

# **Monash IVF Group Limited**

**ABN 90 169 302 309**

## **Financial Report**

For the year ended 30 June 2024

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## **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 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 Ltd 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 22 August 2024. The Directors have the power to amend and reissue the financial statements.

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 year ended 30 June 2024.

### Directors

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

Mr Richard Davis  
 Mr Josef Czyzewski  
 Ms Catherine West  
 Ms Zita Peach  
 Mr Neil Broekhuizen  
 Dr Richard Henshaw  
 Mr Michael Knaap  
 Ms Catherine Aston

Appointed 26 February 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 Malaysia. ARS encompass a range of techniques used to assist patients experiencing infertility to achieve a clinical pregnancy. In addition, the Group is a significant provider of specialised women's imaging services.

### Operational and financial review

The loss for the Group after providing for income tax amounted to \$5,949,000 (30 June 2023: \$21,966,000 profit).

The Group reported Underlying Net Profit After Tax (Underlying NPAT) of \$29,851,000 as compared to \$25,429,000<sup>(1)(2)(6)</sup> in pcp.

	2024	2023	Change	Change
	\$'000	\$'000	\$'000	%
Group revenue	254,960	213,590	41,370	19.4%
Underlying EBITDA <sup>(1)(2)</sup>	62,806	53,431	9,375	17.5%
Underlying NPAT <sup>(1)(2)(6)</sup>	29,851	25,429	4,422	17.4%
Reported EBITDA <sup>(1)(2)</sup>	13,234	48,461	(35,227)	(72.7%)
Reported EBIT	(5,344)	33,118	(38,462)	(116.1%)
Reported NPAT <sup>(6)</sup>	(5,949)	21,966	(27,915)	(127.1%)
Earnings Per Share (cents)	(1.7)	5.6	(7.3)	(130.36%)
Dividends Per Share (cents)	5.0	4.4	0.6	13.6%

### 30 June 2024 30 June 2023

Net debt ('000) <sup>(3)</sup>	\$48,667	\$30,995
Net debt to equity ratio <sup>(4)</sup>	19.7%	11.3%
Return on equity (pa.) <sup>(5)</sup>	12.1%	9.3%

(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) Debt less cash balances

(4) Net debt to equity is net debt divided by equity

(5) Return on equity is Underlying NPAT for the twelve-month period to 30 June 2024 and 30 June 2023 divided by closing equity

(6) Attributable to ordinary shareholders and non-controlling interest

### Group results commentary

Monash IVF Group reported a net loss after tax of \$5.9m following parties agreeing to settle the NiPGT Group Proceedings ("NiPGT Class Action") on 21 August 2024, subject to the execution of a Deed of Settlement and Court approval. The NiPGT Group Proceedings impacted profit and loss by an estimated \$32.6m loss after tax. Refer to Commitments and Contingencies on page 7 for further information.

Underlying NPAT increased by 17.4% to \$29.9m which is the highest Underlying NPAT result since Monash IVF Group listed on the ASX in June 2014. The Group delivered an increase in FY24 Group Revenue of 19.4% to \$255.0m and an increase in Underlying EBIT of 13.7% to \$43.3m. The increase in Group Revenue and Underlying EBIT was driven by both the Australian and International segments.

The Domestic ARS business increased stimulated cycles by 10.0% and Australian market share by 1.5% to 21.7%. The increase in stimulated cycles was driven by new doctors joining the Group, full year contribution from the PIVET Medical Centre acquisition and four-month contribution from the Fertility North acquisition in Western Australia.

Clinical pregnancy rates per embryo transferred (women aged younger than 43 years) increased a further 1.5% to 40.5% in period January to April 2024; compared to 39.0% in CY2023. Monash IVF's investment in science and technology, combined with its highly skilled embryology team and modern laboratories, have seen pregnancy rates increase by 4.1% since CY2020.

The clinic infrastructure investment program taking place over the last 4 years is nearing completion, adding four new flagship sites in Sydney, Melbourne, Gold Coast and Brisbane (Brisbane completion expected in CY2025). Each of these clinics include a day surgery which allows for greater control of access to theatre for procedures when required and further diversification in revenue streams.

The Women's Ultrasound business delivered scan growth of 3.9% in FY24, driven by resolution of sonographer supply-side issues and increased capacity at new, relocated sites in Sydney. Both Monash Ultrasound for Women and Sydney Ultrasound for Women increased scan volumes during FY24.

The International segment, which comprises fertility clinics in Malaysia, Singapore and Indonesia, delivered stimulated cycles growth of 19.9% in FY24, including stimulated cycles growth of 38.6% in 2H24. KL Fertility, Johor Bahru and Singapore all delivered strong growth in stimulated cycles during FY24. The improved performance of KL Fertility in 2H24 was a key driver of growth (14% growth on 2H23), as was the volume growth achieved in the Singapore clinic during 2H24 which was 182% above 2H23 and 81% higher than 1H24.

Net finance costs increased to \$5.4m, \$2.0m higher than prior year primarily due to higher average borrowing levels, increase in BBSY by 4.2%, and higher non-cash interest expense due to AASB 16 Lease Accounting.

### Segment analysis

	Australia			International		
	2024	2023	% Change	2024	2023	% Change
	\$'000	\$'000		\$'000	\$'000	
Revenue	238,582	200,814	18.8%	16,378	12,776	28.1%
Underlying EBIT	40,214	36,192	11.1%	3,075	1,896	62.1%
Underlying NPAT	26,718	24,871	7.4%	3,133	1,689	85.3%
Reported NPAT	(8,197)	21,048	(138.9%)	2,248	918	144.8%

#### Australia

Monash IVF delivered FY24 Australia revenue of \$238.6m, an increase of 18.8% on FY23 revenue of \$200.8m. Revenue growth driven by:

- \$26.0m increase in FY24 Domestic ARS Revenue from a combination of industry growth, market share gains, the PIVET Medical Centre and Fertility North acquisitions and patient price increases of between 5%-8%;
- \$3.2m increase in FY24 Ultrasound revenue from a combination of 3.9% growth in scan volumes and 10% price increase across all scan types, partly offset by the closure of the Gold Coast clinic during 2H23;
- \$8.6m increase in FY24 Day Surgery & Other revenue following the commencement of Gold Coast and Cremorne day hospitals, and genetics revenue growth.

Monash IVF recorded FY24 Australia Underlying EBIT of \$40.2m, an increase of 11.1% on FY23 EBIT of \$36.2m. Reported NPAT includes certain non-regular items including Class Action settlement costs.

### International

Monash IVF delivered FY24 International revenue of \$16.4m, an increase of 28.1% on FY23 revenue of \$12.8m. The revenue growth in the International segment was driven by a recovery in stimulated cycle growth in KL Fertility in the second half, and stimulated cycle growth across the year in Singapore, Johor Bahru and Bali; primarily in Singapore contributing 107% volume growth in FY24 vs pcg (81% up in 2H24 vs 1H24). Increased investment in business development and marketing is facilitating volume growth across the clinics.

Monash IVF recorded FY24 International Underlying EBIT of \$3.1m, an increase of 62.1% on FY23 EBIT of \$1.9m.

### Earnings reconciliation

The table below provides a reconciliation of FY2024 Underlying EBITDA, Underlying EBIT and Underlying NPAT to the reported statutory metrics:

	2024			2023		
	EBITDA	EBIT	NPAT	EBITDA	EBIT	NPAT
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Profit after income tax</b>	<b>(5,949)</b>	<b>(5,949)</b>	<b>(5,949)</b>	<b>21,966</b>	<b>21,966</b>	<b>21,966</b>
Add: Interest expense	5,368	5,368	-	3,304	3,304	-
Less: Interest income	(56)	(56)	-	(25)	(25)	-
Add: Income tax (benefit)/expense	(4,707)	(4,707)	-	7,873	7,873	-
Add: Depreciation	16,383	-	-	12,879	-	-
Add: Amortisation	2,195	-	-	2,464	-	-
<b>Statutory</b>	<b>13,234</b>	<b>(5,344)</b>	<b>(5,949)</b>	<b>48,461</b>	<b>33,118</b>	<b>21,966</b>
Acquisition costs	762	762	533	1,879	1,879	1,315
Commissioning costs	2,254	2,254	1,578	3,051	3,051	2,136
Class Action	46,556	46,556	32,589	-	-	-
Fertility Solutions earn-out	-	-	-	40	40	28
<b>Adjusted<sup>(1)</sup></b>	<b>62,806</b>	<b>44,228</b>	<b>28,751</b>	<b>53,431</b>	<b>38,088</b>	<b>25,445</b>
Leases	-	(939)	(657)	-	-	-
Non-cash interest	-	-	1,757	-	-	(16)
<b>Underlying<sup>(1)</sup></b>	<b>62,806</b>	<b>43,289</b>	<b>29,851</b>	<b>53,431</b>	<b>38,088</b>	<b>25,429</b>

(1) Non-IFRS measures

A total of \$35.8m in pre-tax items are included in the reconciliation of Profit after Income Tax (Reported NPAT) to Underlying NPAT. Key items include:

- \$0.5m acquisition costs related to the Fertility North acquisition;
- \$1.6m commissioning costs related to pre-opening expenditure for new fertility clinics and day hospitals including Melbourne, Gold Coast, Brisbane and Sunshine. In addition, new relocated ultrasound clinics in St Leonards and Northern Beaches supporting greater capacity. Brisbane and Sunshine projects remain work in progress as at 30 June 2024;
- \$32.6m NiPGT Class Action net settlement and related costs. Refer to Commitment and Contingencies section;
- \$1.1m relating to non-cash lease expenditure and right-of-use asset depreciation under AASB 16 lease accounting which includes new day hospitals in Melbourne and Gold Coast and new Ultrasound practices in Sydney. Net non-cash AASB16 lease expenditure has been disclosed as a non-regular item due to the length of term of the new leases and the associated unwinding of the fair value of future lease payments.

FY23 included non-regular items that increased Underlying EBITDA, EBIT and NPAT by \$5m pre-tax and \$3.5m post-tax.

