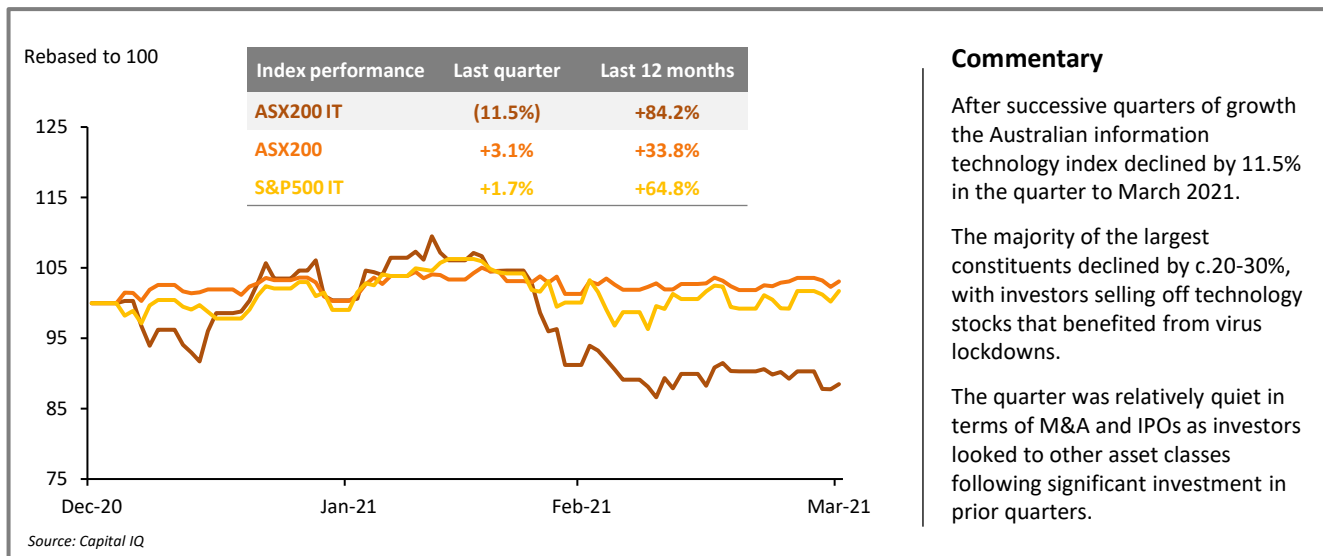


Quarterly performance



Commentary

After successive quarters of growth the Australian information technology index declined by 11.5% in the quarter to March 2021.

The majority of the largest constituents declined by c.20-30%, with investors selling off technology stocks that benefited from virus lockdowns.

The quarter was relatively quiet in terms of M&A and IPOs as investors looked to other asset classes following significant investment in prior quarters.

Quarterly M&A & other news

Date	Description
24-Mar-21	Airwallex raised US\$100m in a further Series D round at a valuation of US\$2.6bn
16-Mar-21	Secure Logic's Managed Security Services business was acquired by Tesserent for A\$22.3m
9-Mar-21	Pemba Capital acquired a controlling stake in RxMx , an Australia-based medical solutions company focused on the safe use of medications for an undisclosed amount
25-Feb-21	Bentley Systems acquired Australian civil construction software leader E7 for an undisclosed amount
23-Feb-21	Employment Hero , integrated people management platform, raised A\$27m at a valuation of c.A\$225m
15-Feb-21	Stone & Chalk , an Australia-based innovation hub, merges with and AustCyber , an Australian cyber-security growth network
2-Feb-21	Ceridian , a global leader in human capital management, acquired Ascender from Potentia Capital for A\$654.9m
28-Jan-21	Business intelligence software company Phocas raised A\$45m in a funding round led by Ellerston Capital
22-Jan-21	Verra Mobility , a NASDAQ listed company, acquired Redflex Holdings , an intelligent traffic management company, for A\$146m
20-Jan-21	Ascential sold Groundsure , environmental research and consulting services company, to Australian Technology Innovators for £170m
19-Jan-21	Digital livestock management company AgriWebb raised A\$45m in a funding round led by TELUS
11-Jan-21	Adamantem Capital sold Servian , an Australian data and analytics consulting firm, to Cognizant for an undisclosed amount

