

30 November 2023

Manager, Company Announcements
ASX Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000

Via E-Lodgement

Dear Sir/Madam

Mayne Pharma Group Limited

Please find attached the AGM presentation which contains a business update to be delivered to shareholders at Mayne Pharma's Annual General Meeting today at 10.00am (Melbourne time) at Minter Ellison, Level 20, Collins Arch, 447 Collins St, Melbourne VIC 3000.

The meeting will be webcast at <https://meetnow.global/M2DMXJC>.

This announcement is authorised by the Board.

Yours faithfully,
Mayne Pharma Group Limited



Laura Loftus
Company Secretary

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Addressing
the needs
of patients

Mayne Pharma Group Limited

Annual General Meeting
10.00am (Melbourne time)
30 November 2023



The information provided is general in nature and is in summary form only. It is not complete and should be read in conjunction with the company's audited Financial Statements and market disclosures. This material is not intended to be relied upon as advice to investors or potential investors.

Forward looking statements

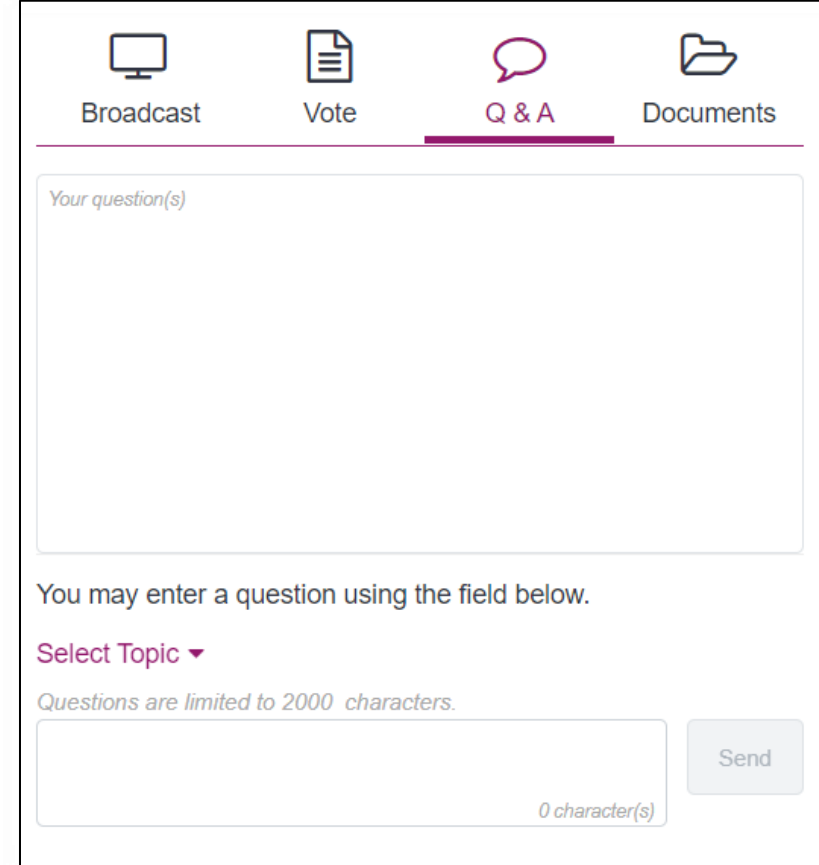
- This presentation contains forward-looking statements that involve subjective judgement and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to the Company. These forward looking statements use words such as 'potential', 'expect', 'anticipate', 'intend', 'plan' and 'may', and other words of similar meaning. No representation, warranty or assurance (express or implied) is given or made in relation to any forward looking statement by any person (including the Company). Actual future events may vary materially from the forward looking statements and the assumptions on which the forward looking statements are based. Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements. Subject to the Company's continuous disclosure obligations at law and under the listing rules of the Australian Securities Exchange, the Company disclaims any obligation to update or revise any forward looking statements. The factors that may affect the Company's future performance include, among others: changes in economic conditions, changes in the legal and regulatory regimes in which the Company operates, litigation or government investigations, decisions by regulatory authorities, changes in behaviour of major customers, suppliers and competitors, interruptions to manufacturing or distribution, the success of research and development activities and research collaborations and the Company's ability to protect its intellectual property.

