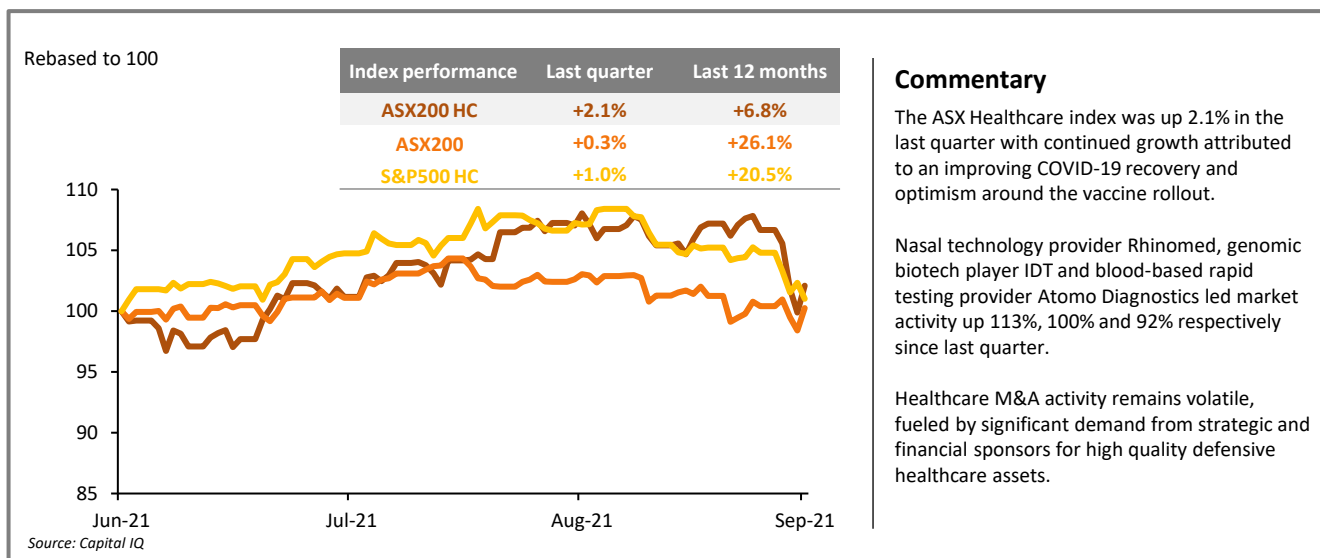


### Quarterly performance



#### Commentary

The ASX Healthcare index was up 2.1% in the last quarter with continued growth attributed to an improving COVID-19 recovery and optimism around the vaccine rollout.

Nasal technology provider Rhinomed, genomic biotech player IDT and blood-based rapid testing provider Atomo Diagnostics led market activity up 113%, 100% and 92% respectively since last quarter.

Healthcare M&A activity remains volatile, fueled by significant demand from strategic and financial sponsors for high quality defensive healthcare assets.

