



**INSPIRING  
SOLUTIONS  
FOR BETTER  
HEALTH**

## **Q2 2021 Earnings Review**

**August 4, 2021**  
Nasdaq: BDSI

# Forward Looking Statement

## CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

This presentation and any statements of employees, representatives, and partners of BioDelivery Sciences International, Inc. (“BDSI”) related thereto contain, or may contain, among other things, certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve significant risks and uncertainties. Such statements may include, without limitation, statements with respect to BDSI’s plans, objectives, projections, expectations and intentions and other statements identified by words such as “projects,” “may,” “will,” “could,” “would,” “should,” “believes,” “expects,” “anticipates,” “estimates,” “intends,” “plans,” “potential” or similar expressions. These statements are based upon the current beliefs and expectations of BDSI’s management and are subject to significant risks and uncertainties, including those detailed in BDSI’s filings with the Securities and Exchange Commission. Actual results including, without limitation, the expectations for total company net sales, BELBUCA net sales, operating expenses, EBITDA and operating cash flows in 2021, the acquisition and launch of ELYXYB and growth in neurology, may differ materially from those set forth or implied in the forward-looking statements. These forward-looking statements involve certain risks and uncertainties that are subject to change based on various factors (many of which are beyond BDSI’s control) including the risk that the current coronavirus pandemic impacts on our supply chain, commercial partners, patients and their physicians and the healthcare facilities in which they work, and our personnel are greater than we anticipate, as well as those set forth in our 2020 annual report on Form 10-K filed with the US Securities and Exchange Commission and subsequent filings. BDSI undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future presentations or otherwise, except as required by applicable law.

## Non-GAAP Financial Measures

This presentation includes information about certain financial measures that are not prepared in accordance with generally accepted accounting principles in the United States, or GAAP, including non-GAAP net income and EBITDA. These non-GAAP measures are not based on any standardized methodology prescribed by GAAP and are not necessarily comparable to similar measures presented by other companies.

Non-GAAP net income adjusts for one-time and non-cash charges by excluding the following from GAAP net income: stock-based compensation expense, non-cash amortization of intangible assets, and the financial impact of certain one-time items that are non-recurring, including the discontinuation of marketing of BUNAVAIL, and costs associated with the CEO transition in Q2 2020.

EBITDA excludes net interest, including both interest expenses and interest income, provision for (benefit from) income taxes and depreciation and amortization.

The Company’s management and board of directors utilize these non-GAAP financial measures to evaluate the Company’s performance. The Company provides these non-GAAP measures of the Company’s performance to investors because management believes that these non-GAAP financial measures, when viewed with the Company’s results under GAAP and the accompanying reconciliations, are useful in identifying underlying trends in ongoing operations. However, non-GAAP net income and EBITDA are not measures of financial performance under GAAP and, accordingly, should not be considered as alternatives to GAAP measures as indicators of operating performance. Further, non-GAAP net income and EBITDA should not be considered measures of our liquidity.

A reconciliation of certain GAAP to non-GAAP financial measures has been provided in the tables included in the appendix of this presentation.

# Solid Performance in Q2 2021 and Positioned Well for Future Growth



Total Company Net Sales  
YoY Growth of **13%**:

- BELBUCA **+13%**
- Symproic **+18%**



- Attractive 32% EBITDA Margin
- \$120M Cash Balance
- \$9.2M Operating Cash Flow
- Strong balance sheet to support BDSI's continued growth



ELYXYB Acquisition Expands  
BDSI's Presence in Neurology

# ELYXYB Expands BDSI's Presence in Neurology in Attractive Deal

## Differentiated Product in a Large & Growing Market

- The only FDA-approved, ready-to-use oral solution for the acute treatment of migraine with or without aura in adults
- Benefits from strong growth of the substantial and evolving migraine market
- Potential for pediatric label expansion, an additional indication for the treatment of acute pain, and includes the rights to commercialize in Canada.

## Deal Rationale

- Highly attractive opportunity to diversify our product portfolio
- Establishes a growth platform in Neurology
- Leverages BDSI team's commercial expertise and much of commercial and corporate infrastructure
- Patent protection until 2036
- Projected to be accretive in approximately 24 months from commercial launch
- Q1 2022 Launch planned

