

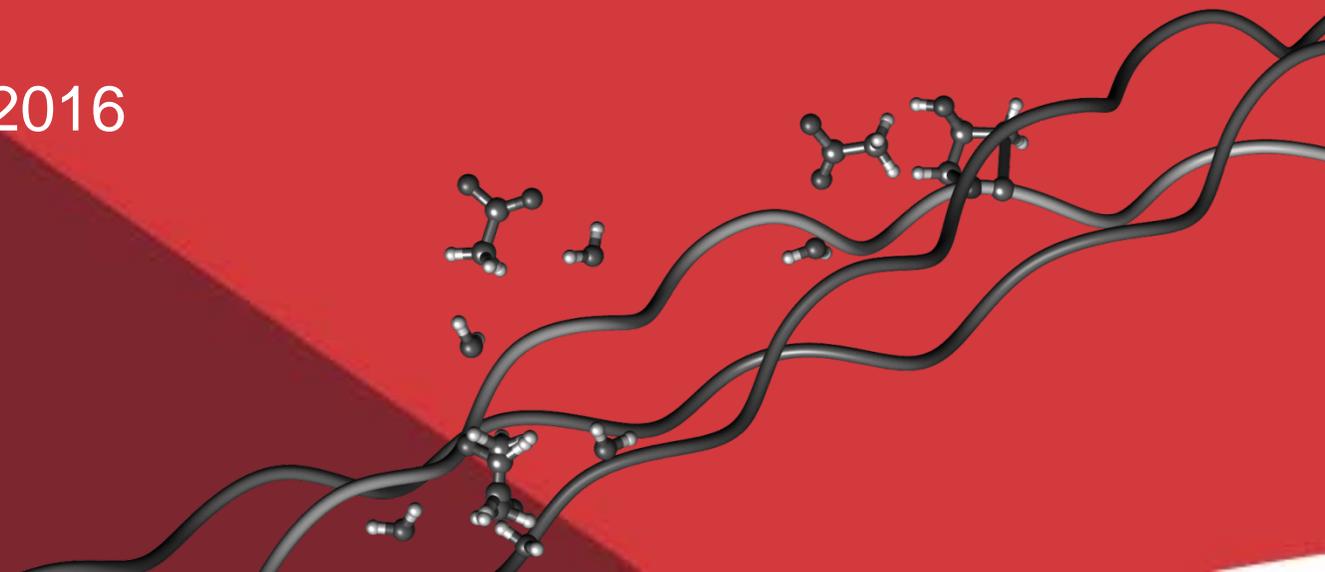


# Collagen Solutions Plc

Jamal Rushdy, CEO

Gill Black, CFO

June, 2016



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# Company Overview

## Opportunity

\$1.5b+ biomaterials market opportunity growing 10%+

## Focused Business Model

Biomaterials core business + licensing and distribution of owned products

## Innovation & I.P.

Broad technology range, novel I.P., unique experience and know-how

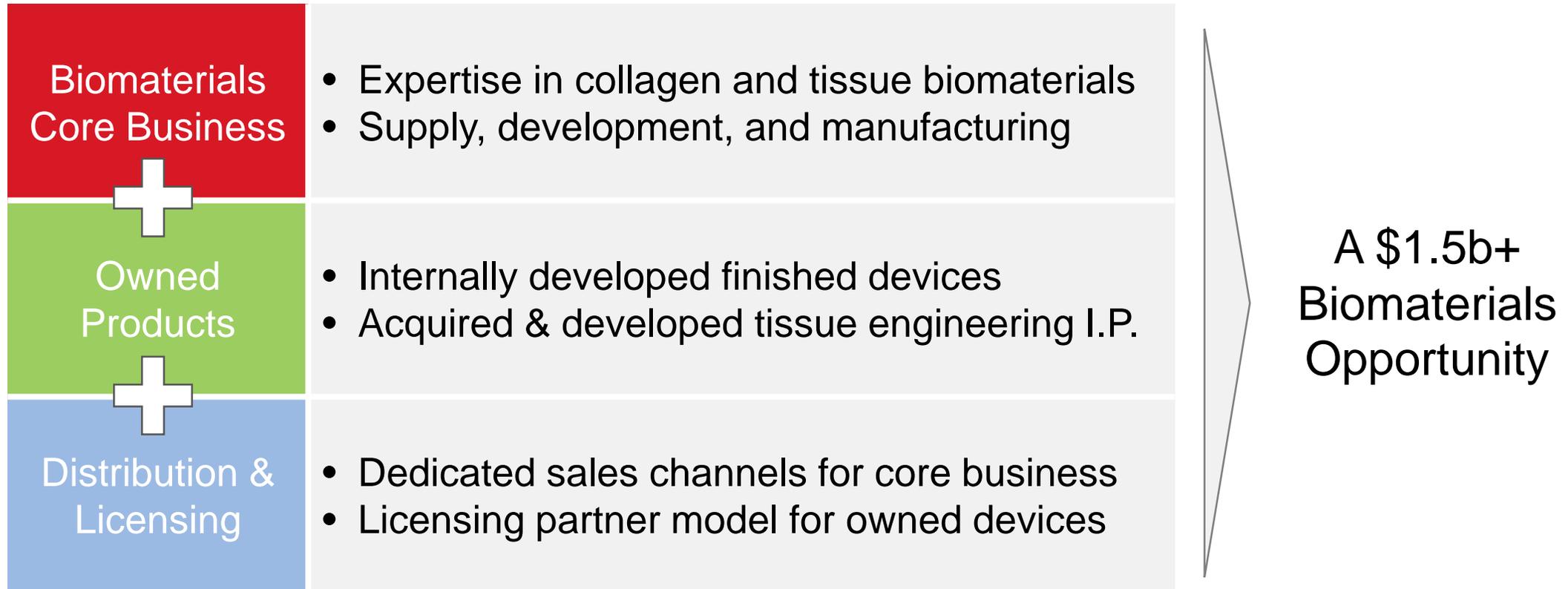
## Experienced Team

End-user experience in medical devices and biomaterials

## Global Customer Base

Customers in multiple markets, geographies, and growth stages

# Our Strategy Addresses a Significant Opportunity





# Technology, Innovation & I.P., Know-How

## Technology

- Medical grade collagen - broad range of solutions, powder, sheets, gels
- Tissues – processed pericardium, bone, tendon, and other materials

## Innovation & I.P.

- Issued, pending, and in-process processing technology I.P.
- Acquired ChondroMimetic – several orthopaedic applications

## Know-How

- Experienced global team in collagen and biomaterials
- >50% employees with advanced technical degrees
- >85% employees with experience in relevant customer markets

# Experienced Management Team In Place



**Jamal Rushdy, CEO** <sup>1</sup>

- 20+ years medical devices, orthopaedics and biologics
- 8+ years as Vice President, Tornier (NASDAQ:TRNX, acquired)
- 4+ years DJO (NYSE:DJO, acquired by Private Equity)
- 3 start-ups with successful exits
- M&A, marketing, sales ops, finance



**Stewart White PhD, CSO** <sup>1</sup>

- Founding CEO, Collagen Solutions and Collbio
- International operations, business and product development
- GMP compliant operations for collagen medical devices and active pharmaceutical ingredients



**Tom Hyland, COO**

- Collagen chemistry expertise
- Six sigma black belt
- Multiple successful collagen-based product introductions



**Gill Black, CFO** <sup>1</sup>

- Board-level financial experience
- Financial director at A&E Russell through growth and acquisition
- Senior manager KPMG



**Geoff Bennett, Executive Director** <sup>1</sup>

- Co-founder and CEO of Southern Lights Biomaterials
- CFO at three public Canadian companies



