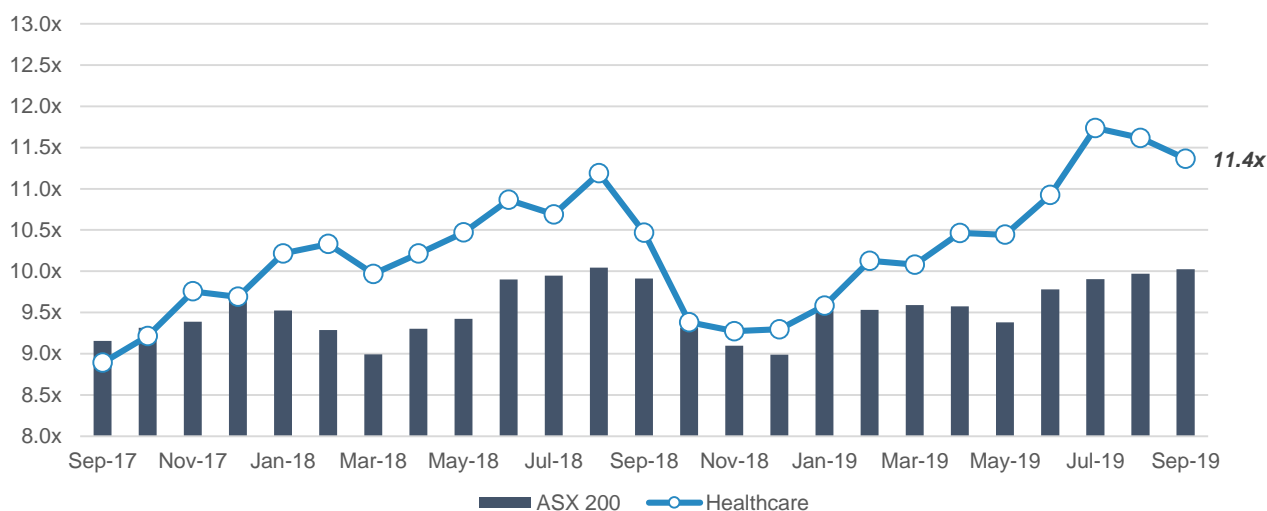


## VALUATION MULTIPLES

**Forward EV / EBITDA Multiples (monthly to 30/09/2019)** Source: FactSet Research Systems Inc.

Multiples in the Healthcare sector have decreased over the period. At the end of September, the sector traded on a forward EV / EBITDA multiple of 11.4, compared to the ASX200 on 10.0x.



**Average Values and Trading Multiples (values as at 23/10/2019)** Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2020	EV/EBIT FY2020	Price / Earnings FY2020
Aged Care	3,512	12.1x	17.4x	23.9x
Animal Health	272	7.4x	8.7x	11.3x
Biotech	116,372	24.8x	28.8x	35.9x
Hospitals & Clinics	45,069	10.1x	14.4x	20.3x
Medical Devices	13,912	26.7x	29.9x	40.4x
<b>Healthcare</b>	<b>180,322</b>	<b>11.6x</b>	<b>15.5x</b>	<b>20.9x</b>

Note: Multiples are based on the forward year of the unreported period, which for the majority of companies in the sector is FY2020. 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...



Value: \$170m (estimated)



**Pemba Capital Partners**, along with the management of **ONCALL**, has agreed to acquire the company, in a management buyout transaction. **ONCALL** is an Australia-based provider of services in emergency and non-emergency situations. The value of the deal is estimated at AUD 170m.



Value: Undisclosed

**Ecolab Inc**, the St. Paul, MN-based water and energy technology company announced that it has acquired **Gallay Medical & Scientific**, an Australian supplier of medical and laboratory equipment.



Value: \$52m

**APM**, the human services business which is backed by **Quadrant Private Equity**, is paying AUD 52m to buy **Konekt**, an Australian workplace safety business and is believed to be seeking additional acquisitions.



Value: \$34m

**EBOS**, the New Zealand-based pharmacy and animal healthcare company, announced it has acquired the businesses of **LMT** ("Life. Movement. Technology.") and **National Surgical** for AUD 34m.

## UNDER THE MICROSCOPE...

- **QIC** is thought to be in talks with the owners of **Nexus Day Hospitals** (a group of Australian private hospitals). **QIC**, is thought to be targeting **Nexus** through its infrastructure unit.
- Australian radiology business **Qscan** should attract a range of potential buyers but its backer, private equity firm **Quadrant**, might find it hard to reach the kind of exit multiples achieved in the sale of larger peer **I-MED Radiology** last year.
- **Everlight Radiology**, an Australian teleradiology business, is anticipated to launch a sale process within days. The group is expected to be worth around AUD 400m.
- **Terragen**, an Australian agricultural biotech company, is planning to list on the ASX to raise AUD 20m.
- **Moelis Australia** is believed to have received inbound interest for its 13.25% strategic stake in **Japara Healthcare**. **Japara** has market capitalisation of AUD 306m.
- **HealthShare**, a private Sydney-based Australian digital health platform, is actively seeking AUD 10m-AUD 15m to accelerate growth in Australia and the US.
- **Cronos Australia**, an Australian medicinal cannabis products business, is seeking to raise AUD 20m through an initial public offering of its ordinary shares on the ASX.
- **Cynata Therapeutics** and **Sumitomo Dainippon Pharma** failed to reach an agreement on terms of a proposed offer of the Japanese pharmaceutical firm to acquire the Australian stem cell and regenerative medicine company.
- **Cortical Dynamics**, a Perth, Australia-based brain monitoring medical technology company, is actively seeking AUD 2m for a 15% stake in the company, on a pre-raise valuation of AUD 12m.

## CONTACT DETAILS

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