



See it.
Treat it.

Seneffe Manufacturing Facility Shareholder Walkthrough

28th April 2020

Telix's global manufacturing strategy in brief



Europe

For US, Canada, Asia Pac

- ***Telix has engaged contract manufacturing organisations (CMOs)***

For Europe

- ***The size of the market and price premium on limited production capacity makes an in-house manufacturing solution attractive***
- ***US CMOs cannot feasibly service Europe due to distance and cost of transportation / importation***

Current:

- Clinical trial-level volume through arms-length CMOs
- Expensive, not scalable post approval

Future:

- Either own a site or buy significant capacity from a third party at a premium (unlikely to be cost-effective)



Americas

Current:

- Clinical trial-level volume through CMOs (Isologic, Cardinal Health)
- Significant commercial-scale capacity (both existing and pending) and highly competitive landscape

Future:

- Adequate capacity / access through strategic partners



AsiaPac

Current:

- Clinical trial-level volume through CMOs (Cyclotek)
- Highly effective strategic partnerships for manufacturing and distribution

Future:

- Growth markets, continued access via manufacturing / distribution partnerships (Cyclotek, Duchembio, etc.)



RoW

Current:

- Limited activity
- Markets are mostly nascent
- Existing Eczacıbaşı-Monrol strategic partnership for MENA and possibly some Asian countries

Future:

- Dependent on the use of niche distributors taking product manufactured from elsewhere (i.e. EU)

Introducing the Seneffe facility



A person wearing a white protective suit, hairnet, and gloves is operating a robotic arm in a laboratory setting. The robotic arm is white and blue, with a monitor attached to it. The background shows other laboratory equipment and a clean, professional environment.

Vision for Seneffe facility

1. Seneffe will serve as the primary EU manufacturing site for Telix's products
 - Will also be used to manufacture ^{131}I -based products for export (i.e. TLX101) using Belgian-sourced isotopes (Belgium is a major global supplier)
2. Seneffe will be an integral part of Telix's EU R&D capability:
 - Build on the ANMI team (Herstal, Belgium)
 - Leverage Telix's strong relationships with key Belgian radiopharma entities (IBA, ORA, IRE, SCK, etc.)
 - Serve as a platform for key R&D collaborations with European universities and hospitals

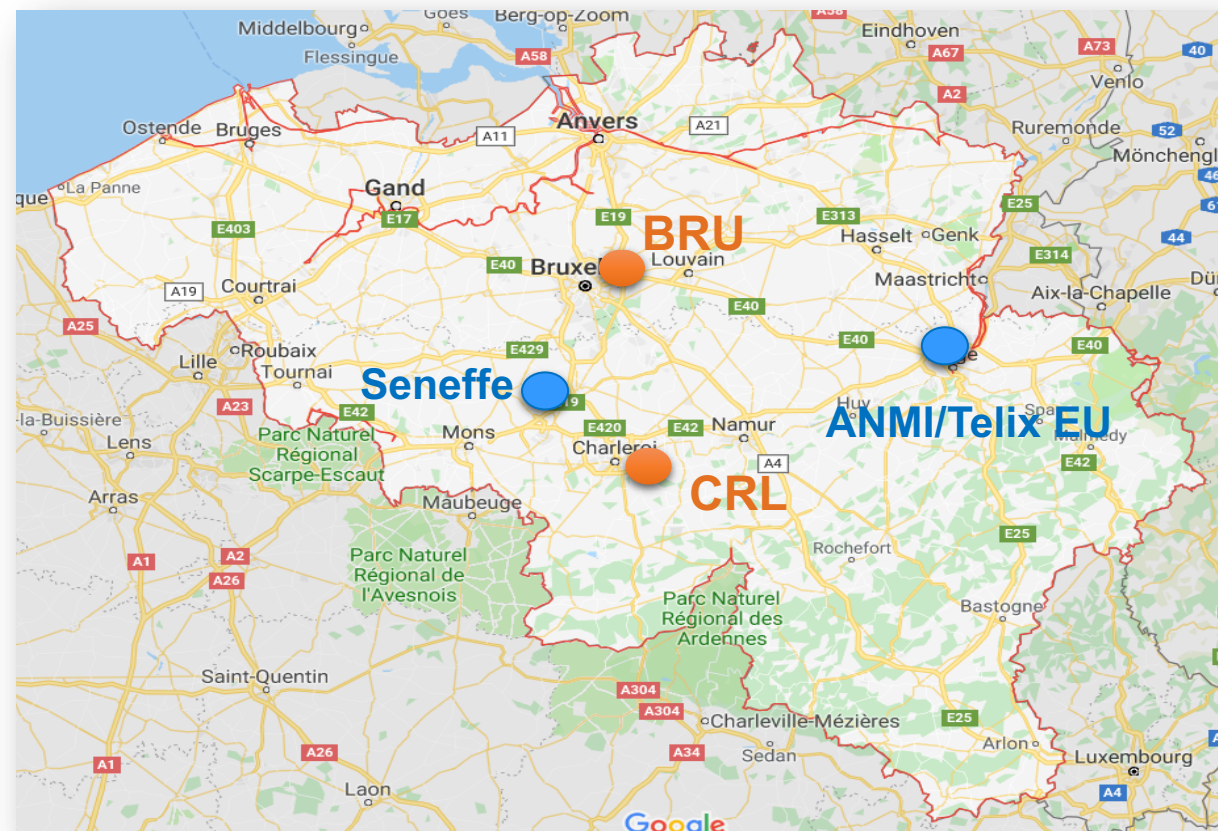
Notes: Image courtesy of Eckert & Ziegler AG

