ASX Announcement | 14 December 2023
AdAlta Limited (ASX:1AD)

Chair's address – 2023 AdAlta Extraordinary General Meeting

Ladies and gentlemen,

Welcome to AdAlta's 2023 Extraordinary General Meeting.

My name is Paul MacLeman and it is my privilege to Chair the Board of AdAlta Ltd. I am joining you virtually today from NSW, alongside my fellow directors David Fuller (NSW), Robert Peach (San Diego, California). Managing Director and CEO Tim Oldham and Company Secretary and CFO, Cameron Jones are hosting the in-person component of today's meeting in Melbourne, and we thank Piper Alderman once again for making their office available for this meeting.

I will provide a brief company update, describe the voting procedures for today's meeting and then move to the conduct of the formal business. There will be an opportunity to pose questions in relation to each resolution as the relevant resolution is put, and an opportunity to pose general questions after the close of formal business.

AdAlta's purpose is to go where traditional antibody and small molecule drugs cannot, using our i-body® technology to target next generation protein and cell therapeutic products. Our core strategies during 2023 and into 2024 are:

1. Realise the value of our lead asset, AD-214, in fibrotic disease by advancing it to Phase II clinical studies in patients with Idiopathic Pulmonary Fibrosis with partners providing the necessary non-dilutive capital. Success on this strategy enables us to accelerate our other strategies which are:
2. Progressing our i-CAR and i-PET immuno-oncology programs; and
3. Investing in our i-body® platform and pipeline

On 7 November 2023 we announced that we had accepted commitments from sophisticated and professional investors to raise $1.65 million in an oversubscribed Placement Offer, the terms of which were detailed in a prospectus lodged with ASX on 3 November 2023. Half the options associated with the first $1.2 million of subscriptions and the final $0.45 million of subscriptions remained subject to shareholder approval. The purpose of today's EGM is to obtain that shareholder approval.

The net proceeds (after costs) of the Offer will be applied:

- First, to our number one priority, realizing the value of AD-214, by:
    - completing the final analysis of the healthy volunteer cohort of the ongoing Phase I extension study of AD 214; and
    - progressing partnering and/or licensing discussions for the AD-214 product to help move AD-214 into Phase II studies and beyond;

- And secondly to
    - evaluating synergistic external technology and product collaboration and transaction opportunities to expand and accelerate AdAlta's product pipeline; and
    - to the extent any funds remain, funding general working capital.

I am delighted to report that the Phase I extension study of multiple 10 mg/kg doses of AD-214 continues to meet its milestones. Just prior to our 2023 Annual General Meeting in November, we were able to report interim results confirming the availability of AD-214 and blocking of its target receptors was in line with our clinical dosing model predictions. This dose regimen has been well tolerated with a low immune response, further extending the favorable safety profile of this molecule. Half the participants have now received their fourth and final dose with no new safety observations and the study is on track to deliver final results during the first quarter of 2024. I would like to acknowledge the participants in this clinical trial and the IPF patients who continue to encourage our efforts and whom we ultimately serve.

Our near term goal is to seek partners, strategic or financial, to support and fund a capital efficient Phase II clinical program assessing the efficacy and safety of AD-214 in patients with Idiopathic Pulmonary Fibrosis, a debilitating and fatal respiratory disease with no good treatment options today.

We continue to maintain and curate a robust pipeline of potential licensing partners who are eagerly anticipating the results of the Phase I extension study. We will provide in person updates to these partners in San Francisco in early January at the Biotech Showcase attached to the JP Morgan Healthcare Conference.

We are also actively marketing an opportunity to invest in the AD-214 asset to a select group of qualified North Asia and North American strategic and financial investors. In support of this initiative, a global clinical research organization or CRO has indicated a willingness to invest a material portion of their fees in the clinical study should they be selected as the study CRO.

We are blessed with a strong and supportive institutional and large shareholder base who support our long term goals. We are grateful to them, and to all other shareholders who supported this Placement Offer. I want to make it clear that every dollar of shareholder funds is precious. Realizing the value of AD-214 is our number one priority, and it is the focus and purpose of the Placement Offer being finalized today. We continue to evaluate all our other activities and projects to ensure that resources are concentrated on AD-214 and will reduce focus on other projects if required in order to deliver our AD-214 objectives.

As CEO and Managing Director, Tim Oldham told Stockhead recently, AdAlta finishes 2023 in the "best place we have ever been" and we continue to be encouraged by the substantial near term opportunities ahead for our shareholders.

Thank you.

To comment on this release or view a video summary, please visit AdAlta's Investor Hub: https://investorhub.adalta.com.au/link/5PbqGr

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About AdAlta Limited

AdAlta Limited is a clinical stage drug development company headquartered in Melbourne, Australia. The Company is using its proprietary i-body® technology platform to solve challenging drug targeting problems and generate a promising new class of single domain antibody enabled protein and cell therapeutics with the potential to treat some of today's most challenging medical conditions.

The i-body technology mimics the shape and stability of a unique and versatile antigen binding domain that was discovered initially in sharks and then developed as a human protein. The result is a range of unique proteins capable of interacting with high selectivity, specificity and affinity with previously difficult to access targets such as G-protein coupled receptors (GPCRs) that are implicated in many serious diseases. i-bodies are the first fully human single domain antibody scaffold and the first based on the shark motif to reach clinical trials.

AdAlta is extending Phase I clinical studies for its lead i-body candidate, AD-214, that is being developed for the treatment of Idiopathic Pulmonary Fibrosis (IPF) and other human fibrotic diseases for which current therapies are sub-optimal and there is a high unmet medical need. Preparation for Phase II clinical studies is also underway. AdAlta has a second target in discovery research, also in the field of fibrosis and inflammation.

The Company is also entering collaborative partnerships to advance the development of its i-body® platform. It has a collaboration with Carina Biotech to codevelop precision engineered, i-body® enabled CAR-T cell therapies (i-CAR-T) to bring new hope to patients with cancer. It has an agreement with GE Healthcare to co-develop i-bodies as diagnostic imaging agents (i-PET imaging) against Granzyme B, a biomarker of response to immuno-oncology drugs, a program now in preclinical development.

AdAlta's strategy is to maximise the products developed using its next generation i-body® platform by internally discovering and developing selected i-body® enabled product candidates against GPCRs implicated in fibrosis, inflammation and cancer and partnering with other biopharmaceutical companies to develop product candidates against other classes of receptor, in other indications, and in other product formats.

For more information

To learn more, please visit: www.adalta.com.au

This ASX announcement has been authorised by the Board of AdAlta Limited (ASX:1AD)