




Growing the future.

1H FY23 Results Presentation

21 February 2023



Acknowledgement of Country

In the spirit of reconciliation, Monash IVF Group acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community.

We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

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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

Monash IVF's 1H23 result is line with guidance provided at the AGM, and reflects above market performance in the Australian ARS business, improvements in the Ultrasound business and the International business is gaining momentum

<p>Group</p>	<ul style="list-style-type: none"> Underlying NPAT⁽¹⁾⁽⁴⁾⁽⁵⁾ of \$12.6m Revenue growth of 2.3% compared to pcp Underlying EBITDA⁽¹⁾⁽⁴⁾ maintained compared to pcp 	<ul style="list-style-type: none"> Operating cash flow conversion⁽⁶⁾ improvement to 89% (+6%) Further improvement in clinical pregnancy rates (+1% in CY22 vs CY21) 2.2 cps fully franked final 1H23 dividend
<p>1H23 Results</p>	<p style="text-align: center;">Australia</p> <ul style="list-style-type: none"> Domestic Stimulated Cycle market share growth of 0.7% to 21.5%⁽²⁾⁽³⁾ notwithstanding declines in VIC and NSW Stimulated Cycles declined by 3.8% compared to Industry decline of 6.6%⁽²⁾⁽³⁾ Ultrasound business recovery progressing as Q2 volumes increased by 3.6% on pcp Effective cost control in challenging operating environment Domestic ARSEBITDA⁽¹⁾⁽⁴⁾ down 2.2% on pcp 	<p style="text-align: center;">International</p> <ul style="list-style-type: none"> International Stimulated Cycles increased by 36.4% v pcp Recovery progressing in SE Asia as KL Fertility recorded 6.1% stimulated cycles growth Singapore IVF clinic stimulated cycles growing strongly Johor Bahru IVF clinic delivered stimulated cycles growth in 1H23
<p>Invest in future growth</p>	<ul style="list-style-type: none"> Domestic New Patient Registrations increased by 1.2% in 1H23 vs pcp and increased by 14% in Q2FY23 Seamless integration of ART Associates QLD (performing above expectations) PIVET Medical Centre acquisition expected to complete during Q3 FY2023 A further 6 fertility specialists attracted since August 22 (excl. acquisitions) for retirement and trainee attrition; discussions progressing with further highly regarded specialists 38% clinical pregnancy rate per embryo in CY22⁽⁷⁾ (37% in CY21 and +5.4% in 5 yrs) New Flagship IVF Clinics progressing to completion 	<ul style="list-style-type: none"> Singapore to be an earnings contributor to growth going forward Bali clinic opened with first cycle performed in January 2023 Focus on executing further South-East Asia growth opportunities <p>(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 26 for reconciliation (5) NPAT including minority interest (6) EBITDA conversion to pre-tax operating cashflows (7) Jan to October 2022</p>

Attractive industry fundamentals

Underlying demand drivers remain to drive future market growth

Advanced maternal age and fertility challenges

- Maternal birth age has increased by 2 years over the last 20 years; MVF average maternal age is 37

IVF Industry activity growth

- 5 year Australian CAGR IVF volume growth of 4.6% to December 2022 (MBS items 13200, 13201);
- 1 in 18 births are following IVF treatment

Growth in service offerings and advances in technology

- Pregnancy rates have improved from 32.6% in CY18 to 38.0% in CY22;
- Continued growth in donor services, egg freezing and genetics to drive industry growth
- Strong momentum for MVF heading into 2H23 with Q2 FY23 New Patient Registrations up 14% on pcp (6% excluding ART Associates acquisition)

Favourable government funding

- Stable national funding regime continues to support IVF volume growth and affordability;
- NSW Government new \$2,000 cash rebate for patients undergoing ARS treatments payable from 1 January 2023;
- Increased Government support for testing and diagnosis of genetic diseases committed from November 2023.