Sources: Capital IQ, Mergermarket, press reports

Largest 40 ASX-listed technology companies by market capitalisation (31 March 2021)

Company	Market capitalisation (A\$m)	Share price (A\$)	Share price performance (%)			Premium / (discount) to 52 week (%)		Premium / (discount) to VWAP (%)			Multiples (Jun-21)		
			Last quarter	Year-to-date	Last 12 months	High	Low	1 month	3 months	6 months	EV/Revenue	EV/EBITDA	P/E
1 Afterpay	29,011	101.50	(14%)	(14%)	440%	(37%)	423%	(9%)	(19%)	(10%)	30.2x	n.m.	n.m.
2 REA	18,726	141.74	(5%)	(5%)	84%	(13%)	88%	3%	(2%)	2%	21.3x	35.4x	58.6x
3 Xero	18,526	126.53	(14%)	(14%)	86%	(20%)	94%	7%	(0%)	(2%)	22.0x	n.m.	n.m.
4 SEEK	10,040	28.51	(0%)	(0%)	92%	(10%)	103%	5%	2%	9%	6.9x	25.9x	93.4x
5 WiseTech	9,395	29.05	(6%)	(6%)	70%	(16%)	113%	6%	(1%)	(3%)	18.3x	n.m.	96.0x
6 Computershare	8,153	15.04	3%	3%	55%	(3%)	58%	2%	4%	7%	3.4x	12.8x	21.6x
7 NEXTDC	4,749	10.42	(15%)	(15%)	17%	(26%)	29%	(2%)	(9%)	(13%)	19.5x	37.1x	n.m.
8 Carsales	4,388	17.81	(11%)	(11%)	52%	(23%)	57%	(3%)	(9%)	(12%)	11.2x	19.7x	30.7x
9 Pro Medicus	4,307	41.33	21%	21%	113%	(14%)	113%	(6%)	(3%)	10%	n.m.	n.m.	n.m.
10 Altium	3,474	26.47	(22%)	(22%)	(7%)	(34%)	6%	(0%)	(7%)	(17%)	13.7x	37.0x	59.8x
11 TechnologyOne	3,001	9.34	14%	14%	17%	(9%)	25%	3%	11%	9%	9.3x	26.1x	31.5x
12 Codan	2,787	15.44	38%	38%	185%	(7%)	192%	1%	9%	24%	6.3x	17.6x	29.2x
13 Link	2,744	5.13	(8%)	(8%)	59%	(10%)	67%	1%	5%	3%	3.0x	13.4x	23.0x
14 Domain	2,454	4.20	(6%)	(6%)	108%	(25%)	120%	(5%)	(11%)	(7%)	9.2x	27.3x	78.2x
15 Pushpay	2,145	1.90	7%	7%	124%	(16%)	140%	10%	18%	8%	8.7x	27.5x	42.0x
16 Appen	1,947	15.83	(36%)	(36%)	(20%)	(64%)	4%	(7%)	(20%)	(35%)	3.1x	20.5x	17.0x
17 EML	1,773	4.90	17%	17%	113%	(9%)	139%	(3%)	7%	23%	9.2x	31.9x	57.9x
18 iRESS	1,755	9.18	(13%)	(13%)	(12%)	(24%)	3%	(0%)	(4%)	(6%)	3.4x	15.9x	14.8x