## Consolidated statement of financial position and capital metrics

Balance sheet	30 June 2024	30 June 2023	Change	Change
	\$'000	\$'000	\$'000	%
Cash and cash equivalents	11,333	8,005	3,328	41.6%
Other current assets	44,448	21,933	22,515	102.7%
Lease liabilities (current)	(7,990)	(6,332)	(1,658)	26.2%
Other current liabilities	(110,831)	(40,171)	(70,660)	175.9%
<b>Net working capital</b>	<b>(63,040)</b>	<b>(16,565)</b>	<b>(46,475)</b>	<b>280.6%</b>
Borrowings	(59,565)	(38,866)	(20,699)	53.3%
Goodwill and intangible assets	297,325	280,452	16,873	6.0%
Right-of-use assets	72,088	59,014	13,074	22.2%
Lease liabilities (non-current)	(67,815)	(54,841)	(12,974)	23.7%
Plant and equipment	66,020	50,372	15,648	31.1%
Other net asset (liabilities)	1,646	(4,492)	6,138	(136.6%)
<b>Net assets</b>	<b>246,659</b>	<b>275,074</b>	<b>(28,415)</b>	<b>(10.3%)</b>

Capital metrics	30 June 2024	30 June 2023	+/-
<b>Net debt (\$'000)<sup>(1)</sup></b>	<b>\$48,667</b>	<b>\$30,996</b>	
Leverage ratio (Net debt / EBITDA <sup>(2)</sup> )	0.90x	0.70x	
Interest cover (EBITDA <sup>(2)</sup> / Interest)	22.0x	42.6x	
Net debt to Equity ratio <sup>(3)</sup>	19.7%	11.3%	
<b>Return on equity<sup>(4)</sup></b>	<b>10.7%</b>	<b>9.3%</b>	
<b>Return on assets<sup>(5)</sup></b>	<b>6.3%</b>	<b>6.0%</b>	

The Syndicated Debt Facility was extended to February 2027 and the facility limit was increased from \$50m to \$90m to support future organic and inorganic growth as well as on-going operations. Significant headroom remains available in key banking covenants. The key Net Leverage Ratio is at 0.90x and well within the 3.5x covenant requirement. The Interest Cover Ratio is at 22.0x and well above the 3.0x covenant requirement. Key capital metrics increased with Return on Equity increasing from 9.3% to 10.7% and Return on Assets increasing from 6.0% to 6.3%.

Other current assets includes \$19.9m NiPGT Class Action advised insurance receivables and other current liabilities includes \$64.4m of NiPGT Class Action settlement payable and other related payables. Refer to Commitment and Contingencies section.

Goodwill increased by \$18.0m following the Fertility North acquisition. Related to the acquisition, contingent consideration increased by \$5.5m for Fertility North earn-out targets during the next 2 to 3 years. Contingent consideration partly reduced for earn-out payments during the year related to the ART Associates, Pivot Medical Centre and Fertility Solutions acquisitions which occurred in prior periods.

Plant and equipment increased by \$15.6m reflecting \$20.8m of capital expenditure partly offset by depreciation of \$6.8m. In addition, plant and equipment increased by \$1.6m for acquired plant and equipment as part of the Fertility North acquisition.

Lease liabilities increased by \$14.7m primarily due to the present value of future cash rent payments on three large, long-term rental facilities in Perth, Brisbane and Sunshine as well as the inclusion of Fertility North acquired right-of-use assets.

(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) 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

Consolidated statement of cash flows	2024	2023	Change	Change
	\$'000	\$'000	\$'000	%
<b>EBITDA<sup>(1)</sup></b>	<b>13,234</b>	<b>48,461</b>	<b>(35,227)</b>	<b>(72.7%)</b>
Movement in working capital	49,121	81	49,040	60543.2%
Income taxes paid	(9,836)	(9,420)	(416)	4.4%
<b>Net operating cash flows (post-tax)</b>	<b>52,519</b>	<b>39,122</b>	<b>13,397</b>	<b>34.2%</b>
Capital expenditure	(21,672)	(27,789)	6,117	(22.0%)
Payments for businesses	(17,128)	(12,719)	(4,409)	34.7%
<b>Cash flows used in investing activities</b>	<b>(38,800)</b>	<b>(40,508)</b>	<b>1,708</b>	<b>(4.2%)</b>
<b>Free cash flow<sup>(1)</sup></b>	<b>13,719</b>	<b>(1,386)</b>	<b>15,105</b>	<b>(1089.8%)</b>
Dividends paid	(18,323)	(17,144)	(1,179)	6.9%
Interest on borrowings	(2,557)	(1,170)	(1,387)	118.5%
Payments of lease liabilities	(10,511)	(9,178)	(1,333)	14.5%
Net proceeds from borrowings	21,000	29,000	(8,000)	(27.6%)
<b>Cash flows used in financing activities</b>	<b>(10,391)</b>	<b>1,508</b>	<b>(11,899)</b>	<b>(789.1%)</b>
<b>Net cash flow movement</b>	<b>3,328</b>	<b>122</b>	<b>3,206</b>	<b>2627.9%</b>
<b>Closing cash balance</b>	<b>11,333</b>	<b>8,005</b>	<b>3,328</b>	<b>41.6%</b>

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

- Pre-tax conversion of EBITDA to operating cash flow was strong at 104% (excluding working capital impact from NiPGT Class Action balances), compared to 100% in FY23 and 97% in FY22;
- \$21.7m capital expenditure including:
  - Completed new day hospitals in Cremorne (VIC) and Gold Coast (QLD), commencement of construction of the new fertility clinic and day hospital in Brisbane (QLD) and new ultrasound practices in St Leonards and Northern Beaches (NSW);
  - IT infrastructure including cyber security and commencement and design of a new patient management system;
  - On-going laboratory asset replacement including new embryoscopes across all large domestic IVF clinics;
- The significant investment program in clinic infrastructure that has delivered major upgrades across our network is nearing completion, with a new Brisbane fertility clinic and day hospital and new Singapore fertility clinic remaining. FY26 capital investment likely to reflect a return to the business-as-usual capital expenditure plan;
- \$17.1m in payments for business acquisitions includes \$11.6m (initial payment net of cash acquired) for Fertility North acquisition, \$2.5m Pivot earn-out payment, \$1.7m payments for ART Associates Qld related earn-out payments, \$0.6m final Fertility Solutions earn-out payment and \$0.7m payments for non-recurring acquisition costs (Fertility North acquisition);
- Interest on borrowings increased by \$1.4m due to higher average borrowings compared to pcp due to higher variable BBSY impact;
- \$21m debt drawdown primarily for committed infrastructure projects and acquisition payments;
- \$18.3m in dividend payments for the 2.2cps FY23 final dividend paid in October 2023 and 2.5cps FY24 interim dividend paid in April 2024.

## Dividends

Dividends paid during the financial year were as follows:

	Consolidated	
	2024 \$'000	2023 \$'000
Fully franked final dividend for the year ended 30 June 2023 (2023: 30 June 2022) of 2.2 cents (2022: 2.2 cents) per ordinary share	8,572	8,572
Fully franked interim dividend for the year ended 30 June 2024 (2023: 30 June 2023) of 2.5 cents (2023: 2.2 cents) per ordinary share	9,751	8,572
Paid in cash (note 36)	<u>18,323</u>	<u>17,144</u>

Subsequent to 30 June 2024, the Board declared a fully franked 2024 final dividend of 2.5 cents per share. The aggregate amount of the proposed dividend expected to be paid out of retained profits at 30 June 2024, but not recognised as a liability at year end is \$9,740,871. The record date for the dividend is 6 September 2024 and the payment date for the dividend is 11 October 2024.



### **Commitments and contingencies**

As announced to the ASX on 23 December 2020, Monash IVF Group Limited (ASX: MVF, the “Company” or “Monash IVF” or “Monash IVF Group”) had been named as defendants in proceedings (“Class Action”) filed in the Supreme Court of Victoria in relation to, or in connection with the Group’s non-invasive pre-implantation genetic screening technology (Ni-PGT or cell free PGT-A). Following a mediation attended by the Company on 20 August 2024 and 21 August 2024, the parties have agreed to settle the Class Action subject to execution of a Deed of Settlement and Court approval. The agreed settlement amount is \$56 million (pre-tax) inclusive of interest, costs and plaintiff legal fees (Settlement Amount).

As announced to the market on 21 August 2023, legal costs and damages, if any, in excess of insurance proceeds would be funded by the Company. Based on the settlement amount, approximately \$19.9 million is advised to be funded by the Company’s insurer and the remaining sum of \$36.1 million will be paid from the Company’s cash reserves and its debt facilities.

The expected financial exposure to the Company, included in this financial report, of the settlement of the Class Action is as follows:

- \$64.4 million (pre-tax) consisting of Settlement Amount payable plus defendant legal fees and other related costs;
- \$19.9 million (pre-tax) insurance receivable for amounts advised to be available under the Company’s existing insurance policy for the Class Action;
- \$32.6 million (post-tax) FY24 net loss impact.

The agreed Settlement Amount of \$56 million is payable on payments terms of \$8 million within 30 days of signing a Deed of Settlement, \$12 million within 90 days, \$15 million within 180 days and \$21 million within 270 days.

The settlement was reached without any admission of liability from the Company and is subject to Court approval.

Monash IVF has also commenced proceedings in the Federal Court of Australia against its insurer, Insurance Australia Limited (trading as CGU Insurance) (“Insurer”), to seek a declaration on the construction of the terms of the policy to confirm the total insurance proceeds available under its insurance policy with the Insurer, over and above the advised cover. The Company and the Insurer are currently under mediation to resolve the matter.

### **Outlook**

The Group is anticipating revenue and underlying NPAT growth in FY25 compared to FY24 notwithstanding flat new patient registrations in 2H24 compared to 2H23 (excluding acquisitions). Growth can be achieved noting the following:

- Full year contribution from Fertility North acquisition which completed in March 2024;
- Contribution from new fertility specialists that joined Monash IVF during FY24; we will continue to focus on attracting new fertility specialists to join the Group in FY25;
- Increased contribution from recently opened day surgeries as theatre utilisation ramps up;
- Contributions from recent investment in emerging growth drivers, including new genetics partnership with Fulgent Australia and growth in donor activity;
- Continued growth in Women’s Imaging business through recent capacity expansion;
- On-going growth in International business including Singapore and Kuala Lumpur momentum; and
- On-going focus on margin improvement through an Optimisation and Efficiency program as well as progressing enhancements to patient management systems.

Update on 1H25 financial performance will be provided at the Annual General Meeting in November 2024.

