



ASX Announcement

Monash IVF Group Limited (ASX: MVF)

22 August 2019

Exit of five Victorian Fertility Specialists

Monash IVF Group Limited (ASX: MVF, the “Company” or “Monash IVF”) has been notified that five Victorian based fertility specialists (“Doctors”) who currently refer patients for IVF treatment cease using services from Monash IVF from September 2019. These Doctors intend to leave Monash IVF to establish their own independent IVF clinic with operational control.

Collectively the Group of Doctors directly referred approximately 400 Stimulated Cycles for the year ended 30 June 2019 generating revenues of approximately \$5.9m. Management estimates the Net Profit After Tax, on a variable contribution basis, for the year ending 30 June 2020 may be impacted by approximately \$1.5m to \$2.5m if all doctors cease referring to the Company by the end of 1Q20. Monash IVF has on-going strategies for growth and to mitigate the impact on revenue and earnings of the Company as a result of the departure of the Doctors.

In transitioning the exit of any of the Doctors, Monash IVF will ensure the patient interests are always put first. Strong strategic and operational momentum has been gained during 2H19 and Monash IVF is well positioned to optimise future earnings. Key initiatives include a focus on:

- expanding the Monash IVF footprint through new clinics illustrated by the recent Fertility Solutions acquisition;
- recruitment of new fertility specialists and continuing to engage and grow our existing fertility specialists illustrated through recruitment of 16 fertility specialists during the last 24 months;
- remaining focussed on growing its full service businesses through enhancing its best-in-class patient experience and scientific leadership, whilst ensuring Monash IVF staff are engaged and share common principles and beliefs;
- Asia Pacific expansion strategy through acquisition and partnerships.

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