




maynepharma

Mayne Pharma Group Limited

**FY22 Results Presentation
26 August 2022**

*Scott Richards, CEO
Peter Paltoglou, CFO*



*Keeping our promises
to patients, for
**better medicines
and a better
tomorrow***

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.

Non-IFRS information

- Other than as indicated, the financial information contained in this document is directly extracted or calculated from the audited Financial Statements. Throughout this document some non-IFRS financial information is stated, excluding certain specified income and expenses. Results excluding such items are considered by the Directors to provide a meaningful basis for comparison from period to period.
- Earnings before interest, tax, depreciation and amortisation (EBITDA) – a non-IFRS term – is considered by Directors to be a meaningful measure of the operating earnings and performance of the Group and this information may be useful for investors.
- The non-IFRS financial information has not been audited by the Group's auditors.

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).
- ABSORICA®, ACZONE®, EPIDUO® FORTE, NEXTSTELLIS®, SOLARAZE® and SOLTAMOX® are trademarks of third parties.

A thin, light blue diagonal line extending from the left edge of the slide towards the top right.

Proposed sale of Metrics Contract Services



Transaction summary

Proposed sale of Metrics Contract Services (Metrics) for US\$475m to Catalent

Overview

- Cash consideration of US\$475m (~A\$679m), with estimated net proceeds of US\$445m (A\$636m) after transaction and restructuring costs and customary closing adjustments
- Compelling valuation at ~5x adjusted revenue and ~16x adjusted EBITDA¹
- Strengthens balance sheet and unlocks significant value for shareholders, creating a leaner and more focused business with financial flexibility to support its strategic priorities
- Completion expected by end of calendar year 2022, subject to customary closing conditions

Use of Proceeds

- Mayne Pharma intends to use the net proceeds to repay its syndicated debt facility and return a significant portion of excess funds to shareholders
- Mayne Pharma intends to maintain a strong balance sheet with flexibility to fund organic growth and pursue strategic business development opportunities

Transition Support

- Mayne Pharma has agreed on terms of a 5 year supply agreement with Catalent to ensure continuity of supply of certain products from the Greenville facility on arm's length terms
- Transitional service agreements between Mayne Pharma and Catalent will continue for a limited time after completion

Mayne Pharma Tomorrow

- Mayne Pharma will focus on building its dermatology and women's health product portfolios, and continue to grow International as a leading Australian based specialty pharmaceutical and CDMO business
- Expect to reduce corporate cost base following completion and then after fulfilling transitional commitments

Strategic rationale

①

Strengthened balance sheet : paydown of syndicated debt facility strengthens the balance sheet to support Mayne Pharma's strategic priorities

②

Unlock shareholder value: return value to shareholders through capital management initiatives

③

More focused: Creating a more focused specialty pharma organisation with reduced complexity

④

Accelerate transformation: enables investment in accelerating women's health and dermatology franchises, the International segment and continuing its disintermediation strategy in the US pharma market

⑤

Leaner and more agile: leaner operating model increases flexibility

Capital management

- Mayne Pharma expects to receive approximately US\$445m (A\$636m) of net proceeds after transaction and restructuring costs
- At completion, Mayne Pharma will repay the syndicated debt facility – A\$342m outstanding at 30 June 2022
- Mayne Pharma intends to maintain a strong balance sheet with flexibility to pursue organic growth and new value-accretive business development opportunities
- Allowing for reinvestment needs, Mayne Pharma intends to return the net proceeds to shareholders in the most efficient way through capital management initiatives which could include capital return, special dividend (franked and unfranked) and on market share buyback
 - ~A\$100m potentially returned to shareholders through more tax effective mechanisms such as a capital return / franked dividend
 - The Board to determine the most efficient way for additional surplus capital to be returned to shareholders
 - Capital return subject to shareholder approval and the ATO confirming any such payment is not treated as a dividend for income tax purposes
- Expect to seek shareholder approval at the 2022 Annual General Meeting in November for:
 - Capital return
 - On market share buyback program of up to 15% of Mayne Pharma shares
 - Share consolidation

A thin, light blue diagonal line extending from the left edge of the slide towards the top right.

Strategy update



Driving Growth in Specialty Pharmaceuticals

US women's health

- Accelerating growth of NEXTSTELLIS® oral contraceptive
- Broaden women's health portfolio in areas of unmet need
- Seek out complementary products with strong growth potential that can leverage existing commercial infrastructure

US dermatology

- One of the leading dermatology offerings in the US market
- Unique go-to-market dermatology model attracting high quality partners
- Broaden dermatology portfolio with complementary brand and generic products to leverage established commercial capabilities

End-to-End US market solutions

- Active participation in the disintermediation of the US pharma value chain through new strategic collaborations
- Development of alternate patient value propositions across women's health, dermatology and retail generics

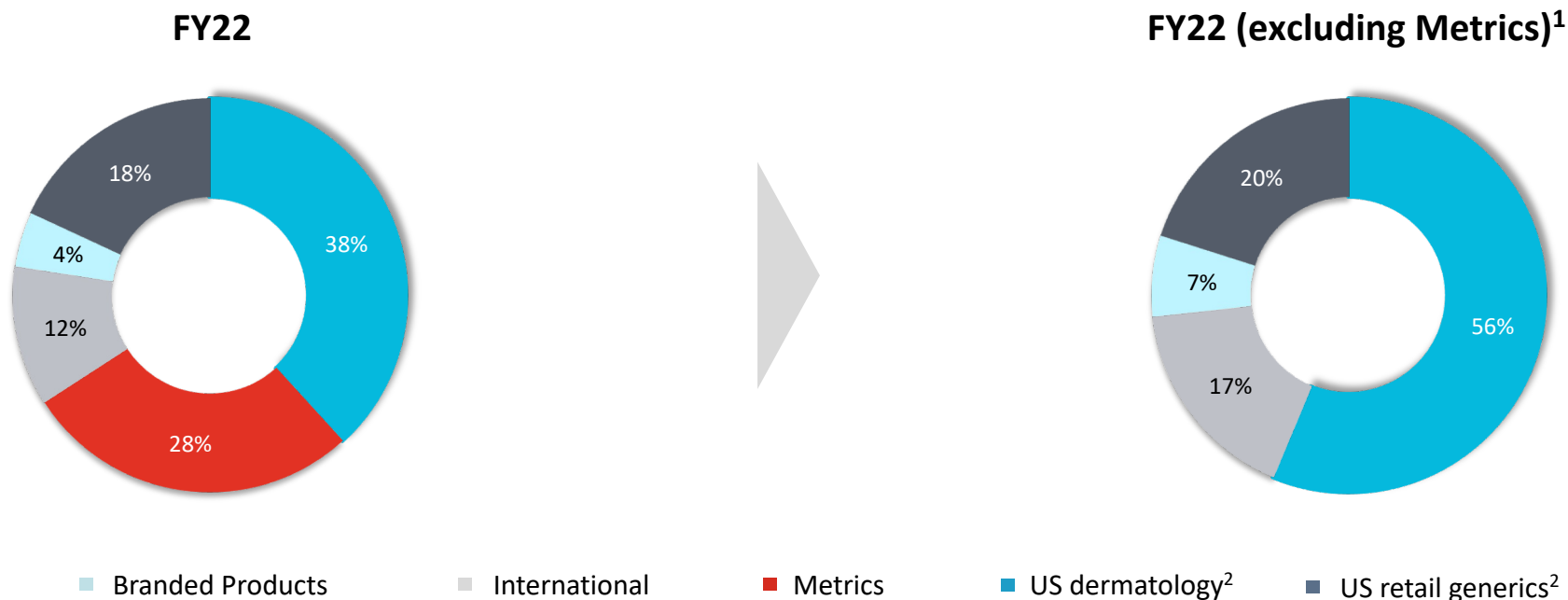
Expanding the International Footprint

International

- Continued growth of Australian based specialty pharmaceutical and CDMO business
- Advanced pipeline of new product launches including NEXTSTELLIS® oral contraceptive in Australia

