

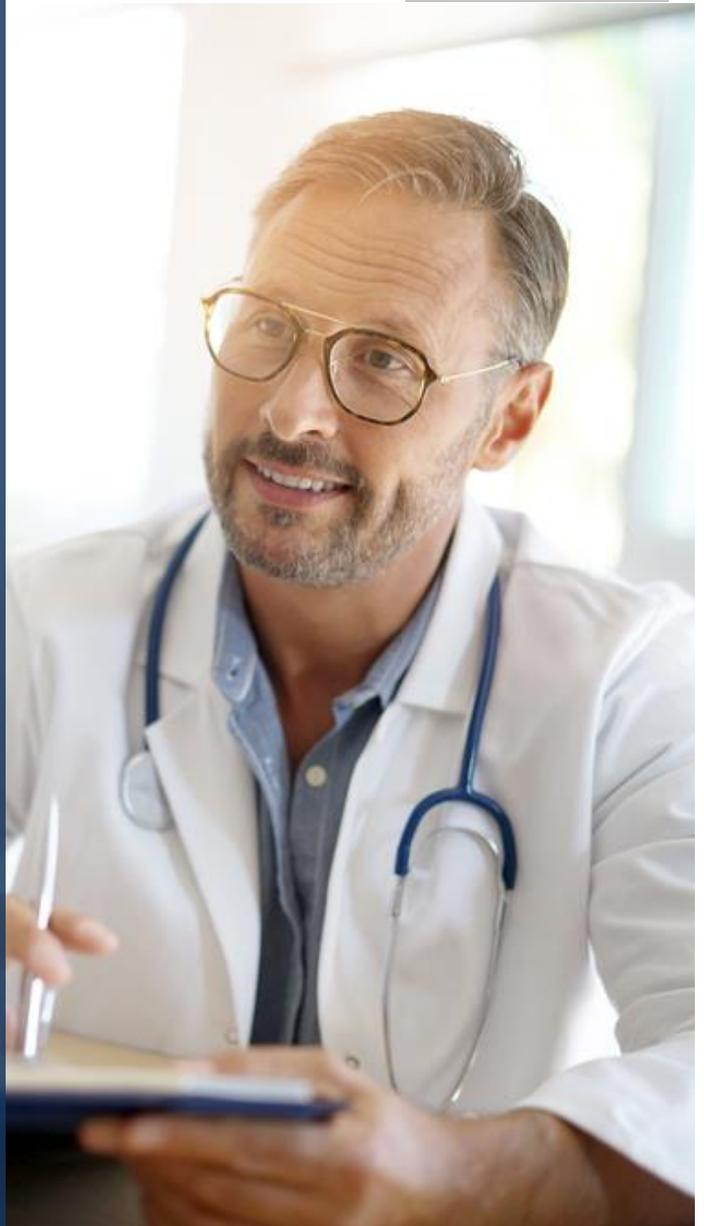
Healthcare Report

Winter 2018

The M&A market in healthcare across Europe remains extremely vibrant, with the potential to create pan-European offerings in specific sub-sectors.

Inside:

- Market drivers influencing the European healthcare market
- M&A activity with particular focus on six vertical markets:
 - Medical equipment and supplies
 - Healthcare assets
 - Dental
 - Veterinary care
 - IVF
 - Pharmaceutical outsourcing



Attractive market

Overview of M&A activity over the past 12 months:



299
completed deals

Sep '17 – Aug '18



24%

of all deals included
financial investors



IVF market offers significant
opportunity for creating
pan-European offering



UK, US & Spain
were the most active acquirers

UK, Germany & Spain
were top target destinations



The M&A market in healthcare across Europe remains extremely vibrant, with global investors attracted by well-entrenched multiples and the potential to create pan-European offerings in specific sectors.

The medical equipment and supplies market continues to lead the way. Recent transactions have seen Nordson Medical Corporation, a US-based manufacturer of non-wovens, incontinence and disposable products, acquire Clada Medical Devices, an Ireland-based balloon catheter manufacturer. And French private equity firm Platina Equity Solutions acquired Cap Vital Santé, a French company producing durable devices for the elderly.

The European healthcare assets market has been particularly attractive to overseas investors, and the trend has continued throughout 2018.

A recent deal saw Belgium investment firm Confinimmo SA

acquire 14 nursing home operators in Germany. Another recent transaction was Primonial Group acquiring a 50% interest in a real estate portfolio in Germany for £1.46bn, a deal which Clearwater International advised on. In the past weeks we have also seen iCON Infrastructure acquire Choice Care Group, the UK provider of specialist care for £153m.

