



IDT AUSTRALIA LIMITED (ASX: IDT)

AGM PRESENTATION, NOVEMBER 2013

OUR GOAL TODAY

- EXPLAIN THE ACTIONS FOR THE GROWTH OF OUR EXISTING BUSINESSES
- INTRODUCE THE 'NEW IDT' – NEW VISION, NEW BUSINESS, NEW PARTNERS
- COMMUNICATE THE LONGER TERM DIRECTION AND INTENTIONS OF IDT
- EXPLAIN PATH TO RETURN TO PROFITABILITY

WHO IS IDT?

- AUSTRALIA'S OLDEST AND MOST EXPERIENCED DEVELOPER OF PHARMACEUTICALS
- UNSURPASSED MANUFACTURING ASSETS
- KNOWLEDGE AND EXPERIENCE FOR SIGNIFICANT GROWTH THROUGH ORGANIC EXPANSION AND THE DEVELOPMENT OF IDT SPECIALTY GENERIC PORTFOLIO
- CMAX CLINICAL ASSETS AND BORONIA MANUFACTURING CAMPUS
- 30 YEARS EXPERIENCE IN DIFFICULT TO MANUFACTURE DRUGS
- ABILITY TO UNLOCK ASSETS FOR REVENUE AND GROWTH



BLUEPRINT FOR SUCCESS

IDT'S BUSINESSES ARE INDEPENDENT BUT COMPLEMENTARY

20 YEARS CLINICAL DEVELOPMENT AND BIOEQUIVALENCE EXPERIENCE

- CMAX PHASE I AND PK EXPERTISE
- ACCESS TO PATIENTS FOR CYTOTOXIC STUDIES
- PARTNERSHIPS FOR IN VITRO EQUIVALENCE



30 YEARS DRUG DEVELOPMENT AND MANUFACTURING EXPERIENCE

- METHOD DEVELOPMENT
- ANALYTICAL DEVELOPMENT
- SCALE-UP AND MANUFACTURE
- EXPERTISE IN ORAL ONCOLOGY DRUGS

MOVING TO THE REGISTRATION OF IDT SPECIALITY PHARMA PORTFOLIO

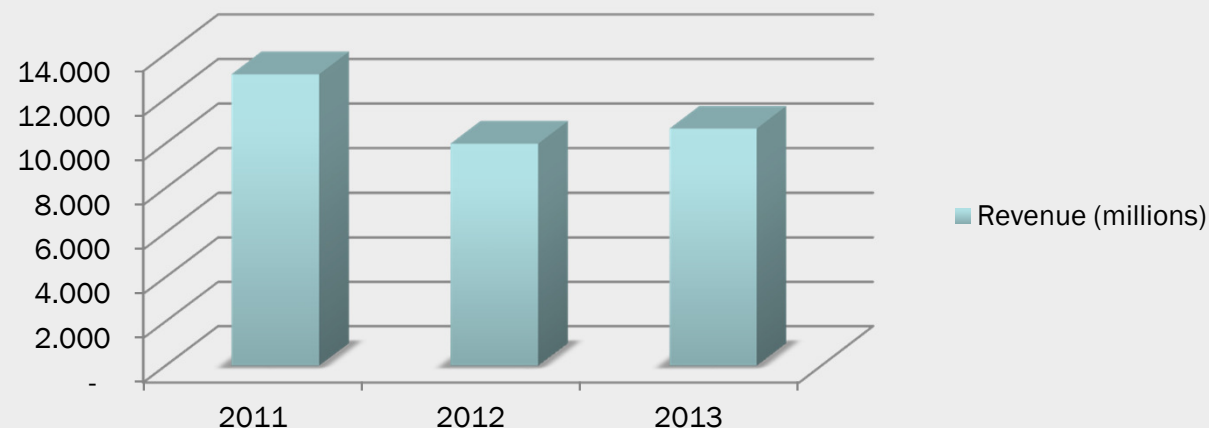
- NEAR OR OFF PATENT
- CYTOTOXIC OR HIGH CONTAINMENT
- ESTABLISHED ACCESSIBLE MARKETS



