

16 July 2021

## **ASX ANNOUNCEMENT**

### **MVP Announces Outcome of Balance Sheet Review**

Medical Developments International Ltd (ASX: MVP) today announced that following its annual asset impairment review, it expects to recognise a non-cash charge of \$7.5 – 8.5 million (after tax) within the Group's 30 June 2021 accounts.

MVP's respiratory business has been adversely impacted in FY21 by the COVID19 pandemic, moderating our growth outlook and resulting in an impairment of the associated intangible assets.

While MVP remains convinced that its Flow technology will deliver long-term value beyond the manufacture of Pentrox, we have not yet unlocked this value. As such, the asset has been impaired. MVP will continue to pursue licensing and other opportunities for the technology.

The review entailed a comprehensive assessment of our balance sheet assets. Encouragingly, the assessment strongly supported the carrying value of MVP's Pentrox related assets.

The Company also announced that, based on preliminary unaudited accounts, the Group expects a Net Loss After Tax for the year ended 30 June 2021 to be in the range of \$4.2 - 5.2 million (pre impairment).

"Since taking the role of CEO in November 2020, we have undertaken an extensive review of all aspects of the business to lay the foundation for future growth" said Brent MacGregor, MVP CEO. "Our European Pentrox market access strategy is now in place alongside a range of structural changes to support our growth aspirations. I am enthused about the opportunity ahead, and our ability to deliver on this opportunity."

MVP Company Chair, Mr. Gordon Naylor said: "I continue to be pleased with our progress. We are only a few months into the turnaround of the Company and our evaluation of the business is largely complete."

The Group will release its 2021 full year results on 25 August, 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 8.0 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 Pentrox®, a fast-acting trauma & 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 manufactures a range of world-leading Asthma respiratory devices.