

WAYNE PATERSON

Chairman & Interim CEO

Presenting



Mid Year Results and Business Update

February 2017

Follow us on



www.admedus.com

Disclaimer



This presentation is the property of Admedus Ltd (“Admedus”). No part of this presentation may be reproduced or transmitted in any form or by any means without direct permission in writing from Admedus. This presentation is not and does not constitute an offer, invitation or recommendation to subscribe for, or purchase any security and neither this presentation nor anything contained in it shall form the basis of any contract or commitment.

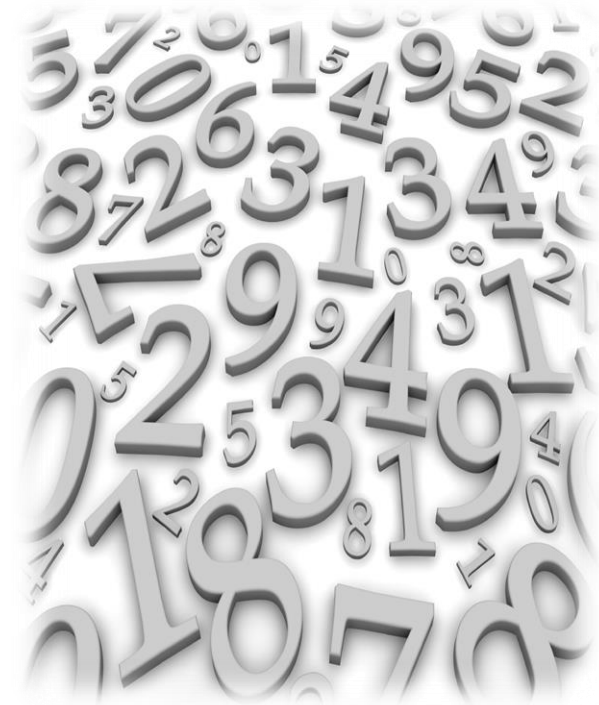
This presentation does not constitute an offer, solicitation or invitation in any, state or jurisdiction anywhere, or to any person to whom, such an offer or sale would be unlawful. This presentation is not intended as an offer, invitation, solicitation or recommendation with respect to the purchase or sale of any security in the United States or to any person to whom it is unlawful to make such an offer, invitation or solicitation. Reliance should not be placed on the information or opinions contained in this presentation. This presentation does not take into consideration the investment objectives, financial situation or particular needs of any particular investor. Any decision to purchase or subscribe for securities in Admedus must be made solely on the basis of the information contained in the public domain and if necessary after seeking appropriate financial and legal advice.

No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, Admedus and its affiliates and related bodies corporate, and their respective officers, directors, employees and agents disclaim any liability (including, without limitation, any liabilities arising from fault or negligence) for any loss arising from any use of this presentation (or its content) or otherwise arising in connection with it. Admedus’ forward-looking statements, intentions, forecasts, prospects, returns, expectations, statements in relation to future matters or other forward looking statement contained in this presentation may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material. They are based on a number of estimates, assumptions that are subject to business, scientific, economic and competitive uncertainties and contingencies, with respect to future business decisions, which are subject to change and, in many cases, are outside the control of Admedus and its directors. Neither Admedus nor its directors give any assurance that the forecast performance in the forecasts or any forward-looking statement contained in this presentation will be achieved.

The Year in Numbers.... So far!



- **154%** (increase in gross profit over the corresponding period last year) \$5.8 million
- **67%** (ADAPT® gross margin up from 11% over the corresponding period last year)
- **86 %** (sales increase over corresponding period last year) \$12.2 million /\$6.6 million
- **106%** (sales increase for Infusion business over corresponding period last year) \$8.7 million
- **59 %** (achievement to target at the half way point) \$12.2 / \$21 million
- **75 %** (reduction in sales team in the US) 3/12
- **50%** (reduction in loss after tax compared to corresponding period last year) \$5.9 million from \$12.8 million
- **100 %** (ownership of ADAPT® IP after Regen settlement)
- **51%** (ADAPT® sales increase over the corresponding period last year) \$3.5 million
- **32%** (reduction in SG&A over corresponding period last year)



The Good the Bad and the Ugly

The Good

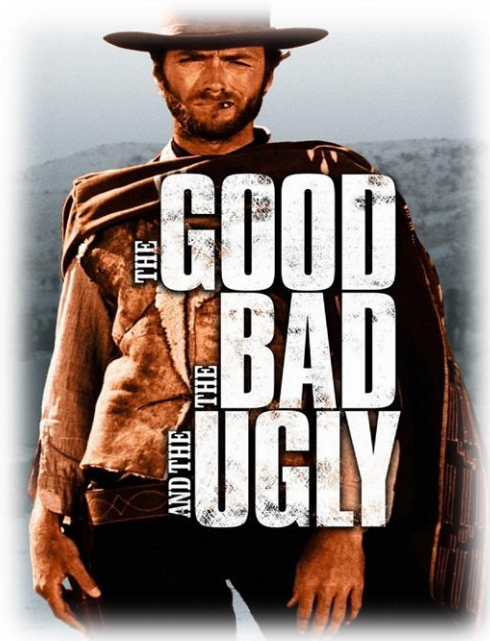
- \$1.4 million cost savings in production due to manufacturing efficiencies, moving from “lab scale” to commercial scale production
- Release of the CardioCel® 8 year data
- Completion of significant restructure of the US and EU field force
- Implementation of clear commercial strategy , metrics , and systems (Vision 20/20)
- HSV – 2 +ve ph II interim analysis
- Implementation of corporate values

The Bad

- Slow roll out of VascuCel® due to resource constraints

The Ugly

- Identifying the last employees who were in the wrong company and helping them find a new home



So..... What are you invested in?



