



EDEN

THE NATURAL SOLUTION

2018 PRELIMINARY RESULTS



LON:EDEN
AIM listed since 2012
Market cap £21m

ABOUT US

Eden Research provides sustainable solutions for challenges in three key industries:



CROP PROTECTION



ANIMAL HEALTH



CONSUMER PRODUCTS

We have intellectual property and expertise in plant-derived sustainable chemistry, microencapsulation and formulation technologies.

Eden is the only UK listed company focused on biopesticides for sustainable agriculture.

Globally, Eden is one of few biocontrol companies with proven products and regulatory authorisation.

MEET THE TEAM



SEAN SMITH

CHIEF EXECUTIVE OFFICER

Over 25 years experience in the speciality chemicals and industrial biotechnology industries

LYKELE VAN DER BROEK

NON-EXECUTIVE CHAIRMAN

Formerly Board member of Bayer CropScience and President of Bayer Animal Health, both divisions of Bayer AG



ALEX ABREY

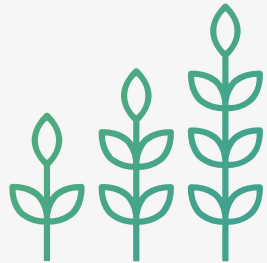
CHIEF FINANCIAL OFFICER

Experienced Financial Director to a diverse range of businesses including financial and management consultancy



Our vision is to be **the leader in sustainable bioactive products** enabled or enhanced by our novel encapsulation and delivery technologies.

Our **strategy** is built on the following key pillars:



**SIGNIFICANT
MARKET
POTENTIAL**



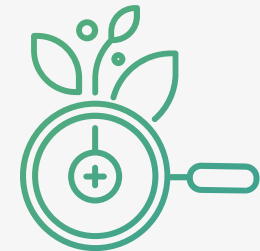
**UNIQUE
TECHNOLOGY**



**CLEAR
COMMERCIAL
PROGRESS**



**SKILLED AND
EXPERIENCED
PROFESSIONALS**



**TRAJECTORY
OF FINANCIAL
GROWTH**

2018 HIGHLIGHTS



SIGNIFICANT MARKET
POTENTIAL



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TRAJECTORY OF
FINANCIAL GROWTH

COMMERCIAL, REGULATORY AND IP

Submission of first applications for the regulatory approval of active ingredients and **products in the U.S. and Australia**

Successful positioning of Mevalone as an early-season treatment contributing to product **sales growth of 112%**

Regulatory trials supporting label extensions on crops and the authorisation in Central Europe for the **treatment of botrytis on grapes**

Robust results supporting the first use of **Mevalone for post harvest applications**



Sipcam Oxon SpA ("Sipcam") appointed as exclusive distributor for Mevalone in **ten new territories**

2018 HIGHLIGHTS



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PRELIMINARY UNAUDITED FINANCIAL RESULTS

Revenue

£2.8m

(2017: £1.9m)

Upfront and
milestone payments

£1.2m

(2017: £1.1m)

Operating profit*

£0.02m

(2017: loss £0.6m)

Product sales
increased 112%

£1.6m

(2017: £0.8m)

Operating loss

£0.5m

(2017: £0.6m)

Net cash

£2.5m

(2017: £3.7m)

