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BUILD-UP OPPORTUNITY IN PORTUGAL WITH DRAYCOTT IN THE
OCCUPATIONAL HEALTH AND SAFETY SECTOR

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Abstract

This work project presents an investment proposal for a buy-and-build strategy to *Draycott*, a Portuguese private equity firm, in the occupational health and safety sector. A consolidation strategy is proposed, combining five companies: *Centralmed*, *Workview*, *MedialCare*, *Controlsafe*, and *MetSep*. The merger of these companies aims to enhance operations, increase the group's organic growth, and establish a player able to compete with the market leaders in Portugal. The strategy is expected to achieve an IRR of 36.6% and a MoM of 6.5x over a six-year investment period. The project includes an individual analysis of *Workview*.

Keywords: Private Equity; Buy and Build; Buyout; Occupational Health and Safety; Company Valuation.

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1. Introduction

This research report focuses on the development of a Build-up Opportunity within Portugal, exploiting the consolidation of fragmented markets and leveraging the private equity approach of *Draycott*. This report will have 4 distinct phases: 1) finding a fragmented, profitable and growing market where Draycott can successfully implement a Buy-and-Build plan; 2) selecting the most appropriate companies within that sector to be part of the consolidation strategy; 3) conducting the financial valuation of the consolidated group and define the acquisition structure; 4) theorize about a possible robust exit strategy that maximizes investor's returns.

The selected acquisitions in this report are carefully analysed based on the potential to contribute to the overall strategy (potentially geographical reach, operational synergies, and financial performance, etc...). The intention is to deliver a newly entity firm – one central larger, faster growing and more efficient operation that should deliver a higher return. Also, its value should be greater as one entity than as fragmented smaller businesses. This process is especially effective in industries with a high degree of fragmentation. The rationale behind this stems from the inherent challenges and opportunities within fragmented markets, often characterized by a lack of standardization and disparate capabilities between players. As a result, there is substantial potential for value creation through consolidation.

This research aims to develop a financially robust business plan within the private equity framework. Ultimately, the thesis will also explore exit strategies for the consolidated group as a crucial component of any private equity investment, as they define how investors can realize returns on their investment. By the conclusion of this study, an investment recommendation will be delivered to the *Draycott* team, supported by a solid financial model. This recommendation will demonstrate how the buy-and-build strategy can lead to the creation of a possible market leader, generating significant value for the investor.

2. Literature Review

Private Equity

As a dynamic and complex asset class, private equity (PE) has become an important part of modern finance, offering unique opportunities and challenges compared to public markets. To get a deeper understanding about what PE is, it could be worth separating it into words. Private has nothing to do with secrecy. The idea is that public markets provide protections appropriate to individuals whereas the regulation of private markets is appropriate to the parties to those transactions, who are usually, but not always, sophisticated institutions and high net worth individuals. Equity when used in the phrase ‘private equity’ means the total amount of capital that is both put at risk of loss in a transaction and that, as a financial package, has a share in any capital gain earned (Gilligan & Wright 2020). At its core, private equity refers to an investment class in which the investor acquires an ownership interest in a privately owned enterprise. The term is designed to involve any business enterprise that is not publicly traded. For that matter, it can include everything from startups and smaller businesses all the way to mature entities that have either not gone public or decided to remain private.

While similar in some ways to equity investments in public companies, PE is distinguished by several features that define it as a separate asset class. It consists of higher risks, absence of liquidity, and restricted time frames. While public traded equities often offer a degree of diversification and liquidity, private equity investments are inherently less liquid due to the absence of a secondary market (Kaplan & Strömberg 2009). Also, investors usually commit their capital for longer holding periods, often spanning 7 to 10 years, during which they have limited or no access to their funds (Metrick & Yasuda 2010). Additionally, the returns from private equity are subjected to greater risk as they depend heavily on the operational performance of portfolio companies and the successful execution of value-creation strategies. Furthermore, private equity investments often involve significant leverage, which can amplify

both potential returns and risks, especially during economic downturns (Acharya et al. 2013). In private equity, investors do not typically invest directly in individual companies, they commit capital to private equity funds. These funds are pooled investment vehicles managed by private equity firms acting as general partners (GPs) that acquire stakes in privately held companies or, in some cases, publicly traded firms with the intent to delist and restructure them (Gilligan & Wright 2020).

Unlike passive public equity investors, private equity fund managers often take a hands-on approach through active ownership and restructuring strategies to create value. The main value creation strategies often focus on operational optimization for the portfolio companies during their investment period. For this, they may engage in various activities such as strengthening of management team; acquisition of more companies to enhance operations or diversify into new markets; refining business models to ensure further growth; product development and launch; making processes efficient and effective (Private Equity: What You Need to Know 2024). Deleveraging while the company is in the PE firm's portfolio is also a value creation strategy. PE firms typically acquire companies through leveraged buyouts (LBOs), where a significant portion of the acquisition is financed through debt, with the expectation that the acquired company's future cash flows will service the debt and generate returns for equity holders (Acharya et al. 2013). Lastly, in recent years, the exit phase has become a critical culmination of the private equity investment process, where the fund capitalizes on its investment to deliver returns to its investors. Selling at a higher multiple than at the acquisition—multiple arbitrage—allows an increase in market value of the company and leverages the returns at the exit. What makes this investment particularly attractive for investors to allocate their capital to private equity funds is the potentially higher returns compared to public markets. Based on an analysis of information from around 1,400 U.S. buyout and venture capital funds in the Burgiss dataset, there is convincing evidence of this superior performance. The findings reveal that private

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equity funds have consistently delivered superior returns compared to the public market, outperforming the S&P 500 by an average of 20% to 27% over the course of a fund's lifespan, equating to an annualized outperformance exceeding 3%. The appeal also comes from one more aspect: diversification and the ability to invest in a range of industries and private companies not available in public markets. Private equity funds are also tailor-made to unify investor-manager incentives for long-term growth (Bain & Company 2023).

Current State of PE

Private equity has experienced significant growth over the past decade, with global assets under management (AUM) reaching 6 trillion dollars according to *Bain & Company's* Global Private Equity Report 2024 (MacArthur 2024). This reflecting a compounded annual growth rate (CAGR) of approximately 10% since 2010. The growth has been driven by institutional investors' appetite for alternative asset classes due to the observed outsized returns compared to traditional investments. The enthusiasm of institutional and private investors (limited partners, or LPs) for the alternative asset class of private equity remains high, however meeting LPs' return expectations has become increasingly challenging for fund managers (general partners, or GPs), since we are assisting to a combined effect of rising target prices and macro- and microeconomic changes (inflation and diminished availability of cheap debt financing). On one hand, there is the issue of high target valuation price. With record levels of dry powder—standing at 1.5T dollars according to *McKinsey*—the competition among private equity firms has been intensifying, all looking to acquire high-quality assets (often limited in supply). As a result, the prices of these sought-after companies have been driven upwards. On other hand, high leverage now comes at a cost of increased margins and underlying base rates, directly influencing cash interest expenses. Bain's report notes that the average debt-to-equity ratio in buyout deals has declined, reflecting the higher cost of capital. To keep achieving high returns, general partners must continually adapt and explore new strategies to generate value. So, PE

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firms are moving away from traditional value creation sources, such as acquiring assets at low price multiples, deleveraging highly indebted investments, and governance engineering, toward more fundamental value creation through operational improvements (Hammer et al. 2017). In this way, there is an increasing emphasis on growth equity and buy-and-build strategies. *KPMG's* ("2024 M&A Outlook for Private Equity") notes a 15% increase in growth equity deals in 2023, reflecting the preference for investments in high-growth sectors like technology and healthcare. Moreover, the buy-and-build model has gained traction as PE firms seek to create value through consolidation in fragmented industries and take advantage of synergistic benefits across companies.

Exit activity in the private equity (PE) declined in 2023. Broader macroeconomic created a valuation mismatch between buyers and sellers, leading to a sharp decline in exit volumes and values. The buyout-backed exits totalled 345B dollars globally in 2023, marking a 44% drop from the previous year. The total number of exit transactions also fell by 24%, with only 1,067 deals completed, highlighting a pervasive slowdown across all geographies. Corporate buyers remained the largest exit channel in 2023, accounting for nearly 80% of total exit value. However, the value of strategic deals declined by 45% from 2022, reaching 271B dollars. This decline was part of a broader corporate mergers and acquisitions (M&A) pullback also due to a forced adoption of more cautious approaches. *Bain's* research suggests that corporate buyers may regain momentum if interest rates stabilize, and economic conditions improve (MacArthur, 2024).

The global capital raised in PE was 1.2T dollars, marking a 20% decline from 2022 and a nearly 30% drop from the record high of 2021. This was partly driven by liquidity constraints among limited partners (LPs) due to the slowdown in exits. However, when considering only buyout funds in 2023, we observe that capital raised increased by 18% year over year.

Buy-and-Build

One potential strategy with a clear path to value creation through operational improvements is the Buy-and-Build (B&B) approach. There is a consensus among academics regarding the components and mechanisms of a B&B strategy. Unlike traditional value creation methods, which rely on operational adjustments within a single acquisition, B&B strategies focus on scaling up the platform company through the steady acquisition of smaller add-ons over the holding period. The underlying principle of B&B is to construct a new, cohesive entity that ultimately has a greater value than the sum of its individual parts, as the integration of these smaller entities fosters a more efficient and competitive large-scale network (Smit 2001). *Bain & Company* (2019) “Buy-And-Build: A Powerful PE Strategy, but Hard to Pull Off” further clarifies that a strategy to qualify as buy-and-build, it must involve at least four sequential add-on acquisitions of smaller companies.

Value Creation in B&B

Smit (2001) identifies two primary pathways to value creation in B&B strategies: the financial leverage effect and the realization of synergies between the platform and its add-on acquisitions. In leveraged buyouts (LBOs), as in B&B strategies, acquisitions are typically financed with substantial debt, creating opportunities to capitalize on the tax and return benefits of debt (Smit, 2001). The second lever of buy-and-build (B&B) strategies is grounded in the ability to leverage synergies, since by acquiring businesses that complement the platform company’s core operations, private equity firms aim to unlock additional value beyond what organic growth could achieve. According to *Boston Consulting Group (BCG)* (Brigl et al. 2016), the value creation in B&B deals often stems from synergy levers, including scale effects in procurement and SG&A expenses, enhanced sales force effectiveness, and improved pricing capabilities. These synergy effects translate into added value through both revenue growth and margin expansion. Furthermore, as the consolidated entity’s turnover grows, so does its market share,

enhancing its market power over suppliers and customers alike (Smit 2001).

Besides the added value provided by the leverage effect and operational improvements, the PE firms profit from the possibility of multiple arbitrage, as the add-ons – which are usually purchased at a lower price multiple than the platform – benefit from the higher price multiple of the consolidated network, leveraging the market's tendency to assign higher valuations to larger entities due to their perceived stability and lower risk (Brigl et al. 2012).

Key Industry Traits for Successful Buy-and-Build Strategies

Brigl et al. (2016) highlight that certain industry traits—namely low profitability, low growth, and high fragmentation—are strongly associated with superior returns in B&B deals. B&B strategies thrive in sectors where low margins leave room for improvement through consolidation, showing an average IRR of 46.1%, significantly higher than the 18.3% in high-margin industries. Similarly, industries with moderate growth rates, specifically those with three-year growth between 0% and 10.9%, yielded a higher average IRR of 41.7% on add-on deals, compared to an IRR of 16.3% in faster-growing sectors. B&B deals also perform better in fragmented industries, generating an average IRR of 42.2%, contrasting with the 25.3% in highly concentrated industries. Entering fragmented markets offers opportunities to act as a consolidator, capturing market share and realizing synergies that amplify returns (Brigl et al. 2016).

Traditional LBO vs Buy-and-Build

Literature suggests that buy-and-build strategies can significantly enhance returns in comparison to traditional standalone acquisitions as measured by the internal rate of return (IRR). Research by Brigl et al. (2016) emphasizes this point, noting that well-executed B&B strategies yield considerably higher IRRs, averaging 31.6% thereby outperforming standalone acquisitions with an average IRR of 23.1%. Similarly, studies that compare B&B strategies to

traditional buyouts highlight that the added value of integrating add-ons comes partially from operational enhancements achieved during the holding period (e.g., Hammer, Hinrichs, and Schweizer 2016; Nikoskelainen and Wright 2007; Valkama et al. 2013; Archarya et al. 2013).

Private Equity in Portugal

The literature about the private equity landscape in Portugal relies extensively from the Private Equity Portuguese Market Annual Report 2023 (Barbosa and Duarte 2023). This report aims to present key facts and statistics about the sector as of year-end 2023, with a primary reliance on publicly available data from the *Portuguese Securities Market Commission* (CMVM) and the *Bank of Portugal*. Due to the limited public data on private equity activities, this report serves as a critical resource to get insights about fundraising trends, market players, asset management, and the regulatory framework that shapes this sector in Portugal.

The private equity market in Portugal was originated in the 1980s with basic legislation. This move enabled a nascent PE market focused on addressing the financing challenges faced by small and medium enterprises (SMEs), which have historically struggled to access traditional bank loans. The early PE initiatives also supported industrial and technological innovation, providing capital that could drive growth in high potential, yet underserved, segments of the economy (Palma 2021). Although the PE market initially grew with promise, by the late 1990s, its momentum began to slow due to a shift in financial support toward already established companies and increased privatization. The PE sector only gained substantial traction in the early 2000s with the first incorporation of funds explicitly designed for growth and buyout strategies, reflecting an initial trend for buyout and later-stage investments – particularly for sectors with clear growth trajectories such as manufacturing and retail, which dominate the PE investment portfolio in Portugal. The initial stage of Private Equity in Portugal was then reinforced by the global financial crisis which created opportunities for “turnaround” or restructuring-focused investments. At that time, those funds targeted non-performing loans,

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converting them into equity, helping the Portuguese banks to alleviate their Balance Sheets. Despite the diversification of investment strategies over the years since then, turnaround investments still represent a considerable portion of the assets under management, particularly among older recovery funds not fully liquidated yet.

In 2023, transactional activity in Portugal's private equity market recorded 84 transactions totaling 1.4B euros, with 20 of these classified as exit deals. On one hand, the private equity's contribution to Portugal's GDP remains notably low at eighteen times lower than the European average. On other hand, the Portugal's private equity market is still relatively small within its broader asset management landscape in Portugal. Private equity and other alternative funds represented around 19% of Portugal's total fund investments at the end of 2023 (CMVM 2023). Although it represents a modest part of the asset management landscape, from 2015 to year end 2023, assets under management grew from 4B euros to 9B euros (more than double).

Particularly, in 2023, the growth of this segment (PE) in Portugal, diverged from the European contraction in private equity transactions caused by higher interest rates. This growth trajectory can be attributed to Portugal's GDP increases, the expanding role of private equity as an alternative funding source for businesses and projects, and the effective role of public initiatives fostering private equity investment. Although Portugal did not follow the negative global trend, its private equity market faces significant challenges, notably in fundraising, due to investors' lack of knowledge and distrust of the Portuguese private equity market. Often the market has lagged other European nations in terms of maturity and liquidity). One fundamental reason, as identified by Rodrigues (2012), is the conservative investment culture and high reliance on banking institutions, which limits the capital flow toward high-risk investments typical of PE and VC. In this context, it becomes important the existence of public programs such as *Programa Consolidar*, *Programa Venture Capital*, *SIFIDE* (a tax incentive program for corporate R&D), and the *Golden Visa program*, all of which have contributed to the

competitiveness and appeal of Portugal's private equity market. These initiatives are designed to inject capital into small and medium-sized enterprises (SMEs), addressing one of Portugal's longstanding economic barriers: productivity enhancement through SME support (Banco Português de Fomento 2023). Furthermore, the legislative environment for PE in Portugal aimed to address the problem of low investor confidence by introducing the Asset Management Regime (RGA) which simplifies entry requirements for new funds.

Structurally, the private equity landscape remains fragmented, with a considerable number of small players managing limited assets. The larger private equity companies dominating are *Oxy Capital*, *ECS capital* and *Explorer*. Yet the concentration of market share from those large players has been decreasing over time, reflecting a sector increasingly composed of smaller funds that cater primarily to family offices or corporate ventures. This structure implies challenges in attracting large-scale institutional investments, as smaller funds often lack the capacity to manage extensive portfolios and benefit from economies of scale. While the number of private equity funds has more than tripled since 2015, private equity assets under management have only doubled indicating a constrained growth trajectory influenced by the structural limitations of these funds (CMVM 2023).

The unique characteristics of Portugal's private equity market, heavily shaped by its SME-centric economy — with SMEs constituting over 99% of the employment base making them crucial to the national economy yet facing significant financing barriers — highlights the importance of alternative funding mechanisms. Strategic partnerships between the public and private sectors are expected to bolster PE's role in Portugal, providing the necessary support to bridge the funding gap and enhance productivity within SMEs and solidifying Portugal's entrepreneurial position within the European ecosystem.

3. Draycott

Draycott is a private equity firm founded in 2019, focused on investing across multiple asset classes, including Equity Consolidation & Buyouts, Real Estate Development and Yield, Venture Capital, and Growth & Innovation.

Draycott's proposal is to transform businesses to maximize their potential, with the goal of creating a positive impact on both their communities and the environment through growth and sustainability. This transformation is conducted through various investment approaches.

Draycott's strategies may vary depending on the characteristics of each investment. Starting with Venture Capital, the firm focuses on financing tech startups in Portugal and across Europe, projects that *Draycott* recognises as having significant potential to grow and scale. The available capital for VC investments is up to 100M euros, with individual ticket sizes up to 2.5M euros. Another type of investment pursued by *Draycott* consists in growth and innovation. Through this strategy, *Draycott* aims to invest in companies with a clear growth trajectory, specifically those with a strong emphasis on innovation. The total available capital for this segment is up to 25M euros, with individual ticket sizes up to 5M euros. Furthermore, *Draycott* is also active in the real estate industry, with Real Estate Development and Yield serving as another important sector for the business. This investment area includes the development of both high-end and affordable residential housing for locals and foreigners, student housing, senior living, and logistics platforms. The total firepower for Real Estate projects is 50M euros, with equity ticket sizes up to 10M euros.

The other strategy followed by *Draycott* that remains to be explained is Equity Consolidation and Buyouts, which will be the approach used for the development of this project. This type of investment strategy involves detailed market analysis and very rigorous due diligence, usually involving industry specialists. The strategy follows the "Buy-and-Build" model, which generally targets fragmented and mature markets with attractive margins, where value can be

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captured through consolidation. This strategy is designed to enhance operational synergies, professionalise the management of the companies in their portfolio, improve their governance structures, and drive efficiency to strengthen the company's competitive position. It is especially successful in industries with no dominant market player. In fact, the total investment firepower is 100M euros, with individual investments reaching up to 15M euros.

Draycott has undertaken several investment activities since its establishment. An example of buyouts and equity consolidation is "*Viriato Funerárias*," a buyout in the funeral services sector that has high levels of fragmentation and great opportunities for consolidation. The company began this investment in 2023 and has been acquiring different companies since then. Recently, as part of its equity consolidation strategy, the company has launched a new project with *Pracedon*, a company specialized in the design and manufacture of photovoltaic mounting systems, with a presence in around 30 countries. In terms of other investment approaches, *Draycott* has also developed real estate projects, such as "*Amoreiras Vista*" and "*I53 Carcavelos*". On the other hand, in Venture Capital, the company is associated with *Shilling Supercharging Startups*.

In conclusion, *Draycott* is a dynamic Portuguese private equity firm that leverages its diverse expertise across various investment approaches. The company is committed not only to maximizing investor returns but also to providing support to the companies it invests in. By aligning its core objectives with ESG principles, *Draycott* demonstrates a conscientious vision and concern for future generations, ensuring that sustainable values guide all decision-making processes (Draycott 2024).

4. Analysis of sectors

To identify the most suitable sector for the buy & build strategy, there were explored several sectors within Portugal that demonstrate high levels of fragmentation, profitability, and growth

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potential. From this comprehensive review, three sectors emerged as top candidates for *Draycott*. Each of the following sectors presents unique opportunities for consolidation, where integrating smaller companies could unlock operational synergies, enhance market share, and create value. Below is a detailed description of the sectors, rationale, competition, opportunities and risks.

4.1.Senior Residences

Overview

Senior residences are housing that are suitable for the needs of an aging population. The main segment that can be found is ERPI's – Estrutura Residencial Para Pessoas Idosas (Residential Structures for Elderly People). It is a “social response, developed in a facility, intended for collective accommodation, for temporary or permanent use, where social support activities are carried out and nursing care is provided” (Instituto da Segurança Social 2023). Different kinds of care can be provided ranging from independent living communities to assisted living facilities, memory care homes, nursing homes, or Continuing Care Retirement Communities (RNCC – Rede Nacional de Cuidados Continuados Integrados).

In 2023, the revenues for the for-profit senior residences were 450M euros (Informa D&B 2024), a 9.8% increase from 2022 revenues that had already experienced an increase of 9.3% from 2021 (DBK Informa 2023).

Motivation

In 1970, only 9.7% of the Portuguese population was aged 65 or older. By 2023, this figure had risen to 24.1% (representing 2.57M people over 65), and by 2050 it is projected to increase to 35.3% (3.41M people over 65), marking a 46.5% growth in the elderly population (INE, 2024). The average utilization rate (percentage of available beds occupied by residents) for senior residences (ERPI) was 92.5% in 2023, a figure significantly higher than the 66.1% for home

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support services (SAD) and the 57.1% for Day Centers (GEP, 2023). According to the *World Health Organization* (WHO), the recommended supply of beds in senior residences should be 5% of the elderly population. In 2023, with 2.57M elders and 105,638 beds, there was a shortfall of 22,862 beds, suggesting that demand for senior residences will remain high in the coming years.

Entering this market presents significant barriers, starting with the substantial capital investment required to build or acquire a residence. Additionally, an operational license must be obtained, which involves approvals from the *Social Security Institute* (ISS), the *National Civil Protection Authority*, and a competent *Health Authority* (Governo de Portugal 2024).

The market is also highly fragmented. In 2023, the five largest private players controlled only 14.3% of the for-profit senior residence market in Portugal. Although this percentage is slightly higher than in Italy, Germany, and the UK (11%, 12%, and 13% respectively), it is still much lower than the figures for Spain (19%), France (29%), and Belgium (33%) in 2021, (Knight Frank, 2021). This indicates that Portugal remains a fragmented market, offering significant potential for consolidation.

In summary, there are a significant number of reasons to invest and consolidate the senior residences market: uncorrelated growth and weak dependency of economic cycles; strong imbalance between existing supply and growing demand; high barriers to entry; high occupancy rates; highly fragmented market; and possibility of reconversion to the residential segment.

Main Players

In 2023, there were 2,622 senior residences in Portugal, offering a total of 105,638 beds. The market is dominated by not-for-profit institutions, which controlled an estimated 75% of the market, with *Santa Casa da Misericórdia* owning 502 residences in 2022 (Miguel Sena 2024). The remaining 25% of the market is represented by the private sector, accounting for approximately 26,410 beds across for-profit residences.

The biggest private players in Portugal are:

- *Montepio Residences*: Operating 8 residences with 1,092 beds (representing 4.1% of the private market). Owned by *Banco Montepio*, Portugal's oldest financial institution, *Montepio Residences* has consistently remained the largest private player in the country. In 2023, their revenues reached approximately 38M euros, with an average growth rate of 11.9% over the last five years.
- *Emeis* (formerly *Orpea*): Operating 10 residences with 827 beds (3.1% of the private market), *Emeis* is the largest care home company in Europe, reporting 3,728M euros in revenues for 2023.
- *DomusVi*: Operating 8 residences with 800 beds (3.0% of the private market), *DomusVi* is the third-largest player in Europe, controlled by the UK private equity firm *Intermediate Capital Group (ICG)*. In June 2023, *DomusVi* announced plans to double their capacity to 1,600 beds within two years, supported by an investment of 60M euros. They expect revenues to grow to 60M euros by 2026 (Carla Alves Ribeiro, 2024).
- *PSHC – Portugal Senior Health Care*: Operating 12 residences with nearly 700 beds (2.7% of the private market), *PSHC* is controlled by the Portuguese private equity firm *CoRe Capital*. It is backed by two funds managed by *CoRe*, *Restart I* and *Consolida*. Since their initial investments in January 2020, *PSHC* has pursued a buy-and-build strategy. In 2023, *CoRe* announced its ambition to become the largest player in Portugal with 2,000 beds within two years (Idealista 2023). As of September 2023, *PSHC* had raised 74M euros, with 50M euros coming from Fundo de Capitalização e Resiliência (FdCR) through *Banco Português de Fomento* and 24M euros from private investors.
- *Naturidade*: Operating 7 residences with 376 beds (1.4% of the private market). Five of their residences focus on Continuing Care Retirement Communities with revenues of 10.1M euros.

Strategies and Opportunities

The goal is to gain scale and create a brand known for providing dignified, comfortable and sustainable living, leveraging synergies that sustain profitability in line with the best international practices. Reputation is critical in this industry, where word-of-mouth and community recommendations often drive occupancy rates. A key approach is to strengthen management in a segment known for having little professional management, while capital infusion will drive the development of new facilities and the renovation of existing ones, enhancing the residents' quality of life.

