Monash IVF Group Limited
Appendix 4D
Half-year report

1. Company details

Name of entity:	Monash IVF Group Limited
ABN:	90 169 302 309
Reporting period:	For the half-year ended 31 December 2024
Previous period:	For the half-year ended 31 December 2023

2. Results for announcement to the market

		%		$'000
Revenue from ordinary activities	up	11.6%	to	140,306
Underlying Earnings before interest, tax, depreciation, amortisation (EBITDA)[(1)(2)]	up	10.7%	to	35,592
Earnings before interest and tax (EBIT)	up	37.0%	to	27,773
Underlying Earnings before interest and tax (EBIT)[(2)]	up	7.3%	to	24,108
Underlying Net profit from ordinary activities after tax attributable to members and minority interest[(2)]	up	5.5%	to	15,774
Net profit from ordinary activities after tax attributable to members	up	33.2%	to	17,012

(1) The Directors consider EBITDA to be one of the key financial measures of the underlying performance of Monash IVF Group Limited. EBITDA is earnings before interest, tax, depreciation and amortisation. EBITDA is a non-IFRS measure which is used by the Group as a key indicator of underlying performance. This non-IFRS measure is not subject to audit or review. Refer to the reconciliation below.

(2) Underlying EBITDA, EBIT and NPAT are non-IFRS measures, not subject to audit or review. Refer to reconciliation below.

Refer to the commentary in the Directors' Report in the Operational and Financial Review section.

The profit for the Group after providing income tax amounted to $17,306,000 (31 December 2023: $12,880,000).

The following table summarises key reconciling items between statutory profit and Underlying EBIT, Underlying EBITDA and Underlying NPAT:

	1H25			1H24		
	EBITDA	EBIT	NPAT	EBITDA	EBIT	NPAT
Profit after income tax	**17,306**	**17,306**	**17,306**	**12,880**	**12,880**	**12,880**
Add: Interest expense	3,302	3,302	-	2,554	2,554	-
Less: Interest income	(38)	(38)	-	(25)	(25)	-
Add: Income tax expense	7,203	7,203	-	4,865	4,865	-
Add: Depreciation	9,902	-	-	8,387	-	-
Add: Amortisation	1,086	-	-	1,302	-	-
Statutory	**38,761**	**27,773**	**17,306**	**29,963**	**20,274**	**12,880**
Acquisition costs	-	-	-	480	480	336
Commissioning costs	345	345	241	1,403	1,403	982
Class Action	(4,126)	(4,126)	(2,888)	318	318	223
Impairment	612	612	612	-	-	-
Adjusted	**35,592**	**24,604**	**15,271**	**32,164**	**22,475**	**14,421**
Leases	-	(496)	(347)	-	-	(335)
Non-cash interest	-	-	850	-	-	869
Underlying	**35,592**	**24,108**	**15,774**	**32,164**	**22,475**	**14,955**

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	(9.66)	(12.05)

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

	Amount per security Cents	Franked amount per security Cents
Final dividend for the year ended 30 June 2024 per ordinary share paid on 11 October 2024	2.5	2.5

Previous period

	Amount per security Cents	Franked amount per security Cents
Final dividend for the year ended 30 June 2023 per ordinary share paid on 11 October 2023	2.2	2.2

7. Dividend reinvestment plans

Not applicable.

8. Details of associate entities

	Reporting entity's percentage holding		Contribution to profit/(loss) (where material)	
Name of associate	**Reporting period %**	**Previous period %**	**Reporting period $'000**	**Previous period $'000**
Compass Fertility Trust (trading as 'Compass Fertility')	30%	30%	80	113
PT Mitra Brayan	33%	33%	-	-
Group's aggregate share of associates and joint venture entities' profit/(loss) (where material)				
Profit/(loss) from ordinary activities before income tax			80	113

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

International Financial Reporting Standards.

---

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

---

11. Attachments

Details of attachments (if any):

The Interim Report of Monash IVF Group Limited for the half-year ended 31 December 2024 is attached.

---

12. Signed

Signed ______________________________ Date: 27 February 2025

Mr Richard Davis
Chair
Melbourne

Monash IVF Group Limited

ABN 90 169 302 309

Interim Report - 31 December 2024

General information

The financial statements cover Monash IVF Group Limited as a Group consisting of Monash IVF Group Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Monash IVF Group Limited's functional and presentation currency.

Monash IVF Group Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Level 1, 510 Church Street
Cremorne, Victoria 3121
Australia

Monash IVF Group Limited was incorporated on 30 April 2014.

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 27 February 2025.

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Monash IVF Group Limited (referred to hereafter as 'Monash IVF Group', 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

Directors
The following persons were Directors of Monash IVF Group Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr Richard Davis
Ms Catherine West
Ms Zita Peach
Ms Catherine Aston
Mr Neil Broekhuizen
Dr Richard Henshaw
Mr Michael Knaap
Mr Josef Czyzewski ceased directorship on 31 October 2024

Principal activities
The Group is a leader in the field of human fertility services and is one of the leading providers of Assisted Reproductive Services (ARS) which is the most significant component of fertility care in Australia and Southeast Asia. ARS encompass a range of techniques used to assist patients experiencing infertility to achieve a clinical pregnancy including reproductive genetic services. In addition, the Group is a significant provider of specialised women's imaging services.

Operational and financial review
The profit for the Group after providing for income tax amounted to $17,306,000 (31 December 2023: $12,880,000).

The Group reported Underlying Net Profit After Tax (Underlying NPAT)(1)(2)(6) of $15,774,000 as compared to $14,955,000 in pcp.

