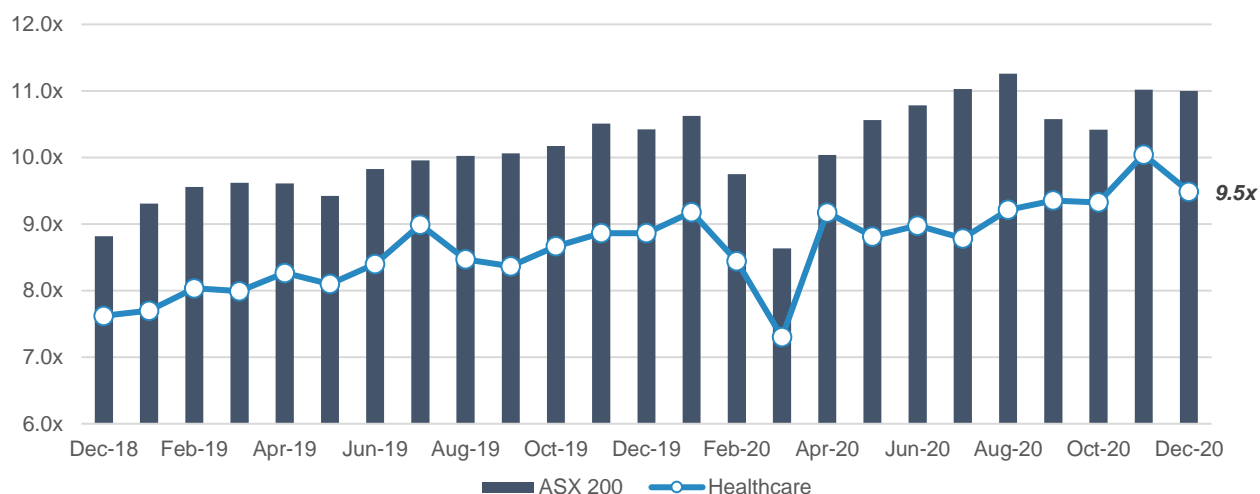


## VALUATION MULTIPLES

### Forward EV / EBITDA Multiples (monthly to 31/12/2020) Source: FactSet Research Systems Inc.

Multiples in the Healthcare sector have decreased over the period. At the end of December, the sector traded on a forward EV / EBITDA multiple of 9.5x, compared to the ASX200 on 11.0x.



### Average Values and Trading Multiples (values as at 11/01/2020) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2021	EV/EBIT FY2021	Price / Earnings FY2021
Aged Care	801	7.6x	13.4x	39.2x
Animal Health	124	8.2x	12.1x	12.1x
Biotech	134,860	30.4x	35.1x	44.1x
Hospitals & Clinics	44,147	9.4x	14.8x	20.5x
<b>Healthcare</b>	<b>183,631</b>	<b>10.4x</b>	<b>15.3x</b>	<b>22.2x</b>

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

Critical components manufacturer **Avingtrans** has announced its two medical equipment businesses, **Scientific Magnetics** and **Tecmag**, will merge with Australian medtech and engineering company **Magnetica**.

The merger is expected to offer synergies by accelerating the planned move up the value chain in what is a highly specialised and integrated, international medical imaging market.

**InterFinancial** acted as advisor to **Magnetica**.



Value: Not disclosed

**Wize Pharma** [OTCQB:WIZP], an Israeli clinical-stage biopharmaceutical company focused on the treatment of ophthalmic disorders, has agreed to acquire **Cosmos Capital**, a digital infrastructure provider based in Sydney, Australia.

**Wize Pharma** has stated that this transaction provides a continuing interest in our LO2A biomed activity, through the creation of a contingent value right, while providing exposure to **Cosmos'** Bitcoin mining operations.



Value: Not Disclosed

**myHomecare Group**, a Sydney, Australia-based provider of services to senior citizens, has acquired the Presbyterian Church of Queensland's home care operations. **myHomecare** has paid an undisclosed amount to take 4,000 clients and 280 staff from **PresCare**, which is also selling its aged care homes in Queensland.

The purchase will provide **myHomecare** with a larger national coverage and a presence in regional Queensland.

## UNDER THE MICROSCOPE...

- **Everlight Radiology**, an Australia-based health-tech business, could revive sale plans. According to several sources, there are a various number of buyers interested including **KKR** and **EQT**. Everlight has been pitched as a business with around AUD \$30m in annual earnings.
- **SUDA**, an Australian drug delivery technology company is evaluating a number of technologies for potential acquisition. The company has a market cap of AUD \$16m.
- 2020 saw only nine private equity deals within the medical services sector, the lowest deal count in the past five years. The sector is likely to see a steady flow of deals in the coming months. Rumours are circulating that **QIC**, **Ramsay Health Care** and **Permira** could possibly be on the lookout for candidates in the industry as they all lost or dropped out in the bid for **QScan**.

## CONTACT DETAILS

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

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