



Monash IVF Group
Leading the future of reproductive care

FY21 Half Year Results Presentation

24 February 2021



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This presentation includes a number of non-IFRS measures which includes EBITDA, Adjusted EBITDA, Adjusted EBIT and Adjusted 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.

1H21 Executive Summary

- \$14.6m Reported NPAT attributable to ordinary equity holders, an increase of 78.5% on pop;
- \$12.0m Adjusted NPAT⁽¹⁾ representing 32.0% growth on pop and above profit guidance provided in November 2020 of between \$11.0m and \$11.5m;
- 27.4% Monash IVF Australia stimulated cycle growth during 1H21 due to the recovery of pent up demand created during temporary suspension of services in Q4FY2020;
- 33.1% Monash IVF Australia stimulated cycle growth in Q2FY2021 due to national industry growth of 20.6% and market share gains across VIC, NSW, QLD and NT during Q2FY2021;
- Resilience demonstrated by our Domestic IVF business and the Industry as a whole highlights the non-discretionary and critical nature of our ARS services
- Sydney CBD Flagship clinic opened in November delivering best-in-class patient experience, a cornerstone initiative to attract new fertility specialists and grow market share;
- Our Ultrasound businesses remained open throughout the Pandemic and delivered ultrasound scan growth of 11.7%;
- 6.6% Kuala Lumpur stimulated cycle growth as the Clinic has experienced a slower recovery with ongoing impact of COVID-19 on the Malaysian economy. Solid progress made in Southeast Asia expansion plan;
- Improved operating cash flow generation and the Balance Sheet is well positioned for future organic and in-organic growth including support for strategic infrastructure projects;
- Dividends to recommence with 2.1 cent fully franked interim dividend declared for 1H21.

1H21 Financial Summary

Excellent operating performance in 1H21 was driven by robust recovery following the impact of COVID-19, market share gains and an underlying increase in demand for ARS services

Revenue
\$90.8M
1H FY20 \$77.0m
+17.8%

Adjusted EBITDA⁽¹⁾⁽²⁾⁽³⁾
\$24.7M
1H FY20 \$19.9m
+24.4%

Reported EBITDA⁽²⁾
\$28.7M
1H FY20 \$18.2m
+57.7%

Adjusted EBIT⁽¹⁾⁽³⁾
\$18.4M
1H FY20 \$14.2m
+30.0%

Adjusted NPAT⁽¹⁾⁽³⁾⁽⁴⁾
\$12.0M
1H FY20 \$9.1m
+32.0%

Reported NPAT⁽⁴⁾
\$14.7M
1H FY20 \$8.1m
+85.4%

1. Reported EBITDA adjusted by -\$4.0m, Reported EBIT adjusted by -\$4.0m and Reported NPAT by -\$2.7m. Refer to page 12 for further information.
2. EBITDA is a non-IFRS measure. EBITDA is defined as Earnings before interest, tax, depreciation and amortisation
3. Adjusted EBITDA, Adjusted EBIT and Adjusted NPAT are non-IFRS measures
4. Attributable to ordinary shareholders and non-controlling interest

MVF Recovery and Return to Growth

1H21 reflects growth in Q1FY2021 created from Q4FY2020 temporary suspension of services and further underlying growth in Q2FY2021

- MVF Australia stimulated cycles grew by 22.3% or 453 cycles in Q1FY2021, recovering the 366 stimulated cycle decline in March to June 2020, post the temporary shutdown of IVF services;
- Subsequent to the recovery of pent up demand in Q1FY21, MVF stimulated cycles grew by 33.1% or 608 cycles in Q2FY2021 compared to pcg;
- Q2FY21 growth on pcg reflects strong underlying growth driven by ARS industry volume growth and domestic market share gains;
- Current new patient pipeline growth indicates strong growth and above historical industry averages in 2H21;
- COVID-19 restrictions and developments continue to hamper consumer confidence in Malaysia which has impacted volume growth and pricing recovery;
- 11.7% Ultrasound scan growth in 1H21 compared to pcg following market share and industry growth.

