



# IDT AUSTRALIA LIMITED

## 2020 INTERIM RESULTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

21 February 2020





# Interim Results H1 FY20

## Highlights

### **Positive EBITDA of \$0.6 Million for the period ended 31 December 2019**

Including a one-time revenue adjustment, IDT generated a positive EBITDA of \$0.6 million representing a year-on-year improvement of 155% (\$1.1 million EBITDA loss reported as at 31 December 2018)

### **IDT base business results reflect gross margin improvement and ongoing cost control initiatives**

Excluding the one-time adjustment, revenue from operations was \$0.26 million lower year-on-year, however the drive for higher value / high margin activities delivered an improved gross margin of \$0.36 million.

Net reported loss from operations after tax was \$1.18 million representing a year-on-year improvement of 51% (\$2.39 million loss reported as at 31 December 2018)

### **Meaningful revenues starting to flow in from medicinal cannabis manufacturing activities**

Revenues starting to flow in from commercial scale-up activities associated with converting medicinal cannabis biomass into high value GMP Active Pharmaceutical Ingredients and Finished Dosage Form products

### **Cost containment initiatives continuing to deliver year-on-year savings**

Total operating expenses (including salaries) were \$0.58 million lower year-on-year; of which \$0.3 million relates to the prior period's U.S. Food and Drug Administration (FDA) Warning Letter remediation activities

# Interim Financial Results H1 FY20

## Executive Summary

**Profitable EBITDA** of \$618K due to:

- Reported total revenue up 8% year-on-year
- Revenue and improved gross margins underpinned by a focus on scalable and more profitable income streams
- One time revenue adjustment relating to recognition of previously capitalised temozolomide contract milestone (\$0.9m)
- Other operating expenses down 12% year-on-year due to FDA Warning Letter close-out (FY`18) and reduction in salary expenses

**Materially Improved Reported Loss After Tax** of \$1.183m

- Loss for the half year improved by \$1.209m (51%) after recognition of one-time asset impairment of temozolomide

**Results Support IDT's Push Towards Profitability**

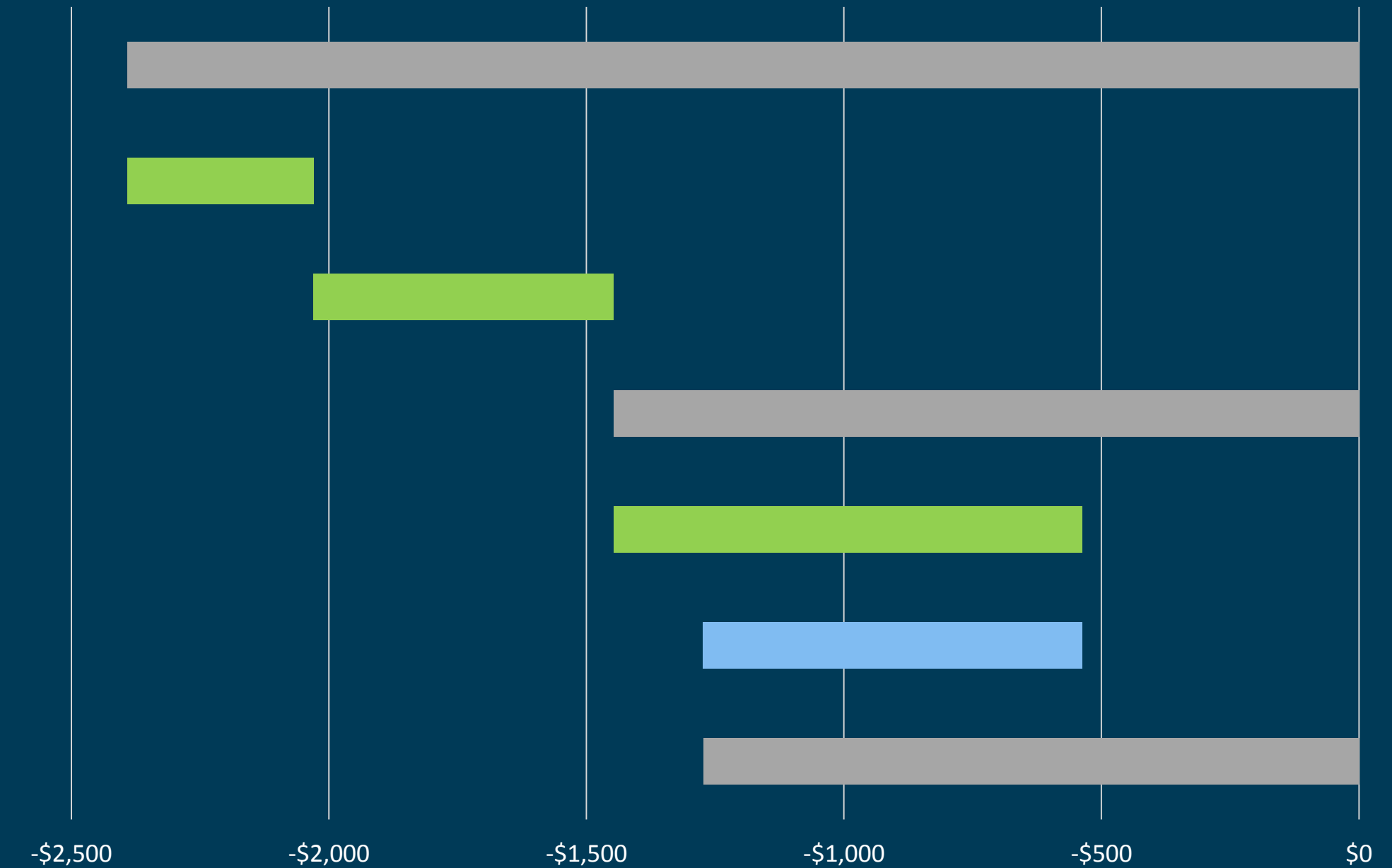
	HYE 31 Dec 2019 \$ 000	HYE 31 Dec 2018 \$ 000
<b>Total Revenue</b>	<b>7,213</b>	<b>6,672</b>
Raw materials	768	1,216
Other operating expenses	5,827	6,588
<b>EBITDA</b>	<b>618</b>	<b>(1,132)</b>
Depreciation and Amortisation	1,155	1,262
Asset impairment - temozolomide	736	0
<b>Loss before tax</b>	<b>(1,273)</b>	<b>(2,394)</b>
Income tax benefit	90	2
<b>Reported loss for the half year</b>	<b>(1,183)</b>	<b>(2,392)</b>