FY2013 RESULTS

- REVENUE IMPROVEMENT OF 7% OVER FY12 TO \$10.7M
- DRIVING FOR FURTHER GROWTH THIS YEAR

IDT Revenue Trend



- NEW MANAGEMENT TEAM 2013/14 WITH MORE URGENT COMMERCIAL FOCUS
- DEDICATED BUSINESS DEVELOPMENT AND CORPORATE DEVELOPMENT FUNCTIONS
- ALL TEAM FOCUSED ON NEW BUSINESS AND REVENUE ACQUISITION

GROW EXISTING BUSINESS

- #1 PRIORITY TO RETURN EXISTING BUSINESS TO PROFITABILITY
- INCREASED FOCUS ON SALES AND MARKETING
- INCREASE CAPACITY UTILIZATION AND RETURNS
- WORKING WITH I'ROM TO BUILD NEW ORGANIC BUSINESS IN JAPAN
- DRIVE TO RECREATE THE DECADES OF SUCCESS

GROWTH INITIATIVES

- 'GET URGENT'
- LOOK TO A WIDER CUSTOMER GROUP INCLUDING GENERIC PHARMA AND BIOTECH IN ADDITION TO BIG PHARMA
- RECIPROCAL AND CO-MARKETING PARTNERSHIPS
- EXPANSION INTO JAPANESE MARKET VIA I'ROM, 2 VISITS TO DATE
- ACTIVELY MARKETING A WIDER RANGE OF SERVICES: SMO BUSINESS , FDF EXPANSION, ANALYTICAL SERVICES

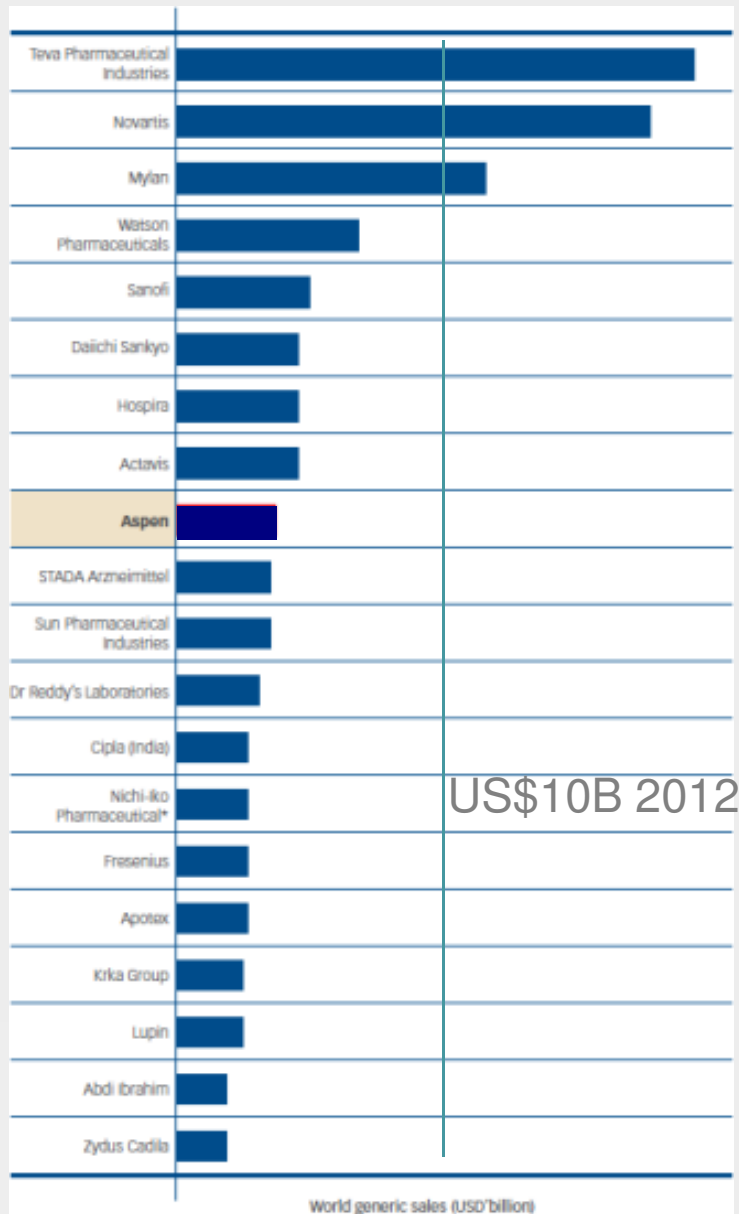
ABBREVIATED NEW DRUG APPLICATION (ANDA)

