



Deal *Pulse*

Qld M&A's H1, 2022 Refreshingly Positive Despite Headwinds

Despite rising interest rates and increased inflation, the 128 deals in the first half of 2022 (disclosed values \$4.6bn) indicate that Queensland M&A has certainly not stopped! Continued growth on 2021's bumper volumes and values was always going to be challenging, but the 2022 year appears to be tracking towards the top quartile of long term averages.

Business Services transactions have doubled on last year's H1 numbers, with 16 deals in this first half alone (FY21: 8 Deals). This was lead by Global Infrastructure Solutions' acquisition of Palladium Group for an estimated \$617m, with the balance driven by staffing solutions transactions arguably reflecting the current labour market challenges.

The most active sector remains Technology, Media and Telecommunications with 25 deals, 8 of those being application software deals, and a further 6 being IT Consulting deals. The sector overall had disclosed values of \$513m for H1, 2022 (FY21 \$1.46bn).

Rounding out the positive start to 2022, Private Equity appears to be on track for a record year with 9 deals recorded in H1, 2022 (FY21: 12 Deals).

If you're interested in knowing more about your industry sector's M&A activity or just want a chat about how we may be able to help you, please get in touch via phone or email.

Regards,



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128
deals announced
H1, 2022

1% 

on 3-year avg
(129 deals)

Biggest Mover
Business Services

16 deals

100% 

on 2021 deals
(9 deals)

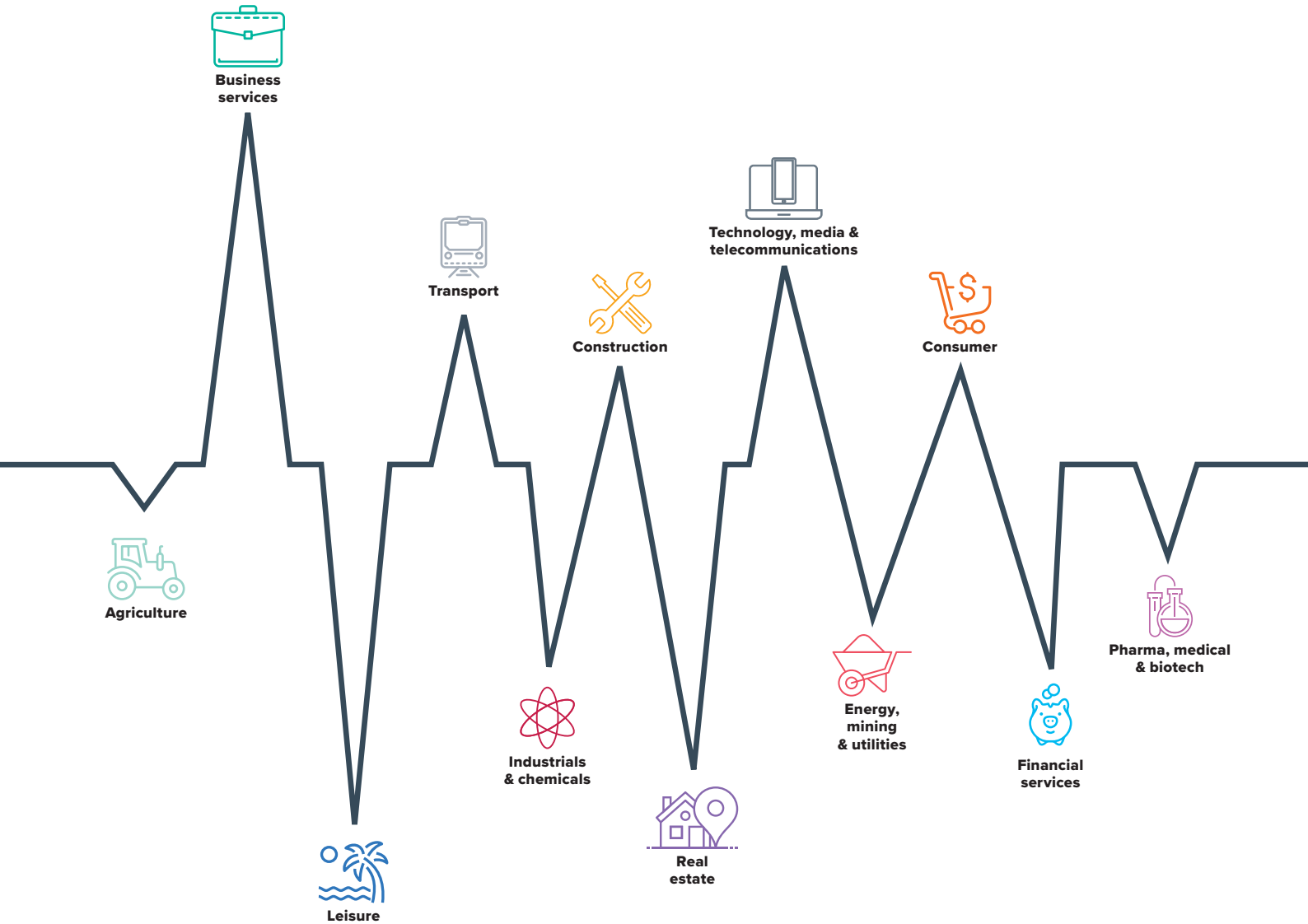
Largest Decline
Industrial

4 deals

68% 

on 3-year avg
(12 deals)

