

# Chair address to the Annual General Meeting, 31 October 2023

**Melbourne, Australia, 31 October 2023**

ASX: CUV

Börse Frankfurt: UR9

ADR Level 1: CLVLY

## Address by Chairman, Mr Willem Blijdorp

Dear Shareholders,

Today, I will speak about three things:

- our Company,
- the current climate, and
- my position as Chairman.

### First about the Company

I wanted to know what investors in Australia, New Zealand, Europe, and the United States think about the Company and current management.

I spoke in total with 21 shareholders, new investors, proxy advisors and our own staff, representing 15% of our share register.

As part of good governance, our IR manager and I reached out to learn how current management is viewed by all.

Without exception, shareholders and new investors are in favour of Philippe and his management team maintaining current strategy and completing the overall mission. They do not want change.

I was somewhat surprised because I had received some questions on CLINUVEL's strategy and the time to reach new markets.

The view is that shareholders want this team to complete the journey it started, and as a Board we have to consider this.

You can ask whether 15% is a large enough sample, but for now I say it is because we also know that another 30% openly says it will stay invested in CLINUVEL, since this management team is aligned with their interests.

As a Board we are speaking to our CFO, CSO and CEO to understand whether they are prepared and willing to complete the mission to build a diversified house.

We hope to report to you before Christmas how the discussions with CFO, CSO and CEO have concluded. It is the Board's and shareholders' strong view that the various development and

commercial plans are completed by 2026, and that no, or minimal, disruption takes place in the Company.

I learned a lot from directly getting feedback from shareholders, the feedback was very frank and positive since it was recognised that we are telling a special story, but there are also comments that they wished the development could be done faster.

I understand this, but in pharmaceuticals one cannot cut corners and accelerate things, money and people is not sufficient.

The shareholders I spoke said they do NOT want to sell their shares even when the share price was low.

#### The current climate

I can speak hours about economics, currencies, inflation, and the state of the world, but I want to attract your attention to CLINUVEL's financial strategy.

The Board has spoken many years with our CEO, and he explained often how pharmaceutical companies are like addicts: they need frequent and more cash without increasing the risk of success since things take much longer.

Our management team also explained how new economic uncertainty could lead to less available cash for innovators such as CLINUVEL. We are in exactly that point of the cycle, no cash available for new ideas.

Therefore, our management team changed the financial strategy and tried to optimise smaller clinical programs to obtain more information and less money was spent.

Today, you see the results of this financial strategy, CLINUVEL is becoming independent and has a strong balance sheet. Very few companies are building assets without dilution of shareholders.

Because our management team calculates risks, it arrived at today's position.

Some of you love it, some of you want to see the cash spent faster and want change in strategy. However, spending more and faster funds DOES NOT increase chances of success.

This Board has been involved in many businesses, but very few have managed the finances like this management team has, and this gives all shareholders confidence and security that the Company can operate with being at risk. That is worth more than you can imagine, only look at the ASX and Nasdaq to understand the number of companies entering finance at high interest rates, since equity raisings are impossible.

I am very content that I have been part of this approach by our management team, I hope they continue this journey.

#### My position as Chairman

The past years, I have seen many of my goals achieved, I give you a few:

- providing guidance on commercial strategies;
- preparing the PhotoCosmetic strategy;
- assisting on M&A questions;
- simplifying the executive contracts; and
- assisting in tax matters.

Now, I want to see this Company grow to several billions in market cap, and it has all the possibilities to do so. Therefore, if I am re-elected as Director today, I will do my best to see us realise this goal.

After four years as Chairman, it is time to hand over my responsibilities and I'm pleased to announce our new incoming Chair is Professor Jeffrey Rosenfeld, based in here in Melbourne. Professor Rosenfeld will take on the position of Chair of the CLINUVEL Group from 1 January 2024 – assuming he is re-elected today. Professor Rosenfeld is a distinguished medical professional with a long-standing record of community service. He is well qualified to Chair the Company and I wish him well in his new role.

Finally, I would like to conclude by thanking all stakeholders who have supported the Company during the past year. Firstly, patients and their families who continue to support our approved product and development programs, as well as the physicians who provide life-changing care. The loyalty of shareholders is highly appreciated, reflected in our sixth dividend payment.

