



Market Update – TMT Sector

June 2020

TMTPARTNERS
TELECOM MEDIA & TECHNOLOGY SPECIALISTS

TMT SECTOR – THEMES

KEY THEMES FOR CALENDAR YEAR 2020

This Market Update sets out the current valuation metrics and trends for listed telecommunications, media and technology companies in the Australian market

Key themes for April and May 2020:

- **Recovery across all subsectors** - all tech subsector indices had positive growth ranging between 21% (IT Services) and 62% (Established Fintech)
- **Tech outperforms the ASX200** - all technology subsector indices outperformed the ASX200 which recovered by only 11%
- **Telecoms resilience** – in the period since January, the Telecoms sector recorded a gain of 7%. This compares to a fall in the ASX200 of 13% over the same period
- **Flight to quality** – the top performing sectors comprised of companies with strong recurring/online revenues and producing positive cash flows (e.g. Telecom, eCommerce, Established Fintech and Established Software). Companies with unreliable revenues and cash burn tended to be the worst performing

TMT SECTOR - VALUE AND PERFORMANCE

STRONG REBOUND IN SHARE PRICES AND VALUATIONS OVER THE LAST MONTH

SECTOR VALUATION METRICS

LTM Median Values	YTD Share Price Movement	Revenue Growth	EV / Revenue	EV / EBITDA	RULE OF 40 #
Advertising & Media	(36%)	(0%)	0.9x	6.6x	
eCommerce	(8%)	5%	3.8x	22.9x	
Fintech - Emerging*	(18%)	26%	11.8x	NA	(28%)
Fintech - Established*	(5%)	18%	4.8x	19.7x	40%
IT Services	(28%)	12%	1.0x	13.2x	
Software - Emerging*	(26%)	32%	4.6x	NA	(19%)
Software - Established*	(13%)	18%	4.5x	41.8x	28%
Telecommunications	7%	10%	2.9x	11.9x	
ASX200	(13%)	4%	2.8x	12.6x	

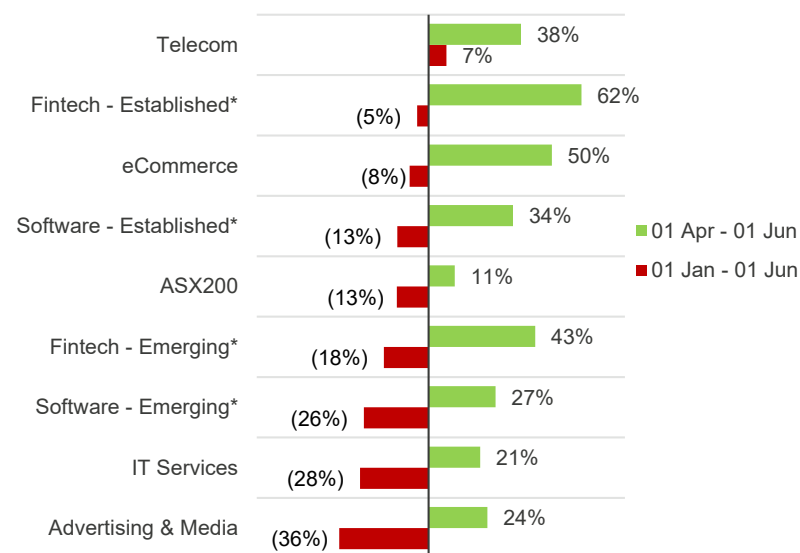
as of 01 June 2020

* The selection of Fintech and Software companies categorised as “Emerging” have revenues below \$10m. Companies in the “Established” category have revenues of \$10m and above.

The **RULE OF 40** is often used to quickly assess the attractiveness of Software and Fintech companies. It is derived by adding the revenue growth rate to the EBITDA margin. A higher score indicates a more attractive business with a score of 40%+ a quality benchmark

