



Australian Renewables & Environmental Services Provider

Edition 14 for the week ending 18 May 2018 | Published 21 May 2018 WWW.LCCASIAPACIFIC.COM

Market Performance - Overview

Index	Percentage change			Fixed Income	Yield	Change in basis points		
	Week	YTD	12 months			Week	YTD	12 months
(Australia) S&P / ASX200	(0.5%)	0.4%	6.1%	(Australia) 2-year gov bonds	2.06%	3.60	6.80	42.40
(Japan) Topix	1.1%	(0.1%)	16.7%	(Australia) 5-year gov bonds	2.49%	7.80	12.70	43.60
(Singapore) FTSE Strait Times Index	(1.1%)	3.7%	9.5%	(Australia) 10-year gov bonds	2.92%	12.80	24.80	42.40
(Hong Kong) Hang Seng	(0.2%)	3.8%	23.5%					
(South Korea) Kospi 200	(1.0%)	(2.9%)	5.7%					
(US) S&P 500	(0.5%)	1.5%	14.7%					
(US) Dow Jones Industrial	(0.5%)	(0.0%)	19.6%					
(UK) FTSE 100	0.7%	1.2%	4.6%					
					Rate	Week	YTD	12-months
				AUD to USD	0.7511	(0.41%)	(3.74%)	1.28%

Top 4 Movers (Upside)	Change	Top 4 Movers (Downside)	Change
Envirosuite Ltd	59.5%	Purifloh Ltd	(21.1%)
Environmental Clean Technologies Ltd	11.8%	Cleanaway Waste Management Ltd	(6.0%)
Tilt Renewables Ltd	10.4%	Bingo Industries Ltd	(5.2%)
Clean TeQ Holdings Ltd	6.5%	APA Group	(4.5%)

M&A Rumour and Activity

The Australian market finished the week 0.47% lower with the S&P/ASX200 ending at 6087, due to poor performance by a number of stocks that dragged the market lower including Telstra whose shares fell to seven-year lows. The Australian dollar finished the week 0.41% lower to end at US75.11, mainly due to strengthening of the US Dollar.

AGL Energy Limited (AGL.AX) announced on 30 April 2018 that it received an unsolicited, non-binding, highly conditional indicative offer from Chow Tai Fook Enterprises and Alinta Energy Pty Limited to acquire the Liddell Power Station, associated assets and the related site for a cash consideration payable to AGL of \$250 million (Offer). AGL announced on 21 May 2018 that it has completed a thorough assessment of the Offer and after careful consideration, has advised Chow Tai Fook and Alinta that it will not proceed any further with the Offer.

Mercury NZ Limited has reached an agreement with the Tauranga Electricity Consumer Trust (TECT) to acquire a 19.99% stake in **Tilt Renewables Limited (TLT.AX)** for a total price consideration of \$143.9 million or \$2.30 per share, payable in cash. Mercury has also secured an option to acquire the remaining approximately 6.81% of Tilt shares held by TECT at \$2.30 per share, payable in cash. The option is valid for six months.

News Headlines and Key Sector Developments

Ticker	News/Event	Ticker	News/Event
ESI	Announced the commercial terms of the Master Project Agreement ahead of the scheduled signing ceremony in Canberra on the 24th of May 2018 - Key points included Largest ever research and development collaboration between Australian and Indian company	RFX	Advised that it is further extending the closing date of the acceptance of applications for its 1 for 5 pro rata non-renounceable entitlement offer announced on 26 April 2018 to 5.00pm, 22 May 2018
EVS	Secured a major contract in the Middle East with a large state owned public works authority for a city-wide odour monitoring and management system	TLT	Announced it will be paying a dividend of \$0.018 on 9 June 2018 to all ordinary fully paid foreign exempt NZX shareholders

