

# Australian Industrials & Services (I&S) Deals Digest

February 2024





# Overview

Welcome to the inaugural edition of our quarterly publication! Our goal with this new publication is to keep our readers informed and engaged with the latest news and trends in the industrials world. In each issue, we will cover recently completed or announced M&A deals, relevant news articles, and provide a spotlight on interesting case studies or topical matters. Additionally, we will provide a summary of the ASX industrials sector.

The Australian industrial sector is diverse and plays a crucial role in the country's economy, contributing significantly to its GDP. The sector includes a wide range of industries, such as manufacturing, construction, building materials, chemicals, transportation, logistics, utilities, consulting services, aerospace and defence.

The Industrial sector experienced a significant decline in deal value during the second half of 2023, marking the slowest half-year period since the onset of the COVID pandemic in 2020. However, dealmakers are expected to ramp up their efforts in 2024, as they balance innovation and strategic goals with current market conditions and global uncertainties. This uptick in activity, combined with divestitures resulting from portfolio reviews, is poised to drive transformation and growth. PwC has recently released our *2024 Outlook: Global M&A Trends in Industrials and Services* publication. Please [refer to the following pages](#) for further details on the key trends and takeaways.

In the second quarter of FY24, [several significant transactions](#) took place in the Australian industrials sector. Notable among them were:

- Pacific Equity Partners is set to acquire ATOM, an Australian distributor of industrial hardware and safety equipment, as the first transaction into Fund VII.
- Pacific Equity Partners' acquisition of a majority stake in EVSE, an Australia-based electric vehicle charging company, for AU\$250m.
- Palisade Investment Partners is set to acquire Repurpose IT Pty Ltd, a waste management services provider in Australia, from a group of shareholders, including Downer EDI Ltd, for AU\$220m, marking the third acquisition for Palisade Investment.
- French construction materials supplier, Saint Gobain (EPA:SGO), is considering the purchase of Australian building products company CSR (ASX: CSR). The two firms have held initial talks and have advisers working on the potential deal, with financing lined up for the purchase. Trading of CSR shares was halted after they were traded at AU\$7.95, indicating a market capitalisation of AU\$3.23bn.

For this quarter's edition, we are excited to focus our spotlight on the implementation of [generative AI by manufacturers](#). This is a rapidly evolving area that is transforming the manufacturing industry, and we are thrilled to share our insights and analysis with you.

# Global M&A trends in industrials & services

## Accelerating transformation through 2024

Strategic investments in innovative technologies and electric mobility will drive Merger and acquisition (M&A) activity in 2024, with a focus on companies with strong Research and Development (R&D) and industrial value-added services. Industrials and Services (“I&S”) deal activity is expected to increase from a stable level, with a continuation of small to medium-size transactions driven by strategic goals and innovation. New M&A opportunities are anticipated in dynamic sectors experiencing rapid technological advancements, such as aerospace and defence, electric vehicles and business services. Private equity will likely play a role in increased M&A activity given the substantial dry powder ready to be deployed once financing difficulties ease.

### Key Trends



1

#### Strategic Investments and Technological Advancements

The rapid development of technology, including artificial intelligence (AI), automation, and digital transformation, has become a strategic focus for M&A. Companies are seeking to acquire new technologies or digital capabilities to remain competitive or expand their market presence. Innovative M&A companies with strong R&D teams or unique products are likely to be the target of dealmakers as they seek to accelerate their efforts, shorten time to market, and stay ahead of their competitors.

2

#### Digital Assets and Supply Chain Diversification

Industrial manufacturing companies are looking for digital assets to enhance manufacturing efficiency and innovate their business processes to stay competitive. The implementation of artificial intelligence, machine learning, 3D printing, robotics and predictive maintenance is expected to enhance efficiency and agility. Due to the ongoing uncertainties and risks in the geopolitical environment, there will also be a persistent emphasis on supply chain diversification and near-shoring. These two key areas are likely to drive M&A activity in 2024.

3

#### Portfolio Reviews and Divestitures

Companies are conducting portfolio reviews to identify and dispose of assets that are not essential to their core business. This enables them to free up funds and invest in areas that better align with their strategic priorities or help them reinvent their business models for the future. Potential buyers for these assets are likely to be corporations, private equity portfolio companies with robust balance sheets looking to expand their capabilities, as well as private equity firms considering a roll-up strategy.