**David Evans, Chairman** <sup>2</sup>

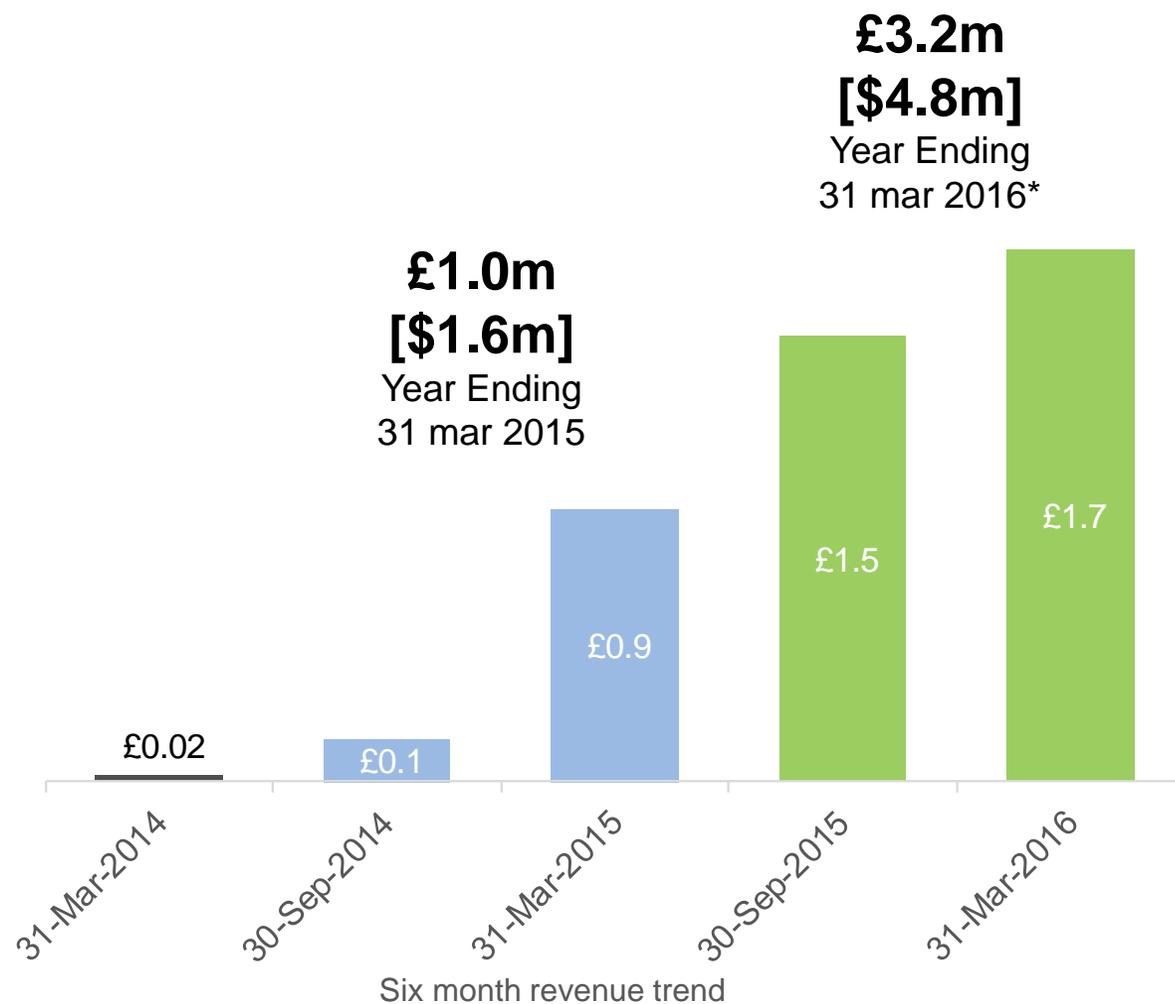
- Proven track record in acquiring, integrating and growing businesses in healthcare
- Successful exits with multiple diagnostic & healthcare companies
- Currently Chairman of OptiBiotix Health Plc and Premaitha Health Plc.



