



# CRESCITA

TSX : CTX

INVESTOR PRESENTATION

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MAY 2022

Certain information contained in these materials and to be discussed during this presentation constitute forward-looking information within the meaning of applicable securities laws, including, among others, statements and expectations concerning Crescita Therapeutics Inc.'s ("Crescita" or the "Company") objectives and strategies to achieve those objectives, the aesthetics industry, sales of the Company's products, the Company's product candidates and the timeline for their development and commercialization, the Company's future financial condition and performance, potential acquisition and licensing transactions, as well as other statements with respect to management's beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts.

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The Company reports its financial results in accordance with International Financial Reporting Standard (“IFRS”). However, we use certain non-IFRS financial measures to assess our Company’s performance. We believe these to be useful to management, investors and other financial stakeholders in assessing Crescita’s performance from both a financial and operational standpoint. The non-IFRS measures used in this presentation do not have any standardized meaning prescribed by IFRS and are therefore not comparable to similar measures presented by other issuers. These measures should be considered as supplemental in nature and not as a substitute for the related financial information prepared in accordance with IFRS found in our continuous disclosure documents.

Adjusted EBITDA is a non-IFRS measure. This term is defined as earnings before interest, income taxes, depreciation and amortization, share of (profit) losses of associates, other (income) expenses, share-based compensation costs, goodwill and intangible asset impairment, and foreign exchange (gains) losses, as applicable. Management believes that Adjusted EBITDA is an important measure of operating performance and cash flow and provides useful information to investors as it highlights trends in the underlying business that may not otherwise be apparent when relying solely on IFRS measures.

A reconciliation of Adjusted EBITDA to Net Income (loss), its closest IFRS measure, can be found on page 27 of the Company’s Management Discussion and Analysis for the year ended December 31, 2021.



# Agenda

- 1 INVESTMENT THESIS
- 2 CRESCITA OVERVIEW
- 3 MARKET OPPORTUNITIES & GROWTH STRATEGIES
- 4 KEY MILESTONES FOR 2022

## INVESTMENT THESIS

# A UNIQUE COMPANY POISED TO DELIVER PROFITABLE GROWTH

Diversified  
Asset  
Portfolio

Serving  
**GROWING  
MARKETS**

Clear  
Strategic  
Priorities

Leveraging  
**COMMERCIAL  
PLATFORM  
& ASSET  
PORTFOLIO**

Multiple  
Growth  
Catalysts

Path to  
Sustainable  
**PROFITABLE  
GROWTH**

Committed  
Management  
Team

Focused and  
**POISED TO  
EXECUTE**

# A UNIQUE COMMERCIAL SKINCARE COMPANY

Serving the Professional  
Aesthetic Market

Market Cap <sup>1</sup>	<b>\$14.8M</b>
FY2021 Revenue <sup>2</sup>	<b>\$16.8M</b>
Cash Balance <sup>2</sup>	<b>\$11.3M</b>

<sup>1</sup> Based on the April 28, 2022 closing price of \$0.71.

<sup>2</sup> For the year ended and as at December 31, 2021.



Our **goal** is to become a leading Canadian skincare company, promoting wellness through exceptional quality, science-backed skincare solutions and, **accompanying consumers through their beauty journey.**



A REPOSITIONED COMPANY

# BUILDING A BUSINESS FOR PROFITABLE GROWTH

## 2016-17

### REDEFINED OUR PATH

- New leadership team, vision and strategy
- Acquired commercial assets & infrastructure
- Signed Strategic Licensing Agreements for Pliaglis (U.S.)