Approximately 80% of group gross profit in non US retail generic categories

Reported gross profit (excl. depreciation) by type



1. Adjusted for illustrative internal commercial manufacturing margin in retail generics

2. Portfolio Products includes US dermatology and US retail generics



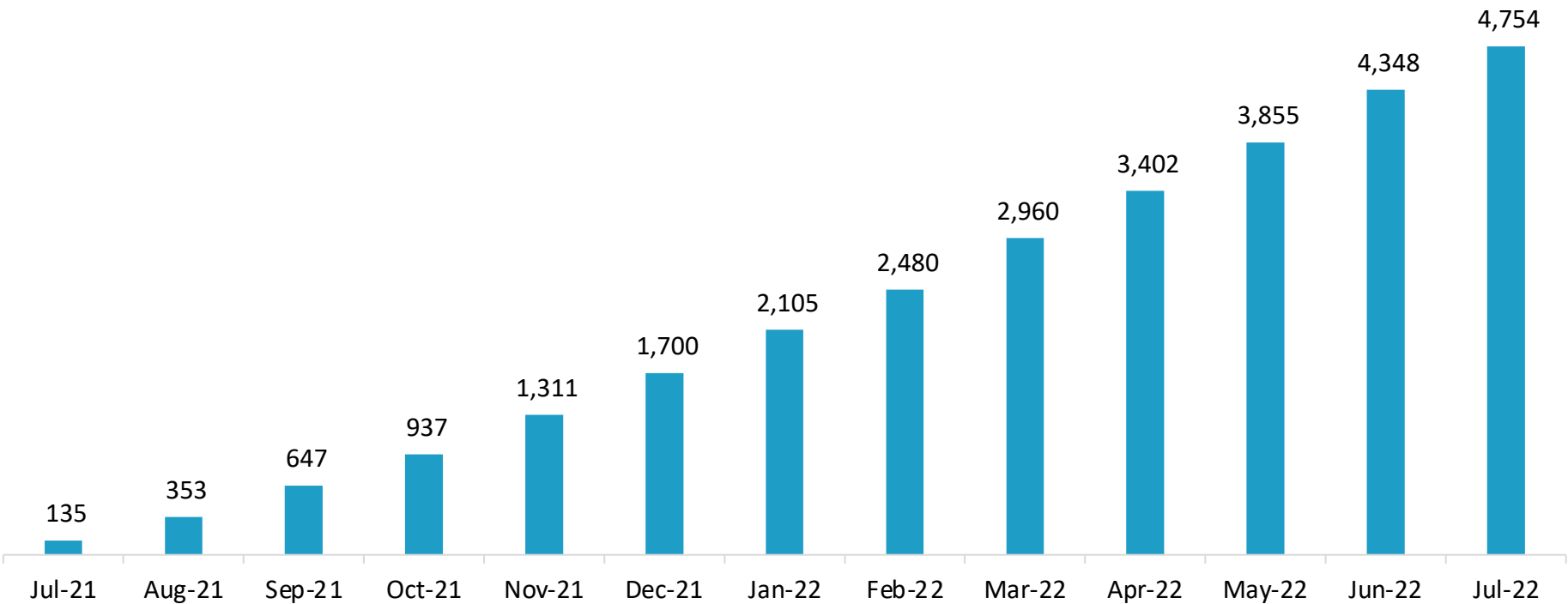
NEXTSTELLIS® oral contraceptive: US highlights

- ~70,000 cycles in FY22 with 35,000 cycles in 4QFY22 up 69% from 3QFY22¹
- 4,760 NEXTSTELLIS new writers since launch; averaging 100 new writers / week and ~1,000 return writers on a weekly basis
- Productivity / writer is increasing with top decile writers averaging 19 cycles / quarter
- Commercial coverage²: 70% formulary access, 55% unrestricted
- Medicaid: 99.5% formulary access, 35% unrestricted
- ~60% of top decile prescribers writing NEXTSTELLIS®
- Consumer campaign launched
- NEXTSTELLIS® nominated for 2022 Prix Galien USA Award for Best Pharmaceutical Agent