**Malcolm Gillies, Non-Executive Director** <sup>2</sup>

- Director experience in several private and public companies in healthcare
- Former senior partner, corporate finance lawyer, Shepherd+Wedderburn.
- Board-level financial experience

# Early Share Gains Driving Revenue Growth



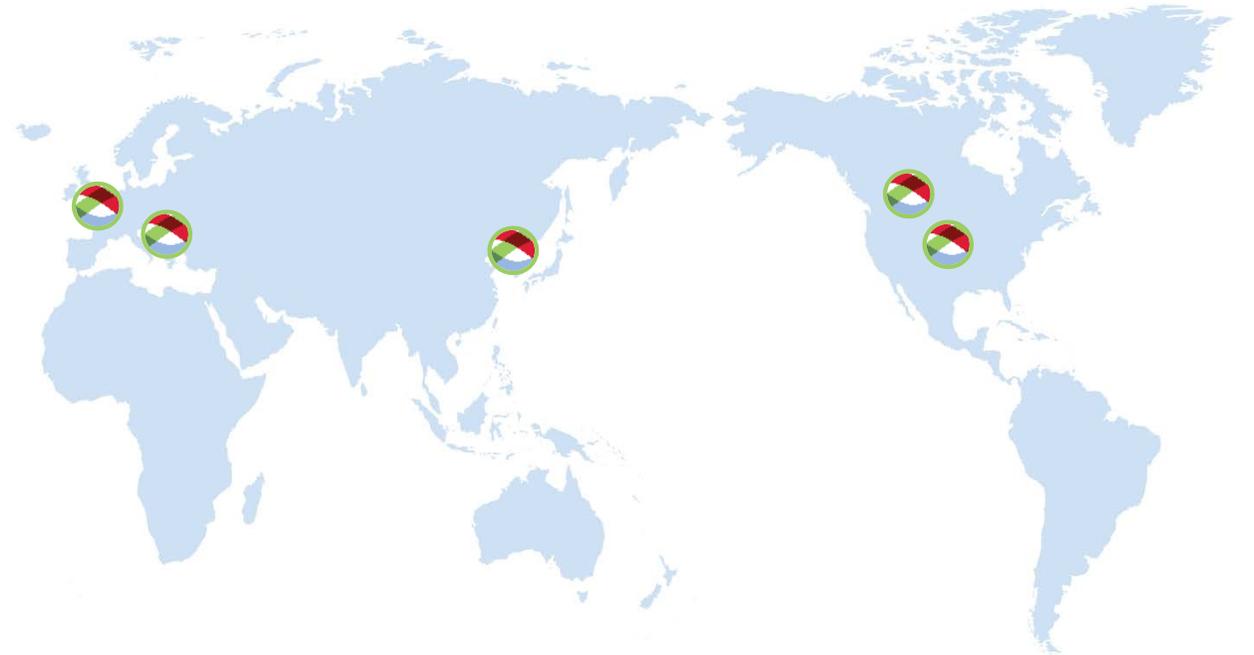
\*Year ending 31 March 2016 unaudited pre-announced 3 May 2016.



# Global Diverse Customer Base

## Customer base demographics

- USA, Canada, Northern Europe, Middle East, and Korea
- Large \$1b+ medical devices
- Medium \$100m-\$500m medical devices
- Multiple early growth stage & pre-revenue



## Our Vision

To become the industry's first choice  
for regenerative biomaterials



# We Offer Foundational Products in the Large Regenerative Biomaterials Sector

<b>Regenerative Medicine</b>	Repair, replace or regenerate damaged organs or tissue
<b>Tissue Engineering</b>	Field of Regenerative Medicine: scaffolds, cells, and signalling molecules
<b>Biomaterials</b>	Basis of Tissue Engineering + Used in multiple medical device segments (regenerative medicine and other therapies)

