



Notice of General Meeting and Explanatory Statement to be held on 4 March 2025

The General Meeting of Cambium Bio Limited will be held in person.

If you are unable to attend the General Meeting, please complete and return the enclosed proxy form in accordance with the specified directions.

Independent Expert's Report: Shareholders should carefully consider the Independent Expert's Report prepared for the purposes of section 611 (Item 7) of the Corporations Act for the control transaction referred to in this Notice as Resolution 1. The Independent Expert's Report comments on whether the advantages of the acquisition of securities the subject of Resolution 1 outweigh the disadvantages of the acquisition of securities to the non-associated Shareholders. The Independent Expert has determined that the control transaction referred to in this Notice as Resolution 1 is not fair but reasonable to the non-associated Shareholders of Cambium Bio Limited.

The business of the General Meeting affects your shareholding and your vote is important.

This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their professional advisers.

NOTICE is given that a General Meeting of Shareholders of Cambium Bio Limited (**Cambium Bio or the Company**) will be held in person at the Company's Registered Office located at 16 Goodhope Street, Paddington NSW 2021 on Tuesday, 4 March 2025 at 11.00am (Sydney time).

BUSINESS

RESOLUTIONS

RESOLUTION 1: Approval to issue Shares – Part 3 Placement – Sebastian Tseng and Zheng Yang Biomedical Technology Co., Ltd (ZYBT)

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of section 611 (item 7) of the Corporations Act, and all other purposes, Shareholder approval is given for:

- (a) the Company to issue a total of 3,989,650 Shares to Sebastian Tseng and ZYBT (or their nominees; and)*
- (b) the increase in the relevant interests and voting power of Sebastian Tseng and ZYBT from 24.53% to up to 37.71% (in total)], as a result of the issue of Shares in the Company under paragraph (a) of this Resolution,*

on the terms and conditions set out in the Explanatory Statement."

Independent Expert's Report: Shareholders should carefully consider the report prepared by the Independent Expert for the purposes of the Shareholder approval required under section 611 Item 7 of the Corporations Act. The Independent Expert's Report comments on the fairness and reasonableness of the transaction the subject of Resolution 1 to the non-associated Shareholders in the Company.

The opinion of the Independent Expert is that the transaction the subject of Resolution 1 is not fair but reasonable to the non-associated Shareholders of the Company.

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of:

- the person who is to receive the securities in question and any other person who will obtain material benefit as a result of the issue of the Shares (except a benefit solely by reason of being a holder of Shares) (namely each of Sebastian Tseng and ZYBT); and/or
- any associate of any such person.

However, the Company need not disregard a vote cast in favour of Resolution 1 by:

- a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting exclusion statement – Corporations Act

No votes may be cast in favour of this Resolution by:

- the person proposing to make the acquisition and their associates; or
- the person (if any) from whom the acquisition is to be made and their associates.

Accordingly, the Company will disregard any votes cast on this Resolution by Sebastian Tseng and ZYBT, and any of their associates.

Independent Expert's Report

Shareholders should carefully consider the Independent Expert's Report prepared by RSM Corporate Australia Pty Ltd for the purposes of the Shareholder approval. The Independent Expert's Report comments on the fairness and reasonableness of the transaction the subject of Resolution 1 to the non-associated shareholders of the Company.

The Independent Expert considers the transaction the subject of Resolution 1 to be not fair but reasonable to the non-associated shareholders of the Company.

RESOLUTION 0: Approval of issue of Options and Shares under Part 3 Placement to Director – Dr Chandra Bala

To consider and, if thought fit, to pass, with or without amendment the following resolution as an **ordinary resolution**:

"That for the purpose of ASX Listing Rule 10.11, and for all other purposes, approval is given for the Company to issue (1) 120,000 Options and (2) 50,000 Shares pursuant to the Part 3 Placement to Dr Chandra Bala (or his nominee), on such terms and conditions set out in the Explanatory Notes accompanying the Notice of General Meeting".

Voting Exclusion Statement

The Company will disregard any votes cast in favour of the above resolution by or on behalf of any person who is to receive the securities in question and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or any associates of that person or those persons.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- it is cast by the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote as the Chair decides; or
- it is cast by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Company will also disregard any votes cast in favour of the above resolution as a proxy by Key Management Personnel or a closely related party of any key management personnel.

RESOLUTION 3: Approval of issue Shares under Part 3 Placement to Director – Edmund Waller

To consider and, if thought fit, to pass, with or without amendment the following resolution as an **ordinary resolution**:

"That for the purpose of ASX Listing Rule 10.11, and for all other purposes, approval is given for the Company to issue 50,000 Shares pursuant to the Part 3 Placement to Edmund Waller, on such terms and conditions set out in the Explanatory Notes accompanying the Notice of General Meeting".

Voting Exclusion Statement

The Company will disregard any votes cast in favour of the above resolution by or on behalf of any person who is to receive the securities in question and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or any associates of that person or those persons.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- it is cast by the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote as the Chair decides; or
- it is cast by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Company will also disregard any votes cast in favour of the above resolution as a proxy by Key Management Personnel or a closely related party of any key management personnel.

RESOLUTION 4: Approval of issue Shares under Part 3 Placement to Director – Terence Walts

To consider and, if thought fit, to pass, with or without amendment the following resolution as an **ordinary resolution**:

"That for the purpose of ASX Listing Rule 10.11, and for all other purposes, approval is given for the Company to issue 50,000 Shares pursuant to the Part 3 Placement to Terence Walts, on such terms and conditions set out in the Explanatory Notes accompanying the Notice of General Meeting".

Voting Exclusion Statement

The Company will disregard any votes cast in favour of the above resolution by or on behalf of any person who is to receive the securities in question and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or any associates of that person or those persons.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- it is cast by the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote as the Chair decides; or

- it is cast by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Company will also disregard any votes cast in favour of the above resolution as a proxy by Key Management Personnel or a closely related party of any key management personnel.

By order of the Board

29 January 2025

Hang Ling (Helen) Leung

Company Secretary

Determination of Entitlement to Attend and Vote

The Company has determined that the holders of the Company's ordinary shares for the purpose of the General Meeting will be the registered holders of ordinary shares at **7.00pm (Sydney time) on the date that is 48 hours before the date of the General Meeting (i.e. 2 March 2025)**. Accordingly, transactions registered after that time will be disregarded in determining a Shareholder's entitlement to attend and vote at the General Meeting.

Attendance at the General Meeting

The General Meeting will be held in person.

In person: You may attend the General Meeting in person at the date, time and place specified in the Notice of General Meeting. Prior registration is not required.

By proxy: A member of the Company entitled to attend and vote at the General Meeting is entitled to appoint a proxy. A proxy need not be a member of the Company. A member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half the votes.

If you would like to appoint a proxy to attend the meeting on your behalf, this can be done by completing and signing the attached Proxy Form and sending it by post to Cambium Bio Limited, c/o MUFG Corporate Markets (AU) Limited (previously Link Market Services) at Locked Bag A14, Sydney South NSW 1235 or by facsimile to MUFG on +61 2 9287 0309 by no later than **11.00 am (Sydney time) on 2 March 2025**, being not less than 48 hours before the time for holding the meeting.

Alternatively, Proxy Forms may also be lodged online at MUFG Corporate Markets' website <https://au.investorcentre.mpms.mufg.com> in accordance with the instructions given there. You will be taken to have signed the Proxy Form if you lodge it in accordance with the instructions provided on the website.

The proposed Chair of the meeting intends to vote undirected proxies in favour of each of the four resolutions.

By power of attorney: If an ordinary shareholder has appointed an attorney to attend and vote at the meeting, or if a Proxy Form is signed by an attorney, the power of attorney must likewise be received by MUFG Corporate Markets (AU) Limited by post to Locked Bag A14 Sydney South NSW 1235, or by facsimile

to MUFG Corporate Markets on +61 2 9287 0309 by no later than **11.00 am (Sydney time) on 2 March 2025**, being not less than 48 hours before the time for holding the meeting.

By corporate representative: A member who is a body corporate may appoint an individual as a representative to exercise the member's voting rights at the General Meeting pursuant to section 250D of the *Corporations Act 2001* (Cth). Representatives will be required to present documentary evidence of their appointment to the Company before the meeting.

Questions from Members

Members who are unable to attend the General Meeting and would like to ask questions of the Board concerning matters to be considered at the General Meeting, are invited to do so by completing the form included with this Notice of General Meeting.

Your questions are important to us and although we may not be able to reply to each question individually, we will respond to as many of the frequently asked questions as possible at the General Meeting, or otherwise after the meeting.

Enquiries

For further information relating to the General Meeting, please contact the Company Secretary at Helen.leung@cambium.bio or call 1300 995 098.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to assist shareholders with their consideration of the resolutions detailed in the Notice of General Meeting dated 4 March 2025. This Explanatory Statement should be read with, and forms part of, the accompanying Notice of General Meeting.

1. RESOLUTION 1 - APPROVAL TO ISSUE SHARES – PART 3 PLACEMENT – SEBASTIAN TSENG AND ZYBT

1.1 Background to the Placement

As announced on 5 December 2024, the Company secured firm commitments from sophisticated institutional and private investors to raise approximately A\$2.97 million through the issue of a total of 6,411,875 Shares at an issue price of A\$0.4637 per Share (**Placement**).

The Placement is being carried out in three parts, with the third part subject to Shareholder approval, comprising:

- (a) the issue of 1,349,383 Shares (**Part 1 Placement Shares**) under the first part of the Placement to raise A\$0.63 million (**Part 1 Placement**);
- (b) the issue of 922,842 Shares (**Part 2 Placement Shares**) under the second part of the Placement to raise A\$0.43 million (**Part 2 Placement**); and
- (c) subject to Shareholder approval being obtained, the issue of 4,139,650 Shares (**Part 3 Placement Shares**) under the third part of the Placement (**Part 3 Placement**) to raise A\$1.92 million.

Details of the Part 1 Placement, Part 2 Placement and Part 3 Placement are as follows:

Part	Price per Share	Number of Shares	Total Amount
Part 1 Placement	A\$0.4637	1,349,383	\$625,708.90
Part 2 Placement	A\$0.4637	922,842	\$427,921.84
Part 3 Placement	A\$0.4637	4,139,650	\$1,919,555.71
Totals		6,411,875	A \$2,973,186.44

The Part 1 Placement Shares were issued on 12 December 2024 and Part 2 Placement Shares were issued in January 2025 pursuant to the approval from shareholders given at the Company's Annual General Meeting, held on 26 November 2024.

Issue of the Part 3 Placement Shares is conditional on the Shareholder approval being sought, as set out in Resolution 1.

The Placement was undertaken with sophisticated institutional and private investors as follows:

Investor	Price per Share	Total number of Placement Shares	Total Amount
Zheng Yang Biomedical Technology Co., Ltd.*(ZYBT)	A\$0.4637	3,773,993	\$1,750,000.55
Yu-Hung (Sebastian) Tseng**	A\$0.4637	215,657	100,000.15
Li-Chien Chiu***	A\$0.4637	323,485	149,999.99
Karolis Rosickas	A\$0.4637	60,215	27,921.70
Other investors	A\$0.4637	2,038,525	945,264
Total		6,411,875	A \$2,973,186.44

Notes:

- * Zheng Yang Biomedical Technology Co., Ltd. (**ZYBT**) is a diversified healthcare holding company registered in Taiwan and based in Taiwan. ZYBT's businesses include Aventacell Biomedical Corp and Dr Wells.
- ** Yu-Hung Tseng (Sebastian) is the Chairman and principal shareholder of ZYBT.
- *** Li-Chien Chiu is the Chairman of the Taiwan-listed Hocheng Corporation (TWO:1810), and is a Director and a shareholder in ZYBT.

1.2 Use of funds

The funds raised from all three Placements will primarily support the advancement of the development of the Company's lead product candidate, *Elate Ocular* through its registration-enabling Phase 3 clinical trials for dry eye disease, which are planned to commence in calendar Q2 2025. The funds will also provide working capital for the Company's ongoing operations.

1.3 Indicative Capital Structure

As at the date of this Notice of General Meeting the Company's issued capital is as follows:

Current Shares outstanding*	14,203,231
Current Options over Shares**	263,629

* This includes 2,272,225 Part 1 and 2 Placement Shares issued in December 2024 and January 2025.

** All Options are exercisable to ordinary Shares.

The capital structure of the Company, assuming that all the Part 3 Shares are issued, is as follows:

Current Shares outstanding	14,203,231
Part 3 Placement Shares to be issued*	4,139,650
Total Shares outstanding after issue of Part 3 Placement Shares	18,342,881
Options over Shares** ***	383,629

Notes:

* The issue of the Part 3 Placement Shares are the subject of Resolution 1.

** The number of Options includes those options proposed to be issued as contemplated by Resolution 0.

*** All Options are exercisable to ordinary Shares.

1.4 Background to the proposed issue of Shares to Sebastian Tseng and ZYBT

Resolution 1 seeks Shareholder approval for the issue of Shares as part of the Part 3 Placement to each of Sebastian Tseng and ZYBT. Subject to Shareholder approval, the Part 3 Placement Shares will be issued to Sebastian Tseng (director of the Company) and ZYBT as follows:

Investor	Price per Share	Number of Part 3 Placement Shares	Total Amount
Zheng Yang Biomedical Technology Co., Ltd	A\$0.4637	3,773,993	\$1,750,000.55
Yu-Hung (Sebastian) Tseng	A\$0.4637	215,657	\$100,000.15
Total		3,989,650	1,850,000

As at the date of this Notice of General Meeting Sebastian Tseng and ZYBT hold the following Shares:

Investor	Total number of Shares held as at the date of this Notice of General Meeting	% voting power
Zheng Yang Biomedical Technology Co., Ltd	2,688,506	22.53%
Yu-Hung (Sebastian) Tseng	238,436	2.00%
Total	2,926,942	24.53%

The Company has been informed that ZYBT is ultimately controlled by Sebastian Tseng as a controlling director and shareholder.

The Company further understands that due to this controlling relationship, Sebastian Tseng and ZYBT will therefore exercise their rights as shareholders of the Company collectively and are therefore "associates" of each other for the purposes of the Corporations Act.

Sebastian Tseng and ZYBT do not have any other associates which hold or will hold Shares.

Shareholders are urged to carefully read the Independent Expert's Report to understand the scope of the report, the methodology of the valuation and the sources of information and assumptions made.

The Independent Expert's Report is also available on the Company's website <https://www.cambium.bio/Investors-and-Media>. If requested by a Shareholder, the Company will send a hard copy of the Independent Expert's Report to the Shareholder at no cost.

1.5 Chapter 2E of the Corporations Act

Sebastian Tseng is a director of the Company and is therefore a 'related party' of the Company. Because ZYBT is ultimately controlled by Sebastian Tseng, it is also a 'related party' of the Company.

Pursuant to Chapter 2E of the Corporations Act, for a public company to give a financial benefit to a 'related party' of the public company, the public company must:

- (a) obtain the approval of the public company's shareholders in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Relevantly, section 210 provides that:

- (a) where any benefit would be reasonable in the circumstances if the public company and the director/related party were dealing at 'arm's length' and/or on commercial terms; or
- (b) the terms are less favourable to the director/related party than the terms referred to in paragraph (a),

then shareholder approval is not required.

The issue of the Part 3 Placement Shares to each of Sebastian Tseng and ZYBT constitutes giving a financial benefit to a 'related party' of the Company.

The Directors (other than Sebastian Tseng who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the proposed issue of Part 3 Placement Shares to Sebastian Tseng and ZYBT, because the Placement was negotiated on an 'arm's length' basis, and the terms of the issue of the Part 3

Placement Shares to each of Sebastian Tseng and ZYBT are on the same terms as the issue of Placement Shares to other investors participating in the Placement.

The issue of Part 3 Placement Shares to Sebastian Tseng and ZYBT and therefore falls within the exception contained in section 210 of the Corporations Act.

1.6 ASX Listing Rule 10.11 approval is not required

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained, unless an exception in ASX Listing Rule 10.12 applies.

As set out above, each of Sebastian Tseng and ZYBT is a related party of the Company. As such, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies.

Exception 6 set out in ASX Listing Rule 10.12 provides an exception to Listing Rule 10.11 for an issue of securities that is approved for the purposes of section 611 (item 7) of the Corporations Act.

The purpose of Resolution 1 is to seek approval for the purposes of section 611 (item 7) of the Corporations Act and the Company will rely on Exception 6 set out in ASX Listing Rule 10.12 therefore a separate approval is not required under Listing Rule 10.11.

1.7 ASX Listing Rule 7.1 approval is not required

As set out above, broadly speaking, and subject to a number of exceptions set out in ASX Listing Rule 7.2, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue, or agree to issue, without the approval of its shareholders over any 12 month period to 15% of the fully paid shares it had on issue at the start of that period.