## Attractive Product Profile

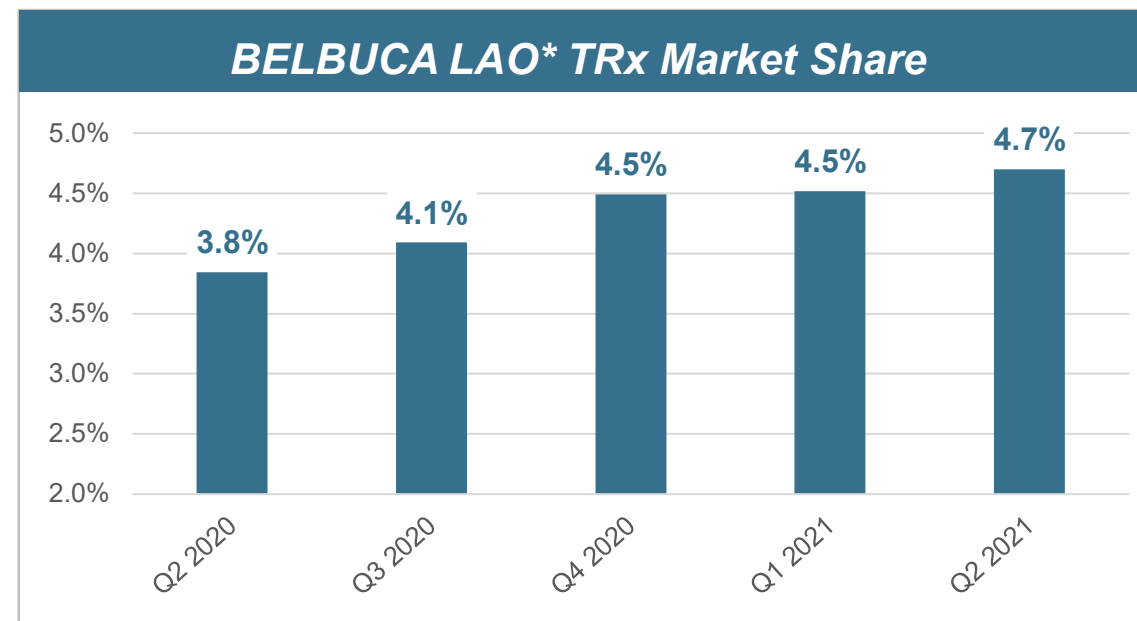
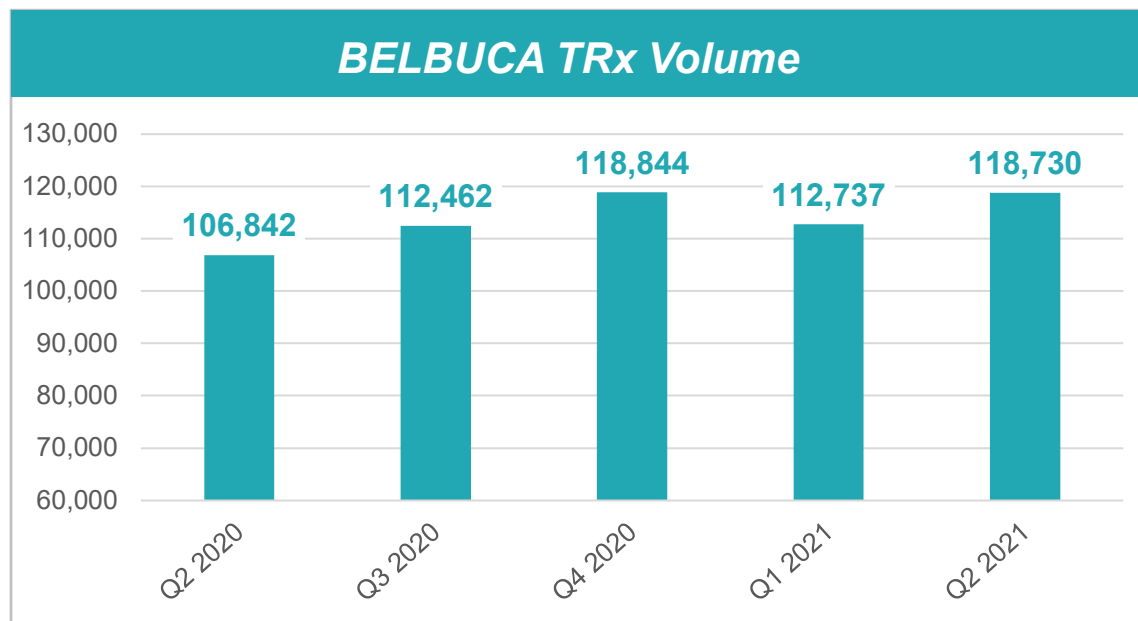
- Headache pain freedom at 2 hours post-dose\*\*
- Most Bothersome Symptom (MBS) freedom at 2 hours post-dose\*
- $T_{max}$  of ~ 60 minutes
- Self-micro emulsifying drug delivery system that improves solubility and bioavailability of the drug leading to better absorption<sup>1</sup>
- Extensive qualitative and quantitative market research indicated strong intent to prescribe by research participants