Other

- A glossary of industry terminology is contained in the Mayne Pharma Annual Report which can be accessed at [maynepharma.com/investor-relations/results-reports](https://www.maynepharma.com/investor-relations/results-reports) and product descriptions are detailed at [maynepharma.com/us-products](https://www.maynepharma.com/us-products) and [maynepharma.com/au-products](https://www.maynepharma.com/au-products).
- DORYX®, FABIOR®, LEXETTE®, RHOFADÉ® and SORILUX® are trademarks of Mayne Pharma. ABSORICA®, ACZONE®, ANNOVERA®, BIJUVA®, EPIDUO® FORTE, IMVEXXY®, NEXTSTELLIS®, ORACEA® and VITAMEDMD® are trademarks of third parties.

How to ask a question

- To ask a written question select the Q & A icon
- Select the topic your question relates to from the drop-down list
- Type your question in the text box and **press** the send button
- To ask a verbal question follow the instructions below the broadcast window

A screenshot of the Mayne Pharma Q & A interface. At the top, there are four icons: a monitor for "Broadcast", a document for "Vote", a speech bubble for "Q & A" (which is highlighted with a purple underline), and a folder for "Documents". Below the icons is a large text box labeled "Your question(s)". Underneath this is a smaller text box with the placeholder "You may enter a question using the field below." and a "Select Topic" dropdown menu. Below the dropdown is a note "Questions are limited to 2000 characters." and another text box with a character count "0 character(s)". To the right of the text box is a "Send" button.

Broadcast Vote **Q & A** Documents

Your question(s)

You may enter a question using the field below.

Select Topic ▼

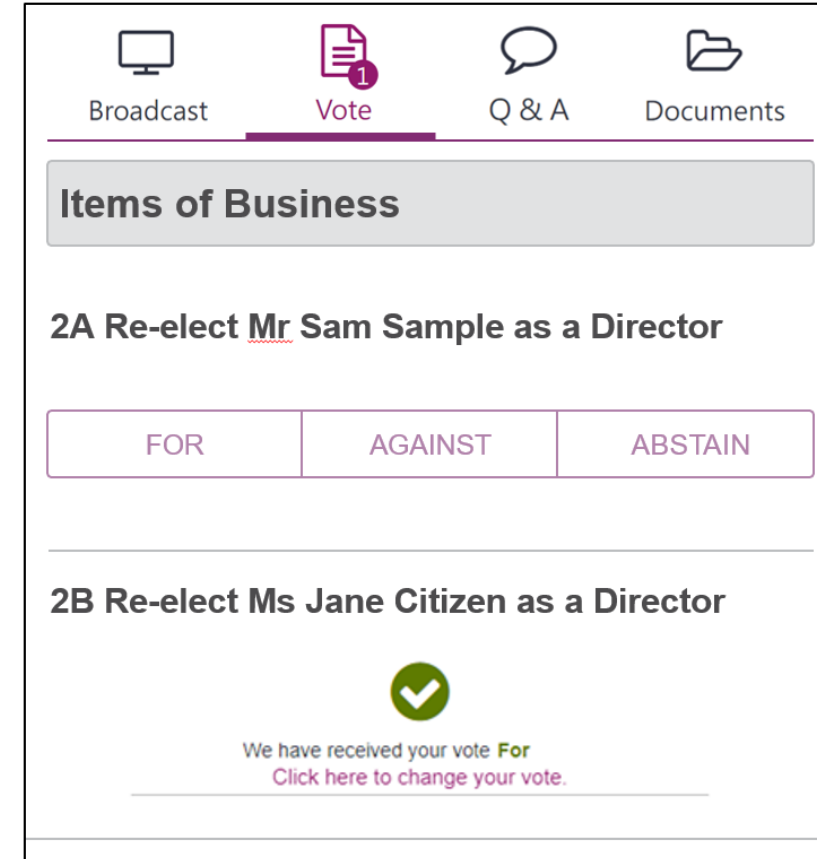
Questions are limited to 2000 characters.

