

26 August 2022

FY22 Results Presentation



Monash IVF Group
Leading the future of reproductive care



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This presentation includes a number of non-IFRS measures which includes EBITDA, Underlying EBITDA, Underlying EBIT and Underlying NPAT. These non-IFRS measures are used by management to measure the performance of the business. These measures have not been subject to audit review.

Executive Summary

Group

- Underlying NPAT⁽¹⁾⁽⁴⁾⁽⁵⁾ of \$22.2m and above May 22 Trading Update
- 2.2 cps fully franked final FY2022 dividend

- Group Revenue increase of 4.7% v pcp
- Strong balance sheet to fund growth

FY22 Results

- ### Australia
- Strong domestic ARS performance with EBITDA⁽¹⁾⁽⁴⁾ growth of 6.9% v pcp and Domestic Stimulated Cycle market share growth of 0.2%⁽²⁾⁽³⁾
 - Ultrasound scan volumes declined 8% following COVID-19 and influenza disruptions
 - Ultrasound to improve following normalisation of operating environment impacted by COVID-19 and influenza

- ### International
- International Stimulated Cycles decreased by 6.5% v pcp
 - KL activity impacted by slow recovery following COVID-19 restrictions. Gradual improvement in performance expected
 - Johor Bahru clinic growing and profitable following opening of Singapore / Malaysia border

Invest in future growth

- Acquisitions bringing 15 new fertility specialists (PIVET Medical Centre and ART Associates Queensland)
- 9 new organically attracted fertility specialists
- New IVF and day hospitals construction progressing in Melbourne, Gold Coast and Brisbane (opening in CY23) complementing the recently completed Darwin, Penrith and Sydney CBD IVF clinics
- Strong expectations of attracting further highly credentialed fertility specialists

- Significant progress and momentum in South-East Asia with 5 IVF clinics:
 - KL;
 - Johor Bahru;
 - Jakarta
 - Singapore (opened May 22, four fertility specialists)
 - Bali (opening Sept 22)
- Focused on executing further South-East Asia growth opportunities

(1) Underlying EBITDA and NPAT are non-IFRS measures
 (2) MVF Key Markets – Victoria, New South Wales, Queensland, South Australia and Northern Territory
 (3) MBS items 13200/1
 (4) Refer to page 280 for reconciliation
 (5) NPAT including minority interest

Attractive industry fundamentals

Compelling underlying demand drivers continue to build and remain unchanged

Advanced maternal age

- MVF average maternal age is 37 and has remained at high levels since the start of the Pandemic;
- Supports maintenance and continued growth in the IVF sector during and post Pandemic;

Sustainable behavioural change in the community

- 2.2% increase in new patients accessing MVF's domestic network for stimulated cycles in FY22;

Growth in service offerings and advances in technology

- Pregnancy rates have improved from 32.6% in CY18 to 37.0% in CY21;
- Continued growth in service offerings including donor services, egg freezing and genetics;
- 3.9% new patient registration growth in FY22 compared to FY21;

Favourable government funding

- Stable national funding continues to support IVF volume growth and affordability for patients;
- NSW Government announced new \$2,000 cash rebate for patients undergoing ARS treatments from 1 October 2022 which is expected to boost demand in NSW;
- Increased Government support for testing and diagnosis of genetic diseases committed from November 2023.

Advanced maternal age



Innovation/technology

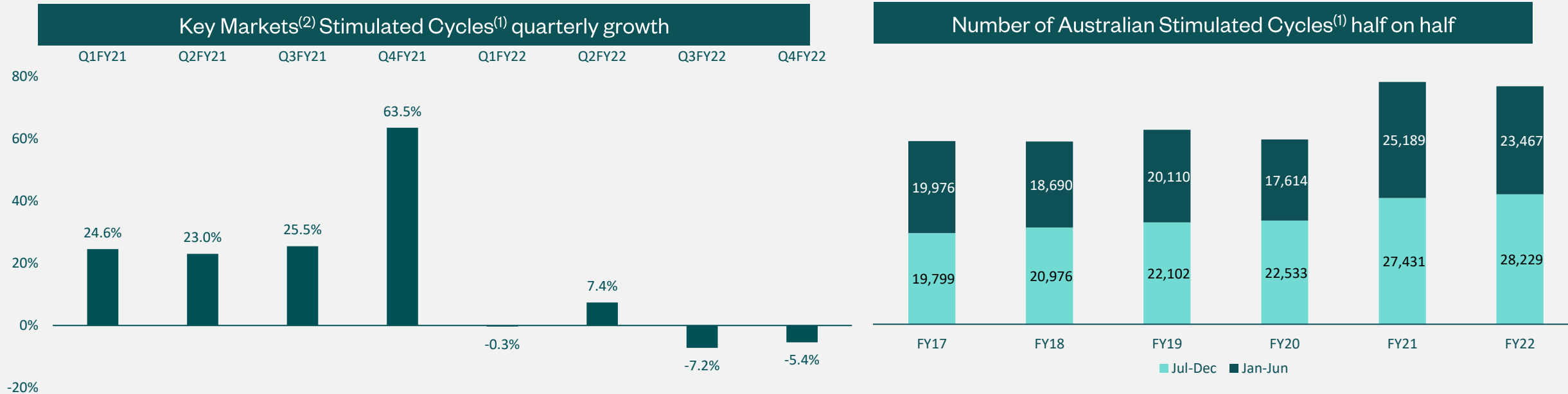


Awareness and support



Industry Volumes – ARS Australia

FY22 demand for ARS treatment in Australia remains significantly above pre-Pandemic levels