## 2018-21

### REPOSITIONED FOR PROFITABILITY

- Secured agreements for Pliaglis in 40 countries
- Monetized Pliaglis >\$30M
- Expanded brand portfolio
- 4-fold increase of CDMO revenue (2017 to 2021)
- Repaid long-term debt (\$3.6M)

## 2022+

### EXECUTING ON SCALABLE GROWTH

- 3 clear growth strategies
- Asset portfolio, team and cash runway to accelerate growth



# CURATED PROFESSIONAL AESTHETIC PORTFOLIO

## PROFESSIONAL AESTHETIC PORTFOLIO

### Cosmeceutical



Laboratoire  
**Dr Renaud**


**Alyria**    **OBAGI**



**Pro-Derm**

### Skincare Tx and Devices

**ART FILLER**®<sup>2</sup>  
BY FILLMED

**NCTF**® BOOST  
135 HA | <sup>2</sup>



**pliaglis**®  
MD



## TARGETING

### Skin Conditions

Aging  
Acne  
Rosacea  
Dehydration  
Skin Quality  
Suncare



<sup>1</sup> Under license from Obagi Cosmeceuticals LLC.. <sup>2</sup> Under license from FILLMED Laboratories. ART FILLER is pending approval from Health Canada.

# SEASONED MANAGEMENT TEAM



**Serge Verreault**  
President & CEO  
  
**+30 years**  
in pharma and  
medical industry



**Jose DaRocha**  
Chief Financial  
Officer  
  
**+25 years**  
in cosmetics &  
pharma



**François Lafortune**  
Executive VP &  
General Manager  
  
**+25 years**  
in multi-channels  
cosmetics



**Isabelle Villeneuve**  
VP Strategy Quality  
& Innovation  
  
**+30 years**  
in innovation, market  
intelligence & formulations

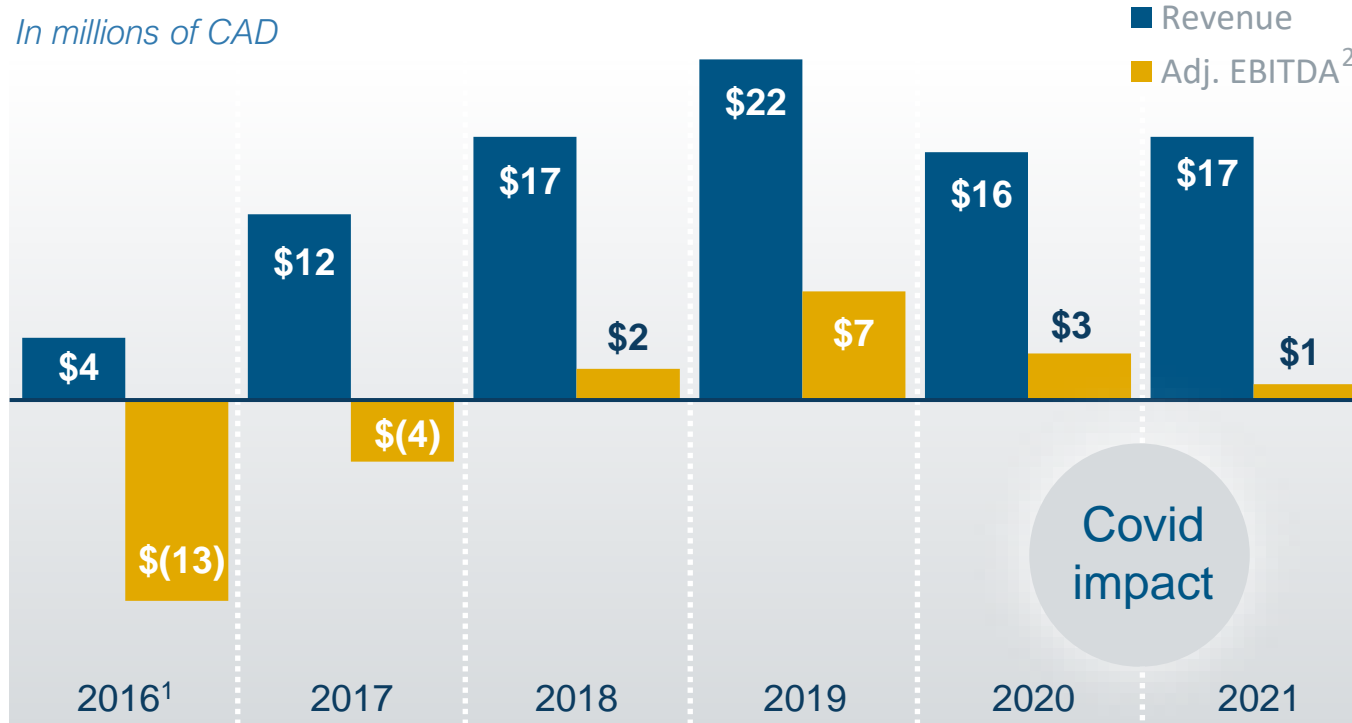


**Wade Hull**  
VP R&D  
  
