.30	4,212	6,213	32%	2.8%	3.7%	11.6x	10.7x	11.8x	16.0x	13.0x	15.1x	22.9x	14.9x	18.0x
ARB Corporation Limited	AUD	48.30	3,938	3,898	-1%	1.4%	10.9%	24.1x	22.3x	22.1x	27.5x	26.2x	25.8x	44.5x	35.4x	35.6x
Bapcor Limited	AUD	7.32	2,484	2,877	14%	2.7%	-9.8%	10.6x	10.1x	9.6x	14.5x	15.0x	13.6x	21.6x	19.3x	18.6x
Peter Warren Automotive Holdings Limited	AUD	3.12	519	805	36%	0.0%	-5.8%	8.1x	8.0x	8.6x	10.6x	10.3x	11.3x	6.9x	9.6x	16.7x
MotorCycle Holdings Limited	AUD	3.03	187	255	27%	6.6%	19.3%	5.2x	5.6x	5.6x	7.1x	7.1x	8.6x	7.4x	7.5x	9.3x
<b>Mean</b>								<b>11.9x</b>	<b>11.3x</b>	<b>11.5x</b>	<b>15.1x</b>	<b>14.3x</b>	<b>14.9x</b>	<b>20.7x</b>	<b>17.4x</b>	<b>19.7x</b>
<b>Median</b>								<b>10.6x</b>	<b>10.1x</b>	<b>9.6x</b>	<b>14.5x</b>	<b>13.0x</b>	<b>13.6x</b>	<b>21.6x</b>	<b>14.9x</b>	<b>18.0x</b>
<b>Apparel / Accessories Retail</b>																
Premier Investments Limited	AUD	28.93	4,596	4,502	-2%	2.4%	6.0%	8.3x	9.1x	10.0x	13.4x	17.3x	16.8x	21.9x	23.8x	22.7x
Lovisa Holdings Limited	AUD	19.34	2,078	2,241	7%	2.0%	25.3%	26.4x	18.2x	14.9x	n/m	45.1x	29.0x	n/m	n/m	39.9x
Kathmandu Holdings Limited	NZD	1.46	1,035	1,326	22%	1.4%	-0.7%	9.6x	6.5x	5.8x	49.6x	11.5x	9.6x	n/m	14.1x	11.6x
Mosaic Brands Limited	AUD	0.53	51	148	66%	0.0%	-12.5%	1.0x	3.3x	3.1x	2.9x	5.6x	5.0x	2.0x	4.1x	3.1x
Accent Group Limited	AUD	2.18	1,181	1,632	28%	5.2%	-21.2%	7.9x	6.8x	6.3x	17.4x	14.3x	13.5x	23.6x	16.8x	15.8x
Hallenstein Glasson Holdings Limited	NZD	6.90	411	455	10%	6.8%	0.3%	5.8x	n/m	n/m	10.1x	n/m	n/m	15.5x	n/m	n/m
Universal Store Holdings Limited	AUD	7.67	561	598	6%	2.0%	8.5%	8.3x	12.9x	11.4x	12.4x	14.4x	12.8x	22.2x	20.8x	17.5x
Michael Hill International Limited	AUD	0.86	328	389	16%	5.2%	-6.5%	3.6x	3.6x	3.6x	6.5x	7.5x	7.8x	10.1x	8.4x	8.2x
City Chic Collective Limited	AUD	6.33	1,523	1,480	-3%	0.0%	15.0%	32.2x	27.4x	21.7x	45.5x	35.3x	25.8x	n/m	51.1x	37.2x
<b>Mean</b>								<b>11.5x</b>	<b>11.0x</b>	<b>9.6x</b>	<b>19.7x</b>	<b>18.9x</b>	<b>15.0x</b>	<b>15.9x</b>	<b>19.9x</b>	<b>19.5x</b>
<b>Median</b>								<b>8.3x</b>	<b>8.0x</b>	<b>8.2x</b>	<b>12.9x</b>	<b>14.3x</b>	<b>13.1x</b>	<b>18.7x</b>	<b>16.8x</b>	<b>16.7x</b>

