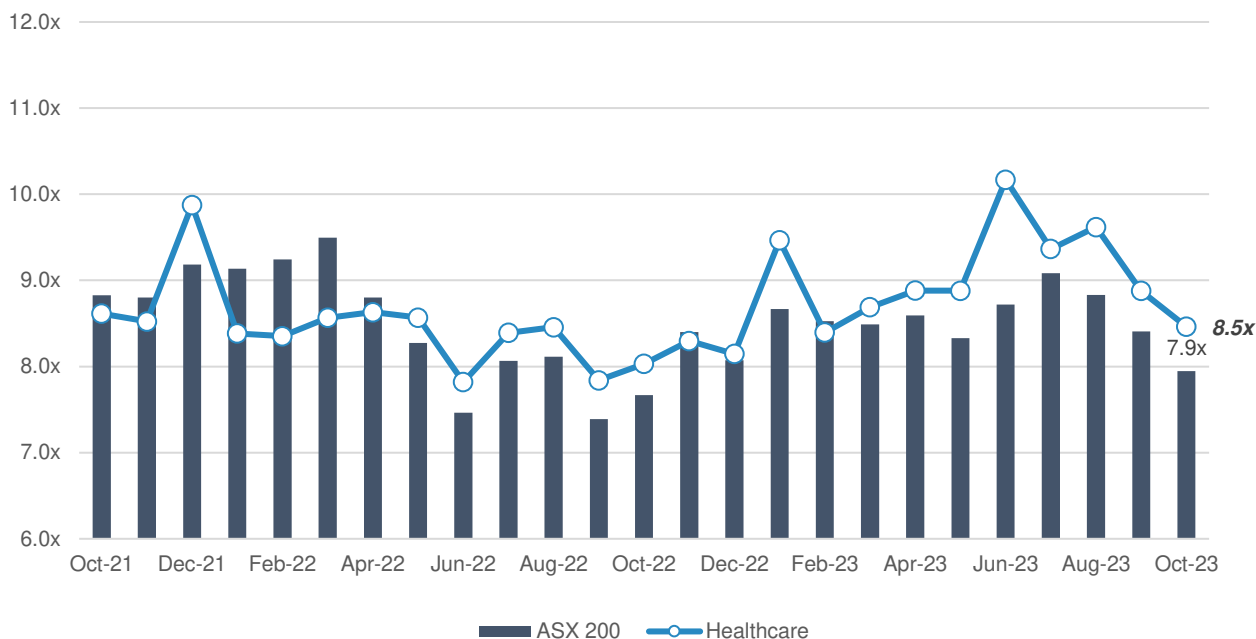


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 31/10/2023) Source: FactSet Research Systems Inc.

Multiples in the Healthcare sector have declined over the period. At the end of October, the sector traded on a forward EV / EBITDA multiple of 8.5x, compared to the ASX200 on 7.9x.



Average Values and Trading Multiples (values as at 31/10/2023) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2024	EV/EBIT FY2024	Price / Earnings FY2024
Aged Care	1,766	8.3x	15.4x	24.9x
Animal Health	142	NA	NA	NA
Biotech	145,241	6.8x	8.8x	28.2x
Hospitals & Clinics	46,799	8.3x	15.9x	21.3x
Medical Devices	16,854	17.5x	21.3x	27.2x
Healthcare	211,090	9.2x	15.2x	22.5x

Note: Multiples are based on the forward year of the unreported period, which for the majority of companies in the sector is FY2023. 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.

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...



C·P·S·M CARE

Aged Care EXCELLENCE

Value: AUD 74.2m

Regis Healthcare, the Australia based residential aged care provider is to acquire **CPSM**, the local residential aged care provider. The consideration was AUD 74.2m.



Value: AUD 44m

Eureka Group Holdings, the Australia based ASX-listed company engaged in providing property asset management services and related services, is to acquire **Ingenia Gardens**, the local senior's rental accommodation, from **Ingenia Communities Group**, the local real estate investment trust - REIT. The consideration was AUD 44m.



24-7
HEALTHCARE

Value: AUD 20m

DoctorSquare, the Australia based a private venture offering patient care services to GP clinics, has acquired **24-7 Healthcare** from **Crescent Capital Partners**. The transaction provides an exit strategy for Crescent Capital Partners.

Crescent
Capital
Partners



pinnacle rehab

Value: Not Disclosed

Crescent Capital Partners Management has acquired **Pinnacle Rehab** from **Allied Health Australia**, the local provider of occupational health and safety rehabilitation services. The terms of the deal were undisclosed.

UNDER THE MICROSCOPE...

- **Wyvern Private Hospital**, a private surgical and rehabilitation hospital currently under construction on Sydney's Northern Beaches, is inviting investors to raise AUD 25m in an equity raise. Almost 80% of the construction of the building is completed. Indicative offers are due by early December, and the pre-money valuation is AUD 18.8m at a price that has been set at AUD 1.25 per share.
- **Medlab Clinical**, an Australian biotechnology company, has entered into an agreement to sell **Medlab IP** and **Medlab Clinical US**. Medlab Clinical has a market cap of AUD 15m.
- **Capitol Health**, an Australia-based diagnostic imaging business, could attract takeover interest as potential suitors turn away from rival **Integral Diagnostics**. Integral's debt is three times its earnings and the leverage makes it a less attractive target for private equity bidders. Capitol Health has previously bid for Integral. However, Capitol, with a market capitalisation of AUD 200m and debt levels of 1.4x operating EBITDA of AUD 40m could itself be a target.
- **Healius**, an Australia-based healthcare provider, could be facing pressure to raise equity or sell assets to reduce its debt. Healius' net debt of AUD 450m has led some to believe that it could be a raising candidate, although others disagree. Some Healius shareholders are thought to have lobbied the company to sell **Agilex Biolabs**, a bioanalytical lab business, which was acquired by Healius in 2021 for AUD 301m and has been a difficult investment for the group. A more extreme move could be the sale of Healius' diagnostic imaging business, or assets within it.
- **Vitura Health**, an Australian medical cannabis and digital health solutions company, could make another acquisition in the digital health space to bolt on to its telehealth platform. The Melbourne-based company, with a market cap of AUD 204m, in October announced the acquisition of Australian digital telehealth platform company, **Doctors on Demand**, in an AUD 25m deal comprising an upfront cash component, a deferred cash component and an equity component. While integrating the Doctors on Demand business is a corporate focus now, the company would like to look at bolt-on opportunities.
- **Ventora Medical**, a private Melbourne-based Australian respiratory medical device developer, is looking to raise up to AUD 5m in early 2024 to accelerate the development of its airway pressure monitor for neonatal patients.

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