- FY22 Key Markets⁽²⁾ stimulated cycles⁽¹⁾ decreased by 1.1% compared to pop; this follows record stimulated cycle growth of 32.6% in FY21 compared to FY20;
- Australian Stimulated cycles in FY22 remained 22.5% above pre-pandemic levels in FY19;
- Short-term factors negatively impacting the IVF industry during 2H22 included widespread COVID-19 and influenza infections forcing patients to delay treatments, government intervention temporarily ceasing IVF services in Victoria and staff shortages due to increased sick leave;
- Our view remains that despite some short term weakness in IVF industry volumes, ARS Industry volumes can grow by 2-3% per annum as awareness for donor services, egg freezing and genetic disease prevention testing grows, combined with an increasingly favourable Government funding environment. In addition, there is continued community recognition of the importance of family.

(1) Stimulated cycles are MBS items 13200/1

(2) Victoria, New South Wales, Queensland, South Australia and Northern Territory

MVF Market Share - ARS Australia

Key markets⁽³⁾ MVF stimulated cycles⁽¹⁾ performed better than Industry

Volume	Market Share	
<p>Stimulated cycles⁽¹⁾</p> <p>9,783</p> <p>FY21 9,808 Down 0.3%</p>	<p>Key Markets⁽³⁾ Market Share Stimulated Cycles⁽¹⁾</p> <p>21.2%</p> <p>FY21 21.0% Up 0.2%</p>	<p>Australia Market Share Stimulated Cycles⁽¹⁾</p> <p>18.9%</p> <p>FY21 18.6% Up 0.3%</p>
<p>Frozen Embryos⁽²⁾</p> <p>7,086</p> <p>FY21 6,769 Up 4.7%</p>	<p>Key Markets⁽³⁾ Market Share Frozen Embryos⁽²⁾</p> <p>19.6%</p> <p>FY21 19.0% Up 0.6%</p>	<p>Australia Market Share Frozen Embryos⁽²⁾</p> <p>17.6%</p> <p>FY21 17.0% Up 0.6%</p>

- MVF Australian FY22 Stimulated Cycles⁽¹⁾ were inline with FY21 despite IVF industry⁽³⁾ volumes declining by 1.1%, reflecting market share gains in MVFs Key markets⁽³⁾;
- MVF Stimulated Cycles⁽¹⁾ market share in Key Markets⁽³⁾ grew by 0.2% to 21.2% during FY22, with market share gains in SA, QLD and NSW:
 - Contribution from new fertility specialists attracted in previous 12 months;
 - Positive investment in creative marketing campaigns to benefit future periods;
 - Partly offset by market share decline in Victoria, and
 - NT market share impacted by temporary ceasing of treatments during Q4FY22 as clinic moved to new state-of-the-art facility.
- MVF Australian FY22 Frozen Embryos increased by 4.7% whilst market share grew by 0.6% to 19.6%;
- Expansion into WA and following attraction of a number of new Fertility Specialists across the Country, we are confident that further market share will be gained during FY2023

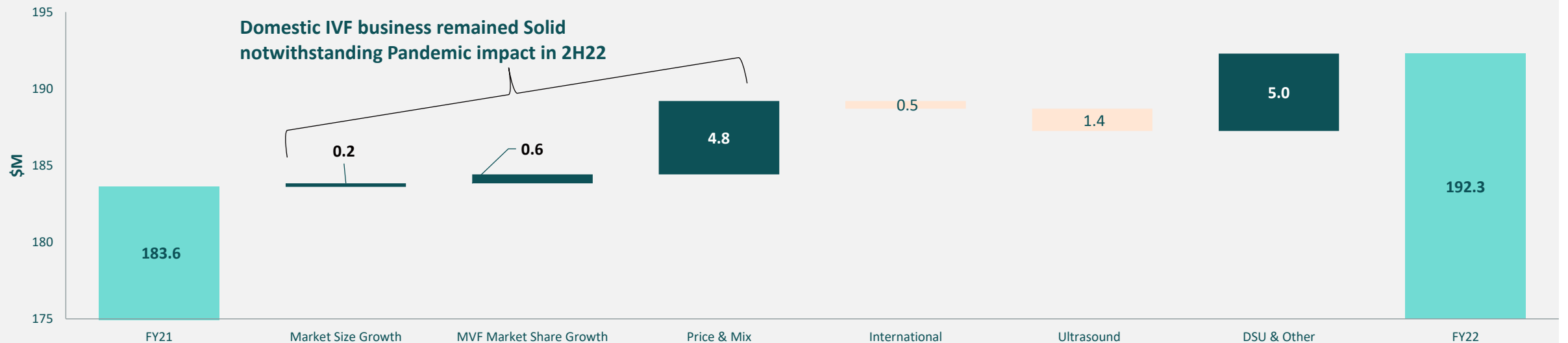
1. Stimulated Cycles comprise MBS items 13200 and 13201
 2. Frozen Embryo Transfers comprise MBS item 13218
 3. Key Markets are Victoria, New South Wales, Queensland, South Australia and Northern Territory
 4. MBS item 13202