# IDT Base Business Operations H1 FY20

## Year-on-Year Analysis

### 51% Year-on-year reduction in net reported loss from operations:

- \$2.392m Reported loss before tax 31 December 2018
  - \$362K Improved gross margin
  - \$583K Cost reduction initiatives
  - \$1.447 Underlying loss before tax
- \$910K One-time revenue adjustment – temozolomide
- \$736K Impairment intangible asset – temozolomide
- \$1.273m Reported loss before tax 31 December 2019



# The Year Ahead - Half Year Check-in

[Slide presented at IDT's 2019 Annual General Meeting]



## Drive and Grow The Business

Year-on-year top-line revenue increased by 8% and gross margin improved by 28%



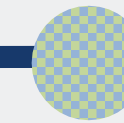
## Continued Focus on Capital Management and Cost Containment

Total operating expenses (including salaries) reduced by \$0.58 million year-on-year



## Roll-out Medicinal Cannabis Manufacturing Plan

Commenced medicinal cannabis resin extraction (API) and Finished Dosage Form development and manufacturing activities



## Medicinal cannabis biomass supply and commercialisation partnerships

In-progress: Proprietary and partnership medicinal cannabis opportunities under evaluation



## Commence commercial scale medicinal cannabis manufacturing

Commercial scale solvent extraction and finished dosage form activities commenced



## Proprietary/partnered product portfolio expansion



## Launch first proprietary/partnered medicinal cannabis product



## New product launches of downstream value added products

# IDT Australia Limited

## Board of Directors

### **Mr Alan Fisher Chair**

Finance specialist with key experience in business restructuring and company turnarounds.

### **Mr Hugh Burrill**

Pharma pipeline portfolio management and product development.  
(Ex Hospira/Mayne Pharma)

### **Ms Mary Sontrop**

Biopharmaceutical executive with global experience in quality, manufacturing, regulatory and business integration.  
(Ex CSL Behring)

## Executive Team

### **Dr David Sparling CEO**

More than 20 years of pharma and diagnostic experience in CEO, Director and corporate/business development roles.  
(Ex Agenix Limited, GTG Limited)

### **Joanna Johnson CFO**

More than 20 years of pharma experience in finance roles.  
(Ex F H Faulding, Hospira/Mayne Pharma and Lupin)

### **Jim Sasic VP Operations Infrastructure**

More than 20 years in manufacturing and supply chain roles.  
(Ex CSL Behring, Hospira/Mayne Pharma)

### **Daniel Broadhurst Head of Quality**

More than 15 years of R&D, operations and quality experience.  
(Ex CSL Behring and Catalent)

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