

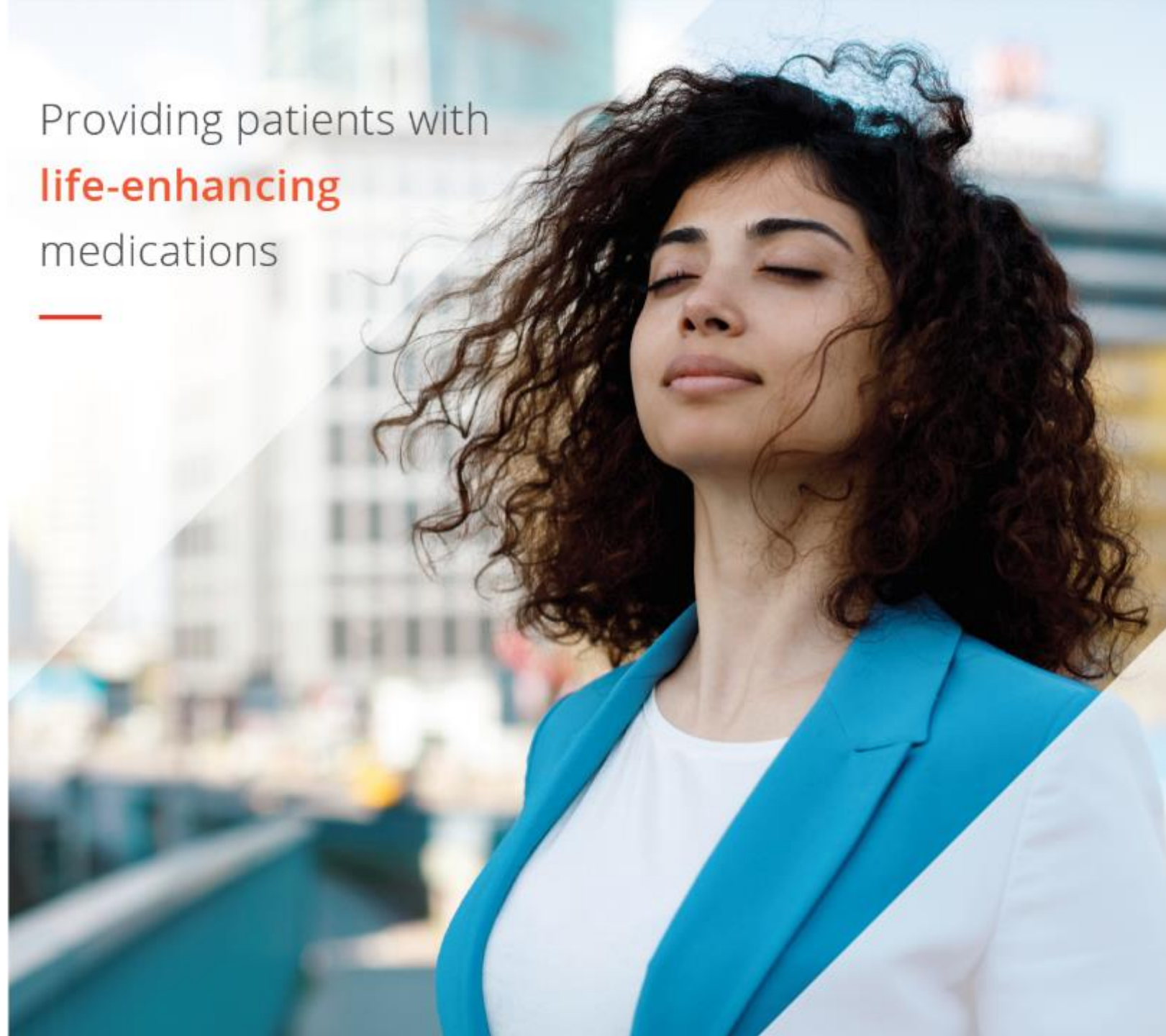
Mayne Pharma Group Limited

**FY23 Results Presentation
31 August 2023**

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



Providing patients with
life-enhancing
medications



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 Preliminary Financial Report and other market disclosures. This material is not intended to be relied upon as advice to investors or potential investors.

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- Other than as indicated, the financial information contained in this document is directly extracted or calculated from the Preliminary Financial Report which is subject to completion of the Auditor's Review. 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.
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- The non-IFRS financial information has not been audited by the Group's auditors.

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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®, BIJUVA®, IMVEXXY®, NEXTSTELLIS®, ORACEA® and VITAMED® are trademarks of third parties.

FY23 Performance Highlights



Refocused on core businesses and reset capital structure

- ✓ Completed sale of Metrics Contract Services and US Retail Generics for a combined sale price of US\$565m
- ✓ Created scale in US Women's Health business via TXMD transaction¹
- ✓ Transformed balance sheet – net cash of \$176.2m (vs FY22 net debt \$317m), with conservative position maintained through transformation process whilst delivering prudent capital management of \$46.7m special dividend and on-market buyback up to 10%



Growth/improvement across all segments

- ✓ BPD/Women's Health – strong revenue growth following relaunch of NEXTSTELLIS® and from 2HFY23 launch of women's health portfolio products. Significant improvement in segment gross profit and direct contribution in 2HFY23 (positive on underlying basis)
- ✓ PPD/Dermatology – delivered significant 2HFY23 turnaround in revenue and gross margin following poor 1HFY23 performance with new commercial discipline to rebase business targeting sustainable and profitable growth
- ✓ International – revenue, gross profit and direct contribution growth delivered in 2HFY23 through CDMO activity. Commenced business improvement program to improve plant efficiency and secure international CDMO growth