Source: CapitalIQ, as at 16 September 2021

Company	Currency	Share price \$	Mkt cap million	EV million	Net debt / EV	Dividend Yield LTM	TSR Aug-21	EV / EBITDA			EV / EBIT			PE		
								Actual	Forecasts		Actual	Forecasts		Actual	Forecasts	
								LTM	CY2021	CY2022	LTM	CY2021	CY2022	LTM	CY2021	CY2022
<b>Media</b>																
SEEK Limited	AUD	30.75	10,875	11,804	7%	0.7%	11.2%	37.5x	29.0x	26.8x	51.2x	31.1x	33.7x	n/m	n/m	50.2x
REA Group Limited	AUD	157.56	20,817	21,214	2%	0.8%	-4.6%	43.2x	36.9x	32.3x	45.1x	42.5x	34.7x	n/m	n/m	48.8x
carsales.com Ltd	AUD	25.51	7,202	7,026	-3%	1.9%	14.7%	31.0x	26.4x	25.0x	34.2x	28.9x	27.6x	54.6x	42.5x	36.6x
Infomedia Ltd	AUD	1.69	633	575	-10%	2.6%	26.7%	25.8x	10.5x	8.8x	29.6x	25.1x	15.6x	49.5x	28.1x	23.0x
Keypath Education International, Inc.	USD	3.26	679	592	-11%	0.0%	-15.0%	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
<b>Mean</b>								<b>34.4x</b>	<b>25.7x</b>	<b>23.2x</b>	<b>40.0x</b>	<b>31.9x</b>	<b>27.9x</b>	<b>52.0x</b>	<b>35.3x</b>	<b>39.7x</b>
<b>Median</b>								<b>34.3x</b>	<b>27.7x</b>	<b>25.9x</b>	<b>39.7x</b>	<b>30.0x</b>	<b>30.6x</b>	<b>52.0x</b>	<b>35.3x</b>	<b>42.7x</b>
<b>E-commerce</b>																
Kogan.com Ltd	AUD	10.11	1,081	1,081	0%	1.6%	9.6%	48.1x	17.2x	14.9x	n/m	21.1x	18.0x	n/m	27.5x	25.9x
Webjet Limited	AUD	5.99	2,269	2,272	0%	0.0%	13.6%	n/m	n/m	21.0x	n/m	n/m	51.4x	n/m	n/m	41.5x
Booktopia Group Limited	AUD	2.71	372	371	0%	0.0%	8.0%	31.2x	18.7x	13.4x	41.2x	31.8x	20.3x	n/m	42.0x	25.8x
Mad Paws Holdings Limited	AUD	0.21	45	32	-38%	0.0%	-	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
Cettire Limited	AUD	3.19	1,216	1,169	-4%	0.0%	28.7%	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
Adore Beauty Group Limited	AUD	4.50	424	396	-7%	0.0%	-7.4%	n/m	52.8x	47.5x	n/m	n/m	n/m	n/m	n/m	n/m
Temple & Webster Group Ltd	AUD	13.12	1,580	1,489	-6%	0.0%	23.1%	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
<b>Mean</b>								<b>39.7x</b>	<b>29.5x</b>	<b>24.2x</b>	<b>41.2x</b>	<b>26.5x</b>	<b>29.9x</b>	<b>n/a</b>	<b>34.8x</b>	<b>31.1x</b>
<b>Median</b>								<b>39.7x</b>	<b>18.7x</b>	<b>17.9x</b>	<b>41.2x</b>	<b>26.5x</b>	<b>20.3x</b>	<b>n/a</b>	<b>34.8x</b>	<b>25.9x</b>
<b>Department Stores</b>																
Myer Holdings Limited	AUD	0.60	487	2,113	76.9%	0.0%	9.1%	5.6x	n/m	n/m	12.6x	12.6x	13.4x	10.4x	9.6x	10.6x
