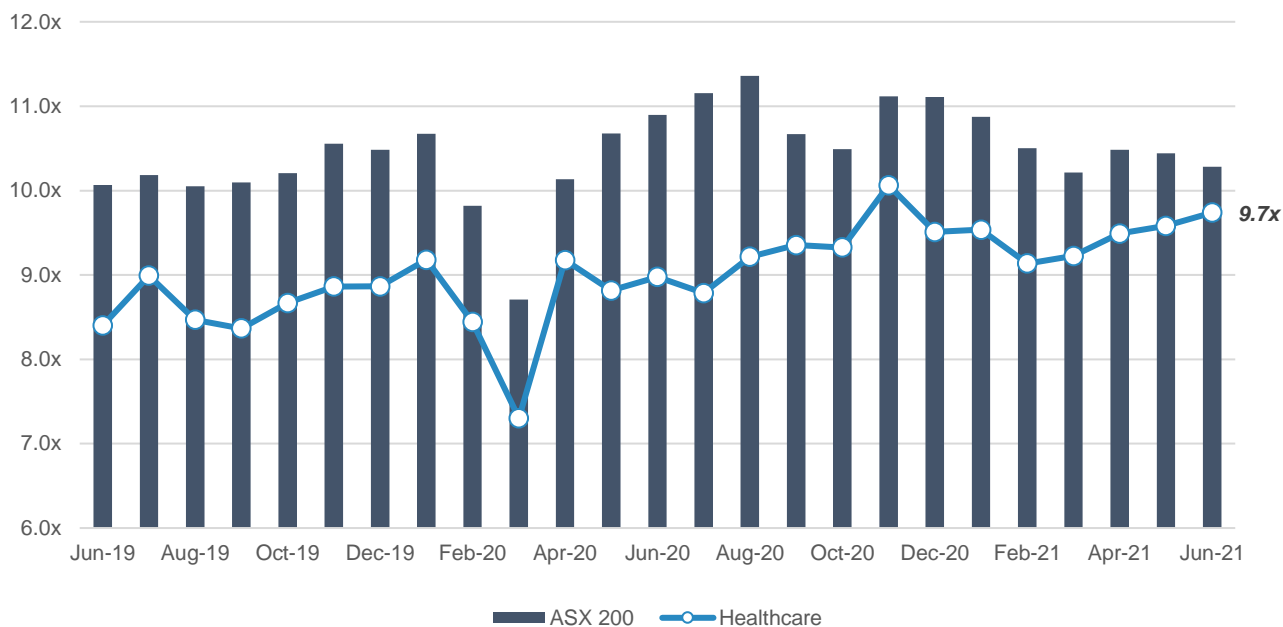


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 30/06/2021) Source: FactSet Research Systems Inc.

Multiples in the Healthcare sector have increased over the period. At the end of June, the sector traded on a forward EV / EBITDA multiple of 9.7x, compared to the ASX200 on 10.3x.



Average Values and Trading Multiples (values as at 19/07/2021) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2021	EV/EBIT FY2021	Price / Earnings FY2021
Aged Care	742	7.0x	12.2x	29.1x
Animal Health	170	11.3x	19.3x	20.7x
Biotech	131,604	26.7x	31.0x	40.9x
Hospitals & Clinics	47,997	10.5x	16.1x	21.1x
Healthcare	180,513	11.2x	16.8x	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 21.4 m

Little Green Pharma Ltd, an Australia-based company engaged in the supply chain of medicinal cannabis products, has acquired a Denmark-based cannabis production facility from **Canopy Growth Corporation**. The acquisition has multiple synergies with Little Green's existing operations and provides a platform for future expansion into the European market. Little Green Pharma expects to carry out the acquisition through a AUD 27.5m capital raise.



Value: AUD 16 m

Apiam Animal Health Limited has agreed to acquire **Scenic Rim Veterinary Service**, an Australia-based provider of equine veterinary services, for a consideration of AUD 16m. The acquisition significantly bolsters Apiam's equine operations and mixed animal clinic footprint, increasing capacity in a rapidly growing region



Value: Not disclosed

Healius Limited has agreed to acquire **Axis Diagnostic Holdings Limited**, a Queensland-based imaging business with an EBITDA of AUD 2m. The acquisition is part of Healius's business network optimization strategy and extends Healius existing footprint through the addition of three radiology practices. The transaction is EPS accretive and is expected to deliver synergies with their existing facilities and national contracts.



