



Oaklins



Striving to make life more affordable for all Australians

DEAL FLASH | ECM | DECEMBER 2020

DEAL SNAPSHOT

MyDeal.com.au (MyDeal), one of Australia's leading online marketplaces for household goods, has completed an initial public offering (IPO).

MyDeal is a pure-play Australian e-commerce company founded in 2011. It has subsequently grown to become a leading online retail marketplace specializing in household goods, offering consumers a vast product range from independent sellers at competitive prices.

MyDeal raised US\$29.4 million, with Oaklins acting as corporate advisor to the transaction. Morgans Corporate and Royal Bank of Canada (RBC) acted as joint lead managers and underwriters. From the funds raised, US\$25.7 million is being used for growth initiatives, while the remaining US\$3.7 million was offered to selling shareholders.

The IPO was strongly supported by several well-known institutional investors and family offices, with the funds raised being used to accelerate growth of MyDeal's private label brand, Duke Living, as well as continuing to invest in its technology and advertising in order to grow its brand and customer base.

“I worked with the Oaklins team for three years prior to the IPO and sought their advice around M&A opportunities and private raisings. Consequently, they were a natural fit to act as corporate advisor at the IPO.

They have always supplied great advice, connections and insight to all aspects of capital markets. The actual IPO had been planned for some time and the team was extremely nimble in changing the parameters to assist us in getting to market not long after COVID-19 hit. I look forward to working with them on the next phase of our journey as a listed company.”

SEAN SENVIRTNE
FOUNDER AND CEO,
MYDEAL.COM.AU, AUSTRALIA

OAKLINS' SUPPORT DELIVERS EXCELLENT RESULTS

Oaklins' team in Australia's extensive public markets experience and capabilities were used to advise MyDeal and, in collaboration with the joint lead managers, ensured a successful IPO process. We look forward to supporting MyDeal as they gain public traction and strive to become one of Australia's leading e-commerce retail marketplaces.



MARKET TRENDS & DEAL DRIVERS

The omnichannel shopping experience provides consumers with variety and value. The shift in consumer behavior, driven by lockdowns from the COVID-19 environment, has led to significant increases in the volume of online retail transactions. As restrictions slowly ease, it remains unclear as to whether this rally will continue at the same levels.

Much like eBay and Amazon, MyDeal operates as an online marketplace. This business model provides consumers with unprecedented choice and competitive pricing, 24/7. Adhering to the likes of retailers, online marketplaces create greater exposure to products and grant the opportunity to sell large volumes.

Another key driver for online marketplaces is the ability of brands to maintain control of their products in relation to pricing, supply and marketing.

M&A VALUATION ASPECTS

MyDeal was listed with an indicative market capitalization (post-raise) of US\$191 million or enterprise value (EV) of US\$164 million. From a valuation perspective, this represented an EV/gross transaction value (GTV) of 2.14x, which was a key metric used when positioning the company relative to other ASX-listed comparable firms.

In FY 2020, a GTV of US\$74.3 million represented 164% growth on FY 2019, and continuing the positive trend in Q1 2021 with a GTV of US\$42 million, which on a yearly run-rate basis implies FY 2021 GTV of ~US\$168 million, or forecast FY 2021 EV/GTV of ~1.0x.

TALK TO OUR ADVISORS



✉ **CHRIS TAIT**

Managing Director

Australia

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Chris has over 25 years' experience advising both local and multinational companies and has strong sector expertise within the retail and tourism sectors. As the former head of strategy and acquisitions for WH Smith PLC, coupled with his extensive advisory and transaction experience, Chris is a trusted source of advice for several clients, completing transactions for TUI Travel PLC, Website Travel and Milan Direct (sold to ASX-listed Temple & Webster).



✉ **RYAN WHITELEGG**

Managing Director

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Ryan has more than 20 years' professional experience in corporate finance, stockbroking, private equity and research roles, with a focus on both listed and unlisted companies. He has been a long-standing advisor to CML Group (ASX:CGR), for which he has advised on multiple capital raises and acquisitions in addition to its takeover defense from Affinity Equity Partners-owned Scottish Pacific. Ryan has also advised Atomos (ASX:AMS) on multiple unlisted capital raises, its pre-IPO and IPO, and subsequent placements, in addition to multiple debt and equity capital raises for BNPL provider PayRight.

ABOUT OAKLINS

Oaklins is the world's most experienced mid-market M&A advisor, with over 850 professionals globally and dedicated industry teams in more than 45 countries. We have closed 1,700 transactions in the past five years.

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