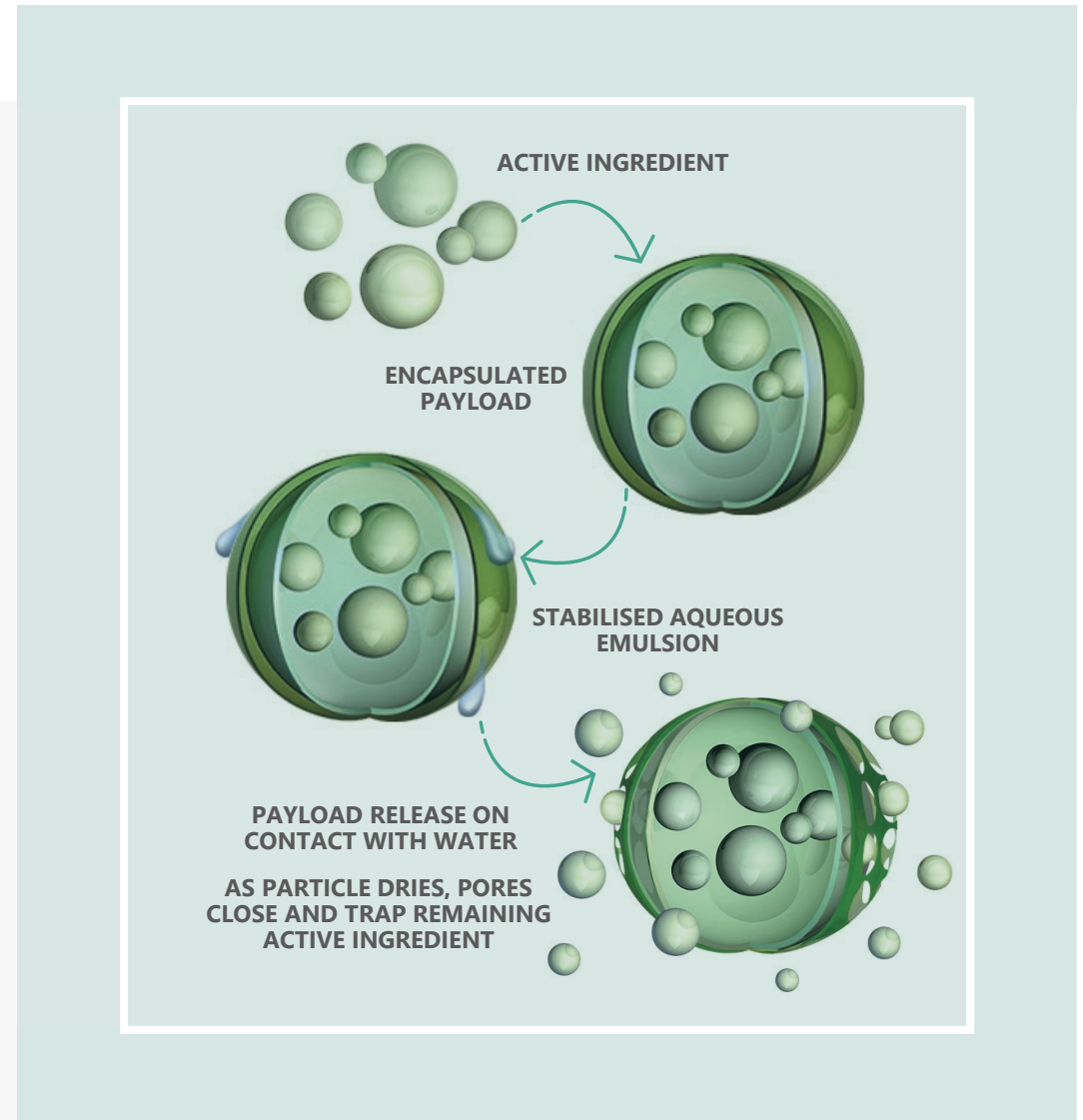
* before non-cash share based payment charge, amortisation and royalties refund

OUR TECHNOLOGY

WE HAVE DEVELOPED A NATURAL FORMULATION TECHNOLOGY, **SUSTAINE™**

Particles are derived from **natural yeast cells**.

Sustaine encapsulates active ingredients and provides for the **sustained release** of these ingredients enabling their **safe, more efficient use**.



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Conventional methods of microencapsulation (“microplastics”) are under increasing regulatory pressure and may be banned in the EU from 2020. **Sustaine will remain free from such restrictions.**

COST EFFECTIVE

USEFUL ACROSS A WIDE RANGE OF ACTIVE INGREDIENTS

A HIGH CAPACITY DELIVERY SYSTEM

VERSATILE AND ROBUST

NATURAL AND SUSTAINABLE

SIMPLY PROCESSED AND USED WITH STANDARD EQUIPMENT

INDUSTRY APPLICATIONS

We work globally through multi-national and local partnerships to develop and launch solutions for challenges facing **three key industries.**



CROP PROTECTION

Foliar disease & insect control
Open field & greenhouses
Soil pests
Post harvest shelf-life
extension



ANIMAL HEALTH

Shampoos
Conditioners
Skin disease control
Odour control
Flea & tick control



CONSUMER PRODUCTS

Head-lice treatment
Deodorants
Odour neutralisers
Fragrances

CROP PROTECTION MARKET

Conventional crop protection products face major challenges such as:

The global crop protection market is valued at approx. **\$58 billion in 2017**

The biopesticide market is projected to reach **\$8.8 billion by 2022**

Consumer concerns over food safety **Increasingly challenging regulatory requirements** **Farmers seeking effective alternatives**

Neonicotinoid insecticides were worth \$3.1 billion globally but are now facing withdrawal in Europe and elsewhere.

Conventional crop protection products formulated with Sustaine and Eden's active ingredients can help address many of these issues.