- A is NOW a truly global Med Tech Company with a professional international corporate structure
- The business model/Company is de-risked and now starting to show reliable trends
- Professional management, enterprise specific systems and processes
- Globally qualified and industry specific BOD
- Senior Management (CFO, VP Tech Ops, etc.) internationally and sector experienced
- Organic sales moving towards profitability
- Multiple products to be launched
- M&A strategy being developed/non dilutive capital sources identified
- Blue sky opportunity with Immunotherapies (HSV and Oncology)
- Blue sky opportunity with TAVR



Code Red – A transformation



Code Red PH I 1-3 months

Dealing with the Known Knowns



- Situational analysis
- Stop the bleeding
- Scale down
- Problem definition
- Strategic and financial health check
- Talent review
- Systems, process and metrics review
- Budget review
- Structure review
- Asset review
- Forecast review
- Reality check
- 1st wave implementations/short term tactical fixes
- Continual networking with funds, institutions, brokers and analysts in the US, EU and Australia.



Code Red PH II 3-8 months

Dealing with the Known Unknowns



- In depth strategic review and overhaul
- Focused revenue generation
- Systems gap review and solution analysis
- Mid term strategic plan
- 1-3 yr planning process established
- Vision, mission and values implemented
- Organisational development
- Strategic and tactical refinement
- New employee acquisition
- Completion of BOD restructure
- Portfolio prioritisation
- Development projects defined
- Continual networking with funds, institutions, brokers and analysts in the US, EU and Australia.



Code Red PH III 8-24 months

Dealing with the Unknown Unknowns



- Long term strategy definition
- Stabilise the organisation
- Scale up with caution
- Ongoing refinement of commercial tactics, incorporate learnings – increase expectations
- Build up of evidence based commercial decision processes (data driven) to support forecasting
- Ongoing cost /scale benefits in manufacturing → margin improvements
- Identify potential M&A targets
- Assess corporate divisional structure and strategy (business unit development potential spin offs etc.)
- Continual networking with funds, institutions ,brokers and analysts in the US, EU and Aus.



Scale up – with caution

US commercial team hybrid model



3 existing reps



+ 7 new reps



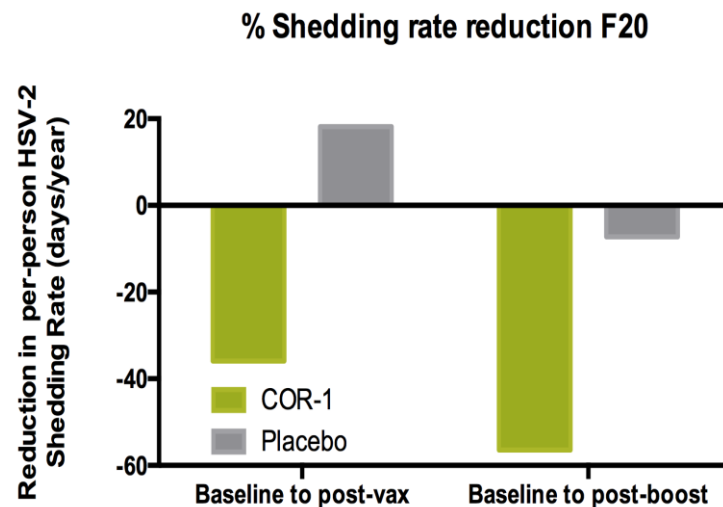
+ 16 independent manufacturer reps = a very efficient way to cover the US

Admedus Immunotherapies



- Core technology showing proof of concept for the platform technology
- Maturing immuno-oncology portfolio getting to multiple clinical studies
- HSV-2 full data due April 2017
- Head and Neck study due to start in 2017
- RNA immuno-oncology collaboration in progress
- Recent publication showing synergy with HPV vaccine and checkpoint inhibitors