Improved Financial Performance

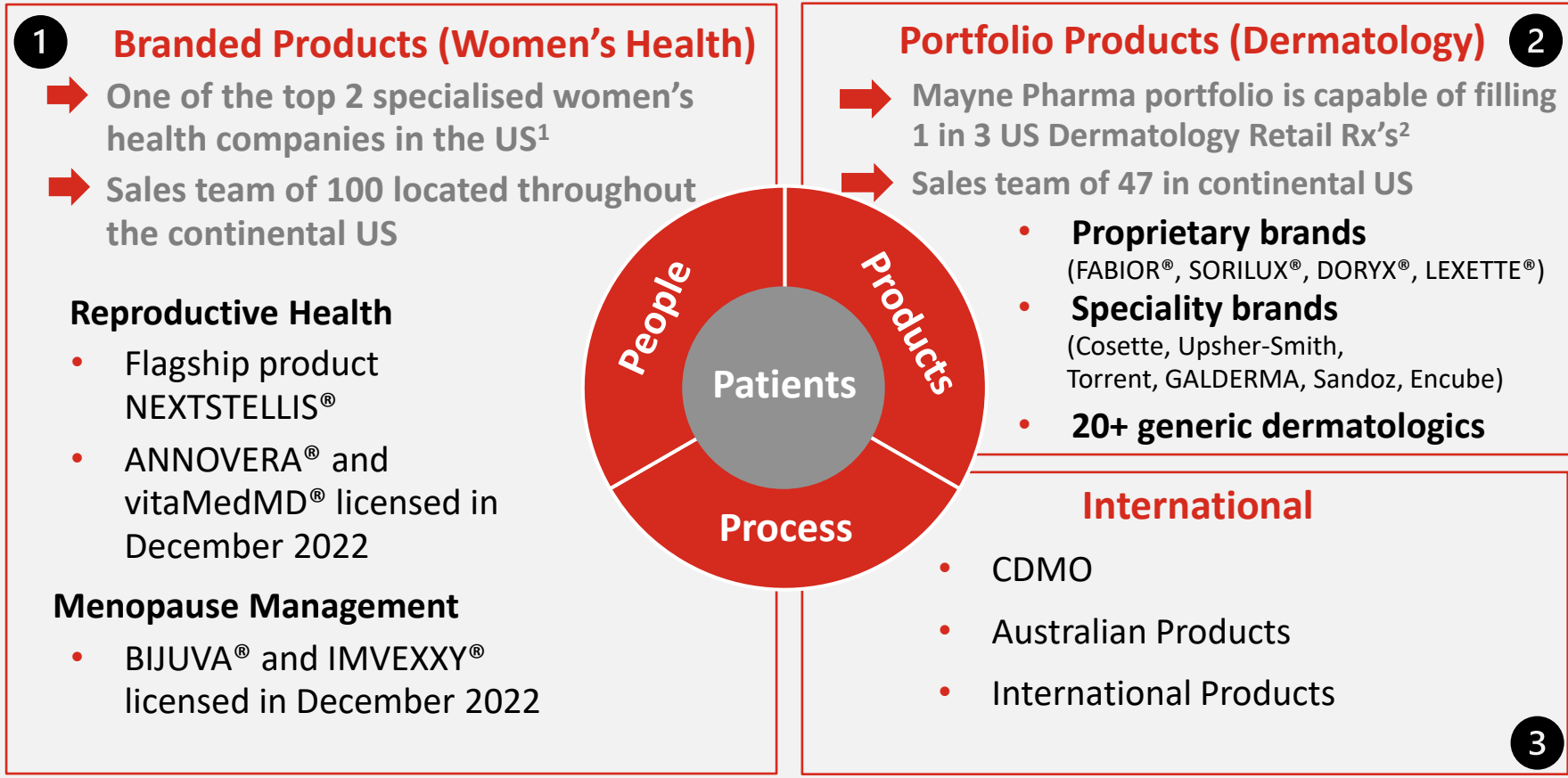
- ✓ Delivered revenue growth in 2HFY23 across all segments to \$131.5m (1HFY23: \$52.1m). 2HFY23 gross profit increased to \$66.6m (1HFY23: \$16.9m) and positive direct contribution of \$0.9m (1HFY23: negative direct contribution of \$42.7m)
- ✓ Generated positive operating free cash flow of \$14.1m in 2HFY23

(1) Acquired from TherapeuticsMD Inc (TXMD) the exclusive license to commercialise a portfolio of on-market women's health products including three patent protected novel women's health products: ANNOVERA®, IMVEXXY® and BIJUVA® and a portfolio of prenatal vitamins.

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

FY24 Outlook

Positive momentum continues into FY24

- ✓ Completion and integration of FY23 transactions
- ✓ Another year of focused execution
- ✓ All three business units delivering positive contribution margins
- ✓ Return Company to positive EBITDA in FY24

Women's Health



- NEXTSTELLIS® breakeven run rate in 1HFY24¹
- BIJUVA® low strength launch
- Grow licensed contraceptive and menopause product revenues

Dermatology



- Add accretive products
- Execute pilot for channel strategy
- Pricing adjustments to improve NSP
- Positive profit and contribution FY24

International



- New leadership driving operational excellence
- Business development to grow revenues
- Targeted investment to improve site productivity and capability

Group 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 to 45.5% vs 50.1% 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 Results Presentation for adjustments to underlying EBITDA



Segmental Performance

Refocused business delivering improved momentum and positive contribution in 2H

Reported results (A\$m)	1HFY23	2HFY23	FY23	FY22		1HFY23	2HFY23	FY23	FY22
<u>Revenue</u>					<u>Gross profit</u>				
Portfolio Products	11.1	45.9	57.0	92.2	Portfolio Products	-2.6	13.3	10.7	45.4
Branded Products	13.4	48.5	61.9	10.6	Branded Products	10.7	43.2	53.9	8.4
International	27.6	37.1	64.7	54.4	International	8.8	10.1	18.9	17.7
Total	52.1	131.5	183.6	157.1	Total	16.9	66.6	83.5	71.6
<u>Operating expenses</u>					<u>Direct Contribution</u>				
- Dermatology	14.4	13.9	28.3	23.7	- Dermatology	-17.0	-0.7	-17.7	21.7
- Other ¹	3.1	0.1	3.3	1.5	- Other	-3.1	-0.1	-3.3	-1.5
Portfolio Products	17.5	14.1	31.6	25.2	Portfolio Products	-20.1	-0.9	-21.0	20.2
Branded Products	36.0	45.6	81.6	55.1	Branded Products	-25.4	-2.3	-27.6	-46.6
International	6.1	6.0	12.1	9.6	International	2.8	4.1	6.9	8.1
Total	59.6	65.6	125.3	89.9	Total	-42.7	0.9	-41.8	-18.3