	1H25 $'000	1H24 $'000	Change $'000	Change %
Group revenue	140,306	125,704	14,602	11.6%
Underlying EBITDA(1)(2)	35,592	32,164	3,428	10.7%
Underlying EBIT(1)(2)	24,108	22,475	1,633	7.3%
Underlying NPAT(1)(2)(6)	15,774	14,955	819	5.5%
Reported EBITDA(1)(2)	38,761	29,963	8,798	29.4%
Reported EBIT	27,773	20,274	7,499	37.0%
Reported NPAT(6)	17,306	12,880	4,426	34.4%
Earnings Per Share (cents)	4.4	3.3		
Dividends Per Share (cents)	2.5	2.2		

	31 Dec 2024	30 Jun 2024
Net debt ('000)(3)	$72,496	$48,667
Net debt to equity ratio(4)	28.5%	19.7%
Return on equity (pa.)(5)	12.6%	12.1%

(1) EBITDA and Underlying NPAT are non-IFRS measures
(2) Refer to earnings reconciliation on page 3 for Underlying vs Reported EBITDA, EBIT and NPAT
(3) Debt less cash balances
(4) Net debt to equity is net debt divided by equity
(5) Return on equity is Underlying NPAT for the six-month period to 31 December 2024 divided by closing equity
(6) Attributable to ordinary shareholders and non-controlling interest

Group results commentary

Monash IVF Group reported Underlying NPAT(1)(2)(3) of $15,774,000 at the top end with profit guidance provided in November 2024 and 5.5% above the prior comparison period (pcp). This again reflects the highest underlying NPAT for the first half of a financial year for the Company who delivered its highest underlying full financial year profit result in FY24. The first half FY25 underlying NPAT was achieved following an 11.6% increase in Revenue to $140,306,000 and a 10.7% increase in Underlying EBITDA(1)(2) to $35,592,000 compared to pcp.

The 11.6% increase in Revenue in 1H25 was largely driven by:

- $7.3m or 5.8% growth driven by domestic Australian IVF businesses which includes six-month revenue contribution from the Fertility North acquisition which occurred in March 2024, 4-5% patient price increases across majority of services, 11.3% increase in frozen embryo transfers from returning patients which was partly offset by decline in the Australian stimulated cycle ART Sector(4) activity by 2.1% compared to pcp;
- International revenue increased by $1.7m due to 8.1% stimulated cycle growth driven by 12.2% stimulated cycle volume growth in KL while Singapore delivered solid 7.9% stimulated cycle volume growth despite temporary disruption caused by relocation to a new larger clinic facility in November 2024;
- Ultrasound revenue increased by $1.5m due to 0.9% ultrasound scan volumes growth and 7% increase in average revenue per scan following scan price increases and positive higher scan price mix. Scan activity grew by 8.2% in Melbourne and declined by 2.3% in Sydney due to capacity related constraints in two eastern Sydney clinics;
- $4.1m Day Surgery & Other revenue growth following ramp up of both Gold Coast and Cremorne day surgery units (commenced in November-23 and March-24 respectively) and $0.9m genetics revenue growth.

The Group achieved 1H25 Underlying EBITDA(1)(2) of $35,592,000, an increase of 10.7% on pcp. Domestic IVF, International IVF, Ultrasound and Day Surgery delivered EBITDA growth. The Domestic IVF businesses delivered EBITDA growth notwithstanding ART Sector weakness which was offset by cost base reductions and contribution from the Fertility North acquisition. Patient price increases of between 4-5% offset average employee enterprise bargaining agreement wage increases, 0.5% superannuation increases, and CPI increases across majority of supplier pricing. Cost base driven EBITDA margin growth was offset by the negative leverage impact from lower ART Sector stimulated cycle volumes impacting Monash IVF volumes (0.8% negative EBITDA margin impact). The International IVF and Ultrasound businesses contributed to EBITDA growth following revenue growth resulting in $1.2m additional EBITDA of 4%. Reported EBITDA increased by 29.4% which included settlement of the proceedings against Monash IVF's insurers at the time of the NiPGT class action commencement in FY21.

Depreciation and amortisation increased by $1.3m or 13% due to new Gold Coast and Cremorne day hospitals (right-of-use amortisation and depreciation), inclusion of the Fertility North acquisition and other infrastructure assets.

Net Finance Costs increased by $0.7m largely driven by $20m increase in Borrowings.

The effective tax rate during 1H25 was 29.4% compared to 27.1% in pcp reflecting higher proportion of Australian taxable income and pcp included deductibility of LTI payments.

(1) EBITDA and Underlying NPAT are non-IFRS measures
(2) Refer to earnings reconciliation on page 4 for Underlying vs Reported EBITDA, EBIT and NPAT
(3) Attributable to ordinary shareholders and non-controlling interest
(4) Medicare MBS item 13200/1 – Assisted Reproductive Technology (ART) Sector

Segment analysis

	Australia			International		
	1H25 $'000	1H24 $'000	% Change	1H25 $'000	1H24 $'000	% Change
Revenue	131,188	118,406	10.8%	9,118	7,298	24.9%
Underlying EBIT	22,346	21,463	4.1%	1,762	1,012	74.1%
Underlying NPAT	14,365	14,310	0.4%	1,409	645	118.4%
Reported NPAT	16,510	12,235	34.9%	796	645	23.4%

Australia
Australian revenue increased by $12,782,000 or 10.8% due to the following:
- $7.3m Domestic ARS Revenue growth ($4.9m from patient price increases across all domestic markets, $5.2m contribution from the Fertility North acquisition, $0.5m market share gains partly offset by 2.1% ART Sector[4] volume decline that had a $3.3m negative impact on revenue compared to pcp);
- $1.5m ultrasound revenue growth due to 7% increase in average revenue per scan and 1% increase in scan volumes;
- $4.1m Day Surgery & Other revenue growth following ramp up of both Gold Coast and Cremorne day surgery units (commenced in November-23 and March-24 respectively) and $0.9m genetics revenue growth.

