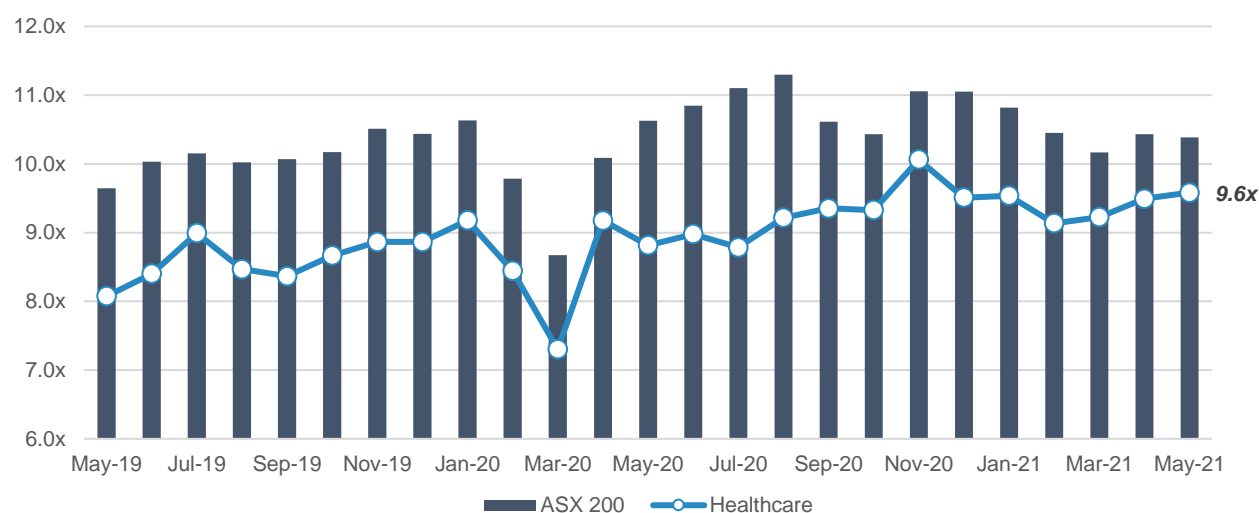


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 30/05/2021) Source: FactSet Research Systems Inc.

Multiples in the Healthcare sector have increased over the period. At the end of May, the sector traded on a forward EV / EBITDA multiple of 9.6x, compared to the ASX200 on 10.4x.



Average Values and Trading Multiples (values as at 21/06/2021) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2021	EV/EBIT FY2021	Price / Earnings FY2021
Aged Care	759	7.1x	12.4x	30.1x
Animal Health	171	11.3x	19.3x	20.5x
Biotech	144,285	29.8x	34.7x	44.6x
Hospitals & Clinics	47,539	10.8x	16.3x	21.5x
Medical Devices	2,094	N/A	N/A	N/A
Healthcare	196,766	11.5x	17.0x	23.1x

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: May 2021.

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 6.7m

Apiam Animal Health Limited [ASX:AHX] has acquired the **Samford Valley Veterinary Hospital**, **Clermont Veterinary Surgery** and **Knox Veterinary Clinic**, which add to Apiam's high performing clinic portfolio. Apiam is position in the Australian market as a vertically integrated animal health business which provides a range of services to production and mixed animals. The acquisition program continues Apiam's regional expansion strategy to double the company's clinic footprint in Queensland and add approximately AUD 10m in incremental revenue for FY21.



Value: AUD 200m

CPE Capital, an Australian private equity firm, has sold its stake in **Cell Care Australia Pty Ltd**, an Australian blood and tissue bank to **Generate Life Sciences Co.**, an American life sciences company. The acquisition adds to Generate's portfolio and enhances their strategic growth plan for newborn stem cell-based regenerative medicine therapies.



Value: AUD 650m

Quadrant Private Equity has agreed to acquire **Affinity Education**, an Australia-based provider of education and care services to children, from **Anchorage Capital Partners**. The financial terms of the transaction are not disclosed, however as per news report the transaction is estimated to be valued at around AUD 650m (USD 499.1m).



Value: Not Disclosed

Sonic Healthcare [ASX: SHL] announced that it has signed a binding agreement to acquire 100% of **Canberra Imaging Group**, an Australian radiology practice. The acquisition of CIG is a significant and positive step in the development of Sonic's Imaging division in Australia, broadening its footprint, deepening its talent pool, increasing the revenue of the division by ~10%, and offering potential opportunity for synergy benefits.

UNDER THE MICROSCOPE...

- SILK Laser Australia Ltd.** [ASX: SLA] announced that it has entered into a binding agreement to acquire **Australian Skin Clinics** in Australia and **The Cosmetic Clinic** in New Zealand for as much as AUD 52m. **Home Consortium** [ASX:HMC] has announced that it has made acquisitions of primary medical and childcare service providers to the value of AUD 133.2m to add to its HealthCo portfolio.
- DKSH**, a Switzerland-based provider of market expansion services has announced the acquisition of **Hahn Healthcare**, an Australian medical engagement company.
- Australian Unity** [ASX:AYU] has agreed to purchase **Greengate Partnership**, an Australian manager and owner of three retirement village and residential aged care precincts, for AUD 65m.
- Northwest Healthcare Properties REIT** [TSX:NWH.UN], a Canadian medical properties real estate investor, has announced a proposal to acquire **Australian Unity Healthcare Property Trust** for USD 2.6bn.
- Pharmaxis** [ASX:PXS], an Australian drug developer, has begun assessing options to fund trials for its cancer and dermatological assets, which could include licensing deals or a sale to separate parties.

UNDER THE MICROSCOPE...

- **Zucero**, an Australia-based immunotherapy drug developer, has delayed its plans to list on the ASX until further notice
- Shares in takeover target **Japara Healthcare** [ASX:JHC] have traded through the AUD 1.04 per share (AUD 277.9m) indicative offer from **Little Company of Mary Health Care Ltd**, following news that the Australian Federal government has put together an AUD 17.7bn package to reform the sectors
- **Triad Life Sciences**, a Memphis-headquartered wound treatment technology business, is preparing to list on the ASX.
- **Japara Healthcare** [ASX: JHC] has received a conditional, non-binding and indicative proposal from **RSL Care RDNS Limited**, part of the **Bolton Clarke Group**, to acquire 100% of the shares in Japara by way of a Scheme of Arrangement.
- **Pacific Equity Partners** is believed to have won the race to acquire **Healthe Care's** acute care hospitals from **Chinese company Luye** [HKG:2186].
- **Australian Unity Funds Management** (AUFM) has rejected **NorthWest's** AUD 2.55 per unit offer for **Australian Unity Healthcare Property Trust** (AUHPT).
- **CPE Capital's Cell Care** acquired by GI Partners-backed **Generate Life Sciences**.

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