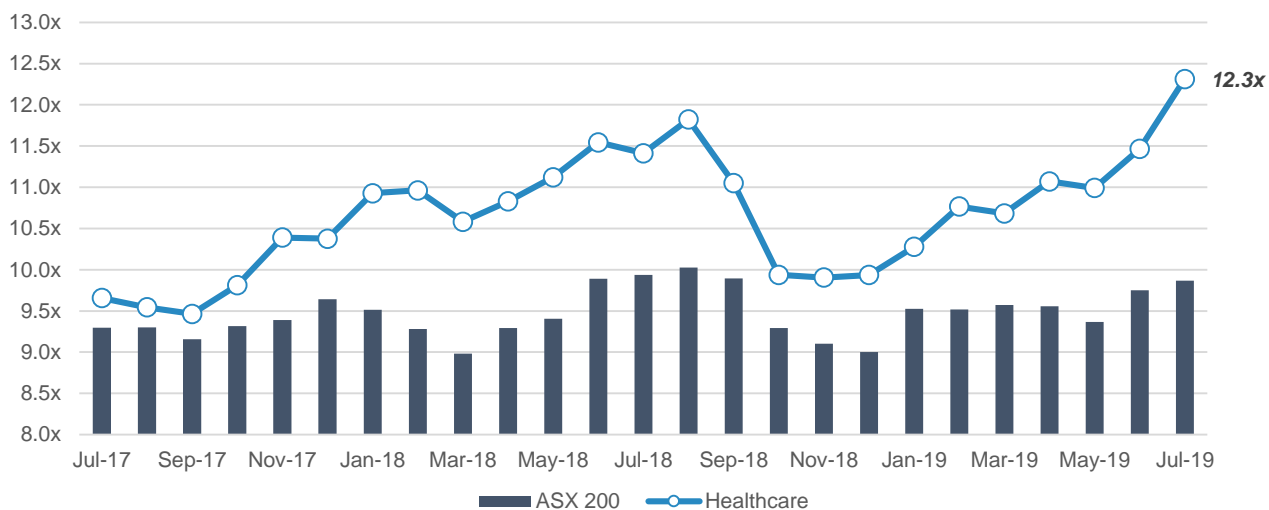


## VALUATION MULTIPLES

**Forward EV / EBITDA Multiples (monthly to 31/07/2019)** Source: FactSet Research Systems Inc.

Multiples in the Healthcare sector have increased over the period. At the end of July, the sector traded on a forward EV / EBITDA multiple of 12.3x, compared to the ASX200 on 9.9x.



**Average Values and Trading Multiples (values as at 21/08/2019)** Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2019	EV/EBIT FY2019	Price / Earnings FY2019
Aged Care	3,542	11.9x	16.8x	17.0x
Animal Health	265	9.2x	11.4x	14.5x
Biotech	108,953	24.0x	27.3x	34.8x
Hospitals & Clinics	44,442	11.1x	15.2x	20.6x
Medical Devices	13,964	27.1x	29.9x	42.7x
<b>Healthcare</b>	<b>172,301</b>	<b>12.4x</b>	<b>16.2x</b>	<b>20.6x</b>

Note: Multiples are based on the forward year of the unreported period, which for the majority of companies in the sector is FY2019. Difference in forward EV/EBITDA multiples between Figure and Table are representative of the timing difference between month-end result, and current day result.

## MERGER & ACQUISITION NEWS...



### Brookfield Properties

Value: \$1.24bn

**Brookfield Property Group**, a US-based company manages shopping malls and apartments, has agreed to acquire **Aveo Group**, the ASX listed company engaged in development of residential and commercial property along with commercial and residential building and construction. The transaction will be conducted via a scheme of arrangement under the jurisdiction of Australia. The ex-dividend offer price values the entire share capital at \$1.24bn. This represents an undisturbed premium of 28.7% over the adjusted closing price of \$1.67 on 13 February 2019.



Value: Not disclosed

**Allegro Funds**, an Australia-based private equity firm, via its fund **Allegro Fund III** and along with the management of **Perth Radiological Clinic**, an Australia-based provider of diagnostic imaging services, have acquired the company for an undisclosed consideration. The transaction will give **PRC** access to **Allegro's** expertise and financial resources that will be used to invest in new equipment and grow its business both organically and through acquisitions. It will enable **PRC** to extend its service offerings. Post acquisition, the management team of doctors at **PRC** will retain majority stake in the company, with **Allegro** holding significant minority stake.

## UNDER THE MICROSCOPE...

- **Noxopharm**, a US biotechnology company, is seeking to raise \$8m via an ASX listing of its subsidiary company, **Nyrada**. The funds to be raised in the proposed IPO are intended to further the development of three drug programs, which are the result of innovative Australian research.
- **Cynata Therapeutics** has received an indicative, non-binding and conditional proposal from **Sumitomo Dainippon Pharma Co** to acquire all the shares in **Cynata** at a price of \$2.00 per share. **Cyanata Therapeutics** has decided to grant non-exclusive due diligence access to **Sumitomo**.
- **OMX Solutions**, a Melbourne-headquartered oral and cranio-maxillofacial medtech, is actively seeking capital to prepare for overseas expansion. The company is planning a \$3m-\$5m Series A raise in 4Q 2020 and is currently seeking \$1m on a post-raise valuation of \$10m.
- **Intermediate Capital Group** is seeking a buyer for **Everlight Radiology**, an Australian-based diagnostic imaging business. **Everlight** is thought to be worth around 15x earnings, which are said to be around \$30m.
- **Regeneus**, a clinical-stage Australian regenerative medicine company, is seeking partners for Phase II and III clinical trials and commercialization of its Progenze for osteoarthritis pain therapy in the US.
- **Haemokinesis**, an Australian-based blood transfusion business, is seeking new investors to provide an \$12m equity injection.
- Australian regenerative medicine developer, **Cartherics** is looking to raise \$15m in a Series C funding round to aid three Phase I clinical trials.
- **Minomic International**, an unlisted public Australian cancer diagnostics company, is actively seeking capital to roll out its MiCheck prostate cancer test in the US and to enter the China market.
- **IFM Investors** is in late-stage talks to acquire a controlling stake in **ONCALL**, an Australian-based disability services business. The deal is expected to be worth around \$170m.
- **Tessara Therapeutics**, a private Melbourne-based drug screening platform and regenerative medicine company, is actively seeking investors for a \$3m-\$5m Series A capital raise.
- **Healius** has denied rumours that they have plans to sell any assets to **Jangho Group**.
- **Clinical Genomics**, a Bridgewater, New Jersey-headquartered colorectal cancer detection company, is reportedly mulling capital raising options to accelerate commercialization. The company has R&D, manufacturing and laboratory facilities in Australia, and is well supported by Australian investors.

## CONTACT DETAILS

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