



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP25/096

Wednesday, 19 November 2025

Mayne Pharma Group Limited – Declaration of Unacceptable Circumstances and Orders

The Panel has made a declaration of unacceptable circumstances (Annexure A) in relation to an application dated 6 November 2025 by Mayne Pharma Group Limited in relation to its own affairs (see [TP25/093](#) and [TP25/095](#)).

The Panel has also made final orders (Annexure B) including orders requiring Cosette Pharmaceuticals, Inc. to agree to any conditions reasonably required by the Treasurer (in relation to FIRB approval) in connection with the Salisbury Site (including conditions reasonably restraining its closure) that are not inconsistent with Cosette's prior intentions disclosure in the Scheme Booklet.

The Panel considered that Cosette's change of intentions in relation to the Salisbury Site means that the market for control of Mayne Pharma is not proceeding in a manner generally expected for schemes and is contrary to an efficient, competitive and informed market. The Panel also considered that during the period between 24 June 2025 and 8 September 2025, the market was uninformed of Cosette's change of intentions in relation to the Salisbury Site.

While this decision is specific to its facts, when considering the public interest, the Panel took into account the concerns raised by the application regarding the ability for bidders to use a change of intention or similar strategies to potentially defeat transactions in a way that is contrary to the efficient, competitive and informed market principle in the *Corporations Act 2001* (Cth).

Background

Mayne Pharma Group Limited (**Mayne Pharma**) is an ASX-listed pharmaceuticals company (ASX: MYX). Mayne Pharma's business is predominantly US-based. However, it also has a presence in Australia, including a manufacturing site in Salisbury, South Australia (the **Salisbury Site**), which employs over 200 people.

Mayne Pharma entered into a scheme implementation deed (**SID**) with Cosette Pharmaceuticals, Inc. (**Cosette**) in relation to the acquisition of all of the shares in Mayne Pharma for \$7.40 cash per share by way of scheme of arrangement (**Scheme**),

subject to certain conditions precedent, including that no “Mayne Material Adverse Change”¹ (**MAC**) occurs and that Cosette receives the Treasurer’s approval under the Foreign Acquisitions and Takeovers Act (**FIRB Approval**).

On 15 May 2025, Cosette released an explanatory statement in relation to the Scheme (**Scheme Booklet**) which stated, subject to certain qualifications, that Cosette intended to (among other things): *“continue the business and operations of Mayne Pharma largely in the same manner as it is currently operated and to investigate opportunities to integrate and grow Mayne Pharma’s business;... and retain Mayne Pharma’s existing employees to the extent it is commercially appropriate to do so...”*. Cosette’s application for FIRB Approval included substantially similar disclosure as the Scheme Booklet in relation to Cosette’s intentions.

On and after 17 May 2025, Cosette served termination notices upon Mayne Pharma, including alleging that the MAC had been triggered, that Mayne Pharma had breached its continuous disclosure obligations, and that Mayne Pharma had misled Cosette into entering into the SID (**Termination Notices**). Mayne Pharma subsequently commenced court proceedings in respect of the Termination Notices.

On 18 June 2025, Mayne Pharma shareholders voted in favour of the Scheme at the scheme meeting.

On 24 June 2025, Cosette made a communication to FIRB to the effect that it had re-evaluated its intentions concerning Mayne Pharma’s business in Australia and determined that *“its current intention is to seek to dispose of or close”* the Salisbury Site. Cosette provided Mayne Pharma with a copy of this communication on the same day.

On 8 September 2025, following media reports that South Australia’s Premier had intervened in the FIRB process, Mayne Pharma made an ASX announcement which (among other things) disclosed Cosette’s change of intentions in relation to the Salisbury Site.

On 15 October 2025, the Court determined that no MAC had occurred and accordingly the Termination Notices were invalid and the SID remains valid and on foot.

On 30 October 2025, Cosette received a letter from the Treasurer which referred to Cosette’s change of intentions in relation to the Salisbury Site and stated (among other things) that the Treasurer was of the preliminary view that the proposed

¹ Being (other than certain excepted events) “[a]ny event, occurrence, change, circumstance or matter... which has, has had or is (either individually or when aggregated together with any such other events, occurrences, changes matters or circumstances) reasonably expected to have, the effect of diminishing the consolidated Maintainable EBITDA over a 12-month period of the Mayne Group, taken as a whole, by at least A\$10.76 million...”

acquisition would be contrary to the national interest and that he was “*considering whether he should make orders prohibiting the acquisition contemplated by the Scheme*”.

For more details, see paragraphs 1 to 16 of the Declaration.