**+20 years**  
in medical device  
& pharmaceutical  
development



**Ivonne Medina**  
VP Business  
Development  
  
**+15 years**  
in business development,  
licensing & strategic  
partnerships

# IMPROVING PROFITABILITY AND FOCUSING ON RECURRING REVENUE



## KEY PROFITABILITY DRIVERS

- ✓ Increase recurring revenue
- ✓ Maximize high-margin revenue
- ✓ Invest in people and brands
- ✓ Increase manufacturing volume

<sup>1</sup> Fiscal 2016 reflects 10 months of operations.

<sup>2</sup> Adjusted EBITDA is a non-IFRS measure. It is defined as earnings before interest, income taxes, depreciation and amortization, share of (profit) losses of associates, other (income) expenses, share-based compensation costs, goodwill and intangible asset impairment, and foreign exchange (gains) losses, as applicable.

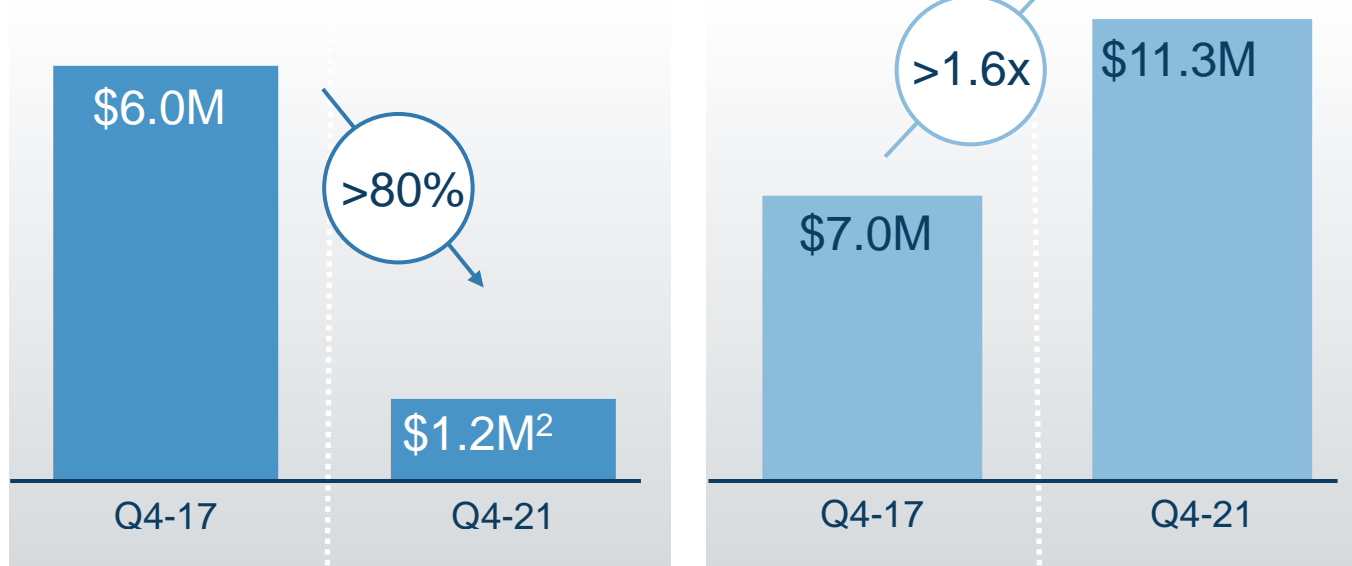


# SOLID BALANCE SHEET TO FUND GROWTH

Reduced Debt<sup>1</sup> by >80%

Solidified Cash Position

*In millions of CAD*



Total Liquidity of up to **\$14.8M<sup>3</sup>** to Fund Growth

## CAPITAL ALLOCATION PRIORITIES



Invest in organic growth



Invest in growth via M&A



Pursue share buyback

<sup>1</sup> Total debt obligations represent the sum of the long and short-term portions of long-term debt, convertible debentures, lease and other obligations. The Company adopted IFRS 16 – Leases on January 1, 2019. As at December 31, 2021, lease obligations were excluded from Total Debt Obligations for comparative purposes.