■ *J of Immunotherapy Vol. 40, No. Feb/Mar 2017 pg 62-69*



Admedus Immunotherapies



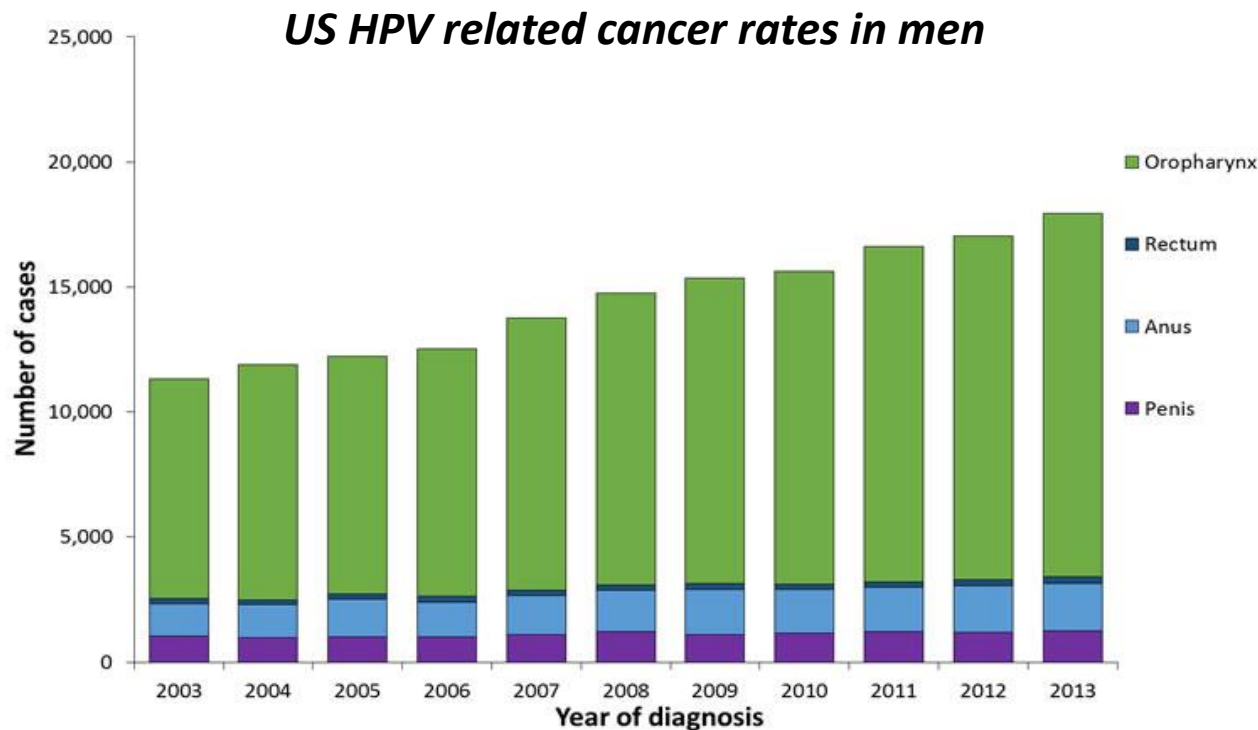
Cancer Immunotherapy

Follow us on



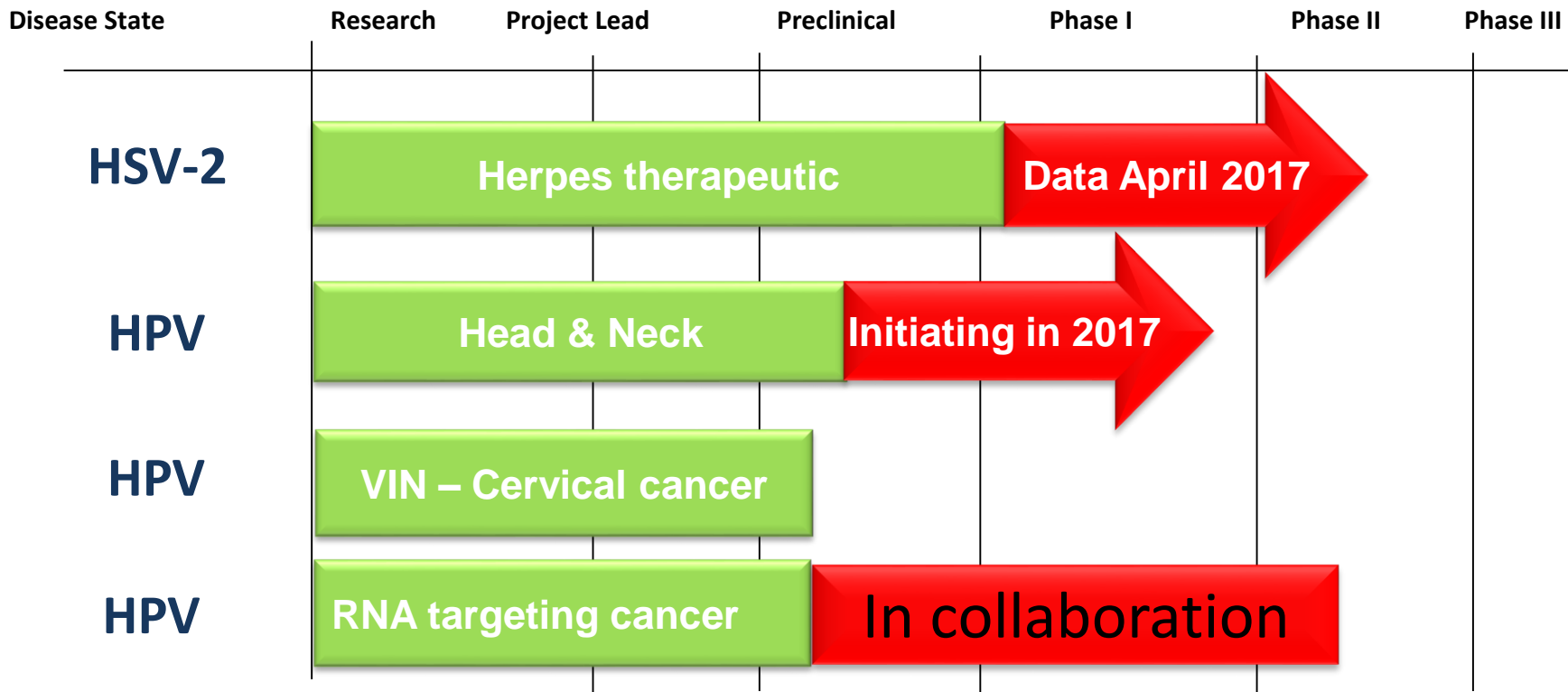
www.admedus.com

- Rates of HPV related cancer increasing
- In the US the rates of HPV related cancer is increasing (10.8 per 100k to 11.7 per 100k 2008-2012)
- Admedus has multiple programs targeting HPV related cancers



Reproduced from the CDC website

Admedus Immunotherapies



Admedus Immunotherapies



- Building an immuno-oncology Company
- Immuno-oncology market valued around \$19Bn growing to ~ \$34Bn by 2020
- Multiple immuno-oncology programs