### Quarterly M&A & other news

Date	Description
30-Sep-21	<b>Integral Diagnostics (ASX:IDX)</b> , Australian based healthcare services company has agreed to acquire <b>The X-Ray Group</b> , an Australian radiology clinic, for an upfront consideration of A\$37.5m
17-Sep-21	<b>Japara Healthcare (ASX:JHC)</b> is set to be acquired by <b>Little Company of Mary Health Care</b> for an undisclosed amount
09-Sep-21	<b>Doctor Care Anywhere (ASX:DOC)</b> , UK based Telehealth company has acquired <b>GP2U Telehealth</b> , Australian telehealth organisation, from <b>Sonic Healthcare (ASX:SHL)</b> for A\$11.0m including A\$3.3m cash at 2.5x revenue multiple
24-Aug-21	<b>Abano Healthcare</b> , healthcare provider backed by <b>BGH Capital</b> has acquired a c.84.0% stake in <b>1300Smiles (ASX:ONT)</b> , dental surgeries and practice management provider, at an average share price of A\$7.00 valuing the business at A\$166.0m
23-Aug-21	<b>Healius (ASX:HLS)</b> , Pathology, imaging, day hospital and IVF provider, has entered into an agreement to sell <b>Adora Fertility</b> and three day hospitals to fertility healthcare provider <b>Virtus Health (ASX:VRT)</b> for A\$45.0m
17-Aug-21	<b>Inventive Health</b> , Australian based healthcare solutions business, has agreed to merge with Israel-based <b>Virusight Diagnostic</b> that will value the combined business at A\$111.0m
08-Aug-21	<b>Intermediate Capital Group's</b> stake in <b>Everlight Radiology</b> , Australian based teleradiology business, was acquired by <b>Livingbridge</b> . The deal values Everlight at over A\$500.0m
02-Aug-21	<b>Madison Dearborn Partners'</b> portfolio company <b>Advanced Personnel Management</b> has acquired <b>Generation Health</b> , the Australian based provider of injury prevention, from investors including <b>Quadrant Private Equity</b> , for A\$17.5m
29-Jul-21	<b>Imugene (ASX:IMU)</b> , an Australia-based immuno-oncology business, has completed a A\$95.0m raising
23-Jul-21	<b>Telstra Health</b> has agreed to acquire a majority stake in <b>PowerHealth</b> , healthcare and hospital software solutions provider operating in over 20 countries including Europe, Asia, Canada, Australia, New Zealand and the US
15-Jul-21	<b>Harrison.ai</b> , clinician-led healthcare artificial intelligence company, has raised A\$60.0m, comprising of A\$40.0m Series B funding led by Horizon Ventures, Blackbird and Skip and A\$20.0m investment by strategic partner I-MED Radiology
12-Jul-21	<b>Healius (ASX:HLS)</b> has acquired <b>Axis Diagnostic</b> , Queensland based imaging business operating three radiology practices generating a combined EBITDA of c.A\$2.0m. Valuation undisclosed and is expected to be EPS accretive
12-Jul-21	<b>HomeCo (ASX:HDN)</b> has acquired eight private oncology hospital properties from <b>GenesisCare</b> , global cancer care and cardiology provider, for A\$110.0m. Properties were sold are under a sale and leaseback and will be part of HomeCo's Healthcare REIT HealthCo