Financial Results



FY22 Revenue Analysis

\$8.7m or 4.7% revenue growth driven primarily by price growth, and extension of revenue streams through day hospital income and genetics

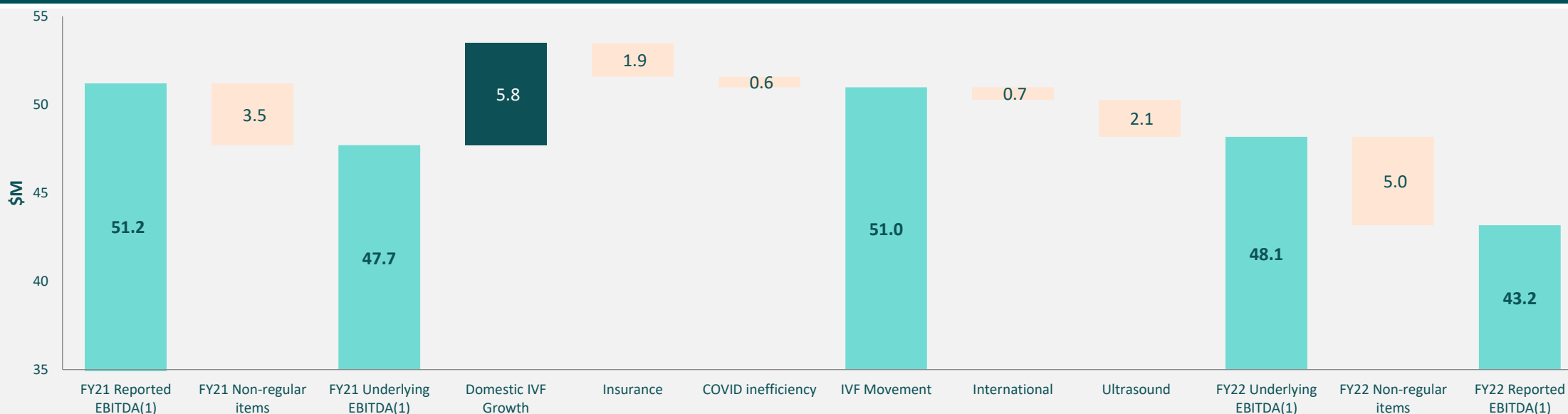


- FY22 Domestic ARS revenue increase of \$5.6m driven by:
 - \$4.8m ARS revenue growth following 2-3% price increases across all domestic markets;
 - \$0.6m ARS revenue growth from market share gains in QLD, SA and NSW partially offset by market share decline in VIC.
- FY22 International Revenue declined by \$0.5m due to 6.5% stimulated cycle decrease (13.9% volume decline in Kuala Lumpur, partly offset by positive volume contributions from Johor Bahru and Singapore);
- FY22 Ultrasound revenue decreased by \$1.4m as scan volumes and NIPT decreased by 8.0% and 6.9% respectively as a result of Pandemic driven restrictions and capacity constraints;
- \$5.0m Day Surgery & Other revenue growth including volume growth in Sydney CBD DSU and genetics income growth. In addition, \$3.0m revenue recognised for insurance recovery relating to Ni-PGT which offset approximately \$1.6m of costs incurred during FY22.

1. MVF key markets – Victoria, New South Wales, Queensland, South Australia and Northern Territory
 2. MBS items I3200/1

FY22 EBITDA⁽¹⁾ Analysis

Strong EBITDA⁽¹⁾ growth in core IVF business



- 12.2% or \$5.8m EBITDA⁽¹⁾ growth in domestic IVF business in FY22 compared to pop due to price and market share growth, insurance recovery, and earnings generated through day hospital and genetics; before partly offset by \$2.5m cost increases driven by the following:
 - \$1.9m IVF Medical malpractice and D&O liability insurance;
 - \$0.6m increase in labour due to high COVID-19 leave and staff isolation impacting workforce utilisation. High cancellation in patient treatments requiring clinical staff for pre-IVF treatment activities
- Ultrasound and International businesses contributed \$2.8m EBITDA decline in FY22
- \$3.5m FY21 non-regular items included \$5.1m Job Keeper Subsidy benefit. Refer to page 26 for further details on FY22 and FY21 non-regular items.