### **Liquidity**

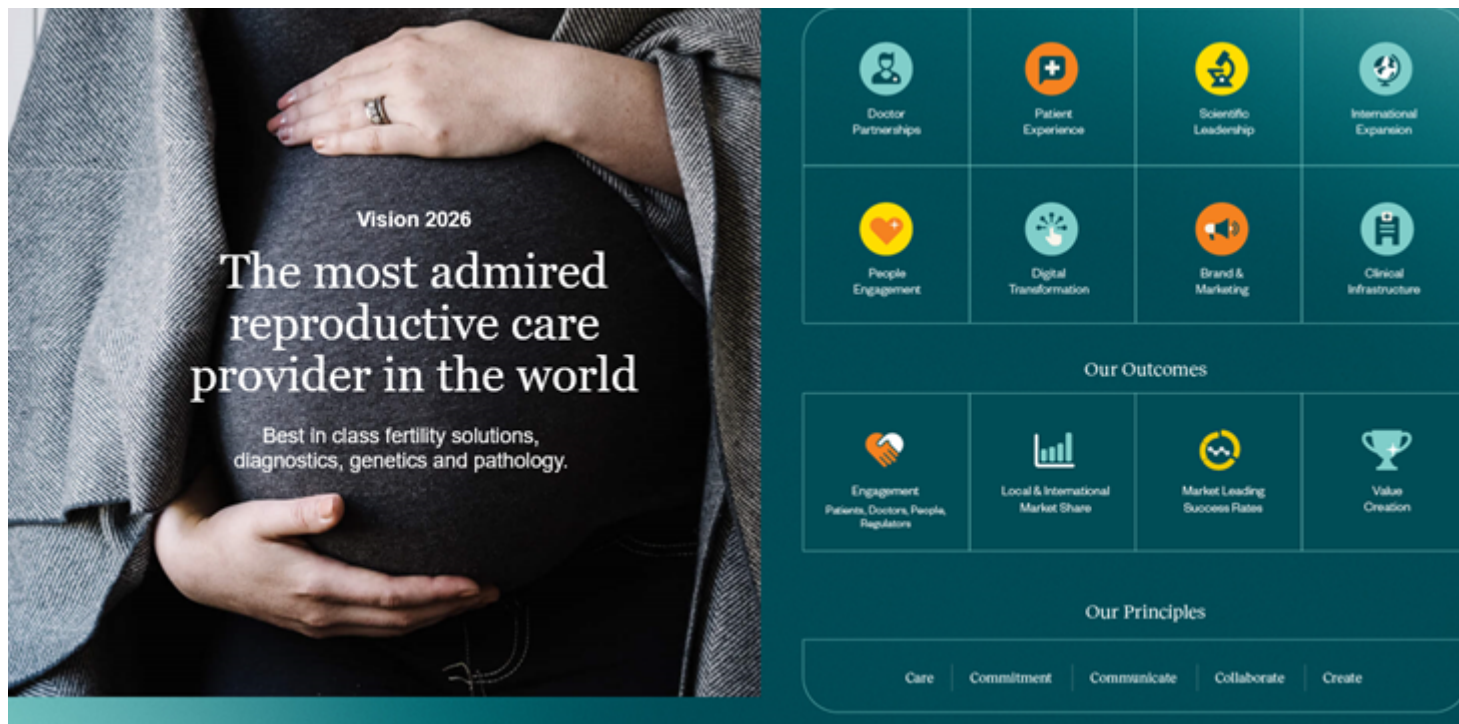
As at 30 June 2024, the consolidated statement of financial position reflects a net current liability position of \$63,040,000 (30 June 2023: \$16,565,000) and a net total asset position of \$246,659,000 (30 June 2023: \$275,074,000).

The Directors have assessed that based on the Group’s position it is appropriate to prepare the financial report on a going concern basis. For further information, refer to note 1.

### **Business strategies and prospects for future financial years**

Monash IVF Group’s mission is to help bring life to the world by providing best-in-class fertility solutions to all, including diagnostics, genetics and pathology. This is supported by our Vision to be the most admired fertility solutions provider in the world by Patients, Doctors, our People and other industry stakeholders. Our Mission and Vision will be delivered through Our Pillars as illustrated below:





Our pillars are defined as follows below:

***Patient experience***

We are committed to providing best in class clinical care across the fertility and pregnancy journey, delivering through a patient experience that is empathetic, empowering and personalised.

***Doctor partnership***

We will develop mutually beneficial long-term partnerships with our Doctors that benefits our patients through excellence in clinical care and to drive growth in our Doctors' businesses.

***Scientific leadership***

Our focus in world-class research and science will deliver market leading success rates, innovative services and attract partnership opportunities.

***Clinical infrastructure***

Provide high quality, fit-for-purpose infrastructure to support our best in class offering through investing in new and existing facilities and businesses.

***People engagement***

Through passion, pride and capability our People are leading the way in helping bring life to the world.

***Brand and marketing***

Our brand and marketing conveys our leadership in reproductive health and develops strong brand salience through progressive, empathetic and empowering engagement with the Community, Patients and our People.

***Digital transformation***

Investing in next generation technology, platforms and systems to enhance interactions with our Patients, Doctors and People. Grow and diversify revenue streams through enhanced digital capabilities and partnerships.

***International expansion***

Export our expertise in fertility services to Asia and beyond through effective partnerships.

Our Pillars will drive achievement of our outcomes to engage with our key stakeholders, continually improve our patient outcomes, grow our market share and create value for our key stakeholders including Patients, Doctors, People and Shareholders.

### **Business risks**

The Monash IVF Group continually considers the benefits of implementing a risk management framework, all of which contributes to the increased likelihood that the Group will be able to achieve its organisational objectives. Accordingly, the Group has a risk management framework and has implemented systematic processes for:

- Better identification of opportunities and threats;
- Prevention of potential risks from being realised;
- Reduction of the element of chance;
- Increased accountability and transparency for decisions;
- More effective allocation and use of resources;
- Improved incident management and reduction in loss and the cost of risk;
- Improved stakeholder confidence and trust;
- Improved compliance with relevant legislation and accreditation processes;
- Proactive rather than reactive management; and
- Enhanced governance

The risk management framework together with the risk assessments and mitigation strategies are regularly reviewed both individually and collectively by the Executive Team, the Audit and Risk Committee and the Board. A simple prioritisation system has been adopted to scale the relative importance of all the identified risks. From review of the Group's key business, operational and financial risks, processes are in place to reduce the inherent nature of these risks to an acceptable and manageable level. The Group considers the below as important risks that require continued management to ensure the Group meets its objectives.

### **Relationships with people in key roles, including clinicians**

The relationships between Monash IVF Group, its People and Clinicians are key to our recruitment and retention strategies, ability to grow the businesses and replacement of retiring clinicians. The loss or disengagement of Clinicians or inability to attract new Clinicians to the organisation would likely impact the revenue and profitability of the organisation.

There are similar risks to the organisation relating to the departure or disengagement of the Executive and Leadership Teams and People in key roles, defined by regulatory requirements. Comprehensive training and development programs, competitive remuneration frameworks, commitment to patient centred care and opportunities to participate in world class research activities all contribute to attracting and retaining the very best talent in the Industry.

### **Change in Government funding arrangements for Assisted Reproductive Services**

There is a risk that the Commonwealth Government will change the funding (including levels, conditions or eligibility requirements) it provides for Assisted Reproductive Services (ARS). Patients receive partial re-imbursment for ARS treatment through Commonwealth Government Programs, including the Medicare Benefit Schedule (MBS) and Extended Medicare Safety Net (EMSN). If the level of reimbursement were to be reduced or capped, Patients would face higher out-of-pocket expenses for ARS potentially reducing the demand for services provided by the Group. The Group is not aware of any changes to Commonwealth Government funding for ARS in the short to medium term.

### **Risk of increased competition**

In each of the markets the Group operates in, there is a risk that:

- Existing competitors may undertake aggressive marketing and Patient acquisition campaigns, product innovation or price discounting;
- New market entrants may participate in the Sector and gain market share;
- Further growth in low cost offerings provided by competitors may reduce the Group's market share; and
- An increase in publicly provided ARS services may reduce the Group's market share.

The Group continues to strategically position its ARS service as a specialised premium offering as a point of differentiation against low cost competitors. In addition, the Group has previously partnered with State based governments in the provision of publicly provided ARS services and will look to continue to partner with governments to provide greater access to ARS services to the community.

### **Occupational health and safety**

Monash IVF employees are at risk of workplace accidents and incidents. In the event that a Monash IVF employee is injured in the course of their employment, Monash IVF may be liable for penalties or damages. This has the potential to harm both the reputation and financial performance of Monash IVF.

### Cyber Security

There is a risk that cyber security attacks may compromise patient management systems and patient data that may result in adverse business performance and outcomes and reputational damage. Monash IVF Group places the utmost importance on cybersecurity and the potential implications it may have. The Group has comprehensive security platforms, processes and skilled professionals in place to contain cyberattacks, ensure that attempted intrusions are blocked and viruses are not spread across the network and systems. Its leading-edge, AI-based threat detection and response platform is capable of isolating attacks to an endpoint or a small subset of system resources, while our team is able to investigate and remediate the issue.

In addition to threat detection and contention, the Group's infrastructure is fortified with numerous levels of redundancy and backup strategies to provide a high degree of system availability and data protection. There is a strong commitment to cybersecurity through a strong culture of awareness which is cultivated through internal training platforms. These efforts, combined with periodic independent audits, underscore maintenance of sophisticated security protocols that protect both employees' and patients' data against rapidly evolving threats.

### Significant changes in the state of affairs

During the year, the Group extended the maturity profile of its Syndicated debt facility and working capital facility to February 2027. The Syndicated debt facility has been increased from \$50 million to \$90 million.

There were no other significant changes in the state of affairs of the Group during the financial year.

### Matters subsequent to the end of the financial year

On 22 August 2024, a fully franked dividend of 2.5 cents per share was declared. The record date for the dividend is 6 September 2024 and the payment date for the dividend is 11 October 2024.

Refer to commitments and contingencies section on a previous page for developments in the Class Action after the reporting date.

No other matter or circumstance has arisen since 30 June 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.

### Likely developments and expected results of operations

Refer to outlook section on a previous page for likely developments and expected results of future operations.