<sup>2</sup> Paid down \$3.6M long-term debt with Knight Therapeutics Inc.

<sup>3</sup> Total liquidity includes \$11.3M in cash and cash equivalents (at December 31, 2021) and a \$3.5M credit facility, subject to margin requirements.

# Market Opportunities & Growth Strategies

# MARKET OPPORTUNITIES RESILIENT AND GROWING AESTHETIC MARKETS

Skincare Treatments and Devices

**US\$4.6B<sup>2</sup>**

Physician Dispensed  
Cosmeceuticals

**US\$6B<sup>1</sup>** in 2021

HA Fillers

**US\$1.0B<sup>3</sup>** in 2019

Toxins

**US\$1.4B<sup>4</sup>**

North American Aesthetic Market

## Market Dynamics

**73%** of consumers expect to spend money on a physician-administered aesthetic treatment<sup>5</sup>

**82%** of consumers aged 21-35 believe injectable treatments are socially acceptable<sup>5</sup>

**59%** of surgical and non-surgical procedures in the U.S. were for the 35-50 age group<sup>5</sup>

<sup>1</sup> Report Linker; <sup>2</sup> <https://www.theinsightpartners.com>; <sup>3</sup> August 2020 Decision Resources Group Aesthetics Injectables Botulinum Toxin Reports-2021; <sup>4</sup> Estimation of North America with [www.theinsightpartners.com](http://www.theinsightpartners.com) (Medical & Aesthetic uses), Aesthetics representing 42% according to Global Market insights; <sup>5</sup> 2019 Allergan 360° Aesthetics Report.



## LOOKING AHEAD GROWTH STRATEGIES



### **Strategy 1**

Expand our Aesthetics  
Footprint in Canada



### **Strategy 2**

Capitalize on  
Key Assets



### **Strategy 3**

Grow through Strategic  
Licensing and M&A



## STRATEGY #1

## EXPAND OUR AESTHETICS FOOTPRINT IN CANADA



## Commercial Expansion

- Top Doors Strategy (high revenue potential)
- Currently, selling into ~1,200 doors
- Potential of ~6,800 doors in Canada



## Channel Expansion - Digital

- Increase brand awareness through social media
- Create push/pull effect of consumers toward spas/ medispas
- Increase online sales



## Portfolio Expansion

- Partnerships to grow brand offering and gain market share
- Recent and upcoming on-trend launches
  - **NCTF®**
  - **Art Filler®**



## STRATEGY #1

## EXPAND ADOPTION OF NCTF® BOOST 135 HA

## Unique Product Offering



**NCTF® Boost  
135 HA**  
New Cellular  
Treatment Factor



The **GOLD STANDARD**  
in Bio-Revitalization

Unique topical formula with  
Hyaluronic Acid and 50+ key  
ingredients targeting skin  
QUALITY.

Stand-alone treatment or in  
combination with other  
cosmetic procedures for all  
ages.

Growth  
Opportunity

## ACCESS

to medical clinics providing  
device-based treatments

LEVERAGE International  
Brand Awareness

## DOOR OPENER

For ART FILLER Launch

## Goal



>4M Bottles<sup>1</sup>  
>60 Countries<sup>1</sup>

**Be the  
Market  
Leader**

<sup>1</sup> Source: FILLMED Laboratories internal reports.





