



Investor Presentation

31st October / 1st November 2018

ASX: CDY



CELLMID

Focused on rapidly scaling the multi-channel distribution of flagship, clinically proven **évolis**® product ranges in Asia, USA and Australia.

Continue to extract value from midkine drug development and patent portfolio; recent preclinical results add value creation opportunities



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

COMPANY OVERVIEW

Cellmid has three wholly owned subsidiaries operating in two distinct business segments.

CONSUMER HEALTH

ADVANGEN

Anti-aging functional cosmetics and consumer health products for hair, face and wellbeing. Product range includes **évolis®** and **Fillerina®**



PRE-CLINICAL THERAPEUTIC ASSETS

KINERA

Midkine protein for the treatment of heart failure, chronic heart conditions and ischemic diseases

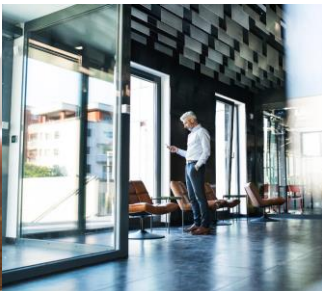
LYRAMID

Midkine antibodies for the treatment of myocarditis, cancer, fibrosis, chronic kidney disease and associated conditions

INVESTMENT HIGHLIGHTS



Proprietary, clinically validated products that actually work



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



Existing distribution networks in Australia, Japan, USA and China which are poised for rapid scale



Highly experienced board and management team including retail and drug development expertise



High growth phase with new product rollout & distribution / geographic expansion. Well funded to pursue growth opportunities



Midkine drug portfolio approaching clinical development

A STRONG BOARD

A vibrant mix of global retail, life sciences and finance experience



Dr David King | Chairman

GOVERNANCE

ENTREPRENEURSHIP

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

RETAIL

FINANCE

ENTREPRENEURSHIP

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

LIFE SCIENCES

MARKETING

Martin 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

LIFE SCIENCES

RETAIL

FINANCE

ENTREPRENEURSHIP

With 24+ years in the sector Maria started in corporate finance specialising in life sciences before joining Cellmid eleven 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

CORPORATE FINANCE

GOVERNANCE

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

LIFE SCIENCES

CORPORATE FINANCE

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.

RECENT ACHIEVEMENTS

Continue momentum in Q1

- Customer receipts up 100% in Q1 from same period in FY18 to \$2.01M
- Consumer health sales at \$1.55M for the quarter, up 50%
- US retail expansion with 16 stores launched including Bloomingdales and Neiman Marcus

New product launches

- Fillirina – non-injectable filler - launched in Australia and now available in select pharmacies and online
- évolis® and évolis® Professional launched in Japan following successful launch in Australia

Strong capital position

- \$10.03M raised through Placement to professional investors (\$9M) and Share Purchase Plan
- Cash position of \$9.26M driving growth opportunities for Consumer Health portfolio
- Received additional \$808K R&D tax credit on 30 October 2018

Other

- Cellmid's Chinese distributor, Fukangren, is progressing FDA registrations ahead of launch
- Midkine collaboration with University of Texas Southwestern to test Cellmid's therapeutic antibodies in preclinical tumour models



CELLMID 

ADVANGEN

Positive Aging



WHAT IS **évolis**®?

évolis® is a [clinically validated](#), [TGA listed](#) portfolio of haircare treatment products specifically formulated as an anti-aging hair solution, combining science and nature to bring back your best hair.

évolis® is the culmination of over [10 years of dedicated research](#) into hair growth and hair biology.

The [first and only topical solution for hair loss and thinning](#) that goes to the root of all hair challenges by addressing hair follicle biology.

[TGA indications](#): helps reduce hair loss and hair thinning, promotes hair growth, lengthens the natural hair growth cycle by inhibiting FGF5 and restores the natural hair cycle by inhibiting FGF5.