1. Underlying EBITDA and Reported EBITDA are a non-IFRS measures

FY22 Profit & Loss overview

Underlying NPAT⁽¹⁾⁽²⁾⁽³⁾ above Trading Update provided in May 2022

Underlying (\$m)	FY22	FY21 Restated ⁽⁴⁾	% change
Group revenue	192.3	183.6	4.7%
Underlying EBITDA ⁽¹⁾⁽²⁾	48.1	47.8	0.8%
Underlying EBIT⁽¹⁾⁽²⁾	33.4	35.1	(5.0%)
Underlying NPAT ⁽¹⁾⁽²⁾⁽³⁾	22.2	23.3	(4.7%)
Reported (\$m)			
Reported EBITDA⁽¹⁾	43.2	51.2	(15.6%)
Depreciation & amortisation	(14.8)	(12.6)	17.5%
Reported EBIT	28.4	38.7	(26.6%)
Net finance costs	(2.1)	(2.5)	(16.0%)
Reported Profit before tax	26.2	36.2	(27.6%)
Income tax expense	(7.7)	(10.5)	(26.7%)
Reported NPAT⁽³⁾	18.5	25.7	(28.0%)

- **FY22 Underlying NPAT⁽¹⁾⁽²⁾⁽³⁾ of \$22.2m, \$0.2m above trading update provided in May 2022;**
- FY22 Revenue increased by 4.7% to \$192.3m, largely driven by price increases in Domestic ARS business, increased revenue in day surgery and genetics, partially offset by decline in volumes in Domestic Ultrasound and KL Fertility Centre;
- FY22 Underlying EBITDA⁽¹⁾⁽²⁾ of \$48.1m; EBITDA margin of 25% (down 1%):
 - Solid domestic IVF margin % improvement offset by margin % decline in Ultrasound and International businesses;
 - Staff shortages caused by COVID-19 and Influenza during 2H22 causing significant levels of inefficiency, sick leave and/or personal leave and low levels of annual leave taken (\$0.9m full year impact);
 - \$2.0m increase in medical malpractice and D&O liability insurance had a 1% impact on Margin%.
- Net Finance Costs of \$2.1m (down \$0.4m) primarily due to lower average carrying value of debt partly offset by higher non-cash interest on lease liabilities;
- FY22 Reported EBITDA⁽¹⁾⁽²⁾ and Reported NPAT⁽²⁾⁽³⁾ includes \$5.0m (pre-tax) non-regular cost items. FY21 included \$5.1m (pre-tax) Job Keeper subsidies benefit.

(1) Non-IFRS measure

(2) Refer to page 26 for reconciliation of Reported EBITDA, EBIT and NPAT to Underlying EBITDA, EBIT and NPAT

(3) NPAT including minority interest

(4) 30 June 2021 has been restated due to the IFRS Interpretations Committee decision in relation to accounting for Software as a Service

FY22 Cash flow overview

Solid operating cash flow generation continues

\$m	FY22	FY21 ⁽³⁾ Restated	% change
Reported EBITDA	43.2	51.2	(15.6%)
Movement in working capital	(1.5)	0.1	(1600%)
Income taxes paid	(9.8)	(7.3)	(34.2%)
Net operating cash flow (post-tax)	31.9	44.0	(27.5%)
Capital expenditure	(11.8)	(10.0)	(18.0%)
Payments for businesses/minority interest	(3.4)	(1.3)	(161.5%)
Cash flow from investing activities	(15.2)	(11.2)	(35.7%)
Free Cash flow ⁽¹⁾	16.7	32.8	(49.1%)
Dividends paid	(16.8)	(13.1)	(28.2%)
Interest on borrowings ⁽²⁾	(0.6)	(0.7)	14.3%
Payments of lease liabilities	(8.6)	(7.6)	(13.2%)
Proceeds / (repayment) of borrowings	8.4	(17.7)	147.5%
Cash flow from financing activities	(17.7)	(39.1)	54.7%
Net cash flow movement	(0.9)	(6.3)	85.7%
Closing cash balance	7.9	8.8	(10.2%)

- Free cash flow⁽¹⁾ of \$16.7m;
- Pre-tax conversion of EBITDA to operating cash flow at 97% compared to 100% in pcp;
- \$11.8m capital expenditure including new Penrith, Darwin and Singapore IVF clinics and commencement of Melbourne and Gold Coast IVF clinics and Day Hospitals;
- **\$16.8m dividend payments** relating to the 2.1 cps FY21 final dividend and 2.2 cps FY22 interim dividend;
- Payments for businesses/minority interests of \$3.4m relate to \$1.3m earn-out payments for FY19 acquisition of Fertility Solutions and \$2.1m of acquisition costs related to executed and discontinued acquisitions during FY22.