SECTOR PERFORMANCE

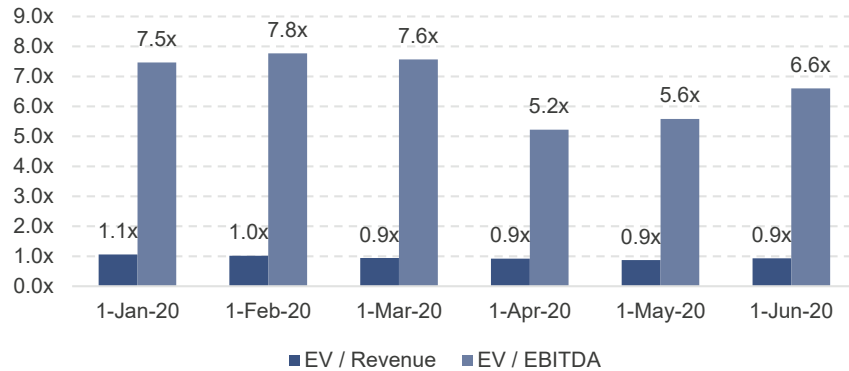
Median Share Price Performance



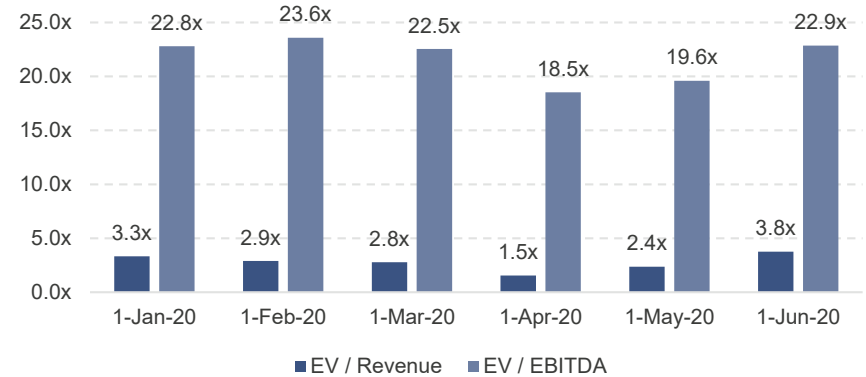
TMT SECTOR – VALUATIONS

MONTHLY VALUATION METRICS

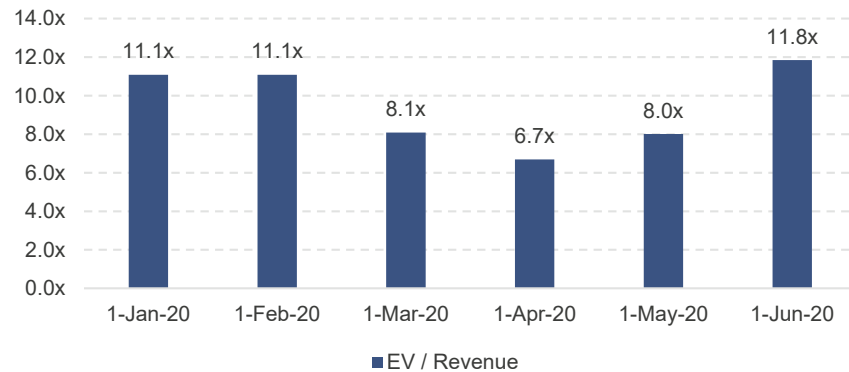
Advertising & Media



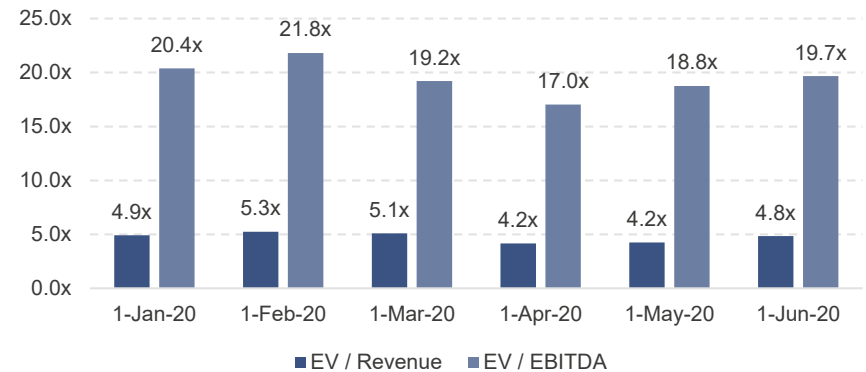
eCommerce



Fintech - Emerging



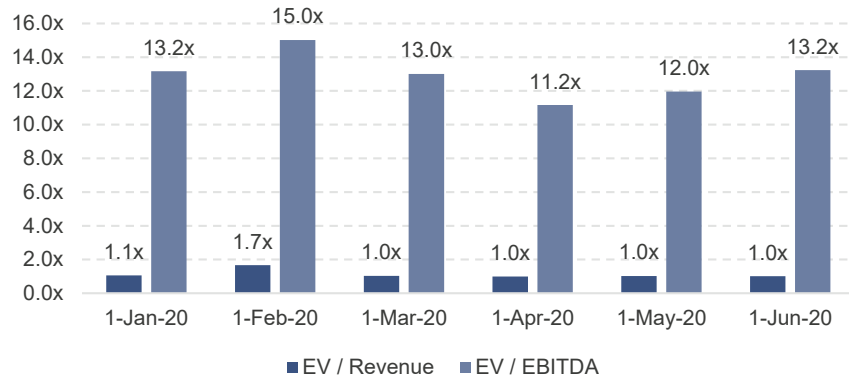
Fintech - Established



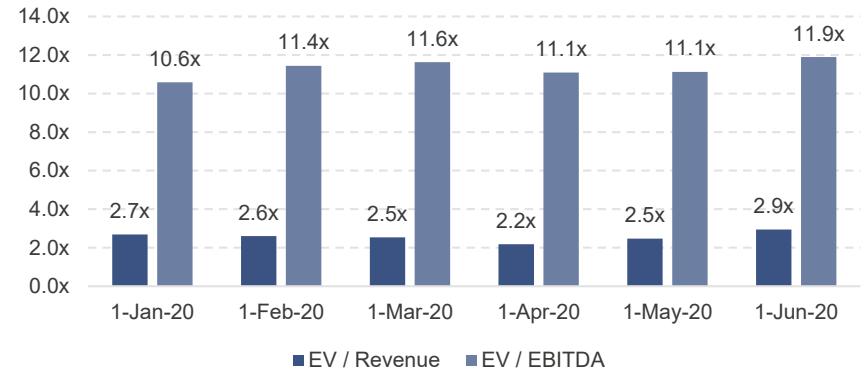
TMT SECTOR – VALUATIONS

MONTHLY VALUATION METRICS

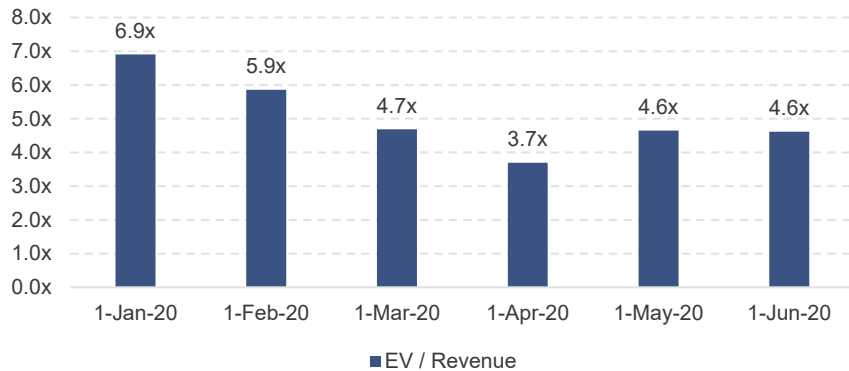
IT Services



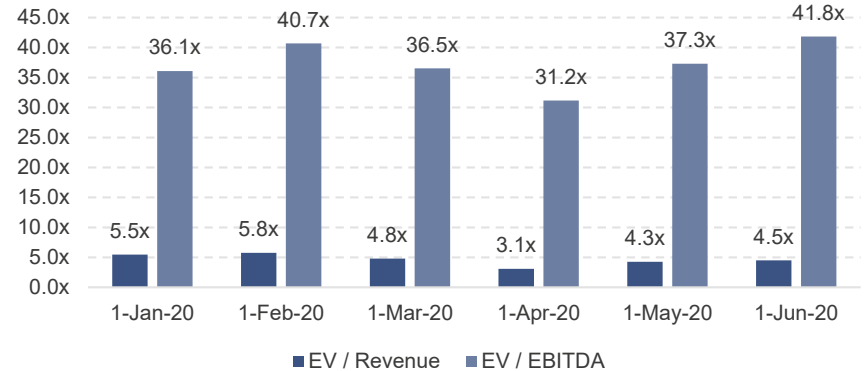
Telecommunications



Software - Emerging



Software - Established



ADVERTISING & MEDIA (1/2)

SELECTED TRADING COMPANIES

Share Price Performance YTD to 01/06/20	
Median share price movement	(36%)
Companies that increased in value	13%
Companies that decreased in value	87%

