IR Presentation 2016

Maxigen Biotech Inc.
(TWSE 1783)
12/15/2016

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- These forward looking statements involve known and unknown risks, uncertainties and other factors, including price variation, competition, global economy, exchange rate movement and market demand, which may cause actual results to differ materially from those implied by such forward-looking statements.

- The forward looking statements expressed in this material reflect the Company's current view about the future as of today. The Company is not responsible for any

Company Profile

Founded in	Dec. 1998
Capital	Common Stock NT$708M, Preferred Stock NT$79.1M
Market	Listed Company: TWSE1783
Core Technologies	Development, Manufacturing, and Marketing of products derived from biomaterials
Products	Biomedical Business Orthopedic, Dental, Ophthalmic, Plastic Surgical, Wound Healing and other Surgical Applications Skincare Business Facial masks and Skincare products
Major Shareholders	Global Investment Holdings (25%) Fu-Shing International(10%) NuVasive (5%)

Key Management Team

Chairman	Li-Teh Hsu	•Chairman, Global Investment Holdings (GIH) •Former Vice Premier of Taiwanese Government •Former Minister of Finance, Minister of Economic Affairs
President	S.C. Chen	•Ph.D., Chemical Engineering, National Tsing-Hua Univ., Taiwan •Senior Scientist, Industrial Technology Research Institute (ITRI), Taiwan
Vice President	Gillian Shiung	•MBA, The City University of New York •Marketing manager, Melvita French organic beauty care •Senior Product Manager, ELC Inc. Taiwan
Vice President	James Hsu	•MBA, Ohio State University •Global Investment Holdings CFO
Director, RD	Po-Hong Lai,	•Ph.D., Dept. of Chemical Engineering, National Tsing-Hua Univ., Taiwan •Senior Researcher, Drug Delivery Lab., ITRI, Taiwan
Sales Director	Migeul Chang	•MBA, University of North Alabama, USA •Sales Director, Rossmax International, Taiwan
Director, QA	Shu-Chei Liu	•EMBA, National Tsing-Hua Univ., Taiwan • BS, School of Pharmacy, Taipei Medical Univ., Taiwan •Vice President, Synpac-Kingdom Pharmaceutical Co., Taiwan •QA Manager, Synpac-Kingdom Pharmaceutical Co., Taiwan

MBI Revenue Increase in 2016

- Rev. for the Jan. to Nov.2016 period was 23% higher than the same period last year
- The biggest growth momentum comes from the significant growth of the biomedical business revenue, compared with growth of 38% over the same period last year.

Unit：NTD K

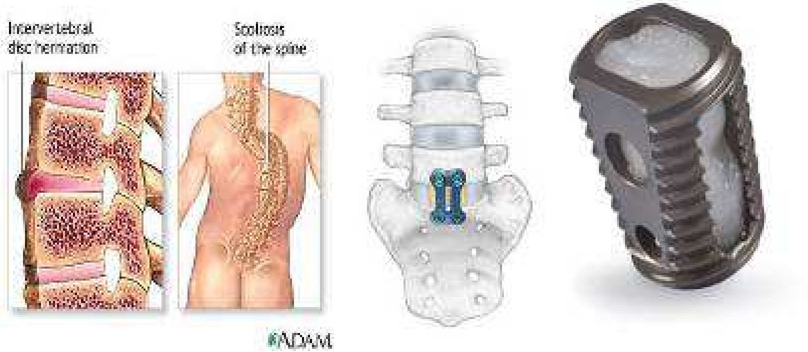
ITEM	Jan.-Nov. 2016	Jan.-Nov. 2015	Increased Amount	Rate
Total Rev.	296,787	241,334	55,453	23%
Biomedical. Rev.	149,896	108,638	41,258	38%
Skincare Rev.	146,891	132,696	14,195	11%

