

ASX ANNOUNCEMENT

CELLMID SIGNS NEW DISTRIBUTION AGREEMENT FOR ÉVOLIS® AND OPENS IN EUROPE WITH LEADING RETAILER

- **New supply agreement in Europe:** Cellmid has entered into a supply agreement for its évolis® Professional anti-aging hair care and hair loss products with leading European beauty retailer, Douglas GmbH.
- **New distribution agreement in China:** Cellmid has signed an exclusive distribution agreement with Aeon International for évolis® Professional to be sold in the Chinese cross-border e-commerce market.
- **European retail outreach:** In September Cellmid presented the évolis® Professional product range at one-on-one partnering meetings with European distributors and premium retailers in Amsterdam.
- **Global growth:** These new channels and partners are expected to continue to drive consumer health revenue growth in Europe and China, in addition to existing geographies.

SYDNEY, Tuesday, 1 October 2019: Cellmid Limited (ASX: CDY) is pleased to advise that its wholly owned subsidiary, Advangen International Pty Ltd (Advangen), has entered into new distribution and supply agreements for its évolis® anti-aging hair care and hair loss products in Germany and China, and commenced active partnering in multiple European countries and channels.

Cellmid has signed a supply agreement with leading German premium beauty retailer, Douglas GmbH. For the first six months, the focus will be on e-commerce sales of the évolis® Professional products on Douglas' German language platforms. Cellmid has received the first orders and shipped products to the Douglas e-commerce warehouse in readiness for online sales in early October.

Douglas is the leading premium retailer in the European beauty industry providing excellent consultation and a range of unique services, both in their approximately 2,400 stores and their fast-growing online shops, across 26 European countries. In the 2017/18 financial year the retailer generated sales of 3.3 billion Euros.

Douglas employs some 20,000 dedicated beauty experts and has a portfolio of around 50,000 high-quality products across more than 650 brands in the areas of perfumery, decorative cosmetics and skincare as well as food supplements and accessories. Importantly, Douglas has one of the largest customer loyalty programs in Europe, with 40 million Beauty Card holders.

The évolis® Professional products will first be introduced to European consumers on e-commerce by Douglas, similar to the USA launch of the products with Neiman Marcus. The Cellmid and Douglas teams have developed sampling, competition and 'gift with purchase' campaigns that will be amplified on social and digital channels in the coming months to increase brand awareness.

Other European retail opportunities are expected to emerge following a one-on-one partnering event in Amsterdam in September, where the évolis® Professional products were introduced to several distributors and premium retailers. Negotiations have since commenced with potential partners in various European countries including UK, Germany, the Baltic states and Eastern Europe.

In addition to its European market expansion, Cellmid has entered into an exclusive distribution agreement for 12 months with Aeon International Pty Ltd for the sale of the évolis® Professional products via e-commerce channels in China.

Aeon International is the Australian subsidiary of Chinese e-commerce company, Habesul, which has 30+ years' experience in international trade and distribution. The company has a strong import/export pedigree, having first helped Chinese brands access the international market and later moving to facilitate the entry of international brands, including Australian health care products, into China.

Habesul has its offices in Hangzhou, the technology centre housing hundreds of e-commerce businesses including Alibaba. The Habesul team has close relationships with all major e-commerce platforms, including T-mall, JD.com, Kaola.com, Yunji, and Xiaohongshu.

Importantly, Habesul works closely with a network of approximately 150 premium beauty spas, 300 premium supermarkets selling overseas imported goods and 500 high-end hair salons.

Aeon/Habesul will begin selling the évolis® Professional products via the cross-border model, making use of 'bonded warehouses' in mainland China. Cellmid has already secured registration to sell its évolis® Professional product line through this channel.

As part of this distribution agreement, Aeon/Habesul will conduct a consumer experience study to refine strategies for the Chinese market and they will apply for local registration of the évolis® Professional range as cosmetic products within the first six months of the agreement.

Cellmid CEO, Maria Halasz said, "We are delighted to announce these new distribution and sales channels with quality partners around the world. As we continue to work with our new and existing partners worldwide, it strengthens our confidence in the robust, omnichannel model and growth profile of our consumer health division. We look forward to expanding our product sales in FY2020 and beyond as a result."

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Cellmid Limited (ASX: CDY)

Cellmid is an Australian life sciences company with a consumer health business and biotech assets. Advangen is Cellmid's wholly owned subsidiary engaged in the development and sale of first in class, best in class, clinically validated anti-aging products for hair, skin and body. Advangen has a range of FGF5 inhibitor hair growth products which are sold in Australia, Japan, USA and China. Advangen has a rich portfolio of hair growth and anti-aging hair care assets which include formulations of products on market, trademarks, patents and patent applications, proprietary assays and manufacturing processes. For further information, please see www.cellmid.com.au and www.evolisproducts.com.au.

Forward looking statements

This announcement may have 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 announcement. Actual results could differ materially depending on factors such as the availability of resources, regulatory environment, the results of marketing and sales activities and competition.