1. IQVIA and internal pharmacy partners

2. Reported by MMIT

NEXTSTELLIS®: cumulative US writers

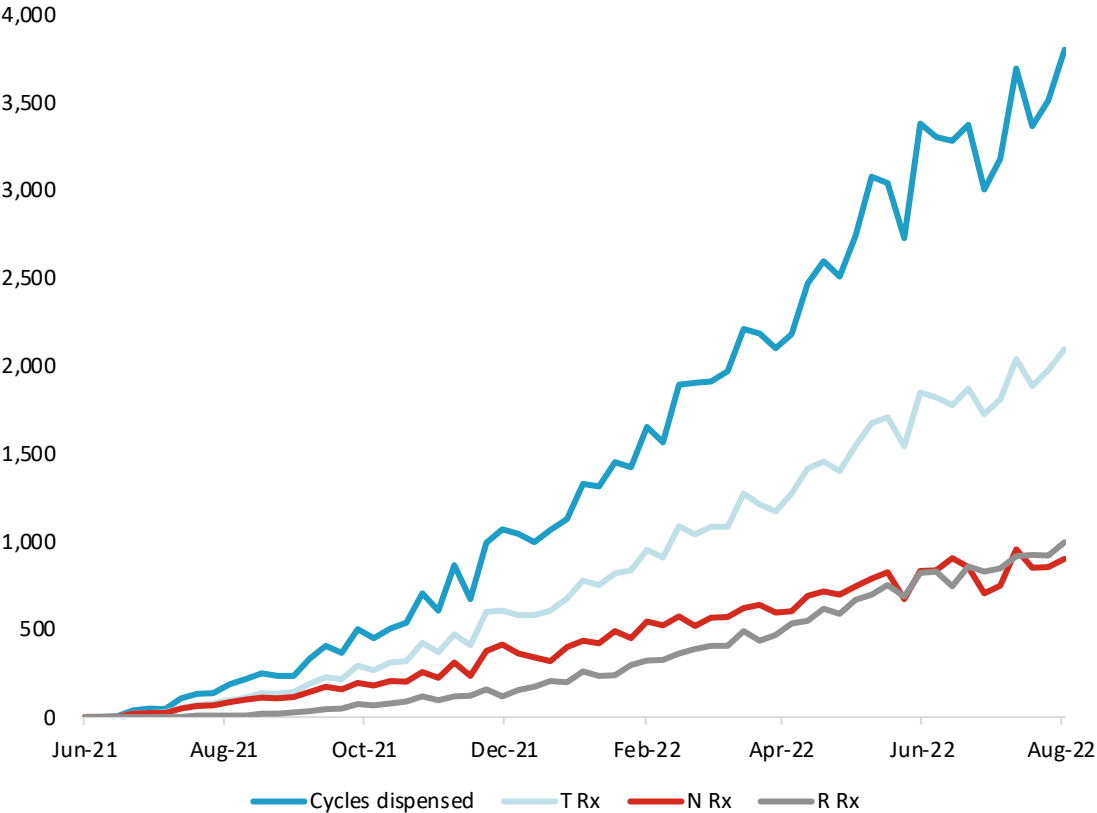


>85% of HCPs who wrote NEXTSTELLIS® in 1HFY22 have returned in 2HFY22

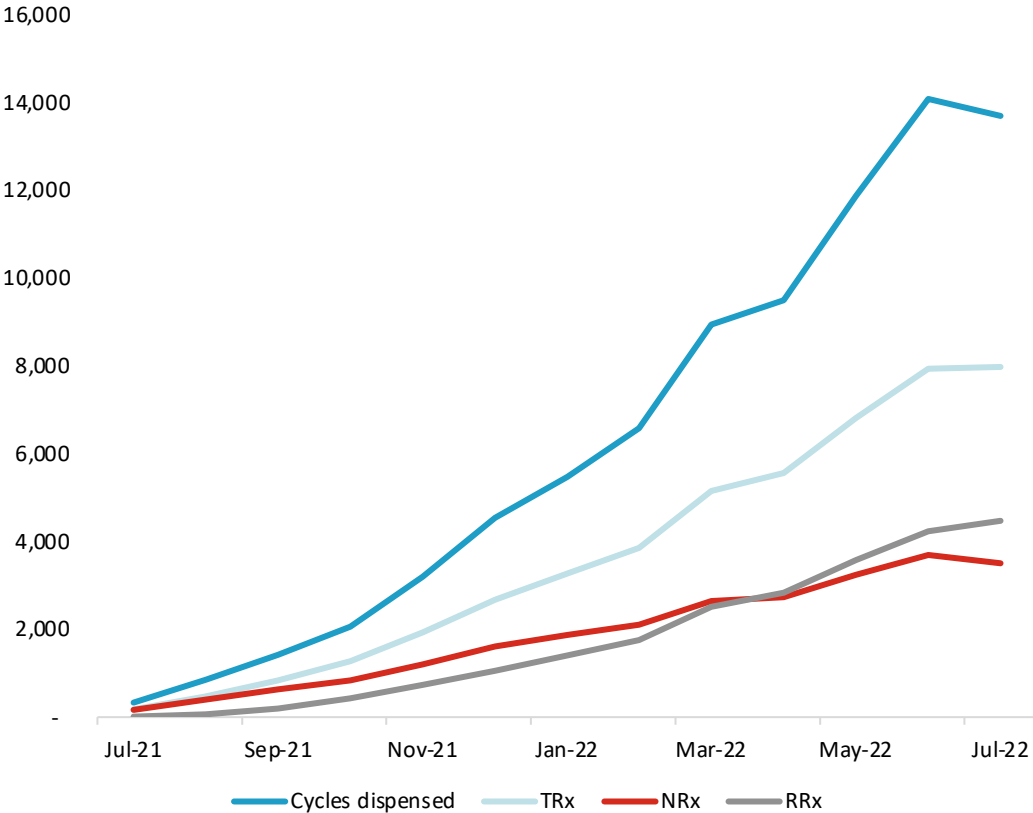
Source: IQVIA Xponent and internal pharmacy partners

NEXTSTELLIS® US prescriptions

NEXTSTELLIS® weekly performance metrics



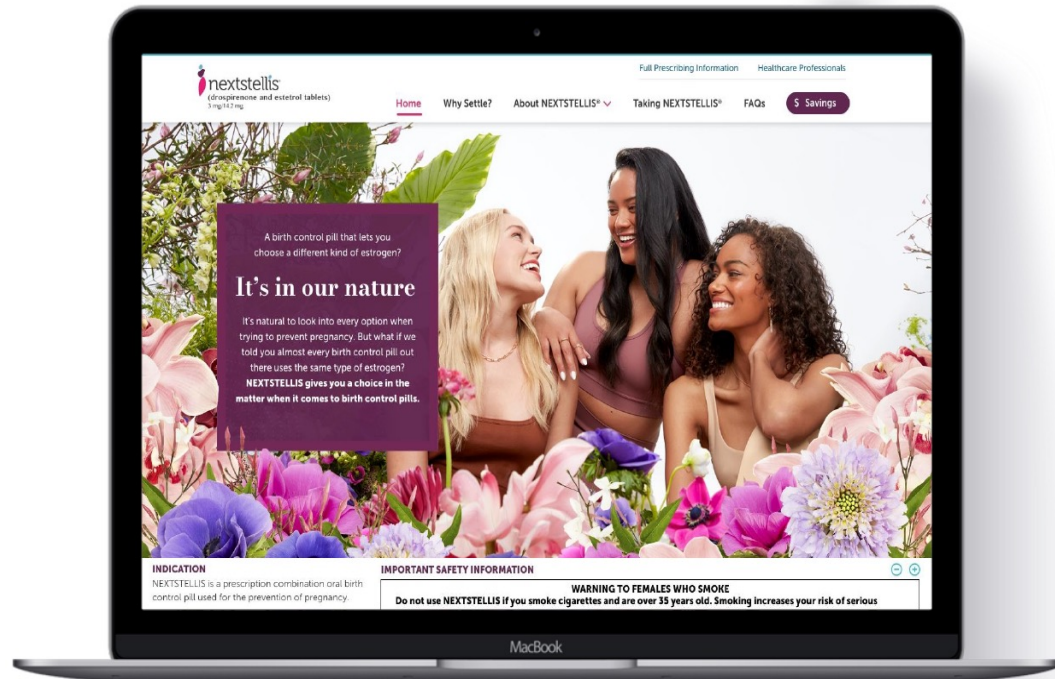
NEXTSTELLIS® monthly performance metrics



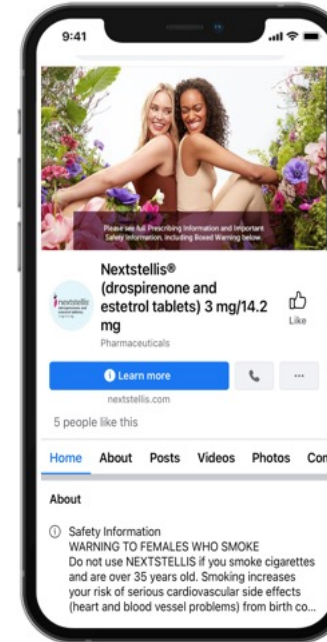
Source: IQVIA rapid weekly and IQVIA Xponent monthly and internal pharmacy partners