The Australian Segment achieved 1H25 Underlying EBIT[2] of $22,346,000 reflecting growth of 4.1% on pcp. The Australian businesses were resilient in growing Underlying EBIT[2] in a challenging macro environment whereby ART Sector activity was slightly down on pcp. Reported NPAT grew by 34.9% compared to pcp which included certain non-regular items that improved NPAT.

International
The International segment comprises of clinics in Kuala Lumpur, Singapore, Johor Bahru and Bali. International Revenue increased by $1,820,000 or 24.9% to $9,118,000 following 8.1% increase in stimulated cycles compared to pcp. Kuala Lumpur increased its stimulated cycles by 12.2% whilst Singapore increased its stimulated cycles by 7.9% notwithstanding Singapore operations being temporarily impacted by relocation of the Clinic in November 2024. Following strong revenue growth, Underlying EBIT increased by 74.1% to $1,762,000 and Underlying NPAT increased by $764,000 or 118.4% compared to pcp.

Earnings reconciliation

The table below provides a reconciliation of 1H25 and 1H24 Underlying EBITDA, Underlying EBIT and Underlying NPAT to the reported statutory metrics:

	1H25			1H24		
	EBITDA $'000	EBIT $'000	NPAT $'000	EBITDA $'000	EBIT $'000	NPAT $'000
Profit after income tax	**17,306**	**17,306**	**17,306**	**12,880**	**12,880**	**12,880**
Add: Interest expense	3,302	3,302	-	2,554	2,554	-
Less: Interest income	(38)	(38)	-	(25)	(25)	-
Add: Income tax expense	7,203	7,203	-	4,865	4,865	-
Add: Depreciation	9,902	-	-	8,387	-	-
Add: Amortisation	1,086	-	-	1,302	-	-
Statutory	**38,761**	**27,773**	**17,306**	**29,963**	**20,274**	**12,880**
Acquisition costs	-	-	-	480	480	336
Commissioning costs	345	345	241	1,403	1,403	982
Class Action	(4,126)	(4,126)	(2,888)	318	318	223
Impairment	612	612	612	-	-	-
Adjusted[1]	**35,592**	**24,604**	**15,271**	**32,164**	**22,475**	**14,421**
Leases	-	(496)	(347)	-	-	(335)
Non-cash interest	-	-	850	-	-	869
Underlying[1]	**35,592**	**24,108**	**15,774**	**32,164**	**22,475**	**14,955**

(1) Non-IFRS measures

Reported NPAT of $17,306,000 includes certain non-regular items that improved NPAT on a net basis by $1,532,000. Non-regular items improved Reported EBITDA by $3,169,000 and Reported EBIT by $3,665,000. Items that impacted profit before tax are as follows:
- $0.3m commissioning costs related to pre-opening expenditure for new fertility clinics and day hospitals including Brisbane and Singapore. Brisbane remains work in progress as at 31 December 2024;
- $5.1m benefit from the NiPGT Class Action insurer proceedings settlement (in September 2024). This was partly offset by other related Class Action costs during 1H25 including legal fees;
- $0.6m relating to impairment and exit from an Indonesian associate, PT Mitra Brayan Indonesia;
- $0.5m negative non-cash lease expenditure and right-of-use asset depreciation under AASB 16 lease accounting is being adjusted from Reported to Underlying due to its non-cash nature.

1H24 included non-regular items that increased Underlying NPAT by $2.1m.

Consolidated statement of financial position and capital metrics

Balance sheet	31 Dec 2024 $'000	30 Jun 2024 $'000	Change $'000	Change %
Cash and cash equivalents	7,504	11,333	(3,829)	(33.8%)
Other current assets	48,022	44,448	3,574	8.0%
Lease liabilities (current)	(11,538)	(7,990)	(3,548)	44.4%
Other current liabilities	(79,775)	(110,831)	31,056	(28.0%)
Net working capital	**(35,787)**	**(63,040)**	**27,253**	**(43.2%)**
Borrowings	(79,425)	(59,565)	(19,860)	33.3%
Goodwill and intangible assets	296,305	297,325	(1,020)	(0.3%)
Right-of-use assets	75,533	72,088	3,445	4.8%
Lease liabilities (non-current)	(68,426)	(67,815)	(611)	0.9%
Plant and equipment	69,810	66,020	3,790	5.7%
Other net (liabilities) assets	(3,783)	1,646	(5,429)	(329.8%)
Net assets	**254,227**	**246,659**	**7,568**	**3.1%**

Capital metrics	31 Dec 2024	30 Jun 2024
Net debt ($'000)[(1)]	**$72,496**	**$48,667**
Leverage ratio (Net debt / EBITDA[(2)])	1.3x	0.90x
Interest cover (EBITDA[(2)] / Interest)	16.7x	22.0x
Net debt to Equity ratio[(3)]	28.5%	19.7%
Return on equity[(4)]	**12.6%**	**10.7%**
Return on assets[(5)]	**6.2%**	**6.3%**

Net Debt increased by $23,829,000 to $72,496,000 and carrying value of borrowings was $80,000,000 as at 31 December 2024. The key Net Leverage Ratio is at 1.3x and well within the 3.5x covenant requirement. The Interest Cover Ratio is at 16.7x and well above the 3.0x covenant requirement. Key capital metrics increased with Return on Equity increasing from 10.7% to 12.6% whilst Return on Assets decreased from 6.3% to 6.2%.