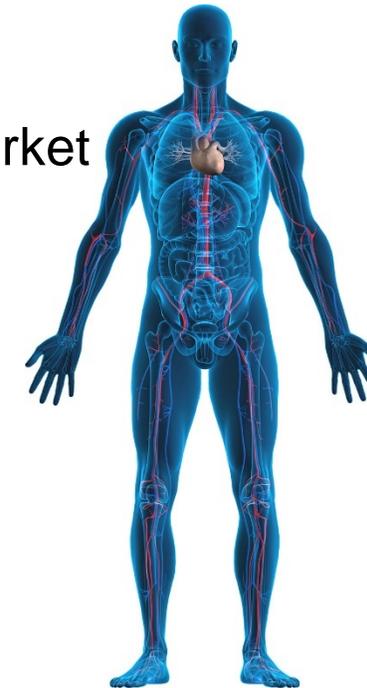


Regenerative Medicine & Tissue Engineering:  
**700 companies**  
**\$2.9b in funding**

Biomaterials in Medical Devices:  
**\$50b market**

# Collagen and Tissue Biomaterials Applications

- Multiple markets in medical devices, regenerative medicine, and research
  - Major markets are cardiovascular, orthopaedics, dental, and wounds
- Estimated \$15b+ end-user market; \$1.5b+ addressable supplier market
  - 10%+ growth driven by patient demographics & continued innovation

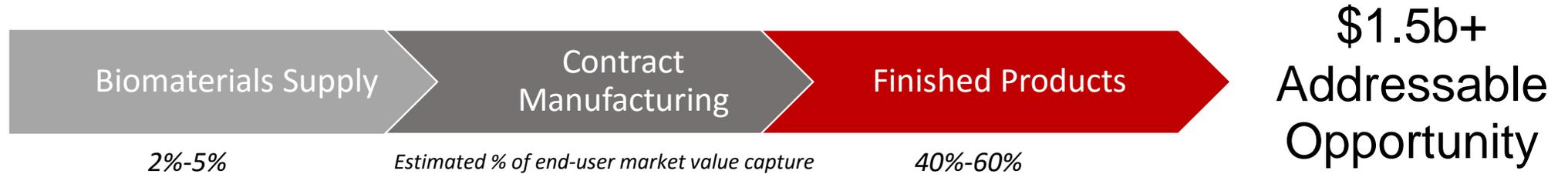


Cardiovascular
Dental
Ear, Nose Throat
General & gastroenterology surgery
Oncology
Ophthalmic
Orthopaedic
Neurology
Plastic & reconstructive surgery
Preclinical Research
Tissue Engineering
Trauma
Urinary
Wound Repair

*Example Products*

Cardiovascular	Orthopaedics	Wounds
<ul style="list-style-type: none"> <li>• Heart valves</li> <li>• Vascular closure</li> <li>• Vascular grafts</li> <li>• Stent coatings</li> </ul>	<ul style="list-style-type: none"> <li>• Bone graft substitutes</li> <li>• Demineralised bone matrix</li> <li>• Tendon and ligament repair</li> <li>• Cartilage reconstruction</li> </ul>	<ul style="list-style-type: none"> <li>• Wound sponges</li> <li>• Wound scaffolds</li> <li>• Burn grafts</li> <li>• Dressings</li> </ul>

# Operating Across the Value Chain Unlocks Value...



## ...and a Partner & Licensing Model Enables Focus

- Last 40%-60% of end-user price requires significant expertise and expense
- Partner & licensing model leverages COS' sales channel and competencies

# Our Core Biomaterials Address Multiple Needs

## Medical Grade Collagen

- Tissue Engineering scaffolds
- Medical Device components
- Research assays



## Pericardium & Other Tissues

- Natural and semi-processed tissues
- Ideal physical and biologic properties for medical devices
- Examples - heart valves and dental membranes



# Our Finished Product Categories Meet Different Customer Segment Demands

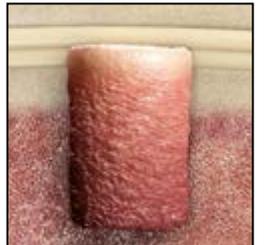
## Market Access

- **Owned products** or **co-developed to partner specification**
- Demand in orthopaedics, dental, cardiovascular, etc.
- Leverage development across many customers

## Premier

- **Owned products** through acquired or developed I.P.
- Selective partners with more exclusive licensing
- Cartilage regeneration as an example