1. Other within PPD represents Adelaide Apothecary



FY23 Underlying Results

Reconciliation of reported to underlying profit and loss (A\$ million)

Sales and Profit	REPORTED ATTRIBUTABLE TO MEMBERS JUNE 2023 \$M	Earn-Out Reassessments \$M	Restructuring \$M	Doubtful Debt \$M	Supply Chain Disruption \$M	Asset Impairments \$M	Insurance Recovery \$M	Derivative Fair Value Adjustment \$M	INTI \$M	Litigation \$M	ADJUSTED JUNE 2023 \$M
Revenue	183.6				3.7						187.3
Gross Profit	83.5				3.1						86.6
<i>Gross Profit %</i>	45.5%										46.2%
EBITDA	(102.0)	(23.9)	12.1	7.8	3.1		(3.4)	2.7	3.2	5.1	(95.3)
Depreciation/Amortisation	(65.4)										(65.4)
Asset impairments	(69.2)					69.2					--
PBIT	(236.5)	(23.9)	12.1	7.8	3.1	69.2	(3.4)	2.7	3.2	5.1	(160.7)

See following page for explanation of adjustments.



Group Financial Overview

Reconciliation of reported to underlying EBITDA

A\$ million ¹	Adjustments – FY23	Comments
Reported EBITDA	(102.0)	
Earn-out assessment	(23.9)	Non-cash movement arising from change in fair value of earn-out liabilities
Restructuring	12.1	Related to organisational transformation to simplify the operating model
Doubtful debt	7.8	Single debt related to FY22 PPD sales activity
Supply chain disruption	3.1	LEXETTE® supply chain disruption impact to PPD
Insurance recovery	(3.4)	Business interruption recovery (other income) related to Salisbury location
Derivative FVA	2.7	Fair value adjustment related to the convertible notes derivative
INTI	3.2	Share of INTI's EBITDA loss and Mayne Pharma's loss on disposal
Litigation	5.1	Drug pricing and health care investigations, US DOJ investigation, and related litigation
Total adjustments	6.7	
Underlying EBITDA	(95.3)	

Group Financial Overview

EBITDA to cash reconciliation

A\$ million	FY23
EBITDA attributable to members - ADJUSTED	(95.3)
Restructuring	(12.1)
Litigation costs	(5.1)
Transaction costs	(21.7)
Total working capital movements	145.4
Tax paid	(4.0)
Other	(7.2)
Net cash flows from / (used in) operating activities	(42.7)
Payments for capex (net of govt grant)	(4.7)
Payments for intangible assets (licensure TXMD assets)	(210.8)
Acquired NWC (licensure TXMD assets)	(16.7)
Net proceeds MCS business sale	722.5
Net proceeds RGx business sale	132.7
Investment marketable securities	(127.5)
Earn-out and deferred settlement payments	(21.6)
Other	(0.4)
Free cash flows	430.8
Net repayment of borrowings (SFA, RFA)	(412.6)
Lease payments	(3.9)
Net proceeds from convertible note	36.6
Net interest received / (paid)	(0.4)
Dividend paid	(45.3)
On market buyback	(6.2)
Net increase / (decrease) in cash and cash equivalents	(1.0)

- Generated positive operating cash flow \$14.1m 2HFY23 in line with improved business performance
- Significant improvement in working capital balances following sale of MCS and US Retail Generics
- Special dividend of \$46.7m paid in January
- On market buyback of up to 10% of issued capital commenced in May; \$6.2m to date



Group Financial Overview

Consolidated balance sheet

A\$ million	FY23	FY22	Change
Cash and equivalents	92.6	96.7	(4.1)
Inventory	82.7	108.9	(26.2)
Receivables	194.9	268.2	(73.3)
PP&E	43.7	218.4	(174.7)
Intangibles & goodwill	617.3	427.5	189.8
Income tax receivable	14.6	14.1	0.5
Right of use assets	7.8	7.5	0.3
Other assets	193.8	146.6	47.2
Total assets	1,247.4	1,287.9	(40.5)
Payables	246.5	187.6	58.9
Interest-bearing borrowings (inc leases)	47.5	413.7	(366.2)
Other financial liabilities	296.2	126.1	170.1
Other liabilities	22.8	22.3	0.5
Total Liabilities	613.0	749.7	(136.7)
Equity (attributable to members)	634.4	538.2	96.2
AUD:USD FX rate	0.664	.689	
Net Cash / (Debt)	172.6	(317.0)	489.6

- Working capital reductions reflective of MCS and RGx divestments and transformation journey of the company.
- Payables reflect increase in GTN liabilities YoY due to increased derm GTN profile, increase in returns provision at H1FY23, growth in WH revenues.
- Interest bearing borrowings includes: \$10.8m receivables finance facility, \$28.5m convertible notes, and \$8.2m lease liabilities
- Other Financial Liabilities includes \$291.4m earn out and deferred consideration liabilities relating to TXMD transaction and MCS transaction
- Net cash calculation includes marketable securities held in overnight deposits