évolis® has clinically proven results:

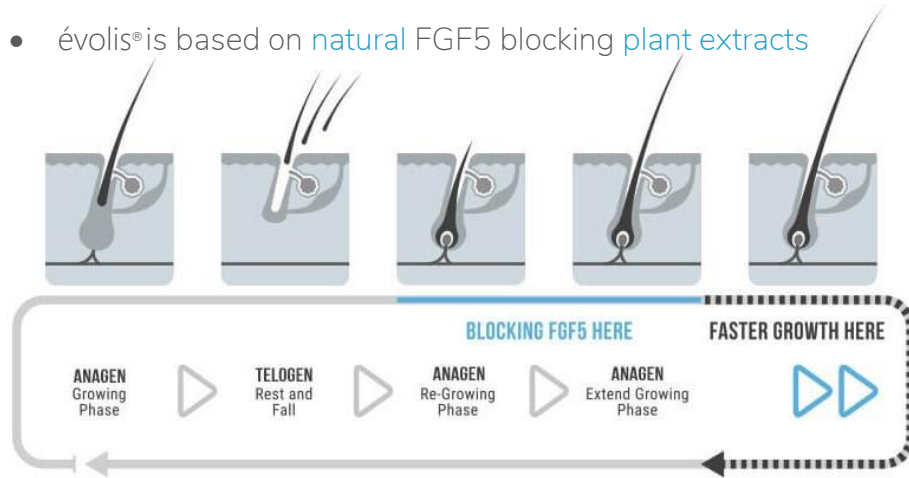
- [20% faster hair growth](#)
- [82% less hair fall](#)
- [44% more actively growing follicles](#)



évolis® **PROFESSIONAL**
The Reverse Range

HOW DOES **évolis**[®] WORK?

- 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
- évolis[®] is based on **natural** FGF5 blocking **plant extracts**



évolis[®] is the only FGF5 inhibitor on the market and has patent protected technology.



ADDRESSING A GLOBAL HAIR GROWTH PROBLEM

USA

18 million men and women suffer from hair loss in the US

- 13% of women experience hair loss by 40 increasing up to 50% by age 70 and
- 50% of men experience significant hair loss by age 50

CHINA

185 million men and women in China suffer from hair loss

- 20% of Chinese men and 6% of Chinese women experience hair loss
- 60-70% of younger people suffer from or have hair loss concerns

MARKET RESEARCH ON HAIR LOSS

- US market research found that 60% of hair loss sufferers would rather have more hair than money or friends and
- 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

évolis[®] PRODUCT RANGE

PROFESSIONAL

Reverse, Prevent, Promote



PHARMACY



JAPAN / CHINA



MARKET OPPORTUNITY

GLOBAL HAIRLOSS MARKET

Forecasted to reach
US\$11.8B
by 2024¹

ANTI-AGING HAIRCARE

forecast to grow

24%

2018-2022 with **emerging
markets** expected to generate
double digit growth³

GLOBAL HAIRCARE MARKET

is estimated to be
US\$88B²

évolis[®]

outperformed fast
growing anti-aging haircare market
generating

50%
growth

Source: 1. Grand View Research, Alopecia Market Projected To Be Worth \$11.8B by 2024, (2016)

2. Statista, Size of the global haircare market from 2012 to 2024, (2018)

3. Euromonitor, Revitalising Hair Care: Exploring future growth prospects (2014)

COMPETITIVE LANDSCAPE

évolis® is the only anti-aging haircare product that is based on natural ingredients, clinically and scientifically validated and effective in reducing hair loss and increasing hair growth

évolis® 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 cosmetic agents)
- **80.2%** reduction in hair loss, **44.2%** increase in growing follicles based on blinded, randomized, placebo controlled clinical study¹
- Formulated with **natural ingredients** évolis® products are **free from parabens, silicones, SLS and SLES, phthalates and animal testing**
- **Clinically validated: one of only two topical products currently in market**
- Strong safety profile

évolis® ticks all the boxes

évolis® vs. other anti-aging brands²

	Clinical Validation	Naturally Based	Reduces Hair Fall	Increases Growth	Increases Maximum Hair Length	Improves Texture	No side Effects
évolis®	✓	✓	✓	✓	✓	✓	✓
Minoxidil	✓			✓			
Nioxin						✓	✓
Viviscal elixir		✓					✓
Galderma qilib		✓					✓
Alpecin							✓
Foltene serum		✓					✓
BC Bonacure						✓	✓
Aveda		✓				✓	✓
Kerastase		✓				✓	✓
Living Proof						✓	✓
éprouvage		✓				✓	✓

WHAT IS FILLERINA®?

Fillerina® is the first non-injectable transdermal filler that has been clinically validated to reduce wrinkles and increase facial volume.

The Fillerina® treatment combines six hyaluronic acids to facilitate the filling in and plumping up of tissues.

