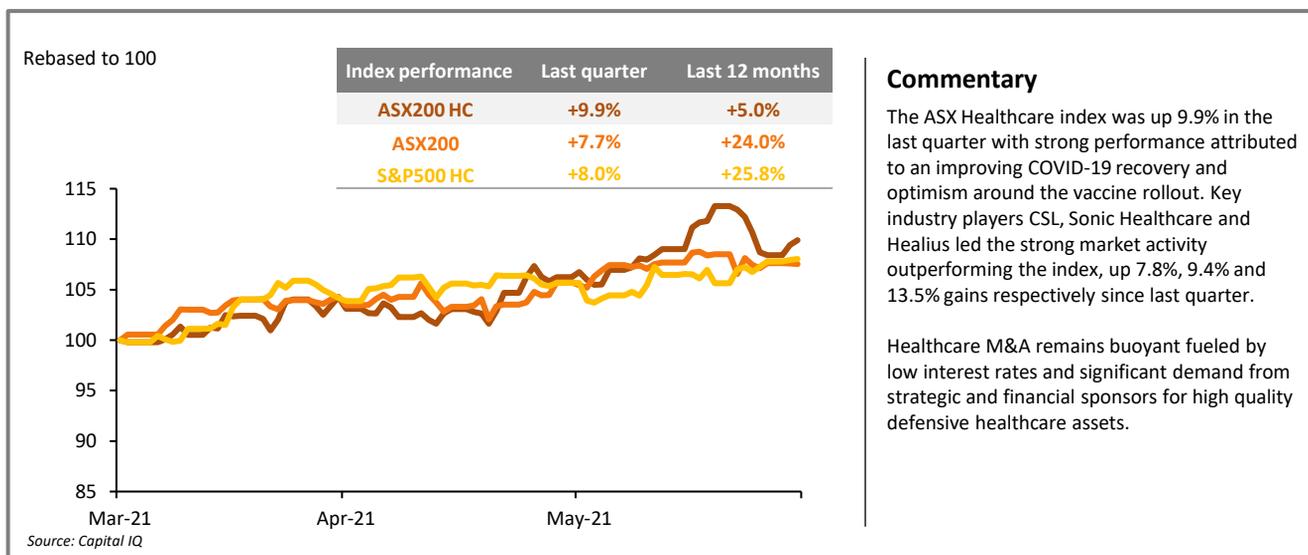


Quarterly performance



Commentary

The ASX Healthcare index was up 9.9% in the last quarter with strong performance attributed to an improving COVID-19 recovery and optimism around the vaccine rollout. Key industry players CSL, Sonic Healthcare and Healius led the strong market activity outperforming the index, up 7.8%, 9.4% and 13.5% gains respectively since last quarter.

Healthcare M&A remains buoyant fueled by low interest rates and significant demand from strategic and financial sponsors for high quality defensive healthcare assets.