Volume Recovery & Return to Growth

Business Line	Mar20-Jun20 4-months	Q1 FY21 3-months	Q2 FY21 3-months	1H FY 21 6-months
	COVID-19 shutdown	Recovery post shutdown	New underlying growth	Half Year growth
Australia – STIM cycles ¹	-14.5% (-366 cycles)	+22.3% (+453 cycles)	+33.1% (+608 cycles)	+27.4% (+1,061 cycles)
International – STIM cycles	-49.2% (-188 cycles)	+15.0% (+35 cycles)	+3.3% (+9 cycles)	+8.8% (+44 cycles)
Ultrasound scans	-2.2% (-655 scans)	+13.1% (+2,702 scans)	+10.4% (+2,170 scans)	+11.7% (+4,872 scans)

1. Stimulated Cycles comprise MBS items 13200 and 13201

MVF Volumes - ARS Australia

The Group continues to be resilient following strong growth in activity re-confirming the Group's best-in-class market positioning

Stimulated Cycles⁽¹⁾

4,933

1H FY20 3,872

Up 27.4%

Frozen Embryos⁽²⁾

3,309

1H FY20 2,836

Up 15.7%

1. Stimulated Cycles comprise MBS items 13200 and 13201

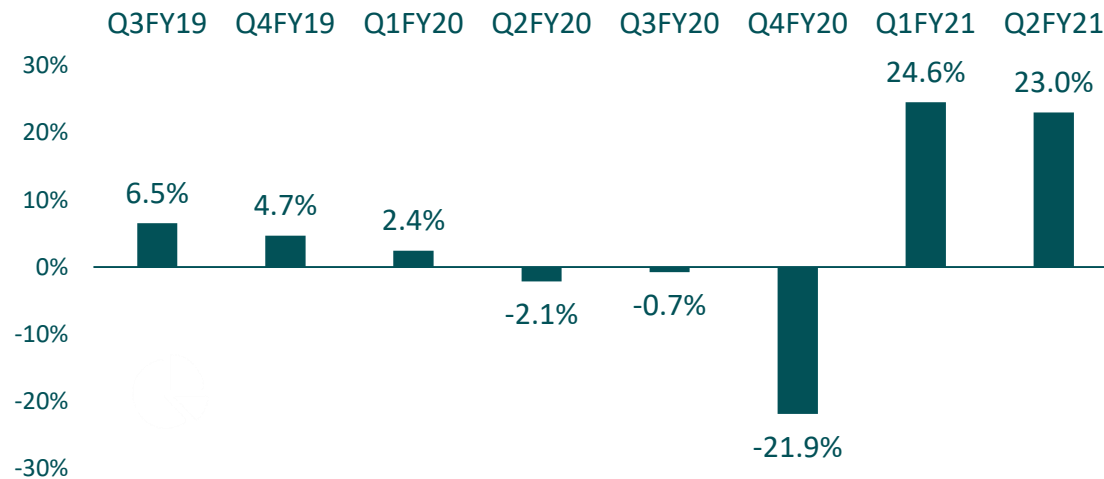
2. Frozen Embryo Transfers comprise MBS item 13218

- MVF Australian 1H21 Stimulated Cycles (STIMS) increased by 27.4%, with all states experiencing robust growth (except for Tasmania):
 - Queensland: STIMS ↑ by 43.4% due to 23.3% industry growth, contribution from the Fertility Solutions acquisition and organic growth resulting in market share gains;
 - New South Wales: STIMS ↑ by 29.6% due to 24.9% industry growth resulting in market share gains;
 - Victoria: STIMS ↑ by 23.4% due to 23.1% industry growth resulting in slight market share gains notwithstanding loss of five doctors in pcip;
 - South Australia: STIMS ↑ by 14.0% and experienced slight market share decline following strong market share growth in pcip;
 - Northern Territory: STIMS ↑ by 46.5% due to 24.0% industry growth resulting in market share gains;
 - Tasmania: STIMS ↓ by 6.2% resulting in market share declines.
- New Sydney OBD flagship clinic opened in November 2020, with fertility specialists and patients complementary of the state-of-the-art facility and the patient experience. The Clinic is performing to plan in January and February 2021;
- Fertility Solutions, QLD based IVF business acquired in September 2019, performed 203 stimulated cycles and is performing above expectations;
- MVF Australian 1H21 Frozen Embryos increase by 15.7%, with all states demonstrating solid growth and is expected to grow in 2H21 following strong stimulated cycle growth in 1H21.