The dental and veterinary services markets are seen as ripe for further consolidation. One of the most active investors in the veterinary market has been UK firm CVS Group and in recent weeks it has made several acquisitions across Europe, including the Netherlands, Ireland and the UK. In the dental market a recent deal saw UK firm BUPA acquire six dental care service providers in the UK.

Meanwhile the pharma outsourcing market has remained buoyant in recent times, typified by the acquisition of UK company Kinapse Ltd by global leader Syneos Health Inc of the US.

We expect to see further consolidation in the untapped areas of IVF, foster care and nursery services across Europe and particularly in the UK, as recently demonstrated by CapVest investing in Core Assets Group in October.

These markets are fragmented and require an investor or trade player to create or use an existing platform to buy and build a sizeable opportunity.

In this report we look at six vertical markets in healthcare in more detail including:

- Medical equipment and supplies
- Healthcare assets
- Dental
- Veterinary care
- IVF
- Pharmaceutical outsourcing



Market drivers

Ageing population and demand for chronic care

Governments across Europe are grappling with growing demand for healthcare services due to ageing societies and increasingly complex care needs. The ageing population is increasing the prevalence of chronic conditions such as cancer, diabetes, cardiovascular, neurovascular and respiratory disease, as well as increasing demand for non-urgent operations such as hip and knee replacements.

There is also a greater role for private sector healthcare provision with the trend of patients increasingly opting for private provision showing no signs of slowing.

The ageing population also drives a shift towards people being cared for in the community, rather than in residential care homes. In the UK Helping Hands, a private pay live-in-care provider, recently received investment from Livingbridge acquiring a 30% stake in the homecare provider, a sign of the future travel of home care.

Despite this, the care homes market has continued to see growth because of the sheer scale of the rise in the ageing population and previous under provision of beds in key European countries.

Rising cost pressures

Many European governments are witnessing downward funding pressure on social care budgets. Yet at the same time the number of hours of care that each patient needs has increased significantly because of the rise in chronic conditions.

Care providers and investors realise the need to support the delivery of high-quality chronic disease management, increasing demand for specific types of care staff. Skills shortages and poor workforce planning by governments have led to rising agency costs. This in turn has caused consolidation in the market due to margin pressures on leading players as governments seek to cut costs in reducing agency use or by putting pressure on tariff fees.

Some agencies have specialised in order to protect margins, such as those which provide specialist nurses, surgeons or expert consultants.

Funding structures

In the UK, reform of the NHS has led to increased opportunities for private providers. Hospital trusts are increasingly looking to the private sector to provide cost-effective and efficient ways of delivering care.

In Germany 90% of the population is covered by statutory health insurance with the remainder privately insured. The introduction of diagnosis-related groups in 2004, a new pricing system for hospital services, has reduced public funding and privatisation of public facilities, therefore spurring consolidation in the hospital market.

Private funding now accounts for almost 30% of total health expenditure in Spain, while the private hospital sector has continued to consolidate. More than 90% of health funding is administered by its' autonomous regions.

France is also seeing further growth in private provision and the Macron Government is expected to further reform the social care market.

Ireland has seen the development of many multi-speciality clinics, where people can access a range of healthcare services and providers. These can be attractive to investors given their long-term government backed leases and steady returns.

Alternative site care

The increasing use of telemedicine and mobile application devices means more patients are being treated via outpatient services or in their own homes.

There has been significant growth in the use of applications which enable patients to store their records and communicate directly with medical staff. Many of these applications operate on a subscription basis whereby a patient pays a monthly fee which allows them to input data onto the provider's platform. For providers the strengthened ties to the applications and the repeat revenues from a subscription model can provide significant growth opportunities. Examples of this include Babylon Health and Push Dr who have both received investment in recent years.

Increased patient choice

With new technology and easier access to information, patients are increasingly aware of the healthcare choices available to them, and about where and how they can be treated. Government reforms have consistently sought to empower patients and promote the role of patient choice in improving services. Healthcare providers are having to adapt business models to meet this changing consumer behaviour.





Medical equipment and supplies

Market drivers

Leading players are turning to consolidation to access technology and global markets in order to maintain their competitive edge.

Driven by the ageing demographic, there remains a huge drive to develop devices that can help both treat age-related conditions and manage chronic diseases.