Quarterly M&A & other news

Date	Description
30-Jun-21	Epworth Camberwell, an Australian private hospital group, has been acquired by Vital Healthcare Property Trust (NZX:VHP), a New Zealand-based hospital and medical facility group, for A\$82.7m
23-Jun-21	Morrison & Co is preparing for the expected >A\$2bn auction of Icon Group , a cancer care and pharmaceuticals business. There is also rumoured interest from Brookfield and Ramsay Health Care
17-Jun-21	Sonic Healthcare (ASX:SHL) has agreed to acquire Canberra Imaging Group , the Australia-based company engaged in providing radiology services, for an undisclosed amount
17-Jun-21	SILK Laser Australia (ASX:SLA), has agreed to acquire, Australian Skin Clinics and The Cosmetic Clinic for A\$52.0m total
16-Jun-21	Japara Healthcare (ASX:JHC) received a conditional, non-binding indicative proposal from RSL Care RDNS, part of Bolton Clarke, to acquire 100% of the shares in Japara by way of a Scheme of Arrangement at A\$1.22 per share
10-Jun-21	Argenica Therapeutics (ASX:AGN), neuro-pharmaceuticals and research company, has listed on the ASX, after raising A\$7.0m ahead of its IPO, by issuing 35 million shares at A\$0.20 per share with an initial market capitalisation of A\$14.6m
9-Jun-21	Lumos Diagnostic , a diagnostic manufacturer and diagnostics solutions group, has secured A\$49.0m ahead of its IPO in July. Lumos will list at A\$1.25 a share with a market capitalisation of A\$188.0m
7-Jun-21	BCAL Diagnostics , an Australia-based breast cancer detection business, is preparing to list on the ASX and hopes to raise c.A\$8.0m with a market capitalisation of A\$49.7m
2-Jun-21	GI Partners backed Generate Life Sciences, a US provider of reproductive, new born stem cell and genetic services, has acquired Cell Care Australia , from CPE Capital for c.A\$200.0m
27-May-21	Ramsay Health Care (ASX:RHC) announced a proposed takeover of Spire Healthcare Group (LON:SPI), a UK private healthcare group, for £999.6m. This offer was withdrawn in July due to failure to obtain Spire shareholder approval
19-May-21	Australian Unity, a private health insurer, has agreed to purchase Greengate Partnership for A\$65.0m, acquiring three retirement village and residential aged care precincts, to accelerate the growth of its aged care services portfolio
5-May-21	Healius (ASX:HLS) is considering the sale of its A\$11.2m revenue earning IVF business, Adora Fertility . Interested buyers include Virtus Health (ASX:VRT), Monash IVF (ASX:MVF) and Cornerstone Health
29-Apr-21	Infratil (ASX:IFT) has agreed to acquire a 50.1-60% stake in Pacific Radiology Group , a New Zealand-based diagnostic imaging service provider, with an implied enterprise value of NZ\$867m and EV/EBITDA multiple of 12.6-13.3x
7-Apr-21	Quadrant's Enrich Health Group, a home care and rehabilitation group, has acquired Let's Get Care , a home care group, for A\$78.0m to grow Enrich's existing home care operation

Sources: Capital IQ, Mergermarket, press reports

Largest 40 ASX-listed healthcare companies by market capitalisation (30 June 2021)

