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## INVESTOR PRESENTATION

CEO Maria Halasz

APRIL 2018

ASX: CDY



Australian life science company with a **risk managed** portfolio of **scientifically-backed**, first and best in class technologies, operating in **high growth** and **high value** sectors.

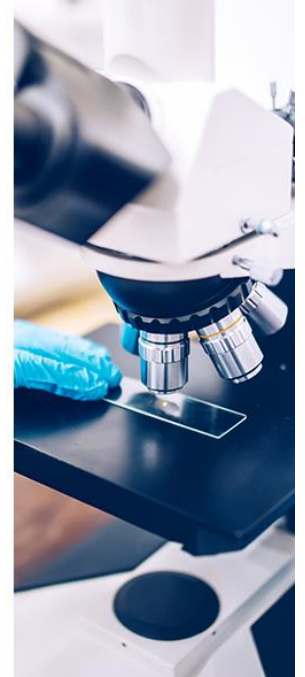
Two portfolios: **Revenue generating consumer products in anti-aging** and a promising biotechnology business focused on **novel technologies** with the potential to improve the way **cancers, chronic kidney disease** and other diseases are managed.



*"I feel younger, you know,  
like in my 30's"*

# COMPANY OVERVIEW

- Three wholly owned subsidiaries, each with a portfolio of innovative IP:
  - Advangen (consumer health): first in class, best in class anti-aging functional cosmetics. First product - a novel FGF5 inhibiting hair cycle regulator clinically validated to reduce hair loss and increase hair growth
  - Lynamid: midkine antibodies for treatment of cancer, fibrosis, chronic kidney disease and associated conditions (published in Nature in 2017)
  - Kinera: midkine protein for the treatment of heart failure, chronic heart conditions and other ischemic diseases
- Consumer health revenue growth of 50.3% in FY2017; strong foundations for rapid expansion
- Anti-aging market: Fastest growing segment of the consumer health category, forecast growth of 24% between 2018-2022 (Euromonitor)
- Exclusive AU and NZ distributorship of Fillerina®, the first non-injectible dermo-cosmetic filler brand by Swiss company Labo
- Full marketing launch of key products is planned for 2018



*"We are an Australian Life Sciences company with lead programs targeting positive aging and multiple disease indications"*

# INVESTMENT HIGHLIGHTS

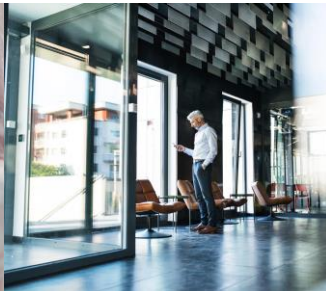
Risk managed Life Science portfolio with high growth opportunities already generating revenue



Proprietary, clinically validated products with a “best in class” market proposition



Exposure to the fast growth anti-aging segment of the consumer health market



Recent strategic agreement to expand Advangen portfolio with attractive skincare category and leverage sales and marketing team



Midkine drug portfolio approaching clinical development



Business plan for growth- New product pipeline, roll-out of new marketing and distribution strategy commenced 2018



Highly experienced Board and Management team recently appointed Mr Dennis Eck as a Non-Executive Director to Cellmid's Board, formerly CEO Coles Myer

CELLMID 

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ADVANGEN

Positive Aging



# LEADING ANTI-AGING PORTFOLIO

A leader in the development and marketing of novel and clinically validated anti-aging functional cosmetics and consumer health products for hair, face and wellbeing

## Advangen's core focus is anti-aging consumer health products

- Anti-aging technologies that are “best in class, first in class”
- Solving the side effects of aging across the spectrum of hair, skin and body
- Lead product is evolix® - an anti-aging haircare product based on innovative and proprietary FGF5 inhibition technology



## A differentiated market proposition

- All products clinically proven to be effective (clinical efficacy, real solutions for real problems)
- Safe and no harmful effects – natural active ingredients
- Unique and leading technologies
- Developed by scientists



# Advangen has delivered strong revenue growth to date, with 2018 a breakout year with full marketing launch of key products across multiple markets

