Australian Health, Wellbeing & Pharmaceuticals Sector Update

Edison Partners

Q3 2024

EDISON AT A GLANCE

COMPANY OVERVIEW

- Founded in 2006, headquartered in Melbourne, Australia with representative offices in Sydney and Brisbane, Edison Partners is boutique advisory firm providing a range of corporate finance and corporate advisory services to both private and listed businesses in Australia, New Zealand and the Asia Pacific region. Edison's capability in cross border M&A has enabled it to be recognised as one of Australia's leading mid-market cross border transaction advisers with extensive networks, experience and capability across the Asia Pacific region
- Through our industry specialisation, we quickly develop a clear understanding of our clients' business and objectives alongside the current market situation. Whether buying, selling, merging, raising capital or formulating strategy, we always deliver actionable, clear and objective strategic advice that facilitates informed and relevant business decisions

CORE SERVICE LINES

- SELL-SIDE TRANSACTION ADVISORY
- BUY-SIDE TRANSACTION ADVISORY
- STRATEGY & TRANSFORMATION CONSULTING
- GROWTH CAPITAL RAISING
- VALUATIONS
- DEBT CAPITAL ADVISORY

PERFORMANCE

100+
Transactions completed

46
Cross-border transactions

$2.0+ Billion
Total transaction value

OVERVIEW

Australian listed health, wellbeing, and pharmaceuticals markets have remained stable over YTD Aug-24, while M&A activity remains subdued

KEY HIGHLIGHTS

1. Health, Wellbeing & Pharmaceuticals has stayed relatively stable, returning c. 7.6% to YTD August 2024, which tracks slightly above the ASX200 returning c. 6.1% over the same period

2. The underwhelming performance demonstrates the current interest rate environment we live in which is impacting investor confidence in sectors that have been distorted by rising cost pressures, impacting revenue growth, supply chain and reducing margins

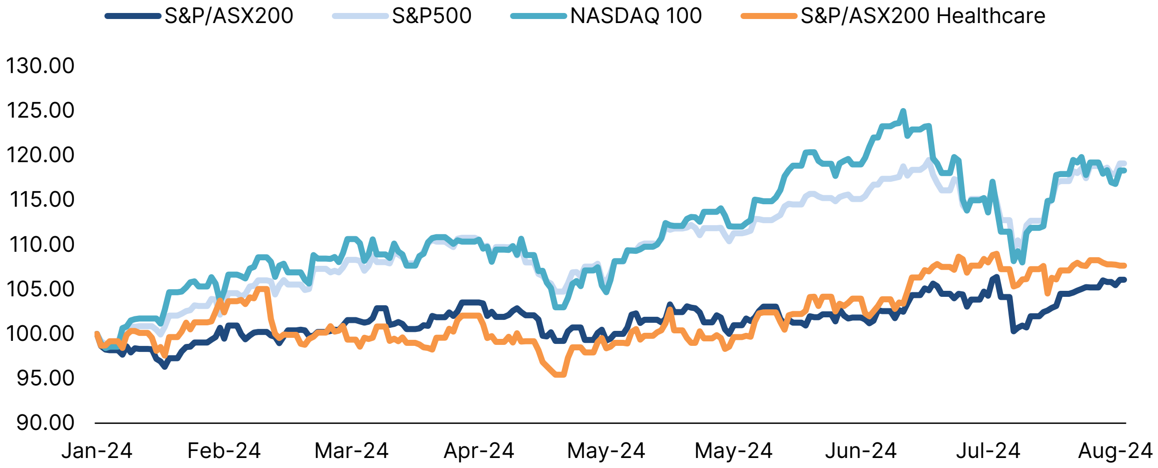
3. IPO activity remains soft, with 3 IPOs in the sector in the last 3 years, due to interest rate uncertainty and the RBA signaling expansionary monetary policy to occur post-Christmas

4. Below-average M&A deal activity has continued in Q3 2024, with only 1 deal closed at an Enterprise Value of A$25m. CY 2024 has seen 15 deals close to date, with a combined Enterprise Value of c. A$1,1bn

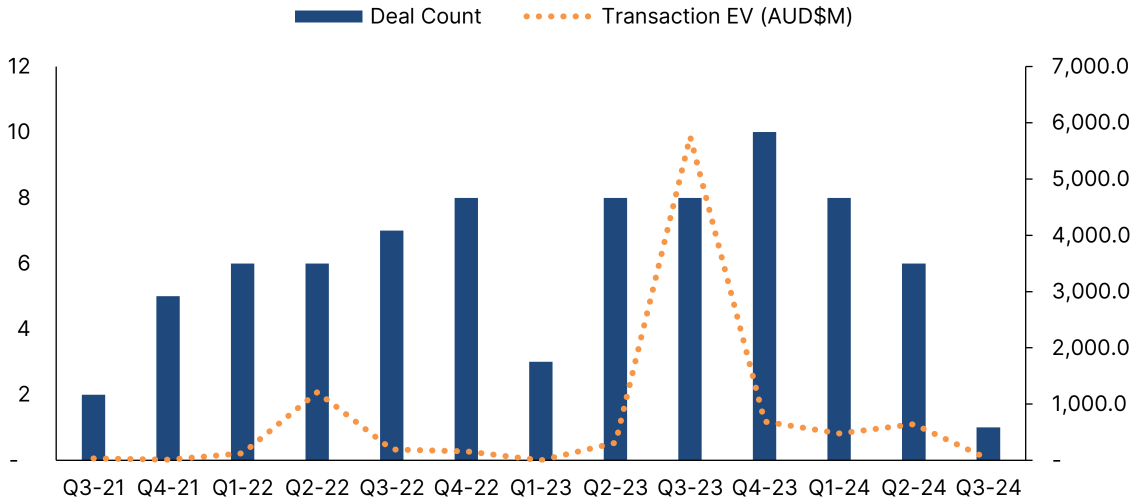
5. Professional investors continue to be more selective with investments in the health sector given the current economic climate, focusing on IP-rich businesses with strong product and scientific formulation

6. Among the observed transactions, key trends are emerging within the health sector, as investors focus on segments including practitioner-only brands, paediatric health, women's health, and digital health

