

M&A Rumor and Activity

The Australian market finished the week 1.16% lower with the S&P / ASX 100 ending at 4692 points, losing all of its 2017 gains as the market digested the increasing certainty of a “hard Brexit”. The Australian dollar increased 0.72% for the week to end at US 75.53 cents following data showing China’s economy expanded at a faster-than-expected pace in the fourth quarter of 2016.

CIVMEC Limited (CIVM.SI), an Australian and Singaporean engineering contractor, said on 20 January 2017 that it has received a signed memorandum of understanding on 18 January 2017 from a Singaporean company that outlines both parties’ intention to work together to prequalify, tender, and if successful, work together in a joint venture for a Singaporean/Australian Defence initiative.

EnerMech Group, an engineering services company, acquired oil and gas electrical services supplier EPS Group in Australia and the Americas for an undisclosed value on 17 January 2017. EPS Group specialises in the electrical and instrumentation, hazardous area inspection, high voltage testing and mechanical services for oil & gas, metals, utility and infrastructure sector.

News Headlines and Key Sector Developments

Ticker	News/Event	Ticker	News/Event
BLY	Mr Jonathan Lewinsohn has resigned from the Board while Mr Conor Tochilin was appointment as a director	RCR	Awarded a contract by Pilbara Minerals for the Engineering Procurement and Construction (EPC) of a processing plant for the Pilgangoora Lithium-Tantalum Mine for a total maximum value of AUD 148 million (with a target price of AUD 138 million)
DOW	Announced that Mr Cos Bruyn, CEO of Downer’s New Zealand business, has resigned and will be joining Fulton Hogan as Group Chief Executive Officer	RCR	Secured a number of new contracts with a combined value of AUD 100 million (including in a JV for the BOP work for Pacific Hydro’s 30MW Yaloak South Wind Farm, and the contract with Alstom for the signalling and Communication installation works for the Sydney Northwest Rail Project)
EGN	Announced that Ms Alison von Bibra has been appointed to the Board as an Independent Non-Executive Director	VRS	Its wholly owned subsidiary, OTOC Australia, has been awarded an AUD 4.8 million contract for the camp relocation and establishment project for Pilbara Minerals Limited’s Pilgangoora Lithium-Tantalum project in Western Australia.

