



## MAYNE PHARMA TO PRESENT AT JMP SECURITIES LIFE SCIENCES CONFERENCE ON 15 MAY 2023 IN NEW YORK CITY

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**15 May 2023, Adelaide, Australia:** Mayne Pharma Group Limited (ASX: MYX) today announced that Shawn Patrick O'Brien, Chief Executive Officer of Mayne Pharma, will present at the JMP Securities Life Sciences Conference as follows:

Date: Monday, May 15, 2023  
Time: 12:30pm US Eastern time  
Location: New York Hilton Midtown, 1335 Avenue of the Americas, New York, NY

A copy of the presentation slides is attached.

Management will also be available for one-on-one meetings.

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Authorised for release to the ASX by the Chair.

### About Mayne Pharma

Mayne Pharma is an ASX-listed specialty pharmaceutical company focused on commercialising novel pharmaceuticals, offering patients better, safe and more accessible medicines. Mayne Pharma also provides contract development and manufacturing services to clients worldwide. Mayne Pharma has a 40- year track record of innovation and success in developing new oral drug delivery systems. These technologies have been successfully commercialised in numerous products that continue to be marketed around the world. To learn more about Mayne Pharma, please visit [maynepharma.com](http://maynepharma.com).




maynepharma

# Mayne Pharma Group Limited

JMP Securities Life Sciences Conference  
May 15, 2023

*Shawn Patrick O'Brien, CEO*  
*Aaron Gray, CFO*



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

# Disclaimer

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).
- ANNOVERA®, ABSORICA®, ACTIKERALL®, ACZONE®, BIJUVA®, EPIDUO® FORTE, IMVEXXY®, NEXTSTELLIS®, ORACEA® and VITAMED® are trademarks of third parties.

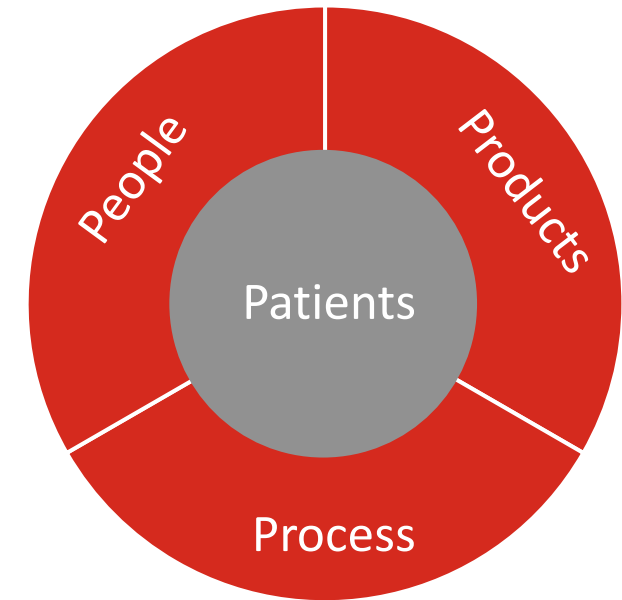
# A lot of change over the last 7+ months

A period of significant structural change to reset Mayne Pharma for profitable growth

