



PEPTECH
LIMITED

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Australian Stock Exchange Limited
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21 May 2007

Dear Sir / Madam,

Attached is a presentation to be made by Dr John Chiplin at the BioEquity Europe 2007 conference in Glasgow and also to other parties during Peptech's UK roadshow.

Yours sincerely

Niall Henderson
Company Secretary



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Corporate Update PEPTECH LTD

John Chiplin
CEO

May 2007



Building a world-class biologics-based business



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Safe-harbour statement

This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this presentation, statements that are not statements of current or historical fact may be deemed to be forward-looking statements. Without limiting the foregoing, the words “plan”, “intend”, “may,” “will,” “expect,” “believe”, “could,” “anticipate,” “estimate,” or “continue” or similar expressions or other variations or comparable terminology are intended to identify such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Except as required by law, the Company undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.





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Corporate snapshot

Peptech Limited is a biotechnology company dedicated to developing and providing antibody and peptide-based human therapeutic products for the treatment of inflammatory diseases and cancer.

Peptech announced prospective merger with EvoGenix on 7 May to form an antibody powerhouse.

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ASX code: PTD

AIM code: PTDx

Market cap: US\$230m

Cash: US\$156m

Cash burn: n/a

EVOGENIX

ASX code: EGX

Market cap: US\$115m



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PTD:EGX Merger highlights



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- **One of the leading independent antibody companies world wide**
- **Capabilities and assets to meet the key areas of demand in the antibody sector**
 - Technology to develop new products - internal and through partnerships
 - Strong product pipeline – multiple opportunities spread risks, yield significant and growing revenues
- **Cash reserves to support rapid development of products and acquisition of complementary clinical assets**
- **High achieving management team driving future growth**
- **Scale and depth to compete globally**



PTD:EGX

Summary of transaction



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- **Undertaken by a Scheme of Arrangement**
- **Implied offer price of A\$1.12 per EGX share (\$0.15 cash plus 0.5055 PTD shares)**
- **Purchase price of A\$156m**
- **Combined Peptech and EvoGenix management and Board**
- **New name (tbc)**
- **Directors of EvoGenix unanimously recommend the offer subject to no superior offer**





EvoGenix and Peptech are an ideal strategic fit

- Promising combined antibody pipeline with the cash for optimal progress
- Integrated proven technology platform for revenues and future products



Antibody therapeutics is a major global opportunity

- Strong demand for technology and antibody products
- Newco positioned for immediate international recognition and opportunities



Pooling of a rich knowledge base to achieve critical mass

- Newco marries the combined experience and knowledge of members of the Peptech and EvoGenix board and management



A compelling offer for shareholders

- Diversification of therapeutic products
- Accelerated development opportunities through access to cash





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Antibodies – an area of major opportunity

- **Antibodies - the fastest growing area of the pharmaceutical market**
- **Proven blockbusters – opening up new treatment options and new markets**
- **Large pharma companies moving rapidly to establish antibody capabilities via collaborations and M&A**
- **Pharma companies actively seeking antibody products to in-license**
 - >US\$150 million for clinically validated products, plus royalties on product sales
 - >US\$50 million for preclinical products, plus royalties on product sales

Company	Acquired by	Valuation US\$ bn	Premiums %
Abgenix	Amgen	2.26	54
CAT	Astra-Zeneca	1.36	67
Domantis*	GSK	0.4546	400
Zenyth	CSL	0.08	50

**relative to post money valuation of last private round*



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Strategy & focus

- **PIPELINE** – Clinical development of high value antibody therapeutics – license out after Phase II or III for maximum value (typical deal US\$200m total, plus royalties)
- **PLATFORM** – Generate near-term revenue with innovative antibody/protein technology platforms
- **PARTNERSHIPS** – Execute M&A and out-licensing transactions to build business



