

## ASX Announcement

### Monash IVF Group Limited (ASX:MVF)

Tuesday 19 December 2023

## Monash IVF to expand its presence in Perth IVF market (Western Australia) via acquisition of Fertility North

Monash IVF Group (ASX: MVF, the “Company” or “Monash IVF”) today announces entry into a Share Sale Agreement for the acquisition of Fertility North Holdings Pty Ltd (“Fertility North” or the “Business”), a leading provider of fertility services to Perth’s northern suburbs.

Fertility North was established in 2002 by highly regarded Perth-based fertility specialists, Dr Vince Chapple (Medical Director) and Dr Jay Natalwala (Clinical Director). Fertility North operates from a state-of-the-art clinic located at Joondalup Health Campus, and includes consulting, laboratory and access to co-located day surgery. The Fertility North acquisition will result in an additional eight fertility specialists joining the Monash IVF Group.

Monash IVF is acquiring 80% of Fertility North for initial up-front cash consideration estimated at \$12.0m. Fertility North generates approximately \$9m revenue per annum and is anticipated to increase Monash IVF NPAT<sup>(1)(2)</sup> by approximately 4% (based on MVF FY23 Adjusted NPAT<sup>(1)</sup>). Additional earn-out payments over a one to three year period may be payable, based on the achievement of certain financial targets. Monash IVF may acquire the remaining 20% of Fertility North, no earlier than three years from completion.

The acquisition is subject to certain conditions precedent, including Australian Competition and Consumer Commission (ACCC) approval. Completion is anticipated to occur in Q3 FY24. The acquisition (initial purchase price and any subsequent earn-out payments) is expected to be funded through Monash IVF’s operating cash flows and / or debt facilities available.

The acquisition of Fertility North provides Monash IVF with access to Perth’s northern growth corridor, a fast growing region with a large addressable market. Fertility North’s culture is aligned with Monash IVF, with Fertility North’s clinicians and people focussed on delivering the highest standard of care to patients to ultimately give them the best possible chance to have a healthy baby, as reflected in Fertility North’s strong success rates.

(1) Net Profit After Tax adjusted for certain non-regular items (non-IFRS measure)

(2) Includes 20% minority interest held by Vendors

In commenting on the acquisition of Fertility North, Monash IVF's Chief Executive Officer & Managing Director Mr Michael Knaap said: *"We are very excited to be expanding our presence in the fast-growing Perth market through the acquisition of Fertility North. We believe the businesses of Fertility North and our existing Monash IVF business in Perth are complementary to each other, servicing different catchment areas, with Fertility North servicing Perth's northern suburbs and Monash IVF West Leederville (formerly PIVET Medical Centre) servicing central and southern Perth. The transaction structure mutually aligns Monash IVF and Fertility North to grow the Fertility North business, and rewards Fertility North's shareholders for delivering on its growth targets."*

Fertility North co-founder Doctor Jay Natalwala commented *"Joining forces with Monash IVF represents the culmination of over 20 years of dedication to building one of Perth's leading IVF clinics. We could not have achieved this milestone without the amazing team we have built, and we look forward to continuing to support our patients and community as part of the larger Monash IVF Group"*.

Authorised by the Board of Directors.

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