### Information on Directors

<b>Name:</b>	<b>Mr Richard Davis</b>
<b>Title:</b>	Independent Chair
<b>Qualifications:</b>	Bachelor of Economics from the University of Sydney
<b>Experience and expertise:</b>	Mr. Richard Davis joined the Group in June 2014.  Up until recently, Richard served as a non-executive director of ASX listed companies InvoCare Limited (Chairman) and Australian Vintage Limited (Chairman) having resigned from these directorships in 2023 and 2024 respectively.  Richard worked for InvoCare for 20 years until 2008. For the majority of that time he held the position of CEO and managed the growth of that business through a number of ownership changes and over 20 acquisitions, including offshore in Singapore.  Prior to InvoCare Limited, Richard worked as an accounting partner of Bird Cameron.
<b>Other current directorships:</b>	None
<b>Former directorships (last 3 years):</b>	InvoCare Limited, Australian Vintage Limited
<b>Special responsibilities:</b>	Member of Remuneration and Nomination Committee Member of Audit and Risk Committee
<b>Interests in shares:</b>	182,067 ordinary shares

<b>Name:</b>	<b>Mr Josef Czyzewski</b>
<b>Title:</b>	Independent Non-Executive Director
<b>Qualifications:</b>	Bachelor of Commerce from the University of Newcastle
<b>Experience and expertise:</b>	<p>Mr Josef Czyzewski joined the Group in June 2014 and has over 30 years' experience in senior finance positions and significant experience in the health industry.</p> <p>Josef has held the positions of Chief Financial Officer at Healthscope Limited, and more recently CFO/General Manager Strategy and Development at Spotless Group Limited following its takeover by private equity interests in 2012.</p> <p>Prior to that time, Josef had held various senior finance positions with BHP Billiton including Vice President Finance and Corporate Treasurer. He is a Graduate Member of the Australian Institute of Company Directors.</p>
<b>Other current directorships:</b>	None
<b>Former directorships (last 3 years):</b>	None
<b>Special responsibilities:</b>	<p>Chair of Audit and Risk Committee</p> <p>Member of Remuneration and Nomination Committee</p>
<b>Interests in shares:</b>	231,382 ordinary shares

<b>Name:</b>	<b>Ms Catherine West</b>
<b>Title:</b>	Independent Non-Executive Director
<b>Qualifications:</b>	Bachelor of Laws (Hons) and a Bachelor of Economics from the University of Sydney
<b>Experience and expertise:</b>	<p>Ms Catherine West was appointed Non-Executive Director to Monash IVF Group on 8 September 2020. She is an experienced ASX listed non-executive director and has over 25 years of legal, business affairs and strategy experience in customer focused businesses in the media, entertainment, telecommunications and medical sectors in Australia, the United Kingdom and Europe.</p> <p>Catherine is Chair of ASX listed Nine Entertainment and a Non-Executive Director of Peter Warren Automotive Group. In addition, she is Chair of the National Institute of Dramatic Art (NIDA), a Director of the NIDA Foundation and Chair of the Board of Governors of Wenona School. Catherine was also on the Board of ASX listed Endeavour Group until April 2021, and until recently, a Director of the Sydney Breast Cancer Foundation Limited until her resignation on 30<sup>th</sup> June 2024.</p> <p>She is a Graduate Member of the Australian Institute of Company Directors.</p>
<b>Other current directorships:</b>	Nine Entertainment, Peter Warren Automotive Group
<b>Former directorships (last 3 years):</b>	Endeavour Group
<b>Special responsibilities:</b>	Member of Remuneration and Nomination Committee
<b>Interests in shares:</b>	37,100 ordinary shares

<b>Name:</b> <b>Title:</b> <b>Qualifications:</b> <b>Experience and expertise:</b>	<b>Ms Zita Peach</b> Independent Non-Executive Director BSc, FAICD, FAMI Ms Zita Peach has more than 25 years of commercial experience in the pharmaceutical, biotechnology, medical devices and health services industries, and has worked for major industry players such as CSL Limited, Fresenius Kabi and Merck Sharp & Dohme, the Australian subsidiary of Merck Inc.  Zita is Chair of Pacific Smiles Group Limited (ASX listed) and resigned as a Non-Executive Director on 19 August 2024 which is effective close of business 28 August 2024. Zita is also a Non-Executive Director of three private equity owned companies, Icon Group Pty Ltd, VetPartners Pty Ltd and Nucleus Network Pty Ltd. Zita is also the incoming Chair of the Olivia Newton John Cancer Research Institute.  Zita is a Fellow of the Australian Institute of Company Directors and a Fellow of the Australian Marketing Institute.
<b>Other current directorships:</b> <b>Former directorships (last 3 years):</b> <b>Special responsibilities:</b> <b>Interests in shares:</b>	Pacific Smiles Group Limited Starpharma Holdings Limited Chair of Remuneration and Nomination Committee 92,803 ordinary shares
<b>Name:</b> <b>Title:</b> <b>Qualifications:</b> <b>Experience and expertise:</b>	<b>Mr Neil Broekhuizen</b> Independent Non-Executive Director Chartered Accountant and holds a BSC (Eng) Honours degree from Imperial College, University of London Mr. Neil Broekhuizen is the Joint Chief Executive Officer of Ironbridge.  Neil has over 30 years' experience in the finance industry including 28 years in private equity with Investcorp and Bridgepoint in Europe and Ironbridge in Australia. He has sat on the Ironbridge Investment Committee since inception.
<b>Other current directorships:</b> <b>Former directorships (last 3 years):</b> <b>Special responsibilities:</b> <b>Interests in shares:</b>	None Bravura Solutions Limited Member of Audit and Risk Committee 350,000 ordinary shares
<b>Name:</b> <b>Title:</b> <b>Qualifications:</b> <b>Experience and expertise:</b>	<b>Dr Richard Henshaw</b> Executive Director MD FRANZCOG FRCOG Dr Richard Henshaw MD FRANZCOG FRCOG has practiced in the field of reproductive medicine since 1995. Richard works as a Fertility Specialist for the Group.  Richard has served on many national bodies, including RANZCOG Council, the IVF Medical Directors Group of Australia and New Zealand, and the Reproductive Technology Accreditation Committee.
<b>Other current directorships:</b> <b>Former directorships (last 3 years):</b> <b>Interests in shares:</b>	None None 1,358,842 ordinary shares



<b>Name:</b>	<b>Mr Michael Knaap</b>
<b>Title:</b>	Chief Executive Officer and Managing Director
<b>Qualifications:</b>	Bachelor of Accounting from Monash University and is a Certified Practising Accountant
<b>Experience and expertise:</b>	<p>Mr Michael Knaap was appointed to the role of Chief Executive Officer and Managing Director for Monash IVF Group on 15 April 2019.</p> <p>Following his tenure as Monash IVF Group's Chief Financial Officer and Company Secretary since August 2015, Michael was appointed to Interim Chief Executive Officer in October 2018.</p> <p>Michael has nearly 30 years' experience in executive positions with a strong financial, operational, strategic and leadership background in Healthcare and FMCG industries. Prior to joining MVF Group, Michael was with Patties Foods Limited where he held a number of executive positions over six years, including the role of Chief Financial Officer and Company Secretary.</p>
<b>Other current directorships:</b>	None
<b>Former directorships (last 3 years):</b>	None
<b>Interests in shares:</b>	1,189,882 performance rights 727,980 ordinary shares

<b>Name:</b>	<b>Ms Catherine Aston</b>
<b>Title:</b>	Non-Executive Director
<b>Qualifications:</b>	Bachelor of Economics (Macquarie University) and Master of Commerce, Accounting & Law (University of NSW)
<b>Experience and expertise:</b>	<p>Ms. Catherine Aston is an experienced Non-Executive Director / Chair of listed and unlisted entities covering technology, financial services, marketing services, health and government sectors across Australia and Asia. Cathy has a broad commercial background with executive roles in finance, marketing and strategy, including as CFO for Telstra International and Chief Executive Officer of a mobiles joint venture in Sri Lanka.</p> <p>Catherine is currently a Non-Executive Director of Macquarie Investment Management Ltd (Chair of the Audit, Risk and Compliance committee), IVE Group Ltd (Chair of the Audit and Risk Committee) and IMB Bank Ltd (Chair). Catherine's advisory roles have included work with the NSW State Government and serving as an advisory board member of Avanseus Pty Ltd, a Singapore based AI business.</p> <p>Catherine is a Graduate of the Australian Institute of Company Directors and a Senior Fellow of the Financial Services Institute of Australasia (FINSIA).</p>
<b>Other current directorships:</b>	Macquarie Investment Management Ltd, IVE Group Ltd, IMB Bank Ltd
<b>Former directorships (last 3 years):</b>	Virtus Health Ltd, Integrated Research Ltd, Over the Wire Ltd
<b>Interests in shares:</b>	None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

### Company Secretary

Mr Malik Jainudeen was appointed to the role of Monash IVF Group Chief Financial Officer and Company Secretary on 15 April 2019.

Malik joined Monash IVF Group in 2014 as a senior finance leader and has continued to progress his career with Monash IVF Group. Prior to his appointment of CFO and Company Secretary, Malik was Group Manager – Strategy & Finance and previously Group Financial Controller. Malik is a qualified Chartered Accountant with a Bachelor of Business (majoring in Accounting) from the University of Victoria. Malik has more than 20 years' experience in the finance sector including 10 years at KPMG as a Manager in Audit and Assurance where his client portfolio included ASX listed organisations Origin Energy Limited, AusNet Services and Dulux Group Limited. Malik was also the External Audit Manager for the Monash IVF Group for 6 years prior to its listing on the ASX in 2014.

### Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2024, and the number of meetings attended by each Director were:

	Full Board		Remuneration and Nomination Committee		Audit and Risk Committee	
	Attended	Held	Attended	Held	Attended	Held
Mr Richard Davis (Chair)	20	20	5	5	5	5
Mr Josef Czyzewski	20	20	5	5	5	5
Ms Catherine West	19	20	5	5	1	-
Ms Zita Peach	20	20	5	5	-	-
Mr Neil Broekhuizen	20	20	-	-	4	5
Dr Richard Henshaw *	18	20	-	-	-	-
Mr Michael Knaap *	18	20	5	5	5	5
Ms Catherine Aston **	5	5	-	-	1	1

Held: represents the number of meetings held during the time the Director held office or was a member of the relevant committee.

\* Two Board meetings held during FY24 whereby only NEDs were invited to attend

\*\* Ms. Catherine Aston was appointed to the Board on 26 February 2024

### Environmental regulation

The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

### Environmental, Social and Governance

Global challenges, such as climate risk, increased regulatory pressures, social and demographic shifts and privacy and data security concerns, represents new or increasing risks for organizations. Through our existing corporate governance policies, our Strategic Framework, Quality Policy and Code of Conduct, Monash IVF Group has demonstrated a strong commitment to responsible and ethical conduct. In exploring Monash IVF's sustainability actions and steps forward, the Company has considered various ESG reporting frameworks available and the UN Sustainability Development Goals. The following page provides a summary on the Group's Sustainability Strategy that forms the basis of Monash IVF's inaugural Group Sustainability Report released on 27 October 2023.

During 2023, the Company established an ESG Committee, with Monash IVF Group Board representation and key stakeholders within the Group to ensure the implementation of a proposed plan, embedded in daily routine activities to achieve tangible results. Establishment of ESG Metrics provides accountability for change and creation of long-term value through strategies that incorporate ESG.



## Monash IVF Group FY24 Sustainability Strategy

We have developed our Sustainability Strategy on a page to summarise the key areas of focus where Monash IVF Group can achieve the maximum impact in delivering safe, effective healthcare services, that give every person the best opportunity to create or grow their family.



### **Remuneration report (audited)**

The Company's Directors present the 2024 Remuneration Report prepared in accordance with Section 300A of the Corporations Act 2001, for the Company and the Group for the year ending 30 June 2024 ("FY24"). The information provided in this Remuneration Report has been audited by KPMG as required by Section 308(3C) of the Corporations Act 2001. The Remuneration Report forms part of the Directors' Report.

Key management personnel ('KMP') are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all Directors.

The Remuneration Report outlines the remuneration strategies and arrangements for the KMP who have authority and responsibility for planning, directing, and controlling the activities of Monash IVF Group.