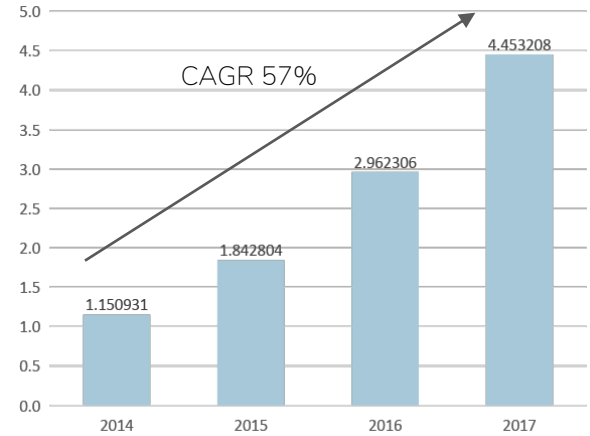
Acquired in 2013 (FY2014) from Japanese owners with revenues increasing 4X since acquisition

Products sold in three key markets -Japan, Australia / NZ and US. Fourth market China launching

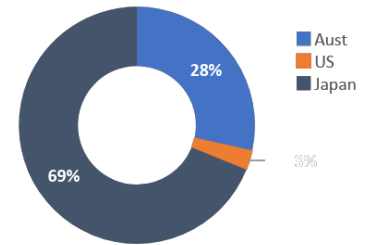
Japanese subsidiary reported maiden profit in FY2016 and increased profitability in FY2017

Added Fillerina® as a complementary anti-aging skincare product via an exclusive distribution agreement in AUS & NZ

Significant PR and marketing campaign underway, launch of evoliss® PROFESSIONAL range and new global e-commerce site



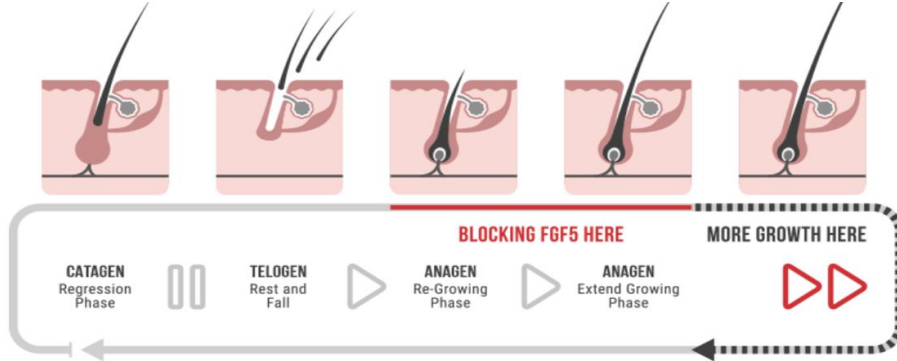
Advangen revenue (\$m, June YE)



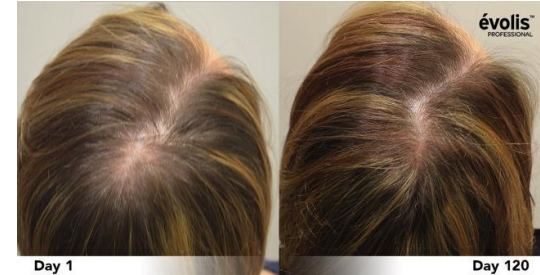
FY2017 revenue by region

# LEADING ANTI-AGING PORTFOLIO

- FGF5 is a naturally occurring protein and critical in the hair cycle
- Its role is to signal hair to stop growing
- Blocking FGF5 can extend the growth phase of hair resulting in increased hair growth, reduced hair loss and longer, stronger and thicker hair
- evolis® is based on natural FGF5 blocking agents



Key evolis® product range is based on FGF5 inhibition technology







PHARMACY

Reverse  
Prevent  
Promote



SALON /  
PROFESSIONAL



JAPAN / CHINA

**évolis**<sup>®</sup> PRODUCT PORTFOLIO

# Fillerina® DISTRIBUTION AGREEMENT

- Entered into agreement with Labo International to undertake the exclusive distribution of Fillerina® in AU & NZ in April 2018
- First non-injectable transdermal filler that has been clinically validated to reduce wrinkles and increase facial volume
- International market leader in the anti-aging skincare
- Second product within Advangen portfolio for positive aging

## Strong strategic rationale for Fillerina®

- Consistent with strategy to target the fast growing anti-aging sector and natural fit with existing evolis® product range
- Satisfies rigorous product quality criteria – clinically validated efficacy
- Efficiencies via the utilisation of the national evolis® sales team
- Net margins from sales of Fillerina® in-line with evolis®
- Exclusive distribution agreement has initial minimum term of 3 years – extendable to 5 years