Exception 8, set out in ASX Listing Rule 7.2 provides an exception to Listing Rule 7.1 where an issue of securities is approved for the purposes of section 611 (item 7) of the Corporations Act. The purpose of Resolution 1 is to seek approval for the purposes of section 611 (item 7) of the Corporations Act and therefore a separate approval is not required under Listing Rule 7.1.

If approval is given by shareholders to Resolution 1, the issue of Shares will not come out of the Company's capacity under Listing Rule 7.1.

1.8 Section 611 (item 7) of the Corporations Act

Section 606 of the Corporations Act prohibits a person acquiring a relevant interest in issued voting shares in a company if, as a result of the acquisition, that person or someone else's voting power in the company increases from less than 20% to more than 20%, or from a starting point that is above 20% and below 90% (**Section 606 Prohibition**).

Voting Power

The voting power of a person in a body corporate is determined under section 610 of the Corporations Act. The calculation of a person's voting power in a company involves determining the voting shares in the company in which the person and the person's associates have a relevant interest.

Associates

For the purposes of determining voting power under the Corporations Act, a person (**second person**) is an "associate" of the other person (**first person**) if:

- (i) (pursuant to section 12(2) of the Corporations Act) the first person is a body corporate and the second person is:
 - (A) a body corporate the first-person controls;
 - (B) a body corporate that controls the first person; or
 - (C) a body corporate that is controlled by an entity that controls the person'

- (ii) the second person has entered or proposes to enter into a relevant agreement with the first person for the purpose of controlling or influencing the composition of the company's board or the conduct of the company's affairs; or
- (iii) the second person is a person with whom the first person is acting or proposes to act, in concert in relation to the company's affairs.

Associates are, therefore, determined as a matter of fact. For example, where a person controls or influences the board or the conduct of a company's business affairs or acts in concert with a person in relation to the entity's business affairs.

Relevant interest

Section 608(1) of the Corporations Act states that a person has a relevant interest in securities if they:

- (a) are the holder of the securities;
- (b) have power to exercise, or control the exercise of, a right to vote attached to securities; or
- (c) have power to dispose of, or control the exercise of power to dispose of, the securities.

It does not matter how remote the relevant interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power.

In addition, section 608(3) of the Corporations Act provides that a person has a relevant interest in securities that any of the following has:

- (a) a body corporate in which the person's voting power is above 20%;
- (b) a body corporate that the person controls.

There are various exceptions to the Section 606 Prohibition, including under section 611 (item 7) of the Corporations Act.

Section 611 (item 7) of the Corporations Act provides an exception to the Section 606 Prohibition, in circumstances where the shareholders of the company approve an acquisition of a relevant interest in the company at a meeting at which no votes are cast by the acquirer of the relevant interest and the person from whom the acquisition is to be made, including their respective associates.

1.9 Reason section 611 (item 7) approval is required

As a result of the proposed issue of Part 3 Placement Shares to each of Sebastian Tseng and ZYBT, they will each hold Shares in the Company as set out below:

Investor	Total number of Shares held as at the date of this Notice of General Meeting	Proposed number of Part 3 Placement Shares to be issued	Total number of Shares held if Part 3 Placement Shares are issued	% voting power if the Part 3 Placement Shares are issued
Zheng Yang Biomedical Technology Co., Ltd	2,688,506	3,773,993.00	6,462,499	35.23%
Yu-Hung (Sebastian) Tseng	238,436	215,657	454,093	2.48%
Totals	2,926,942	3,989,649	6,916,591	37.71%

Yu-Hung (Sebastian) Tseng is a non-executive director of the Company having been appointed on 11 April 2024.

ZYBT is ultimately controlled by Sebastian Tseng as a controlling director and shareholder.

The Corporations Act defines "control", and "relevant agreement" very broadly as follows:

- (a) Under section 50AA of the Corporations Act control means the capacity to determine the outcome of decisions about the financial and operating policies of the Company.
- (b) Under section 9 of the Corporations Act, a relevant agreement includes an agreement, arrangement or understanding whether written or oral, formal or informal and whether or not having legal or equitable force.

Because Sebastian Tseng and ZYBT are associates they will each have a relevant interest in the Shares held by the other.

As at the date of this Notice of General Meeting, Sebastian Tseng and ZYBT both have a relevant interest in 2,926,9452 Shares in the Company, representing voting power in the Company of 24.53%.

If Shareholder approval is given to the issue of the Part 3 Placement Shares to Sebastian Tseng and ZYBT, then upon the issue of the Part 3 Placement Shares, Sebastian Tseng and ZYBT will each have a relevant interest in 6,916,592 Shares in aggregate, which will therefore represent 37.7% of the voting power in the Company.

This increase in voting power from a point that is less than 20% to more than 20% would breach the Section 606 Prohibition. However, the increase is permitted if prior Shareholder approval is granted for the issue of the Part 3 Placement Shares to Sebastian Tseng and ZYBT in accordance with Resolution 1.

For this reason, the Company is seeking Shareholder approval for the purposes of section 611 (item 7) of the Corporations Act to permit the Company to issue the Part 3 Placement Shares to each of Sebastian Tseng and ZYBT.

Pursuant to ASX Listing Rule 7.2 (Exception 16), ASX Listing Rule 7.1 does not apply to an issue of securities approved for the purpose of section 611 (item 7) of the Corporations Act. Accordingly, if Shareholders approve the issue of securities pursuant to Resolution 1, the Company will retain the flexibility to issue equity securities in the future up to 15% annual placement capacity set out in ASX Listing Rule 7.1.

1.10 Specific information required by Section 611 (item 7) of the Corporations Act and ASIC Regulatory Guide 74

The following information is provided in accordance with section 611 (item 7) of the Corporations Act and *ASIC Regulatory Guide 74: Acquisitions approved by members (RG 74)*. Shareholders are also referred to the Independent Expert's Report prepared by the Independent Expert annexed to this Explanatory Statement

(a) Explanation of the reasons for the proposed acquisition

Please refer to sections 1.1, 1.2 and 1.4 of this Explanatory Statement.

(b) When the proposed acquisition is to occur

The proposed acquisition will occur on the issue of the Part 3 Placement Shares to each of Sebastian Tseng and ZYBT, which is expected to occur shortly following the General Meeting if the Resolution is approved by Shareholders but no later than one month after the General Meeting.

(c) The material terms of the proposed acquisition

Please refer to sections 1.1 and 1.4 of this Explanatory Statement.

(d) Identity of the person proposing to make the acquisition and their associates

The acquisitions of Shares will be made by:

- (i) ZYBT, a company registered in Taiwan, a diversified healthcare holding company based in Taiwan. ZYBT's businesses include Aventacell Biomedical Corp and Dr Wells;
- (ii) Yu-Hung (Sebastian) Tseng, who is a non-executive director of the Company and is also the Chairman and principal shareholder of ZYBT; and
- (iii) No associates of ZYBT and Yu-Hung (Sebastian) Tseng currently have or will have a relevant interest in the Company and there is no present intention to issue any Shares or other securities to any associate of ZYBT and Yu-Hung (Sebastian) Tseng.

(e) Maximum extent of increase in the voting power in the Company

If Shareholder approval is given to the issue of the Part 3 Placement Shares to Sebastian Tseng and ZYBT, then upon the issue of the Part 3 Placement Shares, Sebastian Tseng and ZYBT will each have a relevant interest in 6,916,592 Shares in aggregate, which will therefore represent 37.71% of the voting power in the Company.

(f) Relevant interest and Voting Power

Please refer to sections 1.9 of this Explanatory Statement.

(g) Details of the terms of any other relevant agreement between the acquirer and the Company (or any of their associates) that is conditional on (or directly or indirectly depends on) Shareholder approval of the proposed acquisition

There is no other agreement or proposed agreement between Sebastian Tseng or ZYBT (or any of their associates) and the Company which is conditional on, or directly or indirectly dependant on Shareholder approval to, the issue of the Part 3 Placement Shares to Sebastian Tseng and ZYBT.

(h) The identity, associations and qualifications of any person who it is intended will become a director if Shareholders approve this Resolution

Sebastian Tseng is already a Director of the Company. Sebastian Tseng and ZYBT will not seek to appoint any additional director(s) to the Board if the issue of Shares is approved.

(i) A statement of Sebastian Tseng's and ZYBT's intentions regarding the future of the Company if members approve the acquisition

Each of Sebastian Tseng and ZYBT does not currently have:

- (i) any present intention to change the business of the entity;
- (ii) any present intention to inject further capital into the entity;
- (iii) any present intention regarding the future employment of present employees of the entity;
- (iv) any proposal where assets will be transferred between the entity and either he or any of his associates; or
- (v) any intention to otherwise redeploy the fixed assets of the entity.

Sebastian Tseng's and ZYBT's intends that Mr Tseng will continue to act as a Director of the Company.

These intentions are based on information concerning the Company, its business and the business environment which is known to ZYBT at the date of this document. These present intentions may change as new information becomes available, as circumstances change or in the light of all material information, facts, and circumstances necessary to assess the operational, commercial, taxation and financial implications of those decisions at the relevant time.

(j) Any intention of Sebastian Tseng or ZYBT to significantly change the financial or dividend distribution policies of the Company

Sebastian Tseng and ZYBT have no intention in this respect and the Board advises that a dividend is not presently paid by the Company and there is no foreseeable change to this policy.

(k) The interest that any Director has in the acquisition or any relevant agreement

The Directors (other than Sebastian Tseng) do not have an interest in this Resolution or the agreement to issue Part 3 Placement Shares to Sebastian Tseng and ZYBT.

Sebastian Tseng has an interest in the agreements to issue the Part 3 Placement Shares to him and to ZYBT. The terms of the agreement to issue the Part 3 Placement Shares are summarised in sections 1.1 and 1.4 above.

(l) Recommendation of each Director as to whether Shareholders should approve the Resolution

The Directors (other than Sebastian Tseng who has a material personal interest in the Resolution) recommend each Shareholder approve the Resolution.

1.11 Advantages of the issue of Part 3 Placement Shares to Sebastian Tseng and ZYBT

The Directors (other than Sebastian Tseng) are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision as to how to vote on Resolution 1:

- (a) the issue of Part 3 Placement Shares to Sebastian Tseng and ZYBT would provide the Company with additional funds of A\$1,850,000.71 for the non-clinical and comparability studies along with the working capital required for the Phase 3 clinical trial program (as part of the proposed research & development, commercialisation and marketing strategy) for Elate Ocular, the primary clinical asset of the Company;
- (b) the issue of Shares to Sebastian Tseng and ZYBT via the Placement has introduced to the register of the Company sophisticated investors in the healthcare and pharmaceutical biotechnology sector whose funding support via the Placement demonstrate a commitment to the Company with a core objective to increase Shareholder value; and
- (c) though the Independent Expert has concluded that the issue of Shares to Sebastian Tseng and ZYBT is not fair to Shareholders not associated with Sebastian Tseng and ZYBT, it is reasonable.

1.12 Disadvantages of the issue of Part 3 Placement Shares to Sebastian Tseng and ZYBT

The Directors (other than Sebastian Tseng) are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision as to how to vote on Resolution 1:

- (a) the Independent Expert has concluded that the issue of Shares to Sebastian Tseng and ZYBT is not fair to non-associated Shareholders, and that the issue price of the Shares is below the fair market value prior to the issue of Part 3 Placement Shares;
- (b) the proposed issue of Part 3 Placement Shares to, Sebastian Tseng and ZYBT will increase their aggregate voting power from 24.53% to up to 37.7% reducing the voting power of Shareholders not associated with them to 62.3%; and
- (c) following completion of the issue of Part 3 Placement Shares to Sebastian Tseng and ZYBT, Sebastian Tseng and ZYBT will hold a relevant interest in 37.7% of the Shares in the Company – this will give Sebastian Tseng and ZYBT significant influence in relation to the Company, including the ability to block proposed special resolutions of the Company and significant influence on the election of directors.

1.13 Independent Expert's Report

In accordance with the requirements of ASIC *Regulatory Guide 74 (Acquisitions approved by members)*, the Directors engaged the Independent Expert to prepare and provide the Independent Expert's Report.

The Independent Expert's Report (a copy of which is attached as Annexure A to this Explanatory Statement) includes an independent examination of the proposed issue of the Part 3 Placement Shares to Sebastian Tseng and ZYBT, to assist non-associated Shareholders to assess the merits of, and decide whether to approve, the proposed issue of Shares.

The Independent Expert's Report comments on the fairness and reasonableness of the proposed issue of Part 3 Placement Shares to Sebastian Tseng and ZYBT to the non-associated shareholders of the Company. The opinion of the Independent Expert is that the Proposed Transaction is **not fair but reasonable to the non-associated Shareholders of the Company**.

The Independent Expert notes certain key advantages and disadvantages of the proposal raised in Resolution 1 to the Company and to Shareholders not associated with Sebastian Tseng and ZYBT. Those advantages and disadvantages are set out at page 9 of the Independent Expert's Report.

Shareholders should carefully consider the full Independent Expert's Report prepared by the Independent Expert for the purposes of the Shareholder approval pursuant to Resolution 1 to understand the scope of the report, the methodology of the valuation and the sources of information and assumptions made.

Shareholders should read the Independent Expert's Report in its entirety before deciding how to vote on Resolution 1.

1.14 Technical information required by Listing Rule 14.1A

If Resolution 1 is passed, the Company will be able to proceed with the issue of the Part 3 Placement Shares to each of Sebastian Tseng and ZYBT.

If Resolution 1 is not passed, the Company will not be able to proceed with the issue of the Part 3 Placement Shares, as the issue of the Shares is subject to Shareholder approval, and the Company will not be able to complete the Part 3 Placement.

1.15 Recommendation of the Directors

The Directors, other than Sebastian Tseng, do not have any material interest in the issue of the Part 3 Placement Shares to Sebastian Tseng and ZYBT, other than as a result of any interests arising solely in the capacity as Shareholder.

The Directors of the Company (with Sebastian Tseng abstaining) believe that Resolution 1 is in the best interests of the Company and unanimously recommend that shareholders vote in favour of this resolution. The Director's recommendations are based on the reasons outlined in section 1.11 above. Sebastian Tseng has a material personal interest in Resolution 1, and so he makes no recommendation in relation to this Resolution 1.

The Directors are not aware of any other information, other than as set out in this Explanatory Statement and the accompanying Independent Expert's Report that would reasonably be required by Shareholders to allow them to make a decision as to whether it is in the best interests of the Company to pass this Resolution 1.

Where the Chair is appointed as a proxy, the Chair will vote all undirected proxies in favour of Resolution 1.

If you appoint the Chair as your proxy, and you check the box consenting to the Chair voting undirected proxies, then unless you include an express voting direction on your Proxy Form, you will be directing, and expressly consenting to the Chair voting in favour of Resolution 1.

2. RESOLUTION 2 - APPROVAL TO ISSUE OPTIONS AND SHARES UNDER PART 3 PLACEMENT TO DIRECTOR - DR CHANDRA BALA

2.1 Background

Resolution 0 seeks shareholder approval under ASX Listing Rule 10.11 to issue (1) 120,000 Options and (2) 50,000 Shares pursuant to Part 3 Placement to Dr Chandra Bala (or his nominee).

Options

The Options were agreed to be issued to Dr Chandra Bala in connection with his appointment as a director of Cambium Bio.

Given the stage and position of Cambium Bio, the Board has determined that the remuneration of Dr Chandra Bala should be part comprised by Options. The Options are intended to compensate Dr Chandra Bala given his current cash remuneration (of A\$55,000 per annum) is lower than what would ordinarily be an appropriate remuneration – having regard to comparisons with similar Australian and global companies. The issue of Options also aligns Dr Chandra Bala's remuneration with the medium to long-term performance of Cambium Bio and the delivery of long-term value creation for shareholders.

The Board considers that the grant of Options constitutes a cash effective remuneration to Dr Chandra Bala for his ongoing commitment and contribution to Cambium Bio. The Board considers the grant of Options constitutes reasonable remuneration to Dr Chandra Bala in the circumstances of Cambium Bio and Dr Chandra Bala (including having regard to his responsibilities as a Director of the Company).

The number of Options to be granted to Dr Chandra Bala has been determined by having regard to appropriate remuneration – including having regard to comparisons with similar Australian and global companies.

The Options will be granted on terms as set out in Schedule 1 to this Explanatory Statement.

The Options to be granted will vest upon Dr Chandra Bala remaining as a director of Cambium Bio over the period as set out below.

Shares

The Shares were agreed to be issued to Dr Chandra Bala to enable his participation in the Company's capital raising activities on the same terms as investors under the Part 3 Placement.

2.2 Description of Listing Rule 10.11

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities (including options) to a related party or a person whose relationship with the company is, in the ASX's opinion, such that approval should be obtained, unless an exception in Listing Rule 10.12 applies.

