



ADMEDUS LIMITED  
ABN 35 088 221 078

REGISTERED OFFICE:  
26 Harris Road  
Malaga Western Australia 6090

**Corporate Enquiries:**  
T +61 (0)8 6240 6100  
F +61 (0)8 9266 0199

E [info.au@admedus.com](mailto:info.au@admedus.com)  
[www.admedus.com](http://www.admedus.com)

## ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE

28th January 2016

Company Announcements Office  
Australian Stock Exchange Limited  
10<sup>th</sup> Floor, 20 Bond Street  
SYDNEY NSW 2000

Dear Sir/Madam,

### Re: Appendix 4C - Quarterly Report

Please refer to the 'Appendix 4C' attached for details of financial results for the second quarter to 31 December 2015 for the Group.

### Highlights

- **Sales at \$6.5M for the half year, up 37% from previous half year**
- **Sales up 16% for the quarter compared with the previous quarter**
  - Growth reflects CardioCel®'s expanding availability, indications and traction
  - CardioCel now in over 135 centres globally, up from 110 at end of last quarter
- **Immunotherapy programs on track**
  - HSV-2 Phase II trial completes enrolment, initial study results due this quarter
- **Net cash spend for the quarter \$4.5M, down 38% from the previous quarter**
- **Half year cash balance of \$19.1M**

### ***CardioCel traction continues to drive strong sales growth; Immunotherapy programs progressing well***

During the period Admedus grew revenues by 16% compared with the previous quarter, the sixth consecutive quarter of sales growth for the Company. Sales for the first half of the year were \$6.5M, a 37% increase compared with the half year end 31 December 2014.

CardioCel sales for the first half of the financial year were \$2.3M, which are approaching the CardioCel sales for the full 2015 financial year of \$2.64M, illustrating the continued global growth and traction of CardioCel. Admedus anticipates CardioCel sales growth to continue for the rest of the financial year, driven by the expansion of CardioCel into the adult cardiovascular market, expansion into new countries including the MENA region and the Company's pending vascular product launch.

The net cash spend for the quarter was \$4.5M, down 38% from the previous quarter. The Company continues to monitor and adjust its expenses relative to the growing sales revenue.



During the quarter Admedus completed a placement of USD\$5M, which resulted in a 14.5% increase in the cash position at the end of the quarter compared with the previous quarter. The Company also received \$2M in R&D cash rebates during the quarter. Admedus closed the quarter with over \$19M in cash which is up approximately 100% compared with the second quarter ended 31 December 2014.

### ***Sales and marketing***

During the quarter Admedus continued to drive sales activities across both the Company's infusion product range and regenerative tissue product franchises. CardioCel featured in a number of presentations and publications during the quarter and Admedus anticipates additional publications and presentations on the benefits of CardioCel in the coming year.

The number of global centres using CardioCel was over 135 at the end of the quarter, an increase from 110 centres at the end of the previous quarter with over 3000 patients treated with CardioCel. This demonstrates an increasing level of adoption of the product and the benefits it brings to surgeons and patients alike.

### ***Regenerative Tissue Portfolio***

In September Admedus initiated a post-market study in the reconstruction of aortic valves using CardioCel. This followed on from a successful pre-clinical study which showed the utility and benefit of CardioCel in the reconstruction of the aortic valve. The data from this study was presented at the European Association for Cardio-Thoracic Surgery Annual Meeting (EACTS) in October. The use of CardioCel in heart valve repairs and reconstructions is an important growth strategy for Admedus, as it has the potential to provide longer term improved patient outcomes and provides surgeons with a true alternative to bi-prosthetic valves. CardioCel has already been used in a number of patient heart valve repairs and reconstructions and the data from the post-market clinical study will help consolidate and position CardioCel as the preferred valve tissue in the global treatment of heart valve disease.

Admedus continues to actively expand the Company's ADAPT® regenerative tissue portfolio, including development of its vascular bio-scaffold range, which is anticipated to be launched in CY2016. This will enable Admedus to expand into new surgical markets to build a portfolio of products, establishing multiple revenue streams in the coming years.

