



**HD** Cellmid Limited (ASX:CDY) **Chinese** Distribution Agreement Signed with Beijing Based **Company** for Hair Loss Products

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Sydney, Australia, Jan 29, 2014 - (ABN Newswire) - Cellmid Limited (ASX:CDY) advises that it has signed (via its wholly owned subsidiary Advangen Inc. (Japan) a **Chinese** distribution agreement for its Lexilis Black(TM) and Jo-Ju(TM) brands with Beijing Huana Likang Biotechnology Co Ltd. The distribution agreement is exclusive for these brands in **China** subject to minimum performance requirements. The agreement is for a period of three years, however it may be automatically extended if minimum sales are met.

Huana Likang is a fast growing direct marketing **company** with primary channels through television shopping networks and web-based sales. Cellmid's Lexilis Black(TM) (for men) and Jo-Ju(TM) (for women) are positioned as key brands amongst products that include health supplements and selected cosmetics.

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Ordinarily, companies importing healthcare and cosmetic goods to **China** face significant hurdles and often take several years for sales permits to be issued. Cellmid has been able to achieve rapid market access due to its **acquisition** of Advangen Inc. (Japan) in May 2013, which had **Chinese** import permits for Lexilis(TM) and Jo-Ju(TM) already in place.

There has been intense interest in Cellmid's FGF-5 inhibitor hair growth products from various market segments following the **acquisition** of Advangen Inc. (Japan). In selecting Beijing Huana Likang Biotechnology Cellmid has found a partner with strong growth potential and a dedicated sales force for its FGF-5 inhibitor brands. Costs associated with marketing and sales will be met solely by the distributor, however Cellmid will provide assistance by supplying its marketing information and materials and product designs to the distributor.

It is conservatively estimated that the premium **Chinese** hair growth market exceeds \$3 **billion**, assuming that around 5 **million** people, or 0.37% of the total population, are or will be using hair growth enhancing lotions and shampoos. The Lexilis Black(TM) and Jo-Ju(TM) brands will be targeted to the large and growing middle class as premium, scientifically validated treatments. Other, Australian manufactured hair growth product brands are planned for **China** to expand the market reach of the **Company**'s unique FGF-5 inhibitor technology.

Midkine (MK) Midkine is a growth factor that is highly expressed during embryonic development. Midkine modulates many important biological interactions such as cell growth, cell migration and cellular adherence. These functions are relevant to cancer, inflammation, autoimmunity, ischemia, nerve growth/repair and wound healing. Midkine is barely detectable in healthy adults and only occurs as a consequence of the pathogenesis of a number of different disorders. Midkine expression is often evident very early in disease onset, even before any apparent physical symptoms. Accordingly, midkine is an important early marker for diagnosing cancers and autoimmune diseases. Finally, midkine is only present in a disease context, and targeting midkine is not expected to harm normal healthy tissues.

FGF-5 inhibitor hair growth products In 2010 Cellmid set up a dedicated subsidiary, Advangen International Pty Ltd, for the development of midkine for hair growth. While developing this program, the **Company** launched a range of FGF-5 inhibitor hair growth products on the market in 2012 under license and acquired the owner of the technology, Advangen Inc. (Japan) in May 2013. Since then, Cellmid has been actively building its distribution in Australia, Japan and in other major markets.

#### About Cellmid Limited:

Cellmid Limited (ASX:CDY) Cellmid is an Australian biotechnology **company** with **lead** drug candidates in immuno- oncology. The **Company** is developing innovative novel therapies and diagnostic tests for a number of cancer indications, in particular solid tumours. Cellmid holds the largest and most comprehensive portfolio of intellectual property related to the novel oncology target midkine and midkine antagonists globally. The **Company**'s most advanced development programmes involve using its anti-midkine antibodies in addition to commercialising midkine as a biomarker for the early diagnosis and prognosis of cancer. For further information please see [www.cellmid.com.au](http://www.cellmid.com.au).

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