Valuation Summary	EV/Revenue	Rev. Growth	EV/EBITDA
	Last 12 Months	Last 12 Months	Last 12 Months
Mean	2.8x	131%	6.6x
Median	0.9x	(0.4%)	6.6x

Company	Share Price	Last 12 Months					Next 12 Months	Valuation Multiples			
		Enterprise Value	Revenue	Revenue Growth	EBITDA	EBITDA Margin	Revenue Growth	EV / Revenue	EV / Revenue	EV / EBITDA	EV / EBITDA
		\$m	\$m	%	\$m	%	%	Last 12 Months	Next 12 Months	Last 12 Months	Next 12 Months
Adslot	(30%)	32	10	18%	(6)	(62%)	NA	3.2x	NA	NM	NA
Adveritas	(38%)	24	1	363%	(10)	NM	NA	21.2x	NA	NM	NA
Aspermont	11%	22	16	(2%)	(3)	(18%)	NA	1.4x	NA	NM	NA
Beyond International	(22%)	47	81	(5%)	(3)	(3%)	NA	0.6x	NA	NM	NA
Crowd Media	47%	14	18	(41%)	(3)	(18%)	NA	0.8x	NA	NM	NA
Enero	(17%)	113	255	29%	24	9%	8%	0.4x	0.8x	4.8x	4.6x
Engage:BDR	(55%)	14	17	49%	1	7%	NA	0.8x	NA	12.1x	NA
Esports Mogul	(44%)	6	0.1	520%	(5)	NM	NA	NM	NA	NM	NA
GTN	(36%)	127	186	(0%)	23	12%	(6%)	0.7x	0.7x	5.6x	3.7x
Hot Copper	0%	37	6	28%	(1)	(18%)	NA	6.1x	NA	NM	NA
HT&E	(32%)	308	253	(7%)	38	15%	(15%)	1.2x	1.4x	8.2x	5.4x
iCar Asia	7%	131	15	28%	(10)	(65%)	13%	8.8x	7.8x	NM	NM
Impelus	(57%)	7	12	(34%)	(5)	(43%)	NA	0.6x	NA	NM	NA
Invigor ¹	NA	NA	3	11%	(6)	(242%)	NA	NA	NA	NA	NA
Isentia	(46%)	73	117	(9%)	16	14%	(11%)	0.6x	0.7x	4.6x	3.5x
IVE	(53%)	443	709	(0%)	67	9%	(6%)	0.6x	0.6x	6.6x	6.3x
KNeoMedia	(25%)	14	0.1	(75%)	(4)	NM	NA	NM	NA	NM	NA
Nine Entertainment	(16%)	3,397	2,344	65%	408	17%	10%	1.4x	1.6x	8.3x	8.6x
oOh!media	(70%)	1,864	650	35%	159	25%	(18%)	2.9x	3.5x	11.7x	6.5x
OtherLevels	(36%)	10	6	(1%)	(4)	(70%)	NA	1.8x	NA	NM	NA
Pacific Star Network	(12%)	67	72	36%	8	11%	NA	0.9x	NA	8.4x	NA
Prime Media	(43%)	37	185	(5%)	21	11%	(16%)	0.2x	0.2x	1.8x	1.8x
Pureprofile	(36%)	24	26	72%	(4)	(16%)	NA	0.9x	NA	NM	NA
RMA	(11%)	131	7	3%	(9)	(129%)	(4%)	18.2x	17.0x	NM	NM

Note: (1) Suspended from trading

Source S&P Capital IQ and presented as at 01 Jun 2020

YTD refers to period from 1st January 2020 to 1st June 2020

ADVERTISING & MEDIA (2/2)

SELECTED TRADING COMPANIES

Share Price Performance YTD to 01/06/20

Median share price movement	(36%)
Companies that increased in value	13%
Companies that decreased in value	87%

Valuation Summary	EV/Revenue	Rev. Growth	EV/EBITDA
	Last 12 Months	Last 12 Months	Last 12 Months
Mean	2.8x	131%	6.6x
Median	0.9x	(0.4%)	6.6x

Company	Share Price	Last 12 Months						Next 12 Months	Valuation Multiples			
		Enterprise Value	Revenue	Revenue Growth	EBITDA	EBITDA Margin	Revenue Growth	EV / Revenue	EV / Revenue	EV / EBITDA	EV / EBITDA	
		YTD	\$m	\$m	%	\$m	%	%	Last 12 Months	Next 12 Months	Last 12 Months	Next 12 Months
OpenDNA	(44%)	4	2	3,258%	(3)	(145%)	NA	1.8x	NA	NM	NA	
Salmat	(17%)	76	252	1%	18	7%	NA	0.3x	NA	4.3x	NA	
Seven West Media	(72%)	886	1,527	(5%)	116	8%	(9%)	0.6x	0.6x	7.6x	5.2x	
SKY Network	(79%)	361	746	(5%)	147	20%	(7%)	0.5x	0.5x	2.5x	2.2x	
Southern Cross Media	(73%)	1,082	632	(4%)	132	21%	(14%)	1.7x	1.9x	8.2x	9.7x	
Swift Media	(60%)	25	24	(1%)	(7)	(29%)	NA	1.0x	NA	NM	NA	
Trimantium Growthops	(50%)	25	96	28%	(27)	(28%)	NA	0.3x	NA	NM	NA	
TV2U International ¹	NA	NA	1	(17%)	(3)	NM	NA	NA	NA	NA	NA	
WPP AUNZ	(49%)	475	837	(2%)	119	14%	NA	0.6x	NA	4.0x	NA	
High	47%	3,397	2,344	3,258%	408	25%	13%	21.2x	17.0x	12.1x	9.7x	
Low	(79%)	4	0.1	(75%)	(27)	(242%)	(18%)	0.2x	0.2x	1.8x	1.8x	
Mean	(34%)	319	276	131%	36	(24%)	(6%)	2.8x	2.9x	6.6x	5.2x	
Median	(36%)	47	26	(0%)	(3)	7%	(7%)	0.9x	0.8x	6.6x	5.2x	

Note: (1) Suspended from trading

Source S&P Capital IQ and presented as at 01 Jun 2020

YTD refers to period from 1st January 2020 to 1st June 2020

eCOMMERCE

SELECTED TRADING COMPANIES

Share Price Performance YTD to 01/06/20

Median share price movement	(8%)
Companies that increased in value	29%
Companies that decreased in value	71%

Valuation Summary	EV/Revenue	Rev. Growth	EV/EBITDA
	Last 12 Months	Last 12 Months	Last 12 Months
Mean	4.3x	7%	40.4x
Median	3.8x	5%	22.9x