Pricing strategies should be dynamic and tailored to the varying needs of residents. Seniors and their families are often willing to pay more for superior care and a more personalized experience. Prices could be adjusted based on dependency levels (independent, semi-dependent, dependent), which should be reevaluated periodically to reflect changes in residents' conditions, room occupation (1 bed, 2 beds, or 3 beds), and additional services requested by the clients, such as individual physiotherapist, hairdressing, or assistance outside the residence. This flexibility allows for cost recovery and profitability while maintaining high standards of care.

Embracing new technologies will be crucial for delivering high-quality care and optimizing operational efficiency. New healthcare technologies, such as telehealth services, could significantly reduce the need for in-house doctors by providing daily health monitoring remotely. The use of electronic health records (EHRs) could streamline resident care, ensuring better coordination between healthcare providers, improving quality and reducing human error. These innovations will not only enhance care but also contribute to cost efficiency.

Focus should be placed on regions with a high degree of aging population, high utilization rates (percentage of available beds occupied by residents), and low coverage rates (availability of beds per 100 people above 65). Also, targeting regions with limited competition from larger

players offers an opportunity for rapid expansion and market dominance.

Although senior residences may be geographically dispersed, economies of scale can still be achieved by centralizing non-location-dependent functions and leveraging strategic partnerships. Administrative tasks, such as accounting, procurement, legal, HR, IT, and digital marketing, can be centralized in a single hub or service center that supports multiple residences. Centralized procurement can allow for bulk purchasing of essential goods such as medical supplies, food, furniture, and equipment. This strategy could be extended to services like waste management, laundry, or catering, where the scale of demand could enable discounts or long-term partnerships with service providers.

Potential targets

Domus Aurea could serve as the platform company to kickstart the build-up plan, as it has already implemented several of the strategies mentioned earlier. *Domus Aurea* operates three residences, all located in the Lisbon district, with a total of 248 beds: *Domus Aurea I* (Mem Martins), built in 2017 with 48 beds; *Domus Aurea II* (Mem Martins), built in 2020 with 80 beds; and *Domus Aurea III* (Belas), built in 2023 with 120 beds. Since the opening of its first residence in 2017, revenues have grown by an average of 35.5% annually. In 2023, the company generated 4.4M euros in revenue, with an EBITDA of 422k euros.

A potential bolt-on acquisition could be *CliHotel*, located in Guimarães (Braga), with 120 beds. *CliHotel* is strategically positioned away from major competitors and has demonstrated stable financial performance, with revenues averaging 2.1M euros over the past five years and an average EBITDA margin of 16.8%.

Another acquisition target could be *Sol & Mar*, a residence with 90 beds located in Tavira (Algarve). The southern region of Portugal has limited presence from the larger players, offering a consolidation opportunity. In 2023, *Sol & Mar* reported revenues close to 2M euros, with an average EBITDA margin of 18.3% over the last five years.

Example of a success story

IK Partners, a European mid-market private equity firm, acquired *Colisée* in June 2017, when it operated 160 elderly care homes (IK Partners 2017). At the time of acquisition, *Colisée's* turnover exceeded 390M, and its estimated enterprise value was around 650M euros (PitchBook 2017). Following the acquisition, *IK Partners* initiated a buy & build strategy, expanding *Colisée* portfolio to 270 elderly care homes by November 2020, at exit. They sold *Colisée* to *EQT*, a global investment organization, with a turnover surpassing 1B euros and an estimated enterprise value of 2.3B euros (Nina Flitman 2023). Today, *Colisée* is the fourth largest elderly care operator in Europe.

Potential exits

There are numerous international players with a strong track record in the senior care home operations that could be interested in the acquisition of this residences.

One possible exit could be a strategic sale to a large international player such as *Colisée*. *Colisée* is currently the 4th largest operator in Europe (Rakshitha Narasimhan 2024), generating 1.6B euros in revenues in 2023. The company has a strong presence in France, Belgium, Spain, and Italy, and was acquired by Swedish private equity firm *EQT* in 2020. *EQT's* strategy includes pursuing new growth opportunities in both existing and new markets (EQT Group 2020), and their recent acquisition of a senior residence in Santo Tirso (Porto) demonstrates their interest in expanding within Portugal. This portfolio of residences could help *Colisée* establish itself as a major brand in the Portuguese senior care market.

Another potential strategic exit could be to *Maison de Famille*, controlled by the private equity firm *Creadev*. As of 2020, *Maison de Famille* was the 7th largest senior care operator in Europe, with 17,090 beds (Investigate Europe 2021). With a solid footprint in France, Italy, Spain, and Germany, acquiring our residences could provide them with an entry point into the Portuguese

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market, offering a valuable expansion opportunity.

Alternatively, the exit could involve a secondary sale to an investor like *Lifento*, a French firm specialized in healthcare real estate. *Lifento* already owns 10 healthcare assets in Portugal, including a senior residence in Cascais, acquired in 2024. With proven experience in the Portuguese market, acquiring our residences would further solidify *Lifento's* position in Portugal's healthcare sector.

Risks

One of the key risks is the shortage of qualified personnel. Prior to acquiring a residence, thorough due diligence must be conducted to assess the region's ability to meet residents' needs in terms of caregivers, doctors, nutritionists, physiotherapists, and other specialized staff. According to João Pedro Guimarães, *DomusVi's* administrator in Portugal, over 50% of their caretakers in some units are foreign workers. This issue is particularly evident in Algarve, where it is even more difficult to find specialized personnel (Carla Alves Ribeiro 2024).

Another risk to consider is acquisition costs. In addition to buying the business, the infrastructure and its maintenance are also being acquired, which can significantly increase the deal size. Also, finding a facility that aligns with the brand's image and standards could be challenging.

The rise of home care services presents another risk, as seniors may opt to delay moving into residential care if home support services sufficiently meet their needs. However, in 2023, the utilization rate for home services was 66.1%, which is significantly lower than the rate for senior residences (Gabinete de Estratégia e Planeamento (GEP 2023)). Many senior care residences are already integrating home care services into their offerings, mitigating this risk.

Additionally, the private sector could face reduced occupancy rates or pricing pressures during an economic downturn. Currently, the average monthly cost of private senior residences ranges between 1,400 euros and 1,850 euros, which is significantly higher than the average pension of

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484.25 euros. However, many middle-class families are utilizing financial strategies, such as selling or renting out their homes, to afford the necessary payments (CBRE 2021).

Finally, the importance of timely market entry should not be overlooked. Other groups, such as *DomusVi*, *Emeis*, *PSHC*, and *BF*, have already begun consolidating the market, making early entry essential for becoming a key player in the market's consolidation.

4.2. Occupational Health and Safety

Overview

The occupational health and safety sector focuses on the well-being (both physical and mental) of people in the workplace (British Safety Council 2024).

Companies that operate in this sector provide several different services, such as safety audits and inspections, risk assessment and management, compliance support and consulting, safety training and education, amongst others.

Motivation

Occupational Health and Safety (OHS) is an incredibly important sector nowadays. Most companies have increased social awareness and concern for both the well-being of their employees, as well as the public perception of the company as a good place to work at. Moreover, the legal landscape ensures that certain aspects must be looked after. The Treaty on the Functioning of the European Union shows concern for the protection of workers, particularly in *Article 153*¹ (European Commission 2008), the ultimate piece of law when it comes to the protection of the safety of workers in the EU. Moreover, the European Commission also publishes strategic frameworks that identify key objectives and is more

¹ According to the European Union's rules, the Union's responsibility is to assist Member States in the field of worker safety and health, working conditions, social protections, and employment equality. For the specific details, please go through the Treaty on the Functioning of the European Union (TFEU), Article 153 (example Article 137 TEC) that contains details of objectives and legislative procedures (European Commission 2008).

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descriptive on what guidelines should be followed. These guidelines must be respected at a national level, with the State members having specific legislation. In Portugal, for example, the 281st to 284th articles of the Work Code are concerned with the health and safety of workers (Republic of Portugal 2024).

Something that also must be considered is that most companies want to acquire several certifications to ensure both legal compliance as well as further improvements to the wellbeing of the workers. One of the most important international standards when it comes to OHS is the ISO 45001, which has three main goals:

- Protecting the workforce
- Ensuring legal compromises
- Facilitating continuous development

The estimated market value for the Portuguese OHS sector was estimated to be around 236M euros in 2022 (Informa D&B 2023), with 630 authorized companies in 2023. It is also quite a fragmented market, with the 5 biggest players having around 17% of total market share, and the 10 largest having 25.8%, according to *Informa D&B*, giving space for a possible consolidation. Additionally, only 27 out of the 630 companies have revenues above 1M euros. Moreover, to match the needs of the respective clients, it is also a geographically dispersed market, with Lisbon concentrating 19% of the market, while Porto has around 18%, while the rest of the market is quite spread out the territory. The largest companies typically operate nationally, reflecting their ability to serve clients across diverse locations.

The financial aspect of companies operating in Portugal is quite optimistic, with the EBITDA margins of first-string players (above 10M euros in revenues) normally sitting around 10%, while second string players (between 1M euros and 10M euros in turnover) have an average EBITDA margin around 12%, which shows good operational efficiency in the operations.

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The market has started a consolidation process, with one of the bigger players, *Quirónprevención*, acquiring a smaller company, *Kmed Europa*, in July of 2024. Also, *CUF*, a leading private operator of health care in Portugal, has acquired *AtlantiCare* (later renamed *Preveris*), an OHS company, to integrate with *SAGIES*, *CUF*'s occupational health company, and consolidate their position in the Portuguese market. This shows that big players are looking into M&A operations to further enhance their position in the market.

Main players

The main players operating in Portugal are:

- *Quirónprevención* is a Spanish player that operates in the Iberian Peninsula. It is part of a larger Healthcare focused group, *Fresenius*, which also owns *Trasesa*, an OHS player in Portugal. The group recorded over 12M euros in revenues in 2023 with an EBITDA margin of 10%. In 2023, *Quirónprevención* had 220 full-time employees, 15 clinics, and 22 mobile health units.
- *Interprev* is the largest Portuguese player, with over 20M euros in turnover in 2023, and operating in a few distinct areas such as education and training, as well as disinfection. Their EBITDA margin was slightly below some of its peers, at 9%, but they more than make up for it with an impressive 13.9% CAGR in the last 10 years in EBITDA. In 2023, *Interprev* had 441 full-time employees, 33 clinics, and 20 mobile health units.
- *Preveris* is one of the largest companies in OHS in Portugal, with over 7M euros in revenues in 2023. The company was recently created by the *José de Mello* group, which owns the largest private Healthcare companies in Portugal, *CUF*. *Preveris* came to life as the merger of two outstanding companies in the national landscape: *SAGIES* and *AtlantiCare*. The group owns one of the largest private Healthcare companies in Portugal, *CUF*. Despite their size and increasing revenue, they operated with negative EBITDA in 2023, reaching a margin of around -9%. In 2023, *Preveris* had 103 full-time

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employees, 7 clinics of their own, a network of 14 external clinics and the *CUF* network of hospitals.

Strategies and Opportunities

In this segment, the objective is to establish a group capable of competing with the national and international players with several years of experience in the OHS sector, as well as other, larger, incoming groups which are just beginning their operation or intending to enter the Portuguese market. Something crucial for OHS operators is providing clients with the necessary certifications – both legal certification as well as other value-added certifications that enhance workplace safety. Another aspect that must be considered is the geographical coverage of territory, as we want to be able to cover the greatest number of prospective clients possible, with more focus on highly concentrated or underserved regions. It is also vital to be a one-stop solution for clients, by providing a wide range of services. This reduces the risk of losing clients because a certain type of service is not provided.

Two initial strategies that could be adopted are considered:

- Creation of a united player under a common brand that provides a variety of different services to all industries, including auditing, training, formation, disinfection among others that companies may need including crisis management.
- Creation of a few different brands inside the same group which are specialized in different industries, with the goal of focusing on different expertise while reaching the maximum number of clients possible. But still, some conditions are considered non-negotiable, such as EBITDA margins above 10%, and preferably above 15%, which showcases operational efficiency and good cost control.

Possible Targets

The list of possible targets are companies that are not owned by big groups, financial or otherwise, which should make the acquisitions a much simpler process. The aim is for companies with EBITDA margins above 10%, and preferably above 15%, which showcases operational efficiency and good cost control.

Keeping these aspects in mind, the following companies were seen as possible targets:

- *MedialCare*, a major Portuguese OHS player, with over 5M euros in revenues in 2023, and EBITDA over 700k euros, meaning an operational margin of around 15%. The company own 3 clinics, one in Porto and two in Lisbon, where other than the typical OHS services are provided. They also provide specialized health services, including a health card and checkups, among other services. Other than that, the company also offers disinfestation and food health. They could be a particularly interesting starting point as a company that is already established but that has shown promising growth, with a modest CAGR of 5.8% in the last 10 years, but a promising CAGR over 10.0% in the last 3. They offer a comprehensive set of services, and because their operations are situated mostly in the two biggest Portuguese cities, they could serve as the center of the operation.
- *Grupo Acção Contínua*, another Portuguese operator with turnover south of 3.7M euros in the last financial year (around 2% CAGR in the last decade). Its EBITDA margin was 23% in 2023, an impressive figure for the industry considering their size. They are also divided into 3 different regions, North, Center and South, and operate in the entirety of the continental region of Portugal. Their range of services includes the usual OHS services, as well as fire extinguisher maintenance and food safety, among others.
- *Medicina, Higiene e Segurança no trabalho (MHT)* provides the most common OHS services, along with other specialized offerings such as firefighting material. Their sales

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amounted to around 426k euros in 2023 with an EBITDA of 62k euros, meaning an operating margin of around 15%. This would serve as a smaller player to integrate to the main operations of the group.

Potential Exits

There are two possible exit strategies: either a sale to a financial player, or to a big operator in the OHS sector.

When thinking about the first option, we envision that a sale to a big private equity firm focused on European Healthcare could be something to look out for. An option could be, for example, *Apposite Capital*, which is already involved in a project in the Iberian Peninsula. They usually invest in projects up to 20M pounds (just under 24M euros) and have a particularly high focus on ESG.

Regarding the sale to a big Healthcare player, there could be an opening for a sale to the *Fresenius* group, that already owns two companies in Portugal, *Quirónprevención* and *Trasesa*. This operation could serve as a consolidation and expansion of their operation, for example, to try and build the biggest player at an Iberian level.

Risks

There are, as with any other sector, some risks that come with operating in OHS. The business itself is highly dependent on clinics to perform the health consultations portion, and as most have limited clinical coverage, they must subcontract external clinics across the country, even if they aren't able to guarantee the desired quality of these subcontractors. This creates possible issues with reputation and consistency across clinics/subcontractors.

Another relevant situation to be considered is the growth in popularity of remote jobs, which makes inspections of the safety of workspace much more ambiguous or nonexistent, which is a risk for this type of company. Moreover, with the tendency for automation coming into play,

there could be a decrease in the need for OHS inspection, auditing and certification in such quantities, particularly in heavily industrialized sectors. In Portugal, however, the substantial number of severe and fatal workplace accidents reflects a continued reliance on manual labor and high-risk environments. Between 2020 and 2023, severe accidents remained high, with 726 cases in 2022 and 684 in 2023. Similarly, fatal accidents had 154 cases recorded in both 2021 and 2023 (act.gov.pt 2024). As such, this risk should be viewed with a low probability of materializing in the short to medium term.

4.3. Coffin Production

Overview

Over the years, the manufacture of coffins has emerged as an important and a supplementary activity within the funeral services. This sector focuses mainly on the production of caskets for the death and other requisites associated with burial. The material that has been used in the construction of coffins has changed over time, depending on the preferences and beliefs of the deceased individual, their family or friends. Since the purchase of a coffin is a matter of prestige, some people factor their ability to pay for a quality coffin and the culture of their religion. Currently, popular materials for making a coffin are metal, wood and other sustainable materials (Jordon Layne 2023).

With the increasing concern in the environmental conscience, people have become much more selective in their choice and so there is an opportunity for the sector to adapt and evolve to the new consumer preferences, as consumers become more exigent.

Motivation

Europe's aging population is a key driver of demand, with Portugal aging even faster than the European Union average. In 2022, the average age of the Portuguese population was 46.8 years, and projections indicate that this value will keep growing in the future (*Público* 2023).

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Beyond the aforementioned trend, this sector is not significantly affected by economic downturns, as purchasing a coffin is essential when someone dies. Also, during a pandemic, the business volume can increase. During COVID-19, *Mallat*, a coffin production company located in Chaves, doubled its production of coffins due to the increase in the number of deaths caused by the disease (Lusa 2020). This shows that this industry is not exposed to some risks that may affect other sectors gravely, which can be seen as an opportunity for the investors to hedge the risk of other investments.

In addition, this sector presents opportunities associated with sustainability. With the growing awareness among populations regarding environmental issues, offering eco-friendly coffins can represent a market opportunity to build a differentiated brand, as some people are concerned about the environment and their impact on Earth, even after they have passed away.

There are barriers to enter this market associated with building or acquiring a factory, which represent a significant initial investment. This could be an advantage, since the existence of high barriers can discourage new investors from starting up in this sector, which limits market saturation and protects the market share of existing operators. In addition, a significant initial investment can create a competitive advantage for established companies with the resources to overcome these barriers, allowing them to capitalize on economies of scale and build a strong position in the market.

Main Players

When analyzing the Portuguese market, it becomes clear that there are significant opportunities for consolidation. According to SABI, the three largest players in Portugal have market shares of 11.54%, 9.99%, and 7.30%, representing a combined total of 28.83% of the Portuguese market. The Spanish market is also quite fragmented, with Spanish companies reporting lower revenues than Portuguese ones. A consolidation of the Portuguese industry could position Portugal as major supplier to Spain.

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In Portugal, two leading companies, *Globale Rc Urnas, Lda* and *Joaquim Ribeiro De Sousa E Castro, S.A* represent 21.53% of the entire market, with revenues around 5.5M and 4.5M euros, respectively. It is a highly diversified market with no prominent player that stands out above the rest. These signs denote that there is an opportunity for consolidation and growth for a leading player in the industry.

In the same way, competition in the Spanish market is also largely fragmented, and leading competitors are not able to monopolize the market. *Molina Caballero Hermanos SL* is one of the strongest companies in the market, hitting revenues of 5.9M euros.

Coffin manufacturing throughout Europe is also fragmented being rare for a particular company to dominate any domestic market. However, there are some specific corporations which are distinguishable. *Aninco*, a Belgian company, has a vast choice in terms of the type and kind of wood and finishing, as well as competitive prices. In the UK, *JC Atkinson* currently holds the market for eco-friendly coffins made of wood, wicker, bamboo, cardboard, among others. Outside Europe, other competitive manufacturers include *Batesville Casket* a company in the United States which specializes on high quality as well as innovated premium coffins. They provide a vast range of conventional and contemporary caskets that are customized for each family.

Strategies and Opportunities

The Portuguese sector includes different companies, some of which are appealing for an acquisition because of their increased profits or notable reputation in the industry. Two businesses have been awarded for their excellence as leading SMEs (*Manuel Rodrigues da Cruz* and *Ernesto de Oliveira & Ca*). This demonstrates that these companies possess competitive advantages related to their management and brand strength, as evidenced by those distinctions, which can be favorable for integration. One of these companies has a strong focus on sustainability, once it uses sustainable wood and finishing products in coffin production. By

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integrating a sustainable company with others that have not yet adopted the best sustainable practices, it would be possible to create a strong brand focused on sustainable values.

After achieving the biggest market share, the new created company could gain more negotiating power with suppliers and obtain quantity discounts, which is important to optimize costs. Making the production processes more efficient is essential to achieve economies of scale. By investing in technological solutions, it would be possible to register improvements in inventory management and production schedules, which would enhance results. Additionally, the consolidation can also enable logistics optimization, allowing for better route planning and larger shipment volumes, which can lead to lower transportation costs per unit produced. The integration would also create opportunities to diversify the products offered to consumers and expand the portfolio to attract more clients with different preferences. The increase in cremation services should not be seen as a threat but as an opportunity to introduce complementary products, such as urns, biodegradable or cremation-specific coffins. The synergies presented may have a positive impact on profitability and margins, making the newly created company more valuable in the market.

Since the Spanish market is as fragmented as the Portuguese market, consolidating Portuguese companies would create opportunities to increase exports, allowing the consolidated company to gain power in the Iberian Peninsula and possibly even in other countries in Europe.

Example of a success story

Kohlberg & Company, a private equity firm focused on acquiring middle market companies in North America, specializes in driving value creation through business enhancement and transformation process (Kohlberg & Company, 2024). In 2012, the firm identified an opportunity to invest in *Aurora Casket Company Inc.*, one of the largest casket producers in the USA. In 1999, *Aurora* had achieved 110M dollars in sales and 800 employees. In the period between 1990s and early 2000s, *Aurora* executed strategic acquisitions to expand its product

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lines and geographic reach, becoming even more relevant and attractive to other PE firms. These moves enabled Aurora to generate synergies with other industry leaders (Company Histories 2024). *Aurora Casket* was among the three largest players in US casket market when *Kohlberg & Company* initiated its exit strategy in 2015 by selling the company to another private equity firm, Matthews International. Today *Aurora Casket*, now named *Aurora Matthews*, and *Bastille Casket* dominate the market, collectively controlling 82% of the US casket industry (Open Markets Institute 2019).

Potential exits

A potential exit is for a funeral home to acquire the created group to vertically integrate to its operations. This could either be a strategic sale directly to a Portuguese player, like *Servilusa*, or a secondary sale to a private equity firm. The second could be particularly relevant given the increasing involvement of private equity players in the funeral industry, who might be looking for vertical integration along the supply chain to create more value to its companies. In this way, the built-up investment could be sold out to another Private Equity player seeking synergies in consolidating the funeral business into a single, streamlined player.

Another possible exit option would be selling to a big player in the Coffin manufacturing market, like *Karsol Kft.* – one of the larger players in Central Europe's. *Karsol Kft* operates over a sales network of 18 countries in Europe, however, has yet to penetrate in the Iberian Peninsula. Acquiring this consolidated Portuguese and Spanish coffin production platforms would allow to gain market share and presence into this region. Also, would take advantage of existing relationships that the consolidated entity has with their Iberian clients. It is considered that *Karsol* is well positioned to create value by expanding into new markets. This player registered 9.05M euros in revenues in 2023 and a significant portion of this growth has come from exports, highlighting their success in international markets (Orbis Database).

Risks

Stricter environmental regulations are driving the need for sustainable materials and eco-friendly production processes. Compliance with these standards can raise production costs that may not be matched by higher selling prices, creating a risk of reduced profit margins.

Another growing risk is the reliance on imported coffins from lower-cost producers in other countries. These imports often have lower prices due to reduced labor and material costs, creating pressure on domestic producers to lower their prices to remain competitive. This trend may be intensified if local manufacturers fail to meet the increasing diversity of consumer preferences for coffins. In such cases, domestic revenues could decline further, threatening the market position of the formed group.

5. Sector Selection

While all three sectors presented strong opportunities for *Draycott*, the occupational health and safety sector was ultimately selected for developing the strategy.

The senior residences sector showed significant fragmentation and a clear imbalance between supply and demand. However, key challenges emerged that compromised the viability of a buy-and-build strategy in this space. Acquiring existing structures would drive up acquisition costs, limiting the number of transactions possible. Furthermore, both national and international players have already initiated consolidation efforts, focusing more on building new facilities rather than acquiring existing ones, creating additional competitive pressure, with investment levels significantly higher than what *Draycott* wants to commit.

On the other hand, the coffin production sector proved to be too small for an effective consolidation strategy. The market consists of only 29 active companies operating in Portugal, with the largest one generating just 5.5M euros in revenue in 2023. In fact, only 11 companies surpassed 1M euros in revenue in 2023, making it an inadequate target for *Draycott's* ambitions.

In contrast, the occupational health and safety sector emerged as the most suitable option. This market offers strong profit margins, remains poorly consolidated, and is benefiting from an increasing awareness among businesses that workplace health and safety are critical to operational success. These factors align with *Draycott's* strategic goals, making it the ideal sector to pursue a buy-and-build approach.

6. Strategy Definition and Choice of Companies

As a starting point to better understand the OHS Portuguese market, all companies with revenues exceeding 200k in 2023 were analyzed. This analysis aimed to estimate the market size, identify key players, and evaluate the most suitable build-up strategies for this sector. All the companies analyzed had to meet the following requirements:

- Minimal annual revenues of 200k euros in 2023.
- Only provide services within the OHS sector. Companies that manufacture safety equipment (e.g., *HR Protecção* and *Insular*) were discarded.
- The company cannot be in the process of dissolution or insolvency.
- Additional selection criteria based on specific judgment used by the students.

In total, a universe of 87 companies were analyzed (see in Appendix Exhibit 6.1 for the full list of companies selected). From this analysis, two potential strategies emerged:

- Acquire *Interprev* as a “platform” company. *Interprev*, the largest and fastest-growing company in the sector as of 2023, could serve as a platform for further growth. The main goals would be to increase market share by continued organic growth of its revenues (CAGR of 26.7% on the last 3 years), make bolt-on acquisitions of strategically fit companies to enhance revenues through inorganic growth, and improving margins and cash generation (historically weak, with EBITDA exceeding 10% of revenues only in 2015 and 2016).