4

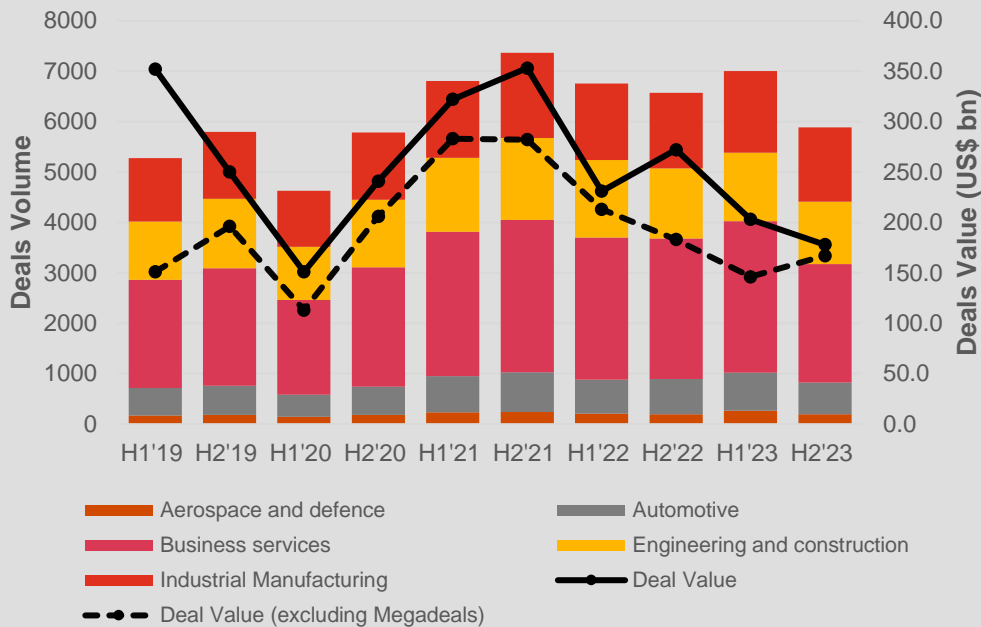
#### Sustainability Considerations

Organisations are now more concerned with sustainability considerations as end markets, investors, and customers are increasingly focusing on them. These businesses are seeking products and capabilities that can help them achieve their sustainability goals. Companies that specialise in decarbonisation, renewable energy, and the electrification of industrial equipment are expected to be particularly appealing to these businesses.

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# I&S M&A volumes and values in 2023

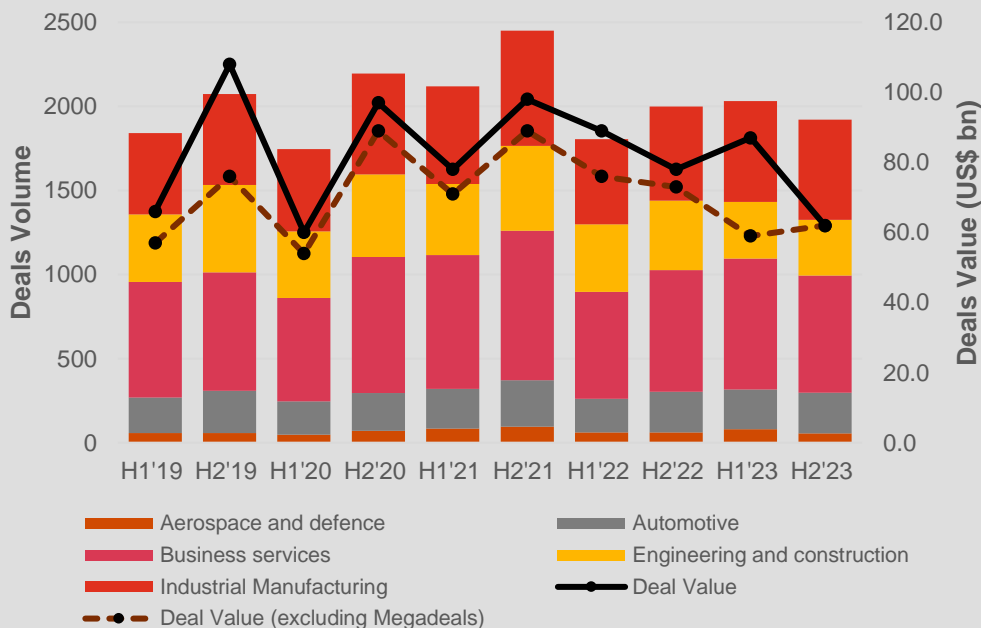
## Global Deals



## Summary

- 1 Globally, I&S deal volumes and values declined by 3% and 24% respectively between 2022-23, due to challenging macroeconomic and geopolitical environment.
- 2 Mid-market deal activity remained relatively stable, but larger deals dried up as financing became harder to find.
- 3 Globally, aerospace and defence M&A activity increased by 13%, driven by growth in the tourism market and growing defence budgets in relation to global conflicts, while business services, and engineering and construction declined by 11%.
- 4 Deal values decreased across all sectors except aerospace and defence. Regionally, deal volumes increased 4% in Asia Pacific, 1% in the Americas and declined 11% in EMEA.
- 5 Deal values declined across all regions and in almost every country.

## Asia-Pacific Deals



For additional information, follow this [link](#) or scan to read the full report:



Source(s): PwC Publication, LSEG and PwC analysis

# Spotlight: Manufacturers want to adopt Generative AI

## Where and how do they begin?

Manufacturers are increasingly interested in adopting GenAI and are planning to invest in new technologies, with about 40% specifically planning to invest in GenAI. GenAI has the potential to revolutionise how manufacturers work and can be applied to various areas, such as predictive maintenance, production efficiencies, product design and supply chain resilience. However, organisations need to approach GenAI strategically and responsibly to capture its value and avoid potential risks.

**67%**

of industrials plan to invest in new technologies over the next 18 months, with approximately 40% planning to invest in GenAI specifically.