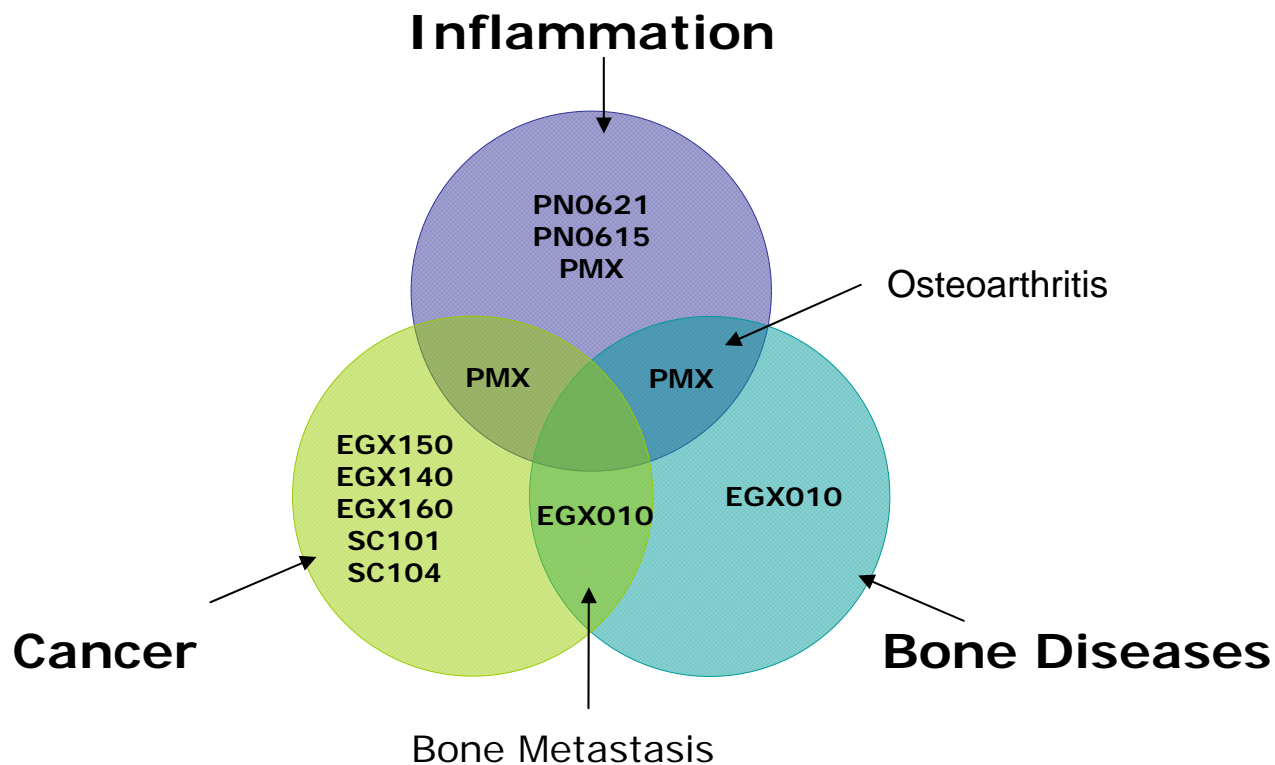
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Therapeutic focus in areas of major market opportunity



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Exciting product pipeline



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Lead programs

Product	Indication	Discovery	Preclinical	Phase I	Phase II	Phase III	Partnered
PN0621 Dab	Arthritis Inflammation			May 2007	2008	2009	2011
EGX 010 protein	Bone loss, bone cancer			2008	2009		2010
EGX150 Mab	Lung cancer, melanoma			2009	2010		
SC 104 Mab	Cancer			2009	2010		



PTD products



EGX products

Dark symbols – completed
Light symbols – in progress



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Market potential

Product	Application
PN0621	Inflammation (<i>e.g rheumatoid arthritis</i>) <ul style="list-style-type: none">• Total market potential - > US\$20 billion by 2012• Current products – Humira, Remicade and Enbrel total US\$10.8 billion in 2006• Est. 5-10% mkt penetration in 2006• Competitive advantage – potential differentiation to existing anti-TNF drugs
EGX010	Bone cancer (<i>osteoporosis</i>) <ul style="list-style-type: none">• Total market potential - >US\$12 billion• Current product class – bisphosphonates US\$6 billion• Competitive advantage – new drug class – more effective, increased compliance through monthly dosing, lower side effects
EGX150	Lung cancer, melanoma <ul style="list-style-type: none">• Total market potential – more than US\$5 billion• Current treatments – chemotherapy• Competitive advantage – more effective, kills tumour without associated toxic effects
SC104	Colorectal cancer <ul style="list-style-type: none">• Multi billion dollar market potential• Current treatments – ERBITUX®• Competitive advantage – excellent killing data



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Other products in pipeline

Newco has the ability to advance more earlier stage products

Product	Indication	Discovery	Preclinical	Clinical	Partnered
PMX	AMD, psoriasis, osteoarthritis				2007
EGX220	Respiratory infection				2009
EGX140	Leukemia				2009
SC 101	Cancer			2010	
EGX160	Cancer			2010	

