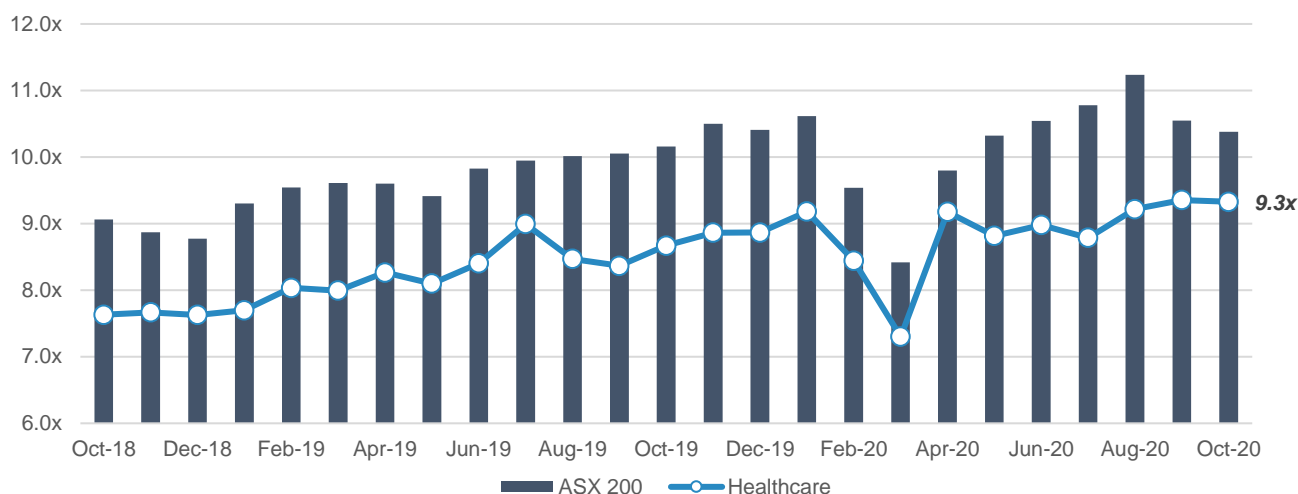


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 30/10/2020) Source: FactSet Research Systems Inc.

Multiples in the Healthcare sector have decreased over the period. At the end of October, the sector traded on a forward EV / EBITDA multiple of 9.3x, compared to the ASX200 on 10.4x.



Average Values and Trading Multiples (values as at 27/11/2020) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2021	EV/EBIT FY2021	Price / Earnings FY2021
Aged Care	794	7.9x	14.3x	32.7x
Animal Health	130	9.1x	12.3x	12.0x
Biotech	147,073	19.6x	22.1x	27.8x
Hospitals & Clinics	44,281	9.3x	14.7x	20.0x
Medical Devices	2,373	12.4x	14.1x	21.8x
Healthcare	195,622	10.4x	14.8x	20.6x

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.

¹ The InterFinancial Healthcare Index set is an unweighted index comprising Healthcare sector related companies trading on the Australian Securities Exchange (ASX). Estimates are sourced from FactSet Research Systems Inc.

MERGER & ACQUISITION NEWS...



Value: AUD 43m

Healthia has entered into a binding agreement to acquire 100% of **The Optical Company**, an Australian optometry business, for a cash and debt-free purchase price of AUD 42m. The acquisition includes an upfront cash consideration of approximately AUD 31.1m, the issue of 9.4m of Healthia shares to The Optical Company vendors and AUD 3m of deferred consideration.



Value: AUD 52.5m

Probiotec has acquired **Multipack-LJM**, an Australian pharmaceutical contract manufacturer and contract packing services provider, for AUD 52.5m. The move is expected to position Probiotec as one of Australia's leading pharmaceutical contract manufacturer and contract packing services provider.



Value: AUD 17.5m

AusCann Group [ASX:AC8] has entered into an agreement with **CannPal Animal Therapeutics** [ASX:CP1] to acquire 100% of the issued share capital of the latter under a scheme of arrangement. This will create an expanded and complementary product portfolio of 2 in market products, 2 products expected to be launched within 12 months, and a medium-term product pipeline across human and animal health. It will also expand geographically, across Australia, the US and other key markets



Value: AUD 12m

Capitol Health [ASX:CAJ] entered into a binding agreement to acquire 100% of **Direct Radiology** in Melbourne, Victoria. This acquisition is aligned to the Capitol Health's strategic plan expanding its network of high-quality community imaging centres and to create a strong organic growth plan to expand in Melbourne.