# Key Observations, Actions And Priorities

**People, products, and processes focused on the needs of patients to drive growth**

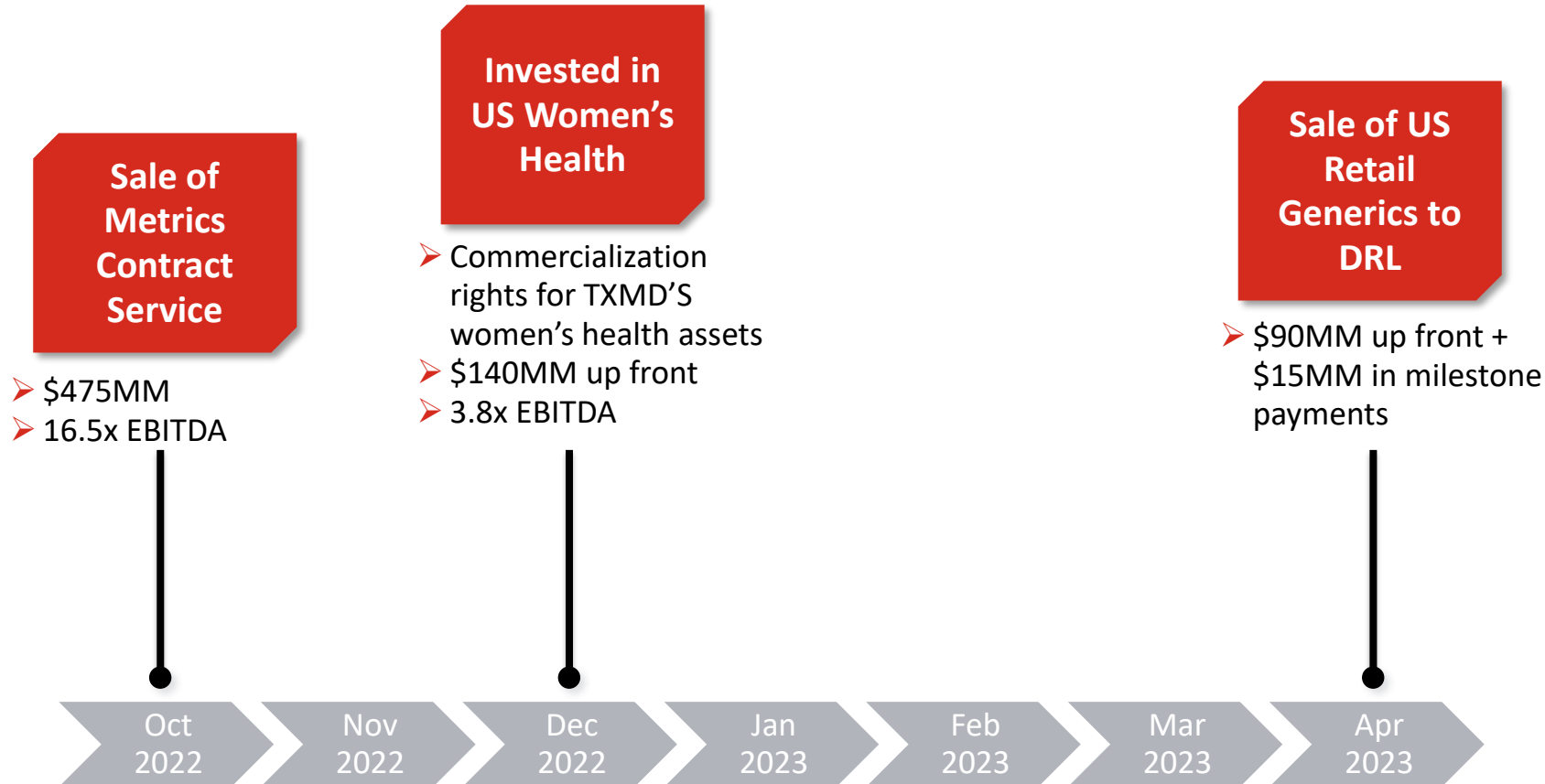
- Organisational realignment began with a new US focused leadership team driven to create commercial and operational excellence
- **PEOPLE:** new leadership team and aligning the culture to drive the best outcomes for our patients, partners, and shareholders
- **PROCESS:** reduce complexity and right size our cost structure; ensure visibility, transparency, and accountability in our sales, commercial and operational performance
- **PRODUCTS:** focus on US women's health and dermatology and maximising the potential of International; capitalize on operating and financial leverage through scale in the markets we serve
- **PATIENTS:** deliver market leading products in US women's health and dermatology while satisfying the profitability needs of our business
- Deliver **PROFITABLE GROWTH** and strong free cash flow to rebuild value for our shareholders



**PROFITABLE GROWTH**

# Successful Execution of Strategy

**GOAL: Become a more focused business with significant growth opportunities**



**MAYNE PHARMA BECOMES ONE OF THE LEADERS IN WOMEN'S HEALTHCARE IN THE U.S.**

## Capital Management Plan

- Repayment of A\$358.7m syndicated debt facilities
- Paid A\$47.3m special dividend in January 2023
- Ongoing discussions for new corporate debt and working capital facilities
- Winding down receivables-based revolver
- Current cash position of A\$239m
- Net cash position of A\$135.8m (cash less Rubric Convertible note, current balance of Receivables financing facility)
- Announced on market share buy-back up to 10% of issued capital

# Group Financial Overview

A\$million <sup>1</sup>	1H23	1H22	1H23 v 1H22
Reported Revenue	101.2	150.4	(33%)
Reported Gross Profit	7.9	64.6	(88%)
Reported EBITDA	(99.2)	66.1	(250%)
Reported Net Loss After Tax	(129.2)	(208.4)	(38%)
Underlying EBITDA <sup>2</sup>	(53.1)	63.5	(184%)
Underlying EBITDA (excl. NEXTSTELLIS®) <sup>3</sup>	(25.9)	72.2	(136%)

- Financial results are presented from continuing operations to exclude MCS which was disposed of on 4 October 2022
- Group Revenue down largely as a result of decline in Portfolio Products Division (PPD) where sales declined in retail generics as a result of continued competition , and a decline in revenue in certain products in the dermatology business as the normalisation of inventories in the distribution channel impacted sales for much of the half
- Reported Gross Profit and EBITDA affected by foreign exchange losses on hedges placed against receipt of MCS proceeds
- Reported net loss after tax driven by deferred tax asset write-downs and intangible asset impairments

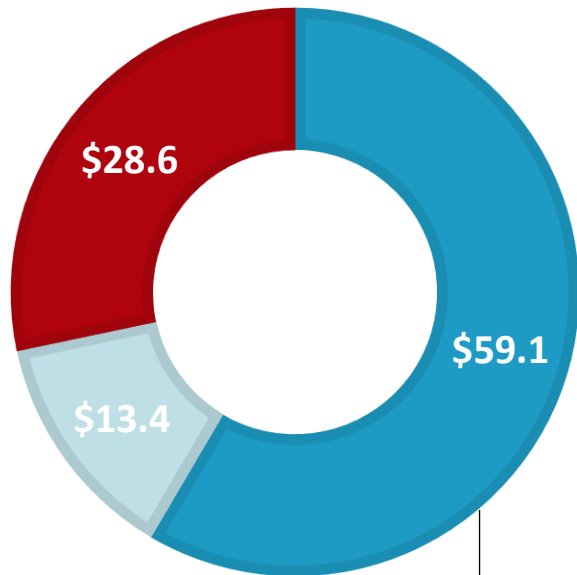
1. Attributable to members. EBITDA excludes asset impairments.

