

3 December 2020

ASX ANNOUNCEMENT

EU Transition and Trading Update

Medical Developments International Limited (ASX: MVP) today provides an update in relation to its Pentrox EU transition activities and trading conditions.

Transition arrangements for taking back the distribution rights from Mundipharma in the EU are progressing to plan. Progress to date includes the establishment of an EU based legal and corporate structure, contracting of pharmacovigilance and regulatory related service providers and securing operational infrastructure in-market, including importation and logistics capability. The Marketing Authorisations previously held by Mundipharma are being transferred concurrently to allow MVP to assume control of sales and distribution activities on 1 March 2021.

Mr. MacGregor said “The opportunity in the EU remains strong and we’re revisiting our execution strategy, assessing and building on the foundation work done by Mundipharma, including determining where we can deploy a direct or hybrid selling model which brings enhanced control and margin. Europe will be the primary focus of MVP over the coming year.”

As well as progress in continental Europe, we are also pleased that our partner in the United Kingdom and Ireland, Galen, has received an initial order from the Northern Ireland Ambulance Services Trust despite the ongoing impact of COVID-19. With Galen we are confident we will continue to grow our UK Pentrox business by onboarding additional ambulance trusts in the coming months.

Sales to date for the half are generally subdued and below prior year, for the following key reasons:

- Following an early COVID pandemic surge in sales, the mild cold and flu season, along with improved community hygiene practices, has depressed demand for respiratory products;
- Reduced community activity resulting in fewer ambulance movements; and
- Pentrox Australia sales timing differences associated with the transition from the exiting distribution partner, Mundipharma Australia.

Overall reported revenue is showing growth as a result of accelerated milestone income amortisation from the hand-back of the EU distribution rights from Mundipharma to MVP.

Mr. MacGregor said: “We are looking past these challenges. We expect to see a recovery in Australian sales in the coming months and will build infrastructure for the global growth of Pentrox. The transition arrangements in the EU are progressing well and additional rollouts into unlaunched markets will occur in 2021.”

Authorised for release by MVP Company Secretary, Mark Edwards.



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**About Pentrox®**

Penthrox is a fast onset, non-opioid analgesic indicated for pain relief by self-administration in patients with trauma and those requiring analgesia for surgical procedures. Penthrox is now approved for sale in more than 40 countries and has been used safely and effectively for more than 40 years in Australia with more than 7 million units sold. There is growing interest in Penthrox being used in patients undergoing investigatory procedures, as well as operational procedures such as colonoscopy.

About Medical Developments International Ltd

MVP is an Australian company delivering emergency medical solutions dedicated to improving patient outcomes. MVP is a leader in emergency pain relief and respiratory products. The Company manufactures Penthrox®, a fast-acting trauma and emergency pain relief product. It is used in Australian Hospitals including Emergency Departments, Australian Ambulance Services, the Australian Defence Forces, Sports Medicine and for analgesia during short surgical procedures such as Dental and Cosmetic surgery as well as in other medical applications. MVP is expanding internationally and also manufactures a range of world-leading Asthma respiratory devices.