INDEX PERFORMANCE



M&A DEAL COUNT & VALUE



Source: S&P Capital IQ, Company data, Edison Partners research

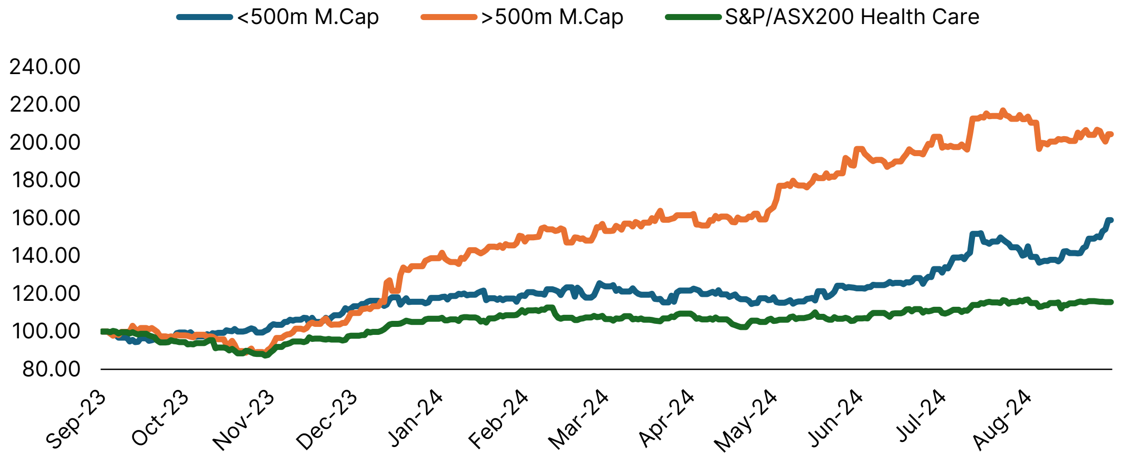
PUBLIC MARKETS

PUBLIC MARKETS - Overview

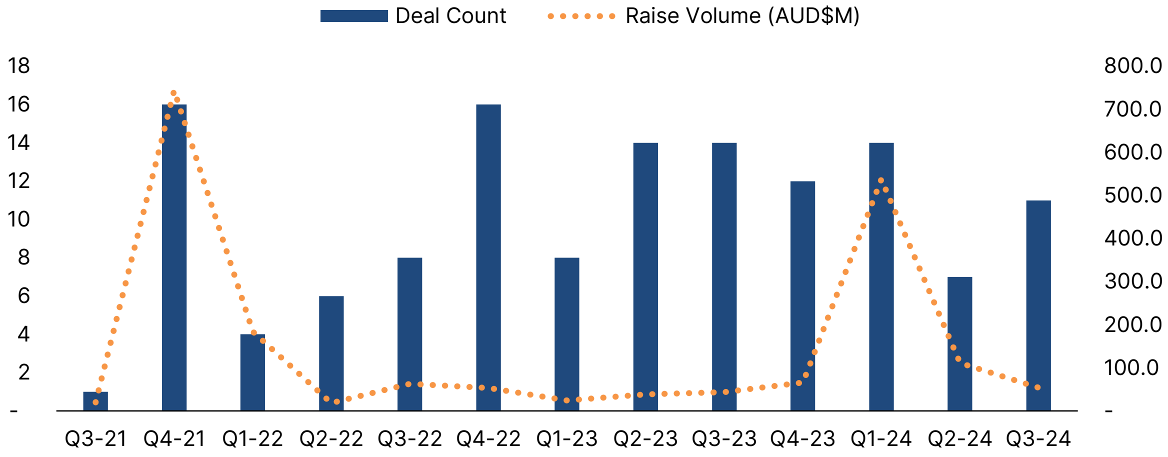
Australian health and wellbeing sector remains stable, led by companies with strong intellectual property

- Players with unique intellectual property have driven positive performance in the healthcare sector. Other players in the industry have experienced weaker performance induced by the current macro environment, which has thinned margins and resulted in lower financial performance
- Healthcare as a sector has performed above the broader Australian listed market, with an increase of 13.9% over 12 months, compared to ASX200 performance of 10.8%
- ECM issuance has stayed relatively high in Q3 CY2024, however, average issuance size has decreased compared to previous periods. This can be attributed to Management's shift in focus on capital management and shareholder returns rather than investing in growth initiatives
- Among the companies securing capital in CY2024, a significant focus was on bolstering balance sheets and increasing cash reserves to navigate market uncertainties

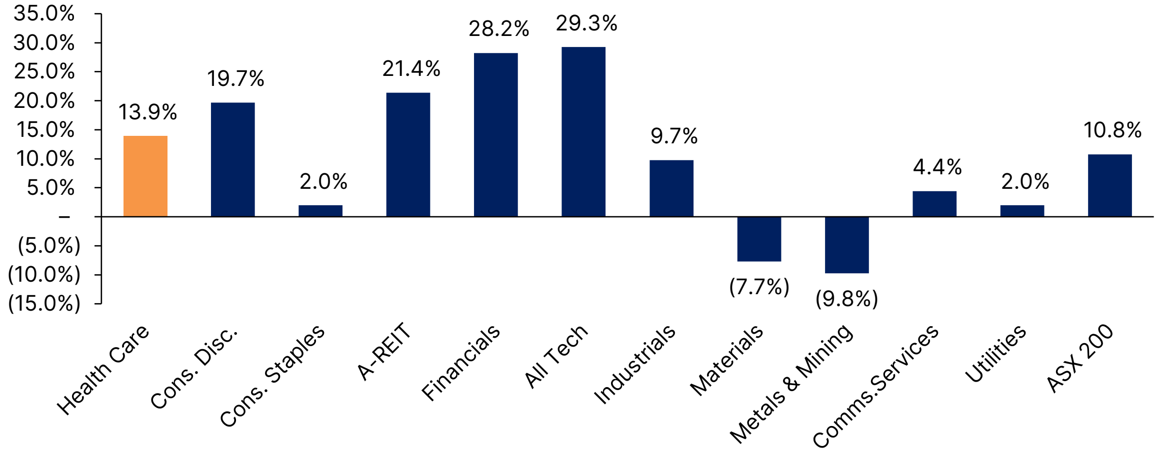
AUSTRALIAN HEALTH CARE PERFORMANCE



AUSTRALIAN CAPITAL RAISING



12 MONTH AUSTRALIAN SECTOR PERFORMANCE



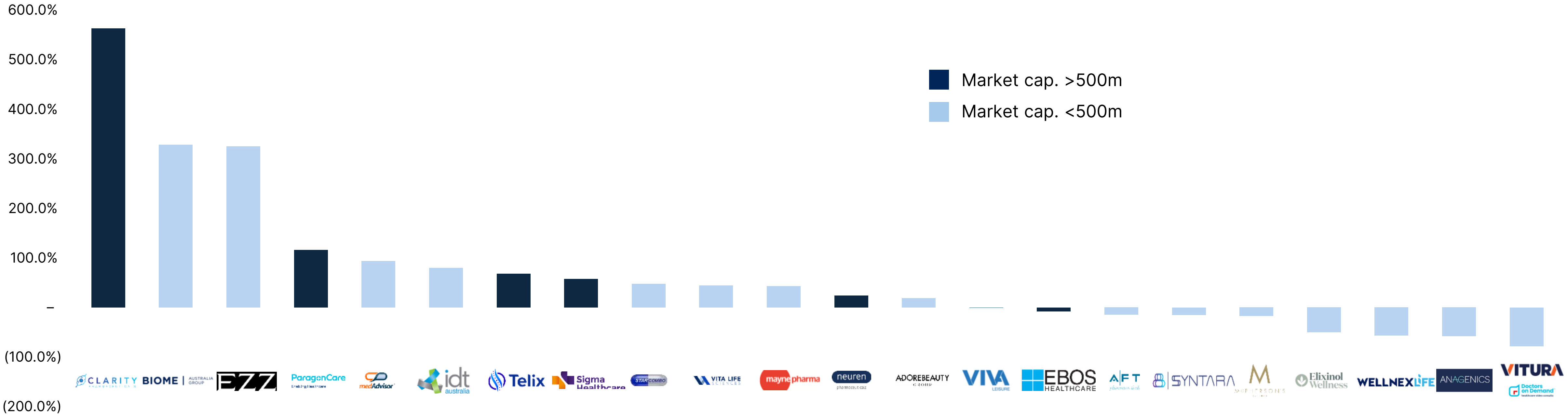
Source: S&P Capital IQ, Company data, Edison Partners research

