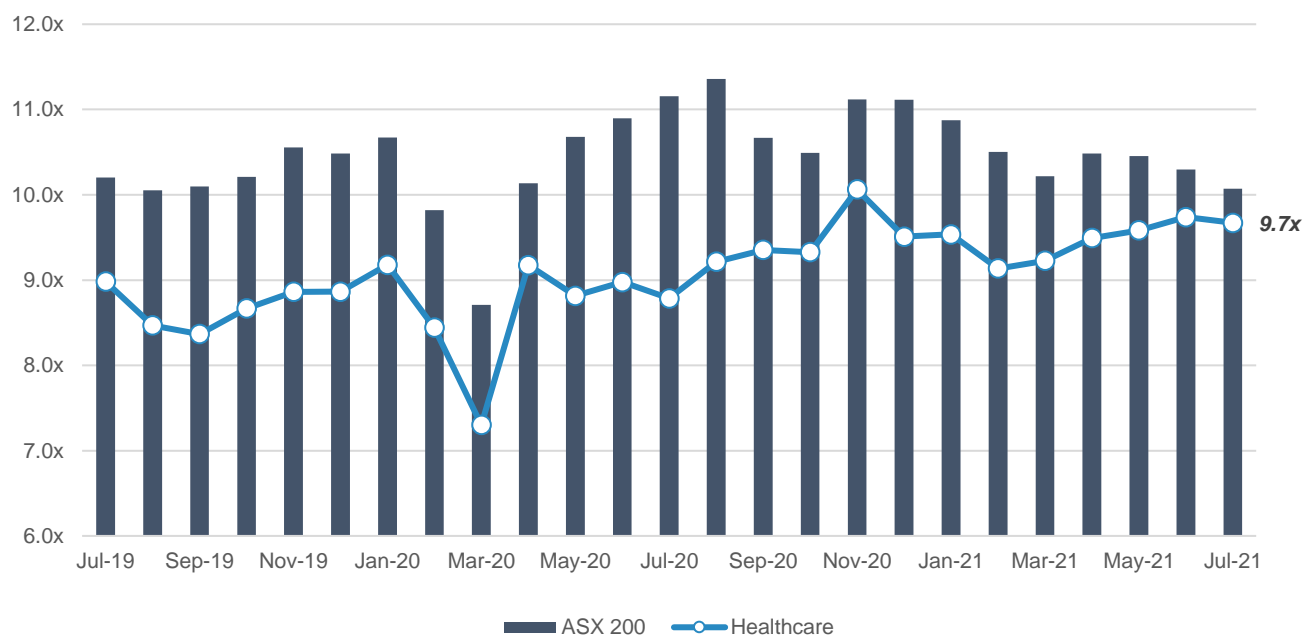


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 31/07/2021) Source: FactSet Research Systems Inc.

Multiples in the Healthcare sector has remained flat over the period. At the end of July, the sector traded on a forward EV / EBITDA multiple of 9.7x, compared to the ASX200 on 10.1x.



Average Values and Trading Multiples (values as at 17/08/2021) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2022	EV/EBIT FY2022	Price / Earnings FY2022
Aged Care	744	7.5x	11.8x	34.5x
Animal Health	160	10.6x	18.2x	19.6x
Biotech	140,608	28.4x	32.7x	42.4x
Hospitals & Clinics	50,371	10.9x	16.5x	22.7x
Healthcare	195,928	11.5x	17.1x	24.6x

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: 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...

*
* * Southern Cross Pharma
*



Value: Not disclosed

Indian pharmaceutical company **Lupin Limited's** Australian Subsidiary, **Generic Health**, has agreed to acquire Australian generic drug firm **Southern Cross Pharma Limited**. As part of the transaction, Generic Health will gain access to over 60 registered difficult-to-develop pharmaceutical products that generate over AUD 30m in sales. The transaction will significantly increase Lupin's value proposition and market share in Australia.

EverlightRadiology



LIVINGBRIDGE

Value: AUD 500 m

Everlight Radiology, an Australia-based teleradiology business, is set to be acquired by Livingbridge. Livingbridge has agreed to buy Intermediate Capital Group's (ICG) stake in Everlight and will own the company along with its management and doctor shareholders.



Value: AUD 400 m

BioAgilytix Labs, a US-based bioanalytical testing laboratory specializing in large molecule bioanalysis, has signed a deal to acquire **360biolab**, an Australia-based provider of laboratory services. 360biolabs is 75% owned by the Burnet Institute, while the remainder of the company is owned by its management.



Value: Not disclosed

Zoetis [NYSE:ZTS], the Parsippany, New Jersey-based animal medicines, vaccines and diagnostic products maker, has signed an agreement to acquire **Jurox**, the Australian provider and manufacturer of livestock and companion animal products.

UNDER THE MICROSCOPE...

- **Avet Health**, an Australian veterinary pharmaceutical business, is planning to list in the 2022 financial year. The IPO is likely to raise around AUD 8m which values the company at AUD 30m.
- **City Fertility**, the Australia IVF and fertility services group, is in the final stage of an acquisition to expand into Western Australia according to an announcement from **Singapore Medical Group** [SGX: 5OT], a Singapore-based healthcare provider.
- **Hektas Ticaret**, a Turkish investment company, has announced that it has started working on taking over **Oyak Sermaye Yatirimlari's** 51% stake in the Australian agricultural seed production company **Agriventis Technologies Limited**. The deal will be based on a USD 6.5m valuation for the target.
- **Ramsay Health Care** [ASX: RHC], an Australia-based hospital operator, could become a takeover target. Ramsay has AUD 4bn (USD 2.9bn) worth of real estate which could make it attractive to risk adverse investors seeking to put funds to work.
- **Australian Pharmaceutical Industries** [ASX: API] decided to reject **Wesfarmers** [ASX: WES] indicative proposal for a full acquisition after concluding that the offer undervalues the company.
- **PolyNovo** [ASX: PNV], **Telix Pharmaceuticals** [ASX: TLX], **Pacific Edge** [NZX: PEB], **Dimerix** [ASX: DXB] and **AdAlta** [ASX: 1AD] could be candidates to raise equity.

UNDER THE MICROSCOPE...

- **Tissue Repair**, a regenerative medicine business, is preparing to list on the ASX and intends to raise AUD 25m (USD 18m).
- **Japara Healthcare** [ASX: JHC] is confident of securing enough shareholder support for **Little Company of Mary Health Care's** (Calvary) revised AUD 1.40 cash per share scheme proposal.
- **Archer Capital** is expected to put **Allity**, an Australia-based aged care provider, up for sale within the next year.
- First round offers for Australian cancer care company **Icon Group** are due in late August. The deal is anticipated to be valued at over AUD 2bn. Potential buyers for the company include **Morrison & Co**, **QIC Limited**, **Brookfield**, **Ramsay Healthcare** [ASX: RHC], Sweden-based **EQT** and **Ontario Teacher Pension Plan**.
- **Community Infrastructure Fund** (CommIF), which is controlled by **AMP Capital**, has acquired a 9.95% stake in the **Royal Adelaide Hospital** (RAH).
- **Vitrafy Life Sciences**, the Australian cryopreservation company, is eyeing an initial public offering in 4Q21. The company recently raised AUD 7.9m (USD 5.8m) from a pre-IPO raise.

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