In December 2014, Wiley published the positive effects of Fillerina® in decreasing the clinical signs of skin aging and improving face volumes cited in the “Journal of Cosmetic Dermatology”.

Fillerina® remains the international leader in non-injectable filler in the anti-aging skincare market.



Diminish forehead
Wrinkles

Reduce
Crows Feet

Increase Cheek
Bone Volume

Lip Plumping

Puppet Wrinkles

Diminish Neck
Wrinkles

THE DISTRIBUTION AGREEMENT

- Fillerina® launch in Australia and now available in pharmacies from October
- Advangen has entered into an agreement with Labo International to undertake the exclusive distribution of Fillerina® in AU & NZ
- Second product within Advangen portfolio for positive aging
- Exclusive distribution agreement has initial minimum term of 3 years – extendable to 5 years
- Net margins from sales of Fillerina® in-line with évolis®

Strong strategic rationale for Fillerina®

- Consistent with strategy to target the fast growing anti-aging sector and natural fit with existing évolis® product range
- Satisfies rigorous product quality criteria – clinically validated efficacy and safety
- Efficiencies through the utilisation of the national évolis® sales team and distribution channel

WHY FILLERINA®?

- First in class, best in class non-injectable transdermal filler
- 30,000+ surveyed: 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

STRONG REVENUE GROWTH IN ADVANGEN; FY2019 EXPECTED TO BE A BREAKOUT YEAR

Acquired in 2013 from Japanese owners with revenues increasing 4.7X since acquisition

Sales in three markets to date: Japan, Australia / NZ and US
Commenced sales in China in late 2017, signed distribution agreement with sales in mid 2019

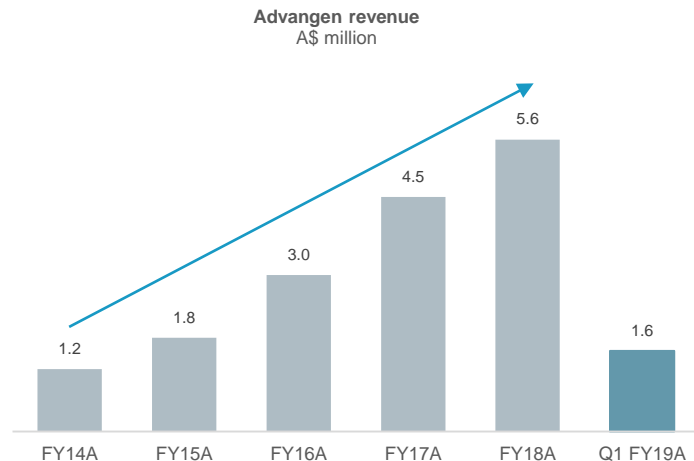
Japanese subsidiary reported maiden profit in FY2016 and increased profitability in FY2017 and FY2018

Fillerina® will be sold in Australia and NZ from 2Q FY2019

Comprehensive marketing campaign underway, launch of **évolis** PROFESSIONAL range and new global e-commerce site

Strong Q1 FY2019 sales performance with 50% growth vs Q1 FY2018
Strongest rate of Q1 FY2019 sales growth in US; Japan continues to represent largest market

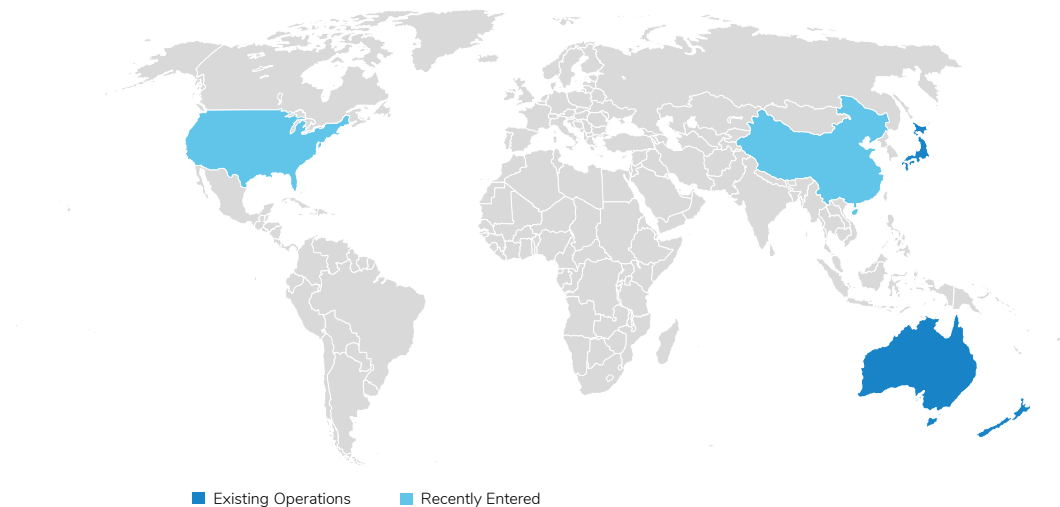
FY2018 revenue up 26%
Q1 FY2019 revenue up 50% (compared to PCP)



