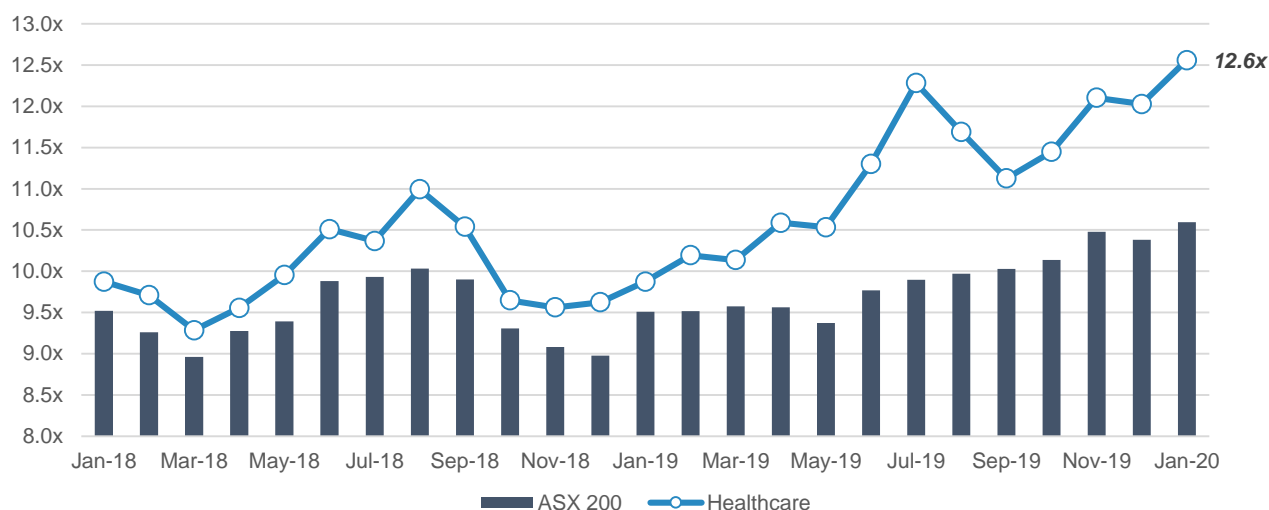


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 31/1/2020) Source: FactSet Research Systems Inc.

Multiples in the Healthcare sector have increased over the period. At the end of January, the sector traded on a forward EV / EBITDA multiple of 12.6x, compared to the ASX200 on 10.6x.



Average Values and Trading Multiples (values as at 25/02/2020) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2020	EV/EBIT FY2020	Price / Earnings FY2020
Aged Care	1,446	9.4x	16.7x	22.6x
Animal Health	282	12.7x	14.4x	24.7x
Biotech	160,531	33.1x	38.0x	48.2x
Hospitals & Clinics	43,941	11.5x	17.3x	24.4x
Medical Devices	15,023	27.2x	30.9x	39.2x
Healthcare	222,418	13.7x	18.7x	25.6x

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. Composition of companies in Sector Dashboards are updated every 6 months. Most recent update: February 2020.

MERGER & ACQUISITION NEWS...

CAPITOL
HEALTH



Value: \$16m

Capitol Health, the ASX-listed company headquartered in Melbourne engaged in providing diagnostic imaging and related services, has agreed to acquire **Fowler Simmons Radiology**, an Australia-based Musculoskeletal imaging centre. The consideration amount is funded from existing cash reserves and bank debt.



Value: \$13m

Ansell Limited, the ASX-listed company engaged in provision of protective products and services in a broad healthcare context, including latex products, has agreed to acquire a 50% stake in **Careplus Sdn Bhd**, a medical glove manufacturer, from **Careplus Group Berhad**, a listed Malaysia based company engaged in manufacturing and trading of gloves.

UNDER THE MICROSCOPE...

- **Vitruvian** or **Hg** may be among buyers interested in **Everlight Radiology**, an Australian teleradiology business. The group is anticipated to sell for around \$400m.
- **Medical Director**, an Australian medical practice software business, could interest **Allscripts**, **Cerner**, **Epic Systems** and **EMIS Health**. **Affinity** purchased **Medical Director** in 2016 for \$155m.
- **Microba**, an Australia-based microbiome test developer, is preparing to list on the ASX later this year. **Microba** is thought to have a pre-IPO valuation of \$55m.
- **Aroa Biosurgery**, a New Zealand-based soft tissue repair business, has appointed **Wilson** and **Bell Potter** as advisors for a potential ASX listing. **Aroa Biosurgery** is considering listing in May, seeking to raise around \$50m and list with a market value of up to \$300m.
- **Device Technologies** is believed to be interested in acquiring **Paragon Care**, an Australian supplier of healthcare equipment and devices. **Paragon** has a market capitalisation of \$96.3m.
- **PRP Diagnostic Imaging**, an Australian radiology business. **PRP Diagnostics** could sell for around \$300m, or 12x to 13x earnings.
- **National Veterinary Care** has entered into binding agreements to acquire three veterinary clinics in Australia for a total consideration of \$11.26.
- **InteliCare**, an Australian healthcare technology start-up, is planning to list on the ASX in the first half of the year.
- **Laser Clinics Australia**, an Australian cosmetic procedures business, is open to acquisition opportunities to fuel growth.
- **Healius**, an Australian healthcare business, has optioned the possibility of the sale of its medical centres.

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DISCLAIMER

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