MEMPHASYS
REPRODUCTIVE BIOTECHNOLOGY

ASX Release
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Memphasys receives A$3.5 million from Peters Investments to meet Felix™ demand and accelerate global sales

Highlights

- **Peters Investments Pty Ltd, a long term major shareholder, has executed a convertible note subscription agreement and advanced A$3.5 million to build the team and inventory needed to serve growing Felix™ demand.**
- **Felix™ has generated repeat orders from partners and clinics in Italy, the UK and MENA.[1] Memphasys reports more than A$5.1 million in minimum contracted sales across at least 31 countries.**
- **The funding is available now to expand commercial and manufacturing capability. The advance is an interest bearing loan pending approval to issue the convertible notes; the key terms, including potential conversion, appear in the Appendix.**
- **Memphasys proposes a one for ten share consolidation, subject to shareholder approval. It is also considering an unmarketable parcel sale facility to simplify the shareholder register; the terms and shareholder election process will be announced if the facility proceeds.**
- **Melissa Peters, Managing Director of Peters Investments, joins the Board as a Non Executive Director with immediate effect.**

Memphasys Limited (ASX: MEM) (Memphasys or the Company) is pleased to announce that it has executed a convertible note subscription agreement with Peters Investments Pty Ltd (Peters Investments) and will receive its A$3.5 million advance on 2 October 2026. Peters Investments is a long-term major shareholder and existing noteholder.

With Felix™ now generating repeat orders, the funding will enable Memphasys to strengthen its European commercial team, build product inventory, expand sales with existing customers and pursue its identified commercial pipeline. It will also fund the Company's FDA regulatory strategy, which is strategically important but is not expected to represent a significant drain on cash or resources. The key funding terms are in the Appendix.

Until the required approvals are obtained, the advance is an interest bearing loan. Once issued, the unsecured notes may convert initially at A$0.004 per share (0.4 cents), subject to the price reset and consolidation adjustments in the Appendix. If approval is not obtained, Memphasys must repay the loan and accrued interest within 20 business days after the shareholder meeting.

Funding demand and accelerating repeat sales

Commercial partners and IVF clinics are using Felix™ and placing repeat orders. The funding gives Memphasys the capacity to serve those customers, support additional clinic use and bring product to more markets. It also gives the commercial team the resources to pursue an identified pipeline built on the Company's expanded regulatory and distribution reach.

Funding the next stage of commercial execution

Memphasys plans to invest the funding in three connected priorities to meet existing demand and expand sales:

- **Commercial capability:** expand the commercial team and in-market support to drive repeat sales from existing partners and clinics, onboard and train new clinics, and pursue identified sales opportunities, with a particular focus on the strategically important European market, where the Company has experienced strong organic growth to date.

- **Manufacturing capability:** expand production capacity and build cartridge and console inventory to fulfil current orders and support expected demand from repeat purchases and new customers.
- **Market expansion:** strengthen sales coverage in current territories, progress identified opportunities in Europe and Asia, and continue the ringfenced assessment of a potential US regulatory pathway, subject to FDA feedback.[1]

Commercial progress over the past year

Over the past year, Memphasys has moved from regulatory and distribution access to initial sales and clinic use. Felix™ received CE Mark certification in December 2025, Australian TGA inclusion in February 2026 and UK MHRA registration. Monash IVF Group signed a national supply agreement, starting with two clinics in its 22 clinic Australian network. In the Middle East, ITL ordered another 1,000 cartridges in May and another 300 in September, bringing orders to 2,100 in the first contract year.[1]

Revenue reached A$150,000 in the June 2026 quarter, up 34% on March, while minimum contracted sales stood at approximately A$3.0 million at 30 June.[2] Since then, registration in Vietnam triggered a 600 cartridge order; Thai approval activated an order for 100 cartridges and three consoles; and registration in Türkiye enabled an initial sale of 100 cartridges and two consoles. Memphasys also signed Nordic and Central European commercial partner agreements and reported additional repeat orders in Italy, the UK and MENA on 25 September.[1]

Memphasys now reports reach across at least 31 countries and more than A$5.1 million in publicly announced minimum contracted sales.[3] With funding in hand, the Company can invest in the people and inventory required to supply existing customers and convert more of its identified pipeline into orders.