Company	Share Price	Last 12 Months					Next 12 Months	Valuation Multiples				
		Enterprise Value	Revenue	Revenue Growth	EBITDA	EBITDA Margin		Revenue Growth	EV / Revenue	EV / Revenue	EV / EBITDA	EV / EBITDA
		YTD	\$m	\$m	%	\$m		%	%	Last 12 Months	Next 12 Months	Last 12 Months
99 Technology	(24%)	70	39	47%	5	14%	NA	1.8x	NA	13.0x	NA	
Carsales.com	(2%)	4,449	427	12%	196	46%	(6%)	10.4x	11.0x	22.7x	21.6x	
Domain	(18%)	1,971	297	(17%)	62	21%	(25%)	6.6x	7.4x	31.7x	23.7x	
Freelancer	(10%)	230	58	12%	(0.1)	(0%)	NA	4.0x	NA	NM	NA	
Harris Technology	289%	11	9	(16%)	(0.3)	(4%)	NA	1.3x	NA	NM	NA	
IncentiaPay	(6%)	28	43	(51%)	(21)	(49%)	NA	0.7x	NA	NM	NA	
iSelect	(47%)	45	142	(17%)	5	4%	NA	0.3x	NA	8.2x	NA	
Jayride	(50%)	16	4	66%	(7)	(169%)	NA	3.9x	NA	NM	NA	
Kogan	44%	1,006	426	(2%)	33	8%	8%	2.4x	2.0x	30.2x	22.9x	
REA Group	(1%)	13,782	911	(3%)	436	48%	(8%)	15.1x	15.9x	31.6x	26.7x	
Redbubble	13%	276	350	31%	(8)	(2%)	22%	0.8x	0.8x	NM	51.7x	
SEEK	(10%)	8,809	1,674	16%	385	23%	3%	5.3x	5.2x	22.9x	20.5x	
Temple & Webster	69%	507	126	44%	3	2%	58%	4.0x	2.7x	193.0x	87.8x	
Webjet	(67%)	1,492	410	(29%)	142	35%	(22%)	3.6x	6.2x	10.5x	45.3x	
High	289%	13,782	1,674	66%	436	48%	58%	15.1x	15.9x	193.0x	87.8x	
Low	(67%)	11	4.2	(51%)	(21)	(169%)	(25%)	0.3x	0.8x	8.2x	20.5x	
Mean	13%	2,335	351	7%	88	(2%)	4%	4.3x	6.4x	40.4x	37.5x	
Median	(8%)	392	219	5%	5	6%	(1%)	3.8x	5.7x	22.9x	25.2x	

FINTECH – EMERGING

SELECTED TRADING COMPANIES WITH REVENUES BELOW \$10M

Share Price Performance YTD to 01/06/20	
Median share price movement	(18%)
Companies that increased in value	0%
Companies that decreased in value	100%

Valuation Summary	EV/Revenue	Rev. Growth	Rule of 40
	Last 12 Months	Last 12 Months	Last 12 Months
Mean	18.6x	35%	(35%)
Median	11.8x	26%	(28%)

Company	Share Price	Last 12 Months					Next 12 Months	Valuation Multiples		
		Enterprise Value	Revenue	Revenue Growth	EBITDA	EBITDA Margin	Revenue Growth	EV / Revenue	EV / Revenue	Rule of 40
		YTD	\$m	\$m	%	\$m	%	%	Last 12 Months	Next 12 Months
BidEnergy	(14%)	83	6.8	47%	(8.6)	(127%)	72%	12.3x	9.2x	(80%)
Change Financial	(48%)	24	2.1	25%	(3.0)	(147%)	NA	11.8x	NA	(122%)
DigitalX	(10%)	12	0.6	(92%)	(3.9)	NM	NA	19.2x	NA	NM
DomaCom	(18%)	13	0.3	(53%)	(4.2)	NM	178%	37.5x	16.9x	NM
FinTech Chain	(18%)	63	8.2	(19%)	1.1	13%	NA	7.7x	NA	(7%)
Mint Payments	(58%)	14	4.9	39%	(3.8)	(77%)	NA	2.8x	NA	(38%)
Mobecom ¹	NA	NA	4.6	200%	(4.4)	(96%)	NA	NA	NA	NA
Novatti	(10%)	35	10.0	26%	(4.4)	(44%)	NA	3.5x	NA	(18%)
Peppermint Innovation ¹	NA	NA	0.7	(23%)	(2.0)	(300%)	NA	NA	NA	NA
Raiz Invest	(19%)	41	8.0	129%	(5.9)	(73%)	NA	5.1x	NA	56%
Splitit	(25%)	158	2.3	108%	(27.0)	NM	NA	67.5x	NA	NM
High	(10%)	158	10.0	200%	1.1	13%	NA	67.5x	NA	56%
Low	(58%)	12	0.3	(92%)	(27.0)	(300%)	NA	2.8x	NA	(122%)
Mean	(24%)	49	4.4	35%	(6.0)	(106%)	NA	18.6x	NA	(35%)
Median	(18%)	35	4.6	26%	(4.2)	(86%)	NA	11.8x	NA	(28%)

Note: The Rule of 40 is often used to quickly assess the attractiveness of Software and Fintech companies. It is derived by adding the revenue growth rate to the EBITDA margin. A higher score indicates a more attractive business with a score of 40%+ a quality benchmark.

FINTECH – ESTABLISHED

SELECTED TRADING COMPANIES WITH REVENUES OF \$10M+

Share Price Performance YTD to 01/06/20

Median share price movement	(5%)
Companies that increased in value	47%
Companies that decreased in value	53%

Valuation Summary	EV/Revenue	Rev. Growth	Rule of 40
	Last 12 Months	Last 12 Months	Last 12 Months
Mean	9.5x	38%	54%
Median	4.8x	18%	40%