2. Refer to FY22 Results Presentation for adjustments to underlying EBITDA

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

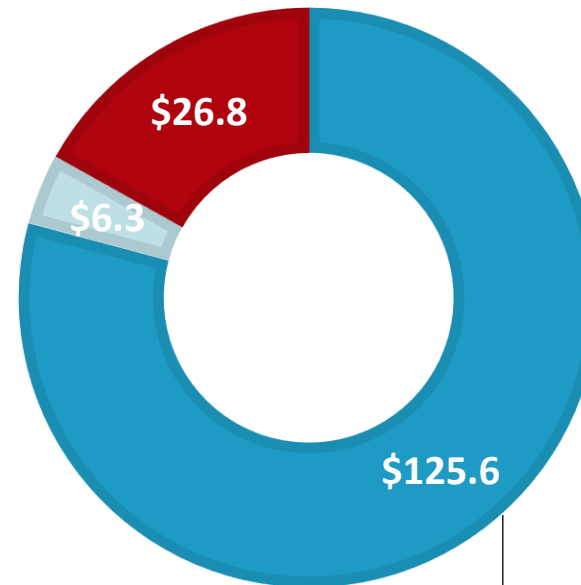
# Group Financial Overview

**1HFY23  
Revenue**



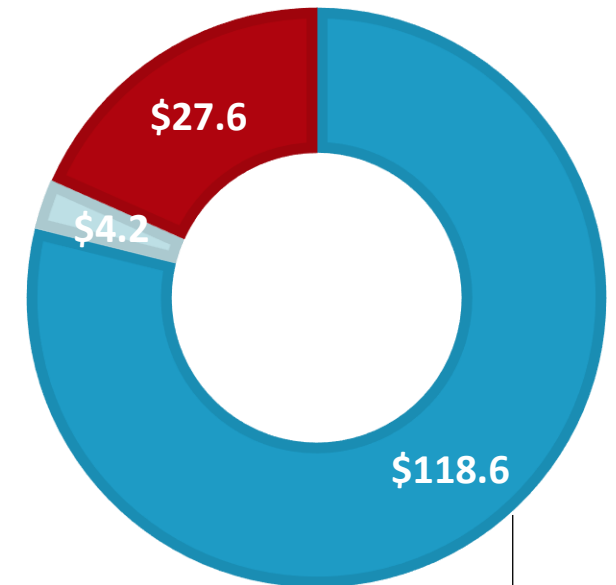
Retail  
Generics:  
\$48.0MM

**2HFY22  
Revenue**



Retail  
Generics:  
\$75.5MM

**1HFY22  
Revenue**



Retail  
Generics:  
\$76.9MM



# **Branded Products Division (BPD)**

# Branded Products Division (BPD)

## NEXTSTELLIS®

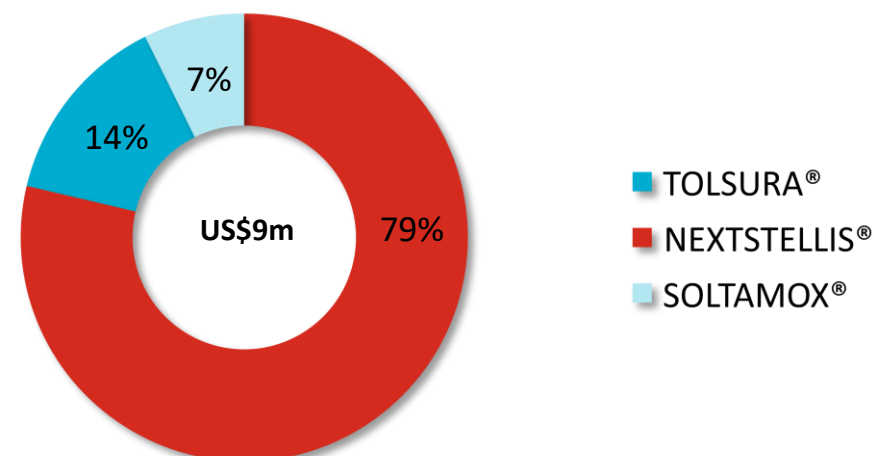
- NEXTSTELLIS® revenues were US\$7.1m
  - Up 123% on 2HFY22 (US\$3.2m)
  - Up 567% on 1HFY22 (US\$1.1m)
- NEXTSTELLIS® direct operating expenses were US\$23.9m
  - Up 23% on 2HFY22
  - Up 53% 1HFY22

A\$million	1H23	2H22	1H22
Reported revenue	13.4	6.3	4.2
Reported Gross Profit	10.7	5.1	3.3
Gross Profit %	80%	81%	79%
Direct operating expense <sup>1</sup>	36.2	29.1	25.7
Direct contribution	(25.5)	(24.0)	(22.5)