### **2024 Highlights**

In FY24, the commitment and focus of our people were again key to our successful outcomes. Monash IVF Group stands out in the market thanks to our continuous investments in future growth and attractive value propositions for employees, patients, and doctors. Our unwavering dedication to achieving Vision 2026 strategic goals demonstrates our capability to expand effectively in the market, even amidst challenging macroeconomic conditions. The consistent achievements over the past five years reflect the stability and strong leadership of our team, positioning Monash IVF Group to capitalise on growth opportunities.

### **Continuing to align remuneration outcomes with high performance**

Our remuneration outcomes continue to align to the performance of Monash IVF Group relative to FY24:

- Maximum remuneration (fixed and at-risk remuneration combined) for KMP reflect the growth and performance of employees as well as align to external benchmarking guidance. Remuneration benchmarking in FY24 considered peers of comparable size and remuneration movements that occurred across industries based on wage index. In FY24, the Board agreed to continue to increase the total remuneration for the CEO, CFO and COO with a focus on all 3 elements of remuneration of fixed, short term and long term. The CEO 4-year fixed remuneration CAGR is 6% and 11% for total maximum remuneration aligning with more at-risk remuneration. The FY24 adjustments to the CEO, CFO and COO total available remuneration remains at or below the industry benchmark.
- The FY24 Short Term Incentive gateway for Scientific Success Rates was met. This measure remains a primary focus for the organization and will continue to serve as a key STI gateway. The STI financial component for FY24 was also achieved above threshold, resulting in 100% of financial target being met. A number of the non-financial metrics for FY24 were also met. With the intent to continue to drive high performance, in FY24 the STI framework introduced a stretch target to ensure reward is provided where performance exceeds set targets. The stretch target is set at 120% of target with 150% payout, with a straight line from 100% to 120%. In FY24 stretch was achieved by 8%.
- In FY24 the Board exercised discretion to defer the Short Term Incentive payments for KMP pending a resolution is reached in regard to the NiPGT Class Action.
- For the LTI component, the EPS component of the FY22 performance rights granted was not achieved as at 30 June 2024 based on performance targets not met during FY22 – FY24. Total Shareholder Return (TSR) component of the FY21 performance rights granted did vest during FY24. The TSR component of the FY22 performance rights granted will be tested in September 2024.

In FY25 our remuneration outcomes planned factor in that Monash IVF Group is in the ASX300 and increases the peer group analysis to ensure we continue to remain competitive and recognises the performance achievements of our KMP and Executive:

- Total Fixed Remuneration in FY25 for CEO and CFO increased by 6% and COO increased by 4%, with increases of 5% to the Short-Term Incentive (STI) for CEO and CFO and 5% increase to Long Term Incentive (LTI) for CFO & COO.
- In FY25 the LTI plan remains structured with EPS and Relative Total Shareholder Return (TSR) peer group of ASX 300 Healthcare excluding CSL. The STI plan continues to retain the key elements that align to Vision 2026 with a stronger focus also on targets that align to optimisation and efficiency which is a key focus for Monash IVF Group in FY25. The STI plan will also retain the opportunity for reward where performance exceeds target. A stretch target for financial measures being 120% aligned to a further 150% of financial objective of STI available. Financial measure for FY25 will also retain Underlying Net Profit After Tax (NPAT) as was introduced in FY24.

## **Director and Key Management Personnel (KMP) changes in FY24**

Effective 26 February 2024, Monash IVF Group welcomed the appointment of Ms Catherine Aston as Independent Non-Executive Director in anticipation of succession planning in FY25. Furthermore, in FY24 Catherine was also appointed as a member of the Audit & Risk Committee. No further changes were made to the Director or Executive structure in FY24.

## **Non-Executive Director remuneration arrangements in 2024**

Fees payable to Non-Executive Directors were reviewed regarding fee adjustments effective 1 July 2023 and 5% increase was applied to Director base and committee fees. This increase is inclusive of 0.5% increase to superannuation contribution. Based on market analysis for Board Chair which shows current fees were below market, an increase of 9.7% was applied with a further analysis to be continued in 2025 which to assess fees against industry peers.

### **1.0 Remuneration snapshot**

#### **1.1 Remuneration Governance**

The Board is responsible for the overall governance and decisions relating to remuneration. The Remuneration and Nomination Committee (Committee), underpinned by the Remuneration and Nomination Committee Charter enables the Board to discharge their governance responsibilities in all matters relating to remuneration and engagement of all Executive and Non-Executive members.

The Committee as stated by the Remuneration and Nomination Committee Charter must have at least 3 members, the majority of whom (including the Chair) must be independent Directors and all of whom must be non-executive Directors. The Monash IVF Group Remuneration and Nomination Committee comprises of 4 independent Directors. Ms Zita Peach, Chair appointed on 23 June 2020, Mr Richard Davis, Mr Josef Czyzewski and Ms Catherine West.

During FY24, the Committee met 5 times with full attendance by all members. The Committee at times invites the CEO, CFO/Company Secretary, Chief People and Culture Officer and other non-executive directors (non-members of the Committee) to attend Committee meetings to assist in deliberations (excluding matters relating to their own employment).

The Remuneration and Nomination Committee sought no recommendations as defined in section 9B of the Corporations Act throughout 2024.

The Committee is responsible for reviewing and making recommendations to the Board in relation to:

- Group remuneration principles, strategy and practices;
- Non-Executive Director fee frameworks, policy regarding fee allocation, and fee pools sufficient for appropriate fee levels, Board renewal, Board roles, market practice, and director workload;
- Director Succession Planning;
- Appointment of new directors, including the review of Board and Board committee membership;
- Appointment of Chief Executive Officer (CEO);
- Board effectiveness and performance;
- Overall remuneration framework for Executives;
- Terms and conditions underpinning Executive and Doctor Service Agreements (ESA), including terms such as restraint and notice period;
- Eligibility for, and conditions of, incentive plans, including equity-based incentive plans;
- Remuneration packages for all Senior Executives including structure and incentives;
- Metrics and associated targets for incentive plans;
- Terms and conditions associated with incentive plans including equity plan rules, escrow and other restrictions on disposal;
- Structure and quantum of Senior Executive termination payments;
- Treatment of outstanding incentives in case of cessation of employment; and
- Exercise of malus or clawback if relevant to incentive plan payments.

The Remuneration and Nomination Committee are also responsible for monitoring and reporting to the Board on other matters including:

- Remuneration relative to industry benchmarks;
- Achievement of performance requirements for the payment of incentives;
- Succession planning;
- Employee Engagement and organisational culture; and
- Diversity, inclusion objectives and gender pay equity reporting and associated action plans.

The Remuneration and Nomination Committee Charter is available on the Company's website at [//www.monashivfgroup.com.au/investor-centre/corporate-governance/](http://www.monashivfgroup.com.au/investor-centre/corporate-governance/). The Charter is reviewed annually. Further information on the Remuneration and Nomination Committee is provided in the Corporate Governance Statement in this Financial Report.

### **1.2 Principles of remuneration and framework**

Our continued approach to remuneration has maintained a consistent approach to remuneration that meets our remuneration objectives and aligns with our principles. The following summarises these key principles that underpin the structure of Executive Remuneration arrangements across the Group.

#### **Remuneration principles**

<b>Principle</b>	<b>Design and operational implications of remuneration framework</b>
<b>Aligned to organisations strategy and business priorities</b>	<ul style="list-style-type: none"> <li>▪ Remuneration framework will ensure alignment with the overall business strategy and ensure all policies and processes are observed to enable the attraction and retention of key personnel who create value for shareholders</li> <li>▪ Operates in support of Our Principles and aligns to the organisations desired culture</li> </ul>
<b>Market competitive</b>	<ul style="list-style-type: none"> <li>▪ Ensure employees including Executive Key Management Personnel (KMP) and management are rewarded fairly and competitively according to role accountability, market positioning, skills, experience and performance</li> <li>▪ Remuneration decisions will be informed by utilising relevant market benchmarking</li> </ul>
<b>Rewards performance</b>	<ul style="list-style-type: none"> <li>▪ Encompass long-term and short-term variable performance elements for those who have the ability to impact overall organisation performance</li> <li>▪ Short term and long term remunerations incentives and outcomes</li> <li>▪ Performance targets to be met for payment (at threshold or target) are set after considering previous performance, forecast and budget</li> </ul>
<b>Simple and transparent</b>	<ul style="list-style-type: none"> <li>▪ A simple, flexible, consistent and scalable remuneration framework is to be used across the organisation allowing for sustainable business growth</li> <li>▪ The structure must be easily communicated and can reinforce the organisations mission, principles and culture</li> </ul>
<b>Effective governance</b>	<ul style="list-style-type: none"> <li>▪ The Remuneration and Nomination Committee and Board will ensure that remuneration outcomes reflect both risk and performance and is reviewed regularly to ensure employees act ethically and responsibly</li> <li>▪ Comply with all relevant legal and regulatory provisions</li> </ul>
<b>Alignment to Patient, People and Doctor outcomes</b>	<ul style="list-style-type: none"> <li>▪ Ensure Patient, People and Doctor engagement outcomes remain a critical measure for all KMP and management relating to at-risk remuneration</li> </ul>

## **2.0 Remuneration structure**

### **2.1 Executive Remuneration structure**

The Monash IVF Group Executive Remuneration framework is designed to attract, engage, and retain a highly skilled and experienced team of executives. Our remuneration structure aims to align executives with long-term sustainable shareholder value, focusing on the execution of our strategic goals as has been defined by Vision 2026. This approach integrates Total Fixed Remuneration, Short-Term and Long-Term Incentives to create a comprehensive Total Remuneration package.

Annually, the Board conducts a thorough review of the remuneration structure to ensure it remains effective and aligned with business performance and strategic objectives. This review also considers best practice remuneration models, changes to industry structures that align to our purpose for reward and recognition of high performance.

Purpose of each remuneration component		
Total Fixed Remuneration (TFR)	Short-Term Incentive (At Risk)	Long-Term Incentive (At Risk)
To attract and retain, paying competitively, reflecting the individual's accountability, position requirements and experience. TFR is determined as base salary and inclusive of all standard leave provisions and superannuation guaranteed contributions.	Rewards performance for achieving stretch targets and further rewards the achievement of both financial and non-financial goals.  Achievement is measured using an annual balanced scorecard of measures aligned to the organisations strategic vision and objectives.	Rewards and retains key contributors by creating alignment with long-term shareholder interests and reward the creation of sustainable shareholder wealth.

Monash IVF Group has remained consistent with the remuneration framework in 2024 for the Chief Executive Officer (CEO), Chief Financial Officer (CFO) and Chief Operating Officer (COO) with the framework retaining the three elements of fixed remuneration and at-risk components being STI and LTI. The remuneration structure aligns the remuneration opportunity with the size of role and position accountability.