<b>Supermarkets</b>																
Woolworths Group Limited	AUD	39.58	50,099	64,338	22%	2.7%	7.7%	12.7x	11.3x	12.3x	23.3x	19.5x	21.3x	38.9x	32.2x	30.2x
Coles Group Limited	AUD	17.08	22,784	31,895	29%	3.6%	5.0%	9.9x	9.1x	8.8x	18.1x	17.0x	16.6x	25.3x	23.9x	21.9x
Metcash Limited	AUD	3.94	3,804	4,723	19%	4.4%	1.7%	9.2x	8.3x	8.0x	12.6x	11.9x	11.7x	18.0x	15.4x	15.3x
<b>Mean</b>								<b>10.6x</b>	<b>9.6x</b>	<b>9.7x</b>	<b>18.0x</b>	<b>16.1x</b>	<b>16.6x</b>	<b>27.4x</b>	<b>23.8x</b>	<b>22.5x</b>
<b>Median</b>								<b>9.9x</b>	<b>9.1x</b>	<b>8.8x</b>	<b>18.1x</b>	<b>17.0x</b>	<b>16.6x</b>	<b>25.3x</b>	<b>23.9x</b>	<b>21.9x</b>
<b>Restaurants / Fast Food</b>																
Domino's Pizza Enterprises Limited	AUD	159.32	13,787	14,882	7%	1.1%	35.2%	39.3x	32.6x	28.2x	n/m	46.7x	37.6x	n/m	n/m	n/m
Retail Food Group Limited	AUD	0.08	172	291	41%	0.0%	-	10.2x	12.2x	9.0x	16.2x	13.4x	10.1x	19.1x	8.5x	8.9x
Restaurant Brands New Zealand Limited	NZD	15.35	1,915	2,736	30%	0.0%	-	15.1x	15.1x	13.4x	27.1x	25.9x	21.6x	45.5x	33.0x	27.5x
Collins Foods Limited	AUD	12.34	1,440	2,013	28%	1.9%	11.9%	11.6x	10.0x	9.2x	21.9x	18.8x	17.1x	36.7x	26.8x	23.7x
<b>Mean</b>								<b>19.0x</b>	<b>17.5x</b>	<b>15.0x</b>	<b>21.7x</b>	<b>26.2x</b>	<b>21.6x</b>	<b>33.8x</b>	<b>22.8x</b>	<b>20.1x</b>
<b>Median</b>								<b>13.3x</b>	<b>13.7x</b>	<b>11.3x</b>	<b>21.9x</b>	<b>22.4x</b>	<b>19.3x</b>	<b>36.7x</b>	<b>26.8x</b>	<b>23.7x</b>
<b>Other</b>																
Elders Limited	AUD	12.56	1,965	2,231	12%	2.6%	7.9%	12.2x	11.4x	11.1x	15.8x	15.1x	14.0x	25.0x	14.6x	16.1x
Flight Centre Travel Group Limited	AUD	18.33	3,657	3,703	1%	0.0%	9.0%	n/m	n/m	7.9x	n/m	n/m	41.2x	n/m	n/m	17.7x
Airtasker Limited	AUD	0.97	402	356	-13%	0.0%	-1.0%	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
Cash Converters International Limited	AUD	0.27	169	-	n/m	0.0%	1.9%	0.0x	n/m	n/m	0.0x	n/m	n/m	15.0x	n/m	n/m
McGrath Limited	AUD	0.55	92	80	-15%	2.7%	-0.9%	3.4x	n/m	n/m	5.2x	n/m	n/m	10.6x	n/m	n/m
BlueBet Holdings Ltd	AUD	2.05	410	355	-15%	0.0%	12.6%	47.6x	n/m	n/m	48.5x	n/m	n/m	n/m	n/m	n/m
<b>Mean</b>								<b>15.8x</b>	<b>11.4x</b>	<b>9.5x</b>	<b>17.4x</b>	<b>15.1x</b>	<b>27.6x</b>	<b>16.8x</b>	<b>14.6x</b>	<b>16.9x</b>
<b>Median</b>								<b>7.8x</b>	<b>11.4x</b>	<b>9.5x</b>	<b>10.5x</b>	<b>15.1x</b>	<b>27.6x</b>	<b>15.0x</b>	<b>14.6x</b>	<b>16.9x</b>