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

- TOLSURA® and SOLTAMOX® revenues of \$1.9m increased 35% on 2HFY22

## Branded Products revenue by type (US\$m)



# Women's Health Acquisition: Accelerating Our Vision to Become a Leader

**Annovera®**  
(segesterone acetate and  
ethinyl estradiol vaginal system)  
Delivers 0.15 mg/0.013 mg per day

 **vitaMedMD®**  
Prenatal Vitamins

**Annovera®**  
(segesterone acetate and  
ethinyl estradiol vaginal system)  
Delivers 0.15 mg/0.013 mg per day

**Bijuva™** 1mg/100mg  
(estradiol and progesterone) capsules

 **Imvexxy®**  
(estradiol vaginal inserts)  
4 mcg - 10 mcg



CONTRACEPTION

PRENATAL  
CARE

CONTRACEPTION/  
FAMILY PLANNING -  
PERIMENOPAUSE

VASOMOTOR  
SYMPTOMS

DYSPAREUNIA  
(Vulvar & Vaginal  
Atrophy)



REPRODUCTIVE HEALTH

MENOPAUSE MANAGEMENT

# Building a leading US Women's Health Business (BPD)



## STRATEGIC PRIORITIES

- ✓ Successfully implement new commercial strategy for NEXTSTELLIS® to accelerate growth in the US and Australia
- ✓ Deliver on the full Women's Health franchise
- ✓ Improve margins and provide better patient access
- ✓ Broaden portfolio with complementary products that leverage current infrastructure



# Building a leading US Women's Health Business (BPD)

- **Infrastructure in place**

- Experienced sales team of 100 (up from 86) able to reach our target customers
- Refreshed team training initiative to improve sales productivity and impact
- Full marketing mix to drive awareness and usage
- Direct to Consumer (DTC) campaigns through traditional media campaigns, website and social media platforms
- Able to leverage the coverage guarantees for contraception under the Affordable Care Act when fully enforced

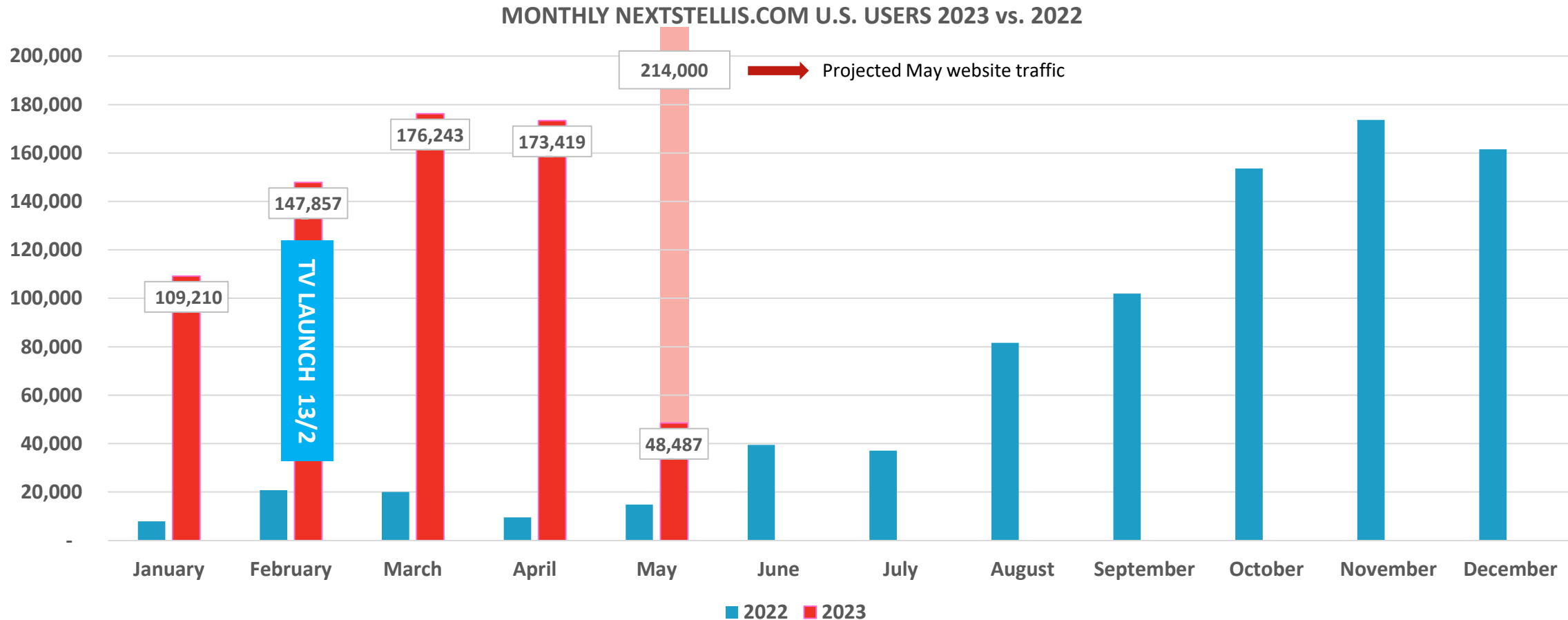
- **NEXTSTELLIS® has continued to achieve solid growth during 2H-FY23**