For instance, the increasing use of robotics in surgery allows doctors to perform many types of complex procedures with more precision and flexibility, whilst 3D printing allows for more bespoke prosthetics. It is hoped the mass adoption of these technologies will help bring down the cost.

Investment thesis

The German market, the third largest in the world behind the US and Japan, is particularly attractive to investors with a strong export base. In 2016, around 70% of German medical device revenues came from exports and made up c.12% of the world's total medical device exports.

We expect to see high and rising R&D expenditure in orthopaedics, cardiology, endoscopy and diabetes.

Trade activity

Ambu (Denmark) acquired Invendo Medical (Germany)

With this acquisition Ambu enters the field of gastrointestinal endoscopy (visualisation of the stomach and intestines) of which there are approximately 70 million procedures annually.

EV: £200.4m, EBITDA: n.a

Gerresheimer AG (Germany) acquired Sensile Medical AG (Switzerland)

Gerresheimer AG provide plastic and glass products to the healthcare industry. Its products include packaging and drug delivery devices, such as inhalers, syringes and injection devices. Sensile Medical AG provides a range of drug delivery and dosage products to the medical market.

EV: £309.9m, EBITDA: n.a

CryoLife (US) acquired JOTEC (Germany)

CryoLife is a leading medical device and tissue processing company focused on cardiac and vascular surgery, while JOTEC develops endovascular stent grafts, and cardiac and vascular surgical grafts focused on aortic repair. The deal creates a company with a broad product portfolio focused on aortic surgery, and will position CryoLife to compete strongly in the important and growing endovascular surgical markets.

EV: £192.1m, EBITDA: n.a

Financial investor activity

GIMV and Mérieux Développement (Belgium) acquired Stiplastics (France) and Arseus Medical (Belgium)

Stiplastics is a specialist in treatment observation, and its range of 'intelligent' pill dispensers make administering and taking medicines easier and safer. The deal allows Stiplastics to continue its development in new territories and products. Clearwater International advised GIMV and Mérieux Développement on the acquisition.

EV: n.a, EBITDA: n.a

Axcel Management A/S (Denmark) acquired Orion Diagnostica Oy (Finland)

Orion Diagnostica Oy manufacture diagnostic tests and test systems, and have operational locations across Europe.

EV: £195.1m, EBITDA: n.a

Nazca Capital SGEIC SA (Spain) acquired Phibo Dental Solutions SL (Spain)

Spain based private equity firm Nazca Capital typically invest between €10m and €35m, and tends to invest in underperforming or operationally distressed businesses. Phibo Dental Solutions manufactures and supplies dental products such as implants and prosthetics.

EV: £10.5m, EBITDA: n.a

Sponsor backed platforms to note:

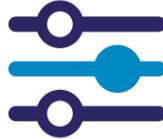
- Sponsor: Duke Street
Company: Medi-Globe
Country: Germany
Revenue: c. £100m
EBITDA: £15m
Invested: Mar 2016
- Sponsor: Kester Capital
Company: Frontier Medical Limited
Country: UK
Revenue: £34.1m
EBITDA: £9.5m
Invested: Dec 2013
- Sponsor: PAI Partners
Company: Atos Medical AB
Country: Sweden
Revenue: £53.8m
EBITDA: £27.8m
Invested: May 2016

In numbers



18%

of deals included financial investors



Multiple range

low to high double digit multiples, dependent on scale or IP access



95

deals worth £1.6bn*

Trade targets



24.4%

Germany



19.2%

UK



10.3%

France

Trade acquirers



16.7%

US



11.5%

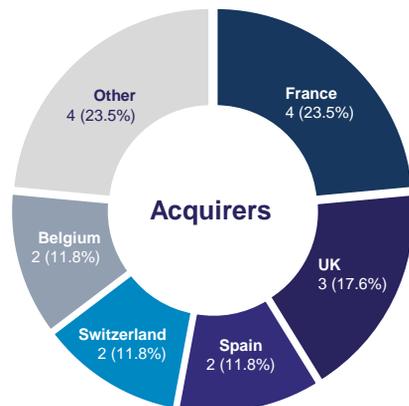
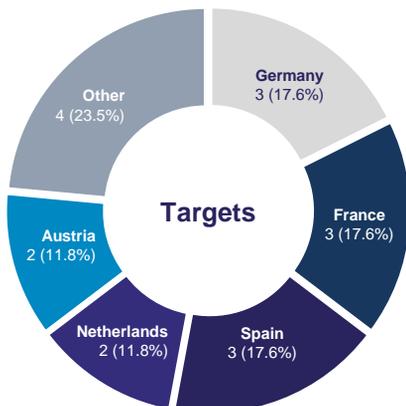
France



10.3%

UK

Financial investor deals



* Not all deal values were disclosed



Healthcare assets

Market drivers

The residential care home market continues to see growth because of the ageing population whilst real estate investment trusts (REITs) are increasingly moving into healthcare markets, such as specialist care.