GROWTH DRIVERS

Growth is expected to come from four broad categories:

- Extension of the **évolis®** product range (new products, refer to right)
- Distribution channel expansion in existing markets
- Geographical expansion within USA, China and entry into other territories
- Leverage existing network for the distribution of Fillerina®



New products



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.



Existing Channels

- E-commerce: Dedicated global website launched in April 2018, including the AU portal
- Pharmacy: évolis® products are stocked in over 1,800 pharmacies (up from 1,000 in FY2017) accounting for around 35% of the market
- Servicing selected premium salons to be featured retailers of the évolis® PROFESSIONAL range

Expansion Opportunities

- New product and channels No 1: Launch évolis® PROFESSIONAL range in pharmacies and beauty retailers commenced in targeted retailers late July 2018
- New product and channels No 2: Launch Fillerina® in pharmacies and beauty retailers from October 2018 (first shipment arrived in Australia mid-September)
- New product and channels No 3: Launch dry shampoo, mask, eye lash growth and eye brow growth products into existing channels to drive revenue and increase profitability
- E-commerce: Final upgrades including improved CRM and customer service capabilities



Airport West Pharmacy, VIC

Existing Channels

- QVC TV shopping: Continue to market through television shopping channel QVC Japan, providing exposure to 26 million households. QVC Japan accounts for 65% of Japanese revenue.
- Barbershops: Service barbershop network via Japan's largest wholesaler, Nichiri
- Concept store: First concept store opened in Ginza, Tokyo in Dec 2017. Strong demand from visiting Chinese tourists
- Export sales: Supply Japanese products to China

Expansion Opportunities

- Independent pharmacies: Shipped Australian branded évolis® and évolis® Professional sales in Q1 2019; around 10% of the 100,000 independent pharmacies are suitable to carry the products
- E-commerce: Launch of Japanese site within the global e-commerce platform
- Concept stores: Opportunity for partnership to open additional stores and increase product and service offerings in existing store
- Salons: Launching évolis® Professional in hair salons from late 2018



Advangen Hair Biology
Concept Store,
Ginza, Tokyo



Existing Channels

- E-commerce: Currently limited activity (to increase after the launch of fully operational website)
- Premium retail: Partnerships entered into with Neiman Marcus, Soft Surroundings and Bloomingdales
 - Thirteen store launches completed in Q1 FY2019
 - Comprehensive PR program with a social and digital campaign
 - Fastest region for sales growth in Q1 FY2019

Expansion Opportunities

- Premium Retail: Expansion into additional national retailers with a focus on premium groups (total opportunity is over 2500 stores in the premium retail segment)
- E-commerce: Increase e-commerce activity utilising digital marketing capabilities and PR
- Dermatology and aesthetic clinics: Currently in testing phase and full commercial launch of évolis® PROFESSIONAL range expected in 2019

Continue active PR, which since March 2018 resulted in évolis® appearing in Forbes, Allure, New Beauty, Elle, Professional Beauty, aol.com, msn.com, Readers' Digest, Byrdie, YourTango and WWD reaching more than 891 million unique viewers with 2.2 billion potential impressions at the estimated ad value of US\$367K.



Neiman Marcus, premium hair section
North Park, Dallas, USA



Existing and near term channels

- Distribution agreement: Exclusive five-year agreement signed in May 2018 with Fukangren Bio-Pharm Tech. Co. Ltd for the distribution of évolis® lotions and shampoos to over 500 pharmacies, associated hospitals and clinics in China. The agreement is split into two key stages:
 - a 12 month period where Fukangren will register the evolis products with the Chinese regulator on behalf of Advangen. This process commenced during Q1 FY2019; and
 - exclusive distribution agreement with minimum order requirements and marketing spend per year for the term of the agreement.
- E-commerce and TV shopping: QVC China expected to commence in early 2019. QVC China has access to 121 million homes.
- Lexilis Black® (original Japanese male brand) sold by Beijing Huana Likang Biotechnology Co. through a distribution agreement via import permits renewed in August 2017.

