

Exclusive agreement with leading Australian distributor to accelerate adoption of HeraCARE

- Distribution agreement signed with leading Australian medical devices and healthcare technology supplier Advanced Pregnancy Solutions (APS) to distribute and build exposure for HeraCARE in Australia
- Agreement accelerate roll out and commercialisation of HeraCARE;
- APS to focus on building HMD's relationships with top-tier healthcare providers to secure pilots and underpin future commercial licencing agreements;
- COVID-19 pandemic has resulted in increasing adoption globally of innovative telehealth and monitoring solutions for patients at home representing significant opportunity for HeraMED.

HeraMED Limited (ASX:HMD) ("HeraMED" or the "Company"), a medical data and technology company leading the digital transformation of maternity care with its proprietary in-home maternity care platform, is pleased to announce it has signed an exclusive distribution agreement with Advanced Pregnancy Solutions Pty Ltd ("APS"), a wholly owned subsidiary of leading Australian medical distributor, MedTech Edge Pty Ltd, incorporated to exclusively focus on supporting and expediting the commercialisation of HMD's proprietary hybrid maternity care platform, HeraCARE.

HeraCARE is HMD's fully integrated in-home holistic pregnancy management solution specifically designed to improve prenatal and postnatal care by empowering expectant mothers and their support system to become engaged in a collaborative process focused on managing the medical, social and mental aspects of maternity care. As announced on the 2nd March 2020, HeraCARE has now completed all beta stage testing and is fully functional and poised to commence pilot projects.

The HeraCARE service is offered through health care providers, insurers and employers to their pregnant audience to achieve the triple aim:

- Cost reduction
- Better medical outcomes
- Increased user (Professionals and expecting mothers) satisfaction.

Led by David Zarfaty, MedTech Edge and APS are made up of highly experienced and well-connected teams of healthcare sales professionals that are focused on driving innovation in the healthcare sector by distributing cutting-edge medical solutions in Australia and New Zealand.

Under the terms of the agreement, APS will leverage its and MedTech Edge's extensive network of industry contacts to establish relationships with a broad network of top-tier medical institutions and healthcare pioneers to amplify HeraCARE's exposure as an innovative telehealth solution and secure pilot projects ahead of signing commercial agreements.

The key terms of the agreement are:

- An initial two (2) year term;
- Exclusive distributor for Australia and New Zealand for HMD's medical device used for home pregnancy monitoring (**Device**) and its associated proprietary hybrid maternity care platform, HeraCARE (**HeraCare**);
- HeraMED will pay to APS:
 - Marketing and setup fee of A\$11,500 + gst; and
 - Monthly business development, consulting and management fee of A\$3,850 + gst for 6 months to support the promotion of HeraCARE;
- HeraMED and APS will no later than four months from the execution of this agreement, jointly develop and agree on a business model based on monthly subscription. Such business model will be based on a revenue sharing between HeraMED and APS. Certain annual minimum targets relating to the Device and HeraCARE have been set by the parties;

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- Either party may terminate the agreement by providing not less than 60 days' notice or for breach or for insolvency; and
- In the event that APS has not reached the applicable minimum annual requirements for the year, HeraMED may convert this agreement to a non-exclusive agreement by 30 day's written notice to APS.

APS will also be responsible for guaranteeing HeraCARE is prepared for its full commercial launch in Australia by ensuring it is optimised and configured according to local medical guidelines, implementing Australian user preferences, and by establishing an Australian based call centre of nurses and midwives that will be available to provide medical and technical support for users.

Driving HMD's global growth strategy

Partnering with APS strongly supports HeraMED's global strategy global growth strategy to become a leading maternity care service provider by building a suite of medically validated cutting-edge solutions that compliment and improve care currently offered by obstetricians and maternity units.

The agreement also supports HMD's strategic pivot to a monthly subscription, platform as a service-based business model which holds an improved revenue and profitability potential. As a result, the Company has concluded its relationship with its previous distributor, Dale Group International to focus on securing long-term ongoing relationships and signing licencing agreements with healthcare facilities and physicians.

COVID-19 – driving growth in the telehealth sector

The recent outbreak of COVID-19 has caused a fundamental shift in the way healthcare is now being delivered and received, causing a considerable uplift in the use of telehealth solutions and presenting a significant opportunity for HeraMED.

Specifically, the Australian Government has recently announced recommendations and increased funding for telehealth solutions to ensure risk of infection is minimal and patients are safe. These telehealth solutions have been welcomed by the industry as they maintain the highest standards of care and increase profitability of services.

HeraMED has seen a substantial increase in the number of enquires it has received for its technology and is currently in discussions with a number of tier-one Australian healthcare providers.

CEO and Cofounder Mr David Groberman said: "This agreement represents an important milestone for the Company in its Australian commercialisation strategy. MedTech Edge and APS have an excellent reputation and proven track record in selling innovative medical technologies. The agreement was signed after an extensive period of strict and professional due-diligence process, in which both parties carefully analysed the technical, medical and commercial potential. We believe APS is the optimal partner for HeraMED and we look forward to working with them to expand our medical and professional positioning and commercialise our HeraCARE platform.

The COVID-19 pandemic has resulted in fundamental changes to global healthcare systems infrastructure and Governments globally are increasingly adopting innovative telehealth and monitoring solutions for patients at home. HeraMED is seeing a quantum leap in the mindset and support and is well-placed to capitalise on the opportunity to fast-track adoption of digital health and homebased solutions for maternal health," he said.

Mr David Zarfaty, Managing Director of MedTech Edge and Advanced Pregnancy Solutions said: "We are excited to be working with HeraMED and to be introducing their technology to the Australian and New Zealand maternity market. This technology is cutting-edge and adds another dimension to healthcare that has been long overdue as applying digital principles to conventional treatments is an important step in ensuring healthcare does not become outdated.

These amazing technologies, coupled with our deep knowledge of local Key Opinion Leaders, will allow for early deployment of this technology to the benefit of clinicians as they will be able to remotely monitor the wellbeing of mothers and babies during pregnancy. We look forward to working with the dedicated team at HeraMED in establishing additional clinical evaluation centres around Australia and New Zealand."

This announcement has been approved by the Board of HeraMED Limited.

-ENDS-

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About HeraMED Limited (ASX:HMD):

HeraMED is an innovative medical data and technology company leading the digital transformation of maternity care by revolutionising the prenatal and postpartum experience with its hybrid maternity care platform. HeraMED offers a proprietary platform that utilises hardware and software to reshape the Doctor/Patient relationship using its clinically validated in-home foetal and maternal heart rate monitor, HeraBEAT, cloud computing, artificial intelligence, big data and a digital social networking dashboard.

About HeraCARE

The Company's proprietary offering, HeraCARE, has been engineered to offer a fully integrated maternal health ecosystem designed to deliver better care at a lower cost, ensure expectant mothers are engaged, informed and well-supported, allow healthcare professionals to provide the highest quality care and enable early detection and prevention of potential risks.

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