0 character(s)

Send

How to vote

- When the poll is open, select the vote icon at the top of the screen
- To vote, select either For, Against or Abstain
- You will see a vote confirmation
- To change or cancel your vote “click here to change your vote” at any time until the poll is closed

A screenshot of the Mayne Pharma voting interface. At the top, there is a navigation bar with four icons: a monitor for 'Broadcast', a document with a red '1' for 'Vote', a speech bubble for 'Q & A', and a folder for 'Documents'. The 'Vote' tab is selected and highlighted with a purple line. Below the navigation bar is a grey header box labeled 'Items of Business'. The first item is '2A Re-elect Mr Sam Sample as a Director'. Below this item are three buttons: 'FOR', 'AGAINST', and 'ABSTAIN'. The 'FOR' button is highlighted with a purple border. Below the buttons is a horizontal line. The second item is '2B Re-elect Ms Jane Citizen as a Director'. Below this item is a green checkmark icon. Below the checkmark is the text 'We have received your vote For' and a link 'Click here to change your vote.'.

Introduction



Frank Condella
Chair



Prof Bruce Robinson
Non-Executive Director



David Petrie
Non-Executive Director



Shawn Patrick O'Brien
CEO & Managing Director



Dr Katie Macfarlane
Non-Executive Director



Ann Custin
Non-Executive Director



Patrick Blake
Non-Executive Director



Aaron Gray
CFO

Agenda

1

Chair's Address

2

Business Update

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Formal Business

4

Closing

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Chair's Address

Frank Condella

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Business Update

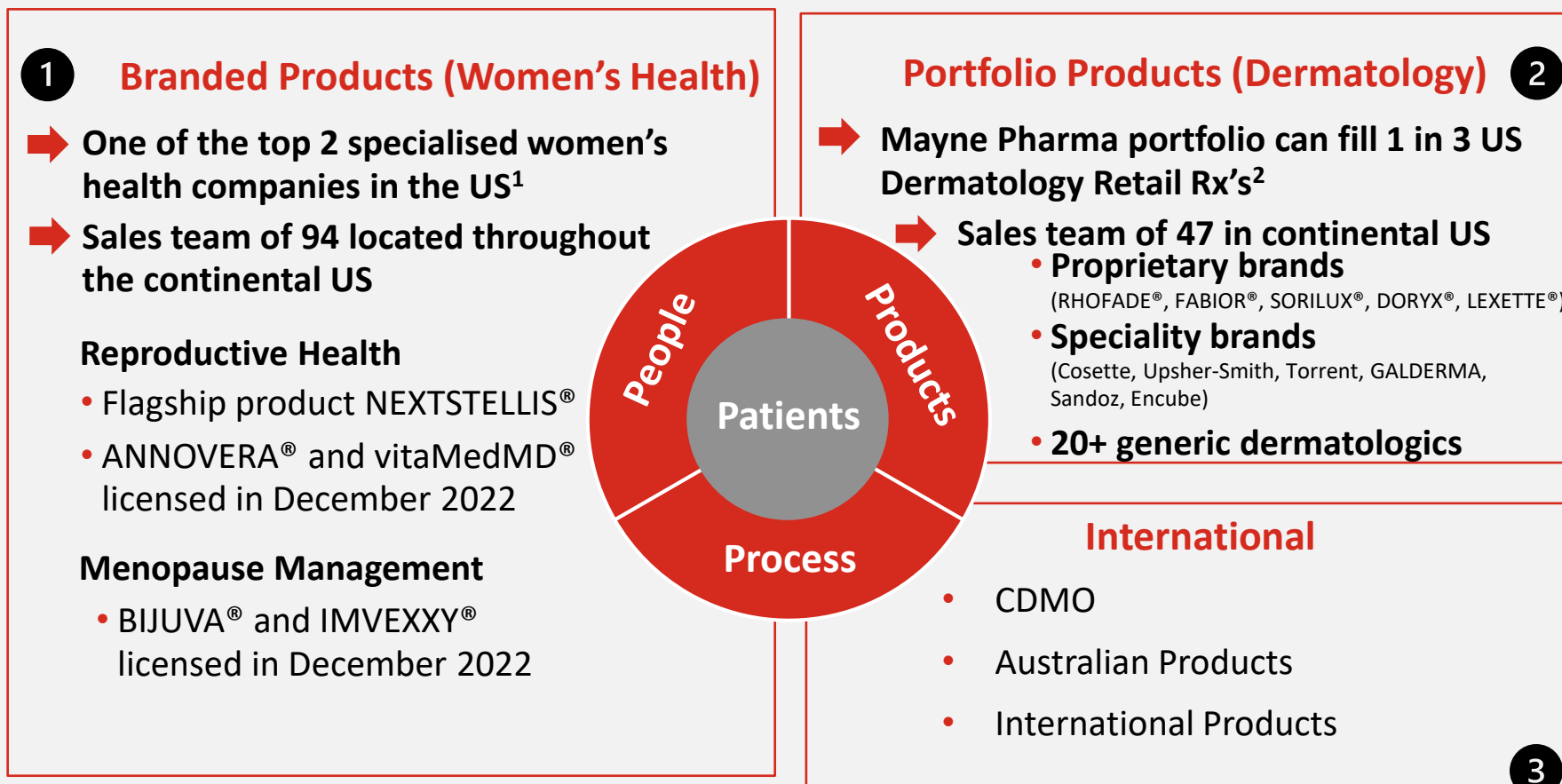
Shawn Patrick O'Brien

- FY23 Performance and Financial Key Highlights
- YTD Oct-FY24 Unaudited Update
- Women's health segment