PUBLIC MARKETS – Largest Movers

Companies with strong IP and future growth prospects were beneficiaries to positive returns in public markets

- Companies that saw significant gains over the past 12 months were those exhibiting prospects for future growth and rich in intellectual property:
  - **Clarity Pharmaceuticals Ltd (ASX: CU6):** A clinical-stage radiopharmaceutical company surged by over 500%, due to positive advancements in its clinical-stage cancer treatments, including promising trial results in prostate cancer and the commencement of pivotal Phase III trials
  - **Biome (ASX: BIO)**: A developer of biotherapeutics and complementary medicine has risen over 300% in the LTM period driven by strong financial results, including an 88% rise in sales revenue and achieving its first quarter of positive EBITDA, driven by successful commercialisation efforts
  - **EZZ Life Science Holdings (ASX: EZZ):** A formulator and manufacturer of health and wellbeing products, has seen share price growth of over 300% driven by attractive financial performance in FY24 with growth in revenue (c. 78%) and EBITDA (c. 111%)
- While companies that saw poor performance over the past 12 months generally comprised of stagnant and softened financial performance driven by the current trading environment:
  - **Vitura Health (ASX: VIT):** A healthcare company providing medicinal and wellness products fell over 78% in the LTM period, driven by a 59% decline in EBITDA
  - **Anagenics Limited (ASX: AN1):** A beauty and health company expanding its global distribution of hair and skincare brands has seen its share price decline by c. 58% due to ongoing challenges in reaching positive EBITDA and uncertainty around business restructuring and financing of operations which has resulted in voluntary suspension of trading
  - **Wellnex Life (ASX: WNX):** A wellness-focused company offering health supplements and over-the-counter medicines saw share price decline of c. 57%, primarily driven by a decline in revenue (c. -39%) and negative EBITDA leading to the company deploying equity offerings

LARGEST 12 MONTH STOCK PRICE MOVEMENTS

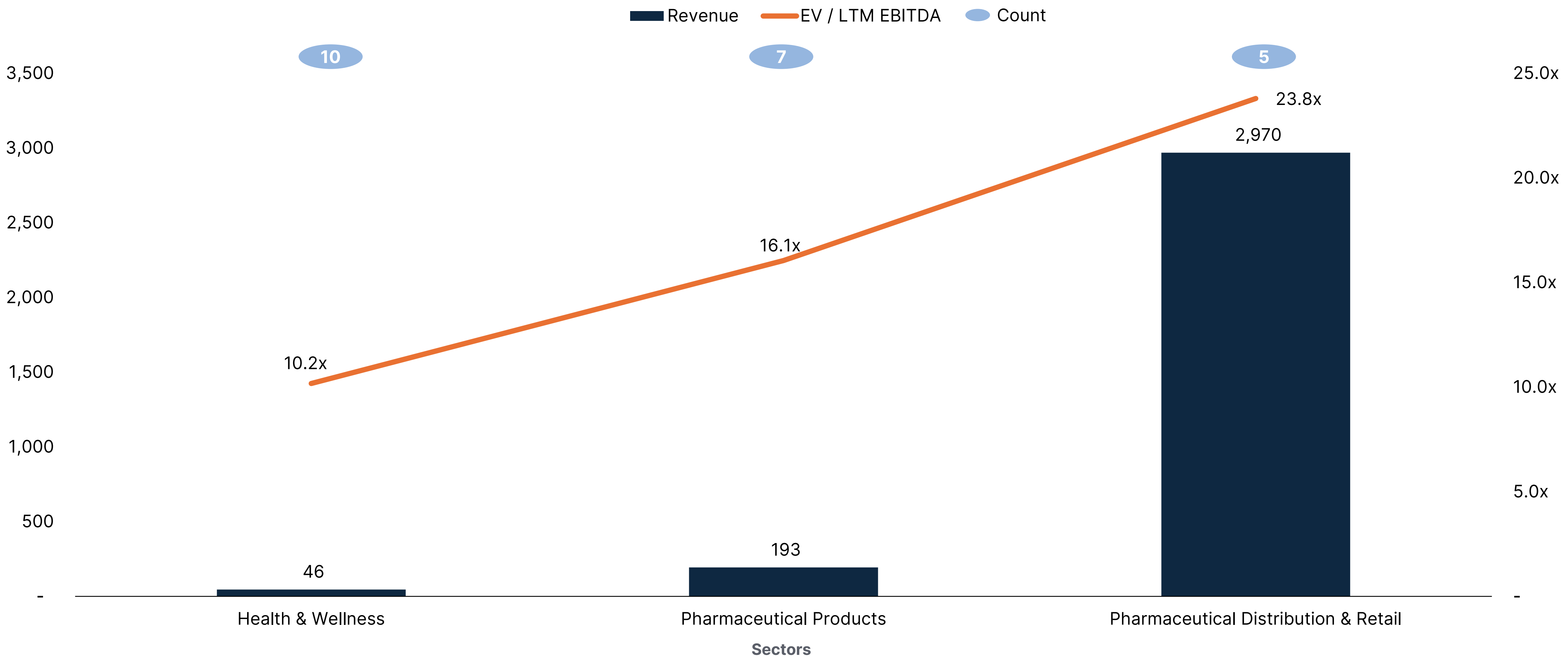


Source: S&P Capital IQ, Company data, Edison Partners research

PUBLIC MARKETS – Valuations

Domestically, investors have placed a valuation premium on pharmacy distribution and retail given their control over the distribution and supply of health & wellness products

AUSTRALIAN HEALTH CARE COMPANIES: Sector x Revenue x EV/LTM EBITDA



Source: S&P Capital IQ, Company data, Edison Partners research

M&A ACTIVITY

M&A ACTIVITY – Overview

Edison

Healthcare investment activity has been elevated by emerging high-growth sectors

- Amid heightened market volatility and rising capital costs, professional investors are increasingly selective with their healthcare investments
- Professional investors have focused on companies that showcase both growth and strong intellectual property, with particular attention on practitioner-only brands, paediatric health, women's health, and digital health

INVESTMENT TRENDS

1 Practitioner-Grade Products (3.4% CAGR between 2022-29)

✓ Increasing demand for high-quality, specialised products prescribed by healthcare professionals is driving acquisitions of niche brands focused on practitioner-grade formulations

✓ Investors are targeting companies with established relationships in the health practitioner network, offering scalable platforms for growth and cross-border expansion

2 Paediatric Health (11.3% CAGR between 2022-27)

✓ Rising demand for child-specific telehealth solutions has driven M&A activity in virtual paediatric healthcare platforms. Investors are focusing on scalable platforms that cater to increasing remote care needs and digital health adoption

✓ Acquisition of specialist paediatric healthcare networks is accelerating, with operators targeting independent clinics to form integrated networks, enhancing service offerings and geographical reach

