



ASX Announcement

Monash IVF Group Limited (ASX: MVF)

29 June 2020

COVID-19 UPDATE – EARLY SIGNS OF MVF DOMESTIC RECOVERY

Monash IVF Group Limited (MVF or the Company) provides a further business update and impact of COVID-19 on the Company following its previous COVID-19 update issued on 27 April 2020.

As a key focus and priority throughout COVID-19, measures and protocols continue to be in-place to protect the health and safety of the Company's patients, employees and doctors.

Australian Activity

The Company has been pleased with the early signs of recovery with pent up patient demand returning following the recommencement of IVF treatments on 27 April 2020. As compared to pcp and pre-COVID-19 levels, the Company has experienced positive domestic stimulated cycle growth between the period from 18 May to 30 June 2020 whereby stimulated cycles are up by approximately 25% compared to pcp. The positive stimulated cycle growth has been experienced across all its Key Markets¹ in Australia.

Furthermore, during May and June, the Company has seen positive early signs of the new patient pipeline returning to above pcp and pre-COVID-19 levels. Notwithstanding this, the Company remains cautious of the uncertain future impact of COVID-19 and the implications on the macro-economic environment leading into FY2021.

The Company's Womens Ultrasound businesses remained open throughout April, May and June 2020 and ultrasound scan volumes are moderately (<5% relative to pcp) impacted by COVID-19. Whilst volumes were only moderately impacted, strict infection control and hygiene measures has increased the service costs required to perform ultrasound scans in a safe environment.

International Activity

The Malaysian IVF business continued to be impacted by the Movement Control Order which was eased on 9 June 2020. The easing of restrictions is allowing the Business to gradually return to more normal trading conditions, however is yet to return to pre-COVID-19 levels.

1. Key Markets includes Victoria, New South Wales, Queensland, South Australia and Northern Territory

Balance Sheet Update

As announced on 27 April 2020, the Company launched and has raised \$80m through an institutional placement and accelerated pro-rata non-renounceable entitlement offer (Equity Raising). Net Debt as at 30 June 2020 is expected to be less than \$10m and the Company will pay the deferred 1H20 fully franked interim dividend (as declared in February 2020) on 2 October 2020².

FY20 Profit Guidance

The Company anticipates Adjusted³ 2H20 NPAT will be \$4.6m, approximately 55% down on pcp having being heavily impacted by disruption caused by COVID-19. Accordingly, Adjusted³ FY20 NPAT will be approximately \$14.0m.

Adjusted NPAT is adjusted for \$2.5m (post-tax) non-regular items including items illustrated in the 1H20 Half Year Results announcement on 21 February 2020 and termination of interest rate swaps executed in June 2020 (resulting in lower future interest expense).

The Company anticipates release of its FY20 full year results to the ASX on 24 August 2020.

Authorised by the Board of Directors of the Company.

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2. 1H20 fully franked interim dividend is only payable to shareholders which had a record date of 6 March 2020.
3. Adjusted NPAT is adjusted for non-regular items as detailed above.