## Fillerina® Needleless Filler Instant Results



# KEY ACHIEVEMENTS

## Marketing & distribution

- evolis® Professional retail partnership in the US with Neiman Marcus and Soft Surroundings
- Increased sell through in Australian pharmacies (sales per store) and broadened distribution – overall sales through this channel grew from \$812k in FY2016 to \$1.46m in FY2017
- Chinese import permit received for the Jo-Ju and Lixilis branded products
- Opened concept store in Tokyo (Ginza) – Profitability expected by late 2018

## Product

- Three new evolis® PROFESSIONAL product ranges developed and launched in the US in partnership with Colour Collective (REVERSE, PROMOTE, PREVENT)
- US midkine patent granted for alopecia
- US consumer study completed for FGF5 inhibitor products
- FGF5 inhibitor clinical study published

## Financial

- Record \$2m sales for last quarter of CY2017
- Japanese revenue increased from \$2.1m in FY2016 to \$3.0m in FY2017 leading to increased profitability



**GROW LONGER  
HAIR, MUCH  
FASTER**

**SHOP NOW**



## Strong e-commerce Platform

- E-commerce considered a strong and essential sales channel globally
- Myevolis.com site launched allowing improved online shopping experience
- Site upgrade and improved digital marketing and customer services
- In Asia Pacific, e-retail sales accounted for 12.1% of retail sales in 2016 – a figure expected to grow



# KEY GROWTH DRIVERS - 2018/2019

Growth is expected to be delivered from the following key areas:

- Leverage full AU national sales team (in place since August 2017)
- Increased pharmacy distribution with greater profitability

- Fillerina® to deliver growth and increase utilisation of existing evolix® sales team
- Launch of four new products by mid 2019

- Launch of new global evolix® website – expected to significantly increase e-commerce sales in Australia, USA and Asia
- Expand US retail distribution with store launches and new retail groups

- Chinese sales commenced via distributor in late 2017, more channels by the end of 2018
- Television shopping sales channel (QVC) to continue to grow



# DOMESTIC SALES CHANNELS



- Targeting full range of products to be stocked in 1,500 pharmacies by July 2018 (<40% of market)
- Continue to build an effective national sales team
- Incentive system to improve performance
- Improve profitability through greater product range

## Pharmacy

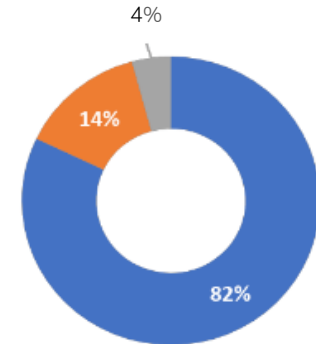
- evolis® Professional soft-launch in Oct 2017
- Partnerships with boutique distributors
- Servicing selected premium salons to be “featured” retailers of the evolis® Professional range

## Professional

- Dedicated global website launched April 2018, including th AU portal
- Final upgrades including improved CRM and customer service capabilities to be completed by end of May 2018
- Expected to deliver significant revenue increase once complete

## E-commerce

■ Pharmacy ■ eCommerce ■ Salons



FY2017 revenue by channel (Australia)

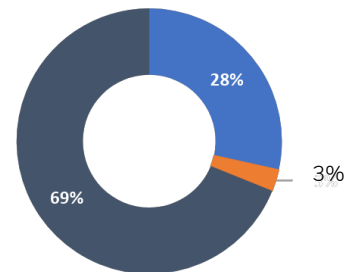
# INTERNATIONAL SALES CHANNELS



JAPAN

- Continue with successful television shopping channel, which accounts for 65% of Japanese revenue
- Service salon network via Japan's largest beauty wholesaler, Nichiri, which to date has been particularly successful in men's barber shops
- Two additional areas identified for expansion: independent pharmacies (estimated to be approx. 100,000 nation wide) and branded concept stores
- First concept store opened in Ginza (Tokyo) in Dec 2017

■ Aust ■ US ■ Japan



FY2017 revenue by region



USA

- Three channel focus: premium retail, salon and e-commerce
- First premium retail partnership (based on Professional range) entered into with Neiman Marcus, launched Sept 2017 with social /digital marketing with strong performance. Second retailer, Soft Surroundings, commenced April '18. Continue to pursue retail opportunities and launch in stores
- Salons currently in testing phase & full commercial launch of professional range expected in late 2018
- Increase e-commerce activity utilising digital marketing capabilities and PR once global website completed