The Brexit vote and the resulting fall in the value of the pound, potentially makes healthcare assets in the UK attractive to overseas investors from a foreign exchange perspective.

Investment thesis

In the US there has been a heavy presence in the care home market from REITs for some years. These are now looking to invest in fragmented healthcare markets across Europe.

Infrastructure funds investing in companies are seeking to acquire long-term cashflow businesses with high quality freehold estates and high occupancy rates. For example, AMP Capital (Regard Partnership) and Impact Healthcare REIT have both made acquisitions in the space recently in mental health and learning difficulties, and special educational needs, respectively.

Infrastructure funds (IFs) have different hurdle rates and return models to traditional investor funds like private equity/sponsors who link their returns to a 3-5 year exit horizon. IFs have a longer horizon of 15+ years.

Trade activity

Advinia Health Care Limited (UK) acquired 22 homes from BUPA (UK)

UK-based Advinia Health Care has increased its offering by adding a further 22 homes to its portfolio. Interestingly, BUPA still remains one of the biggest aged care providers in the UK with around 100 care homes, despite selling over 100 homes in 2017 to major rival HC-One.

Like other large care home groups, BUPA has been looking to offload some of its portfolio as it grapples with cuts to government funding for the elderly.
EV: n.a, EBITDA: n.a

Korian SA (France) acquired CliniDom SAS (France)

Korian SA is a leading provider of care in France with around 740 facilities in operation currently. This deal strengthens Korian's operations with a variety of different care solutions.
EV: n.a, EBITDA: n.a

Financial investor activity

Fremont Realty Capital (US) acquired Porthaven Care Homes (UK)

Porthaven comprises of 14 care homes and two development sites across England. During a six-year investment period with Phoenix Equity Partners, Porthaven has increased its number of homes five-fold through an organic rollout plan.
EV: n.a, EBITDA: n.a

Nordic Capital (Sweden) acquired Alloheim Senioren-Residenzen (Germany)

Alloheim is the second largest private German care home operator with 20,000 residents and was a pioneer in the German market opening its first home in 1973. Nordic Capital is an established healthcare investor and plans to invest further expanding the facilities and services offered by Alloheim.
EV: c.£968.1m, EBITDA: 12.5x

AMP Capital Partners (Australia) acquired The Regard Partnership (UK)

The Regard Group is the fourth-largest specialist care provider in the UK providing a range of services to those with learning disabilities and mental health needs including residential care, supported living, and day resource centres.
EV: c.£365m, EBITDA: 14.5x

Primonial Group (France) acquired a portfolio of healthcare properties (Germany)

Primonial Group is a French real estate investment management company. With this acquisition Primonial Group has acquired a 50% interest in a real estate portfolio in Germany of 71 healthcare assets, almost exclusively private rehab clinics, totalling 13,200 beds and spread over 13 federal states.
EV: c.£1.46bn, EBITDA: n.a

Sponsor backed platforms to note:

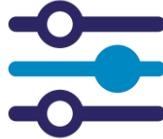
- Sponsor: Safanad Inc
Company: HC-One
Country: UK
Revenue: £375m
EBITDA: £55.3m
Invested: Nov 2014
- Sponsor: Duke Street
Company: Voyage Care
Country: UK
Revenue: £229m
EBITDA: £36.5m
Invested: Aug 2014
- Sponsor: OMERS
Company: Lifeways
Community Care
Country: UK
Revenue: £230.1m
EBITDA: £19.6m
Invested: Jun 2012
- Sponsor: Stage Capital
Company: Horizon Care
Country: UK
Revenue: c.£21.4m
EBITDA: £2.3m
Invested: Feb 2012

