

ASX Release  
16 February 2015

## **RHS enters into Israeli, Palestinian and southern African markets with two new distributor agreements**

### **Highlights**

- Distributor agreements signed with Israeli and South African-based distributors for distribution in Israel, the Palestinian Authority and southern African countries.

**Adelaide, 16 February, 2015:** Reproductive Health Science Limited (ASX:RHS) ("RHS" or the "Company") is pleased to advise it has signed 3-year exclusive distribution agreements with distributors based in Israel and South Africa, for the sale of its lead product *EmbryoCollect™*.

*EmbryoCollect™* is a pre-implantation genetic screening (PGS) kit designed to increase the chance of a successful IVF cycle.

#### Israel and the Palestinian Authority

RHS has signed a distribution agreement with Al-Rad Medical for the sale of *EmbryoCollect™* in Israel and the Palestinian Authority. Al-Rad Medical is located near Tel Aviv and supplies all 25 Israeli IVF laboratories with media, equipment and devices from leading manufacturers worldwide. Al-Rad are already in discussions with potential *EmbryoCollect™* customers and will also promote the product on their website and at IVF conferences.

Annually, approximately 32,000 cycles of IVF are undertaken in Israel. The Israeli Government provides free, unlimited IVF procedures for women up to the age of 45 for up to two babies. This policy has made Israel the biggest user of IVF per capita in the world. In Israel, four percent of children are IVF babies, compared to approximately 1 percent in the USA.

#### Southern Africa:

RHS has also signed a 3-year exclusive distribution agreement with Delfran Pharmaceuticals for the sale of *EmbryoCollect™* in the South African Development Community (SADC) countries, which include Angola, Botswana, Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, United Republic of Tanzania, Zambia and Zimbabwe.

Delfran Pharmaceuticals is a family owned business based in Centurion, near Johannesburg, focussed on distributing products for the fertility and female health care markets. Delfran will use their strong connections into the local IVF clinics to market *EmbryoCollect™*.

The South African Register of Assisted Reproductive Techniques (SARA) Committee reports that in 2011 there were more than 5,600 IVF cycles conducted by the 14 participating South African IVF clinics, representing an almost 15% increase from 2010. SARA estimates the need for assisted reproductive technologies (ART) treatment in South Africa at approximately 75,000 cycles annually. With only 7.3% of this need being met in 2011, this demonstrates significant market growth potential.

### **EmbryoCollect™ sales model:**

RHS is in the process of establishing a network of international distributors with established sales channels into the IVF market. RHS will sell *EmbryoCollect™* directly to customers in Australia and other regions where distributors are not engaged.

### **Commentary on market trends**

The international IVF rate varies from country to country but has been estimated to continue to grow at 10% per annum through to 2020. The rate of increase will vary between jurisdictions with the newer entrants having the greater growth potential.

Country	IVF cycles per year	Population (millions)	IVF cycles per million people
<b>Turkey</b>	45,000	76	587
<b>India</b>	80,000	1,265	63
<b>Indonesia</b>	3,500	252	14
<b>South Africa</b>	5,500	54	102
<b>Israel</b>	32,000	8	3,902
<b>Australia</b>	62,000	23	2,605
<b>China</b>	250,000	1,361	184
<b>USA</b>	163,000	320	509

The rate of PGS in these IVF cycles will also vary and will be dependant on the local regulations and advice of clinicians to their individual patients. It has been estimated that PGS was used on 3% of IVF cycles globally in 2013, up from 2% in 2012. RHS has assumed an uptake rate of PGS per IVF cycle as being around 20% by 2020

### **For further information please contact:**

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### **About Reproductive Health Science**

Reproductive Health Science is an advanced biotech company that has successfully developed a test to assess embryos for chromosomal abnormalities prior to implantation as part of an In-Vitro Fertilisation (IVF) cycle. The two component system has an immediate application to improve the success rate of IVF. The Company's lead product *EmbryoCollect™* is aimed at improving health and research outcomes through the application of its frontier technologies with the initial primary focus of improving IVF success. Launched in 2014, *EmbryoCollect™* contains reagents for 20 tests at a list price of AUD\$3,600 per kit. RHS's assumption for business modelling purposes, based on IVF industry experience, is that there are 4 embryos per IVF cycle.

**Reproductive Health Science Ltd.**  
ACN 010 126 708  
ASX: RHS

**Issued Capital**  
51.13 million shares  
5.88 million options

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