Market Opportunity

- Early onset hair loss statistics are changing in the Chinese population with 60-70% of younger people indicating that they were suffering from hair loss or had hair loss concerns.
- Studies in China suggest ~20% of men¹ and ~6% of women² suffer from hair loss.
- China has a population of 725 million men and 671 million women.



专家/推荐



Proposed website

¹ Female Pattern Hair Loss: A Clinical and Pathophysiological Review. An Bras Dermatol. 2015 Jul -Aug; 90(4): 529-543

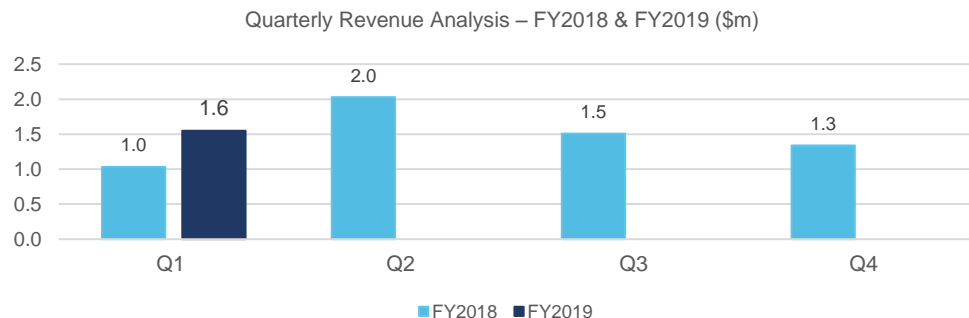
² Characteristics of Androgenetic Alopecia in Asians. Ann Dermatol. 2012 Aug; 24(3): 243-252. Published online 2012 Jul 25



BUSINESS
PERFORMANCE &
OUTLOOK

FINANCIAL PERFORMANCE – Q1 FY2019

	Q1 FY2019	Q1 FY2018	% chg
Consumer health sales	1.55	1.03	Up 50%
Key cash flow items			
Cash receipts (inflow)	2.01	1.01	Up 100%
Product manufacturing (outflow)	1.16	0.18	Up \$1.0m
R&D (outflow)	0.13	0.48	Down \$0.4m
Cash Balance	9.26	2.92	Up \$6.3m



Key Q1 FY2019 developments:

- Successful placement & SPP raising \$10.03m (ex costs)
- Repaid \$1.0M of \$2.0M R&D loan facility
- Ramp-up in production to service increasing sales volumes
- Successful US retail store launch with experiential marketing events in 13 locations
- Sales growth delivered in all three geographic locations (Japan, US & Aust)
- Growth does not include a large component of the new product range which is expected to flow through in remainder of FY2019

FINANCIAL PERFORMANCE – FY2018

Year	FY2018 (A\$'Ms)	FY2017 (A\$'Ms)	% chg
Consumer health revenue	5.64	4.49	Up 26%
R&D tax and grants	1.06	0.83	Up 27%
Total revenue & other income	6.83	5.56	Up 23%
COGS	2.16	2.11	Up 2%
R&D expenses (external)	0.59	0.59	-
Total expenses	10.56	10.00	Up 5%
Net Profit/(Loss)	(3.73)	(4.45)	Loss down 17%
Cash Balance	1.6*	3.99	

*Cash balance of \$1.6 million does not include \$10 million capital raising proceeds (received Sep 2018)

FY2018 commentary:

- Revenue and other income growth of 23% driven by strong performance of consumer sales division
- First phase of global marketing and distribution strategy delivered results
- Significant new distribution agreements entered into for US, Chinese and Australian markets
- Improved net loss by 17%; trend towards profitability as operating costs are expected to be leveraged more efficiently