Company	Market capitalisation (A\$m)	Share price (A\$)	Share price performance (%)			Premium / (discount) to 52 week (%)		Premium / (discount) to VWAP (%)			Multiples (Jun-21)		
			Last quarter	Year-to-date	Last 12 months	High	Low	1 month	3 months	6 months	EV/Revenue	EV/EBITDA	P/E
1 CSL	129,797	285.19	8%	1%	(1%)	(11%)	18%	(3%)	1%	4%	9.8x	27.5x	41.3x
2 ResMed	48,673	32.76	30%	20%	19%	(1%)	42%	10%	19%	22%	11.7x	34.1x	46.2x
3 Sonic	18,352	38.40	9%	19%	26%	(1%)	27%	5%	7%	11%	2.4x	8.9x	14.9x
4 Fisher & Paykel	16,980	28.92	(2%)	(7%)	(12%)	(17%)	15%	2%	(2%)	(1%)	9.4x	24.3x	37.0x
5 Cochlear	16,546	251.67	19%	33%	33%	(2%)	42%	4%	10%	16%	10.8x	38.6x	67.5x
6 Ramsay	14,334	62.95	(6%)	1%	(5%)	(11%)	7%	(1%)	(2%)	(2%)	1.7x	11.1x	30.7x
7 Pro Medicus	6,119	58.72	42%	72%	122%	(1%)	162%	11%	23%	32%	n.m.	n.m.	n.m.
8 Ansell	5,570	43.51	11%	25%	19%	(1%)	31%	7%	8%	12%	2.1x	10.6x	16.2x
9 EBOS	5,002	30.00	11%	12%	48%	(8%)	52%	(2%)	4%	6%	0.6x	15.2x	25.7x
10 Summerset	2,891	12.25	10%	3%	104%	(2%)	104%	3%	8%	7%	18.3x	41.6x	16.8x
11 Visioneering	28	1.20	(25%)	(52%)	(8%)	(77%)	9%	(6%)	(17%)	(23%)	3.7x	n.m.	n.m.
12 Healius	2,772	4.63	13%	24%	52%	(1%)	55%	5%	10%	13%	2.2x	8.4x	19.4x
13 PolyNovo	1,865	2.82	4%	(27%)	11%	(31%)	42%	4%	0%	2%	n.m.	n.m.	n.m.
14 Nanosonics	1,770	5.87	3%	(27%)	(14%)	(29%)	20%	4%	4%	(4%)	16.3x	n.m.	n.m.
15 Integral Diagnostics	1,033	5.20	10%	20%	33%	(3%)	44%	1%	8%	11%	3.6x	13.4x	26.2x
16 Oceania	995	1.36	13%	5%	66%	(10%)	61%	2%	7%	3%	6.1x	43.8x	11.4x
17 Estia	645	2.47	15%	40%	61%	(10%)	94%	(1%)	0%	11%	1.3x	8.6x	n.m.
18 Starpharma	607	1.50	(22%)	(4%)	33%	(41%)	47%	(7%)	(15%)	(20%)	n.m.	n.m.	n.m.
19 Sigma	587	0.60	(13%)	(3%)	(5%)	(20%)	17%	(2%)	(6%)	(9%)	0.2x	11.7x	11.8x
20 Regis	587	1.95	(5%)	3%	38%	(19%)	111%	(2%)	(6%)	(3%)	1.0x	5.6x	27.3x
21 Mayne Pharma	565	0.32	(9%)	(7%)	(17%)	(46%)	16%	(8%)	(22%)	(16%)	1.9x	11.2x	n.m.
22 Australian Pharm.	549	1.12	(13%)	(9%)	(3%)	(19%)	11%	(2%)	(6%)	(8%)	0.2x	6.6x	16.5x
23 Virtus	531	6.60	9%	24%	133%	(1%)	154%	5%	7%	9%	2.4x	9.1x	14.5x
24 AFT	459	4.20	(5%)	(17%)	17%	(20%)	20%	(0%)	1%	1%	4.4x	38.2x	48.9x
25 Pacific Smiles	431	2.70	8%	6%	72%	(9%)	94%	(2%)	9%	8%	3.1x	14.3x	27.5x
26 Alcidion	419	0.40	29%	116%	176%	(18%)	233%	(8%)	0%	24%	16.4x	n.m.	n.m.
27 Capitol	380	0.37	7%	35%	51%	(6%)	83%	5%	3%	10%	2.5x	9.3x	22.4x
28 4DMedical	361	1.23	(29%)	(50%)	n.a.	(59%)	9%	(5%)	(11%)	(24%)	37.9x	n.m.	n.m.
29 Japara	342	1.28	73%	106%	161%	(3%)	271%	5%	25%	44%	1.3x	28.3x	n.m.
30 Monash IVF	331	0.85	8%	8%	60%	(8%)	70%	1%	(1%)	8%	2.1x	8.0x	14.8x
31 Medical Dev.	321	4.50	(14%)	(33%)	(36%)	(41%)	1%	(5%)	(12%)	(19%)	11.2x	n.m.	n.m.
32 Volpara	292	1.16	(11%)	(19%)	(15%)	(32%)	10%	(1%)	(7%)	(15%)	13.1x	n.m.	n.m.
33 Next Science	276	1.40	5%	12%	12%	(32%)	27%	(13%)	(17%)	(9%)	33.5x	n.m.	n.m.
34 Dr Care Anywhere	272	0.82	(9%)	(32%)	n.a.	(46%)	9%	(8%)	(16%)	(29%)	4.7x	n.m.	n.m.
35 Impression	267	0.25	22%	61%	443%	(25%)	456%	(6%)	(9%)	7%	n.m.	n.m.	n.m.
36 Mach7	252	1.07	(19%)	(15%)	10%	(33%)	31%	3%	(5%)	(15%)	10.5x	n.m.	n.m.
37 Imricor	251	2.00	(8%)	(12%)	34%	(32%)	40%	16%	3%	(2%)	47.1x	n.m.	n.m.
38 Cogstate	233	1.36	47%	24%	278%	(15%)	318%	(2%)	3%	11%	n.m.	n.m.	n.m.
39 Ecofibre	222	0.68	(43%)	(64%)	(69%)	(76%)	43%	(17%)	(5%)	(25%)	5.8x	n.m.	n.m.
40 EMvision	217	3.01	16%	(4%)	125%	(28%)	121%	3%	1%	8%	n.m.	n.m.	n.m.
Average	7,053		5%	7%	54%	(21%)	75%	(0%)	(0%)	1%			