Sources: Capital IQ, Mergermarket, press reports

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

Company	Market capitalisation (A\$m)	Share price (A\$)	Share price performance (%)			Premium / (discount) to 52 week (%)		Premium / (discount) to VWAP (%)			Multiples (Sep-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	133,694	293.40	3%	4%	2%	(8%)	21%	(3%)	(1%)	2%	10.1x	30.1x	42.1x
2 ResMed	51,359	37.25	14%	37%	56%	(9%)	60%	(5%)	0%	16%	12.2x	37.8x	80.9x
3 Sonic	19,500	40.66	6%	26%	23%	(8%)	35%	(2%)	(1%)	5%	2.5x	10.2x	14.8x
4 Fisher & Paykel	17,688	30.68	6%	(1%)	0%	(12%)	22%	(2%)	1%	2%	9.6x	24.9x	38.0x
5 Ramsay	15,859	69.62	11%	12%	5%	(4%)	19%	0%	4%	6%	2.0x	22.5x	35.3x
6 Cochlear	14,499	220.40	(12%)	17%	11%	(14%)	25%	(5%)	(8%)	(6%)	9.5x	36.7x	44.4x
7 Pro Medicus	5,701	54.61	(7%)	60%	102%	(22%)	109%	(6%)	(8%)	1%	n.m.	n.m.	n.m.
8 EBOS	5,552	33.78	13%	26%	49%	(9%)	53%	(1%)	8%	11%	0.7x	19.0x	30.0x
9 Ansell	4,199	34.20	(21%)	(2%)	(8%)	(22%)	3%	(4%)	(10%)	(12%)	1.7x	9.4x	12.7x
10 Summerset	3,330	14.19	16%	19%	77%	(9%)	73%	(2%)	6%	15%	20.1x	45.1x	18.8x
11 Healus	2,857	4.80	4%	29%	34%	(10%)	45%	(2%)	(2%)	3%	2.2x	14.3x	65.4x
12 Nanosonics	1,903	6.31	7%	(21%)	11%	(24%)	29%	(2%)	4%	7%	17.6x	n.m.	n.m.
13 PolyNovo	1,273	1.93	(32%)	(50%)	(13%)	(53%)	6%	(4%)	(11%)	(19%)	43.7x	n.m.	n.m.
14 Oceania	1,001	1.41	4%	8%	41%	(8%)	34%	(4%)	(3%)	4%	5.9x	45.3x	11.3x
15 Integral Diagnostics	984	4.92	(5%)	13%	17%	(11%)	23%	6%	1%	1%	3.5x	16.9x	31.5x
16 Alchemia	912	4.52	33%	n.a.	n.a.	(11%)	42%	(1%)	10%	15%	1.8x	8.5x	15.1x
17 Australian Pharm.	727	1.48	32%	20%	40%	(5%)	47%	2%	5%	12%	0.3x	8.8x	26.8x
18 Sigma	613	0.62	4%	1%	5%	(16%)	22%	(0%)	(0%)	(1%)	0.2x	13.0x	12.6x
19 Regis	605	2.01	3%	6%	93%	(16%)	117%	(6%)	(0%)	(2%)	1.1x	12.0x	30.3x
20 Estia	599	2.29	(7%)	29%	57%	(17%)	80%	(2%)	(2%)	(5%)	1.2x	7.4x	99.8x
21 Starpharma	540	1.33	(11%)	(15%)	(11%)	(47%)	18%	1%	2%	(13%)	n.m.	n.m.	n.m.
22 Virtus	504	5.91	(10%)	11%	53%	(21%)	52%	(2%)	(9%)	(7%)	2.1x	9.0x	11.7x
23 Mayne Pharma	503	0.29	(11%)	(17%)	(27%)	(52%)	10%	(8%)	(6%)	(20%)	1.9x	15.1x	n.m.
24 4DMedical	431	1.47	20%	(40%)	(14%)	(51%)	31%	(3%)	(2%)	2%	n.m.	n.m.	n.m.
25 Pacific Smiles	429	2.69	(0%)	5%	53%	(10%)	61%	7%	8%	8%	3.2x	18.2x	33.1x
26 AFT	414	4.09	(3%)	(20%)	(12%)	(22%)	12%	3%	(3%)	(2%)	4.0x	34.4x	43.6x
27 Impression	409	0.35	40%	126%	367%	(22%)	407%	(11%)	1%	12%	n.m.	n.m.	n.m.
28 Capitol	383	0.37	-	35%	51%	(13%)	57%	(1%)	(1%)	(0%)	2.6x	14.2x	32.1x
29 Cogstate	379	2.20	62%	100%	210%	(11%)	228%	16%	23%	39%	8.0x	n.m.	54.2x
30 Monash IVF	374	0.96	13%	22%	49%	(7%)	71%	(1%)	2%	7%	2.3x	10.8x	14.9x
31 Alcidion	372	0.36	(11%)	92%	154%	(27%)	196%	(6%)	(5%)	(8%)	13.4x	n.m.	n.m.
32 Medical Dev.	369	5.18	15%	(22%)	(2%)	(29%)	61%	26%	27%	17%	13.3x	n.m.	n.m.
33 Japara	369	1.38	8%	123%	254%	(1%)	273%	(0%)	1%	11%	1.5x	n.m.	n.m.
34 Volpara	298	1.19	2%	(17%)	(9%)	(31%)	13%	(2%)	2%	(2%)	13.3x	n.m.	n.m.
35 Ecofibre	276	0.85	24%	(56%)	(66%)	(68%)	78%	5%	11%	16%	9.7x	n.m.	n.m.
36 Rhythm	268	1.29	45%	47%	435%	(23%)	614%	9%	20%	23%	n.m.	n.m.	n.m.
37 Next Science	265	1.34	(4%)	7%	7%	(35%)	22%	(1%)	(9%)	(17%)	22.6x	n.m.	n.m.
38 Neuren	261	2.10	29%	63%	90%	(17%)	111%	(3%)	5%	17%	n.m.	n.m.	n.m.
39 Mach7	249	1.05	(1%)	(16%)	(5%)	(34%)	20%	5%	7%	0%	12.0x	n.m.	n.m.
40 Doctor Care	239	0.73	(12%)	(40%)	n.a.	(52%)	8%	(5%)	(7%)	(18%)	5.6x	n.m.	n.m.
<b>Average</b>	<b>7,255</b>		<b>7%</b>	<b>16%</b>	<b>57%</b>	<b>(22%)</b>	<b>80%</b>	<b>(0%)</b>	<b>2%</b>	<b>3%</b>			