Company	Share Price	Last 12 Months						Next 12 Months	Valuation Multiples				
		Enterprise Value	Revenue	Revenue Growth	EBITDA	EBITDA Margin	Revenue Growth		EV / Revenue	EV / Revenue	EV / EBITDA	EV / EBITDA	Rule of 40
		\$m	\$m	%	\$m	%	%		Last 12 Months	Next 12 Months	Last 12 Months	Next 12 Months	Last 12 Months
Afterpay Touch	63%	12,781	312	97%	(25)	(8%)	77%	41.0x	21.1x	NM	NM	89%	
Bravura Solutions	(6%)	1,140	267	8%	57	21%	11%	4.3x	3.8x	20.2x	19.1x	30%	
Computershare	(21%)	9,655	3,340	3%	890	27%	(7%)	2.9x	2.8x	10.9x	10.4x	30%	
EML Payments	(18%)	1,089	109	36%	16	15%	25%	10.0x	7.0x	66.1x	24.6x	52%	
Energy One	37%	94	19	87%	3	15%	33%	4.8x	4.5x	31.8x	19.2x	102%	
IRESS	(14%)	2,201	509	10%	115	23%	8%	4.3x	4.0x	19.2x	16.1x	32%	
Link Administration	(30%)	3,130	1,313	(7%)	210	16%	(14%)	2.4x	2.5x	14.9x	10.0x	9%	
Money3	(22%)	460	114	112%	63	55%	(8%)	4.0x	3.5x	7.3x	7.7x	167%	
Netwealth	5%	1,872	109	20%	59	54%	21%	17.1x	14.9x	31.9x	29.3x	74%	
OFX Group	(5%)	283	138	6%	28	20%	(3%)	2.0x	2.1x	10.0x	8.9x	27%	
OneVue	1%	98	49	16%	(0.3)	(1%)	(15%)	2.0x	2.0x	NM	15.9x	15%	
Pushpay	91%	2,202	212	32%	34	16%	39%	10.4x	7.4x	64.7x	26.3x	48%	
Tyro Payments	16%	1,918	215	NA	(14)	(6%)	NA	8.9x	8.3x	NM	NM	NM	
Wameja	(5%)	85	11	7%	(15)	0%	NA	7.6x	NA	NM	NA	7%	
Zip Co.	6%	2,358	118	106%	(30)	(25%)	89%	20.0x	11.6x	NM	NM	81%	
High	91%	12,781	3,340	112%	890	55%	89%	41.0x	21.1x	66.1x	29.3x	167%	
Low	(30%)	85	11	(7%)	(30)	(25%)	(15%)	2.0x	2.0x	7.3x	7.7x	7%	
Mean	7%	2,624	456	38%	93	15%	20%	9.5x	6.8x	27.7x	17.0x	54%	
Median	(5%)	1,872	138	18%	28	16%	11%	4.8x	4.2x	19.7x	16.1x	40%	

IT SERVICES

SELECTED TRADING COMPANIES

Share Price Performance YTD to 01/06/20

Median share price movement	(28%)
Companies that increased in value	33%
Companies that decreased in value	67%

Valuation Summary	EV/EBITDA	EV/EBITDA	EBITDA Margin
	Last 12 Months	Next 12 Months	Last 12 Months
Mean	18.0x	18.8x	5.9%
Median	13.2x	13.0x	9.0%

Company	Share Price	Last 12 Months						Next 12 Months	Valuation Multiples			
		Enterprise Value	Revenue	Revenue Growth	EBITDA	EBITDA Margin	Revenue Growth	EV / Revenue	EV / Revenue	EV / EBITDA	EV / EBITDA	
		YTD	\$m	\$m	%	\$m	%	%	Last 12 Months	Next 12 Months	Last 12 Months	Next 12 Months
ARQ Group	(74%)	85	84	(16%)	7	9%	(66%)	1.0x	1.5x	11.7x	13.0x	
Cirrus Networks	(45%)	19	90	(1%)	2	2%	15%	0.2x	0.2x	11.4x	4.6x	
Citadel	(42%)	238	110	2%	16	15%	35%	2.2x	1.6x	14.7x	6.3x	
COSOL	21%	56	14	84%	3	21%	NA	4.1x	NA	19.7x	NA	
Data#3	51%	860	1,489	17%	34	2%	4%	0.6x	0.6x	25.1x	25.0x	
DWS	(28%)	141	165	12%	22	13%	NA	0.9x	NA	6.5x	NA	
Empired	1%	86	172	(3%)	7	4%	(1%)	0.5x	0.5x	11.8x	4.5x	
MOQ	(46%)	25	66	1%	0.3	0%	NA	0.4x	NA	NM	NA	
Netlinkz	(61%)	105	1	385%	(17)	NM	374%	99.7x	13.3x	NM	NM	
NEXTDC	37%	4,763	181	11%	94	52%	13%	26.3x	21.1x	50.6x	41.4x	
PS&C	(36%)	10	83	35%	4	5%	NA	0.1x	NA	2.4x	NA	
rhipe	(9%)	284	54	32%	9	16%	17%	5.3x	4.6x	32.7x	18.5x	
RXP Services	(46%)	64	137	(2%)	13	9%	(3%)	0.5x	0.5x	5.0x	4.0x	
Tesserent	45%	36	8	41%	(6)	(76%)	599%	4.7x	1.0x	NM	51.9x	
Vortiv Limited	(5%)	26	12	99%	1.1	10%	NA	2.3x	NA	23.9x	NA	
High	51%	4,763	1,489	385%	94.1	52%	599%	99.7x	21.1x	50.6x	51.9x	
Low	(74%)	10	1	(16%)	(17)	(76%)	(66%)	0.1x	0.2x	2.4x	4.0x	
Mean	(16%)	453	178	46%	13	6%	99%	9.9x	4.5x	18.0x	18.8x	
Median	(28%)	85	84	12%	7	9%	14%	1.0x	1.2x	13.2x	13.0x	

SOFTWARE – EMERGING (1/2)

SELECTED TRADING COMPANIES WITH REVENUES BELOW \$10M

Share Price Performance YTD to 01/06/20		Valuation Summary						EV/Revenue	Rev. Growth	Rule of 40
Median share price movement	(26%)							Last 12 Months	Last 12 Months	Last 12 Months
Companies that increased in value	27%							Mean	65%	(4%)
Companies that decreased in value	73%							Median	32%	(19%)

