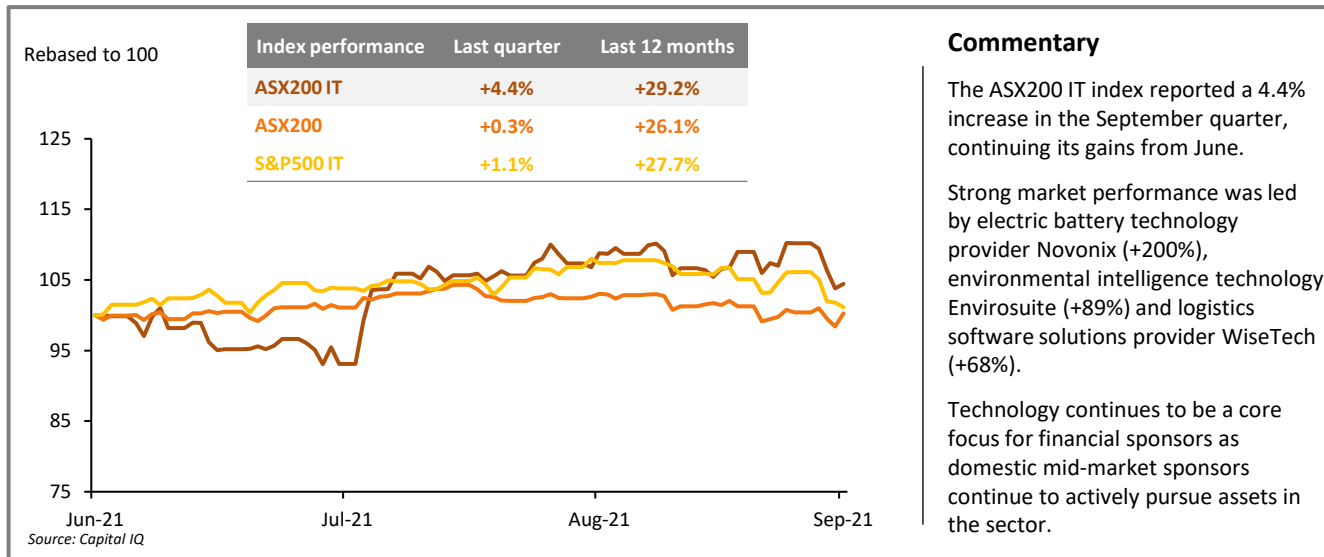


Quarterly performance



Commentary

The ASX200 IT index reported a 4.4% increase in the September quarter, continuing its gains from June.

Strong market performance was led by electric battery technology provider Novonix (+200%), environmental intelligence technology Envirosuite (+89%) and logistics software solutions provider WiseTech (+68%).

Technology continues to be a core focus for financial sponsors as domestic mid-market sponsors continue to actively pursue assets in the sector.

Quarterly M&A & other news

Date	Description
13-Sep-21	Nexon Asia Pacific , managed IT services provider based in Australia, has acquired Veridian Solutions , customer engagement and unified communications solutions provider for an undisclosed amount
7-Sep-21	Microsoft has acquired Australian based video editing software startup Clipchamp , which previously raised US\$15.3m over four rounds with US\$13.2m having coming from a Series A led by Tola Capital last year
7-Sep-21	Potentia Capital backed Micromine has acquired Alastri , developer of an open-pit mine planning software for the mining sector for an undisclosed amount
25-Aug-21	Appen (ASX:APX) has agreed to acquire Quadrant , mobile location and Point-of-Interest data company based in Singapore, for a consideration of US\$45.0m
22-Aug-21	Potentia Capital has acquired a stake in SuperChoice Services , FinTech company providing superannuation payment services to employers, in a management buyout transaction (amount undisclosed)
16-Aug-21	Plexure (ASX:PX1) , data driven customer engagement solutions provider based in New Zealand, has acquired transaction platform provider TASK for A\$120.0m
15-Aug-21	Five V Capital has agreed to acquire a c.40% stake in Penten , Australian based cyber security business which primarily serves the Australian Defence and Government, for a consideration of A\$50.0m
11-Aug-21	Advent Partners has acquired an undisclosed majority stake in Zero Latency , an Australian based operator of free-roam VR entertainment venues (amount undisclosed)
15-Jul-21	Publicis Groupe has acquired CitrusAd , auction based advertising software which provides services to over 70 retailers globally and over 4,000 brands (amount undisclosed)
7-Jul-21	Teoh Capital has acquired an undisclosed stake in Cloud Assess , an Australia based provider of online assessment and training solutions (amount undisclosed)
2-Jul-21	MYOB has acquired Axsys and Exobiz , enterprise solutions provider including payroll, support services, consultancy and training (amount undisclosed)

Sources: Capital IQ, Mergermarket, press reports

Largest 40 ASX-listed technology companies by market capitalisation (30 September 2021)