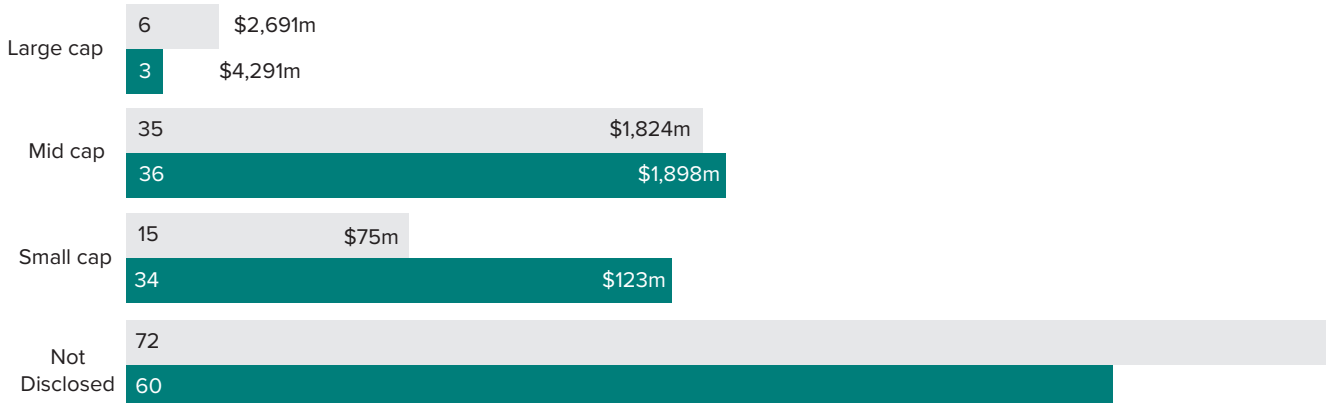
Sector summary



Number of Deals

H1 deals 2022

Average deals H1 2014-2021

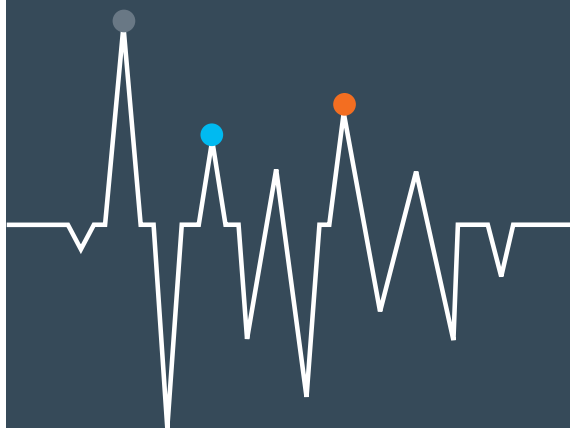




Sectors trending up



Trending up



Business Services

16

Deals, H1 2022
(up 50% on 3-year avg)

Value (\$m)
918m
(from 7 deals)

11

Avg half yearly
deals 2019 - 2021

Value (\$m)
40m
(from avg 5 deals)

Most active sub-sectors

Staffing Solutions: 3 deals
Business Consulting: 3 deals
Childcare: 3 deals

Largest deal

US-based Global Infrastructure Solutions Inc (GISI) has entered into an agreement to acquire strategy execution consultant Palladium Group for an estimated \$617m.



Transportation

7

Deals, H1 2022
(up 62% on 3-year avg)

Value (\$m)
825m
(from 3 deals)

4

Avg half yearly
deals 2019 - 2021

Value (\$m)
1,242m
(from avg 2 deals)

Most active sub-sectors

Bus Services 2 deals
Airlines: 1 deal
Marine Ports and Services: 1 deal

Largest deal

After acquiring an approximate 20% stake in Australian-based operator Aviation Services in February 2019, Qantas reached an agreement to fully acquire the remaining 80% for approximately \$808m in May 2022.



