

ASX ANNOUNCEMENT

28 November 2022

Chairman's address – 2022 Annual General Meeting

The fiscal year of 2022 has brought many challenges within the biotechnology and pharmaceutical industry. In the early stages of the covid-19 pandemic, supply chains were hindered, talent acquisition stretched and while vaccines were being rolled out global manufacturing capacity was at a premium. The Federal Government contracted IDT Australia to be manufacturing ready as an additional site of manufacture for a covid-19 vaccine as part of their pandemic response plan.

IDT committed to the requalification of an aseptic vial manufacturing facility and TGA license extension. This project was completed on time and a sterile extension was granted within 6 months of the project start. IDT was ready to manufacture a covid-19 vaccine. The facility can manufacture 26,000 units per day, with a multiple of 10-16 doses per unit. This provides a maximum capacity up to 6.5M vials and 100M doses in one year.

While IDT did not actually manufacture a covid-19 vaccine for the pandemic response it did in fact manufacture the first mRNA vaccine for Sars-Cov-2 within 3 months of project initiation. This was completed in collaboration with Monash University, the Doherty Institute and the Victorian Government. IDT completed the formulation and sterile filling of a beta variant Sars-Cov-2 receptor binding domain vaccine which has successfully undergone phase I trials. Investment in biotechnology has shifted heavily toward mRNA1 technology and IDT has positioned itself as an early adopter within the development and manufacturing supply chain.

During the licensing stage with the TGA, IDT was issued a report with recommendations to enhance the sterile facility and build upgrades into the inspection and packaging of parenterals. IDT continued to invest in the sterile manufacturing facility and inspection and release process. In addition IDT invested in and expanded its automated oral liquid filling line and a pilot scale oral encapsulating machine for soft shell capsules. The oral liquid filling facility has an overall capacity of 20,000 units per day and the encapsulating machine 200,000 capsules per day for single shift operation. These facility upgrades are currently servicing the surge in psychedelic research and is positioned to scale volumes with the growing demand as the first approvals are expected ~20251.

These projects, set IDT up with strong performance in the first half producing revenue of \$8.56M and EBITDA of \$1.98M. The full year results were \$12.13M in revenue with an EBITDA of \$376K and an NPAT of (\$1.16M). Despite not recording a profit this year, resources and cash were committed to the sterile facility upgrades and remediation of corrective actions presented by the TGA. The company finished the year with a strong cash balance of \$9.2M.

With the momentum in mRNA and sterile manufacturing, IDT completed several grant applications to expand on our proven capability of vaccine manufacture. The Federal Government announced \$1.5B in funding initiatives under the Modern Manufacturing Initiatives to translate technology of interest. IDT was not successful in the Modern Manufacturing Initiative collaboration Stream, the Modern Manufacturing Translation Stream or the Medical Research Future Fund. Whilst disappointing we continue dialogue with Federal and State Governments to continue to offer high quality, small scale, high value product manufacturing for the emerging biotechnology sector and we remain present in

discussions of assuring supply of medicines of national interest.

The company notes several substantial investments made across Australia in RNA technology including the Federal and State level agreements with Moderna³, BioNTech⁴ with mRNA Victoria and the NSW Government investment into Macquarie Park⁵ pilot facility and research commitments. IDT is now positioned to offer sterile manufacturing to progress Australian novel technology through small scale clinical trials, a gap that exists in Australia's biotechnology sector and limited capacity globally, forcing researchers to take their technology overseas and wait out long lead times.

Following the completion of an independent strategic review, the refreshed Board are currently reviewing the recommendations and will update shareholders on any changes required to IDT's strategic direction.

Throughout the last financial year, IDT's management and employees have worked tirelessly in what has been a challenging operating environment for the sector. I would like to thank the team for their ongoing dedication.

I would also like to thank my fellow Board members and in particular the retiring directors, Hugh Burrill and Mike Kotsanis, as well as shareholders for their commitment and continuing support over the year.

I will now hand over to our CEO, Paul McDonald to provide an operational review of the year.

Ends..../

IDT

Authorised by the Board of Directors of IDT Australia Limited.

About IDT

IDT (ASX:IDT) is an Australian pharmaceutical manufacturing company based in Boronia, Victoria, Australia. The Company has extensive experience in the development and production of high potency and high containment pharmaceutical products for local and international clients. IDT's facilities are cGMP compliant and are regularly audited by the US FDA and Australian TGA. With an experienced team of specialists within world-class facilities, IDT provides a full-scale service for new drug development and scale-up, commercial active drug manufacture as well as a variety of oral and injectable finished drug dose forms.