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- Acquire companies in the top 20 in the sector and merge them together to create a market leader (ideally equal to or bigger than *Interprev*). These companies would ideally have steady and predictable revenue growth; strong margins and operational cash flows; and consolidated and recognized brand in Portugal. Integration would focus on operational synergies, expanding market reach, cross-selling opportunities, and efficiency improvements.

After careful consideration, the second strategy was seen as more viable and aligned with a buy-and-build approach. While *Interprev* might appear promising, several challenges ruled it out as a suitable platform company. Firstly, given its rapid revenue growth, *Interprev* would likely demand EV/EBITDA multiples higher than the sector average, creating challenges upon negotiation, and potentially compromising the possibility to acquire other companies for the buy & build strategy. The company also presents margins and cash generation that are weaker than its peers, requiring significant financial improvement before making additional acquisitions, as reported by *Sabi*. Also, this company has high levels of debt (net gearing ratio of 203.6% and a Debt to EBITDA ratio of 3.2), that combined with a weak operating cash flow, make it a less attractive target for private equity investment. All these factors suggest that *Interprev* would need extensive restructuring, potentially delaying other acquisitions and reducing the value to be achieved within a typical private equity investment horizon.

For these reasons, the second strategy was the chosen one. Challenges are still anticipated when pursuing this strategy, mainly the effective integration of these companies. Nevertheless, it is still expected that this strategy will offer the same or more value with less risk.

Different companies for the consolidation plan were considered. The main criteria for the selection of target companies for the consolidation strategy were:

- Company among the top 20 in the industry (revenues above 1.5M euros).

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- Strong and known brand with established presence in the sector with 15+ years of operation.
- Consistent and predictable revenue growth, supported by strong operational cash flows.
- Company that does not belong to a big national or international group.
- Low debt levels.
- Experienced and proven management teams.
- Additional factors based on qualitative judgment, such as online presence and perceived negotiation feasibility.

Having this in mind, 5 companies were selected for the buy-and-build strategy: *Centralmed*; *Workview*; *MedialCare*; *Controlsafe*; and *MetSep*.

In the next section, each student will individually analyze these companies to better understand them financially, and their strategic fit for the group.

6.1. Workview

Workview is a company operating in the Occupational Health and Safety Sector (OHS). The company was founded in 2005, is based in Braga and has clinics and mobile units throughout Portugal, in 2023 the company employed 74 professionals. Its mission is to ensure the best solutions via the services it offers, with the goal of enhancing the health and well-being of employees. Additionally, *Workview* aims to continue to be a national benchmark, recognized for the excellence and quality of its services. The company's website explains the different areas the company focuses on in the OHS sector (Workview 2020):

- **Occupational health** is an essential area for companies to fulfil their legal obligations and prioritize workers' well-being. *Workview* offers personalized health programs that respond to the specific needs of each profession. In addition to enhancing employees' quality of life, these initiatives lead to increased productivity and improved outcomes for businesses.
- **Occupational safety** focuses on recognizing, evaluating, and managing risk factors such as mechanical, physical, chemical, ergonomic, psychosocial, and biological threats, to prevent accidents and work-related illnesses.
- **Food safety** involves legal regulations governing the production, transport and storage of food. Its main objective is to ensure that food products are safe for consumption, safeguarding public health and preserving quality throughout the supply chain.
- **Pest control** is a mandatory requirement in all industries and establishments in the food sector, as part of the HACCP system, it is also recommended for other establishments to prevent pests from damaging facilities or spreading disease, guaranteeing a clean and safe environment.

- **Environmental management** involves a set of actions focused on the responsible use of natural resources. *Workview* has a team that supports organizations in creating innovative and effective solutions that not only reduce costs but also improve environmental management practices.
- **Consultancy services** in quality management, occupational safety and environmental management. Provision of ongoing support services, including implementing management systems, carrying out audits, obtaining certifications and dealing with licenses.
- **Education and training.** *Workview* is a DGERT-certified entity with a team specializing in the areas of food safety, organizational behavior and occupational safety training, offering a wide range of solutions to help companies comply with their legal obligations.
- **Signage**, including emergency signage and fire safety signage.

The growing concern about these areas and the creation of more regulations have been an opportunity for *Workview* and its competitors to expand their services and increase their revenues. The analysis of the income statement of the company (Exhibit 6.2.1), over the last five years confirms that *Workview* has grown considerably in terms of revenues (Table 6.1.1). In 2019, revenues were 3.2M euros, while in 2023 they exceeded 5M euros, this increase reflects a compound annual growth rate (CAGR) of 10%, which demonstrates *Workview*'s growth potential.

Workview's Key Metrics				
	2020	2021	2022	2023
Revenue Growth	12.68%	15.03%	7.10%	16.91%
Ebitda Growth	3.24%	22.06%	-12.44%	28.73%
Ebitda Margin	19.97%	21.20%	17.33%	19.08%

Table 6.1.1 Workview's Key Metrics

The company's cost structure reflects the inherent characteristics of the OSH sector, so during the period analyzed, *Workview* did not report any cost of goods sold (GOGS), since the company provides services, its expenses are associated to employee costs and other operating costs. In 2019, other operating costs and employee costs represented 38.43% and 39.76% of total revenue, respectively, while in 2023, these costs corresponded to 42.80% and 38.12% of total revenue, showing that, over time, other operating costs have increased in percentage of revenue while employee costs have decreased.

Workview shows robust EBITDA margins, which are highly attractive from an investor's perspective. In 2023, the company's EBITDA almost reached 1M euros, reflecting an EBITDA margin of approximately 19%. As can be seen in Figure 6.1.1, margins remained consistently above 15%, reaching a maximum of over 20% in 2021 (22.06%). As consolidation could lead to cost and revenue synergies, *Workview's* EBITDA margins could become even better.

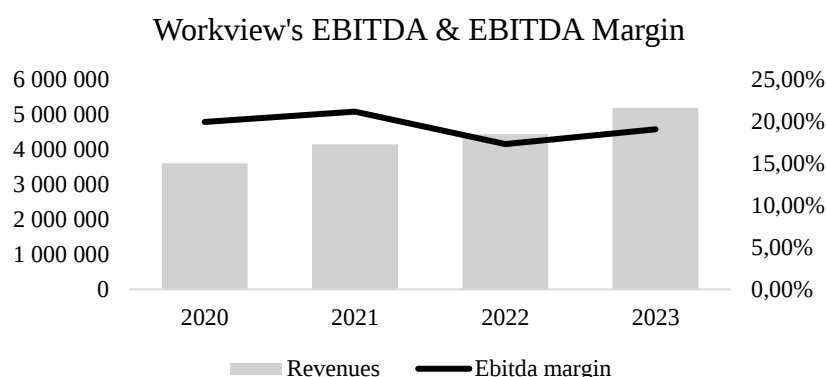


Figure 6.1.1 Workview's EBITDA & EBITDA margin

The company's balance sheet (Exhibit 6.2.2) shows that current assets represented around 72% of total assets in 2023. Although the company did not disclose inventories in any of the years studied, a considerable portion of assets was recorded as “debtors”, representing 45% of total assets in 2023. In addition, the categories “other current assets” and “cash and cash equivalents” made up a significant part of total assets, with their combined values almost double the amount recorded for “tangible fixed assets”. Looking at the liabilities and equity side, it can be seen

that the company is predominantly financed by equity, which was 4.1M euros in 2023, against total liabilities of 2.3M euros.

Cash flow management, liquidity, capital structure and the analysis of *Workview's* profitability will be covered in the following sections.

Cash Flow Management

According to the analysis made with SABI's information, shown in Table 6.1.2, *Workview's* cash conversion cycle (CCC) is considerably high compared to companies with similar market share in the sector. *Workview's* CCC increased notably from 109 days in 2019 to 187 days in 2023 (up 78 days), reflecting a compound annual growth rate (CAGR) of 14%. Analyzing *Workview's* peers, *Centralmed* reported a CCC of 22.72 days in 2023, and *Medialcare* had a negative CCC of -1.58 days. The upward trend in *Workview's* CCC, combined with the comparatively lower CCCs of its peers, suggests that the company may face challenges in effectively managing working capital (Corporate Finance Institute 2024b).

The company does not have an average holding period, since both inventories and the cost of goods sold (COGS) are zero, which is explained by the nature of the sector, since these types of companies do not need to hold stocks to complete their operational activities.

The high number of days it takes *Workview* to generate cash is primarily due to the extended time customers take to pay. In 2023, the company had to wait an average of 206 days to collect payments, which can significantly strain liquidity and create operational challenges. During the 2019-2023 period, the compound annual growth rate (CAGR) of the average collection period was 6%, meaning that this problem has persisted and worsened over the years. Investors can recognize this specific feature of the company as an opportunity to achieve gains through the improvement of management, once on average the sector has better negotiating power with customers. For example, *Centralmed* and *MedialCare* reported an average collection period of 44.97 and 63.20 days in 2023, respectively.

The average payable period was calculated using operating expenses (excluding wages) and accounts payable. In 2019, the company took an average of 54.63 days to pay its suppliers, and in 2020, this increased to 84.60 days, suggesting strong supplier negotiations. However, after 2022, *Workview* began losing negotiating power, reflected in a CAGR of -23%. In 2022 the company's average payable period was 9 days, and in 2023, it increased to 19 days (To complement this information, see Exhibit 6.2.3). Despite this increase between 2022 and 2023, the average payment period remained low compared to *Workview*'s previous years and its peers, such as *MedialCare*, which had an average payable period of 64.77 days in 2023.

Consolidation could present an opportunity to improve *Workview*'s CCC, since a larger corporation would probably have greater negotiating power with both clients and suppliers. Furthermore, with the presence of Private Equity, the specialized expertise of the management teams could help to increase the average payable period, potentially returning it to the levels observed in 2020. Moreover, PE participation could reduce the collection period by implementing better controls over delayed receivables and establishing more effective agreements with clients.

Workview's Cash Conversion Cycle							
	2019	2020	2021	2022	2023	CAGR (5 years)	% change
Average Collection Period	163.66	185.17	170.22	194.39	206.18	6%	6%
Average Payable Period	54.63	84.60	34.99	9.18	19.04	-23%	107%
Cash Conversion Cycle	109.03	100.57	135.23	185.22	187.14	14%	1%
<i>in number of days</i>							

Table 6.1.2 Workview's Cash Conversion Cycle

Liquidity Analysis

The analysis of the company's liquidity position will be divided into the analysis of the current ratio, the quick ratio and the cash ratio, as illustrated in Table 6.1.3. The current ratio, by definition, relates current assets to current liabilities to assess the company's ability to meet its short-term obligations using its current assets. Depending on the sector analyzed, usually a

current ratio greater than 1 suggests the company is in a good position (Corporate Finance Institute 2024c).

Throughout the period analyzed, *Workview* has maintained high current ratios, with this ratio exceeding 5 in 2023, indicating *Workview*'s strong capacity to meet short-term obligations with its current assets. On the other hand, such a high ratio may indicate that *Workview* holds assets that may not be supporting its operating activities. One of the reasons for the high current ratio is the large value recorded in current assets- "debtors", which increased 107% from 2019 to 2023, and is related to the company's extended average collection period. Between 2019 and 2023, the current ratio grew at a compound annual growth rate (CAGR) of 12%, where in 2019 this ratio was 3.26, in 2020 it decreased to 2.96, then increased to 4.07 in 2021, followed by a significant increase in 2022, reaching 7.6. In 2023, the current ratio decreased by 32%, falling to 5.16. Regarding the quick ratio, the values are the same when compared to the current ratio (because the company does not record any inventories).

The cash ratio relates a company's short-term obligations to its cash. In recent years, *Workview* has maintained cash ratios above 1. In 2023, the cash ratio was 1.3, which represents a 44% decrease compared to 2022, when the ratio was 2.32. A cash ratio above 1 show that the company is able to meet all its short-term obligations using only its cash. While this is generally a positive factor, it can also indicate that the company is not investing enough to generate growth. Therefore, excess liquidity can suggest that the company is missing out on investment opportunities.

The liquidity analysis reveals that *Workview* is not efficient, as it has an excessive amount of current assets, which leads to a high current and quick ratios. Additionally, the company also has an excess of cash, as evidenced by its cash ratio of over 1 in 2023. This inefficiency can be seen as an opportunity by private equity investors, who may capitalize on this by leveraging the company's excess liquidity to pursue growth opportunities, taking advantage of the

underutilized cash (see Exhibit 6.2.4 for more information).

Workview's Liquidity Analysis							
	2019	2020	2021	2022	2023	CAGR (5 years)	% change last year
Current Ratio	3.26	2.96	4.07	7.60	5.16	12.2%	-32.1%
Quick Ratio	3.26	2.96	4.07	7.60	5.16	12.2%	-32.1%
Cash Ratio	1.02	1.14	1.63	2.32	1.30	6.3%	-44.0%
Net Working Capital <i>in thousands of euros</i>	1,776.3	2,438.7	2,838.6	3,618.7	3,746.7	20.5%	3.5%

Table 6.1.3 Workview's Liquidity Analysis

Capital Structure

Workview's capital structure is characterized by a high portion of equity compared to debt, as shown in Table 6.1.4. Starting by analyzing net debt, it was negative from 2019 to 2021, indicating that the company's cash and cash equivalents exceeded its total debt, during the period. In 2022 and 2023, although net debt became positive, it remained low (579k and 273k euros, respectively). Consequently, the company's net gearing was 0.16 in 2022 and 0.07 in 2023, suggesting that the company has been financed more by shareholder funds.

Net debt-to-EBITDA is a leverage ratio that compares a company's net debt to its EBITDA, showing the company's ability to generate cash flow, thus, this ratio is important for creditors to assess companies' financial health. Between 2019 and 2021 the ratio was negative due to negative net debt. In 2022, the ratio was 0.75 and, in 2023, it fell 64%, to 0.27, confirming that the company should have no problems repaying its debt. As a result, banks are likely to evaluate the company positively and be willing to lend more resources, which is very interesting for a PE firm (Corporate Finance Institute 2024d).

The debt/equity ratio compares the company's total debt to equity, indicating the extent to which shareholders' funds can cover the company's outstanding debt. Throughout the period, equity was consistently much higher than debt, with the ratio always remaining below 1 between 2019 and 2023. The compound annual growth rate (CAGR) of the debt/equity ratio during the period was 28%, although by 2023 the ratio had decreased by 31% compared to the previous year. In

2023, the ratio stood at 0.35, which shows that the company operates with low leverage position and has ample capacity to take on additional debt. The last ratio chosen to assess *Workview's* capital structure was the financial autonomy ratio. This ratio hardly changed during the period. In 2023, it was 64%, which reveals that *Workview* is in a comfortable position, as a financial autonomy ratio typically needs to be at least 20–25% to support creditworthiness (hub.brussels 2023).

Considering all the capital structure ratios, it is clear that *Workview* presents low levels of debt, suggesting that the company is not making full use of leverage to maximize investors' returns, which can be an interesting feature for a private equity firm, since *Workview's* structure can easily support higher leverage (see Exhibit 6.2.5 for more information).

Workview's Capital Structure Analysis							
	2019	2020	2021	2022	2023	CAGR (5 years)	% change last year
Net Gearing Ratio	-0.22	-0.29	-0.33	0.16	0.07	-	-
Net Debt to EBITDA Ratio	-0.72	-1.06	-1.20	0.75	0.27	-	-
Debt to Equity Ratio	0.13	0.24	0.14	0.51	0.35	28%	-31%
Financial Autonomy Ratio	0.68	0.59	0.70	0.60	0.64	-2%	7%

Table 6.1.4 Workview's Capital Structure

Profitability Analysis

Profitability indicators are important for reaching a conclusion about a company's management, namely whether resources are being allocated effectively to provide maximum returns for investors. Starting with the asset turnover ratio, this measure provides information on how effectively a company's assets are used to generate income. In general, a higher asset turnover ratio indicates better company performance (Corporate Finance Institute 2024a). As shown in Table 6.1.5, *Workview's* asset turnover has consistently been below 1 over the past five years. These results are different from what is expected in this sector, since companies operating in the field of occupational health and safety generate most of their revenue from services, which does not involve high investments in fixed assets. In fact, in 2023, around 72% of *Workview's*

total assets were current assets, knowing that more than 63% of the company's current assets were “debtors”, which, as already mentioned, is due to a significantly longer average collection period than that of the sector. Furthermore, the company has been holding excess cash throughout the period, as highlighted in the liquidity analysis section.

Although the asset turnover shows that the company is not delivering maximum profitability in recent years, it has never fallen below 0.7. From 2019 to 2023, the ratio varied, with certain years demonstrating improved performance. The peak asset turnover was in 2019, when it was 0.95, in 2023, the ratio dropped to 0.8, indicating that *Workview* may need to enhance its management strategies for better asset utilization, once the ratio indicates that the company is maintaining a substantial volume of assets relative to the revenues generated.

When analyzing net profit and total assets, another indicator emerges: return on assets (ROA). Return on assets is significantly lower than asset turnover, which can be explained by the high portion of operating costs that the company incurs to sustain its core activities. Between 2019 and 2023, the return on assets fluctuated, at the beginning of the period it was 0.12, whereas, in 2023 it dropped to 0.08, reflecting a compounded annual growth rate (CAGR) of -10%, proving that over time, the company has struggled to consistently improve its management.

Another metric considered valuable for investor decisions is return on equity (ROE), which is fundamental for understanding the returns on investments made by shareholders. In 2019, *Workview's* return on equity was 18%, and over the five years analyzed it decreased, reaching 12% in 2023. Specifically, the ROE dropped from 18% to 15% in 2020, then briefly increased to 17% in 2021, before falling significantly to 12% in 2022. The ROEs observed at the beginning of the period prove that the company has the potential to deliver greater returns to investors, provided there are improvements in management.

To conclude, the profitability analysis profitability margins were calculated. Beginning with the gross margin, as *Workview* does not document costs of goods sold, its gross margin has

consistently been 100% throughout the past five years. Concerning the EBITDA margin, the firm has shown appealing results, sustaining EBITDA margins over 17% throughout the entire period, positioning *Workview* as a more attractive target compared to many other companies in the sector. Nevertheless, EBITDA margins have varied to some extent, at the beginning of the period, they stood at 21.8%, experiencing an annual compound growth rate (CAGR) of -3%, resulting in an EBITDA margin of 19.08% in 2023, which remains quite appealing. EBITDA margins are crucial when considering acquisition targets, and *Workview* has demonstrated strong potential for integration.

After accounting for depreciation and amortization, EBIT is derived. While the EBIT margin is an important indicator, EBITDA is generally more relevant for decision-making, since depreciation and amortization are expenses that do not represent cash outflows. As expected, EBIT margins are lower than EBITDA margins due to amortization and depreciation charges related to fixed assets, such as buildings or even vehicles. Over the past five years, the EBIT margins have followed a similar trend to EBITDA margins, as depreciation and amortization have remained relatively stable around 200k euros annually, which lead to EBIT margins of 16.99%, 12.83% and 14.24% in 2023, 2022, and 2021, respectively.

In conclusion, the company lacks efficiency in the management of its resources. Although its robust and stable EBITDA margins suggest an attractive business model for investors, its asset turnover ratio below 1 points underutilization of resources, demonstrating an opportunity to improve asset management and operational efficiency. The analysis carried out shows that *Workview* has good advantages that make it appetizing for a PE looking for consolidation opportunities, with the aim of obtaining returns through improved management (see Exhibit 6.2.6 to see more information).

Workview's Profitability Analysis							
	2019	2020	2021	2022	2023	CAGR (5 years)	% change last year
Asset Turnover	0.95	0.79	0.91	0.74	0.80	-4.1%	8.6%
ROA	0.12	0.09	0.12	0.07	0.08	-9.7%	9.8%
ROE	0.18	0.15	0.17	0.12	0.12	-8.3%	3.4%
Gross Margin	100.00%	100.00%	100.00%	100.00%	100.00%	0.0%	0.0%
EBIT Margin	16.50%	14.65%	16.99%	12.83%	14.24%	-3.6%	11.0%
EBITDA Margin	21.80%	19.97%	21.20%	17.33%	19.08%	-3.3%	10.1%
Net Profit <i>in thousands of euros</i>	403.62	404.07	540.13	435.69	514.78	6.3%	18.2%

Table 6.1.5 Workview's Profitability Analysis

Ownership Structure

According to the information available on SABI, *Workview* is solely owned by one shareholder, Paulo Sérgio da Cunha Pereira. The fact that only one shareholder manages the company could simplify the acquisition process, since the process of consolidating negotiations should be handled by a key decision-maker. On the other hand, the consolidation of this company may be conditioned by the will of just one person, who may not be interested in accepting the deal. Another important aspect to mention is the fact that *Workview* has a subsidiary, which has been losing size over the last few years. In 2023 the company's total revenue was around 7k euros, which seems insignificant when compared to *Workview*'s results, suggesting that the subsidiary is unlikely to have a direct impact on the acquisition.

Conclusion

Workview presents an attractive investment opportunity for a private equity firm due to its strong EBITDA margins (above 17% in the last five years) and consistent revenue growth. The lack of financial efficiency in some respects may present attractive opportunities for private equity firms. Optimizing the cash conversion cycle, which was 187 days in 2023, by improving negotiations with customers and suppliers could be a point of interest for PE investors. Additionally, the analysis of the liquidity position suggests that the company holds under-utilized assets, as its current and quick ratios reached 7.6 and 5.16, in 2022 and 2023, respectively. The cash ratio is also excessively high, since in the past five years it was always

higher than 1, showing that *Workview* may not be taking advantage of investment opportunities to grow, so a private equity firm could capitalize on this situation to explore and drive growth. From a capital structure point of view, *Workview* benefits from a solid equity base and low debt levels, knowing that between 2019 and 2021 the company had negative net debt, and in 2022 and 2023, the net gearing ratios were 0.16 and 0.07, respectively. This makes *Workview* a favorable target for leveraging, fueling further expansion. Thus, the company's financial autonomy and stable capital base provide a basis for potential debt expansion, allowing for flexible strategic investments.

Ultimately, the increasing regulatory requirements and growing concern for health and safety at work provide a favorable backdrop for the continued growth of this sector. Thus, *Workview* offers significant growth potential for *Draycott*, which aims to capitalize on the operational inefficiencies of its targets, strengthen their market position, and achieve a profitable exit.

7. Consolidation plan

The integration of these companies will follow a phased approach, with some companies being acquired in 2025 and the others in 2026. This phased timeline ensures the feasibility of operations, as negotiating with multiple players at once could be a difficult task to manage in just one year. Because of that, *Centralmed* and *MetSep* will be acquired in 2025, followed by the acquisition of *Workview*, *MedialCare*, and *Controlsafe* in 2026.

The acquisition schedule was designed to prioritize companies with a consolidated presence and a strong market position. *Centralmed* emerged as the optimal first acquisition to be made. Established in 1997, it is the oldest company among the targets and has the highest revenues. *Centralmed* is recognized for its best practices, having been distinguished as the best HR Supplier in the Occupational Health and Safety category for the last 4 consecutive years. Additionally, its client portfolio has several high-profile clients, such as *EasyJet*, *Adidas*, *Iberdrola*, and *HBO*, showing its reputation and reliability in the sector.

MetSep will be merged with *Centralmed's* operations in 2025. *MetSep* is the second oldest companies, operating since 1999. The main contribution expected from *MetSep* is to diversify the portfolio of services offered by *Centralmed* by complementing with two services not offered by *Centralmed*: pest control and waste management. The formed group will establish a robust operational foundation to facilitate the subsequent acquisitions.

Additionally, prioritizing *Centralmed* and *MetSep* as the first acquisitions carries strategic risk mitigation benefits. *Centralmed's* relatively lower EBITDA margins compared to its peers allow for the acquisition of a large, well-established company at a comparatively favorable valuation. *MetSep*, being the smallest target company, also involves a lower financial commitment. This approach will minimize the exposure in the event of unforeseen challenges in 2025, such as an economic downturn or integration issues, that might impact the continuation of the buy-and-build strategy. By the end of 2025, the group will comprise a solid and

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consolidated base while limiting the risk exposure of the invested capital.

The remaining three acquisitions will be made in early 2026. The best practices the group has will be mirrored to these three companies. At the same time, each one of them is expected to bring their own best practices and value to the group: profitability levels above the industry average; clinics to expand the coverage of occupational and specialized healthcare services; and a strong network of providers, enhancing the group's operational reach.

A centralized management team will be created to oversee the consolidated group. This team will include key managers for the areas of finance, customer management, commercial management, human resources, external providers network, clinical direction, marketing and IT. These managers will be selected from the acquired companies or externally recruited to ensure the necessary expertise. The previous shareholders of the companies, often also the managers of these companies, will also play a critical role in the integration of their respective company into the group.