- Significant increase in call activity
- >150% increase in samples distributed to HCPs, which is a leading indicator of new scripts
- Direct-to-Consumer (DTC) campaign launch in 2023 driving 900% YoY increase in monthly consumer visitation to Nextstellis.com
- Monthly cycle count increased to 26,596 in March 2023, up from 20,921 in December 2022, up 27%
- March NRx up 20% over February, and Nextstellis Weekly Cycles now over 7,000

- **Acquired Women's Health Branded Portfolio adding significant value**

- Portfolio is delivering positive cash and earnings
- Investment in sales team and marketing spend in line with plan, paid search program commenced in April for ANNOVERA® and menopause brands with encouraging web site visitation trends
- Planned launch of lower strength BIJUVA® in 2HFY24 will attract new menopausal patients
- Prenatal vitamins creating access to new customers
- Q3-FY23 net sales exceeded, prior calendar Q4-2023 reported sales

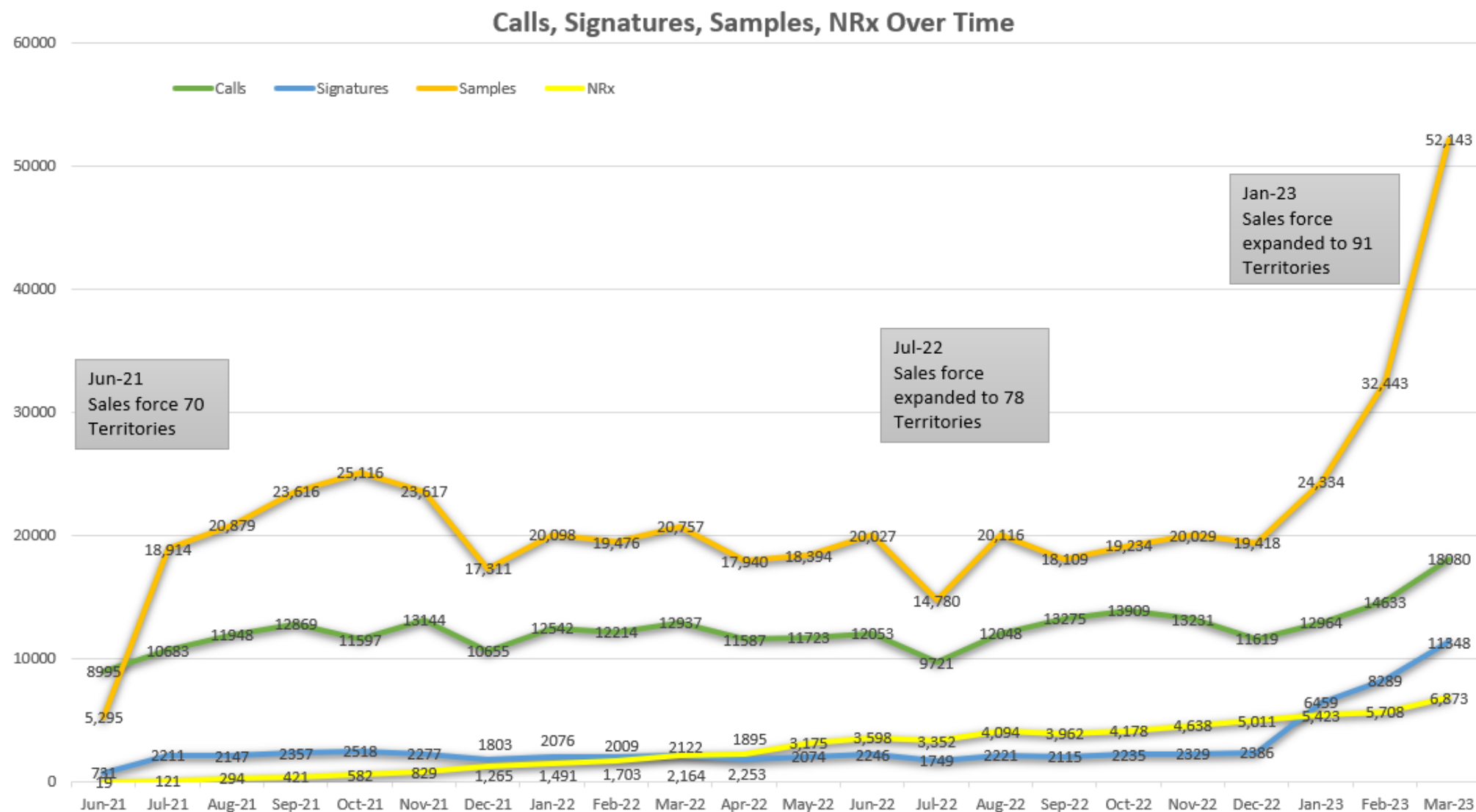
# NEXTSTELLIS® Website traffic increasing with DTC campaign



- DTC investment July - November drove strong contribution to NRx and RRx (lower monthly DTC campaign investment in December 2022 - January 2023 when NRx and RRx impact is reduced due to holidays)
- Changes made in Digital Media in December 2022 improving NRx and RRx attributed to DTC, expecting continued DTC NRx and RRx lift in Q4 FY23 and Q1 FY24



