

VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 30/11/2021) Source: FactSet Research Systems Inc.

Multiples in the Healthcare sector have marginally decreased over the period. At the end of November, the sector traded on a forward EV / EBITDA multiple of 10.2x, compared to the ASX200 on 10.2x.



Average Values and Trading Multiples (values as at 16/12/2021) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2022	EV/EBIT FY2022	Price / Earnings FY2022
Aged Care	694	4.7x	8.5x	23.1x
Animal Health	162	8.1x	12.2x	13.9x
Biotech	140,997	28.5x	33.9x	39.8x
Hospitals & Clinics	51,447	11.8x	23.9x	32.8x
Healthcare	197,473	11.4x	20.3x	28.0x

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.

MERGER & ACQUISITION NEWS...



Value: Not disclosed



QIC Limited, the Australia-based provider of institutional investment management services and **Sunsuper Limited** have acquired **Evolution Healthcare Limited**, an Australia-based operator of medical hospitals from private equity firm **Pacific Equity Partners Limited**.



PACIFIC EQUITY PARTNERS



Value: AUD 1,275.0 m



Ebos Group Limited, a New Zealand-based wholesaler and retailer of pharmaceutical products and supplier of medical products and equipment has agreed to acquire **Lifehealthcare Group Limited**, the Australia-based medical devices distributor from **Pacific Equity Partners**, an Australia-based private equity firm. The transaction provides an exit strategy for PEP and includes a 100% stake in Lifehealthcare's Australia and New Zealand businesses and a 51% stake in Asian subsidiary **Transmedic Limited**.



PACIFIC EQUITY PARTNERS



Value: AUD 68 m



APM Human Services International Limited, an Australia-based company providing employee support software programs and services has entered into an agreement to acquire **Lifecare**, an Australian physiotherapy home care group from **Zenitas Healthcare Limited**.



Value: Not disclosed



M3 Inc has acquired via a European subsidiary, **Ekas Marketing**, an Australian market research provider for healthcare professionals. The acquisition will strength M3's proprietary healthcare panel and further consolidate its position in the APAC market.



Value: AUD 301.3m



Healius Limited has entered into an agreement to acquire Australia-based bioanalytical laboratory **Agilex Biolabs**. Healius views this as a long-term strategic acquisition that provides the company with a platform for growth into the global clinical trials sector and a structurally attractive, higher growth, higher margin adjacency.



Value: AUD 700 m



Not-for-profit aged-care businesses **Bolton Clarke** has entered into an agreement to acquire Australian aged-care service provider **Allity** from private equity firm **Archer Capital**. As a result of the acquisition, Bolton Clarke is now the second-biggest provider of residential aged-care services in Australia. Allity operates 43 nursing care homes in the country and is believed to be generating an annual EBITDA of about 60m.

UNDER THE MICROSCOPE...

- **Virtus Health Limited** [ASX: VRT] has received an unsolicited, non-binding indication of interest of AUD 7.10 per share from **BGH Capital Limited** to acquire 100% of the issued shares of Virtus by way of scheme of arrangement.
- **HBF Health Limited**, has acquired a 10.03% stake in **Pacific Smiles Group** [ASX: PSQ] through the purchase of 16m shares for a consideration of AUD 41.92m.
- **Servatus**, a Queensland-based unlisted public biopharmaceutical company, is assessing funding requirements and options including a private raise or IPO in 2022.
- **AllVascular**, an Australia-based medical devices business, is planning to list on the ASX in 2022. The company closed an AUD 5m (USD 3.5m) private funding round ahead of the potential IPO.
- **Alcolizer Technology**, a privately-held Australian manufacturer of alcohol breath testing and drug test devices, is seeking investors to take its COVID-19 testing solution globally.
- **MedAdvisor** [ASX: MDR], an Australia-based digital medication management company, is likely on the radar of potential buyers but is focused on maintaining growth momentum and building further value
- **Mosh**, an Australia-based men's health platform, is seeking AUD 25m (USD 17m) in a pre-IPO funding round. The raise will give Mosh a pre-money valuation of AUD 90m.
- **Woolworths** [ASX: WOW] is set to begin due diligence on **Australian Pharmaceuticals Industries** [ASX: API] in December. Woolworths is looking to convert its AUD 1.75 per share indicative bid into a binding offer.
- The battle between **Wesfarms** [ASX: WES] and **Woolworths** [ASX: WOW] for **Australian Pharmaceuticals Industries** [ASX: API] has likely put **Chemist Warehouse**, an Australia-based pharmacy business, in play.
- **Quadrant Private Equity** plans to invest AUD 100m (USD 71m) into **CancerCare Partners**, a privately owned, Australia-based cancer care provider. The investment will make Quadrant the largest shareholder in the company.
- **Phalla Pharma Limited** [ASX: PAL] has entered voluntary administration. Phalla Pharma has a market capitalization of about AUD 47m (USD 33.3m).
- **Virtus Health Limited** [ASX: VRT] has decided to scrap the planned AUD 45m (USD 31.9m) acquisition of **Adora Fertility** from **Healius Limited** [ASX: HLS].
- **Inventia Life Sciences**, an Australian advanced 3D cell cultures for research and clinical firm, raised USD 25m in a Series B funding round led by **Blackbird Ventures**.
- **Tender Loving Care**, a privately held Australia-based disability services provider, has been approached by an investor while seeking acquisitions and joint ventures (JV) for its US expansion.
- **Wesfarmers** [ASX: WES] is bound by the truth in takeovers policy to vote against any rival proposal from **Woolworths** [ASX: WOW] for **Australian Pharmaceuticals Industries** [ASX: API], not that it has declared its intention to do so.
- **BGH Capital** will likely seek acquisitions to bulk up the Australian IVF group **Virtus Health** [ASX: VRT], should it succeed in buying the business. BGH Capital has offered AUD 607m (USD 425m) to acquire Virtus.
- **Scale my Clinic**, an Australia-based coaching service for General Practitioners (GPs), is gearing for its first external capital raise in the next 18 months.
- **Perenti Global Ltd.** [ASX:PRN] announced in a statement filed to the Australian Securities Exchange the divestment of **MinAnalytical Laboratory Services Australia Pty Ltd.**, a subsidiary of Perenti, to **ALS Ltd.** [ASX:ALQ].
- **EnGeneIC**, an Australia-based biopharmaceuticals business, is preparing for a Nasdaq listing or trade sale. The company raised funds at a post-money valuation of USD 184m.
- **Harrison.ai**, an Australia-based healthcare AI company, has closed an AUD 129m (USD 92m) funding round. The round was backed by existing investors **Horizons Ventures**, **Blackbird Ventures** and **Skip Capital** and new investor **Sonic Healthcare**.
- **Firebrick Pharma**, an Australian biotech business, is seeking to raise as much as AUD 7m (USD 5m) through an initial public offering on the ASX. It is aiming to issue 35 million shares for AUD 0.20 each.
- **Careteq**, an Australian assisted living technology business, has launched an IPO to raise AUD 6m (USD 4.3m). It is aiming to list with a market capitalization of AUD 24.7m.
- The **Australian Business Growth Fund** (ABFG) has invested AUD 10m (USD 7.2m) for a stake in **Kikada Lane Dental** (KLD), an Australia-based dentistry business.

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