19 Dicker Data	1,751	10.17	(3%)	(3%)	76%	(19%)	82%	(4%)	(7%)	(2%)	0.9x	18.8x	17.5x
20 Megaport	1,734	11.09	(22%)	(22%)	13%	(37%)	18%	(6%)	(13%)	(18%)	20.1x	n.m.	n.m.
21 Tyro Payments	1,672	3.29	3%	3%	74%	(25%)	66%	(1%)	15%	2%	6.6x	n.m.	n.m.
22 Nuix	1,637	5.16	(37%)	(37%)	n.a.	(56%)	11%	(6%)	(22%)	(27%)	8.0x	24.3x	82.0x
23 Sezzle	1,445	7.36	19%	19%	1,024%	(39%)	951%	(9%)	(16%)	(7%)	12.2x	n.m.	59.8x
24 Redbubble	1,356	5.01	(9%)	(9%)	749%	(32%)	944%	(10%)	(16%)	(7%)	2.1x	17.9x	26.4x
25 Kogan	1,277	12.00	(37%)	(37%)	124%	(53%)	123%	(11%)	(25%)	(32%)	1.5x	13.5x	22.0x
26 FINEOS	1,176	3.90	5%	5%	43%	(32%)	49%	(0%)	0%	(3%)	6.9x	n.m.	n.m.
27 Temple & Webster	1,096	9.10	(18%)	(18%)	292%	(35%)	278%	(6%)	(14%)	(15%)	3.1x	42.3x	52.4x
28 Hansen	1,084	5.43	46%	46%	87%	(8%)	103%	6%	17%	28%	3.8x	10.1x	15.1x
29 Nearmap	997	2.02	(9%)	(9%)	79%	(37%)	89%	(6%)	(13%)	(13%)	7.8x	44.8x	n.m.
30 BrainChip	858	0.52	21%	21%	1,233%	(46%)	1,268%	(12%)	(9%)	8%	n.m.	n.m.	n.m.
31 Novonix	856	2.16	79%	79%	747%	(49%)	764%	(15%)	(18%)	(1%)	n.m.	n.m.	n.m.
32 Data#3	799	5.19	(7%)	(7%)	51%	(29%)	70%	4%	(3%)	(9%)	0.4x	16.5x	28.6x
33 Life360	723	4.80	26%	26%	140%	(4%)	187%	6%	11%	17%	5.4x	n.m.	n.m.
34 Marley Spoon	640	2.50	(7%)	(7%)	213%	(34%)	273%	(7%)	(10%)	(3%)	1.4x	n.m.	70.0x
35 Bravura	631	2.55	(21%)	(21%)	(34%)	(50%)	5%	(3%)	(10%)	(17%)	2.5x	11.8x	19.5x
36 Infomedica	563	1.50	(22%)	(22%)	5%	(26%)	16%	7%	(4%)	(8%)	4.9x	10.2x	29.1x
37 Audinate	536	7.03	(14%)	(14%)	85%	(24%)	83%	(4%)	(10%)	(6%)	15.1x	n.m.	n.m.
38 4DMedical	500	1.72	(29%)	(29%)	n.a.	(42%)	38%	5%	(6%)	(18%)	n.m.	n.m.	n.m.
39 Adore Beauty	489	5.20	(3%)	(3%)	n.a.	(30%)	13%	2%	(4%)	(13%)	2.5x	n.m.	91.4x
40 Frontier Digital	473	1.38	(7%)	(7%)	126%	(32%)	126%	4%	(7%)	(4%)	11.2x	n.m.	n.m.
Average	3,792		(2%)	(2%)	181%	(27%)	183%	(2%)	(5%)	(4%)			

