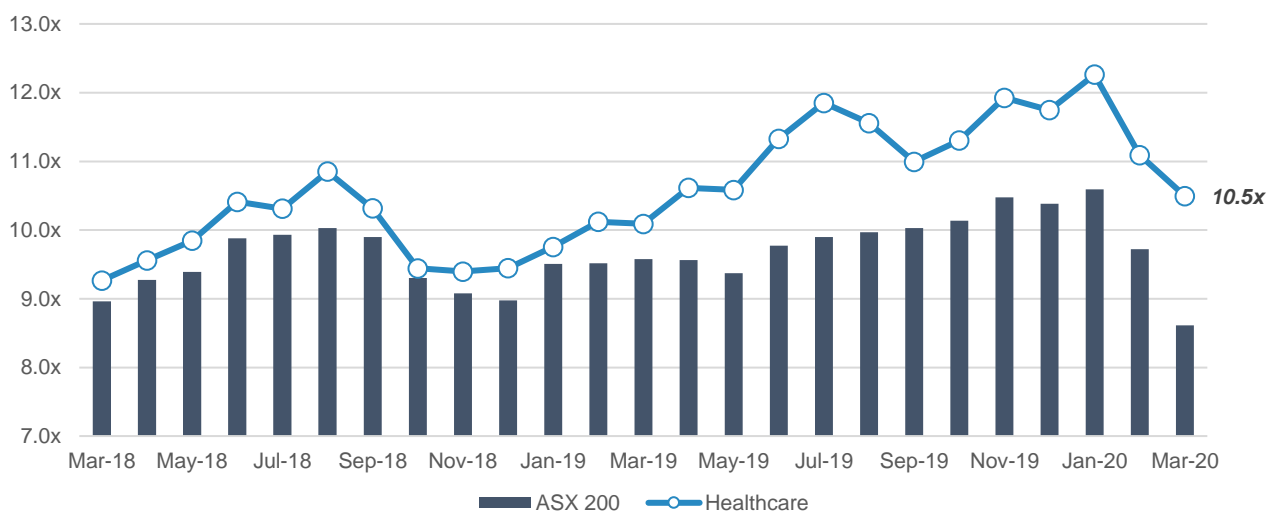


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 31/3/2020) Source: FactSet Research Systems Inc.

Multiples in the Healthcare sector have decreased over the period. At the end of March, the sector traded on a forward EV / EBITDA multiple of 10.5x, compared to the ASX200 on 8.6x.



Average Values and Trading Multiples (values as at 21/04/2020) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2020	EV/EBIT FY2020	Price / Earnings FY2020
Aged Care	1,707	7.2x	13.4x	17.2x
Biotech	156,594	31.1x	35.9x	44.1x
Hospitals & Clinics	46,379	11.3x	18.1x	20.2x
Medical Devices	11,635	26.2x	30.0x	43.1x
Healthcare	217,525	12.7x	18.3x	22.2x

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...

VetPartners



Value: \$326m

The previously announced acquisition of ASX-listed **National Veterinary Care (NVL)** by **Australian Veterinary Owners League**, trading as **VetPartners**, has completed. VetPartners acquired 100% of the issued share capital of NVL by way of scheme of arrangement for \$3.70 per share in cash. The Scheme Consideration implies a fully diluted market capitalisation for NVL of approximately \$251.5m and an enterprise valuation of approximately \$325.5m.

InterFinancial acted as lead financial advisor to National Veterinary Care.

BARD1
LIFE SCIENCES LIMITED



Value: AUD 23.7m

BARD1 Life Sciences Limited, a medical technology company developing non-invasive cancer diagnostics, announced on 8 April that it has entered into a merger implementation agreement (MIA) with **Sienna Cancer Diagnostics Limited** under which BARD1 will acquire 100% of the issued share capital in Sienna under a scheme of arrangement.

ILS
INDEPENDENT
LIVING SPECIALISTS



Riverside

Value: Not disclosed

Independent Living Specialists (ILS), an Australia-based mobility and homecare products business, has received an investment from **The Riverside Company**. The investment will be used to accelerate the national expansion, both organically and through M&A.

UNDER THE MICROSCOPE...