Company	Share Price	Last 12 Months					Next 12 Months	Valuation Multiples		
		Enterprise Value	Revenue	Revenue Growth	EBITDA	EBITDA Margin	Revenue Growth	EV / Revenue	EV / Revenue	Rule of 40
	YTD	\$m	\$m	%	\$m	%	%	Last 12 Months	Next 12 Months	Last 12 Months
1st Group	(62%)	10	4.6	30%	(4.8)	(106%)	NA	2.1x	NA	(76%)
8Common	(42%)	10	3.8	65%	(0.8)	(21%)	NA	2.7x	NA	45%
9 Spokes	13%	18	6.6	(7%)	(4.1)	(62%)	NA	2.8x	NA	(69%)
ArchTIS	(52%)	10	0.4	(73%)	(4.3)	NM	NA	NM	NA	NM
BrainChip	64%	103	0.1	(92%)	(15.3)	NM	NA	NM	NA	NM
Cape Range	(37%)	37	1.3	65%	0.2	15%	NA	28.8x	NA	80%
Connexion Telematics	(27%)	12	7.3	1,027%	1.8	25%	NA	1.7x	NA	1,052%
Dragontail Systems	29%	37	1.1	(28%)	(9.8)	NM	NA	33.4x	NA	NM
Dubber	18%	270	8.1	170%	(12.5)	(154%)	NA	33.2x	NA	16%
Envirosuite	(39%)	127	6.3	(4%)	(9.9)	(157%)	238%	20.4x	2.8x	(162%)
Family Zone	6%	47	4.4	20%	(9.0)	(203%)	NA	10.7x	NA	(183%)
Firstwave	(58%)	27	8.7	9%	(12.9)	(147%)	NA	3.1x	NA	(138%)
iCetana	(18%)	13	2.0	NA	(3.4)	(166%)	NA	6.3x	NA	NM
ImExHS	(8%)	37	7.7	34%	(4.6)	(59%)	NA	4.7x	NA	(25%)
IODM	11%	84	0.9	17%	(1.9)	(222%)	NA	96.6x	NA	(205%)
Jaxsta	(80%)	4	0.0	NA	(6.8)	NM	NA	NM	NA	NM
Knosys	(23%)	8	3.9	(6%)	(0.7)	NM	NA	2.0x	NA	NM
Kyckr	(26%)	15	2.2	12%	(3.5)	(157%)	NA	6.6x	NA	(144%)
Linius Technologies	(48%)	15	0.2	107%	(9.0)	NM	NA	NM	NA	NM
LiveHire	22%	57	3.1	53%	(17.5)	NM	54%	18.8x	11.3x	NM
MGM Wireless	(56%)	17	10.7	104%	(6.5)	(61%)	NA	1.6x	NA	43%

SOFTWARE – EMERGING (2/2)

SELECTED TRADING COMPANIES WITH REVENUES BELOW \$10M

Share Price Performance YTD to 01/06/20		Valuation Summary						EV/Revenue	Rev. Growth	Rule of 40
Median share price movement	(26%)							Last 12 Months	Last 12 Months	Last 12 Months
Companies that increased in value	27%							Mean	65%	(4%)
Companies that decreased in value	73%							Median	32%	(19%)

Company	Share Price	Last 12 Months					Next 12 Months	Valuation Multiples		
		Enterprise Value	Revenue	Revenue Growth	EBITDA	EBITDA Margin	Revenue Growth	EV / Revenue	EV / Revenue	Rule of 40
	YTD	\$m	\$m	%	\$m	%	%	Last 12 Months	Next 12 Months	Last 12 Months
MyFiziq	(24%)	24	0.1	(47%)	(5.7)	NM	NA	NM	NA	NM
Orcoda	(50%)	11	3.3	125%	0.1	3%	NA	3.3x	NA	128%
PayGroup	(1%)	39	10.1	112%	(2.2)	(22%)	NA	3.9x	NA	91%
Pointerra	(25%)	23	0.8	189%	(1.7)	(208%)	NA	27.5x	NA	(19%)
RightCrowd	(42%)	28	11.0	51%	(7.1)	(64%)	NA	2.5x	NA	(13%)
Schrole	(26%)	16	5.7	111%	(1.7)	(30%)	NA	2.7x	NA	81%
Security Matters	(30%)	34	0.0	(69%)	(6.3)	NM	NA	NM	NA	NM
SenSen Networks	(24%)	35	3.4	(24%)	(5.9)	(173%)	NA	10.2x	NA	(198%)
Simble Solutions	(30%)	4	1.8	(16%)	(3.5)	(196%)	NA	2.2x	NA	(212%)
Syntonic	0%	6	8.4	122%	(6.7)	(80%)	NA	0.7x	NA	42%
thedocyard	(35%)	21	0.6	NA	NM	0%	NA	35.2x	NA	NM
Tinybeans	(54%)	41	4.5	71%	(3.1)	(69%)	NA	9.1x	NA	2%
Urbanise	11%	39	8.7	34%	(3.7)	(42%)	23%	4.5x	4.0x	(8%)
Vault Intelligence	(38%)	27	4.0	22%	(7.1)	(176%)	74%	6.8x	3.2x	(154%)
Xref	(56%)	24	8.6	38%	(10.2)	(118%)	(3%)	2.7x	3.0x	(80%)
Yojee	6%	51	0.5	(23%)	(3.9)	NM	NA	NM	NA	NM
High	64%	270	11	1,027%	2	25%	238%	96.6x	11.3x	1,052%
Low	(80%)	4	0	(92%)	(18)	(222%)	(3%)	0.7x	2.8x	(212%)
Mean	(22%)	37	4	65%	(6)	(98%)	77%	12.9x	4.9x	(4%)
Median	(26%)	24	4	32%	(5)	(80%)	54%	4.6x	3.2x	(19%)

SOFTWARE – ESTABLISHED (1/2)

SELECTED TRADING COMPANIES WITH REVENUES OF \$10M+

Share Price Performance YTD to 01/06/20

Median share price movement	(13%)
Companies that increased in value	33%
Companies that decreased in value	67%

Valuation Summary	EV/Revenue	Rev. Growth	Rule of 40
	Last 12 Months	Last 12 Months	Last 12 Months
Mean	6.3x	61%	59%
Median	4.5x	18%	28%