The issue of Options and Shares under Part 3 Placement to Dr Chandra Bala falls within ASX Listing Rule 10.11.1 and does not fall within any of the exceptions in ASX Listing Rule 10.12. Accordingly, shareholder approval is sought under ASX Listing Rule 10.11.

2.3 Chapter 2E of the Corporations Act

Pursuant to Chapter 2E of the Corporations Act, for a public company to give a financial benefit to a 'related party' of the public company, the public company must:

- (a) obtain the approval of the public company's shareholders in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Dr Chandra Bala is a director of the Company and is therefore a 'related party' of the Company. The grant of Options and issue of Shares under Part 3 Placement to Dr Chandra Bala constitutes giving a financial benefit to a 'related party' of the Company.

The Directors (other than Dr Chandra Bala who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the proposed issue of Options and issue of Shares under the Part 3 Placement because:

- (a) the agreement to grant the Options, reached as part of the remuneration package for Dr Chandra Bala, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis as part of Dr Bala's remuneration package; and
- (b) the Shares pursuant to Part 3 Placement will be issued to Dr Bala (or his nominee) on the same terms as Shares issued to the investors under Part 3 Placement and as such the giving of the financial benefit is on arm's length terms.

2.4 Specific information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the issue of the Options and Shares under Part 3 Placement to Dr Chandra Bala:

- (a) The Options and Shares under Part 3 Placement will be issued to Dr Chandra Bala, or his nominee.
- (b) Approval is being sought for the grant of Options and issue of Shares under Part 3 Placement to Dr Chandra Bala because he is a director of the Company.
- (c) The maximum number of:
 - a. Options to be issued to Dr Chandra Bala under the approval sought by Resolution 0 is 120,000; and
 - b. Shares under Part 3 Placement to be issued to Dr Chandra Bala under the approval sought by Resolution 0 is 50,000. The Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing shares.
- (d) The material terms of the Options are as follows:
 - a. the Options are to be granted in four tranches and will vest as follows:
 - (i) 30,000 options will vest 12 months after his appointment as a director, providing he remains as a director at that date – ie on 22 November 2025;
 - (ii) 30,000 options will vest 24 months after his appointment as a director, providing he remains as a director at that date – ie on 22 November 2026;
 - (iii) 30,000 options will vest 36 months after his appointment as a director, providing he remains as a director at that date – ie on 22 November 2027;
 - (iv) 30,000 options will vest 48 months after his appointment as a director, providing he remains as a director at that date – ie on 22 November 2028;
 - b. the Options will expire five years after the date of grant of the Options;
 - c. the Options are proposed to be issued for nil consideration and with an exercise price per options of A\$0.45.

A summary of the other material terms of the Options is set out in Schedule 1 to this Explanatory Statement.

- (e) The Options and Shares pursuant to Part 3 Placement will be issued immediately following approval by shareholders at the General Meeting and, in any event, no later than 1 month after the date of the General Meeting.
- (f) The Options will be issued for nil consideration, accordingly no funds will be raised. The Shares under Part 3 Placement will be issued for \$0.4637 per Share with the total consideration being \$23,185.00.
- (g) Dr Chandra Bala's total current remuneration package comprises fixed remuneration of A\$55,000 per annum.
- (h) A summary of the material terms of the Options is set out in Schedule 1 to this Explanatory Statement. The Shares will be issued pursuant to customary placement offer letter between the Company and Dr Bala.
- (i) A voting exclusion statement applies to this Resolution, as set out in the Notice of General Meeting.

2.5 Technical information required by Listing Rule 14.1A

If Resolution 0 is passed, the Company will be able to proceed with the issue of proposed issue of Options and Shares under the Part 3 Placement to Dr Chandra Bala within one month of the date of this General Meeting. The Company will rely on the shareholder approval obtained at the Annual General Meeting on 26 November 2024 (Resolution 7) for the issuance capacity for the issue of Shares.

If Resolution 0 is not passed, the Company will not be able to proceed with the proposed issue of Options and Shares under Part 3 Placement to Dr Chandra Bala.

2.6 Valuation of options

The Company has used the Black-Scholes option price calculation method has been used as a valuation model in the current circumstances where the Options cannot be readily valued by some other means.

The key assumptions used in this calculation are:

- (a) the terms of the Options as set out above in section 2.4 and also in Schedule 1;
- (b) the price volatility of the shares in the Company – in this case being 100%; and
- (c) the average current risk free interest rate - being 4.1%.

On this basis the implied value of the 120,000 Options proposed to be granted to Dr Chandra Bala is as follows:

Option strike price	Implied value per Option	Number of Options	Total implied value of Options to be issued
A\$0.45	\$0.308	120,000	A\$36,954

The valuation noted above is not necessarily the market price that the Options could be traded and is not automatically the market price for taxation purposes.

2.7 Directors' recommendations

The Directors of the Company believe that Resolution 0 is in the best interests of the Company and (other than Dr Chandra Bala) unanimously recommend that shareholders vote in favour of this resolution.

Where the Chair is appointed as a proxy, the Chair will vote all undirected proxies in favour of Resolution 0.

If you appoint the Chair as your proxy, and you check the box consenting to the Chair voting undirected proxies, then unless you include an express voting direction on your Proxy Form, you will be directing, and expressly consenting to the Chair voting in favour of Resolution 0.

3. RESOLUTION 3 - APPROVAL TO ISSUE SHARES UNDER PART 3 PLACEMENT TO DIRECTOR – EDMUND WALLER

3.1 Background

Resolution 3 seeks shareholder approval under ASX Listing Rule 10.11 to issue 50,000 Shares pursuant to Part 3 Placement to Edmund Waller (or his nominee).

The Shares were agreed to be issued to Edmund Waller to enable his participation in the Company's capital raising activities on the same terms as investors under the Part 3 Placement.

3.2 Description of Listing Rule 10.11

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities (including options) to a related party or a person whose relationship with the company is, in the ASX's opinion, such that approval should be obtained, unless an exception in Listing Rule 10.12 applies.

The issue of Shares under Part 3 Placement to Edmund Waller falls within ASX Listing Rule 10.11.1 and does not fall within any of the exceptions in ASX Listing Rule 10.12. Accordingly, shareholder approval is sought under ASX Listing Rule 10.11.

3.3 Chapter 2E of the Corporations Act

Pursuant to Chapter 2E of the Corporations Act, for a public company to give a financial benefit to a 'related party' of the public company, the public company must:

- (a) obtain the approval of the public company's shareholders in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Edmund Waller is a director of the Company and is therefore a 'related party' of the Company. The issue of Shares under Part 3 Placement to Edmund Waller constitutes giving a financial benefit to a 'related party' of the Company.

The Directors (other than Edmund Waller who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the proposed issue of Shares under the Part 3 Placement because the Shares pursuant to Part 3 Placement will be issued to Edmund Waller on the same terms as Shares issued to the investors under Part 3 Placement and as such the giving of the financial benefit is on arm's length terms.

3.4 Specific information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the issue of the Shares under Part 3 Placement to Edmund Waller:

- (a) The Shares under Part 3 Placement will be issued to Edmund Waller, or his nominee.
- (b) Approval is being sought for the issue of Shares under Part 3 Placement to Edmund Waller because he is a director of the Company.
- (c) The maximum number of Shares under Part 3 Placement to be issued to Edmund Waller under the approval sought by Resolution 3 is 50,000. The Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing shares.

- (d) The Shares pursuant to Part 3 Placement will be issued immediately following approval by shareholders at the General Meeting and, in any event, no later than 1 month after the date of the General Meeting.
- (e) The Shares under Part 3 Placement will be issued for \$0.4637 per Share with the total consideration being \$23,185.00.
- (f) The Shares will be issued pursuant to customary placement offer letter between the Company and Edmund Waller.
- (g) A voting exclusion statement applies to this Resolution, as set out in the Notice of General Meeting.
- (h) The funds raised by the Company would be used for R&D related expenses and day to day administration and consultant costs.

3.5 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Company will be able to proceed with the issue of proposed issue of Shares under the Part 3 Placement to Edmund Waller within one month of the date of this General Meeting.

If Resolution 3 is not passed, the Company will not be able to proceed with the proposed issue of Shares under Part 3 Placement to Edmund Waller.

3.6 Directors' recommendations

The Directors of the Company believe that Resolution 3 is in the best interests of the Company and (other than Edmund Waller) unanimously recommend that shareholders vote in favour of this resolution.

Where the Chair is appointed as a proxy, the Chair will vote all undirected proxies in favour of Resolution 3.

If you appoint the Chair as your proxy, and you check the box consenting to the Chair voting undirected proxies, then unless you include an express voting direction on your Proxy Form, you will be directing, and expressly consenting to the Chair voting in favour of Resolution 3.

4. RESOLUTION 4 - APPROVAL TO ISSUE SHARES UNDER PART 3 PLACEMENT TO DIRECTOR – TERENCE WALTS

4.1 Background

Resolution 4 seeks shareholder approval under ASX Listing Rule 10.11 to issue 50,000 Shares pursuant to Part 3 Placement to Terence Walts (or his nominee).

The Shares were agreed to be issued to Terence Walts to enable his participation in the Company's capital raising activities on the same terms as investors under the Part 3 Placement.

4.2 Description of Listing Rule 10.11

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities (including options) to a related party or a person whose relationship with the company is, in the ASX's opinion, such that approval should be obtained, unless an exception in Listing Rule 10.12 applies.

The issue of Shares under Part 3 Placement to Terence Walts falls within ASX Listing Rule 10.11.1 and does not fall within any of the exceptions in ASX Listing Rule 10.12. Accordingly, shareholder approval is sought under ASX Listing Rule 10.11.

4.3 Chapter 2E of the Corporations Act

Pursuant to Chapter 2E of the Corporations Act, for a public company to give a financial benefit to a 'related party' of the public company, the public company must:

- (a) obtain the approval of the public company's shareholders in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Terence Walts is a director of the Company and is therefore a 'related party' of the Company. The issue of Shares under Part 3 Placement to Terence Walts constitutes giving a financial benefit to a 'related party' of the Company.

The Directors (other than Terence Walts who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the proposed issue of Shares under the Part 3 Placement because the Shares pursuant to Part 3 Placement will be issued to Terence Walts on the same terms as Shares issued to the investors under Part Placement and as such the giving of the financial benefit is on arm's length terms.

4.4 Specific information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the issue of the Shares under Part 3 Placement to Terence Walts:

- (a) The Shares under Part 3 Placement will be issued to Terence Walts, or his nominee.
- (b) Approval is being sought for the issue of Shares under Part 3 Placement to Terence Walts because he is a director of the Company.
- (c) The maximum number of Shares under Part 3 Placement to be issued to Terence Walts under the approval sought by Resolution 4 is 50,000. The Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing shares.
- (d) The Shares pursuant to Part 3 Placement will be issued immediately following approval by shareholders at the General Meeting and, in any event, no later than 1 month after the date of the General Meeting.
- (e) The Shares under Part 3 Placement will be issued for \$0.4637 per Share with the total consideration being \$23,185.00.
- (f) The Shares will be issued pursuant to customary placement offer letter between the Company and Terence Walts.
- (g) A voting exclusion statement applies to this Resolution, as set out in the Notice of General Meeting.
- (h) The funds raised by the Company would be used for R&D related expenses and day to day administration and consultant costs.

4.5 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Company will be able to proceed with the proposed issue of Shares under the Part 3 Placement to Terence Walts within one month of the date of this General Meeting.

If Resolution 4 is not passed, the Company will not be able to proceed with the proposed issue of Shares under Part 3 Placement to Terence Walts.

4.6 Directors' recommendations

The Directors of the Company believe that Resolution 4 is in the best interests of the Company and (other than Terence Walts) unanimously recommend that shareholders vote in favour of this resolution.

Where the Chair is appointed as a proxy, the Chair will vote all undirected proxies in favour of Resolution 4.

If you appoint the Chair as your proxy, and you check the box consenting to the Chair voting undirected proxies, then unless you include an express voting direction on your Proxy Form, you will be directing, and expressly consenting to the Chair voting in favour of Resolution 4.

5. GLOSSARY

The following terms used in the Notice of General Meeting and the Explanatory Statement are defined as follows:

\$ or A\$ means Australian dollars.

ASX means ASX Limited ACN 008 624 691.

ASX Listing Rules means the listing rules of the ASX.

Board means the current board of directors of the Company.

closely related party means: (a) a spouse or child of the KMP; (b) a child of the KMP's spouse; (c) a dependent of the KMP or the KMP spouse; (d) anyone else who is one of the KMP's family and may be expected to influence the KMP, or be influenced by the KMP, in the KMP's dealing with the Company; (e) a company the KMP controls; or (f) a person otherwise prescribed by the regulations.

Chair means the chair of the General Meeting.

Company or **Cambium Bio** means Cambium Bio Limited ACN 127 035 358.

Corporations Act means the *Corporations Act 2001 (Cth)*.

Directors means the current directors of the Company.

Explanatory Statement means the Explanatory Statement accompanying the Notice of General Meeting.

General Meeting means the general meeting of Shareholders convened by this Notice of General Meeting.

Independent Expert means RSM Corporate Australia Pty Ltd ACN 050 508 024.

Independent Expert's Report means the independent expert's report prepared by the Independent Expert which is attached to this Notice as **Annexure A** and is available on the Company's website (cambium.bio).

Key Management Personnel (KMP) means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Notice of General Meeting means this notice of general meeting.

Option means an option to acquire a Share.

Part 3 Placement has the meaning given to this term in paragraph 1.1 of the Explanatory Statement.

Proxy Form means the proxy form accompanying this Notice of General Meeting.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of Shares.

ZYBT means Zheng Yang Biomedical Technology Co., Ltd, a company registered in Taiwan.

SCHEDULE 1 – Other material terms of Options

1. Entitlement

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

2. Exercise Price

Subject to paragraph 9 below, the amount payable upon exercise of each Option will be as specified in the Explanatory Statement (**Exercise Price**).

3. Expiry Date

Each Option will expire at 5:00 pm (Sydney time) five years from date of issue.

An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

4. Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

5. Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

6. Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

7. Timing of issue of Shares on exercise

Within 10 business days after the Exercise Date, the Company will:

- (a) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under 7(b) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 40 business days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

8. Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued ordinary shares of the Company.

9. Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

10. Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

11. Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

12. Transferability

The Options are not transferable.

13. Application for listing

The Options will not be listed and the Company will not make application to the ASX for listing.

14. Amendment

Subject to compliance with the Corporations Act and the Listing Rules and any other applicable law, the Board may, at any time, by resolution amend or add to all or any of the terms and conditions of the Options.

Annexure A – Independent Expert’s Report

Cambium Bio Limited

Financial Services Guide and Independent Expert's Report

20 January 2025



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Financial Services Guide

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 (“**RSM**” or “**we**” or “**us**” or “**ours**” as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide (“**FSG**”). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- who we are and how we can be contacted;
- the financial services that we will be providing you under our Australian Financial Services Licence (“AFSL”), Licence No 255847;
- remuneration that we and/or our staff and any associates receive in connection with the financial services that we will be providing to you;
- any relevant associations or relationships we have; and
- our complaints handling procedures and how you may access them.

Financial services we will provide

For the purposes of our report and this FSG, the financial service we will be providing to you is the provision of general financial product advice in relation to securities.

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we produce is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

General financial product advice

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

Benefits that we may receive

We charge various fees for providing different financial services. However, in respect of the financial service being provided to you by us, fees will be agreed, and paid by, the person who engages us to provide the report and such fees will be agreed on either a fixed fee or time cost basis. You will not pay to us any fees for our services; Cambium Bio Limited (“**Cambium**” or “**the Company**”) will pay our fees. These fees are disclosed in the Report.

Except for the fees referred to above, neither RSM Corporate Australia Pty Ltd, nor any of its directors, employees, or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

Remuneration or other benefits received by our employees

All our employees receive a salary.

Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Associations and relationships

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia, a large national firm of chartered accountants and business advisors. Our directors are partners of RSM Australia Partners.

From time to time, RSM Corporate Australia Pty Ltd, RSM Australia Partners, RSM Australia and/or RSM Australia related entities may provide professional services, including audit, tax and financial advisory services, to financial product issuers in the ordinary course of its business.

Complaints resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints should be directed to The Complaints Officer, RSM Corporate Australia Pty Ltd, PO Box R1253, Perth, WA, 6844.

If we receive a written complaint, we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination. If a complaint is received in advance of a shareholder meeting or other key date where shareholders or investors may be making decisions which are influenced by our report, we will make all reasonable efforts

to respond to complaints prior to that date.

Referral to external dispute resolution scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority (“**AFCA**”). AFCA is an independent dispute resolution scheme that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about AFCA are available at the AFCA website www.afca.org.au. You may contact AFCA directly by email, telephone or in writing at the address set out below.

