

Memphasys Signs Letter of Intent with Heranova™ for Felix™ System Distribution in Greater China

Memphasys Limited (ASX: MEM) ("Memphasys" or "the Company") is pleased to announce it has signed a Letter of Intent (LOI) with Heranova Lifesciences HK Limited ("Heranova"), a Hong Kong based biotech company specialising in women's health. The LOI sets the foundation for launching and distributing Memphasys' Felix™ System in the Greater China area ("the Territory").

Heranova, founded in 2022, is a cutting-edge biotechnology company dedicated to delivering diagnostics and treatments for women's health, with a particular focus on endometriosis and female fertility. Heranova has extensive experience in launching and distributing medical devices in the Territory and is committed to addressing unmet healthcare needs in women's health.

The Felix™ System, Memphasys' proprietary sperm separation technology for assisted reproductive treatments, is currently undergoing clinical trials in collaboration with Monash IVF Group Ltd across nine active sites in Australia. Recruitment for the trial has reached 95% of the target, with completion expected by year-end, subject to finalising the last few participants. The trial aims to validate the Felix™ System's superiority in sperm selection compared to traditional methods, providing crucial data for CE mark application and driving market acceptance among fertility clinics.

Agreement Overview

Heranova will carry out an initial clinical assessment by a nominated IVF clinic in China to confirm that the Felix™ System is acceptable for clinical use and pave the way for the execution of an exclusive distribution agreement with the option of licencing and manufacturing the Felix™ System in the Territory. Under the licencing agreement Heranova will also finance clinical trials and applications for NMPA Registration in the Territory. Commercial aspects will include an upfront fee and royalties payable to Memphasys yet to be determined.

China's IVF Market

As of 2023, China's IVF market was valued at approximately USD 5.37 billion and is projected to reach around USD 9.04 billion by 2030, growing at a compound annual growth rate (CAGR) of 7.7%.¹

This growth is driven by factors such as delayed motherhood, increased infertility rates, and advancements in reproductive technologies.

Australia's IVF Market

In comparison, Australia's fertility services market generated approximately USD 709 million in 2018 and is projected to reach USD 1.02 billion by 2026, with a CAGR of 4.6%.²

¹ <https://www.renub.com/china-in-vitro-fertilization-market-p.php>

² <https://www.alliedmarketresearch.com/australia-and-new-zealand-fertility-services-market?>

Global IVF Market

Globally, the IVF market was valued at USD 25.3 billion in 2023 and is expected to grow at a CAGR of 5.54% from 2024 to 2030.³

The Asia-Pacific region holds the largest share, accounting for 36.3% of the global market in 2023, with China being a significant contributor.⁴

Commenting on the agreement, Dr. David Ali, Managing Director of Memphasys, said:

"This collaboration with Heranova represents a significant milestone for Memphasys, as we expand the Felix™ System's footprint into one of the largest and most dynamic markets for assisted reproductive treatments. Heranova's expertise and established network in China and Hong Kong make them an ideal partner to realise the full potential of the Felix™ System in the region. This letter of intent not only paves the way for our ongoing commercial relationship with Heranova but also lays a solid foundation to move forward with the registration process in China. "

Dr. Frank Zhang, MD, VP of Medical of Heranova, said:

"We are thrilled to partner with Memphasys to bring the innovative Felix™ System to the Greater China market. With its cutting-edge sperm selection capabilities, the Felix™ System aligns perfectly with Heranova's mission to provide integrated care solutions for women's health and improve Assisted Reproduction Technologies that will help patients building families. Together, we aim to set new standards in reproductive healthcare."

Advancing Global Commercialisation

The partnership with Heranova reinforces Memphasys' strategy to leverage strong partnerships for global commercialisation of the Felix™ System. Positive clinical trial results are expected to drive further engagement with distributors, strategic partners, and investors, enabling Memphasys to expand its commercial reach and support broader growth opportunities.

This announcement has been authorised for release by the Board of Memphasys Limited.

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About Memphasys

³ <https://www.grandviewresearch.com/industry-analysis/in-vitro-fertilization-market>

⁴ <https://www.marketsandmarkets.com/Market-Reports/in-vitro-fertilization-market-89198891.html>

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, combines electrophoresis with proprietary size exclusion membranes to separate the most viable sperm cells for human artificial reproduction.

Website: www.memphasys.com

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