# FY23 Q3 NEXTSTELLIS® Field Activity up dramatically over Q2



# Portfolio Products Division (PPD)



# Portfolio Products Division (PPD)

## Dermatology

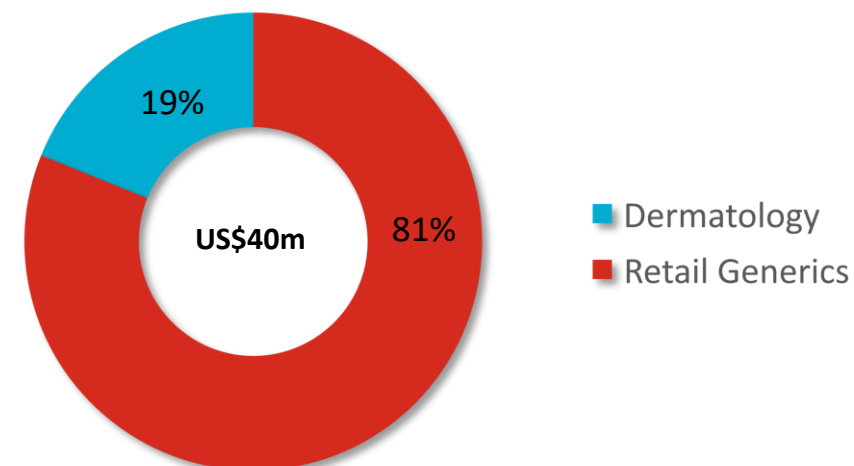
- Revenue and contribution materially impacted by inventory work through following 2HFY22 sales activities
  - 1HFY23 Revenue of US\$7.5m down 80% on 2HFY22 sales of US\$36.3m
  - Direct contribution loss of US\$-10.8m vs 2HFY22 of US\$4.4m.
  - New market entrants affected key products
  - Significant inventories in distribution channel led to sales discounting and GTN adjustments to maintain customers

## Retail generics

- 1HFY23 Revenue of US\$32.2m down 36% on 2HFY22 sales of US\$54.8m
- Direct contribution loss of US\$-6.4m vs 2H22 of US\$5.6m
- Continued competitive environment impacted performance

A\$million	1H23	2H22	1H22
Reported revenue	59.1	125.6	118.6
Reported Gross Profit	(12.7)	26.5	52.6
Gross Profit %	-21%	21%	44.3%
Direct operating expense <sup>1</sup>	20.5	17.5	15.4
Direct contribution	(33.2)	9.0	37.2