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001
Toll Free: 1800 931 678
Email: info@afca.org.au

Time limits may apply to make a complaint to AFCA, so you should act promptly or consult the AFCA website to determine if or when the time limit relevant to your circumstances expires.

Contact details

You may contact us using the details set out at the top of our letterhead on page 5 of this report.

20 January 2025

The Non-Associated Shareholders
Cambium Bio Limited
16 Goodhope Street
Paddington NSW 2021

Dear Shareholders,

Independent Expert's Report

Introduction

This Independent Expert's Report (the "**Report**" or "**IER**") has been prepared to accompany the Notice of General Meeting and Explanatory Statement ("**Notice**") to be provided to shareholders for a General Meeting of Cambium Bio Limited, formerly known as Regeneus Limited ("**Cambium**" or "**the Company**") to be held on or around 28 February 2025, at which shareholder approval will be sought for a number of resolutions ("**the Resolutions**") including the Proposed Transaction (as defined below).

On 5 December 2024, Cambium announced the successful completion of a \$3.0m capital raising through the placement of 6,411,875 ordinary or fully paid shares in Cambium ("**Shares**" or "**Cambium Share**") at a price of \$0.4637 per Share (the "**Placement**"). The Placement is being conducted in three parts, comprising:

- a) The placement of 1,349,383 Shares ("**Part 1 Placement Shares**") under the first part of the Placement to raise \$0.6m at an offer price of \$0.4637 per Share ("**Part 1 Placement**") issued on 12 December 2024.
- b) The placement of 922,842 Shares ("**Part 2 Placement Shares**") under the second part of the Placement to raise \$0.4m at an offer price of \$0.4637 per Share ("**Part 2 Placement**") to be issued in January and February 2025, pursuant to the approval from shareholders given at the Company's Annual General Meeting, held on 26 November 2024; and
- c) The placement of 4,139,650 Shares ("**Part 3 Placement Shares**") under the third part of the Placement to raise \$1.9m at an offer price of \$0.4637 per Share, subject to shareholder approval being obtained for the Proposed Transaction ("**Part 3 Placement**").

Table 1. Placement summary

Investor	Total number of Placement Shares	Total Amount (\$)
Part 1 Placement		
Other investors	1,349,383	\$625,709
Total Part 1 Placement	1,349,383	\$625,709
Part 2 Placement		
Chiu, Li-Chien (Ken)	323,485	\$150,000
Karolis Rosickas	60,215	\$27,922
Other investors	539,142	\$250,000
Total Part 2 Placement	922,842	\$427,922
Part 3 Placement		
Zheng Yang Biomedical Technology	3,773,993	\$1,750,001
Yu-Hung (Sebastian) Tseng	215,657	\$100,000
Edmund K Waller	50,000	\$23,185
Terence A Walts	50,000	\$23,185
Chandra Bala	50,000	\$23,185
Total Part 3 Placement	4,139,650	\$1,919,556
Total Placement	6,411,875	\$2,973,186

Source: NoM, Management

As a result of the issuance of 3,989,650 Shares to Dr. Sebastian Tseng and Zheng Yang Biomedical Technology (“ZYBT”) as part of the Part 3 Placement, Dr. Sebastian Tseng’s effective shareholding in Cambium will increase from 24.5% to 37.7% through his direct shareholding and indirect shareholding in ZYBT (“**the Proposed Transaction**”).

The Company is seeking shareholder approval for the purposes of item 7 of section 611 of the Corporations Act (the “**Act**”) on the basis that, following the Proposed Transaction, Dr. Sebastian Tseng will increase his effective shareholding and voting power in Cambium from a starting point that is above 20% and below 90%. The Directors of the Company have requested that RSM, being independent and qualified for the purpose, to express an opinion as to whether the Proposed Transaction is fair and reasonable to shareholders not associated with the Proposed Transaction (“**Non-Associated Shareholders**”).

The request for approval of the Proposed Transaction is included as Resolution 1 in the Notice. Resolution 1 as extracted from the Notice is included below for reference:

Resolution 1 - Approval to issue Shares - Part 3 Placement - Sebastian Tseng and ZYBT

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of section 611 (item 7) of the Corporations Act, and all other purposes, Shareholder approval is given for:

- (a) the Company to issue a total of 3,989,650 Shares to Sebastian Tseng and ZYBT (or their nominees; and)*
- (b) the increase in the relevant interests and voting power of each of Sebastian Tseng and ZYBT from 24.5% to up to 37.7%, as a result of the issue of Shares in the Company under paragraph (a) of this Resolution,*

on the terms and conditions set out in the Explanatory Statement.”

The Company is separately seeking shareholder approval for the issuance of both Shares and share options to Dr. Chandra Bala (Director), and Shares to Terence Walts (Director) and Edmund Waller (Director), under Resolutions 2, 3 and 4 in the Notice, respectively.

When assessing the Proposed Transaction, we have included any impact that Resolution 1 will have on fairness and reasonableness, noting it is not subject to the approval of any other resolution. In assessing the Proposed Transaction, we have assumed that Resolutions 2, 3 and 4 will be passed, and have therefore included the impacts of these Resolutions on the financial position and capital structure of the Company in performing our valuation.

The ultimate decision whether to approve the Proposed Transaction should be based on each Non-Associated Shareholder's assessment of their circumstances, including their risk profile, liquidity preference, tax position and expectations as to value and future market conditions. If in doubt as to the action they should take with regard to the Proposed Transaction, or the matters dealt with in this Report, Non-Associated Shareholders should seek independent professional advice.

Summary and conclusion

In our opinion, and for the reasons set out in Sections 7 and 8 of this Report, the Proposed Transaction is **not fair but reasonable** to the Non-Associated Shareholders of Cambium.

Approach

In assessing whether the Proposed Transaction is fair and reasonable to the Non-Associated Shareholders, we have considered Australian Securities and Investment Commission (“ASIC”) Regulatory Guide 111 – Content of Expert Reports (“RG 111”), which provides specific guidance as to how an expert is to appraise transactions.

Where an issue of shares by a company otherwise prohibited under section 606 of the Act is approved under item 7 of section 611, and the effect on the company shareholding is comparable to a takeover bid, such as the Proposed Transaction, RG 111 states that the transaction should be analysed as if it was a takeover bid.

Therefore, we have considered whether or not the Proposed Transaction is “fair” to the Non-Associated Shareholders by assessing and comparing:

- the Fair Market Value of a Share in Cambium on a controlling basis prior to the Proposed Transaction; with
- the Fair Market Value of a Share in Cambium on a non-controlling basis immediately post completion of the Proposed Transaction,

and considered whether the Proposed Transaction is “reasonable” to the Non-Associated Shareholders by undertaking an analysis of the other factors relating to the Proposed Transaction which are likely to be relevant to the Non-Associated Shareholders in their decision of whether or not to approve the Proposed Transaction.

Further information on the approach we have employed in assessing whether the Proposed Transaction is “fair” and “reasonable” is set out at Section 7 and 8 of this Report.

Fairness opinion

Our assessed Fair Market Values of a Cambium Share prior to and immediately after the Proposed Transaction are summarised in the table and figure below.

Table 2. Assessed Fair Market Values of a Cambium Share pre and post the Proposed Transaction

	Low	High	Preferred
Fair Market Value of a Cambium Share prior to the Proposed Transaction on a controlling basis	\$0.6207	\$0.7296	\$0.6744
Fair Market Value of a Cambium Share immediately following the Proposed Transaction on a non-controlling basis	\$0.4358	\$0.4815	\$0.4586

Source: RSM analysis

We have summarised the Fair Market Values included in the table above in the chart below.

Figure 1. Cambium Share valuation graphical representation



Source: RSM analysis

The chart above indicates that the range of values post the Proposed Transaction on a non-controlling basis are less than the values prior to the Proposed Transaction on a controlling basis.

In accordance with the guidance set out in ASIC RG 111, and in the absence of any other relevant information, for the purposes of section 611, item 7 of the Act, we consider the Proposed Transaction to be **not fair** to the Non-Associated Shareholders of Cambium.

Reasonableness opinion

RG 111 establishes that an offer is reasonable if it is fair. It might also be reasonable if, despite not being fair, there are sufficient reasons for security holders to accept the offer in the absence of any higher bid before the offer closes. As such, we have also considered the following factors in relation to the reasonableness aspects of the Proposed Transaction:

- the future prospects of the Company if the Proposed Transaction does not proceed;
- any other commercial advantages and disadvantages to the Non-Associated Shareholders as a consequence of the Proposed Transaction proceeding;
- the existence of alternative proposals;
- the price per Cambium Share to be paid in the Proposed Transaction relative to the price per Cambium Share paid by Non-Associated Shareholders in the Placement; and
- the price per Cambium Share after the announcement of the Proposed Transaction.

Future prospects of Cambium if the Proposed Transaction does not proceed

If the Proposed Transaction does not proceed, the Company's board will continue to seek alternative sources of funding with no guarantee of successful fund raising with superior terms.

Advantages and disadvantages of the Proposed Transaction proceeding

The key advantage of the Proposed Transaction is:

Advantage	Details
Secure funding for the research & development and marketing of Elate Ocular (“Elate Ocular or EO”)	The proceeds of the Proposed Transaction, along with the proceeds of the rest of the Placement, will provide the Company with additional funds for the non-clinical and comparability studies along with the working capital required for the Phase 3 clinical trial program (as part of the proposed research & development, commercialisation and marketing strategy) for Elate Ocular, the primary clinical asset of Cambium.

The key disadvantages of the Proposed Transaction are:

Disadvantage	Details
The Proposed Transaction is not fair	The Proposed Transaction is not fair to the Non-Associated Shareholders.
Dilutionary impact	The Non-Associated Shareholders’ fully diluted interest in the Company will decrease from 75.5% prior to the Proposed Transaction to 62.3% following the completion of the Proposed Transaction.
Significant influence / ability to block special resolutions by Dr. Sebastian Tseng and ZYBT	Following the completion of the Proposed Transaction, Dr. Sebastian Tseng and ZYBT will have an effective 37.7% shareholding in Cambium. This will give Dr. Sebastian Tseng and ZYBT significant influence in relation to the Company, including the ability to block proposed special resolutions of the Company and the power to elect directors.

Alternative proposals to the Proposed Transaction

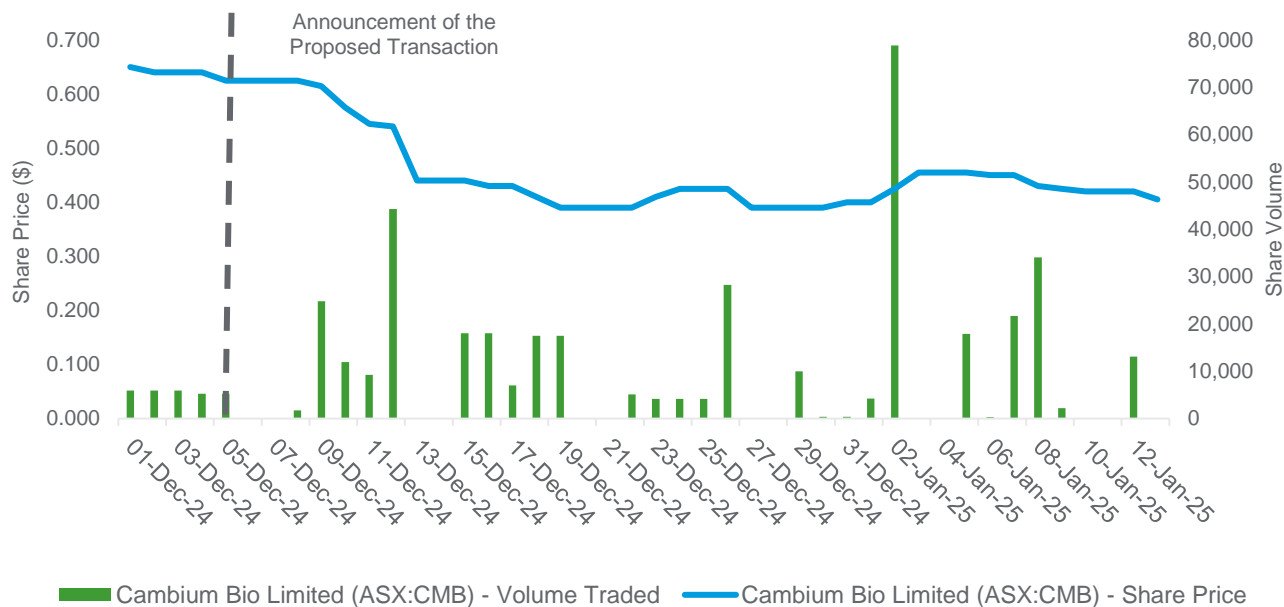
We have been advised that the Proposed Transaction is the only transaction that is sufficiently developed to be put to Shareholders and no alternative or more compelling transactions are close to completion. We are not aware of any alternative proposal at the current time which might offer the Non-Associated Shareholders of Cambium a greater benefit than the Proposed Transaction.

The price per Cambium Share to be paid in the Proposed Transaction

The Proposed Transaction is priced at the same value of \$0.4637 per Cambium Share as the Placement Shares to Non-Associated Shareholders.

The price of Cambium’s shares after the announcement of the Proposed Transaction

Figure 2. Cambium daily closing share price and traded volumes



Source: Capital IQ/ASX

The Cambium share price decreased from \$1.30 per Share on 5 April 2024 (the earliest available trading date prior to the announcement of the Proposed Transaction and post the consolidation of Cambium shares) to \$0.65 per Share on 1 December 2024 (the last trading day before Cambium was placed on a trading halt and the announcement of the Proposed Transaction).

Trading in Cambium shares following the announcement of the Proposed Transaction saw a marked increase of volume. This is largely attributable to the United States of America (“U.S.”) Food and Drug Administration granting fast track designation to Elate Ocular (as announced to the ASX on 9 December 2024) and the successful issuance of 1,349,383 fully paid ordinary Shares as part of the Part 1 Placement (as announced on 12 December 2024). Given the low liquidity of Cambium shares it is difficult to draw any firm conclusions on the market reaction to the Proposed Transaction.

Conclusion on Reasonableness

Cambium needs a cash injection in the near term and the Proposed Transaction provides an opportunity for this to occur. In our opinion, the position of the Non-Associated Shareholders of Cambium if the Proposed Transaction is approved is more advantageous than if the Proposed Transaction is not approved. Therefore, in the absence of any other relevant information and/or a superior offer, we consider that the Proposed Transaction is **reasonable** to the Non-Associated Shareholders of Cambium.

Non-Associated Shareholders should have particular regard to the potential advantages and disadvantages set out above in the context of their own risk profile and investment strategy.

General

This Report represents general financial product advice only and has been prepared without taking into consideration the individual circumstances of Non-Associated Shareholders.

The ultimate decision whether to accept the Proposed Transaction should be based on Non-Associated Shareholders' assessment of their circumstances, including their risk profile, liquidity preference, tax position and expectations as to value and future market conditions.

Non-Associated Shareholders should read and have regard to the contents of the Notice which has been prepared by the Directors and Management of Cambium. Non-Associated Shareholders who are in doubt as to the action they should take with regard to the Proposed Transaction and/or the matters dealt with in this Report, should seek independent professional advice.

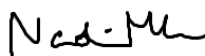
This summary should be considered in conjunction with the detail contained in the following sections of this Report.

Yours faithfully

RSM CORPORATE AUSTRALIA PTY LTD



Andrew Clifford
Director – Corporate Finance



Nadine Marke
Director – Corporate Finance

1. Summary of the Proposed Transaction

1.1 Overview

On 5 December 2024, Cambium announced the successful completion of a \$3.0m capital raising through the placement of 6,411,875 ordinary Shares at a price of \$0.4637 per Share (the “**Placement**”). The Placement is being conducted in three parts, comprising:

- The placement of 1,349,383 Part 1 Placement Shares to raise \$0.6m at an offer price of \$0.4637 per Share issued on 12 December 2024.
- The placement of 922,842 Part 2 Placement Shares to raise \$0.4m at an offer price of \$0.4637 per Share to be issued in January and February 2025, pursuant to the approval from shareholders given at the Company’s Annual General Meeting, held on 26 November 2024; and
- The placement of 4,139,650 Part 3 Placement Shares to raise \$1.9m at an offer price of \$0.4637 per Share, subject to shareholder approval being obtained for the Proposed Transaction.

As a result of the Proposed Transaction, Dr. Sebastian Tseng’s effective shareholding in Cambium will increase from 24.5% to 37.7%.

The Company is seeking shareholder approval for the purposes of item 7 of section 611 of the Corporations Act (the “**Act**”) on the basis that, following the Proposed Transaction, Dr. Sebastian Tseng will increase his effective shareholding and voting power in Cambium from a starting point that is above 20% and below 90%. The Directors of the Company have requested that RSM, being independent and qualified for the purpose, to express an opinion as to whether the Proposed Transaction is fair and reasonable to the Non-Associated Shareholders.

