



2021 ANNUAL GENERAL MEETING

AT 9.00 AM ON 23 NOVEMBER 2021

CHAIR'S ADDRESS

Welcome everyone, I'm Frank Condella, the Chair of Mayne Pharma. It is a pleasure to welcome you to Mayne Pharma's 2021 Annual General Meeting. As we have a quorum present, I am delighted to open the meeting.

First of all, I would like to take you through the procedural aspects of the meeting today. Unfortunately, due to the COVID-19 pandemic, we cannot physically meet in person and are hosting the meeting virtually using the Lumi platform. By using this technology last year we saw our AGM attendance increase 80% on the prior year which we believe is a positive outcome.

If you experience any difficulties during the meeting please call the AGM help line on +61 3 9415 4024 which is listed in the AGM user guide on our website and appears on the screen. If there are any technology issues, a recording will be available on our website after the meeting.

Shareholders and proxy holders have the ability to ask questions and submit votes. You can ask questions during the meeting in two ways. You can ask a question in writing by selecting the messaging tab at the top of the Lumi webcast. For those who wish to ask an oral question, please pause the broadcast on the Lumi webcast and then click on the link for asking audio questions. A new page will open where you will be asked to enter your name and topic of your question before being connected. If you have any issues using this system, please return to the Lumi webcast.

Text questions can be submitted at any time through the online platform and you do not need to wait for the relevant item of business to ask your questions. We encourage you to lodge any text questions now.

We will address questions at the relevant time in the meeting and questions may be moderated or if we receive multiple questions on one topic they will be combined together. Finally, due to time constraints, it is possible that we may not be able to answer all questions. If that occurs, then we will revert back to you individually after the meeting about your unanswered question.

Voting today will be conducted by way of a poll on all items of business. Voting for all resolutions is now open and will remain open during the AGM. If you are eligible to vote at this meeting, a polling icon should be displayed on your screen. Click on this icon which will bring up a list of resolutions and present you with voting options. To cast your



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vote, select one of the available options. You have the ability to change your vote up until the time I declare the voting is closed at which time your most recent selection will be registered.

I would now like to introduce our Board members, senior executives, and the Company's auditor who are all online today. Joining me in Raleigh, North Carolina is our CEO Scott Richards, and fellow directors Patrick Blake and Dr Carolyn Myers. I am very pleased to welcome Carolyn who was nominated by our largest shareholder Mithra Pharmaceuticals as prescribed under our license and supply agreement to commercialise NEXTSTELLIS® in the US. Carolyn is an experienced pharma executive with more than 30 years of industry experience in creating, growing and leading health care businesses.

In Australia, we have our Deputy Chair Ian Scholes and Directors Nancy Dolan and Professor Bruce Robinson, our CFO Peter Paltoglou and David Petersen, the Company's auditor. We also have online Lisa Pendlebury, VP of Investor Relations and our Company Secretary, Laura Loftus who will moderate the shareholder questions.

I'll now outline the procedure for today's meeting. There are three items of business on today's agenda:

1. I will present my Chair's Report, then
2. Scott will provide an update on the business, and then
3. We will go into the formal part of the meeting where we will vote on the resolutions outlined in the notice of meeting.

I will now move to the Chair's Report.

As most of you know, FY21 has been another challenging year impacted by a number of external factors including the global pandemic, ongoing competitive pressure in the retail generic market and increasing demands from payors for insurance coverage across our brand portfolio. We have also seen the USD weaken which has impacted our results as they are reported in AUD.

Your Board and management team are very disappointed in the financial performance of the Group and are committed to turning around performance and seeking out the best opportunities to maximise shareholder value.

Mayne Pharma has a diverse and complex operating model of brands, generics and contract services which provides us with multiple opportunities for growth and potential value creation.