- Dermatology segment
- International segment
- Strategy, Outlook and Capital Management

Mayne Pharma at a Glance

Capitalising on commercial opportunities across three attractive business units

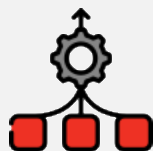
Putting the right people, products, and processes in place to address the needs of patients and drive long-term sustainable growth in each of our three segments



1. Based on size of US Women's Health Commercial Operations calling on OB/GYNs

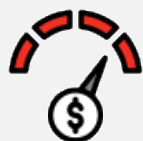
2. IQVIA recent 12-month TRx totals by molecule, October 2023

FY23 Performance Highlights



REFOCUSED ON CORE BUSINESS

- Completed sale of Metrics Contract Services and US Retail Generics for a combined sale price of US\$565m
- Expanded US Women's Health portfolio via license of exclusive rights to commercialise a portfolio of on-market women's health products



IMPROVED FINANCIAL PERFORMANCE & RESET CAPITAL STRUCTURE

- Delivered revenue growth across all segments 2H vs. 1H FY23
- Positive 2H direct contribution and operating free cash flow
- Transformed balance sheet – net cash of \$176.2m (vs FY22 net debt \$317m)
- Delivered \$46.7m special dividend and commenced on-market buyback up to 10% of the Company's issued capital



GREW ALL THREE SEGMENTS

- **BPD/Women's Health** – strong revenue growth following relaunch of NEXTSTELLIS® and 2H launch of women's health portfolio products; significant 2H improvement in segment gross profit and direct contribution
- **PPD/Dermatology** – delivered significant 2H turnaround in revenue and gross profit as new commercial discipline introduced to rebase business following poor 1H result
- **International** – revenue, gross profit and direct contribution growth delivered in 2H; commenced business improvement program to improve plant efficiency and secure international CDMO growth