1. Free Cash Flow is Net Operating cash flow (post-tax) less Cash Flow from investing activities
 2. Including capitalised bank fees
 3. 30 June 2021 has been restated due to the IFRS Interpretations Committee decision in relation to accounting for Software as a Service.

Capital Management Overview

Balance Sheet positioned for growth

Balance Sheet (\$m)	30 June 2022	30 June 21 ⁽⁶⁾	% change
Cash and cash equivalents	7.9	8.8	(10.2%)
Other current assets	17.7	13.7	29.2%
Current lease liabilities	(7.1)	(5.8)	22.4%
Current liabilities	(31.0)	(33.6)	(7.7%)
Current borrowings	-	(1.6)	(100.0%)
Net working capital	(12.5)	(18.5)	(32.5%)
Non current borrowings	(9.8)	-	100.0%
Goodwill & Intangibles	258.9	259.3	(0.2%)
Right of use assets	64.7	42.4	52.6%
Lease liabilities	(60.3)	(38.5)	56.6%
Plant & Equipment	30.4	25.0	21.6%
Other assets/(liabilities)	(1.5)	(1.3)	15.4%
Net assets	269.9	268.4	0.5%

Capital Metrics	30 June 2022	30 June 2021	+/-
Net Debt ¹ (\$m)	2.1	(7.1)	9.2
Leverage Ratio (Net Debt / EBITDA ²)	0.05x	(0.18x)	0.23x
Interest Cover (EBITDA ² / Interest)	113.2x	55.7x	57.5x
Net Debt to Equity Ratio ³	0.8%	(2.7%)	3.5%
Return on Equity ⁴	8.20%	8.60%	(0.4%)
Return on Assets ⁵	5.85%	6.60%	(0.8)%

- Net Debt of \$2.1m at 30 June 2022;
- April 2020 \$80m equity raising enabled on-going trading and supports ~\$70m+ total expenditure for uninterrupted planned growth investments during FY21 through to end of FY23;
- Included in the above, ~\$45m FY23 planned expenditure for capital assets and acquisition payments;
- \$40m Syndicated Debt Facility extended by 3 years and not due until December 2024. \$40m Accordion Facility remains in-place to support growth initiatives;
- 2.2 cents per share fully franked final FY22 dividend declared reflecting full year FY22 fully franked dividends of 4.4 cents per share

1. Net Debt is cash less borrowings and excludes capitalised bank fees

2. EBITDA is based on normalised EBITDA excluding AASB16 Lease impact for covenant purposes as defined in the Syndicated Debt Facility Agreement. EBITDA is not an IFRS measure

3. Net debt divided by equity at the balance date

4. NPAT for the previous 12 month period divided by closing equity at the balance date

5. NPAT for the previous 12 month period divided by closing assets at the balance date

6. 30 June 2021 restated due to the IFRS Interpretations Committee decision in relation to accounting for Software as a Service

Operational Review





Domestic ARS Operations Update

Monash IVF’s success in recruiting new doctors reflects the compelling doctor value proposition and the attraction of joining a group of highly engaged doctors across fertility and ultrasound

Highlights MVF’s strong value proposition to doctors including success rates, patient experience, doctor experience, patient acquisition marketing activities and best in class clinic infrastructure;

Strengthening medical leadership through the recruitment of CREI practitioners in each Domestic State Market;

Onboarding of two new ultrasound sonologists for future growth and succession;

Doctor engagement scores at record levels demonstrating strong partnership and relationships with MVF fertility specialists and Women’s Ultrasound sonologists;

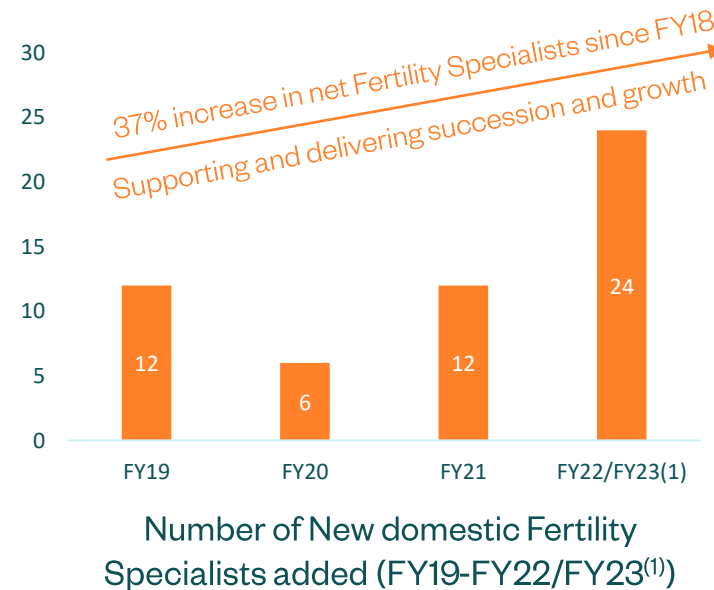
Focus remains on attracting and onboarding new and experienced fertility specialists with suitable cultural fit, outstanding clinical competencies and industry reputation.