Advanced maternal age



Innovation/technology



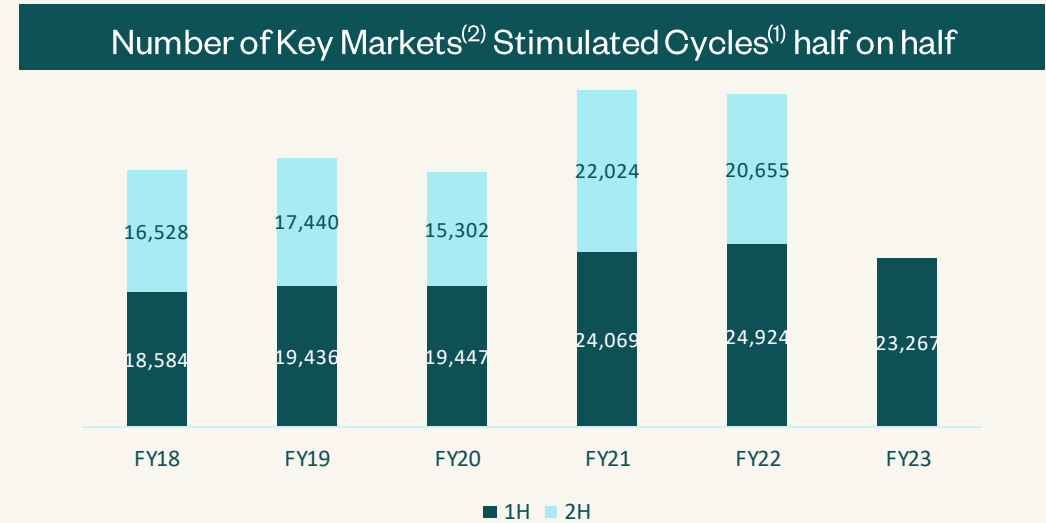
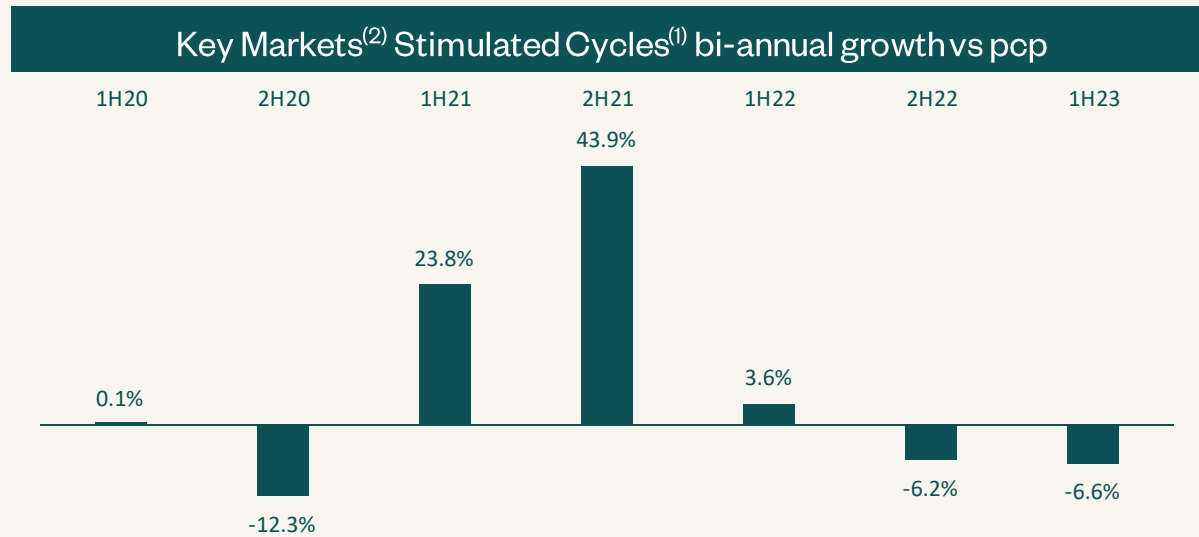
Awareness and support

Attractive industry fundamentals are unchanged and industry is well above pre-COVID levels; going forward growth expected to return to more normalised rates of 2-3% per annum although short-term fluctuations may occur



Industry volumes - ARS Australia

FY23 demand for ARS treatment in Australia remains above pre-Pandemic levels



- 1H23 Key Markets⁽²⁾ Industry stimulated cycles⁽¹⁾ remain 19.6% above 1H20 notwithstanding a 6.6% decline in 1H23 compared to pcp;
- Non-recurring factors impacted industry ARS volumes in 1H23 due to widespread COVID in the community in July 2022;
- Short term volatility is evident however industry volumes remain well ahead of pre-Pandemic levels and is expected to be maintained;
- MVF new patient registrations growth of 14% (6% excluding acquisitions) in Q2 FY23 indicates that the market outlook for growth in 2H23 is positive;
- ARS Industry volumes is expected to return to 2-3% growth per annum. Increased awareness and availability for donor services, egg freezing and genetic testing, combined with the favourable Government funding environment, will drive future industry growth

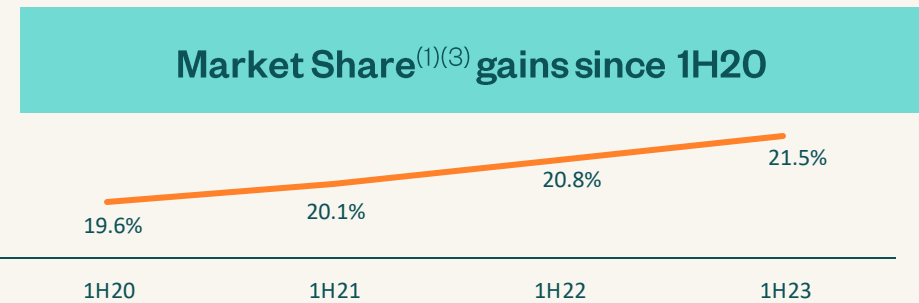
(1) Stimulated cycles are MBS items 13200/1
 (2) Victoria, New South Wales, Queensland, South Australia and Northern Territory

MVF market share - ARS Australia

MVF activity (stimulated cycles) performed better than Industry as we continue to grow Market Share

Volume	Market Share	
<p>Stimulated cycles⁽¹⁾</p> <p>5,058</p> <p>1H22 5,257 Down 3.8%</p>	<p>Key Markets⁽³⁾ Market Share Stimulated Cycles⁽¹⁾</p> <p>21.5%</p> <p>Dec FY22 20.8% Up 0.7%</p>	<p>Australia Market Share Stimulated Cycles⁽¹⁾</p> <p>19.1%</p> <p>Dec FY22 18.6% Up 0.5%</p>
<p>Frozen Embryos⁽²⁾</p> <p>3,787</p> <p>1H22 3,740 Up 1.3%</p>	<p>Key Markets⁽³⁾ Market Share Frozen Embryos⁽²⁾</p> <p>20.3%</p> <p>Dec FY22 19.9% Up 0.4%</p>	<p>Australia Market Share Frozen Embryos⁽²⁾</p> <p>18.1%</p> <p>Dec FY22 17.9% Up 0.2%</p>