Other Current Assets continues to include $17.5m Class Action insurance proceeds receivable which is expected in early March 2025. Other Current Liabilities includes remaining $36m Class Action payment due. Refer to Contingent Liabilities Note.

Plant and equipment increased by $3.8m reflecting $8.4m of non-software capital expenditure partly offset by depreciation of $4.7m.

Lease liabilities increased by $4.1m primarily due to the present value of future cash rent payments on new, long-term leased facilities in Singapore.

(1) Net debt is debt less cash balances (excluding capitalised bank fees)
(2) EBITDA is based on normalised EBITDA excluding AASB16 lease impact and other items 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) Underlying NPAT for the previous 12-month period divided by closing equity at the balance date
(5) Underlying NPAT for the previous 12-month period divided by closing assets at the balance date

Consolidated statement of cash flows	1H25 $'000	1H24 $'000	Change $'000	Change %
EBITDA[1]	**38,761**	**29,963**	**8,798**	**29.4%**
Movement in working capital	(33,113)	(357)	(32,756)	9175.4%
Income taxes paid	(2,741)	(3,717)	976	(26.3%)
Net operating cash flows (post-tax)	**2,907**	**25,889**	**(22,982)**	**(88.8%)**
Capital expenditure	(8,444)	(12,917)	4,473	(34.6%)
Payments for businesses	(1,000)	(3,964)	2,964	(74.8%)
Cash flows used in investing activities	**(9,444)**	**(16,881)**	**7,437**	**(44.1%)**
Free cash flow[1]	**(6,537)**	**9,008**	**(15,545)**	**(172.6%)**
Dividends paid	(9,742)	(8,572)	(1,170)	13.6%
Interest on borrowings	(1,741)	(1,189)	(552)	46.4%
Payments of lease liabilities	(5,809)	(5,331)	(478)	9.0%
Net proceeds from borrowings	20,000	4,000	16,000	400.0%
Cash flows used in financing activities	**2,708**	**(11,092)**	**13,800**	**(124.4%)**
Net cash flow movement	**(3,829)**	**(2,084)**	**(1,745)**	**83.7%**
Closing cash balance	**7,504**	**5,929**	**1,575**	**26.6%**

(1) EBITDA and free cash flow are non-IFRS measures.

Movement in Working Capital includes NiPGT Class Action instalment payments and non-cash Profit and Loss benefit from the settlement of proceedings against the Company's NiPGT Class Action insurer and other related impacts (~$26m).

$8,444,000 capital expenditure (PPE and Intangibles) including:

- Completed new relocated fertility clinic in Singapore and continued construction of Brisbane fertility clinic and day hospital to be completed in Q1FY26;
- On-going design and build of new patient management system that will be ready for full deployment in late FY26;
- On-going laboratory asset replacement and upgrades, including new embryoscopes across all large domestic IVF clinics; and
- Full Year FY25 Capital expenditure expected to be between $17m and $18m. FY26 capital investment likely to return to BAU capital expenditure levels ($12m).

Interest payments on borrowings increased by $552,000 due to higher average borrowings compared to pcp. $9,742,000 of dividend payments were made for the 2.5 cps FY24 final dividend.

Carrying value of Borrowings increased by $20,000,000 due to debt drawdowns for the NiPGT Class Action settlement payments that occurred in October and December 2024. Further payments totalling $36m will occur in March and July 2025.

Commitments and contingencies

Other than what is disclosed below, the Group may be involved in legal claims, administrative actions, and proceedings related to the normal conduct of its business including, among other things, general liability, commercial, employment, and intellectual property matters such as the significant proceeding listed below. Based upon existing information such matters are not considered material and it is not possible to predict with certainty the outcome or cost of current legal claims, actions, and proceedings. The Group establishes accruals for estimated costs associated with such matters in a manner that complies with applicable accounting standards. The Directors believe that current matters of which they are aware, excluding the details below, should not significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial periods.

As announced to the ASX on 23 December 2020, Monash IVF Group Limited and related entities were named as defendants in proceedings filed in the Supreme Court of Victoria in relation to, or in connection with the Group's non-invasive preimplantation genetic screening technology (Class Action). The matter was settled in mediation on 21 August 2024 and the agreed settlement amount (Settlement Amount) was accounted for in the 2024 financial year profit and loss. As at 31 December 2024, $36m of the Settlement Amount remains payable and is payable in two instalments due in March and July 2025. This will be partly paid from $17.5m of insurance proceeds.

In addition, the Company had commenced proceedings in the Federal Court of Australia against its insurer in the Class Action to seek a declaration on the construction of the terms of the insurance policy to confirm the total insurance proceeds available to the Group for the Class Action. The Federal Court proceeding settled on 4 September 2024. This settlement improved the Group's FY2025 net profit after tax by $3.6m.

Outlook

The Australian Assisted Reproductive Technology (ART) Sector and Monash IVF will continue to benefit from evolving underlying structural demand drivers, particularly from emerging services such as genetics, donor and egg freezing. Advanced maternal age and growing patient segments such as the LGBTQIA+ community will continue to drive growth in ART Sector activity in the medium to long term. Short-term volatility in domestic ART Sector activity is not uncommon and the volatility is expected to subside in the short term supporting and aiding the ongoing resilience and sustainability of the ART Sector that has grown by 4% CAGR over the last 5 years.