Company	Share Price	Last 12 Months						Next 12 Months	Valuation Multiples				
		Enterprise Value	Revenue	Revenue Growth	EBITDA	EBITDA Margin	Revenue Growth	EV / Revenue	EV / Revenue	EV / EBITDA	EV / EBITDA	Rule of 40	
		\$m	\$m	%	\$m	%	%	Last 12 Months	Next 12 Months	Last 12 Months	Next 12 Months	Last 12 Months	
Adacel	(29%)	39	37	(24%)	(1)	(2%)	(6%)	1.1x	0.9x	NM	6.0x	(26%)	
Altium	7%	4,788	266	20%	101	38%	18%	18.0x	14.6x	47.3x	37.9x	58%	
Appen	37%	3,698	536	47%	82	15%	32%	6.9x	5.2x	44.8x	27.7x	62%	
Bigtincan	9%	246	25	49%	(6)	(25%)	57%	9.9x	6.6x	NM	NM	25%	
Buddy Technologies	(59%)	44	29	1,034%	(18)	(62%)	NA	1.5x	NA	NM	NA	973%	
Class	(31%)	156	40	10%	9	24%	15%	3.9x	3.3x	16.5x	8.4x	34%	
CV Check	(46%)	17	13	0%	(1)	(9%)	NA	1.3x	NA	NM	NA	(9%)	
Damstra	(9%)	127	18	NA	(1)	(6%)	NA	6.9x	6.1x	NM	21.9x	NM	
Elmo	8%	500	46	38%	(15)	(32%)	27%	10.9x	9.9x	NM	NM	6%	
Hansen	(17%)	804	263	17%	32	12%	29%	3.1x	2.7x	25.3x	9.8x	29%	
Infomedica	(23%)	579	92	18%	15	16%	11%	6.3x	5.8x	38.8x	11.9x	34%	
Integrated Research	6%	585	104	8%	30	29%	7%	5.6x	5.2x	19.6x	13.1x	37%	
Janison Education	(24%)	72	24	22%	1	6%	(1%)	3.0x	3.2x	53.9x	24.1x	27%	
Limeade	(26%)	293	68	18%	(1)	(2%)	15%	4.3x	3.6x	NM	NM	16%	
Live Tiles	(9%)	175	31	222%	(29)	(94%)	141%	5.7x	4.0x	NM	NM	128%	
MSL Solutions	(12%)	24	27	(16%)	(6)	(23%)	(13%)	0.9x	0.9x	NM	NA	(39%)	
Nearmap	(14%)	959	89	37%	(32)	(37%)	24%	10.8x	9.2x	NM	55.5x	0%	
Nitro Software	(3%)	237	51	10%	(10)	(19%)	13%	4.7x	3.9x	NM	NM	(9%)	
Objective Corp.	21%	657	66	12%	13	20%	13%	9.9x	8.8x	48.8x	39.8x	33%	
Praemium	(26%)	143	45	3%	12	25%	7%	3.2x	2.9x	12.5x	10.4x	29%	

SOFTWARE – ESTABLISHED (2/2)

SELECTED TRADING COMPANIES WITH REVENUES OF \$10M+

Share Price Performance YTD to 01/06/20	
Median share price movement	(13%)
Companies that increased in value	33%
Companies that decreased in value	67%

Valuation Summary	EV/Revenue	Rev. Growth	Rule of 40
	Last 12 Months	Last 12 Months	Last 12 Months
Mean	6.3x	61%	59%
Median	4.5x	18%	28%

Company	Share Price	Last 12 Months						Next 12 Months	Valuation Multiples				
		Enterprise Value	Revenue	Revenue Growth	EBITDA	EBITDA Margin	Revenue Growth		EV / Revenue	EV / Revenue	EV / EBITDA	EV / EBITDA	Rule of 40
		\$m	\$m	%	\$m	%	%		Last 12 Months	Next 12 Months	Last 12 Months	Next 12 Months	Last 12 Months
Prophecy International	57%	39	13	20%	0	2%	NA	3.0x	NA	158.0x	NA	22%	
ReadyTech	(9%)	151	36	NA	3	8%	22%	4.2x	3.8x	50.6x	9.4x	NM	
Reckon	(18%)	117	75	(0.1%)	13	17%	7%	1.5x	1.4x	8.9x	3.6x	17%	
RPMGlobal	14%	195	76	7%	5	7%	9%	2.6x	2.4x	35.7x	33.1x	15%	
Serko	(41%)	263	25	30%	1	3%	10%	10.6x	9.7x	389.0x	NM	33%	
Skyfii	(18%)	45	12	40%	(5)	(43%)	66%	3.9x	2.6x	NM	19.2x	(3%)	
Technology One	10%	2,865	294	14%	82	28%	6%	9.7x	9.0x	35.0x	26.4x	42%	
Vista Group	(58%)	370	139	11%	23	17%	(11%)	2.7x	2.9x	15.9x	24.7x	27%	
Wisetech	(14%)	6,305	397	39%	106	27%	22%	15.9x	13.5x	59.6x	45.8x	66%	
Xero	8%	12,227	696	30%	45	6%	18%	17.6x	15.5x	271.6x	69.7x	36%	
High	57%	12,227	696	1,034%	106	38%	141%	18.0x	15.5x	389.0x	69.7x	973%	
Low	(59%)	17	12	(24%)	(32)	(94%)	(13%)	0.9x	0.9x	8.9x	3.6x	(39%)	
Mean	(10%)	1,224	121	61%	15	(2%)	21%	6.3x	5.8x	74.0x	24.9x	59%	
Median	(13%)	241	48	18%	2	6%	14%	4.5x	4.0x	41.8x	23.0x	28%	

TELECOMMUNICATIONS

SELECTED TRADING COMPANIES

Share Price Performance YTD to 01/06/20	
Median share price movement	7%
Companies that increased in value	76%
Companies that decreased in value	24%

Valuation Summary	EV/EBITDA	EV/EBITDA	EBITDA Margin
	Last 12 Months	Next 12 Months	Last 12 Months
Mean	49.4x	11.8x	3%
Median	11.9x	11.8x	7%







Company	Share Price	Enterprise Value						Next 12 Months	Valuation Multiples			
			Revenue	Revenue Growth	EBITDA	EBITDA Margin	Revenue Growth	EV / Revenue	EV / Revenue	EV / EBITDA	EV / EBITDA	
			%	\$m	%	%	%	%	Last 12 Months	Next 12 Months	Last 12 Months	Next 12 Months
5G Networks	54%	98	53	90%	(1)	(1%)	NA	1.9x	NA	NM	NA	
amaysim	(18%)	128	490	(9%)	29	6%	(3%)	0.3x	0.3x	4.4x	3.4x	
CommsChoice	25%	13	20	(1%)	0	2%	NA	0.7x	NA	NM	NA	
Hutchison Telecom	29%	2,244	6	(46%)	0	0%	NA	394.0x	NA	NM	NA	
Macquarie Telecom	38%	758	257	7%	49	19%	8%	2.9x	2.8x	15.3x	11.8x	
Megaport	29%	2,023	46	75%	(29)	(64%)	65%	44.2x	27.9x	NM	NM	
MNF Group	7%	461	229	13%	24	11%	9%	2.0x	1.9x	19.0x	11.9x	
Over the Wire	(29%)	173	88	38%	20	22%	13%	2.0x	1.8x	8.8x	9.2x	
Spark NZ	(1%)	10,272	3,458	2%	866	25%	1%	3.0x	2.9x	11.9x	9.2x	
Speedcast ¹	NA	NA	1,028	16%	115	11%	NA	NA	NA	NA	NA	
Spirit Telecom	2%	94	22	32%	2	8%	88%	4.4x	2.4x	53.2x	16.8x	
Superloop	13%	438	110	(14%)	0	0%	(8%)	4.0x	3.7x	NM	25.8x	
Telstra	(9%)	58,833	24,837	(3%)	6,106	25%	(5%)	2.4x	2.3x	9.6x	6.9x	
TPG Telecom	23%	9,483	2,488	0%	796	32%	1%	3.8x	3.7x	11.9x	12.5x	
Uniti Wireless	1%	488	33	508%	1	4%	167%	14.7x	6.8x	349.2x	13.9x	
Vocus	5%	3,048	1,825	(3%)	297	16%	(5%)	1.7x	1.7x	10.2x	8.1x	
Whispir	65%	247	34	16%	(17)	(48%)	23%	7.2x	5.6x	NM	NM	
Vonex	5%	16	9	13%	(2)	(18%)	NA	1.7x	NA	NM	NA	
High	65%	58,833	24,837	508%	6,106	32%	167%	394.0x	27.9x	349.2x	25.8x	
Low	(29%)	13	6	(46%)	(29)	(64%)	(8%)	0.3x	0.3x	4.4x	3.4x	
Mean	14%	5,225	1,946	41%	459	3%	27%	28.9x	4.9x	49.4x	11.8x	
Median	7%	461	99	10%	11	7%	8%	2.9x	2.8x	11.9x	11.8x	