**88%**

of executives struggle to capture value from their technology investments.

**65%**

of industrial leaders are already training employees on new technologies including AI and GenAI.

Source: PwC Global Pulse Survey 2023

## Key Themes

- GenAI has the potential to enhance various aspects of manufacturing, including predictive maintenance, service and production logging, production efficiencies, product design and quality control, shop-floor safety, cybersecurity, and supply chain resilience.
- Assessing and selecting the right GenAI use cases are crucial for achieving measurable ROI and solving important problems.
- Considerations for GenAI implementation include data availability and quality, automation of lower-value tasks, scalability, employee resistance, ethical data usage, user-friendliness, organisation-wide integration, and the ability to evolve and improve over time.

Source(s): PwC Publication

## Criteria to consider

- 1 Assess the potential ROI of specific GenAI use cases and prioritise those that solve important problems and deliver measurable returns.
- 2 Evaluate the availability, accuracy, and reliability of data to support GenAI use cases and consider whether more useful data will be incoming over time.
- 3 Identify repetitive and time-consuming tasks that can be automated using GenAI, allowing employees to focus on more strategic work.
- 4 Plan for the scalability of GenAI use cases and consider the talent, capital resources, and potential employee resistance involved.
- 5 Ensure the ethical nature of the data used by GenAI and prioritise transparency, dependability, objectivity and unbiasedness.
- 6 Prioritise user-friendliness and ease of training when adopting GenAI solutions to ensure successful implementation.
- 7 Foster organisation-wide adoption of GenAI use cases by creating solutions that are accessible and adaptable to different digital skill sets.
- 8 Consider the potential for continuous improvement of GenAI use cases by adding high-quality data over time.

For additional information, follow this [link](#) or scan to read the full report:





# Recently completed and announced Australian M&A deals and news

February 2024

Please note that the deals announcements and news articles included in this publication have been sourced from the media and may contain speculative or rumored information. It is important to clarify that they do not necessarily reflect the views or proprietary intelligence of PwC.



## Selected recently completed/announced Australian deals

- **06 February 2024 –Trelleborg AB, a Swedish polymer solutions provider, will acquire Baron Rubber Pty Ltd, an Australian-Chinese company that manufactures advanced precision silicone components, for US\$400m (AU\$580m).** The purchase price is US\$300m on a cash and debt-free basis. This acquisition will enhance Trelleborg's presence in healthcare and medical technology, making it a global partner for products in areas such as sleep apnea and respiratory care. The transaction is expected to be completed in H1 2024, subject to regulatory approval.
- **05 February 2024 – Metcash Ltd (ASX:MTS), an Australian wholesaler, is acquiring Alpine Truss Pty Ltd and Bianco Construction Supplies for AU\$64m and AU\$82.2m respectively.** This aligns with Metcash's IHG 'Whole of House' growth strategy, expanding its presence in SA and the NT, accessing new trades, and enhancing the company's Frame and Truss operations across Australia. The EBITDA multiples for Alpine Truss Pty Ltd and Bianco Construction Supplies Pty Ltd are 6.0x and 5.9x respectively.
- **11 January 2024 – Pacific Equity Partners, the private equity firm is to acquire Aqua Terra Oil & Mineral Service & Supply Co Pty Ltd (“ATOM”), the Australia-based distributor of industrial hardware and safety equipment for mining and civil, oil and gas, electrical and engineering industries.** ATOM, with 13 branches nationwide, boasts extensive national distribution capability, 4,600+ active customers, 2,500+ suppliers, and 88,000+ unique SKUs, ensuring business diversification. The terms of the deal were undisclosed and the transaction is intended to be closed in as the first transaction into Fund VII.
- **22 December 2023 – Jaybro Pty Ltd, an Australia-based infrastructure project supplier, acquired Specialised Force Pty Ltd, a local company specialising in the sales, distribution and service of industrial tools and equipment.** Details of the transaction were not disclosed. This strategic move strengthens Jaybro's position in the market, enhances its offerings and capabilities in providing essential supplies for infra projects.
- **18 December 2023 – CRH plc (NYSE:CRH), a leading provider of building materials solutions based in Ireland, has acquired a majority stake in ADBRI (ASX:ABC), a leading Australian building materials business, for AU\$1.19bn.** CRH will partner with Barro, a c.43% shareholder of ADBRI, and acquire the remaining c.57% of ADBRI's shares not owned by Barro. The acquisition is subject to due diligence, shareholder approval, and regulatory approval. ADBRI's 2023 underlying EBITDA is expected to be c.AU\$310-315m, and the offer represents a 9x EV/EBITDA multiple. The acquisition aligns with CRH's strategic goal to expand in the Australian construction materials market.
- **17 December 2023 – Private equity firm, Pacific Equity Partners, acquired a majority stake in EVSE Australia Pty Ltd, an Australia-based electric vehicle charging company, for AU\$250m,** aiming to fortify the company's expansion, integrate with Intellihub's smart meters, and align with EVSE's goal to become a leading player in the growing electric vehicle charging sector while contributing to grid stability.
- **04 December 2023 – SOLAFT Filtration Solutions, an Australia-based developer and producer of high-quality liquid and gas filtration products, acquired PTronik Pty Ltd, an Australia-based manufacturer of pulse sequential timers, to advanced condition monitoring systems through its subsidiary, All Filtration Technologies Pty Ltd.** PTronik was previously owned by SRO Technology Pty Ltd, a company engaged in engineering and servicing instrumentation in various industries. The terms of the deal were not disclosed.
- **28 November 2023 – Australia-based IPD Group (ASX: IPG), a wholesaler of electrical products, announced the acquisition of CMI Operations Pty Ltd, a local electrical cables and plugs company, from Excelsior Capital Ltd, a manufacturer of various metal products. The deal, valued at AU\$101m, comprises AU\$92.1m in cash and AU\$8.9m in earnout.** The transaction is contingent on conditions, including approval by Excelsior shareholders at a January 2024 meeting, with completion anticipated by February 2024.
- **10 November 2023 – Palisade Investment Partners, an infrastructure fund manager based in Australia, plans to acquire Repurpose IT Pty Ltd, a local waste management services provider.** The acquisition will be made from a group of shareholders, including Downer EDI Ltd (ASX: DOW), a local company that offers comprehensive engineering and infrastructure construction services. The transaction is valued at AU\$220m. This deal marks the third acquisition for Palisade Investment, which has raised c.AU\$500m, with around 60% of it being committed to existing deals.