Top 10 best performers in the last quarter⁽¹⁾

Company	Market capitalisation (A\$m)	Share price (A\$)	Share price performance (%)			Premium / (discount) to 52 week (%)		Premium / (discount) to VWAP (%)			Multiples (Jun-21)		
			Last quarter	Year-to-date	Last 12 months	High	Low	1 month	3 months	6 months	EV/Revenue	EV/EBITDA	P/E
1 IOUpay	201	0.37	121%	121%	5114%	(57%)	9,025%	(23%)	(7%)	24%	n.m.	n.m.	n.m.
2 Novonix	856	2.16	79%	79%	747%	(49%)	764%	(15%)	(18%)	(1%)	n.m.	n.m.	n.m.
3 Advanced Human	276	2.05	69%	69%	1477%	(6%)	1,683%	22%	38%	56%	n.m.	n.m.	n.m.
4 Alcidion	307	0.31	68%	68%	138%	(11%)	158%	9%	24%	47%	12.5x	n.m.	n.m.
5 4DS Memory	257	0.20	56%	56%	550%	(30%)	622%	4%	(1%)	28%	n.m.	n.m.	n.m.
6 Hansen	1,084	5.43	46%	46%	87%	(8%)	103%	6%	17%	28%	3.8x	10.1x	15.1x
7 Codan	2,787	15.44	38%	38%	185%	(7%)	192%	1%	9%	24%	6.3x	17.6x	29.2x
8 Silix Systems	205	1.19	33%	33%	374%	(30%)	374%	(1%)	(9%)	8%	n.m.	n.m.	n.m.
9 Smartpay Holdings	210	0.89	32%	32%	205%	(10%)	228%	8%	6%	25%	6.3x	24.7x	n.m.
10 Life360	723	4.80	26%	26%	140%	(4%)	187%	6%	11%	17%	5.4x	n.m.	n.m.
Average	691		57%	57%	902%	(21%)	1,333%	2%	7%	26%			

Top 10 worst performers in the last quarter⁽¹⁾

Company	Market capitalisation (A\$m)	Share price (A\$)	Share price performance (%)			Premium / (discount) to 52 week (%)		Premium / (discount) to VWAP (%)			Multiples (Jun-21)		
			Last quarter	Year-to-date	Last 12 months	High	Low	1 month	3 months	6 months	EV/Revenue	EV/EBITDA	P/E
1 Splitit	338	0.74	(43%)	(43%)	128%	(62%)	131%	(22%)	(25%)	(33%)	19.6x	n.m.	n.m.
2 Nuix	1,637	5.16	(37%)	(37%)	n.a.	(56%)	11%	(6%)	(25%)	(27%)	8.0x	24.3x	82.0x
3 Kogan	1,277	12.00	(37%)	(37%)	124%	(53%)	123%	(11%)	(25%)	(32%)	1.5x	13.5x	22.0x
4 Appen	1,947	15.83	(36%)	(36%)	(20%)	(64%)	4%	(7%)	(20%)	(35%)	3.1x	20.5x	17.0x
5 Yojee	149	0.14	(33%)	(33%)	650%	(53%)	650%	8%	1%	(22%)	n.m.	n.m.	n.m.
6 Laybuy	154	0.88	(32%)	(32%)	n.a.	(62%)	4%	(20%)	(32%)	(38%)	3.5x	n.m.	n.m.
7 Bill Identity	132	0.81	(32%)	(32%)	33%	(38%)	42%	(2%)	(17%)	(24%)	7.0x	n.m.	n.m.
8 Tesserent	238	0.24	(30%)	(30%)	411%	(47%)	447%	(9%)	(26%)	(29%)	n.m.	n.m.	n.m.
9 Envirosuite	133	0.13	(30%)	(30%)	4%	(49%)	24%	2%	(2%)	(20%)	2.6x	n.m.	n.m.
10 4DMedical	500	1.72	(29%)	(29%)	n.a.	(42%)	38%	5%	(6%)	(18%)	n.m.	n.m.	n.m.
Average	650		(34%)	(34%)	190%	(53%)	147%	(6%)	(17%)	(28%)			

Source: Capital IQ as at 31 March 2021

Note: (1) Top 10 best and worst performers are based on companies with a minimum market capitalisation of A\$50 million and have traded for the full quarter