ASX Announcement

MAYNE PHARMA REPORTS FY24 FINANCIAL RESULTS

112% Revenue Growth and $22.9 million in Underlying EBITDA

Highlights[1]

- Significant improvement in operating and financial performance with reported revenue up 112% on pcp to $388.4m, gross profit up 162% on pcp to $218.8m and gross margin of 56.3%, up from 45.5% in pcp
- Underlying EBITDA improved by $118.2m on pcp to $22.9m with operating cash flow from continuing operations of $8.1m
- $130.3m improvement on pcp in direct contribution[2] from business segments, resulting in $88.5m contribution
- Revenue growth across all segments vs pcp:
  - Women's Health up 131% to $142.8m, driven by NEXTSTELLIS® and licensed products
  - Dermatology up 207% to $174.9 million, with solid contribution from RHOFADE® and authorised generic ORACEA®
  - International up 9% to $70.7m
- Direct opex as % of revenue improved (33.5% in FY24 v 68.2% in pcp), due to revenue growth and opex discipline
- Cash on hand plus marketable securities of $149.3m at 30 June 2024

Mayne Pharma CEO Mr Shawn Patrick O'Brien and CFO Mr Aaron Gray will host a webcast of the FY24 results at 9.30am AEST today (7.30pm Eastern US time on 22nd August) – Details Below

23 August 2024, Adelaide, Australia: Mayne Pharma Group Limited (Mayne Pharma or the Company) (ASX: MYX), today announces its financial results for the 12 months ended 30 June 2024 (FY24).

Group Financial Overview

$ million[3]	FY23	FY24	Change vs FY23	% Change vs FY23
Reported Revenue	183.6	**388.4**	204.8	Up 112%
Reported Gross Profit	83.5	**218.8**	135.3	Up 162%
Direct Contribution	(41.8)	**88.5**	130.3	Up 312%
Reported EBITDA	(102.0)	**(92.5)**	9.5	Up 9%
Underlying EBITDA[4]	(95.3)	**22.9**	118.2	Up 124%
Reported Net Loss After Tax	(317.4)	**(168.6)**	148.8	Down 47%

[1] All amounts are expressed in Australian Dollar Terms (A$/AUD) unless otherwise indicated.
[2] Direct contribution calculated as gross margin less direct opex.
[3] 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 all FY23 results, so they are presented on a comparable basis.
[4] Refer to FY23 and FY24 Results Presentations for adjustments from reported to underlying EBITDA.

Mayne Pharma's CEO, Mr Shawn Patrick O'Brien said *"Mayne Pharma has delivered a significant improvement in Group performance, achieving all five key operating metrics including a positive direct contribution from all three business segments and a positive underlying EBITDA in FY24."*

"Our broadened portfolio in Dermatology and Women's Health uses our existing commercial infrastructure and strengthens our market presence. Our refined US channel strategy has not only increased margins but importantly, is providing greater patient access."

"Looking ahead, we are focused on capitalising on our market leading position in Women's Health and Dermatology to drive further revenue growth. Opex will be considered under a disciplined framework to support our sales initiatives, continue to improve cost leverage and deliver improved EBITDA performance and cashflow."

Financial and Operational Summary

Women's Health

The Women's Health segment distributes branded products, including NEXTSTELLIS®, ANNOVERA®, IMVEXXY®, BIJUVA® as well as branded pre-natal vitamins. Mayne Pharma maintains a top 2 specialist position in women's health in the key US market.

Key highlights include:

- Revenue increased by 131% to $142.8m versus the pcp (in USD terms, revenue increased 125% to US$93.6m)
- Gross profit of $113.5m was up 111% versus the pcp
- Significant $62.9m increase in direct contribution versus the pcp (FY24: $35.2m vs FY23 ($27.7m))

NEXTSTELLIS® grew significantly during the year, recording 113% growth in net revenues to US$30.1m (pcp: US$14.1m). On a sequential basis, 2H revenues of US$16.3m grew 18.1% versus the 1H (US$13.8m). Demand cycles grew 85% on the pcp.

ANNOVERA®, IMVEXXY® and BIJUVA® showed combined sales of US$59.3m for FY24. This includes a full year contribution from these products compared to a six-month contribution in FY23 (FY24 sales ANNOVERA®: US$30.6m; IMVEXXY®: US$19.2m, BIJUVA®: US$9.5m). Overall, IMVEXXY®, BIJUVA® and ANNOVERA® showed 31% total prescription growth in FY24.

Dermatology

Mayne Pharma continues to build on its Dermatology segment's market-leading position with a diverse portfolio of products well suited to meet patient needs and includes a differentiated channel strategy, selling through specialty pharmacies and online patient platforms such as GoodRX.

Key highlights include:

- Revenue increased by 207% to $174.9m versus the pcp (in USD terms, revenue increased 199% to US$114.6m)
- Gross profit of $83.9m increased by 686% versus the pcp
- Gross margins expanded significantly from 19% to 48%
- Significant increase in direct contribution of $65.3m versus the pcp (FY24: $44.3m vs FY23 ($21.0m))

International

International's revenues and gross profit are derived principally from the Australian manufacture and sale of branded and generic pharmaceutical products globally (ex-US) and the provision of contract development and manufacturing services to third party customers.