US direct-to-consumer (DTC) campaign launched

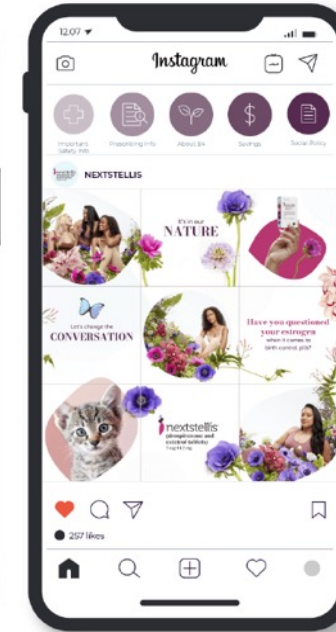
www.nextstellis.com



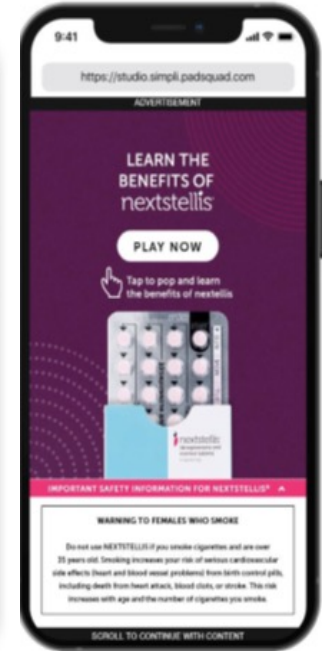
Facebook



Instagram



Game/ Quiz



Since launch of the DTC campaign, monthly NEXTSTELLIS.com users have increased 200% to 37,000¹

1. June/July 2022 average monthly NEXTSTELLIS.com users versus April/May 2022

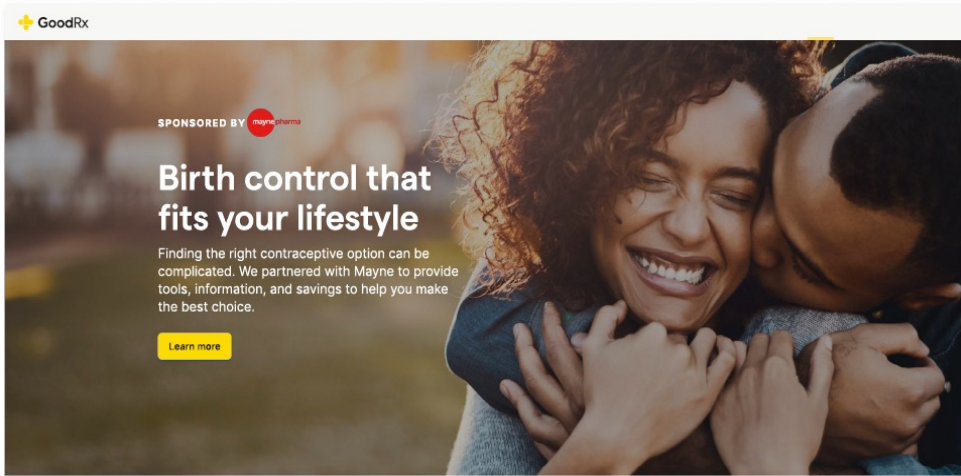
Strategic collaboration with GoodRx

Direct-to-consumer campaign

- GoodRx is a leading US consumer-focused digital healthcare platform
 - Reach includes ~6m monthly active consumers and >825,000 HCPs have used the platform since June 2021
- Mayne Pharma and GoodRx delivering an enhanced NEXTSTELLIS® DTC campaign, to:
 - Drive increased consumer awareness of NEXTSTELLIS®
 - Accelerate growth of NEXTSTELLIS®

GoodRx women's health hub

- Offers patients education, telehealth, treatment and savings
- Raises awareness of available birth control methods
- Improves access and affordability of birth control including NEXTSTELLIS®



SPONSORED BY **mayne pharma**

Birth control that fits your lifestyle

Finding the right contraceptive option can be complicated. We partnered with Mayne to provide tools, information, and savings to help you make the best choice.

[Learn more](#)


Estrogens explained

Hormonal birth control pills often use 2 kinds of hormones: progestin and estrogen. Progestin helps stop ovulation, while estrogen plays a key role by preventing unwanted changes in your menstrual cycle.

Almost all estrogen used in birth control pills is ethinyl estradiol (EE). After these powerful estrogens do their job, they break down and continue to impact your body even further.

A unique form of estrogen, E4 or estetrol, is different because after helping regulate your menstrual cycle, it breaks down without further impacting the body. The E4 found in birth control pills can be created from a plant source, and it is identical to the E4 that is found in the body during pregnancy.

[Learn more about estrogens](#)



Affordable Care Act (ACA) compliance

- In July 2022, the US tri-agencies, Department of Labor, Health and Human Services and Treasury issued new guidance that contraceptive coverage is guaranteed at no additional cost under the ACA
- If plans and issuers are not complying with the law, the Government will take enforcement action to ensure that participants receive this coverage, with no cost sharing

"With abortion care under attack, it is critical that we ensure birth control is accessible nationwide, and that employers and insurers follow the law and provide coverage for it with no additional cost."

*HHS Secretary Xavier Becerra
28 July 2022*

"We have heard troubling reports that plans and issuers are not following the law. We expect them to remove impermissible barriers and ensure individuals have access to the contraceptive coverage they need. If plans and issuers are not complying with the law, we will take enforcement action to ensure that participants receive this coverage, again with no cost sharing."