## Finished Products



# Customer Segmentation Drives Focus and Value

Research & Diagnostics	Medical Devices	Regenerative Medicine
		
<ul style="list-style-type: none"><li>• Use specialised distributors</li><li>• Off-the-shelf formulations</li><li>• Upstream brand value</li></ul>	<ul style="list-style-type: none"><li>• Sell to medical device companies &amp; distribution partners</li><li>• Development, supply, manufacturing, &amp; finished devices</li><li>• Specialised consultative sales process</li></ul>	

# Customer-Driven Value Proposition



Working Together	World Class Standards	Broad Range of Materials
<p>Scientific expertise and a collaborative approach:</p> <ul style="list-style-type: none"> <li>• Faster time to market</li> <li>• Improved production</li> <li>• Superior products</li> </ul>	<p>GMP, EDQM, ISO 13485 &amp; 22442, materials sourced from BSE-free countries:</p> <ul style="list-style-type: none"> <li>• Regulatory approvals</li> <li>• Quality and consistency</li> <li>• Safe, reliable supply</li> </ul>	<p>A comprehensive range of collagen biomaterials and forms:</p> <ul style="list-style-type: none"> <li>• Tissues</li> <li>• Powders</li> <li>• Coatings</li> <li>• Sponges</li> <li>• Membranes</li> <li>• Scaffolds</li> </ul>

# ChondroMimetic Product Pipeline Opportunity



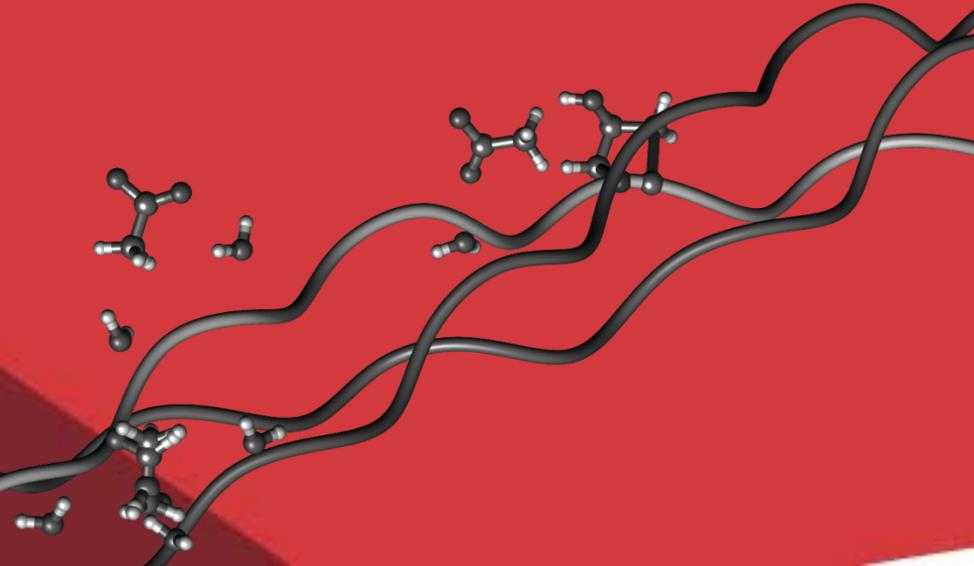
## Acquired assets of former OrthoMimetics Ltd 9/2015

- Cartilage, bone, meniscus, tendon and ligament orthopaedic regenerative platform
- Global orthobiologics market \$3.7b+, reaching \$5.5 billion by 2018.