Draycott's operational team is expected to also play a key role in the first years to guarantee the best integration of these companies. KPIs will be established to track the progress of integration (e.g., revenue growth, employee retention, cost savings, days receivable), and quarterly reviews will be implemented to assess the success of the integration. A contingency plan will also be developed for unexpected challenges, such as loss of personnel or clients' churn. Once the integration is completed, the operational team will focus on identifying and implementing synergies across the group, including streamlining operational processes, leveraging cross-selling opportunities and optimizing the group's geographical and service coverage.

Draycott's ESG policies will also be applied throughout the acquisition and integration process. Six months after the acquisition, each company will adopt an appropriate governance model, and a centralized Sustainability Committee will be created. This committee will provide ESG

training for management, incorporate ESG-related KPIs into the value creation plan, and monitor progress through quarterly ESG reports. The ESG framework will ensure that sustainability is embedded in the group's operations, supporting long-term value creation.

8. Business Plan and Forecast

Using the results obtained by each company between 2019 and 2023 as a reference, estimates were made to forecast the values for the years 2025-2031.

To obtain the financials of the newly created company, the most crucial income statement, balance sheet and cash flow statement items were estimated. A main scenario was created, the team case, which is based on realistic assumptions and assuming a conservative approach.

Throughout the business plan, several items were estimated from 2024 to 2031: Revenues, EBITDA, Working Capital (which includes expected inventories, accounts receivable, accounts payable and other payables), Depreciations & Amortizations and Capex. The business plan ends with an estimate of the taxes to be paid according to the results forecasted for the period.

8.1.Revenue Forecast

To determine the annual revenue growth rate of each company, the metric used was the historic average growth for each company from 2019 to 2023, which would be the basis for the team case growth. A 1 percentage point increase in revenue growth was assumed for the first 3 years after the acquisition, as a result of price adjustments and broadening number of clients and services provided (cross-selling), which should help increase revenues beyond the level registered in previous years. An increase in regulatory demands in the OHS sector also supports this expectation. After the 3 years of growth, it is assumed a 1 p.p. decrease in revenues growth rate per year due to the conservative assumption that revenues will converge to the long-term 2.0% level of inflation.

Table 8.1.1 shows that the company with the largest share of the consolidated company's

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revenues is *Centralmed*, which is expected to reach over 6.6M euros in 2024 and end 2031 with a little more than 12.0M euros. As mentioned earlier, *Centralmed* is the first company planned to be bought, followed by *Metsep*, which is the smallest company in terms of revenue.

	Sales							
	2024E	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Centralmed	6,643,908.85	7,224,139.61	7,927,284.91	8,778,142.12	9,632,542.74	10,473,779.09	11,283,745.12	12,043,510.59
<i>Growth rate</i>	7.73%	8.73%	9.73%	10.73%	9.73%	8.73%	7.73%	6.73%
Workview	5,840,544.62	6,563,922.10	7,442,532.33	8,513,173.78	9,822,963.52	11,236,040.60	12,740,034.72	14,317,944.80
<i>Growth rate</i>	12.39%	12.39%	13.39%	14.39%	15.39%	14.39%	13.39%	12.39%
Medialcare	5,400,938.05	5,775,258.93	6,233,275.32	6,789,948.21	7,464,235.17	8,130,840.95	8,775,670.65	9,383,882.91
<i>Growth rate</i>	6.93%	6.93%	7.93%	8.93%	9.93%	8.93%	7.93%	6.93%
Controlsafe	2,581,647.12	2,852,199.07	3,179,626.37	3,576,438.00	4,058,535.38	4,565,033.26	5,089,090.82	5,622,418.35
<i>Growth rate</i>	10.48%	10.48%	11.48%	12.48%	13.48%	12.48%	11.48%	10.48%
Metsep	1,659,328.93	1,802,610.60	1,976,290.62	2,186,467.48	2,397,131.79	2,604,122.11	2,802,944.66	2,988,917.69
<i>Growth rate</i>	7.63%	8.63%	9.63%	10.63%	9.63%	8.63%	7.63%	6.63%

Table 8.1.1 Sales Forecast for each Company between 2024 and 2031 - Team Case

According to the calculations, in 2026, the first year in which all the companies will be operating as one, the newly created company will record revenues of approximately 26.8M euros. After five years, in 2031, according to the team case, the newly created company will record around 44.4M euros in revenue (Table 8.1.2).

	Newly Company Sales							
	2024E	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Group	-	9,026,750.21	26,759,009.56	29,844,169.59	33,375,408.59	37,009,816.01	40,691,485.97	44,356,674.35
<i>Growth rate</i>	-	-	196.44%	11.53%	11.83%	10.89%	9.95%	9.01%

Table 8.1.2 Newly Company Revenues between 2025-2031

8.2. EBITDA Forecast

Due to the lack of information in the available platforms when it comes to the division between types of operating costs, it was decided that the best way to arrive at the EBITDA was to estimate it through an EBITDA margin. The assumption was that the companies would record an EBITDA margin equal to the average of the period from 2019 to 2023, to which 2 p.p. should be added when the company was acquired. This assumption is supported by gains in negotiating power, existence of synergies between the companies and cost structure optimization when

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Draycott enters the company's management team.

Between 2019 and 2023, *Workview* led the group with 1M euros in EBITDA in 2023, achieving an EBITDA margin of 19.1%, while *Controlsafe* and *Metsep* had the lowest EBITDA levels at 257k euros and 253k euros, respectively, corresponding to margins of 11.0% and 16.4% (Table 8.2.1).

	EBITDA				
	2019F	2020F	2021F	2022F	2023F
Centralmed	553,595.35	611,637.87	373,882.58	293,455.34	425,598.44
<i>Margin</i>	<i>12.46%</i>	<i>13.51%</i>	<i>8.06%</i>	<i>5.52%</i>	<i>6.90%</i>
Workview	698,099.00	720,715.00	879,713.00	770,257.00	991,558.00
<i>Margin</i>	<i>21.80%</i>	<i>19.97%</i>	<i>21.20%</i>	<i>17.33%</i>	<i>19.08%</i>
Medialcare	257,121.00	284,030.00	609,422.00	582,664.00	734,013.00
<i>Margin</i>	<i>6.97%</i>	<i>7.50%</i>	<i>14.68%</i>	<i>12.00%</i>	<i>14.53%</i>
Controlsafe	63,481.89	127,500.27	162,472.05	292,173.03	257,240.98
<i>Margin</i>	<i>4.01%</i>	<i>8.72%</i>	<i>9.52%</i>	<i>14.77%</i>	<i>11.01%</i>
Metsep	84,732.02	161,125.92	111,985.78	202,294.44	252,591.51
<i>Margin</i>	<i>7.63%</i>	<i>14.70%</i>	<i>9.29%</i>	<i>14.92%</i>	<i>16.38%</i>

Table 8.2.1 Historical EBITDA for each company between 2019 and 2023

As *Centralmed* is the first company to be acquired, its EBITDA margin is expected to start out at 8.1% in 2024 and increase to 10.1% from 2025 onwards. On the other hand, *Metsep* will also be acquired in the same year, and its EBITDA margin is assumed to peak at 16.7%, following the same rule as *Centralmed*.

The next three remaining companies will maintain their respective average EBITDA margin levels until 2025. At that point, the margins will increase by 2 p.p., reaching a level of 22.0% for *Workview*, 14.0% for *MedialCare*, and

11.5% for *Controlsafe*, in 2029, as shown in Table 8.2.2.

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	EBITDA Forecast							
	2024E	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Centralmed	535,745.83	727,016.77	797,779.30	883,407.14	969,391.58	1,054,051.20	1,135,563.87	1,212,024.50
Margin	8.06%	10.06%	10.06%	10.06%	10.06%	10.06%	10.06%	10.06%
Workview	1,166,603.88	1,311,092.97	1,635,439.25	1,870,704.48	2,158,520.70	2,469,033.53	2,799,524.67	3,146,258.28
Margin	19.97%	19.97%	21.97%	21.97%	21.97%	21.97%	21.97%	21.97%
Medialcare	648,164.71	693,086.83	872,718.73	950,658.31	1,045,064.99	1,138,396.24	1,228,678.62	1,313,834.21
Margin	12.00%	12.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
Controlsafe	245,675.95	271,422.35	366,173.67	411,871.48	467,391.01	525,720.57	586,072.34	647,491.66
Margin	9.52%	9.52%	11.52%	11.52%	11.52%	11.52%	11.52%	11.52%
Metsep	243,983.39	301,103.36	330,114.42	365,221.81	400,410.63	434,985.75	468,196.55	499,261.00
Margin	14.70%	16.70%	16.70%	16.70%	16.70%	16.70%	16.70%	16.70%

Table 8.2.2 EBITDA Forecast for each company between the years 2024 and 2031 - Team Case

8.3.Free Cash Flow Forecast

To obtain the Free Cash Flow, it was necessary to estimate the following items:

Net Working Capital

For each company, forecasts were computed for inventories, trade receivables, trade payables and other payables (Table 8.3.1).

		Net Working Capital Forecast								
		2023H	2024E	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Centralmed	(273,312)	(292,828)	(318,402)	(349,393)	(386,894)	(424,551)	(461,629)	(497,328)	(530,814)	
Change in NWC	-73847	-19516.4	-25573.5	-30990.9	-37501.3	-37657.4	-37077.2	-35699.0	-33486.4	
Workview	2035056	2,287,454	2,570,765	2,404,852	2,121,059	1,720,763	1,137,144	346,942	(629,996)	
Change in NWC	215817	252398	283311	-165913	-283793	-400296	-583620	-790202	-976938	
Medialcare	-820705	(863,171)	(922,995)	(274,730)	(299,265)	(328,984)	(358,364)	(386,785)	(413,592)	
Change in NWC	3438	-42467	-59824	648265	-24535	-29719	-29380	-28421	-26807	
Controlsafe	86068	104,178	115,095	(108,090)	(121,579)	(137,968)	(155,186)	(173,001)	(191,131)	
Change in NWC	-46014	18109	10918	-223185	-13489	-16389	-17218	-17815	-18130	
Metsep	-122519	(128,455)	(78,709)	(86,293)	(95,470)	(104,668)	(113,706)	(122,387)	(130,508)	
Change in NWC	-31048	-5936	49746	-7584	-9177	-9198	-9038	-8681	-8120	
Consolidated NWC										
Change in NWC	(73,847)	(19,516)	24,172	220,593	(368,496)	(493,259)	(676,333)	(880,818)	(1,063,482)	

Table 8.3.1 Net Working Capital Forecast

It was assumed that the inventory level would remain at the 5-year average in percentage of

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revenues. As some of the companies chosen did not have inventories in their balance sheet, it was assumed that those companies would continue without registering inventories, as shown in Exhibit 8.3.1.

Trade receivables (Table 8.3.2) were calculated using the average collection period. As *Centralmed*, the first company to be acquired, took 45 days to receive payments from its customers in 2023 (one of the lowest in the sector), it was assumed that the other companies' average collection period would converge to this value after the acquisition. The exception is *Workview*, which in 2023 took an average of 206 days to receive the due cash from its clients, and therefore it was considered that the average collection period of *Workview* would decrease at a steady rate, but only in 2031 would it be the same as the others.

		Trade Receivables Forecast								
		2023H	2024E	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Centralmed		758,354	818,619	890,111	976,748	1,081,585	1,186,859	1,290,510	1,390,309	1,483,922
Average Collection Period		45	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0
Workview		2935292	3,299,188	3,707,807	3,649,899	3,545,212	3,364,029	3,016,800	2,478,199	1,765,226
Average Collection Period		206	206	206	179	152	125	98	71	45
Medialcare		861024	935,113	999,922	768,023	836,613	919,694	1,001,829	1,081,281	1,156,221
Average Collection Period		63	63	63	45	45	45	45	45	45
Controlsafe		420382	473,526	523,151	391,773	440,665	500,066	562,473	627,044	692,758
Average Collection Period		67	67	67	45	45	45	45	45	45
Metsep		138859	152,879	222,106	243,506	269,402	295,359	320,863	345,360	368,275
Average Collection Period		34	34	45	45	45	45	45	45	45

Table 8.3.2 Trade Receivables Forecast between 2024 and 2031 for the 5 companies

Regarding accounts payable, all companies will align their average payment period with *Centralmed's*, which is 22 days (Table 8.3.3), a number that fairly represents the sector's average. The exception is *MedialCare* that has an average payable period of 65 days. *MedialCare's* operations, which rely more on external providers, will see a shift in its payable structure to pay more promptly to its suppliers. Although a higher payable period is beneficial in terms of cash generation, the delay in payments could undermine the relationship with suppliers. Therefore, *MedialCare's* payable period also reduces to 22 days after its acquisition.

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		Trade Payables Forecast								
		2023H	2024E	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Centralmed		161,528	174,019	189,217	207,634	229,919	252,298	274,332	295,547	315,447
Average Payable Period		22	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3
Workview		116016	130,385	146,534	194,937	222,979	257,286	294,297	333,690	375,019
Average Payable Period		19	19	19	22	22	22	22	22	22
Medialcare		521071	557,185	595,801	163,264	177,844	195,505	212,965	229,855	245,785
Average Payable Period		65	65	65	22	22	22	22	22	22
Controlsafe		44618	49,294	54,459	83,282	93,675	106,302	119,569	133,295	147,264
Average Payable Period		16	16	16	22	22	22	22	22	22
Metsep		46832	50,408	47,214	51,764	57,269	62,786	68,208	73,415	78,287
Average Payable Period		32	32	22	22	22	22	22	22	22

Table 8.3.3 Trade Payables Forecast between 2024 and 2031 for the 5 companies

Other payables were also estimated, as shown in Table 8.3.4. It was observed that all the companies, except *MedialCare*, had a similar percentage of other payables as a function of revenue in 2023, so it was assumed that, in the future, all the companies will have other payables equal to 14.1% of their revenue, which was the value observed for *Centralmed* in 2023. The same rational was used for *MedialCare* as the one used above.

		Other Payables Forecast								
		2023H	2024E	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Centralmed	870,138	937,428	1,019,296	1,118,507	1,238,560	1,359,112	1,477,807	1,592,090	1,699,290	
% of Revenues	14%	14%	14%	14%	14%	14%	14%	14%	14%	
Workview	784220	881,349	990,509	1,050,111	1,201,174	1,385,980	1,585,359	1,797,566	2,020,203	
% of Revenues	15%	15%	15%	14%	14%	14%	14%	14%	14%	
Medialcare	1160658	1,241,099	1,327,116	879,489	958,034	1,053,173	1,147,228	1,238,211	1,324,027	
% of Revenues	23%	23%	23%	14%	14%	14%	14%	14%	14%	
Controlsafe	313251	346,079	382,347	448,632	504,621	572,643	644,107	718,050	793,300	
% of Revenues	13%	13%	13%	14%	14%	14%	14%	14%	14%	
Metsep	215179	231,608	254,341	278,846	308,502	338,225	367,431	395,484	421,724	
% of Revenues	14%	14%	14%	14%	14%	14%	14%	14%	14%	

Table 8.3.4 Other Payables Forecast between 2024 and 2031 for the 5 companies

Capital Expenditures and Depreciation

Due to a lack of information, capital expenditure in previous years was calculated implicitly through the difference between the value of fixed assets in the current year and the previous year, to which depreciation & amortization was added.

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To estimate future CAPEX levels, the historical values in percentage of turnover were considered as the benchmark. In this case, however, and due to the high variations in past CAPEX levels, the median level was used, with the condition that CAPEX had to be equal to or larger than the depreciation and amortization value for the period. Therefore, future capital expenditures reflect the sales trend, as higher revenues are partly explained by more capital expenditure. To arrive at the depreciation forecast, the team took the 2019-2023 average level of depreciations divided by the sales and assumed it would stay at that level for our estimation period (Table 8.3.5).

CAPEX Forecast							
	2025F	2026F	2027F	2028F	2029F	2030F	2031F
CAPEX	343,302	1,402,778	1,563,166	1,749,887	1,942,451	2,137,955	2,333,071
<i>%Sales</i>	<i>4%</i>	<i>5%</i>	<i>5%</i>	<i>5%</i>	<i>5%</i>	<i>5%</i>	<i>5%</i>

D&A Forecast							
	2025F	2026F	2027F	2028F	2029F	2030F	2031F
D&A	309,649	935,598	1,049,019	1,179,523	1,315,191	1,454,125	1,594,101
<i>%CAPEX</i>	<i>90%</i>	<i>67%</i>	<i>67%</i>	<i>67%</i>	<i>68%</i>	<i>68%</i>	<i>68%</i>

Table 8.3.5 CAPEX Forecast

8.4. Taxes

To estimate taxes (Table 8.4.1), it was assumed that the consolidated company would be exposed to a tax rate of 21%, since this is the base percentage for corporate income tax in Portugal (PwC Portugal 2024).

Taxes Forecast							
	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Taxes Paid	150,879	643,992	720,897	810,864	904,469	1,000,421	1,097,201
<i>Effective Income Tax (%)</i>	<i>21%</i>	<i>21%</i>	<i>21%</i>	<i>21%</i>	<i>21%</i>	<i>21%</i>	<i>21%</i>

Table 8.4.1 Taxes Forecast

9. Leveraged Buyout

With the estimations of the business plan and forecast, the LBO (leveraged buyout) model can be created. Because five companies are being acquired at different times, and because each one

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has its own characteristics (EBITDA margins, existing debt, existing cash), each company has its own sources and uses table. But before, the multiple to be used for these acquisitions must be estimated.

9.1. Definition of the acquisition multiple

When it comes to the definition of the purchasing price, we will consider the EV/EBITDA multiple as this is the usual methodology used for valuations in Private Equity based transactions, and it was the one used in past transactions in the OHS sector.

There are a few trading companies that operate in the OHS sector in Europe:

- *Marlowe PLC* (LON: MRL) – a leader in the UK across three regulated industries (Fire Safety & Security, Water & Air Hygiene, Occupational Health). In 2023, *Marlowe* registered revenues of 482M euros, and it has a current EV/EBITDA multiple of 13.0x.
- *Terveystalo Oyj* (HEL: TTALO) – largest private healthcare service provider in Finland and leading occupational health provider in the Nordic region. In 2023, *Terveystalo* recorded revenues around 1.3B euros, and it has a current EV/EBITDA multiple of 14.2x.
- *Pihlajalinna Oyj* (HEL: PIHLIS) – one of Finland's leading providers of health care services being occupational health one of their key services. In 2023, *Pihlajalinna* had revenues around 720M euros, and it has a current EV/EBITDA multiple of 5.5x.
- *PHSC plc* (LON: PHSC) – UK company that provides products and services to enable their customers to effectively manage the health, safety and security of their property and people. In 2023, *PHSC* registered revenues around 4.5M euros, and the current EV/EBITDA multiple is 5.4x.

Although these firms offer the same services and operate in the same demographics (Europe) as the companies to be valued, their size and scale rule them out from being good comparable. Therefore, *Marlowe* will not be considered due to its position as the number one player in the

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UK market with revenues heading to 500M euros and *Terveystalo* will also be discarded due to its scale (biggest player not only in Finland but also in the Nordic region) and size. *Pihlajalinna* is also ruled out because of their size (720M euros) but mostly because their services extend to more than just occupational health (besides clinics they also have hospitals that provide medical procedures and surgeries, and services for children and elders). *PHSC* stood out as the best comparable as they have a very similar size and scale (less than 5M euros in revenues and 31 full time employees) and operate across all the sectors as the companies to be valued (health, safety, hygiene, and environmental consultancy services, security solutions, food safety, and training). Usually, an illiquidity discount is done on top of the multiple, nevertheless *PHSC* is a closely held company where the four biggest shareholders have 57.4% of the shares (about 50.0% belongs to the board of directors) and only one institution is holding shares. Because of that, no illiquidity discount will be applied and their EV/EBITDA multiple of 5.4x will serve as a starting point to value our companies.

An analysis around recent transactions was also conducted to get a sense of the multiples that are being practices around the OHS sector, especially in Spain, the most similar market to the Portuguese. *Corpfín Capital*, a Spanish PE firm, acquired *Grupo Preving* in 2015, for an undisclosed amount. *Preving* is an OHS player that offers services in work safety, ergonomics, industrial hygiene, promotion of health in the workplace, among others. In the following four years, *Corpfín* started a buy-and-build strategy making 9 bolt-on acquisitions. In 2019, *Artá Capital*, another Spanish PE firm, acquired a majority stake of *Preving* from *Corpfín* at a deal value estimated to be 100M euros. With a registered EBITDA of 12M euros in 2018, the transaction was valued at an EV/EBITDA multiple of 8.3x. In 2022, *Grupo Preving* acquired and merged with *Cualtis*, the second biggest player in Spain behind *QuirónPrevención*, for a deal value of 143.9M euros. In 2021, *Cualtis* recorded an EBITDA of 21.9M euros (Orbis) implying a multiple of 6.6x. In 2017, *Fresenius*, a European multinational health care company

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acquired *QuirónSalud*, the owner of *QuirónPrevención*, the biggest OHS players in the Iberian Peninsula, for a multiple of 10.8x. It is expected that this multiple will not fairly represent the OHS sector as *QuirónSalud*'s main activity is operating hospitals and clinics. Nevertheless, what the Spanish market shows is both an interest by private equity firms in the OHS sector, and an appreciation of the multiples for companies with higher market share and revenues. The same evolution is expected to happen to the Portuguese market, that is still in the early stages of consolidation.

Therefore, the multiple is expected to be in the range between 5.4x (*PHSC* current EV/EBITDA multiple) and 6.6x (*Cualtis* 2021 EV/EBITDA multiple). Because *Cualtis* was the second biggest player in Spain and its revenues were above 125M euros, and none of the companies to be acquired have that position in the market, we expect the multiple to be closer to *PHSC*. It will be assumed that the acquisition multiple will be done with an EV/EBITDA multiple of 5.5x. Further on, a sensitivity analysis will be conducted to test the change in returns for changes in multiples.

9.2. Uses

The uses table is comprised by two elements: Equity Value; Existing Debt; and Transactions Costs. The enterprise value (value paid to acquire the firm) is calculated assuming a multiple of 5.5x for all companies multiplied by their last year EBITDA. For *Centralmed* and *MetSep*, the used EBITDA is the one reported in 2023, and for *Workview*, *MedialCare* and *Controlsafe*, the estimated EBITDA for 2024. To get to equity value, net debt is subtracted to the enterprise value, keeping in mind that a minimum cash reserve will be maintained (defined as 10.0% of the current EBITDA). Transaction costs (banking, due diligence, and advisory fees) are assumed to be 2.0% of the implied enterprise value.

Total uses will be calculated as the sum of the three elements. Note that cash will be used as a source to fund the acquisition in the sources table. Equity value will add up to 15.22M euros,

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existing debt that will be refinanced will amount to 3.31M, and 301k euros will be spent on transaction costs (Table 9.2.1). In 2025, the total uses to acquire *Centralmed* and *MetSep* will be 4.50M euros (Exhibit 9.2.1 and Exhibit 9.2.2), and in 2026 the total uses to acquire *Workview*, *MedialCare* and *Controlsafe* are expected to be 14.34M euros (Exhibit 9.2.3, Exhibit 9.2.4 and Exhibit 9.2.5). The total uses for these transactions are expected to be 18,836,054 euros.

Uses	(€000s)	% Uses
Equity Value	15,223.7	81%
Existing Debt	3,307.8	18%
Transaction Costs	301.2	2%
Total Uses	18,832.8	100%

Table 9.2.1 Total Uses for Acquisition

9.3. Sources

Taking the total used needed into account, these transactions will be financed with four elements: Pre-Transaction Dividend; Senior Debt; Deferred Payments; and Equity.

The Pre-Transaction Dividend corresponds to the existing cash and equivalents on the balance sheet of each company that will be used to finance the acquisition and assure the minimum cash requirement. In total, 3.47M euros of cash will be used (Table 9.3.1).

Two types of debt will be contracted for two different purposes: one to refinance the existing debt; and another to support the acquisition. The definition of the amount of total debt to have on the balance sheet was defined as 2.5x the expected EBITDA on the acquisition date. Covenants were set up to replicate conditions imposed in the loan agreements. The used covenants were Net Debt-to-EBITDA, where a minimum level of EBITDA must be maintained to service the debt, Debt-Service Coverage Ratio (DSCR) and DSCR with Deferred Payments, which cannot be below 1.25x. The 2.5x Net Debt to EBITDA was estimated to make sure that all payments of interest, amortization of debt, and deferred payments could be met in the event

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of a flat case scenario (explained below in Alternative Scenarios section), and the covenants were fulfilled.

At the beginning of 2025, a Term Loan B (TLB) of 1.22M euros will be contracted to refinance the existing debt of *Centralmed* and *MetSep*, and another TLB of 792k euros for the extra debt to be contracted for the acquisition. Both will have a maturity of 7 years with an amortization schedule of 5.0% for the first two years, 10.0% for the next two, 15.0% for 2029 and 2030, and a bullet payment of 40.0% in 2031 (Exhibit 9.3.1). At the beginning of 2026, another two TLBs will be contracted to refinance and support the acquisition of *Workview*, *MedialCare* and *Controlsafe*. The debt for the refinancing will be 2.08M euros, and the debt to support the acquisition will be 3.81M euros. Both will have a maturity of 7 years, and an amortization schedule of 5.0% for the first two years, 10.0% for the next two, 15.0% for 2030 and 2031, and a bullet payment of 40.0% in 2032 (Exhibit 9.3.2). It is expected that the spread over the 6-month Euribor will be 175 bps for the refinanced debt and 225 bps for the acquisition debt. The interest expected to pay for the refinanced debts is 4.5% and for the acquisition debt is 5.0%. The 13 clinics the group will have (1 from *Centralmed*, 9 from *Workview*, and 3 from *MedialCare*) will be used as collateral. All debts are to be contracted in euros and procured from banks within the Iberian region, being selected based on their experience of similar deals and previous contact with *Draycott*, and their ability to extend leverage to a maximum of 2.5x EBITDA.