*Labor Secretary, Marty Walsh
28 July 2022*

Potential impact on NEXTSTELLIS®

Greater patient access

Reduced patient out-of-pocket costs

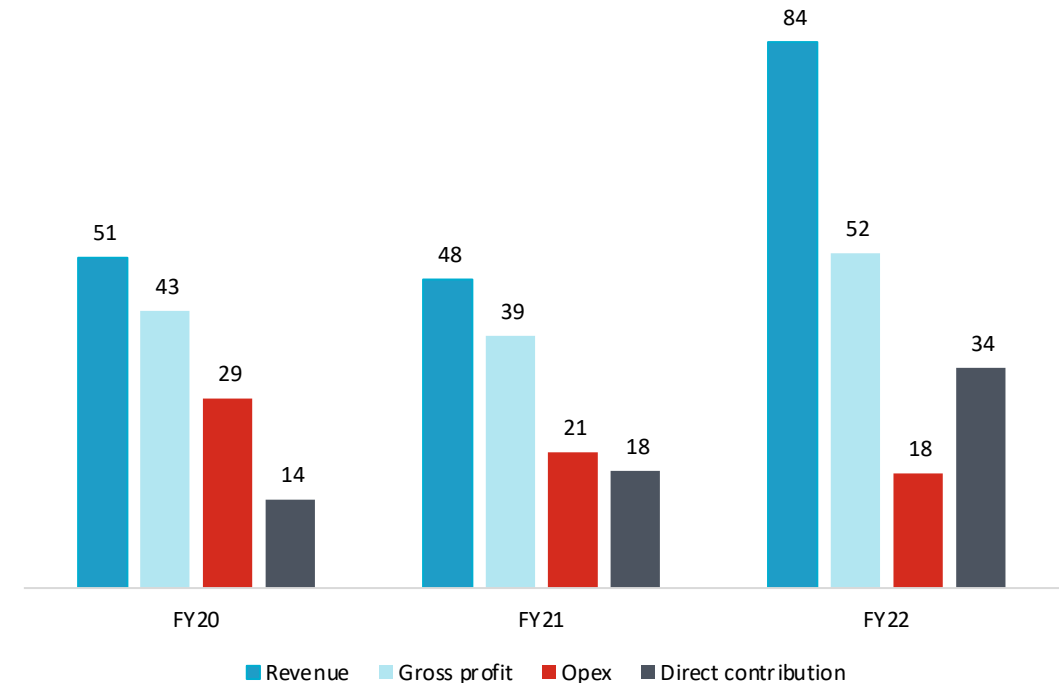
Reduced abandonment rate

Record US dermatology performance driven by new product launches

- Launched 12 new dermatology products in FY22 contributing strong growth in revenue (up 77%) and direct contribution (up 88%) on pcp in USD terms
- Direct contribution margin increased from 27% in FY20 to 40% in FY22 reflecting a more effective commercial model
- gABSORICA® (isotretinoin) capsules, gEPIDUO®FORTE (adapalene/benzoyl peroxide) gel and gACZONE® (dapsone) gel have become top 10 US Products by revenue
- Recent launches have captured strong product market share:

Product	Product unit market share 12 Aug 2022 ¹	Change in product unit market share in FY22
gABSORICA®	49%	+46%
gEPIDUO® FORTE	49%	+52%
gACZONE®	35%	+27%

Dermatology financial performance² (US\$m)



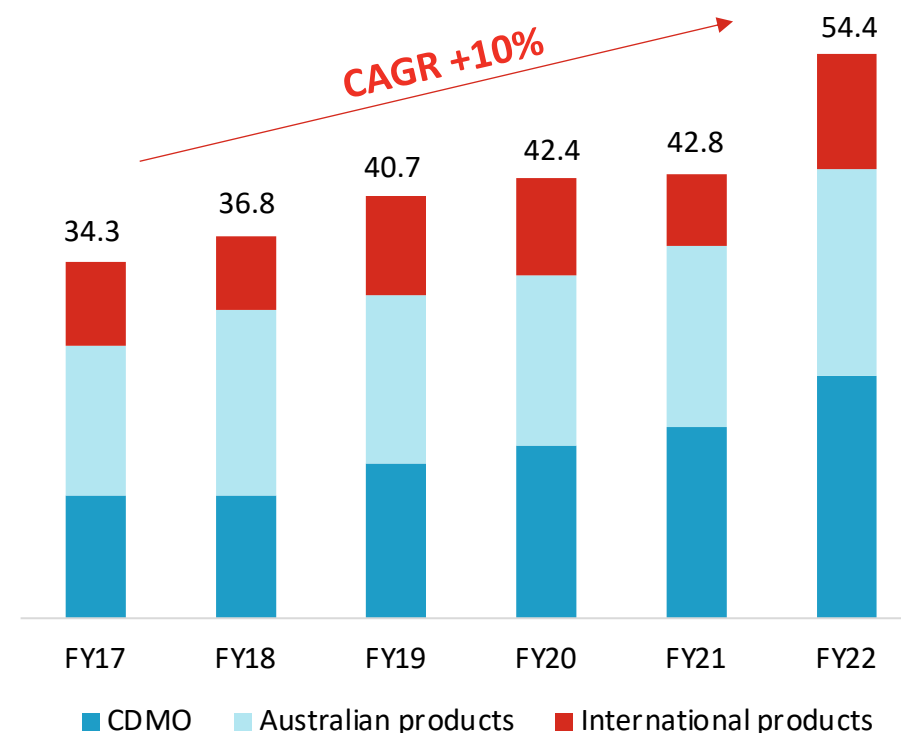
1. IQVIA TRx Rapid Weekly 12 Aug 2022

2. Direct contribution is gross profit minus direct marketing expenses

International delivering growth across all business lines

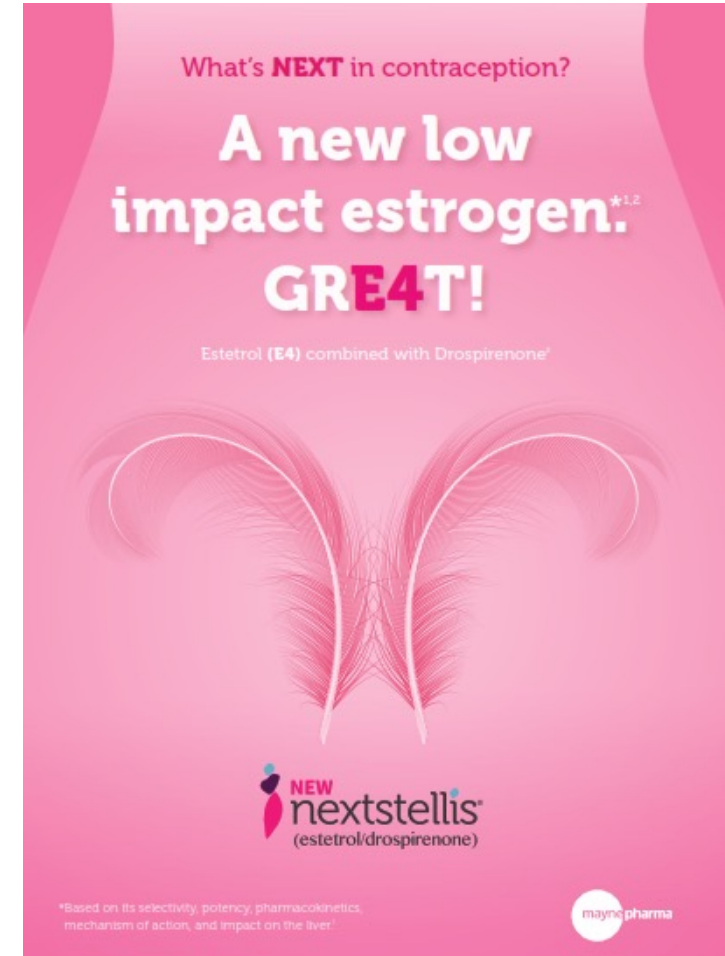
- Diversified CDMO and specialty pharmaceutical business
- Largest Australian owned full service solid oral dose plant manufacturing TGA and FDA registered pharmaceuticals
- 40+ years of expertise in drug delivery
- Track record of double-digit revenue growth driven by CDMO business with 15% CAGR (last 5 years)
- Full service commercial infrastructure for specialty pharmaceuticals in the Australian market
- Advanced pipeline of near-term new product launches in Australia and Europe
- Proven 'concept to commercialisation' track record - 70 product launches globally over the last decade

