Corporate Results Monitor

FNArena's All-Year Round Australian Corporate Results Monitor.

Currently monitoring February 2022.

TOTAL STOCKS:	350	
Beats 151	In Line 127	Misses 72
43.1%	36.3%	20.6%

Total Rating Upgrades:	56
Total Rating Downgrades:	43
Total target price movement in aggregate:	- 1.43%
Average individual target price change:	- 2.44%
Beat/Miss Ratio:	2.10

Previous Corporate Results Updates

Company	Result	Upgrades	Downgrades	Buy/Hold/Sell	Prev Target	New Target	Brokers
29M - 29metals	BEAT	0	0	3/1/0	3.15	3.15	4
29Metals posted a strong finish to the company's maiden 2021 results, beating broker forecasts. Despite the challenges from the pandemic and delays related to the weather and permits, prospectus forecasts were either met or exceeded. Production and cost guidance for Capricorn Copper and Golden Grove remain unchanged. A potential inaugural dividend was flagged by management for the current half, although Credit Suisse (Hold) does not include this in estimates at this stage. Strong spot copper prices suggest upside earnings risk.							
A2M - a2 Milk Co	IN LINE	0	0	1/2/1	6.15	6.19	4
While a2 Milk's result featured a clear beat on revenues, this was pulled back by greater than expected marketing costs to net to in-line. Only Macquarie (Sell) claims a notable beat, but despite the improved revenue outlook, the broker suggests higher marketing spend and expenses offer little earnings upside to FY22 or FY23. Citi (Buy) is pleased that turnaround strategies are gaining traction, and over the next 12 months expects the benefits to outweigh a host of industry challenges. Morgan Stanley sums up Hold-rater views in suggesting the worst is over, but earnings uncertainty and regulatory risks still remain.							
ABP - Abacus Property	BEAT	0	0	1/2/1	3.63	3.65	4
Abacus Property Group's result beat three of four brokers, although Macquarie (Hold) acknowledges the dividend increase. An improved performance from Commercial was as expected but Storage outperformed. Overall, pandemic impacts across the REIT's portfolio were relatively limited, with healthy rent collection rates and only 2% of rent waived. Citi (Buy) sees scope for further increase in asset values, particularly for the storage business, where further M&A opportunities may present. Despite continued strength in storage operating metrics, and a steady performance from the office and retail portfolios, Ord Minnett retains a Lighten rating.							
AX1 - Accent Group	IN LINE	0	0	2/2/0	2.59	2.50	4
Accent Group reported in line with guidance. Gross margins fell -480bps year on year from a sell-through of inventory following covid closures, most likely for the Glue brand, brokers suggest. Trading conditions nevertheless look promising at the start of the second half with the back to school period particularly strong. There were 100 net new stores opened in the period, exceeding forecasts, and the store growth target has been upgraded by management, yet again. Online sales rose to 31% of sales from 21%, thanks in part to lockdowns. Citi (Hold) fears delivery delays may constrain growth in the second half.							

ACF - Acrow Formwork and Construction Services	BEAT	0	0	1/0/0	0.64	0.72	1
Acrow Formwork and Construction Services reported earnings comfortably above Morgans' forecast, and FY guidance has been upgraded for the third time since the August result release. Earnings were driven organically, margins rose despite supply challenges and the pipeline remains strong. Trading on an 8.3x FY22 PE multiple and offering a 4.7% yield, the broker continues to see valuation as attractive, noting the company offers leverage to increased infrastructure activity over the longer term.							
ADH - Adairs	IN LINE	0	0	2/1/0	4.43	4.00	3
Adairs had already guided towards a soft interim result back in January. UBS spotted no major surprises in the actual result, but does note inventory build and a higher cost for doing business, but also solid product margins. Demand for the company's homewares is showing no sign of underlying weakness, Morgans notes, and future upside is seen from Mocka's new omni-channel strategy. UBS (Buy) is of the view consumers want to spend, and they will do so, and hence is positive about Adairs' near-term outlook.							
ABC - AdBri	BEAT	0	1	3/3/0	3.41	3.62	6
Adbri's result beat all forecasts. Fundamentally, the market is strong, rebounding strongly from covid disruptions. No specific guidance was offered, but management sees growth across the business and contributions from recent acquisitions. The non-recurrence of a range of one-off costs should also support the second half. Morgan Stanley (Buy) notes the company's position as a domestic supplier gives it a natural advantage in a supply-challenged environment, expecting Adbri's ability to compete against imports and supply chain challenged-products will continue to benefit the business. Otd Minnett sees the positives as already priced in, and downgrades to Hold.							
ABY - Adore Beauty	IN LINE	0	0	2/0/0	6.00	4.35	2
Following in-line first half results for Adore Beauty Group, Morgan Stanley remains Overweight and believes the risk-reward has become more attractive, with the company trading on lower multiples. Higher reinvestment nevertheless drives the broker's FY22-24 earnings estimates and target price lower. With uncertainties around lockdowns, work-from-home and consumer sentiment, the broker expects near-term volatility for the share price. Market concern over the long-term outlook of online retailers post covid benefits drove a -52% stock price decline since November, but UBS guides to a strong medium-term outlook of 19% compound annual growth rate.							
AMX - Aerometrex	MISS	0	0	1/0/0	1.31	1.24	1
Interim results for Aerometrex were a small miss against Morgans' forecasts though overall were assessed as solid. Lower MetroMap on demand and 3D sales combined with higher than forecast aircraft and project processing costs. The latter was due to flight mobilisation and longer field work due to border restrictions. As restrictions ease, costs are also expected to fall. More positively, conversion of project revenues into recurring subscriptions has gathered momentum.							
AGL - AGL Energy	BEAT	0	0	2/3/0	7.39	7.62	6
AGL Energy's result beat consensus as the company took advantage of generation outages at two major competitors. The low end of the FY22 guidance range has been lifted, but not the top, suggesting the second half will be lower by comparison. The company noted the demerger process is on schedule for the end of the FY, and has named its price. The question is as to whether the two diametrically opposed businesses, from an ESG standpoint, will attract investors before they have been separated. Hold ratings reflect uncertainty.							
AIM - Ai-Media Technologies	IN LINE	0	0	1/0/0	1.09	1.09	1
First half results for Ai-Media Technologies were in-line with pre-released expectations and Morgans retains its Add rating. FY22 guidance was also in-line with expectations. Despite some selling pressure for shares over accelerated plans to transition to new growth areas and SaaS, the broker believes long-term value is being created for shareholders.							
AGI - Ainsworth Game Technology	MISS	0	1	0/1/1	0.96	1.10	2

<table>
<tr><td colspan="8">While a big improvement on a year ago, Ainsworth Game Technology's result was slightly short of Macquarie, albeit in line with UBS. Yet the revenue outlook continues to improve across key regions, which is also supported by the improving industry backdrop. While Macquarie acknowledges high operating leverage to improving volumes within the land-based business, which is showing positive momentum, it is cautiously optimistic given previous false starts. Downside risk is moderate but upside is capped until there is greater confidence in the underlying business. Macquarie downgrades to Hold. UBS retains Sell.</td></tr>
<tr><td>AIZ - Air New Zealand</td><td>BEAT</td><td>0</td><td>0</td><td>0/0/1</td><td>0.00</td><td>0.00</td><td>2</td></tr>
<tr><td colspan="8">Air New Zealand's first half results were slightly better than Macquarie expected and FY guidance is ahead of forecasts. The airline is cautious about demand improvements while restrictions remain in place. An equity raising is expected by the end of March, subject to market conditions, in order to restore the balance sheet. Macquarie estimates around NZ$1.1-1.2bn is required, as well as other liquidity measures.</td></tr>
<tr><td>ART - Airtasker</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>1.27</td><td>1.25</td><td>1</td></tr>
<tr><td colspan="8">Airtasker reported in line with a recent trading update. Gross marketplace volume was up 16% year on year and revenue 10%, implying a 16.7% take-rate, Morgans notes. The platform showed resilience and adaptability in a challenging operating environment, the broker suggests, having bounced back strongly after lockdowns eased. The broker remains attracted to the strong growth opportunity ahead, predicated on the company successfully implementing its strategy of penetrating the prodigious total addressable market opportunity both domestically and offshore.</td></tr>
<tr><td>AQZ - Alliance Aviation Services</td><td>MISS</td><td>0</td><td>0</td><td>3/0/0</td><td>5.20</td><td>4.95</td><td>3</td></tr>
<tr><td colspan="8">Alliance Aviation Services clearly missed forecasts, attributed to higher operational costs and volatility in fly in-fly out demand due to covid. Expenses are also elevated due to fleet expansion. While higher costs are expected to persist in the second half, brokers agree Alliance is an FY23 story, as said fleet expansion will lead to earnings growth. Credit Suisse thus suggests share price weakness provides an attractive opportunity. Covid has delayed the ramp-up in usage by Qantas by three to six months, though a lift is expected in early April.</td></tr>
<tr><td>AKE - Allkem</td><td>IN LINE</td><td>2</td><td>0</td><td>4/1/0</td><td>12.72</td><td>12.79</td><td>5</td></tr>
<tr><td colspan="8">Allkem's result included only four months of Mt Cattlin earnings, which seems to have thrown some brokers out given a mix of solid beats and misses. We'll net out to in-line. The result was nonetheless operationally solid, although realised prices were below expectation. The Olaroz project was an update feature, with first half results in line and price guidance for the coming half upgraded to US$25,000 per tonne. Stage 2 construction is 68% complete, on track for completion later this year, but project costs increased 10-15%. Ord Minnett upgrades to Buy from Accumulate, noting Allkem is its key preference in the sector for its growing production profile into rising lithium markets. Lithium pricing has UBS upgrading to Buy.</td></tr>
<tr><td>ALU - Altium</td><td>IN LINE</td><td>0</td><td>0</td><td>0/1/1</td><td>31.47</td><td>30.00</td><td>2</td></tr>
<tr><td colspan="8">Despite delivering a better than expected first half by Macquarie's (Sell) measure, Altium has largely retained full year guidance, narrowing revenue growth towards the upper end of the guidance range and margins towards the lower end. Macquarie expects moderate growth in the second half accordingly. The broker notes while the company offered no new commentary on being acquired, the environment now looks more favourable for Altium to pursue its own merger and acquisition activity to support growth. The result missed Citi (Hold), so we'll net to in-line. Citi expects a step-up in investment in Enterprise and product development could hamper operating leverage.</td></tr>
<tr><td>AWC - Alumina Ltd</td><td>MISS</td><td>0</td><td>0</td><td>3/1/0</td><td>2.07</td><td>2.13</td><td>4</td></tr>
</table>

Alumina Ltd's 2021 result missed most forecasts, as an overall improvement in earnings, underpinned by higher alumina and aluminium prices in the second half, were partially offset by increased energy and caustic soda costs. Production and capex guidance met consensus estimates. Management provided no earnings guidance but advises Chinese average production costs rose 18% in 2021, suggesting continued strength in import parity prices. The company expects the global alumina market will be largely balanced over the year.							
AMA - AMA Group	**BEAT**	0	0	0/1/0	0.43	0.36	1
AMA Group's first half results were ahead of UBS estimates. A major negative was the extent of operating de-leverage and the broker believes the company faces multiple challenges. Parts inflation was partially mitigated by procurement benefits but there are potential labour pressures as the employee base expands with the return of volumes. Incorporating the challenges, UBS materially reduces near-term forecasts.							
AMC - Amcor	**MISS**	0	0	4/2/0	18.30	18.30	6
Amcor posted positive earnings but slightly missed broker forecasts. Supply chain and raw material cost challenges were anticipated but hit a bit harder than feared. That said, brokers laud a pretty resilient performance under the circumstances and management believes pressures will ease in coming months. In a show of confidence, Amcor has increased its buyback target to $US600, from US$400m. Brokers are attracted to the company's defensive profile, scale, earnings and cash flow.							
AMP - AMP	**BEAT**	0	0	0/3/1	1.03	1.08	5
For a company that posted a clear beat on profit, AMP has struggled to draw any excitement out of brokers. The beat was due to faster than expected mortgage growth in the Bank and improved operating leverage in Wealth. It still looks like a tough year ahead, Citi (Hold) suggests, with Private Markets in transition and only Wealth Management set to deliver much in the way of earnings growth. The upcoming demerger will lower costs, but probably not in 2022. Morgan Stanley (Hold) sums up views by cautioning the company offers a wide risk-reward scenario, with a broad range of potential outcomes. UBS (Sell) is not convinced the announced demerger plan for PrivateMarketsCo will unlock value for shareholders.							
ALD - Ampol	**IN LINE**	0	0	2/1/0	33.34	33.31	4
Ampol's result met expectations, with volumes impacted by lockdowns in the period. However, relative to so many other companies ruing supply chain and cost issues, Ampol's outlook is optimistic. The company's rebranding program shows promise, Macquarie (restricted) suggests, with the rebranding of 880 sites completed and providing evidence of improved performance. Brokers agree rising oil prices provide a headwind, but this could be offset by continued refining improvements. UBS (Buy) believes Ampol offers the strongest leverage to mobility returning to the country, and believes the market has overreacted to the soft margins exposed in the 2021 report.							
ANN - Ansell	**MISS**	0	0	3/3/0	31.25	30.52	6
While Ansell had pre-released headline numbers, the full result still managed to disappoint several brokers. The greatest stumbling block were high levels of inventory, which had to be offloaded at knock-down prices. Cash conversion was poor as a result. The key issues were supply disruption and falling demand for single-use gloves. Management expects improvement in the second half and has thus retained FY guidance, but while brokers feel margins can improve, the skew required is ambitious if omicron, and thus demand for PPE, subsides. But the market is already pessimistic, hence valuation is undemanding.							
APA - APA Group	**BEAT**	0	0	0/4/0	10.03	9.93	5
APA Group's result beat most forecasts thanks to strong Energy Infrastructure and Asset Management earnings growth. Credit Suisse suspects negative sentiment towards gas will continue, stemming from the Victorian gas substitution roadmap which will be released in the second quarter of 2022 and the electrification target that is part of the state's net zero target. The growth outlook is nevertheless accelerating, Macquarie suggests, as the transition to renewables is driving accelerated demand for electricity transmission and potentially gas transmission. The Australian gas market is disconnected to global markets suggesting demand for gas pipelines will remain strong in the east coast market.							
APM - APM Human Services International	**BEAT**	0	0	2/0/0	3.73	3.75	2

<table>
<tr><td colspan="8">APM Human Services International's maiden first half result met UBS but outpaced Credit Suisse and management reiterated prospectus guidance, which the broker considers conservative. No dividend was announced. Australia was the star performer, turning in strong margins thanks to Vocational Training and Allied Health, and management points to a strong beginning to the Restart program in Britain. Credit Suisse notes the company is trading at a -10% discount to the ASX300 and yet the company boasts a compound annual growth rate across FY21-FY24 of 20%, compared with 3.6% for the index. The broker also admires the pipeline and leading industry market position.</td></tr>
<tr><td>ATL - Apollo Tourism & Leisure</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>0.56</td><td>0.63</td><td>1</td></tr>
<tr><td colspan="8">Ord Minnett can see no reason why the proposed merger between Apollo Tourism & Leisure and NZ-listed Tourism Holdings won't go ahead so this should have been the former's final market update in terms of operational financials. As a result, the broker completely ignores the interim release, and doesn't quantify any of it. The broker observes Apollo's New Zealand operations continue to be impacted by international border closures. FY earnings estimates have been downgraded because of this.</td></tr>
<tr><td>APX - Appen</td><td>MISS</td><td>0</td><td>1</td><td>1/2/1</td><td>12.20</td><td>7.21</td><td>4</td></tr>
<tr><td colspan="8">Appen's 2021 results missed expectations as well as guidance. Macquarie (Sell) believes this has lowered investor confidence and the lack of short-term disclosures will not help. The company has indicated it will stop providing annual guidance and focus on a five-year target to double revenue and increase margins as well as diversify. In the absence of any positive catalysts, Macquarie envisages limited upside potential. Ord Minnett (downgrade to Hold) believes the target to double revenue is ambitious, given the track record. While the stock may have been oversold in the short term, the lack of visibility and heightened level of reinvestment keep the broker on the sidelines. Citi retains Buy on the share price fall.</td></tr>
<tr><td>ARB - ARB Corp</td><td>IN LINE</td><td>2</td><td>0</td><td>4/1/0</td><td>51.02</td><td>48.99</td><td>5</td></tr>
<tr><td colspan="8">ARB Corp's result matched its pre-release but brokers were generally pleased. Despite supply constraints for new vehicles in Australia, aftermarket sales were strong and the order book provides good visibility on earnings into the second half. Brokers also appreciate the company's medium term growth drivers, including expansion in Europe, the Ford partnership and opportunities for distribution gains in the US. The first half delivered solid revenue growth for all segments including Original Equipment revenue, which rose by 51%, while exports revenue grew 40%. Macquarie upgrades to Buy, and Credit Suisse to Hold.</td></tr>
<tr><td>ARF - Arena REIT</td><td>IN LINE</td><td>0</td><td>0</td><td>0/3/0</td><td>4.09</td><td>4.27</td><td>3</td></tr>
<tr><td colspan="8">Arena REIT's earnings were broadly in line with forecasts. FY22 dividend guidance has been upgraded by 1%, reflecting underlying portfolio strength. Operational metrics are indicative of solid fundamentals underpinning the Early Learning Centre sub-sector. Morgan Stanley considers the REIT to be one of the better inflation hedges in the sector, with more than 75% of FY22-23 leases incorporating the higher of CPI or 3% annual rent reviews. Macquarie considers valuation to be a bit rich, but balancing out strong fundamentals and robust earnings growth, the broker retains Hold.</td></tr>
<tr><td>ASX - ASX</td><td>IN LINE</td><td>0</td><td>0</td><td>1/2/4</td><td>80.21</td><td>81.86</td><td>7</td></tr>
<tr><td colspan="8">The ASX result was roughly in-line with forecasts, and seen as broadly strong overall. Record new listings were partly offset by lower futures and derivatives volumes. Most brokers were disappointed with an increase in expense guidance, and there are differing views on the impact of the CEO's departure. Destabilising or offering opportunity? Brokers agree ASX is a quality company, delivering strong results and the longer term optionality of revenue diversification from new adjacencies. However, based on a slow earnings growth profile, most see the stock as fully priced.</td></tr>
<tr><td>ALX - Atlas Arteria</td><td>IN LINE</td><td>0</td><td>0</td><td>3/0/0</td><td>6.98</td><td>6.98</td><td>3</td></tr>
<tr><td colspan="8">Atlas Arteria's 2021 growth rebound in key asset earnings was as expected given toll revenue had been pre-released. The result indicated the expected leverage to recovering traffic volumes. Traffic growth for France's APRR in the second half was encouraging, and with recovery expected at Dulles Greenway and Warnow Tunnel there is improved confidence in the traffic outlook. Credit Suisse notes the dividend was up 58% year on year , lifting FY guidance by 9%. But Macquarie was disappointed with the distribution as it reflected slightly lower net profit at APRR and higher consolidation adjustments, albeit temporary,</td></tr>
</table>

associated with AREA timing. Buys retained nonetheless.							
AMS - Atomos	IN LINE	0	0	2/0/0	1.90	1.90	2
Atomos' first half earnings beat Morgans' forecast and missed Ord Minnett so we'll net to in line. While the usual headwinds from freight costs and supply chain disruptions impacted, it was higher marketing spend causing the miss. Yet Ord Minnett expects second half margins will rise sharply in response to new product release and considers the recent share-price decline to be detached from fundamentals and thus offering an attractive entry point. The highlight for Morgans was a significantly improved inventory position, which should enable the fulfillment of unmet demand from the first half.							
AUB - AUB Group	MISS	0	0	2/0/0	26.03	25.92	2
A meet and a miss for AUB Group nets to miss for now, but Credit Suisse notes premium rates increased more than originally expected. Hence, a miss on the broking side is likely to be the explanation for the negative reaction in the stock. The main highlight were improvements in agency while further technology investment was a drag in New Zealand. Strong organic trends are evident, Ord Minnett suggests, despite the cost pressures. The broker also notes the opportunity for acquisition-led growth as well as operating leverage, which should drive further margin improvements.							
AIA - Auckland International Airport	MISS	1	0	2/2/0	6.90	7.50	5
It was never going to be a good half for Auckland International Airport thanks to lockdowns, and now the re-opening of NZ border has been further delayed, Macquarie (Buy) expects an international recovery will be pushed beyond six months. Flight activity was unsurprisingly muted in the period, with passengers down -39% year on year. More positively, a 17% property revenue increase went some way to offsetting passenger numbers. Citi (Hold) notes FY guidance is for a loss when consensus has penciled in a profit.							
AUA - Audeara	IN LINE	0	0	1/0/0	0.33	0.33	1
Audeara's first half earnings loss was well flagged through updates and reflects accelerating key growth hires and positioning ahead of the large US opportunity, Morgans notes. The key highlight was growth in the company's lead indicator of clinic numbers of 65% year on year, which now sees Audeara's products stocked in all major audiology clinics in Australia. The company also achieved its first sales in the US through its distribution partnership, and continues to progress its US expansion with a significant opportunity in its leading products, the broker notes. Speculative Buy retained.							
AD8 - Audinate Group	BEAT	0	0	2/0/0	11.25	10.40	2
Audinate Group's 33% year-on-year revenue growth and 11% earnings growth beat broker forecasts. While Audinate continues to strengthen its long term opportunity, with product releases opening new revenue streams, supply chain constraints will likely continue to impact into FY23, UBS suggests. Chip shortages have seen the Brooklyn III launch delayed to the first half of FY23. Morgan Stanley also notes low visibility despite reiterated guidance, but concurs with regard the company's long term growth outlook.							
AMI - Aurelia Metals	BEAT	0	0	1/0/0	0.78	0.60	1
Aurelia Metals' first half results were ahead of Macquarie's forecasts. No changes have been made to tighten guidance with gold production expected to be at the lower end of the 112-123,000oz range. The broker raises FY earnings estimates by 6% and anticipates continued growth in the Federation resource with a key catalyst being the upcoming feasibility study.							
AZJ - Aurizon Holdings	IN LINE	0	0	1/2/2	3.59	3.64	7
Aurizon Holdings reported in-line with forecasts. Lower volumes in Network and higher start-up costs in Bulk were offset by higher revenues and lower costs in Coal. The dividend fell short as the company puts money aside for its One Rail acquisition. Coal haulage is facing longer term sustainability issues, Morgans (Buy) notes, but in the meantime strong cash flows can support both the pivot into Bulk and shareholder returns. Management is excited about the growth potential in grain haulage. Morgan Stanley (Sell) likes the long term strategy of deploying capital into Bulk, though is uncertain over the implementation of that strategy while fossil fuel aversion reduces the stock's appeal. Two brokers are restricted.							
ABB - Aussie Broadband	BEAT	0	0	2/0/0	5.31	5.33	2

<table>
<tr><td colspan="8">Given a pre-release, Credit Suisse was not surprised by Aussie Broadband's result, but Ord Minnett still claims a beat. Ord Minnett believes the momentum in enterprise is supporting the investment case in acquiring Over The Wire amid additional capabilities in cloud, managed services and security. Trends are strong and Credit Suisse anticipates the company will achieve 6.5% NBN connection market share by the end of FY22. The next catalyst is the NBN Co submission to the ACCC on its proposed special access undertaking variation.</td></tr>
<tr><td>ASB - Austal</td><td>IN LINE</td><td>0</td><td>0</td><td>2/1/0</td><td>2.62</td><td>2.28</td><td>3</td></tr>
<tr><td colspan="8">Austal's earnings were ahead of forecasts, thanks to the accelerated release of contingency reserves which translated into stronger US shipbuilding margins. But management has lowered FY guidance, expecting lower throughput in the first half to extend into the second, with implications in further years. The company is hopeful of finalising a contract with the Phillippines government for offshore patrol vessels before the end of March. Citi looks to detail on the company's ability to replenish its order book with a number of shipbuilding programs expected to be awarded in the second half. Credit Suisse cuts revenue estimates expecting a softer US contribution given labour shortages and global supply chain disruptions.</td></tr>
<tr><td>ACL - Australian Clinical Labs</td><td>BEAT</td><td>0</td><td>0</td><td>0/1/0</td><td>5.20</td><td>5.00</td><td>1</td></tr>
<tr><td colspan="8">Australian Clinical Labs' first half slightly beat the company's guidance range but the future is all about how quickly the past boost from covid-testing will disappear. Citi is assuming no contribution from FY25 and beyond. It is this outlook that dominates the general commentary post-result. The integration of Medlab is running ahead of schedule, including projected synergies and the price paid went down to $52m from $60m "based on performance". Citi notes the company has no debt with a net cash position of $2.8m excluding leases.</td></tr>
<tr><td>AFG - Australian Finance Group</td><td>BEAT</td><td>0</td><td>0</td><td>3/0/0</td><td>3.26</td><td>2.88</td><td>3</td></tr>
<tr><td colspan="8">Australian Financial Group's headline profit and dividend beat forecasts. Underlying profit fell short of Macquarie, but reflects the cash flow that is yet to see the full benefit of the new business and book growth. Book growth itself exceeded expectations. January activity was up on all metrics, and the mix-shift towards higher margin home loans and securities continues. Citi warns of cash rate rises as mortgage demand slows, but notes the structure and diversity of the company makes it better suited to weather a bear cycle than previously. Macquarie agrees continued focus on higher margin products provides some protection for net interest margins.</td></tr>
<tr><td>AOF - Australian Unity Office Fund</td><td>BEAT</td><td>0</td><td>0</td><td>0/1/0</td><td>2.38</td><td>2.42</td><td>1</td></tr>
<tr><td colspan="8">Australian Unity Office Fund's interim results exceeded Ord Minnett's expectations, driven by leasing success. Management reaffirmed FY funds from operations guidance of between 18.0cpu and 18.5cpu. The broker expects further clarity within the next six months on management initiatives to maximise value for unitholders. These initiatives include refurbishment and repositioning, asset sales and portfolio sales via corporate transactions.</td></tr>
<tr><td>AVG - Australian Vintage</td><td>MISS</td><td>0</td><td>0</td><td>0/1/0</td><td>0.90</td><td>0.82</td><td>1</td></tr>
<tr><td colspan="8">Australian Vintage posted an interim profit ahead of Morgans but earnings were impacted by elevated shipping costs and temporary cellar door closures. FY earnings guidance provided in November is unchanged. A greater level of elevated logistics costs are now expected to carry into the second half before a partial recovery in FY23, and the FY23 impact could be further mitigated through greater operational savings, the broker notes. The result has reinforced the clear sustainable gains the company has made over the past 2-3 years, which has mitigated the impact of covid cost pressures. The broker nevertheless retains Hold for now, looking for greater visibility on the extent of the FY23 recovery.</td></tr>
<tr><td>ASG - Autosports Group</td><td>BEAT</td><td>0</td><td>0</td><td>2/0/0</td><td>2.98</td><td>3.09</td><td>2</td></tr>
</table>