- MVF grew market share in its Key Markets⁽³⁾, following a 3.8% decline in stimulated cycles⁽¹⁾ compared to Industry⁽³⁾ decline of 6.6%;
- MVF Stimulated Cycles⁽¹⁾ market share in Key Markets⁽³⁾ grew by 0.7% to 21.5% during Dec YTD FY23 over pop due to:
 - Contribution from new fertility specialists attracted in previous 18 months and ART Associates QLD following completion in October 22;
 - Market Share gains in Queensland and South Australia whilst Victorian market share declined. Victorian New patient registrations were strong and above pop during Q2FY2023 indicating improvement in performance during 2H23
- MVF Australian 1H23 Frozen Embryos increased by 1.3% over pop; whilst market share in MVF Key Markets⁽³⁾ grew by 0.4% to 20.3%;
- Further market share gains expected following full year contribution from ART Associates QLD, completion of PIVET acquisition and attraction of further fertility specialists.



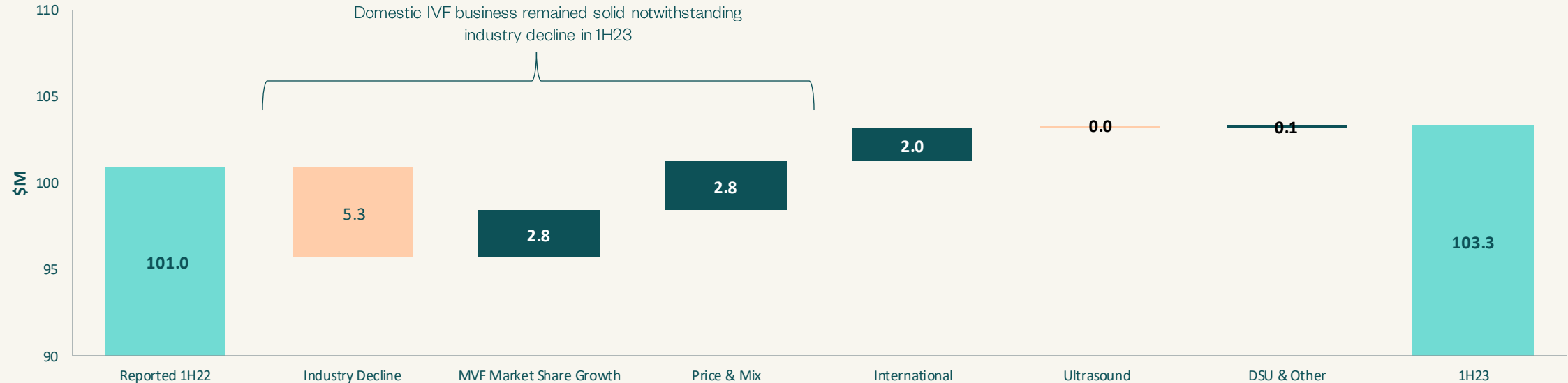
1. Stimulated Cycles comprise MBS items 13200 and 13201
 2. Frozen Embryo Transfers comprise MBS item 13218
 3. Key Markets are Victoria, New South Wales, Queensland, South Australia and Northern Territory
 4. MBS item 13202

Financial results



1H23 Revenue Analysis

\$2.3m or 2.3% revenue growth driven primarily by price growth and market share gains in domestic ARS and revenue growth in international markets

