



# **IDT AUSTRALIA LIMITED**

**2020 ANNUAL GENERAL MEETING**

**17 November 2020**

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# Key Operational Highlights

- IDT remained operational throughout the COVID-19 crisis and has assisted with the Australian Government's initial COVID-19 response efforts
- A positive EBITDA was achieved for FY20, representing a year on year improvement of 122%\*
- Top-line revenue increased by 17%\* to \$14.2m over the same period
- IDT continues to execute on its Medicinal Cannabis Manufacturing Plan with resin extraction and oil-in-bottle commercial manufacturing underway
- The Company made several submissions to the Australian Government regarding sovereign risk associated with Australia's pharmaceutical supply chain. This has positioned IDT to play its part in any potential re-shoring of the manufacture of essential medicines back to Australia
- U.S. Food and Drug Administration Warning Letter lifted in Sept 2019. IDT's facility compliance status restored
- Board and Executive renewal: Mr Graeme Kaufman retired, Mr Michael Kotsanis appointed as Director. Ancila Desai appointed as Chief Financial Officer and Company Secretary

\* Including one-time adjustments. Excluding one-time adjustments - 97% EBITDA YoY increase, 9% Revenue YoY increase

# FY`20 Financial Highlights

## Strong progress towards profitability

- Year-on-year Revenue growth of 17% to \$14.2 million (which includes \$0.9 million previously capitalised milestone)
- Positive EBITDA achieved for full year 2020 which represents a year-on-year improvement of 122% (which includes a revenue impact of \$0.9 million previously capitalised milestone)
- Cost containment initiatives deliver a year-on-year reduction of \$0.6 million in Operational Expenses
- Strong cash balance at year end FY20 of \$6.9 million

Year ended 30 June ('\$000)	2020	2019	Variance	
Revenue	14,169	12,130	2,039	17% ↑
EBITDA	788	(3,601)	4,389	122% ↑
NPAT	(1,919)	(6,083)	4,164	68% ↑
Basic earnings per share	(0.8¢)	(2.5¢)	1.7¢	68% ↑

# Year In Review\*

Drive and Grow The Business  
YoY Revenue up 17% to \$14.2m

Execute Medicinal Cannabis  
Manufacturing Plan  
Developed medicinal cannabis solvent  
extraction and Oil-In-Bottle products

Capital Management and Cost  
Containment  
YoY reduction in OPEX of \$0.6m

Medicinal Cannabis  
Supply and Distribution  
Partnerships

Scale-up Medicinal Cannabis  
Manufacturing Activities  
Completed for Resin Extraction  
and Oil-In-Bottle

Commercial Scale Medicinal  
Cannabis Manufacturing  
Extract and Oil-In-Bottle manufacture  
running at commercial scale

Refine IDT's API and Finished  
Dosage Form Base Businesses  
COVID-19 response activities.  
Sovereign manufacturing initiative

Expand Into Downstream  
Value Added Products  
Sovereign manufacturing  
initiative. Developing  
proprietary medicinal cannabis  
API and Oil-In-Bottle products

\* Year ahead slide presented at IDT's 2019 AGM

# Medicinal Cannabis Manufacturing Plan

- IDT continues to execute on its Medicinal Cannabis Manufacturing Plan
- Commercial scale cGMP solvent extraction of medicinal cannabis resin is now in routine batch manufacture
- cGMP medicinal cannabis Oil-In-Bottle products are being contract manufactured by IDT
- The Company is also developing a range of its own products

## Goals:

**IDT's goals are: (i) to provide contract development and manufacturing services to our current and future medicinal cannabis customers; and (ii) to launch a range of IDT proprietary medicinal cannabis products for local and international distribution**