Deferred payments are made in subsequent years with the cash flows of the acquired company (explained below in the Management incentives section). In total, deferred payments will amount to 1.9M euros if goals set for the acquired companies are met (Table 9.3.1).

The rest of the sources needed will be financed by *Draycott*.

In 2025, the total equity contribution to acquire *Centralmed* and *MetSep* will be 1.39M euros (Exhibit 9.3.3 and Exhibit 9.3.4), and in 2026 the total equity to acquire *Workview*, *MedialCare*

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and *Controlsafe* are expected to be 4.16M euros (Exhibit 9.3.5, Exhibit 9.3.6 and Exhibit 9.3.7).

The total equity committed is expected to be 5.55M euros, which represents 29.5% of Sources.

The capital structure will be composed of 41.2% equity and 58.8% debt (Table 9.3.1).

Sources	(€000s)	% Sources
Pre-Transaction Dividend	3,469.0	18%
Senior Debt	7,912.2	42%
Term Loan B - Refinancing	3,307.8	18%
Term Loan B - Acquisition	4,604.4	24%
Deferred Payments	1,900.0	10%
Equity	5,551.5	29.5%
Total Sources	18,832.8	100%
Equity / (D+E)	41.2%	

Table 9.3.1 Total Sources for Acquisition

9.4. Management incentives

To ensure that the merge of the companies is done in the best way possible, two different types of incentives are in place to ensure short and long-term commitment.

The first one is tied to the deferred payments. Most of the payments are made at the acquisition date, but around 12.4% of the payments are transferred to the future for each firm. A covenant is created where if an EBITDA threshold is surpassed, the seller receives the full amount. In the eventuality that the firm cannot get to this threshold, a 20.0% reduction will be applied to the deferred payments. The first payment will be made one year after the acquisition, and the second two years after. This will work as a short-term incentive for a swift merge between the firms, and as a downward incentive where sellers (that in most cases are also the managers) will want to make sure the company operates efficiently so they will not be penalized in their payments. In total, if all the firms surpass the thresholds, deferred payments will amount to 1.9M euros. If none of the firms can meet the established goals, deferred payments are reduced to 1.52M euros.

The second incentive is ratchet. In this case, ratchet will not work as an increase in the equity held by managers (because managers will not invest at entry), but an implied ownership of the profits at exit. For a MoM (Multiple of Money) above 2.5x, management gets 2.50% of equity

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at exit, above 3.0x, management gets 3.0%, above 3.5x, it receives 3.5% of equity at exit, and so on (Exhibit 9.4.1). This value is distributed to all managers of all companies varying depending on the size of each company to the formed company (defined through the enterprise value). Because there are five companies, and to avoid the existence of free riders, a threshold EBITDA must be surpassed at exit by each company for it to be qualified to get its part of ratchet. This incentive will work as a long-term and upward incentive, where the bigger the company at exit, the bigger the compensation for management.

9.5. Returns

On Exhibit 9.5.1 it is shown the expected Free Cash Flows during the investment period from 2025 to 2031, where all debt and deferred payments are met.

The LBO predicts a MoM of 7.0x and an IRR of 38.1% with an exit in 2030 (6 years after the first acquisition and 5 years after the last) before ratchet, assuming the exit multiple is equal to the entry multiple. Because the MoM pre-ratchet is between 6.5x and 7.0x (MoM of 6.95x), the management will get 6.5% of the equity at exit, which corresponds to 2.51M euros (Exhibit 9.5.2). This will translate into a MoM of 6.5x and an IRR of 36.6% for *Draycott* at exit (Table 9.5.1). Assuming the multiple does not change, the implied enterprise value in 2030 is 34.2M euros. The implied equity value will be 38.59M euros, since net debt will be positive. The remaining debt in the company at exit will be 4.5M euros, with an amortization payment of 1.69M euros to be made in 2031 and a bullet payment of 2.36M euros in 2032.

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	Return to equity investors (pre / post ratchet)						
	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Entry multiple	5.5x	5.5x	5.5x	5.5x	5.5x	5.5x	5.5x
Exit multiple	5.5x	5.5x	5.5x	5.5x	5.5x	5.5x	5.5x
EBITDA	1,028.1	4,002.2	4,481.9	5,040.8	5,622.2	6,218.0	6,818.9
Implied enterprise value	5,654.7	22,012.2	24,650.2	27,724.3	30,922.0	34,199.2	37,503.8
Net debt / (Cash)	1,712.5	6,904.8	5,359.7	2,633.4	(603.0)	(4,387.6)	(8,718.1)
Deferred payments due	(400.0)	(1,700.0)	(750.0)	--	--	--	--
Implied equity value	3,542.2	13,407.5	18,540.5	25,090.9	31,525.1	38,586.8	46,221.9
Accumulated Dividends	--	--	--	--	--	--	--
Common equity at exit	3,542.2	13,407.5	18,540.5	25,090.9	31,525.1	38,586.8	46,221.9
Equity Invested	1,387.5	5,551.5	5,551.5	5,551.5	5,551.5	5,551.5	5,551.5
MoM (x) Pre-Ratchet	2.6x	2.4x	3.3x	4.5x	5.7x	7.0x	8.3x
IRR Pre-Ratchet	155.3%	55.4%	49.5%	45.8%	41.5%	38.1%	35.4%
Total Ratchet	--	--	556.2	1,129.1	1,733.9	2,508.1	3,235.5
Management implied ownership	0.0%	0.0%	3.0%	4.5%	5.5%	6.5%	7.0%
Equity available to equity investors	3,542.2	13,407.5	17,984.3	23,961.8	29,791.2	36,078.7	42,986.4
Equity Invested	1,387.5	5,551.5	5,551.5	5,551.5	5,551.5	5,551.5	5,551.5
MoM (x) Post-Ratchet	2.6x	2.4x	3.2x	4.3x	5.4x	6.5x	7.7x
IRR Post-Ratchet	155.3%	55.4%	48.0%	44.1%	39.9%	36.6%	34.0%

Table 9.5.1 Return to Equity Investors (pre and post ratchet) Team Case

Note that the IRR assumes all the money is invested in 2025. In fact, *Draycott* will invest a portion in 2025 and another in 2026. The expected IRR in this case would be 43.2% (using weighted averages for the contribution of each firm). Nevertheless, the 36.6 % return is still used because the capital that is going to be used in 2026 cannot be used for other purposes if the buy-and-build strategy is to be committed. Therefore, all the money used in 2026 is being indirectly invested in 2025.

All due payments are made and the cash flows after all debt repayments and deferred payments are always positive. Net Debt-to-EBITDA ratio declines after 2026 as amortization payments are made and EBITDA increases. The DSCR with deferred payments is always above the 1.25x covenant with its values increasing (except in 2031 when a bullet payment is made), even with the increase of amortization payments, without the need to request a waiver (Exhibit 9.5.3).

Equity value at exit is 38.59M euros, amounting to a total equity value generation of 33.34M euros. The two main sources of value creation are the deleveraging effect and the revenue growth (Figure 9.5.1). Revenue growth created 14.2M euros in value, accounting for 41.7% of the value creation. The main contributor for the revenue growth is *Workview*, accounting for 53.4% of the value, mainly due to the way that *Workview* has been growing in the past and is

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expected to grow in the future (Exhibit 9.5.4). The deleveraging effect (cash generation) created 13.04M euros which represents 38.3% of the total value creation. EBITDA margin expansion is expected to generate 4,938,365 euros, that represents 14.5% of total value creation. The main contributor is *Centralmed*, which accounts for 39.7% of the value, followed by *Workview*, that contributes 28.4% to the value creation (Exhibit 9.5.5). Deferred payments will be responsible for 5.6% of the total value through the 1.9M euros that are paid in the future. It is assumed that there will be no multiple arbitrages at exit.

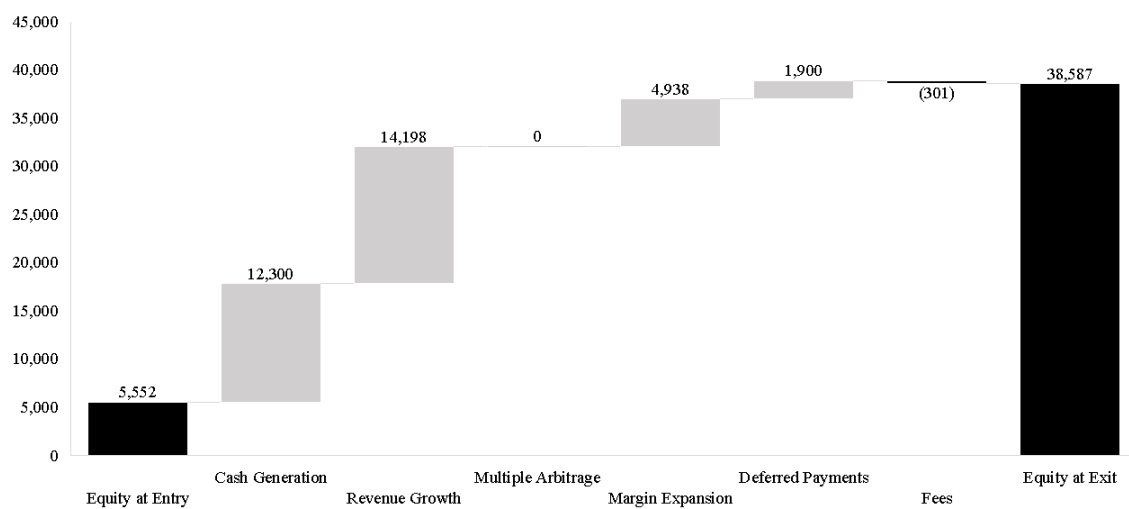


Figure 9.5.1 Returns Breakdown

9.6. Sensitivity analysis

Different assumptions were made throughout the business plan and the LBO model. A sensitivity analysis is performed to better understand how sensitive the returns at exit are to a selection of assumptions, namely multiple at entry and exit, exit year, amount of leverage, revenue growth, and a change in multiple for the acquisitions to be made in 2026.

Looking at Table 9.6.1, and assuming the entry and exit multiples are the same, a 0.5x increase in both multiples would result in a 3.1 p.p. decrease in returns, and a 1.0x increase to 6.5x would translate into a return of 31.6%, 5.3 p.p. below the base case. If the entry multiple was maintained and there was an increase in the exit multiple to 6.0x or 6.5x, the returns would increase to 38.7% or 40.3%, respectively, enhancing even more the positive outcome.

		Exit Multiple				
		4.5x	5.0x	5.5x	6.0x	6.5x
Entry Multiple	4.5x	48.9%	51.2%	53.4%	55.4%	57.2%
	5.0x	39.1%	41.2%	43.2%	45.1%	46.9%
	5.5x	32.9%	34.8%	36.6%	38.3%	39.9%
	6.0x	28.2%	30.1%	31.8%	33.4%	35.0%
	6.5x	24.6%	26.4%	28.1%	29.8%	31.2%

Table 9.6.1 Sensitivity Analysis on IRR for Changes in Entry and Exit Multiples

Exit year also plays an important role on returns. By maintaining the same multiple and delaying the exit year to 2031, MoM increases by 1.3x but returns decrease in 2.6 p.p. to 34.3%, as shown in Table 9.6.2. Returns are higher for the years before 2030, but it is expected that for a full consolidation and integration of the 5 companies, a period of 5 years since the last acquisition is needed.

		Exit Multiple				
		4.5x	5.0x	5.5x	6.0x	6.5x
Exit Year	2027F	35.2%	42.0%	48.0%	53.4%	58.5%
	2028F	36.6%	40.6%	44.1%	47.6%	50.7%
	2029F	34.8%	37.5%	39.9%	42.2%	44.3%
	2030F	32.9%	34.8%	36.6%	38.3%	39.9%
	2031F	30.9%	32.5%	34.0%	35.3%	36.6%

Table 9.6.2 Sensitivity Analysis on IRR for Changes in Exit multiple and Exit Year

More debt contracted at entry means more risk and more expected returns. Assuming 2030 as the exit year, a jump from 2.5x EBITDA post-LBO to 3.0x would mean an increase in 6.4 p.p. in returns to 43.3%. As previously mentioned, the 2.5x value was estimated as the amount of debt it would allow to make all the interest, amortization and deferred payments in the event of a flat case, filling the bank shoes when assessing the risks to borrowing money. It could also be the case where the bank would only borrow money up to a 2.0x EBITDA post-LBO. In this event, returns would decrease to 33.0% (see Table 9.6.3).

		NFD / EBITDA target (x) - Post LBO										
Entry Multiple		2.0x	2.1x	2.2x	2.3x	2.4x	2.5x	2.6x	2.7x	2.8x	2.9x	3.0x
	4.5x	40.0%	41.2%	42.8%	44.6%	46.6%	48.9%	51.6%	54.7%	58.4%	63.0%	68.8%
	5.0x	35.5%	36.4%	37.3%	38.5%	39.8%	41.2%	42.8%	44.6%	46.5%	48.7%	51.2%
	5.5x	32.6%	33.2%	33.9%	34.8%	35.6%	36.6%	37.6%	38.7%	40.0%	41.4%	42.9%
	6.0x	30.4%	30.9%	31.5%	32.0%	32.8%	33.4%	34.2%	35.1%	35.9%	36.8%	37.8%
	6.5x	28.6%	29.1%	29.6%	30.0%	30.6%	31.2%	31.7%	32.4%	33.1%	33.7%	34.5%

Table 9.6.3 Sensitivity Analysis on IRR for Changes in Debt Contracted and Entry Multiple

Another assumption that needs to be taken into consideration is the revenue growth for the upcoming years, shown in Table 9.6.4. Assuming the entry multiple stays the same and 2030 is the exit year, if revenues for all companies are 1 p.p. above the estimated values for each, returns will increase in 1.7 p.p. If revenues are 3 p.p. below the estimates growth rates for all companies, returns will fell to 32.3%.

		Revenue Growth						
Entry Multiple		-3%	-2%	-1%	0%	1%	2%	3%
	4.5x	42.7%	44.8%	46.8%	48.9%	51.0%	53.2%	55.3%
	5.0x	35.9%	37.6%	39.4%	41.2%	43.1%	44.9%	46.7%
	5.5x	31.8%	33.5%	35.1%	36.6%	38.1%	39.8%	41.5%
	6.0x	29.0%	30.5%	32.0%	33.4%	35.0%	36.4%	37.9%
	6.5x	26.9%	28.3%	29.7%	31.2%	32.6%	34.0%	35.3%

Table 9.6.4 Sensitivity Analysis on IRR for Changes in Entry Multiple and Expected Revenue Growth

Up until here, it was assumed that all the acquisitions would be made using the same multiple. In reality, there might be a change in the multiple for the acquisitions to be made in 2026 depending on changes in the company (lost/gain of key personnel, lost/gain of key clients, change in profitability) or changes of the sector (change in the sector's growth prospects, change in taxes paid, changes in legislation). Assuming the exit multiple would still be 5.5x and the exit year 2030, a decrease of the multiple in 0.5x for the acquisitions to be made in 2026 would increase returns in 4.9 p.p., and an increase in 0.5x would decrease the multiple on 3.5 p.p. (see Table 9.6.5).

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		Exit Multiple				
		4.5x	5.0x	5.5x	6.0x	6.5x
Change in Multiple for acquisitions in 2026	-0.50x	37.3%	39.4%	41.3%	43.2%	44.9%
	-0.25x	35.0%	36.8%	38.8%	40.6%	42.3%
	0.00x	32.9%	34.8%	36.6%	38.3%	39.9%
	0.25x	31.0%	32.9%	34.7%	36.3%	37.8%
	0.50x	29.3%	31.2%	33.0%	34.6%	36.1%

Table 9.6.5 Sensitivity Analysis on IRR for Changes in Multiple for Acquisitions made in 2026 and Exit Multiple

To see the sensitivity analysis for the MoM values, please go to Exhibit 9.6.1 to Exhibit 9.6.5.

9.7. Alternative Scenarios

The previous sections were created keeping in mind a base case scenario. Here, different scenarios are created to see how returns would be affected when facing different scenarios, namely a flat case and both an optimistic and pessimistic crisis during the investment period.

Flat Case

The flat case was created with the intention of replicating a scenario of stagnation where revenues would increase only at 2.0% per year with long-term expected inflation (Exhibit 9.7.1), and EBITDA margins would stay at the average level for the last 5 years (Exhibit 9.7.2). Changes in net working capital would be minimal as it is expected that improvements in days receivable are still going to be made. CapEx would be kept at a level that would guarantee that fixed assets would be maintained, as the demand for services would not increase from the current level to justify investments in CapEx. CapEx is assumed to be at the level of depreciation and amortization which corresponds to 3.4% of the sales on a flat case scenario. Please go to Exhibit 9.7.3 where it is shown the expected Free Cash Flows during the investment period until 2031 for a flat case scenario.

In such event, interest payments, amortizations, and deferred payments would still be made. The expected return in 2030, assuming exit multiple would still be equal to the entry multiple, would be 21.6% (Exhibit 9.7.4), and all the covenants would still be within the requirements

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with the DSCR with deferred payments only reaching 1.88x in 2026 and 1.74x in 2031 (Exhibit 9.7.5). The impact on returns is amortized by the fact that deferred payments will be reduced by 20%. Also, because the MoM of 2.5x is not obtained, the threshold EBITDAs are not surpassed and ratchet is not paid at exit. The main contributor to value creation in this scenario would be the deleveraging effect which would account for 66.7% of value.

The expected 21.6% return is still a good outcome. However, upon exit, the multiple could be reduced, as the prospects for the future are not as good as it was imagined at entry. A sensitivity analysis was also conducted to assess the variations in the return if the exit multiple changes at exit in a flat case scenario (Exhibit 9.7.6). If the exit multiple decreases to 5.0x, the expected return is 19.8%. If the decrease is in 1.0x, the expected returns fall to 17.8%.

Crash 2026-2028

A scenario where a crash would happen during the investment period was created to see what returns would be expected and if payments could still be made. A crash starting in 2025 is not modelled because in such case, the acquisitions intended to be made in 2026 would not take place. Therefore, a crash is modelled during the period 2026-2028 where all the companies were already acquired and merged. To estimate the impact an economic crisis would have on companies in the OHS sector, the Portuguese economic crisis of 2010-2013 was taken as a starting point to estimate the impact on revenues and EBITDAs. All the players that operated in the OHS sector with more than 500k euros in revenues in 2010, which were 30 companies in total, were taken into consideration (Exhibit 9.7.7). The revenues of these 30 companies registered in 2010 were 50.3M euros. In 2013, the revenues fell to 46.6M euros, the equivalent to a 7.3% decrease. The impact on EBITDA was greater, with a fall from 6.0M euros to 4.3M, representing a 28.4% decrease, the equivalent to a reduction of 10.5% per year.

An optimistic and a pessimist crash scenario were created. An optimistic scenario assumes that after the crisis period, EBITDA grows again at the normal levels seen in 2025 (Exhibit 9.7.8).

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The pessimistic scenario assumes that the sector does not recover, and EBITDA only grows at 2.0% per year (Exhibit 9.7.9).

During this period, CapEx will be kept at the same level as the flat case scenario since there will be no increase in demand to justify expansion CapEx. The expected return for an exit in 2030, assuming the exit multiple is equal to the entry multiple, is 19.3% for the optimistic crises (Exhibit 9.7.10) and 8.9% for the pessimistic crash scenario (Exhibit 9.7.11). In the optimistic scenario all payments would still be made, and the covenants would meet the requirements (Exhibit 9.7.12). In a pessimistic scenario, although cash flows would not be enough to cover all expenses, the cash reserves would still assure the necessary payments during the investment period. Nevertheless, in 2031 the DSCR with Deferred Payments is 1.18x, below the 1.25x covenant (Exhibit 9.7.13). The remaining bullet payment to be made in 2032 would likely not be done. In such case, a renegotiation of the debt terms would take place with the bank.

9.8. Exit Strategy

An exit is planned to take place around 2030. When planning the exit, several factors must be kept in mind: the acquisition price; the investment thesis of the potential buyers (including their ESG agenda); the time required for the exit process; associated costs with the exit; regulatory obligations. Generally, PE firms consider three main exits: a strategic sale to a suitable company with strategic advantages; a secondary sale to another PE firm; or an Initial Public Offering (IPO). Other strategies such as recapitalization, insolvency, multiple partial sale, or others, may also be pursued depending on circumstances. Based on the factors mentioned and the way the group has been built, the most viable options are a strategic sale or a secondary sale.

A strategic sale is one of the primary exit options, often yielding a higher valuation due to the synergies the buyer can capture by integrating operations and consolidating business lines.

The Fresenius group might be a particularly suitable buyer. *Fresenius* owns *Quirónprevención*, which has under its umbrella *Kmed Europa* and *Trasesa*, having about a significant share of the

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Portuguese market with total revenues of 19.6M euros in 2023, positioning it as the second-largest player in the industry. Upon the acquisition of *Kmed Europa*, Fernando Camino, *Quirónprevención*'s CEO, stated that the acquisition aligned with their “long-term growth strategy (...) to continue to build and improve relationships with companies and people” (Servimedia 2024). The formed group could be a great acquisition for *Quirónprevención* to consolidate their long-term growth strategy, expanding its footprint and strengthening its leadership in the Iberian region. *Quirónprevención* is already the largest player in Spain. With the acquisition of the group, it could become the leader in Portugal, ensuring its position as the dominant player in the Iberian Peninsula.

Another potential strategic buyer is *Grupo José de Mello*, one of the largest Portuguese conglomerates with a strong presence in healthcare. Its subsidiary *CUF*, is the leading private operator of health care in Portugal, with a strong presence in the OHS sector, especially in occupational health services through *Preveris*. *Preveris* emerged from the merger between *AtlantiCare* and *SAGIES*, an integration under the *CUF* umbrella. A similar integration between the group and *Preveris* could create the largest OHS provider in Portugal.

A secondary sale to another PE firm is another viable exit strategy. The group offers future value creation opportunities, not only through consolidation with future acquisitions or mergers but also through organic growth. This is driven by increasing concerns about workforce protection, compliance with legal requirements, and anticipated stricter regulatory frameworks in the future. *Artá Capital* or *Corpfín Capital* are two main options for a secondary sale. *Artá Capital* is one of the leading PE firms in the Iberian mid-market. *Corpfín Capital* has over 30 years of experience in driving growth and transformations in medium-sized companies in the Iberian Peninsula. As shown in the section 9 (Defining the acquisition multiple), both PE firms have a track record in the OHS sector, having consolidated the Spanish market in the last years through bolt-on acquisitions to *Grupo Preving*. The value to be created on the formed group is

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to continue the consolidation of the Portuguese market through a buy-and-build strategy, while still enjoying the high cash generation of the business and the expected organic growth in revenues. At the same time, a merger might be an opportunity for these PE firms. In 2022, Artá Capital and *Corpfín Capital* merged *Grupo Preving* (the third largest player in Spain) with *Cualtis* (the second largest). Having already experience with merges of big players, a similar strategy can be replicated to the Portuguese market through the merger between the group and *Interprev*, forming the largest player in Portugal.

Other PE firms outside the Iberian Peninsula are also great candidates for secondary sales, that might be interested in the acquisition of the group for the same reasons above mentioned. One example is *Apposite Capital*, a UK PE firm that invests in the healthcare sector throughout Europe, with investments made in the Iberian Peninsula. With a typical investment around 24M euros and a strong emphasis on ESG, *Apposite* might be a great exit for the group. Another example is *ArchiMed*, a French PE firm, that invests globally in all fronts of healthcare. With a specific focus on small and midsize companies, and with investments starting in 10M euros, the group might be a great deal for *ArchiMed*.

10. Conclusion

To conclude, an investment in the Portuguese Occupational Health and Safety sector is recommended to *Draycott*.

The sector shows evidence of being a fragmented market where only 17.0% of the market is controlled by the 5 largest players, and a lack of professionalization in the managements teams with most of the companies being family run businesses. It is also a profitable and growing business where some firms present EBITDA margins close or above 20.0%, and where many companies show revenue growth rates above 10.0% a year. An organic increase in revenues is expected to be kept in the future, as most companies keep increasing their concern for the safety

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and health of its employees. Moreover, legal guidelines at the Portuguese and European level must be followed and these are not expected to change, and if so, they are expected to increase compliance with regulations in this sector.

The proposed strategy is to merge five companies and create a market leader. These five companies were chosen given their market position, their historic growth and profitability, and their low levels of debt. These companies are *Centralmed*, *Workview*, *MedialCare*, *Controlsafe*, and *MetSep*, and are going to be merged and operate under the same brand.