Construction

8

Deals, H1 2022
(up 85% on 3-year avg)

Value (\$m)
187m
(from 6 deals)

4

Avg half yearly
deals 2019 - 2021

Value (\$m)
29m
(from avg 1 deal)

Most active sub-sectors

Construction: 2 deals
Construction Materials: 2 deals
Engineering: 1 deal

Largest deal

Mt Isa-based copper explorer Fetch Materials has entered into an agreement to acquire Queensland Mining Corporation (QNMC) from Young Australian Mines for approximately \$58m.



Sectors trending down



Trending down



Industrial and Chemicals

4

Deals, H1 2022
(down 68% on 3-yr avg)

Value (\$m)
469m
(from 3 deals)

12

Avg half yearly
deals 2019 - 2021

Value (\$m)
620m
(from avg 5 deals)

Most active sub-sectors

Electronic Equipment & Instruments: 1 deal
Environmental & Facilities Services: 1 deal
Defence Vehicles: 1 deal

Largest deal

Defence parts supplier Ferra Group was acquired by Accurus Aerospace Corporation (backed by PE-firm Liberty Hall Capital Partners) for \$350m.



Agriculture

5

Deals, H1 2022
(down 48% on 3-yr avg)

Value (\$m)
221
(from 1 deal)

10

Avg half yearly
deals 2019 - 2021

Value (\$m)
203m
(from avg 5 deals)

Most active sub-sectors

Agricultural products: 3 deals
Timber: 1 deal
Fruit and Vegetables: 1 deal

Largest deal

Suntory Beverage & Food Limited (SBF) has agreed to sell its fresh coffee business in Australia, New Zealand and Singapore to UCC Coffee for an approximate \$221m.



Leisure

7

Deals, H1 2022
(down 40% on 3-yr avg)

Value (\$m)
59m
(from 3 deals)

12

Avg half yearly
deals 2019 - 2021

Value (\$m)
124m
(from avg 7 deals)

Most active sub-sectors

Hotels: 2 deals
Pubs: 2 deals
Tourism and Travel: 2 deals

Largest deal

ASX-listed Jumbo Interactive Limited (ASX:JIN) acquired UK-based external lottery manager and digital payments business StarVale Group for \$31m.

Balance of sectors



Pharma, medical & biotech

13

Deals
H1 2022

Value (\$m)
220m
(from 5 deals)

14

Avg half yearly
deals 2019-2022

Value (\$m)
102m
(from 6 deals)

Most active sub-sectors

Medical Imaging: 3 deals
Healthcare Services: 2 deals
Healthcare Technology: 2 deals

Largest deal

ASX-listed digital healthcare solutions developer ResApp Health has received an acquisition proposal from Pfizer under scheme or arrangement for approx. \$127m.



Energy, Mining & Utilities

13

Deals
H1 2022

Value (\$m)
720m
(from 11 deals)

14

Avg half yearly
deals 2019-2021

Value (\$m)
927m
(from 9 deals)

Most active sub-sectors

Construction: 2 deals
Construction Materials: 2 deals
Engineering: 1 deal

Largest deal

Australian gold producer Gold Road Resources has acquired DGO Gold for approx. \$302m.



Technology, media & telecommunications

25

Deals
H1 2022

Value (\$m)
513m
(from 8 deals)

21

Avg half yearly
deals 2019-2021

Value (\$m)
316m
(from 10 deals)

Most active sub-sectors

Application Software: 8 deals
IT Consulting: 6 deals
SaaS: 3 deals

Largest deal

Singapore-based technology services firm NCS Group has fortified their market presence in Australia with \$351m acquisition of Dialog Information Technology.



Real Estate

2

Deals
H1 2022

Value (\$m)
9m
(from 1 deal)

5

Avg half yearly
deals 2019-2021

Value (\$m)
458m
(from 4 deals)

Most active sub-sectors

R.E. Operating Companies: 1 deal
Real Estate Agency: 1 deal

Largest deal

Brisbane-based private equity firm PieLab acquired Queensland-based strata management and body corporate services business Stansure Strata for \$9m.



Consumer

21

Deals
H1 2022

Value (\$m)
449m
(from 8 deals)

14

Avg half yearly
deals 2019-2021

Value (\$m)
796m
(from 5 deals)

Most active sub-sectors

Auto Parts & Accessories: 5 deals
Distributors: 3 deals
Restaurants: 3 deals

Largest deal

ASX-listed A.P. Eagers acquired WFM Motors (a portfolio of dealerships and associated properties) for approx. \$193m.



Financial Services

7

Deals
H1 2022

Value (\$m)
0m*
(from 0 deals)

8

Avg half yearly
deals 2019-2021

Value (\$m)
549m
(from 3 deals)

Most active sub-sectors

Superannuation: 1 deal
Online Exchanges: 1 deal

Largest deal

No values were disclosed within the sector. The largest transaction was likely trading platform Superhero's ~\$1.5bn merger with Brisbane-based cryptocurrency trading exchange platform Swyftx.

Making business *personal*



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