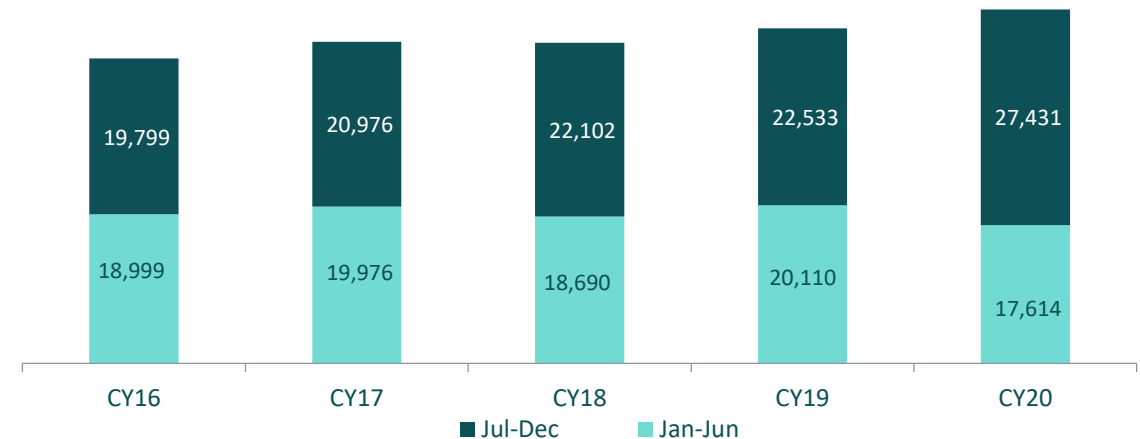
Industry Volumes – ARS Australia

Demand for ARS services in Australia is at record high levels, despite the ongoing Pandemic

Key Markets⁽²⁾ Stimulated Cycles⁽¹⁾ quarterly growth



Number of Australian Stimulated Cycles⁽¹⁾ half on half



- Key Markets⁽²⁾ IVF sector experienced significant growth in Q1FY21 as a result of pent up demand created in Q4FY20;
- Continued robust growth in Q2 FY21 as stimulated cycles grew by 23.0% compared to pop demonstrating strong underlying demand for IVF services;
- Stimulated cycles across Australia grew in 1H21 by 21.7% bringing the 3-year annual CAGR to 3.3% and 5-year annual CAGR to 2.8%;
- COVID-19 pandemic has changed mindset of our patient cohort with greater focus on family, health and wellbeing resulting in redirection of priorities towards family extension.

(1) Stimulated cycles are MBS items 13200/1

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

MVF Market Share – ARS Australia

Market share gains re-confirm MVF's best in class market positioning, and its adaption to a COVID-safe operating environment to protect the health and safety of patients, doctors and employees



Market Share

Key Markets⁽¹⁾ Market Share Stimulated Cycles⁽²⁾

20.2%

1H20 19.6%

Up 0.6%

Australian Market Share of 17.7%

Key Markets⁽¹⁾ Market Share Frozen Embryos⁽³⁾

18.3%

1H20 18.8%

Down 0.5%

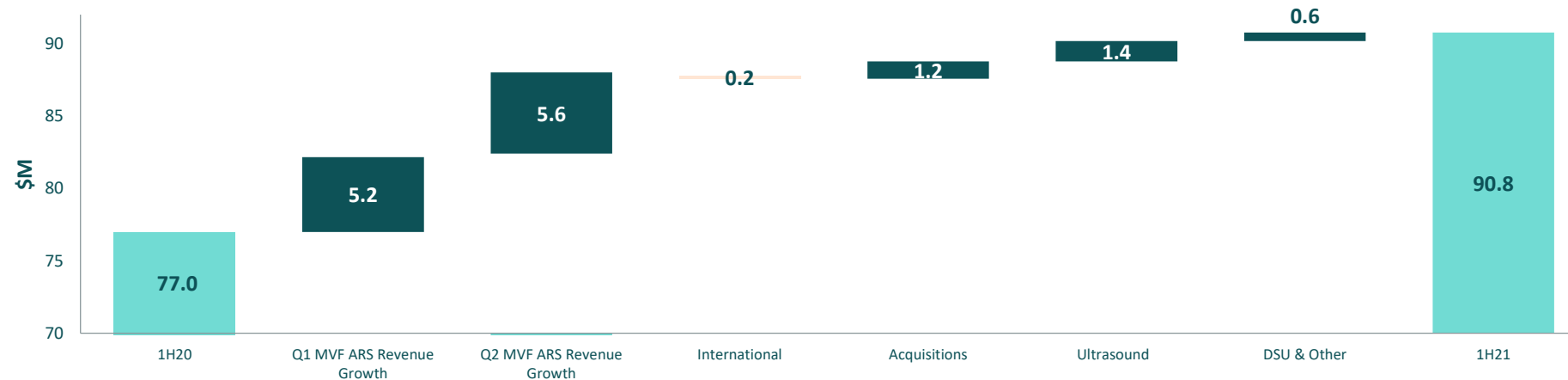
Australian Market Share of 16.0%

- Key Markets⁽¹⁾ 1H21 MVF Stimulated Cycles Market Share increased by 0.6% to 20.2% compared to pcp
- Growth in market share driven by a number of factors including:
 - Increased marketing investment which is having both a short term and long term pipeline impact
 - New fertility specialists contributing towards growth and market share gains
 - Recovery of Victorian business following departure of five specialists in 1H20
 - Contribution from Fertility Solutions acquisition
- Victoria, New South Wales, Queensland and Northern Territory increased their Stimulated Cycle market share in 1H21 whilst we continue to hold majority market share (+60%) in the SA market;
- Key Markets⁽¹⁾ 1H21 Frozen Embryos Market Share decreased by 0.5% to 18.3% compared to pcp, however strong stimulated cycle growth in 1H21 provides a strong pipeline for Frozen Embryo growth in 2H21.