PTD products

EGX products

Dark symbols – completed
Light symbols – in progress



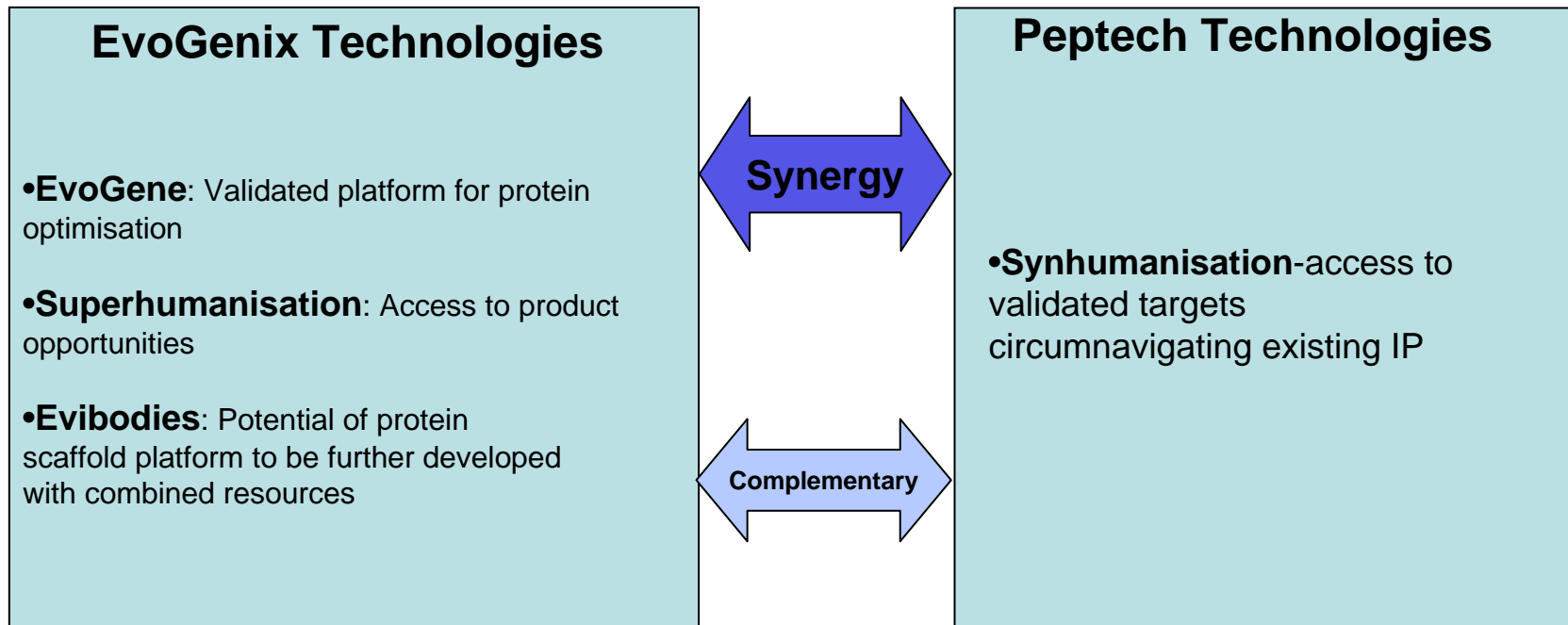
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PTD:EGX Platform technologies



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- The combined companies would have a number of technology platforms that could be used to expand the internal product pipeline, build a platform licensing business and build technology partnerships.





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PEPTECH: Core Assets



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Lead compound: PN0621

A “new generation” anti-TNF



- Entering Phase I trial for safety and toxicity
- First domain antibody to be administered to human
- Existing and validated market
- Low cost of goods and easy to manufacture
- Potentially differentiated against existing anti-TNF drugs



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Why do we need another anti-TNF product?



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- **Side effects with current products**
- **Rapidly growing market, far from saturated**
- **Expanding list of potential indications**
- **Major returns even with small market penetration**
- **Trend towards earlier use**
- **Patients may develop resistance to one treatment, but respond to another**





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PN0621: Product Profile

- **Binding activity – domain antibody (dAb) developed by Domantis under Peptech/Domantis Research Programme Agreement (2001)**
- **dAb re-engineered by Peptech into construct containing fully human constant Regions**
 - half life increased
 - IgG₁ C_H2 and C_H3 (effector function domains)
 - design of specific dAb construction provides freedom to operate (FTO) against patents for the current marketed biologicals



Molecular weight of 78kDa
Half size of traditional antibody



PN0621: Potential differentiation factors



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- **Marketing** – vialled for sc administration
 - potential for favourable dosing protocol
 - potential for self injection by “pen” or other device
- **Immunogenicity** – reduced target size
 - appraisal of immunogenicity a thrust of Phase I and II trials
 - and other studies in parallel to clinical development
- **Biodistribution** – small size
 - penetration of diseased joints ?, pharmacokinetics ?
 - plans for testing (in parallel) under development
- **Other indications, formats and routes of administration**
 - could be subject of related but separate thrust