The Placement

The table below summarises the investors participating in the two parts of the Placement.

Table 3. Summary of the issuance of Cambium Shares

Investor	Total number of Placement Shares	Total Amount (\$)
Part 1 Placement		
Other investors	1,349,383	\$625,709
Total Part 1 Placement	1,349,383	\$625,709
Part 2 Placement		
Chiu, Li-Chien (Ken)	323,485	\$150,000
Karolis Rosickas	60,215	\$27,922
Other investors	539,142	\$250,000
Total Part 2 Placement	922,842	\$427,922
Part 3 Placement		
Zheng Yang Biomedical Technology	3,773,993	\$1,750,001
Yu-Hung (Sebastian) Tseng	215,657	\$100,000
Edmund K Waller	50,000	\$23,185
Terence A Walts	50,000	\$23,185
Chandra Bala	50,000	\$23,185
Total Part 3 Placement	4,139,650	\$1,919,556
Total Placement	6,411,875	\$2,973,186

Source: NoM, Management

Note 1: ZYBT is a diversified healthcare holding company based in Taiwan. Dr. Sebastian Tseng is the Chairman and principal shareholder of ZYBT.

1.2 Key conditions of Proposed Transaction

The Proposed Transaction is subject to Cambium obtaining shareholder approval under section 611, item 7 of the Corporations Act.

1.3 Rationale for the Proposed Transaction

The Directors of Cambium have been seeking opportunities to raise capital to fund the Company's growth plan. The Placement was announced to the ASX on 5 December 2024, which includes the Proposed Transaction.

The proceeds of the Proposed Transaction along with the proceeds of the rest of the Placement will be used to fund:

- the non-clinical studies for Elate Ocular, including the development of a potency assay and completion of a comparability study which are requirements to prepare Elate Ocular for the Phase 3 clinical trial program; and
- the additional working capital required to support Cambium's ongoing operations and pipeline development efforts.

1.4 Impact of the Placement on Cambium's Capital Structure

The table below sets out a summary of the capital structure of Cambium prior to and post the Proposed Transaction.

Table 4. Share structure of Cambium pre and post the Placement

Shareholder	Number of Shares prior to the Placement	% holding	Number of Shares prior to the Proposed Transaction ¹	% holding	Number of Shares post Proposed Transaction	% holding
Shares on issue						
ZYBT	2,688,506	22.53%	2,688,506	18.73%	6,462,499	35.23%
Yu-Hung (Sebastian) Tseng	238,436	2.00%	238,436	1.66%	454,093	2.48%
Non-Associated Shareholders	9,004,064	75.47%	11,426,289	79.61%	11,426,289	62.29%
Total undiluted Shares	11,931,006	100.00%	14,353,231	100.00%	18,342,881	100.00%
Options on issue						
Non-Associated Shareholders	263,628	100.00%	383,628	100.00%	383,628	100.00%
Total options on issue	263,628	100.00%	263,628	100.00%	263,628	100.00%
Fully Diluted position						
ZYBT	2,688,506	22.05%	2,688,506	18.24%	6,462,499	34.51%
Yu-Hung (Sebastian) Tseng	238,436	1.96%	238,436	1.62%	454,093	2.42%
Non-Associated Shareholders	9,267,692	76.00%	11,689,917	80.14%	11,689,917	63.07%
Fully diluted Shares	12,194,634	100.00%	14,616,859	100.00%	18,606,509	100.00%

Source: Cambium Share Register as at 1 December 2024 and Management

Note 1: The number of options and fully diluted shares on issue prior to the Proposed Transaction includes the issuance of the Placement 1 Shares and Placement 2 Shares, and assumes the approval of Resolutions 2, 3 and 4 per the NoM, therefore including the issuance of the Placement 3 Shares not related to the Proposed Transaction and the options being granted under Resolution 2.

Note 2: Successful completion of the Proposed Transaction will result in Dr. Sebastian Tseng and ZYBT's combined interest in Cambium increasing from 24.5% to 37.7%. As a result, shareholder approval is required under section 611, item 7 of the Corporations Act. The maximum aggregate shareholding which Dr. Sebastian Tseng and ZYBT could hold on a combined basis, if all Resolutions are approved, is 37.7% on an undiluted basis and 36.9% on a fully diluted basis.

2. Scope of the Report

2.1 Purpose of this Report

The Directors of Cambium have requested RSM, being independent and qualified for the purpose, to express an opinion as to whether the Proposed Transaction is fair and reasonable to Non-Associated Shareholders.

2.2 Corporations Act

Section 606 of the Act prohibits a person from acquiring a relevant interest in the issued voting shares of a public company if the transaction results in that person's voting interest increasing from a starting point that is above 20% and below 90%.

Under item 7 of section 611 of the Act, the prohibition contained in section 606 does not apply if the acquisition has been approved by the non-associated shareholders of the company. Accordingly, the Company is seeking approval from the Non-Associated Shareholders for the Proposed Transaction under item 7 of section 611 of the Act.

Item 7 of section 611 of the Act states that shareholders must be given all information that is material to the decision on how to vote at the meeting. ASIC RG 111 advises the requirement to commission an Independent Expert's Report in such circumstances and provides guidance on the content.

2.3 Adopted basis of evaluation

In determining whether providing the Proposed Transaction is "fair" and "reasonable" we have given regard to the views expressed by the ASIC in RG 111.

RG 111 provides ASIC's views on how an expert can help security holders make informed decisions about transactions. Specifically, it gives guidance to experts on how to evaluate whether or not a proposed transaction is fair and reasonable.

RG 111 states that the expert's report should focus on:

- the issues facing the security holders for whom the report is being prepared; and
- the substance of the transaction rather than the legal mechanism used to achieve it.

Where an issue of shares by a company otherwise prohibited under section 606 is approved under item 7 of section 611 and the effect on the company's shareholding is comparable to a takeover bid, RG 111 states that the transaction should be analysed as if it was a takeover bid.

RG 111 applied the fair and reasonable test as two distinct criteria in the circumstance of a takeover offer, stating:

- the takeover offer is considered "fair" if the value of the offer price or consideration is equal to or greater than the value of the securities that are the subject of the offer; and
- the takeover is considered "reasonable" if it is fair, or where the offer is "not fair" it may still be reasonable if the expert believes that there are sufficient reasons for security holders to accept the offer.

Consistent with the guidelines in RG 111 as summarised above, we have considered whether the Proposed Transaction is "fair" to the Non-Associated Shareholders by assessing and comparing:

- the Fair Market Value of an ordinary Share in Cambium (on a control basis) prior to the Proposed Transaction; with
- the Fair Market Value of an ordinary Share in Cambium (on a non-controlling basis) immediately following the Proposed Transaction.

Our assessment of the Fair Market Value of a Share in Cambium has been prepared on the following basis:

"the value that should be agreed in a hypothetical transaction between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller, acting at arm's length".

In accordance with RG 111, we have considered whether the Proposed Transaction is "reasonable" to the Associated Shareholders by undertaking an analysis of the other factors relating to the Proposed Transaction which are likely to be relevant to the Non-Associated Shareholders, in their decision as to whether or not to accept the Proposed Transaction. These factors include:

- the future prospects of the Company if the Proposed Transaction does not proceed;
- any other commercial advantages and disadvantages to the Non-Associated Shareholders as a consequence of the Proposed Transaction proceeding;
- the existence of alternative proposals;
- the price per Cambium Share per the Proposed Transaction relative to the price per Cambium Share paid by Non-Associated Shareholders in the Placement; and
- the price per Cambium Share after the announcement of the Proposed Transaction.

Our assessment of the Proposed Transaction is based on economic, market and other conditions prevailing at the date of this Report.

3. Profile of Cambium Bio Limited

3.1 Background

Cambium

Founded in 2007, Cambium is an Australian biotechnology company which specialised in the development of regenerative medicine. The Company developed two stem cell technologies, namely:

- Progenza™ (“**Progenza**”) which is a Phase 2 clinical stage therapeutic; and
- Sygenus, which is a preclinical-stage therapeutic.

These technologies target the therapeutic areas of osteoarthritis, neuropathic pain, and skin wound healing.

To commercialise Progenza in Japan, the Company entered into a Collaboration and Licence Agreement (“**CLA**”) for the treatment of knee osteoarthritis with AGC Inc. (“**AGC**”) in December 2016. The CLA with AGC was terminated under a mutual agreement in December 2019.

Cambium entered into a CLA with Kyocera Corporation (“**Kyocera**”) in August 2020 to exclusively develop and commercialise the treatment in Japan. In January 2023, Cambium received a Notice of Termination from Kyocera (“**Notice of Termination**”) due to Kyocera’s inability to meet a development target relating to the establishment of first standard operating procedures established for the manufacture of Progenza by 30 September 2022.

Following the termination of the CLA with Kyocera, Cambium continued to explore licencing opportunities for Progenza, however has not entered into any new collaborations thus far.

On 5 April 2024, the Company announced to the ASX the completion of its merger with Cambium Medical Technologies LLC (“**CMT**”) by way of the issue of new ordinary Cambium Shares to CMT shareholders.

Following the merger with CMT in April 2024, Cambium has strengthened its position in the regenerative medicine field, combining complementary technologies and expertise. Cambium remains committed to advancing its pipeline through clinical development and commercialisation, with the ultimate goal of providing transformative treatments to improve patient outcomes across multiple indications.

Cambium Medical Technologies LLC

Based in the United States and founded in 2013, CMT is a clinical-stage regenerative company, and a wholly owned subsidiary of Cambium following the merger in April 2024.

Through its license Agreement with Emory University, Atlanta, Georgia (“**Emory**”) and Children’s Healthcare of Atlanta (“**CHA**”), CMT develops and commercialises certain inventions and technology (“**Aurarix**”) used in medical treatments. Aurarix is a novel enriched allogenic, fibrinogen-depleted human platelet lysate (“**FD-HPL**”) which is a fluid from blood platelets sourced from healthy donors.

To date, Aurarix has not been approved for any therapeutic use however has been used extensively as a supplement in cell culture processes. CMT has sub-licensed Aurarix to AventaCell BioMedical Corp (“**AventaCell**”) to manufacture and commercialise stem cell growth supplements.

Elate Ocular

Aurarix can be applied in various therapeutics markets including orthopaedics (wound healing) and multiple indications in ophthalmology and represents significant growth opportunities for CMT and Cambium. Cambium’s lead indication for Aurarix is the treatment of chronic Dry Eye Disease (“**DED**”) through the introduction of Elate Ocular which is a clinical-stage biologic therapeutic FD-HPL-based product.

Cambium has also obtained two Investigational New Drug Application (“INDA”) approvals from the U.S. Food and Drug Administration (“FDA”) to initiate Phase 3 trials in the chronic DED and ocular Graft versus Host Disease (“GvHD”) after finalising the additional Chemistry, Manufacturing, and Controls (“CMC”) studies. Phase 3 trial studies are expected to commence in 2025, with top line study results available within 24 months.

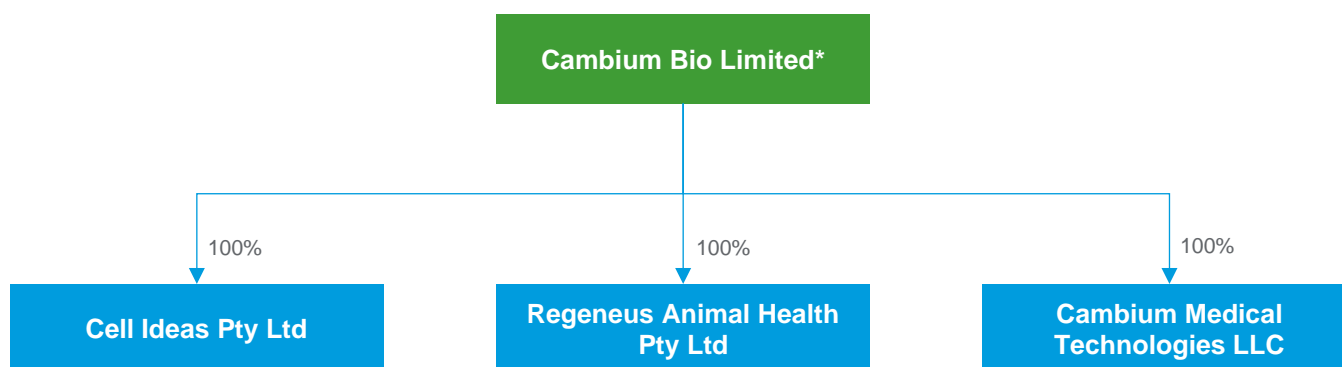
Following this, Cambium is expected to submit a Biologics Licence Application (“BLA”) for marketing approval in FY27-28, subject to the success of the Phase 3 clinical trial and ability to raise funding.

Cambium requires an estimated US\$29.0m of total funding through 2028 to conduct the two registration-enabling studies, of which US\$24.5m is required to finalise two Phase 3 trials with the remainder required for the comparability and BLA phase and to fund for pre-launch sales costs. Once the Placement is completed, Cambium expects to raise the remaining amount from institutional and high net worth individuals.

3.2 Legal structure

The legal structure of Cambium is shown in the figure below.

Figure 3. Legal structure



*Previously known as Regeneus Limited

Source: Cambium incorporation documents and Merger Agreement with CMT

3.3 Directors and management

The directors and key management of Cambium are summarised in the table below.

Table 5. Cambium Directors and Key Management Personnel

Name	Title	Experience
Karolis Rosickas	Chief Executive Officer	Mr Rosickas is the co-founder of cell therapy CDMO SingCell in Singapore, and of digital therapeutics company OME Health in London. He has held positions including Vice President of Healthcare Investment Banking at HSBC, London, Finance Director of Danone Early Life & Clinical Nutrition and Regional Treasurer for Asia at the International Society for Cell and Gene Therapy. Mr Rosickas holds a Master of Science degree in Biotechnology at Northeastern University and a Master of Business Administration degree at IESE Business School.
Dr. Neera Jagirdar, MD, MPH	Director of Clinical Development	Dr Jagirdar joined Cambium Medical Technologies in 2017 and is the Manager of Clinical and Regulatory Affairs. She has over 14 years of experience in the design and conduct of experimental research studies and clinical trials in the support of new product development and quality assurance. Dr Jagirdar holds a Doctor of Medicine degree at American University of Antigua, Osbourne, a Master of Public Health degree at American Public University, Charles Town, and a Bachelor of Arts degree at Boston University, Boston.

Name	Title	Experience
Dr. Edmund Waller, MD, PhD	Executive Director	<p>Dr Waller is the co-founder of Cambium Medical Technologies and is a Professor of Medicine, Pathology & Hematology / Oncology at Emory University, Atlanta, for over 20 years.</p> <p>Dr Waller holds a PhD at The Rockefeller University, New York City, a Doctor of Medicine degree at Cornell University Medical College, Ithaca, and a Bachelor of Arts degree at Harvard University, Cambridge.</p>
Dr Sebastian Tseng	Non-Executive Director	<p>Dr Tseng is the founder and Chairman of Zheng Yang Biomedical Technology Co., Ltd. He is also the Assistant Professor at Taipei Medical University and the Chairman of the Asia Pacific Academy of Implant Surgery.</p> <p>Dr Tseng holds a Doctor of Dental Surgery at the College of Dentistry of New York University, and a Bachelor of Dental Surgery at the College of Chung Shan Medical University.</p>
Terence Walts	Executive Director	<p>Mr Walts is the co-founder of Cambium Medical Technologies and the current CEO of 3Ti. He has previously held the positions of CEO of Refocus Group and the Chief Marketing Officer of Autonomous Technologies, both of which are start-ups in the medical industry. He was also the Vice President, Sales, Marketing and Business Development at Novartis (CIBA Vision).</p> <p>Mr Walts holds a Master of Business Administration degree at The University of Notre Dame, Indiana, and a Bachelor of Science degree in Marketing at Indiana University, Indiana.</p>
Barry Sechos	Non-Executive Chairman	<p>Mr Sechos has over 20 years of experience as a director, business executive and corporate lawyer. He is the Executive Director of Sherman Group and Paddington St Finance, as well as a Director of Fulcrum Media Finance.</p> <p>Mr Sechos holds a Bachelor of Commerce and Bachelor of Laws degree at the University of New South Wales, Sydney.</p>

Source: Management and Company website

3.4 Financial performance – Cambium

The table below sets out a summary of the financial performance of Cambium for the years ended 30 June 2021 (“FY21”), 30 June 2022 (“FY22”), 30 June 2023 (“FY23”), 30 June 2024 (“FY24”) and the three-month period ended 30 September 2024 (“YTD24”), extracted from the historical audited financial statements and unaudited management accounts.