Autosports Group posted profit above the guidance range set in November. Revenue was weaker due to supply constraints and lockdowns, although this did bounce back at the end of the half. Current industry dynamics have led to margins expanding further this half with management confirming the current order bank has "materially" higher margins than what it is achieving today. The order book has doubled year on year. As supply chain issues ease, Macquarie sees the most upside earnings risk in the first half FY23.							
BBN - Baby Bunting	**BEAT**	0	0	5/0/0	6.39	6.39	5
It appears only Macquarie correctly forecast strong sales growth for Baby Bunting, as other brokers suggest a strong beat. The company recorded above-market sales growth, outperformance from online, higher gross profit margins and strong cost discipline. Citi notes a small presence in the clothing, food and nappies categories offers growth potential, and increased penetration of these categories could allow market share gains. The company appears well placed to outperform the small cap retail sector given a strong growth outlook.							
BAP - Bapcor	**IN LINE**	1	0	5/1/0	8.39	7.99	6
Despite a weak share price response, Bapcor reported largely in-line with forecasts, and beat Credit Suisse, in the face of store closures, higher costs, supply-chain disruptions and investment in a new head office and Victorian distribution centre. Brokers thus see a credible result. The departure of the CEO may not have been well-received, and Morgan Stanley (Hold) notes flat FY22 guidance is inclusive of acquisitions, suggesting lower organic growth. Ord Minnett sees the worst as being out of the way and upgrades to Buy.							
BPT - Beach Energy	**MISS**	0	1	4/1/1	1.65	1.71	6
Beach Energy's result confirmed production and revenue numbers released in January but profit missed forecasts due to higher costs. FY guidance was nonetheless reaffirmed. Brokers remain mostly upbeat, citing increased oil price forecasts, Perth Basin upside and a de-risking of the Western Flank operations. The Otway development program is around halfway to completion, while drilling will commence soon at Waitsia, and Western Flank declines show signs of improvement. Macquarie believes there are cheaper alternatives in the sector and downgrades to Sell.							
BLX - Beacon Lighting	**BEAT**	0	0	1/0/0	3.48	3.00	1
Citi has upgraded forecasts in the wake of Beacon Lighting's second half trading update provided with its result. The broker sees increasing interest rates as a risk to the housing cycle and discretionary spending, both of which have been favourable for Beacon's sales. However, analysis suggests an increase in the cash rate appears to have a lagged impact on house prices and renovation growth. Beacon's upgraded long term rollout target of 184 stores implies 36% of its rollout potential still remains. Citi retains Buy, given the long-duration growth prospects from rollout, trade and international, and a lag in earnings impact from rising rates.							
BGA - Bega Cheese	**MISS**	0	0	0/2/0	5.55	5.22	2
Bega Cheese reported first half results below expectations as supply chain disruptions adversely affected the business. There was also pressure on input prices, specifically milk. That said, operating earnings increased following the acquisition of the Lion Dairy and Drinks business. Ord Minnett considers the impact of disruptions a short-term issue, although declining milk production in Australia and heightened competition in terms of supply could mean further upward pressure on the farm-gate milk price. Morgans feels the ongoing need for returns back to farmers at the expense of shareholders is concerning, suggesting this must change for the company to re-rate.							
BEN - Bendigo & Adelaide Bank	**BEAT**	1	0	1/4/0	9.92	10.14	5
Bendigo & Adelaide Bank's cash earnings exceeded consensus forecasts. The underlying net interest margin, while declining, proved slightly better than expectations thanks to lower costs. Given the bank's higher exposure to potential interest rate increases compared to peers, as well as a likely margin and revenue outlook improvement, Macquarie (Buy) was surprised the company continues to guide to broadly flat costs. Citi (Hold) sees an incrementally more difficult growth profile ahead, as the bank's balance sheet is slowing and mortgage pressures in the near term will offset future cash rate rises. Yet due to							

Bendalaide's exposure to rate increases, Morgan Stanley upgrades to Hold.							
BST - Best & Less	IN LINE	0	0	1/0/0	3.90	4.10	1
Following interim results for Best & Less Group, Macquarie maintains its Outperform rating as margin management lends confidence to near-term performance. The broker liked gross margins rising by 210bps to 50.8%, with the cost-of-doing-business falling by -7%. Earnings forecasts are largely unchanged.							
BHP - BHP Group	BEAT	0	1	1/3/0	45.32	47.18	6
BHP Group's record profit beat earnings forecasts thanks to strong coal and iron ore prices and a lack of current construction in WA meaning an avoidance of labour issues. Despite strong cash flow generation, a big fall in debt surprised brokers, leading to a better than expected dividend. Yet given an ongoing focus upon copper, nickel and potash, it is possible growth projects may compete with shareholders returns going forward, and more so if commodity prices start to ease. However, Macquarie (Buy) points to low debt in suggesting both can still be achieved. Morgans downgrades to Hold on valuation, while two brokers are under restriction.							
BTH - Bigtincan Holdings	IN LINE	0	0	2/0/0	1.93	1.61	2
Bigtincan Holding's first half pre-released result met forecasts, with earnings shifting into the black despite higher capitalised development costs, thanks to strong organic revenue growth. Morgan Stanley suggests a reduction in cash burn despite major acquisitions demonstrates strong operating leverage. The company completed the integration of Brainshark during the period and gross margins returned to 86%. Ord Minnett remains of the view that Bigtincan is developing into a "superior growth story".							
BKL - Blackmores	MISS	0	1	0/3/1	89.40	82.91	4
Morgans (Hold) saw a miss on profit for Blackmores, but a beat on earnings, while Citi (Sell) saw a big miss. But Credit Suisse (downgrade to Hold) notes updates to the company's accounting have shifted SaaS investment to operational expenditure, previously capital expenditure, and driven a -10-15% reduction to earnings forecasts. Strong sales growth was reported across International, and double-digit earnings growth was achieved in A&NZ. However, China disappointed. Blackmores has a clear strategy to deliver material earnings growth through to FY24, Morgans notess, but is trading rather full. Citi sees the stock as expensive and not reflective of the risks that are lingering.							
SQ2 - Block	BEAT	0	0	1/0/0	0.00	0.00	1
Block Inc's December quarter update outpaced Credit Suisse's forecasts, suggesting near term trends may be better than feared, although Afterpay disappointed. Overall, the prognosis was positive. Target price falls to US$190 from US$230 due largely to forecast continued weakness for Afterpay.							
BBT - BlueBet Holdings	MISS	0	0	2/0/0	1.80	1.55	2
BlueBet Holdings' headline numbers were pre-released but underlying earnings sharply disappointed Ord Minnett, due to higher costs eroding margins. Advertising and marketing spend was up, anticipating sharp expansion in 2022, and the broker awaits an April launch in Iowa, followed by another 2-4 states within a year. Morgans points out strong operational progress has occurred over the last six months, and it's felt the market is largely ignoring strong growth prospects. Ord Minnett appreciates the company's mobile-first strategy, which cuts the cost of customer acquisitions and slightly boosts margins.							
BSL - BlueScope Steel	MISS	1	0	5/1/0	26.01	25.06	6
BlueScope Steel's result was in line with guidance and missed only Macquarie's (Hold) forecast. Brokers clearly held diverse FY forecasts, as guidance disappointed some, including Macquarie, but not others. UBS notes the company has been enjoying strong demand for its products and while margins are expected to fall, the broker still sees plenty of reasons to stay positive. Credit Suisse (Buy) expects the supply/demand balance in the US is expected to improve from the June quarter. Another positive is a buyback increase of $500m, leaving $700m to be purchased over 12 months. Seeing value, Morgan Stanley upgrades to Buy.							
BKG - Booktopia Group	MISS	0	0	1/0/0	2.78	1.85	1

<table>
<tr><td colspan="8">While Morgans retains its Add rating for Booktopia Group following first half results, the target is slashed after allowing for a de-rating of the sector and factoring in increased operating expenses. The broker's FY22-24 earnings estimates fall by -18-30%, with a 10%-13% increase in operating expenses the main culprit. Nonetheless, faith is retained that the group will win market share in the $2.6bn domestic book industry.</td></tr>
<tr><td>BLD - Boral</td><td>BEAT</td><td>0</td><td>0</td><td>1/5/0</td><td>5.57</td><td>3.82</td><td>6</td></tr>
<tr><td colspan="8">Boral's first half earnings beat consensus due to higher revenue and a lesser than expected impact from shutdowns. However, disappointment stems from the fact energy costs and supply side constraints have caused a margin headwind for the company, and momentum is unlikely to continue into the second half, with construction project recovery still necessary for an improved earnings outlook. Macquarie (Buy) has downgraded earnings estimates through to FY24 but continues to see opportunity from market improvement. For others the outlook is balanced.</td></tr>
<tr><td>BXB - Brambles</td><td>BEAT</td><td>0</td><td>1</td><td>4/2/1</td><td>12.28</td><td>11.58</td><td>7</td></tr>
<tr><td colspan="8">Brambles' result beat all forecasts. The result nevertheless featured a large cash flow downgrade, attributed to higher lumber pricing impacting on the cost of further required pallet purchases. UBS (Buy) notes the guidance update may disappoint investors as it suggests a less stable free cash flow profile during a challenging period. Pricing pass-through should ease investor concerns on cost inflation pressure, particularly within the US pallet business, suggests Macquarie, who downgrades to Hold until cash flow improves. While Morgans Stanley (Sell) expects capex will normalise by end-FY23, it is less sure about the medium term outlook for cash flow given the (potential) advancement of Costco will demand investment in a plastic pallet pool.</td></tr>
<tr><td>BVS - Bravura Solutions</td><td>MISS</td><td>1</td><td>0</td><td>2/0/0</td><td>3.13</td><td>2.38</td><td>2</td></tr>
<tr><td colspan="8">Bravura Solutions reported a first half miss, and FY profit guidance was downgraded by -25% due to a material increase in expenses only partially offset by better revenues. The company reduced its cost base in FY21 to combat weaker revenues due to covid, but these have now been unwound through a combination of new hires at higher salaries and general wage inflation. With re-basing seemingly complete and revenue growth showing green shoots, Macquarie sees scope for re-rating once Bravura starts meeting guidance. Ord Minnett has jumped in ahead, upgrading to Buy on an attractive valuation.</td></tr>
<tr><td>BRG - Breville Group</td><td>BEAT</td><td>1</td><td>0</td><td>5/1/0</td><td>33.41</td><td>33.03</td><td>6</td></tr>
<tr><td colspan="8">Breville Group's first half result beat all forecasts, on 24% revenue growth and well-managed operating expense and gross margins in the face of supply challenges. While supply constraints hit top-line growth, the sudden growth spurt caused Breville to postpone expansion and product launches and boost its inventory, suggesting further upside ahead. Ord Minnett upgrades to Buy. Despite the stock not looking cheap, brokers see the company as high quality, offering an attractive growth profile. Some brokers have nonetheless reduced their targets to reflect lower peer company multiples and a higher weighted average cost of capital.</td></tr>
<tr><td>BUB - Bubs Australia</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>0.68</td><td>0.73</td><td>1</td></tr>
<tr><td colspan="8">Bubs Australia reported its first breakeven earnings result in the first half, but Citi notes the positive result was bolstered by an inventory provision reversal and estimates gross profit would have been -$4.5m lower without this benefit. Daigou performance was up 276% on the previous comparable period, exceeding pre-covid levels, and the return of international students offers upside potential. Products launch in US supermarkets in March, targeting 3,000 distribution points by end of year.</td></tr>
<tr><td>BWP - BWP Trust</td><td>IN LINE</td><td>0</td><td>0</td><td>0/1/2</td><td>3.79</td><td>3.82</td><td>3</td></tr>
<tr><td colspan="8">BWP Trust reported in-line with forecasts and maintained FY22 dividend guidance as being similar to FY21. Bunnings warehouses are largely covid-resilient but a 14% jump in net tangible asset value actually presents a headwind, as fees are based on portfolio value. Some 30% of leases expire between now and June 2025 and currently 8 of 75 Bunnings locations are vacant or will be shortly, with only one showing repurpose possibility. Brokers prefer REIT exposure elsewhere.</td></tr>
<tr><td>BWX - BWX</td><td>IN LINE</td><td>0</td><td>0</td><td>2/0/0</td><td>5.73</td><td>5.25</td><td>2</td></tr>
</table>

<table>
<tr><td colspan="8">BWX reported a 22% increase in first half earnings year on year and missed Macquarie by -18%. Gross margins improved on efficiency gains. The culprit for the miss was Go-To, with the rest of the business flat. Softer than expected growth from the Sukin, Andalou and Nourished Life brands saw BWX deliver a -7% miss to UBS's revenue in the first half, although lower operating expenditure drove a 7% earnings beat. Management has guided to strong revenue and earnings growth, inclusive of M&A, for the full year, with a greater skew to the second half than previously given first half lockdowns. We'll net both brokers out to in-line.</td></tr>
<tr><td>CHL - Camplify</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>5.04</td><td>4.75</td><td>1</td></tr>
<tr><td colspan="8">Camplify reported in line with a recent update. First half gross transaction value was up 62% year on year, with total revenue up 109%, highlighting a very strong take-rate, Morgans notes. The gross margin was impacted by an insurance revenue accounting policy change made to meet new standards. This change leads the broker to lower earnings forecasts and target. While acknowledging current global macro and geopolitical concerns may weigh on market sentiment near term, Morgans believes Camplify has a long growth pathway ahead of it and a strong management team.</td></tr>
<tr><td>CAJ - Capitol Health</td><td>IN LINE</td><td>0</td><td>0</td><td>2/0/0</td><td>0.43</td><td>0.45</td><td>2</td></tr>
<tr><td colspan="8">Brokers suggest Capitol Health's in-line first half is a positive result given covid-related disruptions, including the company's higher exposure to Victoria's extended lockdowns. Expecting covid disruptions to persist, Credit Suisse lowers FY forecasts but increases forecasts for FY23-24 on expected normalisation. Addressing market concern over Capitol Health's lack of acquisitions and related growth, Credit Suisse notes discipline in the absence of activity and expects the company to deliver mid-teen growth with appropriate acquisitions. Ord Minnett suggests mobility is expected to rise which should facilitate a recovery for the business, even though the second half has started in weak fashion.</td></tr>
<tr><td>CDP - Carindale Property Trust</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>5.20</td><td>5.70</td><td>1</td></tr>
<tr><td colspan="8">Carindale Property Trust's funds from operations beat Ord Minnett, assisted by a -$1m decline in property outgoings in the second half versus the first. Guidance is for a distribution increase in FY22 of at least 9% above FY21. FY22-24 forecasts rise to reflect strong trading at Westfield Carindale and the achievement of 97% of pre-covid net property income in the the first half. Carindale’s current share price implies a further -20% write-down in the value of Carindale Shopping Centre. The broker believes this is too negative for a centre that continues to perform well, with sales growth versus FY20 and slightly ahead of pre-covid levels.</td></tr>
<tr><td>CVN - Carnarvon Energy</td><td>MISS</td><td>0</td><td>0</td><td>1/0/0</td><td>0.38</td><td>0.46</td><td>1</td></tr>
<tr><td colspan="8">In reaction to Carnarvon Energy's first half result, Ord Minnett trims its FY22 net profit forecast, due mainly to higher expectations for exploration expenses and share of joint venture losses. The broker's estimates for later years are unchanged.</td></tr>
<tr><td>CAR - Carsales</td><td>IN LINE</td><td>0</td><td>0</td><td>2/1/1</td><td>23.87</td><td>23.78</td><td>4</td></tr>
<tr><td colspan="8">Carsales' first half result was seen as solid and largely in line with forecasts. Management has maintained FY guidance, but this will rely on a second half skew. Here broker views begin to vary. Credit Suisse (Buy) sees favourable conditions heading into the second half, with Dealer lead volumes normalising, the Private segment supported by yield growth and increased penetration from Instant Offer. Ord Minnett (Sell) suggests earnings may stall into the second half, although be pushed out rather than taken out. The broker remains cautious on the execution risk inherent in entering a large number of new verticals.</td></tr>
<tr><td>CWP - Cedar Woods Properties</td><td>IN LINE</td><td>1</td><td>0</td><td>1/0/0</td><td>6.71</td><td>5.75</td><td>1</td></tr>
<tr><td colspan="8">Following in-line first half results for residential property developer Cedar Woods Properties, Morgans upgrades its rating to Add. The company is seen to be trading on low multiples with an attractive and sustainable yield. The broker nevertheless anticipates further (non-fundamental) share price weakness upon the company's likely removal from the ASX300 index during the March re-balance. Management expects 'moderate' earnings growth in the second half and strong growth over the medium term. While potential interest rate rises could curtail demand, it's thought a broad geographic and product reach, as well as an increasing number of selling projects, will help.</td></tr>
</table>

CNI - Centuria Capital	BEAT	0	0	2/0/0	3.39	3.53	2
Centuria Capital Group reported earnings well above broker forecasts driven by better than expected performance fees and growth in assets under management, which have also led to an FY guidance upgrade. Management noted the second half is off to a good start with sharply higher AUM and with $1.1bn in acquisitions set to settle in the period. Morgan Stanley warns flow of capital into real estate may lose some tailwinds as interest rates hike and deposit rates increase, giving investors other yielding options. But alleviating some of these risks is the group's clear property strategy, its small asset under management base and its potential to ramp up its platform into emerging healthcare and agricultural segments.							
CIP - Centuria Industrial REIT	BEAT	0	0	3/2/0	4.03	4.21	5
Centuria Industrial REIT's first half funds from operations were up 3.7% year on year and a slight beat of forecasts. FY22 FFO guidance was ticked up to 18.2c from 18.1c, but the REIT expects an increase in the average cost of debt from 1.8% in the first half to 2.6% in the second, implying flat FFO growth in the second half despite underlying growth. Brokers nevertheless see more upside than downside risk going forward. Credit Suisse notes it will take time for the company to capture positive market rent reversion given its lease expiry profile, but notes the balance sheet has room for further acquisitions to boost earnings.							
COF - Centuria Office REIT	IN LINE	2	0	3/0/0	2.48	2.51	3
Despite suffering a decline in funds from operations half on half, Centuria Office REIT appeared at face value to have beaten forecasts, until it was realised a large second half rental payment was actually paid in the first half. FY guidance is subsequently unchanged. Pleasingly, occupancy rose to 94% from 91% in the pandemic trough and while there are upcoming expiries to deal with, it looks like the worst is over, Morgan Stanley suggests. Morgans and Credit Suisse upgrade to Buy.							
CGF - Challenger	BEAT	0	0	1/6/0	6.30	6.81	7
Challenger's first half earnings outpaced forecasts thanks to strength in the Life division. Brokers were hence surprised at unchanged FY guidance, as this implies lower second half earnings, but sense conservatism given there's sufficient capacity to fund growth over the next few years. Citi (Hold) is expecting a larger loss from the bank in the second half but the trends in Life seem strong with improving sales and a stable, or slightly increasing, margin. There is a question mark over maturities given the shorter dated nature of new business, but the trends look mostly positive. Morgans (Buy) admires the quality of the result, noting solid asset growth in Funds Management and Life business, and support for margins.							
CIA - Champion Iron	BEAT	0	0	2/0/0	6.90	6.90	2
Champion Iron reported a solid operating performance in the December quarter, with production and shipments remaining above Bloom Lake phase 1 nameplate capacity, albeit higher freight rates impacted on earnings. The miner remains funded for the Bloom Lake phase 2 expansion, which will double capacity. Meanwhile, a surprise 10c (CAD) dividend was announced. Macquarie expects a 20-30% payout ratio going forward.							
CHC - Charter Hall	BEAT	1	0	3/1/0	21.96	21.76	5
Brokers agree Charter Hall Group's apparent "miss" is misleading, given it was due to the variance driven by a greater skew of performance fees to the second half compared to prior expectations, with other items broadly in line. otherwise the group doubled its profit result from last year. FY earnings guidance has now been upgraded a third time. Dividend guidance is reiterated, leading Credit Suisse (upgrade to Buy) to surmise a strong influx of cash will be reinvested to cushion against a forecast decline in FY23 earnings when performance fees are tipped to cool. Additional growth in funds under management will be driven by organic means, as opposed to acquisition of platforms, and platform acquisitions that would further diversify the business are not under consideration.							
CLW - Charter Hall Long WALE REIT	IN LINE	0	0	4/0/0	5.50	5.56	4

<table>
<tr><td colspan="8">Charter Hall long WALE REIT posted a result largely in-line with broker forecasts, reinforcing the security of the REIT's long lease income and tenant quality. While brokers forecast earnings growth ahead, this may be partially offset by a rising debt cost as the REIT rolls overs hedges and the floating rate increases. There's room on the balance sheet for acquisitions, but not much around. Capital management is thus a possibility if the share price drops further below net tangible asset value, already at a -17% discount.</td></tr>
<tr><td>CQR - Charter Hall Retail REIT</td><td>BEAT</td><td>0</td><td>1</td><td>2/2/0</td><td>4.17</td><td>4.37</td><td>4</td></tr>
<tr><td colspan="8">Charter Hall Retail REIT's operating earnings came in ahead of forecasts and FY earnings and dividend guidance have been upgraded. It was another solid result operationally, brokers agree, given extended lockdowns in the half. The portfolio proved largely resilient to covid impacts, and tenant support is expected to decline in the second half. Shopping centre portfolio occupancy has improved to 98.4%. Retail sales were also positive despite the impact of restrictions, and there is capacity for investment on the balance sheet and upside potential from unexpected incremental investments. Still, Credit Suisse sees better value elsewhere, and downgrades to Hold.</td></tr>
<tr><td>CQE - Charter Hall Social Infrastructure REIT</td><td>BEAT</td><td>0</td><td>0</td><td>0/1/0</td><td>3.80</td><td>4.10</td><td>1</td></tr>
<tr><td colspan="8">Charter Hall Social Infrastructure's first half operating earnings beat Ord Minnett's forecast, due largely to lower interest costs. The FY22 distribution guidance of 17.2cps was retained. The broker highlights like-for-like rent growth rebounded to 3.1%, versus 2.3% in FY21, helped along by a higher percentage of fixed reviews and stronger inflation.The Hold rating is maintained on the current difficulty in sourcing transactions due to competition for social infrastructure assets.</td></tr>
<tr><td>CNU - Chorus</td><td>BEAT</td><td>0</td><td>0</td><td>0/1/0</td><td>0.00</td><td>0.00</td><td>1</td></tr>
<tr><td colspan="8">Chorus' first half earnings growth of 2.7% was modestly ahead of Macquarie's expectations, and the company upgraded full year earnings guidance to account for non-recurring benefits. Full year dividend guidance was also upgraded to NZ35c per share from NZ26c per share, and the company guided to minimum dividends of NZ40c and NZ45c per share in FY23 and FY24 respectively. Macquarie upgrades FY22 earnings 69% to reflect NZ$15m in non-recurring benefits in the first half, and upgrades FY23 and FY24 earnings forecasts. Target rises to NZ$7.61 from NZ$7.22.</td></tr>
<tr><td>CIM - Cimic Group</td><td>MISS</td><td>0</td><td>0</td><td>0/3/0</td><td>25.37</td><td>17.12</td><td>3</td></tr>
<tr><td colspan="8">Cimic Group's profit result was a miss versus estimates, and was at the bottom end of the prior guidance range. However 2022 guidance represents 5%-14% growth year on year. The company is targeting cash flow above 80% for 2022 having overcome some of the pressures of the last two years. Achieving this could be a positive catalyst. Contract wins in the second half appear to reflect covid delayed work, and give the company a robust pipeline.</td></tr>
<tr><td>CCX - City Chic Collective</td><td>IN LINE</td><td>0</td><td>0</td><td>4/1/0</td><td>6.09</td><td>5.33</td><td>5</td></tr>
<tr><td colspan="8">City Chic Collective reported in line with its pre-release. It would seem the stock price plunge was a response to the company's decision to spend big on inventories. Omicron appears to be dampening consumer propensity to spend on clothing while the business itself is becoming substantially more working capital intensive due to the inventory build underway. But the fat lady hasn't sung. While it's a risky move, most brokers believe it is a good idea, to combat supply constraints. For UBS (Buy), a build in inventory is expected to result in growth for revenues and market share. Morgan Stanley (Buy) notes downside is now limited.</td></tr>
<tr><td>CWY - Cleanaway Waste Management</td><td>BEAT</td><td>0</td><td>0</td><td>3/4/0</td><td>3.01</td><td>3.18</td><td>7</td></tr>
<tr><td colspan="8">Cleanaway Waste Management's result beat all forecasts by varying amounts. The economic recovery, new contracts and assets and higher commodity prices resulted in a 13% net revenue beat versus expectation. Margins were nevertheless a little weaker. The company suggested second half earnings will be similar to the first half outcome, and Macquarie (Buy) notes the announced restriction easing in both Victoria and NSW could offer upside risk. Cleanaway also announced it will move to 100% stakes in the energy from waste facilities in Melbourne and Queensland, compared with the JV it was planning in</td></tr>
</table>

