

JANUARY 2024 - ENGINEERING & CONSTRUCTION

Executive Summary

The **Mining, Oil and Gas Services** sector closed this month, down 7.5%. **Perenti Limited** recording the largest movement this month, down 21.6%

The **Construction and Maintenance** sector closed this month, down 2.7%. **Decmil Group Limited** recorded the largest movement, down 20.5%

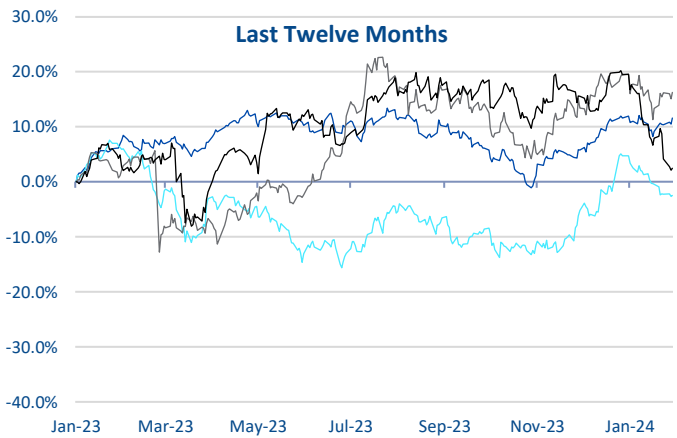
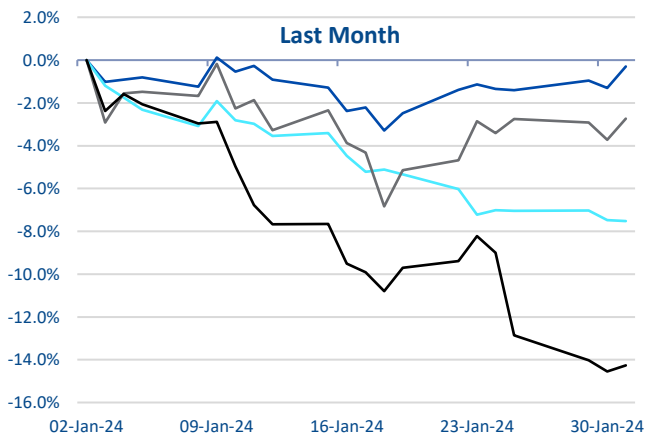
The **Engineering and Construction Management** sector closed this month, down 14.3%. **Worley Limited** recorded the largest movement, down 15.1%

The overall sector average **LTM EV/EBITDA** closed at 6.8x whilst the average **NTM EV/EBITDA** multiple is projected to be 5.4x

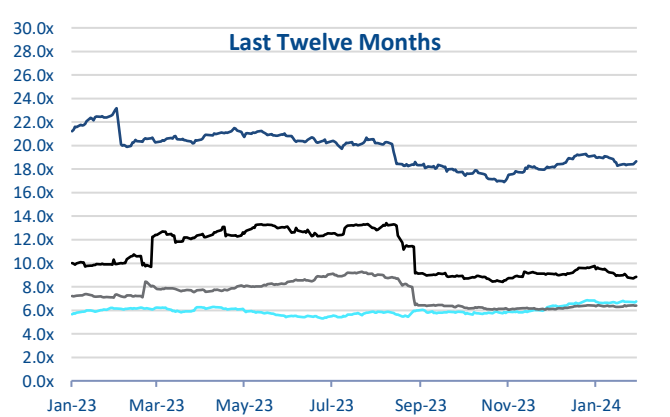
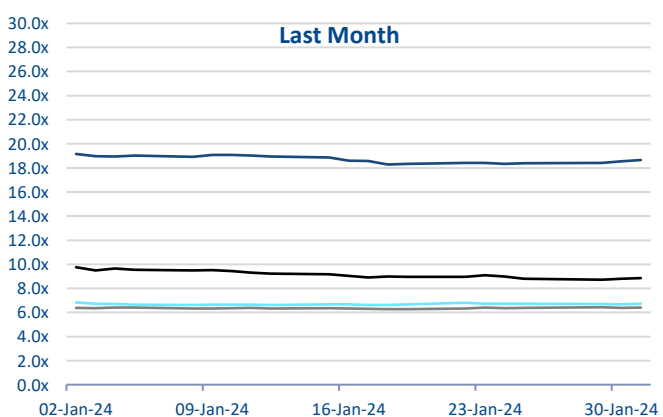
Key Developments