Biomedical Product Line in MBI

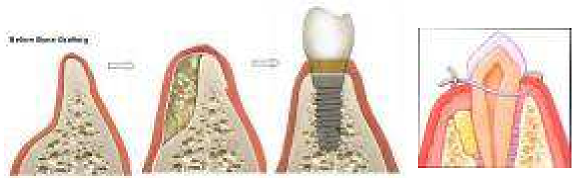
- **Orthopedic**
  - Intra-articular Injection
  - Collagen Bone Graft
- **Skin/Plastic**
  - Dermal Filler
  - Anti-adhesion gel
- **Dental**
  - Collagen Wound Dressing
  - Collagen Plug
  - GTR Membrane
- **Ophthalmic**
  - Ophthalmic Viscoelastic

Intra-articular Injection

(Osteoarthritis)



Bone Graft (Spinal Fusion)



GTR Membrane

Dermal Filler

Ophthalmic Viscoelastic
(Cataract Surgery)

Revenue from Jan. to Nov. 2016: Biomedical Business

Unit：NTD K

Product Type	Revenue	Percentage (%)
Intra-articular Injection	51,519	34%
Collagen Bone Graft	29,325	20%
Dermal Filler	22,665	15%
Collagen Wound Dressing	10,079	7%
Collagen GTR Membrane	7,591	5%
Ophthalmic Viscoelastic	5,584	4%
Bio-ceramic Bone Graft	3,940	3%
Others	19,189	12%
Total	149,896	100%

Complete Product Line of Intra-articular Injection

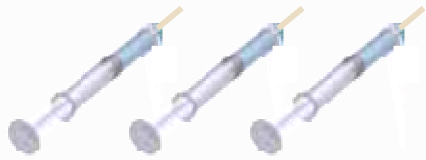
<u>Five-dose: ArtiAid</u>

1.0%, 600-1,200 kDa

DOH-MD-No.002173

CE0434

<u>Three-dose: ArtiAid Plus</u>



1.5%, >1,500 kDa

DOH-MD-No.004202

HAS:DE0016487

<u>Single-dose: ArtiBest</u>

Cross-linked HA

MOHW-MD-No.005454

2016年10月取證上市

Product Value

- Increase competitive advantage by offering different type of product in accordance with various clinical need

- Single-dose intra-articular injection (ArtiBest) have got Taiwan FDA approval, and is expected to ship in December

Sources of Revenue Growth of Intra-articular Injection Products

Year	2016	2017
Sources and measures of revenue growth	•20% of revenue growth in Jan-Nov, 2016 •Successful sales to Tri-Service General Hospital, Show Chawn Memorial Hospital, China Medical University Hospital, Mackay Memorial Hospital, etc •Dramatic sales growth of five-dose intra-articular injection product in Turkey's market •Five-dose intra-articular injection product successfully expand into market of Poland	•Increase sales to Changhua Christian Hospital, Taipei Veterans General Hospital, Taichung Veterans General Hospital •Sustainable revenue growth of five-dose intra-articular injection product in markets of Turkey and Poland •Single-dose intra-articular injection product launch in Taiwan's market •Three-dose intra-articular injection product will be launched in Europe. •Three-dose intra-articular injection product will be approved in Russia.

Collagen Bone Graft Matrix Product lines

- Formagraft Collagen Bone Graft Matrix is the first 510(K) cleared implantable bone graft material from Taiwan.
- Formagraft Collagen Bone Graft Matrix produces stable revenue annually. Formagraft has been marketed for over nine years with excellent feedback from patients.
- MBI cooperate with NuVasive (NASDAQ listed company) to develop AttraX Scaffold, the second generation collagen bone graft matrix. It is expected to be launched in US in 2017 and accompanied by increased revenue.