Declaration

The Panel considers that it was reasonable for Mayne Pharma shareholders and the market generally to expect that the matters contained in the Termination Notices would not result in a re-evaluation of Cosette’s intentions in relation to the Salisbury Site (except as qualified in the Scheme Booklet) prior to implementation of the scheme, particularly given that:

- the matters contained in the Termination Notices were known before orders were made approving the convening of the scheme meeting
- Mayne Pharma shareholders voted on the Scheme and the market traded on the basis that any review of Cosette’s intentions would occur “*after implementation of the Scheme*” and
- the Court has determined that no MAC had occurred and accordingly the Termination Notices were invalid and the SID remains valid and on foot.

The Panel also considers that:

- It was at least foreseeable to Cosette that its change of intentions in relation to the Salisbury Site put the prospects of receiving FIRB Approval (and consequently, the prospects of the Scheme being implemented) at risk.
- Cosette’s change of intentions in relation to the Salisbury Site means that the market for control of Mayne Pharma is not proceeding in a manner generally expected for schemes and is contrary to an efficient, competitive and informed market.
- During the period between 24 June 2025 and 8 September 2025, the market was uninformed of Cosette’s change of intentions in relation to the Salisbury Site.

Orders

The Panel made orders including that Cosette must agree to any conditions reasonably required by the Treasurer in connection with the Salisbury Site (including conditions reasonably restraining its closure) that are not inconsistent with Cosette’s prior intentions disclosure in the Scheme Booklet.

The sitting Panel was Yasmin Allen AM (sitting President), Michael Borsky KC and Richard Phillips.

The Panel will publish its reasons for the decision in due course on its website
www.takeovers.gov.au.

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Australian Government

Takeovers Panel

ANNEXURE A

CORPORATIONS ACT

SECTION 657A

DECLARATION OF UNACCEPTABLE CIRCUMSTANCES

MAYNE PHARMA GROUP LIMITED

BACKGROUND

1. Mayne Pharma Group Limited (**Mayne Pharma**) is an ASX-listed pharmaceuticals company (ASX: MYX). Its business is predominantly US-based. However, it also has a presence in Australia, including a manufacturing site in Salisbury, South Australia (the **Salisbury Site**), which employs in excess of 200 people.
2. Cosette Pharmaceuticals, Inc. (**Cosette**) is the main operating entity of the Cosette group, a US-based pharmaceuticals group.²
3. On 20 February 2025, Mayne Pharma entered into a scheme implementation deed (**SID**) with Cosette in relation to the acquisition of all of the shares in Mayne Pharma for \$7.40 cash per share by way of scheme of arrangement (**Scheme**), subject to certain conditions precedent, including that no “Mayne Material Adverse Change” (**MAC**) occurs and that Cosette receives the Treasurer’s approval under the Foreign Acquisitions and Takeovers Act (**FIRB Approval**). The SID is subject to an “End Date” of 24 November 2025, unless extended by agreement between the parties.³
4. On 25 February 2025, Cosette lodged an application with the Foreign Investment Review Board (**FIRB**) seeking FIRB Approval.
5. On 15 May 2025, the first court hearing in relation to the Scheme occurred, at which both Mayne Pharma and Cosette appeared and at which orders were made approving the convening of the scheme meeting and approving

² Cosette and Cosette Australia BidCo Pty Ltd are each wholly owned subsidiaries of Cosette Pharmaceuticals Holdings, Inc., which is jointly owned and controlled by Avista Capital Holdings LP and Hamilton Lane Advisors LLC

³ Pursuant to the Panel’s interim orders dated 14 November 2025 which (in effect) extended the End Date from 20 November 2025 to 24 November 2025

distribution of the explanatory statement in relation to the Scheme (**Scheme Booklet**).

6. Also on 15 May 2025, Mayne Pharma released the Scheme Booklet. The Scheme Booklet included information provided by Cosette, including the following statements in Section 8 in respect of Cosette's intentions:

- (a) *"If the Scheme is implemented, the Cosette Group's current intention is to continue the business and operations of Mayne Pharma largely in the same manner as it is currently operated and to investigate opportunities to integrate and grow Mayne Pharma's business (which may include further investment flowing to Mayne Pharma)."*⁴
- (b) *"Following implementation of the Scheme, the Cosette Group will review Mayne Pharma's business operations and organisational structure to ensure that the combined Mayne Pharma Group and Cosette Group has the appropriate mix and level of employees and skills to enhance the business going forward and enable it to pursue growth opportunities.*

*The Cosette Group's current intention is to retain Mayne Pharma's existing employees to the extent that it is commercially appropriate to do so."*⁵