## Portfolio Products revenue by type (US\$m)



# Overview of the US Dermatology Market

Building market leadership and scale with pipeline of new products

## Proprietary Brands

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

**Sorilux**  
(calcipotriene) Foam, 0.005%

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

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

## Specialty Partners

**Cosette**  
PHARMACEUTICALS

**GALDERMA**  
EST. 1981

**UPSHER-SMITH**

**SANDOZ** A Novartis  
Division

**torrent**  
PHARMA

**Encube**

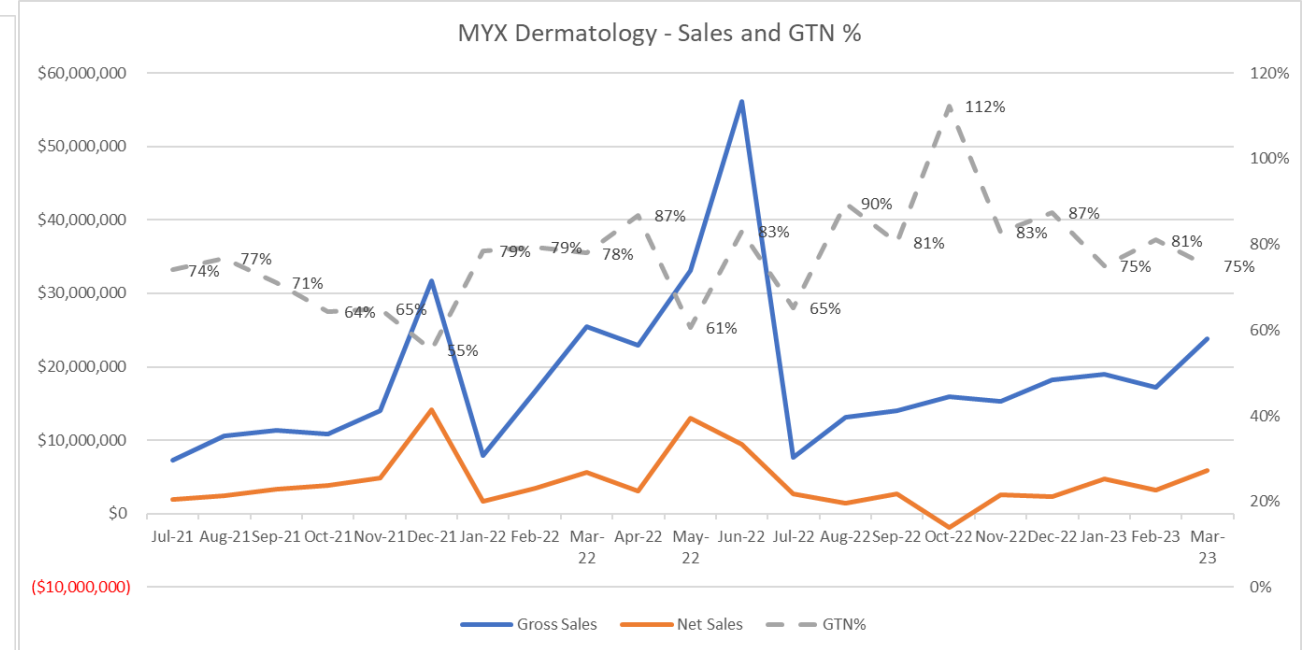
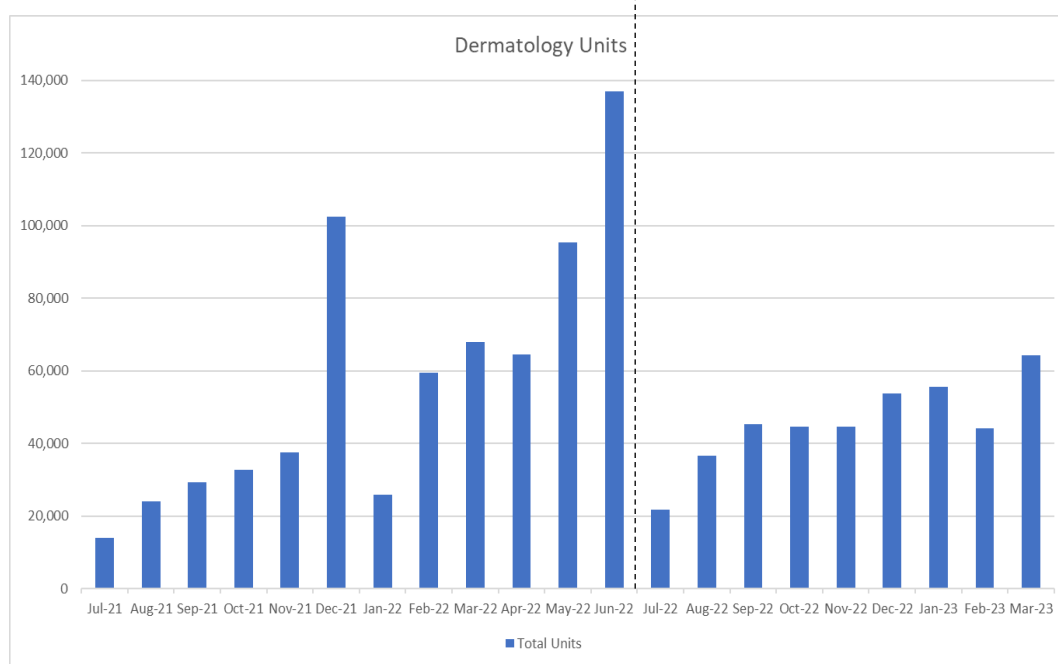
## STRATEGIC PRIORITIES

- ✓ Build on strength of market position with strong, profitable pipeline of new products to meet broader patient needs
- ✓ Strengthen contribution margin through channel discipline and effective management of new launches and appropriate channel supply agreements
- ✓ Maintain market presence as top 10 US products by revenue - gABSORICA® (isotretinoin) capsules, gEPIDUO® FORTE (adapalene/benzoyl peroxide) gel and gACZONE® (dapsone) gel
- ✓ Execute our differentiated channel strategy through specialty pharmacy growth and online platforms like GoodRx

## **Dermatology – business performance improving; delivering on positive contribution margin**

- Improving momentum following 1H-FY23 channel inventory issues which resulted in recalibration of pricing, GTN and lower volumes in some products
- GTN and pricing has stabilised across key products, as expected
- We are actively managing each brand in our portfolio to maximise potential sustainable contribution margin
- We have returned to positive contribution margin during 3Q-FY23 as normal sales cadence resumes with consistent sales volumes and stabilised pricing environment
- Seeing positive impact of new product launches – DORYX® MPC 60 in February and authorized gORACEA® in March, which have been well received by the market
- Business remains focussed on further development of our differentiated channel strategy for patient access which improves our attractiveness to dermatology partners
- We will continue to add new products to the portfolio that drive profitable growth

# Dermatology Units growing and GTN stabilised



- Growth expected from Q3-FY23 launches
  - DORYX® MPC 60 February 2023
  - gORACEA® March 2023

- Gross sales increasing since August
- Net Sales growth since October
- GTN stabilised in Q3