Cost adjustments delivering some results – more work to do

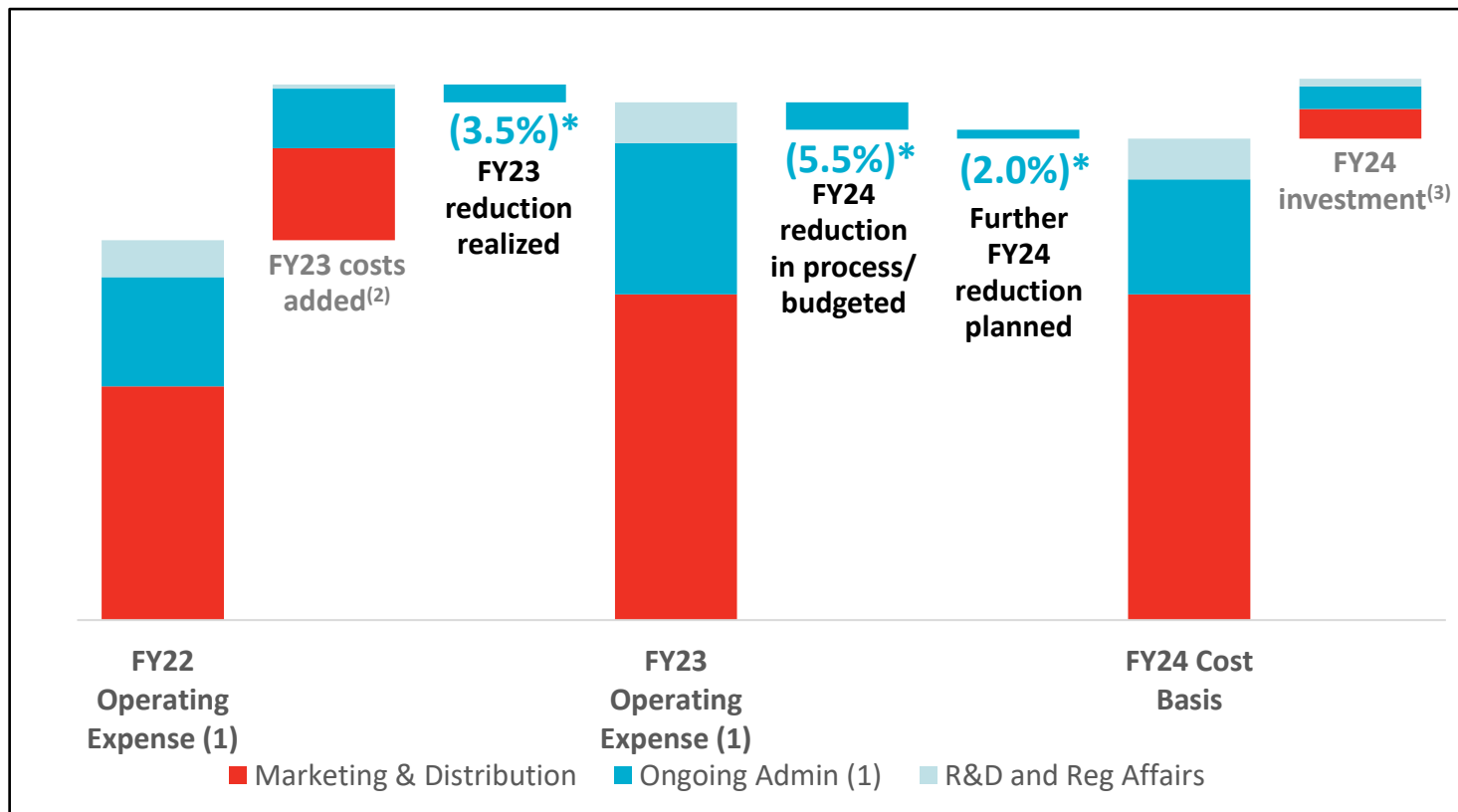
FY22 OPEX Base	143.1
Capitalization change	1.5
FX	2.7
MCS cross charge adj for comparability ²	3.3
Audit, GTN administration	2.4
Invest WH	34.9
Invest Disintermediation	4.5
Other (share-based pmts, inflation)	2.8
FY23 Gross	195.2

- FY23 OPEX without mitigating measures would total \$194.4M
- Cost savings focus delivers \$5.8M in FY23

²Cross charge offset by 2.7M payments under TSA disclosed as other income

	2023	2022	change	
R&D, med & reg affairs expensed	15.7	14.2	1.5	Reduction in capitalized R&D expense
Marketing and distribution expenses	125.9	92.3	33.6	Increased invest in Nextstellis and TXMD
Administration and other ¹	48.3	36.6	11.7	MCS cross-charge elimination 3.3m, FX 2.7m, audit and GTN accounting 2.4m, inflation, exec change
TOTAL	189.9	143.1	46.8	

Reducing costs to enable investment in growth



- FY23 investments:
 - \$16.9m NEXTSTELLIS® DTC + AU launch
 - \$18m TXMD
 - \$4.5m disintermediation
 - \$39.4m TOTAL
- Cost reduction program delivers \$5.8m savings FY23 effective.
- Cost reductions FY24 targeted at \$10.5m
- Remainder to be targeted \$3.5m & beyond

* As a percent of total FY2023 operating expense

(1) Excludes amortization and one-time costs.

(2) Marketing & Distribution: NEXTSTELLIS® launch costs and investments in Adelaide Apothecary (PPD) to support disintermediation strategy
 Administrative: FX translation, professional fees, increase share-based payment, IT charges
 R&D and regulatory affairs: women’s health portfolio support

(3) Marketing & Distribution: Investing to support the expanded WH business (BPD): growth in sales team and marketing initiatives (incl DTC and sampling) under refreshed strategy
 Administrative: salary increases, biostudies investment, ERP
 R&D and regulatory affairs: medical affairs



Branded Products Division (BPD)



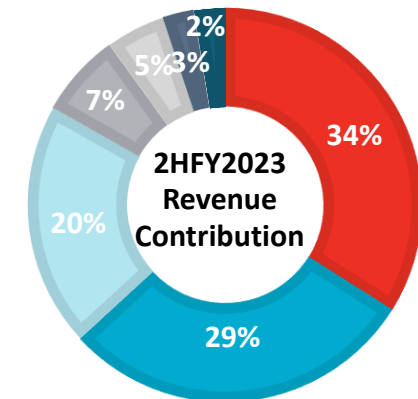


Women's Health / Branded Products Division (BPD)

FY23 highlights

- Segment performance reflects 2HFY23 contribution from licensed WH products as well as improved performance of NEXTSTELLIS® following refreshed marketing strategy.
- NEXTSTELLIS® FY23 revenue US\$14.1m with 2HFY23 in line with 1HFY23. Net revenues depressed by one-time accounting change and development of charges to revenue (experience with actuals following introduction). However, expectations around path to profitability are holding.
- Women's health expansion portfolio revenue US\$24.4m in 2HFY23 - unit sales and demand in line with plan. Net revenues depressed by one-time accounting change negatively impacted sales by US\$5.7m, adjusting for this, revenue was US\$30.1m.
- Adjusting for one off accounting changes, Direct Contribution of US\$4.7m would have been achieved, which is aligned with outlook provided in May.
- Women's health expansion products generated positive operating cash flow in 2HFY23.
- Costs well managed to support growth in sales team and marketing expenses (DTC campaign, sampling).