<table>
<tr><td colspan="8">Sydney, which Credit Suisse (Hold) thinks is a good idea.</td></tr>
<tr><td>CBO - Cobram Estate Olives</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>2.21</td><td>1.94</td><td>1</td></tr>
<tr><td colspan="8">Cobram Estate Olives' first half results were mixed with cash flow and profit ahead of expectations but operating earnings were affected by lack of volume in spot bulk oil in the US. Ord Minnett believes the company is on track to hold and grow its position as a major operator in extra virgin olive oil in the US market. A strong second half is expected in Australia, helped by lower water prices and higher local oil volumes.</td></tr>
<tr><td>COH - Cochlear</td><td>BEAT</td><td>3</td><td>0</td><td>3/3/0</td><td>213.17</td><td>225.70</td><td>6</td></tr>
<tr><td colspan="8">Cochlear 's first half profit was ahead of estimates amid strong revenue growth and better cost control. Covid continued to hamper trade but margins managed to outpace thanks to a reduction in operating expenses and R&D. FY guidance has been retained. The second half is expected to be weighted to the same segments, as operating theatre capacity remains constrained. Capacity and staffing issues continue to drag but easing restrictions should see a surgical backlog addressed, increasing optimism in the company's outlook. Three upgrades - two to Buy and one to Hold - despite a share price pop, underscore a shift in broker confidence.</td></tr>
<tr><td>CDA - Codan</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>12.10</td><td>11.60</td><td>1</td></tr>
<tr><td colspan="8">Performance from Codan's recent acquisitions were a highlight in the first half result, Macquarie notes, with DTC and Zetron ahead of targets. DTC reported earnings of $10m in the first half on a full year target of $14m, while Zetron's $6m first half earnings compares to an $8m full year target. DTC and Zetron are due to ship $36m and $22m in the second half respectively, and Codan is confident in the ability to significantly grow future profitability.</td></tr>
<tr><td>COL - Coles Group</td><td>BEAT</td><td>1</td><td>0</td><td>2/3/0</td><td>18.42</td><td>18.71</td><td>5</td></tr>
<tr><td colspan="8">Coles Group's result outpaced forecasts, largely because brokers overestimated costs by using the other supermarket's numbers as a guide. This signals the company can successfully manage the volatility related to the pandemic. Credit Suisse (Hold) anticipates market growth will slow further as expenditure moves to food service in the absence of mobility restrictions, and customers become more value conscious as inflation gains momentum. However, UBS (upgrade to Hold) suggests the Smarter Selling cost saving program is thought to have offset a negative channel shift to online and helped reduce the negative covid impact.</td></tr>
<tr><td>CBA - CommBank</td><td>BEAT</td><td>0</td><td>0</td><td>0/2/5</td><td>89.21</td><td>91.48</td><td>7</td></tr>
<tr><td colspan="8">Commonwealth Bank's first half profit took everyone by surprise, thanks to higher revenues, lower expenses and a provision return. On the other hand, the decline in net interest margin was greater than brokers feared. From here management and brokers expect a further NIM decline in the second half, before stabilising in FY23. Any RBA rate rises in the second half will be a positive, but not immediately. While CBA again proved to be the superior major, brokers will now and forever more consider the stock to be overvalued against peers, despite an anticipated $2bn buyback being brought forward.</td></tr>
<tr><td>CPU - Computershare</td><td>BEAT</td><td>0</td><td>0</td><td>3/1/2</td><td>20.44</td><td>22.90</td><td>6</td></tr>
<tr><td colspan="8">Computershare's result either met of beat forecasts but an unexpected 7% increase to FY guidance cements a beat, attributed to increased expectations for margin income and a better than expected performance from the Wells Fargo Corporate Trust Business. The upgrade confirms strong operating trends across the group and a successful start to the Corporate Trust acquisition, and includes a forecast 25bp Fed rate hike in April (when the world expects March, and maybe even 50bp). A spread of ratings reflects disagreement on current valuation.</td></tr>
<tr><td>CBL - Control Bionics</td><td>MISS</td><td>0</td><td>0</td><td>1/0/0</td><td>1.32</td><td>1.32</td><td>1</td></tr>
<tr><td colspan="8">A higher cost base contributed to lower first half results than Morgans had forecast for Control Bionics. Nonetheless, the broker retains its Speculative Buy rating, and notes a record number of devices shipped in North America over November and December, and a growing sales pipeline. No changes are made to Morgans' forecasts.</td></tr>
<tr><td>COE - Cooper Energy</td><td>IN LINE</td><td>0</td><td>0</td><td>1/1/2</td><td>0.27</td><td>0.29</td><td>4</td></tr>
</table>

Cooper Energy's first half loss of -$6m equally beat or missed what were clearly diverse forecasts, backed up by diverse ratings. In a change of investment theses, Morgans (Buy) no longer sees the stock as an oversold value play, and expects upside if the company can bed down increased Sole production and Otway growth. A delay to the remainder of the phase 2B works at Orbost due to disruptions in the supply chain is seen as a negative by Morgan Stanley (Hold) and Macquarie (Sell), the latter also suggesting the company may be headed towards recapitalisation in order to coordinate Orbost works and new development.							
CRN - Coronado Global Resources	**IN LINE**	0	0	3/0/0	2.00	2.05	3
Coronado Global Resources' 2021 earnings and profit fell short of Macquarie due to higher logistics costs, however the strong free cash flow was in line. Profit beat Credit Suisse estimates largely because tax losses were carried forward at Curragh. Morgans doesn't quantify, so we settle for in-line. The miner announced a surprise US9c dividend and will look to buy back US100m of debt. The five-year production outlook target at Curragh and in the US is now slower than previously anticipated, with the Curragh 50mt expansion an incremental option that is under assessment. But realised pricing, earnings and cash flow have increased materially into 2022 and the tailwind is expected to continue through the year, with met coal spot prices well above current forecasts.							
CTD - Corporate Travel Management	**BEAT**	0	0	6/0/0	25.99	28.06	6
Corporate Travel Management's result beat most forecasts. Underlying earnings were positive in all of North America, Europe and A&NZ, despite delta and omicron. Management noted that travel volumes in February are rebounding rapidly in the UK and North America as restrictions have been lifted, providing a precedent for other regions, including other European countries and A&NZ. Despite a reinvestment in capacity, earnings are increasing ahead of revenue due to cost efficiency, vertical integration and automation. A more pronounced second half skew is anticipated.							
CGC - Costa Group	**BEAT**	0	0	2/2/0	3.56	3.64	4
Costa Group posted a clear beat of second half forecasts, despite ongoing covid impacts. Strong contributions from berries, mushrooms and tomatoes drove material improvement in Produce and supported the result. Guidance was not provided for the coming year, but the company alluded to a strong start and further improvement. 2022 is also expected to benefit from a full year of the 2PH acquisition. UBS (Hold) notes the difficult years of the past were due to factors outside of the company's control, and Costa is now believed to be poised for multi-years of strong growth.							
CCP - Credit Corp	**IN LINE**	0	0	3/0/0	35.93	37.37	3
Credit Corp's result was a miss, due to higher than expected upfront loan provisioning. As this is due to accelerated volumes over November and December, it is in effect a positive "miss" and the result was otherwise roughly in line with forecasts. Macquarie sees growth opportunities ahead as currently soft PDL conditions normalise, backed by cash flow and balance sheet capacity. The company's US market share has doubled over the past couple of years to 10%. Management upgraded its FY22 purchased debt ledger (PDL) acquisition guidance, which includes Radio Rentals, which would be the highest level of annual capital deployment in the company’s history.							
CMW - Cromwell Property	**MISS**	0	0	1/1/0	1.03	1.03	2
Cromwell Property Group's result fell short of Morgans, due to asset sales, leasing outcomes, higher foreign ownership land tax and corporate costs. Leasing markets remain challenging. The strategic review is progressing and the underlying business has seen no major changes, with assets under management and net tangible asset value stable, the broker notes. Looking forward, Cromwell wants to position itself as a capital-light fund manager with a focus on simplification, and growth in funds under management via new products, including a pending listed office REIT. While the group's 1H gearing strayed above the 30-40% target range, Ord Minnett (Buy) notes this will be rectified by the transition into a fund manager and the sale of warehoused assets.							
CWN - Crown Resorts	**MISS**	0	0	1/2/0	13.57	13.27	3

<table>
<tr><td colspan="8">Crown Resorts' first half earnings missed expectation due to covid impacts. While UBS still considers the stock a Buy on the recovery play, brokers assume the Blackstone takeover bid will be successful. Nevertheless, Credit Suisse warns that if AUSTRAC fines Crown more than -$750m, it will give suitor Blackstone a chance to exit.</td></tr>
<tr><td>CSL - CSL</td><td>BEAT</td><td>2</td><td>0</td><td>5/0/0</td><td>312.94</td><td>317.42</td><td>6</td></tr>
<tr><td colspan="8">CSL's result met guidance but comfortably beat broker forecasts on better Behring cost management and a stronger Seqirus performance. For the latter, seasonal flu vaccines surprised to the upside. Plasma collections are on the rise following covid-driven weakness. As there is a lag of around 9 months from plasma collection to finished product, this suggests a more favourable FY23. Ord Minnett believes the tide has turned, and upgrades to Accumulate. Morgan Stanley agrees a bottom has now been seen, and also upgrades, to make five from five.</td></tr>
<tr><td>DCN - Dacian Gold</td><td>MISS</td><td>0</td><td>0</td><td>1/0/0</td><td>0.25</td><td>0.25</td><td>1</td></tr>
<tr><td colspan="8">Higher operating and exploration costs drove a disappointing result for Dacian Gold in the first half, with loss after tax of -$43m more than double that expected by Macquarie. Despite the first half loss, the company continues to guide to a strong end to FY22 given exposure to higher grade and thicker portions of the pit moving forward. Loss per share more than doubles for FY22, and earnings per share estimates have been reduced through to FY25.</td></tr>
<tr><td>DBI - Dalrymple Bay Infrastructure</td><td>MISS</td><td>0</td><td>0</td><td>2/0/0</td><td>2.59</td><td>2.50</td><td>2</td></tr>
<tr><td colspan="8">Dalrymple Bay Infrastructure's 2021 earnings were flat on 2020 as expected by Morgans, but missed Credit Suisse. 2022 dividend guidance is within the target growth range. Cost savings came through new interest rate swaps delivering a decline on principal hedged, but this saving to reverse over coming years as average credit margins expand with ESG/anti-coal sentiment impacting cost and availability of new debt. The company is negotiating price with customers collectively, increasing customer bargaining power and limiting opportunity for differentiated pricing. Should negotiations fail, arbitration by the QCA would take around 30 weeks and drag price uncertainty into 2023, Credit Suisse notes. Dalrymple's appeal is in its strong cash yield and potentially strong terminal charge-driven earnings growth over coming years, Morgans suggests.</td></tr>
<tr><td>DTC - Damstra Holdings</td><td>MISS</td><td>0</td><td>0</td><td>0/1/0</td><td>0.44</td><td>0.25</td><td>1</td></tr>
<tr><td colspan="8">Damstra Holdings had pre-guided so no surprises in the key numbers of revenues and recurring sales, but while management reiterated FY revenue guidance it also lowered its target earnings margin to 2-5% from 15-20%. The result itself still surprised to the downside because of a Newmont loss, covid headwinds and reinvestments, reports the broker, who has taken the view that risks seem balanced at the current share price. Estimates have been lowered, which translates into deeper losses for longer.</td></tr>
<tr><td>DTL - Data#3</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>6.46</td><td>6.46</td><td>1</td></tr>
<tr><td colspan="8">Data#3's first half result outpaced upgraded guidance from January, with earnings growth nearly doubling revenue growth, thus leveraging returns, notes Morgans. Earnings and dividends rose 32% year on year and public cloud revenue rose 35%, accounting for 47% of revenue, while 67% of revenue is now recurring. Consulting revenue rose 65% and Morgans notes a large order book is likely to battle it out with supply constraints in FY23, and management provides no further specific FY22 guidance, other than to expect the usual second half profit skew.</td></tr>
<tr><td>DDH - DDH1</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>1.62</td><td>1.65</td><td>1</td></tr>
<tr><td colspan="8">DDH1's revenue and earnings beat Macquarie by 5% and 1%. It was a solid result, the broker suggests, given covid headwinds in the first half. Key metrics, and organic growth, were strong. Management notes strong industry fundamentals are driving demand with the business well-positioned to pursue organic and M&A growth opportunities. The medium-term growth outlook remains positive, the broker notes, underpinned by strong industry conditions, expansion of the drill rig fleet, higher utilisation and improving rates.</td></tr>
<tr><td>DEL - Delorean Corp</td><td>MISS</td><td>0</td><td>1</td><td>0/1/0</td><td>0.27</td><td>0.21</td><td>1</td></tr>
</table>

Delorean Corp reported a greater loss then Morgans had forecast, as covid continued to impact the Engineering division and Energy Retail faced tighter margins. While the company will continue to experience a challenging operating environment in the second half, Morgans anticipates the worst could be behind it. The balance sheet has also tightened with cash falling on significant operating outflows in the first half. Delorean is positioned well in the green energy thematic and potentially has a long growth runway ahead of it, Morgans suggests, but near term labour and material market tightness continue to present short term risk.							
DRR - Deterra Royalties	**IN LINE**	0	0	1/3/0	4.46	4.53	4
Deterra Royalties reported in line with its pre-release and forecasts, and the dividend was as expected. The focus now shifts to the future, as management updated its strategy featuring rebalancing of bulks, base metals and battery metals. ESG will be a central driver of the investment process. The company has run the ruler over a number of M&A opportunities but has not found enough value to date. A new $350m debt facility will improve the ability to pay for assets when competing with peers. Iron ore prices continue to drive upside risk and Deterra also highlighted a new capital management plan.							
DXS - Dexus	**BEAT**	0	0	4/1/0	11.52	12.02	5
Dexus Property Group's first half funds from operations beat forecasts on stronger property and co-investment income performances, low interest expense and good management operations. But elevated overheads, capital expenditure and weak trading profits disappointed. That said, brokers are upbeat looking ahead. FY guidance was retained, suggesting a weaker second half, but Macquarie (Buy) believes guidance to be conservative. Ord Minnett (Buy) expects the REIT to finish FY22 well ahead of consensus, noting portfolio improvement through selling lower-quality office assets and redeploying capital accretively into funds under management and developments.							
DXC - Dexus Convenience Retail REIT	**IN LINE**	0	0	1/0/0	4.00	4.11	1
Dexus Convenience Retail REIT just recently upgraded guidance hence its first half result held no surprises for Morgans. FY22 funds from operations are guided to be 5.5% up on last year. Portfolio metrics remain solid, the broker suggests, the REIT trades at a 6% yield, a buyback is underway and management is considering divestments and asset recycling.							
DXI - Dexus Industria REIT	**BEAT**	0	0	2/0/0	3.56	3.62	2
Dexus Industria REIT's result beat Macquarie, while Morgans doesn't quantify, after a busy period featuring strong leasing activity and equity-funded acquisitions. FY guidance is unchanged but Macquarie suggests upside risk thanks to strong net property income, appreciating the REIT's deployment of capital, below-target gearing, a -7% discount to net tangible asset value and a possible buyback on the cards. Morgans sees an attractive distribution yield backed by solid underlying portfolio metrics and near/medium term growth opportunities from the pipeline of developments.							
DHG - Domain Australia	**IN LINE**	0	0	1/3/0	5.52	4.91	4
Domain Group's result equally beat, met and missed forecasts. Looking ahead the company noted second half listings will be cycling off strong 45% growth in the previous comparable period. Tough comparables alongside an upcoming Federal election may subdue volume growth in the coming half. Controllable yields suggest improving trends in the December quarter and Credit Suisse notes depth penetration improved across all states, although it expects this to moderate as competitive pressure builds. Similarly, Ord Minnett points out market leader REA Group remains on track for continued outperformance compared to Domain, in terms of Tier-1 depth growth.							
DMP - Domino's Pizza Enterprises	**MISS**	2	0	4/2/0	124.18	101.47	6
The market clearly expected great things from Domino's Pizza, as the sharp response to the result had brokers surprised and has led to two ratings upgrades. Ord Minnett (Accumulate) points out that being a beneficiary of the pandemic, Domino's Pizza is now having to cycle large comparables from last year. Profitability in Asia underperformed expectation, after a retracement of higher covid-induced margins from last year, though new corporate store openings should again improve margins going forward. While costs have been a focus in Europe in particular, the company has indicated there are enough efficiencies							

and menu innovation to avoid price increases in the second half.							
DOW - Downer EDI	MISS	0	1	3/2/0	6.42	6.18	5
Consensus has Downer EDI's result as a miss, leading Macquarie (Buy) to suggest the company remains a recovery play. Covid and weather disruptions were to blame and as covid issues are ongoing, management has withdrawn guidance. UBS (Buy) nevertheless believes the market was not paying attention, and consensus was too high. While management expects labour problems to ease in the second half, Credit Suisse does not find the stock's current pricing low enough to reap value once normalisation occurs, and downgrades to Hold. Buy-raters are otherwise upbeat. Extra impetus is expected from the energy transition.							
DUB - Dubber Corp	MISS	0	0	0/1/0	3.30	1.84	1
While first half results for Dubber Corp were largely pre-reported, an earnings loss of -$30m was significantly above the -$15m expected by UBS. The increased loss was considered mainly due to higher than expected share-based payments. While growth can be funded organically following the loss, in the broker's opinion, the focus may turn away from M&A. The target price is unchanged after revenue upgrades were offset by lower gross margins and materially higher share-based payments expenses.							
APE - Eagers Automotive	BEAT	0	0	5/0/0	17.81	17.86	5
Eagers Automotive reported a 92% year on year increase in profit, ahead of the top of its guidance range. The order book is up 215% year on year, which Morgans estimates is four-plus months of deliveries, as demand outstrips supply. Strong gross margins were achieved and while ultimately unsustainable, brokers assume, they should at least continue through 2022, with resilience provided by embedded gross profit in the order book, countering lockdown impacts, and ongoing efficiencies. Management is less confident regarding the timing for a resolution of supply constraints, but further consolidation provides for further upside.							
EPY - EarlyPay	BEAT	0	0	1/0/0	0.56	0.64	1
Earlypay reported first half profit well ahead of guidance updated in early February, and earnings up 42% year on year. Momentum continued from the last half, Morgans notes, stepping up invoice finance, lease originations and new client growth. FY guidance was again upgraded. Earlypay has shown resilience through the covid period and is now showing accelerated momentum, says the broker. If the group can prove its technology-led strategy can deliver sustainable client growth, Morgans expects a multiple re-rating to be achieved on a higher earnings base.							
EBO - Ebos Group	BEAT	0	0	2/2/0	38.56	40.19	5
Ebos Group delivered another solid result in the first half, beating forecasts, with revenue up 13% and earnings up 14%. Second half earnings growth will see a meaningful contribution from the LifeHealthcare acquisition. No guidance was provided, and management warned of covid uncertainties. However, the new $80m pet food manufacturing facility remains on track and this will help Ebos achieve Animal Care division mid-teens earnings margins.							
ECF - Elanor Commercial Property Fund	IN LINE	0	0	1/0/0	1.08	1.13	1
Elanor Commercial Property Fund reported first half results largely in line with Ord Minnett's expectations. The broker believes guidance is conservative as it does not reflect the agreement signed at Cannon Hill. The company has reaffirmed FY22 distribution guidance of 9.4c per security. Ord Minnett notes lease expiries are being actively managed successfully and further asset growth is expected going forward.							
EHL - Emeco Holdings	IN LINE	0	0	1/0/0	1.36	1.21	1
Emeco Holdings reported in-line with its pre-released numbers. It was a solid operating result across the segments, Macquarie notes, despite some labour and weather headwinds that should ease through 2022. The demand environment remains strong, underpinning the outlook for growth in second half accelerating in FY23. The broker considers valuation to be undemanding, supported by the dividend and share buyback program.							

<table>
<tr><td>EML - EML Payments</td><td>IN LINE</td><td>0</td><td>0</td><td>3/0/0</td><td>4.11</td><td>4.13</td><td>3</td></tr>
<tr><td colspan="8">Three broker's have homed in on different metrics in assessing EML Payments' result, which we'll net out to in-line. The pre-Christmas omicron wave in the northern hemisphere impacted on mall volumes, However FY guidance remains unchanged. With Irish distractions becoming less of a feature, evidenced by a recovery in gross payment volume as well as uncapped leverage to rising rates in multiple jurisdictions, EML appears likely to enter an earnings upgrade cycle, Macquarie suggests, following 12 months of earnings downgrades.</td></tr>
<tr><td>EDV - Endeavour Group</td><td>BEAT</td><td>0</td><td>0</td><td>0/4/0</td><td>6.86</td><td>7.20</td><td>4</td></tr>
<tr><td colspan="8">Clearly we all drank too much during lockdowns, and then over-celebrated when lockdowns were lifted, if Endeavour Group's solid first half beat is anything to go by. Locked-down pokies for half the period nevertheless led to flat Hotel earnings. Margins and the cost of doing business have both been well-managed, but uncertainty may persist near term, as reflected in sales for the first six weeks of the second half tracking slightly behind as we all settle down, hence Hold ratings. Capex is poised to increase, as is typical for a recently de-merged business, but the business remains well-funded.</td></tr>
<tr><td>EQT - EQT Holdings</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>38.00</td><td>38.00</td><td>1</td></tr>
<tr><td colspan="8">Ord Minnett notes operating leverage was important within EQT Holdings' first half results release. Earnings beat the broker's forecast by 9%. While the broker upgrades earnings forecasts by 6-7% over the forecast period, the target price is unchanged. It's felt the company is well placed for any M&A activity with a strong capital base.</td></tr>
<tr><td>EHE - Estia Health</td><td>IN LINE</td><td>0</td><td>0</td><td>0/2/0</td><td>2.43</td><td>2.20</td><td>2</td></tr>
<tr><td colspan="8">Estia Health's first half result met Macquarie's forecasts but spot occupancy trends eased in December and January, suggesting weakness ahead. The broker tempers its views accordingly and takes a conservative approach to covid, cutting earnings forecasts. Favourable medium-longer term fundamentals for the sector are balanced against near-term covid-induced earnings risk and the uncertainty around funding. Without details regarding the new funding model from the government forecasting future earnings is difficult, notes Ord Minnett, although the broker is confident the new system will ensure earnings are, at the least, maintained.</td></tr>
<tr><td>EVT - Event Hospitality & Entertainment</td><td>BEAT</td><td>0</td><td>0</td><td>2/0/0</td><td>17.93</td><td>18.54</td><td>2</td></tr>
<tr><td colspan="8">Event Hospitality & Entertainment's first half results revealed a number of positive elements combining fortuitously and the mix proved better than brokers expected. Ord Minnett points out the company was lucky domestic cinemas happened to be open when two blockbusters were screening. The German cinema business also benefited from government support. Meanwhile, the hotels will take longer to recover and refurbishments will also be an obstacle. Still, Ord Minnett believes the business is in a strong position to leverage the inevitable recovery in travel/experience as concerns surrounding the pandemic ease. Citi is unsure of the sustainability of the cost cuts given covid has obscured the picture but expects they should continue to support margin expansion and returns in the near term.</td></tr>
<tr><td>EVN - Evolution Mining</td><td>IN LINE</td><td>0</td><td>3</td><td>1/4/1</td><td>4.21</td><td>4.07</td><td>6</td></tr>
<tr><td colspan="8">Following a weak December quarter production report, expectations were low for Evolution Mining's first half earnings and the result only confirmed such. The 3c dividend nevertheless surprised most brokers to the upside. While management has flagged a stronger operational performance and dividend in the second half, comments around widely experienced cost pressures could begin to weigh on the long-term outlook. Concerns remain over minimal cash flows and elevated gearing. Year on year reserve and resource growth was primarily driven by three acquisitions over 2021. Three brokers downgrade, including Credit Suisse to Sell.</td></tr>
<tr><td>EXP - Experience Co</td><td>MISS</td><td>0</td><td>0</td><td>1/0/0</td><td>0.48</td><td>0.48</td><td>1</td></tr>
</table>

Operating conditions were extremely challenging in the first half and Experience Co's net loss of -$3m was greater than Ord Minnett expected. Yet the decision to change strategic direction and acquire a business with a local customer base in Treetops Adventure could be a turning point, the broker asserts. A material earnings improvement is now possible, in the broker's view, even if inbound visitor numbers are subdued or New Zealand remains off-limits.							
FCL - Fineos Corp	**BEAT**	0	0	2/0/0	4.39	3.98	2
Fineos Corp's first half revenue was ahead of Macquarie's forecasts and reflected new installations, upgrades and migrations from platforms. Subscription revenue guidance has been reaffirmed for FY22, which implies 20% growth in the second half. Revenue is expected to be at the lower end of the guidance range as services revenue will moderate to reflect both budgetary challenges for insurance carriers and more reliance on system integrator partners. Citi remains a believer in the longer-term growth story, but for the time being has adopted growth numbers that are below management's guidance/ambitions.							
FBU - Fletcher Building	**BEAT**	1	0	4/0/0	8.60	9.30	4
One of either or both of Fletcher Building's result and FY guidance exceeded forecasts, particularly that of Macquarie, who joins the pack with an upgrade to Buy, given the result went some way to assuaging some of the broker's structural concerns. A 50% increase in dividend also surprised. Citi suggests the residential backlog should underpin earnings for multiple years while margins appear on track to meet 10% earnings growth guidance. Morgan Stanley calls the stock too cheap to ignore.							
FLT - Flight Centre Travel	**MISS**	0	0	0/3/2	18.59	17.54	5
It was a miss for Flight Centre, but brokers are circumspect, as the first half was a challenging period with omicron impacts compounded by cost reinvestment for re-opening economies. But while omicron hit December-January, February is seeing material improvement, and the only way is up. Brokers agree the rebound will be swift. But there is disagreement on whether the company will need yet more funds. Morgans (Hold) suggests Flight Centre has plenty of liquidity while Citi (Sell) believes that coming out of hibernation, the company faces the need for extra-investment. Either way, brokers believe valuation is either fair or full.							
FMG - Fortescue Metals	**IN LINE**	0	1	0/3/4	17.64	17.11	7
While Fortescue Metals' result was in line with forecasts, and FY guidance is unchanged for production, costs and capex, not everyone saw the extent of the dividend cut coming. Macquarie downgrades to Hold, now assuming a cut in payout ratio to 70% from 80% in the long term, with cash reallocated to Fortescue Future Industries. This means unlike iron ore peers, Fortescue can't buy a Buy. Ord Minnett (Hold) suspects management's intention to direct 10% of net profit towards FFI is a very conservative estimate. Citi (Sell) is not yet prepared to ascribe any premium to the iron ore miner's green energy ambitions. At least ESG brownie points are on offer.							
GUD - G.U.D. Holdings	**BEAT**	0	0	5/0/0	14.84	15.65	5
GUD Holdings beat revenue forecasts and solidly beat earnings on a surprise increase in margins in times of supply shortages and higher costs. This was put down to a strategy to build inventories, at the cost of cash conversion, to ensure ongoing customer service, which has resulted in increased market share and price increases. Auto was the clear driver, with Water again disappointing. Given robust momentum in Auto, and the benefits to be provided by recent acquisitions, brokers believe FY guidance to be too conservative and anticipate an upgrade in the near term.							
GEM - G8 Education	**BEAT**	0	0	1/1/0	1.15	1.37	2
G8 Education delivered a 5% beat of guidance, with solid cost control in a challenging environment a key highlight for UBS (Buy). It's felt the worst impacts of omicron have passed and pricing increases in January are more than offsetting labour and other cost pressures. Macquarie (Hold) still sees margin pressure from wages and covid-induced occupancy challenges, but notes signs of a turnaround, with 21 out of 52 impaired centres now exited and centres within the Improvement Program showing earnings growth.							
GDF - Garda Property	**BEAT**	0	0	1/0/0	1.71	1.83	1

