

CASE STUDY



COMPANY SPOTLIGHT



Market capitalisation at time of purchase	Market capitalisation at time of sale	Industry Sector
\$50.7m	\$251m	Healthcare Services

NATIONAL VETERINARY CARE (ASX: NVL)

National Veterinary Care operated a network of veterinary clinics across Australia and New Zealand. The company provided veterinary services, as well as a range of complementary services such as training, procurement, and business support to independent clinics via its “Integrated Services” division. NVL pursued a growth strategy underpinned by acquisitions and organic clinic performance improvements.

WHY DID WE INVEST?

- **Defensive Industry with Recurring Demand:** Veterinary services are considered essential and typically resilient across economic cycles. Pet ownership trends supported steady and growing demand for veterinary care.
- **Attractive Clinic Acquisition Model:** NVL employed a disciplined acquisition strategy of profitable, well-managed clinics. Acquired clinics were typically earnings accretive, and NVL demonstrated operational expertise in integrating and improving them.
- **Operating Leverage & Margin Expansion:** The company benefitted from economies of scale, centralized procurement, and back-office functions, driving improved margins as the network grew.
- **Strong Management Execution:** The leadership team had a demonstrated track record in executing the company’s “buy and build” strategy, with a disciplined approach to valuation and integration.

ENTRY PRICE

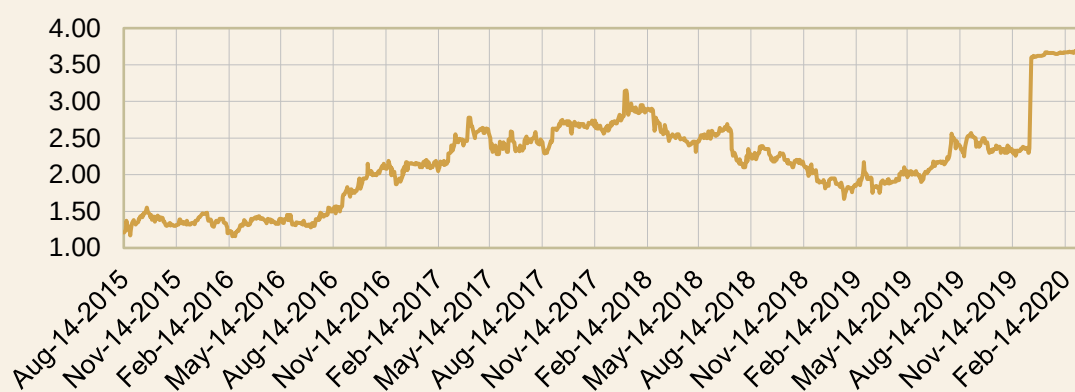
- Participated in the IPO of July 2015 at \$1.00 and continued to purchase shares over time with an average purchase price of \$1.78.

*Past performance is not indicative of future performance. This is general information only and should not be construed or relied upon as legal, financial or professional advice. Accordingly, the recipient should seek independent professional advice as to the risk, financial, taxation and other implications of investing.

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National Veterinary Care Ltd (ASX:NVL) - Share Pricing



Source: S&P Capital IQ

WHY DID WE SELL – Acquisition by VetPartners

- In January 2020, National Veterinary Care received an acquisition proposal from VetPartners, an Australasian veterinary consolidator backed by global private equity firm National Veterinary Associates (NVA).
- Shareholders received **\$3.70 in cash per share**, representing a **56% premium** to the pre-announcement share price.
- Given the full valuation realised and limited upside beyond the offer, we exited the position in line with our value realisation strategy.

INVESTMENT OUTCOME

- Participated in the IPO of July 2015 at \$1.00 and continued to purchase shares over time with an average purchase price of \$1.78.
- Sold at an average sale price of \$3.63 with the last sale in April 2020 tendering the last lot into the scheme at \$3.70.
- Gain of 108.3% on our investment (including dividends received) over the period, equating to a money weighted IRR of approximately 30.1%.

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