

Felix™ System Sales Orders Accelerate in Japan

Highlights:

- **Vitrolife places order for six additional Felix™ consoles and 200 Felix™ cartridges to be supplied to six additional Japanese IVF clinics**
- **Total Vitrolife orders in Japan currently stand at 500 cartridges and nine consoles supplied to nine clinics**
- **Vitrolife accelerates marketing the Felix™ system via its substantial distribution network to grow the Felix™ market in Japan**
- **A dataset of results continues to be compiled and be used to position the Felix™ System to receive public health insurance coverage in Japan**
- **Japan is one of the top five addressable markets for Felix™ globally**
- **Felix™ System clinical training is being scheduled to commence with Vitrolife subsidiaries in Canada and New Zealand, where the Company also has distribution agreements in place**

Australian-based reproductive biotechnology company, Memphasys Limited (ASX: MEM), is pleased to announce Vitrolife Japan KK (Vitrolife KK), a subsidiary of Swedish-based Vitrolife Group (Vitrolife AB), has placed an additional order for the Felix™ System (Felix™) under its exclusive agreement to sell and distribute the device in Japan.¹

The order of 200 single-use Felix™ cartridges and six Felix™ consoles will be directed to six target clinics in Japan.

Inclusive of this recent sale, Vitrolife Japan KK is progressively incorporating the Felix™ System into nine of its clinics in the private health sector via a total of 500 Felix™ cartridges and nine Felix™ consoles. These figures exclude sales MEM undertook prior to the Vitrolife distribution agreement.

Since the initial announcement of MEM entering an exclusive distribution agreement with Vitrolife Japan KK in August 2023, clinical interest among Japanese IVF clinics has grown significantly, resulting in the recent expansion in sales volumes and clinics using the device.

The increased sales volume demonstrates Memphasys is successfully progressing the sales onboarding process, with Vitrolife KK clinicians, embryologists and management becoming increasingly familiar with the system. The expansion of Felix™ to additional clinics further increases device awareness, with Vitrolife providing training and managing the distribution of the device to new and existing clinics.

Felix™, MEM's first commercial product, is a premium automated device with single-use cartridges for preparing sperm for human IVF procedures. The device gently separates sperm from a semen sample in six minutes using electrophoresis and size exclusion membranes without causing damage to sperm DNA.

¹ Refer to ASX announcement dated 7th August 2023

Feedback from Japanese clinicians and Embryologists indicate the Felix™ System has been well received. A dataset of results is in the process of being compiled, which is expected to position the Felix™ System to receive Japanese public health insurance coverage. This will significantly expand the attractiveness of the device to a broader number of clinics in Japan.

Vitrolife will continue marketing to further groups of client clinics and rollout the Felix™ System to other clients. Data from these clinics will continue to be used by Vitrolife as points of reference for other clinics to build further endorsement of Felix™ throughout the Japanese market.

Japanese market update

In 2022, IVF was included into Japan's national insurance system. Currently Memphasys is unable to provide Felix™ for use under the national insurance system, however, it can sell freely to clinics offering private services, which are the initial targets.

There are approximately 600 IVF clinics in Japan. A small number operate exclusively with insured patients whilst the majority cater to both the insured and uninsured. Whilst approximately 80% of IVF treatments are inside the insurance system, an estimated 20% are for uninsured privately funded services, for example for aged patients, patients who are otherwise not eligible for insurance or for some specific treatments that are not covered by insurance.

MEM and Vitrolife are expediting plans to explore the best avenue for participating clinics to obtain full insurance reimbursement for using Felix™. Once in place, these plans will further enhance the Felix™ presence in the Japanese market.

Vitrolife Canada and New Zealand

In January 2024, Memphasys announced exclusive five-year distribution agreements with Vitrolife subsidiaries in the Canadian and New Zealand markets on similar terms to the Company's agreement with Vitrolife Japan KK².

These markets present a strong opportunity for early commercial access to build the Felix™ brand and access key opinion leaders to legitimise the product in their landscape.

Following these agreements, training for the System has commenced in both markets representing the initial steps of the sales onboarding process.

Memphasys Acting CEO and Managing Director Dr David Ali said:

"This order for six additional consoles and 200 cartridges in the Japanese market is further evidence that our partnership with Vitrolife is continuing to build our sales pipeline. Importantly the feedback from Japanese clinicians and scientists who have already utilised Felix™ has been very encouraging.

I firmly believe MEM, in collaboration with Vitrolife, is on the path for Felix™ to receive public health insurance coverage in Japan which will significantly bolster our sales pipeline into this key market.

I am also pleased to see developments with Vitrolife's subsidiaries in Canada and New Zealand and look forward to progressing the onboarding process prior to receiving first orders."

² See ASX Announcement dated 2 January 2024



Vitrolife Group (Vitrolife AB) is a publicly listed company on the NASDAQ Stockholm exchange, which offers substantial access to many clinics, globally. Vitrolife is a world-leading global provider of medical devices, consumables and genetic testing services dedicated to the human IVF and reproductive health market. Founded in 1994, the company employs approximately 1,100 people across 33 countries and its products and services are available in more than 125 countries. It has manufacturing sites in Sweden, Denmark and the USA and a direct presence in 25 countries.

This announcement has been approved for release by the board of Memphasys Limited.

ENDS

For further information, please contact:

Dr David Ali
Acting Managing Director / Chief Executive Officer
Memphasys Limited
Tel: +61 2 8415 7300
E: david.ali@memphasys.com

David Tasker
Managing Director
Chapter One Advisors
Tel: +61 433 112 936
E: dtasker@chapteroneadvisors.com.au

About Memphasys

Memphasys Limited (ASX: MEM) specialises in reproductive biotechnology for high value commercial applications. Reproductive biotechnology products in development include medical devices, *in vitro* diagnostics, and new proprietary media. The Company's patented bio-separation technology, utilised by the Company's most advanced product, the Felix™ System device, combines electrophoresis with proprietary size exclusion membranes to separate the most viable sperm cells for human artificial reproduction.

Website: www.memphasys.com

The Felix™ System is a registered trademark of Memphasys Limited. All rights reserved.