<table>
<tr><td colspan="8">Garda Property Group's first half result pleased Morgans, thanks to improved portfolio occupancy. Revaluation since October triggered a 14% upswing in portfolio value and another round of revaluations is expected by June. The company has announced the purchase of a commercial property in Melbourne's Hawthorn East and plans to offload its industrial property at Heathwood in Queensland. Target price rises on net asset valuation.</td></tr>
<tr><td>GDG - Generation Development</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>1.82</td><td>1.81</td><td>1</td></tr>
<tr><td colspan="8">First half underlying profit for diversified investment and financial services company Generation Development Group were a 40% beat versus Morgans expectations. The first half saw 44% funds under management growth, and a stable Investment bond revenue margin, indicative of a continuing solid future growth profile, the broker suggests. While the broker materially raises its FY profit forecast, remaining years are largely unchanged.</td></tr>
<tr><td>GMA - Genworth Mortgage Insurance Australia</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>3.70</td><td>3.25</td><td>1</td></tr>
<tr><td colspan="8">Genworth Mortgage Insurance Australia had pre-released its 2021 financials, but still surprised through the announcement of a 12c ordinary dividend, plus a 12c special dividend, on top of the existing $100m buyback which, Macquarie reports, is to date still only 2.4% complete. The separation program is running on time and is due to complete in the March quarter, although some costs will continue to be incurred into the second half 2022. The broker substantially lifts earnings forecasts, reflecting improved long-term loss ratio expectations following more bullish short to medium term commentary from the company. Target falls due to a higher risk-free rate assumption.</td></tr>
<tr><td>GMG - Goodman Group</td><td>BEAT</td><td>0</td><td>1</td><td>4/1/0</td><td>25.82</td><td>27.17</td><td>5</td></tr>
<tr><td colspan="8">Following a forecast-beating first half, Goodman Group has issued its second earnings guidance upgrade for the year, now guiding to 20% growth on FY21. Macquarie (Buy) believes company commentary indicates 23% growth is likely, and notes further upside risk given the track record. The outlook for development earnings is very strong, with rising work-in-progress in the past two years and continued margin expansion. Goodman also has $240m of earnings earned but not yet realised. The balance sheet is strong, earnings profile solid and the REIT boasts strong leverage to the industrial sector. Ord Minnett downgrades to Hold on valuation.</td></tr>
<tr><td>GPT - GPT Group</td><td>MISS</td><td>0</td><td>0</td><td>0/5/0</td><td>5.40</td><td>5.46</td><td>5</td></tr>
<tr><td colspan="8">GPT Group's first half result and FY guidance missed forecasts, driven by additional lockdown rent relief and normalisation of expenses, particularly in office. Management expects asset prices to hold up, but brokers see weaker income prospects from retail and office assets, despite fixed annual rental increases across the investment portfolio providing a partial hedge against inflation. Investment in industrial should remain a positive. The outlook is weighed down by a series of minor though niggling issues, including quiet CBDs and increasing corporate costs. However, upside is considered possible in 2022, especially if the recovery is rapid for Melbourne Central retail.</td></tr>
<tr><td>GQG - GQG Partners</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>2.40</td><td>2.27</td><td>1</td></tr>
<tr><td colspan="8">2021 results for GQG Partners were broadly in-line with both prospectus forecasts and Morgans' expectations. A strong relative performance for the four strategies is considered to help the near-term flows outlook. The broker feels broader sector de-rating shouldn't apply to the company as investment performance and flows remain solid. While the key risk is seen as the reliance on CIO Rajiv Jain, management is aware and the risk should be diluted over time.</td></tr>
<tr><td>GOZ - Growthpoint Properties Australia</td><td>BEAT</td><td>1</td><td>0</td><td>1/2/0</td><td>4.33</td><td>4.47</td><td>3</td></tr>
<tr><td colspan="8">Having delivered first half funds from operations of 13.6 cents per share, equating to 7% growth on the previous comparable period, Macquarie was surprised by Growthpoint Properties' reiteration of full year guidance of at least 27.0 cents per share. The broker sees little downside risk in the second half. Growthpoint has around 8% of expiries in FY22, but 5% of these are tied to the Woolworths Larapinta lease where a notice of intention to exercise a 5-year option has already been issued. Macquarie upgrades to Buy. The result beat Credit Suisse, who notes gearing is low, the cost of debt has eased, debt is 58%</td></tr>
</table>

<table>
<tr><td colspan="8">hedged, and the company is trading at a -9% discount to net tangible asset value. Ord Minnet considers tenant retention rate of 93% is a standout.</td></tr>
<tr><td>GWA - GWA Group</td><td>IN LINE</td><td>0</td><td>0</td><td>2/1/0</td><td>3.21</td><td>3.04</td><td>3</td></tr>
<tr><td colspan="8">GWA posted earnings roughly in line with forecasts, managing to offset covid restrictions, supply shortages et al with price rises and still gain market share. A further price rise is planned to offset freight costs. The market environment was disrupted by covid in the half, brokers note, but seems to be gaining solid momentum, especially in renovation categories. Morgans takes a cautious approach due to uncertainty around labour availability and supply chain disruption but maintains Buy. Credit Suisse (Hold) awaits a brand portfolio review to shed light on growth prospects. Macquarie (Buy) continues to see the market developing favourably.</td></tr>
<tr><td>HSN - Hansen Technologies</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>6.50</td><td>6.50</td><td>1</td></tr>
<tr><td colspan="8">Hansen Technologies' first half results were ahead of expectations. Ord Minnett considers M&A the potential catalyst ahead, as there is ample debt funding capacity. Guidance has been maintained for a marginal improvement in operating revenue in FY22. The broker highlights the company's track record in acquisitions, a diverse business and strong cash flow. As a small cap industrial, the broker believes the stock is inexpensive.</td></tr>
<tr><td>HMY - Harmoney</td><td>MISS</td><td>0</td><td>0</td><td>1/0/0</td><td>3.11</td><td>2.42</td><td>1</td></tr>
<tr><td colspan="8">Harmoney Corp posted a discordant first half, well short of Ord Minnett's forecasts, despite lower cost of funds, as high investment costs in marketing, people and systems overwhelmed an otherwise solid result. Revenue outpaced by a decent clip (up 75% since June 2021). The broker expects cheap funds will continue, reducing impairments and maintaining a stable risk operating environment, and notes 37% growth in the loan book suggests the company is building repeat customer business as market share and brand awareness rise. Buy rating retained with the company trading at a significant discount.</td></tr>
<tr><td>HVN - Harvey Norman</td><td>BEAT</td><td>0</td><td>0</td><td>4/1/0</td><td>6.08</td><td>6.05</td><td>5</td></tr>
<tr><td colspan="8">An -8.4% like-for-like sales decline in the first half, reflective of store closures and a tough previous comparable period, impacted on Harvey Norman's results. Revenue and net profit were down -9% and -7% on the previous half. However, the performance was better than brokers had feared. The company booked an increase in the value of its property investments in the half, the highest incremental rise in years. All regions are seeing positive trading momentum for first seven weeks of the second half (other than Ireland, which is flat), pointing to improved performance. Macquarie (Buy) suggest demand remains strong for consumer electronics and whitegoods supported by strong savings ratio and low interest rates.</td></tr>
<tr><td>HLS - Healius</td><td>BEAT</td><td>0</td><td>0</td><td>4/2/0</td><td>5.33</td><td>5.14</td><td>6</td></tr>
<tr><td colspan="8">Healius' first half results beat all forecasts. While pathology was strong, imaging revenue was affected by lockdowns, more so than competitor Sonic Healthcare as Healius has a greater hospital exposure. But like Sonic, the carnival is likely now over for covid testing super-profits, with brokers expecting an easing of volumes into FY23. However, the flipside is the easing of restrictions that will provide for a recovery in the base-business, supported by margin improvement under the company's Sustainable Improvement Program.</td></tr>
<tr><td>HCW - HealthCo Healthcare & Wellness REIT</td><td>IN LINE</td><td>0</td><td>0</td><td>3/0/0</td><td>2.48</td><td>2.48</td><td>3</td></tr>
<tr><td colspan="8">The newly listed Healthco Heathcare & Wellness REIT reported in line with expectations, the result revealing a strengthening of portfolio metrics since the IPO. FY guidance was reiterated and Morgans believes the balance sheet provides future scope for acquisitions and development opportunities for the existing pipeline. Macquarie suggests the investment thesis revolves around capital allocation, the REIT needing to strike a successful balance between funding developments and recovering the dividend.</td></tr>
<tr><td>HLO - Helloworld Travel</td><td>IN LINE</td><td>0</td><td>0</td><td>1/1/0</td><td>2.61</td><td>2.59</td><td>2</td></tr>
</table>

Helloworld is probably an appropriate name for a travel agency as the border reopens. The company's result slightly missed Ord Minnet but was better than Morgans expected. While Corporate being profitable over the period was considered a highlight by Morgans (Buy), Ord Minnett (Hold) finds it hard to become comfortable regarding the real earnings capacity of the remaining business units after the sale of the corporate and government business. Rebuilding the inbound and wholesale business is likely to be difficult, although management has a strong track record in these segments. Morgans nevertheless considers the stock materially undervalued.							
HMC - HomeCo	**BEAT**	1	0	2/1/1	6.86	6.73	4
Home Consortium posted a clear beat on funds for operations and FY guidance was upgraded. However, both the FFO beat and guidance upgrade are considered lower quality by UBS (Sell), as they largely reflect trading profits on the sale of assets and the spin-off of the HealthCo Healthcare and Wellness REIT. Credit Suisse (Hold) expects further asset sell-downs to drive trading profits in the second half, leaving an earnings gap in FY23. Ord Minnett is otherwise backing management's ability to source accretive opportunities, and as the share price has pulled back over recent months, the broker upgrades to Buy.							
HDN - HomeCo Daily Needs REIT	**IN LINE**	0	0	1/1/0	1.62	1.62	3
HomeCo Daily Needs REIT's first half funds from operations were in line with forecasts. Morgans (Buy) believes the March 4 merger implementation with Aventus Group is set to build on existing solid portfolio fundamentals. Full year funds from operations guidance for the merged group has been upgraded by 3.5%. The REIT is a beneficiary of accelerating click and collect trends, while sites are located near areas of strong population growth. Macquarie is currently restricted. While Ord Minnett (Hold) believes there is potential for solid returns through the existing portfolio, caution prevails as there may be some sell-down stemming from existing Aventus unit holders once the merger has been implemented.							
HPI - Hotel Property Investments	**BEAT**	0	0	2/0/0	3.85	3.92	2
First half funds from operations for Hotel Property Investments were 9.8% above Ord Minnett's forecast. It's thought reaffirmed FY22 distribution guidance will be exceeded. The analyst highlights a strong net tangible asset value, which rose by 16%. The broker likes that Hotel Property Investments is working with Australian Venue Company to acquire operating pubs. Hotel Property Investments acquires the land and buildings, and AVC operates the pubs on long-term leases, with both parties effectively sharing the upside. Morgans suggests both the portfolio and balance sheet remain in a solid position.							
HRL - HRL	**MISS**	0	0	1/0/0	0.15	0.14	1
While Morgans noted solid revenue growth within HRL Holdings' first half results, profitability was impacted by softer demand in honey and dairy, accelerated capacity investment and covid challenges in the company's key NZ market. Nonetheless, the broker expects upside from the company's three year organic growth strategy and M&A ambitions. Should the latter not pan out, at current valuation levels there's considered potential for the company itself to be acquired.							
HT1 - HT&E	**IN LINE**	0	0	3/0/0	2.11	2.50	3
Broker quantifications of HT&E's result were here, there and everywhere, as a beat, a miss and an in-line would attest. We'll net to in-line. The outlook for the radio network shows improving revenue trends, and guidance for FY growth of 3-4% in metro and regional radio is consistent with expectations. The investment in digital audio is considered by brokers to be the right strategy, with a target for digital audio to be profitable in the next three years. Underlying cash flows will become more resilient post the Grant Broadcasters acquisition, given the larger proportion of government advertising in regional markets.							
HUB - Hub24	**BEAT**	0	0	4/0/0	33.99	34.46	4

Hub24's year on year earnings growth of 79% was ahead of expectation. Continued strong funds under management growth of around 40%pa is translating to revenue improvement as margins stabilise. A 10% beat on platform revenue margins more than offset a miss on cost forecasts and signals to Credit Suisse that the pressure on the front book revenue margins is now behind the company. Ord Minnett believes the platform is well-placed to increase its funds flows and market share over the next few years. Macquarie has moved Hub24 to preferred pick in the space.							
ICT - iCollege	MISS	0	0	1/0/0	0.21	0.21	1
First half results for iCollege were slightly below Ord Minnett's expectations. The company has highlighted the challenges faced by the domestic business because of the pandemic and the strong labour market is providing a disincentive for domestic students to sign up. The main positive stems from the re-opening of Australia's borders as new international student enrolment confirmations have doubled each month. Amid synergy realisation from the takeover, Ord Minnett expects a return of international students will drive revenue to $99m by FY24.							
IEL - IDP Education	BEAT	0	0	3/1/0	36.61	36.80	4
IDP Education's result met or beat forecasts, in Morgan Stanley's (Buy) case substantially. IELTs saw a significant growth in volumes thanks to the new Indian business, offset by softer pricing. Student placement volumes were flat but management expects a strong rebound in Australian student placements from the second half, and Morgans (Hold) expects a return to pre-covid volumes by FY23. IDP should benefit from the reopening of borders, given the company has a strong presence in India, and brokers forecast a very solid compound annual growth rate over the next few years.							
IGO - IGO	BEAT	0	0	2/0/1	10.68	12.83	4
After a mixed December quarter, in which the Nova project performed well on both production and costs but Greenbushes was low on production and high on costs, higher than expected realised pricing drove a first half earnings beat. Updated reserves from Greenbushes suggest mine life upwards of 25 years, and higher capex guidance is a pull-forward rather than an increase, management explained. Credit Suisse (Buy) believes IGO can capitalise on strong lithium demand in the medium term and expects peak pricing in FY23 as the company ramps up production. Morgan Stanley (Sell) is the outlier. No news on the proposed Western Areas merger.							
ILU - Iluka Resources	IN LINE	0	1	1/3/1	10.13	10.15	5
Iluka Resources reported in line with forecasts. Production guidance for 2022 is mostly above expectation. Key environmental approvals have been received and a feasibility study for the rare earths project should be completed by the end of March. One stumbling block was capex guidance around double that of broker forecasts, attributed to additional pre-feasibility studies. Credit Suisse is particularly shocked and downgrades to Sell. Citi (Hold) warns of risks from increased production from competitors and demand falling from the Chinese property market, while Macquarie is happy with Buy.							
IMD - Imdex	BEAT	0	0	1/1/0	3.00	3.20	2
Imdex' first half revenue and earnings beat Macquarie (Buy) by 13%, with revenue up a record 35%, but the result was in line with UBS (Hold). The second half has also started well, with strong underlying demand in all regions. Higher capex underpins further fleet growth. The outlook remains strong, underpinned by favourable industry conditions and the company's ongoing investment across the business and its core growth pillars. UBS points out an uplift in costs was reflective of a pull-forward of investment (largely headcount) to support the growing revenue base, rather than general cost inflation.							
IME - ImExHS	IN LINE	0	0	1/0/0	2.59	2.54	1
Radiology enterprise software provider ImexHS's 2021 results were in line with Morgans forecasts, and showed solid progress in a challenging period. Radiology service demand picked up in the December quarter and is considered to point to stronger growth in 2022. The broker feels earnings breakeven (as per guidance) on a run-rate basis in 2022 is very achievable. The Speculative Buy rating is unchanged.							
IPD - Impedimed	IN LINE	0	0	1/0/0	0.25	0.25	1

Morgans retains its Speculative Buy rating for ImpediMed after making only minor changes to forecasts following first half results. The results disappointed on revenue but were in line with the broker's earnings forecast. After PREVENT data were published during the half, the broker has hopes for a possible inclusion of the SOZO technology into National Comprehensive Cancer Network guidelines.							
IFM - Infomedia	BEAT	0	0	1/0/0	2.20	2.15	1
Following a positive first half result, Infomedia has upgraded full year revenue guidance, with UBS noting the bottom end of of the range implies flat half-on-half growth. Looking ahead, the SimplePart integration appears to be performing well and a first global deal is going live while further opportunities in Europe and Australia Pacific were flagged. Europe growth opportunities were also flagged for the Nidasu business.							
ING - Inghams Group	MISS	0	0	2/2/0	3.83	3.69	4
Inghams Group's result was a beat at face value but since the result management has already downgraded guidance further, disappointing brokers. Inghams has struggled from supply disruptions and inflation brought on by the covid waves (all following the drought) and it appears omicron has had the heaviest impact to date. Omicron is also emerging in NZ and impacting operations and the same is expected for WA upon reopening. Citi (Buy) expects most of the labour disruption will be contained to the March quarter and assumes a recovery in the FY23 December half. Macquarie (Hold) suggests the company's balance sheet should easily carry it through.							
IFL - Insignia Financial	BEAT	0	0	4/0/0	5.14	5.24	4
Insignia Financial's first half earnings were up 88% year-on-year and clearly beat broker forecasts. Odd fellows no more. Most important is the integration of MLC, and that process is progressing much faster than assumed, with much greater synergies on the horizon. The fund manager expects to realise its synergy target by the end of the year, 18 months earlier than expected. This leads Citi to the conclusion the market has been pricing in too much risk, and the shares thus look undervalued. More cost savings and integration expenditure have been flagged along with the possible sale of Australian Executors Trustees.							
IAG - Insurance Australia Group	IN LINE	0	1	4/1/2	5.06	4.98	7
Insurance Australia Group's result appeared to be a beat at the headline, but given many caveats suggested by unconvinced brokers it would be misleading to call it a beat. An increase in gross written premium was largely due to positive forex movement, and the underlying insurance margin was down year on year. Yet as Citi (Buy) notes, 6.2% earnings growth in the half was the best result in a long time time and supported a guidance increase. On the mix, Macquarie saw more negatives than positives but retains Buy simply on valuation. Citing risks ahead, Morgan Stanley and UBS both retain Sell. Morgans downgrades to Hold on valuation.							
IDX - Integral Diagnostics	IN LINE	0	0	2/3/0	4.70	4.41	5
Integral Diagnostics' had pre-released its results so no surprises. Restrictions on elective surgery, the reluctance/inability to attend healthcare services and staff shortages impacted patient activity in the first half. While brokers remain positive on the medium to longer term outlook, given attractive industry fundamentals and contributions from growth initiatives, the near term outlook remains uncertain. Rising staff costs, likely impending capital expenditure in the absence of enticing M&A opportunities, continued covid disruption, a likely bedding in of higher costs, and potential regulatory reductions to MRI bulk-billing, make a long list.							
IVC - InvoCare	BEAT	1	1	0/5/0	11.53	13.05	5
InvoCare reported a solid result, with funeral averages returning to pre-covid levels in A&NZ. Singapore restrictions remain a drag. No guidance has been provided, with management noting the impact covid continues to have on its workforce, supply chain, operations, and client families is difficult to predict and presents an ongoing risk through 2022. But brokers see two years of covid headwinds potentially now turning into tailwinds as restrictions ease. Thereafter, a growing and ageing population supports the long term theme. Citi has moved to upgrade to Hold, while Morgans downgrades to Hold on valuation.							
IPH - IPH	BEAT	0	0	2/0/0	9.43	9.61	2

<table>
<tr><td colspan="8">IPH delivered first half earnings up 10.7% year on year, driven by organic earnings growth of 10% in Asia and 5% in A&NZ, thanks to a net currency windfall and a small acquisition contribution. The company lost market share in domestic filings due to integration disruption and a reduction in filings from one large customer. Patent filing momentum continues in Asia, and IPH continues to explore M&A opportunity outside Australia, which could offer further upside potential to forecasts. The company's balance sheet allows for debt-funded acquisition and offshore expansion should support medium-term growth.</td></tr>
<tr><td>IRE - Iress</td><td>IN LINE</td><td>0</td><td>0</td><td>0/3/0</td><td>13.60</td><td>11.60</td><td>3</td></tr>
<tr><td colspan="8">Iress' 2021 result came in at the top end of a guidance range that was downgraded earlier to account for costs related to the EQT Holdings takeover bid. The company confirmed the sale of the mortgage software business is ongoing and proceeds will be returned to shareholders. Hopes had been high for a sales multiple over 10x but Macquarie expects a multiple in the mid to high single digits is now more likely. Morgans points out earnings growth from previously stated strategies has been elusive so far. While an inflection point may be coming in FY23, more evidence is required.</td></tr>
<tr><td>JHX - James Hardie Industries</td><td>BEAT</td><td>0</td><td>0</td><td>4/2/0</td><td>56.95</td><td>56.95</td><td>6</td></tr>
<tr><td colspan="8">James Hardie's quarterly result was largely in line with forecasts, with European volumes offsetting surging energy costs. Short-term guidance was upgraded modestly, but drawing all the attention was maiden FY23 guidance, which surprised to the upside and underscores management confidence, being this early. Nor does guidance much take account of product innovation upside. To this end, capex has been boosted through to FY26, but the more prescient risk is rising US interest rates leading to a (potential) housing slowdown.</td></tr>
<tr><td>JHG - Janus Henderson</td><td>IN LINE</td><td>0</td><td>1</td><td>0/3/0</td><td>59.58</td><td>54.13</td><td>3</td></tr>
<tr><td colspan="8">Janus Henderson's quarterly earnings beat broker forecasts, but based on weak broker outlooks and management guidance, we'll net out to in-line. The fund manager has guided to above-consensus expense growth in the low teens and a significant deterioration of Fulcrum fees, and noted -US$2.2bn in outflows from the Balanced Fund so far this quarter. Macquarie downgrades to Hold after a recent share price outperformance relative to peers and with the prospect of a weaker equity performance accelerating outflows.</td></tr>
<tr><td>JBH - JB Hi-Fi</td><td>IN LINE</td><td>0</td><td>0</td><td>4/2/0</td><td>55.59</td><td>56.68</td><td>6</td></tr>
<tr><td colspan="8">JB Hi-Fi has a habit of beating forecasts, but had already done so when it provided a trading update in January. While earnings were lower year on year, they were still 60% above the first half FY20. The positive share price response is likely due to an announced $250m buyback, and brokers suggest there is room for further capital management and/or acquisitions. Consumer demand was holding up in January, despite inflation on some lines starting to come through into pricing. Morgans (Buy) sums up the majority view that JB Hi-Fi remains a well-run retailer with good cost discipline, a robust balance sheet and a strong market position and, despite only modest growth opportunities, the stock is looking undervalued.</td></tr>
<tr><td>JDO - Judo Capital</td><td>BEAT</td><td>0</td><td>0</td><td>1/2/0</td><td>2.45</td><td>2.42</td><td>3</td></tr>
<tr><td colspan="8">Judo Capital's maiden result exceeded forecasts and the company is on track to exceed FY prospectus guidance. Credit Suisse (Buy) liked the loan growth and credit quality although staff cost inflation is considered a potential negative impact for future earnings. Macquarie (Hold) highlights execution risk in terms of prospectus expectations and underlying trends are showing some competitive pressures. Citi looks further afield to FY23, expecting larger earnings upgrades as the company enjoys a timing benefit from the RBA raising its cash rate, delivering a net-interest-margin windfall.</td></tr>
<tr><td>JIN - Jumbo Interactive</td><td>MISS</td><td>0</td><td>0</td><td>2/1/0</td><td>19.75</td><td>20.17</td><td>3</td></tr>
<tr><td colspan="8">Jumbo Interactive posted a beat on revenues thanks to a positive jackpot run but was unable to leverage the revenue beat as service fees and marketing spend rose, leading to a miss on earnings. Costs, particularly for staff, will continue to rise. Acceleration of the customer acquisition strategy was one driver of increased expenditure, with marketing costs rising 80% year on year. The addition of 198,000 new players should begin to benefit the company from the second half. The result suggests fears around market share loss now appear overdone, given 15% active customer growth.</td></tr>
</table>

KAR - Karoon Energy	IN LINE	0	0	3/0/0	2.25	2.38	3
Karoon Energy's result was either a beat or a miss depending on how one views currency losses in Brazil. Macquarie suggests in-line, which is good enough for us. Morgans is quite excited by the results, citing strong earnings growth, heavy free cash flow generation and guidance upgrades. The new developer rig is scheduled to arrive April-May and spend some 6 months at Bauna, before moving to the Patola development. Bauna well performance post-intervention and Patola early production rates will be key.							
KPG - Kelly Partners	BEAT	0	0	0/1/0	3.44	4.30	1
Kelly Partners reported an 18% year on year increase in first half profit, driven by strong revenue growth. Management's FY24 profit target has been maintained, which Morgans believes looks achievable. Given market size and fragmentation, ongoing consolidation provides longevity and consistency to the company's growth profile, the broker notes. Five "tuck-in" and one marquee acquisition were completed in the half and the pipeline appears stronger post-covid. The broker does not qualify the result, but given a big jump in target we'll assume a beat.							
KLS - Kelsian Group	BEAT	0	0	2/1/0	8.36	8.43	3
Two beats and a miss for Kelsian Group, formerly Sealink. The company faced a first half of covid impacts and restrictions and no government relief this time. The subsequent removal of restrictions to inbound international travel will provide relief for demand and staffing availability within Marine & Tourism. Meanwhile, Sydney bus tendering opportunities remain in focus, Manchester and Singapore tendering is also in focus, and a strategic review is due this half for London bus operations. The bus division is defensive and should sustain low capital expenditure, generating high free cash flow, Ord Minnett (Buy) suggests.							
KED - Keypath Education International	IN LINE	0	0	1/0/0	4.00	3.90	1
Keypath Education International delivered 37% revenue growth in the first half driven by growth across all metrics. Macquarie highlights enrollment growth was up 23%, revenue per enrollment up 11% and student retention up 78-80%. A per-enrollment revenue increase was supported by a shift towards more complex programs such as nursing, with healthcare programs now accounting for 45% of total revenue. Looking ahead, program launches focused on high demand areas should support further student acquisition, and new partner and program growth supports an attractive outlook.							
KSL - Kina Securities	IN LINE	0	0	1/0/0	1.32	1.20	1
A 27% year on year profit increase for Kina Securities met Morgans' forecast and guidance. The result actually beat forecasts in all areas, but was dragged down by higher operating expenses. The strong performance is reflected in Kina producing a 2021 return on equity of 17% despite an extremely robust 23% total capital ratio, which is broadly double the PNG regulatory minimum. The firm continues to possess a favourable long-growth pathway, the broker suggests, with only some 15% PNG lending market share versus a 10% level two years ago. At 6x forecast 2022 earnings and a better than 10% dividend yield, Morgans sees the stock as too cheap.							
KGN - Kogan.com	MISS	0	1	0/2/0	7.93	5.62	2
Kogan.com reported a miss to its pre-announced first half, as changes to the Bitbuy.com sale reporting saw earnings decrease. UBS notes the shift implies second quarter earnings of $1.8m, down from $8.5m in the first quarter, and reduced margins. Gross sales in the half were up 9% year-on-year, while gross profit declined -8%. A strong focus on growth investment will likely see margins remain depressed, and payoff on expenditure will likely take time. Credit Suisse sharply downgrades forecasts to reflect lower revenue estimates, higher forecast marketing expenditure, and higher D&A, and downgrades to Hold.							
LRK - Lark Distilling Co	MISS	0	0	1/0/0	6.59	6.45	1
Lark Distilling's first half results were in line with Ord Minnett's expectations and guidance. Sales growth and margin expansion is expected in the second half in the company's new product suite, along with a return to higher margin sales (on premise) post lockdowns. But net sales guidance was reduced by -12%. Recruitment of a new CEO seems to have been accelerated and should be finalised in coming months.							