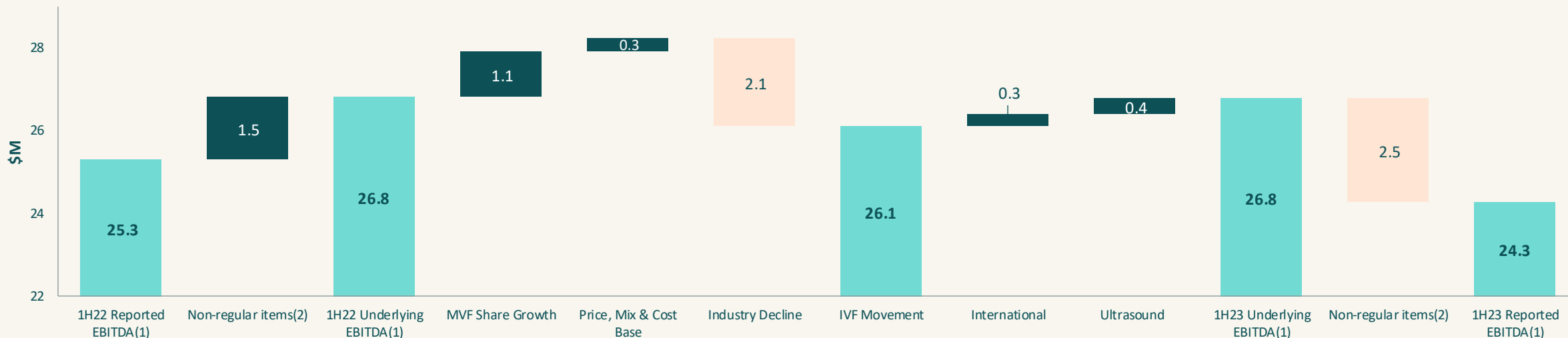


- 1H23 Domestic ARS revenue increase of \$0.3m driven by:
 - \$2.8m ARS revenue growth from market share gains in QLD and SA (including acquisitions), partly offset by exiting the Tasmanian IVF market in October 2022 and Victorian and New South Wales share decline;
 - \$2.8m ARS revenue growth following 3%+ price increases across all domestic markets and further increases expected during Q3 FY23;
 - ARS revenue growth was partly offset by \$5.3m revenue decrease following a 6.6% IVF Industry decline^{(1) (2)}
- 1H23 International Revenue increased by \$2.0m due to 36.4% stimulated cycle increase as Singapore commenced operations in June 2022 and KL and Johor Bahru return to growth;
- 1H23 Ultrasound revenue was flat on pcp due to price increases across all scan types offset by a 2.1% decline in ultrasound scans.

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

1H23 EBITDA⁽¹⁾ Analysis

Stable EBITDA in core IVF business notwithstanding IVF industry decline and cost base inflation pressures. Further leverage to be gained from domestic acquisitions and Singapore IVF clinic during 2H23



- \$1.4m EBITDA growth in domestic IVF business in 1H23 compared to pop due to price and market share growth (including acquisitions) offset by \$2.1m EBITDA decline as a result of the 6.6% Key Markets⁽³⁾ IVF industry decline;
- Patient price growth was partly offset by 3-4% average wage increases following enterprise bargaining agreements (EBA), superannuation increases and CPI increases in supplier pricing;
- Nursing, Scientific and Counselling EAs are closed with average 3-4% increases per annum until FY26 providing sustainable wage control in coming years. In addition, actions in-place to minimise impact from inflation pressures;
- \$0.4m EBITDA growth in Ultrasound business as cost base reductions improved earnings which was partly offset by ultrasound scan volume declines of 2.1%;
- \$0.3m International EBITDA growth in 1H23 following 6.1% volume recovery in Kuala Lumpur which was partly offset by initial losses in new Singapore IVF clinic which achieved profitability in November 2022.

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

2. Refer to page 26 for reconciliation of Non-regular items

3. Victoria, New South Wales, Queensland, South Australia and Northern Territory

1H23 Profit & Loss Overview

Underlying (\$m)	1H23	1H22	% change
Group revenue	103.3	101.0	2.3%
Underlying EBITDA ⁽¹⁾⁽²⁾	26.8	26.8	0.1%
Underlying EBIT⁽¹⁾⁽²⁾	18.8	19.4	(2.8%)
Underlying NPAT ⁽¹⁾⁽²⁾⁽³⁾	12.6	13.4	(5.7%)
Reported (\$m)			
Reported EBITDA⁽¹⁾	24.3	25.3	(4.0%)
Depreciation & amortisation	(7.9)	(7.4)	6.8%
Reported EBIT	16.4	17.9	(8.4%)
Net finance costs	(1.6)	(0.7)	128.6%
Reported Profit before tax	14.8	17.1	(13.5%)
Income tax expense	(4.0)	(5.0)	(20.0%)
Reported NPAT⁽³⁾	10.8	12.2	(11.5%)

- 1H23 Underlying NPAT⁽¹⁾⁽²⁾⁽³⁾ of \$12.6m;
- 1H23 Underlying EBITDA maintained vs pcp;
- EBITDA preserved notwithstanding lower IVF Industry volumes as:
 - patient price increases largely offset cost base inflationary pressures
 - Market share gains from recently attracted fertility specialists and contribution from ART Associates QLD acquisition
 - Improved International businesses in Kuala Lumpur and Singapore
 - Improved Ultrasound business in Sydney partly offset by resolved supply issues in Melbourne
- EBITDA Margin % of 26%, inline with 1H22;
- Net Finance Costs of \$1.6m (increase of \$0.9m) primarily due to \$0.6m increase for Interest on Lease Liabilities (under IFRS16) and \$0.3m due to higher average value of borrowings and increase in BBSY;
- 1H23 Reported EBITDA⁽¹⁾⁽²⁾ and Reported NPAT⁽²⁾⁽³⁾ includes \$2.5m (pre-tax) non-regular cost items. Refer to page 26 for further detail.

(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

1H23 Cashflow Overview

\$m	1H23	1H22	% change
Reported EBITDA	24.3	25.2	(3.6%)
Movement in working capital	(2.6)	(4.3)	39.5%
Income taxes paid	(6.2)	(6.3)	1.6%
Net operating cash flow (post-tax)	15.5	14.6	6.2%
Capital expenditure	(13.7)	(3.6)	(280.6%)
Payments for businesses/minority interest	(4.8)	(1.3)	(269.2%)
Cash flow from investing activities	(18.5)	(4.9)	(277.6%)
Free Cash flow ⁽¹⁾	(3.0)	9.7	(130.9%)
Dividends paid	(8.6)	(8.2)	(4.9%)
Interest on borrowings ⁽²⁾	(0.5)	(0.5)	0.0%
Payments of lease liabilities	(5.4)	(4.3)	(25.6%)
Proceeds of borrowings	17.0	1.4	1114.3%
Cash flow from financing activities	2.5	(11.6)	(121.6%)
Net cash flow movement	(0.5)	(1.9)	(73.7%)
Closing cash balance	7.4	6.9	7.2%