Table 6. Cambium historical financial performance

	Year ended 30-Jun-21	Year ended 30-Jun-22	Year ended 30-Jun-23	Year ended 30-Jun-24	3 months ended 30-Sep-24
\$'000	Audited	Audited	Audited	Audited	Mgmt.
Revenue	7,067	-	-	129	87
Other income	889	638	1,045	48	14
Total revenue	7,956	638	1,045	177	101
Operating expenses					
Research and development expenses	(1,444)	(1,716)	(473)	(211)	(379)
Occupancy expenses	(134)	(145)	-	-	(1)
Corporate expenses	(3,853)	(2,789)	(1,776)	(1,624)	(646)
Finance costs	(405)	(73)	(350)	(271)	(6)
Royalty expense	-	-	-	(49)	(32)
Gain on disposal of Regeneus Japan Inc	-	8	15	-	-
Merger expenses	-	-	(76)	(538)	(16)
Fair value increase / (decrease) in institutional placement	137	(17)	-	-	-
Fair value increase / (decrease) on investments	525	-	-	-	-
Foreign exchange translation revenue	-	-	-	12	-
Profit/(Loss) on extinguishment of financial liability	-	(62)	-	245	-
Loss/impairment on shareholders loan	-	(132)	(69)	-	-
Realised foreign exchange loss	(140)	(18)	(2)	(1)	8
Foreign exchange gain / (loss)	117	(4)	-	4	5
Profit / (loss) before income tax	2,759	(4,310)	(1,687)	(2,256)	(966)
Income tax (expense)/ benefit	-	-	-	-	-
Profit / (loss) for the year	2,759	(4,310)	(1,687)	(2,256)	(966)
Other comprehensive income / (expense)	-	-	-	-	-
Total comprehensive profit / (loss) for the year	2,759	(4,310)	(1,687)	(2,256)	(966)

Source: Audited Financial Statements and management accounts

We note the following in relation to Cambium’s financial performance:

- Revenue of \$7.1m in FY21 relates to licence fee income generated from the CLA with Kyocera. As a result of the Notice of Termination, no further milestone or other payments have been made under the CLA with Kyocera. Revenue of \$129k in FY24 and \$87k for the three months ended 30 September 2024 relates to royalty payments received in accordance with the sub-licensing of Aurarix to AventaCell to manufacture and commercialise stem cell growth supplements;
- Other income primarily relates to R&D incentives and Federal Government grants and initiatives income, interest income and COVID-19 cash flow boost. On average, Cambium claimed \$857k in R&D tax incentive refunds annually in FY21 to FY23. In FY24, other income decreased below FY21 to FY23 average to \$48k. YTD24 follows a similar trend, totalling \$14k for the period;
- Research and development expenses relate to clinical trial costs, depreciation, good manufacturing process, product research, regulatory consultants, and staff costs;
- Occupancy expenses remained at nil in FY24. This was in line with FY23, which decreased from \$145k in FY22 as a result of the pause in ongoing business activities;
- Corporate expenses relate to salaries and wages to corporate employees, business development costs, compliance, directors’ remuneration, depreciation, intellectual property costs and withholding tax; and
- Merger expenses relate to costs associated with the merger with CMT.

3.5 Financial position – Cambium

The following table sets out a summary of the financial position of Cambium as at 30 June 2021, 30 June 2022, 30 June 2023, 30 June 2024 and 30 September 2024, extracted from the historical audited financial statements and the unaudited management accounts.

Table 7. Cambium historical financial position

\$'000	30-Jun-21 <i>Audited</i>	30-Jun-22 <i>Audited</i>	30-Jun-23 <i>Audited</i>	30-Jun-24 <i>Audited</i>	30-Sep-24 <i>Management</i>
Current Assets					
Cash and cash equivalents	3,793	95	303	2,865	1,315
Trade and other receivables	-	111	-	257	84
R&D incentive receivable	751	447	383	-	(56)
Related party loan receivables	-	-	-	-	30
Other current assets	112	65	28	78	72
Assets held for sale	-	-	1,750	-	-
Other financial assets - current	2,070	69	-	-	-
Total current assets	6,727	787	2,464	3,200	1,445
Non-current assets					
Other financial assets - non-current	1,750	1,750	-	-	1,532
Related party loan receivables	-	-	-	-	0
Property, plant and equipment	21	10	1	-	4
Right of use assets under lease	13	8	-	-	-
Other non-current assets	-	-	-	0	2
Intangible assets	-	-	-	2,449	-
Total non-current assets	1,784	1,767	1	2,449	1,539
Total assets	8,510	2,555	2,464	5,649	2,984
Current liabilities					
Trade and other payables	1,108	310	347	2,323	1,494
Provisions - current	183	161	81	81	81
Borrowings	-	1,000	347	-	451
Liabilities directly associated with assets classified as held for sale	-	-	1,814	-	-
Lease liabilities - current	5	6	-	-	-
Total current liabilities	1,297	1,477	2,589	2,405	2,026
Non-current liabilities					
Lease liabilities - non-current	9	3	-	-	-
Provisions - non-current	17	1	-	-	-
Derivative financial instrument	3,043	-	-	-	-
Financial liabilities	-	-	-	468	-
Related party payables	-	-	-	-	28
Total non-current liabilities	3,068	3	-	468	28
Total liabilities	4,365	1,480	2,589	2,873	2,054
Net assets	4,145	1,075	(125)	2,776	929
Equity					
Issued capital	38,259	38,619	38,619	43,632	55,218
Other contributed equity	-	-	-	-	(2,177)
Accumulated losses	(34,649)	(38,951)	(40,587)	(42,747)	(54,033)
Reserves	535	1,407	1,843	1,891	1,891
Total equity	4,145	1,075	(125)	2,776	929

Source: Audited financial statements and management accounts

We note the following in relation to Cambium's statement of financial position:

- As at 30 September 2024, Cambium had \$1.3m in cash and cash equivalents, which is operational in nature, and as such has not been considered in our assessment of the net debt of the company;
- Intercompany receivable from CMT of \$30k is offset against the related party payables balance of \$28k, with the small variance resulting from exchange rate differences. These balances have not been netted off as the management accounts have been prepared on an aggregated basis and has not been consolidated;
- R&D incentive receivable / payable relates to the outstanding rebate receivable / payable from / to the Australian Taxation Office ("ATO");

- Other current assets of \$72k as at 30 September 2024 represent prepaid expenses;
- Other financial assets – non-current of \$1.5m as at 30 September 2024 relates to Cambium’s investment in CMT (\$1.5m), whilst the intangible assets balance of \$2.5m as at 30 June 2024 relates to the intangibles assets recognised as a result of Cambium’s merger with CMT. These balances have not been netted off against the share capital of CMT and other assets/liabilities acquired as part of the merger as at 30 September 2024, as the management accounts have been prepared on an aggregated basis and have not been consolidated;
- Property, plant and equipment of \$4k as at 30 September 2024 relates to office equipment (\$39k), which is offset by the related accumulated depreciation (\$35k);
- Other non-current assets of \$2k as at 30 September 2024 relates entirely to deposits held;
- Trade & other payables of \$1.5m as at 30 September 2024 relate to unpaid invoices due to third parties – as accounts payable (\$1.2m) – accrued expenses (\$329k), and ANZ credit card (\$2k);
- Current provisions throughout the historical period relate to provision for annual leave and long service leave;
- Grant Thornton Audit Pty Ltd (“**Grant Thornton**”), the previous auditor of Cambium, issued an unqualified audit opinion on the FY21 financial statements and a qualified audit opinion on the FY22 financial statements. In addition, the current auditor, Stantons International Audit and Consulting Pty Ltd (“**Stantons**”) issued a qualified audit opinion on the FY23 financial statements and an unqualified opinion on the FY24 financial statements;
- The basis for the qualified audit opinion on the FY22 financial statements relates to Cambium’s equity interest in Sangui Bio. The investment’s fair value as at 30 June 2021 was estimated at \$1.75m (i.e. \$2.50 per share for 700,000 shares issued) based on the issue price for Sangui Bio shares under the capital raise conducted in July 2021. This investment was included as a non-current financial asset. As this investment is related to shares in an unlisted company, Management was unable to reliably estimate the fair value of the investment at 30 June 2022. As a result, the previous auditor was unable to obtain sufficient and appropriate audit evidence to state that the investment was stated at fair value, which constituted a departure from the Australian Accounting Standards;
- In FY23, Management was able to obtain a fair value valuation of the investment based on the recent funding round obtained by Sangui Bio. The qualified audit opinion expressed on the FY23 financial statements is due to the presentation of the FY22 results in the FY23 financial statements; and
- For the FY24 accounts, Stantons expressed material uncertainty relating to Cambium’s ability to continue as a going concern and to meet its planned research, administration and other commitments, as this would be dependent on Cambium raising further working capital and/or successfully developing its assets.

3.6 Capital structure

Prior to the Placement, Cambium had 11,931,006 ordinary shares on issue. Following the issuance of the Placement Shares, assuming the Resolutions pertaining to the Part 3 Placement Shares (including the Proposed Transaction) are passed, Cambium will have 18,342,881 ordinary Shares in issue. We have set out the top shareholders of Cambium as at 1 December 2025 and following the Placement in the table below.

Table 8. Cambium top shareholders

Shareholder	Number of ordinary Shares prior to the Placement	% holding	New Shares issued under the Placement	Number of ordinary Shares following the Placement	% holding
Zheng Yang Biomedical Technology	2,688,506	22.53%	3,773,993	6,462,499	35.23%
Orient Euro Pharma (Cyntec)	2,384,359	19.98%	-	2,384,359	13.00%
Treasury Century	999,002	8.37%	-	999,002	5.45%
Apex Metro	691,580	5.80%	-	691,580	3.77%
Chiu, Li-Chien (Ken)	476,872	4.00%	323,485	800,357	4.36%
Chiu, Mu-Ni	317,915	2.66%	-	317,915	1.73%
Citicorp Nominees Pty Limited	316,241	2.65%	-	316,241	1.72%
BNP Paribas Nominees Pty Ltd	302,252	2.53%	-	302,252	1.65%
Tseng, Yu-Hung (Sebastian)	238,436	2.00%	215,657	454,093	2.48%
Edmund K. Waller	228,932	1.92%	50,000	278,932	1.52%
HSBC Custody Nominees (Australia) Limited	216,981	1.82%	-	216,981	1.18%
John Donald Roback	192,100	1.61%	-	192,100	1.05%
Jennifer Heather Copland	185,472	1.55%	-	185,472	1.01%
Jacques Galipeau	183,636	1.54%	-	183,636	1.00%
Terence A. Walts	172,905	1.45%	50,000	222,905	1.22%
Mrs Julia Caroline Hughes	161,068	1.35%	-	161,068	0.88%
I'Rom Group Co Ltd	91,441	0.77%	-	91,441	0.50%
Sunreef Pty Ltd	89,079	0.75%	-	89,079	0.49%
Super Dino Pty Ltd	88,058	0.74%	-	88,058	0.48%
The Quist Group Pty Ltd	74,268	0.62%	-	74,268	0.40%
Total	10,099,103	84.65%	4,413,135	14,512,238	79.12%
Other shareholders	1,831,903	15.35%	1,998,740	3,830,643	20.88%
Total	11,931,006	100.00%	6,411,875	18,342,881	100.00%

Source: Cambium Share Register as at 1 December 2024 and RSM analysis

3.7 Share Price Performance

The figure below sets out a summary of Cambium share prices and traded volumes between 5 April 2024 and 1 December 2024.

Figure 4. Daily closing share prices and traded volumes from 5 April 2024 to 1 December 2024



Between the period 5 April 2024 and 1 December 2024, Cambium shares traded at a low of \$0.300 and at a high of \$1.400.

The table below sets out a summary of recent announcements of Cambium which impacted its share price performance, and the share price at the announcement dates.

Table 9. Cambium's selected announcements

No.	Date	Share price \$ (closing)	Comment
1	5 April 2024	\$1.300	The merger with CMT was completed, and Cambium subsequently changed its name from Regeneus Limited to Cambium Bio Limited.
1	5 April 2024	\$1.300	Cambium announced the potential capital raise of \$3.48m in a strategic placement (in two tranches) at \$0.0060 per share, representing a 20% premium to the closing price on 4 April 2024 (pre-consolidation of share capital).
2	8 April 2024	\$0.900	Cambium completed a consolidation of capital at a ratio of 100:1.
3	10 April 2024	\$1.400	Proposed issue of 580,193,928 share securities.
4	14 May 2024	\$0.600	Announced settlement on Tranche 1 of 153,218,456 share securities.
5	30 October 2024	\$0.415	Announced change in substantial shareholding with ZYBT and Cyntec becoming substantial shareholders.
6	22 November 2024	\$0.430	Announced quarterly cashflow updated for the quarter ended 30 September 2024, reporting net cash outflows of \$1.5m.
			Cambium announced board changes including the retirement of Prof. Graham Vesey and the appointment of A/Prof. Chandra Bala.

Source: S&P Capital IQ and Cambium ASX announcements

4. Valuation Approach

4.1 Basis of evaluation

The valuation of Cambium prior to and post the Proposed Transaction has been prepared on the basis of Fair Market Value being the value that should be agreed in a hypothetical transaction between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller, acting at arm's length.

4.2 Valuation methodologies

RG 111 proposes that it is generally appropriate for an expert to consider using the following methodologies:

- the discounted cash flow (“**DCF**”) method and the estimated realisable value of any surplus assets;
- the application of earnings multiples to the estimated future maintainable earnings or cash flows added to the estimated realisable value of any surplus assets;
- the amount which would be available for distribution on an orderly realisation of assets;
- the quoted market price for listed securities (“**QMP**”); and
- any recent genuine offers received.

We consider that the valuation methodologies proposed by RG 111 can be split into three valuation methodology categories, as follows.

Market based methods

Market based methods estimate the fair market value by considering the market value of a company's securities or the market value of comparable companies. Market based methods include:

- the QMP; and
- industry specific methods.

The QMP method provides evidence of the fair market value of a company's securities where they are publicly traded in an informed and liquid market.

Industry specific methods usually involve the use of industry rules of thumb to estimate the fair market value of a company and its securities. Generally, rules of thumb provide less persuasive evidence of the fair market value of a company than other market-based valuation methods because they may not account for company specific risks and factors.

Income based methods

Income based methods estimate value by calculating the present value of a company's estimated future stream of earnings or cash flows. Income based methods include:

- discounted cash flow; and
- capitalisation of future maintainable earnings.

The DCF technique has a strong theoretical basis, valuing a business on the net present value of its future cash flows. It requires an analysis of future cash flows, the capital structure and costs of capital and an assessment of the residual value or the terminal value of the company's cash flows at the end of the forecast period. This method of valuation is appropriate when valuing companies where future cash flow projections can be made with a reasonable degree of confidence. The capitalisation of future maintainable earnings is generally considered a short form DCF, where an estimation of the Future Maintainable Earnings (“**FME**”) of the business, rather than a stream of cash flows is capitalised based on an appropriate capitalisation multiple. Multiples are derived from the analysis of transactions involving comparable companies and the trading multiples of comparable companies.

Asset based methods

Asset based methodologies estimate the fair market value of a company's securities based on the realisable value of its identifiable net assets. Asset based methods include:

- orderly realisation of assets method;
- liquidation of assets method; and
- net assets on a going concern basis.

The value achievable in an orderly realisation of assets is estimated by determining the net realisable value of the assets of a company which would be distributed to security holders after payment of all liabilities, including realisation costs and taxation charges that arise, assuming the company is wound up in an orderly manner. This technique is particularly appropriate for businesses with relatively high asset values compared to earnings and cash flows.

The liquidation of assets method is similar to the orderly realisation of assets method except the liquidation method assumes that the assets are sold in a shorter time frame. The liquidation of assets method will result in a value that is lower than the orderly realisation of assets method and is appropriate for companies in financial distress or where a company is not valued on a going concern basis.

The net assets on a going concern method estimates the market values of the net assets of a company but unlike the orderly realisation of assets method it does not take into account realisation costs. Asset based methods are appropriate when companies are not profitable, a significant proportion of the company's assets are liquid, or for asset holding companies.