FY23 Financial Overview

- Results are presented from continuing operations to exclude Metrics Contract Services (MCS) which was divested on 4 October 2022 and to exclude the US Retail Generics business (previously included in the Portfolio Products (PPD) segment) which was divested on 7 April 2023. The results include adjustments to reflect movements to adjust FY22 results to a comparable basis.
- Group Revenue up 17% as growth in BPD (NEXTSTELLIS® and contribution from portfolio of women's health products licenced under the exclusive licencing agreement with TXMD 31 December 2022) and International business exceed decline in PPD (dermatology).
- Increase of reported Gross Profit is offset by a decline in margin in FY22 reflecting challenges in PPD (dermatology)
- Reported EBITDA loss reflects higher operating expenses to support future growth
- Reported Net Loss after tax includes \$215.4m expenses therein \$134.7m related to depreciation & amortisation and asset (primarily intangibles) impairments, \$47.7m income tax expense, \$28.8m finance expenses primarily discount unwind on earnouts.

A\$ million ¹	FY23	FY22	Change
Reported Revenue	\$183.6	\$157.1	\$26.5
Reported Gross Profit	\$83.5	\$71.6	\$11.9
Reported EBITDA	(\$102.0)	\$9.0	(\$111.0)
Reported Net Loss After Tax	(\$317.4)	(\$220.1)	(\$97.3)
Underlying EBITDA ²	(\$95.3)	(\$59.6)	(\$35.7)

1. Attributable to members. EBITDA excludes asset impairments.

2. Refer to FY22 and FY23 Results Presentations for adjustments to underlying EBITDA

YTD Oct-FY2024 Update¹

GROUP in A\$ m	Jul-Oct FY23	Mar-Jun FY23	Jul-Oct FY24
Total Net Sales	33.0	97.8	124.8
Total Gross Margin	13.5	47.8	71.7
Total Gross Margin % of Net Sales	41%	49%	57%
Direct OPEX	38.6	43.1	45.3
Indirect OPEX	22.6	23.1	25.7
Underlying EBITDA	-47.3	-17.9	1.0
Earn-out payment liability	-1.6	-1.1	-5.0
Lease payments	-1.1	-1.1	-1.3

Recurring payments
excluded from
EBITDA²

Pivoting to growth

Strong total company results

- All 3 operating segments delivered positive contribution margin³ for Q1
- Net sales **up 27.5%** vs prior 4-month period
- Gross margin **up 50.1%** vs prior 4-month period
- Initiated a new targeted cost management program, removing US\$10M of costs
- Proposed increase to share buyback program

Women's Health fundamentals improving

- Net sales of US\$30.6M, **up 45.3%** vs prior 4-month
- NEXTSTELLIS® net selling price (NSP) restored to prior levels
- Licensed TXMD products generating robust returns, maintaining conservative gross-to-net (GTN)

Dermatology gaining momentum

- Net sales of US\$35.9M, **up 55.5%** on prior 4-month
- Gross margin recovery reflecting core portfolio profitability and new product launches

1. All YTD-Oct-FY24 results unaudited
2. Earn-out liability and lease payment amounts are balance sheet expenditures. The earn-out amount is based on actual sales
3. Contribution margin calculated as gross margin less direct OPEX – excludes allocation of shared functions & overhead

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BPD (Women's Health)





Women's Health / Branded Products Division (BPD)

Leader in US Women's Health

- A leading position in strong and growing market with four novel women's healthcare products
- Licensing rights acquisition added a complementary portfolio of stable products with long patent lives to the Company's flagship women's health product, NEXTSTELLIS®
- One of the top 2 specialised women's health companies in the US¹
- Strong commercial infrastructure in place with sales team of 94 able to reach target customers

Reproductive Health



Menopause Management



Prenatal Vitamins



1. Based on size of US Women's Health Commercial Operations calling on OB/GYNs.

Women's Health / Branded Products Division (BPD)