## 2.2 Executive Remuneration Structure for FY24

The diagram below summarises the framework for FY24. The framework continues to be reviewed each year.

Performance Driven	Alignment with Shareholder Interests	Market Competitive Remuneration
Total Available Remuneration		
Total Fixed Remuneration (TFR)	At Risk Remuneration	
TFR is determined on the basis of market rates (where applicable, the size and complexity of the role and the individual's skill and experience relative to position requirements)  TFR Comprises of: <ul style="list-style-type: none"> <li>Cash salary</li> <li>Salary sacrifice items</li> <li>Employer superannuation contributions in line with statutory regulations</li> </ul> TFR levels are reviewed annually by the Committee through a process that experience in the position. TFR is also reviewed on promotion. There are no guaranteed increases in executive remuneration	<b>Short-Term Incentive (STI)</b> Balanced Scorecard Model that includes a Non-financial Gateway (ANZARD*) Success rate average  70% financial Measure based on Underlying NPAT  Non-financial measures (30%) are linked to key strategic initiatives built around a balanced scorecard focused on long-term sustainable growth including but not limited to: <ul style="list-style-type: none"> <li>Engagement (People, Patient, Doctor)</li> <li>Market share growth</li> <li>Scientific Success Rates</li> <li>Non-organic growth initiatives</li> </ul>	<b>Long-Term Incentive Plan (LTI)</b> EPS growth hurdles based on predefined growth rates over a 3year period (70%)  TSR hurdles based on Group's relative TSR performance against ASX300 Healthcare Index (excluding CSL) (30%)  Comprise performance rights which vest in accordance with 3 year EPS growth and relative TSR above threshold performance requirements

\* Australia and New Zealand Assisted Reproduction Database



### 3.0 At-Risk remuneration framework

Each year the Remuneration and Nomination Committee in collaboration with the CEO, determine a set of targets for the forthcoming year with reference to the strategic objectives and financial results from prior year. The Remuneration and Nomination Committee can subsequently adjust targets for any significant changes including but not limited to, significant events, capital structure, material acquisition or divestments, in accordance with any ASX Listing Rules if applicable.

The Board may exercise its discretion to adjust where it is considered appropriate for the purpose and intent of the incentive plan and the performance standards. This may include adjustments to ensure that the interests of the relevant participant are not, in the opinion of the Board, materially prejudiced or advantaged relative to the position reasonably anticipated at the time of the assessment.

The following table summarises the short-term incentive and long-term incentive reward components for certain KMP including the performance measures and delivery mechanism applicable for the performance period ended 30 June 2024.

Incentive Opportunity	Short-Term Incentive (At Risk)			Long-Term Incentive (At Risk)	
	Threshold	Target	Stretch	Threshold	Target
CEO	30%	100%	150%	20%	100%
CFO	30%	100%	150%	20%	100%
COO	30%	100%	150%	20%	100%

<b>Performance Measures</b>	<ul style="list-style-type: none"> <li>STI scorecard KPIs include financial and non-financial measures</li> <li>A non-financial gateway is in-place whereby no STI is payable if the Group's clinical pregnancy rates (success rates) is below the ANZARD average</li> <li>70% of STI is based on the Underlying NPAT</li> <li>30% of STI is based on qualitative non-financial measures which include Patient engagement, People engagement, doctor engagement, scientific success rates and domestic market share</li> <li>Pro-rata payment of STI is made if achievement is between threshold and target. Stretch is available where achievement is above target up to 120%</li> </ul>	<ul style="list-style-type: none"> <li>LTI KPIs are earnings per share growth (EPS)(70%) and Total Shareholder Return (TSR)(30%)</li> <li>TSR measures returns made against the performance of a comparator group with hurdles based on predefined growth rates over a 3 year period</li> <li>EPS compound annual growth rate (CAGR) provides a tangible measure of shareholder value with hurdles based on predefined growth rates over a 3 year period</li> </ul>
<b>Delivery Mechanisms</b>	STI awards for the CEO, CFO and COO are paid as cash and subject to continued employment	LTI awards are granted as performance rights are subject to testing against the above performance measures and continued employment. The CEO, CFO and COO were not required to pay any money to be granted performance rights

STI and LTI opportunities are expressed as a percentage of TFR and refer to section 4.1

#### 3.1 FY24 Short-Term Incentive

A non-financial gateway is in-place whereby no STI is payable if the Group's clinical pregnancy rates (success rates) is below the ANZARD average for the period 1 July 2023 to 30 April 2024. This period is applicable due to the availability of pregnancy outcomes information at the time of reporting. The available ANZARD target average applicable is 40.4%. The Group's clinical pregnancy rates for the period between July 2023 to April 2024 was 44.7% and accordingly, the non-financial gateway to STI was achieved.

The quantitative financial measure defined for the CEO, CFO and COO in FY24 was as follows:

Strategic Objective	Weighting	Measure	2024 Outcome
Underlying Net Profit After Tax (NPAT)	70%	Underlying NPAT was set at FY24 Group Budget (\$23.369m) and threshold set at 92.5% (\$27.166m)	Underlying NPAT achieved was \$29.85m

Short-Term Incentive (STI) non-financial

The qualitative non-financial measures defined for KMP in FY24 included the following:

Strategic Objective	Weighting	Measure	FY24 Outcome
Patient Engagement	6% (CEO,CFO) 4% (COO)	Deliver an ongoing improvement in Patient Engagement as measured by the patient Net Promoter Score (NPS) survey targeting engagement improvements. Patient Engagement NPS was measured in the IVF and Ultrasound businesses separately.	Group Patient Engagement NPS target of +59 for the IVF business did not meet threshold or target. Group Patient Engagement NPS for Ultrasound of +75 was met. Therefore, payout for the Patient Engagement measure was partial due to the weighting for this measure.
People Engagement	6% (CEO,CFO) 4% (COO)	To foster a culture of engagement with all Monash IVF Group employees as measured by an annual employee survey.	Based on the outcomes of the 2024 Employee Engagement survey, this group measure achieved above target by 2%(67%). Payout for the People Engagement measure was 100%.
Doctor Engagement	6% (CEO,CFO) 4% (COO)	Foster a culture of engagement with all Monash IVF Group Clinicians. This is measured by a clinician NPS survey conducted annually and targets engagement improvements.	Doctor Engagement is based on 2 Key NPS measures. 1. I will refer Monash IVF as a place to practice. This measure did not meet threshold by 3 points. 2. I will refer Monash IVF to my patient for their service achieved between threshold and target at 98%.
Scientific Success Rates	6% (CEO,CFO) 4% (COO)	Deliver continued improvement in success rates in line with Your IVF success rate measure 4 by ANZARD which is % implantation.	Success Rates for the period of July 2023 to April 2024 for measure 4 were 43%. Payout of Scientific Success Rates was 100%.
Domestic Market growth	6% (CEO,CFO) 5% (COO)	Market share growth in all Australia (IVF). Market share target was set at 22.4% for the period from July 2023 to June 2024 Threshold was set at 21.7%. This measure changed in FY24 to reflect the domestic market expansion of Monash IVF to include Western Australia. This target does not include the recent acquisition of Fertility North due to the time of completion.	Market share for the period from July 2023 to June 2024 was 21.3% which was above threshold but below target. Payout for the Market Share measure was 30%.

- The COO had an additional measure of Employee Stability Index which was weighted at 4%. This measure was achieved in FY24 and therefore payout was 100%.
- The COO additional measure related to the achievement of key milestones associated to Genetics Strategic Business Case. With a weighting of 5%, in FY24 this was achieved in full.



### 3.3 FY24 Long-Term Incentive grant

The LTI plan is a performance rights scheme where vesting depends on meeting pre-established performance hurdles and maintaining continuous employment. Grants under the LTI plan are awarded annually to ensure Executives remain focused on sustainable long-term growth and returns, balancing with short-term incentives that target annual performance.

The terms and overview of the FY24 LTI grant to KMP and other eligible employees, including the CEO, CFO and COO are summarised below.

Performance Rights Granted	
EPS Compound Annual Growth Rate ("EPS Hurdle") 70% of allocation subject to the hurdle	Relative Total Shareholder Return ("TSR Hurdle") 30% of allocation subject to the hurdle
<p><b>Vesting Framework</b></p> <p>The EPS component of the allocation will be measured at the end of the 3-year performance period.</p> <p>20% will vest at threshold performance. 100% will vest at maximum performance, with pro rata vesting between threshold and maximum.</p> <p>EPS threshold performance is 10% growth per annum over the 3-year period.</p>	<p><b>Vesting Framework</b></p> <p>The TSR component of the allocation will be measured at the end of the 3-year performance period relative to the ASX300 Healthcare Accumulation Index (Index) excluding CSL performance.</p> <p>20% will vest at threshold performance when TSR equals index returns, 100% vest at maximum performance if TSR equals index returns +5 percentage points on an annualised basis, with pro-rata vesting between threshold and maximum.</p>

The LTI award opportunity is based on a percentage of the participant's total fixed remuneration as at the grant date. The number of performance rights issued is determined by dividing the long-term incentive component of the participant's fixed remuneration by the volume weighted average price of Monash IVF Group Limited shares traded on the Australian Stock Exchange over the 10 trading days immediately following the release of the FY23 full-year results announcement. The VWAP applied to the FY24 performance rights issue was \$1.21854.

On vesting, each performance right entitles the participant to one ordinary share in the Company plus an additional number of shares calculated on the basis of the dividends which would have been paid on that one share had it been issued at the time of grant of the performance right and assuming that those dividends were reinvested at the closing price of shares on the distribution date of those dividends. Prior to vesting, performance rights do not entitle the participant to any dividends or voting rights.

Performance rights were granted in two tranches during FY24, with each tranche subject to separate vesting conditions. Executives did not pay any money to be granted the performance rights and the expiry date of the rights will be on the fifth anniversary of their grant.

Details of the FY24 LTI grant to KMP is set out below:

KMP	% of TFR	Performance rights granted	Allocation	# of performance rights
Mr Michael Knaap (CEO)	100%	EPS TSR	70% 30%	362,203 155,230
Mr Malik Jainudeen (CFO)	55%	EPS TSR	70% 30%	119,527 51,226
Mr Hamish Hamilton (COO)	55%	EPS TSR	70% 30%	119,527 51,226

The performance periods and vesting schedules for the FY24 performance rights are set out in the following table:

<b>Performance measure</b>	Earnings per share
<b>Performance period</b>	1 July 2023 to 30 June 2026
<b>Performance</b>	<b>% of rights that will vest</b>
Less than 10% per annum	0%
10% per annum	20%
Between 10% to 12% per annum	20% - 100% pro rata
Greater than 12% per annum	100%

<b>Performance measure</b>	Relative TSR
<b>Performance period</b>	11 days after FY23 results announcement to 11 days after FY26 results announcement
<b>Performance</b>	<b>% of rights that will vest</b>
Less than Index return	0%
Equal to index return	20%
Between Index return and Index return +5%	20% - 100% pro rata
Equal to or greater than Index return +5%	100%

The graduated vesting scale in the LTI plan was designed to minimise the likelihood of excessive risk taking as a performance threshold is approached. The Board believes this vesting framework strengthens the performance link over the long-term and accordingly encourages Executives to focus on long term performance. The Board also acknowledges that the value of certain strategic initiatives may take several years to deliver.