We could not have achieved the financial results and advances in the Company's expansion initiatives over the past year without our employees. I want to publicly thank them all for their hard work and commitment. The leadership of Dr Wolgen is critical to the Company's success and progress, and I can advise that we are considering all options in the lead up to the expiry of his contract on 30 June 2025. I leave it to another time to provide more detail.

I am also fortunate to have Chaired a focused Board that collaborates well. I would like to acknowledge and thank Sir Andrew Likierman for his contribution to the Board during his tenure which comes to an end today. We wish him well in his many interests and future endeavours.

Thank you for your kindness the past years and I look forward to continuing my contribution to the Company.

Thank you for your attention.

Willem Blijdorp

## **Address by Chairman (elect), Professor Jeffrey Rosenfeld**

Good Morning

### **I Introduction**

I hope to be re-elected today and, if I am, the Board has chosen me as the incoming Chair.

I have been a CLINUVEL Board Director for four years and have a deep understanding of the business.

In Australia, the probability of commercial success of new drug development from basic science is low. The number of new technologies that generate millions of dollars is rare. CLINUVEL has succeeded where many other pharmaceutical companies have failed.

### **II On Leadership**

It is a privilege to be a board member and to Chair the Board of CLINUVEL. I am impressed with CLINUVEL because its drugs transform the lives of people with major health problems, particularly serious disorders of the skin. Imagine having erythropoietic porphyria (EPP), which causes severe skin reaction and pain when exposed to sunlight, and following SCENESSE® administration, being able to live normally.

I derive my leadership skills and experience from my many decades of holding leadership positions in medicine, universities, business, and in the military where I reached the senior rank of Major General.

I am highly respected for my integrity and character. I lead by example. I have strong personal discipline, and a determination to succeed. I always aspire to excellence in whatever I do, and I

have great ambition for the organisations I work in, including CLINUVEL. I provide strong advocacy when required. I am used to building strong, cohesive and collegiate teams. I always treat people inside and outside organisations with respect. These traits have led to success and I intend to ensure they are instilled throughout our organisation. I also bring experience in clinical translation of basic biomedical research, and commercialisation of medical technology.

I wish to thank the outgoing Chairman, Mr Willem Blijdorp for his sage advice to the Board and the Company. We have benefited greatly from his extensive business experience. I wish to also thank Professor Sir Andrew Likierman who leaves our board after this AGM. His advice has been greatly appreciated.

I wish to also thank my fellow Board members, Dr Philippe Wolgen, Mr Darren Keamy and all our senior management for their contribution to the success of CLINUVEL. I particularly wanted to thank Dr Dennis Wright as our CSO. His expertise has significantly helped to transform the application of melanocortins into commercial pharmaceuticals.

Not least, I also thank our wonderful staff at CLINUVEL inter alia their professionalism, dedication, loyalty and the excellent customer and client care and support they provide. We affectionately call our team CLINUVELLIANS.

I wish to specifically address Succession Planning, Strategy and Value Creation

My task will be to oversee, with the Nomination Committee, the succession of executives and Board members. Succession planning is a board responsibility which our board takes very seriously.

There is anticipation in the market as to the plans of Dr Wolgen, and Mr Keamy. We are in discussion with Dr Wolgen regarding the option of a contract renewal beyond June 2025. Regardless of this decision, the Remuneration Committee will need to put in place long-term incentives (LTIs) for the CEO. New LTIs are currently under consideration.

We are in discussion with Mr Keamy regarding his role when his contract expires in June 2024.

As the Company continues to grow and increase its global reach, we are also planning to refresh and expand the Board.

### **Strategy and value creation**

The growth of CLINUVEL has surpassed expectations. Dr Wolgen will explain the details of CLINUVEL's product development, but I and the Board support the pharmaceutical and OTC product development plans and the risk management strategy. CLINUVEL has an enviable cash position of A\$156.8 million dollars at the 30th of June and growing. This certainly did not happen by chance. The Board is carefully considering a number of options for this, including carefully evaluated merger and acquisition, and we will report back when these are firmed up.

The Board's wish and that of many shareholders I am sure is for the management team to complete its mission.

CUV's future could not be more exciting:

CLINUVEL is testing the 1st systemic drug in patients of colour with Vitiligo.

Xeroderma pigmentosum patients develop skin cancer – CLINUVEL has a drug which promotes the DNA repair of UV damage which should benefit these patients.

CLINUVEL is expanding its footprint into variegate porphyria

CLINUVEL has ongoing trials in stroke with more clinical applications to come.