<table>
<tr><td>LFS - Latitude Group</td><td>MISS</td><td>0</td><td>0</td><td>1/0/0</td><td>3.15</td><td>2.95</td><td>1</td></tr>
<tr><td colspan="8">While margin headwinds saw Latitude Group Holdings deliver a second half result -6% below Macquarie's expectations, the broker looks to the Humm Group acquisition as beneficial to the company's outlook. The broker expects the acquisition to be double digit earnings per share accretive in 2023 and provide $55m in annualised cost synergies, and expects a benefit from improving volumes in 2022.</td></tr>
<tr><td>LLC - Lendlease Group</td><td>MISS</td><td>1</td><td>0</td><td>4/1/0</td><td>12.75</td><td>12.63</td><td>5</td></tr>
<tr><td colspan="8">The first half result goes down as a miss for Lendlease but brokers are sanguine, given a lack of development completions in the half. Of more importance is FY guidance, given a skew to the second half, but this will be forthcoming at a later date. Meanwhile, management considers FY22 a reset year, while Morgan Stanley notes the all-important goals for FY24 remain intact, with return on equity and return on invested capital targets reiterated. Of the $16bn of current work in progress, $7bn is slated for completion in FY24. It's enough for an upgrade to Hold, while others are more positive.</td></tr>
<tr><td>LFG - Liberty Financial</td><td>BEAT</td><td>0</td><td>0</td><td>3/0/0</td><td>7.43</td><td>6.42</td><td>3</td></tr>
<tr><td colspan="8">Liberty Financial Group's first half profit beat forecasts due to higher margins and lower bad debts. Citi expects intense competition will prevent rising funding costs being passed through to borrowers. This competition stems from both non-bank financial institutions, as well as deposit-laden lenders. Macquarie agrees. A cut to the consensus target price follows, but still the stock remains cheap on the broker valuations, and possibly defensive in a weak market. Credit Suisse considers the valuation compelling.</td></tr>
<tr><td>360 - Life360</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>16.50</td><td>8.60</td><td>1</td></tr>
<tr><td colspan="8">Having pre-guided its FY21 result in January, Life360's update offered little surprise to Morgan Stanley. The company is unable to provide guidance for the coming year as its seeks to list in the US. Looking forward, company commentary suggests estimated upside from hardware integration and the UK market launch is anticipated in FY22. The broker attributes the sell-off to fears of a dilution; a weak outlook for the tile category due to delays in Apple Airtags marketing and category adoption; and higher FY22 cash burn as a result of integration costs.</td></tr>
<tr><td>LME - Limeade</td><td>IN LINE</td><td>0</td><td>1</td><td>0/1/0</td><td>1.12</td><td>0.34</td><td>1</td></tr>
<tr><td colspan="8">Limeade reported a 2021 result and 2022 guidance consistent with Macquarie's expectations. Contracted annual recurring revenue rose 3% year on year, but the acquisition of TINYPulse contributed 12%. Well-Being CARR declined by -12%, due to the non-renewal or loss of several key customer contracts including American Airlines, the broker notes, and a misaligned indirect mid-market channel. The company will need to demonstrate operating cash flow performance to achieve potential value, the broker warns, before downgrading to Hold on the cash position and negative cash flow outlook.</td></tr>
<tr><td>LAU - Lindsay Australia</td><td>BEAT</td><td>0</td><td>0</td><td>1/1/0</td><td>0.43</td><td>0.52</td><td>2</td></tr>
<tr><td colspan="8">Lindsay Australia's first half result well exceeded forecasts, and the outlook has been upgraded. Ord Minnett (Buy) is expecting a 40% sales increase for FY22 from a return of import/export volumes for the Lindsay Fresh business. Capacity utilisation and price are also expected to be supported by tight general freight conditions across the corporate and horticultural sectors. Morgans (Hold) also considers intentions to expand in rural, and in rail, to be positive, but awaits confirmation Lindsay can repeat its performance in FY23.</td></tr>
<tr><td>LNK - Link Administration</td><td>BEAT</td><td>0</td><td>0</td><td>0/4/0</td><td>5.68</td><td>5.54</td><td>5</td></tr>
<tr><td colspan="8">Link Administration's result beat consensus. The company reiterated FY revenue guidance of low single-digit growth, while operating earnings guidance is upgraded from "stable" to "at least 5% higher than FY21". A global transformation program savings target of $75m has been retained. The acquisition of Link by Dye & Durham is nevertheless on track to complete in June/July. Meanwhile the board remains in exclusive talks regarding a separate sale of its BCM business. A new suitor from left field is not beyond the realms.</td></tr>
<tr><td>LVH - LiveHire</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>0.53</td><td>0.54</td><td>1</td></tr>
</table>

<table>
<tr><td colspan="8">Livehire had recently released its December quarter trading update so the majority of key first half operating metrics were largely known, Morgans notes. Domestic SaaS revenue was up 26% year on while Direct Sourcing saw a 254% increase, off a low base. The strong early growth seen in the DS business highlights the attractiveness of the opportunity, the broker suggests, driven by structural tailwinds and a growing contingent workforce. Management remains confident of achieving its 36 client target by end-FY22.</td></tr>
<tr><td>LVT - LiveTiles</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>0.10</td><td>0.12</td><td>1</td></tr>
<tr><td colspan="8">Largely pre-reported first half results for LiveTiles yielded few surprises for Citi. One interesting observation, for the broker, is the increase in Desktop licenses relative to Mobile licenses, which reflects go-lives with a few large accounts. One extra factor to consider is the geopolitical risk given Europe is LiveTiles' largest region. Over the last 12 months, LiveTiles has taken multiple steps to reduce its cash burn and is nearly cash flow break-even currently, but the broker does see the potential need for further capital especially if the company needs to accelerate growth.</td></tr>
<tr><td>LOV - Lovisa Holdings</td><td>BEAT</td><td>0</td><td>0</td><td>4/1/0</td><td>22.11</td><td>22.64</td><td>5</td></tr>
<tr><td colspan="8">Nothing short of remarkable, says Morgans. Sales growth of 21.5% for Lovisa Holdings, an accelerated store rollout and increased margins led to a 59% jump in earnings -- well ahead of broker forecasts. A gross margin that goes up when all around are suffering from supply constraints and cost pressures was not something Morgans expected, although some crafty forex hedging very much helped. Morgans is not alone. In the first eight weeks of the second half the company has reported 62% sales growth, compared to the 26% sales growth required to achieve FY expectations. Investment will be needed to expand the network in the US and Europe and to take Lovisa into new markets, but the returns could be very much worth it.</td></tr>
<tr><td>LYC - Lynas Rare Earths</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>8.45</td><td>12.60</td><td>1</td></tr>
<tr><td colspan="8">Lynas Rare Earths' first half result was strong, with earnings better than Macquarie had anticipated, although cash flow generation was in-line. The development of the Kalgoorlie plant is progressing, and the project remains on track to be operational in July 2023. The broker believes the better result was likely attributable to lower shipping and logistics costs than anticipated as Lynas secured its own vessels to ease shipping issues. Spot NdPr prices have surged and underpin material upside risk.</td></tr>
<tr><td>LGL - Lynch Holding</td><td>MISS</td><td>0</td><td>0</td><td>2/0/0</td><td>4.60</td><td>4.15</td><td>2</td></tr>
<tr><td colspan="8">Lynch Group's first half performance was held back by elevated supply chain and covid-driven costs, which Citi expects will persist into the second half and FY23. Citi has cut forecasts, but sees upside surprise potential. China is and will remain the key growth driver for the business. The outlook for the Australian operations is incrementally improving even though freight costs are expected to remain elevated. Ord Minnett considers a 43.8% rise in revenue year-on-year pre-eliminations in China was the highlight. However, overall margins are estimated to continue contracting in the second half as costs, in particular freight, labour and electricity continue to weigh.</td></tr>
<tr><td>MAF - MA Financial</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>12.50</td><td>12.50</td><td>1</td></tr>
<tr><td colspan="8">MA Financial Group's result met company guidance and Ord Minnett's forecasts with both Asset Management and Corporate Advisory showing positive trends. The company remains active on a number of fronts, including the Finsure acquisition, additional hires, and ongoing investment. The broker highlights earnings guidance for 2022 has been maintained while fund flows have started the year well.</td></tr>
<tr><td>MGH - Maas Group</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>5.85</td><td>5.85</td><td>1</td></tr>
<tr><td colspan="8">Maas Group's interim result was in line with guidance that implies FY earnings weighted 35% to the first half, Morgans notes. A strong liquidity position will support the continued execution of its growth initiatives. Organic growth across Construction Materials and Real Estate is set to accelerate over the second half. M&A is nearing completion, which will provide a strong foundation for the business heading into FY23, the broker suggests. The broker remains attracted to the company's strong medium term growth outlook.</td></tr>
<tr><td>M7T - Mach7 Technologies</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>1.55</td><td>1.55</td><td>1</td></tr>
</table>

<table>
<tr><td colspan="8">Following an above-expectation first half result for Mach7 Technologies, Morgans maintains its Add rating. The broker is focused upon the solid growth of the sales order book, which is considered a lead indicator. Management expects to achieve positive earnings for FY22, which the broker sees as an important milestone and believes investor confidence will build.</td></tr>
<tr><td>MAH - Macmahon</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>0.33</td><td>0.30</td><td>1</td></tr>
<tr><td colspan="8">Macmahon Holdings' first half revenue was stronger than anticipated although earnings were in line. The order book remains robust and increased underground work is expected to be positive for margins over the medium term. Macquarie notes cost pressures were evident in the first half and cash conversion was weaker than expected. Heightened capital expenditure forecasts lead to reduced estimates.</td></tr>
<tr><td>MFG - Magellan Financial</td><td>BEAT</td><td>0</td><td>2</td><td>0/2/4</td><td>18.41</td><td>18.35</td><td>6</td></tr>
<tr><td colspan="8">There is no doubt Magellan Financial Group posted a beat on profit, but the core funds management business only beat by 1%, with the rest driven by lower-quality investment income. Associate Barrenjoey's performance stood out. An announced option handout and potential buyback had the stock price popping, but two brokers have downgraded to Sell as a result. Macquarie considers capital management considerations to to be "out of the money" and hasn't incorporated them into estimates. Ord Minnett feels the $35 exercise price on bonus share options only serves to create an artificial ceiling for the share price. All brokers assume funds outflows will be ongoing.</td></tr>
<tr><td>MYX - Mayne Pharma</td><td>IN LINE</td><td>0</td><td>0</td><td>0/1/0</td><td>0.30</td><td>0.27</td><td>1</td></tr>
<tr><td colspan="8">Mayne Pharma's first half result met consensus forecasts, and excludes the -$32m decline in the fair value of the earn-out of Nextellis, notes Credit Suisse. Price erosion continued to hit the generic retail business, with revenue slumping -29% and profit down -50%. Gross cash conversion was soft and the broker notes net debt to earnings has fallen below covenant levels. The broker forecasts a return to earnings growth in the second half, thanks largely to Dermatology as more products hit the market, and awaits a strong ramp-up in Nextstellis.</td></tr>
<tr><td>MMS - McMillan Shakespeare</td><td>IN LINE</td><td>0</td><td>0</td><td>2/2/0</td><td>13.81</td><td>13.63</td><td>4</td></tr>
<tr><td colspan="8">McMillan Shakespeare posted a largely in-line first half profit, supported by end-of-lease income. Supply constraints persist, which actually boost EOL income and yields and increase the value from the UK Maxxia run-off. Costs increased but included non-recurring expenses and, assuming the novated order book was steady, margins will have improved. Management doesn’t expect any change to the current environment throughout 2022, with customer demand to remain high and the supply dynamic to remain constrained. There is nevertheless sufficient balance sheet capacity to support capital management and/or M&A.</td></tr>
<tr><td>MCP - McPherson's</td><td>IN LINE</td><td>0</td><td>0</td><td>0/1/0</td><td>1.20</td><td>1.09</td><td>1</td></tr>
<tr><td colspan="8">McPherson's first half results were in line with the trading update provided in November. Essential Beauty benefited from strong market trends, and the household consumables segment grew its top line by 5%. Ord Minnett notes Dr LeWinn's inventory came in at the bottom of guidance and a new operating model for greater China is set to be implemented. The broker opts to take a "wait-and-see" approach to this expansion.</td></tr>
<tr><td>MPL - Medibank Private</td><td>IN LINE</td><td>2</td><td>0</td><td>4/2/1</td><td>3.50</td><td>3.38</td><td>7</td></tr>
<tr><td colspan="8">Medibank Private's result appears to have met consensus, with brokers focusing more on upgraded policyholder growth guidance and lower claims inflation guidance. Morgans sees continuing benign claims in a favourable environment, and ongoing benefits from the company’s productivity program, upgrading to Buy. Citi believes there could be capital initiatives afoot in addition to bolt-on acquisitions, and upgrades to Buy. Morgan Stanley (Buy) believes Medibank is at the beginning of a long transformation into a health services company and expects the share price will re-rate accordingly. Ord Minnett's Lighten rating is retained due to the risk of a change of government policy in the space, and flagged gross margin pressures.</td></tr>
<tr><td>MDC - Medlab Clinical</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>0.29</td><td>0.30</td><td>1</td></tr>
</table>

Medlab Clinical reported in-line with Morgans' forecasts on a continued operation basis. The major change in the period was the divestment of the Australian nutraceuticals business, providing for opex savings. The focus now is on drug delivery and development, accelerating news flow around partnering discussions for its two major assets, and advancing preparatory works for its Ph3 cancer pain trial. The size, timing, and shape of these deals will be absolutely key, the broker notes, ahead of advancing Medlab's major cancer pain asset given clinical expenditure estimates are currently well in excess of the company's cash balance.							
MP1 - Megaport	IN LINE	0	0	3/2/0	19.01	18.49	5
Megaport's headline numbers had been pre-released but the full result still met with mixed broker reactions. Three brokers, all on Buy, were very upbeat while Ord Minnett (Hold) declared a sharp miss, given an increase in operating expenditure and the company's shift to an indirect sales channel. Management expects its investment will pay off by the second half to provide maiden positive earnings but brokers see this as a bit ambitious, preferring an FY23 forecast. Industry feedback suggests the company has superior technology and the right partnerships with leading industry players.							
MHJ - Michael Hill	IN LINE	0	0	2/0/0	1.69	1.71	2
A strong first half result in the face of covid impacts, further reinforces Macquarie's belief Michael Hill International is nearing the end of its transformation phase. The jeweller has now delivered ten consecutive quarters of positive same store sales, and a reflated margin, and has enhanced the product range and the brand. With key personnel entrenched and the team showing strong engagement and culture, management is exploring new growth initiatives. Further margin increases are possible in the second half, but Citi also believes the story has now run its course and margins are projected to fall in FY23. There is upside potential, however, if cost increases are successfully passed on to customers.							
MWY - Midway	MISS	0	1	0/1/0	1.78	1.22	1
Ord Minnett downgrades its forecasts for Midway to account for disappointing first half results and a soft outlook for volumes. The rating is lowered to Hold. Revenue fell -39%, while underlying earnings fell by -89% due to lower volumes out of the higher margin Geelong port. Low shipments in the half were considered largely due to the Chinese energy crisis. However, elevated freight costs are now leading Chinese customers to switch to cheaper products out of Asia, explains Ord Minnett. The target falls after the broker adopts a new valuation model due to account for uncertainty surrounding current trading conditions and outcomes of the new CEO's strategic review.							
MCR - Mincor Resources	MISS	0	0	0/1/0	1.70	1.70	1
One-off charges weighed on first half results for Mincor Resources with an earnings loss -23% wider than Macquarie had forecast. While the target is unchanged, the broker notes spot nickel prices continue to offer upside risk to forecasts. The broker looks to a return to producer status for the company in the latter part of FY22.							
MIN - Mineral Resources	MISS	0	0	1/1/1	57.54	53.57	3
As misses go they don't come much worse than that of Mineral Resources, which reported earnings -40%-50% below broker forecasts due to spiralling costs for iron ore and lithium and lower iron ore revenues. Mercifully, mineral services performed well. FY production guidance has been maintained but capex guidance has been increased across all assets. No dividend was declared. Macquarie (Buy) expects cost pressures and discounting in iron ore will subside and that iron ore and lithium prices should continue to find support. Ord Minnett (Sell) disagrees on iron ore.							
MGR - Mirvac Group	IN LINE	1	0	4/1/0	3.11	3.06	5
Mirvac's result was in line with forecasts, and FY guidance was reiterated. This disappointed a market looking for an upgrade. Citi believes that operationally, the development business is performing well, offsetting near term covid impacts on the investment portfolio. On share price weakness, Citi upgrades to Buy. Morgan Stanley (Buy) sees a future with competitive advantages in apartments, and commercial development profit potential in the medium term. Credit Suisse (Buy) expects larger commercial projects to provide meaningful medium and long term earnings potential, but these would require capital partnership.							
MSV - Mitchell Services	IN LINE	0	0	1/0/0	0.66	0.66	1

<table>
<tr><td colspan="8">Given quarterly reporting there were no surprises for Morgans contained within Mitchell Services' first half results. The broker notes that despite management's strong outlook, the shares remain at a stark discount to listed peers. A new rig deployment and the easing of pandemic and wet weather headwinds should combine to build margins in the second half, the broker suggests. Even capital management potential is anticipated by Morgans, as the company will approach net cash by the end FY23.</td></tr>
<tr><td>MLG - MLG Oz</td><td>MISS</td><td>0</td><td>0</td><td>0/1/0</td><td>1.08</td><td>0.90</td><td>1</td></tr>
<tr><td colspan="8">Following interim results for MLG Oz, Morgans materially softens the extent of its previously-assumed recovery. The Hold rating is retained on hopes for first a stabilisation in earnings, and then a positive trend. The first half suffered from ongoing cost pressures and labour constraints, although a weak result was flagged and signs of an improving trend were in evidence.</td></tr>
<tr><td>MND - Monadelphous Group</td><td>BEAT</td><td>0</td><td>0</td><td>2/3/0</td><td>10.96</td><td>11.40</td><td>5</td></tr>
<tr><td colspan="8">Monadelphous reported first half revenue and earnings well ahead of forecasts, but the company has guided to a second half revenue decline, which implies a first half skew. High iron ore maintenance activity as well as some catch-up on deferred volumes contributed in the first half. Margins appear to be bottoming, suggests Macquarie (Buy), who highlights a significant bidding opportunity across the lithium, gold, copper, renewables and iron ore sectors. But management warned labour shortages will persist even after WA opens its border. Morgan Stanley (Hold) is even unsure about FY23, given WA is only now seeing an omicron wave.</td></tr>
<tr><td>MVF - Monash IVF</td><td>BEAT</td><td>0</td><td>0</td><td>3/0/0</td><td>1.11</td><td>1.22</td><td>3</td></tr>
<tr><td colspan="8">Monash IVF delivered a beat to first half earnings forecasts, with solid domestic cycle volumes driving the result. Domestic cycles were up 10% year-on-year, implying to Macquarie the company grew market share 120 basis points to 18.4%. International IVF and ultrasound diagnostics were weak, but a recovery is expected post covid. Growth appears imminent, with the Singapore clinic to be opened in the second half and construction continuing on a new Bali-based clinic.</td></tr>
<tr><td>MTO - Motorcycle Holdings</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>4.18</td><td>4.21</td><td>1</td></tr>
<tr><td colspan="8">Motorcycle Holdings' numbers were pre-released. It was a strong result, Morgans suggests, cycling an elevated base from a year ago, and in the face of locked-down dealerships and supply chain disruptions. Management has pointed to a normalising of trade through February after significant January disruption, on increasing demand momentum, tempered by ongoing supply constraints. The broker expects an abating of lockdown impacts and incremental acquisition contributions will improve the seasonally lower second half skew.</td></tr>
<tr><td>MGX - Mount Gibson Iron</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>0.65</td><td>0.70</td><td>1</td></tr>
<tr><td colspan="8">A mixed result from Mt Gibson Iron produced a lesser loss than Macquarie had expected. The miner's cash draw-down in the half was steep due to advanced stripping. Management expects the completion of advanced stripping in the second half and has guided to sales of 1.2-1.5mt, however weather remains a risk to guidance, the broker warns. Iron ore prices continue to drive earnings upside momentum, with earnings increasing by 100% for FY23 to the end of mine life at spot prices, as opposed to the broker's forecast prices.</td></tr>
<tr><td>NAN - Nanosonics</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/2</td><td>5.01</td><td>4.34</td><td>3</td></tr>
<tr><td colspan="8">Nanosonics' result was in line with forecasts and guidance. Sales were up 41% in the half, and momentum appears to have continued into the early second half. The share price decline in response is a continuation of selling pressure that has seen the stock fall -25% in the past month, which Morgans (Buy) attributes to concern around the GE Health transition and CORSIS commercial launch. Staffing shortages are likely to affect US ultrasound procedures coinciding with the transition to a more direct distribution model. As a result, Ord Minnett (Lighten) is concerned sales growth may be stymied even when the pandemic recedes.</td></tr>
<tr><td>NSR - National Storage REIT</td><td>BEAT</td><td>1</td><td>0</td><td>1/2/1</td><td>2.37</td><td>2.54</td><td>4</td></tr>
</table>