# INTERNATIONAL SALES CHANNELS



Sales to be focused on three key channels:

- E-commerce and TV shopping for Jo-Ju® branded lotions
- Pharmacy (evolis®) sales with local registration of products is expected to commence in 2019
- Lexilis Black® (original Japan male brand) sold by Beijing Huana Likang Biotechnology Co. (distribution agreement), import permits in August 2017



- Increase e-commerce activity globally once new website is fully functional (in-house digital marketing team, PR)
- Utilise distribution partners in other regions, negotiations ongoing
- Private label opportunities being considered in non-strategic regions



# NEW PRODUCT OPPORTUNITIES

## evolis® opportunities

- High growth product areas are eyelash / brow growth treatments
- Few approved and effective products
- Existing products have reported side effects given their “drug-like” profile
- 2 new products to be launched in 2018



### Revive & Lift Spray

Non-comedogenic dry shampoo, effortlessly refreshes hair without clogging hair follicles.

### Style & Magnify Cream

Silicone free styling cream tames hair with touchable polymers while magnifying each strand's circumference. Hair appears thicker, fuller and under control.



### Brow Generator

Restore brows with new Brow Generator. Contains FGF5 inhibiting natural actives to replenish thin brows in 6 to 8 weeks when used daily.



### Lash Creator

Dual purpose; lengthens and defines in one step. Formulated using FGF5 inhibiting natural actives plus lash building polymers to lengthen and thicken.



## Other opportunities

- Complementary products across hair, skin and body continue to be evaluated
- Bolt-on acquisitions must meet CDY's best in class, scientifically validated criteria

# MARKET OPPORTUNITY

## THE TOTAL HAIRLOSS MARKET

is estimated to be  
**US\$4B**

## ANTI-AGING HAIRCARE

forecast to grow

**24%**

2018-2022 with emerging markets  
expected to generate double digit  
growth

## ADVANGEN

Operates within the anti-aging  
haircare segment – given its  
products not only reduce hair loss  
but also improve quality  
and thickness of hair

## EVOLVIS

outperformed fast  
growing anti-aging haircare market  
generating

**50%**  
growth

# ADDRESSING UNMET MARKET NEEDS

## évolis<sup>®</sup>



- 80 million men and women are suffering from hair loss in the US alone
  - 50% of men experience significant hair loss by age 50
  - 13% of women experience hair loss by 40 increasing up to 50% by age 70
- Our US market research highlighted that 60% of hair loss sufferers would rather have more hair than money or friends; 47% would spend their life savings to regain full head of hair
- Surgical and medicinal options have negative side effects, and not everyone is a suitable candidate – medicinal products are for men only
- Many topical products have no clinical backing and limited efficacy

## Fillerina<sup>®</sup>



- 30,000+ surveyed with over 90% considered fillers, but only 10% went ahead – fear of needles
- No other non-injectable transdermal product with clinical efficacy in reducing wrinkles and increasing facial volume
- Injectable fillers are used by men and women from age 25 onwards
- Concerns with injectable fillers are:
  - Fear of needles
  - Results are not natural

# COMPETITIVE LANDSCAPE

evolis® is the only anti-aging haircare product that is based on natural ingredients AND is scientifically validated

- evolis® has significant key points of differentiation from its competitors:
  - first product with FGF5 technology which actually addresses the biology of the hair (rather than relying on a cosmetic agent)
  - formulated with natural ingredients
  - clinically validated (one of only two topical products currently in market)
  - 80.2% reduction in hair loss, 44.2% increase in growing follicles based on blinded, randomized, placebo controlled clinical study published in Feb 2017 (*Clinical, Cosmetic and Investigational Dermatology*)
- Fillerina® also has important points of differentiation:
  - world first, non-injectable transdermal filler treatment
  - scientifically validated with clinical study results published in the *Journal of Cosmetic Dermatology*, 2014
  - considered “best in class” in its category
  - Results show reduced wrinkle volume and increased facial volume