Value: AUD 82.7 m

Vital Healthcare Property Trust, a New Zealand-based hospital and medical facility group, has acquired **Epworth Camberwell**, an Australian hospital. Vital has also acquired two strategic properties in South-East Queensland and agreed terms to acquire a third in Auckland. All three properties provide significant development opportunities within existing or emerging health precincts over the short to medium term.



UNDER THE MICROSCOPE...

- **Permira** is offering radiologists at **I-Med Radiology Network**, an Australia-based radiology group, a chance to buy into the business
- **MicroBioGen**, a private Sydney-based Australian yeast-focused biocatalyst developer, is mulling a range of capital raising options for 2022 to accelerate sales of its existing product and for new product development
- **Midnight Health**, a privately held Australian health technology company, is looking to raise up to AUD 7.5m (USD 5.5m) over the next 12 months
- **Careteq**, an Australian assisted living technology business, is preparing to list on the ASX in November
- **Stockland** (ASX:SGP) announced on 19 July that it has entered into binding agreements to acquire Australia-based **Halcyon Group's** land lease communities business for AUD 620m
- **Australian Pharmaceuticals Industries' [ASX:API]** loyalty program could be an obstacle to **Wesfarmers' [ASX:WES]** AUD 687m takeover offer
- **Home Consortium [ASX:HMC]** announced on 12 July the establishment of a JV with operator **Acurio Health Group** to acquire and develop a five hectare integrated private hospital

UNDER THE MICROSCOPE...

- **HalleyAssist**, a private Australian Artificial Intelligence (AI) in-home health remote monitoring technology company, is seeking AUD 5.2m (USD 4m) to expand in Australia and enter new markets over the next 12 months
- **Vaxine**, a private Adelaide-based Australian vaccine developer, is in discussions for a reverse listing on the ASX and other funding options to advance its Phase III-ready COVID-19 vaccine
- **Advent Partners** is in talks to acquire a major stake in **Imaging Associates**, an Australia-based radiology business
- **Morrison & Co** is planning to bid for **Icon Group**, an Australia-based cancer care provider
- **China Grand Pharmaceuticals and Healthcare** has agreed to invest up to AUD 44.7m (USD 34m) into the IPO-hopeful **Clarity Pharmaceuticals**
- **Australian Unity Healthcare Property Trust** bidder **NorthWest Healthcare Properties** has dropped its AUD 2.8bn (USD 2.2bn) hostile takeover offer for the healthcare fund
- Australian cancer care company **Icon Group** is set to launch a formal sale process later this month
- **Apiam Animal Health Limited** [ASX: AHX], an Australian veterinary services provider, is willing to pay up to six times EBITDA in potential acquisitions as it still sees plenty of opportunities around Australia
- **Wesfarmers** [ASX:WES] is facing early pressure to increase its AUD 687m (USD 511m) takeover offer for Australian **Pharmaceuticals Industries** [ASX:API]
- **Nucleus Network** owner **Crescent Capital** is seeking buyers for the Australian clinical research company
- **MediKane Holdings**, an Australian food-based health company, is considering raising up to AUD 8m (USD 6m) in 2022 to assist with its global expansion plans
- **CardieX** [ASX:CDX], an Irvine, California and Sydney-based medtech company, has split its business into medical and consumer health divisions to support the growth of its new CONNEQT consumer brand
- **Eucalyptus**, a Sydney, Australia-based health startup, has raised AUD 30m (USD 22.4m) in a Series B funding round
- **Healius Limited** [ASX: HLS] has launched a sale process for its IVF unit, **Adora Fertility**. IVF provider **Virtus Health** [ASX: VRT] is among potential suitors.
- **Healius** [ASX:HLS] is considering the sale of its day surgeries business
- Private Equity firm **Advent Partners** is in talks to acquire a major stake in **Imaging Associates**, an Australia-based radiology business.
- **LiVac**, an unlisted public Australian developer of a device to support minimally invasive surgery (MIS), is actively seeking AUD 6m (USD 4.5m) to scale in the US as it accelerates commercialization activities
- **Ramsay** [ASX:RHC], an Australian owner and operator of hospitals, has increased its offer price to acquire the **Spire Healthcare Group** [LSE:SPI], a UK owner and operator of hospitals, to 250p per share and declared it as final with no further increases
- **MicroBioGen**, an Australia-based biotechnology startup, is considering an ASX-listing.
- The on-going due diligence by Little Company of **Mary Health Care (Calvary)** and **Bolton Clarke Group** related to their separate proposals for **Japara Healthcare** [ASX: JHC] is set to complete towards the end of the month.

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