Draycott will commit with an equity ticket of 5.55M that is expected to translate into 36.08M in 2030 upon exit. The main contributors for the value creation are revenue growth (41.7% of total value creation) and the deleveraging effect (38.3% of the total value creation). The strategy is expected to achieve an IRR of 36.6% and a MoM of 6.5x over a six-year investment period. The strategy also generates good returns even in the event of a flat case, with an IRR of 21.6%, or a crash scenario for the period 2026-2028, with an IRR ranging from 8.9% to 19.3%, showing positive returns for the equity holders, with a MoM between 1.7x and 2.9x.

The exit is planned to happen around 2030 to either a strategic buyer, as *Fresenius*, *Grupo José de Mello* or a private equity firm, like *Artá Capital* or *Apposite Capital*. A strategic buyer will be preferred as a higher return is expected at exit due to strategic synergies. The group's organic growth potential and alignment with ESG and regulatory trends significantly enhances its appeal to potential buyers. By maintaining operational excellence, and optimizing its market position, the group is well-positioned to achieve a highly favorable exit that maximizes returns for all stakeholders. Looking forward, there will be a close attention to the market conditions and regulatory developments to ensure that the chosen exit strategy aligns with the goal of delivering strong financial outcomes while safeguarding the group's long-term success. If the strategy is to be implemented, more information will be needed to confirm the assumptions for the model and perform a due diligence to ensure the feasibility of the consolidation plan.

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Appendix

Exhibit 6.1 – Global analysis of the Portuguese OHS market, according to restrictions

NAME	Revenues 2023	EBITDA 2023	EBITDA Margin	NAME	Revenues 2023	EBITDA 2023	EBITDA Margin
INTERPREV	20,375,708	1,805,142	8.9%	ALSANITRAB	518,513	24,198	4.7%
QUIRÓNPREVENCIÓN	12,286,449	1,315,463	10.7%	HISSET	515,489	37,932	7.4%
PREVERIS	7,370,084	-649,069	-8.8%	ACÇÃO CONTÍNUA SUL	515,234	194,071	37.7%
CENTRALMED	6,166,998	425,598	6.9%	CCFIMT	496,427	66,253	13.3%
WORKVIEW	5,196,887	991,558	19.1%	MEDILAVORO	495,283	11,568	2.3%
KMED EUROPA	5,096,199	334,970	6.6%	PREVISAUDE	475,619	-63,329	-13.3%
MEDIALCARE	5,050,879	734,013	14.5%	S.T.A.	458,769	37,720	8.2%
GRUPO ACÇÃO CONTÍNUA	3,758,883	862,775	23.0%	MEDITRAVE	458,414	80,509	17.6%
KMED XXI	2,895,779	127,586	4.4%	AVASAD	458,367	132,592	28.9%
MEDINOVA	2,777,101	316,821	11.4%	NOVOS RUMOS	456,110	75,281	16.5%
ECOSAÚDE	2,744,391	91,260	3.3%	MEDIGIENE	447,870	20,800	4.6%
SPARS	2,708,464	156,686	5.8%	CLÍNICA JOLICA	442,832	10,472	2.4%
MEDICISFORMA	2,512,839	191,468	7.6%	MEDSEGHI	442,333	26,747	6.0%
CONTROLSAFE	2,336,759	257,241	11.0%	MUNDITRAB	432,908	61,368	14.2%
TRASESA	2,210,783	449,287	20.3%	FOUR&CEL	427,169	5,484	1.3%
WORKCARE	2,050,004	131,470	6.4%	MHT	426,116	62,128	14.6%
PREVINAVE	1,806,513	616,731	34.1%	CAMBRAVIDA	408,153	22,782	5.6%
INSPECMETRA	1,749,423	223,628	12.8%	SECURIFORM	372,501	17,369	4.7%
METSEP	1,541,627	252,592	16.4%	PLURALCARE	369,823	43,778	11.8%
MARTINS & REIS	1,502,037	259,711	17.3%	HICOFOR	355,413	50,576	14.2%
PERCENTIL	1,368,224	93,676	6.8%	PREVENISIS	347,654	15,827	4.6%
BIO-ANALÍTICA	1,311,271	197,816	15.1%	SEGMAS	346,731	12,642	3.6%
H.S.T.	1,269,895	-212,068	-16.7%	SAFE TARGET	343,863	-13,241	-3.9%
H2ST	1,195,428	217,493	18.2%	AILTON SANTOS & ASSOCIADOS	320,489	59,237	18.5%
GRUPO MEDISIGMA	1,149,091	137,632	12.0%	HIGIBARCELOS	316,423	52,954	16.7%
CRUZ BRANCA	1,055,750	403,377	38.2%	TRABALHO SEGURO	278,301	61,106	22.0%
SEGURMET	1,043,314	85,922	8.2%	SAÚTRA-MED	276,739	18,472	6.7%
MESETRAB	997,358	57,415	5.8%	SEMET	273,510	30,537	11.2%
AMBIFORMED	974,525	89,050	9.1%	PREVIFORM	267,177	2,674	1.0%
4 WORK	936,331	29,806	3.2%	HEALTHMED	257,871	-13,396	-5.2%
VÍTOR FORTE	828,080	54,487	6.6%	SENSIMED	240,042	11,266	4.7%
SPIN SAFE	825,174	34,245	4.1%	FORME	238,668	-20,381	-8.5%
HIGISERVIÇOS	814,017	177,024	21.7%	PREVISAFETY	238,451	43,700	18.3%
CLIWORK	790,770	49,992	6.3%	ERGOHIGIENE	234,387	69,787	29.8%
PRÉVIA SAFE	774,128	96,568	12.5%	HIGISTAR	231,389	-1,958	-0.8%
MEDILABOR	717,335	59,283	8.3%	MEDIALENTEJO	228,163	51,973	22.8%
FERMABE	679,723	65,432	9.6%	VAULABOR	227,154	26,947	11.9%
ACÇÃO CONTÍNUA NORTE	580,407	393,659	67.8%	QUALITYLABOR	216,352	-2,893	-1.3%
LUSOGIENE	576,801	114,514	19.9%	AUDIRISCO	210,611	-9,027	-4.3%
SECURMÉDICA	540,415	6	0.0%	TRADSAFETY	209,785	16,688	8.0%
AMBIGLOBAL	538,636	96,705	18.0%	HIGIPREV	206,842	-11,094	-5.4%
CONSULSAFETY	522,567	11,237	2.2%	VALESKA & ÁVILA	204,295	48,373	23.7%
LABORALIS	520,714	70,978	13.6%	QUALIVITA	200,644	7,774	3.9%
V.M.T. 2	520,642	27,357	5.3%				

Exhibit 6.1.1 – Centralmed's Balance Sheet between 2019-2023

Centralmed's Balance sheet					
<i>in euros</i>	31/12/2019	31/12/2020	31/12/2021	31/12/2022	31/12/2023
Fixed Assets	2,397,605	2,375,694	2,899,830	2,668,690	2,541,119
Intangible fixed assets	0	0	0	0	0
Tangible fixed assets	2,384,469	2,257,462	2,626,338	2,388,826	2,275,614
Other fixed assets	13,136	118,232	273,491	279,864	265,505
	-5%				
Current assets	954,104	1,925,985	1,387,636	1,490,856	1,528,504
Stocks	9,464	6,065	0	0	0
Debtors	390,216	478,759	606,590	775,167	758,354
Other current assets	554,424	1,441,161	781,046	715,688	770,151
Cash & cash equivalent	461,872	1,359,559	615,112	687,131	652,388
Total assets	3,351,709	4,301,679	4,287,466	4,159,545	4,069,623
Shareholders funds	722,782	1,059,121	1,556,700	1,573,348	1,768,111
Capital	205,000	205,000	205,000	205,000	205,000
Other shareholders funds	517,782	854,121	1,351,700	1,368,348	1,563,111
Non current liabilities	487,598	932,625	1,964,960	1,611,564	1,266,529
Long-term debt	486,254	932,625	1,885,194	1,531,799	1,186,763
Other non-current liabilities	1,344	0	79,766	79,766	79,766
Provisions	0	0	0	0	0
Current liabilities	2,141,329	2,309,933	765,807	974,633	1,034,984
Loans	0	0	0	0	3,318
Creditors	48,409	78,434	73,254	151,110	161,528
Other current liabilities	2,092,921	2,231,499	692,553	823,522	870,138
Total shareh. funds & lia	3,351,709	4,301,679	4,287,466	4,159,545	4,069,623
Working capital	351,271	406,390	533,336	624,057	596,826
Number of employees	97	93	93	99	105

Exhibit 6.1.2 – Centralmed's Income Statement between 2019-2023

Centralmed's Income Statement					
<i>in euros</i>	31/12/2019	31/12/2020	31/12/2021	31/12/2022	31/12/2023
Revenues	4,441,402	4,527,939	4,636,605	5,312,997	6,166,998
Sales	4,416,495	4,397,267	4,617,790	5,283,522	6,154,797
Cost of goods sold	34,035	32,422	26,187	0	0
Gross profit	4,407,367	4,495,517	4,610,418	5,312,997	6,166,998
Gross profit (%)	99.2%	99.3%	99.4%	100.0%	100.0%
Cost of employees	2,077,720	2,334,377	2,274,394	2,807,265	3,091,631
		12%	-3%	23%	10%
Other operating items	1,776,052	1,549,502	1,723,776	2,212,276	2,649,769
		-13%	11%	28%	20%
EBITDA	553,595	611,638	373,883	293,455	425,598
EBITDA margin (%)	12.5%	13.5%	8.1%	5.5%	6.9%
D&A	165,633	171,945	151,479	142,716	131,032
EBIT	387,963	439,693	222,404	150,739	294,567
EBIT margin (%)	8.7%	9.7%	4.8%	2.8%	4.8%
Financial revenue	0	0	112	310	127
Financial expenses	18,750	10,062	17,041	22,280	16,974
EBT	369,213	429,631	205,474	128,768	277,720
EBT margin (%)	8.3%	9.5%	4.4%	2.4%	4.5%
Income Tax	127,917	49,303	49,224	49,604	81,410
Net income	241,296	380,327	156,250	79,164	196,309
Net income margin (%)	5.4%	8.4%	3.4%	1.5%	3.2%

Exhibit 6.2.1 – Workview's Income Statement between 2019-2023

Workview's Income Statement					
<i>in euros</i>	31/12/2019	31/12/2020	31/12/2021	31/12/2022	31/12/2023
Operating revenue / turnover	3,202,261	3,608,224	4,150,527	4,445,371	5,196,887
Sales	3,159,178	3,511,106	4,124,546	4,444,835	5,196,340
Cost of goods sold	0	0	0	0	0
Gross profit	3,202,261	3,608,224	4,150,527	4,445,371	5,196,887
<i>Gross profit (%)</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>
Cost of employees	1,273,299	1,281,290	1,577,879	1,652,213	1,981,088
Other operating items	1,230,864	1,606,219	1,692,935	2,022,902	2,224,241
EBITDA	698,099	720,715	879,713	770,257	991,558
<i>EBITDA margin (%)</i>	<i>21.8%</i>	<i>20.0%</i>	<i>21.2%</i>	<i>17.3%</i>	<i>19.1%</i>
D&A	169,721	192,004	174,532	199,881	251,445
EBIT	528,378	528,711	705,181	570,376	740,114
<i>EBIT margin (%)</i>	<i>16.5%</i>	<i>14.7%</i>	<i>17.0%</i>	<i>12.8%</i>	<i>14.2%</i>
Financial revenue	0	0	0	0	0
Financial expenses	5,755	5,128	4,006	4,710	55,642
EBT	522,623	523,583	701,175	565,665	684,472
<i>EBT margin (%)</i>	<i>16.3%</i>	<i>14.5%</i>	<i>16.9%</i>	<i>12.7%</i>	<i>13.2%</i>
Income tax	119,005	119,510	161,049	129,978	169,688
Net income	403,618	404,073	540,126	435,687	514,784
<i>Net income margin (%)</i>	<i>12.6%</i>	<i>11.2%</i>	<i>13.0%</i>	<i>9.8%</i>	<i>9.9%</i>

Exhibit 6.2.2 – Workview's Balance Sheet between 2019-2023

Workview's Balance sheet					
<i>in euros</i>	31/12/2019	31/12/2020	31/12/2021	31/12/2022	31/12/2023
Fixed Assets	807,001	878,694	800,805	1,846,821	1,823,836
Intangible fixed assets	1,560	480	0	0	0
Tangible fixed assets	795,173	864,377	786,347	1,832,363	1,809,378
Other fixed assets	10,267	13,837	14,458	14,458	14,458
Current assets	2,563,338	3,680,279	3,763,052	4,166,749	4,646,916
Stocks	0	0	0	0	0
Debtors	1,416,494	1,781,220	1,923,523	2,367,262	2,935,292
Other current assets	1,146,844	1,899,060	1,839,529	1,799,487	1,711,624
Cash & cash equivalents	799,215	1,413,731	1,507,793	1,271,040	1,167,960
Total assets	3,370,339	4,558,973	4,563,857	6,013,569	6,470,751
Shareholders funds	2,288,340	2,669,949	3,188,471	3,615,159	4,129,942
Capital	50,000	50,000	50,000	50,000	500,000
Other shareholders funds	2,238,340	2,619,949	3,138,471	3,565,159	3,629,942
Non current liabilities	295,006	647,399	450,905	1,850,387	1,440,573
Long-term debt	295,006	647,399	450,905	1,850,387	1,440,573
Other non-current liabilities	0	0	0	0	0
Provisions	0	0	0	0	0
Current liabilities	786,993	1,241,625	924,481	548,023	900,236
Loans	0	0	0	0	0
Creditors	184,227	372,294	162,313	50,862	116,016
Other current liabilities	602,766	869,331	762,168	497,161	784,220
Total shareh. funds & liabilities	3,370,339	4,558,973	4,563,857	6,013,569	6,470,751
Working capital	1,232,267	1,408,926	1,761,210	2,316,400	2,819,276
Number of employees	53	56	61	63	74

Exhibit 6.2.3 – Workview's Cash Conversion Cycle

Workview's Cash Conversion Cycle							
	2019	2020	2021	2022	2023	CAGR (5 years)	% change last year
Average Collection Period	163.66	185.17	170.22	194.39	206.18	6%	0.06
Average Payable Period	54.63	84.60	34.99	9.18	19.04	-23%	1.07
Cash Conversion Cycle	109.03	100.57	135.23	185.22	187.14	14%	0.01
<i>in number of days</i>							
Inventory	0	0	0	0	0	-	-
Accounts Receivable	1,416,494	1,781,220	1,923,523	2,367,262	2,935,292	20%	24%
Accounts Payable	184,227	372,294	162,313	50,862	116,016	-11%	128%
Sales	3,159,178	3,511,106	4,124,546	4,444,835	5,196,340	13%	17%
Cost of Sales	0	0	0	0	0	-	-
OPEX (excluding wages)	1,230,864	1,606,219	1,692,935	2,022,902	2,224,241	16%	10%
<i>in euros</i>							

Exhibit 6.2.4 – Workview's Liquidity Analysis

Workview's Liquidity Analysis							
	2019	2020	2021	2022	2023	CAGR (5 years)	% change last year
Current Ratio	3.26	2.96	4.07	7.60	5.16	12%	-32%
Quick Ratio	3.26	2.96	4.07	7.60	5.16	12%	-32%
Cash Ratio	1.02	1.14	1.63	2.32	1.30	6%	-44%
Current Assets	2,563,338	3,680,279	3,763,052	4,166,749	4,646,916	16%	12%
Current Liabilities	786,993	1,241,625	924,481	548,023	900,236	3%	64%
Inventory	0	0	0	0	0	-	N.A.
Cash	799,215	1,413,731	1,507,793	1,271,040	1,167,960	10%	-8%
Net Working Capital	1,776,345	2,438,654	2,838,571	3,618,726	3,746,680	21%	4%
<i>in millions of euros</i>							

Exhibit 6.2.5 – Workview's Capital Structure Analysis

Workview's Capital Structure Analysis							
	2019	2020	2021	2022	2023	CAGR (5 years)	% change last year
Net Debt	-504,209	-766,332	-1,056,888	579,347	272,613	-	-53%
Equity	2,288,340	2,669,949	3,188,471	3,615,159	4,129,942	16%	14%
Net Gearing Ratio	-0.22	-0.29	-0.33	0.16	0.07	-	-56%
Net Debt	-504,209	-766,332	-1,056,888	579,347	272,613	-	-53%
EBITDA	698,099	720,715	879,713	770,257	991,558	9%	29%
Net Debt to EBITDA Ratio	-0.72	-1.06	-1.20	0.75	0.27	-	-64%
Debt	295,006	647,399	450,905	1,850,387	1,440,573	49%	-22%
Equity	2,288,340	2,669,949	3,188,471	3,615,159	4,129,942	16%	14%
Debt to Equity Ratio	0.13	0.24	0.14	0.51	0.35	28%	-31%
Equity	2,288,340	2,669,949	3,188,471	3,615,159	4,129,942	16%	14%
Assets	3,370,339	4,558,973	4,563,857	6,013,569	6,470,751	18%	8%
Financial Autonomy Ratio	0.68	0.59	0.70	0.60	0.64	-2%	7%

Exhibit 6.2.6 – Workview's Profitability Analysis

Profitability Analysis							
	2019	2020	2021	2022	2023	CAGR (5 years)	% change last year
Revenues	3,202,261	3,608,224	4,150,527	4,445,371	5,196,887	13%	17%
Assets	3,370,339	4,558,973	4,563,857	6,013,569	6,470,751	18%	8%
Asset Turnover	0.95	0.79	0.91	0.74	0.80	-4%	9%
Net Income	403,618	404,073	540,126	435,687	514,784	6%	18%
Assets	3,370,339	4,558,973	4,563,857	6,013,569	6,470,751	18%	8%
ROA	0.12	0.09	0.12	0.07	0.08	-10%	10%
Net Income	403,618	404,073	540,126	435,687	514,784	6%	18%
Equity	2,288,340	2,669,949	3,188,471	3,615,159	4,129,942	16%	14%
ROE	0.18	0.15	0.17	0.12	0.12	-8%	3%
Gross Margin	100.00%	100.00%	100.00%	100.00%	100.00%	0%	0%
EBIT Margin	16.50%	14.65%	16.99%	12.83%	14.24%	-4%	11%
EBITDA Margin	21.80%	19.97%	21.20%	17.33%	19.08%	-3%	10%
Net Profit	403,618	404,073	540,126	435,687	514,784	6%	18%

Exhibit 6.3.1 – MedialCare’s Income Statement between 2019-2023

MedialCare's Income Statement					
<i>in euros</i>	31/12/2019	31/12/2020	31/12/2021	31/12/2022	31/12/2023
Revenues	3,687,352	3,785,075	4,152,664	4,855,143	5,050,879
Sales	3,612,588	3,693,083	4,084,959	4,759,884	4,973,024
Cost of goods sold	535	11,064	29,759	20,262	20,689
Gross profit	3,686,817	3,774,012	4,122,905	4,834,880	5,030,190
<i>Gross profit (%)</i>	<i>100.0%</i>	<i>99.7%</i>	<i>99.3%</i>	<i>99.6%</i>	<i>99.6%</i>
Cost of employees	894,184	897,636	977,496	1,414,336	1,359,820
Other operating items	2,535,512	2,592,346	2,535,987	2,837,880	2,936,356
EBITDA	257,121	284,030	609,422	582,664	734,013
<i>EBITDA margin (%)</i>	<i>7.0%</i>	<i>7.5%</i>	<i>14.7%</i>	<i>12.0%</i>	<i>14.5%</i>
D&A	84,106	83,157	80,365	76,746	76,023
EBIT	173,015	200,873	529,057	505,918	657,991
<i>EBIT margin (%)</i>	<i>4.7%</i>	<i>5.3%</i>	<i>12.7%</i>	<i>10.4%</i>	<i>13.0%</i>
Financial revenue	8,974	6,936	13,127	13,979	21,590
Financial expenses	2,851	4,362	8,554	10,205	14,127
EBT	170,164	196,511	520,503	495,713	643,864
<i>EBT margin (%)</i>	<i>4.6%</i>	<i>5.2%</i>	<i>12.5%</i>	<i>10.2%</i>	<i>12.7%</i>
Income Tax	45,537	60,699	125,783	120,506	121,444
Net income	124,627	135,813	394,720	375,207	522,419
<i>Net income margin (%)</i>	<i>3.4%</i>	<i>3.6%</i>	<i>9.5%</i>	<i>7.7%</i>	<i>10.3%</i>

Exhibit 6.3.2 – MedialCare’s Balance Sheet between 2019-2023

MedialCare's Balance sheet					
<i>in euros</i>	31/12/2019	31/12/2020	31/12/2021	31/12/2022	31/12/2023
Fixed Assets	461,036	1,442,345	1,370,612	1,908,710	1,935,548
Intangible fixed assets	0	0	0	0	0
Tangible fixed assets	457,736	1,437,971	1,365,424	1,901,796	1,878,189
Other fixed assets	3,299	4,374	5,188	6,914	57,360
Current assets	1,581,059	1,633,989	1,611,859	1,628,248	1,934,631
Stocks	0	0	0	0	0
Debtors	545,219	525,984	674,459	711,883	861,024
Other current assets	1,035,840	1,108,005	937,400	916,365	1,073,606
Cash & cash equivalent	896,438	1,016,715	815,144	727,051	876,222
Total assets	2,042,095	3,076,334	2,982,471	3,536,958	3,870,179
Shareholders funds	1,042,011	1,077,824	1,372,544	1,451,712	1,664,482
Capital	100,000	100,000	100,000	100,000	100,000
Other shareholders funds	942,011	977,824	1,272,544	1,351,712	1,564,482
Non current liabilities	41,298	546,247	96,323	499,343	469,604
Long-term debt	41,298	546,247	96,323	499,343	469,604
Other non-current liabilities	0	0	0	0	0
Provisions	0	0	0	0	0
Current liabilities	958,786	1,452,263	1,513,604	1,585,904	1,736,093
Loans	6,513	38,853	9,085	49,878	54,364
Creditors	389,568	487,666	592,864	648,402	521,071
Other current liabilities	562,706	925,745	911,656	887,624	1,160,658
Total shareh. funds & liab.	2,042,095	3,076,334	2,982,471	3,536,958	3,870,179
Working capital	155,651	38,319	81,595	63,481	339,953
Number of employees	36	35	34	39	34

Exhibit 6.4.1 – ControlSafe's Income Statement between 2019-2023

ControlSafe's Income Statement					
<i>in euros</i>	31/12/2019	31/12/2020	31/12/2021	31/12/2022	31/12/2023
Revenues	1,582,124	1,461,510	1,707,312	1,977,723	2,336,759
Sales	1,565,498	1,406,613	1,645,845	1,957,494	2,291,904
Cost of goods sold	25,809	24,271	63,274	53,995	73,709
Gross profit	1,556,315	1,437,239	1,644,038	1,923,728	2,263,050
<i>Gross profit (%)</i>	<i>98.4%</i>	<i>98.3%</i>	<i>96.3%</i>	<i>97.3%</i>	<i>96.8%</i>
Cost of employees	527,635	587,025	596,229	688,345	958,751
Other operating items	965,198	722,713	885,337	943,210	1,047,058
EBITDA	63,482	127,500	162,472	292,173	257,241
<i>EBITDA margin (%)</i>	<i>4.0%</i>	<i>8.7%</i>	<i>9.5%</i>	<i>14.8%</i>	<i>11.0%</i>
D&A	47,298	64,633	71,450	92,776	78,716
EBIT	16,183	62,868	91,022	199,397	178,525
<i>EBIT margin (%)</i>	<i>1.0%</i>	<i>4.3%</i>	<i>5.3%</i>	<i>10.1%</i>	<i>7.6%</i>
Financial revenue	0	0	0	0	0
Financial expenses	6,752	3,313	3,191	2,337	3,893
EBT	9,432	59,555	87,832	197,060	174,633
<i>EBT margin (%)</i>	<i>0.6%</i>	<i>4.1%</i>	<i>5.1%</i>	<i>10.0%</i>	<i>7.5%</i>
Income Tax	5,652	15,208	16,139	42,619	37,240
Net income	3,780	44,347	71,693	154,441	137,393
<i>Net income margin (%)</i>	<i>0.2%</i>	<i>3.0%</i>	<i>4.2%</i>	<i>7.8%</i>	<i>5.9%</i>