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PN0621 : Progress to date

Preclinical efficacy	✓	Potent and effective
Production	✓	Excellent
Stability	✓	Stable/Robust
Safety/Toxicology	✓	Favourable outcomes dosing up to 100X predicted human dose
Preclinical – duration of action and localisation in the body	✓	Favourable

Preparing to enter Phase I clinical trials



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Peptech: Strong M&A track record



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▪ Promics

- Acquired in May 2006 for US\$3.7m with PTD shares
- Complements autoimmune and inflammatory disease focus
- Currently in Phase I preparations for eye disease (AMD)
- Success milestone is Phase III entry or commercialisation (US\$5.7m)

▪ Scancell

- Acquired antibody assets in Dec 2006 for US\$4.1m cash
- Strengthens oncology franchise
- 20 potential therapeutic antibodies
- Two lead products (SC101, SC104) to enter the clinic by 2009
- Success milestone of entry into Phase I (US\$5.8m)





R&D Collaboration

- Original deal (April 2001)
- Peptech to select up to 4 targets
- Targets selected: TNF, P2X7
- New targets currently under discussion with GSK

Divestment

- Total investment = US\$33m
- 3 investment tranches (2001 - 2005)
- GSK acquisition of Domantis in December 2006 for US\$470m
- Total return = US\$145m





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Financial results – highlights (A\$)

- **Net after tax profit of \$137.7m**
- **Gain on sale of investment in Domantis of \$136.5m**
- **R&D spending doubled to \$5.6m**
- **Cash balance of \$188.0m (including \$2.6m in Animal Health)**
- **Animal Health reported as a discontinuing business**



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Financial results A\$

	Half year ended 31 March 2007	Half year ended 31 March 2006
Turnover	17.8m	14.1m
Operating profit before interest	135.1m	6.3m
Profit after tax	137.7m	5.5m
Cash	188.0m	41.9m
Accounting standard	AIFRS	AIFRS



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Balance sheet A\$

	Half year ended 31 March 2007	Half year ended 31 March 2006
Cash	188.0m	40.7m
Domantis	-	40.2m
Intellectual property	20.4m	8.0m
Other assets	31.2m	11.3m
Total assets	239.6m	100.2m
Liabilities	15.8m	14.3m
Equity	223.8m	85.9m
Accounting standard	AIFRS	AIFRS



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Cash flow A\$

	Half year ended 31 March 2007	Half year ended 31 March 2006
From operations	2.2m	2.2m
Capex	(0.4m)	(0.2m)
Domantis divestment (investment)	151.1m	(0.1m)
Scancell acquisition	(5.2m)	-
Other	(0.4m)	0.3m
Equity	<hr/> 147.3m	<hr/> 2.2m
Accounting standard	AIFRS	AIFRS



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Projected R&D spend

- **The new merged company will carry out a review of all projects to determine:**
 - those to retain and advance into clinical development
 - those to out license
- **This review will take place once the merger as been completed – expected to be August 2007**
- **Based on current programs the combined entity R&D spend through to September 2009 is estimated at A\$97m**
- **Total net cash burn for merged entity to September 2009 estimated to be A\$22m**





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PTD:EGX

Key Value Drivers



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Near term value drivers



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- **Technology collaborations**
 - GlaxoSmithKline, CSL, Vegenics
 - Multiple projects, each yields immediate revenues, US\$5-10 million in milestone payments over 5+ years, royalties on product sales
- **Product Development**
 - Clinical trials for one product in 2007, a second in 2008
 - Partnering from 2008, US\$30-US\$50 million over 5+ years, and royalties
- **Continued revenues from Abbott and J&J licenses**
 - US\$75 - US\$90 million through to August 2010



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Longer term value drivers



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- 4-5 products in clinical development over next 5 years
- Clinically validated products out-licensed for Phase III testing and or registration/marketing
- Substantial upfront payments on licensing (US\$30 – US\$100 million, depending on stage), further milestone payments
- Royalty flows 15% and above from antibodies with US\$1 billion plus sales potential after 5-6 years
- Multiple additional royalty opportunities from collaborations and early partnered products



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- **Combined management team utilising the strengths from both companies**
- **Restructured board**
 - Chairman – Mel Bridges
 - 6 Peptech, 2 EvoGenix (Chris Harris, Robin Beaumont)
- **John Chiplin, CEO**
 - Marilyn Sleigh, senior advisory role
- **New name (Newco – name to be announced, subject to PTD shareholder approval)**





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Priorities for 2007

Pipeline:

- Use cash to accelerate products through to the clinic
- Explore options to deepen pipeline with additional clinical stage products

Platform:

- Increase near-term revenue
- Achieve milestones for further validation and enhancements

Partnerships:

- Out-license selected products in the pipeline
- Explore additional partnering options with platform technologies





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Questions

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