## Selected other Australian news

- **22 February 2024** – French construction materials supplier, Saint Gobain (EPA:SGO), is considering the purchase of Australian building products company CSR (ASX: CSR). The two firms have held initial talks and have advisers working on the potential deal. Saint Gobain has financing lined up for the purchase. Trading of CSR shares was halted after they were traded at AU\$7.95, giving the company a market capitalisation of AU\$3.23bn.
- **15 February 2024** – Fletcher Building (ASX:FBU), a construction group based in New Zealand, is set to divest its plumbing supplies business, Tradelink, following a NZ\$122m non-cash impairment. The potential sale, projected to yield between AU\$200m and AU\$300m, is anticipated to attract interest from private equity buyers. Simultaneously, CEO Ross Taylor's retirement notice and Chairman Bruce Hassall's plan to step down at the Annual Shareholders Meeting were announced, initiating an international search for a new CEO led by Non-Executive Director Barbara Chapman in line with the company's succession plan.
- **15 February 2024** – Downer EDI Ltd (ASX:DOW), an Australia-based integrated services company, is preparing for additional non-core asset sales as part of its ongoing effort to simplify its portfolio following the half-year profit announcement. Currently, in the strategic planning phase, Downer is identifying assets for potential sale after completing six divestments, which included Repurpose It, Australian Transport Projects, Asset Development Services, AE Smith NZ, VEC Contracts, and Spotless Advanced Metering.
- **13 February 2024** – Senex Energy, owned by POSCO International Corp, is reportedly ready to bid for Incitec Pivot's fertilizer business if talks with Indonesia's Pupuk Kaltim fall through. Pupuk Kaltim is the preferred bidder and is advised by Citi and Gilbert + Tobin, but the talks are dragging on partly due to concerns over foreign ownership of Australia's largest fertilizer supplier. The sale of the business to a foreign entity is expected to be reviewed by Australia's Foreign Investment Review Board. Macquarie and UBS are advising Incitec Pivot. The business also recently named Mauro Neves de Moraes as its new CEO.
- **06 February 2024** – Citywide Service Solutions, a physical services provider owned by the Australian City of Melbourne, has hired Gresham to explore options for its commercial waste division, which includes one of Australia's major waste management facilities. Gresham is currently in talks with potential buyers for the division, which offers waste collection, recycling, bin hire, and plant hire services, and has a resource recovery centre and transfer station in west Melbourne capable of recycling various materials. Citywide Service Solutions had a group-level annual revenue of AU\$370m in fiscal year 2023.
- **17 January 2024** – Waste Services Group owner, Livingbridge, has hired UBS to manage the potential sale of its Australia-based waste collection business with a potential sale price of c.AU\$1bn, reflecting recent deal multiples. Waste Services Group is expected to report a 2023 profit of c.AU\$90m. London-based PE firm, Livingbridge, acquired the company in late 2021 for c.AU\$500m from The Riverside Company and Silverfern Group.
- **17 January 2024** – FMP Group Pty Ltd owners hired Macquarie Capital to manage the process to fully sell the Australia-based manufacturer of car parts under the Bendix Brakes brand. The company, equally owned by Bosch's Pacifica Group and NASDAQ-listed parts maker Garrett Motion, manufactures autoparts, such as disc brake rotors, brake pads and brake shoes, with earnings of c.AU\$30m.
- **02 January 2024** – The Australasian division of Loscam pallet pooling business, owned by China Merchants Group, is being prepared for sale again after a pause in the process last year due to market volatility. The auction is expected to commence in 1H 2024, with KKR Infrastructure, Stonepeak, and Morgan Stanley Infrastructure expected to be targeted. Loscam's local business is a large, mature business with stable growth, making it difficult to transform the scale of the business through acquisitions or other transactions, giving it a distinctly core-plus flavour. Estimated earnings is expected to be c.AU\$100-120m.
- **28 December 2023** – Graceland Industry, Singapore-based subsidiary of the Chinese state-owned phosphate mining firm, Wengfu Group, is set to sell a 100% stake in Wengfu Australia. The Australia-based company is primarily involved in the sale of ammonium phosphate and calcium fertilizer, reporting revenues of CNY2.573bn (US\$363m) from Jan-Nov 2023.
- **22 December 2023** – Australian shipbuilder Austal has won a contract worth almost AUD 1.3bn (\$1bn) to build three medical ships for the US Navy. The deal is part of Austal's AUD 11bn contract, which will help the company continue operations as the Expeditionary Fast Transport program concludes. The medical ships will be used to perform complex medical procedures at sea, enhancing the US Navy's global medical and surgical support capabilities. Austal has also hired JPMorgan to gauge buyer interest, with Cerberus Capital Management and JF Lehman & Co believed to be considering an offer.