The funding will also support a ringfenced FDA regulatory program which, while not expected to be a significant drain on cash or resources, is strategically critical to the Company's longer-term growth. Based on the regulatory pathway identified to date, the Company is confident in its prospects for regulatory success. Pipeline opportunities remain subject to customer decisions, clinic adoption and reliable supply and are not contracted sales.

Capital structure and Board

Memphasys will seek shareholder approval at its Annual General Meeting (AGM) for a one for ten consolidation. If approved, every ten existing shares will become one, subject to fractional entitlements, reducing the existing share count by about 90%. Each holder's proportionate interest will remain the same before any other share issue. The conversion prices and potential entitlements under the existing and new Peters notes will adjust under the ASX Listing Rules so noteholders receive no benefit unavailable to ordinary shareholders. The consolidation does not change the economic dilution if the notes convert. The notice of meeting will set out the resolutions, timetable and treatment of securities.

Illustrative share count using the 3.095 billion ordinary shares disclosed in the September 2026 investor presentation, and assuming conversion of A$4.2 million of existing Peters note principal at A$0.0024 and A$3.5 million of new note principal at A$0.004.

Ordinary shares or potential shares	Before 10:1	After 10:1
Existing ordinary shares	3,095.0m	309.5m
Existing Peters note principal, if fully converted	1,750.0m	175.0m
New Peters note principal, if fully converted	875.0m	87.5m
Total assuming both principal amounts convert	5,720.0m	572.0m

Illustration only. The above table excludes approximately 779 million unlisted options currently on issue, interest, any conversion price reset, later securities issues and fractional adjustments. Conversion is at Peters Investments' election, subject to approvals and applicable law. Indicative conversion prices after a 10:1 consolidation would be A$0.024 and A$0.04 respectively.

Memphasys Executive Chairman David Tasker said:

"We have reached the point where partners and clinics are placing repeat orders for Felix™. Peters Investments has backed Memphasys for the long term, and its A$3.5 million advance gives us the ability to build the team and inventory to serve those customers and pursue a wider sales pipeline. Over the past year we have gained regulatory access, signed distribution and supply agreements, and started to see repeat demand. This funding can help us turn that progress into a larger, more consistent commercial business. The proposed consolidation will also give us a simpler share structure as we enter this next stage."

Memphasys is also considering an unmarketable parcel sale facility after the proposed consolidation to simplify its shareholder register. If it proceeds, eligible holders will receive a separate notice setting out the eligibility criteria, pricing method, a period of at least six weeks to elect to retain their shares, and the timetable.

Melissa Peters, Non Executive Director.

Ms Peters has been appointed to the Board with immediate effect as a non-independent Non-Executive Director. She is Managing Director of Peters Investments, a long term major shareholder, existing noteholder and counterparty to the new funding. Ms Peters brings more than 30 years of experience in marketing, customer engagement and business operations. Her roles have included responsibility for brand strategy, communications, customer relationship management systems and customer service training. She has also been a Non Executive Director of The Agency Group Australia Limited (ASX: AU1) since May 2026.

Melissa Peters, said:

"Peters Investments is a long-term major shareholder of Memphasys, and our further investment reflects our strong confidence in the Company's direction. We believe the current leadership has brought Memphasys to an important commercial inflection point, with Felix™ gaining international traction and generating repeat orders. We are committed for the long term, and I look forward to bringing my experience and perspective to the Board as we help the Company capitalise on the significant opportunity ahead."

Next steps

Memphasys will convene a separate shareholder meeting (EGM) to seek approval under item 7 of section 611 of the Corporations Act for Peters Investments' potential interest in shares on conversion of the new and existing notes. Issue of the new notes is also subject to any ASX approval or confirmation required under Listing Rule 6.1. Shareholders will also be asked to approve the proposed consolidation at the AGM.