In numbers



40%

of deals included financial investors



Multiple range

Low to middle double digit multiples



95

deals worth £3.4bn*

Trade targets



22.8%

UK



19.3%

Finland



15.8%

Spain

Trade acquirers



22.8%

UK



17.5%

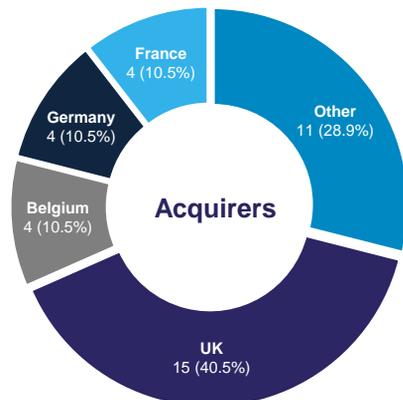
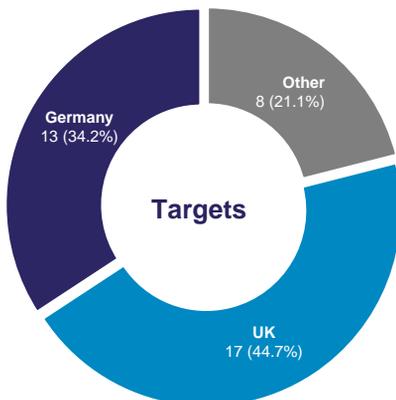
Finland



15.8%

Spain

Financial investor deals



* Not all deal values were disclosed



Dental

Market drivers

The sector across Europe remains highly fragmented and presents a significant investment opportunity for financial investor firms and strategic buyers from adjacent healthcare sectors.

In the UK a new NHS contract is due to be in place by the end of 2019. This is expected to provide more predictable incomes for practices through a greater emphasis on remuneration through capitation.

High barriers to entry provide opportunities for continued consolidation and growth for established players.

In Germany, the market is highly fragmented. A regulatory change in 2015 allowed outpatient service providers to offer single specialisms, making it easier for dental practices to amalgamate into groups.

Investment thesis

Further consolidation of the market is likely in most western European countries. The market is being specifically targeted by financial investor firms and is attractive to possible pan-European players.

Trade activity

Colosseum Dental Group (Norway) acquired Oral Hammaslääkärit (Finland)

Oral is the leading Finnish private dentistry chain with 63 clinics. The deal gives the enlarged Colosseum Group sales of around £266m from 200 clinics across Scandinavia, the UK, Switzerland and Italy as it seeks to build a leading pan-European dentistry group.

EV: n.a, EBITDA: n.a

Portman Healthcare Limited (UK) acquired Watson Dental Ltd (UK)

Portman Healthcare is one of the leading dental care providers in the UK and has been growing rapidly by organic and acquisition growth since it was acquired by private equity firm Livingbridge, which recently sold the business to Core Equity (see right).

EV: n.a, EBITDA: n.a

Financial investor activity

Nordic Capital (Sweden) acquired three dental clinic companies from Hesira (Switzerland/Netherlands)

Nordic Capital acquired Dental Clinics Nederland and TopOrtho, consisting of 88 clinics in the Netherlands, and Adent Cliniques Dentaires Groupe, a 22-site operator in Switzerland, from Oaktree Capital. Nordic also bought Germany's largest dental laboratory owner, DPH Dental Partner Holding, and SFE Beteiligungsgesellschaft, owner of six clinics in Cologne that operate under the Zahnstation brand. Nordic Capital is creating a leading pan-European dental group and will pursue further acquisitions.

EV: c.£372.7m, EBITDA: c.16x

EQT Partners AB (Sweden) acquired Curaeos B.V. (Netherlands)

Curaeos is a major dental care provider based in the Netherlands. Its patient base covers over 1 million customers through its pan-European network of more than 220 clinics.

EV: n.a., EBITDA: c.20x

CBPE Capital (UK) acquired Rodericks Dental (UK)

Rodericks is a leading provider of NHS, private and specialist dental services and owns 71 practices in England and Wales. CBPE has invested in the business as part of plans to increase the number of practices and broaden the range of dental services offered.

EV: n.a, EBITDA: n.a

Core Equity (Belgium) acquired Portman Dental (UK)

Belgium-based private equity firm Core Equity has bought UK based dental chains operator Portman Dental. Portman has grown rapidly under the previous ownership of Livingbridge and it now operates over 80 dental chains across the UK, a sharp rise from the 27 practices it operated in 2014.