3 Women's Health (6.3% CAGR between 2022-30)

✓ The growing demand for reproductive and fertility services is fostering M&A in the women's health space, particularly in IVF and hormone therapy clinics, aimed at consolidating market share and expanding access to innovative technologies

✓ Investors are targeting menopause-focused health brands, with opportunities to acquire niche companies providing tailored healthcare solutions for mid-life women, leveraging increasing consumer interest in personalised wellness

4 Digital Health (22.3% CAGR between 2024-30)

✓ Digital health platforms are appealing acquisition targets due to the growing adoption of virtual care solutions post-pandemic. Investors are seeking to invest in technology-driven businesses with scalable models

✓ Companies offering integrated digital health solutions that connect patients to care through telemedicine, wearable technology, and personalised health monitoring are attracting significant interest as they cater to evolving consumer expectations for convenient healthcare access

Source: IBIS World

M&A ACTIVITY – Highlighted transactions

M&A HIGHLIGHT #1 (Nuchev acquisition of BWellness)

$7 Mil	4.3x	VMS	100%	Completed
Enterprise Value	EV / EBITDA	Sub-sector	Transaction Type	Deal Status

Details

- Nuchev has completed a 100% acquisition of BWellness, expanding its product range and market reach within the wellness sector
- Nuchev is a leading provider of premium goat milk-based nutritional products, known for sustainability and high-quality infant nutrition
- BWellness brings a strong product portfolio and established distribution channels across Australia and New Zealand, which Nuchev will now fully leverage
- The acquisition enhances Nuchev's competitive position, allowing for deeper penetration into the health and wellness market
- This deal aligns with Nuchev's strategic goal of expanding its presence in premium nutrition while continuing to drive innovation in sustainable goat milk-based products.

https://bwellness.com.au/

https://nuchev.com.au/

M&A HIGHLIGHT #2 (Paragon Care merger with CH2)

$315 Mil	10.6x	Health Care Distributors	Merger	Completed
Enterprise Value	EV / EBITDA	Sub-sector	Transaction Type	Deal Status

Details

- Paragon Care has merged with Clifford Hallam Healthcare (CH2), creating a stronger player in the healthcare industry
- Paragon Care is a leading supplier of medical equipment, devices, and consumables in the Australian and New Zealand healthcare markets
- CH2 is one of Australia's largest medical distribution companies, specialising in pharmaceuticals, medical consumables, and equipment distribution across hospitals, aged care, and primary care
- The merger will enable the combined entity to offer a broader range of products and services, enhancing their collective supply chain and operational efficiencies

https://www.ch2.net.au/

https://paragoncare.com.au/

M&A HIGHLIGHT #3 (Probiotec acquired by Pyridam Farma)

$317 Mil	9.4x	Specialist Manufacturer	89.7%	Completed
Enterprise Value	EV / EBITDA	Sub-sector	Transaction Type	Deal Status

Details

- Pyridam Farma acquired 100% of Probiotec, marking a significant expansion for the Indonesian pharmaceutical company into the Australian market
- Pyridam Farma is a well-established pharmaceutical manufacturer in Indonesia, known for producing a wide range of health products, including prescription medicines, OTC products, and supplements
- Probiotec is a leading Australian contract manufacturer specializing in pharmaceuticals, over-the-counter (OTC) medicines, and consumer health products

https://probiotec.com.au/

https://pyfa.co.id/pyfa-group/

M&A HIGHLIGHT #4 (Chemist Warehouse merger with Sigma)

c. $8.8 Bn	15.0x	Health Care Distributors	Merger	Announced
Enterprise Value (MergCo)	EV / EBITDA (MergeCo)	Sub-sector	Transaction Type	Deal Status

Details

- Chemist Warehouse and Sigma Healthcare announced their merger, bringing together two of Australia's largest pharmacy networks
- Chemist Warehouse is Australia's leading pharmacy retailer, known for its extensive range of discounted health and beauty products, with over 500 stores nationwide
- Sigma Healthcare is a major pharmaceutical wholesaler and owner of retail pharmacy brands such as Amcal and Guardian, providing services to pharmacies across Australia
- The merger aims to create a stronger, vertically integrated business, combining Chemist Warehouse's retail network with Sigma's wholesale distribution capabilities

https://www.chemistwarehouse.com.au/

https://sigmahealthcare.com.au/

Source: S&P Capital IQ, Company data, Edison Partners research

M&A ACTIVITY – Recent transactions

Acquirer Name	Target Name	Date	Status	Sector	% Acquired	Transaction EV	EV/LTM Rev	EV/LTM EBITDA
ADOREBEAUTY GROUP	iKOU REST . RELAX . RESTORE	28/06/2024	Completed	Personal Care and Beauty Products: Producers	100.0%	25.0	NA	NA
MYND BIOTECH	idt australia	4/06/2024	Announced	Pharmaceuticals	Undisclosed	56.7	4.6x	NM
Homart Group	Thursday Plantation Australia's Original	1/7/2024	Completed	Personal Care Products	100.0%	Undisclosed	NA	NA
nuchev	wellness	20/05/2024	Completed	Health Care Services	100.0%	6.9	0.8x	4.3x
Homart Group	Thompson's	31/5/2024	Completed	Vitamins, Minerals & Supplements	100.0%	Undisclosed	NA	NA
ParagonCare Enabling Healthcare	Paragon Care Limited	1/03/2024	Completed	Health Care Distributors	100.0%	315.1	1.0x	10.6x
Undisclosed Buyer	mayne pharma	15/02/2024	Completed	Pharmaceuticals	5.1%	347.0	1.1x	NM
EBOS HEALTHCARE	CAB MEDICAL	14/02/2024	Completed	Health Care Equipment	100.0%	Undisclosed	NA	NA
arrotex PHARMACEUTICALS	MAKEUP CARTEL BRANDS	1/02/2024	Completed	Personal Care and Beauty Products: Producers	100.0%	Undisclosed	NA	NA
arrotex PHARMACEUTICALS	nudebynature CLEAN NATURAL BEAUTY	1/02/2024	Completed	Personal Care and Beauty Products: Producers	100.0%	Undisclosed	NA	NA
CH2	OBORNE HEALTH SUPPLIES	12/01/2024	Announced	Health Care Distributors	Undisclosed	Undisclosed	NA	NA
PNB Consolidated Pty Limited	sukin	11/01/2024	Completed	Personal Care and Beauty Products: Producers	100.0%	70.0	NA	NA
PYRIDAM FARMA	Probiotec	22/12/2023	Completed	Pharmaceuticals	89.7%	317.2	1.4x	9.4x
CHEMIST WAREHOUSE	Sigma Healthcare	11/12/2023	Announced	Health Care Distributors	Undisclosed	Undisclosed	NA	NA
DKSH	bio-strategy Part of DKSH Group	2/11/2023	Completed	Unclassified	100.0%	17.0	NA	NA
VITURA	Doctors on Demand healthcare video consults	19/10/2023	Completed	Health Care Technology	100.0%	25.0	NA	NA
ANAGENICS	FACE MEDISKIN	22/08/2023	Completed	Other Specialty Retail	100.0%	1.3	NM	NM
MOSH	the healthy Mummy	10/08/2023	Completed	Personal Care and Beauty Products: Producers	100.0%	0.6	NA	NA

Source: S&P Capital IQ, Company data, Edison Partners research

M&A ACTIVITY – Edison advised transactions

EDISON ADVISED HOMART ON THE ACQUISITION OF THOMPSON'S & THURSDAY PLANTATION FROM INTEGRIA RETAIL

Homart Group
Australian Health Supplement / Dairy Products / Skin Care

ACQUIRED

Thursday Plantation® Australia's Original

Master Herbalists Thompson's Estd. New Zealand 1951

Transaction context

Edison became aware of the sale of Integria Retail's brands (Thompson's and Thursday Plantation). The team proactively identified Homart as the ideal natural owner, which eventuated in Edison being engaged as exclusive buy-side advisors to Homart.