YTD October FY24 results¹

- YTD-FY24 net sales +45.3% for BPD on prior 4-month period
- Segment performance reflects growth in expansion portfolio as well as improved performance of NEXTSTELLIS® following access improvements (co-pay) and new targeting strategy implemented in December 2022
- Continuing to refine NEXTSTELLIS® marketing strategy: reduction of DTC due to insufficient ROI and removed 6 non-profitable territories
- Direct OPEX increase vs prior year driven by sales force expansion; but have eliminated US\$8 million in segment costs for fiscal year 24
- YTD-FY24 gross margin representative of go-forward profile

BPD in US\$ m	Jul-Oct FY23	Mar-Jun FY23	Jul-Oct FY24
Total Net Sales	5.6	21.1	30.6
Total Gross Margin	4.5	18.8	25.2
<i>Total Gross Margin % of Net Sales</i>	81%	89%	82%
Direct OPEX	15.5	21.0	19.8
Direct Contribution	-11.0	-2.2	5.4
Earn-out payment liability	0.0	0.8	-2.7

FY24 Women's Health Outlook



- Complete integration of expansion portfolio with a focus on growth and improving net selling prices
- Deliver Rx growth across all brands
- Continued growth of NEXTSTELLIS®
- BIJUVA® low strength launch Q3 FY24
- ACA law enforcement impact

1. All YTD-FY24 results unaudited

2. Direct contribution calculated as gross margin less direct OPEX – excludes allocation of shared functions & overhead incl med affairs

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Dermatology



Dermatology / Portfolio Products Division (PPD)

YTD October FY24 results¹

- YTD-FY24 Net Sales +640% vs PCP, +55.5% vs prior 4-month period
- YTD-FY24 Gross Margin +999+% vs PCP, +174% vs prior 4-month period
- Net revenues growing steadily, benefitting from improved GTN and NPLs (DORYX® MPC 60 mg, AG ORACEA®)
- Unique prescriber patient fulfilment process (disintermediation) is active
- Co-pay monitoring expected to deliver improvements beginning Q2 and continuing throughout the FY

Derm in US\$ m	Jul-Oct FY23	Mar-Jun FY23	Jul-Oct FY24
Total Net Sales	4.9	23.1	35.9
Total Gross Margin	-0.2	5.7	15.6
<i>Total Gross Margin % of Net Sales</i>	-4%	25%	43%
Direct OPEX	7.3	5.4	7.1
Direct Contribution	-7.5	0.2	8.5
Earn-out payment liability	-1.0	0.0	-0.5

FY24 Dermatology Outlook



- Positive profit and contribution FY24
- Revenue growth via new/recent product launches (RHOFADE®, isotretinoin, generic of ORACEA®, DORYX® MPC 60 mg)
- Transition unique prescriber patient fulfilment process from pilot to fully scaled operation
- Enter into accretive business arrangements and drive commercial excellence

1. All YTD-FY24 results unaudited

2. Direct contribution calculated as gross margin less direct OPEX – excludes allocation of shared functions & overhead incl med affairs



Dermatology / Portfolio Products Division (PPD)

Building market leadership and scale

- Five proprietary brands and 20 generic dermatologics
- Recent acquisition of RHOFADE®, an FDA-approved topical cream used to treat rosacea (launched 10/2/2023)
- Mayne Pharma portfolio can fill 1 in 3 US Dermatology Retail Rx's¹
- Market presence as top 10 US products by revenue - gABSORICA® (isotretinoin) capsules, gEPIDUO® FORTE (adapalene/benzoyl peroxide) gel and gACZONE® (dapsone) gel
- Building on market position with a strong and profitable pipeline of products to meet broader patient needs
- Differentiated channel strategy through specialty pharmacy growth and online platforms like GoodRx

 **FABIOR**
(tazarotene) Foam, 0.1%

 **LEXETTE**
(halobetasol propionate)
Topical Foam, 0.05%

 **Rhofade**
(oxymetazoline HCl)
cream, 1%

 **DORYX**
(doxycycline hyclate
delayed-release tablets)
50 mg • 200 mg

Sorilux 
(calcipotriene) Foam, 0.005%

+20 generic
dermatologics

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International



International

YTD October FY24 results¹

- YTD-FY24 net sales and margin down on prior 4-month period, driven primarily by timing
- Costs continue to be managed and our ongoing productivity initiatives are designed to deliver benchmark outcomes in pharma manufacturing
- The new business pipeline to drive large and long run volumes through our FDA and TGA registered Salisbury facility is building; focused on converting these into real opportunities
- Continued progress in growing Opioid Substitution Therapy (OST) opportunities in Europe