Key highlights include:

- Revenue increased 9% on pcp to $70.7m
- Gross profit improved 13% on pcp to $21.3m, with gross margins increasing to 30%
- Direct contribution increased by 31% on pcp to $9.0m

Improved performance was driven by increased demand for KAPANOL®/KADIAN® in European and Canadian markets, coupled with strong domestic sales of oxycodone and UROREC®. NEXTSTELLIS® achieved year on year revenue growth of 163% in the Australian market. The Salisbury facility demonstrated a step change in operational metrics to drive revenue and earnings growth.

Expenses

In FY24 a focus of Mayne Pharma was to improve cost leverage. The 112% growth in revenue in FY24, combined with cost containment measures that resulted in direct operating expenditure growth of just 4%, delivered a $130.3 million improvement in direct contribution from ($41.8 million) in FY23 to $88.5 million in FY24.

Total expenses were controlled in FY24, with overall growth of 5% to $298.8m versus the pcp. Cost containment measures were offset by certain variable costs associated with revenue growth and increased costs due to required studies and investment in medical education to raise scientific awareness. Excluding non-cash and non-operating items, admin and other expenses and employee costs were flat on the pcp.

There were no impairments in the current period (FY23: $69.2m).

Cash Flow

Closing cash and marketable securities ("cash") was $149.3m compared to $220.1m in the pcp. Net operating cash for FY24 was an outflow of $15.3m. Operating cash flow was impacted by discontinued operations including payments for the divested Retail Generics business. Excluding

discontinued operations (outflow of $23.4m), operating cashflow from continuing operations was an inflow of $8.1m (versus an outflow of $51.5m in the pcp).

Investing cash flow for FY24 included: $8.0m payments for net capital expenditure; $12.9m payments for intangible asset acquisitions relating to the RHOFADE® acquisition; and earn-out and deferred settlement payments totalling $21.8m.

Mayne Pharma continues to adopt a conservative capital structure. Management is focused on delivering operational and financial performance improvements across the business whilst closing out remaining outstanding liabilities and actively managing working capital as revenue continues to grow.

Corporate

In late September 2023, Mayne Pharma closed an asset purchase agreement to acquire the global rights to RHOFADE® (oxymetazoline hydrochloride cream 1%) from Novan, Inc. and EPI Health, LLC. RHOFADE® is indicated for the topical treatment of persistent facial erythema associated with rosacea in adults. RHOFADE® was an important contributor to the overall growth in the Dermatology segment in FY24.

Mayne Pharma continued its on-market share buy-back in FY24 with the Company buying back $10.9m worth of shares during the period. The Company considers a range of factors when determining whether and when to buy back shares.

Post period end, on 3 July 2024 the Company announced a binding agreement to settle the shareholder class action commenced in August 2021. The agreed settlement amount was $38m, of which approximately $4.7m was funded by insurance, with the remainder paid from Mayne Pharma's cash reserves in July 2024.

Outlook

The Company expects to improve shareholder value in FY25 through growth in underlying EBITDA, driven by further revenue growth and cost leverage. All three segments are expected to deliver positive direct contribution.

Mayne Pharma expects to drive growth across the Women's Health segment with a focus on sales execution and targeted marketing efforts to further increase operating leverage.

For Dermatology, Mayne Pharma plans to continue to evaluate capital efficient and accretive business arrangements to drive the growth in revenue and margin. We will continue to leverage the channel strategy as a preferred solution by partners, prescribers and patients.

For International, the Company intends to leverage the capability and capacity created by investments and operational improvements.

Investor Webcast

Mayne Pharma's CEO Mr Shawn Patrick O'Brien and CFO Mr Aaron Gray will host a webcast of the results at 9.30am AEST today (7.30pm Eastern US Time on Thursday, 22 August 2024).

Participants can register for the webcast by navigating to: https://s1.c-conf.com/diamondpass/10038208-hgu786.html.

Further information

Additional details about Mayne Pharma's results are included in the Company's FY24 Financial Report, Investor Presentation slides and webcast, all of which will be placed on Mayne Pharma's website at www.maynepharma.com.

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Authorised for release to the ASX by the Board of Directors.

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 is a leader in dermatology and women's health in the United States and 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.

KAPANOL® and RHOFADE® are trademarks of Mayne Pharma. ANNOVERA®, BIJUVA®, IMVEXXY®, KADIAN®, NEXTSTELLIS®, ORACEA® and UROREC® are trademarks of third parties.

Important information

This announcement 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', 'target' 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 including approval of our products as well as their decisions on label claims; competitive developments affecting our products; changes in behaviour of major customers, suppliers and competitors; interruptions to manufacturing or distribution; acquisitions and divestitures; the success of research and development activities and research collaborations and the Company's ability to protect its intellectual property.