International historical revenue (A\$m)



NEXTSTELLIS® Australian commercial launch commenced

- Shipment to trade in July 2022
- Active sample program to HCPs commenced in August 2022
- Expanded national GP/specialist sales team are now educating healthcare professionals on the unique characteristics of E4 and NEXTSTELLIS®
- NEXTSELLIS® will compete in the combined (estrogen plus progestin) oral contraceptive market valued at A\$60m
- Major launch events across Q4 CY22, including consumer education



Marginalisation of consumer and prescriber in the US pharma market



Consumer / patient

- Rising costs
- Quality of insurance coverage is decreasing
- Seeking cost effective and convenient alternatives



Prescriber / HCP

- Less choice in patient treatment
- Greater administration
- Seeking lower cost, access and predictability for patients to minimise abandonment and promote adherence



Wholesaler / retailer

- Purchasing alliances control >95% of the market
- Limit manufacturer bargaining power and increase margin pressures



Payor / PBM

- 80% of US prescriptions managed by top three PBMs
- Formulary blocks
- Driving competitive rebate pressures and manufacture margin depletion



External forces challenge the traditional pharma model creating market inefficiencies

End-to-end solution that effectively solves key pain points for patients

Quality and affordable medicines

Trusted HCPs

Real-time insurance coverage and processing

Smooth digital experience

Convenient fulfilment

Patient Pain Point

Fear of high price of quality prescription treatments

Lack of trust in online offering (quality of HCP & patient visit)

Uncertainty on insurance coverage & processing

Struggle with an online experience that has friction and is confusing to navigate

Dissatisfaction with online players' speed of delivery & refill convenience

Value Proposition

Effective drug sourcing to find the right drug at the best price enabled by disintermediation

Stable & trusted HCP network, offering continuity & credibility both offline & online

Real-time info on coverage for medical consultation & drugs

Smooth, user-friendly, 1-stop-shop experience

Quick fulfillment with delivery optionality & automatic refills

Mayne Pharma’s vision is to create a differentiated end-to-end market solution that helps patients seek efficacious treatments with a trusted HCP that is smooth, transparent and cost-effective

A thin, light blue diagonal line extending from the left edge of the slide towards the top right.

Financial results



Financial overview¹

A\$million	FY22	FY21	Change FY22 v FY21
Reported revenue	424.8	400.8	6%
Reported gross profit ²	171.0	182.0	(6%)
Reported EBITDA	87.4	66.1	32%
Reported net loss after tax	(263.3)	(208.4)	Nm
Underlying EBITDA ³	45.7	63.5	(28%)
Underlying EBITDA (excl. NEXTSTELLIS®) ⁴	89.7	72.2	24%

- Group revenue up 6% on pcp with Branded Products +40%, Portfolio Products 0%, International revenue +27% and Metrics +11%
- Reported EBITDA affected by the non-cash deferred consideration reassessment, discontinued unprofitable retail generic products and transaction costs for the proposed sale of Metrics Contract Services
- Reported net loss after tax driven by deferred tax asset write-downs and intangible asset impairments relating to the retail generic portfolio, LEXETTE® (halobetasol) and SUBA®-itraconazole for the treatment of Basal Cell Carcinoma Nevus Syndrome (BCCNS)

1. Attributable to members. EBITDA excludes asset impairments.

2. Gross profit calculation includes A\$15.4m depreciation in cost of sales

3. Adjustments to underlying EBITDA outlined on page 23

4. Excludes NEXTSTELLIS® direct contribution (gross profit less direct marketing / set up costs)

Adjustments to earnings¹ – FY22

	EBITDA adjustments		
A\$million	FY22	FY21	Comments
Reported	87.4	66.1	
Earn-out revaluation	(81.6)	(20.6)	Non-cash credit arising from a decrease in the fair value of earn-out liabilities of which A\$70.6m relates to NEXTSTELLIS®
Sale of land	(3.7)	-	Gain on the sale of surplus land in Salisbury, SA
Discontinued products	19.6	6.0	Stock write-downs and returns on discontinued retail generic products due to continued competition and pricing pressure
Restructuring	5.0	9.5	Organisational restructuring to simplify the business model and
Supply chain disruption	6.0		LEXETTE® supply chain disruption
Litigation	2.9	2.1	Legal costs associated with generic pricing litigation and DOJ investigation
Transaction expenses	9.9		Associated with the proposed sale of Metrics
Inhibitor Therapeutics	0.2	0.4	Mayne Pharma's share of Inhibitor Therapeutics, Inc. (INTI) losses
Total adjustments	(41.7)	(2.6)	
Underlying	45.7	63.5	
NEXTSTELLIS®	44.0	8.7	NEXTSTELLIS® gross margin less direct marketing /set up expenses
Underlying (excluding NEXTSTELLIS®)	89.7	72.2	

1. Attributable to members

Reported to underlying earnings attributable to members

A\$million	Reported FY22	Earn-out reassessment	Restructuring	Discontinued products	Supply chain disruption	Impairment	Litigation	Sale of land	INTI	Transaction expenses	Underlying FY22	NEXTSTELLIS ¹	Underlying excluding NEXTSTELLI S
Revenue	424.8			4.2	4.4						433.4	5.8	427.6
Gross profit	171.0			19.6	6.0						196.6	4.3	192.3
<i>Gross profit %</i>	40%										45%	74%	45%
EBITDA	87.4	(81.6)	5.0	19.6	6.0		2.9	(3.7)	0.2	9.9	45.7	(44.0)	89.7
Depreciation / Amortisation	(80.7)								0.4		(80.3)	(26.4)	(53.9)
Impairments	(179.0)					164.0			15.0		-	-	-
PBIT	(172.3)	(81.6)	5.0	19.6	6.0	164.0	2.9	(3.7)	15.6	9.9	(34.6)	(70.4)	35.8
Finance cash costs	(9.9)										(9.9)		(9.9)
Finance non cash costs e.g. discount unwind	(22.5)										(22.5)	(14.3)	(8.2)
PBT	(204.7)	(81.6)	5.0	19.6	6.0	164.0	2.9	(3.7)	15.6	9.9	(67.0)	(84.7)	17.7

Branded Products (BPD)