Source: CapitalIQ, as at 16 September 2021

Company	Currency	Share price \$	Mkt cap million	EV million	Net debt / EV	Dividend Yield LTM	TSR Aug-21	EV / EBITDA			EV / EBIT			PE		
								Actual	Forecasts		Actual	Forecasts		Actual	Forecasts	
								LTM	CY2021	CY2022	LTM	CY2021	CY2022	LTM	CY2021	CY2022
<b>FMCG - Beverage</b>																
Treasury Wine Estates Limited	AUD	12.21	8,819	9,902	11%	2.3%	6.0%	15.6x	13.8x	13.5x	20.5x	20.2x	17.5x	34.5x	27.4x	24.0x
Delegat Group Limited	NZD	14.70	1,487	1,839	19%	1.4%	7.0%	15.5x	15.2x	14.7x	19.3x	19.0x	18.3x	27.8x	23.8x	23.2x
Australian Vintage Ltd	AUD	0.84	212	308	31%	3.6%	9.7%	6.9x	6.8x	6.6x	10.3x	9.5x	9.1x	12.1x	10.2x	9.7x
Good Drinks Australia Limited	AUD	0.10	121	139	13%	0.0%	4.7%	14.3x	n/m	n/m	24.2x	n/m	n/m	31.4x	n/m	n/m
<b>Mean</b>								<b>13.1x</b>	<b>11.9x</b>	<b>11.6x</b>	<b>18.6x</b>	<b>16.2x</b>	<b>15.0x</b>	<b>26.4x</b>	<b>20.5x</b>	<b>19.0x</b>
<b>Median</b>								<b>14.9x</b>	<b>13.8x</b>	<b>13.5x</b>	<b>19.9x</b>	<b>19.0x</b>	<b>17.5x</b>	<b>29.6x</b>	<b>23.8x</b>	<b>23.2x</b>
<b>FMCG - Food &amp; Dairy</b>																
Fonterra Co-operative Group Limited	NZD	3.13	5,050	10,944	54%	3.2%	9.8%	7.2x	n/m	n/m	11.0x	n/m	n/m	11.8x	n/m	n/m
Bega Cheese Limited	AUD	5.35	1,619	2,028	20%	1.9%	7.8%	14.5x	11.0x	8.6x	26.2x	17.1x	15.6x	32.8x	26.8x	18.2x
The a2 Milk Company Limited	NZD	5.68	4,224	3,365	-26%	0.0%	-3.1%	25.1x	26.0x	14.2x	26.6x	54.9x	18.6x	52.0x	40.4x	28.7x
Freedom Foods Group Limited	AUD	0.52	144	575	75%	0.0%	17.6%	50.2x	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
Synlait Milk Limited	NZD	3.05	667	1,165	43%	0.0%	-11.5%	7.9x	12.1x	7.5x	12.2x	30.4x	12.1x	12.2x	n/m	12.8x
<b>Mean</b>								<b>21.0x</b>	<b>16.4x</b>	<b>10.1x</b>	<b>19.0x</b>	<b>34.1x</b>	<b>15.4x</b>	<b>27.2x</b>	<b>33.6x</b>	<b>19.9x</b>
<b>Median</b>								<b>14.5x</b>	<b>12.1x</b>	<b>8.6x</b>	<b>19.2x</b>	<b>30.4x</b>	<b>15.6x</b>	<b>22.5x</b>	<b>33.6x</b>	<b>18.2x</b>
<b>FMCG - Food (Production)</b>																