A\$million	1H23	2H23	FY23	FY22
Reported revenue	13.4	48.5	61.9	10.6
Reported Gross Profit	10.7	43.2	53.9	8.4
Gross Profit %	80%	89%	87%	80%
Direct operating expense	36.0	45.6	81.6	55.1
Direct contribution	(25.4)	(2.3)	(27.6)	(46.6)

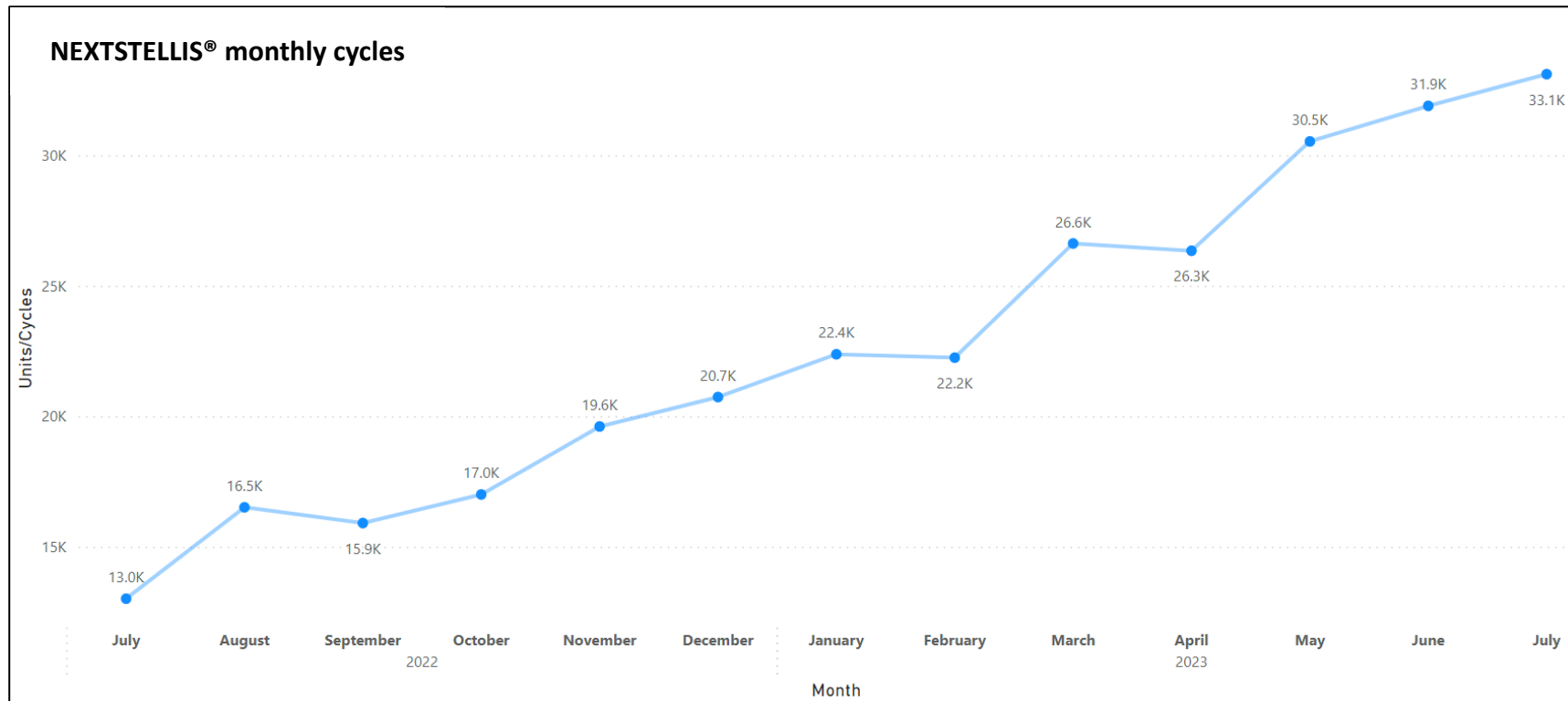


- NEXTSTELLIS
- ANNOVERA
- IMVEXXY
- BIJUVA
- TOLSURA
- SOLTAMOX
- Vitamins



NEXTSTELLIS® Update

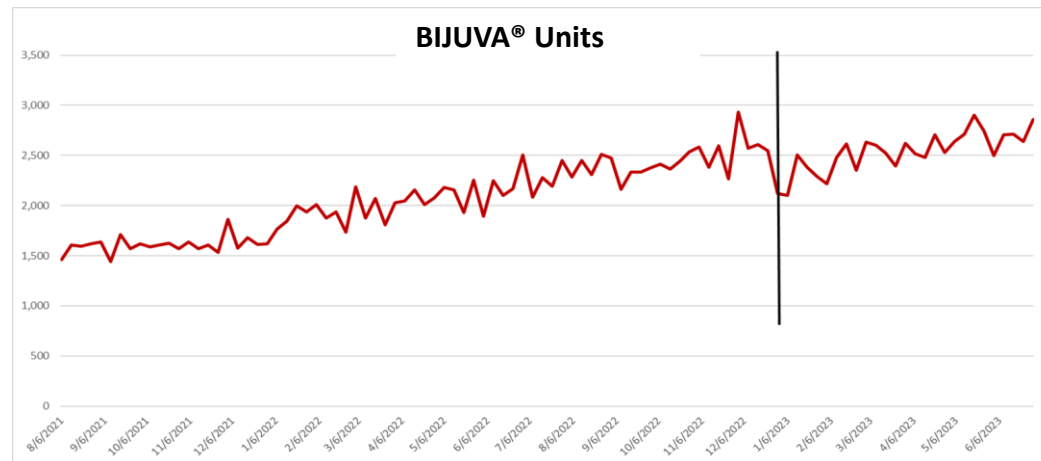
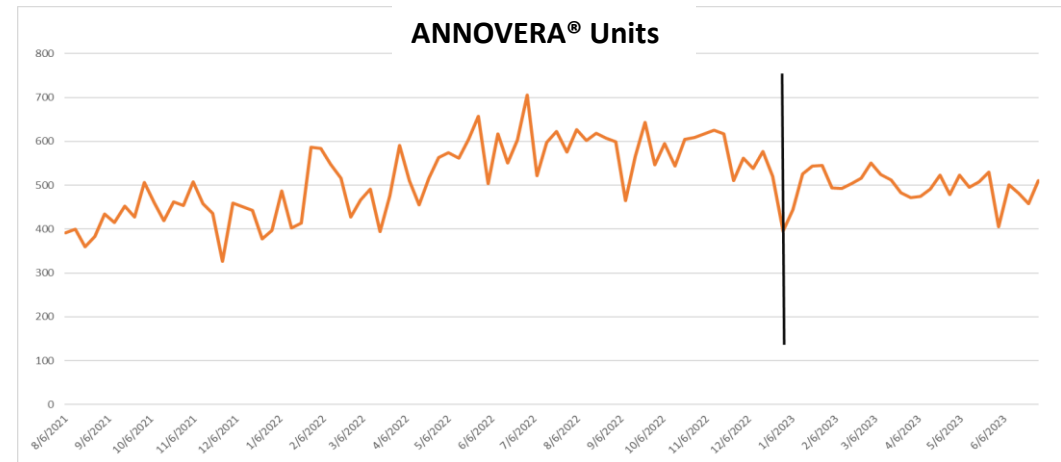
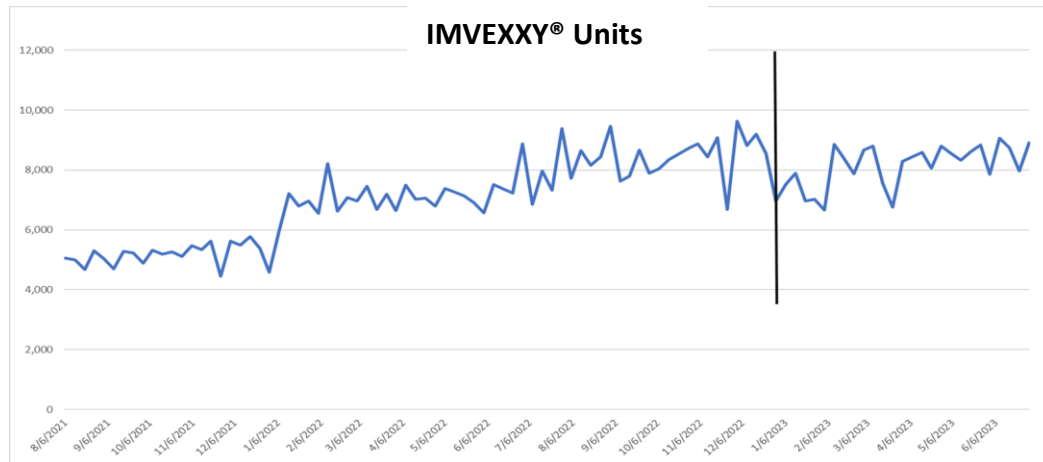
- Monthly cycle count increased to 33,100 in July 2023 (+2.5x from July 2022)
- Unit sales growth of 267% on FY22 – total units of 256,330 for FY23
- Growth of prescriptions through improved commercial effectiveness and efficiency





Women's health expansion portfolio update

- Women's health expansion portfolio is delivering to expectation in demand units (scripts)