Value: AUD 49.8m

Invocare [ASX:IVC] has acquired **Family Pet Care** and **Pets in Peace**, two Australian pet cremation businesses. The acquisitions represent a strategic expansion of the Group's existing pet cremation business, Patch and Purr, and will create Australia's leading provider of pet cremation services. The acquisitions forecast to deliver combined annual revenue of circa AUD 19.3m and EBITDA of AUD 5.2m and be EPS accretive in the first year of operations.



UNDER THE MICROSCOPE...

- **Ramsay Health Care**, an Australia-based private healthcare providers, has “plenty of firepower” for potential acquisitions as it is looking at opportunities in adjacent areas including radiology and mental health.
- **Partners Group** has determined that medical services provider **Healius** has become too expensive for it to pursue any interest in the group.
- **Australian Clinical Labs’** only remaining suitor is believed to have suspended its efforts to buy the Australian pathology business.
- **AusCann Group** is exploring potential strategic acquisition opportunities.
- **Simavita**, an Australian developer of a wireless incontinence management system, Smart Incontinence Management (SIM), has received investor interest as an unlisted company.
- **Centuria Funds Management**, **Baldwin**, and **TPG Capital** considered offers for **Regis Healthcare**, an Australia-based aged care business, earlier this year. News of the groups’ interest emerged after Regis recently rejected an AUD 555m takeover offer at AUD 1.85 a share from **Washington H Soul Pattinson** (WHSP) [ASX:SOL].
- **Health Care**, an Australian hospital owner, could sell assets following a restructuring effort. It is reported that the group is thought is seeking to retain its mental health operations but could sell its private hospital services.
- **Leo Cancer Care**, a private Australia-founded radiation therapy company, is actively seeking USD 15m for commercialization activities including sales, marketing and manufacturing at scale.
- **Regis Healthcare**, an Australia-based aged care business, has rejected an AUD 555m takeover offer at AUD 1.85 a share from **Washington H Soul Pattinson** (WHSP) [ASX:SOL].
- **Marina Radiology**, a Victoria, Australia-based medical imaging business, is seeking buyers. It is anticipated to sell for over AUD 50m.
- **Pharmaxis** [ASX:PXS], a Sydney-based Australian drug developer, could see interest from potential suitors or partners for its respiratory division on the back of US Food and Drug Administration (FDA) approval for its Bronchitol cystic fibrosis treatment.
- **Medibank Private** [ASX:MPL], an Australia-based health insurer, and **Pacific Equity Partners** (PEP) are among buyers in the second round of the auction for **Myhealth Medical Group**.
- **Pemba Capital** and **Anacacia Capital** are believed to be eyeing **AUB Group’s** [ASX:AUB] controlling stake in **Altius Group**, an Australian occupational rehabilitation services business.
- **Smiles Inclusive Limited’s** administrator is seeking expressions of interest for the group.
- **Chimeric Therapeutics**, a Sydney, Australia-based immune-oncology CAR-T cell therapy developer, is planning to list on the ASX to raise AUD 30m, which could imply a market value for the group of AUD 61.1m.

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	Executive Chair	(07) 3218 9122	sdoyle@interfinancial.com.au
Paul Keehan	Non-Executive Director	(07) 3218 9100	pkeehan@interfinancial.com.au
Ted Marchant	Non-Executive Director	(07) 3218 9100	tmarchant@interfinancial.com.au
Mark Steinhardt	Head of M&A	(07) 3218 9105	msteinhardt@interfinancial.com.au
Brad Shaw	Director – M&A	(07) 3218 9100	bshaw@interfinancial.com.au
Brent Wall	Director – M&A	(07) 3218 9102	bwall@interfinancial.com.au
David Hassum	Director	(07) 3218 9108	dhassum@interfinancial.com.au
Andrew Wheeler	Director	(07) 3218 9107	awheeler@interfinancial.com.au
Michael Kakanis	Associate Director	(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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