Financial Overview

1H21 Revenue Analysis

\$13.8m or 17.8% revenue growth illustrating the strong recovery following disruption in Q4FY20 and incremental growth continuing into Q2FY21



- **\$5.2m MVF ARS Revenue growth in Q1** which more than recovered stimulated cycles delayed as a result of COVID-19 related elective surgery suspension in April and May 2020. Stimulated cycle growth (excluding impact from acquisitions) during Q1 was 17.7% as compared to pop;
- **\$5.6m MVF ARS Revenue growth in Q2** following strong IVF sector growth and Monash IVF market share growth. Organic Stimulated cycles (excluding impact from acquisitions) during Q2 increased by 33.5% as compared to pop. Q2FY2021 average price per stimulated cycle declined by 5% compared to Q1FY2021 as a result of 'no out-of-pocket' stimulated cycle remediation offers provided to patients impacted by the Ni-PGT-A suspension;
- International revenue declined by \$0.2m as the Kuala Lumpur clinic is experiencing increased competitor pricing pressure in a challenging operating environment as the Region is subject to continued COVID-19 related restrictions. Stimulated cycles in Kuala Lumpur increased by 6.6% however, average price per stimulated cycle declined by 10% compared to pop;
- **\$1.2m non-organic revenue growth** from the full half-year impact of the Fertility Solutions acquisition in Queensland which completed in September 2019. Fertility Solutions contributed 4% of total domestic stimulated cycles and is performing above expectations;
- **\$1.4m Ultrasound revenue growth** as ultrasound scans increased by 11.7% and NIPT by 17.9% compared to pop following growth achieved across all markets (VIC, NSW, QLD and SA);
- **\$0.6m Day Surgery & Other revenue growth** driven by the strong IVF growth experienced during the first half.

1H21 Profit & Loss overview

32.0% increase in Adjusted NPAT⁽²⁾ as a result of a 17.8% increase in revenue driven by a strong recovery in Q1 and industry and market share growth in Q2

Adjusted (\$m)	1H21	1H20	% change
Group revenue	90.8	77.0	17.8%
Adjusted EBITDA ⁽¹⁾⁽²⁾	24.7	19.9	24.4%
Adjusted EBIT ⁽²⁾	18.4	14.2	30.0%
Adjusted NPAT ⁽²⁾	12.0	9.1	32.0%
Reported (\$m)			
Reported EBITDA ⁽¹⁾	28.7	18.2	57.7%
Depreciation & amortisation	(6.3)	(5.1)	(23.5%)
Reported EBIT	22.4	13.1	71.0%
Net finance costs	(1.4)	(2.0)	(30.0%)
Reported Profit before tax	21.0	11.1	89.2%
Income tax expense	(6.3)	(3.0)	(110%)
Reported NPAT ⁽³⁾ (including minority interest)	14.7	8.2	85.4%

- \$14.7m reported NPAT (including minority interest) an increase of \$85.4% on pop;
- \$12.0m Adjusted NPAT (including minority interest) compared to between \$11.0m and \$11.5m profit guidance provided in November 2020;
- \$13.8m or 17.8% revenue increase as Group stimulated cycles increased by 1,105 or 25.3% partly offset by lower average revenue per stimulated cycle from 'no out-of-pocket' stimulated cycles provided to patients impacted by the Ni-PGT-A suspension;
- \$10.5m or 57.7% reported EBITDA⁽¹⁾ increase due primarily to:
 - Volume leverage gained from strong industry volume growth and market share growth across domestic IVF and Ultrasound;
 - \$5.1m impact from Job Keeper Subsidy payments relating to Q1FY2021 which has been critical to ensuring our workforce was maintained and engaged;
 - \$2.7m cost reduction from FY20 cost-out program implemented during 2H20 which offset impact from increased marketing investment (\$0.6m), commissioning costs associated with the new Sydney CBD fertility clinic (\$0.9m) and Fertility Solutions earn-out provision increase (\$0.2m);
 - EBITDA includes expenditure for ex-gratia 'no-out-pocket' Ni-PGT-A patient remediation offers noting the related proceedings against Monash IVF (as announced on 23 Dec 2020) has been notified to insurers and associated costs have been provided for to defend the claim;
- \$1.2m Depreciation & Amortisation increase primarily due to \$0.8m increase in lease amortisation (including \$0.5m for the new Sydney CBD flagship clinic which opened in November 2020) and \$0.4m increase in asset depreciation. \$0.6m Net Finance Cost reduction which includes a \$0.9m interest reduction from lower debt partly offset by a \$0.3m increase in the unwinding of the discount on interest for leases (AASB16).