- Momentum building into FY24 as investment in sales and marketing is gaining traction in the menopause including targeting specialist HCPs





Portfolio Products Division (PPD) - Dermatology

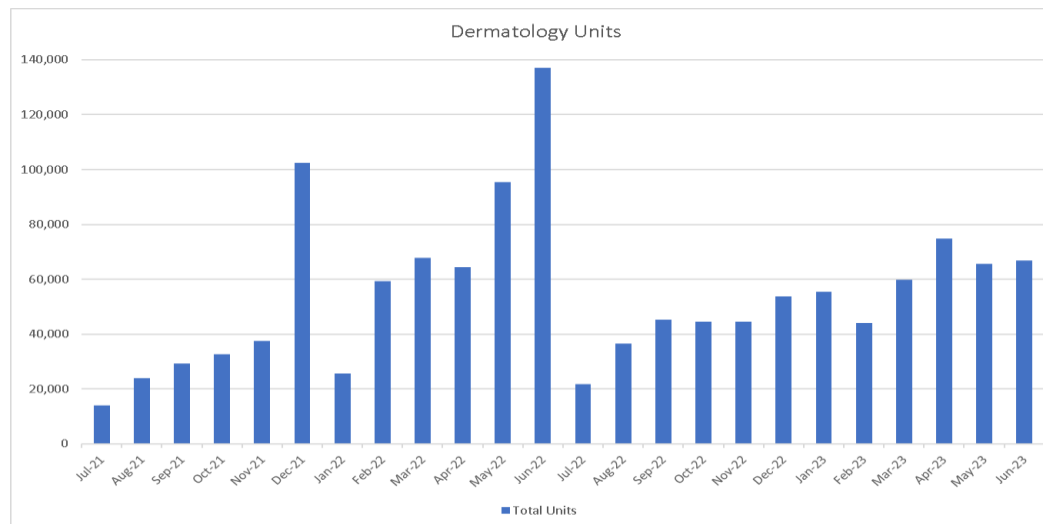


Portfolio Products Division (PPD) - Dermatology

FY23 highlights

- 2HFY23 sales reflecting improved sales as inventories normalised and pricing stabilised
- Continued conservative approach to co-pay methodology
- Disciplined cost performance reflecting active brand management to maximise contribution
- Successful launch of DORYX® MPC 60
- gORACEA® launch underperformed due to unplanned channel inventories

A\$million	1H23	2H23	FY23	FY22
Reported revenue	11.1	45.9	57.0	92.2
Reported Gross Profit	(2.6)	13.3	10.7	45.4
Gross Profit %	-24%	29%	19%	49%
Direct operating expense	17.5	14.1	31.6	25.2
Direct contribution	(20.1)	(0.9)	(21.0)	20.2