CLINUVEL is developing capability to manufacture ACTH in various formulations for a range of serious conditions.

We are also developing a new arm of the business in over-the-counter PhotoCosmetics – this involves establishing a new market base.

We plan to increase in-house manufacturing.

I am passionate about CLINUVEL, and will work productively with the Board, the MD, the CFO, the scientific team and all our staff, and of course our shareholders to execute our current plans, to grow the Company, increase investment in the Company and to increase our profitability.

Thank you for your attention.

Professor Jeffrey Rosenfeld

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#### **About CLINUVEL PHARMACEUTICALS LIMITED**

CLINUVEL (ASX: CUV; ADR LEVEL 1: CLVLY; Börse Frankfurt: UR9) is a global specialty pharmaceutical group focused on developing and commercialising treatments for patients with genetic, metabolic, systemic, and life-threatening, acute disorders, as well as healthcare solutions for specialised populations. As pioneers in photomedicine and the family of melanocortin peptides, CLINUVEL's research and development has led to innovative treatments for patient populations with a clinical need for systemic photoprotection, assisted DNA repair, repigmentation and acute or life-threatening conditions who lack alternatives.

CLINUVEL's lead therapy, SCENESSE® (afamelanotide 16mg), is approved for commercial distribution in Europe, the USA, Israel, and Australia as the world's first systemic photoprotective drug for the prevention of phototoxicity (anaphylactoid reactions and burns) in adult patients with erythropoietic protoporphyria (EPP). Headquartered in Melbourne, Australia, CLINUVEL has operations in Europe, Singapore, and the USA. For more information, please go to <https://www.clinuvel.com>. Authorised for ASX release by the Board of Directors of CLINUVEL PHARMACEUTICALS LTD.

#### **Authorised for ASX release by the Board of Directors of CLINUVEL PHARMACEUTICALS LTD**

##### **Head of Investor Relations**

Mr Malcolm Bull, CLINUVEL PHARMACEUTICALS LTD


##### **Investor Enquiries**

<https://www.clinuvel.com/investors/contact-us>


##### **Forward-Looking Statements**

This release contains forward-looking statements, which reflect the current beliefs and expectations of CLINUVEL's management. Statements may involve a number of known and unknown risks that could cause our future results, performance, or achievements to differ significantly from those expressed or implied by such forward-looking statements. Important factors that could cause or contribute to such differences include risks relating to: our ability to develop and commercialise pharmaceutical products; the COVID-19 pandemic and/or other world, regional or national events affecting the supply chain for a protracted period of time, including our ability to develop, manufacture, market and sell biopharmaceutical products; competition for our products, especially SCENESSE® (afamelanotide 16mg), PRÉNUMBRA® or NEURACTHEL®; our ability to achieve expected safety and efficacy results in a timely manner through our innovative R&D efforts; the effectiveness of our patents and other protections for innovative products, particularly in view of national and regional variations in patent laws; our potential exposure to product liability claims to the extent not covered by insurance; increased government scrutiny in either Australia, the U.S., Europe, Israel, China and Japan of our agreements with third parties and suppliers; our exposure to currency fluctuations and restrictions as well as credit risks; the effects of reforms in healthcare regulation and pharmaceutical pricing and reimbursement; that the Company may incur unexpected delays in the outsourced manufacturing of SCENESSE®, PRÉNUMBRA® or NEURACTHEL® which may lead to it being unable to supply its commercial markets and/or clinical trial programs; any failures to comply with any government payment system (i.e. Medicare) reporting and payment obligations; uncertainties surrounding the legislative and regulatory pathways for the registration and approval of biotechnology and consumer based products; decisions by regulatory authorities regarding approval of our products as well as their decisions regarding label claims; our ability to retain or attract key personnel and managerial talent; the impact of broader change within the pharmaceutical industry and related industries; potential changes to tax liabilities or legislation; environmental risks; and other factors that have been discussed in our 2023 Annual Report. Forward-looking statements speak only as of the date on which they are made, and the Company undertakes no obligation, outside of those required under applicable laws or relevant listing rules of the Australian Securities Exchange, to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. More information on preliminary and uncertain forecasts and estimates is available on request, whereby it is stated that past performance is not an indicator of future performance.

#### **Contact**

 +61 3 9660 4900  
+61 3 9660 4909

 [www.clinuvel.com](http://www.clinuvel.com)

 Level 11, 535 Bourke St  
Melbourne, 3000 Vic, Australia