Dr Peta Wright



Dr Kishani Kannangara



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New Fertility Specialists in FY22/FY23

(1) Includes Fertility Specialists attracted in July 2022

Acquisitions Update

Acquisitions result in 15 additional fertility specialists and Monash IVF having the broadest footprint across Australia



Doctor Partnerships

- New doctor partnerships through the acquisition of PIVET Medical Centre (Perth and Cairns) and ART Associates Queensland (Brisbane);
- These acquisitions bring an addition of 15 new fertility specialists into the MVF clinician network during CY2022 (9 in Perth and 6 in QLD);
- Strong position to attract further clinicians in Perth and Brisbane following acquisitions;
- PIVET Medical Centre:
 - Entry into Western Australian market which has a 5-year annual CAGR of 9.4%;
 - Perth IVF clinic captures 8% of the stimulated cycle market in WA in FY22;
 - Cairns IVF clinic complements Monash IVF existing Townsville and Rockhampton clinics in Northern QLD;
 - Estimated to complete during Q1 FY23
 - Anticipated to increase Monash IVF Group earnings per share (EPS) by approximately 4% to 5% ⁽¹⁾ per annum.
- ART Associates Queensland:
 - Acquisition complements existing Brisbane IVF business and fast tracks build of a new flagship Brisbane clinic;
 - Completion expected in coming months;
 - Anticipated to increase MVF Group EPS in FY2024 by approximately 5% to 10% ⁽¹⁾ subject to successful integration into Monash IVF.

(1) Compared to FY22 net profit after tax adjusted for certain non-regular items



Domestic ARS operations Update

New and updated clinical infrastructure to drive revenue growth through increased capacity and new day surgery revenue, combined with best-in-class Doctor, Patient and People experiences

- Transformation of Melbourne footprint is well advanced with new fertility clinic and day hospital expected to open in Cremorne during Q3FY23. Relocation of the existing Sunshine fertility clinic, planned to complete in FY24;
- Relocation of the existing Gold Coast fertility clinic to a brand new facility which will include an integrated day hospital, is expected in 2H23;
- Relocation of the existing Brisbane fertility clinic to larger site to drive volume growth from existing doctors and new doctors recruited; expected to complete in early FY24;
- New Darwin (NT) and Penrith (NSW) clinics completed August 2022; State-of-the-art Penrith clinic positioned to capture the strong, long-term growth expected in Western Sydney;
- By end of FY23, Monash IVF will have 5 day hospitals (compared to 2 day hospitals in FY22) in operation, enhancing patient experience and adding new revenue streams. Day Hospital revenue in FY24 is expected to increase Group Revenue by \$3m+ as a result.



Clinical
Infrastructure



Domestic ARS operations Update

Clinical pregnancy rates per embryo transferred (women aged <43 years) continue to improve across the Group growing from 32.6% in CY18 to 37.0% in CY21

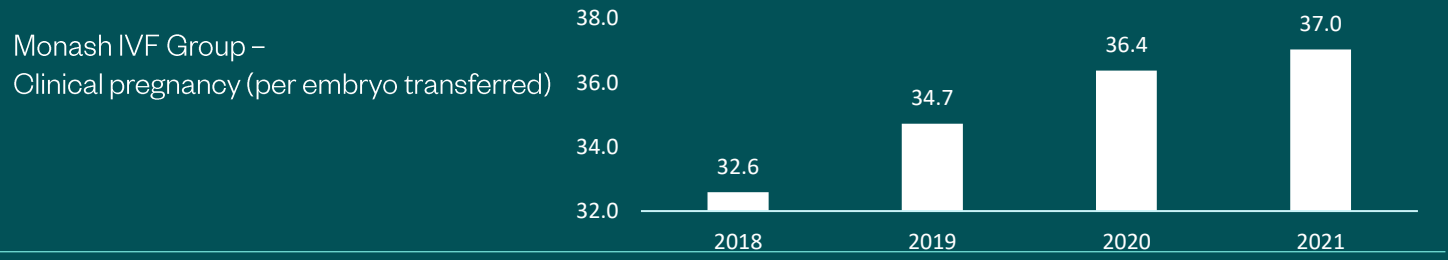
The “Monash Way” as developed by our Group Scientific Advisory Committee (GSAC) is well established across our Group and a key driver of improvements in pregnancy rates

Initiatives to drive future improvements include:

- PIEZO-ICSI (gentler form of microinjection minimising damage to the egg, increasing fertilisation rate) phase 2 multicenter clinical trial completed. Further study underway on effectiveness in readiness to provide to patients;
- A multi-centre randomized controlled clinical trial investigating use of a novel sperm selection device (Felix) in partnership with Memphasys (ASX:MEM) commenced;
- Phase 1 of Embryoscope+ rollout completed in FY22 with installation of 5 Embryoscope+ time-lapse incubators at 4 new MVF sites. Additional 5 machines scheduled to be installed by early FY23. Enables time-lapse technology to enhance embryo culture systems and potentially facilitate AI embryo selection capability in the future;
- Research & Translation Executive Committee (RTEO) established to develop and operate a framework for future research and innovation governance, and funding to drive new technology and clinical developments.