1. Free Cash Flow is Net Operating cash flow (post-tax) less Cash Flow from investing activities

2. Including capitalised bank fees

- **Pre-tax conversion of EBITDA to operating cash flow at 89%**, exceeding 1H22 of 83% and 1H21 of 82%;
- **\$13.7m capital expenditure** including new fertility clinics (Cremorne in VIC and Gold Coast WIP, Penrith, Bali and Darwin completed), IT infrastructure including cyber security assets and medical equipment.
- Further \$10m-\$15m CAPEX expected in 2H23 subject to timing to completion/commencement of new fertility clinics including Cremorne in VIC, Gold Coast and Brisbane;
- **\$4.8m payments for business acquisitions** includes \$3.9m for up-front cash consideration of ART Associates Qld, \$0.4m payment for Fertility Solutions Earn Out relating to FY22 and \$0.4m payments for non-recurring acquisition costs (completion activities for ART Associates QLD and PIVET);
- **\$17m debt drawdown** primarily for committed infrastructure projects and acquisition payments;
- **Payment of lease liabilities increased by \$1.1m** primarily due to full period rental impact for new completed IVF clinics (Penrith, Darwin and Singapore) and rental payments for yet to be completed clinics (Cremorne in VIC and Gold Coast).
- **\$8.6m dividend payments** for the 2.2 cps FY22 final dividend paid in October 22.

Balance Sheet Overview

Balance Sheet (\$m)	31 Dec 22	30 Jun 22	% change
Cash and cash equivalents	7.4	7.9	(6.3%)
Other current assets	22.9	17.7	29.4%
Current lease liabilities	(5.7)	(7.1)	19.7%
Other current liabilities	(31.6)	(31.0)	(1.9%)
Net working capital	(7.0)	(12.5)	(44.0%)
Non current borrowings	(26.9)	(9.8)	(174.5%)
Goodwill & Intangibles	269.7	258.9	4.2%
Right of use assets	55.8	64.7	(13.8%)
Lease liabilities	(52.8)	(60.3)	12.4%
Plant & Equipment	40.0	30.4	31.6%
Other assets/(liabilities)	(6.6)	(1.5)	(340.0%)
Net assets	272.2	269.9	0.9%
Capital Metrics	31 Dec 22	30 Jun 22	+/-
Net Debt ¹ (\$m)	19.6	2.1	17.5
Leverage Ratio (Net Debt / EBITDA ²)	0.50x	0.05x	0.45x
Interest Cover (EBITDA ² / Interest)	62.7x	113.2x	(50.5x)
Net Debt to Equity Ratio ³	7.2%	0.8%	6.4%
Return on Equity ⁴	7.9%	8.2%	(0.3%)
Return on Assets ⁵	5.4%	5.8%	(0.4%)

- **Balance Sheet continues to be in a strong position** to support organic and non-organic growth aspirations and plans including:
 - Organic growth-new clinic infrastructure in Cremorne (VIC), Gold Coast, Brisbane, and attraction of new suitable clinicians;
 - Non-organic growth-both domestic and abroad;
- **Plant and Equipment increased by \$9.6m** reflecting new clinic infrastructure costs for the new Cremorne (VIC) fertility clinic and Day Hospital (WIP), Gold Coast Fertility and Day Hospital (WIP), completed Darwin and Penrith fertility clinics and commencement of a new Brisbane fertility clinic. Further \$2.6m increase in medical and IT equipment.
- Net Debt of \$19.6m at 31 December 2022;
- Significant headroom remains available in key banking covenants;
- 2.2 cents per share fully franked interim FY23 dividend declared reflecting payout ratio of 68% compared to policy range of 60%-70% of Underlying NPAT;

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

Operational Review



Recently recruited doctors driving volumes

New doctors are highly engaged and contributing positively to volumes or succession planning

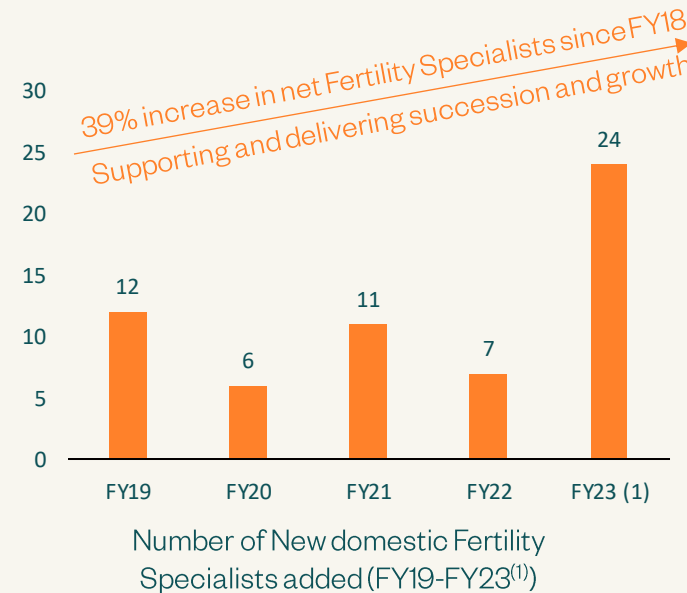
Doctor Partnerships



- Successful and on-going integration of ART Associates Queensland (8 new doctors) for clinicians and patients
 - Cycle volumes are ahead of expectations and feedback from clinicians on Monash IVF value proposition has been strong
- 6 new fertility specialists attracted including trainees for retirement and trainee attrition purposes
- Doctor endorsement of Monash IVF at record levels reflecting strong partnerships and relationships
- Focus remains on attracting and onboarding new and experienced fertility specialists with suitable cultural fit, outstanding clinical competencies and industry reputation.