- PROCESS FOR REGISTERING A GENERIC DRUG IN THE US
- WE HAVE PARTICIPATED IN DRUG REGISTRATIONS MANY TIMES
- IDT COSTS LOW DUE TO ABILITY DO ALL ACTIVITIES IN HOUSE



2+ YEARS FDA ANDA REVIEW
PERIOD UNLESS EXPEDITED

GENERIC PHARMA INDUSTRY



- IDT PREFERRED MARKETING PARTNERS AMONG THOSE LISTED AT LEFT

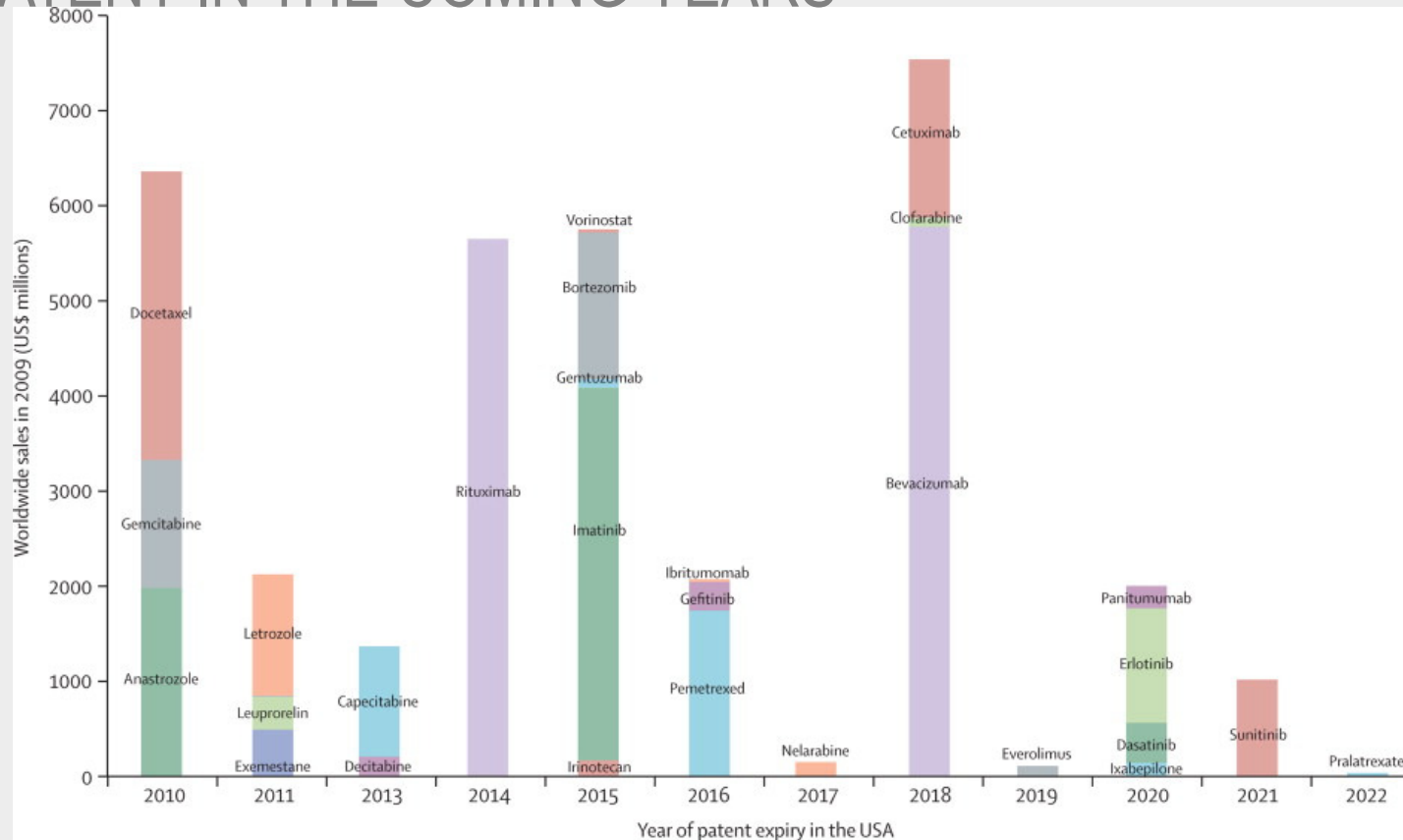
- THE GLOBAL GENERICS MARKET WAS \$225 BILLION IN 2011
- EXPECTED TO RISE TO \$358 BILLION BY 2016
- REPRESENTS MORE THAN 18% OF ALL PHARMACEUTICALS BY VALUE
- PROJECTED COMPOUND ANNUAL GROWTH RATE OF 9.7% BETWEEN 2011 AND 2016