1H21 Earnings reconciliation

The below provides a reconciliation of earnings adjusted for certain non-regular items

\$m	EBITDA ⁽¹⁾	EBIT	1H21 NPAT	1H20 NPAT
Reported Statutory	28.7	22.4	14.7	8.2
New Sydney CBD IVF Premise commissioning costs	0.8	0.8	0.6	-
Job Keeper Subsidy	(5.1)	(5.1)	(3.5)	-
Acquisition Earn-out fair value	0.2	0.2	0.2	-
Acquisition transaction costs	-	-	-	0.3
Restructuring costs applicable to FY20 cost reduction program	-	-	-	0.4
Provision for patient claim	-	-	-	0.5
Differences on profile of leases	-	-	-	(0.3)
Adjusted	24.7	18.4	12.0	9.1

- \$0.8m pre-tax New Sydney CBD IVF clinic commissioning costs prior to opening in November 2020 including costs for AASB16 lease depreciation and interest expense (\$0.5m), pre-opening operational costs and accreditation costs;
- \$5.1m pre-tax impact from Job Keeper Subsidy payments received for Q1FY2021 which has been critical to ensuring our specialised workforce was maintained and engaged;
- \$0.2m increase to AASB3 Business Combinations earn-out provision for increase to estimated purchase price payments to Fertility Solutions vendors as a result of stronger than anticipated performance during 1H21.

(1) EBITDA is a non-IFRS measure

1H21 Cash flow overview

Improved free cash flow generation which increased from \$4.6m to \$13.9m during 1H21 as compared to pcop

\$m	1H21	1H20	% change
Reported EBITDA	28.7	18.2	57.7%
Movement in working capital	(4.9)	(4.0)	22.5%
Income taxes paid	(3.0)	(3.4)	(11.8%)
Net operating cash flow (post-tax)	20.8	10.8	92.6%
Capital expenditure	(6.2)	(3.7)	67.6%
Payments for businesses	(0.7)	(2.5)	(72.0%)
Cash flow from investing activities	(6.9)	(6.2)	11.3%
Dividends paid	(5.0)	(7.1)	(29.6%)
Interest on borrowings	(0.5)	(1.9)	(73.7%)
Payments of lease liabilities	(3.8)	(3.1)	22.6%
Proceeds / (repayment) of borrowings	(12.2)	7.5	(262%)
Other	0.1	0.7	(85.7%)
Cash flow from financing activities	(21.4)	(3.9)	449%
Net cash flow movement	(7.5)	0.7	(1,171%)
Closing cash balance	7.6	5.0	52.0%

- Pre-tax conversion of EBITDA to operating cash flow was strong at 82.7% as compared to 78.1% in the pcop;
- **\$9.6m operational cash flow generation⁽¹⁾**, an increase of \$10.0m compared to pcop;
- Investment activities continue to focus on future growth initiatives including:
 - New Sydney CBD flagship fertility clinic which opened in November;
 - Growth and replacement medical equipment expanding capacity in laboratories including ICSI machines, integrated IVF work stations, microscopes and ultrasound machines;
 - \$0.7m Fertility Solutions earn-out payment for FY20 performance.
- **Cash flow from Financing activities** includes:
 - \$12.2m reduction of gross borrowings to \$7.1m;
 - \$5.0m dividend payment relating to the deferred FY20 interim dividend;
 - \$1.4m reduction in interest payments compared to pcop as a result of a lower debt;
 - \$0.7m increase in lease liability payments primarily due to rent payments for the new Sydney CBD fertility clinic and annual rental increases.

1. Operational cash flow generation is Net Operating Cash Flow (post-tax) less Cash Flow from Investing Activities less Payment of lease liabilities less Interest on borrowings

Capital Management Overview

The Balance Sheet is well positioned to pursue organic and non-organic growth opportunities and navigate through any developments in the Pandemic both domestically and abroad

Balance Sheet (\$m)	31 Dec 20	30 June 20	% change
Cash and cash equivalents	7.6	15.1	(49.7%)
Other current assets	15.2	15.6	(2.6%)
Current lease liabilities	(2.9)	(2.3)	26.1%
Current liabilities	(29.9)	(35.6)	(16.0%)
Net working capital	(10.0)	(7.2)	38.9%
Borrowings	(7.1)	(19.3)	(63.2%)
Goodwill & Intangibles	261.8	262.1	(0.1%)
Right of use assets	33.3	36.5	(8.8%)
Lease liabilities	(32.5)	(36.3)	(10.5%)
Plant & Equipment	22.8	19.1	19.4%
Other assets/(liabilities)	(1.8)	(2.8)	(35.7%)
Net assets	266.5	252.1	5.7%
Capital Metrics	31 Dec 20	30 Jun 20	+/-
Net Debt ¹ (\$m)	-0.5	4.2	(4.7)
Leverage Ratio (Net Debt / EBITDA ²)	-0.01x	0.15x	(0.16x)
Interest Cover (EBITDA ² / Interest)	13.2x	8.4x	4.8x
Net Debt to Equity Ratio ³	-0.2%	1.7%	(1.9%)
Return on Equity ⁴	6.5%	5.7%	0.8%
Return on Assets ⁵	5.1%	4.1%	1.0%