Formaderm Dermal Filler Product Line

- Formaderm have got China FDA approval on April 20th, 2016
- Formaderm is a dermal filler which is intended to used in tissue augmentation and wrinkle correction
- MBI has co-operated with China listed company-Gloria Pharmaceuticals (Stock no. 002437) to operate huge China market, driven revenue growth of NT$22,660,000 in 2016

Revenue Driven Momentum of Formaderm

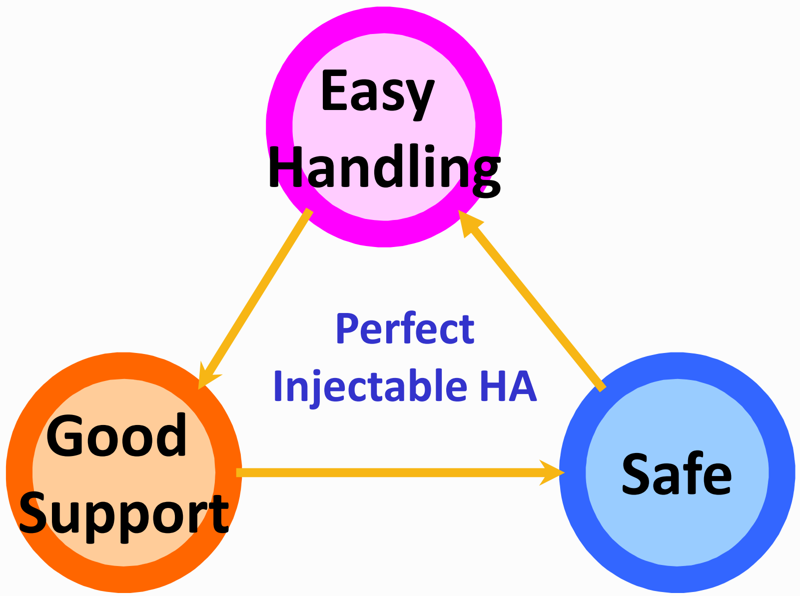
Superiority of Formaderm

Country	Product No. in China Market	Brand Name
China	8	Biohyalux、EME、Bonita、Matrifill、Sculptra、Elravie、iFresh、Singfiller
Taiwan	2	Formaderm (MBI)、Facille
Europe, Korea, etc.	4	Restylane、Juverderm、Yvoire、Neuramis