Dr Tamara Hunter



Dr Stephanie Johnston

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New Global Fertility Specialists in FY22/FY23

(1) Includes Fertility Specialists recruited in Feb 2023 and 7 PIVET clinicians (completion expected by end of Q3 FY23)

Transformation of clinic infrastructure

Monash IVF's clinic infrastructure continues to be transformed with four new flagship clinics – Sydney (completed), Cremorne in VIC (2H23), Gold Coast (2H23) and Brisbane (FY24)



Clinical Infrastructure

- New Melbourne flagship site in Cremorne set for completion; Shared Service functions to relocate in early March and new IVF clinic and Day Hospital expected to be operational in April 2023;
- Relocation of the existing Gold Coast fertility clinic to a brand new facility which will include multi-discipline integrated day hospital, expected in Q4FY23;
- New Brisbane flagship site to commence and accommodate significant growth with site selected and lease finalised; expected to be completed in FY24;
- The success of the Sydney CBD flagship site (which opened in Nov-20) demonstrates the benefits of state-of-art, integrated clinics – this clinic is performing well and feedback from doctors and patients is positive
- By early FY24, Monash IVF will have 5 day hospitals in operation (compared to 2 day hospitals in FY22), enhancing patient experience and adding new revenue streams
- Business as usual investment in upgrades/ refreshment to clinics is on-going



Further improvement in Clinical pregnancy rates in CY22 resulting in 5.4% improvement since CY18



Scientific Leadership

- 38.0% Clinical pregnancy rate per embryo transferred in CY22 (Jan to Oct 2022) (women aged <43 years) compared to 32.6% in CY18
- Monash IVF Group has consistently improved its success rates since 2018 through the Monash Way driving unified scientific practice and technology
- Monash IVF remains committed to continuous improvement in pregnancy rates and laboratory efficiency

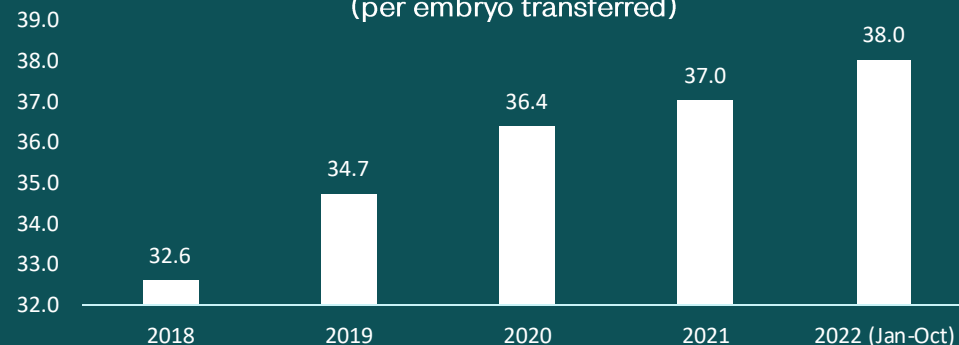
Initiatives to drive future improvements include:

The PIEZO-ICSI (Novel microinjection technique minimizing damage to the egg) second clinical trial has been published. Technology is undergoing further clinical rollout under direction of the RTEC research governance committee.

A multi-center randomized controlled clinical trial investigating use of a novel sperm selection device (Felix) in partnership with Memphasys (ASX:MEM) is ongoing across 7 sites. In addition KOL studies demonstrate that the Felix system is superior to current sperm preparation techniques isolating sperm of higher quality both in terms of motility as well as lower levels of DNA damage and oxidative stress.

Implementation of Embryoscope+ time-lapse technology is continuing with machines now present in clinics in SA, QLD, NSW and Victoria. Further machines are being installed in 2H23 and 1H24.

Monash IVF Group –
Clinical pregnancy rate for women aged <43 years
(per embryo transferred)



Investing in Brand & Marketing and our People



Brand & Marketing

- Q2FY23 new patient registration growth of 14% (6% excluding acquisitions) as MVF marketing continues to drive demand and conversion through our patient pipeline to appointments, registrations and treatments
- Solid market share gains observed of 1.9% since 1H20 (including acquisitions)
- Marketing activities in 1H23 heavily focused on launching and driving growth in patient demand beyond FY23
- New egg freezing and sperm donor advertising campaigns performed exceptionally well during 1H23 in all domestic markets



