

# AUSTRALIAN M&A REVIEW Q4 | 2021

## Australian M&A deal values in Quarter 4 FY2021

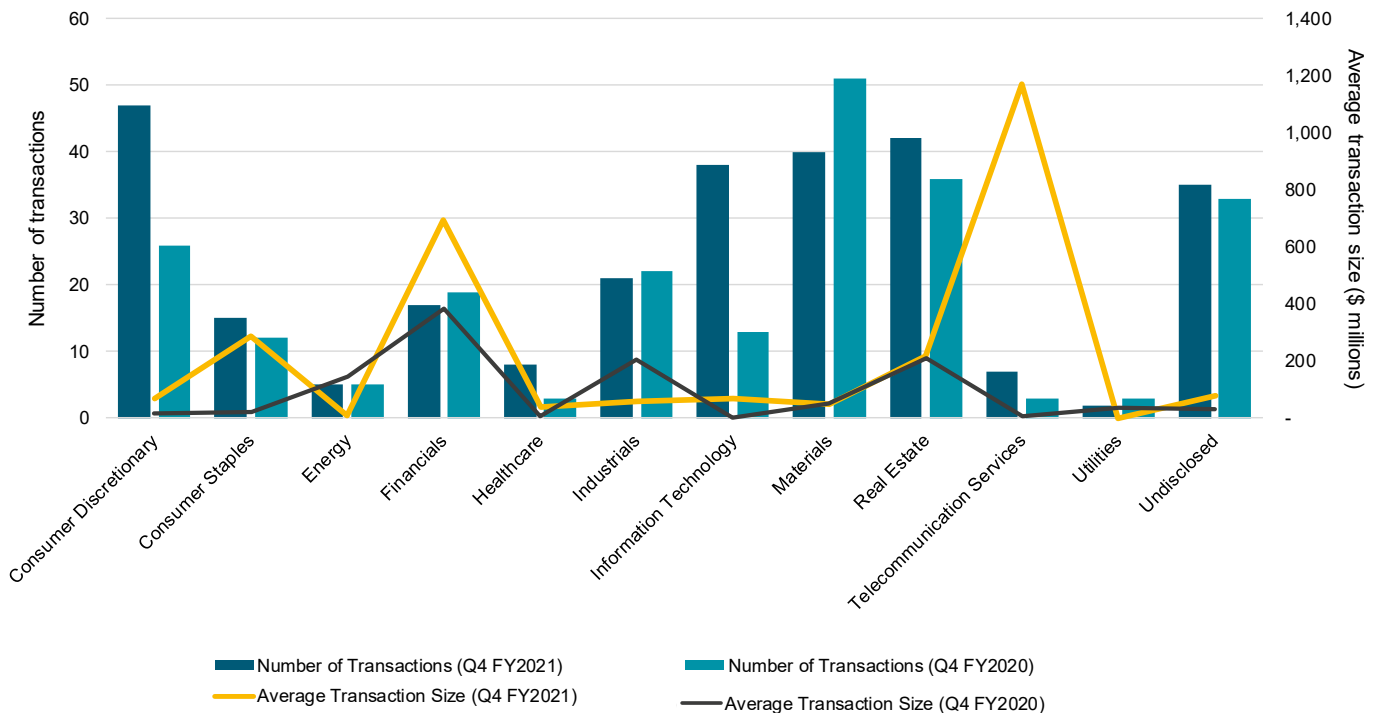
The fourth quarter of FY2021 saw an increase in the number of transactions completed in Australia, and the average deal value has also increased. Based on the published transaction data for Q4 FY2021, there were 277 deals completed compared to 226 in Q4 FY2020, an increase of 23%. In our analysis we have excluded transactions with a gross transaction value greater than \$5 billion.

The average deal size increased from \$110 million in Q4 FY2020 to \$158 million in Q4 FY2021, which can be attributed to an increasing number of deals with transaction values over \$75 million.

As observed in the HLB Mann Judd IPO Watch July 2021 ([download here](#)), favourable macroeconomic and capital market conditions in addition to strong investor sentiment is driving IPO activity. The pipeline of new listings at the end of June 2021 is looking positive with the strongest contributions from exploration and mining companies within the materials sector.

### M&A by Sector

As illustrated below, the top 3 sectors by quantity of deals in Q4 FY2021 were the consumer discretionary, real estate and materials sectors, while the top sectors by deal value were the telecommunication and financial sectors.



## Major Deals in Q4

The top deals by transaction value in Q4 FY2021 were:

Sector	Target	Acquirer	Seller	Stake Acquired (%)	Transaction Value (\$ millions)
Telecommunication Services	Vocus Group Limited	Aware Super Pty Ltd; Macquarie Infrastructure and Real Assets	Shareholders (Public company, delisted)	100	4,635
Real Estate	Australian Logistics Property Portfolio	GIC Pte. Ltd.; ESR Cayman Limited	The Blackstone Group Inc.	100	3,800
Financials	The Colonial Mutual Life Assurance Society Limited and ASB Group (Life) Ltd.	AIA International Limited	Commonwealth Bank of Australia	100	2,400
Financials	MLC Wealth Management Limited	IOOF Holdings Ltd	National Australia Bank Limited	100	1,440

The highest implied enterprise value / EBITDA transaction multiples achieved in Q4 FY2021 were:

Sector	Target	Acquirer	Stake Acquired (%)	Implied EV / EBITDA Multiple
Real Estate	Primewest Group Limited	Centuria Capital Group	100	22.4x
Consumer Discretionary	Big Time Gaming Pty Ltd	Evolution AB (publ)	100	15.8x
Materials	USG Boral	Gebr. Knauf KG	50	15.5x

## Small and Medium-sized Enterprise (SME) Deals

A selection of deals occurring in the SME space, where the annual turnover of an entity is less than \$50 million, in Q4 FY2021 include:

Revenue (\$ millions)	Sector	Target	Acquirer	Stake Acquired (%)	Transaction Value (\$ millions)	Implied EV / EBITDA Multiple
37.2	Real Estate	Primewest Group Limited	Centuria Capital Group	100	600.3	22.4x
30.0	Industrials	Connect Engineering Pty Limited	GenusPlus Group Limited	100	5.5	2.6x

## CONTACT

Are you thinking of expanding or exiting your business? Need advice about succession planning? HLB Mann Judd can help.

We have extensive experience helping business owners develop succession plans that allow them to achieve maximum value in the transition of their business.

For a complimentary exit readiness review, contact Simon James or Nicholas Guest.



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