BCC Research: cited electronically at <http://www.bccresearch.com/market-research/pharmaceuticals/generic-drugs-global-market-phm009f.html>



GENERIC ONCOLOGY OPPORTUNITIES

- IDT FILED TEMOZOLOMIDE ANDA Nov2013
- MANY MORE HIGH VALUE ONCOLOGY DRUGS COMING OFF PATENT IN THE COMING YEARS



TEMOZOLOMIDE FACTS

- \$918M PRODUCT GLOBALLY 2012 (Temodar®, BioPharm Insight)
- CAPSULES FOR THE TREATMENT OF MELANOMA AND BRAIN CANCERS
- DISTRIBUTION PROPOSED VIA ONE OF THE LEADING GENERIC PHARMA COMPANIES



HOW WILL WE ACCESS THIS?

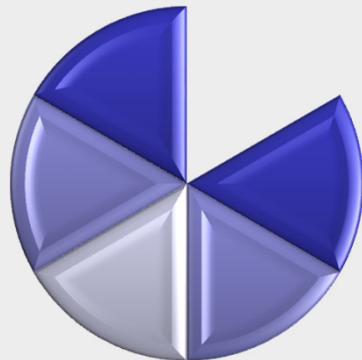
- SEQUENTIALLY REGISTER OUR OWN GENERIC, MOSTLY ONCOLOGY DRUGS
- IDT MANUFACTURING AND CLINICAL ASSETS SUPPORT THIS
- MOVING FROM BEING SOLELY A SERVICE PROVIDER TO A REGISTRANT WILL INCREASE OUR SHARE OF THE WHOLESALE PRICE
- IDT'S SHARE OF THE MARKETED PRICE OF THE DRUG ACTIVES WE MANUFACTURE <1-5% HISTORICALLY
- FINISHED DOSE AND MARKETING PARTNERS CLAIM THE REMAINING 95%
- IDT INTENDS, AS THE ANDA HOLDER, TO CLAIM BACK VALUE CHAIN \$\$



MOVING UP THE VALUE CHAIN

- MARKET SHARE FOR GENERIC DRUGS DEPENDS UPON CHANNEL AND UPON PARTNER SELECTION
- REVENUE/PROFIT SPLIT OF THE WHOLESALE PRICE DEPENDS UPON TYPE OF DRUG (HIGHER FOR HARD TO MANUFACTURE OR SCARCE DRUGS) AND CHANNEL