Company	Market capitalisation (A\$m)	Share price (A\$)	Share price performance (%)			Premium / (discount) to 52 week (%)		Premium / (discount) to VWAP (%)			Multiples (Sep-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	35,192	121.32	3%	3%	52%	(24%)	54%	(5%)	5%	5%	42.3x	n.m.	n.m.
2 REA	20,988	158.85	(6%)	7%	44%	(8%)	45%	(1%)	(0%)	(0%)	21.3x	45.7x	65.0x
3 Xero	20,636	139.00	1%	(5%)	38%	(12%)	38%	(6%)	(4%)	1%	23.5x	n.m.	n.m.
4 WiseTech	17,328	53.65	68%	74%	108%	(6%)	115%	5%	25%	45%	33.6x	n.m.	n.m.
5 SEEK	11,006	31.12	(6%)	9%	46%	(9%)	57%	1%	0%	1%	15.7x	40.3x	14.6x
6 Computershare	11,000	18.22	8%	25%	49%	(1%)	53%	7%	10%	14%	4.1x	19.9x	43.5x
7 Carsales	7,155	25.34	28%	27%	23%	(5%)	52%	(1%)	9%	19%	16.3x	32.4x	54.7x
8 Pro Medicus	5,701	54.61	(7%)	60%	102%	(22%)	109%	(6%)	(8%)	1%	n.m.	n.m.	n.m.
9 NEXTDC	5,494	12.03	1%	(2%)	(2%)	(15%)	20%	(9%)	(7%)	(1%)	23.2x	45.9x	n.m.
10 Altium	4,670	35.52	(3%)	5%	(1%)	(12%)	50%	6%	4%	10%	18.4x	n.m.	32.6x
11 TechnologyOne	3,654	11.36	22%	39%	43%	(6%)	49%	(0%)	10%	18%	11.5x	31.3x	51.4x
12 Domaind	3,301	5.65	9%	26%	53%	(4%)	52%	3%	11%	13%	11.9x	45.8x	96.3x
13 Novonix	3,209	6.65	200%	450%	546%	(6%)	579%	13%	54%	75%	n.m.	n.m.	n.m.
14 Megaport	2,638	16.80	(9%)	18%	4%	(9%)	57%	(1%)	(0%)	7%	32.2x	n.m.	n.m.
15 Link	2,317	4.40	(13%)	(21%)	18%	(23%)	18%	(1%)	(7%)	(10%)	2.6x	23.7x	n.m.
16 Codan	2,310	12.77	(29%)	14%	16%	(34%)	39%	(5%)	(16%)	(22%)	5.4x	16.3x	25.6x
17 IRESS	2,188	11.52	(11%)	9%	20%	(25%)	29%	(10%)	(14%)	(6%)	4.3x	19.6x	31.6x
18 Dicker Data	2,179	12.61	14%	21%	65%	(24%)	64%	(5%)	(7%)	5%	2.3x	n.m.	76.2x
19 Pushpay	2,020	1.77	7%	(0%)	(13%)	(21%)	26%	(1%)	5%	6%	7.9x	25.9x	43.8x
20 Tyro Payments	1,998	3.89	6%	22%	9%	(12%)	68%	(3%)	2%	3%	8.2x	n.m.	n.m.
21 Temple & Webster	1,514	12.57	16%	14%	2%	(16%)	57%	(4%)	2%	13%	4.4x	n.m.	n.m.
22 EML	1,452	3.89	12%	(7%)	36%	(34%)	57%	(1%)	2%	1%	7.1x	42.3x	n.m.
23 Life360	1,387	8.98	34%	136%	119%	(8%)	177%	(3%)	6%	18%	10.3x	n.m.	n.m.
24 FINEOS	1,377	4.33	11%	17%	(12%)	(16%)	29%	(1%)	8%	9%	8.1x	n.m.	n.m.
25 Cettire	1,247	3.27	24%	596%	n.a.	(18%)	627%	(1%)	19%	39%	13.0x	n.m.	n.m.
26 Redbubble	1,216	4.43	23%	(20%)	7%	(40%)	69%	6%	18%	12%	1.7x	25.7x	38.9x
27 Kogan	1,175	10.99	(5%)	(42%)	(46%)	(57%)	26%	5%	(2%)	(1%)	1.5x	37.9x	n.m.
28 Sezzle	1,166	5.73	(35%)	(7%)	(17%)	(52%)	7%	(8%)	(21%)	(26%)	9.4x	n.m.	n.m.
29 Hansen	1,109	5.53	(11%)	48%	43%	(13%)	54%	(1%)	(6%)	(6%)	3.9x	14.4x	19.3x
30 Appen	1,103	8.96	(34%)	(64%)	(74%)	(76%)	3%	(8%)	(20%)	(27%)	1.7x	11.6x	20.4x
31 Dubber	1,060	3.57	16%	114%	243%	(18%)	272%	(11%)	(2%)	8%	50.2x	n.m.	n.m.
32 Nearmap	943	1.90	2%	(15%)	(20%)	(32%)	17%	(4%)	(8%)	(4%)	7.3x	n.m.	n.m.
33 Nuix	800	2.52	14%	(69%)	n.a.	(79%)	17%	(5%)	(3%)	(17%)	4.2x	11.9x	n.m.
34 Audinate	769	10.00	23%	23%	73%	(9%)	81%	(2%)	1%	10%	21.2x	n.m.	n.m.
35 Bravura	765	3.08	(12%)	(4%)	(9%)	(23%)	26%	(1%)	(7%)	(5%)	3.0x	11.6x	22.1x
36 Data#3	739	4.79	(15%)	(15%)	(27%)	(34%)	7%	(7%)	(6%)	(10%)	0.3x	14.5x	29.1x
37 Nitro Software	698	3.64	12%	14%	32%	(4%)	73%	5%	7%	13%	10.6x	n.m.	n.m.
38 Bigtincan	696	1.28	12%	16%	(5%)	(20%)	63%	(5%)	0%	15%	14.6x	n.m.	n.m.
39 BrainChip	669	0.40	(19%)	(8%)	23%	(49%)	30%	(13%)	(17%)	(26%)	n.m.	n.m.	n.m.
40 Infomedica	659	1.76	14%	(9%)	8%	(13%)	40%	6%	11%	16%	6.2x	29.6x	41.3x
Average	4,638		9%	37%	42%	(22%)	83%	(2%)	1%	5%			

