

18 January 2023

ASX ANNOUNCEMENT

CHINA CLINICAL TRIALS DISCONTINUED

Medical Developments International Ltd (ASX: MVP) today announced that it has discontinued the preparation of clinical trials for Pentrox in China. This follows extended delays to the anticipated timeline for clinical trial outcomes and consequently the commercial launch of Pentrox in the market, primarily due to the challenging regulatory environment and COVID restrictions.

CEO Brent MacGregor said, "A commercial launch in China is not a strategic priority at this time. We are directing our resources into those projects that have greater capacity to generate shareholder value in the nearer term.

"These projects include accelerating penetration of Pentrox in select European markets and in Australia. In the longer-term, we intend to deliver the next wave of growth through Pentrox entry into the US. Following the FDA's lifting of the clinical hold, this process has already commenced."

The Company will recognize net non-cash income of approximately \$11 million (before tax) relating to China in its FY23 half year results. This includes contract termination income of \$18 million, relating to the write-off of a deferred, non-refundable, upfront payment for distribution in China (received in a prior reporting period), and the impairment of capitalized registration costs of approximately \$7 million.

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Authorised for release by the Board of Directors.

Enquiries

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About Medical Developments International Ltd

MVP is an Australian company delivering emergency medical solutions dedicated to improving patient outcomes. MVP is a leader in emergency pain relief and respiratory products. The Company manufactures Pentrox®, a fast-acting trauma & emergency pain relief product. It is used in Australian Hospitals including Emergency Departments, Australian Ambulance Services, the Australian Defence Forces, Sports Medicine and for analgesia during short surgical procedures such as Dental and Cosmetic surgery as well as in other medical applications.