EV: c.£300m, EBITDA: n.a

Sponsor backed platforms to note:

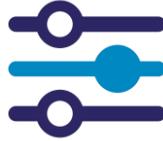
- Sponsor: CBPE
Company: Rodericks Dental
Country: UK
Revenue: £51m
EBITDA: £5m
Invested: Sept 2017
- Sponsor: Nordic Capital
Company: Three dental clinics of Hesira Group
Country: Netherlands
Revenue: £116.5m
EBITDA: £21.5m
Invested: Feb 2018
- Sponsor: Jacobs Holding
Company: Colosseum Dental Group
Country: Norway
Revenue: £102.4m
EBITDA: £8.7m
Invested: Jan 2017
- Sponsor: EQT
Company: Curaeos B.V.
Country: Netherlands
Revenue: £75.3m
EBITDA: n.a.
Investment: Oct 2017

In numbers



31%

of deals included financial investors



Multiple range

Low to middle double digit multiples dependent on scale



39

deals worth £685m*

Trade targets



37%

UK



25.9%

Spain



7.4%

Finland

Trade acquirers



37%

UK



22.2%

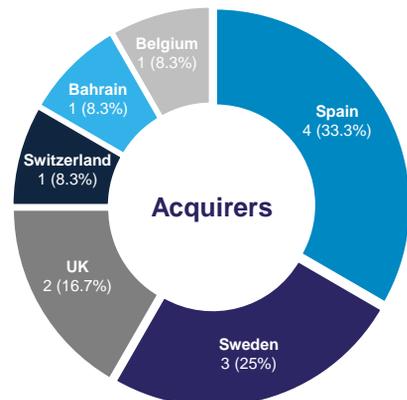
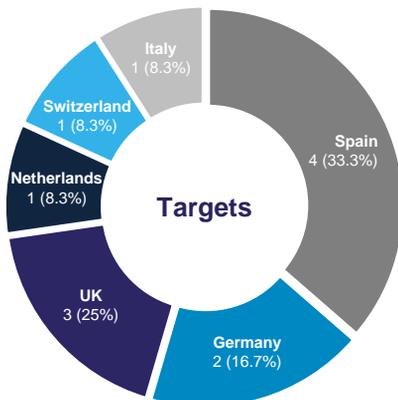
Spain



7.4%

Switzerland

Financial investor deals



* Not all deal values were disclosed



Veterinary care

Market drivers

The global animal health market, which includes commercial animal and companion animal products, is experiencing significant growth driven by increasing demand for commercial animal vaccines (to mitigate the risk of disease in livestock) and a significant increase in pet ownership.

The global pet care market reached sales of c.£81.58bn in 2017¹ and the animal health market is forecast to grow at a CAGR of 3% until 2020².

Animal pharma is less heavily regulated than the human pharma market and so is attractive to large pharma companies and other investors. Animal health products have a much shorter time to market, meaning there is less pipeline risk for new products compared to human pharma.

Investment thesis

With pet companionship on the rise the market is attractive to both financial investors and strategic buyers which are consolidating the market.

Some players have diversified into areas such as pet crematoriums, online pharmacies, shops, laboratories, out of hours surgeries and vet locum agencies.

Private equity firms are looking to pursue buy and build strategies driving high levels of M&A. For instance, the UK market is dominated by sizeable corporate players including Pets at Home, Independent Vets, CVS and Linnaeus Group.

Evidensia and IVC have created a pan-European platform after merging in 2017. The merger creates a business with around 500 clinics across eight countries.

Trade activity

Mars Petcare US Inc (US) acquired Linnaeus Group (UK) and Anicura AB (Sweden)

Linnaeus Group is a specialist veterinary group for small animals. The Linnaeus Group was established following Sovereign's 2014 platform investment in Willows Veterinary Centre and Referral Service. Since then the group has made many acquisitions, diversified its offering and expanded its geographic reach across England.

The Group, which now has over 50 sites, offers a breadth of services including: orthopaedics, ophthalmology, neurology, soft tissue surgery, internal medicine, oncology, dermatology and cardiology. This acquisition further increases the growth of Mars Petcare, which has also recently agreed a deal to acquire major Sweden-based vet care business AniCura AB. These deals together give Mars Petcare a major presence in Europe.
EV: n.a, EBITDA: n.a

VetPartners UK Holdings Ltd (UK) acquired Origin Group (UK)

VetPartners, the UK-based provider of animal care services, acquired the Origin Group which operates in the UK and provides services to a range of animals. It focuses mainly on farm animals such as pigs, poultry and ruminants. VetPartners has itself recently been acquired by BC Partners (see below).
EV: n.a, EBITDA: n.a