- Balance Sheet is positioned to support our growth agenda following receipt of \$77.5m equity raised in Q4FY2020 (net of transaction costs) noting:
 - \$4.5m utilised for the new state-of-the-art Sydney CBD fertility clinic;
 - \$1.3m utilised to date on South East Asian growth opportunities;
 - Further expenditure of \$20m to \$25m planned over the next 18 months on transformation of Melbourne, Brisbane and Gold Coast clinic infrastructure and potential new clinics in South East Asia;
 - Net debt reduced to -\$0.5m to manage continued Pandemic uncertainty in Australia and South East Asia in the short to medium term;
- Debt capacity of \$32.9m remains available in addition to \$40m accordion facility. Existing Syndicated Debt Facility is due for renewal by January 2022;
- Bank covenant testing waivers due to expire on 30 June 2021 have been voluntarily ceased as a result of strong operating performance allowing for declaration of interim FY2021 dividend;
- 2.1 cent per share fully franked interim dividend reflects payout ratio of 68% vs policy guidance of 60% to 70% of Adjusted NPAT;
- Key Capital Return Metrics improve with ROE up by 0.8% and ROA up 1.0% compared to 30 June 2020.

1. Net debt is debt less cash balances
 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 Overview

ARS Australia Operational Performance

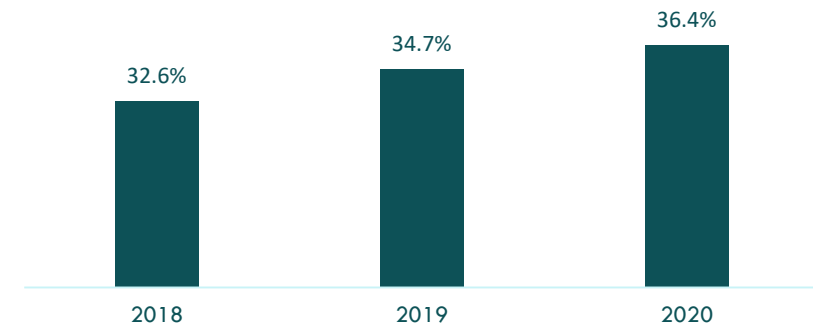
Operational execution of our Strategic Pillars are driving the Group's value proposition to its patients and key stakeholders during the challenging Pandemic environment



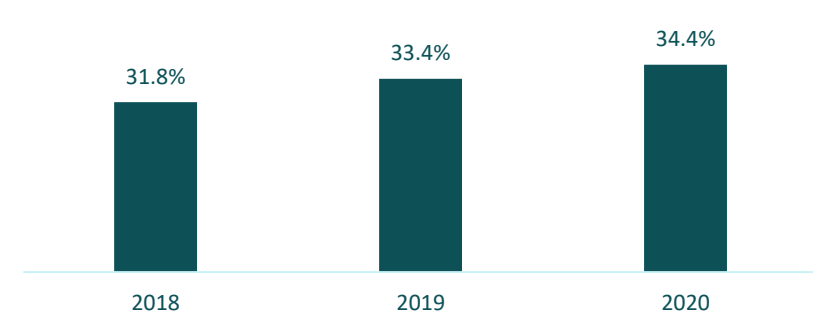
Scientific
Leadership

- We have continued to improve our clinical pregnancy rates across the Group (illustrated in the graphs on the right) with clinical pregnancies in CY2020 increasing by 3.8% as compared to CY2018;
- Success rate improvements are driven by our Group scientific collaboration on the “Monash Way” which is continuing to unify scientific practices, comprehensive end-to-end laboratory reviews, investment in state-of-the-art equipment and lab systems and our People continue to evolve our scientific value proposition;
- Internal success rate benchmarking and reporting structure is now aligned with the “YourIVF” national reporting guidelines and framework;
- Continued recruitment of multi-centre clinical trial to investigate new microinjection technology (PIEZO) with patients also now accessing this in clinics routinely;
- Sperm selection device development in partnership with Memphasys (ASX:MEM) is progressing;
- Establishment of the GSAC Research arm with >20 research projects initiated to ensure continued scientific advancements within the laboratory network;
- Expansion of andrology/endocrine services in Victoria is streamlining our services in our largest State.

