GenesisCare Continues Australian & International Expansion of New World Class Treatment Centres Supported by Major Capital Raising

October 25, 2018

Sydney-headquartered GenesisCare, the largest private provider of cancer and cardiac healthcare in Australia and Europe, announced today that it had completed a major capital raising, including a refinancing of debt facilities, while securing a second major investor.

New funds raised will be directed towards GenesisCare's core mission of improving patient access and raising the standard of care being delivered for people who have cancer or heart disease.

Providing more than 3,000 patient treatments every day across more than 130 clinics, the group has committed to the development of a further 40 new cancer or cardiac treatment centres in areas of need within the next three years.

New world class treatment services will be introduced across Australia, including regional and rural locations.

The company will also continue the roll-out of services in Western Europe and commence operations in China with five initial projects in Beijing, Guangzhou and Yunnan Province.

GenesisCare is already leading or participating in more than 100 clinical trials, including five first-in-human trials, and will further bolster its innovation and R&D program. Recent strategic research partnerships have been announced with Telix Pharmaceuticals Limited (ASX: TLX), Clarity Pharmaceuticals and Varian Medical Systems, Inc. (NYSE: VAR) with a focus on developing new cancer therapies.

As part of the new equity arrangements, KKR will once again become a long-term strategic shareholder in GenesisCare. KKR will be investing alongside doctors, managers and GenesisCare's current major institutional partner, China Resources – ranked 86th on the global Fortune 500 List and the owner of the largest private hospital network in China.

"At GenesisCare, we have a wonderful opportunity to make a positive difference to patients and their families by giving them easy and rapid access to the best possible cancer or cardiac treatments available," GenesisCare CEO, Dan Collins, said.

"To achieve this goal, we need to attract talented and committed people and partner with globally capable organisations that share the same purpose.

"We also need long term capital which supports our innovation and growth agenda. In combination, China Resources and KKR bring GenesisCare truly global capabilities and reach which will help us combat the world's two biggest disease burdens in cancer and heart disease," Mr Collins said.

GenesisCare Chairman, David Vaux, said GenesisCare was very pleased to welcome back KKR as a partner in GenesisCare after a successful initial collaboration between 2012 and 2016.

"We are also grateful for the support of both China Resources and Macquarie Bank in the past two years, which has enabled GenesisCare to expand its operations into Asia.

"The continuing success of GenesisCare reflects the commitment of Dan, his strong management team, support staff and especially our doctors in designing better ways to care for more and more people," Mr Vaux said.

KKR's Head of Australia, Scott Bookmyer, said KKR was looking forward to supporting GenesisCare's expansion into China, Western Europe and into new models of care.

"We see tremendous opportunities to accelerate the company's plans and support the doctors and management to improve care and treatment models for patients with cancer or heart disease. We are also honoured to partner alongside China Resources to bring the best of both organisations to support GenesisCare in its mission," Mr Bookmyer said.

KKR is making its investment through KKR managed funds and accounts. The transaction is subject to Foreign Investment Review Board approval, and other regulatory and shareholder approvals. Macquarie Bank, which invested in GenesisCare as part of a consortium with China Resources in 2016, will sell its stake as part of the transaction.

Together, KKR and China Resources will support the GenesisCare Foundation which is focused on clinical trials, research and access to essential care for patients with cancer or cardiovascular disease.