National Storage REIT's underlying earnings were above forecasts. A positive operational update included an 8% increase to FY guidance, with revenue per average square metre reaching an all-time high. Strength in operating metrics, investment capacity (low gearing of 22%) and the rollout of a 140,000sqm development pipeline over the next two years lead Ord Minnett to upgrade to Buy. Macquarie expects growth to moderate from here. Upside risk exists via M&A and balance sheet deployment. However, with the stock trading at a 3.8% dividend yield and offering downside risk to revenue growth, the broker retains Sell. Morgans (Hold) suggests the key for meeting guidance will be the timing and quantum of acquisitions/development projects.							
NGI - Navigator Global Investments	BEAT	0	0	1/0/0	2.38	2.40	1
Navigator Global Investments' first half result beat Ord Minnett's forecasts. The interim dividend of US5.5c was equally better than anticipated. FY22 guidance is left unchanged and Ord Minnett concludes management is probably being conservative and has penciled in a small beat.							
NEA - Nearmap	BEAT	1	0	2/1/0	2.20	2.03	3
Nearmap's first half revenue growth was stronger than expected primarily driven by stronger than forecast North American business segments seeing already high sales team contribution ratio improvement. Better than forecast revenue growth could lead to positive operating leverage and positive earnings revisions over the medium term, Macquarie suggests, upgrading to Hold. The legal case with Eagleview remains a key risk, but Citi suggests Nearmap's growth in the US indicates legal proceedings are not impacting on growth in the region. A cut in PE multiple assumption from Morgan Stanley reduces the consensus target.							
NWL - Netwealth Group	MISS	1	1	4/1/0	18.33	16.14	5
Netwealth's result missed forecasts on higher than expected costs. This continued a trend frequently seen from the platforms, Macquarie (Buy) notes, beating expectations on flows and disappointing on costs and revenue margins. But Morgans (Hold) notes the costs were related to investment in exceptional funds under management growth and were not a structural issue, and brokers expect these to fade in FY23. Higher costs do not change Citi's investment thesis, and the broker upgrades to Buy. Ord Minnett trims its rating to Accumulate from Buy. Recently upgraded FY funds flow guidance remains unchanged and Netwealth should benefit from rate rises.							
NCM - Newcrest Mining	BEAT	0	0	5/0/0	28.56	29.52	5
Newcrest Mining delivered a solid earnings beat and updates to the company's resource and reserve guidance suggests a strong second half ahead. Still, lower production led to lower earnings, and cash flow was further weakened by investment in the business. The result is a dividend down -50% year on year, but still declared despite negative free cash flow. Given its portfolio of large, long-life mines with geographic spread across Australia, Canada and PNG, and the potential for further growth, Newcrest offers good gold and copper price exposure with upside potential from studies due during 2022, Morgans suggests. There appears little disagreement.							
NWS - News Corp	BEAT	0	0	4/0/0	39.88	41.88	4
News Corp's quarterly result beat forecasts, with News Media enjoying a strong jump in earnings thanks to new Facebook and Google licencing deals. The beat was nonetheless elevated by cost controls that are largely one-off. Looking ahead, real estate will come up against a slowing US housing market and tough comparables, but earnings upside exists from continued execution of the Dow Jones' Professional Information Business, and Risk & Compliance in particular. Brokers agree valuation remains attractive.							
NXT - NextDC	BEAT	1	0	6/1/0	14.72	14.18	7
NextDC's result beat all forecasts, and FY guidance has been modestly lifted. Ord Minnett highlights the operating leverage in the more mature data centres. Significantly, the third facilities in Sydney and Melbourne remain on track and budget. With the business positioned to benefit from the migration of IT work to the cloud and centralised data centres, Ords Minnett upgrades to Buy. Outlier Credit Suisse (Hold) reviews forecasts for contracted and billing utilisation and expects a slower ramping up over the next couple of years, lowering estimates for contract gains. Morgans highlights substantial structural growth, quality management, significant barrier to entry and, in the broker's view, an improving competitive							

advantage with regional/edge sites.							
NHF - nib Holdings	**BEAT**	0	0	0/6/1	7.07	6.84	7
The first half result from nib Holdings beat forecasts, but not a lot of excitement follows. A strong recovery in Australian residents health insurance was dampened by travel restrictions in the half. The insurer expects FY22 growth in NZ net policyholders and Travel to return to profitability in FY23 as restrictions ease. Management also expects international inbound health insurance to return to profitability in FY23. But Ord Minnett (Lighten) points out a lot of pandemic benefits are boosting reported margins, and underlying margins could therefore face pressure into FY23.							
NCK - Nick Scali	**BEAT**	0	0	2/0/0	16.15	16.55	2
Despite the headwinds, Nick Scali delivered first half sales in line with Macquarie's forecast but well ahead of Citi. Brokers expect supply chain pressure to persist and shipping costs to remain elevated in the coming half, although the company expects to pass on some costs to the consumer. Supply chain delays have driven Nick Scali's unfulfilled orders to around $210m in January, compared to $174m in December. The company's order book now represents more than 85% of its second half sales forecast, so delivery will be key to targets.							
NIC - Nickel Mines	**IN LINE**	0	0	3/0/0	1.68	1.68	3
Nickel Mines' 2021 earnings and cash flow numbers were largely in line with forecasts. The miner's share of nickel in nickel pig iron production is expected to rise from 32kt in 2021 to nearly 90ktpa by 2024, which is above nameplate capacity. The ramp-up of production at Angel NPI has commenced and should deliver strong volume growth in 2022-23, with Oracle providing further volume growth into 2024. Credit Suisse believes the business offers a low-risk opportunity for exposure to over 100,000tpa of nickel from NPI.							
NEC - Nine Entertainment	**BEAT**	0	0	4/1/0	3.51	3.56	5
Nine Entertainment's result beat forecasts and guidance on the back of better earnings for Stan and for publishing. Ord Minnett (Buy) believes Stan is a top five streaming player but the transition into profitable digital operations could take 18-24 months. However, the strength in the traditional TV business is providing the opportunity for digital to grow into a material contributor to earnings. There is upside risk in the second half reflected by robust free-to-air ad bookings. Macquarie (Hold) notes the balance sheet is strong although capital management has been deferred as opportunities are being reviewed.							
NTO - Nitro Software	**IN LINE**	0	0	1/0/0	4.15	2.30	1
With Nitro Software's 2021 result largely pre-guided, Morgan Stanley notes the company's update focused on the 2022 outlook. Guidance is largely in line with expectations, with annual recurring revenue guidance implying 43% uplift at the midpoint. The broker expects this growth guidance to be well received by the market, indicating the company is confident of its outlook, but notes investors will want to see evidence of delivery before buying into valuation.							
NST - Northern Star Resources	**IN LINE**	0	0	4/1/0	11.96	11.37	5
While Northern Star Resources' result appears a miss at the headline, brokers point out the inclusion of a non-cash inventory adjustment in cost of goods sold has allowed the company to understate earnings and therefore dividends. We'll thus call it in-line. No change was made to FY22 guidance although management warned labour shortages could be exacerbated by growing covid impacts in WA. Ord Minnett (Buy) believes an opportunity has been presented by the recent sector-wide pullback.							
NVX - Novonix	**MISS**	0	0	0/1/0	6.97	4.88	1
After Morgans takes into account a larger first half loss for Novonix than expected and the current market aversion towards growth stocks, a lower share price opportunity is expected to arise. The broker points out major loss drivers were one-off in nature, including -$11.8m of share-based compensation and -$4.5m in listing costs for the secondary listing on the Nasdaq. The analyst lifts the assumption for needle coke pricing by 20% which has reduced long-term earnings margins forecasts by around -3-4%. The risk weighting for Novonix Anode Materials also increases.							

NWH - NRW Holdings	BEAT	0	0	2/0/0	2.30	2.40	2
NRW Holdings' result came in at the top end of the guidance range which was better than expected. The FY guidance range has now been tightened towards the top end. The Mining Equipment, Technology & Services segment drove the result. UBS warns tough labour conditions in WA persist, but easing conditions could offer further upside risk. Macquarie points out NRW is highly leveraged to iron ore capital spend and infrastructure spend, both of which currently enjoy significant tailwinds.							
NXL - Nuix	IN LINE	0	0	1/0/0	6.40	5.50	1
Nuix reported in line with guidance downgraded in January. Morgan Stanley notes annualised contract value rose 1.7% year on year but remains below FY21. Under a new management team, Nuix has accelerated investment into R&D, with a focus on added SaaS capability. No FY guidance was provided. The stock remains a turnaround story, the broker suggests.							
OGC - OceanaGold	BEAT	0	0	1/0/0	3.30	3.30	1
Within 2021 results for OceanaGold Corp, earnings were a small beat versus Macquarie's forecast though profits were impacted by pre-flagged impairments. The broker expects a smoother performance in 2022, with the Didipio gold mine in the Philippines ramping up well and improvements at the New Zealand-based assets.							
OML - oOh!media	IN LINE	0	0	1/2/0	1.72	1.82	3
Lockdowns aren't that healthy for outdoor advertising, but brokers saw a robust result from oOh!media, in-line with forecasts. As restrictions eased, revenue reached 80% of 2019 levels, even accounting for the continued drag from mobile billboards (Fly/Locate). The company is a beneficiary of the recovery from the pandemic over the short term, while Macquarie (Buy) also sees structural tailwinds over the longer term. A reinstated dividend, albeit small, implies management confidence. Fly/Locate is nevertheless not envisaged returning to pre-pandemic levels until 2024.							
ORG - Origin Energy	MISS	0	3	2/3/1	6.18	6.16	6
It looked at face value like a shocker form Origin Energy, but it was all to do with exploration write-downs and APLNG accounting. Still, two brokers have downgraded. The result was overshadowed by the announced early closure of the Eraring coal-fired plant, about which brokers have mixed views. On the one hand, It's thought this will create electricity margin uncertainty, and will have a negative impact on the market's estimate of value, likely driving wholesale prices higher. On the other, it will save money, and earn big ESG brownie points given it will be replaced by a huge battery. Mixed ratings reflect disagreement.							
ORA - Orora	BEAT	1	0	2/5/0	3.46	3.85	7
Orora's result did not just beat but knocked it out of the park. A 70 basis point lift in earnings margins is particularly "meritorious", Macquarie (Buy) suggests, given a 13% revenue lift which included significant cost recovery. Brokers were caught out by the speed and extent of a rebound in North America. For A&NZ, management noted the glass business is recovering most of the China tariff impact on wine glass earnings. The company retains $400m in surplus capacity to support growth, and continues to explore merger and acquisition opportunities. Citi upgrades to Buy.							
OZL - OZ Minerals	IN LINE	0	0	1/4/2	24.99	25.21	7
Brokers all saw an in-line result from OZ Minerals, and a better than expected dividend, and were all taken aback by a net-zero emissions target for 2030. But that's where any agreement ends, as is evident in a spread of ratings. We can start with forecasts for gold and copper prices, but for OZ Minerals there is execution risk around growth projects, which have weakened cash flow. Higher depreciation also leads to earnings downgrades. Ord Minnett (Lighten) is wary of self-funding the growth pipeline, and expects some delays in the schedule. Citi (Buy) notes production guidance for 2022 is unchanged despite a slower start to the year driven by weather and covid.							
PAC - Pacific Current Group	IN LINE	0	0	1/0/0	11.00	11.30	1

<table>
<tr><td colspan="8">Ord Minnett suggests Pacific Current Group's first half report was "excellent", in-line with forecasts and with a better than expected dividend declared. The broker sees an improving outlook, including equity in GQG Partners, making the stock look "super cheap". Underlying forecasts have been lifted by 3%-6% from FY23 and beyond.</td></tr>
<tr><td>PSQ - Pacific Smiles</td><td>IN LINE</td><td>0</td><td>0</td><td>2/0/0</td><td>3.25</td><td>3.14</td><td>2</td></tr>
<tr><td colspan="8">Pacific Smiles reported in-line with guidance updated in January, when management warned of covid impact. Current trading appears to be improving significantly nevertheless, and a return to business as usual is expected with demand having been deferred during lockdowns. The group reiterated its target of 15-20 new centres in FY22. Morgan Stanley estimates an attractive internal rate of return from the around 300 centres, and points to a high-quality long-duration growth asset. Ord Minnett expects portfolio maturation and centre rollout will continue to support growth in the mid term.</td></tr>
<tr><td>PGH - Pact Group</td><td>IN LINE</td><td>0</td><td>0</td><td>2/1/1</td><td>3.53</td><td>3.29</td><td>4</td></tr>
<tr><td colspan="8">A -25% year on year fall in Pact Group's profit was largely as expected, with Contract Manufacturing accounting for the bulk of the decline due to rapid rises in raw material and freight costs and covid impacts. Management suggested these costs appear to be stabilising, hence Pact offers recovery potential from a covid-affected FY22. Looking ahead, broker views are split down the middle. Morgan Stanley (Sell) feels an easing of supply chain and inflationary pressures will be required to deliver at the high end of the guidance range. Either that, or very good management. Credit Suisse (Buy) suggests Pact is of the cheapest packaging companies globally on current multiples.</td></tr>
<tr><td>PDN - Paladin Energy</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>1.00</td><td>0.90</td><td>1</td></tr>
<tr><td colspan="8">Paladin Energy reported a net loss of -US$11m in the first half, with Macquarie highlighting cash increased by 27% half on half to US$38m following the sale of equity in Lotus Resources. The broker's outlook of a 17-year mine life for Langer Heinrich, producing 78.5mlb uranium, remains unchanged, but first-production forecasts have been delayed by 12 months to FY25. The project is fully licensed, in a known uranium jurisdiction and has a near-term path to market, the broker notes, buoyed by a positive uranium price outlook.</td></tr>
<tr><td>PAN - Panoramic Resources</td><td>BEAT</td><td>1</td><td>0</td><td>2/0/0</td><td>0.29</td><td>0.30</td><td>2</td></tr>
<tr><td colspan="8">Panoramic Resources' headline profit in the half was a positive surprise for Morgans given six months of operations and only one concentrate shipment, although higher levels of costs were capitalised during the ramp-up period at the Savannah nickel mine. With two shipments now dispatched, payments received or on the way, and undrawn debt facilities, the miner's finances appear in good shape to continue operational ramp-up. WA reopening suggests FY production is not impacted. Morgans remains positive on the stock, upgrading to Buy, with nickel prices up 20% year to date and copper and cobalt credits remaining strong, while production is forecast to increase in the second half. Macquarie retains Buy but is uncertain about nickel prices and management's execution of shipment targets.</td></tr>
<tr><td>PAR - Paradigm Biopharmaceuticals</td><td>MISS</td><td>0</td><td>0</td><td>0/1/0</td><td>1.68</td><td>1.29</td><td>1</td></tr>
<tr><td colspan="8">Paradigm Biopharmaceuticals' loss was greater than Morgans expected due to materially higher R&D costs. The result highlights the broker's long-held concerns around funding requirements, with around 1.5 years of cash remaining at current burn rates. This is expected to accelerate as the company's large Ph3 OA trial gathers pace across the US, UK, and Australia. There's not a lot of upside apparent, given management instability, trial delays, increasing cash burn, likely ASX300 exclusion, and no clear guidance on revised trial cost estimates. The broker is not surprised by ongoing share price weakness.</td></tr>
<tr><td>PPE - Peoplein</td><td>BEAT</td><td>0</td><td>0</td><td>2/0/0</td><td>5.15</td><td>4.88</td><td>2</td></tr>
<tr><td colspan="8">PeopleIn's earnings and dividend beat forecasts. Rising billable hours in the Technology and Industrial segments offset a benign Health and Community result, due to June workplace constraints in Sydney and Melbourne. Strong employment markets, unprecedented client demand and wage inflation are expected to benefit the outlook for all segments, according to management. Morgans estimates the upper-end of the FY guidance range is currently running on target. Ord Minnett also believes guidance is achievable.</td></tr>
<tr><td>PPM - Pepper Money</td><td>BEAT</td><td>0</td><td>0</td><td>2/0/0</td><td>3.08</td><td>2.88</td><td>2</td></tr>
</table>

Pepper Money's result was not to be sneezed at, beating recently upgraded guidance and forecasts, despite headwinds from increased mortgage competition. Macquarie feels the impact of higher funding costs and rising rates is priced in, although competition in the mortgage space is expected to remain intense and prove a drag on margins. Credit Suisse continues to allow for further compression of interest margins yet does not expect this will stem further growth. The business continues to focus on those segments which have been vacated by the major banks.							
PRN - Perenti Global	BEAT	0	0	2/0/0	1.10	1.05	2
Perenti Global's result slightly beat UBS on better than expected revenues, while surface margins were offset by lower than expected Australian underground margins due to labour pressures in WA. First half revenue was stronger than Macquarie expected while earnings were in-line as a result of higher depreciation. The outlook for second half remains positive as work momentum escalates, and margins are expected to improve. Management has upgraded FY revenue guidance though left earnings guidance unchanged.							
PPT - Perpetual	IN LINE	0	0	4/2/0	40.10	39.61	6
Brokers have focused on different metrics to assess their beat and miss conclusions, but as Perpetual reported at the midpoint of guidance we'll call it in-line. UBS (Hold) expects better flows will eventuate from a substantially improved investment performance over the last one to two years. Recent product launches and distribution capabilities are expected to support favourable organic trends. But while the investment performance continues to improve, Macquarie (Hold) doesn't envisage the sector will re-rate in the near term. Morgan Stanley (Buy) holds a positive view, based upon several growth options available to the asset manager, including ESG, which the broker sees as a mega-trend for the decade ahead.							
PRU - Perseus Mining	BEAT	1	0	3/0/0	1.83	1.97	3
Two beats and a miss for Perseus Mining, but the miss of Credit Suisse' forecast was forex related. Otherwise, slightly higher revenue and lower operating costs were the key drivers. FY production and cost guidance is unchanged. With the company's recent strengthening of cash flows and improved balance sheet, largely from Yaoure's contributions, Perseus is now seen as well placed to provide capital returns or seek inorganic growth. Credit Suisse points to strong free cash flow and incremental growth as well as several positive potential catalysts.							
PWR - Peter Warren Automotive	BEAT	0	0	2/0/0	4.38	4.08	2
Peter Warren Automotive's result beat forecasts and guidance, and momentum is continuing into the second half. The integration of the Penfold Motor Co acquisition is going to plan and opening further organic and inorganic opportunities. The result de-risks FY organic profit expectations given lockdown and supply issues impacted in the first half but will ease in the second, with Morgan Stanley expecting supply to improve to meet a backlog of orders. Morgans believes ongoing consolidation will sustain profits and growth in the long term.							
PXA - PEXA Group	BEAT	0	0	1/0/0	20.50	22.50	2
Pexa Group's first half earnings beat forecasts, due to better revenue with costs in-line. Management has sharply upgraded its prospectus forecasts. Penetration rates continued to grow, hitting 85%, and Macquarie (restricted) notes refinancing will be a prerequisite to achieving 99%. UBS highlights a strong start in the first half, with robust industry volumes and conveyancing transactions continuing to shift online. While these may not be sustainable drivers for the longer term, UBS believes a strong base is being established from which to expand offshore.							
PLS - Pilbara Minerals	MISS	0	0	1/3/0	3.49	3.28	4
Pilbara Minerals' earnings result was weak. Higher exploration and finance costs are the key drivers behind the miss, while second half production guidance is soft and brokers have trimmed forecasts to incorporate a slower ramp-up at Ngungaju. Brokers have tremendous respect for CEO Ken Brinsden, hence his shock departure comes as a blow, and Credit Suisse (Hold) believes he added a premium to the share price. Spot lithium prices nevertheless continue to present upside risk.							

PNI - Pinnacle Investment Management	BEAT	1	0	3/0/0	16.40	15.45	3
Pinnacle Investment Management's result beat all forecasts, and has prompted an upgrade to Add from Morgans. Brokers continue to see a healthy growth outlook, irrespective of share market volatility. While recent volatility has the potential to disrupt flows momentum, non-equity funds are experiencing solid retail inflows. Ord Minnett is forecasting an 18% compound annual growth rate over the next two years, and M&A remains a possibility given cash on the balance sheet.							
PTM - Platinum Asset Management	IN LINE	1	0	0/3/2	2.76	2.52	5
A beat, two misses and two in-lines for Platinum Asset Management is best assessed as in-line. While costs were higher than anticipated, investment losses were the key result driver. On the other hand, management fee margins expanded, which the fund manager attributed to a higher skew to retail. Healthcare offered the only material inflows of the half. Looking ahead the International Healthcare strategy is set to launch in Europe in mid-2022, while the Platinum Carbon Transition Fund should launch in May to support increased ESG focus. Credit Suisse upgrades to Hold on valuation. UBS (Sell) suggest there are better dividend growth prospects elsewhere.							
PBH - PointsBet	MISS	0	0	0/2/0	5.35	4.20	2
Pointsbet Holdings' first half result missed forecasts due to higher than expected operating expenditure. Credit Suisse warns the pace of cash burn suggests the company will need to ponder capital requirements by the end of 2022, but believes the market has plenty of time and room to await signs of improved profitability, given the size of the North America wagering market continues to surprise to the upside. Management has flagged continued marketing spend in the June half, with a stronger skew to North America in line with the company's strong expansion strategy.							
PNV - PolyNovo	IN LINE	0	0	1/1/0	2.28	1.45	2
Polynovo recorded sales of its BTM device of $16.3m in the first half as was pre-announced, of which the US accounted for $14.2m. In the US, momentum improved through the half, and January saw record monthly sales. Macquarie's (Buy) forecasts imply an increased cash position by June 2022, supported by an improved operational performance and a property sale and leaseback. Management believes that now the US business is profitable on a standalone basis it will not need to raise further equity, but it is this concern that is weighing on the share price, Ord Minnett (Hold) notes. With covid easing, the outlook is theoretically strong, but operating expenditure appears to be rising.							
PPS - Praemium	MISS	0	0	1/0/0	1.70	1.50	1
Increased costs for Praemium resulted in a first half that missed Ord Minnett's forecast. Nonetheless, a Buy rating is retained on the expectation for ongoing strong revenue momentum, improving margins and potential corporate interest. Management's guidance gives the broker some comfort that the cost re-base may have been completed and margins should improve from the second half.							
PME - Pro Medicus	BEAT	0	0	1/0/0	49.75	56.20	1
Pro Medicus' first half results outpaced Morgans' forecasts, with earnings margins significantly outpacing, as strong operating leverage dwarfed expenses growth. The company's pipeline continued to grow in the half, Morgans citing both depth and mix and a strong shift towards the cloud. The broker suggests the business has never been in better shape and the recent share price correction offers an attractive entry point.							
PGL - Prospa Group	BEAT	0	0	0/1/0	1.07	1.07	1
Prospa Group delivered record originations in the first half, supporting gross loans growth 51% year on year and beating Macquarie on revenue. Book growth was achieved while expanding the portfolio yield by 180 basis points year on year, lowering average funding costs, while impairments were reduced. The broker is looking for sustained positive cash generation and operating leverage. Confidence is building in the outlook, supported by the operating momentum, suggests Macquarie.							
PSI - PSC Insurance	BEAT	0	0	0/1/0	4.95	4.80	1

<table>
<tr><td colspan="8">PSI Insurance Group's first half result outpaced Macquarie's forecast by 18% thanks largely to a strong performance from the UK division. Management upgrades FY guidance, which includes a windfall from debt refinancing. Macquarie expects the company will continue to post strong organic growth and increase margins, which, combined without major acquisitions, should translate to a higher quality result. The payout ratio fell. as management put away money for future acquisitions.</td></tr>
<tr><td>PTB - PTB Group</td><td>IN LINE</td><td>0</td><td>1</td><td>0/1/0</td><td>1.27</td><td>1.23</td><td>1</td></tr>
<tr><td colspan="8">Morgans downgrades its rating for PTB Group to Hold from Add, not in response to pre-released first half results but due to a recent strong share performance. A total shareholder return of around 7% is still expected over the next 12 months. Nonetheless, the analyst sees a slowing in organic growth rates in the absence of further M&A. FY22 guidance was otherwise reaffirmed. Morgans notes a strong performance from the US segment.</td></tr>
<tr><td>PWH - PWR Holdings</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>8.50</td><td>10.05</td><td>1</td></tr>
<tr><td colspan="8">First half results for PWR Holdings comfortably exceeded Morgans estimates. Motorsports outperformed expectations while Automotive Aftermarket and Emerging Technologies lagged. Management sees extensive organic growth opportunities and has invested heavily in staff, which confirms to Morgans the future possibilities.</td></tr>
<tr><td>QAN - Qantas Airways</td><td>BEAT</td><td>0</td><td>0</td><td>4/0/1</td><td>5.97</td><td>5.94</td><td>5</td></tr>
<tr><td colspan="8">Qantas' result met or beat forecasts, helped by a land sale. While FY22 is proving to be another difficult year for earnings, forward bookings are strong and domestic activities are set to accelerate. Management has managed to pull net debt within its targeted range, which Morgan Stanley sees as a major milestone in the airline's recovery. With the international travel destinations now re-opening, brokers believe a recovery is in sight. FY22 will see another loss but FY23 is when pre-pandemic levels could be exceeded. Credit Suisse (Sell) is yet to be convinced.</td></tr>
<tr><td>QBE - QBE Insurance</td><td>MISS</td><td>1</td><td>0</td><td>6/0/0</td><td>14.84</td><td>14.18</td><td>6</td></tr>
<tr><td colspan="8">While QBE Insurance missed broker forecasts, the miss was largely driven by one-off factors for claims and reserves. Weak guidance may have upset investors, but brokers agree it appears very conservative. Macquarie suggests management is implementing re-basing measures, banking money while the sun shines. The company upped the catastrophe allowance, seriously strengthened reserves and reduced the payout ratio, setting the stage for growth measures. Ord Minnett believes new management will seek a more stable earnings trajectory, which probably means more measured, but more sustainable, improvements for margins, and upgrades to Buy.</td></tr>
<tr><td>QAL - Qualitas</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>2.64</td><td>2.77</td><td>1</td></tr>
<tr><td colspan="8">Qualitas beat Macquarie slightly with its maiden result and FY guidance has been reaffirmed. The broker sees upside risk to guidance given activity in the second half to date. Management announced progress against its strategic priorities, including the launch of three new funds with a $1.1bn target, and $50m of deployment opportunities. Given the operating leverage in the vehicle, the group is positioned to grow funds under management and earnings materially over coming years, the broker believes.</td></tr>
<tr><td>QUB - Qube Holdings</td><td>BEAT</td><td>1</td><td>0</td><td>3/2/0</td><td>3.37</td><td>3.33</td><td>5</td></tr>
<tr><td colspan="8">Qube Holdings' result beat most forecasts. Logistics achieved around 20% organic growth, which is a reversal of consistent organic declines over the past decade. Container activity and grain volumes were largely responsible, the latter thanks to a bumper harvest. Capital management of up to $400m will commence in the current half following the sale of Moorebank, albeit this is lower than Credit Suisse (Buy) forecast. Ord Minnett (upgrade to Buy) believes the business is now a much cleaner integrated logistics company after the sale of Moorebank, and boasts quality assets that will be difficult to replicate.</td></tr>
<tr><td>REP - RAM Essential Services Property Fund</td><td>BEAT</td><td>0</td><td>0</td><td>2/0/0</td><td>1.09</td><td>1.10</td><td>2</td></tr>
</table>