Admedus will also continue to progress its R&D programs, building out its regenerative tissue portfolio and will provide shareholders with ongoing updates on the R&D programs.

### ***Immunotherapies***

The immunotherapy programs continue to progress well with the HSV-2 Phase II clinical study completing enrolment during the quarter, enrolling more than the 40 people originally planned. The Company anticipates the release of additional study data early in the first quarter of 2016. The Phase II study is designed to examine the safety of the HSV-2 vaccine in people with the virus as well as look at its ability to stimulate an immune response against the virus.

The immunotherapies team also continues to progress the HPV product program towards its initial clinical study as a treatment against HPV and associated cancers. The Company has completed manufacture of the HPV therapeutic vaccine and is now in formal pre-clinical studies ahead of the Phase 1b study initiation in 2016.

The quarter represents another quarter of sales growth for Admedus, advancing its development into a global healthcare company. The Company is looking forward to an exciting 2016 with anticipated clinical results from the HSV-2 immunotherapy program, progression of the HPV therapeutic into clinical studies, continued expansion of the regenerative tissue portfolio and continued quarter-on-quarter sales growth and overall sales growth across the Company.

The December quarter was a positive one for Admedus with another quarter of sales growth for both CardioCel and across the Company and we are driving towards continuing this for the rest of the financial year and beyond. The Company anticipates a number of key milestones in the coming two quarters and throughout 2016.

Please also refer to our website and social media forums such as twitter and our YouTube channel for additional information on the Company and updates on activities across Admedus.

Yours sincerely

A handwritten signature in black ink, appearing to read "S. Mann".

Stephen Mann  
**Company Secretary**

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

Admedus Limited

ABN

35 088 221 078

Quarter ended ("current quarter")

31 December 2015

### Consolidated statement of cash flows

<b>Cash flows related to operating activities</b>	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from customers	3,484	6,368
1.2 Payments for		
(a) staff costs	(4,309)	(8,451)
(b) advertising and marketing	(140)	(303)
(c) research and development	(779)	(2,858)
(d) leased assets	-	-
(e) other working capital	(4,792)	(8,828)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	78	104
1.5 Interest and other costs of finance paid	(16)	(37)
1.6 Income taxes refunded	2,040	2,203
1.7 Other – Commercialisation Australia Grant	-	-
1.8 Other – WA Innovation Voucher Program Grant	-	-
<b>Net operating cash flows</b>	<b>(4,434)</b>	<b>(11,802)</b>

	Current quarter \$A'000	Year to date (6 months) \$A'000
1.8 Net operating cash flows (carried forward)	<b>(4,434)</b>	<b>(11,802)</b>
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	(38)	(51)
(d) physical non-current assets	(52)	(141)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other	-	-
<b>Net investing cash flows</b>	<b>(90)</b>	<b>(192)</b>
<b>1.14 Total operating and investing cash flows</b>	<b>(4,524)</b>	<b>(11,994)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.	6,966	7,076
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other / Transactions with Non-controlling interests		
<b>Net financing cash flows</b>	<b>6,966</b>	<b>7076</b>
<b>Net increase (decrease) in cash held</b>	<b>2,442</b>	<b>(4,918)</b>
1.21 Cash at beginning of quarter/year to date	16,666	24,026
1.22 Exchange rate adjustments to item 1.20	44	44
1.23 <b>Cash at end of quarter</b>	<b>19,152</b>	<b>19,152</b>

## Payments to directors of the entity and associates of the directors

## Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	283
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions	
	Salary \$110k Consultancy services \$68k Directors fees \$105k	

## Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

## Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

The Group holds an overdraft facility of \$295,000 which is completely unused at the end of the current quarter.

## Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	19,152	16,666
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.23)	<b>19,152</b>	<b>16,666</b>

## Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity		
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

## Compliance statement

- This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- This statement does ~~does not~~\* (*delete one*) give a true and fair view of the matters disclosed.



Sign here: ..... Date: 28 January 2016  
(Company Secretary)

Print name: Stephen Mann

## Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.