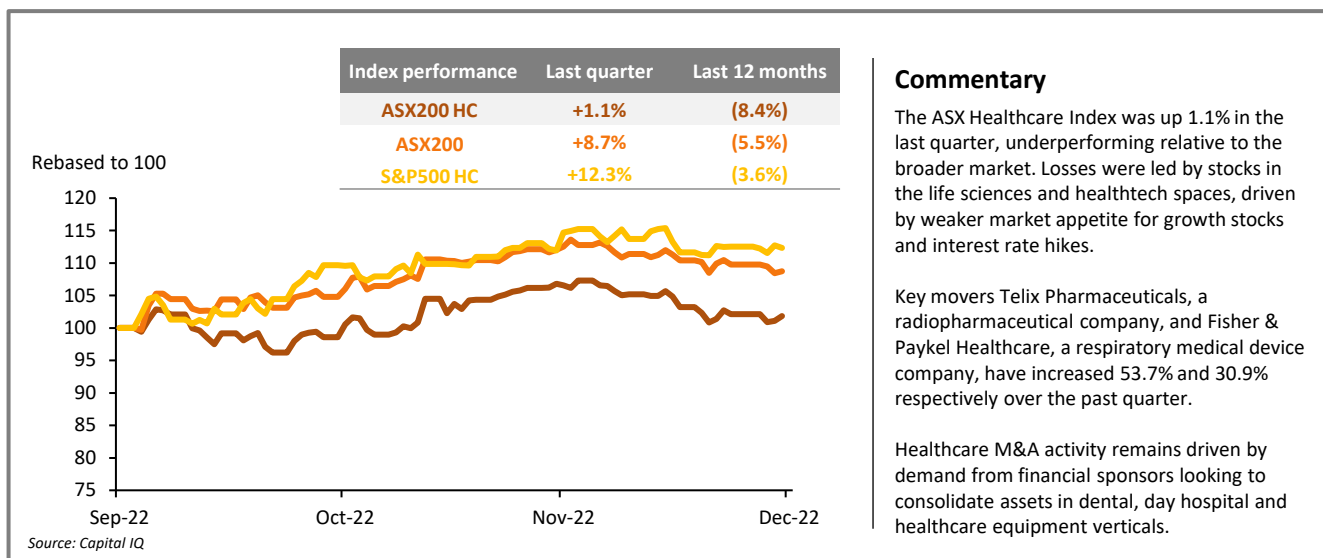


Quarterly performance



Commentary

The ASX Healthcare Index was up 1.1% in the last quarter, underperforming relative to the broader market. Losses were led by stocks in the life sciences and healthtech spaces, driven by weaker market appetite for growth stocks and interest rate hikes.

Key movers Telix Pharmaceuticals, a radiopharmaceutical company, and Fisher & Paykel Healthcare, a respiratory medical device company, have increased 53.7% and 30.9% respectively over the past quarter.

Healthcare M&A activity remains driven by demand from financial sponsors looking to consolidate assets in dental, day hospital and healthcare equipment verticals.