Source(s): AFR, The Australian Manufacturing, Australian Manufacturing  
Industrials Deals Digest

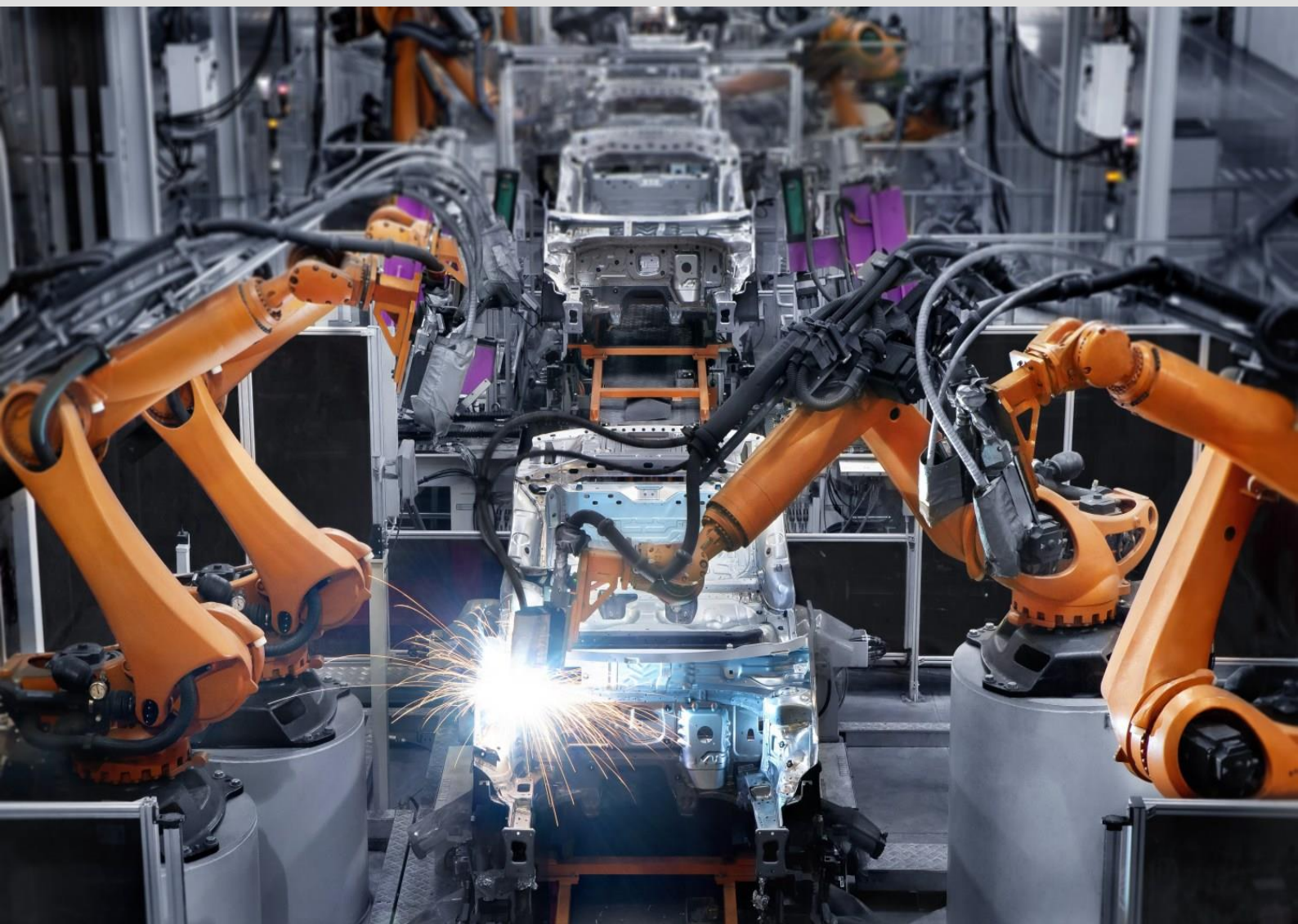


# ASX listed industrials businesses

31 January 2024

On the following pages, you'll find an overview of ASX-listed industrial businesses, including their share prices, market capitalisation, enterprise value, net debt, dividend yield, stock performance, and valuation metrics (EBITDA multiples).