Scientific Leadership



Domestic ARS operations Update

Continued investment in Brand & Marketing driving future patient pipeline and doctor value proposition



Brand & Marketing

- Our marketing strategy continues to drive patient acquisition and retention underpinning key market segments of fertility, egg freezing and donor;
- Our PR strategy has substantially increased positive media for Monash IVF and our fertility specialists with high reach to potential patients in FY22;
- We achieved strong brand improvements in key brand metrics with 3 of 4 Key States now holding the highest brand preference and consideration amongst competitors
- Marketing activities and Brand Equity are strong contributors to MVF's doctor value proposition.



People Engagement

- Monash IVF maintained its “Culture of Success” employee engagement status following recent engagement survey results. People engagement and culture remains a key priority;
- Monash IVF positive progress in building a diverse and inclusive workplace was recognised in 2022 by receiving the Employer of Choice for Gender Equity;
- Our Learning and Development Framework and focus on personal and professional development will enable us to support growth opportunities and build capability, continuity and retention; particularly during the changing employment landscape.

(1) MVF Key Markets – Victoria, New South Wales, Queensland, South Australia and Northern Territory

Diagnostic Ultrasound Performance

Ultrasound activity disrupted by COVID-19 and influenza; upside expected when current challenges dissipate

- MVF FY22 volumes are consistent with a decline across the broader industry, reflecting disruptions from COVID-19 and influenza leading to reduced patient activity:
 - Restrictions on non-IVF elective surgery;
 - Patient's reluctance or inability to attend healthcare settings;
 - Staff shortages due to high sick leave.
- FY22 ultrasound volumes declined by 8.0% to 85,327 compared to FY21 and Non-invasive Pre-natal testing (NIPT) declined by 6.9% to 14,789;
- Sydney Ultrasound business performance improved during Q4 FY22 with scan volumes declining by 1.2%, compared to 8.9% decline in Q3 FY22 and a 4.1% decline in 1H22;
- Melbourne Ultrasound business impacted by COVID-19 related capacity constraints with low sonographer availability to service demand, with 2H22 scans declining by 28% vs pop. Capacity expected to return to sustainable levels during FY23;
- Successful launch of Monash IVF's branded Reproductive Carrier Screening test kit (RGS) in November 2021, allowing couples to identify potential genetic conditions in a child prior to conception. Expected to be an additional channel for stimulated cycle growth in the future;
- The Government will introduce Medicare rebate for RGS testing in November 2023;
- Regarding Group proceedings against Monash IVF as announced in December 2020, the Company continues to defend the alleged claims.



ARS International Operational Performance

South-East Asian expansion strategy gaining momentum despite COVID-19 challenges

MVF will have five clinics in South-East Asia and is **targeting SEA to contribute more than 25% of total Group stimulated cycles by FY2026 (9.9% in FY2022)**;

International Stimulated Cycles decreased by 6.5% in FY22 driven by volume decline in KL Fertility, partially offset by positive volume contribution from the Johor Bahru clinic;

International underlying FY22 EBIT⁽¹⁾ decreased by 22% or \$0.8m to \$2.8m as KL EBIT declined by \$0.7m



KL Fertility

New Fertility Specialist to commence with KL Fertility during Q1 FY23 for growth and succession;

2H22 stimulated cycles declined by 9.6% vs pcp, an improvement compared to the 17.8% decline in 1H22;

Improvement in 2H22 stimulated cycles and 23% increase in new patient consultations in 2H22 provides positive momentum and supports anticipated growth in FY23.

⁽¹⁾ Underlying EBIT is a non-IFRS measure

Other clinics

Singapore: Four experienced fertility specialists recruited to support new Singapore IVF clinic; expected to deliver up to ~200 stimulated cycles in Year 1;

Bali: Construction of new fertility clinic in Bali (Indonesia) progressing well - expected to be operational by end of Q1FY23;

Johor Bahru: Profitable following reopening of Malaysian border with Singapore in 2H22;

Jakarta: At breakeven and anticipate to be profitable in FY23

MVF is committed to execute on further partnership opportunities in South-East Asia.



Dr Helena Lim
KLFGC



Dr Suresh Nair
Monash IVF Singapore

Strategy and Outlook



Our Mission

We help bring life to the world

Vision 2026

The most admired reproductive care provider in the world

Best in class fertility solutions, diagnostics, genetics and pathology.