Further terms and conditions of the LTI plan are as follows:

- The invitations issued to eligible persons will include information such as award conditions and, upon acceptance of an invitation, the Board will grant awards in the name of the eligible person. Awards may not be transferred, assigned or otherwise dealt with except with the approval of the Board.
- Awards will only vest where the conditions advised to the participant by the Board have been satisfied. An unvested award will lapse in a number of circumstances, including where conditions are not satisfied within the relevant time period, or in the opinion of the Board, a participant has committed an act of fraud or misconduct or gross dereliction of duty. If a participant's engagement with the Company (or one of its subsidiaries) terminates before an award has vested, the Board may determine the extent to which the unvested awards that have not lapsed will become vested awards or, if the award offer does not so provide and the Board does not decide otherwise, the unvested awards will automatically lapse.
- Awards are subject to malus and clawback conditions whereby the Board may, in its discretion, and subject to applicable laws, determine the performance rights or shares already allocated following the vesting or exercise of a performance right are forfeited, recovered or the conditions modified. The Board's decision in regard to unfair benefits obtained by the participant is final and binding.
- Where there is a takeover bid or a scheme of arrangement proposed in relation to the Company, the Board may determine that the participant's unvested awards will become vested awards. In such circumstances, the Board shall promptly notify each participant in writing that the awards have become vested awards, or that he or she may, within the time period specified in the notice and where applicable in accordance with the class or category of award, exercise such vested awards. A participant is not entitled to participate, in their capacity as holder of awards, in any new issue of shares in the Company, nor in any return of capital, buyback or other distribution or payment to shareholders, unless the Board determines otherwise. In the event of a bonus issue or rights issue, the rights of the award will be altered in a manner (if any) determined by the Board, consistent with the ASX Listing Rules.
- In the event of any reorganisation of the issued ordinary capital of the Company before the exercise of an award, the number of shares attached to each award will be reorganised in the manner specified in the LTI plan and in accordance with the ASX Listing Rules or, if the manner is not specified, the Board will determine the reorganisation. In any event, the reorganisation will not result in any additional benefits being conferred on participants which are not conferred on shareholders of the Company.
- Participants who hold an award issued pursuant to the LTI plan have no rights to vote under the LTI award at meetings of the Company until that award has vested (and is exercised, if applicable) and the participant is the holder of a valid share in the Company. Shares acquired upon vesting of the award will, upon issue, rank equally in all respects with other shares.
- No award or share may be offered under the LTI plan if to do so would contravene the Corporations Act, the ASX Listing Rules or instruments of relief issued by ASIC from time to time.

#### 4.0 Executive and Non-Executive Remuneration

##### 4.1 KMP Remuneration

Key Management Personnel	Fixed Pay	STI	LTI	At Risk
Mr. Michael Knaap	37.7%	24.5%	37.8%	62.3%
Mr. Malik Jainudeen	50.0%	22.5%	27.5%	50.0%
Mr. Hamish Hamilton	50.0%	22.5%	27.5%	50.0%
Dr. Richard Henshaw	100.0%	-	-	-

KMP	Component	Commentary
Mr. Michael Knaap – Chief Executive Officer & Managing Director	TFR	1 July 2023 to 30 June 2024 - \$630,515 per annum
	STI	The CEO has the opportunity to earn an annual incentive of 65% of total fixed remuneration based on meeting certain defined criteria. The FY24 STI criteria were subject to both financial (70%) and non-financial (30%) outcomes. STI is only applicable if the clinical pregnancy rate is at or above the ANZARD mean.
	LTI (performance rights)	517,433 performance rights were granted in FY24 which is equivalent to 100% of TFR. These rights vest at the end of the 3-year performance period subject to meeting certain EPS and TSR outcomes.
	Notice period	6 months
	Term of Agreement	No Fixed Term

KMP	Component	Commentary
Dr. Richard Henshaw - Executive Director	TFR	1 July 2023 to 30 June 2024 - \$365,131 per annum Dr. Henshaw was the only doctor during 2024 who served as a Director. He was paid a salary for his clinician duties and medical leadership.
	STI	Not eligible for a STI payment
	LTI (performance rights)	Not eligible for a LTI offer
	Notice period	6 months
	Term of Agreement	No Fixed Term

KMP	Component	Commentary
Mr. Malik Jainudeen - Chief Financial Officer & Company Secretary	TFR	1 July 2023 to 30 June 2024 - \$378,309 per annum
	STI	The CFO has the opportunity to earn an annual incentive of 45% of total fixed remuneration based on meeting certain defined criteria. The FY24 STI criteria were subject to both financial (70%) and non-financial (30%) outcomes. STI is only applicable if the clinical pregnancy rate is at or above the ANZARD mean.
	LTI (performance rights)	170,753 performance rights were granted in FY24 which is equivalent to 55% of TFR. These rights vest at the end of the 3-year performance period subject to meeting certain EPS and TSR outcomes.
	Notice period	3 months
	Term of Agreement	No Fixed Term

KMP	Component	Commentary
Mr. Hamish Hamilton - Chief Operating Officer	TFR	1 July 2023 to 30 June 2024 - \$378,309 per annum
	STI	The COO has the opportunity to earn an annual incentive of 45% of total fixed remuneration based on meeting certain defined criteria. The FY24 STI criteria were subject to both financial (70%) and non-financial (30%) outcomes. STI is only applicable if the clinical pregnancy rate is at or above the ANZARD mean.
	LTI (performance rights)	170,753 performance rights were granted in FY2024 which is equivalent to 55% of TFR. These rights vest at the end of the 3-year performance period subject to meeting certain EPS and TSR outcomes.
	Notice period	3 months
	Term of Agreement	No Fixed Term

#### 4.2 Non-Executive Director (NED) Remuneration policy

Under the Constitution, the Directors decide the total amount paid to all Directors as remuneration for their services as Directors. However, under the ASX Listing Rules, the total amount paid to all Directors for their services must not exceed in aggregate in any financial year, the amount fixed by the Company in a general meeting. This amount has been fixed by the Company at \$950,000. For the 2024 financial year, the fees payable to the current NEDs are \$678,290 in aggregate reflecting a \$73,146 increase compared to 2023.

Role	2024 \$	2023 \$
<b>Fees</b>		
Chair	165,000	150,469
Other Non-Executive Directors	98,306	93,625
<b>Additional Fees</b>		
Audit and Risk Committee – Chair	18,724	17,833
Audit and Risk Committee – Member	9,347	8,902
Remuneration and Nomination Committee – Chair	18,724	17,833
Remuneration and Nomination Committee – Member	9,347	8,902

At the 28 November 2023 AGM, 92.8% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2023. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

## 5.0 Details of remuneration for Key Management Personnel

### 5.1 Key Management Personnel (KMP)

KMP have authority and responsibility for planning, directing, and controlling the activities of the Group, directly or indirectly, including directors of the Company and other Executives. KMP comprise the directors of the Company and the senior Executives for the Group named in this report.

Name	Position	Period covered under this Report
<b>Non-Executive Directors</b>		
Mr Richard Davis	Non-Executive Chair	Full Financial Year
Mr Josef Czyzewski	Non-Executive Director	Full Financial Year
Ms Catherine West	Non-Executive Director	Full Financial Year
Ms Zita Peach	Non-Executive Director	Full Financial Year
Mr Neil Broekhuizen	Non-Executive Director	Full Financial Year
Ms Catherine Aston	Non-Executive Director	26 February 2024 - 30 June 2024
<b>Executive Directors</b>		
Dr Richard Henshaw	Executive Director	Full Financial Year
Mr Michael Knaap	Chief Executive Officer & Managing Director	Full Financial Year
<b>Other KMP</b>		
Mr Malik Jainudeen	Chief Financial Officer & Company Secretary	Full Financial Year
Mr Hamish Hamilton	Chief Operations Officer	Full Financial Year

Details of the remuneration of key management personnel of the Group are set out in the following tables. The other benefit and other long-term benefits relate to movements in annual leave and long service leave provisions.

	Short-term employee benefits			Post-employment benefits			Share-based payments	Total
	Salary and fees	STI Cash incentive	Other benefit	Super-annuation	Other long-term benefits	Termination benefits	Rights	
<b>2024</b>	\$	\$	\$	\$	\$	\$	\$	\$
<b>Non-Executive Directors:</b>								
Mr Richard Davis	165,490	-	-	18,204	-	-	-	183,694
Mr Josef Czyzewski	113,852	-	-	12,523	-	-	-	126,375
Ms Catherine West	96,985	-	-	10,668	-	-	-	107,653
Ms Zita Peach	105,432	-	-	11,598	-	-	-	117,030
Mr Neil Broekhuizen	96,985	-	-	10,669	-	-	-	107,654
Ms Catherine Aston	32,328	-	-	3,556	-	-	-	35,884
<b>Executive Directors:</b>								
Dr Richard Henshaw	336,258	-	25,134	28,873	3,634	-	-	393,899
Mr Michael Knaap	601,307	372,794	2,155	27,500	7,681	-	196,079	1,207,516
<b>Other KMP:</b>								
Mr Malik Jainudeen	348,398	154,853	(12,312)	27,500	4,200	-	61,209	583,848
Mr Hamish Hamilton	348,398	160,420	7,683	27,500	3,143	-	61,209	608,353
	<u>2,245,433</u>	<u>688,067</u>	<u>22,660</u>	<u>178,591</u>	<u>18,658</u>	<u>-</u>	<u>318,497</u>	<u>3,471,906</u>

	Short-term employee benefits			Post-employment benefits			Share-based payments	Total
	Salary and fees	STI Cash incentive	Other benefit	Super-annuation	Other long-term benefits	Termination benefits	Rights	
<b>2023</b>	\$	\$	\$	\$	\$	\$	\$	\$
<b>Non-Executive Directors:</b>								
Mr Richard Davis	152,283	-	-	15,990	-	-	-	168,273
Mr Josef Czyzewski	108,923	-	-	11,437	-	-	-	120,360
Ms Catherine West	92,785	-	-	9,742	-	-	-	102,527
Ms Zita Peach	100,866	-	-	10,591	-	-	-	111,457
Mr Neil Broekhuizen	102,527	-	-	-	-	-	-	102,527
<b>Executive Directors:</b>								
Dr Richard Henshaw	318,675	-	32,523	25,292	9,355	-	-	385,845
Mr Michael Knaap	566,810	239,055	(8,118)	27,046	12,633	-	205,628	1,043,054
<b>Other KMP:</b>								
Mr Malik Jainudeen	329,146	99,300	3,717	27,046	7,315	-	56,275	522,799
Mr Hamish Hamilton	329,146	91,975	14,999	27,046	(19,000)	-	56,275	500,441
	<u>2,101,161</u>	<u>430,330</u>	<u>43,121</u>	<u>154,190</u>	<u>10,303</u>	<u>-</u>	<u>318,178</u>	<u>3,057,283</u>

FY23 balances have been restated to include the movements in annual leave and long service leave provisions.