## STRATEGY #1

## POISED TO LAUNCH HA FILLERS IN BOOMING MARKET

Internationally  
Recognized Brand

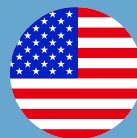
**ART-FILLER®**  
Haute Sculpture  
Correction

Exclusive Collection  
of Hyaluronic Acid  
Fillers<sup>1</sup>



Sold in  
**>60 Countries<sup>2</sup>**

**Top 5** rank worldwide  
among dermal fillers<sup>2</sup>

Opportunity in HA  
Dermal Fillers Market

Expected to reach  
**US\$1.9B**  
by 2025<sup>3</sup>



Expected to reach  
**US\$190M**  
by 2025<sup>4</sup>

**CAGR +11.3%**

Expected Canadian Launch  
in H2 2022<sup>1</sup>

## Goal

**7** Players in HA Fillers  
3 < 10% Market Share  
4 > 10% Market Share

**Be a  
Top 5  
Player**

<sup>1</sup> Launch pending Health Canada approval. <sup>2</sup> Source: FILLMED Laboratories internal reports. <sup>3</sup> August 2020 Decision Resources Group Aesthetics Injectables Botulinum Toxin Reports- 2021. <sup>4</sup> Management's estimate: industry numbers and trends for Canada typically run parallel to those of the U.S., but at a tenth of the scale.

## LOOKING AHEAD GROWTH STRATEGIES



### **Strategy 1**

Expand our Aesthetics  
Footprint in Canada



### **Strategy 2**

Capitalize on  
Key Assets



### **Strategy 3**

Grow through Strategic  
Licensing and M&A



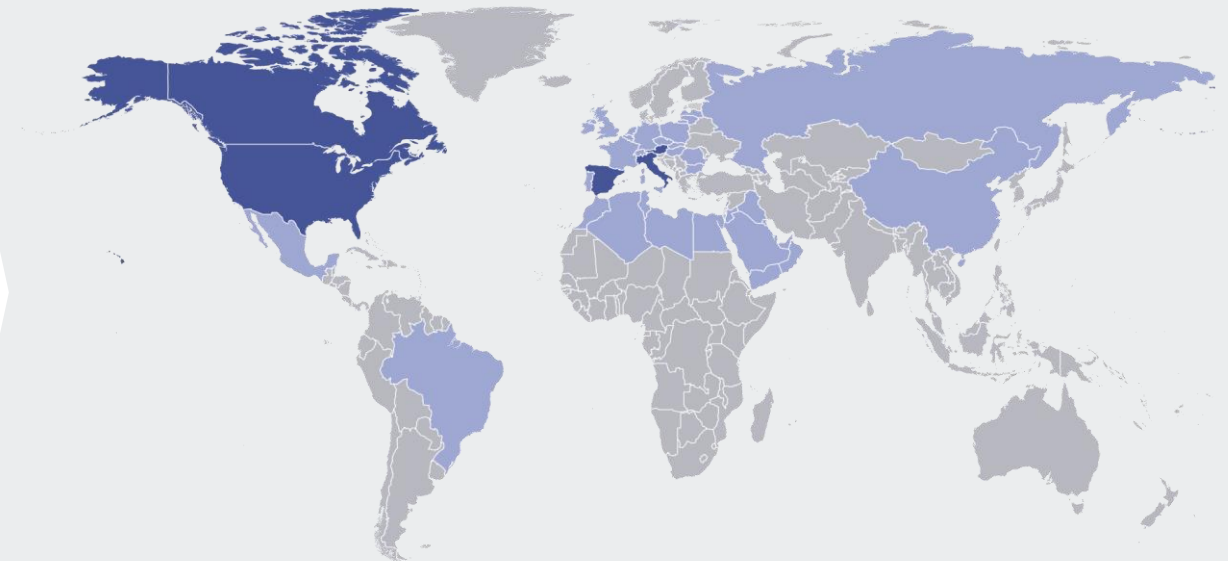
## STRATEGY #2

## INTERNATIONAL FOOTPRINT AND PARTNERSHIPS

A DIFFERENTIATED  
TOPICAL ANESTHETIC



**FDA-APPROVED**, only anesthetic cream  
with the **HIGHEST CONCENTRATION** of  
**Tetracaine and Lidocaine 7% / 7%**



■ Commercialized countries ■ Licensed countries





## STRATEGY #2

## SIGNIFICANT REVENUE POTENTIAL FOR PLIAGLIS

40



Licensed Countries

**Royalty** expected to begin  
12 to 18 months post deal signing

- Annual minimum guaranteed royalties for Taro (US\$1M) and Cantabria (€150K)
- Minimum sales volume commitments