International in A\$ m	Jul-Oct FY23	Mar-Jun FY23	Jul-Oct FY24
Total Net Sales	17.5	31.2	21.3
Total Gross Margin	7.1	10.3	8.0
<i>Total Gross Margin % of Net Sales</i>	40%	33%	37%
Direct OPEX	4.0	3.9	3.9
Direct Contribution	3.1	6.4	4.0
Earn-out payment liability	-0.1	-0.1	-0.1

FY24 International Outlook



- Pursue targeted investments and new manufacturing revenue streams
- Continue to drive specialty and generic product sales including NEXTSTELLIS® in Australia
- Invest in a targeted manner in the Salisbury facility to improve our productivity and capabilities

1. All YTD-FY24 results unaudited

2. Direct contribution calculated as gross margin less direct OPEX – excludes allocation of shared functions & overhead incl med affairs

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Strategy, Outlook and Capital Management

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Strategy for 2024 Growth

Continuing positive momentum into FY24 – solid Q1 momentum continuing into Q2

- ✓ Deliver positive contribution margins in all three segments
- ✓ Return Company to positive EBITDA and cash generation in FY24
- ✓ Optimise cost base with OPEX & other reductions of > US\$10M

Women's Health



- Complete integration of licensed portfolio with a focus on growth and improving net selling prices
- Deliver Rx growth across all branded products
- NEXTSTELLIS® breakeven run rate in 1HFY24¹
- BIJUVA® low strength launch Q3
- ACA law enforcement impact

Dermatology



- Positive profit and contribution FY24
- New product launches
- Transition unique prescriber patient fulfilment process from pilot to fully scaled operation
- Enter into accretive business arrangements and drive commercial excellence

International



- Pursue targeted investments and new manufacturing revenue streams
- Continue to drive specialty and generic product sales including NEXTSTELLIS® in Australia
- Invest in a targeted manner in the Salisbury facility to improve our productivity and capabilities

1. Breakeven is defined as gross margin equivalent to direct OPEX on an annualised basis

Jul-Oct FY 2024

Current company cash balance A\$163.9m Oct 31, 2023

Cash uses first 4 months FY24 (A\$) 61.5m

Repayment receivable facility	10.7m
Share repurchase	1.4m
RHOFADE® transaction	13.1m
Cash used: Financing & investing	25.5m

Cash used: Operations 36.0m

Operations includes ~A\$30m+ outflows related to discontinued operations.

FY24 Capital Management Priorities

- Maintain conservative balance sheet and solid liquidity position through transition phase with planned capital structure review ongoing
- Execute on invested portfolio, no acquisitions planned
- Improvement in cash conversion cycle (Inventory + AR Q1FY24 reduced A\$92M vs pcp)
- Tight management of discontinued business obligations / provisions
- Improve leverage on fixed assets (PP&E – efficiency and utilisation Salisbury)
- Accelerate share buy-back:
 - Current 10% limit (2.7m shares bought back, A\$10.5m at 29 Nov)
 - AGM proposal to increase the buy-back capacity to up to 15% in the next 12 months

Further improvement in profitability & management of discontinued operations expected to deliver positive operating cash Q2 through Q4



Formal Business

Frank Condella

General business – item 1

- To receive and consider the Director's Report, Financial Statements and the Independent Auditors Report for the financial year ended 30 June 2023

Resolution 1

Re-election of Mr Frank Condella

General business – Resolution 1

Proxy results: Re-Election of Mr Frank Condella

43,168,545 shares	98.33%	Shares to be voted in favour
432,465 shares	0.99%	Shares to be voted against
54,419 shares	N/A	Shares to abstain from voting
297,539 shares	0.68%	Shares open to proxy holders