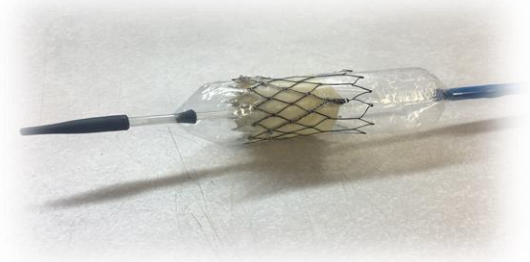
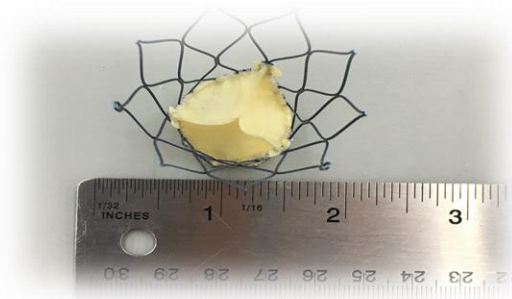
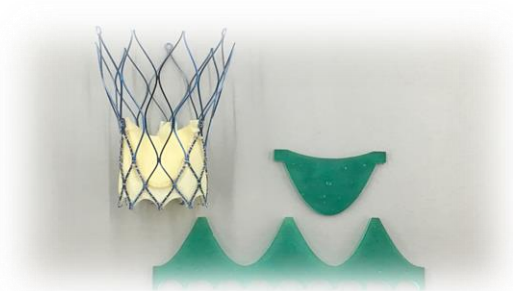
- Data shows synergy with HPV vaccine & checkpoint inhibitors - *J of Immunotherapy* Vol. 40, No. Feb/Mar 2017 pg 62-69
- Head and Neck study due to start in 2017
- RNA immuno-oncology collaboration progressing well



- Phase IIa data due out in April 2017
- Interim results showed positive response
- Clinical 'proof of concept' of core technology

ADAPT[®] TAVR

ADMEDUS
INNOVATIVE HEALTH SOLUTIONS



Follow us on

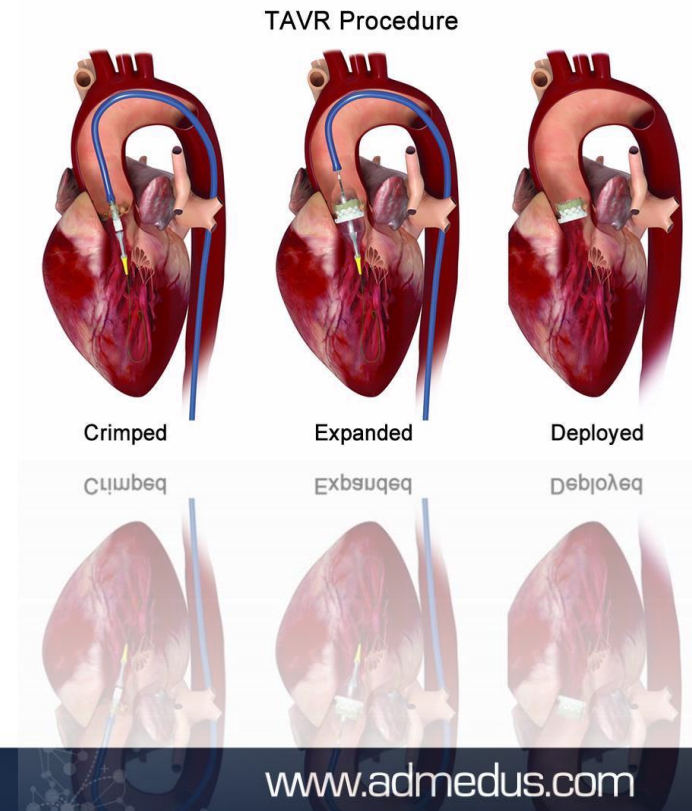


www.admedus.com

TAVR- So what is it?

Transfemoral Aortic Valve Replacement

- “Valve on a catheter”
- Avoids cracking the chest (sternotomy)
- Avoids heart-lung machine (cardio-pulmonary bypass)
- Ideal for patients who can't tolerate surgery
- Increasingly being used for less sick patients



ADAPT[®] TAVR – Opportunity abounds

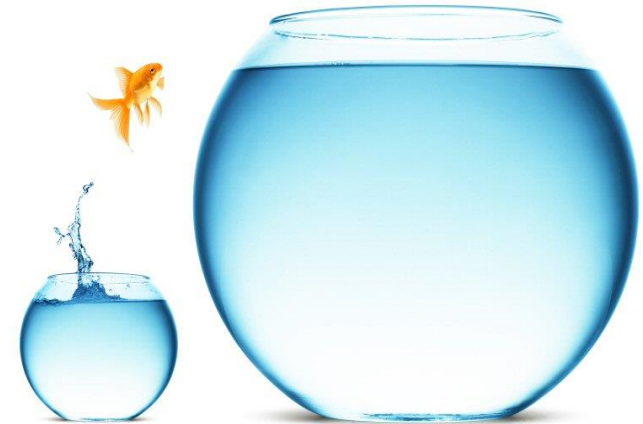


Guggenheim Jan 2017 – TAVR Market at \$2.54B WW in 2016

- Significant growth expected (up to 600,000 from previous estimate of 350,000 patients)