Source: Thomson Reuters, Company Announcements, LCC research

Ticker	Company Name	Market Cap (A\$ m)	Open Price (A\$)	Close Price (A\$)	Week High (A\$)	Week Low (A\$)	Weekly change (%)	Volume Trend	EV/ EBITDA	EV/ EBIT
AJL.AX	AJ Lucas Group Ltd	162	0.41	0.42	0.42	0.40	▲ 6.4%	■ ■ ■ ■	16.3x	1,385.8x
ASL.AX	Ausdrill Ltd	417	1.31	1.34	1.33	1.26	▲ 2.7%	■ ■ ■ ■	5.1x	11.3x
ANG.AX	Austin Engineering Ltd	110	0.19	0.19	0.18	0.17	▲ 2.7%	■ ■ ■ ■	n.m.	n.m.
BLY.AX	Boart Longyear Ltd	118	0.14	0.13	0.14	0.13	▼ (3.8%)	■ ■ ■ ■	n.m.	n.m.
BKN.AX	Bradken Ltd	663	3.22	3.22	3.21	3.21	— 0.0%	■ ■ ■ ■	3.8x	4.6x
BYL.AX	Brierty Ltd	15	0.12	0.12	0.12	0.11	— 0.0%	■ ■ ■ ■	n.m.	n.m.
BOL.AX	Boom Logistics Ltd	47	0.10	0.10	0.10	0.09	▲ 1.0%	■ ■ ■ ■	9.0x	n.m.
BSA.AX	BSA Ltd	159	0.37	0.38	0.38	0.37	▲ 1.4%	■ ■ ■ ■	15.4x	53.8x
CDD.AX	Cardno Ltd	482	1.05	1.01	1.05	1.00	▼ (3.8%)	■ ■ ■ ■	20.6x	n.m.
CIM.AX	CIMIC Group Ltd	11,152	36.50	34.37	36.52	34.02	▼ (5.5%)	■ ■ ■ ■	8.7x	13.7x
DCG.AX	Decmil Group Ltd	177	1.09	1.03	1.04	1.02	▼ (5.5%)	■ ■ ■ ■	18.2x	70.6x
DSB.AX	Delta SBD Ltd	15	0.24	0.27	0.27	0.23	▲ 12.5%	■ ■ ■ ■	4.0x	6.3x
DOW.AX	Downer EDI Ltd	2,668	6.32	6.28	6.44	6.16	▲ 0.5%	■ ■ ■ ■	5.2x	9.7x
EAL.AX	E&A Ltd	8	0.07	0.06	0.07	0.06	▼ (16.7%)	■ ■ ■ ■	7,343.7x	n.m.
EGN.AX	Engenco Ltd	47	0.15	0.15	0.15	0.14	— 0.0%	■ ■ ■ ■	5.3x	14.9x
EHL.AX	Emeco Holdings Ltd	47	0.07	0.08	0.08	0.07	▲ 8.3%	■ ■ ■ ■	7.1x	n.m.
FWD.AX	Fleetwood Corp Ltd	116	1.95	1.90	1.94	1.85	▼ (2.6%)	■ ■ ■ ■	11.2x	148.7x
GCS.AX	Global Construction Services Ltd	114	0.58	0.57	0.57	0.57	— 0.0%	■ ■ ■ ■	4.6x	7.4x
GNG.AX	GR Engineering Services Ltd	246	1.60	1.61	1.65	1.60	▲ 2.2%	■ ■ ■ ■	7.6x	8.3x
IMD.AX	Imdex Ltd	221	0.71	0.67	0.71	0.67	▼ (5.0%)	■ ■ ■ ■	5.1x	6.4x
LCM.AX	LogiCamms Ltd	32	0.41	0.40	0.41	0.40	▼ (3.7%)	■ ■ ■ ■	n.m.	n.m.
LYL.AX	Lycopodium Ltd	101	2.65	2.55	2.60	2.55	▼ (1.9%)	■ ■ ■ ■	4.6x	5.1x
MLD.AX	MACA Ltd	374	1.70	1.60	1.60	1.57	▼ (6.7%)	■ ■ ■ ■	4.5x	20.5x
MAH.AX	Macmahon Holdings Ltd	132	0.11	0.11	0.11	0.10	▲ 10.0%	■ ■ ■ ■	2.6x	n.m.
MYE.AX	Mastermyne Group Ltd	36	0.37	0.40	0.40	0.36	▲ 5.3%	■ ■ ■ ■	14.2x	n.m.
MIN.AX	Mineral Resources Ltd	2,295	12.06	12.27	12.21	11.91	▲ 1.7%	■ ■ ■ ■	7.6x	14.4x
MCE.AX	Matrix Composites & Engineering Ltd	41	0.43	0.44	0.43	0.42	▲ 3.5%	■ ■ ■ ■	4.5x	n.m.
MND.AX	Monadelphous Group Ltd	993	10.81	10.58	10.50	10.40	▼ (2.5%)	■ ■ ■ ■	6.9x	8.5x
MRM.AX	MMA Offshore Ltd	104	0.29	0.28	0.29	0.28	▼ (1.8%)	■ ■ ■ ■	5.9x	n.m.
MSV.AX	Mitchell Services Ltd	50	0.03	0.03	0.04	0.03	— 0.0%	■ ■ ■ ■	117.0x	n.m.
NWH.AX	NRW Holdings Ltd	235	0.74	0.73	0.74	0.69	▼ (0.7%)	■ ■ ■ ■	6.1x	12.2x
OTR.AX	Onterran Ltd	23	0.37	0.36	0.36	0.36	▼ (2.7%)	■ ■ ■ ■	n.m.	n.m.
PRG.AX	Programmed Maintenance Services Ltd	472	1.86	1.84	1.81	1.80	▼ (1.3%)	■ ■ ■ ■	7.2x	11.0x
RCR.AX	RCR Tomlinson Ltd	385	2.86	2.75	2.86	2.75	▼ (3.5%)	■ ■ ■ ■	12.8x	33.0x
RDG.AX	Resource Development Group Ltd	20	0.03	0.03	0.03	0.03	▼ (5.9%)	■ ■ ■ ■	0.4x	0.6x
RUL.AX	Rungepincockminarco Ltd	119	0.57	0.56	0.57	0.56	— 0.0%	■ ■ ■ ■	n.m.	n.m.
SND.AX	Saunders International Ltd	51	0.62	0.63	0.62	0.60	▲ 1.6%	■ ■ ■ ■	8.5x	10.0x
SSM.AX	Service Stream Ltd	427	1.11	1.17	1.16	1.11	▲ 6.4%	■ ■ ■ ■	10.9x	13.8x
SWL.AX	Seymour Whyte Ltd	75	0.86	0.85	0.86	0.85	— 0.0%	■ ■ ■ ■	6.8x	21.0x
SXE.AX	Southern Cross Electrical Engineering Ltd	89	0.54	0.56	0.56	0.53	▲ 4.7%	■ ■ ■ ■	3.9x	6.6x
STS.AX	SRG Ltd	90	1.40	1.40	1.37	1.26	— 0.0%	■ ■ ■ ■	4.8x	7.5x
SWK.AX	Swick Mining Services Ltd	65	0.31	0.31	0.31	0.30	▼ (1.6%)	■ ■ ■ ■	6.2x	n.m.
TPP.AX	Tempo Australia Ltd	64	0.26	0.27	0.27	0.26	▲ 1.9%	■ ■ ■ ■	6.8x	6.9x
VMG.AX	VDM Group Ltd	5	0.00	0.00	0.00	0.00	— 0.0%	■ ■ ■ ■	n.m.	n.m.
VRS.AX	Veris Ltd	84	0.23	0.26	0.25	0.22	▲ 13.0%	■ ■ ■ ■	5.5x	8.7x
WOR.AX	WorleyParsons Ltd	2,373	10.15	9.62	9.98	9.56	▼ (4.6%)	■ ■ ■ ■	7.7x	9.9x
WTP.AX	Watpac Ltd	138	0.75	0.74	0.75	0.73	▼ (2.0%)	■ ■ ■ ■	(5.1x)	n.m.

Source: Thomson Reuters, LCC research

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