Our Pillars



Doctor Partnerships



Patient Experience



Scientific Leadership



People Engagement



International Expansion



Digital Transformation



Brand & Marketing



Clinical Infrastructure

Our Outcomes



Engagement
Patients, Doctors, People, Regulators



Local & International Market Share



Market Leading Success Rates



Value Creation

Our Principles

Care

| Commitment

| Communicate

| Collaborate

| Create

Strategy & Outlook

Whilst the ongoing COVID-19 Pandemic and macro uncertainty created volatility in the Australian IVF market in 2H22, the favourable underlying demand dynamics are unchanged. Advanced maternal age and access to broader service offerings (including donor, egg freezing and genetics) are expected to underpin long-term industry growth. The recent short-term weakness in the market is largely attributable to patients being forced to delay treatment post infection with COVID-19 or influenza, hesitancy to access healthcare services and macroeconomic uncertainty; with some uncertainty around how long this market disruption will continue for.

In FY2022, MVF made significant investments in future growth including recent acquisitions, attraction of new fertility specialists and further expansion into South East Asia. In addition, further ~\$45m of capital expenditure investment and acquisition payments are anticipated to be made during FY2023 that will continue to drive future growth and improve service delivery.

The recent acquisitions of PIVET Medical Centre and ART Associates Queensland are expected to complete by end of September 2022 and will contribute to earnings growth in FY2023. **Accordingly, subject to further adverse impact from the on-going Pandemic, we anticipate FY2023 Underlying⁽¹⁾ Net Profit After Tax to grow in-excess of 10% compared to FY2022**

⁽¹⁾Underlying excludes certain non-regular items relating to acquisition costs, new clinic commissioning costs and AASB3 fair value adjustment



Appendices



Treatment Mix

IVF Treatment numbers	FY22	FY21	% change
Monash IVF Group – Australia			
Stimulated cycles	9,783	9,808	(0.3%)
Cancelled cycles	1,202	1,023	17.5%
Frozen embryo transfers	7,086	6,769	4.7%
Total Australian Patient Treatments	18,071	17,600	2.7%
Monash IVF Group – International			
Stimulated cycles	970	1,037	(6.5%)
Cancelled cycles	62	46	34.8%
Frozen embryo transfers	1,023	1,050	(2.6%)
Total International Patient Treatments	2,055	2,133	(3.7%)
Total Group Patient Treatments	20,126	19,733	2.0%
Stimulated cycles as a % of Total Patient Treatments	53.4%	55.0%	
Other Treatment numbers	FY22	FY21	% change
Ultrasound Scans	85,327	92,776	(8.0%)
Non-Invasive Prenatal Testing (NIPT)	14,789	15,877	(6.9%)

FY22 Earnings reconciliation

Statutory earnings adjusted for certain non-regular items

\$m	EBITDA	EBIT	FY22 NPAT
Reported Statutory	43.2	28.4	18.5
Acquisition transaction costs	2.1	2.1	1.5
Commissioning costs	2.5	2.5	1.8
Acquisition Earn-out fair value	0.4	0.4	0.4
Underlying	48.1	33.4	22.2

- \$2.1m pre-tax acquisition related transaction costs including PIVET Medical Centre and ART Associates Queensland No.2 acquisitions. In addition, includes further domestic and international business acquisitions that were pursued but did not complete
- \$2.5m pre-tax commissioning costs for new fertility clinics and day hospitals in Melbourne, Penrith, Gold Coast, Darwin and Singapore including lease expenditure under IFRS 16 lease accounting
- \$0.4m increase to AASB3 Business Combinations earn-out provision for increase to estimated purchase price payments to Fertility Solutions vendors as a result of stronger than anticipated performance during 1H22. Earn-out period ends at 30 June 2023
- FY21 included non-regular items that increased Reported EBITDA, EBIT and NPAT by \$3.6m pre-tax and \$\$2.2m post-tax. FY21 pre-tax non-regular items related to \$5.1m Job Keeper Subsidy benefit offset by \$0.8m Sydney CBD fertility clinic commissioning costs and \$0.7m earn-out fair value adjustment.

(1) EBITDA is a non-IFRS measure

Overview of Monash IVF Group

Monash IVF Group is a market leader in reproductive care

ARS Australia

24 clinics & 4 services centres

114 Fertility Specialists
(11 trainees)

7 Australian States / Territories

3 day hospitals
(SA, NSW and WA)



repromed



ARS International

5 clinics

16 Fertility Specialists
(1 trainee)

5 international cities

2 day hospitals
(Malaysia & Singapore)



Diagnostics

2 Genetics laboratories
(VIC and SA)



repromed

Womens Ultrasound

16 clinics

16 Sonologists
(1 trainee)

3 Australian states



repromed



146 Medical Specialists

136¹ Scientists

477¹ Nursing and Support Staff

¹. Employee numbers represents the full time equivalents as at 29 July 2022 and includes recent acquisitions