## evolis® VS other anti-aging brands

	Clinical Validation	Naturally Based	Reduces Hair Loss	Increases Growth Rate	Increases Maximum Hair Length	Improves Texture	No side Effects
<b>evolis®</b>	✓	✓	✓	✓	✓	✓	✓
<b>Minoxidil</b>	✓		✓	✓			
<b>Nioxin</b>						✓	✓
<b>Viviscal elixir</b>		✓					✓
<b>Galderma qilib</b>		✓					✓
<b>Alpecin</b>							✓
<b>Foltene serum</b>		✓					✓
<b>BC Bonacure</b>						✓	✓
<b>Aveda</b>		✓				✓	✓
<b>Kerastase</b>		✓				✓	✓
<b>Living Proof</b>						✓	✓
<b>épreuve</b>		✓				✓	✓

Source – [Management estimates]



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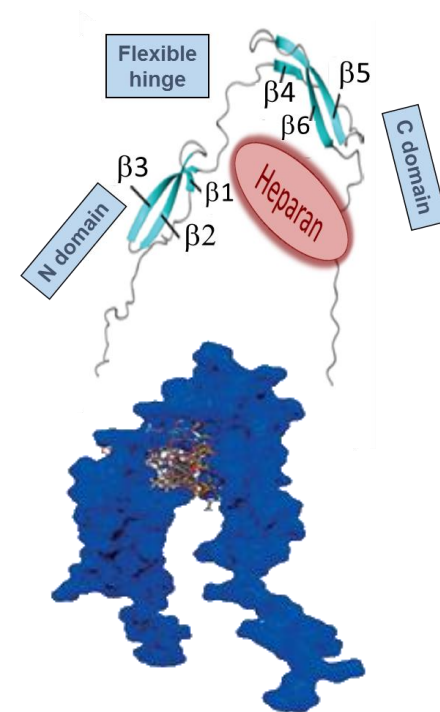
Lyramid & Kibera  
Midkine in therapy



# MIDKINE - A NOVEL AND COMPELLING TARGET

Discovered in 1988, midkine is the subject of over 815 publications (300+ in oncology)

- Prominent in embryogenesis and wound healing but barely detectable in healthy adults
- Elevated levels in most cancers and high MK expression in cancer is strongly prognostic of poor patient outcomes
- Biological activities include:
  - Pro-angiogenic (especially in hypoxic settings)
  - Facilitates cell migration (metastasis)
  - Immuno-modulatory (imuno-oncology)
  - Anti-apoptotic
  - Promotes inflammatory cell infiltration
  - Promotes cell growth and differentiation
- Inappropriate activation in chronic conditions creates vicious cycle leading to inflammatory disorders and cancer



# LYRAMID & KINERA

## LYRAMID

- Stage: pre-clinical
- Drug class: Antibodies CAB101 and CAB102 (cancer, fibrosis, chronic kidney disease) and companion diagnostic marker
- Recent / current studies: Bone Healing in Osteoporosis (University Medical Centre, ULM, Germany), Glioblastoma (Complutense University, Madrid), Chronic kidney disease (Westmead Institute), Melanoma (CNIO, Madrid) published in high ranking scientific journal "Nature" in July 17
- Status: CAB101 and CAB102 humanized, completing pre-clinical development; ready for GMP manufacture and clinical development. Diagnostic marker is licensed and launched
- Revenue: \$247k FY2017 from license agreement with Pacific Edge for the use of midkine as a marker in CX Bladder, a bladder cancer diagnostic panel

CDY has the most significant midkine IP portfolio worldwide

Patent portfolio comprised of:

*58 patents in 13 patent families*  
*45 granted patents*  
*12 applications under examination*  
*1 new filing*

## KINERA

- Stage: pre-clinical
- Drug Class: Protein, MK
- Applications: heart failure, chronic heart conditions and ischemia
- Status: In March 2017, secured funding to develop this portfolio, and now plan to:
  - Secure supply and deliver sufficient quantities of the midkine protein by late 2018 to complete pre-clinical development
  - Pharmacokinetic and early toxicology studies



# MILESTONES ACHIEVED

## Strong progress in pre-clinical development

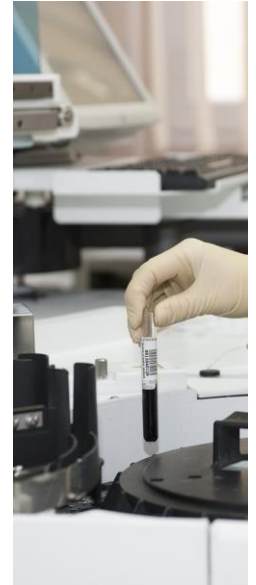
- Secured Australian government funding for pre-clinical kidney program
- Continued collaboration of glioblastoma program
- Continued collaboration on bone healing program
- Commenced preclinical efficacy studies in chronic kidney disease at Westmead and Macquarie
- Developed validation protocol for large animal study for MK in myocardial infarct