Note: market value of dermal filler is about 9 billion NT dollars per year

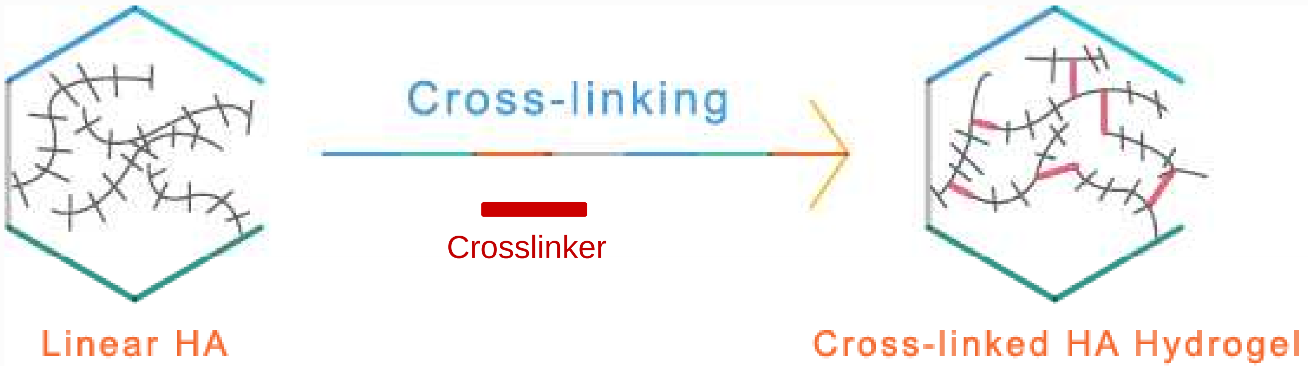
Formaderm®

New generation soft resilient Hydrogel



Clinical feedback is excellent

Formaderm Advantage –MBI Unique ECHA™ Homogeneous Crosslinking Technology



Crosslinker

Natural plasticity forms perfect 3 dimensional support

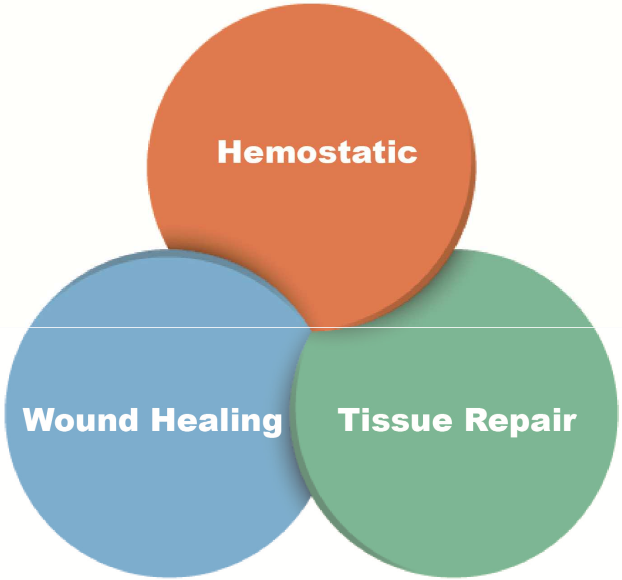
New generation soft resilient Hydrogel

Four Product Launched in 2016

- Formaderm Dermal Filler Injection: China FDA
- HealiAid Collagen Wound Dressing: China FDA
- Foramic Bone Graft Substitutes: China FDA
- ArtiBest Intra-articular Injection: Taiwan FDA

2017 Revenue Growth Momentum-HealiAid

Product Characteristic of HealiAid



- HealiAid collagen plug is the only one plug-type product approved in China market
- Over 30 million patients going through alveolar surgery and possible tooth extraction a year in China