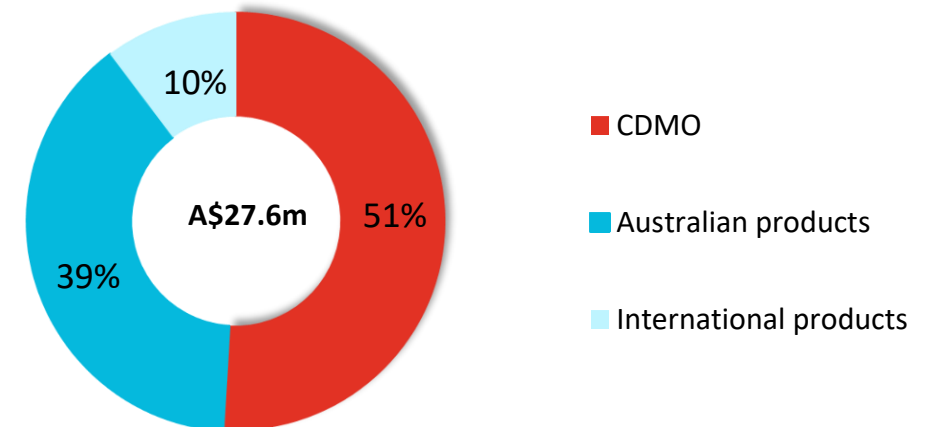
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# International



- Good growth in international sales as product availability increases following early improvement in manufacturing and supply chain performance
- KAPANOL® /KADIAN® (morphine) market expansion to treat Opioid Substitution Therapy (OST);
  - OST approved in Switzerland
  - Submitted in Austria
- KAPANOL® /KADIAN® (morphine) regional expansion for pain indication in China
  - Tripartite agreement signed and clinical trial application submitted in China
- Australian dermatology portfolio extended through launch of ACTIKERALL® (fluorouracil and salicylic acid for treatment of actinic keratosis)
- Trading relationships and cadence with Dr Reddy's being established with some sales expected later in current half
- NEXTSTELLIS® oral contraceptive launched in Australia, initial sales behind plan due to execution of product messaging and sales force commercial thrust which is being addressed as we did in the US

A\$million	1H23	2H22	1H22
Reported revenue	27.6	26.8	27.6
Reported Gross Profit	8.9	8.8	8.8
Gross Profit %	33%	33%	32%
Direct operating expense <sup>1</sup>	6.1	4.9	4.7
Direct contribution	2.8	3.9	4.1



Share of International revenue by type 1H-FY23

# International Improvement Initiatives

## **Manufacturing strategy focused on cost efficiency and reliable supply at the best quality**



- Organisational design review completed and implemented, focus on key roles in supply chain
- Implementation of lean practices and metrics underway to unlock existing capacity and improve supply reliability
- Ongoing reduction of waste and deliberate focus on productivity

## **Focused revenue growth**



- Manufacturing improvements to enable capacity increase and cost efficiency underway
- New business development capability implemented, engaged to secure both new local customers and opening new market opportunities
- Implementing best in class processes and metrics to drive efficient sales execution



## **Leveraging contract development and manufacturing as a differentiator and growth stream**

- Targeted focus on the right projects for capability and growth

# Accelerating International Growth and Profitability

## NEXTSTELLIS® launch in Australia



- >10,000 interactions with healthcare providers since launch in August 2022
- >10,000 samples distributed to physician offices

## Federal Government grant to modernise Salisbury



- High Speed Encapsulator
- High Speed Blister Packing Line with Serialisation capabilities

## Continue growth of Australian based CDMO business



- Double digit CDMO revenue growth vs 2HFY22
- Active promotion as a full service CDMO with oral solid dose and semi-solid capabilities in 'tier 1' markets



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# Outlook



# Strategic priorities for FY23 & FY24 to drive shareholder value

## # 1 Priority, B/E ASAP



Successfully implement new commercial strategy for NEXTSTELLIS® to accelerate growth in the US and Australia

## Deliver EBITDA Positive WH



Deliver on the full Women's Health franchise  
ANNOVERA®  
BIJUVA®  
IMVEXXY®  
NEXTSTELLIS®  
Pre-Natal Vitamins

## Improve Margin & Access



US channel strategy to improve margins in dermatology and women's health and provide better patient access

## Secure accretive assets



Broaden portfolio with complementary products that leverage existing commercial infrastructure in dermatology and women's health

## Accelerate AU Growth



Continued profitable growth of Australian based specialty pharmaceutical, International sales and CDMO business

- FY23 has been one of significant business transition with the completion of the sale of MCS and Retail Generics and the acquisition of the TXMD portfolio
- Momentum continues to build across BPD/Women's Health portfolio following acquisition and investment in new products as well as our sales and marketing capability to support our contraception, menopause, and specialty brands
  - Anticipated timing for NEXTSTELLIS® to achieve its breakeven weekly run rate is now in 1H24
  - Performance of the whole portfolio is delivering steady revenue growth and positive contribution in 2H23 with the acquired assets more than offsetting NEXTSTELLIS® investments for growth
- Following stabilisation, Dermatology has now returned to delivering positive net revenue and contribution margin
  - Momentum is anticipated to continue through the remainder of the half, supported by the recent product launches
- Our operational excellence plan implemented for the International business will take time to gain traction
  - Relatively flat performance is expected in 2H23
- Overall, the continuing businesses are expected to deliver positive revenue and contribution margin in 2H23 vs 1H23
  - Return to Group profitability in FY24, even with stranded costs from the RGx business and the time required for changes made to NEXTSTELLIS® to deliver on top line growth
- We expect FY23 underlying EBITDA to be aligned with the consensus of the two analysts covering Mayne Pharma

# Q&A

You deserve tomorrow.