In FY22 to FY24, MVF made significant investments in future growth including recent acquisitions, attraction of new fertility specialists, further expansion into South East Asia and Day Hospitals. Notwithstanding recent volatility in new patient IVF registrations in certain jurisdictions in Australia (in particular Victoria), these investments and focus on cost optimisation are supporting stability in FY25 and the long-term.

Accordingly, FY25 Underlying Group NPAT(1) is expected to be between $30.0m and $31.0m compared to $29.9m in the prior comparative period. Non regular items in FY25 will include commissioning of new premises in Brisbane (QLD) and Singapore, NiPGT class action related costs and settlement, impairment of an investment in Associate and non-cash AASB16 Lease Accounting impact.

(1) Underlying Group NPAT including minority interest, adjusted for non-regular items and is a non-IFRS measure

Matters subsequent to the end of the financial half-year

On 27 February 2025, a fully franked interim dividend of 2.6 cents per share was declared. The record date for the dividend is 7 March 2025 and the payment date is 11 April 2025.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after, and forms part of, this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors

Mr Richard Davis
Chair

Mr Michael Knaap
Chief Executive Officer and Managing Director

27 February 2025
Melbourne

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Monash IVF Group Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Monash IVF Group Limited for the half-year ended 31 December 2024 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG	Chris Sargent
	Partner
	Melbourne
	27 February 2025

Monash IVF Group Limited
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2024

	Note	Consolidated 31 Dec 2024 $'000	Consolidated 31 Dec 2023 $'000
Revenue from contracts with customers		140,306	125,704
Share of profits of associates accounted for using the equity method		80	113
Expenses			
Materials and consumables used		(15,130)	(13,688)
Clinician fees		(24,084)	(23,291)
Employee benefits expense		(49,466)	(41,176)
Depreciation and amortisation expense		(10,988)	(9,689)
Impairment of investments		(612)	-
Marketing and advertising expense		(4,023)	(4,004)
IT and communication expense		(2,759)	(2,807)
Property expense		(3,928)	(3,825)
Professional and other fees		(4,387)	(4,070)
Other expenses		2,764	(2,993)
Operating profit		27,773	20,274
Net finance costs	4	(3,264)	(2,529)
Profit before income tax expense		24,509	17,745
Income tax expense		(7,203)	(4,865)
Profit after income tax expense for the half-year		17,306	12,880
Other comprehensive income/(loss)			
Items that may be reclassified subsequently to profit or loss			
Cash flow hedges, net of tax		(38)	(143)
Translation of foreign operations		489	8
Other comprehensive income/(loss) for the half-year, net of tax		451	(135)
Total comprehensive income for the half-year		17,757	12,745
Profit for the half-year is attributable to:			
Non-controlling interest		294	107
Owners of Monash IVF Group Limited		17,012	12,773
		17,306	12,880
Total comprehensive income for the half-year is attributable to:			
Non-controlling interest		294	107
Owners of Monash IVF Group Limited		17,463	12,638
		17,757	12,745
		Cents	**Cents**
Basic earnings per share	5	4.4	3.3
Diluted earnings per share	5	4.3	3.3

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Monash IVF Group Limited
Consolidated statement of financial position
As at 31 December 2024

	Note	Consolidated 31 Dec 2024 $'000	Consolidated 30 Jun 2024 $'000
Assets			
Current assets			
Cash and cash equivalents		7,504	11,333
Trade and other receivables		38,866	36,270
Inventories		8,799	8,178
Income tax receivable		357	-
Total current assets		55,526	55,781
Non-current assets			
Trade and other receivables		180	173
Investment accounted for using the equity method		1,401	1,593
Derivative financial instruments	9	132	212
Plant and equipment		69,810	66,020
Right-of-use assets		75,533	72,088
Intangible assets		296,305	297,325
Deferred tax asset		8,810	15,278
Total non-current assets		452,171	452,689
Total assets		507,697	508,470
Liabilities			
Current liabilities			
Trade and other payables	8	52,795	80,815
Contract liabilities		10,129	12,920
Lease liabilities		11,538	7,990
Income tax payable		-	1,477
Employee benefits		13,861	13,108
Contingent consideration	9	2,990	2,511
Total current liabilities		91,313	118,821
Non-current liabilities			
Borrowings	8	79,425	59,565
Lease liabilities		68,426	67,815
Derivative financial instruments	9	4,555	4,555
Employee benefits		1,839	1,660
Contingent consideration	9	7,912	9,395
Total non-current liabilities		162,157	142,990
Total liabilities		253,470	261,811
Net assets		254,227	246,659
Equity			
Issued capital	6	506,786	506,786
Reserves		(142,276)	(142,653)
Accumulated losses		(162,735)	(162,735)
Profits reserve		47,777	40,507
Equity attributable to the owners of Monash IVF Group Limited		249,552	241,905
Non-controlling interest		4,675	4,754
Total equity		254,227	246,659

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Consolidated	Issued capital $'000	Reserves $'000	Accumulated losses $'000	Profits reserve $'000	Non-controlling interest $'000	Total equity $'000
Balance at 1 July 2023	506,786	(136,207)	(162,735)	65,357	1,873	275,074
Profit after income tax expense for the half-year	-	-	-	12,773	107	12,880
Other comprehensive loss for the half-year, net of tax	-	(135)	-	-	-	(135)
Total comprehensive (loss)/income for the half-year	-	(135)	-	12,773	107	12,745
Transactions with owners in their capacity as owners:						
Share-based payments	-	(830)	-	-	-	(830)
Capital contributions	-	-	-	-	2,521	2,521
Dividends paid to non-controlling interests	-	-	-	-	(118)	(118)
Dividends paid (note 7)	-	-	-	(8,572)	-	(8,572)
Balance at 31 December 2023	506,786	(137,172)	(162,735)	69,558	4,383	280,820