- **Invocare**, the global company operating funeral homes, cemeteries & crematoria around Australia, New Zealand & Singapore has increased the size of its institutional placement from AUD 150m to AUD 200m.
- **Caia**, a privately held Australian digital female healthcare company, is considering a Series A of up AUD 5m in 2020 that will assist in funding its domestic growth plans.
- **Quadrant Private Equity** is believed to have called off the sale of its radiology business **Qscan** due to the coronavirus crisis.
- **XING Group Holdings**, a Brisbane-based private Australian medical technology company, is actively seeking joint venture (JV) partners for a spin-off of its diagnostics division to facilitate product commercialization, starting with its COVID-19 test kit.
- Infrastructure investors are believed to be positioning to buy **Healthscope's pathology business**. Healthscope's owner **Brookfield** are thought to have attracted a number of infrastructure investors into the auction for the company's AUD 500m pathology unit. Potential buyers include **Morrison & Co** and **Pacific Equity Partners' Secure Assets Fund**.
- **BGH Capital** is among parties that have entered the second round of the auction for **Healius' medical centres assets**.
- **Metabolic Health Solutions (MHS)**, an Australian developer of a weight and metabolic health platform, aims to raise AUD 15m-20m in the next two years, which could be in connection with an IPO or stake sale
- **AusDiagnostics**, a private Australian molecular diagnostics company, welcomes approaches from potential investors as it looks to scale production on the back of sales of its novel coronavirus tests.
- **CollabCare**, a privately held Australian healthcare technology company, is seeking external investors for up to AUD 30m to fund its entry to the US in 2020. The Melbourne-based company, which provides telehealth services as well as digital solutions for wound care and dementia, plans to enter the US as "fast as we can".
- **Healius** is thought to be considering the acquisition of **Clinical Laboratories**, an Australia-based pathology services business. Healius may be mulling whether it would be stronger in combination with Clinical Laboratories, which is owned by **Crescent Capital**, given current market conditions.
- **Neo-Rehab**, a Queensland-based Australian telehealth company, mulls its first capital raise to enhance its profile and fast track growth domestically and offshore amid increasing demand for its services in the wake of COVID-19.
- Australian skin disorder drug developer **Clinuvel Pharmaceuticals'** cash position after years of prudent cash preservation policy bodes well for potential acquisitions in the current market turmoil caused by the COVID-19 pandemic. The company, which has AUD 58m available for acquisitions and organic growth activities, welcomes approaches from potential targets.
- **Cochlear** has increased the size of its placement to AUD 880m from AUD 800m. The offer was increased due to significant demand from both overseas and domestic accounts. Cochlear was issuing shares at AUD 140/share, a 16.7% discount to its last closing price.

CONTACT DETAILS

If you are interested in specific information regarding mergers and acquisitions in the Healthcare sector, please contact David Hassum or Michael Kakanis.

Name	Position	Phone	Email
Sharon Doyle	Managing Director	(07) 3218 9122	sdoyle@interfinancial.com.au
Paul Keehan	Chairman	(07) 3218 9100	pkeehan@interfinancial.com.au
Mark Steinhardt	Head of M&A	(07) 3218 9105	msteinhardt@interfinancial.com.au
Brad Shaw	Chief Operating Officer	(07) 3218 9100	bshaw@interfinancial.com.au
David Hassum	Director	(07) 3218 9108	dhassum@interfinancial.com.au
Andrew Wheeler	Director	(07) 3218 9107	awheeler@interfinancial.com.au
Ted Marchant	Director	(07) 3218 9100	tmarchant@interfinancial.com.au
Brent Wall	Associate Director	(07) 3218 9102	bwall@interfinancial.com.au
Michael Kakanis	Associate	(07) 3218 9106	mkakanis@interfinancial.com.au
Lachlan O'Rourke	Analyst	(07) 3218 9104	lorourke@interfinancial.com.au

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<p>InterFinancial Corporate Finance Limited ABN: 49 136 962 966 AFSL: 341675 Level 2, 201 Charlotte Street GPO Box 975 Brisbane Queensland 4001 (07) 3218 9100 admin@interfinancial.com.au www.interfinancial.com.au</p>	
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