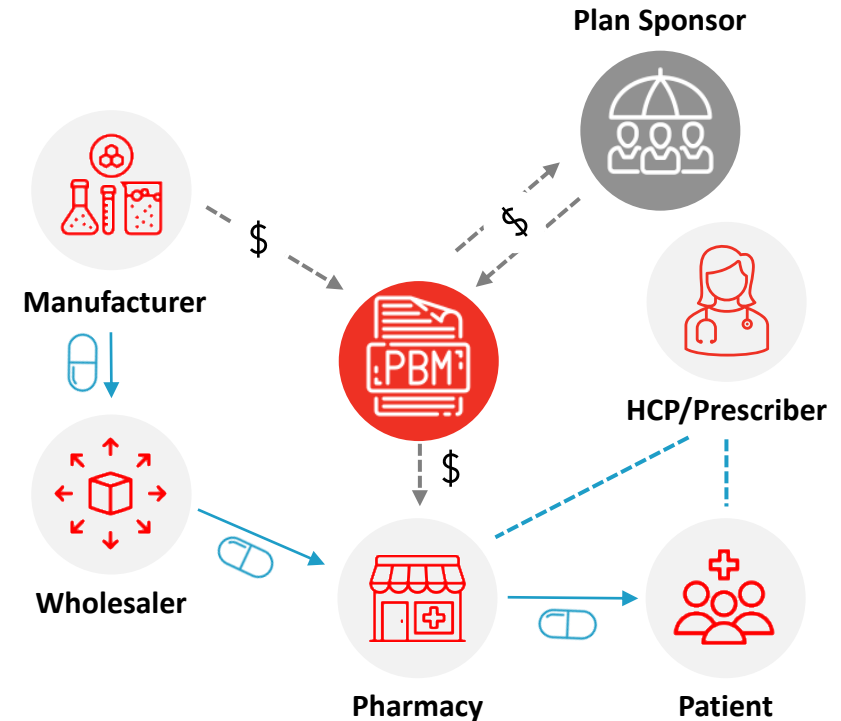


Disintermediating the Pharmaceutical Value Chain

The pharmaceutical value chain is filled with inefficiencies and pain points

- Multiple stakeholders with opposing financial interests cause inefficiencies, higher costs, lack of transparency, and lack of trust
- PBMs are incentivised by rebates and the top 3 control 80% of the market, resulting in higher costs to consumers, fewer choices for prescribers, and margin pressures for manufacturers
- Purchasing alliances control >95% of the market and manufacturer bargaining power is limited
- Consumers face high prices and coverage uncertainty and don't trust online offerings which are difficult to navigate
- Prescribers/HCPs seek reduced administrative burden, greater choice in patient treatment, and simpler patient access to minimise abandonment and promote adherence

Pharmaceutical Value Chain



THE GOAL: Help patients receive quality drugs quickly and at the best price while increasing prescriber efficiency and customer satisfaction.



Disintermediation Strategy

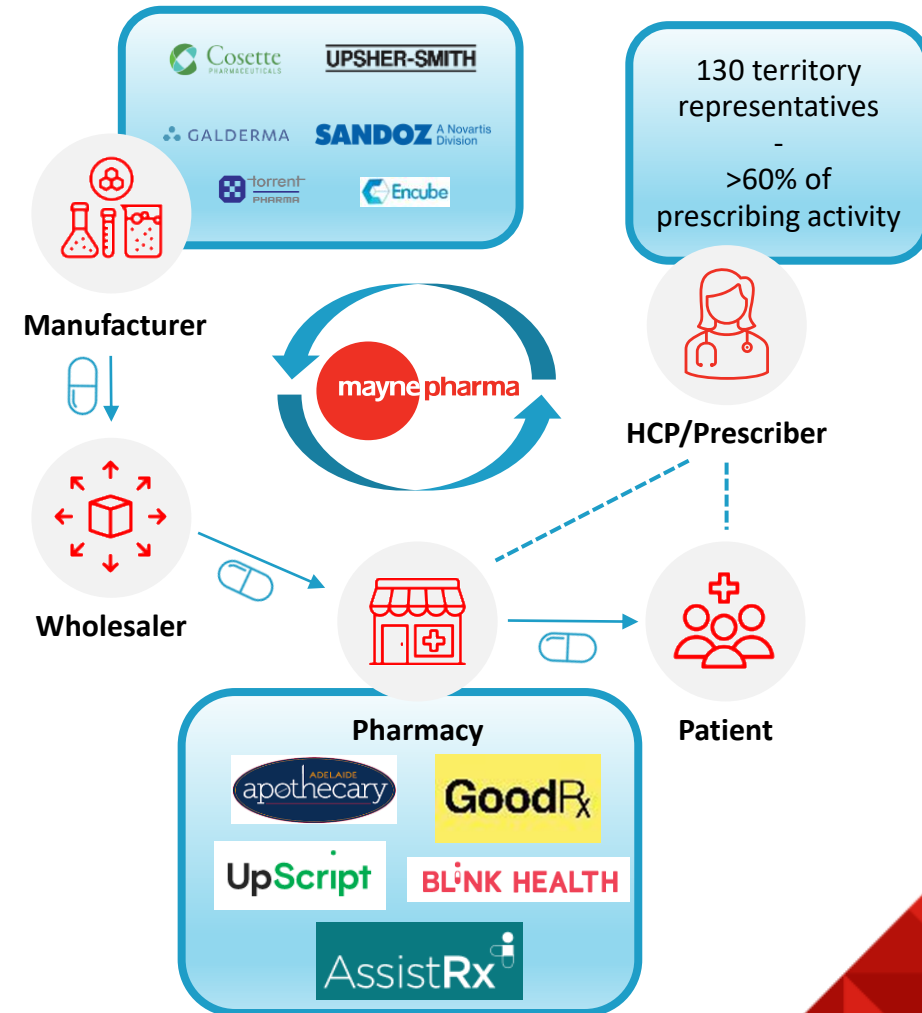
Mayne Pharma's unique platform spans the entire value chain, allowing for the ability to create a comprehensive, frictionless, transparent, and cost-effective experience

Why Dermatology?

- ✓ There is great desire for disintermediation in the industry, with the Dermatology segment a logical starting point
- ✓ Most dermatological conditions are not permanently cured, resulting in ongoing demand/continuous refills
- ✓ Long cycle times for treatment
- ✓ Conditions are non-acute and patients are more willing to wait for shipping and shop online
- ✓ Insurance coverage is poor and getting worse

Why Mayne Pharma?