Consolidated	Issued capital $'000	Reserves $'000	Accumulated losses $'000	Profits reserve $'000	Non-controlling interest $'000	Total equity $'000
Balance at 1 July 2024	506,786	(142,653)	(162,735)	40,507	4,754	246,659
Profit after income tax expense for the half-year	-	-	-	17,012	294	17,306
Other comprehensive income for the half-year, net of tax	-	451	-	-	-	451
Total comprehensive income for the half-year	-	451	-	17,012	294	17,757
Transactions with owners in their capacity as owners:						
Share-based payments	-	(74)	-	-	-	(74)
Dividends paid to non-controlling interests	-	-	-	-	(373)	(373)
Dividends paid (note 7)	-	-	-	(9,742)	-	(9,742)
Balance at 31 December 2024	506,786	(142,276)	(162,735)	47,777	4,675	254,227

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

	Note	Consolidated 31 Dec 2024 $'000	Consolidated 31 Dec 2023 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		137,156	124,053
Payments to suppliers and employees (inclusive of GST) (1)		(131,587)	(94,447)
Cash generated from operations		5,569	29,606
Income taxes paid		(2,741)	(3,717)
Net cash flows generated from operating activities		2,828	25,889
Cash flows from investing activities			
Payment for purchase of business, net of cash acquired		(1,000)	(3,964)
Payments for plant and equipment		(8,444)	(12,882)
Payments for intangibles		-	(35)
Net cash used in investing activities		(9,444)	(16,881)
Cash flows from financing activities			
Proceeds from borrowings		22,000	7,500
Repayment of borrowings		(2,000)	(3,500)
Repayment of lease liabilities		(5,809)	(5,331)
Interest paid on borrowings		(1,741)	(1,189)
Dividends paid (2)	7	(9,742)	(8,572)
Net cash from/(used in) financing activities		2,708	(11,092)
Net decrease in cash and cash equivalents		(3,908)	(2,084)
Cash and cash equivalents at the beginning of the financial half-year		11,333	8,005
Effects of exchange rate changes on cash and cash equivalents		79	8
Cash and cash equivalents at the end of the financial half-year		7,504	5,929

(1) Payment to suppliers and employees includes $20m Ni-PGT class action payments made during the period. Refer to note 10 for further information.

(2) Dividends paid to ordinary shareholders and non-controlling interest.

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Basis of preparation

These general purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

Going concern

As at 31 December 2024, the Group has net current liabilities of $35,787,000 (30 June 2024: $63,040,000 net current liabilities).

The Directors consider that there are reasonable grounds to believe the Group will be able to pay its debts as and when they are due. The primary driver of the net current asset deficiency is due to the $18.9 million remaining net settlement of the Ni-PGT Proceedings, refer to note 10. When this is to be settled, it is estimated to be funded from available cash reserves and available committed funding in the Syndicated Debt Facility. Consistent with prior years, the Group's approach to invoicing for certain procedures in advance also contributes to the net current asset deficiency with deferred revenue amounting to $10.1m at reporting date. In addition, forecast operating cash flows and scenarios indicate that cash generation continues to be sufficient to fund operations considering certain current liabilities such as employee entitlements and contract liabilities will not be fully settled in the short-term to cause a liquidity shortfall. As a result, these financial statements are prepared on a going concern basis.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group during the financial half-year ended 31 December 2024 and are not expected to have a significant impact for the full financial year ending 30 June 2025.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in the respective notes.

Note 3. Operating segments

The Group determines and presents operating segments based on information that internally is provided to and used by the Chief Executive Officer (CEO), who is the Group's Chief Operating Decision Maker (CODM). An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. The financial results of each operating segment are regularly reviewed by the Group's CEO in order to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the CEO include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, head office expenses and income tax assets and liabilities. Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets other than goodwill.

Note 3. Operating segments (continued)

The basis of inter-segmental transfers is market pricing. Results are calculated before consideration of net borrowing costs and tax expense.

Identification of reportable operating segments
The two geographic segments being Australia and International reflect Monash IVF Group's reporting structure to the CODM. Monash IVF Group considers that the two geographic segments are appropriate for segment reporting purposes under AASB 8 Operating Segments. These segments comprise the following operations:

- Australia IVF and Ultrasound: provider of Assisted Reproductive Services, Ultrasound and other related services.
- International IVF: provider of Assisted Reproductive Services in South East Asia.

Seasonality of results
The Group's operating segments are not materially subject to seasonality factors that may result in fluctuations in revenues and profitability between 1 July to 31 December and 1 January to 30 June in each period.

