

Australia's Leading
Specialist Valuation Practice

Experienced | Expert | Independent

We provide

**Independent
Expert's Reports**

Comprehensive commercial analyses undertaken to provide security holders and Directors with independent professional assessments of proposed transactions

**Expert
Witness Reports**

Highly regarded and technically excellent expert witness valuation reports, forensic accounting and consulting expert services for clients involved in commercial disputes, tax disputes, duty disputes and litigation

**General &
Specialised Valuations**

A full suite of valuation services for purposes that extend well beyond the realm of public company transactions and commercial disputes and litigation

**SME M&A
Advisory**

Trusted and proven M&A advisory services relating to the purchase and sale of small to medium sized privately owned businesses

Authorised Representatives:

- Hung Chu • Martin Hall • Grant Kepler* • Julie Planinic* • Jorge Resende •
- Nathan Toscan • Wayne Lonergan • Craig Edwards •

* Members of Chartered Accountants Australia and New Zealand and holders of Certificate of Public Practice.
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About Us

Lonerган Edwards & Associates Limited (LEA) is a specialist valuation firm providing valuation advice and expert reports, primarily for public listed company transactions, litigation, regulatory and tax disputes

We have a breadth and depth of valuation **experience** that is unmatched in the Australian marketplace:

- One of the largest specialist valuation practices in Australia (by team size)
- Unique blend of professional qualifications (PhD) and experience (financial, accounting, actuarial, investment banking, private equity, industry)
- Our Directors have prepared over 10,000 valuation reports, including:
 - some of Australia's largest and most complex valuation assignments
 - many hundreds of Independent Expert's Reports for public listed companies
- Undertaken equity and business valuations during every stage of the economic and business cycle
- Wide range and depth of industry experience
- Extensive litigation experience having provided expert evidence in numerous court cases in almost every legal jurisdiction in Australia

We are widely acknowledged as Australia's leading technical **expert** in valuation related matters:

- Our Directors are highly qualified and recognised experts in their field
- Our Directors have held numerous distinguished appointments in professional organisations and regulatory bodies including the Companies & Securities Advisory Committee, the Australian Accounting Standards Board, International Accounting Standards Board, the Financial Services Institute of Australasia, IFRIC and the Institute of Actuaries of Australia
- Well known for thought leadership, exemplified by well over 100 published technical papers on valuations and associated financial and accounting matters
- Wayne Lonergan's text, *The Valuation of Businesses, Shares and Other Equity* is the leading valuation text in Australia
- Actively involved in providing time and expertise to educational and professional development courses through the University of Sydney, the Financial Services Institute of Australia, KAPLAN Professional, the Institute of Chartered Accountants and Macquarie University

We provide impartial, objective and **independent** valuation advice:

- The valuation of shares, derivatives, businesses and other assets is our primary focus
- Free of potential conflicts of interest that may occur at firms that also provide auditing, accounting, tax or banking services

Independent Expert's Reports

Comprehensive commercial analyses undertaken to provide security holders and Directors with independent professional assessments of proposed transactions

LEA has extensive experience in the provision of Independent Expert's Reports (IERs), with our Directors having prepared many hundreds of IERs in relation to takeovers, mergers, schemes of arrangement, capital reconstructions and other corporate transactions for some of Australia's largest public listed companies.

Why appoint LEA?

- Report signatories (i.e. Directors) actively involved in every aspect of the valuation assignment
- One of the largest valuation practices in Australia (by team size)
 - deep and diverse skill sets
 - proven ability to ensure on-time delivery of reports for large and complex transactions
- Wide range of industry experience
- Market leading position in the provision of expert reports for schemes of arrangement
- Comprehensive understanding of ASIC, ASX and other regulatory requirements

Transaction types commonly requiring an IER

Takeovers

Schemes

Compulsory acquisitions

Item 7 s611

Selective capital reductions

Related party transactions

Complex proposals

Select examples of transactions for which we have prepared IERs:



\$39 billion acquisition of Afterpay by New York Stock Exchange listed Square, Inc.

Scheme

Consumer Finance



Valuation of Patrick's port and other businesses, Pacific National, Virgin Blue and Toll Holdings in response to Toll's \$6.7 billion hostile takeover offer.

Takeover

Transportation



The \$2.6 billion acquisition of BINGO Industries by an entity owned by Macquarie Infrastructure and Real Assets and its managed funds

Scheme

Commercial Services and Supplies



\$15 billion merger of equals between TPG Telecom and Vodafone Australia

Scheme

Telecommunication Services



Kirin's \$6.4 billion shareholder approved acquisition of the shares in Lion Nathan that it did not already own.

Scheme

Beverages

COUNTRY ROAD

Woolworths Holdings Limited's \$1.8 billion takeover offer for all the ordinary shares in Country Road that it did not already own.

Takeover

Specialty Retail

Expert Witness Reports

Experience and reputation are essential in the context of litigation

We provide expert valuation evidence and forensic accounting services in relation to matters such as economic loss, tax and regulatory disputes, shareholder disputes, family law and compulsory acquisition.

LEA's Directors are regularly appointed by a wide range of law firms as well as Federal and State Government agencies such as the ATO, ASIC and various State Revenue Offices.

LEA is also retained as a consulting expert in many matters for the purpose of assisting legal teams formulate and frame the financial related aspects of their case.

Why appoint LEA?