## Increased profile as a clinically validated target

- Publication in Nature demonstrated key role of midkine in metastatic melanoma
- Set up relationships with leading experts in kidney disease, heart disease, cancer and inflammatory diseases
- Presented data on midkine in a number of clinical and research meetings

## Pursue partnerships

- Engaged with a number of potential partners to work towards joint clinical development of midkine assets





# OBJECTIVES FOR 2018

## Complete pre-clinical studies to enter clinical development

- CDY has the largest portfolio of midkine IP assets globally with several potential clinical development programs; number of product development opportunities
- Clinical indications will be assessed on the strength of pre-clinical evidence during 2018
- Partnerships are the preferred strategic approach to pursue the clinical development phase

## Complete pre-clinical development and file for orphan drug application for clinical indications in 2018

- Pre-clinical evidence in orphan indications is currently developed
- Focus is to file orphan applications in these disease indications and secure further value in the asset portfolio
- Seek partnerships to enter clinical development once orphan designation is received

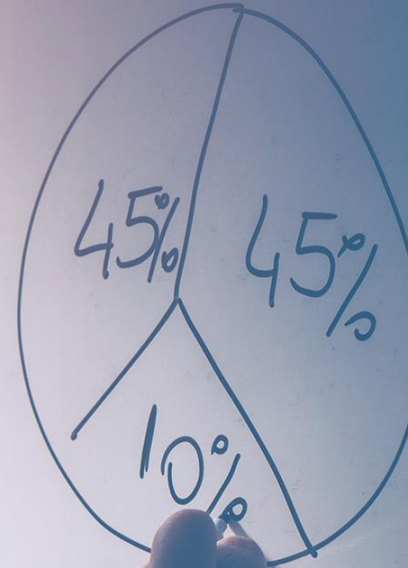
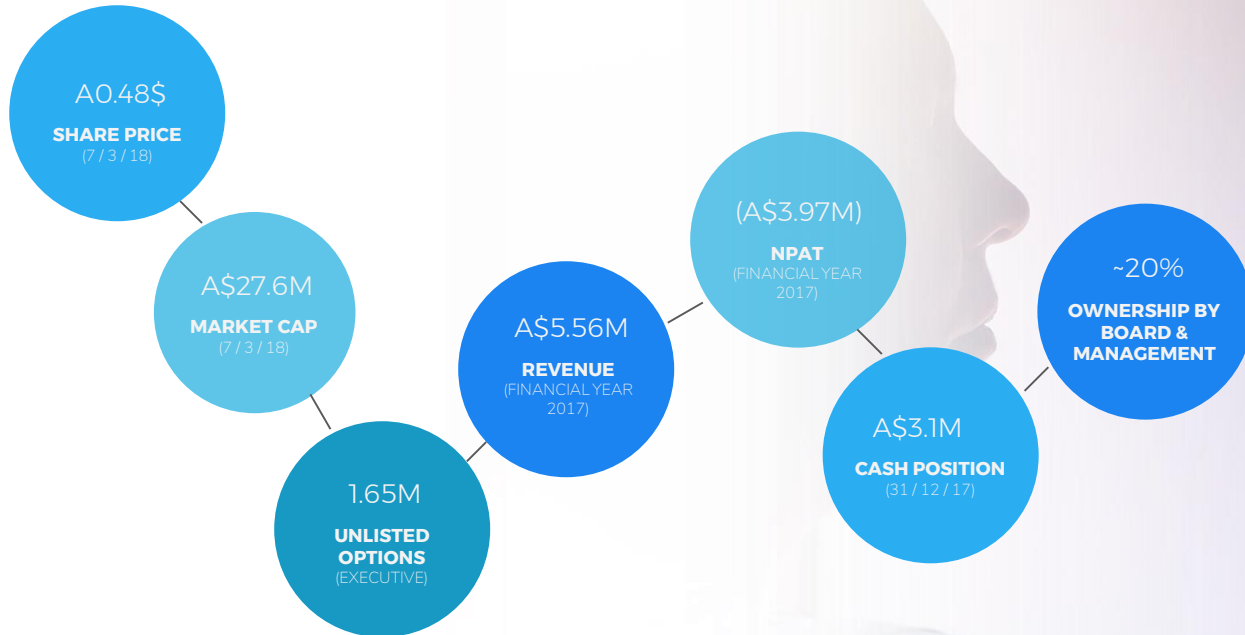