People Engagement

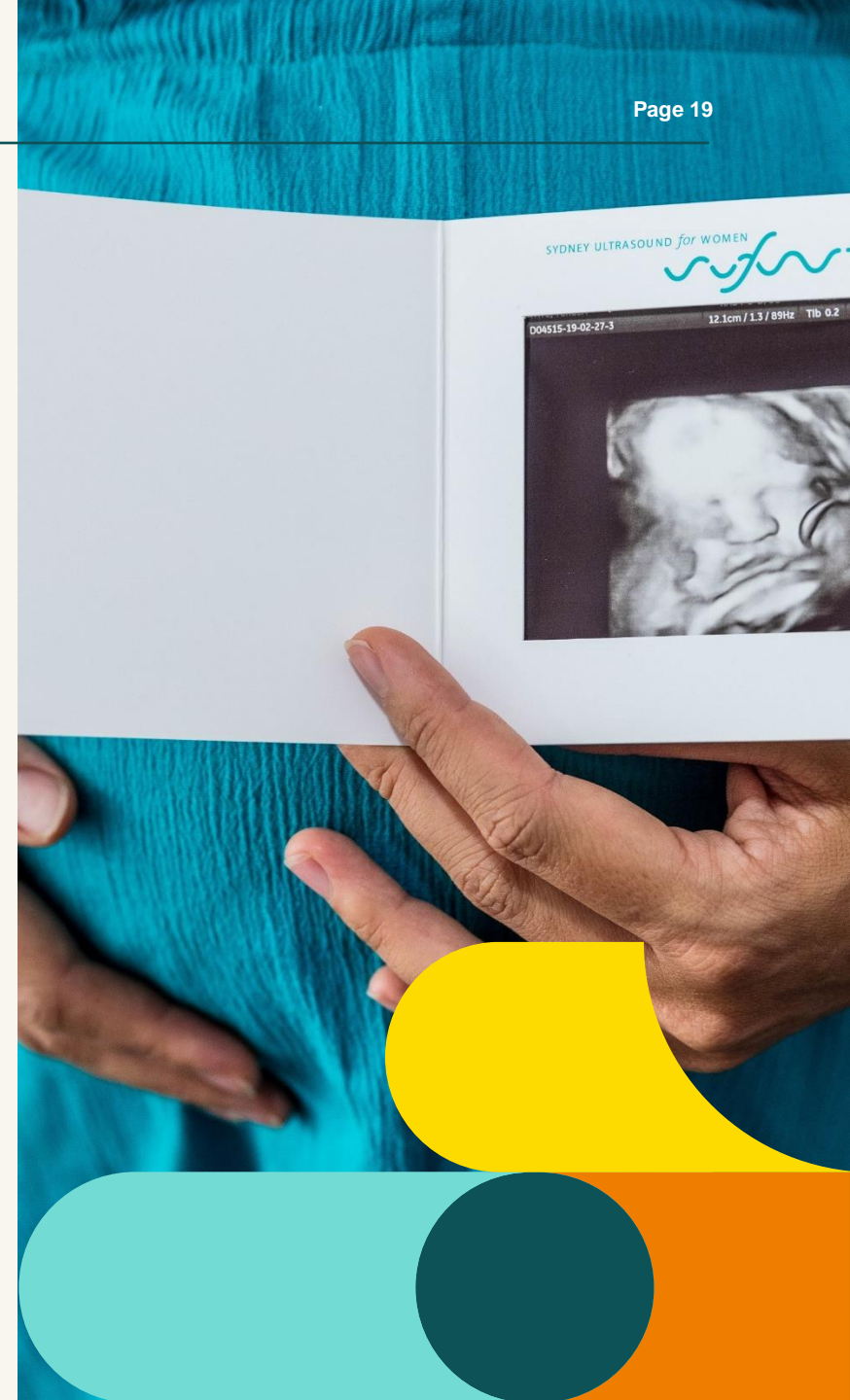
- Our people continue to thrive in a workplace that recognises their contributions; In 2022 we reached a milestone of the highest number of Cudos rewards presented to employees, recognising their outstanding contribution to our business
- Our Diversity and Inclusion Council made excellent progress, with a focus on education and awareness with many initiatives creating a celebration of the diversity in our workplace and communities
- Our Employee value proposition continues to grow, including our Learning and Development strategy which aims to empower individual career ownership through transformational learning opportunities
- A record number of learning programs were completed by employees in 2022 enabling our people to move towards their personal career goals, facilitating increased mobility of employees across the Group, and building long term retention



Positive turnaround in ultrasound business

Ultrasound recovery in motion as sonographer supply issues resolved in late Q2

- 1H23 ultrasound volumes declined by 2.1% to 41,237 compared to pcp following a 7.4% decline in volumes in Q1FY23 and a return to volume growth of 3.6% in Q2 FY23;
- Market share in Top 5 scans (in volumes) increased by 0.4% to 8.2% in 1H23;
- 3 new ultrasound sonologists to increase capacity and succession planning;
- Demand for womens' imaging is expected to remain at high levels;
- Good momentum in roll out of Monash IVF's branded Reproductive Carrier Screening test kit (RGS), with over 1,500 tests through the platform since launching in November 2021;
 - Provides additional channel for stimulated cycle growth in the future with 2-4% of couples requiring IVF with Genetic Testing of embryos to avoid having children with a genetic disease.



