



## MAYNE PHARMA TO RETURN UP TO \$113 MILLION TO SHAREHOLDERS

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28 October 2022, Adelaide Australia: Mayne Pharma Group Limited (ASX: MYX) is pleased to announce that following completion of the sale of Metrics Contract Services (**Metrics**) it intends to return up to \$113 million to shareholders, through a combination of cash distributions.

Based on Mayne Pharma's strong net cash balance today and considering its future capital requirements, the Directors are pleased to announce the following capital management initiatives:

- The Directors have declared a fully franked special dividend of approximately \$47.3 million (2.72 cents per share<sup>1</sup>) (**Special Dividend**); and
- A pro rata return of capital of up to \$65.5 million (approximately 3.8 cents per share<sup>2</sup>) subject to shareholder approval and a class ruling from the Australian Tax Office (ATO) (**Capital Return**).

In addition, the Directors are announcing a Share consolidation in which every twenty (20) shares is consolidated into one share (**Share Consolidation**) subject to shareholder approval.

The Special Dividend and Capital Return are expected to be paid to shareholders on 27 January 2023, subject to the timing of feedback from the ATO and shareholder approval at Mayne Pharma's Annual General Meeting (**AGM**) to be held on the 30 November 2022. The Share Consolidation will occur immediately following the date on which shareholders are entitled to receive the Special Dividend and Capital Return.

Mayne Pharma's Chair Mr Frank Condella said, "We are pleased to announce these capital management initiatives following the completion of the sale of Metrics on the 4 October 2022. The Board considers these distributions are the most appropriate way to efficiently return capital to shareholders having regard to the tax characterisation of the sale proceeds and the available franking credit balance."

"The sale of Metrics is a key driver of the Company's transformation agenda to reposition Mayne Pharma for growth. Following completion of the Metrics sale, the Company has repaid the syndicated debt facility and is also intending to reduce the size and drawn balance of the receivables facility to reduce interest cost and further optimise its capital structure. Going forward, Mayne Pharma intends to maintain a strong balance sheet to enable it to fund its future operating and cash flow requirements and preserve flexibility to pursue suitable growth opportunities, should they present. The Company will continue to assess its ongoing capital requirements as part of a strategic capital management focus."

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<sup>1</sup> Before any share consolidation

<sup>2</sup> Before any share consolidation or buy-back and cancellation of forfeited and unallocated employee loan shares. The Company intends to buy-back and cancel approximately 24 million forfeited and unallocated employee loan shares following the 2022 AGM and before the Capital Return and Share Consolidation is implemented.



## ASX Announcement

For further details on the capital management initiatives and share consolidation announced today, please refer to the Mayne Pharma 2022 AGM Notice of Meeting.

**For further information contact:**

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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 and generic 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.*