Note: All data is provided as of 31 January 2024 and is limited to companies with a market cap > \$100m.



	Company	Mkt cap AU\$m	EV AU\$m	Net debt AU\$m	Dividend Yield LTM	Stock performance	EV / EBITDA	
						LTM	Actual	Forecasts
							LTM	CY2024
	Aerospace and Defense							
ASX:ASB	Austal Limited	733	794	61	3.4%	27.1%	27.8x	6.0x
ASX:DRO	DroneShield Limited	300	258	-42	0.0%	36.1%	n/m	10.7x
ASX:EOS	Electro Optic Systems Holdings Limited	202	268	70	0.0%	90.3%	n/m	30.5x
	Mean						27.8x	15.7x
	Median						27.8x	10.7x
	Agricultural and Farm Machinery							
ASX:ROO	Roots Sustainable Agricultural Technologies Lt	1	2	0	0.0%	(70.8%)	n/m	n/m
	Mean						n/a	n/a
	Median						n/a	n/a
	Airport Services							
ASX:AIA	Auckland International Airport Limited	11588	13203	1,597	0.5%	1.9%	33.4x	20.6x
	Mean						33.4x	20.6x
	Median						33.4x	20.6x
	Building Products							
ASX:FBU	Fletcher Building Limited	3269	6119	3,307	3.5%	(1.8%)	5.9x	6.2x
ASX:GWA	GWA Group Limited	605	774	169	5.7%	12.5%	9.6x	8.2x
ASX:MPP	Metro Performance Glass Limited	23	143	120	0.0%	(25.0%)	4.8x	n/m
	Mean						6.8x	7.2x
	Median						5.9x	7.2x
	Construction and Engineering							
ASX:WOR	Worley Limited	7819	9636	1,823	3.4%	(1.0%)	12.8x	9.5x
ASX:VNT	Ventia Services Group Limited	2814	3363	549	5.0%	45.8%	8.3x	6.9x
ASX:JLG	Johns Lyng Group Limited	1892	1883	-45	1.3%	17.9%	17.1x	13.4x
ASX:MND	Monadelphous Group Limited	1346	1256	-90	3.5%	3.3%	12.1x	9.5x
ASX:NWH	NRW Holdings Limited	1237	1321	159	5.3%	(3.7%)	5.6x	4.1x
ASX:MGH	MAAS Group Holdings Limited	1328	1802	480	1.5%	47.7%	11.7x	8.5x
ASX:SSM	Service Stream Limited	573	660	88	1.6%	52.8%	8.7x	5.1x
ASX:LYL	Lycopodium Limited	480	411	-67	6.7%	88.3%	5.7x	n/m
ASX:CVL	Civmec Limited	445	489	-25	6.0%	62.6%	3.9x	4.5x
ASX:DUR	Duratec Limited	345	297	-48	2.9%	120.1%	8.8x	5.9x
ASX:SRG	SRG Global Limited	360	404	44	5.8%	1.4%	5.8x	4.0x
ASX:GNP	GenusPlus Group Limited	237	218	-19	1.5%	42.2%	8.0x	4.9x
ASX:SXE	Southern Cross Electrical Engineering Limited	247	180	-67	5.3%	42.2%	4.4x	n/m
ASX:SHA	SHAPE Australia Corporation Limited	155	96	-59	6.2%	28.9%	4.4x	3.8x
ASX:RDG	Resource Development Group Limited	103	197	93	0.0%	(44.4%)	10.9x	9.3x
ASX:SND	Saunders International Limited	112	104	-8	3.1%	(10.7%)	6.0x	4.8x
ASX:DCGPA	Decmil Group Limited	24	75	37	0.0%	-	9.1x	n/m
	Mean						8.4x	6.7x
	Median						8.3x	5.5x
	Construction Machinery and Heavy Transportation Equipment							
ASX:ANG	Austin Engineering Limited	232	267	35	0.0%	12.9%	13.2x	5.2x
ASX:MXI	MaxiPARTS Limited	133	170	36	2.6%	25.4%	9.5x	6.2x
	Mean						11.4x	5.7x
	Median						11.4x	5.7x
	Industrial Machinery and Supplies and Components							
ASX:SLX	Silex Systems Limited	1213	1073	-140	0.0%	11.0%	n/m	n/m
ASX:XRF	XRF Scientific Limited	153	149	-5	3.0%	25.9%	11.6x	10.0x
ASX:VEE	VEEM Ltd	160	184	24	0.8%	90.2%	19.4x	12.8x
ASX:3DA	Amaero International Ltd	110	103	-7	0.0%	27.8%	n/m	n/m
ASX:KOV	Korvest Ltd	105	105	0	6.7%	21.6%	5.1x	n/m
ASX:EGL	The Environmental Group Limited	101	96	-5	0.0%	31.7%	16.2x	10.4x
	Mean						13.1x	11.1x
	Median						13.9x	10.4x

Source(s): Capital IQ, as of 31 January 2024, All figures are presented in AUD, with the exception of Computershare Ltd which is presented in USD