Quarterly M&A & other news

Date	Description
23-Dec-22	Intermediate Capital Group , a global alternative asset manager, has completed the acquisition of Presmed Australia , an operator of surgical day hospitals from Advanced Health , for an undisclosed amount
22-Dec-22	SILK Laser , an ASX-listed provider of skin care and laser clinics, is to acquire Eden Laser Clinics , a network of 10 clinic locations offering laser hair removal, skin treatments, and injectable treatments, for A\$8.4m
22-Dec-22	Curae Health Group , a provider of custom prostheses and dental radiology services, has completed its acquisition of OMNI Dental , a developer of proprietary digital implant technology, for over A\$15m
20-Dec-22	Next Capital , an Australian private equity firm, alongside management, has acquired a 51% stake in Country Care Group , a supplier and retailer to the assisted living and aged care sectors, for A\$76.5m
19-Dec-22	Quadrant Private Equity , an Australian private equity firm, has acquired a majority stake in Aidacare , a provider of healthcare equipment and assistive technology, for an undisclosed amount
15-Dec-22	APM Human Services , an ASX-listed provider of employee support software programs and services is to acquire Everyday Independence , an Australian-based allied health group, for A\$52.5m
8-Dec-22	Nexus Day Hospitals , a day hospital operator backed by QIC , is to acquire Montserrat Healthcare from Healius for A\$138.6m, to form the largest day hospital operator in Australia with 30 short-term stay facilities
17-Nov-22	IFM Investors, UniSuper and management have acquired PRP Diagnostic Imaging , an Australian-based radiology business, from Crescent Capital for A\$800m
25-Oct-22	Estia Health , the Australian-based operator of aged care facilities, is to acquire Premier Health Care Centres , four residential aged care homes based in Melbourne, for A\$62m
20-Oct-22	Totally Smiles , an Australian-based dental clinic roll-up backed by Genesis Capital , has acquired About-Smiles Dental Clinics for an undisclosed amount
4-Oct-22	InstantScripts , a Melbourne-based online medical prescriptions business, is rumoured to be engaging with potential investors

Sources: Capital IQ, Mergermarket, press reports, AFR

Largest 40 ASX-listed healthcare companies by market capitalisation (December 2022)