Telix has a significant EU research and clinical collaboration footprint that is managed from Belgium



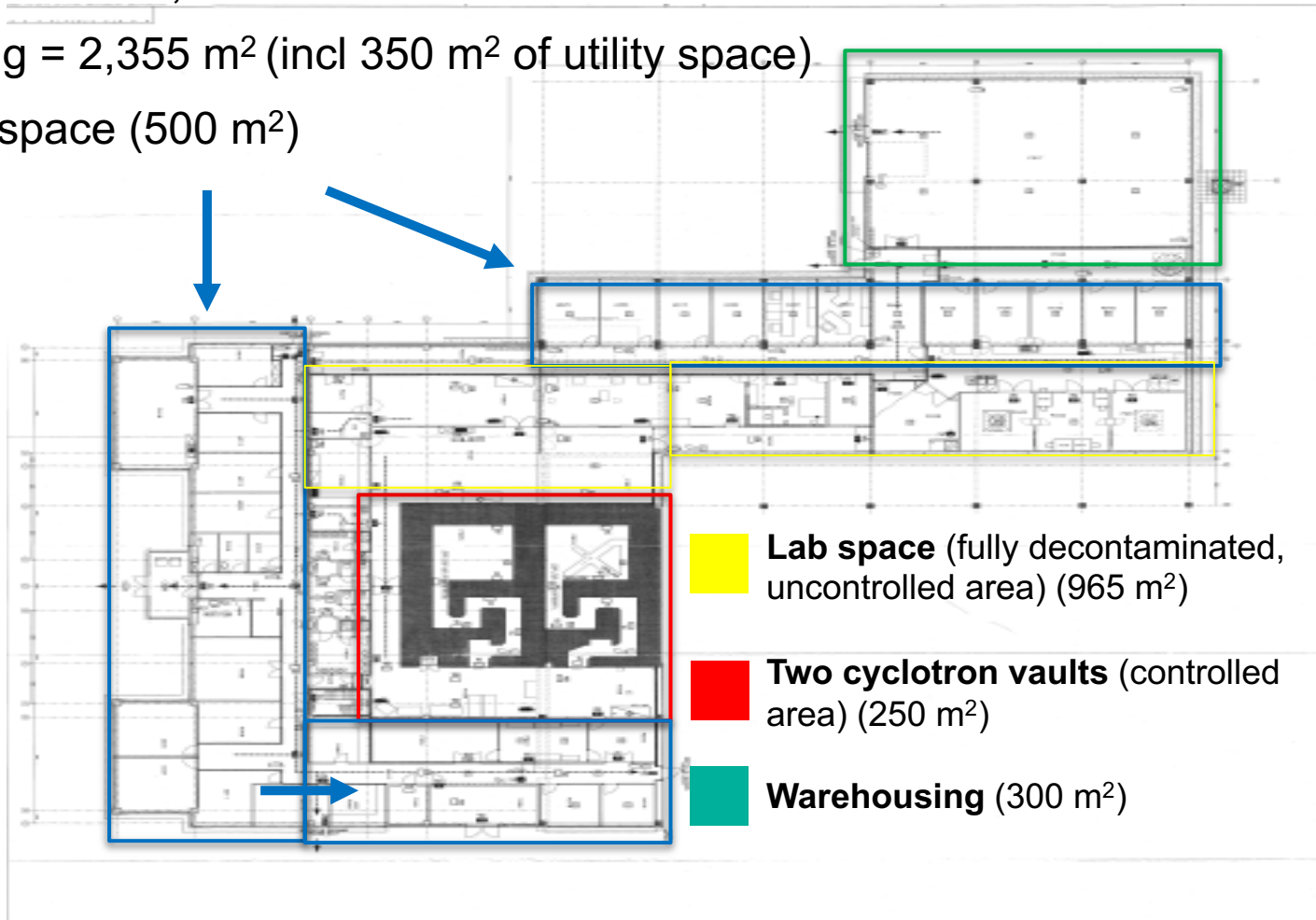
Outstanding location

- Highly accessible EU location
- 5 minutes off a trans-EU trucking route (E42)
- Located in an industrial park that is an operational hub for many pharma and logistics companies
- 40 km south of Brussels, 110 km from Liège (Telix EU R&D HQ)
- 2 major airports for product distribution
 - Brussels International 50 km (BRU)
 - Charleroi 20 km (CRL) – a significant cargo and logistics hub
- Convenient for partners across EU
 - 30 km from IRE, 110 km from SCK-CEN
 - 20 major hospitals in 5 countries within 100km range
 - 30 min to Brussels central station (direct lines to London, Paris, Amsterdam, Cologne)