Stifel Dec 2016: 2021 TAVR Est. Market size at \$5B

- CAGR of 15% to 18%



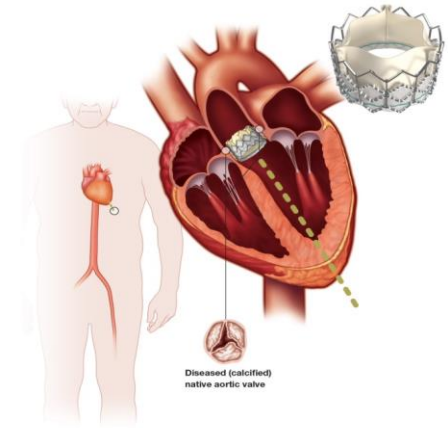
ADAPT® TAVR – Just Better



Objectives

- Signal to capital markets and TAVR businesses that ADAPT® treated leaflets are the best in class
- Raise awareness of ongoing ADAPT® success
 - Human use with no Ca++
 - AUS and sheep carotid data showing novel biocompatibility, bio stability leading to unmatched native tissue integration
- Investigate feasibility of an Admedus sponsored TAVR development project
- Generate capital in the form of novel TAVR design, FTO, IP and cycle testing data

If successful, this can be licensed, promoted, sold or developed...



ADAPT® TAVR its busy out there



TAVR Device comparison

Edwards and Medtronic over 80% market share




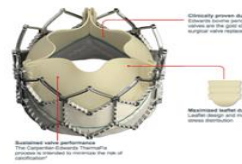




Confidential – Internal Use Only – Do Not Distribute

ADAPT® TAVR – But we are definitely able to compete



TAVR Device Comparison

Medtronic	St. Jude	Boston Sci	Edwards	DirectFlow	Symetis
CoreValve Evolut R	Portico	Lotus	Sapien 3 & XT		Acurate neo/TF
					
Laser-cut Nitinol	Laser-cut Nitinol(?)	Braided Nitinol	Laser-cut CoCr	Inflate with saline, then epoxy.	Laser-cut Nitinol
Recapture and reposition after partial deployment.	Recapture and reposition after partial deployment.	Recapture and reposition prior to release.	Balloon expanded. No recapture or reposition.	Recapture and reposition after full deployment.	Reposition but no recapture after distal release.
18F delivery.	18F delivery.	18F delivery.	16F delivery.	18F delivery.	18F delivery.
		Recall due to delivery system 8/1/16.		3 independent positioning wires.	Catheter release first, then top cap.

Confidential – Internal Use Only – Do Not Distribute

ADAPT® TAVR current strategy

Develop prototypes with CC to provide “market selling tool”

- ADAPT® is the story and it does resonate well here!

Brainstorm and explore all available “unmet design needs ” in the current TAVR space (March 2017)

- New cage or delivery design
- New valve mounting/deployment IP
- New valve in valve designs, original frame designed to enable “easy” removal of old TAVR and deployment into existing frame or “docking station”



ADAPT® TAVR - Current progress at what cost?



Brainstorming set for first week in March

We have access to very experienced TAVR experts who are reviewing :

- Valve design
- Valve loading into delivery system
- Catheter body manipulation/control
- Deployment concepts
- Design with Valve in Valve (ViV) in mind
 - Deploy “docking station”...

Prototyping & Market Analysis		
2016		
Q3	Q1	
Plan	Status	Proj Cost
Develop SE/BE prototypes with CC, Tech Rvw and Initial Market Analysis	Complete	\$ 65,000
Brainstorm with Engineering and Legal	Early March	\$ 10,000
IP Review of Initial design Winthrop \$1200/idea - assume 3	Pending brainstorm	\$ 3,600
FTO investigation of credible ideas	Pending brainstorm	\$ 8,000
		\$ 86,600
		\$ 86,600
FTO investigation of credible ideas	pending brainstorm	\$ 8,000
\$1200/idea - assume 3	pending brainstorm	\$ 3,600
IP Review of initial design Winthrop	pending brainstorm	\$ 3,600
Brainstorm with Engineering and Legal	Early March	\$ 10,000
		\$ 86,600

Confidential – Internal Use Only – Do Not Distribute

ADAPT® TAVR - is it risky?



- \$100K to develop prototypes, brainstorm new design and get FTO opinion on a feasible design
 - Most of this expense is already captured
- **Risks of Feasibility Phase**
 - Poor cycle testing results
 - Upside is we meet our objectives of advancing ADAPT® brand into this massive, lucrative market



Confidential – Internal Use Only – Do Not Distribute

Admedus Infusion business



Follow us on



www.admedus.com

Admedus Infusion market - key drivers



- Early discharge and hospital avoidance ✓
- High quality ambulatory care - with secure back to base connectivity ✓
- Advanced post op pain management techniques – regional anaesthesia ✓
- Integrated “Whole of Hospital Systems” with secure network connectivity ✓
- High technology solutions that are;
 - Cost effective ✓
 - Increase efficiency ✓
 - Enhance quality assurance ✓
 - Simple to program, operate and train staff/patients ✓



Strong performance across the portfolio



All key product groups growing strongly

- AMBIT™ - Increased penetration into acute pain segments (Private)
- ARCOMED™ – New accounts on back of **New Royal Adelaide** platform
- GO MEDICAL – Growth continues on large existing platform
- DOSIFUSER™ – Increased penetration into HITH segments



New Royal Adelaide Hospital Arcomed moving forward



- Dedicated project team in place
- National technical/service team
- Capital equipment delivered for install
- Consumable supply chain -12 months in place
- Delays in opening have impacted forecasts by 6 months
- Install has commenced at existing site
- Latest update suggests Q2 commissioning for Q3 opening



New products launched

Ambit PIB® (Programed Intermittent Bolus)

- New innovative technique for regional anaesthesia
- Key differentiator from other competitors
- Only pump in class to have this function
- Fully rebated in private system
- Will increase penetration into acute pain segment