CROP PROTECTION MARKET

The dominant molluscicide approved for use in the EU is **metaldehyde**. The UK banned metaldehyde in 2018. **AHDB estimates that a lack of slug control products will cost UK agriculture £100 million per year!**

The re-registration of **copper-based products** as fungicides was approved in the EU but a **33% reduction in use limit was imposed.**

New EU rules have prohibited any substance identified as an **Endocrine Disruptor** from being used in plant protection products. **The new rules will nonetheless have an impact upon the availability of insecticides and fungicides.**





OUR PRODUCT FOCUS

Our focus is on crop protection, developing products based on sustainable chemistries to protect high-value crops from pests and disease, with equal or better performance when compared with conventional pesticides.

Critically, our products are exempt from pesticide residue limits and can be used up to the point of harvest giving growers reduced risk, maximum flexibility and security.



FUNGICIDES

Botrytis, powdery mildew, downy mildew



NEMATOCIDES

Root knot nematodes



INSECTICIDES

Mites and white flies



MOLLUSCICIDES

Slug and snail control

PRODUCTS INCLUDE:



CEDROZ™

OUR CURRENT PRODUCT FOCUS

Our products harness the biocidal activity of naturally occurring molecules produced by plants as part of their defence systems.
These active ingredients are known as terpenes.

Our biopesticides, formulated with Sustaine, add value compared to conventional pesticides by:

Enabling sustained delivery, increasing residual efficacy and reducing use rates

Tackling resistance build-up

Protecting plants from potentially damaging chemicals

Allowing solvent-free, stable formulations with high loadings of active ingredients



Naturally binding to plant and animal surfaces improving efficacy and retention

Providing flexible formulation options

Exemption from **maximum residue levels**

Low or no pre-harvest intervals giving growers maximum flexibility, security and control

PRODUCT COMMERCIALISATION

We now have commercial partners in place across six continents.