Resolutions 2 and 3

Re-election of Mr Patrick Blake
Election of Ms Anne Lockwood

General business – Resolution 2

Proxy results: Re-Election of Mr Patrick Blake

43,166,063 shares	98.34%	Shares to be voted in favour
433,201 shares	0.98%	Shares to be voted against
57,919 shares	N/A	Shares to abstain from voting
295,785 shares	0.68%	Shares open to proxy holders

General business – Resolution 3

Proxy results: Election of Ms Anne Lockwood

43,051,073 shares	98.20%	Shares to be voted in favour
493,338 shares	1.12%	Shares to be voted against
114,272 shares	N/A	Shares to abstain from voting
295,785 shares	0.68%	Shares open to proxy holders

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Resolution 4

Adoption of Remuneration Report

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Changes to remuneration

Short Term Incentive

- Short term incentive introduced in FY23 to better align with market practice
- KPIs set for FY24 for CEO and CFO:
 - EBITDA target (25% weighting)
 - Operating cash flow target (25% weighting)
 - Achievement of target NEXTSTELLIS® business results (20% weighting)
 - Achievement of targeted gross contribution margin for ANNOVERA®, BIJUVA®, IMVEXXY®, NEXTSTELLIS® and pre-natal vitamins (15% weighting)
 - Cost management / cost structure targets as defined by the board of directors (15% weighting)
- 50% of any STI awarded deferred into equity

Long Term Incentive

- LTI percentage reduced as part of the package of changes with the introduction of STI
- Single test point at three years (re-testing removed)
- For LTI to vest, annual TSR of between 8% and 15% must be achieved (this equates to return of between 26% and 52% over the total period)
- For example, for CEO grant, if base test price is \$5.00, then for LTI to vest, the 30-day VWAP for Mayne Pharma shares must be between \$6.30 (for 20% vesting) and \$7.60 (for 100% vesting) at the testing date

General business – Resolution 4

Proxy results: Adoption of Remuneration Report		
28,062,065 shares	65.23%	Shares to be voted in favour
14,658,927 shares	34.08%	Shares to be voted against
152,430 shares	N/A	Shares to abstain from voting
293,916 shares	0.69%	Shares open to proxy holders

Resolution 5

Issue of Short-Term Incentive grant of Restricted Stock Unit Performance Rights and Long-Term Incentive grant of Performance Rights under the Employee Performance Rights and Option Plan (PROP) to the CEO and Managing Director

General business – Resolution 5

Proxy results: Issue of Short-Term Incentive grant of Restricted Stock Unit Performance Rights and Long-Term Incentive grant of Performance Rights under the Employee Performance Rights and Option Plan (PROP) to the CEO and MD

29,652,463 shares	67.76%	Shares to be voted in favour
13,820,372 shares	31.58%	Shares to be voted against
194,943 shares	N/A	Shares to abstain from voting
286,690 shares	0.66%	Shares open to proxy holders

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Resolution 6

Appointment of BDO Audit Pty Ltd as Auditor

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General business – Resolution 6

Proxy results: Appointment of BDO Audit Pty Ltd as Auditor

43,306,492 shares	98.82%	Shares to be voted in favour
218,539 shares	0.50%	Shares to be voted against
132,202 shares	N/A	Shares to abstain from voting
297,235 shares	0.68%	Shares open to proxy holders

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Resolution 7

Extension of On-Market Share Buy Back

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General business – Resolution 7

Proxy results: Extension of On-Market Share Buy Back

43,447,374 shares	99.00%	Shares to be voted in favour
140,780 shares	0.32%	Shares to be voted against
70,679 shares	N/A	Shares to abstain from voting
295,635 shares	0.68%	Shares open to proxy holders



Addressing
the needs
of patients

Mayne Pharma Group Limited

Annual General Meeting
10.00am (Melbourne time)
30 November 2023