Operating segment information

Consolidated - 31 Dec 2024	Australia IVF and Ultrasound $'000	International IVF $'000	Total $'000
Revenue			
Revenue to external customers	131,188	9,118	140,306
Total revenue	131,188	9,118	140,306
EBITDA (before non-regular items)	33,056	2,536	35,592
Depreciation and amortisation expense	(10,214)	(774)	(10,988)
Net finance costs	(3,243)	(21)	(3,264)
Commissioning costs	(345)	-	(345)
Class Action	4,126	-	4,126
Impairment of investment in associate	-	(612)	(612)
Profit before income tax expense	23,380	1,129	24,509
Income tax expense			(7,203)
Profit after income tax expense			17,306
Assets			
Segment assets	485,767	21,930	507,697
Total assets			507,697
Total assets includes:			
Acquisition of non-current assets	9,397	3,435	12,832
Liabilities			
Segment liabilities	237,941	15,529	253,470
Total liabilities			253,470

Note 3. Operating segments (continued)

Consolidated - 31 Dec 2023	Australia IVF and Ultrasound $'000	International IVF $'000	Total $'000
Revenue			
Revenue to external customers	118,406	7,298	125,704
Total revenue	118,406	7,298	125,704
EBITDA (before non-regular items)	30,541	1,623	32,164
Depreciation and amortisation expense	(9,065)	(624)	(9,689)
Net finance costs	(2,542)	13	(2,529)
Acquisition costs	(480)	-	(480)
Commissioning costs	(1,403)	-	(1,403)
Class Action legal costs	(318)	-	(318)
Profit before income tax expense	16,733	1,012	17,745
Income tax expense			(4,865)
Profit after income tax expense			12,880
Consolidated - 30 Jun 2024			
Assets			
Segment assets	493,407	15,063	508,470
Total assets			508,470
Total assets includes:			
Acquisition of non-current assets	36,337	5,167	41,504
Liabilities			
Segment liabilities	253,948	7,863	261,811
Total liabilities			261,811

Note 4. Net finance costs

	Consolidated 31 Dec 2024 $'000	Consolidated 31 Dec 2023 $'000
Finance income		
Interest revenue calculated using the effective interest method	(38)	(25)
Finance costs		
Interest and finance charges paid/payable on borrowings	2,013	1,165
Amortisation of borrowing costs[1]	75	148
Interest and finance charges paid/payable on lease liabilities	1,214	1,241
Total finance costs	3,302	2,554
Net finance costs	3,264	2,529

(1) Includes interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

Note 5. Earnings per share

	Consolidated 31 Dec 2024 $'000	Consolidated 31 Dec 2023 $'000
Profit after income tax	17,306	12,880
Non-controlling interest	(294)	(107)
Profit after income tax attributable to the owners of Monash IVF Group Limited	17,012	12,773

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	389,634,840	389,634,840
Adjustments for calculation of diluted earnings per share:[1]		
Rights over ordinary shares	3,515,514	3,042,785
Weighted average number of ordinary shares used in calculating diluted earnings per share	393,150,354	392,677,625

(1) The calculation of the weighted average number of shares has been adjusted for the effect of share based rights granted from the date of issue.

	Cents	Cents
Basic earnings per share	4.4	3.3
Diluted earnings per share	4.3	3.3

Note 6. Issued capital

	Consolidated 31 Dec 2024 Shares	30 Jun 2024 Shares	31 Dec 2024 $'000	30 Jun 2024 $'000
Ordinary shares - fully paid	389,634,840	389,634,840	506,786	506,786

Note 7. Dividends

Dividends paid during the financial half-year were as follows:

	Consolidated 31 Dec 2024 $'000	Consolidated 31 Dec 2023 $'000
Fully franked final dividend for the year ended 30 June 2024 of 2.5 cents (31 December 2023: 2.2 cents) per ordinary share	9,742	8,572

Monash IVF Group's dividend policy is to target a payout ratio of between 60% and 70% of Statutory NPAT. The level of payout ratio is expected to vary between periods depending on general operating conditions, operating cashflow and profit, funding, strategic growth opportunities and availability of franking credits.

Subsequent to 31 December 2024, the Board declared a full franked 2025 interim dividend of 2.6 cents per share.

Note 8. Financial risk management

Financial risk management objectives

The Group's activities expose it to a variety of financial risks:
- market risk (including foreign currency risk, interest rate risk, and operational risk),
- credit risk; and
- liquidity risk.

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as interest rate swaps to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ageing analysis for credit risk.

Risk management is carried out by key management personnel and executives under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk
The Group is not exposed to material levels of foreign currency risk at the reporting date or during the financial year.

Interest rate risk
The Group's main interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the Group to interest rate risk. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk. Interest rate risk may be managed using a mix of floating rate debt and fixed rate instruments. Interest rate swaps are not entered into for trading purposes and are not classified as held for trading. The policy is to maintain at least 50% of current borrowings at fixed rates using interest rate swaps to achieve this when necessary. The Group is working towards fixing at least 50% of its variable debt.

The interest rate profile of the Group's interest-bearing financial instruments as reported to management of the Group is as follows, including the impact of hedging instruments:

	31 Dec 2024 $'000	30 Jun 2024 $'000
Fixed rate instruments		
Financial assets	1,619	1,853
Financial liabilities	(79,964)	(75,805)
	(78,345)	(73,952)
Variable rate instruments		
Financial assets	5,885	9,480
Financial liabilities	(79,425)	(59,565)
	(73,540)	(50,085)

Cash flow sensitivity analysis for variable rate instruments
A reasonable possible change of a 100 basis points in interest rates at the reporting date would have increased /(decreased) equity and profit or loss by $735,400 (30 June 2024: $500,850). This assumes that all other variables remain constant.

Operational risk
The Group is exposed to legislative and/or Government policy changes to funding for IVF and related healthcare services which may impact patient out-of-pocket costs resulting in potentially higher or lower demand.

Note 8. Financial risk management (continued)

Credit risk
Credit risk is the risk of financial loss to the Group if a patient or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade receivables, being patients.