4.3 Selection of valuation methodologies

Valuation of a Cambium Share

The valuation methodology we have adopted in assessing the Fair Market Value of a Cambium Share prior to and immediately following the Proposed Transaction has been selected having regard to the following:

- The CFME methodology allows the use of historical and forecast multiples based on various income streams, allowing for the use of historical and/or forecast maintainable earnings in performing the valuation. However, several of the observed comparable trading companies (refer to Appendix E for details) are at an early stage of development with substantial investment in R&D and customer acquisition costs resulting in no or limited history of profitability, rendering their implied EBITDA multiples non meaningful. Similarly, where comparable companies have reported historical profits, their implied EBITDA multiples tend to be high due to the significant operating leverage, expected growth and low margins due to the investment in R&D and customer acquisition, limiting the ability to select an appropriate EBITDA multiple. In addition, Cambium is yet to commercialise its primary clinical asset, and is currently loss-making, and we are therefore unable to assess a reasonable maintainable revenue or earnings of the Company for the application of the CFME;
- Due to the nature of its operations Cambium is not an asset intensive business. Accordingly, an asset-based approach will not capture the future earnings potential of the business and will likely understate its value;
- RG 111 states that an expert should not include prospective financial information (including forecasts and projections) or any other statements or assumptions about future matters (together, "**forward-looking information**") in its report unless there are reasonable grounds for the forward-looking information. In this regard, we have considered:
 - The long-term financial forecasts prepared by Management and the key assumptions adopted, most notably the future funding required for Cambium to complete its Phase III trials and to fund the pre-launch sales costs for Elate Ocular;
 - The small number of key shareholders representing the largest participants in the Company's recent funding rounds and the requirement for Cambium to successfully raise external capital to complete its Phase III trials and fund the pre-launch sales costs for Elate Ocular, and consequently its ability to deliver the forecast cash flows; and
 - The material uncertainty expressed by Stantons in Cambium's FY24 financial statements relating to the Company's ability to continue as a going concern and to meet its planned research, administration and other commitments, as this would be dependent on Cambium raising further working capital and/or successfully developing its assets.

Based on the above, we do not consider reasonable grounds exist for the inclusion of forward-looking information in this Report. Accordingly, we are unable to apply the DCF methodology in our assessment of the Fair Market Value of Cambium; and

- Cambium's securities are listed on the ASX, which provides an indication of value using the QMP methodology.

Primary (and only) methodology – QMP methodology

Cambium's securities are listed on the ASX. We have therefore utilised the quoted market price methodology of the Company on the ASX as our primary (and only) valuation methodology to assess the Fair Market Value of a Cambium Share prior to and immediately following the Proposed Transaction. In applying the QMP, we have also had regard to:

- The proceeds of the Placement, exclusive of the Proposed Transaction, and the Placement Shares (excluding the Shares to be issued as part of the Proposed Transaction) in assessing the Fair Market Value of a Cambium Share prior to and immediately following the Proposed Transaction; and
- The proceeds of the Proposed Transaction, including the issue of 3,989,650 Shares to ZYBT and Dr. Sebastian Tseng, in assessing the Fair Market Value of a Cambium Share immediately following the Proposed Transaction.

5. Valuation of a Cambium Share Prior to the Proposed Transaction

We have assessed the Fair Market Value of a Cambium Share prior to the Proposed Transaction using the QMP methodology, adjusted for control.

5.1 Quoted Market Price of Listed Securities Methodology

The assessment only reflects trading prior to the announcement of the Proposed Transaction in order to avoid the influence of any movement in price that may occur as a result of the announcement.

The chart below sets out a summary of Cambium's closing share prices and traded volumes over the period 5 April 2024 to 1 December 2024, being the last day Cambium Shares traded prior to Cambium being placed on a trading halt and the announcement of the Proposed Transaction.

Figure 5. Cambium's share price and volumes traded prior to the announcement of the Proposed Transaction



Source: S&P Capital IQ

RG 111.62 indicates that in order for the quoted market share price methodology to represent a reliable indicator of Fair Market Value, there needs to be an active and liquid market for the securities. The following characteristics may be considered to be representative of a liquid and active market:

- regular trading in the company's securities;
- approximately 1% of a company's securities traded on a weekly basis;
- the bid/ask spread of a company's shares must not be so great that a single majority trade can significantly affect the market capitalisation of the company; and
- there are no significant but unexplained movements in share price.

To provide further analysis of the quoted market prices for Cambium's shares, we have considered the Volume Weighted Average Price ("VWAP") for the 5, 10, 30, 60, 90, 120, and 180 calendar days prior to the announcement of the Placement on 5 December 2024, as summarised in the following table.

Table 10. VWAP of Cambium Shares

Calendar days	Share price Low	Share price High	No of days traded	Volume traded ('000)	Value traded (\$'000)	VWAP	Percentage of issued capital %
5 days	\$0.610	\$0.650	3	19	12	\$0.623	0.2%
10 days	\$0.520	\$0.650	6	26	16	\$0.582	0.2%
30 days	\$0.410	\$0.650	20	39	22	\$0.491	0.3%
60 days	\$0.360	\$0.650	42	60	31	\$0.458	0.5%
90 days	\$0.300	\$0.650	64	118	52	\$0.421	1.0%
120 days	\$0.300	\$0.650	85	125	55	\$0.406	1.0%
180 days	\$0.300	\$0.700	127	190	86	\$0.428	1.7%

Source: S&P Capital IQ and RSM analysis

As set out in the table above, Cambium's Shares traded at between \$0.30 and \$0.70 per Share over the 180-day period before the announcement of the Proposed Transaction.

We note the following:

- during the 180 days leading up to 1 December 2024, 1.7% of the issued capital of Cambium was traded, in the 120 and 90 days leading up to 1 December 2024, 1.0% of the issued outstanding share capital of Cambium was traded;
- the bid/ask spread is often used to measure efficiency. For the 120-day period, the closing bid/ask spread of Cambium did not produce meaningful results given the illiquid nature of this stock. Over a comparable period, all stocks trading on the ASX had an effective average bid-ask spread of 0.17%¹; and
- notwithstanding the low levels of liquidity, Cambium complies with the full disclosure regime required by the ASX. As a result, the market is fully informed about the performance of Cambium.

Based on the above, we have assessed the Fair Market Value of a Cambium Share using the QMP method to be in the range of \$0.4208 to \$0.4910 (on a non-controlling basis), having specific regard to the 30-day VWAP and 90-day VWAP prior to the announcement of the Placement.

Proceeds from the Placement

Because the Cambium share price prior to the announcement does not include the impact of the Placement, we have considered the proceeds of the Placement, exclusive of the Proposed Transaction, and the Placement Shares (excluding the Shares to be issued as part of the Proposed Transaction) in assessing the Fair Market Value of a Cambium Share prior to and immediately following the Proposed Transaction.

Dilutionary impact of the Cambium Options

We have not considered the dilutionary impact of the Cambium Options in our application of the QMP methodology, on the premise that the price of a Cambium Share will already include the market's assessment thereof.

Under Resolutions 2 of the Notice, the Company is seeking shareholder approval for the grant of share options to Dr Chandra Bala (Director). As these options will be subject to service vesting conditions, and are yet to be issued, they are representative of future services that Cambium will receive and, therefore, should not be reflected within our valuation of Cambium prior the Proposed Transaction.

Control Premium

In the absence of a takeover premium, multiples of listed companies generally reflect the buying and selling of small parcels of shares, which, therefore, do not attract a control premium. In order to assess the value of a 100% of the equity interest in Cambium, we are required to adjust the multiple to reflect a premium for control.

¹ Equity market data for the quarter ended 30 September 2024 - ASIC

RSM conducted a study on Control Premium relating to takeovers and schemes of arrangement and involving companies listed on the ASX over the 10 years ended 30 June 2021. In determining the control premium, we compared the offer price to the closing trading price of the target company 20, 5 and 2 trading days pre the date of the announcement of the offer. Where the consideration included shares in the acquiring company, we used the closing share price of the acquiring company on the date prior to the date of the offer. Our study concluded that, on average, control premiums were paid in the range of 43% to 50% for companies in the healthcare industry.

In assessing the Fair Market Value of a Cambium Share on a controlling basis, we have adjusted Cambium's quoted market price (non-controlling basis) with a control premium ranging between 45.0% and 50.0% based on our study on average control premiums involving companies in the Healthcare sector, to determine a controlling value per share.

Valuation of a Cambium Share prior to the Proposed Transaction

The table below sets out our assessment of the Fair Market Value of a Cambium Share on a controlling basis prior to the Proposed Transaction, utilising the QMP methodology.

Table 11. Valuation of a Cambium Share prior to the Proposed Transaction (QMP methodology)

		Low	High	Preferred
Quoted market price (non-controlling basis)	\$	\$0.4208	\$0.4910	\$0.4559
Cambium shares on issue prior to the Placement	'000	11,931	11,931	11,931
Equity Value prior to the Placement (non-controlling basis)	\$'000	\$5,021	\$5,858	\$5,439
Proceeds from the Placement (excluding the Proposed Transaction)	\$'000	\$1,123	\$1,123	\$1,123
Equity Value prior to the Proposed Transaction (non-controlling basis)	\$'000	\$6,144	\$6,981	\$6,562
Cambium shares on issue prior to the Proposed Transaction	'000	14,353	14,353	14,353
Fair Market Value of a Cambium Share prior to the Proposed Transaction (non-controlling basis)	\$	\$0.4280	\$0.4864	\$0.4572
Control premium	%	45%	50%	48%
Fair Market Value of a Cambium Share prior to the Proposed Transaction (controlling basis)	\$	\$0.6207	\$0.7296	\$0.6744

Source: RSM analysis

6. Valuation of a Cambium Share Post the Proposed Transaction

We have assessed the Fair Market Value of a Cambium Share post the Proposed Transaction on a non-controlling basis using the QMP methodology.

6.1 Quoted Market Price of Listed Securities Methodology

In assessing the Fair Market Value of a Cambium Share immediately following the Proposed Transaction on a non-controlling basis, we have utilised our assessment of the Fair Market Value of a Cambium Share prior to the Proposed Transaction on a non-controlling basis as set out in Section 5, adjusted for the proceeds of the Proposed Transaction, including the issue of 3,989,650 Shares to ZYBT and Dr. Sebastian Tseng

Valuation of a Cambium Share post the Proposed Transaction

The table below sets out our assessment of the Fair Market Value of a Cambium Share on a non-controlling basis immediately following the Proposed Transaction, utilising the QMP methodology.

Table 12. Valuation of a Cambium Share post the Proposed Transaction (QMP methodology)

		Low	High	Preferred
Quoted market price (non-controlling basis)	\$	\$0.4208	\$0.4910	\$0.4559
Cambium shares on issue prior to the Placement	'000	11,931	11,931	11,931
Equity Value prior to the Placement (non-controlling basis)	\$'000	\$5,021	\$5,858	\$5,439
Proceeds from the Placement (excluding the Proposed Transaction)	\$'000	\$1,123	\$1,123	\$1,123
Proceeds from the Proposed Transaction	\$'000	\$1,850	\$1,850	\$1,850
Equity Value post the Proposed Transaction (non-controlling basis)	\$'000	\$7,994	\$8,831	\$8,412
Cambium shares on issue post the Proposed Transaction	'000	18,343	18,343	18,343
Fair Market Value of a Cambium Share post the Proposed Transaction (non-controlling basis)	\$	\$0.4358	\$0.4815	\$0.4586

Source: RSM analysis

7. Is the Proposed Transaction Fair to the Non-Associated Shareholders?

Our assessed values of a Cambium Share prior to and immediately after the Proposed Transaction, are summarised in the table and figure below.

Table 13. Assessed values of a Cambium Share pre and post the Proposed Transaction

	Low	High	Preferred
Fair Market Value of a Cambium Share prior to the Proposed Transaction on a controlling basis	\$0.6207	\$0.7296	\$0.6744
Fair Market Value of a Cambium Share post the Proposed Transaction on a non-controlling basis	\$0.4358	\$0.4815	\$0.4586

Source: RSM analysis

Figure 6. Cambium Share valuation graphical representation



Source: RSM analysis

In accordance with the guidance set out in RG 111, and in the absence of any other relevant information, for the purposes of complying with section 611 of the Act, we consider the Proposed Transaction to be **not fair** to the Non-Associated Shareholders of Cambium as the Fair Market Value of a Cambium Share post the Proposed Transaction is less than the Fair Market Value of a Cambium Share pre the Proposed Transaction.

8. Is the Proposed Transaction Reasonable to the Non-Associated Shareholders?

RG 111 establishes that an offer is reasonable if it is fair. It might also be reasonable if, despite not being fair, there are sufficient reasons for security holders to accept the offer in the absence of any higher bid before the offer closes. As such, we have also considered the following factors in relation to the reasonableness aspects of the Proposed Transaction:

- the future prospects of the Company if the Proposed Transaction does not proceed;
- any other commercial advantages and disadvantages to the Non-Associated Shareholders as a consequence of the Proposed Transaction proceeding;
- the existence of alternative proposals;
- the price per Cambium Share to be paid in the Proposed Transaction relative to the price per Cambium Share paid by Non-Associated Shareholders in the Placement; and
- the price per Cambium Share after the announcement of the Proposed Transaction.

8.1 Future prospects of Cambium if the Proposed Transaction does not proceed

If the Proposed Transaction does not proceed, the Company's board will continue to seek alternative sources of funding with no guarantee of successful fund raising with superior terms.

8.2 Advantages and disadvantages

In assessing whether the Non-Associated Shareholders are likely to be better off if the Proposed Transaction proceeds, than if it does not, we have also considered various advantages and disadvantages that are likely to accrue to the Non-Associated Shareholders.

Advantage of approving the Proposed Transaction

Advantage	Details
Secure funding for the research & development and marketing of Elate Ocular	The proceeds of the Proposed Transaction, along with the proceeds of the rest of the Placement, will provide the Company with additional funds for the non-clinical and comparability studies along with the working capital required for the Phase 3 clinical trial program (as part of the proposed research & development, commercialisation and marketing strategy) for Elate Ocular, the primary clinical asset of Cambium.

Disadvantages of approving the Proposed Transaction

Disadvantage	Details
The Proposed Transaction is not fair	The Proposed Transaction is not fair to the Non-Associated Shareholders.
Dilutionary impact	The Non-Associated Shareholders' interest in the Company will decrease from 75.5% prior to the Proposed Transaction to 62.3% following the completion of the Proposed Transaction.
Significant influence / ability to block special resolutions by Dr. Sebastian Tseng and ZYBT	Following the completion of the Proposed Transaction, Dr. Sebastian Tseng and ZYBT will have an effective 37.7% shareholding in Cambium. This will give Dr. Sebastian Tseng and ZYBT significant influence in relation to the Company, including the ability to block proposed special resolutions of the Company and the power to elect directors.

8.3 Alternative proposals

We have been advised that the Proposed Transaction is the only transaction that is sufficiently developed to be put to Shareholders and no alternative or more compelling transactions are close to completion. We are not aware of any alternative proposal at the current time which might offer the Non-Associated Shareholders of Cambium a greater benefit than the Proposed Transaction.

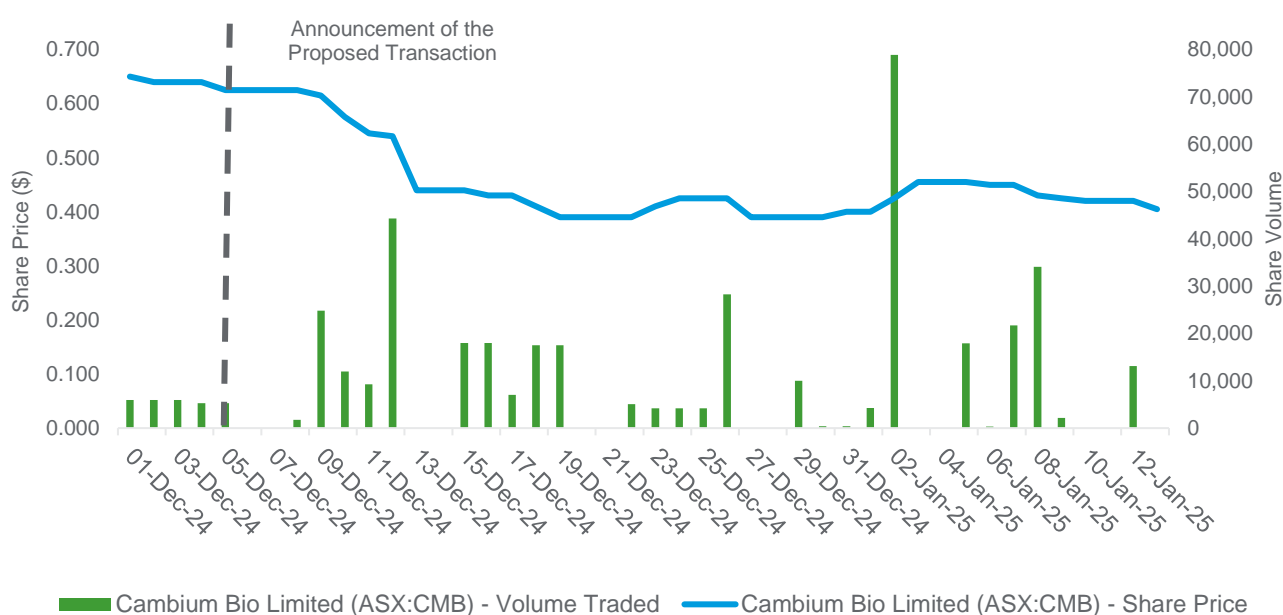
8.4 The price per Cambium Share to be paid in the Proposed Transaction

The Proposed Transaction is priced at the same value of \$0.4637 per Cambium Share as the Placement Shares issued to Non-Associated Shareholders.