- (c) *"The statements in this Section 8 (Information on Cosette and Cosette Group) regarding the Cosette Group's intentions are based on information concerning the Mayne Pharma Group and the general business environment which are known to the Cosette Group at the time of the preparation of this Scheme Booklet. After implementation of the Scheme, the Cosette Group may conduct a review of Mayne Pharma and its operations, assets, liabilities, structure and employees, following which it may, as required, review its intentions as set out in this Section. Final decisions regarding these matters will be made in light of all material information, facts and circumstances at the relevant time if the Scheme is implemented.*

*Accordingly, it is important to recognise that the statements set out in this Section 8 are statements of current intention only and may change as new information becomes available or circumstances change."*⁶

- (d) *"The Cosette Group refers to the announcements made by Mayne Pharma to ASX on 14 May 2025 as referred to in Section 7.10 [in relation to a letter from the FDA]. The matters described in these announcements remain under consideration by the Cosette Group as at the date of this Scheme Booklet, including in relation to the impact of these matters on Mayne Pharma and its business and operations."*⁷
- (e) *"Other than as disclosed in this Section 8 (Information on Cosette and Cosette Group), there is no information regarding the Cosette Group or its intentions*

⁴ At Section 8.3(b)

⁵ At Section 8.3(d)

⁶ At Section 8.3(a)

⁷ At Section 8.4(f)

regarding Mayne Pharma, that is material to the making of a decision by a Mayne Pharma Shareholder on whether or not to vote in favour of the Scheme that is within the knowledge of any director of Cosette or Cosette Sub as at the date of this Scheme Booklet that has not been previously disclosed to Mayne Pharma Shareholders.”⁸

7. Cosette’s application with FIRB referred to in paragraph 4 included substantially similar disclosure in relation to Cosette’s intentions as set out in paragraph 6.
8. On 17 May 2025, Cosette served a notice on Mayne Pharma seeking to assert that a MAC had occurred. Cosette subsequently issued four termination notices upon Mayne Pharma, including alleging that the MAC had been triggered, that Mayne Pharma had breached its continuous disclosure obligations and that Mayne Pharma had misled Cosette into entering into the SID (**Termination Notices**).
9. On 4 June 2025, Mayne Pharma commenced proceedings in respect of the Termination Notices in the Supreme Court of New South Wales (**Court**) seeking orders that Cosette had not validly terminated the SID.
10. On 5 June 2025, Mayne Pharma released a supplementary scheme booklet containing disclosure in relation to (among other things) the Termination Notices and the Court proceedings in respect of them.
11. On 18 June 2025, Mayne Pharma shareholders voted in favour of the Scheme at the scheme meeting.

CIRCUMSTANCES

12. On 24 June 2025, Cosette made a communication to FIRB to the effect that it had re-evaluated its intentions concerning Mayne Pharma’s business in Australia and determined that “*its current intention is to seek to dispose of or close*” the Salisbury Site. Cosette provided Mayne Pharma with a copy of this communication on the same day.
13. The factors relevant to Cosette’s update to its intentions, as submitted by Cosette, included the matters contained in the Termination Notices as well as other factors including that the Australian operations were not material to Mayne Pharma’s overall operations and significantly less material in the context of the combined business.

⁸ At Section 8.4(f)

14. On 8 September 2025, following media reports that South Australia’s Premier had intervened in the FIRB process, Mayne Pharma announced (among other things) the following:

“Mayne Pharma is aware that, since Cosette’s purported termination of the Scheme, Cosette has had some correspondence with FIRB in respect of its intentions for the Mayne Pharma business (including possible intentions to either close or sell the Salisbury site) following implementation of the Scheme, should Cosette’s attempts to terminate, or otherwise get out of its obligations under, the SID, fail.”

15. On 15 October 2025, the Court determined that no MAC had occurred and accordingly the Termination Notices were invalid and the SID remains valid and on foot.

16. On 31 October 2025, Mayne Pharma announced an update on the status of FIRB Approval following the receipt of a letter from the Treasurer to Cosette dated 30 October 2025, including as follows:

“Mayne Pharma has been provided by Cosette with a letter received from the Treasurer indicating that his “preliminary view is that the Proposed Acquisition would be contrary to the national interest, on the grounds that it would negatively impact the Australian economy and community”. The letter states that the Treasurer is considering whether he should make orders prohibiting the acquisition contemplated by the Scheme.

The letter specifically refers to the fact that on 24 June 2025 ... the “Treasury was advised that Cosette had re-evaluated its intentions concerning Mayne Pharma’s business in Australia and determined that if Cosette were to acquire Mayne Pharma, its current intention is to seek to dispose of, or close, the manufacturing site in Adelaide” and goes on to detail the Treasurer’s view as to the importance of that site to Australia’s pharmaceutical manufacturing and research and development capabilities. The letter does not point to any other basis for the Treasurer’s preliminary view...”