Indicative timetable

Milestone	Indicative date
Notice of meeting for AGM dispatched and lodged with ASX	October 2026
Notice of meeting for EGM for Convertible Note approvals dispatched and lodged with ASX	November 2026
Date of AGM	25 November 2026
Date of EGM: Convertible Note approvals	December 2026
Issue of convertible notes, subject to required approvals	December 2026
Consolidation effective; record date and revised holding statements	To be confirmed
Unmarketable parcel sale facility, if implemented: notice, at least six weeks to elect to retain shares, and completion	To be confirmed

Dates will be confirmed in the notice of meeting and ASX notifications. The consolidation requires shareholder approval. Details of any unmarketable parcel sale facility will be announced if the Company decides to proceed.

Outlook

Memphasys continues to advance discussions with potential partners and clinics across multiple markets and remains confident that its growing commercial pipeline will deliver further agreements and orders. In parallel, the Company is progressing its strategically important FDA regulatory pathway for Felix™ into the US market. Memphasys looks forward to updating shareholders as these commercial and regulatory opportunities progress and material milestones are achieved.

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

ENDS

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About Memphasys

Memphasys Limited (ASX: MEM) is an Australian reproductive biotechnology company commercialising the Felix™ System, a patented sperm preparation technology using a single use cartridge in assisted reproduction.

Website: www.memphasys.com

Forward Looking Statements

Statements about expenditure, manufacturing, market development, US regulatory work, clinic adoption, sales pipeline, future orders, consolidation and any unmarketable parcel sale facility are forward looking and subject to approvals and commercial risks. Actual results may differ materially. Contracted minimums, pipeline opportunities, orders, revenue and cash receipts are distinct measures.

References

[1] Memphasys ASX releases dated 29 December 2025; 9 February, 27 May, 16 June, 25 June, 16 July, 20 August, 28 August, 1 September, 3 September, 18 September and 25 September 2026.

[2] June 2026 Quarterly Activities Report, 16 July 2026.

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Appendix - Material terms of the Peters Investments funding

Investor and amount. Memphasys and Peters Investments executed a convertible note subscription agreement for A$3.5 million. Subject to approval, Memphasys will issue 3,500,000 unsecured, unquoted notes with a face value of A$1 each.

Timing and interim loan. The A$3.5 million will be received on 2 October 2026 and is an interest bearing loan until the notes are issued. Interest is 12.5% per year, compounded monthly and capitalised. Peters Investments can require outstanding loan interest to be paid in cash on 30 days' notice.

Conditions. The notes cannot be issued until shareholders approve Peters Investments' potential interest in shares on conversion of the new and existing notes under item 7 of section 611 of the Corporations Act, and any ASX approval or confirmation required under Listing Rule 6.1 is obtained. These conditions must be met within 90 days of execution unless the parties extend the deadline. If shareholder approval is not obtained, Memphasys must repay the loan and interest within 20 business days after the meeting; interest continues until repayment.

Maturity and interest. The notes mature two years after the A$3.5 million advance unless extended by agreement. Interest is 12.5% per year, compounded monthly and capitalised. Peters Investments can require accrued interest to be paid in cash on 30 days' notice.

Conversion. Peters Investments may elect to convert before or at maturity, subject to approvals and takeover law. The price is A$0.004 per share, or 80% of the lowest price in any equity raising completed below A$0.004 after note issue and before conversion. Accrued unpaid interest is included in the converted amount. Conversion terms adjust for a capital reorganisation/conversion under the ASX Listing Rules.

Redemption and default. If the notes are not converted by maturity, Memphasys must repay their principal and accrued interest. Early repayment requires Peters Investments' written consent. If an event of default continues, Peters Investments may demand immediate repayment of the loan or redemption of notes at face value plus accrued interest.

Security and borrowing restrictions. The notes are unsecured and rank equally with the Company's other unsecured, unsubordinated payment obligations, except those given priority by law. Until the loan is repaid or the notes are converted or redeemed, Peters Investments' written consent is required for new borrowings or security interests, subject to the agreement's exceptions, including ordinary course arm's length trade credit.

Change of control. On a change of control, Peters Investments may elect to convert, require repayment of principal and interest by completion, or keep the notes on their existing terms. If it makes no election, the notes remain outstanding.