8.5 Trading in Cambium Shares following the announcement of the Proposed Transaction

The Cambium share price decreased from \$1.30 per Share on 5 April 2024 (the earliest available trading date prior to the announcement of the Proposed Transaction and post the consolidation of Cambium shares) to \$0.65 per Share on 1 December 2024 (the last trading day before Cambium was placed on a trading halt and the announcement of the Proposed Transaction).

Figure 7. Share trading post announcement of the Proposed Transaction



Source: S&P Capital IQ

Trading in Cambium shares following the announcement of the Proposed Transaction saw a marked increase of volume. This is largely attributable to the U.S. Food and Drug Administration granting fast track designation to Elate Ocular (as announced to the ASX on 9 December 2024) and the successful issuance of 1,349,383 fully paid ordinary Shares as part of the Part 1 Placement (as announced on 12 December 2024). Given the low liquidity of Cambium shares it is difficult to draw any firm conclusions on the market reaction to the Proposed Transaction.

8.6 Conclusion on Reasonableness

Cambium needs a cash injection in the near term and the Proposed Transaction provides an opportunity for this to occur. In our opinion, the position of the Non-Associated Shareholders of Cambium if the Proposed Transaction is approved is more advantageous than if the Proposed Transaction is not approved. Therefore, in the absence of any other relevant information and/or a superior offer, we consider that the Proposed Transaction is **reasonable** to the Non-Associated Shareholders of Cambium.

Non-Associated Shareholders should have particular regard to the potential advantages and disadvantages set out above in the context of their own risk profile and investment strategy.

APPENDICES

A. Declarations and Disclaimers

Declarations and Disclosures

RSM Corporate Australia Pty Ltd holds Australian Financial Services Licence 255847 issued by ASIC pursuant to which they are licensed to prepare reports for the purpose of advising clients in relation to proposed or actual mergers, acquisitions, takeovers, corporate reconstructions or share issues.

Qualifications

Our report has been prepared in accordance with professional standard APES 225 "Valuation Services" issued by the Accounting Professional & Ethical Standards Board.

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia Pty Ltd (RSM) a large national firm of chartered accountants and business advisors.

Andrew Clifford and Nadine Marke are directors of RSM Corporate Australia Pty Ltd. Both Andrew Clifford and Nadine Marke are Chartered Accountants with extensive experience in the field of corporate valuations and the provision of independent expert's reports for transactions involving publicly listed and unlisted companies in Australia.

Reliance on this Report

This report has been prepared solely for the purpose of assisting Shareholders of the Company in considering the Proposed Transaction. We do not assume any responsibility or liability to any party as a result of reliance on this report for any other purpose.

Reliance on Information

Statements and opinions contained in this report are given in good faith. In the preparation of this report, we have relied upon information provided by the Directors and management of Cambium and we have no reason to believe that this information was inaccurate, misleading or incomplete. RSM Corporate Australia Pty Ltd does not imply, nor should it be construed that it has carried out any form of audit or verification on the information and records supplied to us.

The opinion of RSM Corporate Australia Pty Ltd is based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

In addition, we have considered publicly available information which we believe to be reliable. We have not, however, sought to independently verify any of the publicly available information which we have utilised for the purposes of this report.

We assume no responsibility or liability for any loss suffered by any party as a result of our reliance on information supplied to us.

Disclosure of Interest

At the date of this report, none of RSM Corporate Australia Pty Ltd, RSM, Andrew Clifford, Nadine Marke, nor any other member, director, partner or employee of RSM Corporate Australia Pty Ltd and RSM has any interest in the outcome of the Proposed Transaction, except that RSM Corporate Australia Pty Ltd are expected to receive a fee of approximately \$25,000 (excluding goods and services tax ("GST")) based on time occupied at normal professional rates for the preparation of this report. The fees are payable regardless of Cambium receives Shareholder approval for the Proposed Transaction, or otherwise.

Consents

RSM Corporate Australia Pty Ltd consents to the inclusion of this report in the form and context in which it is included with the Notice of Extraordinary General Meeting and Explanatory Memorandum to be issued to Shareholders. Other than this report, none of RSM Corporate Australia Pty Ltd or RSM Australia Pty Ltd or has been involved in the preparation of the Notice of General Meeting and Explanatory Memorandum. Accordingly, we take no responsibility for the content of the Notice of General Meeting and Explanatory Statement.

B. Sources of Information

In preparing this Report we have relied upon the following principal sources of information:

- Drafts and final copies of the Notice of Meeting;
- Audited financial statements for Cambium for the years ended 30 June 2021, 30 June 2022, 30 June 2023 and 30 June 2024
- Unaudited financial statements for Cambium for three months ended 30 September 2024;
- ASX announcements of Cambium;
- Regeneus (Cambium Bio) Incorporation Documents;
- Regeneus (Cambium Bio) Corporate Presentation and Investment Memo;
- Regeneus (Cambium Bio) post-merger financial model and pro-forma cap table;
- Regeneus Annual Reports;
- Regeneus board minutes and BDO Safe Harbour Report;
- Regeneus financing transaction documentation;
- Cambium Bio – Top Holders document;
- Elate Ocular – Market Due Diligence Report by Bruder Consulting;
- Elate Ocular – Clinical and Regulatory reports and documents;
- Chemistry, Manufacturing and Controls documents;
- Emory License Agreement;
- American Optometric Association – Dry eye causes & risk factors;
- Market Diligence Report – Dry Eye Disease;
- Dry eye broker reports;
- Ferrand et al. (2017) from American Journal of Ophthalmology – Prevalence of Diagnosed Dry Eye Disease in the United States Among Adults Aged 18 Years and Older
- IMARC – Biopharmaceutical Market Report 2024-2032;
- Prescient & Strategic Intelligence – Biopharmaceuticals Market 2024-2030;
- Fortune Business Insights – Dry Eye Syndrome Market 2024-2032;
- Grand View Research – Dry Eye Syndrome Treatment Market 2023-2030;
- Global Market Insights – Dry Eye Disease Market 2023-2032;
- Statista – Daily time spent on social networking by internet users worldwide from 2012 to 2024;
- S&P Capital IQ database; and
- Discussions with Directors, Management and staff of Cambium.

C. Glossary of Terms and Abbreviations

Term or Abbreviation	Definition
\$	Australian dollar
US\$	United States dollar
AGC	AGC Inc.
Act	Corporations Act 2001 (Cth)
AFCA	Australian Financial Complaints Authority
AFSL	Australian Financial Services Licence
APES	Accounting Professional & Ethical Standards Board
ASIC	Australian Securities & Investments Commission
ASX	Australian Securities Exchange
ASX Listing Rules	The listing rules of ASX as amended from time to time
Aurarix or Technology	Cambium's novel processed human platelet lysate technology
AventaCell	AventaCell BioMedical Corp
BLA	Biologics License Application
bn	Billion
CAGR	Compound annual growth rate
Cambium or the Company	Cambium Bio Limited (formerly Regeneus Ltd)
CAPM	Capital Asset Pricing Model
CHA	Children's Healthcare of Atlanta
CLA	Collaboration and Licence Agreement
CMC	Chemistry, Manufacturing, and Controls
CMT	Cambium Medical Technologies, LLC.
Consolidation	The consolidation of Cambium's issued capital on a hundred for one basis, such that every hundred Shares be consolidated into one Share, on 5 April 2024.
Control basis	As assessment of the Fair Market Value on an equity interest, which assumes the holder or holders have control of the entity in which the equity is held
DCF	Discounted cash flow method
DED	Dry eye disease
Directors	Directors of the Company
Dr Sebastian Tseng	Dr Yu-Hung (Sebastian) Tseng
Elate Ocular or EO	Elate Ocular / Elate Ocular® is a biologic topical eye drop pooled from donor (allogenic) versus patient (autologous) sourced platelets
Emory	Emory University, Atlanta, Georgia
Explanatory Statement	The explanatory statement accompanying the Notice
Fair Market Value	The amount at which an asset could be exchanged between a knowledgeable and willing but not anxious seller and a knowledgeable and willing but not anxious buyer, both acting at arm's length
FDA	The United States Food and Drug Administration
FD-HPL	Fibrinogen-depleted human platelet lysate
FME	Future Maintainable Earnings

FSG	Financial Services Guide
FY21	Financial year ended 30 June 2021
FY22	Financial year ended 30 June 2022
FY23	Financial year ended 30 June 2023
FY24	Financial year ended 30 June 2024
Grant Thornton	Grant Thornton Audit Pty Ltd
GST	Goods and services tax
GvHD	Graft versus Host Disease
IER or Report	This Independent Expert Report prepared by RSM, dated 20 January 2025
INDA	Investigational New Drug Application
k	Thousand
Kyocera	Kyocera Corporation
Licence Agreement	Licence agreement between Emory University, Atlanta, Georgia (“Emory”) and Children’s Healthcare of Atlanta (“CHA”) to exclusively develop and commercialise certain inventions and technology (“Aurarix” or the “Technology”) used in medical treatments
m	Million
Management	Management of Cambium Bio Limited
Non-Associated Shareholders	Shareholders who are not a party, or associated to a party, to the Proposed Transaction
Notice, NoM	The notice of meeting to vote on, inter alia, the Proposed Transaction
Notice of Termination	The Notice of Termination received by Cambium from Kyocera in January 2023, in regards to the CLA that Cambium entered into with Kyocera in August 2020
Options / Cambium Options	The 263,628 unlisted options to acquire Shares in Cambium with varying vesting conditions
Part 1 Placement	The issue of 1,349,383 shares under the first part of the Placement to raise \$0.6m at an offer price of \$0.4637 per share. The Part 1 Placement Shares were issued on 12 December 2024 pursuant to the approval from shareholders given at the Company’s Annual General Meeting, held on 26 November 2024
Part 1 Placement Shares	The issue of 1,349,383 shares under the first part of the Placement
Part 2 Placement	The placement of 922,842 Shares under the second part of the Placement to raise \$0.4m at an offer price of \$0.4637 per Share to be issued in January and February 2025, pursuant to the approval from shareholders given at the Company’s Annual General Meeting, held on 26 November 2024
Part 2 Placement Shares	The proposed issue of 922,842 Shares under the second part of the Placement
Part 3 Placement	The placement of 4,139,650 Shares under the third part of the Placement to raise \$1.9m at an offer price of \$0.4637 per Share, subject to shareholder approval being obtained for the Proposed Transaction.
Part 3 Placement Shares	The proposed issue of 4,139,650 shares under the third part of the Placement
Placement	The three-tranche placement to raise capital of \$3.0m through the issue of a total of 6,411,875 new ordinary shares in Cambium at an offer price of \$0.4637 per share
Potency assay	A test to measure product attributes associated with product quality and manufacturing controls during all phases of clinical study
Progenza	ProgenzaTM
Proposed Transaction	The issuance of 3,989,650 Shares to Dr. Sebastian Tseng and Zheng Yang Biomedical Technology (“ZYBT”) as part of the Part 3 Placement, resulting in Dr. Sebastian Tseng’s effective shareholding in Cambium increasing from 24.5% to 37.7% through his direct shareholding and indirect shareholding in ZYBT
QMP	Quoted market price for listed securities methodology

R&D	Research & Development
Regeneus	Regeneus Ltd (now Cambium Bio Limited)
Resolutions	The resolutions set out in the Notice
RG 111	ASIC Regulatory Guide 111 Content of Expert Reports
RSM, we, us, or ours	RSM Corporate Australia Pty Ltd
S&P Capital IQ	An entity of Standard and Poors which is a third-party provider of company and other financial information
SG&A	Selling, general and administration expenses
Shares or Cambium Shares	Ordinary fully paid shares in the capital of the Company
Shareholder	A holder of Share
SOTP	Sum of the parts
Stantons	Stantons International Audit and Consulting Pty Ltd
The Act	Corporations Act 2001 (Cth)
U.S.	United States of America
VWAP	Volume weighted average share price
WACC	Weighted average cost of capital
YTD24	Three-month period ended 30 September 2024
ZYBT	Zheng Yang Biomedical Technology Co., Ltd.

D. Industry Overview

Global Biopharmaceuticals Industry

The global biopharmaceutical industry focuses on the development, production and marketing of pharmaceutical drugs derived from biological sources, recognised as biologics.

The global market size for the biopharmaceuticals industry is approximately US\$326.2bn in 2024 and is forecasted to grow to US\$664.8bn by 2033². The United States accounts for the highest share of global revenue of 45.0%³. The following trends are the drivers of industry growth:

- increasing demand for personalised medicine;
- growing prevalence of chronic and life-style illnesses; and
- access to advancements in biotechnology.

As such, the growing significance of biopharmaceuticals results in market growth of 8.6% from 2024 to 2032. However, there are several challenges that may inhibit industry expansion including⁴:

- high cost of related equipment;
- competition amongst the development of pharmaceutical drugs; and
- long lead times for drug development due to high regulatory standards in countries including the United States.

Dry Eye Disease Industry

DED is a multifactorial disorder of the tear film and ocular surface of the eye which can be due to aqueous deficiency, resulting in discomfort and visual disturbance. The DED industry has an estimated US\$6.61bn market size in 2022 and is forecast to grow at a compound annual growth rate (“CAGR”) of 7.1% from 2024 to 2032⁵. Noting the United States accounted for the largest share of over 46.9%. The treatment market consists of several diseases related to the eye, most commonly, evaporative dry eye syndrome followed by aqueous dry eye syndrome, and mixed dry eye. Treatments for these conditions include eye drops, pharmaceutical tablets and ointments. Based on dosage form, the eye drops / solutions segment dominated the market with the largest share of 65% in 2024⁶.

Key industry drivers⁷

Rising prevalence of DED

The primary driver for industry growth is the increasing number of individuals diagnosed with dry eye syndrome, particularly amongst the elderly population as a result of age related and hormonal changes. This is expedited by the global ageing population and the increasing awareness of eye health which increases diagnoses and the demand for treatments. In fact, up to 50% of individuals over the age of 50 experience eye-related diseases⁸.

Chronic and life-style illnesses

The growth in DED is also due to the rising prevalence of other illnesses such as autoimmune diseases (Sjogren's, GvHD, rheumatoid arthritis and lupus), and diabetes, which increase the prospect of eye conditions. Medications including antihistamines, beta blockers and antidepressants are also contributors to DED⁹. Certain systemic conditions are a result of the shift towards sedentary lifestyle resulting in inactivity and poor diet. Other causes of DED are attributed to the long hours of screen-time where the average internet user has increased screen time on social networking by 37.5% between 2014 to 2024¹⁰. Therefore, these life-style habits raise the number of diagnoses for DED and subsequently increased the demand for treatments.

² IMARC – Biopharmaceutical Market Report 2025-2033

³ Prescient & Strategic Intelligence – Biopharmaceuticals Market 2024-2030

⁴ Ibid.

⁵ Fortune Business Insights – Dry Eye Syndrome Market 2024-2032

⁶ Grand View Research – Dry Eye Syndrome Treatment Market 2025-2030

⁷ Global Market Insights – Dry Eye Disease Market 2023-2032

⁸ The Ocular Surface - TFOS DEWS II Epidemiology Report 2017

⁹ Market Diligence Report – Dry Eye Disease

¹⁰ Statista – Daily time spent on social networking by internet users worldwide from 2012 to 2024

Environmental factors

The change in the global environment also plays a role in the growing prevalence of DED. With high populations living in dry climates and experiencing smoke exposure, such environments increase the likelihood of tear evaporation which may cause symptoms of dry eyes¹¹.

Technological advancements

Improvements in technology has enabled researchers to develop more advanced DED treatments and create new products that will be competitive in the treatment industry. Technological advancements have driven the interest in new research and novel solutions, particularly through the use of biologics. As such, research and development will contribute to future industry growth.

Industry challenges and barriers to entry

The DED treatment market has several challenges which may impede its revenue growth as follows:

- high expenses associated with the research and development of advanced treatment options, as well as the high cost for patients purchasing such products;
- stringent regulatory standards which may delay the development process for new treatments; and
- the lack of treatment options in some populations may limit their reach to the market and access the necessary products.

Industry outlook

Overall, the US DED market is projected to experience industry growth, increasing from a market size of \$6.61bn in 2022 to approximately \$11.26bn in 2030¹².

¹¹ American Optometric Association –err Dry eye causes & risk factors

¹² Fortune Business Insights – Dry Eye Syndrome Market 2023-2030

RSM Corporate Australia Pty Ltd

Level 13, 60 Castlereagh Street
Sydney, NSW 2000
GPO Box 5138
Sydney, NSW 2001
T +61 (0) 2 8226 4500
F +61 (0) 2 8226 4501
www.rsm.com.au

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