<table>
<tr><td colspan="8">Ram Essential Services Property Fund beat expectations, and the REIT continues to deliver on its strategy of growth, being able to successfully implement capital recycling. Exposure to medical post the capital recycling transactions will increase to 50%. Guidance for free funds from operations represents a forecast payout of 96%, largely a function of new acquisitions in the second half to date. Earnings are considered highly predictable.</td></tr>
<tr><td>RMS - Ramelius Resources</td><td>BEAT</td><td>0</td><td>0</td><td>3/0/0</td><td>1.90</td><td>1.80</td><td>3</td></tr>
<tr><td colspan="8">It's frustrating when clearly disparate broker forecasts heading into a result lead to a wide mix of broker responses. Macquarie declares a 31% beat for Ramelius Resources' earnings, while other assessments are less clear to ascertain. If we take no change to Buy ratings as a guide, we'll settle on a beat. Ord Minnett was surprised by the higher magnitude of inventory adjustment and depreciation yet believes the subsequent initial sell-off was unjustified. Morgans notes rail driver shortages impacted with net mine cash flow falling by -46% year on year. The end of WA's hard border will likely alleviate the situation though lost first half production is unlikely to be made up.</td></tr>
<tr><td>RHC - Ramsay Health Care</td><td>IN LINE</td><td>1</td><td>0</td><td>2/3/1</td><td>70.24</td><td>69.68</td><td>6</td></tr>
<tr><td colspan="8">Ramsay Health Care's result was roughly in line with forecasts, materially impacted by covid and higher costs, sending overall profit and cash flow backwards. The level of disruption of the past two years will now recede, given the high rate of vaccination and availability of antiviral therapies. But Ramsay is also likely to be impacted by a global shortage of nurses, Credit Suisse (Hold) warns, and the issue becomes critical in the second half, lingering into FY23. This will hinder the company's ability to meet the demand that has built up from deferred surgeries. Citi has concluded FY24 is the year to focus on, when conditions are expected to return to (more) normal, and upgrades to Buy.</td></tr>
<tr><td>REA - REA Group</td><td>BEAT</td><td>0</td><td>0</td><td>3/4/0</td><td>167.41</td><td>162.84</td><td>7</td></tr>
<tr><td colspan="8">REA Group's result beat consensus on a surprise 37% year on year increase in revenue, or 25% ahead of acquisitions, albeit higher costs weighed on earnings. But after a solid first half, risks to a similar performance loom in the second half. REA posted a stellar second half FY21, so will be cycling tough comparables. Elections always subdue activity in real estate for a period, and there's always the threat of regulatory intervention to curb soaring house prices. It is these risks that keep four of seven brokers on Hold.</td></tr>
<tr><td>RDY - ReadyTech</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>4.10</td><td>4.10</td><td>1</td></tr>
<tr><td colspan="8">ReadyTech's earnings beat Macquarie by 3% on strong organic revenue growth, underpinned by 97% net customer revenue retention, new client wins and ongoing execution of the company's cross-sell and up-sell strategies. FY22 guidance is reiterated for mid-teens organic revenue growth. Accelerated by strategic M&A, growth should underpin a further multiple re-rate, the broker suggests.</td></tr>
<tr><td>RKN - Reckon</td><td>MISS</td><td>0</td><td>0</td><td>0/1/0</td><td>0.96</td><td>1.05</td><td>1</td></tr>
<tr><td colspan="8">Reckon's 2021 result revealed broadly in-line revenue though softer earnings and profit than Morgan Stanley had expected. Revenue for Business and Accountant divisions were a slight miss while Legal was a slight beat versus the broker's forecast. Higher depreciation and amortisation costs contributed to a -18% lower group profit than the analyst expected. Morgan Stanley remains Hold-rated believing the pipeline of new products is the key for meaningful sales growth.</td></tr>
<tr><td>RED - Red 5</td><td>IN LINE</td><td>0</td><td>1</td><td>0/1/0</td><td>0.37</td><td>0.34</td><td>1</td></tr>
<tr><td colspan="8">First half results indicate to Morgans that Red 5 has sufficient funding to complete construction and commissioning at the King of the Hills project. Company management now expects first gold in the June quarter. After recent strength for the share price, the broker downgrades to Hold and retains a -20% discount to net asset value in its model until the project enters production.</td></tr>
<tr><td>RBL - Redbubble</td><td>MISS</td><td>0</td><td>0</td><td>1/1/0</td><td>3.23</td><td>2.67</td><td>2</td></tr>
</table>

Morgans (Buy) suggests Redbubble's result met recently updated guidance while UBS (Hold) found margins to be a key miss of the update, driven by increased competition and growth investment. Year-on-year earnings declined by -84% and gross transaction value by -14%. Guidance is for another small decline in margins. Morgans sees no relief in sight, expecting continued competition and investment in marketing and customer retention will continue to erode margins, but retains Buy on valuation. UBS cites unpredictable near-term operating conditions remaining a challenge in sticking with Hold.							
REH - Reece	**BEAT**	0	0	1/1/3	18.51	18.91	5
Reece reported first half results that beat forecasts operationally. The US helped drive the beat, where the company was able to achieve real price growth in strong market conditions. A&NZ margins were weak, with the key issue being a growing headcount, increasing staff turnover and rising salaries and wages. Cash was impacted by holding more inventory, but understandable in the conditions. Brokers agree the US looked better on this result, but it remains a long-term process to improve and reposition the business, Macquarie (Sell) warns. In A&NZ, the cost base seems to be taking a structural step up. The stock is expensive by most broker's valuations, except for Ord Minnett (Buy) who commends Reece for having entered the US market only three years ago and today is showing the growth opportunity in a large, fragmented market.							
RRL - Regis Resources	**IN LINE**	0	0	3/1/0	2.19	2.18	4
Regis Resources reported in line with a recent update but the decision not to pay an interim dividend did surprise. This is due to capex obligations, yet FY capex guidance has been reduced. This leads Morgan Stanley (Hold) to delay its McPhillamy's start-up expectation by six months. A key catalyst is the update on the Garden Well underground mine and Credit Suisse (Buy) notes the opening of the WA border poses a threat that is not actually captured in guidance. FY production guidance has been reaffirmed, implying a stronger second half.							
TRS - Reject Shop	**BEAT**	0	0	1/2/0	7.47	7.53	3
Despite the significant impact of omicron on foot traffic and Christmas trading, The Reject Shop has managed to (slightly) surprise to the upside, suggesting management navigated multiple challenges well, but conditions are expected to worsen in the second half. As Morgans (Hold) points out, the business "walks a tight rope" as it operates on narrow margins and cost inflation is real. Morgan Stanley (Buy) nevertheless suggests a sharp rebound in activity could bring the broker's bull case scenario into play.							
RWC - Reliance Worldwide	**IN LINE**	0	1	4/2/0	6.33	6.08	6
Reliance Worldwide's result was mostly in-line with forecasts, leading to relief from brokers who were worried tightness in raw materials and challenges with the supply chain and logistics would disrupt the company's volumes, revenues and earnings. While there was some margin compression in the period, generally these challenges were navigated well, and management suggested underlying demand remains strong. Higher input costs will be more than offset via price increases which should see margins increase, and recent acquisitions are combining to provide growth.							
RMC - Resimac Group	**BEAT**	0	0	1/0/0	2.84	2.67	1
Resimac Group's first half profit was up 6% year on year and 4.5% ahead of Macquarie, driven by book growth, lower impairments and a non-cash fair value gain. Prime loan volumes were impacted by aggressive price competition and increased consumer preference for fixed rate products, the broker notes. Higher fixed rates in the second half present opportunities to increase prime settlement volumes. Resimac Group's current share price does not reflect the earnings outlook, in the broker's view.							
RMD - ResMed	**MISS**	1	0	5/1/0	39.27	38.24	6
ResMed's result goes down as a miss, as supply chain disruptions and elevated freight and manufacturing costs impacted gross margins in the Devices segment. But all bar one broker remains very upbeat on the stock, and on share price weakness Citi upgrades to Buy. Supply issues are expected to ease by FY23, and ResMed will continue to gain market share over that period on competitor Philips device recall woes. Management remains confident it can achieve FY22 guidance after re-engineering and re-purposing products and components within the devices to increase supply. Morgan Stanley (Hold) is less confident, worried more about rising bond yields.							

RSG - Resolute Mining	MISS	0	0	1/1/0	0.45	0.43	2
Resolute Mining's underlying result missed Macquarie (Buy) while Citi (Hold) suggests the loss, on the back of impairment charges for both Syama and Mako, is simply more evidence the company has had a tough time operating in Africa. If management can execute on its forecast for more production at a higher cost, 2022 might just end with a small profit, Citi predicts, pointing out earnings are highly leveraged to the USD gold price on which the broker is bullish given current geopolitical issues. But Citi remains cautious overall.							
RIC - Ridley	BEAT	0	0	1/0/0	1.55	1.70	1
Ridley Corp's first half result outpaced Credit Suisse' forecasts, featuring strong organic growth and demonstrating strong momentum. The broker spies plenty of opportunity to drive further growth, and appreciates the strong and strengthening balance sheet, noting management is open to capital management strategies.							
RIO - Rio Tinto	IN LINE	0	0	3/2/1	111.21	114.58	6
Rio Tinto's result was largely in line, but brokers were taken aback by a cracker dividend, implying a payout ratio of 79%, with iron ore the driver. Production guidance for 2022 is unchanged although Pilbara costs are increasing, while capex remains stubbornly high and opex guidance is materially higher. Morgan Stanley (Buy) expects Rio is working to de-risk mine plans following reserve decreases of -46m tonnes in the last year on Traditional Owner heritage considerations. Ord Minnett (Hold) believes 2022 will be another year in which shareholders stand to gain from a strong dividend yield, although the stock has traded through the broker's valuation. UBS (sell) sees risk/reward as skewed to the downside for iron ore.							
SFR - Sandfire Resources	MISS	0	0	4/1/1	7.66	7.23	6
Interim results for Sandfire Resources were weaker than brokers expected as a result of hedging losses and higher expenses incurred in exploration. Of more interest was maiden Matsa guidance. Production guidance was largely in line, but unit costs were more than double those outlined in September. The discrepancy was attributed to a 20-25% increase in mining and processing costs since mid-2021, largely related to increased costs of power and labour. The completion of the Matsa acquisition is expected to see the project dominate earnings over the next few years. Disparate ratings likely reflect variance in copper and gold price forecasts.							
STO - Santos	IN LINE	0	0	5/1/0	8.91	8.95	7
Santos' result equally met or slightly beat or missed broker forecasts. FY production guidance has been lowered and cost guidance raised, but all attention is on pending asset sell-downs in the wake of the Oil Search merger. PNG LNG is clearly the largest and most important deal to complete. It seems a good time to sell, given high oil prices and Europe declaring gas-fired power as an ESG-positive energy transition source. Buoyant oil prices mean the company should easily be able to fund 2022 capex demands while simultaneously cutting gearing through asset sales, still leaving scope for shareholder returns.							
SCG - Scentre Group	IN LINE	0	0	2/1/2	3.00	3.08	5
Scentre Group's result was roughly in line with forecasts. That's about where any broker agreement ends. Full year sales were largely flat on the previous year, which is not a bad result given a high number of lost trading days. But Morgan Stanley (Hold) warns the REIT's earnings look unlikely to return to pre-covid levels for some time. Macquarie (Sell) suggests the portfolio proved resilient but the broker sees little room for growth. Ord Minnett (Buy) notes retail conditions have improved and cash collection was very strong in November and December.							
SEK - Seek	BEAT	0	0	3/2/0	34.80	33.97	5
Seek's first half result outpaced consensus forecasts, thanks to strong revenue from A&NZ and Asia and lower than expected domestic costs. Aided by record job advertisements and depth penetration, Seek A&NZ put in a very strong performance, Morgans (Hold) suggests. Given a strong labour market, investors were ready for a guidance upgrade, but Seek's upgrade was greater than most expected. The company should continue to benefit from a strong labour market, Macquarie (Buy) believes, and offers an attractive valuation-to-growth profile when compared to listed online peers.							

<table>
<tr><td>SXY - Senex Energy</td><td>MISS</td><td>0</td><td>0</td><td>0/1/0</td><td>4.42</td><td>4.60</td><td>1</td></tr>
<tr><td colspan="8">Senex Energy's first half earnings were below estimates, largely because of costs. Full year earnings guidance has been reiterated which implies a skew to the second half. Ord Minnett expects the transaction with POSCO will be completed in March and a de-listing will occur shortly thereafter. Other brokers appear to have already ceased coverage.</td></tr>
<tr><td>SRV - Servcorp</td><td>BEAT</td><td>0</td><td>0</td><td>0/1/0</td><td>4.60</td><td>4.45</td><td>1</td></tr>
<tr><td colspan="8">Servcorp's first half results beat estimates. UBS notes operating conditions are challenging, particularly in North Asia. The company is highly leveraged to improving market dynamics and the broker believes it is well-positioned for a post-pandemic environment, potentially underscored by a more favourable industry structure. Guidance implies a 49-54% skew which the broker deduces should be achievable without an improvement in occupancy or pricing in the second half.</td></tr>
<tr><td>SSM - Service Stream</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>1.15</td><td>1.42</td><td>1</td></tr>
<tr><td colspan="8">Service Stream's first half earnings were ahead of Ord Minnett's expectations, and the company has re-stated pro forma FY earnings guidance. Ord Minnett considers this guidance a base level for earnings carrying on into FY23, with likely growth from favourable sector exposures and new workflow from existing clients. There is also the prospect of resuming dividends in the second half.</td></tr>
<tr><td>SVW - Seven Group</td><td>BEAT</td><td>0</td><td>0</td><td>4/0/0</td><td>26.94</td><td>26.84</td><td>4</td></tr>
<tr><td colspan="8">Seven Group's result beat three out of four forecasts, but Ord Minnett puts this down to the consolidated contribution from Boral. Otherwise performances from WesTrac and Coates Hire exceeded expectations, a continued strong performance from Coates in conjunction with improvement in WesTrac and Boral should result in robust growth for the next couple of years. Coates Hire is benefiting from strong infrastructure construction activity and operating leverage is rising with utilisation. FY earnings guidance of 8-10% growth is seen as conservative by UBS as the broker now expects growth of 13% following updates to its Boral, Beach Energy and Seven West Media shareholding forecasts.</td></tr>
<tr><td>SWM - Seven West Media</td><td>BEAT</td><td>0</td><td>0</td><td>3/0/0</td><td>0.87</td><td>0.86</td><td>3</td></tr>
<tr><td colspan="8">Seven West Media's result beat two brokers but not Macquarie's admittedly top-of-the-market forecast. FY guidance was upgraded as expected, driven by strong metro ad markets and the inclusion of Prime. The pace of growth in 7Plus has also been a positive surprise, underscoring success in digital, and elections always provide a boost for advertising. The company is reviewing capital management options, and Macquarie suggests a buyback or capital return of $100m is achievable.</td></tr>
<tr><td>SZL - Sezzle</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>5.40</td><td>4.00</td><td>1</td></tr>
<tr><td colspan="8">Ord Minnett welcomes the proposed merger between Sezzle and Zip Co due to many perceived strategic benefits. This includes attaining number four status in the US, given the combined active customer base. The merchant network for users should also see greater network effects and the potential for more merchant wins. Separately, the company announced a 2021 result which bettered the broker's forecasts. Nevertheless, the broker cuts its target price by -27%, but mysteriously to $4.00 (last trade $1.80).</td></tr>
<tr><td>SGF - SG Fleet</td><td>BEAT</td><td>0</td><td>0</td><td>2/0/0</td><td>3.29</td><td>3.19</td><td>2</td></tr>
<tr><td colspan="8">SG Fleet's result comfortably beat forecasts, on organic growth of 19% year on year. The used vehicle value environment “remains exceptionally strong”, management noted, with values higher half on half. Management does not expect used car price softening to commence before FY23. Upward pressure on consensus estimate for FY forecasts is anticipated, especially as the LeasePlan acquisition contributed just four months in the first half.</td></tr>
<tr><td>SSG - Shaver Shop</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>1.25</td><td>1.30</td><td>1</td></tr>
<tr><td colspan="8">Shaver Shop Group's first half results were ahead of Ord Minnett's forecast, albeit net profit declined -8.6% due to lockdown store closures. Net profit was ahead by 76.4% on a two-year basis. The dividend was also ahead of forecasts. Ord Minnett notes Shaver Shop has a strong market position and while the network has been built out in Australia, there remains scope in New Zealand.</td></tr>
<tr><td>SHJ - Shine Justice</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>1.55</td><td>1.47</td><td>1</td></tr>
</table>

Shine Justice posted 15% earnings growth in-line with expectations. The 2.5c dividend is up 25% year on year. Cash flow was weak, Morgans notes, on a combination of receipts timing, and investment in significant fee-earning headcount growth. FY guidance has been retained as "low double-digit" growth. Resolution of the Mesh class action case has been an important milestone, the broker notes. Cash timing is still unknown, be it upfront or over some five years, however, certainty on the balance sheet should allow Shine to look at acquisition opportunities. On lower assumed gross operating cash flow in the second half, target is reduced.							
SCP - Shopping Centres Australasia Property	**BEAT**	0	0	0/4/0	2.98	3.05	4
SCA Property Group's result beat all comers and FY earnings guidance has been upgraded. Acquisitions and lower than expected covid rent relief were the drivers. Specialty and supermarket sales are trading 8% ahead of pre-covid levels, suggesting an upside risk to net tangible assets, and there is room on the balance sheet for further acquisitions. Rent collections of 96% were considered solid and the new joint venture with the Singaporean government, "is set to impress", suggests Morgan Stanley. Earnings are highly predictable and growth modest, hence the market has the REIT at fair value.							
SLA - Silk Laser Australia	**BEAT**	0	0	1/0/0	5.15	5.30	1
Silk Laser Australia's first half result sharply outpaced Ord Minnett's forecasts thanks to a strong performance from the recently acquired ASC network. Higher customer spending, buoyed by the trend towards injectables away from laser, solid franchisee revenue and growth in like-for-like sales drove the beat. The broker notes ASC offers Silk Laser much-needed geographical diversification heading into the second half, which will include covid/flood impacts in Queensland and Western Australia.							
SLH - Silk Logistics	**BEAT**	0	0	1/0/0	3.26	3.31	1
Silk Logistics' 12% first half earnings increase was a slight beat of Morgans' forecast, driven by 18% revenue growth and -110bps margin contraction. Covid added $1m to costs. If substantial rental costs are excluded, earnings beat the broker by 23%. The FY outlook implies further solid growth into the second half. The broker continues to believe that if the company converts potential into proven earnings growth then patient investors should be rewarded, particularly those buying at current attractive looking multiples.							
SLR - Silver Lake Resources	**BEAT**	0	0	2/0/0	1.98	2.25	2
Silver Lake Resources' first half results were mixed, Macquarie suggests, as operating earnings were ahead of estimates while depreciation weighed on the net profit outcome. Ord Minnett calls a beat. Macquarie believes the company is well situated to achieve FY22 guidance, particularly given the processing of the stockpile at Mount Monger in the second half. The outlook and strategy for the newly-acquired Sugar Zone is anticipated in the second half. Ord Minnett considers the Harte Gold acquisition will drive a higher share price, given the attractive metrics.							
SGM - Sims	**BEAT**	0	0	5/1/0	18.32	19.48	6
Sims posted a fairy tale result, sharply outpacing forecasts and its own guidance thanks to strong scrap prices and volume growth, and impressive cost control in the face of the usual covid-related issues. Similar momentum has continued into the second half, although no FY guidance was provided. Brokers point out Sims is an ESG winner, benefiting from a global push towards decarbonisation of metals production, with global infrastructure spending plans implying plenty of scrap availability. The question is as to whether this is good as it gets, but while brokers see a possible peak shorter-term, they also see a long tail.							
SDR - SiteMinder	**IN LINE**	0	0	2/0/0	6.96	7.07	2
Siteminders' earnings met Ord Minnett's forecast and slightly missed UBS, although the broker saw a "credible" result in challenging conditions. UBS notes signs of Australia Pacific region stabilisation are positive for the outlook. Strong property growth in regions with re-opened travel markets will be key drivers of momentum moving forward, as well as a strong pipeline of new products over the coming year. Ord Minnett considers the company to be one of the purest exposures to the travel re-opening trade as it continues to move from a subscription to clip-based model.							
SKC - SKYCITY Entertainment	**MISS**	0	0	1/1/0	3.20	2.75	2

<table>
<tr><td colspan="8">SkyCity Entertainment's first half result will go down as the most heavily covid-impacted to date, Macquarie (Buy) notes. The broker forecasts FY22 earnings of 42% of that pre-covid but assuming covid impacts are transient, believes FY23 should exceed pre-pandemic levels. Credit Suisse nevertheless warns any further extensive casino shutdowns in a strict New Zealand may necessitate the company requiring added finance. Management is monitory daily liquidity and has negotiated covenant relief for the June 2022 test.</td></tr>
<tr><td>SIQ - Smartgroup Corp</td><td>IN LINE</td><td>0</td><td>1</td><td>2/3/0</td><td>8.42</td><td>8.48</td><td>5</td></tr>
<tr><td colspan="8">SmartGroup Corp posted a solid result, largely in line with forecasts. Despite some covid impacts, novated lease orders rose and continued to rise in January. Settlements continue to lag orders due to supply chain issues, which will likely persist for at least most of 2022. Credit Suisse (Buy) retains a positive view on robust demand and the excess pipeline gap being closed into FY23. The company renewed all eight of its major contracts expiring in FY21. Morgans downgrades to Hold on limited upside to valuation, but suggests a future opportunity to buy may arise post dividend and also when there's more certainty on contract renewals and short-term vehicle supply issues.</td></tr>
<tr><td>SOM - SomnoMed</td><td>IN LINE</td><td>1</td><td>0</td><td>1/0/0</td><td>2.61</td><td>2.51</td><td>1</td></tr>
<tr><td colspan="8">SomnoMed reported earnings, but either no one told Morgans or the result itself was not considered important. For SomnoMed has introduced its "Rest Assure" product that enables its devices to measure efficacy and compliance measures, filling a major gap in CPAP and COAT therapy. The product provides a sleep score similar to ResMed's AirView platform, and Morgans considers the device to be a potential game-changer, boosting the company's allure as a takeover target. An upgrade to Buy thus follows. With no other guide, we'll call the result in-line.</td></tr>
<tr><td>SHL - Sonic Healthcare</td><td>IN LINE</td><td>0</td><td>1</td><td>1/5/0</td><td>45.24</td><td>39.35</td><td>6</td></tr>
<tr><td colspan="8">Sonic Healthcare's solid result drew a range of beat, meet and miss responses, but it's irrelevant anyway so we'll settle on in-line. Brokers agree the glory days of covid-testing are now behind the company, and a lack of guidance suggests management is uncertain from here as well. That said, a return to base business growth provides an offset as restrictions are lifted, and the pandemic has left Sonic with a solid balance that provides for a $500m buyback and M&A possibilities, albeit competition is fierce. Uncertainty as to just what earnings impact will be felt as testing abates is evident in five Hold ratings after Morgan Stanley downgrades.</td></tr>
<tr><td>S32 - South32</td><td>IN LINE</td><td>0</td><td>0</td><td>6/0/0</td><td>4.90</td><td>5.06</td><td>6</td></tr>
<tr><td colspan="8">Brokers all suggest South32's result was above consensus, but pretty much in line with their own forecasts. Cash flow generation was solid and the company has increased its buyback by $110m to $2.1bn, leaving $302m to be returned by September. Production guidance is modestly upgraded across the board, and lower cost guidance allows for higher forecasts. With robust prices across its basket of metals, South32 is a key ex-iron ore, non-WA exposed miner offering investors diversified base metals exposure at an attractive multiple, Morgans suggests. Little disagreement, with all brokers noting spot commodity prices trading well above their current forecasts.</td></tr>
<tr><td>SXL - Southern Cross Media</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>2.07</td><td>2.10</td><td>1</td></tr>
<tr><td colspan="8">Following interim results from Southern Cross Media, Macquarie notes regional radio markets are performing as forecast and the trading update was solid as expected. However, costs arising from digital investment weighed. The broker feels these costs are transitory and a recovery in radio market earnings will benefit.</td></tr>
<tr><td>SPK - Spark New Zealand</td><td>IN LINE</td><td>0</td><td>0</td><td>0/2/0</td><td>4.65</td><td>4.65</td><td>2</td></tr>
<tr><td colspan="8">Spark New Zealand's first half results were in line with forecasts. FY guidance has been upgraded slightly to the top half of the range thanks to a strong mobile result. The company managed to capture 60% of NZ industry mobile growth in the December half, albeit broadband revenue eased due to increased competition. Spark NZ plans to transfer passive mobile tower assets into subsidiary Spark TowerCo, seeking to introduce a third party into into the entity in the second half.</td></tr>
<tr><td>SBM - St. Barbara</td><td>BEAT</td><td>0</td><td>1</td><td>0/3/0</td><td>1.79</td><td>1.50</td><td>4</td></tr>
</table>

<table>
<tr><td colspan="8">A complex result from St Barbara was largely ahead of forecasts. Guidance has been withdrawn given disruptions at Simberi, as a third of workers are in isolation leading to a slower ramp-up. Further delays could result in concentrated capex in late FY23 and FY24. Management plans to double production between FY25-FY30, primarily from Simberi Sulphides, new mines at Leonore and the development of pits at Atlantic. For those investors who are more optimistic or have an appropriate time frame, Ord Minnett concedes there is valuation potential but for now believes there are better risk/reward opportunities elsewhere.</td></tr>
<tr><td>SGR - Star Entertainment</td><td>IN LINE</td><td>0</td><td>0</td><td>4/0/0</td><td>4.24</td><td>4.19</td><td>5</td></tr>
<tr><td colspan="8">An -87% year on year drop in earnings due to Sydney's lockdown caused no raised eyebrows, as Star Entertainment had kept the market well informed. Since Sydney's re-opening, trading has been brisk, as customers make up for lost time. Macquarie sums up views in suggesting investors have already moved on and are looking forward to a catalyst-packed FY23, although they might remain cautious until the completion of The Star Sydney licence review in mid-2022.</td></tr>
<tr><td>SDF - Steadfast Group</td><td>IN LINE</td><td>1</td><td>0</td><td>4/0/0</td><td>5.42</td><td>5.55</td><td>4</td></tr>
<tr><td colspan="8">Steadfast Group's result was in line with expectations. Organic growth has led to a 2.5% FY guidance increase at the midpoint. Eighteen acquisitions were closed in the half, suggesting revenues to come. High premium rates currently favours brokers and underwriting agencies, and first half rate increases of 5-7% are likely to continue, given pressures on insurer margins. Brokers note the trapped capital pipeline and improved technology efficiency. Ord Minnett upgrades to Buy.</td></tr>
<tr><td>STP - Step One Clothing</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>2.70</td><td>2.40</td><td>1</td></tr>
<tr><td colspan="8">Step One Clothing's maiden first half result met Morgans forecasts and the company has reaffirmed FY guidance. The launch of the woman's range is proving a hit, selling 50,000 units in the first month of the second half and attracting 12,000 new customers in the first two weeks, leading the broker to expect a strong sales run in May and June and into FY23. UK growth was modest as forecast and the company is shifting its advertising and marketing to an "influencer" strategy. Morgans considers the shares to be sharply oversold and believes the investment thesis is intact.</td></tr>
<tr><td>SGP - Stockland</td><td>BEAT</td><td>2</td><td>0</td><td>3/2/0</td><td>4.80</td><td>4.90</td><td>5</td></tr>
<tr><td colspan="8">Stockland's result beat most forecasts, with claimed "misses" only slight and put down to a skew to the second half. Management has narrowed FY guidance towards the top of the range and operating margins have improved. Macquarie notes the company is making strong strategic progress, divesting of retirement assets at book value and building joint ventures in land lease and M_Park, the net result being a reduction in gearing, and an upgrade to Hold from the broker. Other brokers support this view. Weather impacts will delay 500 settlements into FY23, but contracts on hand are at a company high. Credit Suisse upgrades to Buy.</td></tr>
<tr><td>STA - Strandline Resources</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>0.50</td><td>0.52</td><td>1</td></tr>
<tr><td colspan="8">With a published pre-production capital budget of $260m and -$140m spent to date, Strandline Resources' available cash and finance facilities look to comfortably cover the capital commitment during the ramp-up of Coburn mineral sands, Morgans notes. Coburn construction was 50% complete at the end of the half. The next six months are the most critical period for the company as construction activities transition from earthworks to the process plant, requiring a lot more staff. Managing these activities with a tight labour market in WA, with cost inflation impacting both mine operators and developers, will be critical to the miner's success, the broker suggests.</td></tr>
<tr><td>SUN - Suncorp Group</td><td>BEAT</td><td>1</td><td>0</td><td>5/2/0</td><td>13.24</td><td>13.70</td><td>7</td></tr>
<tr><td colspan="8">Bankinsurer Suncorp's result beat most forecasts on earnings and dividend. The Australian general insurance business was strong and the underlying insurance margin rose. The bank benefitted from provision releases, but there were offsets in elevated expenses and pressure on bank margins. The question again arises as to whether Suncorp would be better off selling the bank, but management is pursuing cost reductions instead. Solid business momentum and cost-outs into FY23 lead Morgans to upgrade to Add. The balance sheet provides room for capital returns.</td></tr>
<tr><td>SRL - Sunrise Energy Metals</td><td>MISS</td><td>0</td><td>0</td><td>0/1/0</td><td>1.80</td><td>1.80</td><td>1</td></tr>
</table>