EFFECT

17. The Panel considers that it was reasonable for Mayne Pharma shareholders and the market generally to expect that the matters contained in the Termination Notices would not result in a re-evaluation of Cosette’s intentions in relation to the Salisbury Site⁹ prior to implementation of the Scheme, particularly given that:

- (a) the matters contained in the Termination Notices were known before orders were made approving the convening of the scheme meeting

⁹ Except as qualified, see paragraphs 6(c) and 6(d)

- (b) Mayne Pharma shareholders voted on the Scheme and the market traded on the basis that any review of Cosette's intentions would occur "*after implementation of the Scheme*" and
 - (c) the Court has determined that no MAC had occurred and accordingly the Termination Notices were invalid and the SID remains valid and on foot.
18. The Panel considers that it was at least foreseeable to Cosette that its change of intentions in relation to the Salisbury Site put the prospects of receiving FIRB Approval (and consequently, the prospects of the Scheme being implemented) at risk.
19. Cosette's change of intentions in relation to the Salisbury Site means that the market for control of Mayne Pharma is not proceeding in a manner generally expected for schemes and is contrary to an efficient, competitive and informed market.
20. During the period between 24 June 2025 and 8 September 2025, the market was uninformed of Cosette's change of intentions in relation to the Salisbury Site.

CONCLUSION

21. It appears to the Panel that the circumstances are unacceptable circumstances:
- (a) having regard to the effect that the Panel is satisfied they have had, are having, will have or are likely to have on the control, or potential control, of Mayne Pharma or
 - (b) having regard to the purposes of Chapter 6 set out in section 602 of the *Corporations Act 2001* (Cth) (**Act**).
22. The Panel considers that it is not against the public interest to make a declaration of unacceptable circumstances. It has had regard to the matters in section 657A(3) of the Act.

DECLARATION

The Panel declares that the circumstances constitute unacceptable circumstances in relation to the affairs of Mayne Pharma.

Tania Mattei
General Counsel
with authority of Yasmin Allen AM
President of the sitting Panel
Dated 19 November 2025



Australian Government

Takeovers Panel

ANNEXURE B

CORPORATIONS ACT

SECTION 657D

ORDERS

MAYNE PHARMA GROUP LIMITED

The Panel made a declaration of unacceptable circumstances on 19 November 2025.

THE PANEL ORDERS

1. Cosette must agree to any conditions reasonably required by the Treasurer in connection with the Salisbury Site (including conditions reasonably restraining its closure) that are not inconsistent with Cosette's prior intentions disclosure in the Scheme Booklet.
2. Each of Cosette and Mayne Pharma must provide, and consent to the disclosure of, all communications between the Foreign Investment Review Board and that party in connection with the foreign investment application made by Cosette on or about 25 February 2025, to the other party immediately upon issue or receipt of such communications, provided that each party is entitled to redact or not disclose any part of that communication which contains or constitutes competitively sensitive or privileged information relating to that party.
3. The definition of "End Date" as defined in and for the purposes of (as applicable) the Scheme Implementation Deed, Scheme and Deed Poll is amended to read as per the definition of End Date in these orders.

Interpretation

4. In these orders, capitalised terms have the meaning given to them in the Scheme Implementation Deed unless defined below.

Cosette Cosette Pharmaceuticals, Inc.

Cosette Sub Cosette Australia BidCo Pty Ltd

Deed Poll The Deed Poll executed by Cosette and Cosette Sub in favour of the Scheme Shareholders dated 9 May 2025

End Date	24 November 2025 or such other date as may be agreed in writing between Mayne Pharma and Cosette
Mayne Pharma	Mayne Pharma Group Limited
Salisbury Site	Mayne Pharma's manufacturing site in Salisbury, South Australia
Scheme	The members' scheme of arrangement under Part 5.1 of the Corporations Act between Mayne Pharma and the Scheme Shareholders under which all of the Scheme Shares will be transferred to Cosette Sub and the Scheme Shareholders will be entitled to receive the Scheme Consideration, in the form attached to the Scheme Booklet, together with any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to by Mayne Pharma and Cosette (or Cosette Sub as applicable)
Scheme Booklet	The explanatory statement released by Mayne Pharma to ASX on 15 May 2025
Scheme Implementation Deed	The Scheme Implementation Deed dated 20 February 2025 between Mayne Pharma and Cosette (as amended from time to time)

Tania Mattei
General Counsel
with authority of Yasmin Allen AM
President of the sitting Panel
Dated 19 November 2025