Patient fees for most treatments are received in advance and recognised as deferred revenue if the procedure is yet to be performed. This reduces the risk of non-collectability. Outstanding receivables predominantly relate to amounts owing from Medicare and storage fee patient accounts. Payment reminder notices are issued to patients with outstanding balances at 30, 60 and 90 days. After which, collection of this debt may be handled by a collection agency. The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Group.

Liquidity risk
Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages this risk through the following mechanisms:
- preparing forward-looking financial analysis in relation to its operational, investing and financing activities;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Remaining contractual maturities
The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 31 Dec 2024	Weighted average interest rate %	1 year or less $'000	Between 1 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives					
Non-interest bearing					
Trade and other payables		52,795	-	-	52,795
Interest-bearing					
Bank loans	6.48%	-	90,886	-	90,886
Lease liabilities	3.00%	11,538	46,202	31,197	88,937
Total non-derivatives		64,333	137,088	31,197	232,618

Consolidated - 30 Jun 2024	Weighted average interest rate %	1 year or less $'000	Between 1 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives					
Non-interest bearing					
Trade and other payables		80,815	-	-	80,815
Interest-bearing					
Bank loans	6.50%	-	70,392	-	70,392
Lease liabilities	3.00%	9,933	35,199	41,923	87,055
Total non-derivatives		90,748	105,591	41,923	238,262

Note 8. Financial risk management (continued)

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Note 9. Fair value measurement

Fair value hierarchy

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date, such as payables (including variable rate secured bank loans);
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
Level 3: Unobservable inputs for the asset or liability

Consolidated - 31 Dec 2024	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Derivative financial instruments - interest rate swap contracts	-	132	-	132
Total assets	-	132	-	132
Liabilities				
Put option liability	-	-	4,555	4,555
Contingent consideration	-	-	10,902	10,902
Total liabilities	-	-	15,457	15,457

Consolidated - 30 Jun 2024	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Derivative financial instruments - interest rate swap contracts	-	212	-	212
Total assets	-	212	-	212
Liabilities				
Put option liability	-	-	4,555	4,555
Contingent consideration	-	-	11,906	11,906
Total liabilities	-	-	16,461	16,461

There were no transfers between levels during the financial half-year.

The carrying amounts of trade and other receivables, trade and other payables and variable rate bank loans are assumed to approximate their fair values due to their short-term nature.

Valuation techniques for fair value measurements categorised within level 2 and level 3
Interest rate swaps have been valued using quoted market rates from broker quotes. This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates. No significant unobservable inputs apply.

The put option liability is based on the present value of the amounts expected to be paid at the time of exercise. The fair value is determined considering EBITDA for the most recent financial year and forecast EBITDA for the following twelve months.

Contingent consideration measurement is based on the achievement of future earnings performance and is assessed for the likelihood of achievement.

Note 10. Contingent liabilities

Other than what is disclosed below, the Group may be involved in legal claims, administrative actions, and proceedings related to the normal conduct of its business including, among other things, general liability, commercial, employment, and intellectual property matters such as the significant proceeding listed below. Based upon existing information such matters are not considered material and it is not possible to predict with certainty the outcome or cost of current legal claims, actions, and proceedings. The Group establishes accruals for estimated costs associated with such matters in a manner that complies with applicable accounting standards. The Directors believe that current matters of which they are aware, excluding the details below, should not significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial periods.

As announced to the ASX on 23 December 2020, Monash IVF Group Limited and related entities were named as defendants in proceedings filed in the Supreme Court of Victoria in relation to, or in connection with the Group’s non-invasive preimplantation genetic screening technology (Class Action). The matter was settled in mediation on 21 August 2024 and the agreed settlement amount (Settlement Amount) was accounted for in the 2024 financial year profit and loss. As at 31 December 2024, $36m of the Settlement Amount remains payable and is payable in two instalments due in March and July 2025. This will be partly paid from $17.5m of insurance proceeds.

In addition, the Company had commenced proceedings in the Federal Court of Australia against its insurer in the Class Action to seek a declaration on the construction of the terms of the insurance policy to confirm the total insurance proceeds available to the Group for the Class Action. The Federal Court proceeding settled on 4 September 2024. This settlement improved the Group's FY2025 net profit after tax by $3.6m.

Note 11. Events after the reporting period

On 27 February 2025, a fully franked interim dividend of 2.6 cents per share was declared. The record date for the dividend is 7 March 2025 and the payment date is 11 April 2025.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors

Mr Richard Davis
Chair

Mr Michael Knaap
Chief Executive Officer and Managing Director

27 February 2025
Melbourne

Independent Auditor's Review Report

To the shareholders of Monash IVF Group Limited

Report on the Half-year Financial Report

Conclusion

We have reviewed the accompanying ***Half-year Financial Report*** of Monash IVF Group Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Half-year Financial Report of Monash IVF Group Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the ***Group's*** financial position as at 31 December 2024 and of its performance for the Half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The ***Half-year Financial Report*** comprises:

- Condensed consolidated statement of financial position as at 31 December 2024;
- Condensed consolidated statement of profit or loss and other comprehensive income, Condensed consolidated statement of changes in equity and Condensed consolidated statement of cash flows for the Half-year ended on that date;
- Notes 1 to 11 including selected explanatory notes; and
- The Directors' Declaration.

The ***Group*** comprises Monash IVF Group Limited (the Company) and the entities it controlled at the Half year's end or from time to time during the Half-year.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of the Directors for the Half-year Financial Report

The Directors of the Company are responsible for:

- the preparation of the Half-year Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Half-year Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the Half-year Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Half-year Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the Half-Year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a Half-year Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

KPMG

Chris Sargent

Partner

Melbourne

27 February 2025