Springfusor® 50ml Model

- Line extension from 10ml and 30ml
- Increases types of medications that can be delivered
- Opens new segments (outpatient Immunoglobulins)
- Increase offering to existing customer base

Dosifuser® Line Extensions

- Dosi-Pain kits, High volume pumps
- Opens new market segments
- Fully rebated in private System



Priorities and focus 2017



1. Target → Public and private whole of hospital infusion tenders/contracts
2. Target → Growing ambulatory care markets
3. Target → Innovative regional anaesthesia infusion techniques
4. Target → Existing customer bases with line extensions
5. Target → Grow portfolio with complementary and synergistic products
6. Target → Revenue growth with profit



ADAPT[®] product family



IT'S ONLY A QUARTER OF A MILLIMETER THICK, BUT IT
CARRIES THE WEIGHT OF A LIFETIME

Engineered with the **ADAPT[®]** process, CardioCel
provides a strong, durable repair for a life-long solution.
Finally, a tissue that lives up to your expectations—
and theirs.



Follow us on

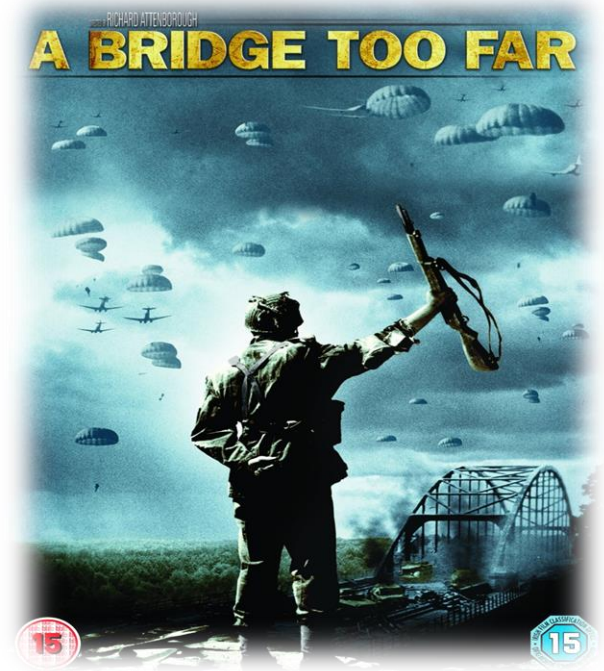


www.admedus.com

VascuCel® A bridge too far (momentarily)



- Launch pushed back to February due to limited field resources – I pushed too far!
- Tested the theory that we could register a new product quickly (2 months) with the FDA after Code Red
- First volume orders now coming in
- Deal cycle takes several months to get through VAC's committees
- Too few reps on the ground in the first instance
- Marketing materials not completed (which was understood)
- New sales team now in play, adequate resources to get the job done
- Expect significant traction during the second half



VascuCel® Update



If you aim at nothing,
you will hit it every
time.

— Zig Ziglar

karyoberbrunner.com
Igniting Souls

Follow us on



www.admedus.com

Emerging Markets

Asia Pacific

- Singapore, Malaysia, Hong Kong – In market and growing accounts
- Vietnam, Thailand, Taiwan – Distributors in place and awaiting approval
- Australia – TGA delayed - Best estimate Q4 2017, SAS access continues

India (25 Million births per year) CHD Prevalence = 10 per 1000 live births

- Regulatory application commenced – Q1 2017
- Pre launch activity in process and end stage distributor selection
- Full commercial launch – Q3 2017

China (18 Million births per year) CHD Prevalence = 10 per 1000 live births

- Regulatory – Stage 1 in vitro testing commenced Q4 2016
- Regulatory – Stage 2 Clinical trial estimate to commence Q1 2018
- Distributor selection in process



Emerging Markets

MENA – Established Regional Partner - Genpharm

- UAE, Lebanon, Oman, Qatar - In market and growing accounts
- Awaiting Saudi approval – Largest regional potential
- Expansion Phase 2 – Egypt, Iraq, Iran, Kuwait -2017-18

Middle East and North Africa (MENA)



This is a sample text. Insert your desired text here.

LATAM

- Market assessments in process
- Initial targets- Mexico, Brazil, Argentina
- Commence regulatory activity – Q3-Q4 2017



- Field force restructure completed
- 11 Company reps + 16 independent manufacturer reps
- Territories defined by IRR metrics
- Expect 2-3 months for new reps to become productive
- This past week we entered into multiple negotiations for both CC and VasceCel[®] across the US (TBA once finalised)
- Increasing business in Canadian institutions



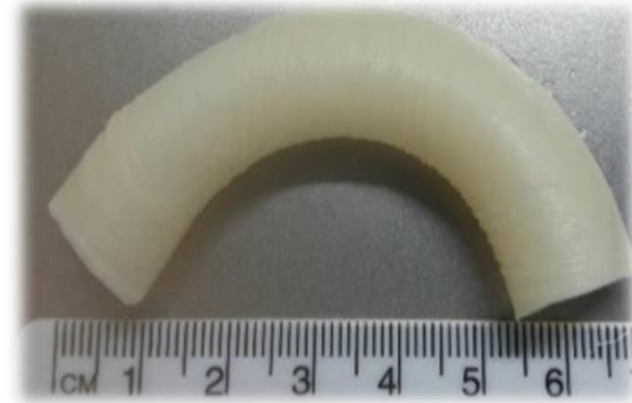
- Restructure ongoing
- New VP Sales in place
- Sales up 13% PCP
- Re-calibrating Germany, UK, France
- Focus on consolidation in major congenital centers across all markets
- Growth in adult repair centers especially in UK and Germany
- Ongoing work to open up new territories
- Planning in progress for approvals of new indications and product presentations later in the year



ADAPT[®] 3D A Revolution Coming!