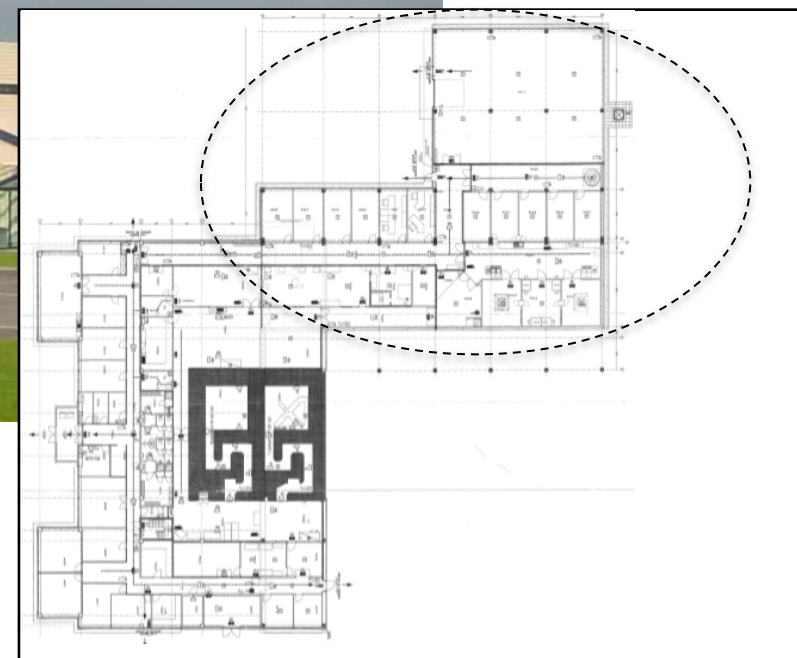


Seneffe facility footprint

- Land area = 35,000 m²
- Building = 2,355 m² (incl 350 m² of utility space)
- Office space (500 m²)



Main production area



Production-scale Quantities

- ^{131}I
- ^{177}Lu
- ^{89}Zr
- ^{68}Ga
- ^{90}Y



Research Quantities

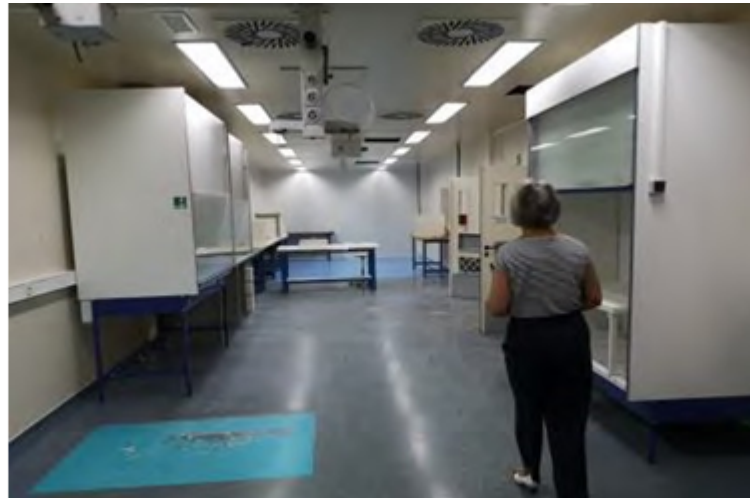
- ^{111}In
- ^{225}Ac
- ^{212}Pb
- ^{211}At
- ^{64}Cu
- ^{18}F
- $^{99}\text{Mo}/^{99\text{m}}\text{Tc}$
- ^{188}Re
- ^{67}Cu
- ^{67}Ga
- $^{123}\text{I} / ^{124}\text{I} / ^{125}\text{I}$
- ^{32}P



Notes: (1) Subject to final nuclear regulator approval, which is in progress

Site contamination status

- All laboratory space and production environments have been fully de-contaminated and certified – A ‘clean slate’ for new build-out
- Site and land has low-level contamination typical of an industrial site of this nature but well characterised – A ‘light brown’ site
- Cyclotron bunkers still have low-level radioactivity – As the currently installed obsolete cyclotrons will be decommissioned, removed and replaced with new modern production cyclotrons to meet Telix’s production needs, the bunkers will be left in their current state
- Telix’s operation of the Seneffe facility is compliant with the requirements of the Belgian nuclear regulators FANC and ONDRAF (nuclear safety and nuclear waste, respectively)



Financial impact

- Facility acquired for €1 ⁽¹⁾
 - €5.2m assumption of liabilities with immediate obligation to decommission one of the two cyclotrons (cost ~€1.2 – 1.4m)
 - In practice, cyclotron decommissioning will take 9 – 12 months and this means that any significant investment in the site (build-out, people) will not occur until mid-2021
 - Build-out costs to full site utilisation will be €10 – 12m (2022)
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- **Effective residual liability of €4m over 10 years (operating life of the facility with new equipment)**
 - **~€300k p.a. to maintain the facility in its basic state – building, utilities, licensing, radiation and security obligations, i.e. €300k is the 'do nothing' ongoing annualised cost**

Notes: (1) ASX release 3rd April 2020





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