ARS International returns to growth

South-East Asian business has returned to growth following slow recovery from COVID-19 across the region

- MIVF has five clinics in South-East Asia and is **targeting SEA to contribute more than 25% of total Group stimulated cycles by FY2026 (10.6% in 1H23) via greenfields and suitable private hospital partnerships;**
- International Stimulated Cycles increased by 36.4% in 1H23;
- International underlying 1H23 EBITDA increased by 18% or \$0.3m to \$1.5m;

KL Fertility:

- Stimulated cycles growth of 6.1% in 1H23 as KL stabilises following the drawn out impact of COVID-19 on the region
- Revenue per stimulated cycle increased by 3%
- New doctor joined in January 2023 bringing total number of doctors to 5

Singapore:

- Opened in June 2022; rapid ramp up in stimulated cycles and expected to be profitable in 2H23
- Four experienced fertility specialists driving momentum and on track to deliver 200 cycles in year 1
- Further brand recognition is expected following major launch of Monash IVF in Singapore through a Reproductive Medicine Conference in early February 2023

Other clinics:

- **Bali:** 1st stimulated cycle performed in January 2023
- **Johor Bahru:** Profitable; Strong patient enquiries likely to drive growth 2H23
- **Jakarta:** Expectation for growth during CY23

Monash IVF Group is committed to executing on more partnership opportunities in South-East Asia.



Dr Suresh Nair



Strategy and Outlook



Vision 2026

The most admired reproductive care provider in the world

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

OUR MISSION

We help bring life to the world.

OUR PILLARS



Doctor Partnerships



Patient Experience



Scientific Leadership



International Expansion



People Engagement



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

Outlook

The favourable underlying demand dynamics of the IVF Industry remains unchanged notwithstanding Industry declines during 1H23.

Advanced maternal age and access to broader service offerings (including donor, egg freezing and genetics) are expected to underpin long-term industry growth supported by strong MVF inbound inquiry levels during Q2FY2023. In addition, new patient registrations during Q2FY2023 increased by 14% (including acquisitions) and this momentum has continued into 2H23.

In FY22 and 1H23, MVF made significant investments in future growth including recent acquisitions, attraction of new fertility specialists and further expansion into South East Asia. The ART Associates QLD acquisition completed in October 2022 and will have a full six-month contribution of earnings in 2H23. In addition, the PIVET Medical Centre acquisition is expected to complete during Q3FY23.

From a cost perspective, we expect the cost base to remain at manageable levels. Wage rates (Salaries & Wages are the largest expense for MVF) are expected to increase by 3-4% per annum as Nursing & Scientific Enterprise Agreements are in-place until FY26. In addition, Low to moderate growth is expected in other expenditure categories on a comparable basis (excluding acquisitions).

Accordingly, we anticipate FY2023 Underlying⁽¹⁾ Net Profit After Tax of \$25.5m or 15% growth compared to FY2022 (subject to any further Pandemic related disruption and/or worsening macro-economic conditions impacting IVF Industry activity).

(1) Underlying is adjusted for certain non-regular items including acquisition related costs, new premise commissioning costs and AASB3 Business Combination adjustments



Appendices



Treatment Mix

IVF Treatment numbers	1H23	1H22	% change
Monash IVF Group – Australia			
Stimulated cycles	5,058	5,257	(3.8%)
Cancelled cycles	573	601	(4.7%)
Frozen embryo transfers	3,787	3,740	1.3%
Total Australian Patient Treatments	9,418	9,598	(1.9%)
Monash IVF Group – International			
Stimulated cycles	600	440	36.4%
Cancelled cycles	21	27	(22.2%)
Frozen embryo transfers	563	426	32.2%
Total International Patient Treatments	1,184	893	32.6%
Total Group Patient Treatments	10,602	10,491	1.1%
Stimulated cycles as a % of Total Patient Treatments	53.4%	54.3%	
Other Treatment numbers	1H23	1H22	% change
Ultrasound Scans	41,237	42,118	(2.1%)
Non-Invasive Prenatal Testing (NIPT)	7,294	7,769	(6.1%)

1H23 Earnings Reconciliation

Statutory earnings adjusted for certain non-regular items

\$m	EBITDA	EBIT	1H23 NPAT	1H22 NPAT
Reported Statutory	24.3	16.3	10.8	12.2
Acquisition transaction costs	1.0	1.0	0.7	0.7
Commissioning costs	1.4	1.4	1.0	-
Acquisition Earn-out fair value	0.1	0.1	0.1	0.5
Underlying	26.8	18.8	12.6	13.4

- \$1.0m acquisition costs including completion activities for the PIVET Medical Centre and ART Associates Queensland acquisitions and stamp duty provision for the ART Associates QLD acquisition;
- \$1.4m commissioning costs related to pre-opening expenditure for new fertility clinics and day hospitals including Melbourne, Penrith, Gold Coast, Darwin and Bali. These costs include lease expenditure under IFRS 16 lease accounting;
- \$0.1m increase to AASB3 Business Combinations earn-out provision for the Fertility Solutions acquisition that occurred in FY19. The earn-out period for Fertility Solutions ends in FY23.
- 1H22 included non-regular items that increased Adjusted EBITDA, EBIT and NPAT by \$1.5m pre-tax and \$1.2m post-tax.

Overview of Monash IVF Group

Monash IVF Group is a market leader in reproductive care

ARS Australia

29 clinics & 4 services centres

112 Fertility Specialists
(12 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)



KL FERTILITY CENTRE
towards parenthood
Part of the Monash IVF Group



Diagnostics

2 Genetics laboratories
(VIC and SA)



repromed

Womens Ultrasound

15 clinics

18 Sonologists
(1 trainee)

3 Australian states



repromed



146 Medical Specialists

147.4¹ Scientists

450.5¹ Nursing and Support Staff

39.8¹ Sonographers

¹ Employee numbers represents the full time equivalents as at February 2023 and includes recent acquisitions