Company	Market capitalisation (A\$m)	Share price (A\$)	Share price performance (%)			Premium / (discount) to 52 week (%)		Premium / (discount) to VWAP (%)			Multiples (Jun-23)		
			Last quarter	Year-to-date	Last 12 months	High	Low	1 month	3 months	6 months	EV/Revenue	EV/EBITDA	P/E
1 CSL	138,763	287.76	1%	(1%)	(1%)	(6%)	20%	(2%)	(0%)	(1%)	7.1x	21.3x	37.4x
2 Ramsay Health Care	14,737	64.70	13%	(10%)	(10%)	(24%)	16%	(1%)	6%	0%	1.7x	12.3x	34.0x
3 Sonic Healthcare	14,282	29.97	(2%)	(36%)	(36%)	(36%)	2%	(2%)	(5%)	(7%)	2.0x	9.1x	18.7x
4 Cochlear	13,427	204.12	5%	(6%)	(6%)	(14%)	14%	(1%)	1%	(1%)	7.1x	27.0x	43.6x
5 Pro Medicus	5,771	55.26	10%	(11%)	(11%)	(12%)	51%	(3%)	(0%)	4%	48.2x	n.m.	n.m.
6 Ansell	3,551	28.24	12%	(10%)	(10%)	(18%)	34%	(0%)	2%	6%	1.5x	9.4x	15.7x
7 Healius	1,751	3.07	(9%)	(42%)	(42%)	(42%)	10%	2%	(3%)	(11%)	1.9x	8.3x	27.2x
8 PolyNovo	1,390	2.02	55%	32%	32%	(10%)	142%	3%	6%	16%	21.6x	n.m.	n.m.
9 Nanosonics	1,296	4.29	24%	(32%)	(32%)	(33%)	49%	(4%)	1%	1%	7.9x	n.m.	n.m.
10 Neuren	1,001	7.95	22%	111%	111%	(10%)	171%	7%	4%	16%	16.4x	28.1x	31.4x
11 Integral Diagnostics	683	2.93	6%	(41%)	(41%)	(42%)	23%	1%	8%	3%	2.1x	9.8x	23.9x
12 Sigma Healthcare	604	0.61	(9%)	27%	27%	(17%)	42%	(1%)	(5%)	(8%)	0.2x	13.3x	40.5x
13 Australian Clinical Labs	598	2.98	(16%)	(52%)	(52%)	(52%)	4%	(3%)	(11%)	(25%)	1.2x	4.3x	12.0x
14 Regis Healthcare	567	1.89	10%	1%	1%	(24%)	14%	(7%)	(3%)	(5%)	0.8x	6.3x	22.3x
15 Estia Health	535	2.07	5%	(10%)	(10%)	(15%)	10%	2%	0%	2%	0.9x	5.5x	14.0x
16 Monash IVF	372	0.96	6%	(9%)	(9%)	(25%)	10%	(3%)	(0%)	(4%)	2.1x	8.0x	14.8x
17 Mayne Pharma	348	4.00	(27%)	(32%)	(32%)	(53%)	5%	(4%)	(17%)	(31%)	1.9x	n.m.	n.m.
18 Capitol Health	340	0.32	2%	(18%)	(18%)	(20%)	21%	0%	1%	3%	1.9x	8.7x	22.7x
19 Cogstate	340	1.96	(9%)	(19%)	(19%)	(27%)	59%	12%	5%	9%	4.3x	16.5x	26.1x
20 Anteris Technologies	309	22.20	(1%)	71%	71%	(28%)	81%	(5%)	(3%)	(7%)	n.m.	n.m.	n.m.
21 Incannex Healthcare	279	0.18	(36%)	(72%)	(72%)	(77%)	17%	(8%)	(26%)	(32%)	n.m.	n.m.	n.m.
22 Clarity Pharma	257	0.99	55%	34%	34%	(6%)	175%	2%	15%	34%	49.4x	n.m.	n.m.
23 Pacific Smiles	244	1.53	3%	(48%)	(48%)	(49%)	23%	(3%)	4%	(1%)	1.9x	13.3x	39.4x
24 Starpharma	225	0.55	(12%)	(59%)	(59%)	(60%)	12%	6%	(0%)	(8%)	11.7x	n.m.	n.m.
25 Rhythm Biosciences	215	0.99	(21%)	(36%)	(36%)	(45%)	5%	(5%)	(12%)	(19%)	n.m.	n.m.	n.m.
26 Paragon Care	207	0.32	(5%)	(13%)	(13%)	(36%)	24%	(6%)	(6%)	(8%)	0.9x	7.5x	11.6x
27 Alcidion	184	0.15	14%	(47%)	(47%)	(50%)	45%	(6%)	(3%)	(1%)	3.7x	37.1x	n.m.
28 Probiotec	176	2.17	(1%)	(1%)	(1%)	(10%)	7%	(2%)	(2%)	(3%)	1.2x	7.1x	12.4x
29 Healthia	162	1.18	(20%)	(51%)	(51%)	(51%)	15%	7%	(5%)	(18%)	1.3x	8.3x	9.6x
30 Next Science	147	0.69	(10%)	(45%)	(45%)	(48%)	16%	3%	(4%)	(14%)	3.8x	n.m.	n.m.
31 EMVision Medical	144	1.85	33%	(31%)	(31%)	(31%)	50%	(4%)	5%	12%	15.6x	n.m.	n.m.
32 MedAdvisor	141	0.26	86%	(34%)	(34%)	(34%)	100%	18%	30%	53%	1.5x	34.2x	n.m.
33 ImpediMed	141	0.08	25%	(55%)	(55%)	(61%)	61%	(7%)	(4%)	15%	4.4x	n.m.	n.m.
34 Mach7 Technologies	136	0.57	7%	(30%)	(30%)	(33%)	28%	0%	0%	(8%)	3.4x	21.2x	n.m.
35 Volpara Health	132	0.53	(5%)	(50%)	(50%)	(50%)	31%	(9%)	(15%)	(14%)	3.7x	n.m.	n.m.
36 Medical Developments	128	1.48	(12%)	(70%)	(70%)	(71%)	6%	(4%)	(10%)	(18%)	3.7x	n.m.	n.m.
37 EBR Systems	124	0.46	(8%)	(45%)	(45%)	(48%)	39%	2%	(6%)	(14%)	n.m.	n.m.	n.m.
38 4DMedical	124	0.42	(28%)	(69%)	(69%)	(70%)	31%	2%	(18%)	(27%)	16.1x	n.m.	n.m.
39 Recce Pharma	118	0.66	(11%)	(36%)	(36%)	(52%)	20%	(1%)	(4%)	(13%)	n.m.	n.m.	n.m.
40 Microba Life Sciences	114	0.33	85%	n.a.	n.a.	(26%)	146%	4%	29%	37%	13.5x	n.m.	n.m.
Average	5,102		6%	(22%)	(22%)	(35%)	41%	(1%)	(1%)	(2%)			

