

Clinica Megamed retains Condere for BRL 30m capital raise

Clinica Megamed, a closely held São Paulo-based medical group, has retained Condere for a BRL 30m capital raise, Partner Paulo Cury told TTR.

Megamed plans to expand from two to 140 clinics within the next four years, Cury said. It will open new clinics, make acquisitions and sell franchises to achieve its aggressive growth target, he added. The company already has a few potential acquisition targets on its radar, Cury said, noting the holding plans to own about 30% of the clinics in the Megamed network.

Condere, a generalist independent advisory firm focused on middle market M&A and private equity transactions, began a road show this month meeting with private equity and venture capital funds in Brazil, the US and EU, Cury said. "We've already reached out to more or less 20 investors that we believe fit with the operation," Cury said. The BRL 30m Series A round could be followed by another financing round in the coming years, depending on the pace of growth, but Cury said he expected this initial sum to suffice until at least 2020.

Megamed's two operational clinics are located in São Paulo and offer medical services in 15 specialty areas. Together they have 135 employees and have already attended to more than 39,000 patients. The first two clinics have allowed the company's founders to fine tune their business model and prepare Megamed for rapid growth following a lean, streamlined and replicable formula, Cury said. The company will focus its expansion in the states of São Paulo, Minas Gerais, Bahia, Rio de Janeiro and Espírito Santo. Medical professionals interested in exploring M&A and franchise opportunities with Megamed are encouraged to contact the company, Cury said.

Megamed was founded in 2014, and invested by former Hospital São Luiz shareholder Ruy Marco Antônio in 2016. Another relevant shareholder is Roberto Justus, a well-known Brazilian businessman. São Luiz was sold in 2010 to Rede D'Or for over BRL 1bn. The former São Luiz principal has brought his know how and industry experience to Megamed with the intention of growing it into one of Brazil's leading networks of clinics serving the low-to-middle income segment, Cury said.