- Widely acknowledged as the leading technical valuation expert in Australia
- Unique blend of professional qualifications (PhD) and experience (financial, accounting, actuarial, investment banking, private equity, industry)
- Extensive litigation experience having provided expert evidence in numerous court cases in almost every legal jurisdiction in Australia
- Clear, yet sufficiently detailed report structures (developed over time to meet the exacting demands of the Courts' expert witness guidelines – *Makita (Australia) v Sprowles* [2001] NSWCA 305 etc.)
- Strong understanding of the litigation (including Court Room) process

Matters in which we are commonly appointed

Tax disputes

Stamp duty disputes

Regulatory disputes








Shareholder disputes

Economic loss

Family law

Compulsory acquisition

Select examples of experience:

Court	Matter	Commentary
Federal		Quantification of expenditure incurred and economic loss suffered as a result of reliance upon (said) representations made in respect of ongoing access to the Acacia Ridge terminal
Federal		Independent assessment and critique of the originally proposed demerger and impact thereof on CSR's creditors, including its asbestos claimants
Supreme (NSW)		Shareholder dispute requiring an independent assessment of the value of a minority equity interest in jointly owned coal tenements
Supreme (VIC)		Independent assessment of the market value of the power generation assets and electricity contracts for stamp duty purposes
Land & Environment (NSW)		Collaborative DCF assessment of the detrimental value impact on a landfill business caused by a land resumption
State Administrative Tribunal (WA)		Assessment of the market value of the mining lease, refinery and intangible assets of an integrated bauxite mine and alumina refinery for stamp duty purposes
Arbitration		Independent assessment of the fair and reasonable charge for access to the Abbot Point coal terminal

General & Specialised Valuations

Valuations are essential for a multitude of purposes that extend well beyond the realm of public company transactions, commercial disputes and litigation

LEA provides a full suite of valuation related services. We are regularly appointed to assess the value of shares, derivatives, businesses and other assets for a variety of purposes such as:

- Asset acquisitions and disposals
- Tax (e.g. capital gains, transfer pricing, stamp duty etc.)
- Financial accounting and reporting (e.g. valuations, impairment testing, purchase price allocations, employee options etc.)
- Corporate restructures
- Employee incentive arrangements
- Setting rates of return and access charges

Our experience also includes the delivery of valuation advice on a wide range of intangible assets including goodwill, patents, copyrights, trademarks, brand names, licences, distribution agreements and customer lists.

We frequently value

Equity & other securities

Businesses & business assets

Intellectual property

Other intangible assets such as:

Brand names

Goodwill

Licences

Infrastructure assets

Mining assets

Options & other derivatives

Employee shares & options

Professional firms & partnerships

SME M&A Advisory

Superior outcomes do not just happen, they are well planned and executed with focus and discipline

For many, the sale of their business is one of the most financially significant yet completely unfamiliar processes they will ever undertake. That is why we consider it important that you engage an experienced and reputable advisor (that understands the process and potential pitfalls) to assist you in maximising the value outcome.

LEA has a collective wealth of experience and proven track record in providing sell-side advisory services to owners of small to medium sized privately run businesses. We can tailor our services to meet your specific objectives, ranging from:

- Comprehensive outsourced advisory services (for those that want the entire process externally managed); to
- 'At call' ad-hoc advice (for those that want to run the process themselves and require a 'sounding board' only)

Whatever your circumstance, we would welcome the opportunity to learn more about your needs and objectives and to discuss how we might assist in developing a pathway to delivering the right outcome for you.

Our typical engagements

Sale of business

Full sale

Partial sell down

Purchase of business

Senior Leadership Team



Wayne Loneragan | Executive Chairman | Dr Sc Ec, BEc, FAPI, SF Fin, FAICD, AIAMA, Adjunct Professor

Firm co-founder who has over 50 years' experience in corporate and business valuations and is widely acknowledged as the leading Australian expert in the area. Wayne has prepared many hundreds of IERs for public listed companies and has a pre-eminent reputation for his technical skills



Julie Planinic | Joint Managing Director | MEc, CA, SA Fin, Grad Cert FS Acc, CA BV Specialist, CA Forensic Accounting Specialist

Over 38 years experience in the professional services sector with the last 24 years focused on valuations services, preparing over 60 IERs and numerous reports on valuation issues for litigation matters. Prior to specialising in valuations, Julie gained broad experience in the provision of audit and assurance services for over 15 years



Nathan Toscan | Joint Managing Director | F Fin, MAppFin, LLB, BComm

21 years of professional services experience, predominantly in valuation and investment banking (M&A) related roles. Nathan joined LEA from O'Sullivan Partners, a leading independent Australian corporate advisory firm (which was subsequently acquired by Lazard), where he was involved in various mergers and acquisition (M&A) mandates involving ASX listed top 100 companies



Dr Hung Chu | Senior Technical Director | BlntBus, M Comm (Merit), PhD Finance, CFA, SF Fin, F CLA

CFA charter-holder with 23 years' experience in the provision of valuation services and has been responsible for many complex litigation cases. Hung also holds a doctoral degree in finance, has co-authored a best-selling valuation text, and published numerous technical papers on a wide range of topical valuation related matters in academic and practitioner journals



Grant Kepler | Director | BA (Acc), ACA, F Fin, Prof Cert (Arb), AIAMA, CA BV Specialist

Broad range of skills in valuations, mergers and business analysis developed over 27 years in Australia, the UK and the US. Has previously lectured at KAPLAN Professional on valuation issues and company financial analysis



Martin Hall | Director | BSc (Hons), F Fin, FIAA

Qualified actuary with over 37 years' experience in the financial services industry and is an expert in the valuation of options and other financial instruments. Martin also has extensive experience in life assurance and general insurance industries both in Australia and the US



Craig Edwards | Senior Consultant | BComm, CA, SF Fin, CA BV Specialist

Firm co-founder who has specialised in the provision of valuation advice for more than 28 years and in that time has prepared over 250 IERs. Former senior lecturer on valuation issues at Masters level for KAPLAN Professional