For instance, the recent FDA approval and launch of the novel contraceptive NEXTSTELLIS in the US is our most significant commercial opportunity. NEXTSTELLIS competes in the US\$3.4b short-acting combined hormonal contraceptive (CHC) market with nearly 10 million American women using CHCs for their contraceptive needs. NEXTSTELLIS is a new birth control option that contains estetrol or E4, the first new estrogen introduced in the US in more than 50 years. E4 is a low impact estrogen with a unique mechanism of action that offers potential advantages over other estrogens.

In terms of other near-term growth opportunities, we are focused on broadening our dermatology and women's health portfolios and evolving our go-to-market distribution model. In dermatology, we have doubled our product portfolio through a number of new supply and distribution agreements with leading pharma companies. These agreements demonstrate how our unique business model in dermatology, which focuses on providing better outcomes for patients, prescribers and pharmacy partners, is attracting new partnerships and new revenue opportunities

In women's health, we continue to advance the generic NUVARING® program. Whilst we unfortunately received another complete response letter (CRL) from the FDA, I can say the number of questions were minimal and we have submitted our response to the FDA. The NUVARING market opportunity remains significant with two independent generics approved and an addressable market of US\$660m¹.

Our US contract service business, Metrics, continues to demonstrate a solid track record of financial performance delivering 12% revenue CAGR over the eight years we have owned the business. M&A dynamics remain strong in the CDMO market with many businesses being sold for trailing 12-month EBITDA multiples in the mid to high teens. With almost US\$30m of operating profit² in FY21, Metrics remains a highly valued asset. We continue to invest in expanding the capability and capacity of the Greenville site as well as improving our commercial and operational processes.

Our International business which operates out of Salisbury, South Australia also has a solid track record of growth delivering 5% revenue CAGR over the last six years. The Salisbury facility remains the largest Australian-owned full service oral solid dosage plant to manufacture TGA and FDA-registered pharmaceuticals.

Moving to the FY21 results.

The Company reported revenue of A\$401m, EBITDA of A\$66m and underlying EBITDA of A\$75m excluding NEXTSTELLIS set up costs. Disappointingly we reported a net loss after tax which was impacted by the non-cash intangible asset impairments of the generic portfolio. On a constant currency basis, revenue was down 3%, reported EBITDA down 5% and underlying EBITDA down 10% versus the prior corresponding period (pcp).

¹ IQVIA MAT Sales, September 2021

² Operating profit is gross profit less direct operating expenses and excludes depreciation



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Pleasingly, all segments other than Generic Products contributed to EBITDA growth compared to the pcp. Metrics Contract Services performed strongly with gross profit up 18% on pcp in USD terms benefiting from new commercial manufacturing revenues. Our International segment delivered 20% growth in gross profit benefiting from improved overhead recovery rates with growing production volumes. Specialty Products was flat at the gross profit line due to key dermatology brands and TOLSURA® being impacted by COVID-19, as well as a more challenging payor environment driving increased rebates for insurance coverage. The restructure of the dermatology sales team however, drove significant improvement in operating profitability after direct operating expenses. The final segment, Generic Products was significantly impacted by new competition on key products and pricing pressures across the portfolio.

In FY21, we achieved \$18m operating expense reduction on a constant currency basis excluding NEXTSTELLIS set up costs. We continue to optimise our cost base through the realignment of our supply chain with raw material suppliers and contract manufacturing organisations.

The Company generated net operating cashflow of \$59m in FY21, reduced net debt by \$11m to \$249m and was compliant with all bank covenants at balance date.

Before handing over to Scott, I wanted to take a moment and thank Roger Corbett and Bruce Mathieson for their valuable contributions during their many years of service on the Board of Mayne Pharma. We will continue to evolve our Board over the coming year and expect to add new directors with a variety of skills that will help to guide the company strategically. We hope to announce more on this early next year.

As I said earlier, Mayne Pharma has a diverse group of businesses that provide us with various opportunities for growth. I, along with our new and existing directors, will focus on developing the strategic direction for our company that we believe will most increase value for all of us shareholders.

On behalf of the entire Board I want to thank all my colleagues for their hard work and contribution through these challenging times and to all our shareholders for your continued support.

With that, I will now hand over to Scott.