



Affidea's acquisition of Főnix-Med marks convergence of diagnostics and outpatient care

Deal Highlights

- IMAP Hungary advised Affidea on its acquisition of Főnix-Med, the Group's first acquisition in the outpatient service provision market. This is the largest transaction in the sector in the country, executed by a strategic buyer.
- Affidea saw convergence of the diagnostics and outpatient services, and therefore, the Group decided to actively pursue opportunities in this space.
- By acquiring Főnix-Med, Affidea is now able to offer a wider range of outpatient services and occupational healthcare services to its individual and corporate employee clients, in an integrated manner, by combining these services with health diagnostic services.
- Established in Hungary 26 years ago, Affidea's diagnostics services are currently available in 16 countries, across 230 service centers.
- Főnix-Med employs over 600 staff and provides corporate and occupational health services to more than 100,000 employees at Hungarian companies.
- This acquisition is a major step from both a local and a global perspective; in Hungary, it is another step towards the consolidation of the Hungarian healthcare sector, a trend that started nearly a year ago when new players began entering the market. Globally, this was the first sign of an intra-industry consolidation and we expect other companies to follow suit.

HEALTHCARE 


affidea
Diagnosztika
Provider of healthcare diagnostic
imaging services
HUNGARY

Acquired 100% of Business Operations


FőnixMed
Corporate healthcare and outpatient
services provider
HUNGARY

IMAP
ADVISED ON PURCHASE OF COMPANY

Market Outlook

- Outpatient care and diagnostics converge as:
 - HC provision becoming more expensive, calling for efficiency improvement and scale.
 - Outpatient / remote care becoming more important in HC service provision.
 - Customers ask for convenience.
- This trend is similar to when inpatient and outpatient care provision converged and is currently consolidating.

Valuation Summary

- Deal financials haven't been made available. However, transactions in this sector are usually quite highly valued; valuation range between 8 and 15-times EBITDA, depending on the size, geography and company specifics.



IMAP Approach

- IMAP Hungary advised Affidea on crystalizing its strategy of moving into outpatient care and initiated discussions with various local outpatient providers, including Fónix-Med. IMAP supported Affidea through the whole acquisition process, which was atypically long as some of the target’s operations fell out with the area of activities Affidea was willing to take over and thus required separating out.
- IMAP Hungary relied on its extensive experiences in the healthcare sector as the Team has worked on multiple local and international projects in the sector, covering Health Management, Outpatient, Inpatient and Diagnostic services in Hungary, Czech Republic, Slovakia and other Central Eastern European countries.

Client Comment

György Leitner, General Manager, Affidea Hungary:

“I am convinced that Hungary will soon face a turning point in private healthcare provision. We have been at the forefront of these changes and I am glad that IMAP Hungary supported us so well in our endeavor.”

IMAP Transaction Advisors



Gábor Szendroi
Managing Partner
IMAP Hungary
gabor.szendroi@imap.com



Laszlo Papp
Managing Director
IMAP Hungary
laszlo.papp@imap.com

IMAP has closed 39 transactions in the Healthcare sector since 2015

HEALTHCARE	HEALTHCARE	HEALTHCARE	HEALTHCARE	HEALTHCARE
 Acquired 100% of Business Operations <small>ADVISED ON SALE OF COMPANY</small>	 Acquired Majority Control of Business Operations <small>ADVISED ON PURCHASE OF COMPANY</small>	 Acquired Selected Assets of Seller’s Business <small>ADVISED ON SALE OF DIGIPLIX BRAND</small>	 Established JV with <small>ADVISED ON JV FORMATION</small>	 Acquired <small>ADVISED ON SALE OF COMPANY</small>

Contact

Gábor Szendroi
Managing Partner
IMAP Hungary
gabor.szendroi@imap.com

www.imap.com

IMAP is an International Mergers and Acquisitions Partnership with more than 350 M&A advisors and a presence in 39 countries. IMAP has closed over 2,100 transactions valued at \$90 billion in the last 10 years and is consistently ranked among the world’s top ten M&A advisors for mid-market transactions (Thomson Reuters). IMAP advises primarily mid-sized companies and their shareholders on sales and acquisitions on a global scale, providing clients with entrepreneurial, unbiased advice and successfully helping them achieve their objectives.