Securing patent protection for intellectual property



Developing our product pipeline



Gaining regulatory approval



Signing commercial agreements



Identifying suitable industrial partners



Generating revenue



Investment in research and development



WHERE WE ARE NOW

£14m

invested in IP
& registrations

11

countries have granted
product authorisation

10

new local
distributorships in 2018

110

granted and
pending patents

29

countries with pending
registration applications

44

countries with IP
protection

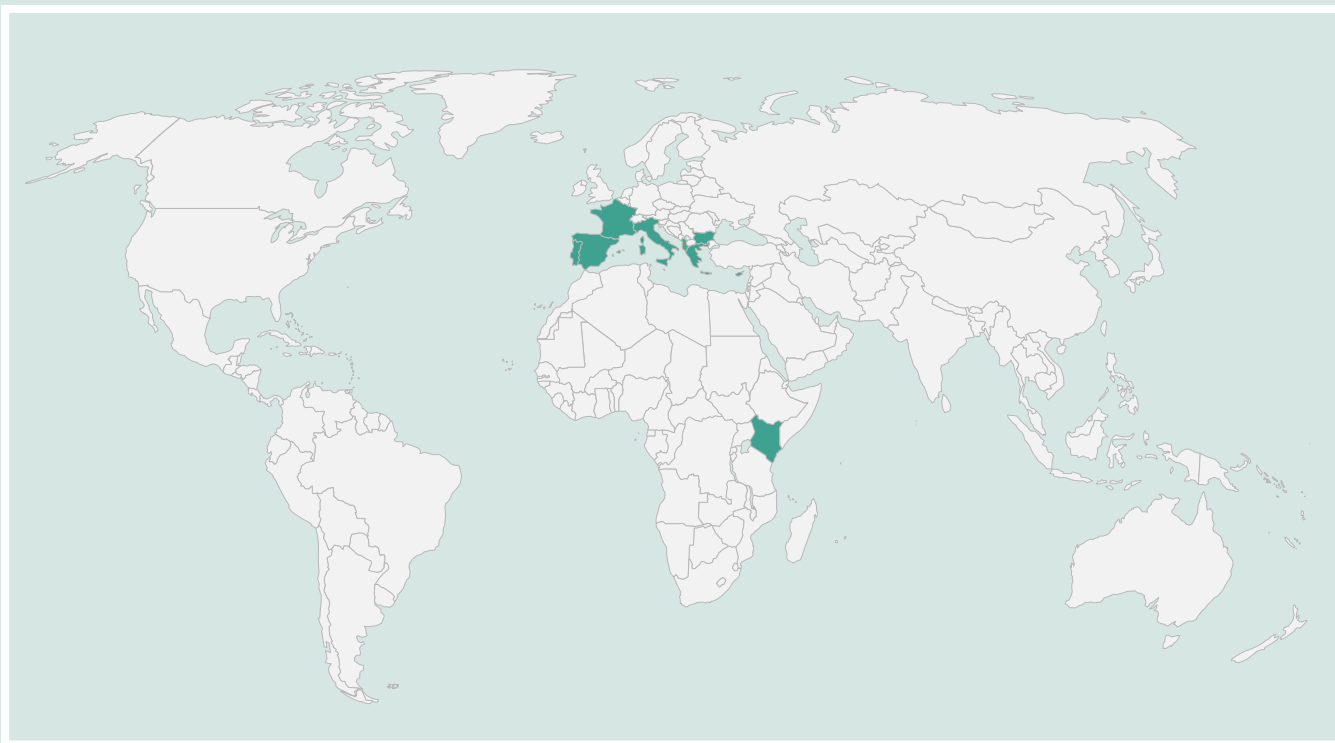
WHERE WE ARE NOW

Product sales have commenced in key markets where we have authorization to market and sell our first product, Mevalone.

OUR COMMERCIAL PARTNERS



EASTMAN



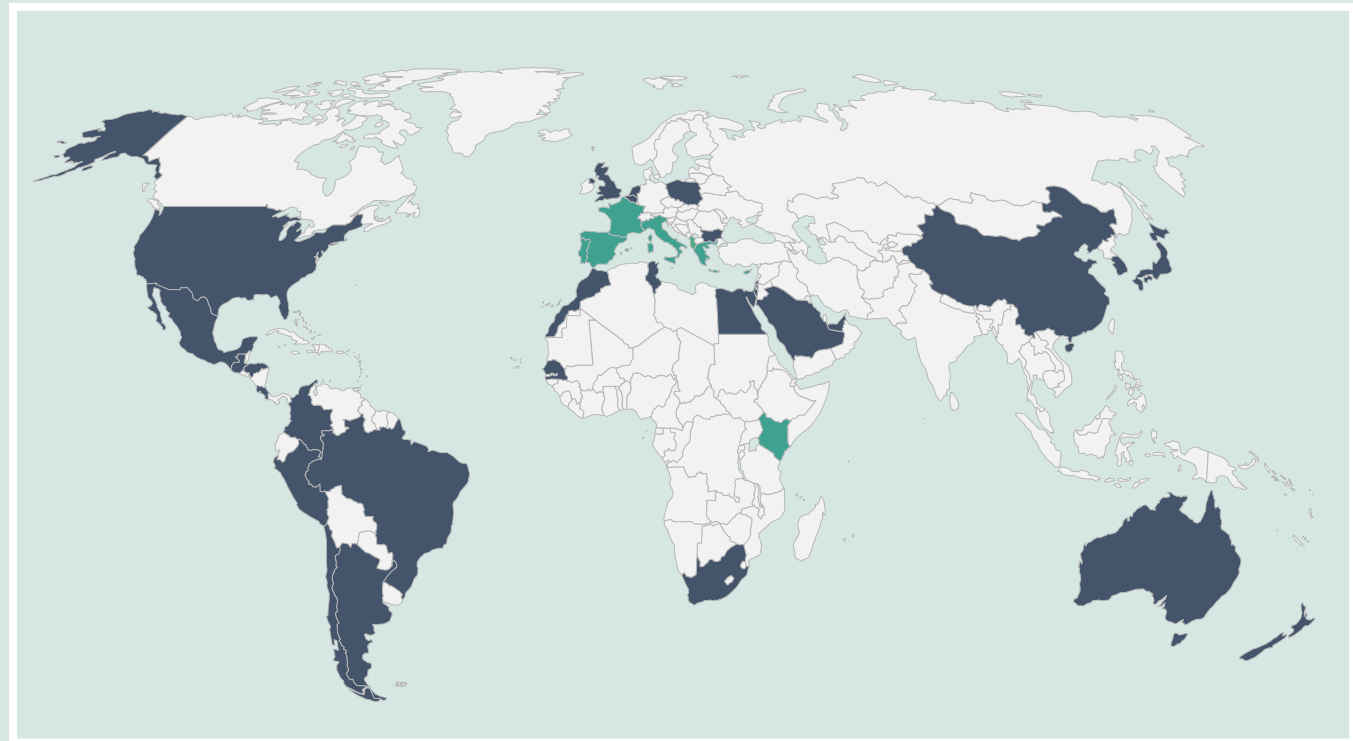
NEW PARTNERSHIPS AND REGULATORY ACTIVITY

Eden Research has **regulatory clearance** for its first product in multiple countries with approval expected for its second product, Cedroz, in 2019.