# COVID-19 Pandemic Response

- Throughout the COVID-19 crisis IDT's cGMP pharmaceutical manufacturing facilities and laboratories remained fully operational and the Company's business operations have continued with minimal disruption
- IDT implemented internal management of COVID-19 controls to protect staff and minimise the risk of COVID-19 affecting manufacturing and testing operations
- IDT assisted in the Australian Government's initial COVID-19 response effort
- In August 2020, the Company made a formal submission to the Australian Government's COVID-19 Vaccine and Treatment Manufacture and Supply Chain Request for Information. IDT's submission to the RFI contained details of the Company's current facilities and capabilities as well as our future potential manufacturing capacity, including:
  - Sterile product formulation and manufacture (liquid fill and lyophilised (freeze dried) products)
  - Bulk liquid formulation
  - Cold chain management and storage
  - Tablet and capsule manufacture
  - Manufacture of Active Pharmaceutical Ingredients (APIs) and excipients
  - In-house analytical and microbiological testing and process development

# Sovereign Manufacturing – Australia's Pharmaceutical Supply Chain

- Disruption to global pharmaceutical supply chains brought on by the COVID-19 crisis highlighted the fundamental sovereign risk associated with outsourcing Australia's drug manufacturing to other countries. Presently, Australia sits at the end of a very long and often opaque supply chain, importing over 90% of its medicines
- IDT is Australia's last small molecule cGMP API manufacturer and one of only a handful of local finished dosage form manufacturers
- In May/June 2020 IDT made public submissions to the Australian Government's Senate Select Committee and Joint Standing Committee regarding Australia's COVID-19 response. The Company's submissions highlighted the critical dependencies in Australia's pharmaceutical supply chain and advocated for increased Australian sovereign pharmaceutical manufacturing. IDT was invited to present to the Joint Standing Committee

## Goal:

**It is IDT's goal to help reshape Australia's pharmaceutical supply chain to reduce sovereign risk associated with imported medicines by re-shoring the manufacture of essential medicines**

# Year Ahead

COVID-19 Treatment and  
Vaccine Manufacture – TGA and  
FDA accredited site at the ready