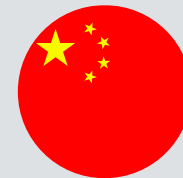
35

Anticipated Launches  
2022 - 2025

EU Countries



MENA Countries



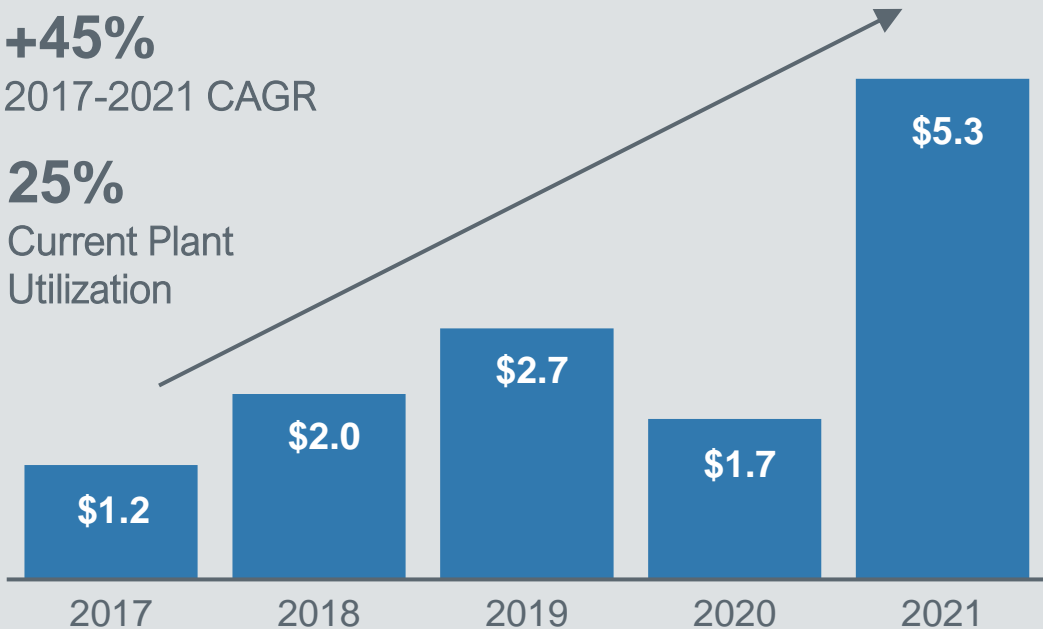
China

Future Recurring  
Revenue Potential

Double  
Digit  
Return<sup>1</sup>  
on Sales

<sup>1</sup> Royalties on Pliaglis sales or markup on products supplied by Crescita.



**STRATEGY #2****SCALING CDMO FOR RECURRING REVENUE GROWTH****Track Record of Growing Revenue***In millions of CAD***+45%**  
2017-2021 CAGR**25%**  
Current Plant  
Utilization**Growth Strategy**

- Grow customer base through business development
- Improve operational efficiency through automation
- Improve margins and profitability

**Plant Capacity**w/o significant  
investments

<sup>1</sup> Revenue Potential takes 2021 as base year (25% capacity) and assumes 100% utilization in 1 working shift. This estimate is based on Management assumptions with current infrastructure and equipment.

## LOOKING AHEAD GROWTH STRATEGIES



### **Strategy 1**

Expand our Aesthetics  
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### **Strategy 2**

Capitalize on  
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### **Strategy 3**

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## STRATEGY #3

## TARGETING STRATEGIC ACQUISITIONS &amp; PARTNERSHIPS



# TRACKING KEY MILESTONES FOR 2022

**1. LAUNCH** ART-FILLER® in Canada in H2 22

**2. GROW** CDMO Revenue

**3. SUPPORT** international partners with Plaglis launches

**4. EXPAND** product portfolio

**5. SEEK** strategic acquisitions and licensing deals



## CONCLUSION

# A UNIQUE COMPANY POISED TO DELIVER PROFITABLE GROWTH

Diversified  
Asset  
Portfolio

Serving  
**GROWING  
MARKETS**

Clear  
Strategic  
Priorities

Leveraging  
**COMMERCIAL  
PLATFORM  
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Multiple  
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Path to  
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