- ✓ **Drug sourcing ability:**
 - Mayne Pharma portfolio is capable of filling 1 in 3 US Dermatology Retail Rx⁽¹⁾
 - Access to wholesalers and intermediary platforms
 - Established relationships with Bx & Gx manufacturers
- ✓ **Pharmacy network allows for consistent product availability, choice, and pricing:**
 - Adelaide Apothecary for cash-pay claims, licensed to operate in 50 states
 - 400+ specialty pharmacy locations and partnerships for reimbursed claims
- ✓ **Extensive provider/customer coverage:**
 - 145+ field representatives
 - Reach of 50k+ prescribers in targeted therapeutic areas, covering >60% of prescribing activity



1. IQVIA recent 12-month TRx totals by molecule



International





International

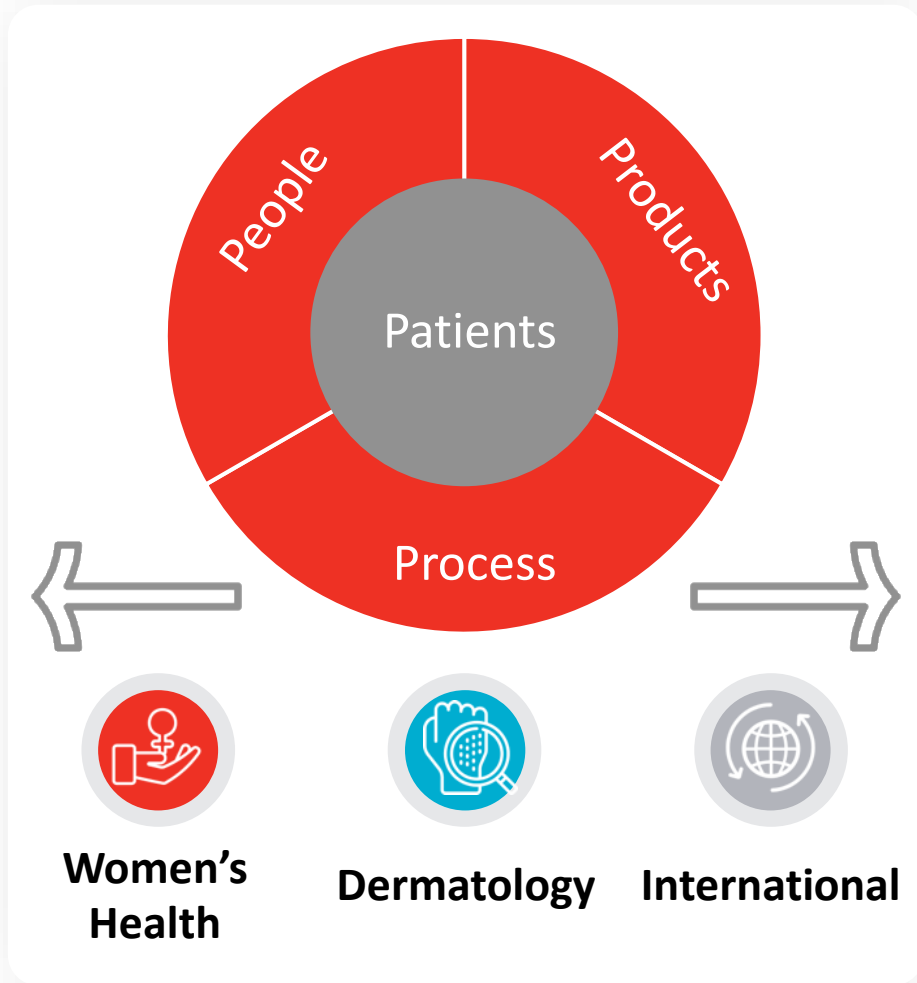
FY23 highlights

- Solid progress as new management team commenced business improvement initiatives at Salisbury manufacturing facility including product throughput efficiency, procurement initiatives and building International business development opportunities
- \$12m investment in partnership with the Australian Government who provided an \$4.8m grant under their Modern Manufacturing Initiative (MMI) program improves capabilities and efficiencies in the Salisbury facility
- CDMO revenues increased >50% on FY22 largely attributable to new third party contract sales in 2H following divestment of US Retail Generics
- MPA revenues increased 7% on FY22 with in licensed product growth of 26% attributable to new product launches and growth in existing product portfolio
- Continued progress in growing Opioid Substitution Therapy (OST) opportunities in Europe in International Products
- Year on year cost increase reflects NEXTSTELLIS® launch costs and additional sales and marketing to support Australian market entry – sales performance to plan, costs well managed in 2HFY23

A\$million	1H23	2H23	FY23	FY22
Reported revenue	27.6	37.1	64.7	54.4
Reported Gross Profit	8.8	10.1	18.9	17.7
Gross Profit %	32%	27%	29%	33%
Direct operating expense	6.1	6.0	12.1	9.6
Direct contribution	2.8	4.1	6.9	8.1

Strategy for Growth

Addressing the needs of patients across 3 segments while driving sustainable profitability and growth



Near term initiatives

- Broaden Women’s Health and Dermatology portfolios, leveraging sales infrastructure and distribution platforms
 - Continue to find ways to disintermediate the traditional supply chain via alternate channels (DTC, specialty pharmacies, Good Rx)
 - Dermatology pricing refinements to drive improved contribution
 - Drive International performance with new contracts and markets
- USA**

Business Outlook and Priorities for FY24

- The Company expects to complete integration of the licensed women's health assets in FY24 with a focus on growth and improving net selling prices. The Company is pursuing a growth strategy with the expected launch of low strength BIJUVA® and by leveraging our salesforce scale and effectiveness. For NEXTSTELLIS® the Company is targeting a breakeven¹ run rate in 1HFY24, with continued growth throughout FY24.
- For Dermatology, the Company plans to continue to enter into capital light, accretive business arrangements and drive commercial excellence in FY24. We are further developing our channel strategy and leveraging our ability to drive market share to expand partnerships. Improved profitability is a clear objective for the Dermatology business.
- For International, the Company is pursuing targeted investment and new manufacturing revenue streams. The Company plans to continue to drive specialty and generic product sales including driving growth in NEXTSTELLIS® in Australia and will continue to invest in a targeted manner in the Salisbury facility to improve our productivity and capabilities.
- With all 3 business units contributing positive contribution margin, the Company expects to return to positive EBITDA and operating cash generation in FY24.

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

Q&A

You deserve tomorrow.