Edison articulated Homart's strategic fit and natural ownership credentials, having the potential to realise (i) manufacturing, (ii) distribution and (iii) overheads synergies.

Transaction overview

The transaction was structured as an Asset Sale, which included brand, IP, formulation and other associated assets. Edison ran two transactions in parallel for Thompson's and Thursday Plantation given the specificities of each brands.

Edison also led the negotiation of a 3-month Transitional Services Agreement for Homart's benefit to ensure continuity of the business during a transition phase post completion.

Edison's role & value add

- Define and articulate portfolio strategy for M&A, in preparation for a downstream liquidity event (IPO)
- Sourcing, securing and negotiating the terms of the acquisition for Homart's benefit and board approval
- Managing all aspects of transaction execution (accounting, tax, legal, operational) through to completion

Key highlights:

Speed

Completed both acquisitions process within a 3-month time frame which was in the interest of both parties

Deal execution

Preparing valuation papers, NBIOs, due diligence and legal documents in a timely and effective manner

Price

Winning the deal, not on price alone, but through giving the Sellers reassurance on **Timing**, **Certainty** and **Ease of Transition**

Source: Edison Partners research

APPENDICES

Appendix

Listed Company Data

Trading Comps
Australia Health and Wellbeing with Over AUD$10m Revenue

(AUD$ in Millions Except Per Share and Per Unit Data)

Date: 30/08/2024

Sub-Sector	Company Name	Ticker	Share Price	Shares Outstanding	Market Cap	Enterprise Value (EV)	Debt	Cash	Net Debt	Net Debt / LTM EBITDA	LTM Revenue	LTM EBITDA	LTM EBITDA Margin (%)	LTM Net Income	LTM EPS	P/E	EV / LTM EBITDA	EV / LTM Revenue
Health & Wellness	Biome Australia Limited	ASX:BIO	$ 0.60	215	$ 129.2	$ 127.7	$ 1.3	$ 2.9	($ 1.6)	0.9x	$ 13.0	($ 1.8)	(13.8%)	($ 1.7)	($ 0.01)	NM	NM	9.8x
	Elixinol Wellness Limited	ASX:EXL	0.01	1,321	6.6	6.2	1.2	1.6	(0.4)	0.1x	11.6	(5.3)	(46.1%)	(6.9)	(0.01)	NM	NM	0.5x
	McPherson's Limited	ASX:MCP	0.41	144	58.3	53.2	19.6	24.8	(5.1)	0.9x	144.7	(5.7)	(4.0%)	(16.0)	(0.11)	NM	NM	0.4x
	Star Combo Pharma Limited	ASX:S66	0.14	135	18.9	15.8	4.0	2.2	1.9	1.1x	26.0	1.7	6.6%	0.7	0.01	25.3x	9.1x	0.6x
	Vita Life Sciences Limited	ASX:VLS	2.19	57	123.8	96.4	0.4	27.7	(27.3)	NM	79.2	12.3	15.6%	9.4	0.17	13.2x	7.8x	1.2x
	Wellnex Life Limited	ASX:WNX	0.02	1,402	32.2	42.0	10.7	0.9	9.8	NM	16.9	(6.2)	(36.4%)	(14.7)	(0.01)	NM	NM	2.5x
	Viva Leisure Limited	ASX:VVA	1.41	101	141.9	438.9	319.3	22.3	297.1	8.2x	162.6	36.3	22.3%	3.2	0.03	43.7x	12.1x	2.7x
	Anagenics Limited	ASX:AN1	0.01	461	3.7	2.8	0.8	1.6	(0.9)	0.2x	10.8	(3.6)	(33.7%)	(7.7)	(0.02)	NM	NM	0.3x
	Adore Beauty Group Limited	ASX:ABY	1.15	94	108.1	76.9	1.7	32.9	(31.1)	NM	195.7	2.5	1.3%	2.2	0.02	49.7x	31.0x	0.4x
	EZZ Life Science Holdings Limited	ASX:EZZ	2.66	44	118.1	99.2	0.1	19.0	(18.9)	NM	66.4	9.8	14.7%	7.0	0.16	17.0x	10.2x	1.5x
Median									($ 1.6)	0.9x	$ 26.0	($ 1.8)	(4.0%)	($ 1.7)	($ 0.01)	19.2x	8.5x	0.6x
Mean									($ 6.5)	0.7x	$ 54.9	$ 0.2	(8.3%)	($ 2.9)	$ 0.01	19.2x	8.5x	2.5x
Pharmaceutical Products	Clarity Pharmaceuticals Ltd	ASX:CU6	$ 7.23	315	$ 2,280.1	$ 2,143.6	-	$ 47.9	($ 47.9)	1.1x	$ 11.5	($ 44.6)	(388.0%)	($ 42.3)	($ 0.13)	NM	NM	NM
	IDT Australia Limited	ASX:IDT	0.12	430	49.4	53.0	4.5	0.5	4.0	NM	14.0	(5.1)	(36.6%)	(5.4)	(0.01)	NM	NM	3.8x
	Mayne Pharma Group Limited	ASX:MYX	5.25	81	426.5	316.1	38.8	110.1	(71.2)	NM	388.4	18.7	4.8%	(174.2)	(2.14)	NM	16.9x	0.8x
	Neuren Pharmaceuticals Limited	ASX:NEU	15.59	128	1,992.6	1,779.5	-	2.6	(2.6)	NM	193.3	155.2	80.3%	117.3	0.92	17.0x	11.5x	9.2x
	AFT Pharmaceuticals Limited	ASX:AFP	2.87	105	301.0	376.7	32.2	12.0	20.2	0.8x	195.4	24.6	12.6%	15.6	0.15	19.3x	15.3x	1.9x
	Syntara Limited	ASX:SNT	0.03	1,290	43.9	40.6	NA	NA	NA	NA	19.3	(8.9)	(46.0%)	(11.5)	(0.01)	NM	NM	2.1x
	Telix Pharmaceuticals Limited	ASX:TLX	18.61	335	6,227.7	6,131.0	22.1	118.8	(96.7)	NM	645.7	73.1	11.3%	49.2	0.15	NM	83.8x	9.5x
Median									($ 2.6)	0.9x	$ 106.3	$ 6.8	(15.9%)	($ 8.5)	($ 0.01)	18.1x	15.3x	2.1x
Mean									($ 19.5)	0.9x	$ 137.0	$ 23.3	(62.2%)	($ 16.8)	($ 0.21)	18.1x	14.5x	3.6x
Pharmaceutical Distribution & Retail	EBOS Group Limited	NZSE:EBO	$ 35.00	193	$ 6,770.6	$ 8,290.2	$ 1,643.0	$ 216.9	$ 1,426.1	2.6x	$ 13,189.1	$ 550.0	4.2%	$ 273.1	$ 1.41	24.8x	15.1x	0.6x
	Paragon Care Limited	ASX:PGC	0.41	1,655	678.7	770.9	NA	NA	NA	NA	2,187.3	33.6	1.5%	12.8	0.01	53.0x	22.9x	0.4x
	Sigma Healthcare Limited	ASX:SIG	1.26	1,571	1,978.9	1,760.9	NA	NA	NA	NA	3,322.1	45.8	1.4%	5.3	0.00	NM	38.5x	0.5x
	Vitura Health Limited	ASX:VIT	0.08	576	47.8	47.1	11.0	11.3	(0.3)	NM	123.9	6.5	5.3%	3.3	0.01	14.7x	7.2x	0.4x
	MedAdvisor Limited	ASX:MDR	0.45	551	245.3	242.4	12.6	15.6	(3.0)	NM	122.1	6.9	5.6%	0.8	0.00	NM	35.2x	2.0x
Median									$ 712.9	2.6x	$ 2,754.7	$ 39.7	2.9%	$ 9.1	$ 0.01	24.8x	19.0x	0.5x
Mean									$ 712.9	2.6x	$ 4,705.6	$ 159.0	3.1%	$ 73.6	$ 0.36	30.8x	20.9x	0.5x
Overall Median									($ 1.0)	0.9x	$ 123.9	$ 6.5	1.5%	$ 0.7	$ 0.00	19.3x	15.1x	0.7x
Overall Mean									$ 108.0	1.1x	$ 1,327.9	$ 51.8	(26.8%)	$ 12.0	$ 0.02	23.9x	16.0x	2.3x