	Company	Mkt cap AU\$m	EV AU\$m	Net debt AU\$m	Dividend Yield LTM	Stock performance	EV / EBITDA	
						LTM	Actual	Forecasts
							LTM	CY2024
	Air Freight and Logistics							
ASX:FRW	Freightways Group Limited	1408	1977	605	4.4%	-	11.5x	9.1x
ASX:KSC	K&S Corporation Limited	411	425	15	6.0%	56.8%	5.3x	n/m
ASX:SLH	Silk Logistics Holdings Limited	149	340	191	4.6%	(18.7%)	4.1x	3.3x
ASX:CLX	CTI Logistics Limited	112	195	83	6.9%	(17.8%)	3.8x	n/m
ASX:MOV	MOVE Logistics Group Limited	59	221	157	0.0%	(49.0%)	5.1x	n/m
	Mean						6.0x	6.2x
	Median						5.1x	6.2x
	Cargo Ground Transportation							
ASX:LAU	Lindsay Australia Limited	340	522	182	4.5%	60.8%	5.3x	4.7x
	Mean						5.3x	4.7x
	Median						5.3x	4.7x
	Data Processing and Outsourced Services							
ASX:CPU	Computershare Limited	15141	17934	2,464	3.1%	10.0%	12.3x	9.6x
ASX:LNK	Link Administration Holdings Limited	1129	2145	1,015	3.9%	19.8%	9.9x	8.0x
	Mean						11.1x	8.8x
	Median						11.1x	8.8x
	Diversified Support Services							
ASX:BXB	Brambles Limited	20372	24465	4,092	2.7%	25.6%	9.7x	7.0x
ASX:DOW	Downer EDI Limited	2823	4254	1,199	3.3%	15.6%	8.7x	5.9x
ASX:MAD	Mader Group Limited	1298	1349	51	0.9%	51.8%	18.3x	11.7x
ASX:C79	Chrysos Corporation Limited	771	728	-44	0.0%	60.4%	n/m	37.6x
ASX:SGF	SG Fleet Group Limited	824	2307	1,483	6.7%	26.6%	5.6x	14.7x
ASX:AMA	AMA Group Limited	128	633	497	0.0%	(60.7%)	9.9x	6.4x
	Mean						10.4x	13.9x
	Median						9.7x	9.3x
	Electrical Components and Equipment							
ASX:CPV	ClearVue Technologies Limited	129	124	-5	0.0%	187.2%	n/m	n/m
ASX:LIS	Li-S Energy Limited	96	64	-27	0.0%	(59.5%)	n/m	n/m
ASX:LIT	Lithium Australia Limited	33	24	-8	0.0%	(43.8%)	n/m	n/m
	Mean						n/a	n/a
	Median						n/a	n/a
	Highways and Railtracks							
ASX:TCL	Transurban Group	41724	59145	16,871	4.6%	2.2%	31.0x	25.8x
ASX:ALX	Atlas Arteria Limited	7864	9394	1,531	7.4%	(15.6%)	22.8x	n/m
	Mean						26.9x	25.8x
	Median						26.9x	25.8x
	Human Resource and Employment Services							
ASX:APM	APM Human Services International Limited	679	1607	921	13.5%	(70.1%)	6.1x	4.7x
ASX:MMS	McMillan Shakespeare Limited	1200	1462	263	7.2%	31.6%	9.2x	9.4x
ASX:SIQ	Smartgroup Corporation Ltd	1260	1310	49	3.1%	83.0%	14.3x	11.7x
ASX:PPE	Peoplein Limited	127	203	73	11.5%	(60.9%)	4.1x	4.6x
	Mean						8.4x	7.6x
	Median						7.7x	7.1x
	Trading Companies and Distributors							
ASX:REH	Reece Limited	14716	16305	1,589	1.1%	43.6%	17.3x	17.8x
ASX:SWW	Seven Group Holdings Limited	13112	18880	4,765	1.3%	62.1%	12.7x	9.7x
ASX:RDX	Redox Limited	1197	1380	183	0.0%	-	10.3x	9.1x
ASX:IPG	IPD Group Limited	504	498	-7	1.9%	83.7%	19.5x	10.4x
ASX:EHL	Emeco Holdings Limited	325	601	276	4.0%	(13.5%)	2.8x	2.1x
ASX:ACF	Acrow Limited	310	380	70	4.2%	70.4%	10.4x	4.9x
ASX:CYG	Coventry Group Ltd	150	248	98	2.2%	49.2%	9.2x	11.9x
ASX:HNG	Hancock & Gore Ltd	114	97	-17	3.6%	43.4%	n/m	n/m
	Mean						11.7x	9.4x
	Median						10.4x	9.7x

Source(s): Capital IQ, as of 31 January 2024, All figures are presented in AUD, with the exception of Computershare Ltd which is presented in USD