Advance IDT's Sovereign  
Manufacturing Initiative

Pushing Towards A Return To  
Operational Profitability

Continue To Execute IDT's  
Medicinal Cannabis  
Manufacturing Plan

Finalise Development of  
Proprietary Medicinal Cannabis  
Products

Proprietary Medicinal Cannabis  
Product Launches

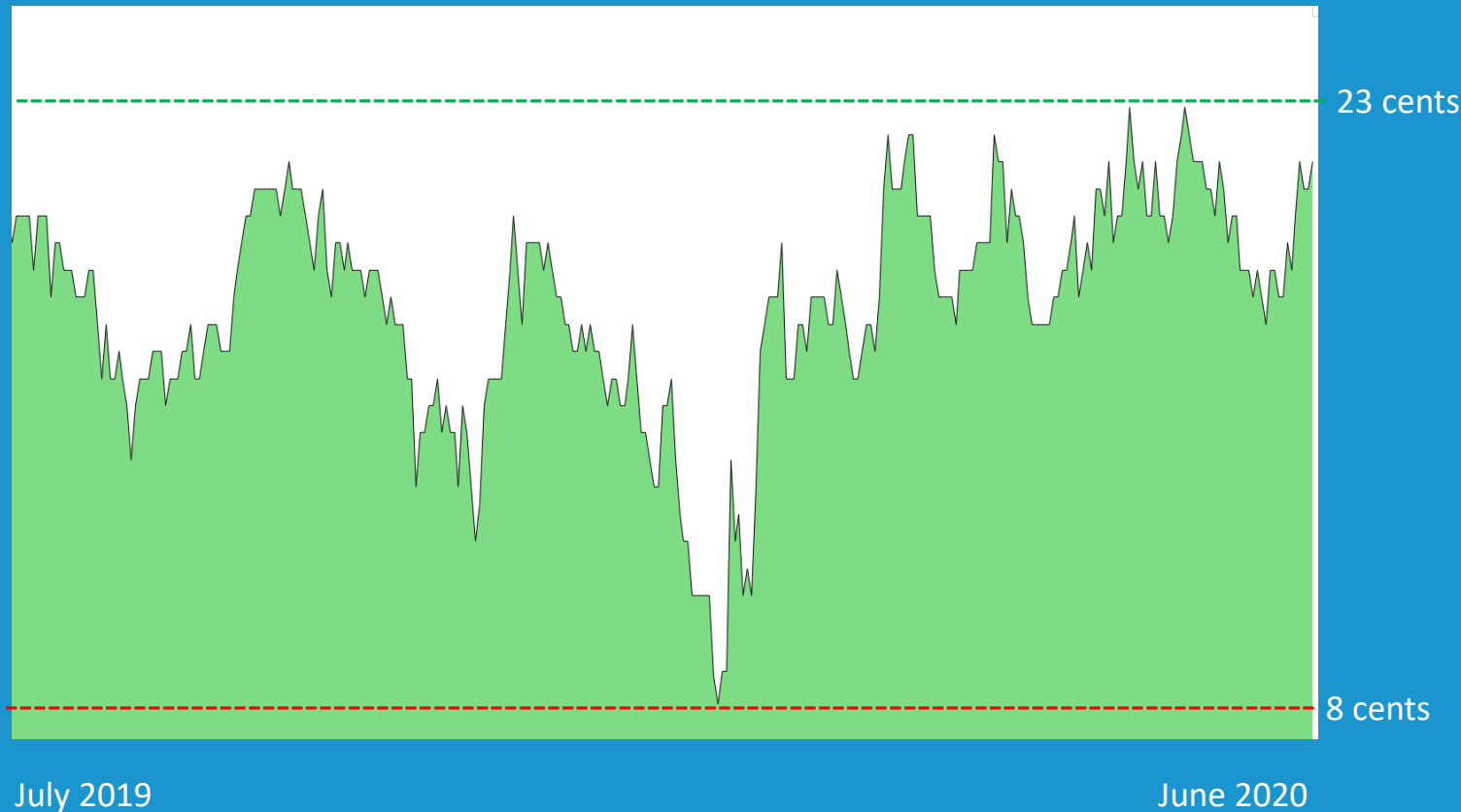
Engage With Government and  
Industry to Map and Better  
Understand Australia's  
Pharmaceutical Supply Chain

Commence Domestic  
Manufacture of Essential  
Medicines



# IDT Australia Limited

## Corporate Snapshot



Shares on issue	238,324,664
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Options	Nil
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Market Cap (as at 12 Nov 20)	\$46.5m
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Top 20 holders	67% of IC
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Year high	23 cents
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Year low	8 cents
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Cash at hand (30 Jun 20)	\$6.9m
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# 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)

### **Mr Michael Kotsanis**

Over 30 years strategic and operational experience in the global pharmaceutical industry  
(Acrux CEO, Ex Synthon, Hospira/Mayne Pharma)

## Executive Team

### **Dr David Sparling CEO**

More than 20 years of pharma and diagnostics experience in CEO, Director and Corporate/Business Development roles  
(Ex Agenix Limited, GTG Limited)

### **Ms Ancila Desai CFO**

Over fifteen years of experience in strategic finance, commercial finance, M&A, financial modelling and capital management  
(Ex Metcash, Toll and Boost Juice)

### **Mr Jim Sosic VP Operations Infrastructure**

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

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

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

# Q & A

# Proxy Voting Summary

Resolution		Lodged For			Lodged Open			Lodged Against			Total Available Votes	%IC
		Votes	Holders	%	Votes	Holders	%	Votes	Holders	%		
1	Adoption of Remuneration Report	73,795,904	55	94.68%	201,764	7	0.26%	3,948,608	27	5.07%	77,946,276	32.71%
2	Election of Michael Kotsanis	74,936,032	72	95.77%	228,058	9	0.29%	3,078,800	12	3.93%	78,242,890	32.83%
3	Re-election of Alan Fisher	74,813,621	67	95.44%	228,058	9	0.29%	3,346,211	19	4.27%	78,387,890	32.89%