## Top 10 best performers in the last quarter<sup>(1)</sup>

Company	Market capitalisation (A\$m)	Share price (A\$)	Share price performance (%)			Premium / (discount) to 52 week (%)		Premium / (discount) to VWAP (%)			Multiples (Sep-21)		
			Last quarter	Year-to-date	Last 12 months	High	Low	1 month	3 months	6 months	EV/Revenue	EV/EBITDA	P/E
1 Rhinomed	84	0.33	113%	106%	100%	(32%)	230%	(14%)	(8%)	(2%)	18.5x	n.m.	n.m.
2 IDT	156	0.65	100%	251%	271%	(14%)	333%	2%	11%	30%	8.8x	n.m.	74.1x
3 Atomo	202	0.36	92%	16%	(5%)	(9%)	173%	17%	35%	50%	27.4x	n.m.	n.m.
4 MGC Pharma	147	0.06	65%	144%	165%	(53%)	205%	4%	16%	15%	49.7x	n.m.	n.m.
5 ResApp	58	0.07	63%	(21%)	(36%)	(52%)	68%	(13%)	3%	14%	n.m.	n.m.	n.m.
6 Cogstate	379	2.20	62%	100%	210%	(11%)	228%	16%	23%	39%	8.0x	n.m.	54.2x
7 Pharmaxis	59	0.13	46%	40%	53%	(24%)	83%	(5%)	23%	38%	2.0x	n.m.	38.n.m.
8 Quantum	87	0.08	45%	17%	54%	(27%)	79%	25%	25%	26%	1.6x	9.1x	12.7x
9 Rhythm	268	1.29	45%	47%	435%	(23%)	614%	9%	20%	23%	n.m.	n.m.	n.m.
10 Beamtree	145	0.60	42%	57%	125%	(15%)	129%	5%	10%	18%	15.6x	n.m.	n.m.
<b>Average</b>	<b>158</b>		<b>67%</b>	<b>76%</b>	<b>137%</b>	<b>(26%)</b>	<b>214%</b>	<b>4%</b>	<b>16%</b>	<b>25%</b>			

## Top 10 worst performers in the last quarter<sup>(1)</sup>

Company	Market capitalisation (A\$m)	Share price (A\$)	Share price performance (%)			Premium / (discount) to 52 week (%)		Premium / (discount) to VWAP (%)			Multiples (Sep-21)		
			Last quarter	Year-to-date	Last 12 months	High	Low	1 month	3 months	6 months	EV/Revenue	EV/EBITDA	P/E
1 Imricor	164	1.15	(42%)	(49%)	(56%)	(61%)	11%	(2%)	(22%)	(31%)	n.m.	n.m.	n.m.
2 BARD1	100	1.09	(42%)	60%	40%	(81%)	91%	(20%)	(26%)	(46%)	n.m.	n.m.	n.m.
3 PolyNovo	1,273	1.93	(32%)	(50%)	(13%)	(53%)	6%	(4%)	(11%)	(19%)	43.7x	n.m.	n.m.
4 Althea	71	0.23	(25%)	(47%)	(54%)	(63%)	-	(10%)	(16%)	(29%)	5.9x	n.m.	n.m.
5 Imagination	77	0.07	(23%)	(49%)	(5%)	(67%)	19%	3%	(3%)	(22%)	47.2x	n.m.	n.m.
6 Creso	132	0.11	(21%)	(39%)	189%	(77%)	358%	(7%)	(16%)	(30%)	n.m.	n.m.	n.m.
7 Ansell	4,199	34.20	(21%)	(2%)	(8%)	(22%)	3%	(4%)	(10%)	(12%)	1.7x	9.4x	12.7x
8 Little green pharma	165	0.70	(20%)	24%	155%	(31%)	164%	(7%)	(11%)	(9%)	19.7x	n.m.	6.7x
10 Cann Group	87	0.28	(19%)	(53%)	(35%)	(70%)	-	(4%)	(11%)	(23%)	9.9x	n.m.	n.m.
11 PainChek	54	0.05	(19%)	(38%)	(45%)	(54%)	7%	(2%)	(10%)	(20%)	n.m.	n.m.	n.m.
<b>Average</b>	<b>632</b>		<b>(26%)</b>	<b>(24%)</b>	<b>17%</b>	<b>(58%)</b>	<b>66%</b>	<b>(6%)</b>	<b>(14%)</b>	<b>(24%)</b>			

Source: Capital IQ as at 30 September 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