Source: S&P Capital IQ, Company data, Edison Partners research

Appendix

M&A Activity

Precedent Transactions (Last 3 Years)
Australian Health, Wellbeing & Pharmaceutical Companies
(AUD$ in Millions Except Per Share and Per Unit Data)

								Operating Metrics		Valuation Multiples	
Acquirer Name	Target Name	Announced Date	Status	Transaction Type	Equity Acquired	Transaction Equity Value	Transaction Enterprise Value	LTM Revenue	LTM EBITDA	EV / LTM Revenue	EV / LTM EBITDA
Adore Beauty Group Limited	iKOU Australia Pty Ltd	28/06/2024	Completed	M&A - Whole	100.0%	20.00	25.00	NA	NA	NA	NA
Flora Growth Corp.	Australian Vaporizers Pty Ltd.	4/06/2024	Completed	M&A - Whole	100.0%	0.99	0.99	NA	NA	NA	NA
Myndbio Pty Ltd	IDT Australia Limited	4/06/2024	Announced	M&A - Whole	NA	52.72	56.69	12.23	-6.06	4.64x	NM
Nuchev Limited	bWellness Pty Ltd	20/05/2024	Completed	M&A - Whole	100.0%	6.17	6.87	9.00	1.60	0.76x	4.29x
ECC Pharm Limited	AusCann Group Holdings Ltd	17/05/2024	Announced	M&A - Whole	NA	NA	NA	1.36	-0.24	NA	NA
Bod Science Limited	Biortica Agrimed Limited	26/04/2024	Announced	M&A - Whole	NA	NA	NA	NA	NA	NA	NA
La Bottega S.P.A.	Vanity Group Pty. Ltd.	8/04/2024	Completed	M&A - Whole	70.0%	NA	NA	NA	NA	NA	NA
Lavender Investments Limited	Group Fourteen holdings Pty Ltd.	28/03/2024	Completed	M&A - Whole	NA	NA	NA	NA	NA	NA	NA
Paragon Care Limited	Paragon Care Limited	1/03/2024	Completed	M&A - Whole	100.0%	193.42	315.05	317.03	29.73	0.99x	10.60x
Undisclosed Buyer	Mayne Pharma Group Limited	15/02/2024	Completed	M&A - Minority	5.1%	419.61	346.96	319.28	-34.51	1.09x	NM
Ebos Medical Devices Australia Pty. Ltd.	CAB Medical Pty Ltd	14/02/2024	Completed	M&A - Whole	100.0%	NA	NA	NA	NA	NA	NA
Elixinol Wellness Limited	Ananda Food Pty Ltd	12/02/2024	Completed	M&A - Whole	100.0%	2.00	3.00	NA	NA	NA	NA
Aurora Cannabis Inc.	Indica Industries Pty Ltd	7/02/2024	Completed	M&A - Whole	90.4%	58.55	58.55	NA	NA	NA	NA
Arrotex Pharmaceuticals Pty Limited	Makeup Cartel Pty Ltd	1/02/2024	Completed	M&A - Whole	100.0%	NA	NA	NA	NA	NA	NA
Arrotex Pharmaceuticals Pty Limited	Nude by Nature Pty Limited	1/02/2024	Completed	M&A - Whole	100.0%	NA	NA	NA	NA	NA	NA
Clifford Hallam Healthcare Pty Limited	Barry Oborne & Associates Pty. Ltd.	12/01/2024	Announced	M&A - Whole	NA	NA	NA	NA	NA	NA	NA
PNB Consolidated Pty Limited	Sukin Australia Pty Ltd.	11/01/2024	Completed	M&A - Whole	100.0%	70.00	70.00	NA	NA	NA	NA
PYFA Australia Pty Ltd	Probiotec Limited	22/12/2023	Completed	M&A - Whole	89.7%	243.97	317.24	221.22	33.65	1.43x	9.43x
Tryptamine Therapeutics Limited	Exopharm Limited	11/12/2023	Completed	M&A - Whole	100.0%	NA	NA	1.18	-2.39	NA	NA
CW Group Holdings Limited	Sigma Healthcare Limited	11/12/2023	Announced	M&A - Whole	NA	NA	NA	3,413.98	56.41	NA	NA
DKSH Holding AG	Bio-Strategy New Zealand/Bio-Strategy Australia	2/11/2023	Completed	M&A - Whole	100.0%	17.20	17.00	NA	NA	NA	NA
Tryp Therapeutics Inc.	Tryptamine Therapeutics Australia Pty Ltd	24/10/2023	Completed	M&A - Whole	100.0%	NA	NA	NA	NA	NA	NA
Vitura Health Limited	Doctors on Demand Pty Ltd	19/10/2023	Completed	M&A - Whole	100.0%	18.75	25.00	NA	NA	NA	NA
Vitura Health Limited	Doctors on Demand Pty Ltd	19/10/2023	Completed	M&A - Minority	NA	NA	NA	NA	NA	NA	NA
Mediquip Pty Ltd	Australia and New Zealand business of Medical Plus Pty Ltd	17/10/2023	Completed	M&A - Asset	100.0%	NA	NA	NA	NA	NA	NA
Arna Pharma Pty Ltd	Mannitol respiratory business of Pharmaxis	3/10/2023	Completed	M&A - Asset	100.0%	NA	NA	NA	NA	NA	NA
Flora Growth Corp.	Australian Vaporizers Pty Ltd.	18/09/2023	Terminated/Withdrawn	M&A - Whole	NA	2.60	2.60	NA	NA	NA	NA
Anagenics Limited	Face Medigroup Retail Pty Ltd	22/08/2023	Completed	M&A - Whole	100.0%	0.35	1.25	0.00	0.00	NM	NM
Hairmop Pty Ltd	The Healthy Mummy Pty Limited	10/08/2023	Completed	M&A - Whole	100.0%	0.59	0.59	NA	NA	NA	NA
Vitality Brands Worldwide Pty Limited	Tribe Skincare Pty Ltd	8/08/2023	Completed	M&A - Whole	100.0%	NA	NA	NA	NA	NA	NA
Investor Group	Bondi Sands Australia Pty Ltd	1/08/2023	Completed	M&A - Whole	100.0%	430.00	430.00	NA	NA	NA	NA
Emyria Limited	Mind Body Consulting Pty Ltd	3/07/2023	Completed	M&A - Whole	100.0%	1.28	1.68	NA	NA	NA	NA
Undisclosed Buyer	Mayne Pharma Group Limited	16/06/2023	Completed	M&A - Minority	5.0%	327.89	233.58	375.56	-78.65	0.62x	NM
Australian Pharmaceutical Industries Limited	InstantScripts Pty Ltd	13/06/2023	Completed	M&A - Whole	100.0%	135.00	135.00	NA	NA	NA	NA
Wellnex Life Limited	Business and assets of Pain Away	25/05/2023	Completed	M&A - Asset	100.0%	NA	NA	12.40	NA	NA	NA
Henry Schein, Inc.	Regional Health Care Group Pty Ltd	7/05/2023	Completed	M&A - Whole	100.0%	NA	NA	57.90	NA	NA	NA
HealthPost Ltd.	Nourished Life/The Good Collective	3/05/2023	Completed	M&A - Whole	100.0%	NA	NA	NA	NA	NA	NA
Kirin Health Science Australia Pty Ltd	Blackmores Limited	27/04/2023	Completed	M&A - Whole	100.0%	1,847.81	1,839.93	645.00	80.15	2.85x	22.96x
Australian Pharmaceutical Industries Limited	SILK Laser Australia Limited	19/04/2023	Completed	M&A - Whole	100.0%	177.96	214.20	97.61	22.17	2.19x	9.66x