NEXTSTELLIS®

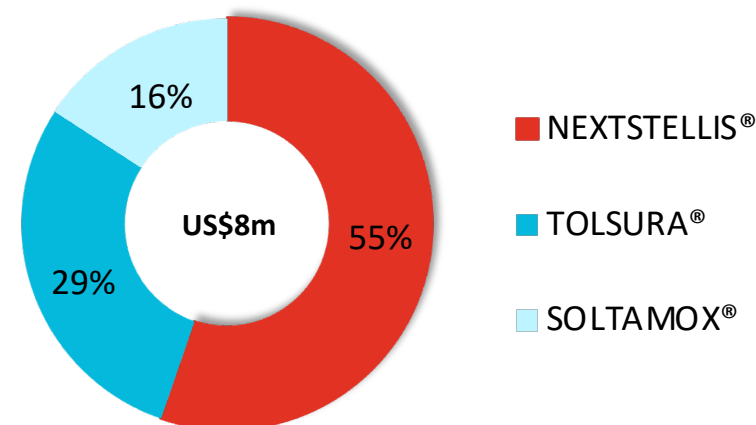
- NEXTSTELLIS® revenues were US\$4.2m, up 50% on FY21
 - 2HFY22 revenues were US\$3.2m, up 200% on 1HFY22
 - Inventory stocking in June 2021 now normalised
- NEXTSTELLIS® direct operating expenses were US\$35m

TOLSURA® (SUBA®-itraconazole) and SOLTAMOX® (tamoxifen)

- TOLSURA® and SOLTAMOX® revenues were US\$3.4m, up 22% on FY21
- Restructured business model in May 2022

A\$million	FY22	FY21	Change FY22 v FY21
Reported revenue	10.6	7.5	40%
Reported Gross Profit	8.4	6.5	29%
Gross Profit %	80%	86%	
Direct operating expense ¹	55.1	19.5	182%
Direct contribution	(46.7)	(13.0)	nm

Branded Products revenue by type (US\$m)



Portfolio Products (PPD)

Dermatology

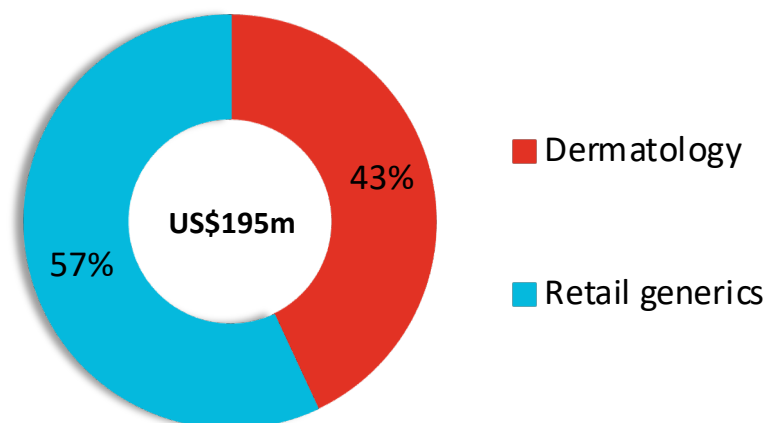
- Record dermatology revenue and earnings
 - Revenue up 77% on FY21 to US\$84m
 - Direct contribution up 88% to US\$34m
 - Benefited from 12 new product launches across FY22

Retail generics

- Retail generics revenue down 27% to US\$111m impacted by ongoing pricing pressure and additional competition across the portfolio
 - Discontinued unprofitable generic products which has impacted reported gross profit by US\$14m

A\$million	FY22	FY21	Change FY22 v FY21
Reported revenue	269.1	268.4	0%
Reported Gross Profit	97.2	120.4	(19%)
Gross Profit %	36%	45%	
Direct operating expense ¹	33.7	33.9	(0%)
Direct contribution	63.5	86.6	(27%)

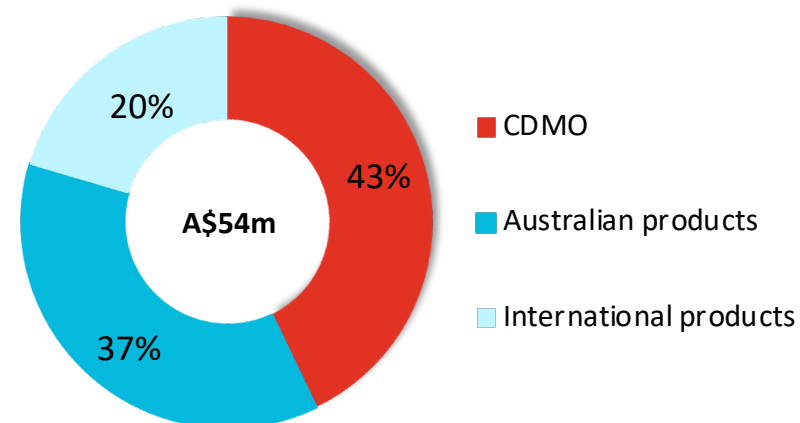
Portfolio Products revenue by type (US\$m)



- International benefited from growth in all business lines
 - CDMO revenue up 27% on FY21
 - Australian product revenue up 14% on FY21
 - International product revenue up 62% on FY21
- 24 active formulation development projects, up from 12 in FY21
- Growing sales of KAPANOL® /KADIAN® (morphine) in Canada and Switzerland to treat Opioid Substitution Therapy (OST)
- Australian products benefited from the launch of SOLARAZE® (diclofenac) and metamaminol injection, and a PBS price increase on erythromycin
- Received TGA approval for NEXTSTELLIS® oral contraceptive in Australia with launch to HCPs and consumers across 1HFY23

A\$million	FY22	FY21	Change FY22 v FY21
Reported revenue	54.4	42.8	27%
Reported Gross Profit	17.7	13.2	33%
Gross Profit %	33%	31%	
Direct operating expense ¹	9.6	10.1	(6%)
Direct contribution	8.1	3.1	166%

International revenue by type (A\$m)

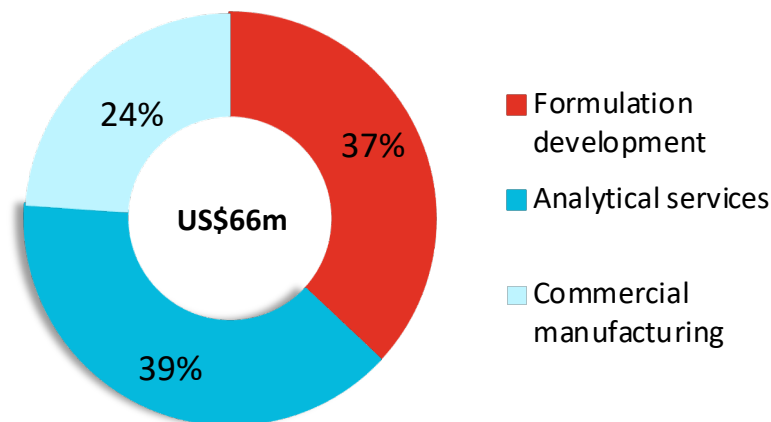


Metrics Contract Services (MCS or Metrics)

- In USD terms, Metrics revenue was US\$66m, up 7% on FY21 driven largely by new formulation development and commercial manufacturing revenue
- Expansion of margins reflecting cost control
- Formulation development revenues grew 18% in USD terms benefiting from 12 new CDMO customers versus 9 in FY21
- Commercial manufacturing revenues grew 17% on FY21 in USD terms and now represent 24% of MCS revenue