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 (Sep-21)		
			Last quarter	Year-to-date	Last 12 months	High	Low	1 month	3 months	6 months	EV/Revenue	EV/EBITDA	P/E
1 Novonix	3,209	6.65	200%	450%	546%	(6%)	579%	13%	54%	75%	n.m.	n.m.	n.m.
2 EnviroSuite	203	0.17	89%	(8%)	10%	(29%)	9%	(0%)	18%	30%	3.9x	n.m.	n.m.
3 WiseTech	17,328	53.65	68%	74%	108%	(6%)	115%	5%	25%	45%	33.6x	n.m.	n.m.
4 Weebit	318	2.55	54%	5%	249%	(43%)	270%	(25%)	(11%)	0%	n.m.	n.m.	n.m.
5 ReadyTech	372	3.49	45%	67%	80%	(3%)	114%	9%	27%	40%	7.9x	47.2x	n.m.
6 Silex Systems	259	1.30	44%	46%	130%	(34%)	165%	(18%)	(5%)	4%	n.m.	n.m.	n.m.
7 Atomos	341	1.55	44%	61%	138%	(13%)	173%	(4%)	13%	23%	4.0x	n.m.	80.8x
8 Life360	1,387	8.98	34%	136%	119%	(8%)	177%	(3%)	6%	18%	10.3x	n.m.	n.m.
9 Carsales	7,155	25.34	28%	27%	23%	(5%)	52%	(1%)	9%	19%	16.3x	32.4x	54.7x
10 Cettire	1,247	3.27	24%	596%	n.a.	(18%)	627%	(1%)	19%	39%	13.0x	n.m.	n.m.
Average	3,182		63%	145%	156%	(17%)	237%	(3%)	15%	29%			

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 (Sep-21)		
			Last quarter	Year-to-date	Last 12 months	High	Low	1 month	3 months	6 months	EV/Revenue	EV/EBITDA	P/E
1 Marley Spoon	426	1.50	(53%)	(44%)	(46%)	(57%)	4%	(10%)	(26%)	(34%)	1.0x	n.m.	n.m.
2 Bill Identity	55	0.34	(36%)	(72%)	(71%)	(74%)	5%	(12%)	(27%)	(36%)	2.7x	n.m.	n.m.
3 Sezzle	1,166	5.73	(35%)	(7%)	(17%)	(52%)	7%	(8%)	(21%)	(26%)	9.4x	n.m.	n.m.
4 Appen	1,103	8.96	(34%)	(64%)	(74%)	(76%)	3%	(8%)	(20%)	(27%)	1.7x	11.6x	20.4x
5 Novatti	142	0.44	(31%)	69%	87%	(44%)	91%	(8%)	(13%)	(21%)	7.7x	n.m.	n.m.
6 Codan	2,310	12.77	(29%)	14%	16%	(34%)	39%	(5%)	(16%)	(22%)	5.4x	16.3x	25.6x
7 Netlink	65	0.02	(20%)	(57%)	(70%)	(80%)	-	(8%)	(29%)	(27%)	3.9x	n.m.	n.m.
8 BrainChip	669	0.40	(19%)	(8%)	23%	(49%)	30%	(13%)	(17%)	(26%)	n.m.	n.m.	n.m.
9 Splitit	198	0.43	(18%)	(67%)	(69%)	(75%)	29%	4%	(16%)	(27%)	13.7x	n.m.	n.m.
10 Digital Wine	112	0.06	(16%)	47%	17%	(70%)	62%	1%	(11%)	(37%)	41.6x	n.m.	n.m.
Average	625		(29%)	(19%)	(20%)	(61%)	27%	(7%)	(20%)	(28%)			

Source: Capital IQ as at 30 September 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