Source: S&P Capital IQ, Company data, Edison Partners research

M&A Activity (continued)

Precedent Transactions (Last 3 Years)
Australian Health, Wellbeing & Pharmaceutical Companies
(AUD$ in Millions Except Per Share and Per Unit Data)

								Operating Metrics		Valuation Multiples	
Acquirer Name	Target Name	Announced Date	Status	Transaction Type	Equity Acquired	Transaction Equity Value	Transaction Enterprise Value	LTM Revenue	LTM EBITDA	EV / LTM Revenue	EV / LTM EBITDA
Invion Limited	Next Generation Photodynamic Therapy (NGPDT) of RMW Cho Group Limited	6/04/2023	Announced	M&A - Asset	NA	NA	NA	NA	NA	NA	NA
L'Oréal S.A.	Aesop Retail Pty Ltd	3/04/2023	Completed	M&A - Whole	100.0%	NA	3,765.53	774.38	NA	4.86x	NA
Kevin Murphy Group	Showpony	3/04/2023	Completed	M&A - Whole	100.0%	NA	NA	NA	NA	NA	NA
Undisclosed Buyer	Wholelife Pharmacy Pty Ltd	31/03/2023	Completed	M&A - Whole	51.0%	NA	NA	NA	NA	NA	NA
Private Investor	Cannpal Animal Therapeutics Limited	10/03/2023	Completed	M&A - Whole	52.0%	0.00	0.00	NA	NA	NA	NA
Clifford Hallam Healthcare Pty Ltd	Certain hospital operations and assets of Central Healthcare Services Limited	10/03/2023	Completed	M&A - Asset	100.0%	44.00	44.00	NA	NA	NA	NA
Undisclosed Buyer	Austoyou Group Pty Ltd/Koala Mall Pty Ltd	24/02/2023	Announced	M&A - Asset	NA	NA	NA	NA	NA	NA	NA
PeakBirch Commerce Inc.	8651159 Canada Inc./Kiaro Australia Pty Ltd.	17/01/2023	Announced	M&A - Whole	NA	0.27	0.27	NA	NA	NA	NA
Sativite Pty Ltd	Land and Business assets of Cann Group Limited	23/12/2022	Completed	M&A - Asset	100.0%	NA	NA	NA	NA	NA	NA
Next Capital Pty. Ltd.	Country Care Group	21/12/2022	Completed	M&A - Whole	51.0%	150.00	150.00	NA	NA	NA	NA
Bioxyne Limited	Breathe Life Sciences Pty Ltd	19/12/2022	Completed	M&A - Whole	100.0%	31.98	31.98	NA	NA	NA	NA
Anagenics Limited	Uspa Global Pty. Ltd.	9/12/2022	Completed	M&A - Whole	100.0%	NA	NA	NA	NA	NA	NA
Elixinol Wellness Limited	The Sustainable Nutrition Group Limited	29/11/2022	Completed	M&A - Whole	100.0%	3.79	5.56	3.66	-3.67	1.52x	NM
Frostbland Pty Limited	Alya Skin	14/11/2022	Completed	M&A - Whole	100.0%	NA	NA	NA	NA	NA	NA
BridgeWest, LLC	Sterile injectable manufacturing facility of Pfizer (Perth) Pty Ltd	11/11/2022	Completed	M&A - Asset	100.0%	NA	NA	NA	NA	NA	NA
Strata Manufacturing PJSC	BioCina	2/11/2022	Completed	M&A - Whole	100.0%	NA	NA	NA	NA	NA	NA
Bunzl plc	GRC Surgical Pty Ltd	31/10/2022	Announced	M&A - Whole	NA	NA	NA	NA	NA	NA	NA
TPG Capital, L.P.	iNova Pharmaceuticals (Australia) Pty Limited	28/10/2022	Completed	M&A - Whole	100.0%	NA	NA	NA	NA	NA	NA
Blue Buffalo Pty Ltd	ECS Botanics Pty Ltd	24/10/2022	Completed	M&A - Whole	100.0%	3.00	3.00	NA	NA	NA	NA
AC Newco Pty Ltd	Amarco Enterprises Pty Ltd	23/09/2022	Completed	M&A - Whole	100.0%	NA	NA	NA	NA	NA	NA
Myopharm Limited	Omniblend Innovation Pty Ltd	16/09/2022	Announced	M&A - Whole	NA	NA	NA	NA	NA	NA	NA
Bod Australia Limited	Aqua Phase Ltd	30/08/2022	Completed	M&A - Whole	100.0%	1.70	5.09	NA	NA	NA	NA
Uniphar plc	Orspec Pharma Pty Ltd	30/08/2022	Completed	M&A - Whole	100.0%	NA	NA	NA	NA	NA	NA
Paragon Care Limited	Specialist Medical Supplies Pty Ltd	25/08/2022	Completed	M&A - Whole	100.0%	14.72	16.42	NA	NA	NA	NA
Live Verdure Ltd	The Beauty Apothecary Australia Pty Ltd	24/08/2022	Completed	M&A - Whole	100.0%	0.75	1.00	NA	NA	NA	NA
Ananda Food Pty Ltd	Hemp Food and Wellness Business of ECS Botanics	19/08/2022	Completed	M&A - Asset	100.0%	NA	NA	NA	NA	NA	NA
Creso Pharma Limited	Health House International Limited	29/07/2022	Completed	M&A - Whole	100.0%	0.74	4.11	19.26	-6.63	0.21x	NM
Humble Group AB (publ)	Body Science International Pty Ltd	15/07/2022	Completed	M&A - Whole	100.0%	NA	NA	43.20	8.06	NA	NA
OneLife Botanicals PTY	MediPharm Labs Australia Pty Ltd	11/07/2022	Completed	M&A - Whole	100.0%	7.25	7.25	NA	NA	NA	NA
Quantum Capital Inc.	Loan Base Pty Ltd	30/06/2022	Completed	M&A - Whole	100.0%	NA	NA	NA	NA	NA	NA
Undisclosed Buyer	Vocational Education Business of Quantum Capital Inc	30/06/2022	Completed	M&A - Asset	100.0%	NA	NA	NA	NA	NA	NA
New Image Group, Inc.	Nutrimetics Australia/Nutrimetics New Zealand/Nutrimetics France/Nutrimetics Man	7/06/2022	Completed	M&A - Asset	100.0%	NA	NA	NA	NA	NA	NA
Creso Pharma Limited	Dr Pickles Pty. Ltd.	23/05/2022	Announced	M&A - Whole	NA	NA	NA	NA	NA	NA	NA
Icons Beauty Group	Rauxel Pty Ltd	12/04/2022	Completed	M&A - Whole	100.0%	NA	NA	NA	NA	NA	NA
Pfizer Australia Holdings Pty Limited	ResApp Health Limited	11/04/2022	Completed	M&A - Whole	100.0%	178.82	178.37	3.81	-6.65	46.81x	NM
Aspen Pharmacare Australia Pty Ltd	ENT Technologies Pty Ltd	31/03/2022	Completed	M&A - Whole	100.0%	NA	NA	NA	NA	NA	NA
Ecofibre Limited	New Composite Partners	31/03/2022	Completed	M&A - Whole	100.0%	0.30	0.30	NA	NA	NA	NA
L'Occitane International S.A.	Group Fourteen holdings Pty Ltd.	24/03/2022	Completed	M&A - Minority	32.0%	23.09	23.09	20.41	NA	1.13x	NA
L'Occitane International S.A.	Group Fourteen Operations Pty. Ltd.	24/03/2022	Completed	M&A - Whole	NA	NA	NA	NA	NA	NA	NA
Zelira Therapeutics Limited	Health House International Limited	24/02/2022	Terminated/Withdrawn	M&A - Whole	NA	0.07	3.27	NA	NA	NA	NA
Halo Food Co. Limited	The Healthy Mummy Pty Limited	15/02/2022	Completed	M&A - Whole	100.0%	17.01	22.01	21.00	4.00	1.05x	5.50x