	Company	Mkt cap AU\$m	EV AU\$m	Net debt AU\$m	Dividend Yield LTM	Stock performance	EV / EBITDA	
						LTM	Actual	Forecasts
							LTM	LTM
	Environmental and Facilities Services							
ASX:CWY	Cleanaway Waste Management Limited	5794	7331	1,669	1.9%	(2.9%)	13.2x	9.5x
ASX:CLG	Close the Loop Ltd	212	274	61	0.0%	5.3%	11.4x	6.1x
ASX:ARA	Ariadne Australia Limited	101	96	-19	0.5%	(19.2%)	6.3x	n/m
	Mean						10.3x	7.8x
	Median						11.4x	7.8x
	Marine Ports and Services							
ASX:QUB	Qube Holdings Limited	5794	7637	1,847	2.5%	10.1%	13.5x	13.9x
ASX:DBI	Dalrymple Bay Infrastructure Limited	1378	3435	2,056	7.2%	21.2%	11.6x	12.4x
	Mean						12.5x	13.1x
	Median						12.5x	13.1x
	Materials							
ASX:AMC	Amcor plc	20628	31523	10,576	5.0%	(8.7%)	10.4x	10.1x
ASX:ORI	Orica Limited	7427	8710	1,220	2.6%	13.0%	8.6x	7.5x
ASX:BLD	Boral Limited	5846	6185	85	0.0%	54.1%	12.7x	11.0x
ASX:IPL	Incitec Pivot Limited	5225	6791	1,567	5.6%	(9.4%)	8.6x	7.3x
ASX:LTM	Arcadium Lithium plc	7954	8162	212	0.0%	-	12.2x	8.1x
ASX:BKW	Brickworks Limited	4454	5705	1,251	2.2%	26.8%	10.8x	14.2x
ASX:ORA	Orora Limited	3507	4508	2,021	6.3%	5.7%	11.7x	6.3x
ASX:CSR	CSR Limited	3313	3479	155	5.0%	40.7%	10.7x	8.1x
ASX:NUF	Nufarm Limited	2133	3229	850	1.8%	(3.8%)	8.8x	6.7x
ASX:ABC	Adbri Limited	1999	2759	758	0.0%	65.4%	11.2x	8.5x
ASX:A4N	Alpha HPA Limited	808	787	-20	0.0%	45.4%	n/m	n/m
ASX:CXL	Calix Limited	306	233	-73	0.0%	(69.6%)	n/m	n/m
ASX:PGH	Pact Group Holdings Ltd	305	1421	944	0.0%	(15.7%)	4.8x	5.3x
ASX:DGL	DGL Group Limited	268	403	135	0.0%	(34.7%)	6.9x	5.5x
ASX:WGN	Wagners Holding Company Limited	174	412	237	0.0%	26.5%	9.1x	6.2x
ASX:BRI	Big River Industries Limited	169	207	38	8.5%	(13.5%)	4.1x	4.8x
ASX:CLV	Clover Corporation Limited	135	138	2	1.9%	(33.7%)	14.3x	14.4x
ASX:HZR	Hazer Group Limited	121	112	-9	0.0%	6.2%	n/m	n/m
	Mean						9.7x	8.3x
	Median						10.4x	7.5x
	Passenger Airlines							
ASX:QAN	Qantas Airways Limited	9282	12764	3,477	0.0%	(12.3%)	3.0x	2.9x
ASX:AIZ	Air New Zealand Limited	1992	3024	1,020	0.0%	(7.6%)	2.5x	2.8x
ASX:AQZ	Alliance Aviation Services Limited	538	780	272	0.0%	(0.3%)	4.6x	4.2x
ASX:REX	Regional Express Holdings Limited	104	374	270	0.0%	(41.1%)	13.1x	n/m
	Mean						5.8x	3.3x
	Median						3.8x	2.9x
	Passenger Ground Transportation							
ASX:KLS	Kelsian Group Limited	1934	2578	644	2.4%	28.3%	15.3x	9.1x
ASX:THL	Tourism Holdings Limited	752	1167	410	3.9%	2.1%	7.9x	4.8x
ASX:A2B	A2B Australia Limited	175	167	-69	3.5%	81.3%	4.5x	7.1x
ASX:CHL	Camplify Holdings Limited	158	132	-26	0.0%	10.5%	n/m	n/m
	Mean						9.2x	7.0x
	Median						7.9x	7.1x
	Rail Transportation							
ASX:AZJ	Aurizon Holdings Limited	6976	12412	5,269	4.7%	7.2%	8.1x	7.3x
	Mean						8.1x	7.3x
	Median						8.1x	7.3x
	Research and Consulting Services							
ASX:ALQ	ALS Limited	6134	7542	1,398	3.1%	0.3%	11.4x	10.7x
ASX:IPH	IPH Limited	1685	2025	340	4.8%	(16.0%)	13.5x	9.9x
ASX:KPG	Kelly Partners Group Holdings Limited	243	345	78	1.2%	19.0%	12.8x	9.6x
ASX:QIP	QANTM Intellectual Property Limited	153	188	33	5.8%	24.1%	7.7x	5.8x
	Mean						11.4x	9.0x
	Median						12.1x	9.7x

Source(s): Capital IQ, as of 31 January 2024, All figures are presented in AUD, with the exception of Computershare Ltd which is presented in USD

# Key contacts – PwC Australia

If you would like to discuss the above topics in more detail, our dedicated deals industrial teams will be pleased to assist.



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