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BUSINESS  
PERFORMANCE &  
OUTLOOK

# MARKET & FINANCIAL OVERVIEW



# FINANCIAL PERFORMANCE

## 6 Months Ended 31 Dec

	H1 2018 (A\$'Ms)	H1 2017 (A\$'Ms)	% chg	Comments
Consumer health revenue	3.1	2.0	50.3%	<ul style="list-style-type: none"><li>• Strong growth, particularly in Japan</li></ul>
Midkine & license revenue	0.1	0.1	(1.3)%	<ul style="list-style-type: none"><li>• Revenue from Pacific Edge license agreement</li></ul>
Other income	1.0	0.8	21.9%	<ul style="list-style-type: none"><li>• Includes R&amp;D tax credit</li></ul>
Total revenue & income	4.2	3.0	40.1%	
COGS	1.0	0.8	31.8%	<ul style="list-style-type: none"><li>• Efficiencies already showing</li></ul>
R&D expenses	0.3	0.2	79.6%	<ul style="list-style-type: none"><li>• Focused development spend</li></ul>
Other expenses	4.0	3.6	11.6%	<ul style="list-style-type: none"><li>• Operating leverage beginning to flow through</li></ul>
Total expenses	5.3	4.5	17.4%	<ul style="list-style-type: none"><li>• Total expenses / revenue + income (%) declined from 150% in H1 FY2017 to 126% in H1 FY2018</li></ul>
Net Profit/(Loss)	(1.1)	(1.5)	(27.9)%	
Net Profit/Loss (after FX impact)	(1.1)	(1.8)	(34.8)%	<ul style="list-style-type: none"><li>• Decreasing loss and increasing sales approaching profitability</li></ul>
Cash Balance	3.1	4.0		

# Board Members



Dr David King | Chairman

An experienced independent chairman with expertise in high growth companies, David has a track record in building business ventures and developing them into attractive take-over targets.



Dennis Eck | Non-Executive Director

Dennis has 40 years' senior management experience in the retail sector leading the strategic direction of companies such as American Stores, Vons and ULTA in the United States and Coles Myer in Australia.



Dr Martin Cross | Non-Executive Director

Dr Cross is a highly regarded pharmaceutical executive with over 30 years' experience in industry leadership roles as Chairman of Medicines Australia, Country Head and Managing Director of Novartis Australia and Managing Director of Alphapharm.



Maria Halasz | CEO and Managing Director

With over 24 years in the life sciences sector Maria started in corporate finance before joining Cellmid ten years ago as CEO. Maria led the acquisition of the company's current portfolio of midkine and FGF5 inhibitor assets.



Bruce Gordon | Non-Executive Director

Bruce is a seasoned audit partner and corporate finance specialist with over 35 years' industry experience. Bruce brings significant expertise in valuations, mergers and acquisitions, restructuring and transaction support.



Dr Fintan Walton | Non-Executive Director

Fintan has over 33 years experience in the global pharmaceutical and biotechnology sectors and is the founder and CEO of PharmaVentures Ltd, a leading UK based corporate advisory firm.

# Anticipated Newsflow 2018

Targeted Cellmid newsflow in next twelve-months:

- Launch of new global website
- New product launches
- Additional retail partnerships for evolis® in the US and China
- Fillerina sales performance and growth
- Revenue updates across key markets
- Orphan designation of midkine portfolio
- Research updates on midkine
- Midkine Symposium

Upcoming market communications:

- Q3 FY2018 Appendix 4C : April 2018
- 5<sup>th</sup> Midkine Symposium results : May 2018





## DISCLAIMER

### Forward looking statements

This presentation contains forward-looking statements that are subject to risks and uncertainties. Such statements involve known and unknown risks that may cause the actual results, performance or achievements of Cellmid to be materially different from the statements in this presentation. Actual results could differ materially depending on factors such as the availability of resources, regulatory environment, the results of advertising, sales activities and competition.