- 3D 60° Curved CardioCel[®] for Aortic Arch Repair
- Designed to accommodate anisotropic characteristics of the aortic wall
- Unique (high unmet need) and high value
- Design verification 95% complete
- Special 510 (US) as manufacturing change
- 85% of surgeons polled would use product immediately
- Process validation begins in March
- Regulatory submission US planned for April
- First human use being planned for June (pre-launch)



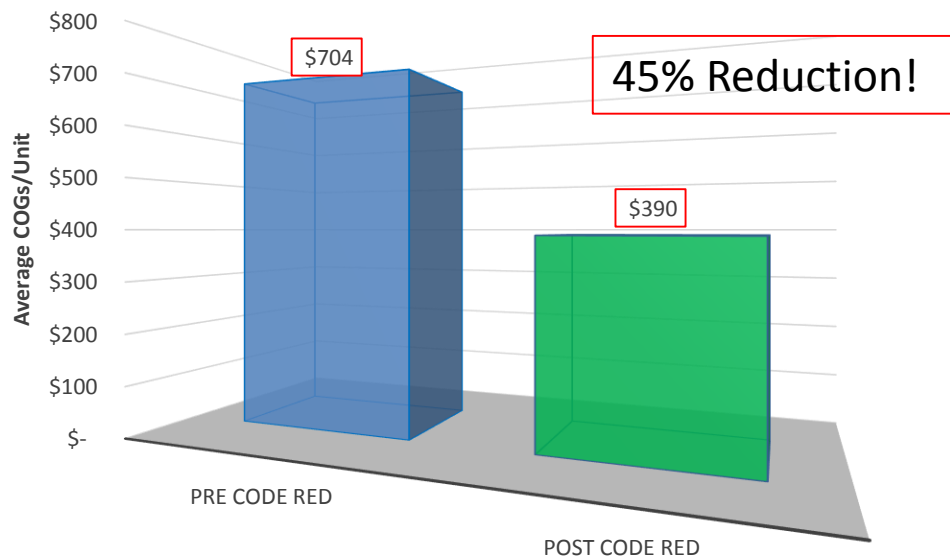
Technical Operations

Technology and engineering is at the heart
of what we do

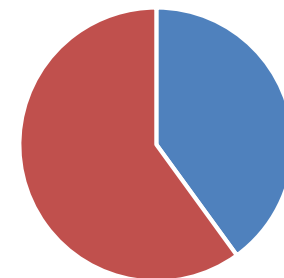


Ongoing efficiency drive paying off

Average COGs/Unit Pre & Post Code Red



45% COGs Improvement



Continuous Improvement

VIP/VOP > 10%



- New high efficiency cleanroom and process flow reducing operating and labor costs
- Medical grade punch press die cutting improving labor, quality, and providing VascuCel® tapered patch capability
- Improvements in the ADAPT® processing reducing labor and chemical cost
- Reduction in visual defects increasing final inspection pass rates and reducing scrap
- Multiple product component and supply cost savings through strategic sourcing and contracting