Details of invested performance rights and the movement during the financial year is detailed below:

2024												
Name	Hurdles	Grant date	Testing date	Opening*	Granted	Vested and exercised	Expired/lapsed / forfeited	Vested and unexercised	Closing unvested	Exercisable at 30 June 2024	FV per security	
				Number	Number	Number	Number	Number	Number	Number		\$
<b>Mr Michael Knaap</b>	TSR	16/10/2020	30/08/2023	150,489	-	(150,489)	-	-	-	-	-	\$0.32
	EPS	16/10/2020	30/06/2023	351,140	-	(351,140)	-	-	-	-	-	\$0.61
	TSR	19/11/2021	10/09/2024	139,850	-	-	-	-	139,850	-	-	\$0.49
	EPS	19/11/2021	30/06/2024	326,316	-	-	(326,316)	-	-	-	-	\$0.93
	TSR	23/11/2022	11/09/2025	159,780	-	-	-	-	159,780	-	-	\$0.60
	EPS	23/11/2022	30/06/2025	372,819	-	-	-	-	372,819	-	-	\$1.02
	TSR	28/11/2023	11/09/2026	-	155,230	-	-	-	155,230	-	-	\$0.79
	EPS	28/11/2023	30/06/2026	-	362,203	-	-	-	362,203	-	-	\$1.28
				<u>1,500,394</u>	<u>517,433</u>	<u>(501,629)</u>	<u>(326,316)</u>	<u>-</u>	<u>1,189,882</u>	<u>-</u>	<u>-</u>	
<b>Mr Malik Jainudeen</b>	TSR	16/10/2020	30/08/2023	35,831	-	-	-	(35,831)	-	35,831	-	\$0.32
	EPS	16/10/2020	30/06/2023	83,604	-	-	-	(83,604)	-	83,604	-	\$0.61
	TSR	19/11/2021	10/09/2024	41,955	-	-	-	-	41,955	-	-	\$0.49
	EPS	19/11/2021	30/06/2024	97,895	-	-	(97,895)	-	-	-	-	\$0.93
	TSR	23/11/2022	11/09/2025	47,934	-	-	-	-	47,934	-	-	\$0.60
	EPS	23/11/2022	30/06/2025	111,846	-	-	-	-	111,846	-	-	\$1.02
	TSR	28/11/2023	11/09/2026	-	51,226	-	-	-	51,226	-	-	\$0.79
	EPS	28/11/2023	30/06/2026	-	119,527	-	-	-	119,527	-	-	\$1.28
				<u>419,065</u>	<u>170,753</u>	<u>-</u>	<u>(97,895)</u>	<u>(119,435)</u>	<u>372,488</u>	<u>119,435</u>	<u>-</u>	
<b>Mr Hamish Hamilton</b>	TSR	16/10/2020	30/08/2023	35,831	-	(35,831)	-	-	-	-	-	\$0.32
	EPS	16/10/2020	30/06/2023	83,604	-	(83,604)	-	-	-	-	-	\$0.61
	TSR	19/11/2021	10/09/2024	41,955	-	-	-	-	41,955	-	-	\$0.49
	EPS	19/11/2021	30/06/2024	97,895	-	-	(97,895)	-	-	-	-	\$0.93
	TSR	23/11/2022	11/09/2025	47,934	-	-	-	-	47,934	-	-	\$0.60
	EPS	23/11/2022	30/06/2025	111,846	-	-	-	-	111,846	-	-	\$1.02
	TSR	28/11/2023	11/09/2026	-	51,226	-	-	-	51,226	-	-	\$0.79
	EPS	28/11/2023	30/06/2026	-	119,527	-	-	-	119,527	-	-	\$1.28
				<u>419,065</u>	<u>170,753</u>	<u>(119,435)</u>	<u>(97,895)</u>	<u>-</u>	<u>372,488</u>	<u>-</u>	<u>-</u>	
				<u>2,338,524</u>	<u>858,939</u>	<u>(621,064)</u>	<u>(522,106)</u>	<u>(119,435)</u>	<u>1,934,858</u>	<u>119,435</u>	<u>-</u>	

\* Opening balances include rights that are vested and unexercised, as well as unvested rights.



## 5.2 Analysis of incentives included in remuneration

Details of the vesting profile of the STI cash incentives awarded as remuneration to each director of the Company and other KMP are detailed below:

	2024	2024	2024	2023	2023	2023
	Payable and paid	Payable and paid	Not Payable	Payable and paid	Payable and paid	Not Paid
<b>Executive Directors:</b>						
Mr. Michael Knaap	372,794	90%	10%	239,055	62%	38%
Dr. Richard Henshaw	-	-	-	-	-	-
	<u>372,794</u>			<u>239,055</u>		
<b>Other KMP:</b>						
Mr. Malik Jainudeen	154,853	90%	10%	99,300	62%	38%
Mr. Hamish Hamilton	160,420	94%	6%	91,975	57%	43%
	<u>315,273</u>			<u>191,275</u>		
	<u>688,067</u>			<u>430,330</u>		

## 5.3 Loans to Key Management Personnel

No loans were issued to Key Management Personnel during 2024.

## 5.4 Key Management Personnel Shareholdings

The following details Monash IVF Group ordinary shares held by Directors and KMP as of the date of this Report:

Name	Balance at 1 July 2023 Number	Granted during 2024 Number	Net change Number	Balance at 30 June 2024 Number
<b>Non-Executive Directors:</b>				
Mr Richard Davis	182,067	-	-	182,067
Mr Josef Czyzewski	241,382	-	-	241,382
Ms Catherine West	37,100	-	-	37,100
Ms Zita Peach	92,803	-	-	92,803
Mr Neil Broekhuizen	350,000	-	-	350,000
Ms Catherine Aston	-	-	-	-
	<u>903,352</u>	<u>-</u>	<u>-</u>	<u>903,352</u>
<b>Executive Directors:</b>				
Mr Michael Knaap	150,655	577,325	-	727,980
Dr Richard Henshaw	1,358,842	-	-	1,358,842
	<u>1,509,497</u>	<u>577,325</u>	<u>-</u>	<u>2,086,822</u>
<b>Other KMP:</b>				
Mr Malik Jainudeen	19,231	-	-	19,231
Mr Hamish Hamilton	123,835	137,458	(100,000)	161,293
	<u>143,066</u>	<u>137,458</u>	<u>(100,000)</u>	<u>180,524</u>
	<u>2,555,915</u>	<u>714,783</u>	<u>(100,000)</u>	<u>3,170,698</u>

## 6.0 Link to Group Performance

The revenue and earnings of the Group for the five years to 30 June 2024 are summarised below:

Measure	2024 \$'000	2023 \$'000	2022 \$'000	2021 \$'000	2020 \$'000
Revenue	254,960	213,590	192,294	183,605	145,417
Underlying EBITDA <sup>(3)</sup>	62,806	53,431	48,145	47,749	34,797
Reported EBITDA	13,234	48,461	43,157	51,281	32,833
Underlying NPAT <sup>(3)</sup>	29,851	25,429	22,232	23,418	14,353
Reported NPAT <sup>(2)</sup>	(5,949)	21,966	18,502	25,687	11,726
STI payable	84.0%	49.1%	16.7%	81.1%	24.1%
Total Shareholder Return <sup>(1)</sup>	15.2%	27.0%	21.0%	61.0%	(59.0%)

(1) The Net Profit after Tax, total shareholder return and earnings per share are not comparable for certain years due to the capital structure and discontinued operations.

(2) The 30 June 2021 amounts have been restated due to the IFRS Interpretations Committee decision in relation to accounting for Software as a Service.

(3) Underlying EBITDA and NPAT are non-IFRS measures that are utilised for internal reporting purposes.

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2024	2023	2022	2021	2020
Share price at financial year end (\$)	1.29	1.15	0.94	0.85	0.53
Total dividends declared (cents per share)	5.00	4.40	4.40	4.20	2.10
Basic earnings per share (cents per share)	(1.70)	5.60	4.70	6.50	4.60
Diluted earnings per share (cents per share)	(1.70)	5.60	4.70	6.50	4.60

During the period, Revenue, EBITDA, NPAT, TSR and EPS were key performance measures. EBITDA is a major component of the STI plans for KMP including the CEO, CFO and COO whilst TSR and EPS growth are long term metrics used to measure the CEO, CFO and COO's remuneration via the Executive Long Term Incentive Plan. CEO, CFO and COO remuneration varies with the outcomes of these measures above a required threshold performance level.

***This concludes the remuneration report, which has been audited.***

### Shares under option

There were no unissued ordinary shares of Monash IVF Group Limited under option outstanding at the date of this report.

### Shares issued on the exercise of options

There were no ordinary shares of Monash IVF Group Limited issued on the exercise of options during the year ended 30 June 2024 and up to the date of this report.

### Shares under performance rights

Unissued ordinary shares of Monash IVF Group Limited under performance rights at the date of this report are as follows:

Grant date	Testing date	Exercise price	Number under rights
16/10/2020	30/09/2023	\$0.00	119,435
19/11/2021	30/09/2024	\$0.00	260,376
23/11/2022	30/09/2025	\$0.00	1,066,324
28/11/2023	30/09/2026	\$0.00	1,108,542
			2,554,677

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the Company or of any other body corporate.

### Shares issued on the exercise of performance rights

The following ordinary shares of Monash IVF Group Limited were issued during the year ended 30 June 2024 and up to the date of this report on the exercise of performance rights granted:

Date performance rights granted	Exercise price	Number of shares issued
16/10/2020	\$0.00	100,000
16/10/2020	\$0.00	40,509
16/10/2020	\$0.00	59,820
16/10/2020	\$0.00	32,879
16/10/2020	\$0.00	577,325
16/10/2020	\$0.00	37,458
		847,991

### Indemnity and insurance of officers and auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor, the Directors and executives of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

### Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

### Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 29 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in note 29 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards) issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

### Officers of the Company who are former partners of KPMG

There are no officers of the Company who are former partners of KPMG.

### 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 this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors



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Mr Richard Davis  
Chair



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Mr Michael Knaap  
Chief Executive Officer and Managing Director

22 August 2024  
Melbourne