**Monash IVF Australia - Clinical pregnancy
(per embryo transferred)**



**Monash IVF Australia - Clinical pregnancy
(intention to transfer)**



ARS Australia Operational Performance continued

Operational execution of our Strategic Pillars are driving the Group's value proposition to its patients and key stakeholders during the challenging Pandemic environment



Doctor Partnerships

- Two new experienced fertility specialists attracted during 1H21 with one based at the new Sydney CBD fertility clinic and one based in Brisbane;
- Four Victorian trainee doctors were credentialled during 1H21 and are now treating patients and building patient pipelines. Nine trainee doctors are currently part of the traineeship program;
- Genomic Pathologist attracted to lead next generation genetics offering as our genetics capability continues to evolve and support our IVF businesses;
- Clear strategy to attract new Fertility Specialists across Australian clinics including the new Sydney CBD clinic;



Clinical Infrastructure

- New Sydney CBD flagship clinic opened in November representing best practice patient experience and a key initiative to attract Specialists in Sydney. The Clinic has completed more than 100 stimulated cycles since opening;
- Transformation of Melbourne footprint and patient experience is progressing to ensure our infrastructure is best-in-class in our largest Market. This is targeted for completion by the end of FY2022;
- Transformation of Brisbane and Gold Coast footprint has commenced and is in the preliminary phase;



Patient Experience

- Patient experience principle remains focussed on care, empathy, support, empowerment and a consistent patient journey throughout our network of clinics;
- Our Net Promoter Score continues to be a key measure of patient satisfaction and helps us identify and prioritise areas of the business in most need of improvement;



ARS Australia Operational Performance continued

Operational execution of our Strategic Pillars are driving the Group's value proposition to its patients and key stakeholders during the challenging Pandemic environment



People
Engagement

- We continue to develop, adapt and innovate our people-based processes to navigate the new COVID normal, with the safety of our people, patients and doctors the key priority;
- Implementation of a new Flexible Working policy to support our employees working under a hybrid model, returning to offices and clinics and working from home;
- Working with leadership teams to drive engagement to create a high performing, accountable, fun, safe and inclusive workplace with a particular focus on diversity and inclusion initiatives in 2021.



Brand &
Marketing

- Increase in our Marketing investment during 1H21 is a key driver of market share growth and strong future pipeline;
- Implementation of our new Marketing strategy has progressed well over the last 9 months with the launch of the new brand, advertising and events strategy and website;
- Our innovative and progressive marketing strategy and initiatives are a key to attracting new patients.



Shelby & Cameron.
Brave for 1.5 years.

Diagnostics Performance

Diagnostics business benefiting from strong demand for pregnancy related scans and other screening tests

- 1H21 ultrasound scan volumes increased by 11.7% to 43,946 compared to pcp and Non-invasive Pre-natal Testing (NIPT) increased by 17.9% to 7,932;
- Ultrasound scan volumes increased across all markets with Sydney growing by 13.6% and Melbourne growing by 2.7%. Melbourne growth was delivered notwithstanding COVID-19 movement restrictions during July to October;
- Due to COVID-19 movement restrictions, clinics in outer suburban areas continue to demonstrate growth, and inner city locations are starting to show improvement;
- Key Genetics & Genomic Pathology appointment made to continue to grow our Genetics business and ensure compliance with new NPAAC Laboratory supervision guidelines which become mandatory for IVF laboratories from August 2021;
- 64% increase in reproductive carrier screening counselling volumes which is expected to be a key strategic driver of future stimulated cycle growth to prevent genetic disease in children as awareness for the service grows. This growth is following a 94% increase in FY20 compared to FY19.



ARS International Performance

Recovery in Kuala Lumpur has been slower due to ongoing impact of COVID-19 in Malaysia

- Kuala Lumpur stimulated cycles increased by 33 or 6.6% compared to pcp despite a challenging environment. Revenue declined by \$0.4m or 6.6% to \$5.5m due to promotional and discount offerings in-light of competitive pricing pressure and weaker macroeconomic conditions;
- EBIT decreased by 22% from \$2.5m to \$1.9m as a result of lower average price per stimulated cycle;
- Movement Control Orders continued to impact performance in Kuala Lumpur during 1H21;
- In June 2020, the Group acquired majority stake in a recently established IVF clinic in Johor Bahru, Malaysia. The Clinic services patients in southern Malaysia and Singapore which has been impacted by the continued closure of the border between Singapore and Johor Bahru. In light of current operating conditions, the Johor Bahru clinic is performing in line with expectations;
- In January 2021, the Group in partnership with a large Indonesian private hospital group, Mitra Keluarga, opened a greenfield fertility clinic in Jakarta;
- Acquisition and partnership opportunities continue to evolve and present in the APAC region notwithstanding the current Pandemic.



