

HERBERT SMITH FREEHILLS ADVISES GENESISCARE ON SALE TO CHINA RESOURCES / MACQUARIE GROUP CONSORTIUM

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News

Herbert Smith Freehills has advised [Genesis Care Limited](#) on the sale of a significant equity stake in the company to a consortium comprising China Resources and Macquarie Group.

The transaction, which the financial press has reported as giving GenesisCare an enterprise value of around A\$1.7 billion, involved the exit of private equity firm KKR from its 45% equity stake (held since 2012).

GenesisCare is Australia's largest provider of radiation oncology, cardiology and sleep treatments. It has also recently expanded its operations into the UK (where it is the largest private radiotherapy provider) and Spain. The transaction reinforces healthcare as a sector with significant attraction for investors. It also provides a platform for GenesisCare to export world-leading Australian healthcare expertise into China and other overseas markets.

The structure of this deal was complex and the documentation mostly bespoke, in large part as a result of GenesisCare's unique equity structure. The broader arrangements involved doctors and management having the opportunity to sell down part of their holdings alongside KKR's exit, which required formal shareholder consents and approvals to be obtained. Other key conditions included FIRB approval, which was obtained approximately three months after the transaction was announced.

The core Herbert Smith Freehills team comprised partner Stephen Dobbs and senior associate Alexandra Sweeney, with further key contributions from partner Peter Dunne and senior associates Sami Wilson and Jonathan Wood. Assistance in respect of GenesisCare's UK operations was provided by Chris Gill in the Herbert Smith Freehills office in London.

Stephen Dobbs said, "It is fantastic to have been on the GenesisCare team once again as the business reaches another major strategic milestone. We have been involved with GenesisCare since its inception in 2004, and we greatly appreciate the faith that the company has placed in us over that time. It is an inspiring business run by inspiring people, and we very much look forward to the next phase."

GenesisCare's advisory team on the transaction also included Credit Suisse and UBS, with King & Wood Mallesons advising on the associated refinancing. Grant Koch at DLA Piper advised KKR. On the buy side, Corrs acted for the consortium and Allen & Overy for China Resources.

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