- Taqtile, Inc. announced that it has received funding from Scout Ventures
- **Perenti Limited** has filed a Follow-on Equity Offering of AU\$4.699M
- West African Resources Limited Completes First Drawdown of US\$100M for Kiaka Construction

INDEXED SHARE PRICE PERFORMANCE



VALUATION PERSPECTIVES (LTM EV/EBITDA)



EAC Partners has constructed a market capitalisation weighted index for the Mining and Oil & Gas Services, Construction and Maintenance and Engineering and Construction Management sub-sectors: The charts shown are the indexed share price performance for the constituent companies of the EAC coverage group and the ASX200 Industrials Index.

ASX 200 Industrial Index
 Mining, Oil & Gas Services
 Construction & Maintenance
 Engineering & Construction Management

CONSTITUENTS

Mining and Oil & Gas Services	ASX Ticker	Closing Price	Monthly Movement	Market Cap (AUD)	EV (AUD)	EV / EBITDA (LTM)	EV / EBITDA (NTM)	P / E (Trailing)	P / E (Forward)	ND / EBITDA (Trailing)	Div Yield (Trailing)
Austin Engineering Limited	ANG	0.40	19.7% ▲	231.6	266.9	13.7x	5.4x	35.0x	7.7x	1.8x	NM
Perenti Limited	PRN	0.82	(21.6%) ▼	783.5	1,299.4	2.5x	2.0x	6.1x	4.6x	1.0x	NM
Boart Longyear Group Ltd.	BLY	2.86	4.0% ▲	846.3	1,116.1	6.4x	NM	15.7x	NM	1.8x	NM
Emeco Holdings Limited	EHL	0.63	(6.0%) ▼	324.6	600.6	2.7x	2.1x	8.0x	5.0x	1.2x	3.9%
Imdex Limited	IMD	1.70	(10.1%) ▼	865.4	968.6	9.8x	7.2x	22.5x	16.0x	1.0x	2.1%
Macmahon Holdings Limited	MAH	0.18	(5.4%) ▼	367.8	569.7	1.9x	1.8x	6.4x	4.7x	0.7x	4.2%
Matrix Composites & Engineering Ltd	MCE	0.30	(13.0%) ▼	65.9	81.3	NM	9.0x	5.8x	33.3x	147.3x	NM
Monadelphous Group Limited	MND	13.84	(6.7%) ▼	1,346.1	1,256.5	12.0x	10.1x	25.2x	21.4x	NM	3.6%
Metarock Group Limited	MYE	0.14	12.0% ▲	42.9	101.9	NM	NM	NM	NM	NM	NM
NRW Holdings Limited	NWH	2.73	(8.4%) ▼	1,236.8	1,321.2	5.0x	4.2x	14.7x	10.5x	0.3x	6.1%
Average - Adjusted to exclude outliers			(7.5%)			6.7x	5.2x	15.5x	12.9x	19.4x	4.0%
Construction and Maintenance											
Al Lucas Group Limited	AIL	0.01	(7.7%) ▼	16.5	130.6	5.5x	NM	NM	NM	4.8x	NM
BSA Limited	BSA	0.61	1.7% ▲	43.7	51.6	3.1x	2.5x	7.3x	4.1x	0.5x	NM
Decmil Group Limited	DCG	0.16	(20.5%) ▼	24.1	74.7	8.3x	NM	NM	NM	4.1x	NM
Downer EDI Limited	DOW	4.21	(4.3%) ▼	2,822.5	4,253.6	8.0x	6.2x	NM	15.9x	2.5x	3.1%
Fleetwood Limited	FWD	1.74	(3.3%) ▼	164.1	142.8	6.9x	4.5x	80.2x	15.8x	NM	1.2%
Saunders International Limited	SND	0.96	4.9% ▲	111.9	103.5	6.0x	5.1x	11.0x	9.6x	NM	4.2%
Service Stream Limited	SSM	0.93	(1.1%) ▼	572.8	660.4	8.6x	5.3x	131.0x	13.4x	1.2x	2.2%
Southern Cross Electrical Engineering Limited	SXE	0.94	12.6% ▲	247.3	180.1	4.8x	NM	12.4x	NM	NM	5.3%
Average - Adjusted to exclude outliers			(2.7%)			6.4x	4.7x	48.4x	11.7x	2.6x	3.2%
Engineering and Construction Management											
Cardno Limited	CDD	0.34	1.5% ▲	13.1	4.9	NM	NM	NM	NM	NM	NM
Verbrec Limited	VBC	0.07	(1.4%) ▼	20.4	28.8	NM	NM	NM	NM	NM	NM
Lycopodium Limited	LYL	12.07	3.2% ▲	479.7	411.3	5.7x	NM	10.3x	NM	NM	7.6%
Worley Limited	WOR	14.82	(15.1%) ▼	7,819.3	9,636.3	12.0x	10.2x	211.7x	19.1x	2.3x	3.4%
Average - Adjusted to exclude outliers			(14.3%)			8.8x	10.2x	111.0x	19.1x	2.3x	5.5%
Coverage Group Average						6.8x	5.4x	37.7x	12.9x	12.2x	3.9%