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-23)		
			Last quarter	Year-to-date	Last 12 months	High	Low	1 month	3 months	6 months	EV/Revenue	EV/EBITDA	P/E
1 MedAdvisor	141	0.26	86%	(34%)	(34%)	(34%)	100%	18%	30%	53%	1.5x	34.2x	n.m.
2 Microba Life Sciences	114	0.33	85%	n.a.	n.a.	(26%)	146%	4%	29%	37%	13.5x	n.m.	n.m.
3 Beamtree	84	0.35	64%	(30%)	(30%)	(33%)	86%	4%	28%	27%	3.5x	n.m.	n.m.
4 PolyNovo	1,390	2.02	55%	32%	32%	(10%)	142%	3%	6%	16%	21.6x	n.m.	n.m.
5 Clarity Pharma	257	0.99	55%	34%	34%	(6%)	175%	2%	15%	34%	49.4x	n.m.	n.m.
6 EMVision Medical	144	1.85	33%	(31%)	(31%)	(31%)	50%	(4%)	5%	12%	15.6x	n.m.	n.m.
7 ImpediMed	141	0.08	25%	(55%)	(55%)	(61%)	61%	(7%)	(4%)	15%	4.4x	n.m.	n.m.
8 Nanosonics	1,296	4.29	24%	(32%)	(32%)	(33%)	49%	(4%)	1%	1%	7.9x	n.m.	n.m.
9 Neuren	1,001	7.95	22%	111%	111%	(10%)	171%	7%	4%	16%	16.4x	28.1x	31.4x
10 Oneview Healthcare	59	0.11	21%	(58%)	(58%)	(67%)	31%	(8%)	(15%)	(15%)	n.m.	n.m.	n.m.
Average	463		47%	(7%)	(7%)	(31%)	101%	1%	10%	20%			

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-23)		
			Last quarter	Year-to-date	Last 12 months	High	Low	1 month	3 months	6 months	EV/Revenue	EV/EBITDA	P/E
1 Incannex Healthcare	279	0.18	(36%)	(72%)	(72%)	(77%)	17%	(8%)	(26%)	(32%)	n.m.	n.m.	n.m.
2 Invision	58	0.01	(31%)	(57%)	(57%)	(61%)	13%	(5%)	(15%)	(24%)	n.m.	n.m.	n.m.
3 4DMedical	124	0.42	(28%)	(69%)	(69%)	(70%)	31%	2%	(18%)	(27%)	16.1x	n.m.	n.m.
4 Mayne Pharma	348	4.00	(27%)	(32%)	(32%)	(53%)	5%	(4%)	(17%)	(31%)	1.9x	n.m.	n.m.
5 Micro-X	67	0.13	(21%)	(49%)	(49%)	(52%)	18%	(1%)	(2%)	(6%)	2.9x	n.m.	n.m.
6 Rhythm Biosciences	215	0.99	(21%)	(36%)	(36%)	(45%)	5%	(5%)	(12%)	(19%)	n.m.	n.m.	n.m.
7 Neurotech Intl	57	0.07	(21%)	15%	15%	(47%)	57%	(11%)	(25%)	(24%)	n.m.	n.m.	n.m.
8 Apiam Animal Health	112	0.64	(20%)	(26%)	(26%)	(30%)	1%	(5%)	(11%)	(14%)	0.9x	6.7x	10.8x
9 Healthia	162	1.18	(20%)	(51%)	(51%)	(51%)	15%	7%	(5%)	(18%)	1.3x	8.3x	9.6x
10 Cann	80	0.21	(20%)	(29%)	(29%)	(53%)	2%	(5%)	(15%)	(22%)	n.m.	n.m.	n.m.
Average	150		(24%)	(41%)	(41%)	(54%)	16%	(4%)	(15%)	(22%)			

Source: Capital IQ as at 31 December 2022

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