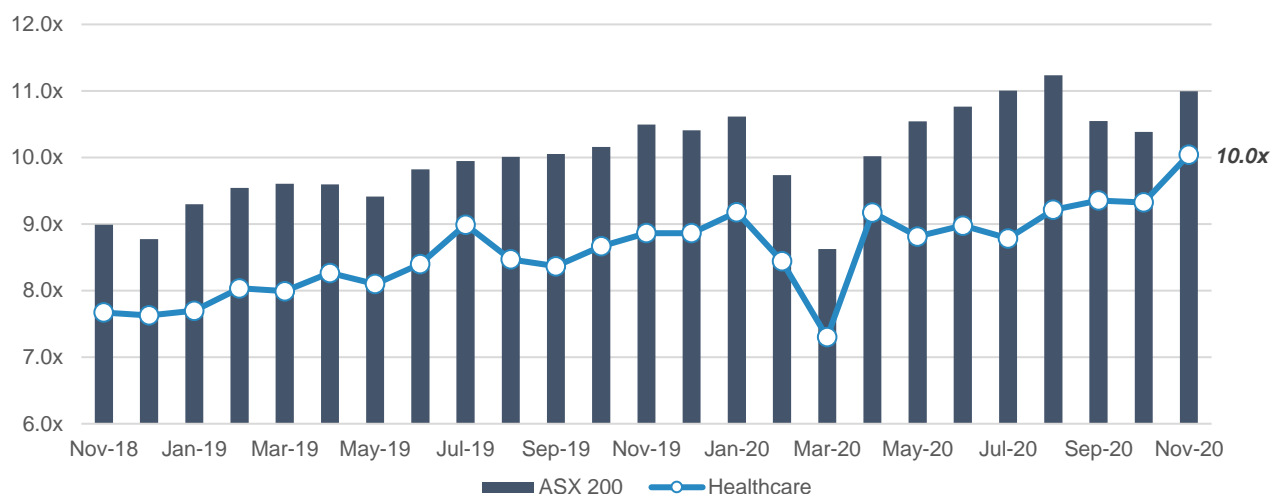


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 30/11/2020) Source: FactSet Research Systems Inc.

Multiples in the Healthcare sector have increased over the period. At the end of November, the sector traded on a forward EV / EBITDA multiple of 10.0x, compared to the ASX200 on 11.0x.



Average Values and Trading Multiples (values as at 17/12/2020) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2021	EV/EBIT FY2021	Price / Earnings FY2021
Aged Care	801	7.1x	11.9x	35.3x
Animal Health	128	8.5x	12.5x	12.2x
Biotech	139,226	30.4x	35.1x	43.8x
Hospitals & Clinics	44,230	9.4x	14.8x	20.7x
Healthcare	188,045	10.4x	15.3x	22.0x

Note: Multiples are based on the forward year of the unreported period, which for the majority of companies in the sector is FY2021. 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: October 2020.

MERGER & ACQUISITION NEWS...



Value: Not disclosed

MyHomecare announced on 5 December that it had acquired the Australian-based home care and community division of **PresCare**. The acquisition will bring the experience of PresCare of over 90 years myHomecare that will make it “pioneer” in the industry.



LIVINGBRIDGE



Value: Not disclosed.

Livingbridge has acquired **Better Medical**, an Adelaide, Australia-based medical practice group and Queensland-based **SmartClinics**. The UK-based private equity player will combine the groups to form Australia’s fifth largest medical practice platform with 64 clinics and 450 doctors.

UNDER THE MICROSCOPE...

- **Medibank**, an Australia-based health insurance group, is thought to be competing against at least one family office to acquire **Myhealth Medical**, an Australian medical clinic owner. Myhealth, which operates over 80 clinics on Australia’s east coast, is believed to generate EBITDA of AUD 25m to AUD 30m.
- **Neurotech International**, an Australian firm focused on developing neuro-stimulation and neuro-diagnostic solutions, will seek to be acquired by “big pharma” should it successfully progress clinical trials.
- **Nova Eye Medical** is looking to sell an interest in its subsidiary **AlphaRET** to finance a clinical study in the US to gain FDA approval for AlphaRET’s therapy to treat age related macular degeneration. The AUD 49m market cap company considers itself undervalued and could be a potential takeover target.
- **Nuheara**, a Perth, Australia-based hearing device maker, is seeking to enter new markets as it expands globally and will pursue strategic or joint venture partnerships over acquisitions.
- **AusCann Group**, an Australian pharmaceutical company focused on cannabinoid-based medicines, is continuing its search for targets following its AUD 17.5m acquisition of **CannPal Animal Therapeutics**.
- **Icon Group**, an Australia-based cancer care business, is preparing to launch a dual-track process next year to consider a sale or an IPO. **Ramsay Healthcare** is considered a likely contender to buy Icon and is already thought to have held talks with the group.
- **Regis Healthcare** may be considering a plan to spin off its real estate assets. Last month, Regis rejected an AUD 556m takeover offer from **Washington H. Soul Pattinson** and there has been speculation that the suitor could return with a revised bid.
- **Evolution Healthcare**, an Australia-based hospital owner, and **iNova Pharmaceuticals**, an Australian drugs company, could be sale or IPO candidates in 2021, as **Pacific Equity Partners** (PEP) could look to exit Evolution next year.
- **SILK Laser [ASX:SLA]**, the Australian skin care and laser clinics chain that listed on the ASX (15 December), sees its greatest consolidation and expansion opportunities in the Australian East Coast states of Victoria, New South Wales and Queensland

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