Note: (1) The company is currently suspended from trading while it works through a US Chapter 11 process
Source S&P Capital IQ and presented as at 01 Jun 2020
YTD refers to period from 1st January 2020 to 1st June 2020

TMT PARTNERS TRACK RECORD – 2019/20

HIGHLY ACTIVE ACROSS THE TMT SECTOR

 <p>OVO Mobile</p> <p>Advised on \$15.8m sale to Amaysim</p> <p>2020</p> <p>TMTPARTNERS</p>	 <p>Firstwave (ASX:FCT)</p> <p>Advised on \$15m entitlement offer and placement</p> <p>2020</p> <p>TMTPARTNERS</p>	 <p>Swift Media (ASX:SW1)</p> <p>Advised on placement and SPP</p> <p>2020</p> <p>TMTPARTNERS</p>	 <p>XREF (ASX:XF1)</p> <p>Advised on \$3.5m placement to institutional investors</p> <p>2019</p> <p>TMTPARTNERS</p>	 <p>1ST Group (ASX:1ST)</p> <p>Advised on \$4.5m placement</p> <p>2019</p> <p>TMTPARTNERS</p>
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 <p>Southern Phone</p> <p>Advised on \$27.5m sale to AGL Energy Limited (ASX:AGL) - pending</p> <p>2019</p> <p>TMTPARTNERS</p>	 <p>NOW Consulting</p> <p>Advised on sale to Spark NZ (ASX:SPK)</p> <p>2019</p> <p>TMTPARTNERS</p>	 <p>Moneytech</p> <p>Advised on private capital raise</p> <p>2019</p> <p>TMTPARTNERS</p>	 <p>XREF (ASX:XF1)</p> <p>Advised on the acquisition of RapidID</p> <p>2019</p> <p>TMTPARTNERS</p>	 <p>1ST Group (ASX:1ST)</p> <p>Advised on placement and SPP</p> <p>2019</p> <p>TMTPARTNERS</p>	 <p>Medical Media</p> <p>Advised on sale of Medical Media to Swift Networks (ASX: SW1)</p> <p>2019</p> <p>TMTPARTNERS</p>
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TMT PARTNERS TRACK RECORD – 2018

HIGHLY ACTIVE ACROSS THE TMT SECTOR



Inabox
(ASX:IAB)

Advised on sale of Indirect
Business to MNF Group
(ASX: MNF)

2018

TMTPARTNERS



XREF
(ASX:XF1)

Advised on \$8m placement

2018

TMTPARTNERS



Covata
(ASX:CVT)

Advised on placement and
rights issue

2018

TMTPARTNERS



Inabox
(ASX:IAB)

Advised on sale of Anittel and
Hostworks to 5G Networks
(ASX: 5GN)

2018

TMTPARTNERS



Solarix Networks

Advised on sale to
Plan B Group
(The Growth Fund)

2018

TMTPARTNERS



Bulletproof Group
(ASX:BPF)

Advising on \$28m takeover
by AC3

2018

TMTPARTNERS



Visual Risk

Advised on sale to
G Treasury Holdings

2018

TMTPARTNERS



XREF
(ASX:XF1)

Advised on \$12m sell down by
founders to institutional investors

2018

TMTPARTNERS

TRACK RECORD – 2017

HIGHLY ACTIVE ACROSS THE TMT SECTOR



Saxton Speakers Bureau

Advised on sale to
Bombora Group

2017

TMTPARTNERS



Covata (ASX:CVT)

Advised on placement and SPP

2017

TMTPARTNERS



XREF (ASX:XF1)

Advised on \$7.5m placement

2017

TMTPARTNERS



CCP Technologies (ASX:CT1)

Advised on placement and SPP

2017

TMTPARTNERS



Envirosuite (ASX:EVS)

Advised on sale of Pacific
Environment to ERM

2017

TMTPARTNERS



BAI Communications

Advised on \$7m sale of
Hostworks to Inabox Group
(ASX:IAB)

2017

TMTPARTNERS



Conference Call International

Advised on \$18m sale to MNF
Group
(ASX: MNF)

2017

TMTPARTNERS



Newzuku (ASX:NWZ)

Underwritten rights issue and
placement

2017

TMTPARTNERS

TRACK RECORD – 2016

HIGHLY ACTIVE ACROSS THE TMT SECTOR



BigAir
(ASX:BGL)

Advised on \$200m takeover by Superloop (ASX:SLC)

2016

TMTPARTNERS



Onthehouse
(ASX:OTH)

Advised on \$75m takeover by Macquarie Bank Consortium

2016

TMTPARTNERS



Moneytech

Advised on restructuring to repatriate business and private capital raise

2016

TMTPARTNERS



Pureprofile
(ASX:PPL)

Advised on \$22m acquisition of Cohort and \$17m placement

2016

TMTPARTNERS



Inabox
(ASX:IAB)

Advised on the sale of hosted telecomm business to Telstra

2016

TMTPARTNERS



Pacific Environment
(ASX:PEH)

Advised on two capital placements

2016

TMTPARTNERS



Xref
(ASX:XF1)

Advised on \$8m placement

2016

TMTPARTNERS



YPB
(ASX:YPB)

Advised on \$7m placement

2016

TMTPARTNERS



Onthehouse
(ASX:OTH)

Advised on the sale of COD division to CoreLogic

2016

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CyberHound

Advised on the sale of CyberHound to Big Air

2016

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An Independent Corporate Advisory Firm With Global Reach. Established 2001.



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