Financial investor activity

BC Partners (UK) acquired VetPartners UK Holdings Ltd (UK)

BC Partners, backed by Ares Management, acquired one of the UK's largest veterinary services providers, VetPartners UK. VetPartners operates through 260 sites, offering small animal, equine and farm animal care services and has completed two acquisitions this year.
EV: £700m, EBITDA: n.a

Sponsor backed platforms to note:

- Sponsor: Inflexion
Company: Medivet
Country: UK
Revenue: £88.5m
EBITDA: £12.2m
Invested: Feb 2017
- Sponsor: BC Partners
Company: VetPartners
Country: UK
Revenue: £700m
EBITDA: n.a
Invested: Aug 2018

1: Euromonitor, 2: Vetnosis

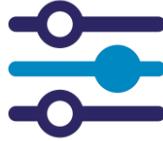


In numbers



7%

of deals included
financial investors



Multiple range

low double digit multiples
dependant on scale



27

majority of deal
values not disclosed

Trade targets



64%

Finland



12%

Netherlands



8%

Ireland

Trade acquirers



80%

UK



8%

US



4%

Finland



* Not all deal values were disclosed

IVF

Market drivers

Demand for IVF services has risen significantly due to rising rates of infertility, delayed family planning and changing work/life styles.

Against the backdrop of constrained government budgets, we have seen increasing take-up of private treatment. In the UK, research by Fertility Fairness has found that 87% of CCGs (Clinical Commissioning Groups) do not offer the recommended three cycles of IVF treatment to women under 40, so more women are seeking private treatment. A recent BBC report showed women over 34 are being refused IVF treatment in certain clinical commissioning groups. Some CCGs offer no funded IVF treatment at all such as Herts Valley, Cambridgeshire and Peterborough, Croydon, South Norfolk, Basildon and Brentwood, mid-Essex and North East Essex.

Investment thesis

The global IVF market is expected to reach £13.8bn by 2020¹, mainly driven by the rising rate of infertility. The market is also being driven by medical tourism with developing economies increasingly offering couples advanced treatments at more favourable costs to those in the West.

The market is fragmented and requires consolidation, thereby creating a significant opportunity to grow a pan-European IVF clinic.

Trade activity

Virtus Health (Australia) acquired Complete Fertility (UK), Sims Clinic (Ireland) and Fertilitetsklinikken Trianglen Aps (Denmark)

Virtus Health is Australia's largest assisted reproductive services provider. These deals support the international growth strategy that has been set in place by the board of Virtus Health. The acquisition of Complete Fertility will enable Virtus to provide fertility treatments to both NHS and private patients in the UK.

Complete fertility

EV: £5.6m
EBITDA: 7x

Sims Clinic

EV: £4.3m
EBITDA: n.a

Fertilitetsklinikken Trianglen Aps

EV: £24m
EBITDA: n.a

Sponsor backed platforms to note:

- Sponsor: Bowmark
Company: Care Fertility
Country: UK
Revenue: £29.9m
EBITDA: £3.6m
Date invested: Jun 2016
- Sponsor: White Cloud
Company: The Fertility Partnership
Country: UK
Revenue: c.£21.6m
EBITDA: c.£5.7m
Date invested: Nov 2013
- Sponsor: CBPE
Company: ARGIC
Country: UK
Revenue: £25.4m
EBITDA: £10.3m
Date invested: May 2012

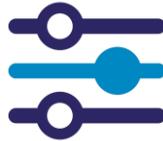
1: Allied Market Research

In numbers



8%

of deals included
financial investors



Multiple range

High single digit multiples
based on small sample of
recent transactions



12

deals worth £37.1m*

Trade targets



27.3%
Spain



18.2%
Switzerland



9.1%
UK

Trade acquirers



27.3%
Spain



27.3%
Germany



27.3%
Australia



* Not all deal values were disclosed



Pharmaceutical outsourcing

Market drivers

Large pharma companies are under pressure from investors due to rising competition from generics and eroding top-line figures. Over the past year some 60% of deals in the pharma segment have been focused on boosting drug pipelines of large pharma companies.

Pharma and biotech companies are shifting their R&D focus to niche drugs based on personalised therapies.

Particular segments are seeing very strong dealflow, such as the recent consolidation within the outsourcing services market. Major CRO (Contract Research Organisation) players have started to outsource some services such as their patient recruitment services.