Lyramid & Kinera
Midkine in therapy



MIDKINE – A NOVEL AND COMPELLING TARET

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

- CDY has the largest portfolio of midkine IP assets globally with several potential clinical development programs and a number of product development opportunities.
- Subject of recent publications in Nature, Blood, Cell and Nature Review
- [Researched by approximately 70 groups globally with most patents owned by Cellmid. Portfolio incudes 58 patents in 13 patent families.](#)
- Midkine (MK) is a promising drug target because:
 - Prominent in embryogenesis but barely detectable in healthy adults
 - Elevated MK 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 (immuno-oncology)
 - Anti-apoptotic (prevents cell death)
 - Promotes inflammatory cell infiltration
 - Promotes cell growth and differentiation
- Inappropriate activation in chronic conditions creates vicious cycle leading to inflammatory disorders and cancer

Cancer type	Midkine Overexpression relative to healthy tissue					
	Tissue		Blood		Urine	
	Mdk gene	MK protein	Mdk gene	MK protein	Mdk gene	MK protein
Breast	✓	✓	✓	✓		✓
Ovarian	✓			✓		
Uterine/cervical	✓	✓		✓		
Prostate	✓					
Lung	✓	✓		✓		
Neuroblastoma		✓		✓		
Glioblastoma	✓	✓				
Meningioma	✓	✓				
Neurofibromatosis type 1	✓	✓		✓		
Gastric	✓	✓		✓		✓
GI Stromal		✓		✓		
Bladder	✓	✓		✓	✓	✓
Colorectal	✓	✓		✓		✓
Duodenal	✓	✓		✓		
Oral Squamous cell	✓	✓		✓		
Oesophageal squamous cell	✓	✓		✓		
Hepatocellular	✓	✓		✓		✓
Bile duct	✓	✓		✓		✓
Pancreatic	✓	✓		✓		✓
Renal						✓
Thyroid	✓	✓		✓		✓
Osteosarcoma	✓	✓				
Chronic lymphocytic leukaemia				✓		

LYRAMID

- **Stage:** pre-clinical
- **Drug class:** Antibodies CAB101 and CAB102 (cancer, fibrosis, chronic kidney disease, myocarditis) and companion diagnostic marker
- **Recent / current studies:** Osteoporosis (University Medical Centre, ULMFSGS (Westmead Childrens Institute), Bone Healing in , Germany), Glioblastoma (Complutense University, Madrid), Chronic kidney disease (Westmead Institute), Melanoma (CNIO, Madrid) published
- **Status:** Positive preclinical results for midkine antibody (CAB102) in FSGS towards orphan drug application; CAB101 humanized, completing pre-clinical development; ready for GMP manufacture and clinical development. Diagnostic assay (MK-ELISA) is licensed and launched.
- **Revenue:** **\$112k FY2018** from license agreement with Pacific Edge for the use of MK as a marker in CXBladder, a bladder cancer diagnostic panel.

KINERA

- **Stage:** pre-clinical
- **Drug class:** Protein, MK
- **Applications:** heart failure, chronic heart conditions and ischemia related complications of multiple organs
- **Status:** Secured funding in March 2017 to develop this portfolio and now plan to:
 - Secure GMP quality supply of MK and deliver sufficient quantities of the midkine protein to complete pre-clinical development
 - Pharmacokinetic and early toxicology studies
 - Secure partnerships that facilitate clinical development

OBJECTIVES FOR LYRAMID & KINERA

Complete pre-clinical studies

- Clinical indications will be assessed on the strength of pre-clinical evidence during FY2019
- **Focused on capital preservation - partnerships are the preferred strategic approach to pursue clinical development phase**

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

- Pre-clinical evidence in FSGS has been developed with CAB102
- Focus is to file orphan application and secure further value in the asset portfolio
- Seek partnerships to enter clinical development once orphan designation is received





CELLMID 

APPENDICES

WHO ARE QVC?

QVC is a multiplatform shopping experience engaging millions of shoppers with hundreds of brands globally through online, broadcasting, mobile and social channels.

The QVC business model allocates sales event timeslots to brands at no cost, on a commercial return basis. To date Cellmid's **évolis**® product range has outperformed every allocated timeslot and has a continuing strong track record of repeat customers.

Global QVC customer purchase profile:

- 89% retention rate of customers
- US\$1,247 annualised spend per customer
- 24 items purchased per year per customer

QVC Global Scale		
Country	TV Homes (Millions)	Channels
United States	104	3
Germany	41	3
Japan	26	1
UK	27	5
Italy	24	1
France	19	1
China	121	1
Total	362	15

Source: QVC Group Investor Day Presentation, November 2017



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.