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ECH on lookout for tech start-up and retirement village acquisitions – CEO

 Proprietary Intelligence

Story

ECH (Enabling Confidence at Home), a not-for-profit South Australia-based integrated retirement living accommodation and home care services provider, is on the lookout for technology start-up and retirement village acquisitions, said CEO David Panter.

This is in line with the company's strategic focus to provide housing and related services or technologies that can enable people to continue living independently in their homes, Panter said. Its door "is always open" to potential vendors as well as to advisors with suggestions, he said.

ECH, which acquired Melbourne-based in-home monitoring tech company **Billy** for an undisclosed amount earlier this month, is particularly keen on other technologies especially now with the novel coronavirus pandemic exacerbating social isolation and anxiety, Panter said.

The company is already working with a couple of start-ups that have developed apps in the end-of-life-planning and social connection spaces, Panter said. It invested AUD 5m (USD 3.6m) in Billy in 2018 prior to acquiring it this year and would consider similar deal structures as well as outright acquisitions or partnerships, he added.

Billy has given the South Australia-focused ECH a presence in Victoria and it will consider opportunities nationwide, Panter said. Its aim with Billy, which mostly sells to private families, is to sell more broadly to aged care providers Australia-wide and it plans similar initiatives for other acquisitions, he elaborated.

ECH, which started in 1964 to provide housing to war widows, will also continue to acquire retirement villages in South Australia, where it already has 106, Panter said. It will consider villages with an average of 12 to 24 two-bedroom units with a garage or carport, and which are available for purchase or rent, rather than larger resort-style facilities, he said.

The company is not directly exposed to COVID-19, with South Australia having largely managed to contain the spread of the virus in the state, and with ECH having moved out of the hard-hit residential

aged care sector in 2015 to focus on its core housing and home care services capabilities, Panter said.

ECH can fund deals from retained earnings as well as from a development fund it set up in 2015 after selling its residential nursing homes to **Archer Capital**-owned **Allity**, Panter said. He declined to disclose the sale price, but reports have estimated a deal value of some AUD 200m.

ECH is one of the largest not-for-profit providers of integrated retirement living accommodation and home care services in Australia, and the largest in South Australia, with FY19 revenue of AUD 58m and assets worth AUD 350m, Panter said.

The company has no direct peers as it does not fit neatly into any specific aged care industry segments, he said.

by Louise Weihart in Sydney

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