Source: S&P Capital IQ, Company data, Edison Partners research

Appendix

M&A Activity (continued)

Precedent Transactions (Last 3 Years)
Australian Health, Wellbeing & Pharmaceutical Companies
(AUD$ in Millions Except Per Share and Per Unit Data)

								Operating Metrics		Valuation Multiples	
Acquirer Name	Target Name	Announced Date	Status	Transaction Type	Equity Acquired	Transaction Equity Value	Transaction Enterprise Value	LTM Revenue	LTM EBITDA	EV / LTM Revenue	EV / LTM EBITDA
	Reset Mind Sciences Limited	8/02/2022	Announced	M&A - Spinoff or Splitoff	NA	NA	NA	NA	NA	NA	NA
Pacific Equity Partners	Cranky Health Pty Limited	30/01/2022	Completed	M&A - Whole	NA	NA	NA	NA	NA	NA	NA
InnovaDerma PLC	Skinny Tan Pty Ltd.	4/01/2022	Completed	M&A - Minority	4.0%	37.58	37.58	NA	NA	NA	NA
EBOS Medical Devices Australia Pty Ltd	Pacific Health Group Pty Ltd	23/12/2021	Announced	M&A - Whole	NA	NA	NA	NA	NA	NA	NA
EBOS Group Limited	Lifehealthcare Group Limited	9/12/2021	Completed	M&A - Whole	100.0%	1,168.27	1,168.27	NA	NA	NA	NA
Woolworths Group Limited	Australian Pharmaceutical Industries Limited	2/12/2021	Terminated/Withdrawn	M&A - Whole	NA	862.15	1,139.22	NA	NA	NA	NA
Paragon Care Limited	Quantum Health Group Limited	8/11/2021	Completed	M&A - Whole	100.0%	83.62	84.26	55.60	10.31	1.52x	8.18x
Pharm-a-care Laboratories Pty Limited	Nutraceutical business of Medlab Clinical Ltd	20/10/2021	Completed	M&A - Asset	100.0%	NA	NA	NA	NA	NA	NA
Hyloris Pharmaceuticals SA	Global Rights to CRD-102 of Baker Heart and Diabetes Institute	8/10/2021	Completed	M&A - Asset	100.0%	NA	NA	NA	NA	NA	NA
Armitage Associates	Mediquip Pty Ltd	1/10/2021	Completed	M&A - Minority	NA	NA	NA	NA	NA	NA	NA
EBOS Group Limited	Md Solutions Australasia Pty. Ltd.	30/09/2021	Completed	M&A - Whole	100.0%	32.26	32.26	NA	NA	NA	NA
Ecofibre Limited	Trichomia Pty Ltd	30/09/2021	Completed	M&A - Whole	100.0%	0.30	0.30	NA	NA	NA	NA
Sigma Healthcare Limited	Australian Pharmaceutical Industries Limited	27/09/2021	Terminated/Withdrawn	M&A - Whole	NA	798.08	1,075.16	NA	NA	NA	NA
Cellmid Limited	B L C Cosmetics Pty. Ltd.	16/09/2021	Completed	M&A - Whole	100.0%	2.69	3.86	NA	NA	NA	NA
Cronos Australia Limited	Cannabis Doctors Australia Pty Ltd.	14/09/2021	Completed	M&A - Whole	100.0%	5.00	5.00	21.00	NA	0.24x	NA
Epsilon Healthcare Limited	AlternaMed Pty Ltd.	9/09/2021	Announced	M&A - Whole	NA	4.34	4.34	NA	NA	NA	NA

Source: S&P Capital IQ, Company data, Edison Partners research

CONTACT

Shaf Dewani
Managing Partner

M: +61 412 589 649
E: shaf.dewani@edisonpartners.com.au

Arsène Gauvan
Associate Director

M: +61 429 850 297
E: arsene.gauvan@edisonpartners.com.au

Leon Lim
Senior Analyst

M: +61 414 088 316
E: leon.lim@edisonpartners.com.au

Melbourne

Edison Partners Pty Ltd
Level 3, 350 Collins Street
Melbourne, Victoria 3000, Australia
AFSL 506 302

Sydney

Level 17, 9 Castlereagh Street
Sydney, New South Wales 2000, Australia

Brisbane

Opening 2025