International
Expansion

Strategy & FY21 Outlook

The most admired fertility solutions provider in the world.

Best in Class fertility solutions for all, diagnostics, genetics and pathology.

Our Pillars



Doctor Partnerships



Patient Experience



Scientific Leadership



People Engagement



International Expansion



Digital Transformation



Brand & Marketing



Clinical Infrastructure

Our Outcomes



Engagement
Patients, Doctors,
People, Regulators



Local & International
Market Share



Market Leading
Success Rates



Value
Creation

Our Principles

Care | Commitment | Communicate | Collaborate | Create

FY21 Strategy & Outlook

FY21 Strategy

The strong and swift recovery in industry volumes following the disruption to ARS services during the Pandemic demonstrates the resilience of the industry and the favourable underlying demographics. The desire for patients to seek assistance when trying to conceive has increased despite the on-going Pandemic.

The Group's strong patient pipeline, balance sheet and adapted COVID-safe operating environment positions it well to grow future earnings through operational and strategic growth opportunities.

These key initiatives include:

- Growth is anticipated from the recent attraction of new fertility specialists and opening of the Sydney CBD flagship IVF clinic;
- Transformation of Monash IVF's Melbourne footprint and patient experience to create a best-in-class patient experience including an in-house day surgery;
- Innovative marketing investment well above historical levels creating a strong patient pipeline and enabling earlier engagement with patients in their fertility journey;
- There remains significant opportunities available in the relatively immature South East Asian IVF market over coming years.



FY21 Strategy & Outlook

FY21 Outlook

Subject to any further COVID-19 related disruption to continuity of services, the following FY21 profit guidance is provided.

The Company's reported NPAT for the year ending 30 June 2021 is expected to be approximately \$23.7m to \$25.7m, as compared to \$11.8m in the prior comparative period. The Company's NPAT before certain non-regular items for the year ending 30 June 2021 is expected to be approximately \$21m to \$23m, as compared to \$14.4m in the prior comparative period.

Total Non-regular items incurred in 1H21 are \$2.7m post-tax which includes \$3.5m impact from the JobKeeper Subsidy payments received for 1H21 partly offset by \$0.6m commissioning and start-up costs prior to opening the Sydney CBD fertility clinic in November 2020 and \$0.2m increase in acquisition earn-out provisions. NPAT before certain non-regular items is inclusive of the impact of goodwill and ex-gratia remediation treatment offers to NI-PGT-A patients impacted by the suspension of the NI-PGT program.



Appendices

Treatment Mix

IVF Treatment numbers	1H21	1H20	% change
Monash IVF Group – Australia			
Stimulated cycles	4,933	3,872	27.4%
Cancelled cycles	480	362	32.6%
Frozen embryo transfers	3,309	2,836	15.7%
Total Australian Patient Treatments	8,722	7,070	23.4%
Monash IVF Group – International			
Stimulated cycles	546	502	8.8%
Cancelled cycles	25	26	(3.8%)
Frozen embryo transfers	509	473	7.6%
Total International Patient Treatments	1,080	1,001	7.9%
Total Group Patient Treatments	9,802	8,071	21.4%
Stimulated cycles as a % of Total Patient Treatments	55.9%	54.2%	
Other Treatment numbers	1H21	1H20	% change
Ultrasound Scans	46,466	41,594	11.7%
Preimplantation Genetic Testing	1,484	1,062	39.7%
Non-Invasive Prenatal Testing (NIPT)	7,932	6,726	17.9%

Overview of Monash IVF Group

Monash
IVF Group
is a market
leader
in fertility

123
Medical
Specialists

ARS

27 clinics & 3 service centres
105 Fertility Specialists
7 Australian States/Territories
3 South East Asian cities

 Monash IVF

 **repromed**
Fertility Specialists.

 **KL FERTILITY CENTRE**
towards parenthood

 **reproductive medicine albury**
PART OF THE MONASH IVF GROUP

 **fertility solutions**
with an affordable edge

105¹
Scientists

Diagnostic

2 specialised laboratories (VIC and SA)
3 day hospitals (SA, NSW & Malaysia)

 Monash IVF

 **repromed**
Fertility Specialists.

 **KL FERTILITY CENTRE**
towards parenthood

345¹
Nursing &
Support
Staff

Ultrasound

17 clinics
18 Sonologists
4 Australian states

 **SYDNEY ULTRASOUND for WOMEN**

 **repromed**
Fertility Specialists.

 **MONASH
ULTRASOUND
FOR WOMEN**

1.. Employee numbers represents the full time equivalents

ersonal use only