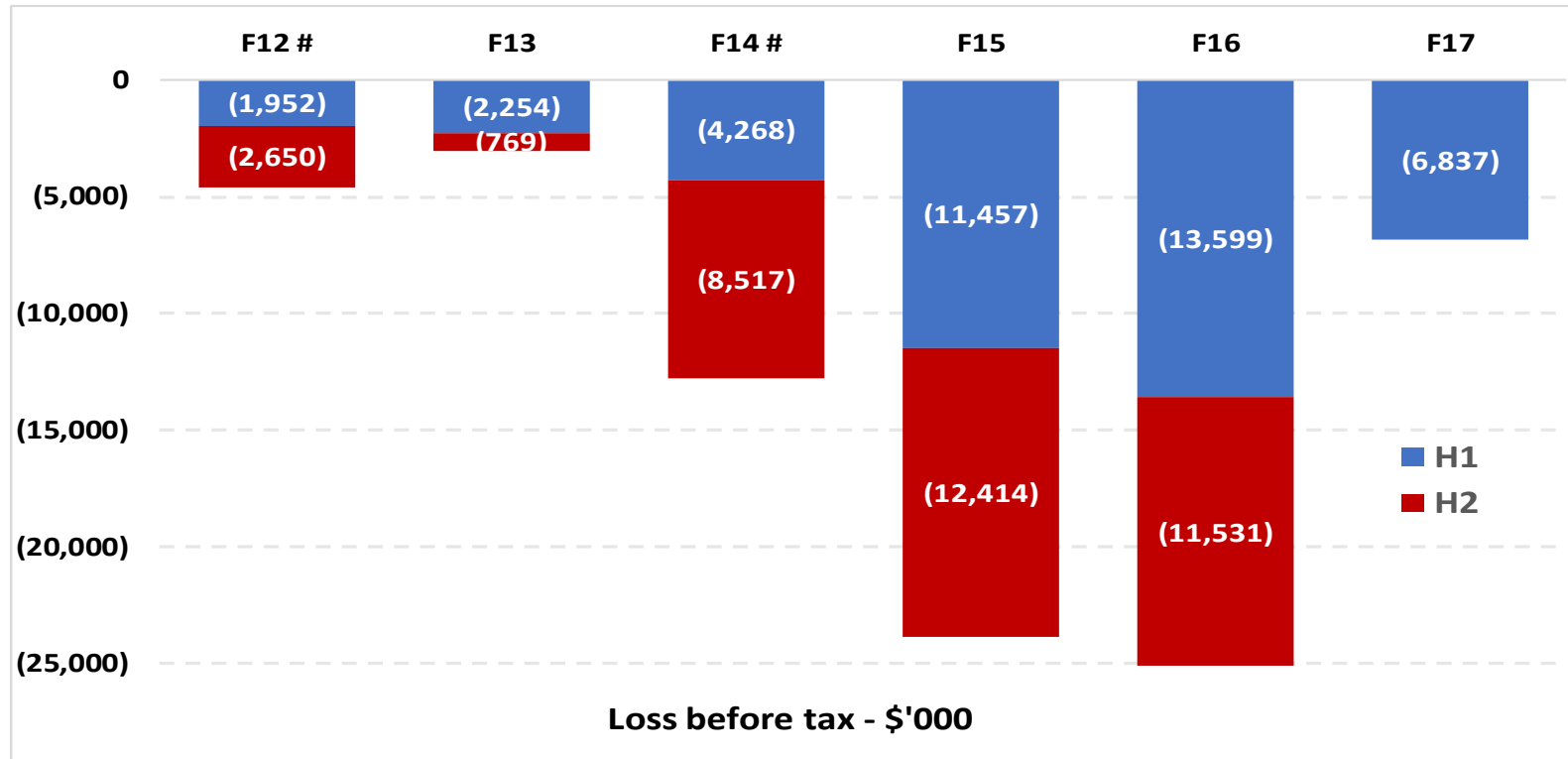


Financial view - so where's the money going?



- The Company is making disciplined and calculated investments to support revenue growth
- This includes additional sales people in the US (including replacements)
- Investment in key staff – industry experienced global executives and professional management.
- Investments in productivity systems (Veeva CRM, Pulse performance Management and online learning) to manage field force globally
- Investments in marketing and product campaigns
- Investments in continuous improvements in manufacturing
- Investments in product and portfolio development
- OPEX has shifted away from T&E towards revenue generating projects
- ALL investments are measured against IRR principles before approval

Significant declines in operating losses post Code Red



ADMEDUS BOARD



Wayne Paterson Chair & interim CEO

Ex- Merck Serono, Roche. 30 years in global healthcare including global and regional CEO roles as well as Global marketing roles. Non-Executive Director of Cepheid (NASDAQ CHPD).



John Seaberg Non-executive Director

30 plus years medical device industry with a focus on the cardiovascular market. Served on board of Synovis Life Technologies until its sale to Baxter Inc. Current Executive VP of Cedar Point Capital and Chairman of Medicom Health interactive and Phraxix Inc.



Mat Ratty Non-executive Director

Founder of MC Group, a globally focused venture fund, he has extensive capital, equity and debt markets experience and holds the role as Head of Investment at MC Group.



Simon Buckingham Non Executive Director

25 years of experience in the global Pharmaceutical/Biotech industry, having worked globally (Roche, Actelion) as well as in the US and Australia. NED on several public health care boards.



Follow us on



www.admedus.com

Portfolio Champions – we will leverage the specific talents and industry strengths of our NED's at the portfolio level and assure each business division is equally represented at the BOD and has a “voice”. Each NED has been assigned a business unit above and beyond his normal duties.

- **Immunotherapies** – *Simon Buckingham* (25 years global pharma)
- **ADAPT** – *John Seaberg* (30 years in cardiac device and tissue industry)
- **Infusion** - *Mathew Ratty* (finance, portfolio and transactional expert)



Scott Bliss – Chief Technical Operations Officer

20 years of manufacturing experience within the medical device industry and over 15 years with biologic tissue.

Mechanical Engineering degree - University of Minnesota and a Masters in Manufacturing Systems - University of St. Thomas.

Track record of improving operating margins, Manufacturer of the Year Award - Manufacturers Alliance for LEAN improvements, customer service, and employee engagement.



Natalee Kestler – Regional Vice President of Sales US

Natalee practiced in the areas of Intensive Care and Surgery.

Nursing degree - Union University, Bachelor's degree in Business Administration (Summa Cum Laude) and a Masters' in Administration from Central Michigan University.

Natalee has a strong background in surgical devices, biologicals and capital equipment. A long and successful track record at Baxter saw Natalee hold Director level positions in National Accounts, Health Systems, Reimbursement Initiatives and Training.



Michael Walker – Regional Vice President of Sales Europe/UK

A versatile global executive with strategic and operational healthcare marketing and sales experience across many diverse therapeutic areas.

A dual Australian/Swiss national based in Zurich, Pharmacy degree from Sydney University.

Held global roles in Sales, Marketing and Product Management with Roche, Novo Nordisk and CSL.



Eileen Peterson – Vice President Field Force Optimization

20 plus years in clinical and senior leadership roles. Clinical practice experience in pulmonary, critical care and surgical services.

At Synovis Life Technologies, Eileen was Product Manager for market development in cardiothoracic, bariatric and general surgery, With the acquisition of Synovis by Baxter, Eileen managed professional education and training.

A Bachelor's degree in management - Cardinal Stritch University, Master's certificate in Health Care Administration - University of St. Thomas. Eileen also served on the board of directors for the Surgical Review Corporation and the Virginia Society of Bariatric Surgery and chaired the corporate council for the ASMBS.

Admedus around the world





THANK YOU

ADMEDUS
INNOVATIVE HEALTH SOLUTIONS

www.admedus.com

Follow us on



ADMEDUS
INNOVATIVE HEALTH SOLUTIONS