Exhibit 6.4.2 – ControlSafe's Balance Sheet between 2019-2023

ControlSafe's Balance sheet					
<i>in euros</i>	31/12/2019	31/12/2020	31/12/2021	31/12/2022	31/12/2023
Fixed Assets	331,562	351,632	335,934	338,370	275,386
Intangible fixed assets	0	0	0	0	0
Tangible fixed assets	327,220	346,049	329,129	338,370	275,386
Other fixed assets	4,342	5,582	6,805	0	0
Current assets	456,776	573,269	605,921	645,530	875,909
Stocks	18,726	33,340	16,229	18,223	23,555
Debtors	363,772	340,198	346,632	371,372	420,382
Other current assets	74,278	199,731	243,060	255,935	431,972
Cash & cash equivalent	41,655	149,080	183,551	174,952	360,176
Total assets	788,339	924,900	941,856	983,900	1,151,294
Shareholders funds	267,042	311,479	383,103	537,544	674,937
Capital	15,000	15,000	15,000	15,000	200,000
Other shareholders funds	252,042	296,479	368,103	522,544	474,937
Non current liabilities	5,729	200,422	200,000	166,667	116,667
Long-term debt	5,729	200,422	200,000	166,667	116,667
Other non-current liabilities	0	0	0	0	0
Provisions	0	0	0	0	0
Current liabilities	515,568	412,999	358,753	279,690	359,691
Loans	329,104	165,737	90,077	22,177	1,822
Creditors	35,700	52,644	81,534	36,517	44,618
Other current liabilities	150,764	194,618	187,143	220,995	313,251
Total shareh. funds & liab.	788,339	924,900	941,856	983,900	1,151,294
Working capital	346,799	320,894	281,328	353,077	399,319
Number of employees	27	35	37	39	42

Exhibit 6.5.1 – Metsep’s Income Statement between 2019-2023

Metsep's Income Statement					
<i>in euros</i>	31/12/2019	31/12/2020	31/12/2021	31/12/2022	31/12/2023
Revenues	1,109,225	1,095,816	1,204,894	1,356,011	1,541,627
Sales	1,081,721	1,044,060	1,151,577	1,319,385	1,507,161
Cost of goods sold	9,318	13,041	11,533	10,474	13,953
Gross profit	1,099,907	1,082,775	1,193,361	1,345,537	1,527,675
<i>Gross profit (%)</i>	<i>99.2%</i>	<i>98.8%</i>	<i>99.0%</i>	<i>99.2%</i>	<i>99.1%</i>
Cost of employees	705,763	591,673	594,394	671,546	749,846
Other operating items	338,445	338,326	495,506	451,787	534,147
EBITDA	84,732	161,126	111,986	202,294	252,592
<i>EBITDA margin (%)</i>	<i>7.6%</i>	<i>14.7%</i>	<i>9.3%</i>	<i>14.9%</i>	<i>16.4%</i>
D&A	64,238	72,241	65,074	59,616	72,919
EBIT	20,494	88,885	46,912	142,678	179,672
<i>EBIT margin (%)</i>	<i>1.8%</i>	<i>8.1%</i>	<i>3.9%</i>	<i>10.5%</i>	<i>11.7%</i>
Financial revenue	0	0	0	0	0
Financial expenses	0	0	0	0	0
EBT	20,494	88,885	46,912	142,678	179,672
<i>EBT margin (%)</i>	<i>1.8%</i>	<i>8.1%</i>	<i>3.9%</i>	<i>10.5%</i>	<i>11.7%</i>
Income Tax	33,114	36,922	26,256	38,053	51,142
Net income	-12,621	51,962	20,656	104,626	128,531
<i>Net income margin (%)</i>	<i>-1.1%</i>	<i>4.7%</i>	<i>1.7%</i>	<i>7.7%</i>	<i>8.3%</i>

Exhibit 6.5.2 – Metsep’s Balance Sheet between 2019-2023

Metsep's Balance sheet					
<i>in euros</i>	31/12/2019	31/12/2020	31/12/2021	31/12/2022	31/12/2023
Fixed Assets	353,986	417,223	375,408	332,968	1,300,419
Intangible fixed assets	0	0	0	0	0
Tangible fixed assets	350,177	412,224	369,228	327,339	381,702
Other fixed assets	3,809	4,998	6,180	5,630	918,717
Current assets	1,765,592	1,770,972	1,849,122	2,024,167	1,235,257
Stocks	1,481	1,170	2,068	1,306	633
Debtors	78,731	84,731	83,769	114,265	138,859
Other current assets	1,685,380	1,685,071	1,763,285	1,908,597	1,095,764
Cash & cash equivalent	303,231	74,728	234,374	204,801	109,317
Total assets	2,119,578	2,188,194	2,224,530	2,357,136	2,535,676
Shareholders funds	1,933,178	1,985,140	2,005,796	2,110,422	2,238,952
Capital	110,500	110,500	110,500	1,122,000	1,122,000
Other shareholders funds	1,822,678	1,874,640	1,895,296	988,422	1,116,952
Non current liabilities	0	0	0	0	0
Long-term debt	0	0	0	0	0
Other non-current liabilities	0	0	0	0	0
Provisions	0	0	0	0	0
Current liabilities	186,400	203,054	218,734	246,714	296,723
Loans	0	16,185	51,107	39,672	34,712
Creditors	34,941	24,672	40,940	39,755	46,832
Other current liabilities	151,458	162,197	126,687	167,286	215,179
Total shareh. funds & liab.	2,119,578	2,188,194	2,224,530	2,357,136	2,535,676
Working capital	45,271	61,229	44,897	75,815	92,661
Number of employees	32	30	28	29	29

Exhibit 8.3.1 – Inventory Forecast for each company between 2024 and 2021

Inventory Forecast								
	2024E	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Centralmed	-	-	-	-	-	-	-	-
<i>% of Revenues</i>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Workview	-	-	-	-	-	-	-	-
<i>% of Revenues</i>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Medialcare	-	-	-	-	-	-	-	-
<i>% of Revenues</i>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Controlsafe	26,024	28,751	32,052	36,051	40,911	46,017	51,299	56,676
<i>% of Revenues</i>	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%
Metsep	682	741	812	898	985	1,070	1,152	1,228
<i>% of Revenues</i>	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%

Exhibit 9.2.1 – Centralmed's Uses Table

Uses	(€000s)	% Uses
Equity Value	1,760.5	59%
Existing Debt	1,190.1	40%
Transaction Costs	46.8	2%
Total Uses	2,997.4	100%

Exhibit 9.2.2 – Metsep's Uses Table

Uses	(€000s)	% Uses
Equity Value	1,438.6	96%
Existing Debt	34.7	2%
Transaction Costs	27.8	1%
Total Uses	1,501.1	99%

Exhibit 9.2.3 – Workview's Uses Table

Uses	(€000s)	% Uses
Equity Value	6,367.1	80%
Existing Debt	1,440.6	18%
Transaction Costs	128.3	2%
Total Uses	7,936.0	100%

Exhibit 9.2.4 – MedialCare's Uses Table

Uses	(€000s)	% Uses
Equity Value	4,013.9	87%
Existing Debt	524.0	11%
Transaction Costs	71.3	2%
Total Uses	4,609.2	100%

Exhibit 9.2.5 – ControlSafe's Uses Table

Uses	(€000s)	% Uses
Equity Value	1,643.6	92%
Existing Debt	118.5	7%
Transaction Costs	27.0	2%
Total Uses	1,789.1	100%

Group

Exhibit 9.3.1 – Centralmed's and Metsep's Net Debt Calculations for Table of Sources

Net debt calculation - Centralmed/ Metsep						
	Post LBO	2025F	2026F	2027F	2030F	2031F
Term Loan B - Refinanced	1,224.8					
Beginning balance		1,224.8	1,163.6	1,102.3	673.6	489.9
Retirement profile		5.0%	5.0%	10.0%	15.0%	40.0%
Mandatory retirements		(61.2)	(61.2)	(122.5)	(183.7)	(489.9)
Ending balance	1,224.8	1,163.6	1,102.3	979.8	489.9	--
Interest Expense	4.50%	(53.7)	(51.0)	(46.8)	(26.2)	(11.0)
Term Loan B - Acquisition	792.3					
Beginning balance		792.3	752.7	713.1	435.8	316.9
Retirement profile		5.0%	5.0%	10.0%	15.0%	40.0%
Mandatory retirements		(39.6)	(39.6)	(79.2)	(118.9)	(316.9)
Ending balance	792.3	752.7	713.1	633.9	316.9	--
Interest Expense	5.00%	(38.6)	(36.6)	(33.7)	(18.8)	(7.9)

Exhibit 9.3.2 – Workview's, MedialCare's and ControlSafe's Net Debt Calculations for Table of Sources

Net debt calculation - Workview/ MedialCare/ ControlSafe									
	Post LBO	2025F	2026F	2027F	2028F	2029F	2030F	2031F	2032F
Term Loan B - Refinanced	2,083.0								
Beginning balance		--	2,083.0	1,978.9	1,874.7	1,666.4	1,458.1	1,145.7	833.2
Retirement profile		0.0%	5.0%	5.0%	10.0%	10.0%	15.0%	15.0%	40.0%
Mandatory retirements		--	(104.2)	(104.2)	(208.3)	(208.3)	(312.5)	(312.5)	(833.2)
Ending balance	2,083.0	--	1,978.9	1,874.7	1,666.4	1,458.1	1,145.7	833.2	--
Interest Expense	4.50%	--	(91.4)	(86.7)	(79.6)	(70.3)	(58.6)	(44.5)	(18.7)
Term Loan B - Acquisition	3,812.0								
Beginning balance		--	3,812.0	3,621.4	3,430.8	3,049.6	2,668.4	2,096.6	1,524.8
Retirement profile		0.0%	5.0%	5.0%	10.0%	10.0%	15.0%	15.0%	40.0%
Mandatory retirements		--	(190.6)	(190.6)	(381.2)	(381.2)	(571.8)	(571.8)	(1,524.8)
Ending balance	3,812.0	--	3,621.4	3,430.8	3,049.6	2,668.4	2,096.6	1,524.8	--
Interest Expense	5.00%	--	(185.8)	(176.2)	(161.9)	(142.9)	(119.1)	(90.5)	(38.1)

Exhibit 9.3.3 – Centralmed's Sources Table

Sources	(€000s)	% Sources
Pre-Transaction Dividend	609.8	20%
Senior Debt	1,381.9	46%
Term Loan B - Refinancing	1,190.1	40%
Term Loan B - Acquisition	191.8	6%
Deferred Payments	220.0	7%
Equity	785.7	26%
Total Sources	2,997.4	100%
Equity / (D+E)	36.2%	

Exhibit 9.3.5 – Workview's Sources Table

Sources	(€000s)	% Sources
Pre-Transaction Dividend	1,391.3	18%
Senior Debt	3,394.4	43%
Term Loan B - Refinancing	1,440.6	18%
Term Loan B - Acquisition	1,953.8	25%
Deferred Payments	800.0	10%
Equity	2,350.3	30%
Total Sources	7,936.0	100%
Equity / (D+E)	40.9%	

Exhibit 9.3.4 – Metsep's Sources Table

Sources	(€000s)	% Sources
Pre-Transaction Dividend	84.1	6%
Senior Debt	635.2	42%
Term Loan B - Refinancing	34.7	2%
Term Loan B - Acquisition	600.5	40%
Deferred Payments	180.0	12%
Equity	601.8	40%
Total Sources	1,501.1	100%
Equity / (D+E)	48.7%	

Exhibit 9.3.6 – MedialCare's Sources Table

Sources	(€000s)	% Sources
Pre-Transaction Dividend	973.0	21%
Senior Debt	1,797.5	39%
Term Loan B - Refinancing	524.0	11%
Term Loan B - Acquisition	1,273.6	28%
Deferred Payments	500.0	11%
Equity	1,338.7	29%
Total Sources	4,609.2	100%
Equity / (D+E)	42.7%	

Group

Exhibit 9.3.7 – ControlSafe's Sources Table

Sources	(€000s)	% Sources
Pre-Transaction Dividend	410.9	23%
Senior Debt	703.1	39%
Term Loan B - Refinancing	118.5	7%
Term Loan B - Acquisition	584.6	33%
Deferred Payments	200.0	11%
Equity	475.1	27%
Total Sources	1,789.1	100%
Equity / (D+E)	40.3%	

Exhibit 9.4.1 – Percentage of Ratchet to management at exit, based on MoM

% Ratchet to management at exit, based on MoM		
] >2.5x]	2.50%	2.50 x
] >3.0x]	3.00%	3.00 x
] >3.5x]	3.50%	3.50 x
] >4.0x]	4.00%	4.00 x
] >4.5x]	4.50%	4.50 x
] >5.0x]	5.00%	5.00 x
] >5.5x]	5.50%	5.50 x
] >6.0x]	6.00%	6.00 x
] >6.5x]	6.50%	6.50 x
] >7.0x]	7.00%	7.00 x

Group

Exhibit 9.5.1 – Expected Free Cash Flows Between 2025-2031 for a Team Case Scenario

	Cash available for debt service						
	2025F	2026F	2027F	2028F	2029F	2030F	2031F
EBITDA - Centralmed - w/o crash	727.0	797.8	883.4	969.4	1,054.1	1,135.6	1,212.0
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>9.7%</i>	<i>10.7%</i>	<i>9.7%</i>	<i>8.7%</i>	<i>7.7%</i>	<i>6.7%</i>
Crash impact 2026-28	--	--	--	--	--	--	--
EBITDA - Centralmed - w/ crash	727.0	797.8	883.4	969.4	1,054.1	1,135.6	1,212.0
EBITDA - MetSep - w/o crash	301.1	330.1	365.2	400.4	435.0	468.2	499.3
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>9.6%</i>	<i>10.6%</i>	<i>9.6%</i>	<i>8.6%</i>	<i>7.6%</i>	<i>6.6%</i>
Crash impact 2026-28	--	--	--	--	--	--	--
EBITDA - MetSep - w/ crash	301.1	330.1	365.2	400.4	435.0	468.2	499.3
EBITDA - Workview - w/o crash	1,311.1	1,635.4	1,870.7	2,158.5	2,469.0	2,799.5	3,146.3
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>24.7%</i>	<i>14.4%</i>	<i>15.4%</i>	<i>14.4%</i>	<i>13.4%</i>	<i>12.4%</i>
Crash impact 2026-28	--	--	--	--	--	--	--
EBITDA - Workview - w/ crash	1,311.1	1,635.4	1,870.7	2,158.5	2,469.0	2,799.5	3,146.3
EBITDA - Medialcare - w/o crash	693.1	872.7	950.7	1,045.1	1,138.4	1,228.7	1,313.8
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>25.9%</i>	<i>8.9%</i>	<i>9.9%</i>	<i>8.9%</i>	<i>7.9%</i>	<i>6.9%</i>
Crash impact 2026-28	--	--	--	--	--	--	--
EBITDA - Medialcare - w/ crash	693.1	872.7	950.7	1,045.1	1,138.4	1,228.7	1,313.8
EBITDA - Controlsafe - w/o crash	271.4	366.2	411.9	467.4	525.7	586.1	647.5
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>34.9%</i>	<i>12.5%</i>	<i>13.5%</i>	<i>12.5%</i>	<i>11.5%</i>	<i>10.5%</i>
Crash impact 2026-28	--	--	--	--	--	--	--
EBITDA - Controlsafe - w/ crash	271.4	366.2	411.9	467.4	525.7	586.1	647.5
EBITDA - Group	1,028.1	4,002.2	4,481.9	5,040.8	5,622.2	6,218.0	6,818.9
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>289.3%</i>	<i>12.0%</i>	<i>12.5%</i>	<i>11.5%</i>	<i>10.6%</i>	<i>9.7%</i>
Crash impact 2026-28	--	--	--	--	--	--	--
(-) Capex	(343.3)	(1,402.8)	(1,563.2)	(1,749.9)	(1,942.5)	(2,138.0)	(2,333.1)
(+) CapEx deduction - crash impact	--	--	--	--	--	--	--
(-) Change in Working Capital	(24.2)	(220.6)	368.5	493.3	676.3	880.8	1,063.5
(-) Adjusted taxes	(150.9)	(644.0)	(720.9)	(810.9)	(904.5)	(1,000.4)	(1,097.2)
(+) Taxes deduction - crash impact	--	--	--	--	--	--	--
Free Cash Flow to the Firm	509.8	1,734.9	2,566.3	2,973.3	3,451.6	3,960.5	4,452.1
<i>% Management EBITDA</i>	<i>49.6%</i>	<i>43.3%</i>	<i>57.3%</i>	<i>59.0%</i>	<i>61.4%</i>	<i>63.7%</i>	<i>65.3%</i>
Amortization on acquisition or refinancing d	(100.9)	(395.6)	(496.5)	(791.2)	(892.1)	(1,186.8)	(1,691.1)
Interest on acquisition or refinancing debt	(92.3)	(364.7)	(343.4)	(312.6)	(272.3)	(222.6)	(153.9)
Tax shield acquisition or refinancing debt	19.4	76.6	72.1	65.6	57.2	46.7	32.3
Deferred payments	(200.0)	(950.0)	(750.0)	--	--	--	--
Centralmed	(110.0)	(110.0)	--	--	--	--	--
MetSep	(90.0)	(90.0)	--	--	--	--	--
Workview	--	(400.0)	(400.0)	--	--	--	--
MedialCare	--	(250.0)	(250.0)	--	--	--	--
Controlsafe	--	(100.0)	(100.0)	--	--	--	--
Cash Flow after total debt variation	136.0	101.1	1,048.5	1,935.1	2,344.4	2,597.8	2,639.3
Dividends	--	--	--	--	--	--	--
Cash Flow after dividends	136.0	101.1	1,048.5	1,935.1	2,344.4	2,597.8	2,639.3
Minimum Cash 2025	67.8						
Extra Minimum Cash 2026		206.0					
Accumulated Cash	203.8	511.0	1,559.5	3,494.6	5,839.0	8,436.8	11,076.1

Group

Exhibit 9.5.2 – Total Ratchet to investors by company

	Relative Weight	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Centralmed	15.5%	--	--	86.4	175.5	269.5	389.8	502.8
MetSep	9.2%	--	--	51.3	104.1	159.9	231.3	298.4
Workview	42.6%	--	--	236.9	481.0	738.6	1,068.4	1,378.3
MedialCare	23.7%	--	--	131.6	267.2	410.4	593.6	765.8
Controlsafe	9.0%	--	--	49.9	101.3	155.5	225.0	290.3
Total Ratchet	100.0%	--	--	556.2	1,129.1	1,733.9	2,508.1	3,235.5

Exhibit 9.5.3 – Total Net Financial Debt Calculations Post Transaction

	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Net Financial Debt post transaction	1,712.5	6,904.8	5,359.7	2,633.4	(603.0)	(4,387.6)	(8,718.1)
NFD / EBITDA	1.7x	1.7x	1.2x	0.5x	(0.1x)	(0.7x)	(1.3x)
DSCR (x)	5.32x	5.26x	5.34x	4.57x	4.83x	4.41x	3.70x
DSCR with Deferred Payment (x)	2.61x	2.34x	2.82x	4.57x	4.83x	4.41x	3.70x

Exhibit 9.5.4 – Returns Breakdown – Revenue Growth value creation per company

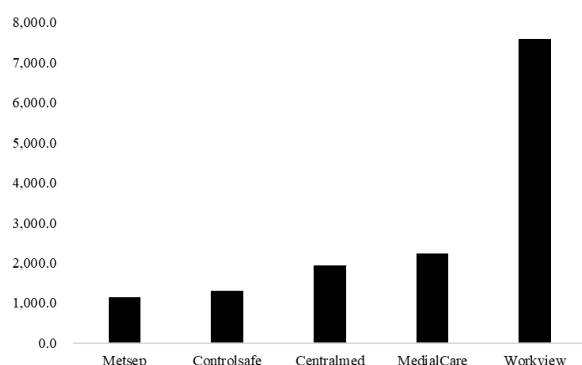


Exhibit 9.5.5 – Returns Breakdown – EBITDA Margin Expansion value creation

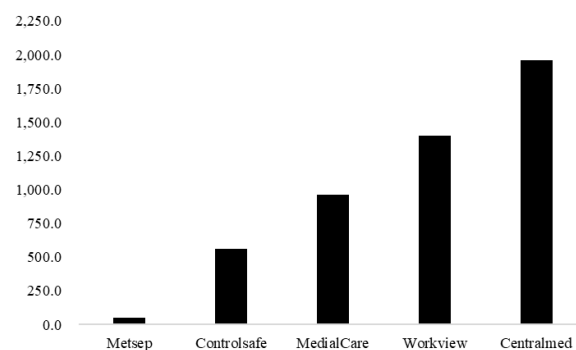


Exhibit 9.6.1 – Sensitivity Analysis on MoM for Changes in Entry and Exit Multiples

	Exit Multiple				
	4.5x	5.0x	5.5x	6.0x	6.5x
Entry Multiple					
4.5x	10.9x	12.0x	13.0x	14.1x	15.1x
5.0x	7.2x	7.9x	8.6x	9.3x	10.0x
5.5x	5.5x	6.0x	6.5x	7.0x	7.5x
6.0x	4.4x	4.9x	5.2x	5.6x	6.1x
6.5x	3.7x	4.1x	4.4x	4.8x	5.1x

Exhibit 9.6.2 – Sensitivity Analysis on MoM for Changes in Exit multiple and Exit Year

		Exit Multiple				
		4.5x	5.0x	5.5x	6.0x	6.5x
Exit Year	2027F	2.5x	2.9x	3.2x	3.6x	4.0x
	2028F	3.5x	3.9x	4.3x	4.7x	5.2x
	2029F	4.5x	4.9x	5.4x	5.8x	6.3x
	2030F	5.5x	6.0x	6.5x	7.0x	7.5x
	2031F	6.6x	7.2x	7.7x	8.3x	8.9x

Exhibit 9.6.3 – Sensitivity Analysis on MoM for Changes in Debt Contracted and Entry Multiple

		NFD / EBITDA target (x) - Post LBO										
		2.0x	2.1x	2.2x	2.3x	2.4x	2.5x	2.6x	2.7x	2.8x	2.9x	3.0x
Entry Multiple	4.5x	7.5x	7.9x	8.5x	9.1x	9.9x	10.9x	12.1x	13.7x	15.8x	18.7x	23.1x
	5.0x	6.2x	6.4x	6.7x	7.1x	7.5x	7.9x	8.5x	9.1x	9.9x	10.8x	11.9x
	5.5x	5.4x	5.6x	5.8x	6.0x	6.2x	6.5x	6.8x	7.1x	7.5x	8.0x	8.5x
	6.0x	4.9x	5.0x	5.2x	5.3x	5.5x	5.6x	5.8x	6.1x	6.3x	6.5x	6.8x
	6.5x	4.5x	4.6x	4.7x	4.8x	5.0x	5.1x	5.2x	5.4x	5.6x	5.7x	5.9x

Exhibit 9.6.4 – Sensitivity Analysis on MoM for Changes in Entry Multiple and Changes in the Expected Revenue Growth

		Revenue Growth						
		-3%	-2%	-1%	0%	1%	2%	3%
Entry Multiple	4.0x	14.6x	16.2x	18.0x	20.0x	22.2x	24.8x	27.6x
	5.0x	6.3x	6.8x	7.3x	7.9x	8.6x	9.2x	10.0x
	5.5x	5.3x	5.7x	6.1x	6.5x	7.0x	7.5x	8.0x
	6.0x	4.6x	4.9x	5.3x	5.6x	6.0x	6.4x	6.9x
	6.5x	4.2x	4.5x	4.8x	5.1x	5.4x	5.8x	6.1x

Exhibit 9.6.5 – Sensitivity Analysis on MoM for Changes in the Multiple for Acquisitions made in 2026 and Exit Multiple

		Exit Multiple				
		4.5x	5.0x	5.5x	6.0x	6.5x
Change in Multiple for acquisitions in 2026	-0.50x	6.7x	7.3x	8.0x	8.6x	9.3x
	-0.25x	6.1x	6.6x	7.1x	7.7x	8.3x
	0.00x	5.5x	6.0x	6.5x	7.0x	7.5x
	0.25x	5.1x	5.5x	6.0x	6.4x	6.9x
	0.50x	4.7x	5.1x	5.5x	5.9x	6.3x

Exhibit 9.7.1 – Sales Forecast for each Company between 2024 and 2031 - Flat Case

	Sales Forecast Flat Case							
	2024E	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Centralmed	6,290,338	6,416,145	6,544,468	6,675,357	6,808,864	6,945,041	7,083,942	7,225,621
<i>Growth rate</i>	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Workview	5,300,825	5,406,841	5,514,978	5,625,278	5,737,783	5,852,539	5,969,590	6,088,981
<i>Growth rate</i>	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Medialcare	5,151,896	5,254,934	5,360,033	5,467,233	5,576,578	5,688,110	5,801,872	5,917,909
<i>Growth rate</i>	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Controlsafe	2,383,494	2,431,164	2,479,787	2,529,383	2,579,971	2,631,570	2,684,202	2,737,886
<i>Growth rate</i>	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Metsep	1,572,460	1,603,909	1,635,987	1,668,707	1,702,081	1,736,122	1,770,845	1,806,262
<i>Growth rate</i>	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

Exhibit 9.7.2 – EBITDA Forecast for each company between the years 2024 and 2031 - Flat Case

	EBITDA Forecast Flat Case							
	2024E	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Centralmed	507,235	517,380	527,727	538,282	549,047	560,028	571,229	582,653
<i>Margin</i>	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%
Workview	1,058,799	1,079,975	1,101,574	1,123,606	1,146,078	1,169,000	1,192,380	1,216,227
<i>Margin</i>	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Medialcare	618,277	630,643	643,256	656,121	669,243	682,628	696,281	710,206
<i>Margin</i>	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%
Controlsafe	226,819	231,356	235,983	240,702	245,516	250,427	255,435	260,544
<i>Margin</i>	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%
Metsep	231,210	235,835	240,551	245,362	250,270	255,275	260,380	265,588
<i>Margin</i>	14.7%	14.7%	14.7%	14.7%	14.7%	14.7%	14.7%	14.7%