Inghams Group Limited	AUD	4.14	1,539	3,325	54%	4.0%	8.7%	7.5x	7.3x	7.0x	18.6x	17.8x	16.7x	21.7x	16.8x	14.9x
Australian Agricultural Company Limited	AUD	1.45	874	1,264	31%	0.0%	-0.4%	n/m	31.8x	40.4x	n/m	n/m	n/m	n/m	n/m	n/m
Costa Group Holdings Limited	AUD	3.27	1,436	1,991	26%	2.8%	-1.6%	9.9x	9.1x	7.3x	18.9x	18.7x	13.2x	31.3x	24.3x	16.0x
Select Harvests Limited	AUD	8.32	1,000	1,370	27%	0.5%	9.4%	23.0x	24.9x	13.9x	n/m	38.3x	17.9x	n/m	44.4x	18.7x
Tassal Group Limited	AUD	3.48	739	1,266	42%	4.0%	10.5%	8.2x	8.3x	7.3x	16.8x	13.1x	13.8x	19.4x	13.7x	11.6x
East 33 Limited	AUD	0.18	50	65	23%	0.0%	-18.4%	n/m	n/m	5.9x	n/m	n/m	7.0x	n/m	n/m	6.4x
Sanford Limited	NZD	5.05	472	686	31%	0.0%	-10.8%	11.4x	11.4x	9.0x	29.3x	25.7x	16.7x	53.3x	40.1x	20.7x
Huon Aquaculture Group Limited	AUD	3.65	401	696	42%	0.0%	34.2%	n/m	16.8x	9.4x	n/m	n/m	28.9x	n/m	n/m	38.9x
<b>Mean</b>								<b>12.0x</b>	<b>15.7x</b>	<b>12.5x</b>	<b>20.9x</b>	<b>22.7x</b>	<b>16.3x</b>	<b>31.4x</b>	<b>27.8x</b>	<b>18.2x</b>
<b>Median</b>								<b>9.9x</b>	<b>11.4x</b>	<b>8.2x</b>	<b>18.7x</b>	<b>18.7x</b>	<b>16.7x</b>	<b>26.5x</b>	<b>24.3x</b>	<b>16.0x</b>
<b>FMCG - Personal Care</b>																
BWX Limited	AUD	4.91	780	773	-1%	0.8%	2.0%	24.3x	22.1x	14.1x	31.3x	23.3x	16.9x	45.9x	37.4x	28.1x
Comvita Limited	NZD	3.73	262	280	6%	1.1%	10.1%	12.0x	10.3x	9.2x	20.7x	17.0x	14.6x	30.2x	23.5x	18.8x
Blackmores Limited	AUD	91.65	1,775	1,740	-2%	0.8%	37.4%	23.1x	21.3x	16.6x	35.1x	33.9x	25.1x	n/m	n/m	36.8x
EZZ Life Science Holdings Limited	AUD	0.58	24	16	-56%	0.0%	-4.0%	5.4x	n/m	n/m	5.7x	n/m	n/m	11.5x	n/m	n/m
Shaver Shop Group Limited	AUD	0.99	128	147	13%	8.3%	4.9%	3.6x	3.7x	3.5x	5.6x	5.8x	5.7x	7.9x	7.5x	7.2x
McPherson's Limited	AUD	1.08	139	153	9%	4.6%	2.4%	19.4x	11.4x	7.7x	n/m	17.9x	10.5x	n/m	18.3x	14.7x
<b>Mean</b>								<b>14.6x</b>	<b>13.8x</b>	<b>10.2x</b>	<b>19.7x</b>	<b>19.6x</b>	<b>14.6x</b>	<b>23.9x</b>	<b>21.6x</b>	<b>21.1x</b>
<b>Median</b>								<b>15.7x</b>	<b>11.4x</b>	<b>9.2x</b>	<b>20.7x</b>	<b>17.9x</b>	<b>14.6x</b>	<b>20.9x</b>	<b>20.9x</b>	<b>18.8x</b>

