Monash IVF Group Limited
Level 1, 510 Church St
Cremorne VIC 3121 Australia

+61 3 9420 8235

groupenquiries@monashivf.com
monashivfgroup.com.au

ABN 90 169 302 309

ASX Announcement 27 February 2025

Monash IVF delivers 5.5%growth(1)(2) in Underlying NPAT in 1H25 compared to pcp

- **Monash IVF Group delivered 1H25 revenue growth of 11.6% to $140.3m and 1H25 Underlying EBITDA[1] growth of 10.7% to $35.6m**

- **Monash IVF Group delivered 5.5% growth in 1H25 Underlying NPAT[1,2] to $15.8m (in line with guidance);**

Monash IVF Group Limited (ASX: MVF, the "Company" or Monash IVF"), a leader in reproductive and fertility services including genetics in Australia, with a growing presence in South-East Asia, announces its results for six months ended 31 December 2024.

All three of Monash IVF's businesses - Domestic ARS, Women's Imaging and International ARS – delivered solid revenue and earnings growth in 1H25.

From a strategic and operational perspective:

- Our market leading success rates increased by 1.2% to 40.2%[3];
- Monash IVF domestic Stimulated Cycles[4] market share grew by 0.6% to 21.5% during 1H25 vs pcp;
- 10 new domestic fertility specialists joined Monash IVF through organic recruitment;
- The major infrastructure transformation is almost complete, with the new Brisbane Clinic scheduled for completion in 1H26;
- KL Fertility positive momentum continued, with stimulated cycles growth of 12.2% in 1H25;
- Our Singapore business moved to a new, state-of-the-art clinic in November 2024 with greater capacity and a new day hospital.

1H25 Financial Outcomes Summary

- Revenue increased 11.6% to $140.3m (1H24: $125.7m);
- Underlying Group EBITDA[1] increased 10.7% to $35.6m (1H24: $32.2m);
- EBITDA margin maintained at 25%;
- Underlying Group NPAT[1, 2] increased 5.5% to $15.8m (1H24: $15.0m);
- 1H25 Interim Dividend declared of 2.6 cents per share.

[1] Underlying EBITDA, EBIT and NPAT excludes certain non-regular items and are non-IFRS measures
[2] NPAT including minority interests
[3] Clinical pregnancy rate per embryo transferred for women aged under 43 years
[4] MBS items 13200/1

1H25 Australia Operational Summary

- 1H25 Australian segment Underlying EBIT[1] increased by 4.1% on pcp to $22.3m;
- Monash IVF Patient Treatments (stimulated cycles and frozen embryo transfers) increased by 4.7% on pcp (including a 0.5% increase in stimulated cycles);
- Monash IVF domestic Stimulated Cycles[5] market share grew by 0.6% to 21.5% during 1H25 vs pcp; South Australia, New South Wales and Western Australia all contributed to market share growth;
- The Fertility North acquisition (completed in March 2024) continues to perform in line with expectations;
- Women's Imaging ultrasound scans increased by 0.9% driven by strong scan growth in Melbourne;
- Recently completed day hospitals in Melbourne and Gold Coast continue to grow procedure activity.

1H25 International Operational Summary

- 1H25 International segment Underlying EBIT[1] increased by 74% to $1.8m;
- International Stimulated Cycles increased by 8.1% in 1H25 vs pcp;
- KL Fertility delivered strong stimulated cycles growth of 12.2% in 1H25;
- Singapore delivered solid growth in stimulated cycles of 7.9%, despite some disruption from moving to a new, larger clinic in November 2024.

In relation to Monash IVF's operational and financial performance during 1H25, Monash IVF Group's Chief Executive Officer and Managing Director, Mr Michael Knaap, commented:

"Monash IVF Group has delivered double-digit revenue and EBITDA growth in 1H25, which is a very strong outcome given some short term industry volatility in some of our key markets. Monash IVF's diversified portfolio (from both a geographic and service prospective), and our recent investment in both organic and inorganic growth, have been critical in maintaining growth momentum over this period.

Monash IVF Group recorded revenue growth of 11.6% and Underlying EBITDA growth of 10.7%, with all three of our businesses contributing to growth. We largely maintained an EBITDA margin of 25% which is a solid achievement given volume and leverage pressure in some states.

Despite the small contraction in Australian industry stimulated cycles over the past six months, we are confident the strong underlying demand drivers for IVF remain compelling. Notwithstanding the challenging macro-economic conditions and cost of living pressures that have prevailed since the COVID-19 pandemic, Australian Industry Stimulated Cycles[(1)] in 1H25 were 21% above pre-COVID levels, reinforcing the non-discretionary nature of IVF services.

Monash IVF recorded growth in Australian stimulated cycles growth of 0.5% in 1H25, and our market share increased by 0.6% to 21.5%. This is despite our three largest states from a volume perspective (Victoria, South Australia and Queensland) recording the weakest performances from an industry perspective. Our entry into the Western Australia market through the PIVET and Fertility North acquisitions was timely considering Western Australia now comprises 12% of Monash IVF's Australian Stimulated Cycles.

Our International business delivered a second consecutive half of strong growth, with KL fertility being the standout performer delivering stimulated cycle growth of 12.2%. Our Singapore business moved to a new, expanded clinic in November 2024 to accommodate future growth and attract new clinicians. Despite the disruption that is inevitable when relocating to a new facility, Singapore still delivered 7.9% growth in stimulated cycles during 1H25. The International ARS segment grew its Underlying EBIT[1] by 74% compared to last year.

As we look to 2H25 and beyond, we remain confident that the traditional Industry demand drivers and in combination with emerging demand drivers, will deliver sustainable long-term growth for the Company."

Balance Sheet and Cash flow

Net Debt increased by $23.8m to $72.5m as at 31 December 2024, with a net debt to equity ratio of 29.0% and a net leverage ratio of 1.3x. Significant headroom remains available in key banking covenants to fund the remaining Class Action Settlement and for future organic and non-organic growth.

Outlook

The Australian Assisted Reproductive Technology sector (ART) 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 the ART sector in the medium to long term. Short-term volatility in the domestic ART sector 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[4] 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 FY2025 and the long-term.

Accordingly, **FY2025 Underlying Group NPAT[(1)(2)] is expected to be between $30.0m and $31.0m** compared to $29.9m in the prior comparative period. Non regular items in FY2025 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.

Authorised by the Board of Directors.

For further information please contact:

Michael Knaap
Chief Executive Officer & Managing Director
Monash IVF Group
T: +61 3 9420 8235

Malik Jainudeen
Chief Financial Officer & Company Secretary
Monash IVF Group
T: +61 3 9420 8235