A\$million	FY22	FY21	Change FY22 v FY21
Reported revenue	90.8	82.1	11%
Reported Gross Profit	47.7	41.8	14%
Gross Profit %	53%	51%	
Direct operating expense ¹	5.5	4.7	15%
Direct contribution	42.2	37.1	14%

MCS revenue by type (US\$m)



Expanding cost base due to US NEXTSTELLIS® launch

Operating expenses¹

A\$million	FY22	FY21	Change \$	Change %
NEXTSTELLIS® marketing & distribution	48.3	1.4	46.9	3350%
Other marketing & distribution	56.3	56.3	-	0%
Marketing & distribution	104.6	57.7	46.9	81%
Admin (incl. share based payments) ²	52.9	52.3	0.5	1%
Total opex expenses	157.5	110.1	47.4	43%

- Operating expenses up A\$47m on FY21 due to the US launch of NEXTSTELLIS®

R&D spend¹

A\$million	FY22	FY21	Change \$	Change %
R&D expensed	14.7	21.7	(7.0)	(32%)
R&D capitalised	1.8	4.8	(3.0)	(63%)
Gross R&D	16.5	26.5	(10.0)	(38%)
<i>R&D capitalisation rate</i>	<i>11%</i>	<i>18%</i>		
<i>R&D as % revenue</i>	<i>4%</i>	<i>7%</i>		

- Gross R&D spend down A\$10m as the company continues to streamline any direct investment and move to a partnership based model to risk share

1. 100% consolidated. Depreciation included in R&D expense (A\$0.9m), marketing & distribution (A\$0.7m) and all other admin (A\$2.9m)

2. Refer to note 4 of the Financial Statements.

Capital structure

- Dual currency debt facility
 - US\$148m, 5 year revolving facility, matures November 2023
 - US\$100m, 4 year bullet facility, matures November 2024
 - US\$65m, 364 days receivables financing facility (non-recourse facility)
 - A\$10m, 2 year working capital facility, matures November 2023
- Renegotiated syndicated debt facilities in June 2022 to provide greater flexibility
 - Leverage ratio not tested at 30 June 2022
 - Shareholder funds >A\$400m
 - Liquidity covenant >A\$65m
 - Provided security over certain assets of the group

Key financial metrics

A\$million	As at 30 Jun 22	As at 31 Dec 21	As at 30 Jun 21
Syndicated facility	341.6	330.6	298.8
Deferred borrowing costs	0.6	(3.9)	(4.0)
Receivables financing	63.1	51.8	42.2
Lease liabilities	8.3	8.8	9.9
Borrowings	413.7	387.3	346.8
Cash	96.7	114.7	98.0
Net debt	317.0	272.6	248.8
Net debt¹ (under debt facility terms)	254.5	224.7	210.8
Liquidity covenant:			
Cash plus undrawn debt	122.4	na	na
Covenant: >A\$65m			
Interest cover ratio:			
EBITDA ¹ / interest	5.1x	7.7x	7.9x
Covenant >3x			
Shareholder's funds			
Covenant > A\$400m	A\$562m	A\$754m	A\$776m

1. Net debt defined under syndicated debt facility includes lease liabilities but excludes deferred borrowing costs and any drawn funds under receivables financing facility. EBITDA excludes non cash items such as share based payments expense, earn-out revaluation and certain restructuring costs.

Consolidated cash flow – EBITDA to cash reconciliation

A\$million	Year ending		Change
	30 Jun 22	30 Jun 21	
Consolidated EBITDA (100% INTI)	87.3	65.8	21.5
Share based payments (non-cash)	5.6	7.7	(2.1)
Movement in earn-outs (non-cash)	(81.6)	(20.6)	(61.0)
Provisions (non-cash)	4.2	9.7	(5.5)
Other	(3.2)	(0.9)	(2.3)
Operating Cash flow Before WC and tax	12.3	61.7	(49.4)
WC movements	(26.8)	(13.6)	(13.2)
Net tax (paid) / received	7.3	10.9	(3.6)
Net operating cash flow	(7.2)	58.9	(66.1)
Capitalised R&D	(1.8)	(4.8)	3.0
Acquisitions / sale of land	5.1	(3.2)	8.3
Capex	(10.0)	(17.1)	7.1
Earn-out & deferred settlement payments	(21.8)	(24.2)	2.4
Free cash flow	(35.7)	9.6	(45.3)
Net proceeds financing activities	27.6	(40.4)	68.0
Net cash flow	(8.1)	(30.8)	22.7

- Cash flow working capital movements based on average AUD/USD exchange rate for the period whereas the December balance sheet balances based on closing rates
- Increase in working capital reflects new product launches in dermatology and NEXTSTELLIS®

Consolidated balance sheet position

A\$million	As at 30 Jun 22	As at 30 Jun 21	Change \$m
Cash	96.7	98.0	(1.3)
Inventory	108.9	102.5	6.4
Receivables	268.2	183.3	84.9
PP&E	218.4	212.5	5.9
Intangibles & goodwill	427.5	636.2	(208.6)
Income tax receivable	14.1	20.3	(6.2)
Deferred tax assets	118.5	172.2	(53.7)
Right of use assets	9.9	9.1	0.8
Other assets	25.7	29.2	(3.5)
Total assets	1,287.9	1,463.2	(175.3)
Payables	168.7	113.8	54.9
Borrowings	413.7	346.8	66.8
Other financial liabilities	126.1	197.9	(71.8)
Other liabilities	22.3	33.1	(10.8)
Equity	557.1	771.6	(214.5)
Equity (attributable to members)	564.8	768.4	(203.6)
AUD:USD FX rate	0.689	0.751	
Net debt	317.0	248.8	68.2

Historical reported segment information¹

Reported results (A\$m)	FY22	FY21		FY22	FY21
<u>Revenue</u>			<u>Gross profit</u>		
- Dermatology	116.0	63.8	- Dermatology	71.2	52.2
- Retail generics	153.1	204.6	- Retail generics	26.0	68.3
Portfolio Products	269.1	268.4	Portfolio Products	97.2	120.4
Branded Products	10.6	7.5	Branded Products	8.4	6.5
Metrics Contract Services	90.8	82.1	Metrics Contract Services	47.7	41.8
International	54.4	42.8	International	17.7	13.2
Total	424.8	400.8	Total	171.0	182.0
<u>Operating expenses</u>			<u>Direct Contribution</u>		
- Dermatology	24.4	28.0	- Dermatology	46.8	24.2
- Retail generics	7.8	5.9	- Retail generics	18.2	62.4
- Other	1.5		- Other	- 1.5	
Portfolio Products	33.7	33.9	Portfolio Products	63.5	86.5
Branded Products	55.1	19.5	Branded Products	- 46.7	- 13.0
Metrics Contract Services	5.5	4.7	Metrics Contract Services	42.2	37.1
International	9.6	10.1	International	8.1	3.1
Total	103.8	68.2	Total	67.2	113.7

1. Gross profit calculation includes A\$15.4m depreciation in cost of sales

Q&A

You deserve tomorrow.