Source: CapitalIQ, as at 16 September 2021



## Retail sector trends

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

- **Food retailing:** The seasonally adjusted estimate for Food retailing rose 2.3% in July 2021. By industry subgroup, the seasonally adjusted estimate rose for Supermarkets and grocery stores (2.4%), Liquor retailing (3.5%), and Other specialised food retailing (0.5%).
- **Household goods retailing:** The seasonally adjusted estimate for Household goods retailing fell 2.2% in July 2021. By industry subgroup, the seasonally adjusted estimate fell for Furniture, floor coverings, houseware and textile goods retailing (-5.9%), Electrical and electronic goods retailing (-1.8%) and Hardware, building and garden supplies retailing (-3.7%).
- **Clothing, footwear and personal accessory retailing:** The seasonally adjusted estimate for Clothing, footwear and personal accessory retailing fell (-15.4%) in July 2021. By industry subgroup, the seasonally adjusted estimate fell for Clothing retailing (-19.9%), and Footwear and other personal accessory retailing (-6.4%).
- **Department stores:** The seasonally adjusted estimate for Department stores fell 11.4% in July 2021.
- **Cafes, restaurants and take-away food services:** The seasonally adjusted estimate for Cafes, restaurants and takeaway food services fell 12.3% in July 2021. By industry subgroup, the seasonally adjusted estimate fell for Cafes, restaurants and catering services (-12.6%) and Takeaway food services (-11.9%).
- **Other retailing:** The seasonally adjusted estimate for Other retailing rose 0.6% in July 2021. By industry subgroup, the seasonally adjusted estimate fell for Newspaper and book retailing (-13.5%), Other recreational goods retailing (-8.4%) and rose for Pharmaceutical, cosmetic and toiletry goods retailing (1.3%) and Other retailing n.e.c. (3.7%).

Source: ABS data released 27 August 2021. Data refers to the seasonally adjusted estimates by industry



## Your #1 deal advisors

PwC has been ranked **Global #1 M&A Advisor by Volume for 2020** by Dealogic, as well as #1 by Thompson Reuters, Bloomberg and Mergermarket in their latest live rankings for 2020.

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:



### Donna Watt

National R&C Lead  
Partner, Melbourne  
Tel: +61 421 141 350  
Email: donna.watt@pwc.com



### Julia Richards

Deals Strategy / Financial Sponsors  
Director, Sydney  
Tel: +61 421 486 418  
Email: julia.clair.richards@pwc.com



### Glen Hadlow

Deals Driver  
Partner, Sydney  
Tel: +61 418 202 046  
Email: glen.hadlow@pwc.com



### Mick Calder

Operational Turnaround  
Partner, Melbourne  
Tel: +61 449 953 825  
Email: mick.calder@pwc.com



### Elizabeth Fritts

Deals R&C Lead / M&A  
Partner, Sydney  
Tel: +61 415 037 666  
Email: elizabeth.fritts@pwc.com



### Daniel Walley

Restructuring  
Partner, Sydney  
Tel: +61 432 322 988  
Email: daniel.walley@pwc.com



### Chelsie Harris

Private Clients  
Partner, Melbourne  
Tel: +61 477 281 345  
Email: chelsie.harris@pwc.com



### Adam Colley

Restructuring  
Partner, Sydney  
Tel: +61 427 957 205  
Email: adam.colley@pwc.com

[www.pwc.com.au](http://www.pwc.com.au)

© 2021 PricewaterhouseCoopers. All rights reserved. PwC refers to the Australia member firm, and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see [www.pwc.com/structure](http://www.pwc.com/structure) for further details. Liability limited by a scheme approved under Professional Standards Legislation.