Top 10 best performers in the last quarter⁽¹⁾

Company	Market capitalisation (A\$m)	Share price (A\$)	Share price performance (%)			Premium / (discount) to 52 week (%)		Premium / (discount) to VWAP (%)			Multiples (Jun-21)		
			Last quarter	Year-to-date	Last 12 months	High	Low	1 month	3 months	6 months	EV/Revenue	EV/EBITDA	P/E
1 HeraMED	50	0.29	194%	159%	228%	(7%)	248%	10%	52%	79%	n.m.	n.m.	n.m.
2 Japara	342	1.28	73%	106%	161%	(3%)	271%	5%	25%	44%	1.3x	28.3x	n.m.
3 Universal Biosensors	149	0.84	65%	93%	320%	(1%)	320%	13%	16%	34%	n.m.	n.m.	n.m.
4 Cogstate	233	1.36	47%	24%	278%	(15%)	318%	(2%)	3%	11%	n.m.	n.m.	n.m.
5 Invin	72	0.01	44%	30%	63%	(35%)	63%	(19%)	(10%)	(4%)	n.m.	n.m.	n.m.
6 Pro Medicus	6,119	58.72	42%	72%	122%	(1%)	162%	11%	23%	32%	n.m.	n.m.	n.m.
7 ResMed	48,673	32.76	30%	20%	19%	(1%)	42%	10%	19%	22%	11.7x	34.1x	46.2x
8 Alcidion	419	0.40	29%	116%	176%	(18%)	233%	(8%)	0%	24%	16.4x	n.m.	n.m.
9 Little green pharma	205	0.88	26%	56%	151%	(13%)	259%	13%	18%	20%	n.m.	n.m.	n.m.
10 Impression	267	0.25	22%	61%	443%	(25%)	456%	(6%)	(9%)	7%	n.m.	n.m.	n.m.
Average	5,653		57%	74%	196%	(12%)	237%	3%	14%	27%			

Top 10 worst performers in the last quarter⁽¹⁾

Company	Market capitalisation (A\$m)	Share price (A\$)	Share price performance (%)			Premium / (discount) to 52 week (%)		Premium / (discount) to VWAP (%)			Multiples (Jun-21)		
			Last quarter	Year-to-date	Last 12 months	High	Low	1 month	3 months	6 months	EV/Revenue	EV/EBITDA	P/E
1 BARD1	151	1.88	(47%)	176%	132%	(66%)	230%	(4%)	(26%)	(31%)	n.m.	n.m.	n.m.
2 Ecofibre	222	0.68	(43%)	(64%)	(69%)	(76%)	43%	(17%)	(5%)	(25%)	5.8x	n.m.	n.m.
3 MGC Pharma	85	0.04	(40%)	48%	85%	(72%)	85%	(13%)	(32%)	(45%)	17.2x	n.m.	n.m.
4 Althea	80	0.31	(38%)	(30%)	(5%)	(54%)	2%	(8%)	(21%)	(36%)	5.5x	n.m.	n.m.
5 Imagination	100	0.10	(38%)	(34%)	243%	(57%)	243%	(10%)	(9%)	(30%)	n.m.	n.m.	n.m.
6 Cann Group	94	0.34	(37%)	(42%)	(57%)	(66%)	17%	(14%)	(23%)	(46%)	n.m.	n.m.	n.m.
7 Cyclopharm	159	1.70	(34%)	(32%)	21%	(51%)	31%	(8%)	(19%)	(27%)	9.5x	n.m.	n.m.
8 Creso	154	0.14	(30%)	(22%)	352%	(70%)	483%	(15%)	(20%)	(31%)	n.m.	n.m.	n.m.
10 4DMedical	361	1.23	(29%)	(50%)	n.a.	(59%)	9%	(5%)	(11%)	(24%)	37.9x	n.m.	n.m.
11 Zelira	51	0.04	(28%)	(53%)	(20%)	(69%)	-	(28%)	(18%)	(40%)	n.m.	n.m.	n.m.
Average	146		(37%)	(10%)	76%	(64%)	114%	(10%)	(19%)	(34%)			

Source: Capital IQ as at 30 June 2021

Note: (1) Top 10 best and worst performers are based on companies with a minimum market capitalisation of \$50 million and have traded for the full quarter