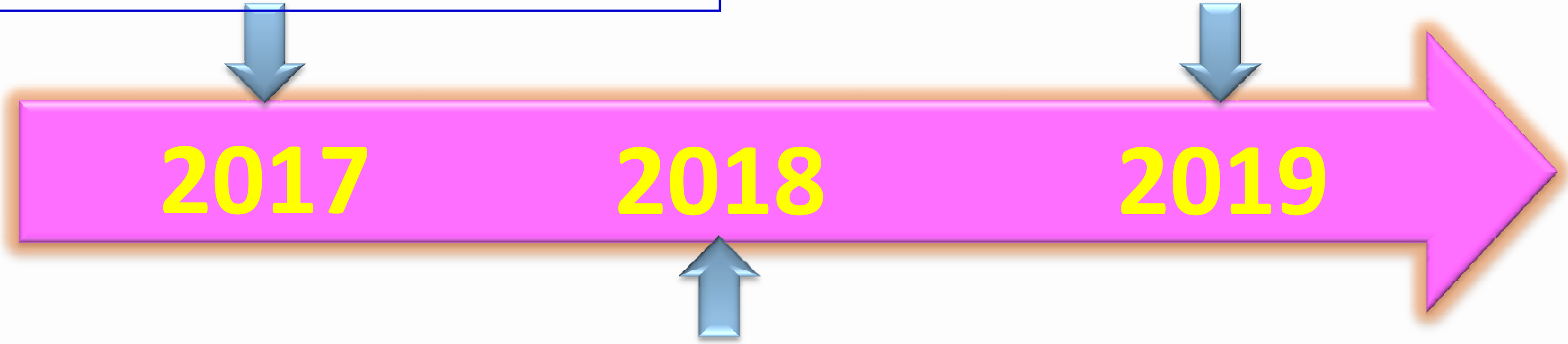
Superiority of HealiAid

	Other brands of collagen wound dress	HealiAid® collagen wound dress	Gelatin Sponge
Source	Type I collagen matrix 90% purified from bovine Achilles tendons	Type I collagen matrix 100% purified from bovine Achilles tendons	Porcine collagen95% Gelatin 5%
Fibrous structure	Recombinant collagen fiber	Native collagen fiber	Short Fiber gelatin
Color	White but becomes transparent after soaked in water. Friable	Pure white, delicate and resilient before soaked in water	Coffee yellow unchanged after soaked in water Larger pore size and friable
Density	18.2 mg/cm3 (≧10mg/cm3)	37.6 mg/cm3	10.6 mg/cm3
Recoverbility after compressed	fair	excellent	poor
porosity	<80%	>80%	<80%
Water absorption	≧15 times	≧25 times	<10 times
Chemical cross link	none	none	yes
Resorption time	2-4 weeks	6-8 weeks	4 weeks
In vitro degradation time after 24 hours	20.1 ± 7.2 %	47.3 ± 10.5 %	3.2 ± 2.3 %

2017~2019 Product Launch Timeline

- AttraX Scaffold is expected to launch in US (co-operate with Nuvasive/FDA)
- Two dermal filler (contain lidocaine) are expected to launch in Taiwan(TFDA)
- Three-dose intra-articular injection is expected to launch in Europe (CE)

- Dermal filler used in deep wrinkle is expected to launch in China (CFDA)
- Dermal filler (contain lidocaine) used in deep wrinkle is expected to launch in China (CFDA)



- Collagen/bio-ceramic bone graft is expected to launch in China (CFDA)
- Suturable collagen GTR membrane is expected to launched in US (FDA 510k)

Important Work in 2017 (Biomedical Business)

- Market expansion of intra-articular injection product (five- and three-dose) in Europe
- Market expansion of single-dose intra-articular injection product in Taiwan
- Market expansion of Formaderm dermal filler injection in China
- Launch AttraX Scaffold product in US in 2017, with Nuvasive
- Market expansion of HealiAid collagen plug in China

  --distribution channel, product launching, training course

Skincare Department Business Overview

- Skincare department operation area: OEM, ODM, Own brand

- Over 90% of net sales is generated from OEM.

- 2 own brands, NeoRenee & BIOFLASH, have been launched in China since 2016

- Own brands channel distribution are targeted Denise Department store in He Nan.

Important Work in 2017 (Skincare Business)

- Increasing factory productivity by investing new auto production lines to fulfill more orders.
- Developing unique formulations and completing the application of Micro Xfusion technology to differentiate from other OEM competitors
- Building up brand awareness in He Nan to grow the retail sales in Denis Department Store.

Rev. & Income Increased in 2016 Q1-Q3

Unit：NTD K

ITEM	2016Q1		2016Q2		2016Q3	
	Amount	%	Amount	%	Amount	%
Biomedical	32,608	51%	40,013	50%	47,389	54%
Skin Care	30,732	49%	40,554	50%	40,709	46%
Total Revenue	63,340	100%	80,567	100%	88,098	100%
Gross Profit	26,318	42%	34,498	43%	36,153	41%
Net Income	(11,172)	(18%)	(3,208)	(4)%	(1,331)	(1)%

- Revenue increased from Q1 to Q3,revenue in Q1 was NTD63,340K , Q3's Rev. was NTD88,098K. Oct. and Nov.'s total Rev. was NTD64,782K.
- Net loss decreased from Q1 loss of NTD11,172K to Q3 loss of NTD1,331K

Summary

- MBI has established good foundation, include get approval of various biomedical product licenses and organize biomedical sales system (Taiwan/China/US/Turkey/Poland/Russia, etc.) ， In the future, continued to increase sell speed will be the most important work to drive significant revenue growth

- Continued to strengthen manufacturing quality and expand production capacity of cosmetic product, in order to drive revenue growth and brand effect of OEM/ODM business

Thank you!!!