<table>
<tr><td colspan="8">Following first half results for Sunrise Energy Metals, Macquarie maintains its Hold rating despite a wider than expected earnings loss resulting from higher than expected exploration costs. The broker notes the Sunrise nickel-cobalt project remains development-ready. This comes as the recent finance support from Export Finance Australia helps to de-risk funding issues.</td></tr>
<tr><td>SUL - Super Retail</td><td>MISS</td><td>1</td><td>0</td><td>5/1/0</td><td>14.18</td><td>13.67</td><td>6</td></tr>
<tr><td colspan="8">Super Retail's result goes down as a miss against the consensus forecast, but not against all broker expectations. The usual supply chain issues impacted on margins and thus earnings, albeit timing issues also had an impact. Revenues, nevertheless, well exceeded broker forecasts, and all agree the share price response was overdone, particularly Morgans, who upgrades to Buy as a result. The business is exposed to increasing expenditure on leisure while the stock remains relatively cheap, according to five brokers, and offers a strong dividend yield. Capital management may be on the cards when cash flows stabilise.</td></tr>
<tr><td>SLC - Superloop</td><td>IN LINE</td><td>0</td><td>0</td><td>3/0/0</td><td>1.42</td><td>1.36</td><td>3</td></tr>
<tr><td colspan="8">Superloop's result was largely in line, albeit difficult to interpret given the Exetel acquisition and divestment of Hong Kong/Singapore assets in the period. Market concern likely stemmed from FY guidance being retained, implying a substantial earnings skew to the second half, but Morgans notes management is yet to miss guidance. Morgan Stanley assumes the skew will be driven by organic growth, annualisation of synergies and full six month contribution from Exetel. Student accommodation demand headwinds in the first half will ease in the second. The company's turnaround, and balance sheet repair, appear to be on track.</td></tr>
<tr><td>SWP - Swoop Holdings</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>2.16</td><td>1.44</td><td>1</td></tr>
<tr><td colspan="8">Swoop Holdings' first half results were better than Morgans expected, with the company delivering 47% year-on-year revenue growth, a 10% beat to forecast, and 130% year-on-year earnings growth, a 19% beat to forecast. While organic growth was in the double digits, acquisitions contributed sizeably to the result. Further synergies from recent acquisitions are yet to be realised, and two acquisitions in the third quarter and further near-term acquisition alluded to offer upside risk. Updated forecasts are at the top end of company guidance, which Morgans expects will be upgraded following the company's next acquisition completion.</td></tr>
<tr><td>SYM - Symbio Holdings</td><td>MISS</td><td>0</td><td>0</td><td>2/0/0</td><td>7.10</td><td>7.08</td><td>2</td></tr>
<tr><td colspan="8">Symbio Holdings' first half results missed Morgan Stanley's revenue, earnings and net profit forecasts but the broker notes results were clouded by divestments in the half. Strong KPIs should be a positive, but there appears a disconnect between indicators and realised performance. Progress was achieved in Singapore, with ten customers added, and Malaysia market entry in FY22 supports continuing Asia expansion. The FY guidance range was reaffirmed but Morgan Stanley moves to the lower end of range and reduces earnings per share estimates, noting reduced investment is required to meet targets. Ord Minnett believes Symbio has an extensive opportunity for growth.</td></tr>
<tr><td>TAH - Tabcorp</td><td>BEAT</td><td>0</td><td>0</td><td>1/2/0</td><td>5.50</td><td>5.57</td><td>3</td></tr>
<tr><td colspan="8">Tabcorp's interim result exceeded expectations, with another record result from Lotteries & Keno the clear highlight. As expected, Wagering & Media and Gaming Services were impacted by venue closures. These businesses should nevertheless benefit from an easing in covid restrictions from the second half onwards. Wagering and Gaming are adequately funded to pursue their respective growth strategies post de-merger. An increase in de-merger cost guidance nevertheless came as a negative surprise.</td></tr>
<tr><td>TGR - Tassal Group</td><td>BEAT</td><td>0</td><td>0</td><td>2/0/0</td><td>3.98</td><td>3.97</td><td>2</td></tr>
<tr><td colspan="8">Tassal Group's first half result generally pleased Credit Suisse, with the company reporting a recovery in sales prices as covid eases. Strong cash flow was the standout, a sell-down of excess inventory improving working capital. Capital expenditure is falling, forecast harvest volumes are steady, and management plans to optimise margins and costs. Credit Suisse considers the company cheap heading into a longer term recovery from covid. UBS believes cash flow improvement should prove beneficial to investor sentiment.</td></tr>
<tr><td>TLS - Telstra</td><td>MISS</td><td>0</td><td>0</td><td>4/1/0</td><td>4.49</td><td>4.43</td><td>6</td></tr>
</table>

<table>
<tr><td colspan="8">The market clearly focused on Telstra's profit miss in the half and revenue fell short of forecasts. The reported numbers were weak due to lower NBN revenue and other one-off gains, while Mobile was a star performer and trends remain favourable. Just as well, as headwinds still remain in the fixed business, with the mid-teen margin target pushed out to FY25. Management has reaffirmed its aspirational FY23 earnings target, while the prospect of asset sales supports Buy ratings.</td></tr>
<tr><td>TPW - Temple & Webster</td><td>BEAT</td><td>0</td><td>0</td><td>3/1/0</td><td>14.11</td><td>12.26</td><td>4</td></tr>
<tr><td colspan="8">There was concern over decelerating growth for Temple & Webster heading into the company's result, but growing active customers and higher repeat customers drove the numbers to a beat. Customers were shopping more often and spending more, plus supply-chain diversity helped cushion the company from the worst of covid. Big fan Morgan Stanley (Buy) continues to believe Temple & Webster is a leader in a structural growth market and on track to reach $1bn in revenue in four to five years. Brokers have nonetheless cut targets due to higher reinvestment guided for the second half.</td></tr>
<tr><td>TRP - Tissue Repair</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>1.43</td><td>1.43</td><td>1</td></tr>
<tr><td colspan="8">Following first half results for Tissue Repair that were in line with Morgans' expectations, and no major news updates, the broker focuses upon the buying opportunity presented by a share price trading below cash backing. The cash balance of $26.6m with no debt is sufficient to complete the company's clinical programs in chronic wounds as well as initial commercialisation of the aesthetic product, points out Morgans. Speculative Buy.</td></tr>
<tr><td>TPG - TPG Telecom</td><td>IN LINE</td><td>0</td><td>1</td><td>2/2/0</td><td>7.74</td><td>6.81</td><td>4</td></tr>
<tr><td colspan="8">TPG Telecom's 2021 results were broadly in line with forecasts, with the main negative being an additional $200mpa in capex associated with the accelerated 5G roll-out. Momentum in the business continues to improve on synergy realisation, mobile customer additions and the NBN drag being largely done, hence Morgans expects underlying earnings growth in 2022. Cash flow will be compressed in the short term as the company invests for growth, so for now the broker downgrades to Hold. Ord Minnett (Buy) believes the stock provides good exposure to a post-pandemic recovery. Macquarie (Buy) suggests TPG offers exposure to a rationalising mobile market, the broker suggests, with upside scenarios include fixed wireless rollout, regional market penetration and Enterprise market penetration.</td></tr>
<tr><td>TRJ - Trajan Group</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>2.85</td><td>3.20</td><td>1</td></tr>
<tr><td colspan="8">Trajan Group posted underlying earnings in the first half ahead Ord Minnett's forecast, underpinned by gross margin expansion. The broker sees several catalysts to drive further upgrades including M&A, adoption of new products and scale benefits. Given a positive outlook, Ord Minnett raises its target and retains Accumulate.</td></tr>
<tr><td>TCL - Transurban Group</td><td>IN LINE</td><td>0</td><td>0</td><td>4/1/0</td><td>14.65</td><td>14.64</td><td>5</td></tr>
<tr><td colspan="8">Transurban's result equally met, missed and beat forecasts so we'll net to in-line. The mix likely reflects the difficulty in assessing the impact of long lockdowns in Sydney and Melbourne. Costs rose due to higher insurance costs and investment in growth. Traffic is recovering but continues to be below pre-covid levels across the network, albeit large vehicle traffic is outperforming. Management continues to flag a range of development opportunities across the various cities, with the North American market offering the greatest number of opportunities over the near to medium term.</td></tr>
<tr><td>TWE - Treasury Wine Estates</td><td>IN LINE</td><td>1</td><td>0</td><td>4/2/0</td><td>13.45</td><td>13.34</td><td>6</td></tr>
<tr><td colspan="8">Treasury Wine Estates' numbers slightly beat or missed broker forecasts, which were to the low side. The result provided evidence of strong green shoots for the reallocation of Penfolds Chinese volume into other markets, with ex-China earnings up 28%. Acknowledging supply constraints, the company notes impact is reduced given lower Australian grape costs, which contribute 55-70% of cost of goods sold. However, a bumper crop may limit the ability to improve short-term pricing and margins in non-Penfolds brands. Morgans (Buy) considers the result impressive and suggests the company has laid the foundations for strong double-digit growth from FY23. Credit Suisse upgrades to Buy.</td></tr>
<tr><td>TYR - Tyro Payments</td><td>MISS</td><td>1</td><td>0</td><td>4/0/0</td><td>4.13</td><td>3.13</td><td>4</td></tr>
</table>

<table>
<tr><td colspan="8">There's no disagreement Tyro Payments' earnings result was a big miss, but brokers have accused the market of really not paying attention in selling the stock down -26%. There was no problem with revenues, but higher costs, and particularly costs involved in the Medipass acquisition which Macquarie (upgrade to Buy) suggests the market overlooked, were a drag. Ord Minnett believes the disclosure on margins also created more confusion. The outlook remains positive, brokers agree, and the balance sheet is healthy.</td></tr>
<tr><td>URW - Unibail-Rodamco-Westfield</td><td>IN LINE</td><td>0</td><td>0</td><td>0/1/1</td><td>4.72</td><td>5.21</td><td>2</td></tr>
<tr><td colspan="8">UR Westfield reported 2021 adjusted recurring earnings in line with Macquarie, slightly ahead of guidance. 2022 guidance is below the broker's estimate but likely reflecting management conservatism due to covid. Operational metrics imply improvement off a low base, particularly in the US, and the broker awaits the upcoming strategy day to learn more detail about US options. Despite the REIT's prime portfolio, Ord Minnett sees further downside risk to valuation and retains a Sell rating.</td></tr>
<tr><td>UWL - Uniti Group</td><td>IN LINE</td><td>1</td><td>0</td><td>1/1/0</td><td>4.30</td><td>3.79</td><td>2</td></tr>
<tr><td colspan="8">Uniti Group's first half underlying earnings were in line with Macquarie's (Hold) forecasts, but "underwhelmed" Ord Minnett amid delays that reduced the number of completed fibre connections. Nevertheless, the broker considers the share price reacted unnecessarily to future planned capital expenditure to upgrade the Velocity network, and has thus upgraded to Buy from Accumulate. The company has indicated it is on track to meet consensus FY forecasts despite the impact of the pandemic on construction and Ord Minnett believes Uniti is justified in investing ahead of the potential growth, as it crystallises a 7-10-year pipeline of work.</td></tr>
<tr><td>UNI - Universal Store</td><td>IN LINE</td><td>0</td><td>0</td><td>3/0/0</td><td>8.77</td><td>8.55</td><td>3</td></tr>
<tr><td colspan="8">Universal Store Holdings' result was pre-released, but brokers were impressed by the performance in the face of lockdowns and by the resilience of gross margins. Management reports good growth in the first eight weeks of the second half. Marketing costs rose, in line with AGM guidance, but early indications suggest the investment has paid off, with conversions hitting 88.5%. The company has several competitive advantages which position it well for the medium term and store roll-out is a significant opportunity, particularly in NSW and Victoria, UBS believes.</td></tr>
<tr><td>VEE - Veem</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>1.25</td><td>1.15</td><td>1</td></tr>
<tr><td colspan="8">Veem's first half result met Morgans' forecasts and guidance issued in November. One-off production issues, labour and capacity challenges and higher raw material prices were as expected, and cost pressures will likely continue in the second half. The broker nevertheless appreciates the company's unique products and expects demand will remain strong. Morgans looks to a solid addressable market for gyros but warns execution will be the key.</td></tr>
<tr><td>VNT - Ventia Services</td><td>BEAT</td><td>0</td><td>0</td><td>2/0/0</td><td>2.70</td><td>2.75</td><td>2</td></tr>
<tr><td colspan="8">Ventia Services Group's maiden 2021 result outpaced prospectus forecasts by 6.5%. The company has reaffirmed 2022 prospectus guidance, highlighting the essential services in many of its business segments. Macquarie suggests Ventia is well positioned to manage the risks of higher costs, with 94% of contracts containing embedded price rises or deal with short-term or individually arranged panel arrangements. Ord Minnett suspects the market will be increasingly confident in the outlook and this will lead to a re-rating.</td></tr>
<tr><td>VCX - Vicinity Centres</td><td>BEAT</td><td>0</td><td>0</td><td>0/4/1</td><td>1.75</td><td>1.93</td><td>5</td></tr>
<tr><td colspan="8">The strength of Vicinity Centres' result caught everyone by surprise, but the surprise result was achieved thanks to a reversal of prior waivers and provisions that Morgan Stanley (Sell) suggests were impossible to forecast. FY guidance also exceeds forecasts, although a 10% guidance range suggests uncertainties remain. The development pipeline is progressing nicely, but brokers cannot yet get too excited. Macquarie (Hold) warns consumer demand is unlikely to be as strong in twelve months’ time and substitution of consumption from goods to services will occur at a time when e-commerce penetration settles above pre-covid levels.</td></tr>
<tr><td>VRT - Virtus Health</td><td>MISS</td><td>0</td><td>1</td><td>0/2/0</td><td>7.07</td><td>7.48</td><td>2</td></tr>
</table>

Virtus Health's first half profit missed Macquarie's forecast, reflecting weaker revenue and higher costs. Nevertheless, the broker considers it is down to an investment in future growth and the market should continue to benefit from behavioural shifts. That said, Macquarie believes growth is captured in current forecasts and downgrades to Hold. Morgans notes Australian volumes remained strong while international declined, but the company expects international to return to growth as covid disruptions stabilise. No update was provided on the company's suitor CapVest, which Morgans notes will be a key determinant of share price direction.							
VEA - Viva Energy	**IN LINE**	0	1	4/1/0	2.55	2.67	5
Viva Energy reported largely in-line. Gross refining margins rebounded strongly in the second half, while regional refining margins continue to surge in 2022. Operating leverage was evident in a recovery in aviation volumes, which should continue into 2022. Capex will increase over 2021 given spending on Energy Hub projects, which is likely to be a theme over the next few years. But Viva Energy is starting from a position of strength given a strong underlying earnings performance, with higher refining a tailwind for cash flow and minimal net debt. A better refining performance should offset the risk of margin pressure from rising oil prices.							
VVA - Viva Leisure	**MISS**	0	0	1/0/0	3.00	3.09	1
Viva Leisure's first half result fell shy of Ord Minnett's forecasts but the broker appreciates the company's resilience to lockdowns. Strong consolidated utilisation suggests scope for organic growth and the acquisition pipeline is solid with FY funding available from existing cash and debt facilities. Management has reiterated guidance. Earnings forecasts are improved sharply, the broker noting the company is projected to grow FY23 earnings by 226%. Ord Minnett considers the company to be cheap.							
VSL - Vulcan Steel	**BEAT**	0	1	1/1/0	9.55	10.00	2
Vulcan Steel beat broker forecasts and FY guidance was upgraded for the second time. Cash flow was weak as the company sought to build inventory to combat supply shortages. UBS warns this could backfire as the broker expects lower steel prices in the second half. UBS still retains Buy, but Credit Suisse downgrades to Hold, suggesting supply chain constraints and rising input prices could persist for 6-12 months, and remaining wary of where margins might normalise.							
WGN - Wagners Holding Co	**MISS**	1	0	3/0/0	2.17	1.95	3
Wagners Holding's result missed on profit due to investments in long term growth initiatives. This has not bothered brokers as it is assumed these will ultimately improve the quality of the business. While a potential earth-friendly concrete is seen as an important catalyst to support a re-rating, Morgans considers the core construction materials & services business will leverage off an improving South East Queensland construction market. Macquarie upgrades to Buy, expecting an improvement in the operating environment. Credit Suisse models stronger second half revenue although remains more cautious about margins, waiting for evidence competition has stabilised.							
WPR - Waypoint REIT	**IN LINE**	0	1	2/0/1	2.88	2.92	3
Waypoint REIT's 2021 financials were in line with forecasts. 2022 guidance assumes $150m of asset sales and $100m of capital management. The REIT is of the intent to diversify away from current tenant concentration and boost ESG credentials, but Morgan Stanley (Sell) suggests the diversification strategy will be a long and slow process. Ord Minnett believes net tangible asset growth will slow from strong levels over the last two years and downgrades its rating to Accumulate from Buy.							
WES - Wesfarmers	**MISS**	1	0	1/5/0	57.48	54.10	6
So Bunnings is not teflon-coated after all. Higher inventories, supply chain disruptions, higher transport costs and labour constraints impacted just as is the case everywhere, including for Kmart, Target and Officeworks, but weakness was already flagged for these divisions. Still, a very strong performance was delivered by Wesfarmers Chemicals, Energy & Fertilisers, which originally gave the company its name. Headwinds for the Bunnings, Kmart and Officeworks businesses are seen as temporary, but risks remain around on inflationary pressure and the required investment in online capabilities. Wesfarmers is nonetheless considered well-placed to benefit when conditions improve.							
WSA - Western Areas	**BEAT**	0	0	0/3/1	3.25	3.25	5

<table>
<tr><td colspan="8">Western Areas posted a beat on earnings. FY production guidance has nevertheless been downgraded and cost guidance upgraded due to lower grade ore production and a challenging labour market in WA. Broker forecasts and potentially ratings would typically vary on individual nickel price assumptions, and to that end Citi has upgraded its nickel forecasts, as higher EV sales and a global deficit conspire to support prices in the medium term. But given the company is subject to takeover from rival IGO Ltd, brokers await the pending shareholder vote before looking further ahead.</td></tr>
<tr><td>WGX - Westgold Resources</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>2.90</td><td>2.90</td><td>1</td></tr>
<tr><td colspan="8">Westgold Resources reported earnings in line with Macquarie. The miner has made no change to FY guidance, implying a stronger second half which the broker suspects will come from more stable outputs from new mines. With cash generation underpinned by shrinking capex and increasing production at Big Bell, Westgold is now in a strong position to deliver on its strategy, the broker suggests, which could include another processing hub or an expansion to the existing Cue plant.</td></tr>
<tr><td>WSP - Whispir</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>3.45</td><td>2.85</td><td>1</td></tr>
<tr><td colspan="8">Whispir's first half result quietly beat Ord Minnett, underpinned by an increase in transaction revenue from covid communications. Churn in recurring revenue remains low. The broker continues to believe the company will provide a superior growth story over the medium term. Staff numbers have increased, resulting in higher than expected costs, as Whispir pushes into Asia and North America. Ord Minnett lauds the strong product suite and large addressable market. Target cut is due to higher interest rates and lower sector valuations.</td></tr>
<tr><td>WHC - Whitehaven Coal</td><td>MISS</td><td>0</td><td>0</td><td>6/0/0</td><td>3.68</td><td>4.02</td><td>6</td></tr>
<tr><td colspan="8">Higher unit costs due to weather-disrupted production and diesel prices resulted in an earnings miss for Whitehaven Coal against most forecasts. But an interim dividend was not expected alongside a 10% buyback. FY production and cost guidance are unchanged but it is likely that capex spend ends up lower than guidance given modest first half spending. Buy ratings are supported by strength in thermal coal prices. Credit Suisse appreciates the buyback strategy, suggesting it signals confidence and offers flexibility should the coal price sour. The broker's modelling suggests that even were the coal price to fall to US$60/t, Whitehaven's share price should remain flat to 2024.</td></tr>
<tr><td>WTC - WiseTech Global</td><td>BEAT</td><td>0</td><td>0</td><td>2/1/0</td><td>46.78</td><td>49.00</td><td>3</td></tr>
<tr><td colspan="8">WiseTech Global's earnings beat forecasts. FY guidance has been retained. Ord Minnett (Accumulate) believes WiseTech is an attractive play in technology with profitable growth and momentum that should build in the second half, driven by increased penetration with existing customers, cross selling and new contracts. Macquarie (Hold) considers recent contract wins were hard-won and will contribute less than 1% of potential global wallet. Meanwhile, rising interest rates threaten growth, the broker noting a 0.2% rise in the risk-free-rate translates to -6% fall in valuation. Morgan Stanley (Buy) expects M&A will become a key debate for investors.</td></tr>
<tr><td>WPL - Woodside Petroleum</td><td>BEAT</td><td>0</td><td>0</td><td>3/2/0</td><td>27.73</td><td>28.78</td><td>7</td></tr>
<tr><td colspan="8">Woodside Petroleum's result beat forecasts, although inclusive of some lower quality items. The dividend surprised to the upside, but there are some competing views on future payouts. On a combination of rising commodity prices and asset farm-downs, Morgan Stanley (restricted) feels higher dividends are in prospect over the medium term. Morgans (Buy) suggests some uncertainty around whether Woodside will pull back the payout ratio to 50% from 80% during its next capex phase. Brokers agree the BHP Petroleum merger is transformational, but Macquarie (Hold) expects a lot of selling to occur late in the June quarter when BHP Group shareholders receive their shares.</td></tr>
<tr><td>WOW - Woolworths Group</td><td>IN LINE</td><td>2</td><td>0</td><td>2/3/1</td><td>36.85</td><td>37.08</td><td>6</td></tr>
<tr><td colspan="8">Woolworths reported in line with recent guidance. Management noted in the second half to date shelf prices have risen 2-3% reflecting cost pressures being experienced by suppliers. Trading at Big W is expected to remain challenging though the second half will still be profitable. Ord Minnett (Accumulate) notes Woolworths continues to deliver both higher sales growth and cost growth relative to Coles, linked to higher rates of spending both in-store and online. Two upgrades have followed but most brokers still believe Coles offers better value given the premium afforded Woolworths by the market.</td></tr>
</table>

WOR - Worley	IN LINE	0	3	3/1/2	11.61	12.72	6
Worley reported earnings in line with forecasts but there were some signs of underlying momentum having returned. However, Worley is now in the same camp as Fortescue Metals -- shifting focus to sustainability and green energy, requiring $100m in strategic investments over the coming three years. As a spread of broker ratings suggests, brokers are focusing either on long term upside and ESG credentials or short term costs that suggests the company will struggle to reach margin guidance. Buy-raters are still ahead, but three downgrades have followed, including two to Sell.							
Z1P - Zip Co	MISS	0	1	2/1/2	5.16	2.59	5
Brokers have met Zip Co's result with significant earnings forecast cuts, with the numbers impacted by elevated bad and doubtful debts and expenses. A $200m capital raise has followed the announcement of the planned merger with Sezzle, but little detail was provided on the use of proceeds and the growth trajectory in the second half. Maccquarie (Sell) questions the 22% premium paid for Sezzle and feels it is a merger based upon necessity. Brokers see the logic for revenue synergies in the merger, however the market may be low on trust after Zip's first half result and now that the date for becoming earnings-positive has been pushed out by the merger until FY24. Ratings otherwise suggest differing views. UBS downgrades to Sell. Targets slashed on lowered forecasts and capital raising dilution.							

Total: 350

ASX50 TOTAL STOCKS:		42
Beats 18	In Line 16	Misses 8
Total Rating Upgrades:		20
Total Rating Downgrades:		9
Total target price movement in aggregate:		1.35%
Average individual target price change:		0.44%
Beat/Miss Ratio:		2.25

ASX200 TOTAL STOCKS:		159
Beats 71	In Line 54	Misses 34
Total Rating Upgrades:		45
Total Rating Downgrades:		33
Total target price movement in aggregate:		- 0.99%
Average individual target price change:		- 1.31%
Beat/Miss Ratio:		2.09

Yet to Report

Indicates that the company is also found on your portfolio

Monday	Tuesday	Wednesday	Thursday	Friday
7 March	8 March	9 March	10 March	11 March
			CMM earnings result **DEG** earnings result **GOR** earnings result	
Monday	**Tuesday**	**Wednesday**	**Thursday**	**Friday**
14 March	15 March	16 March	17 March	18 March
CHN earnings result	**LTO** earnings result			
Monday	**Tuesday**	**Wednesday**	**Thursday**	**Friday**
21 March	22 March	23 March	24 March	25 March

Monday	Tuesday	Wednesday	Thursday	Friday
28 March	29 March	30 March	31 March	1 April
	SIG FY22 results			

Listed Companies on the Calendar

Date	Code		Date	Code		Date	Code	
14/03/2022	CHN	earnings result	10/03/2022	DEG	earnings result	15/03/2022	LTO	earnings result
10/03/2022	CMM	earnings result	10/03/2022	GOR	earnings result	29/03/2022	SIG	FY22 results