

JANUARY 2020 – TRANSPORT & LOGISTICS

Executive Summary

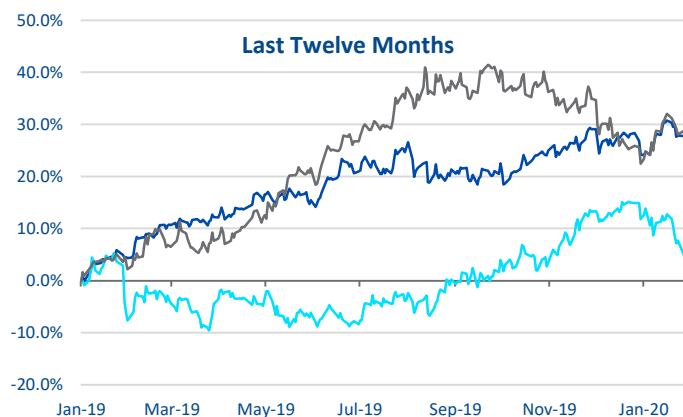
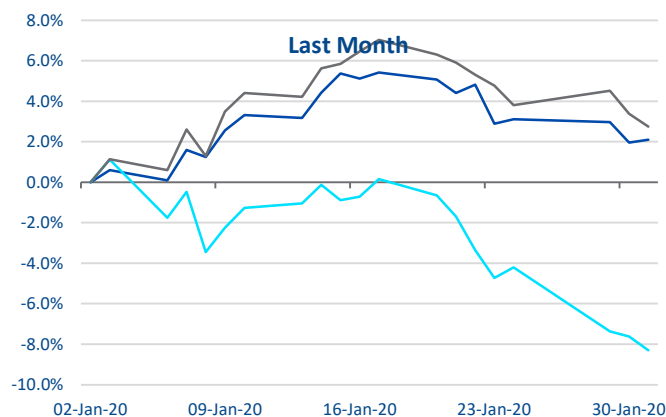
Airlines Group Sector closed down 4.1%. **Qantas Airways Limited** saw the largest loss of 9.8%

Airlines Group Sector average **LTM EV/EBITDA** multiple was 5.1x, whilst the **NTM EV/EBITDA** multiple is projected to be 4.5x

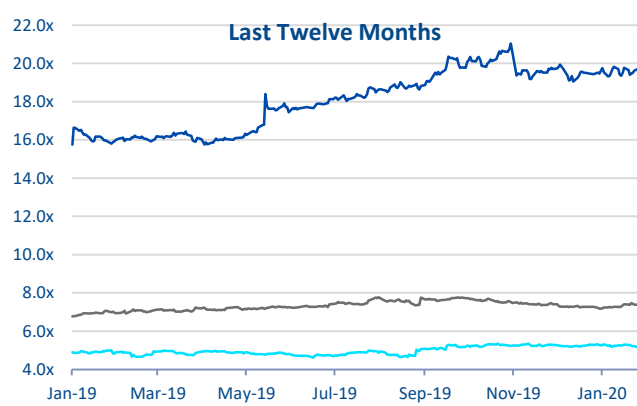
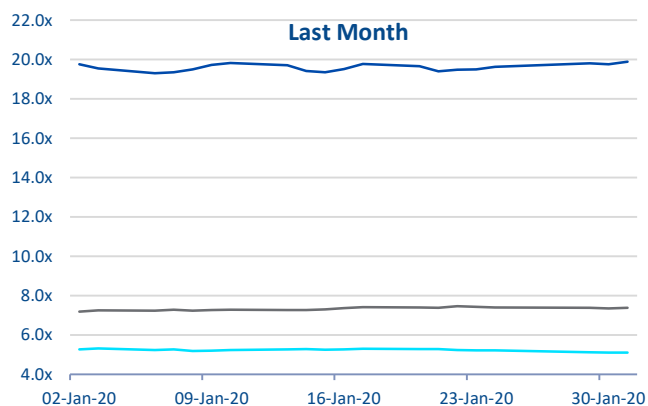
Road & Rail Group Sector closed up 5.0%. **K&S Corporation Limited** saw the largest gain, up 7.5%

Road & Rail Group Sector average **LTM EV/EBITDA** multiple was 7.4x, whilst the **NTM EV/EBITDA** multiple is projected to be 7.1x

INDEXED SHARE PRICE PERFORMANCE



VALUATION PERSPECTIVES (LTM EV/EBITDA)



EAC Partners has constructed a market capitalisation weighted index for the Airlines and Road & Rail coverage groups. 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 Industrials Sector Index Road and Rail Group
Airlines Group

CONSTITUENTS

Airlines	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)
Alliance Aviation Services Limited	AQZ	2.62	1.6% ▲	334.0	384.4	5.7x	5.3x	14.4x	12.9x	0.8x	6.7%
Qantas Airways Limited	QAN	6.41	(9.8%) ▼	9,398.2	12,468.2	4.6x	3.9x	11.8x	11.2x	1.1x	4.1%
Regional Express Holdings Limited	REX	1.11	(5.9%) ▼	121.1	105.4	2.5x	NM	6.9x	NM	NM	10.8%
Virgin Australia Holdings Limited	VAH	0.15	(3.3%) ▼	1,224.1	2,541.9	7.3x	4.3x	NM	NM	3.7x	NM
Air New Zealand Limited	NZSE:AIR	2.72	(3.0%) ▼	3,064.1	4,552.8	5.4x	4.4x	11.8x	10.7x	1.8x	7.8%
Average			(4.1%)			5.1x	4.5x	11.2x	11.6x	1.9x	7.3%
Road & Rail											
Aurizon Holdings Limited	AZJ	5.41	3.4% ▲	10,565.5	13,959.2	9.8x	9.5x	22.7x	20.3x	2.4x	4.4%
CTI Logistics Limited	CLX	0.80	6.0% ▲	60.0	106.4	7.2x	6.9x	76.2x	19.0x	3.1x	NM
K&S Corporation Limited	KSC	1.64	7.5% ▲	208.7	340.3	7.2x	NM	91.1x	NM	2.8x	NM
Lindsay Australia Limited	LAU	0.36	2.9% ▲	107.6	206.0	5.3x	5.0x	12.0x	11.3x	2.5x	6.1%
Average			5.0%			7.4x	7.1x	50.5x	16.9x	2.7x	5.3%
Coverage Group Average						6.1x	5.6x	30.9x	14.2x	2.3x	6.6%

EAC PARTNERS

EAC Partners is an independent corporate advisory firm based in Sydney. Our services include Mergers and Acquisitions, Divestments, Corporate Finance and Capital Raisings. Below is a brief snapshot of our recent experience:

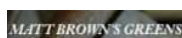
Transaction Experience



Batchfire: Advised in relation to a \$25m equity rights issue



Safe Direction: Completed a strategic and capital structure review



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



Running Bare: Completed a strategic review



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



Yello: Advised in relation to its series A capital raising



APSEZ: Advised on acquisition of Abbot Point Bulkcoal from Glencore
Advised on its inaugural USD650m investment grade bond offer



ATL: Advised on its USD500m investment grade bond offer
Advised on their finance plan, which included rating advice



Sibelco: Advised on the acquisition of an industrial minerals producer



Holcim: Strategic review of two non-core assets



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



Freemantle Media: Advised on the takeover of a listed media business



Adani: Advised on the AUD1.25Bn refinance of Adani Abbot Point Terminal
Advised on its USD150m maiden USPP issue
Advised on its AUD100m 6 year AMTN issue



Moko: Advised in relation to an acquisition and capital raise

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"

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