OUR COMMERCIAL PARTNERS



EASTMAN







**SIGNIFICANT MARKET
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TRAJECTORY OF
FINANCIAL GROWTH

A GROWING GLOBAL MARKET

- The global biopesticides market is projected to be worth more than **\$8.8 billion by 2022**
- The biopesticides market is growing at a CAGR of approximately **17% per annum**
- Animal health market value estimated to exceed **\$33 billion by 2020**

Eden's proven addressable market today is more than \$1.2 billion.

Tomorrow this grows to more than \$2 billion, not including Sustaine.



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TRAJECTORY OF
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SIGNIFICANT MARKET OPPORTUNITIES

High demand for sustainable products that can compete with conventional products on ease-of-use, efficacy, safety, cost and reliability

- Ongoing pressure on the conventional pesticides market, which is subject to increased scrutiny and regulatory pressures **contributing to significant disruption**
- Increasing time and cost of bringing new chemical products to market: **12 years** and around **\$300 million**
- Significantly lower costs of bringing biopesticides to market – around **\$25-50 million**
- Significant barriers to entry
- **Major product withdrawals** across all segments of the conventional crop protection industry are having a **significant impact on growers** leaving them with lower yields and declining productivity



UNIQUE TECHNOLOGY



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TRAJECTORY OF
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UNIQUE TECHNOLOGY

- **Ownership of the patents behind the Sustaine** encapsulation technology
- Significant investment in patent protection and the registration of new actives
- **Proven efficacy with strong commercial validation** by farmers and our partners
- Scope to **exploit the core technologies beyond existing markets** and products

Eden's products serve as sustainable alternatives to conventional chemicals without limitations such as residue limits, pest resistance, pre-harvest intervals, long field re-entry periods or increasing restrictions on use.

Residue-free crops command a higher value and have a significant commercial advantage in the valuable export markets.



CLEAR COMMERCIAL PROGRESS



SIGNIFICANT MARKET
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TRAJECTORY OF
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CLEAR COMMERCIAL PROGRESS

Product sales continue to progress well with expansion into new markets

- Solid commercial pipeline
- **Regulatory clearance for product sales across multiple countries** with applications pending in 29 new countries
- Commercial and collaborative relationships with strong industry partners
- **Significant investment in commercialisation by key partners**
- **Key crops growing from one to more than ten** in the next three years
- **Sales on two continents today - expanding to six** in the coming years



**SKILLED AND
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SIGNIFICANT MARKET
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CLEAR COMMERCIAL
PROGRESS



TRAJECTORY OF
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SKILLED AND EXPERIENCED PROFESSIONALS

Strong Board and management team

Lykele van der Broek appointed
as Non-Executive Director
and Chairman – former Board
member and COO of Bayer
CropScience

Wealth of experience in
the **agriculture, consumer
products** and **animal health**
sectors globally

**Outsourcing of some
functions** to maintain a
flexible, low overhead base



TRAJECTORY OF FINANCIAL GROWTH



SIGNIFICANT MARKET
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FINANCIAL POSITION

**Increased revenue
generation**
from product sales

**Significant
investment**
by key partners

**Robust balance
sheet and cash
position**





OUR PRIORITIES

COMMERCIAL GROWTH

- Regulatory clearance in new countries
- Revenue growth
- Partnerships for Mevalone in new territories
- Pursue collaboration with majors

RESEARCH, DEVELOPMENT AND OPERATIONS

- Supply chain optimisation
- Expansion of screening and field trials
- Accelerate commercialisation of Sustaine for conventional actives

BUSINESS LINE DIVERSIFICATION

- Bayer Animal Health commercial launches
- TerpeneTech product launches
- Pursue opportunities in the seed treatments market
- Expand crops and diseases treated
- Geographic diversification (seasonal and climatic variation)

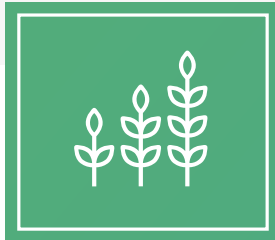
STRENGTHENING AND GROWING THE TEAM

- Commercial, regulatory and technical roles

SUMMARY

- 01** **Significant scope** for further exploitation of the Company's core technologies **beyond biopesticides and crop protection**
- 03** **Biological solutions are the fastest growing segment** of the crop protection industry, and **Eden is the only UK-listed company with a focus on this market with proven products and a growing business**

- 02** **Strong potential** for Eden Research's current and pipeline products **across a broad segment of the crop protection industry** with new crop and disease targets under active evaluation
- 04** **Large potential for growth in biopesticides, conventional pesticides, animal health and consumer products** based on solid foundations and commercialisation to date





EDEN

THE NATURAL SOLUTION

THANK YOU