## ChondroMimetic is the primary opportunity

- Previously launched in Europe, 6+ years evidence in patients
- Retro study and CE mark for OUS launch early 2017

Thank You



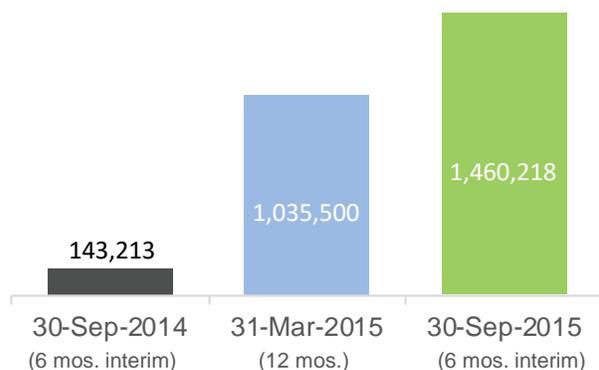


# Appendix: Financials

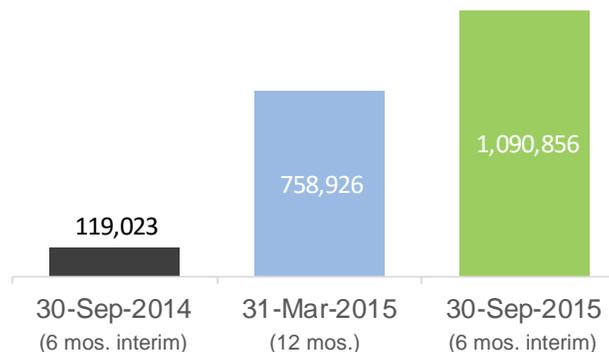
Gill Black, CFO

# Six Months ended 30 September 2015

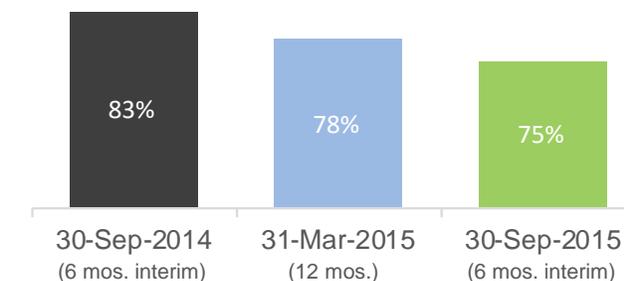
Revenue & Other Income (£)



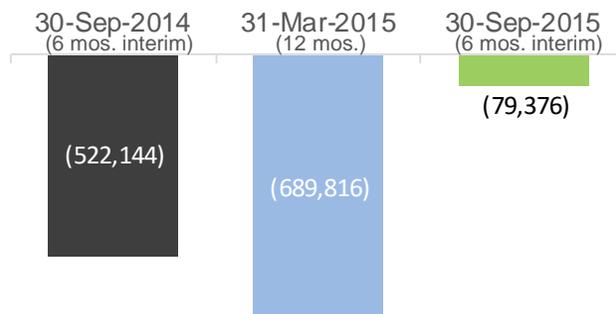
Gross Profit (£)



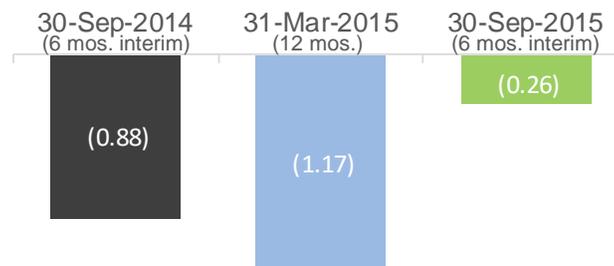
Gross Margin (%)



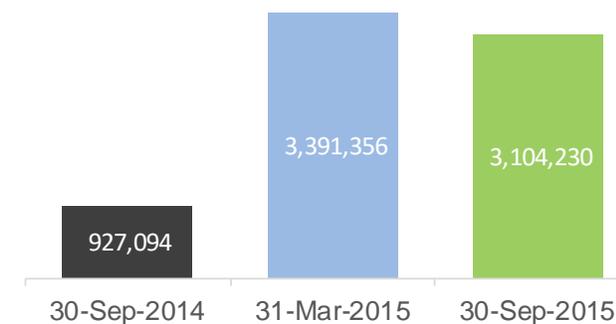
LBITDA\* (£)



EPS (p)



Cash and Equivalents (£)



\*Before separately identifiable items – acquisition and integration costs.