Group

Exhibit 9.7.3 – Expected Free Cash Flows Between 2025-2031 for a Flat Case Scenario

	Cash available for debt service						
	2025F	2026F	2027F	2028F	2029F	2030F	2031F
EBITDA - Centralmed - w/o crash	517.4	527.7	538.3	549.0	560.0	571.2	582.7
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>
Crash impact 2026-28	--	--	--	--	--	--	--
EBITDA - Centralmed - w/ crash	517.4	527.7	538.3	549.0	560.0	571.2	582.7
EBITDA - MetSep - w/o crash	231.2	235.8	240.6	245.4	250.3	255.3	260.4
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>
Crash impact 2026-28	--	--	--	--	--	--	--
EBITDA - MetSep - w/ crash	231.2	235.8	240.6	245.4	250.3	255.3	260.4
EBITDA - Workview - w/o crash	1,080.0	1,101.6	1,123.6	1,146.1	1,169.0	1,192.4	1,216.2
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>
Crash impact 2026-28	--	--	--	--	--	--	--
EBITDA - Workview - w/ crash	1,080.0	1,101.6	1,123.6	1,146.1	1,169.0	1,192.4	1,216.2
EBITDA - Medialcare - w/o crash	630.6	643.3	656.1	669.2	682.6	696.3	710.2
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>
Crash impact 2026-28	--	--	--	--	--	--	--
EBITDA - Medialcare - w/ crash	630.6	643.3	656.1	669.2	682.6	696.3	710.2
EBITDA - Controlsafe - w/o crash	231.4	236.0	240.7	245.5	250.4	255.4	260.5
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>
Crash impact 2026-28	--	--	--	--	--	--	--
EBITDA - Controlsafe - w/ crash	231.4	236.0	240.7	245.5	250.4	255.4	260.5
EBITDA - Group	748.6	2,744.4	2,799.3	2,855.2	2,912.4	2,970.6	3,030.0
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>266.6%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>
Crash impact 2026-28	--	--	--	--	--	--	--
(-) Capex	(275.2)	(740.8)	(755.6)	(770.7)	(786.1)	(801.8)	(817.9)
(+) CapEx deduction - crash impact	--	--	--	--	--	--	--
(-) Change in Working Capital	(46.2)	(13.3)	461.7	480.8	500.5	520.7	521.8
(-) Adjusted taxes	(100.4)	(421.7)	(430.2)	(438.8)	(447.6)	(456.5)	(465.6)
(+) Taxes deduction - crash impact	--	--	--	--	--	--	--
Free Cash Flow to the Firm	326.9	1,568.6	2,075.2	2,126.5	2,179.1	2,233.0	2,268.3
<i>% Management EBITDA</i>	<i>43.7%</i>	<i>57.2%</i>	<i>74.1%</i>	<i>74.5%</i>	<i>74.8%</i>	<i>75.2%</i>	<i>74.9%</i>
Amortization on debt	(100.9)	(364.6)	(465.5)	(729.3)	(830.1)	(1,093.9)	(1,598.2)
Interest on debt	(92.3)	(334.5)	(314.7)	(286.3)	(249.1)	(203.3)	(139.2)
Tax shield on debt	19.4	70.2	66.1	60.1	52.3	42.7	29.2
Deferred payments	(160.0)	(760.0)	(600.0)	--	--	--	--
Centralmed	(88.0)	(88.0)	--	--	--	--	--
MetSep	(72.0)	(72.0)	--	--	--	--	--
Workview	--	(320.0)	(320.0)	--	--	--	--
MedialCare	--	(200.0)	(200.0)	--	--	--	--
Controlsafe	--	(80.0)	(80.0)	--	--	--	--
Cash Flow after total debt variation	(6.9)	179.7	761.0	1,171.1	1,152.2	978.5	560.2
Dividends	--	--	--	--	--	--	--
Cash Flow after dividends	(6.9)	179.7	761.0	1,171.1	1,152.2	978.5	560.2
Minimum Cash 2025	67.8						
Extra Minimum Cash 2026		190.4					
Accumulated Cash	60.9	431.0	1,192.0	2,363.1	3,515.4	4,493.9	5,054.1

Group

Exhibit 9.7.4 – Return to Equity Investors (pre and post ratchet) for a Flat Case Scenario

	Return to equity investors (pre / post ratchet)						
	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Entry multiple	5.5x	5.5x	5.5x	5.5x	5.5x	5.5x	5.5x
Exit multiple	5.5x	5.5x	5.5x	5.5x	5.5x	5.5x	5.5x
EBITDA	748.6	2,744.4	2,799.3	2,855.2	2,912.4	2,970.6	3,030.0
Implied enterprise value	4,117.2	15,094.1	15,395.9	15,703.9	16,017.9	16,338.3	16,665.1
Net debt / (Cash)	1,855.4	6,396.1	5,169.6	3,269.2	1,286.8	(785.6)	(2,943.9)
Deferred payments due	(400.0)	(1,700.0)	(750.0)	--	--	--	--
Implied equity value	1,861.9	6,998.0	9,476.4	12,434.7	14,731.1	17,123.9	19,609.0
Accumulated Dividends	--	--	--	--	--	--	--
Common equity at exit	1,861.9	6,998.0	9,476.4	12,434.7	14,731.1	17,123.9	19,609.0
Equity Invested	1,387.5	5,293.0	5,293.0	5,293.0	5,293.0	5,293.0	5,293.0
MoM (x) Pre-Ratchet	1.3x	1.3x	1.8x	2.3x	2.8x	3.2x	3.7x
IRR Pre-Ratchet	34.2%	15.0%	21.4%	23.8%	22.7%	21.6%	20.6%
Total Ratchet	--	--	--	--	--	--	--
Management implied ownership	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Equity available to equity investors	1,861.9	6,998.0	9,476.4	12,434.7	14,731.1	17,123.9	19,609.0
Equity Invested	1,387.5	5,293.0	5,293.0	5,293.0	5,293.0	5,293.0	5,293.0
MoM (x) Post-Ratchet	1.3x	1.3x	1.8x	2.3x	2.8x	3.2x	3.7x
IRR Post-Ratchet	34.2%	15.0%	21.4%	23.8%	22.7%	21.6%	20.6%

Exhibit 9.7.5 – Sensitivity Analysis on IRR if Entry and Exit Multiples Change in a Flat Case

Scenario

	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Net Financial Debt post transaction	1,855.4	6,396.1	5,169.6	3,269.2	1,286.8	(785.6)	(2,943.9)
NFD / EBITDA	2.5x	2.3x	1.8x	1.1x	0.4x	(0.3x)	(1.0x)
DSCR (x)	3.88x	3.93x	3.59x	2.81x	2.70x	2.29x	1.74x
DSCR with Deferred Payment (x)	2.12x	1.88x	2.03x	2.81x	2.70x	2.29x	1.74x

Exhibit 9.7.6 – Sensitivity Analysis on IRR if Entry and Exit Multiples Change in a Flat Case

Scenario

		Exit Multiple				
		4.5x	5.0x	5.5x	6.0x	6.5x
Entry Multiple	4.5x	32.1%	34.4%	36.4%	38.3%	40.1%
	5.0x	23.6%	25.6%	27.6%	29.3%	31.0%
	5.5x	17.8%	19.8%	21.6%	23.3%	24.9%
	6.0x	13.5%	15.4%	17.2%	18.8%	20.4%
	6.5x	10.1%	12.0%	13.7%	15.3%	16.8%

Exhibit 9.7.7 – Impact of the 2010-2013 Portuguese Crisis on companies operating in the OHS sector
with more than 500k euros in revenues

Company	Revenues		EBITDA	
	2010	2013	2010	2013
QUIRÓNPREVENCIÓN	12,550,907	10,510,928	2,145,879	801,980
MEDICISFORMA	4,307,657	2,432,733	175,644	125,593
PREVERIS	2,757,912	2,189,146	74,730	95,594
MEDEMPRESA	2,607,394	2,080,372	157,499	92,824
INTERPREV	2,569,192	3,921,344	613,677	492,724
CENTRALMED	2,490,171	2,084,549	129,603	104,663
KMED EUROPA	2,163,551	2,332,883	208,519	156,507
KMED XXI	1,927,359	1,912,594	147,114	158,531
MEDIALCARE	1,543,944	2,874,469	54,983	566,293
AMBIFORMED	1,511,767	1,053,214	429,077	83,565
SEPREM PRO	1,233,813	1,021,436	54,765	29,702
CONSULSAFETY	1,219,846	910,711	151,562	150,152
METSEP	1,045,989	871,789	230,656	287,310
FORSTOP	1,009,563	277,550	39,348	9,246
MEDILABOR	957,476	772,563	8,040	79,469
PREVINAVE	923,477	810,968	164,516	221,185
WORKCARE	896,864	944,274	39,564	44,774
SPARS	892,520	1,315,853	28,521	29,745
SEPRI	796,553	701,043	41,737	65,278
WORKVIEW	794,732	1,340,587	87,087	210,871
MARTINS & REIS	777,929	736,030	119,988	79,836
CRUZ BRANCA	764,315	616,273	289,149	127,536
ACÇÃO CONTÍNUA	618,050	1,119,323	170,921	-85,483
CONTROLSAFE	616,097	752,252	128,787	102,884
MESETRAB	601,539	589,405	53,253	9,077
SECURIFORM	598,333	372,501	56,156	17,369
PREVISAUDE	573,600	553,538	100,914	118,053
SEGURMET	547,167	777,831	42,640	49,570
HSEGT	506,476	261,816	48,229	46,956
LABORALIS	501,228	502,360	59,471	61,141
TOTAL	50,305,421	46,640,338	6,052,027	4,332,944

Exhibit 9.7.8 – Expected Free Cash Flows during an Optimistic Crash Scenario for the period 2026-2031

	Cash available for debt service						
	2025F	2026F	2027F	2028F	2029F	2030F	2031F
EBITDA - Centralmed - w/o crash	727.0	797.8	883.4	969.4	1,054.1	1,135.6	1,212.0
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>9.7%</i>	<i>10.7%</i>	<i>9.7%</i>	<i>8.7%</i>	<i>7.7%</i>	<i>6.7%</i>
Crash impact 2026-28	--	(147.1)	(301.0)	(448.2)	(487.3)	(513.7)	(523.4)
EBITDA - Centralmed - w/ crash	727.0	650.7	582.4	521.2	566.7	621.9	688.6
EBITDA - MetSep - w/o crash	301.1	330.1	365.2	400.4	435.0	468.2	499.3
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>9.6%</i>	<i>10.6%</i>	<i>9.6%</i>	<i>8.6%</i>	<i>7.6%</i>	<i>6.6%</i>
Crash impact 2026-28	--	(60.6)	(124.0)	(184.5)	(200.5)	(211.1)	(214.8)
EBITDA - MetSep - w/ crash	301.1	269.5	241.2	215.9	234.5	257.1	284.4
EBITDA - Workview - w/o crash	1,311.1	1,635.4	1,870.7	2,158.5	2,469.0	2,799.5	3,146.3
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>24.7%</i>	<i>14.4%</i>	<i>15.4%</i>	<i>14.4%</i>	<i>13.4%</i>	<i>12.4%</i>
Crash impact 2026-28	--	(462.0)	(820.5)	(1,218.6)	(1,403.3)	(1,580.4)	(1,739.6)
EBITDA - Workview - w/ crash	1,311.1	1,173.4	1,050.2	939.9	1,065.8	1,219.1	1,406.6
EBITDA - Medialcare - w/o crash	693.1	872.7	950.7	1,045.1	1,138.4	1,228.7	1,313.8
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>25.9%</i>	<i>8.9%</i>	<i>9.9%</i>	<i>8.9%</i>	<i>7.9%</i>	<i>6.9%</i>
Crash impact 2026-28	--	(252.4)	(395.5)	(548.2)	(602.1)	(644.5)	(671.6)
EBITDA - Medialcare - w/ crash	693.1	620.3	555.2	496.9	536.3	584.2	642.2
EBITDA - Controlsafe - w/o crash	271.4	366.2	411.9	467.4	525.7	586.1	647.5
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>34.9%</i>	<i>12.5%</i>	<i>13.5%</i>	<i>12.5%</i>	<i>11.5%</i>	<i>10.5%</i>
Crash impact 2026-28	--	(123.3)	(194.5)	(272.8)	(308.8)	(342.1)	(370.6)
EBITDA - Controlsafe - w/ crash	271.4	242.9	217.4	194.6	216.9	244.0	276.9
EBITDA - Group	1,028.1	2,956.8	2,646.4	2,368.5	2,620.2	2,926.3	3,298.8
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>187.6%</i>	<i>(10.5%)</i>	<i>(10.5%)</i>	<i>10.6%</i>	<i>11.7%</i>	<i>12.7%</i>
Crash impact 2026-28	--	(1,045.4)	(1,835.5)	(2,672.3)	(3,002.0)	(3,291.8)	(3,520.1)
(-) Capex	(343.3)	(1,402.8)	(1,563.2)	(1,749.9)	(1,942.5)	(2,138.0)	(2,333.1)
(+) CapEx deduction - crash impact	--	662.0	807.6	979.2	1,156.3	1,336.1	1,515.2
(-) Change in Working Capital	(24.2)	(220.6)	368.5	493.3	676.3	880.8	1,063.5
(-) Adjusted taxes	(150.9)	(644.0)	(720.9)	(810.9)	(904.5)	(1,000.4)	(1,097.2)
(+) Taxes deduction - crash impact	--	178.6	323.8	475.3	519.3	554.3	576.2
Free Cash Flow to the Firm	509.8	1,530.1	1,862.2	1,755.5	2,125.3	2,559.1	3,023.4
<i>% Management EBITDA</i>	<i>49.6%</i>	<i>51.7%</i>	<i>70.4%</i>	<i>74.1%</i>	<i>81.1%</i>	<i>87.5%</i>	<i>91.7%</i>
Amortization on debt	(100.9)	(395.6)	(496.5)	(791.2)	(892.1)	(1,186.8)	(1,691.1)
Interest on debt	(92.3)	(364.7)	(343.4)	(312.6)	(272.3)	(222.6)	(153.9)
Tax shield on debt	19.4	76.6	72.1	65.6	57.2	46.7	32.3
Deferred payments	(200.0)	(760.0)	(600.0)	--	--	--	--
Centralmed	(110.0)	(88.0)	--	--	--	--	--
MetSep	(90.0)	(72.0)	--	--	--	--	--
Workview	--	(320.0)	(320.0)	--	--	--	--
MedialCare	--	(200.0)	(200.0)	--	--	--	--
Controlsafe	--	(80.0)	(80.0)	--	--	--	--
Cash Flow after total debt variation	136.0	86.4	494.5	717.3	1,018.0	1,196.4	1,210.7
Dividends	--	--	--	--	--	--	--
Cash Flow after dividends	136.0	86.4	494.5	717.3	1,018.0	1,196.4	1,210.7
Minimum Cash 2025	67.8						
Extra Minimum Cash 2026		206.0					
Accumulated Cash	203.8	496.2	990.7	1,708.0	2,726.1	3,922.5	5,133.2

Exhibit 9.7.9 – Expected Free Cash Flows during a Pessimistic Crash Scenario for the period 2026-2031

	Cash available for debt service						
	2025F	2026F	2027F	2028F	2029F	2030F	2031F
EBITDA - Centralmed - w/o crash	517.4	527.7	538.3	549.0	560.0	571.2	582.7
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>
Crash impact 2026-28	--	(64.7)	(123.8)	(178.1)	(181.7)	(185.3)	(189.0)
EBITDA - Centralmed - w/ crash	517.4	463.1	414.4	370.9	378.3	385.9	393.6
EBITDA - MetSep - w/o crash	231.2	235.8	240.6	245.4	250.3	255.3	260.4
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>
Crash impact 2026-28	--	(28.9)	(55.3)	(79.6)	(81.2)	(82.8)	(84.5)
EBITDA - MetSep - w/ crash	231.2	206.9	185.2	165.8	169.1	172.5	175.9
EBITDA - Workview - w/o crash	1,080.0	1,101.6	1,123.6	1,146.1	1,169.0	1,192.4	1,216.2
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>
Crash impact 2026-28	--	(135.0)	(258.5)	(371.8)	(379.3)	(386.8)	(394.6)
EBITDA - Workview - w/ crash	1,080.0	966.6	865.1	774.3	789.7	805.5	821.6
EBITDA - Medialcare - w/o crash	630.6	643.3	656.1	669.2	682.6	696.3	710.2
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>
Crash impact 2026-28	--	(78.8)	(151.0)	(217.1)	(221.5)	(225.9)	(230.4)
EBITDA - Medialcare - w/ crash	630.6	564.4	505.2	452.1	461.2	470.4	479.8
EBITDA - Controlsafe - w/o crash	231.4	236.0	240.7	245.5	250.4	255.4	260.5
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>
Crash impact 2026-28	--	(28.9)	(55.4)	(79.7)	(81.2)	(82.9)	(84.5)
EBITDA - Controlsafe - w/ crash	231.4	207.1	185.3	165.9	169.2	172.6	176.0
EBITDA - Group	748.6	2,408.1	2,155.2	1,928.9	1,967.5	2,006.8	2,047.0
<i>Growth EBITDA YoY</i>	<i>n.a.</i>	<i>221.7%</i>	<i>(10.5%)</i>	<i>(10.5%)</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>
Crash impact 2026-28	--	(336.3)	(644.1)	(926.3)	(944.9)	(963.8)	(983.0)
(-) Capex	(275.2)	(740.8)	(755.6)	(770.7)	(786.1)	(801.8)	(817.9)
(+) CapEx deduction - crash impact	--	--	--	--	--	--	--
(-) Change in Working Capital	(46.2)	(13.3)	461.7	480.8	500.5	520.7	521.8
(-) Adjusted taxes	(100.4)	(421.7)	(430.2)	(438.8)	(447.6)	(456.5)	(465.6)
(+) Taxes deduction - crash impact	--	71.6	136.3	195.6	199.5	203.5	207.5
Free Cash Flow to the Firm	326.9	1,303.9	1,567.4	1,395.8	1,433.8	1,472.7	1,492.8
<i>% Management EBITDA</i>	<i>43.7%</i>	<i>54.1%</i>	<i>72.7%</i>	<i>72.4%</i>	<i>72.9%</i>	<i>73.4%</i>	<i>72.9%</i>
Amortization on debt	(100.9)	(364.6)	(465.5)	(729.3)	(830.1)	(1,093.9)	(1,598.2)
Interest on debt	(92.3)	(334.5)	(314.7)	(286.3)	(249.1)	(203.3)	(139.2)
Tax shield on debt	19.4	70.2	66.1	60.1	52.3	42.7	29.2
Deferred payments	(160.0)	(760.0)	(600.0)	--	--	--	--
Centralmed	(88.0)	(88.0)	--	--	--	--	--
MetSep	(72.0)	(72.0)	--	--	--	--	--
Workview	--	(320.0)	(320.0)	--	--	--	--
MedialCare	--	(200.0)	(200.0)	--	--	--	--
Controlsafe	--	(80.0)	(80.0)	--	--	--	--
Cash Flow after total debt variation	(6.9)	(85.0)	253.2	440.4	406.8	218.3	(215.3)
Dividends	--	--	--	--	--	--	--
Cash Flow after dividends	(6.9)	(85.0)	253.2	440.4	406.8	218.3	(215.3)
Minimum Cash 2025	67.8						
Extra Minimum Cash 2026		190.4					
Accumulated Cash	60.9	166.3	419.5	859.9	1,266.7	1,484.9	1,269.6

Exhibit 9.7.10 – Return to Equity Inventors (pre and post ratchet) during an Optimistic Crash

Scenario for the period 2026-2031

	Return to equity investors (pre / post ratchet)						
	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Entry multiple	5.5x	5.5x	5.5x	5.5x	5.5x	5.5x	5.5x
Exit multiple	5.5x	5.5x	5.5x	5.5x	5.5x	5.5x	5.5x
EBITDA	1,028.1	2,956.8	2,646.4	2,368.5	2,620.2	2,926.3	3,298.8
Implied enterprise value	5,654.7	16,262.6	14,555.0	13,026.7	14,411.2	16,094.4	18,143.4
Net debt / (Cash)	1,712.5	6,919.5	5,928.6	4,420.0	2,509.9	126.7	(2,775.1)
Deferred payments due	(400.0)	(1,700.0)	(750.0)	--	--	--	--
Implied equity value	3,542.2	7,643.1	7,876.4	8,606.7	11,901.3	15,967.7	20,918.6
Accumulated Dividends	--	--	--	--	--	--	--
Common equity at exit	3,542.2	7,643.1	7,876.4	8,606.7	11,901.3	15,967.7	20,918.6
Equity Invested	1,387.5	5,551.5	5,551.5	5,551.5	5,551.5	5,551.5	5,551.5
MoM (x) Pre-Ratchet	2.6x	1.4x	1.4x	1.6x	2.1x	2.9x	3.8x
IRR Pre-Ratchet	155.3%	17.3%	12.4%	11.6%	16.5%	19.3%	20.9%
Total Ratchet	--	--	--	--	--	--	--
Management implied ownership	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Equity available to equity investors	3,542.2	7,643.1	7,876.4	8,606.7	11,901.3	15,967.7	20,918.6
Equity Invested	1,387.5	5,551.5	5,551.5	5,551.5	5,551.5	5,551.5	5,551.5
MoM (x) Post-Ratchet	2.6x	1.4x	1.4x	1.6x	2.1x	2.9x	3.8x
IRR Post-Ratchet	155.3%	17.3%	12.4%	11.6%	16.5%	19.3%	20.9%

Exhibit 9.7.11 – Return to Equity Inventors (pre and post ratchet) during a Pessimistic Crash Scenario

for the period 2026-2031

	Return to equity investors (pre / post ratchet)						
	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Entry multiple	5.5x	5.5x	5.5x	5.5x	5.5x	5.5x	5.5x
Exit multiple	5.5x	5.5x	5.5x	5.5x	5.5x	5.5x	5.5x
EBITDA	748.6	2,408.1	2,155.2	1,928.9	1,967.5	2,006.8	2,047.0
Implied enterprise value	4,117.2	13,244.3	11,853.6	10,609.0	10,821.2	11,037.6	11,258.4
Net debt / (Cash)	1,855.4	6,660.8	5,942.0	4,772.4	3,535.5	2,223.4	840.5
Deferred payments due	(400.0)	(1,700.0)	(750.0)	--	--	--	--
Implied equity value	1,861.9	4,883.5	5,161.6	5,836.6	7,285.7	8,814.3	10,417.9
Accumulated Dividends	--	--	--	--	--	--	--
Common equity at exit	1,861.9	4,883.5	5,161.6	5,836.6	7,285.7	8,814.3	10,417.9
Equity Invested	1,387.5	5,293.0	5,293.0	5,293.0	5,293.0	5,293.0	5,293.0
MoM (x) Pre-Ratchet	1.3x	0.9x	1.0x	1.1x	1.4x	1.7x	2.0x
IRR Pre-Ratchet	34.2%	-3.9%	-0.8%	2.5%	6.6%	8.9%	10.2%
Total Ratchet	--	--	--	--	--	--	--
Management implied ownership	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Equity available to equity investors	1,861.9	4,883.5	5,161.6	5,836.6	7,285.7	8,814.3	10,417.9
Equity Invested	1,387.5	5,293.0	5,293.0	5,293.0	5,293.0	5,293.0	5,293.0
MoM (x) Post-Ratchet	1.3x	0.9x	1.0x	1.1x	1.4x	1.7x	2.0x
IRR Post-Ratchet	34.2%	-3.9%	-0.8%	2.5%	6.6%	8.9%	10.2%

Exhibit 9.7.12 – Covenants during an Optimistic Crash Scenario between 2026 and 2028

	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Net Financial Debt post transaction	1,712.5	6,919.5	5,928.6	4,420.0	2,509.9	126.7	(2,775.1)
NFD / EBITDA	1.7x	2.3x	2.2x	1.9x	1.0x	0.0x	(0.8x)
DSCR (x)	5.32x	3.89x	3.15x	2.15x	2.25x	2.08x	1.79x
DSCR with Deferred Payment (x)	2.61x	1.94x	1.84x	2.15x	2.25x	2.08x	1.79x

Exhibit 9.7.13 – Covenants during a Pessimistic Crash Scenario between 2026 and 2028

	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Net Financial Debt post transaction	1,855.4	6,660.8	5,942.0	4,772.4	3,535.5	2,223.4	840.5
NFD / EBITDA	2.5x	2.8x	2.8x	2.5x	1.8x	1.1x	0.4x
DSCR (x)	3.88x	3.44x	2.76x	1.90x	1.82x	1.55x	1.18x
DSCR with Deferred Payment (x)	2.12x	1.65x	1.56x	1.90x	1.82x	1.55x	1.18x