KEY DEVELOPMENTS

Activity

- Taqtile, Inc. announced that it has received funding from Scout Ventures
- **Perenti Limited (ASX:PRN)** has filed a Follow-on Equity Offering of AU\$4.699M
- West African Resources Limited (ASX:WAF) Completes First Drawdown of US\$100M for Kiaka Construction

EAC PARTNERS

EAC Partners is an independent corporate advisory firm providing a full suite of mid-market merger, acquisition, divestment, capital structure and corporate finance services to private and public companies, located within Australia and abroad

Transaction Experience



Antec Group Pty Ltd: Advised on its sale to Metal Manufactures Pty Ltd



Moko: Advised in relation to an acquisition and capital raise



Mine Extraction Device Pty Ltd: Advised on its sale to Elphinstone Pty Ltd



APSEZ: Advised on acquisition of Abbot Point Bulkcoal from Glencore. Advised on its inaugural US\$650M investment grade bond offer



PSA: Advised on its sale to Reece Group



Adani: Advised on the AU\$1.25B refinance of Adani Abbot Point Terminal



Sibelco: Advised on the divestment of their sand mining operations to Holcim Australia



mpower: Advised on the sale of the Australian and New Zealand products distribution businesses



Zentree: Advised on takeover panel application regarding equity rights issue by ERA, underwritten by Rio Tinto



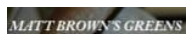
Safe Direction: Completed a strategic and capital structure review



Batchfire: Advised in relation to a AUD25M equity rights issue



Running Bare: Completed a strategic review



Matt Brown's Greens: Advised on its sale to MorCo Fresh



Yello: Advised in relation to its series A capital raising



ATL: Advised on its USD500M investment grade bond offer. Advised on their finance plan, which included rating advice



Smollen Group: Advised Australia's largest real estate franchise on its AU\$70M sale to McGrath Limited



Enviropacific Services: Advised on the divestment of 44% of the shares to Adexum Capital



Holcim: Strategic review of two non-core assets

Awards



EAC Partners received the 2018 award for "Best M&A Advisory Firm – Australia"



EAC Partners received the 2018 award for "Most Client-Focused Corporate Advisory Firm – NSW"

Contact Details

Greg Quinn – Managing Director
+61 2 7910 8051
greg.quinn@eacpartners.com.au

Harsha Pappu – Associate
+61 2 7910 8053
harsha.pappu@eacpartners.com.au

EAC Partners Pty Limited

Level 8, 56 Pitt St
Sydney NSW 2000
Australia
www.eacpartners.com.au



www.mergers-alliance.com