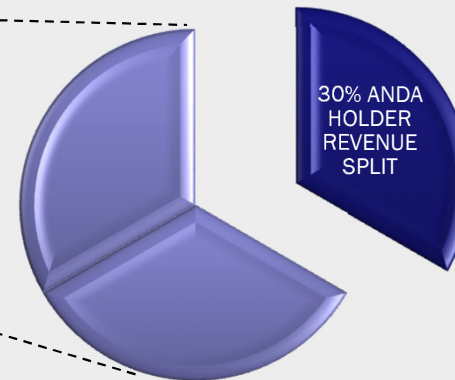
E.G. \$300M DRUG



\$60M MARKET SHARE



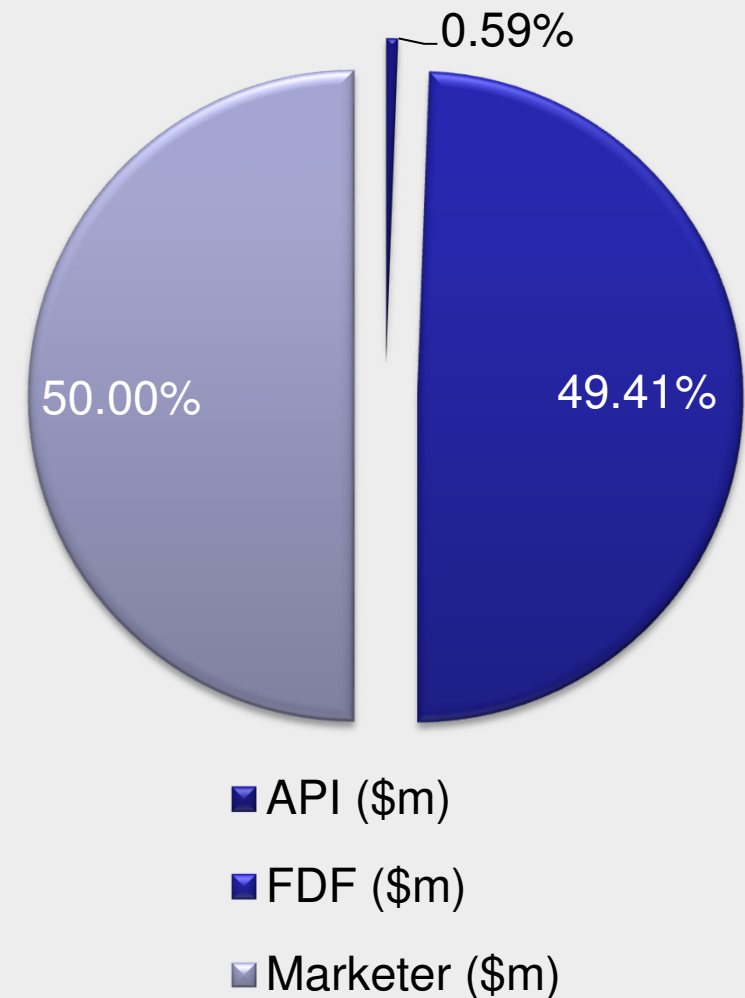
\$20M ANDA HOLDER SHARE



- MARKET SHARE FOR LARGER GENERICS COMPANIES RANGES BETWEEN SINGLE DIGIT PERCENTAGES TO 30%
- REVENUE SPLIT BETWEEN DRUG REGISTRATION HOLDER AND MARKETER RANGES BETWEEN 30-80% OF WHOLESALE PRICE

REAL EXAMPLE

- CASE STUDY, DRUG X:
- IDT THE DOMINANT SUPPLIER OF API INTO A LARGE MARKET, YET CAPTURING LESS THAN 1% OF W/S PRICE
- REGISTRATION AND SUPPLY OF FINISHED DOSE FORM COULD INCREASE IDT'S SHARE OF VALUE CHAIN TO APPROXIMATELY 50%
- IDT CAN ASSIST DISTRIBUTORS TO MAXIMISE MARKET SHARE



2013 SUMMARY

- NEW MANAGEMENT TEAM
- BOARD RENEWAL
- IMPROVED BUSINESS DEVELOPMENT FUNCTION
- EXPANSION STRATEGY TO LEVERAGE ASSETS
- STRATEGY AND PLATFORM FOR FUTURE GROWTH

2014 OUTLOOK

- FOCUS ON IMPROVEMENT OF ORGANIC BUSINESS RESULTS
- JAPANESE BUSINESS ACTIVITY EXPANSION
- IDT'S FIRST GENERIC FILING IN THE US FOR TEMOZOLOMIDE
- ONE OR MORE ADDITIONAL HIGH VALUE DRUGS TO BE ACTIONED THIS YEAR
- DISTRIBUTION DEALS TO FOLLOW

IDT OPPORTUNITY

- EXISTING BUSINESS GROWTH PROVIDES REVENUES, CASH FLOWS AND DOWNSIDE PROTECTION
- BROADENING OF IDT FROM SERVICE PROVIDER TO SPECIALTY PHARMA COMPANY
- POSITIVE EFFECTS ON FUTURE BUSINESS IN THE SHORT TO MEDIUM TERM
 - CONTINUE TO BUILD AND SUPPORT BASE BUSINESSES TO LIMIT CASH USE
 - LEVERAGE 30 YEARS EXPERIENCE
 - BUILD SHAREHOLDER VALUE THROUGH UNLOCKING ASSETS FOR REVENUE AND VALUE GROWTH





IDT AUSTRALIA LIMITED (ASX: IDT)

AGM PRESENTATION, NOVEMBER 2013