

Cellmid Ltd

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Cellmid expecting record sales in December quarter, shares up 15%

Cellmid Ltd (ASX:CDY) expects its sales revenue to reach a record \$2.2 million for the December quarter.

This is supported by a recent sales event on its Japanese television shopping channel that delivered sales revenue of \$1.1 million.

Cellmid's Jo-Ju® branded Japanese hair growth products have proven to be one of the most successful cosmetics ever on the Japanese television shopping channel.

READ: Cellmid partners with NZ pharmacies to distribute anti-ageing products

Cellmid's CEO Maria Halasz said: "With around 50,000 QVC customers, a large number of them regulars, we have a strong following for our Jo-Ju® products in Japan.

"We intend to build on this to maximise the potential for our recently launched évolis® products in multiple sales channels in Japan."

Switch to plastic bottles to increase profit margin

Cellmid recently changed packaging for its Jo-Ju® lotions from glass to plastic bottles.

As a result, net profit margins are expected to increase by around 10%, whilst manufacturing time reduced from seven months to as little as three months.

This, in turn, will allow better utilisation of working capital.

Smoothing out sales going forward

Major sales events, such as those on Japanese television channel QVC currently represent material components of sales revenue, resulting in significant fluctuations in quarterly sales.

Cellmid has been working towards setting up distribution in channels that deliver more even monthly sales.

Furthermore, the company has been actively building distribution in other channels and geographies to reduce reliance on sales from TV shopping.

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Price: A\$0.2

Market Cap: A\$16.72M

1 Year Share Price Graph



Share Information

Code: CDY

Listing: ASX

52 week High Low
A\$0.47 A\$0.17

Sector: Pharma & Biotech

Website: www.cellmid.com.au

Company Synopsis:

Cellmid Ltd (ASX:CDY) is an Australian life sciences company with lead programs in multiple disease indications.

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