Future-proofing clinical trials will bring drugs to market faster, by the convergence of real-world evidence (RWE) and clinical data. RWE will help with early pricing strategy and designing the Phase III trial, as well as determine product positioning and shape the market. We will continue to see RWE interest from CROs.

Investment thesis

To recover loss in revenue due to patent expiry of blockbuster drugs, large pharma companies are acquiring companies with promising drug pipelines. Trade buyers remain the most active buyers with a lot of cash to invest.

With more generics entering the market, and consolidation of drug distribution channels, the generics sector is impacted by pricing pressure. To protect profits many businesses are consolidating to add scale, and reach and achieve cost savings.

Increasing R&D expenditure is driving the global CRO market which is expected to reach £40.7bn by 2023, a rise from £28.3bn in 2018, demonstrating a CAGR of 7.6%¹.

Despite the expected market growth, it has been suggested that the CRO industry may be starting to mature, driven by slowing revenue growth, a reduction in the number of CRO businesses, and fewer new customers to the market. However many smaller CRO's which are more nimble, are

concentrating on seeking small to medium-sized biopharma customers, focussed on biological and rare disease based molecules.

Trade activity

Covance (US) acquired Chiltern International (UK)

LabCorp® is a leading US life sciences company and Chiltern now becomes part of the company's Covance drug development business. The acquisition creates a market-leading CRO, with more than 20,000 employees around the world. EV: £910.5m, EBITDA: 12.6x

Spectris (UK) acquired Concept Life Sciences (UK)

Concept Life Sciences, a drug discovery, development and analytical services company, was acquired by instrumentation and controls business Spectris. EV: £163m, EBITDA: 17.5x

Eurofins Scientific (Luxembourg) acquired Amatsigroup (France)

Eurofins Scientific is a leader in bi-pharmaceutical products testing and genomic services, and Amatsigroup is a leading international contract development and manufacturing organisation (CDMO) providing pre-clinical and clinical phase services for the development of drugs. EV: £150.3m, EBITDA: n.a

Financial investor activity

Pamplona Capital Management (UK) acquired PAREXEL International Corporation (US)

PAREXEL is a biopharmaceutical outsourcing services company providing clinical research services. Pamplona Capital Management is a UK based investment firm. EV: £4.2bn, EBITDA: 14.6x

Phoenix / SygnatureEquity Partners (UK) acquired Sygnature Discovery Limited (UK)

Phoenix Equity Partners is a private equity firm based in the UK which invests primarily in private medium sized UK companies. Sygnature Discovery Limited is a UK based provider of integrated drug discovery services. The investment from Phoenix will enable the company to continue on its growth and development strategy. ^{1: MarketsandMarkets}

Sponsor backed platforms to note:

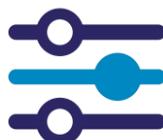
- Sponsor: LDC
Company: Fishawack
Country: UK
Revenue: £35.3m
EBITDA: £3.8m
Date invested: Jan 2017
- Sponsor: AUCTUS Capital Partners
Company: Pharmalex
Country: Germany
Revenue: £27.8m
EBITDA: £4m
Date invested: Oct 2015
- Sponsor: Deutsche Private Equity
Company: PharmaZell GmbH
Country: Germany
Revenue: £75.4m
EBITDA: n.a.
Date invested: Dec 2013

In numbers



6%

of deals included
financial investors



Multiple range

Low to high double digit
dependent on IP and know
how



31

deals worth £1.3bn*

Trade targets



37.9%

UK



13.8%

Germany



10.3%

France

Trade acquirers



34.5%

US



17.2%

UK



10.3%

Luxembourg



* Not all deal values were disclosed

Recent transactions



SIS group
sold
Crèches de France
to
Crèche Attitude groupe sodinó

Sell-side
Undisclosed



PRIMONIAL
acquired 50% of a healthcare real estate portfolio in Germany belonging to
MPT Medical Properties Trust

Buy-side
Undisclosed



PC
PROCLINICAL
Life Sciences Recruitment
sold to
ICS Independent Clinical Services

Sell-side
Undisclosed



naxicap partenaires **OUEST CROISSANCE**
sold

Lilial vous accompagne
to
Coloplast

Sell-side
Undisclosed





mbo partenaires
L'entrepreneur est capital
acquired
bcf Life Sciences
Traced & Innovative Amino Acids

Buy-side
Undisclosed





Gimv MERIEUX DEVELOPPEMENT
acquired
Stioplastics*Healthcaring

Buy-side
Undisclosed





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