Source: Thomson Reuters, Company Announcements, LCC research



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Ticker	Company Name	Market Cap (A\$m)	Previous Close (A\$)	Close Price (A\$)	Week High (A\$)	Week Low (A\$)	Weekly change (%)	Volume Trend	EV/ EBITDA	EV/ EBIT
Renewables										
AGL.AX	AGL Energy Ltd	13,963	21.960	21.290	22.000	21.220	▼ (3.1%)	■ ■ ■ ■ ■	8.3x	11.2x
APA.AX	APA Group	9,416	8.360	7.980	8.320	7.860	▼ (4.5%)	■ ■ ■ ■ ■	13.0x	21.5x
CCE.AX	Carnegie Clean Energy Ltd	84	0.030	0.031	0.030	0.029	▲ 3.3%	■ ■ ■ ■ ■	n.m.	n.m.
CSR.AX	CSR Ltd	2,678	5.220	5.310	5.330	5.080	▲ 1.7%	■ ■ ■ ■ ■	6.9x	8.8x
GNX.AX	Genex Power Ltd	93	0.305	0.305	0.300	0.290	— 0.0%	■ ■ ■ ■ ■	n.m.	n.m.
IFN.AX	Infigen Energy Ltd	706	0.740	0.740	0.740	0.730	— 0.0%	■ ■ ■ ■ ■	8.0x	12.5x
NEW.AX	New Energy Solar Ltd	475	1.420	1.440	1.440	1.420	▲ 1.4%	■ ■ ■ ■ ■	986.7x	986.7x
ORG.AX	Origin Energy Ltd	17,766	9.850	10.100	9.900	9.595	▲ 2.5%	■ ■ ■ ■ ■	22.3x	32.3x
RFX.AX	RedFlow Ltd	67	0.110	0.110	0.110	0.105	— 0.0%	■ ■ ■ ■ ■	n.m.	n.m.
RNE.AX	Renu Energy Ltd	12	0.013	0.013	0.013	0.013	— 0.0%	■ ■ ■ ■ ■	n.m.	n.m.
TLT.NZ	Tilt Renewables Ltd	587	1.709	1.886	1.877	1.836	▲ 10.4%	■ ■ ■ ■ ■	11.1x	38.4x
WND.AX	Windlab Ltd	105	1.520	1.560	1.560	1.505	▲ 2.6%	■ ■ ■ ■ ■	6.7x	6.8x
Environmental Services										
AEL.AX	Aeris Environmental Ltd	28	0.180	0.180	0.180	0.170	— 0.0%	■ ■ ■ ■ ■	n.m.	n.m.
BIN.AX	Bingo Industries Ltd	1,132	2.880	2.730	2.840	2.710	▼ (5.2%)	■ ■ ■ ■ ■	16.8x	21.7x
CDD.AX	Cardno Ltd	602	1.285	1.255	1.265	1.240	▼ (2.3%)	■ ■ ■ ■ ■	12.7x	21.3x
CLQ.AX	Clean TeQ Holdings Ltd	909	1.150	1.225	1.160	1.085	▲ 6.5%	■ ■ ■ ■ ■	n.m.	n.m.
CWY.AX	Cleanaway Waste Management Ltd	3,217	1.680	1.580	1.660	1.577	▼ (6.0%)	■ ■ ■ ■ ■	9.8x	19.4x
EOL.AX	Energy One Ltd	17	0.860	0.830	0.850	0.830	▼ (3.5%)	■ ■ ■ ■ ■	8.1x	11.6x
ESL.AX	Environmental Clean Technologies	88	0.017	0.019	0.019	0.017	▲ 11.8%	■ ■ ■ ■ ■	n.m.	n.m.
EVS.AX	Envirosuite Ltd	15	0.042	0.067	0.066	0.041	▲ 59.5%	■ ■ ■ ■ ■	n.m.	n.m.
FLC.AX	Fluence Corporation Ltd	181	0.420	0.435	0.430	0.415	▲ 3.6%	■ ■ ■ ■ ■	n.m.	n.m.
HRL.AX	HRL Holdings Ltd	86	0.175	0.175	0.175	0.160	— 0.0%	■ ■ ■ ■ ■	42.3x	191.1x
PHK.AX	Phoslock Water Solutions Ltd	147	0.285	0.305	0.300	0.285	▲ 7.0%	■ ■ ■ ■ ■	1,018.3x	1,482.9x
SES.AX	Secos Group Ltd	20	0.092	0.092	0.092	0.085	— 0.0%	■ ■ ■ ■ ■	n.m.	n.m.
SGM.AX	Sims Metal Management Ltd	3,442	16.540	17.000	16.990	16.550	▲ 2.8%	■ ■ ■ ■ ■	11.1x	19.0x
WRG.AX	Purifloh Ltd	12	0.570	0.450	0.560	0.440	▼ (21.1%)	■ ■ ■ ■ ■	n.m.	n.m.

Source: Thomson Reuters, LCC research



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