\* Results of 2 Pivotal studies comparing patients receiving ELYXYB to patients receiving placebo with the percentage of patients achieving MBS freedom at 2 hours post dose being significantly greater than patients receiving placebo

\*\* Results of Pivotal study 2 comparing patients receiving ELYXYB to patients receiving placebo with the percentage of patients achieving headache pain freedom at 2 hours post dose being significantly greater than patients receiving placebo

1. Arindam Pal, Srinivas Shenoy, Anirudh Gautam, Sagar Munjal, Jing Niu, Mathangi Gopalakrishnan & Joga Gobburru, Clinical Drug Investigation volume 37, pages 937-946(2017)

# Significant YoY and QoQ Growth in BELBUCA TRx Volume



## Growth Metrics

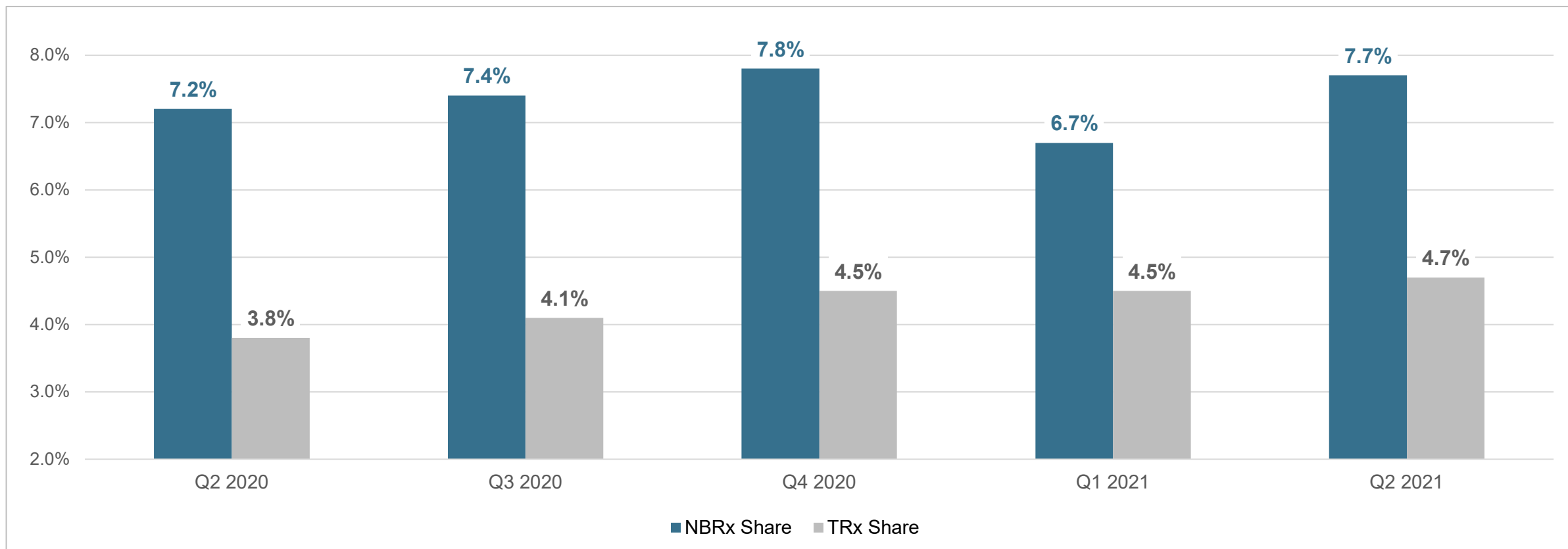
**+11%** Q2 2021 vs Q2 2020

**+5%** Q2 2021 vs Q1 2021

BELBUCA's TRx Market Share reached an all-time high in Q2 2021

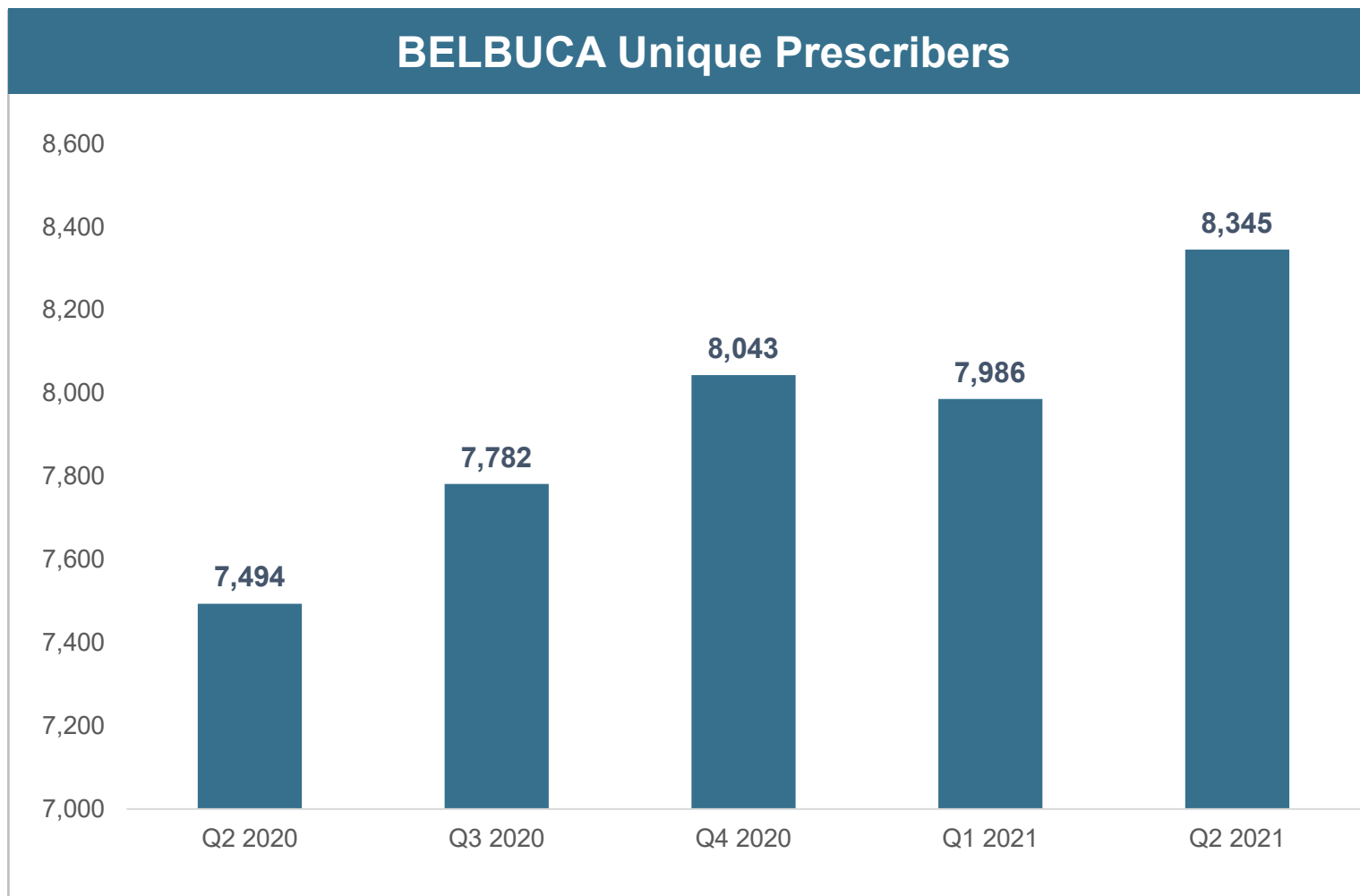
# BELBUCA NBRx Share Well Above TRx Share

Indicative of Future Growth Potential

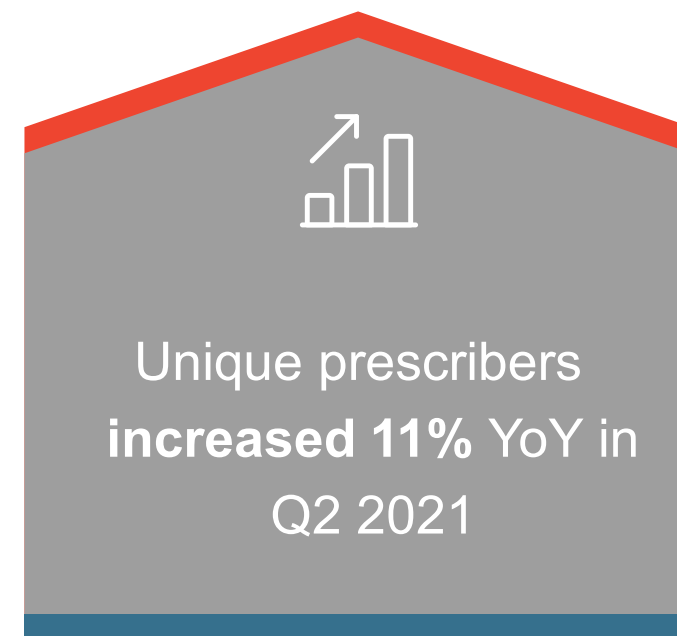


✓ TRx share increased by 24% YoY and increased compared to Q2 2021

# BELBUCA is Continuously Building Prescriber Base YoY

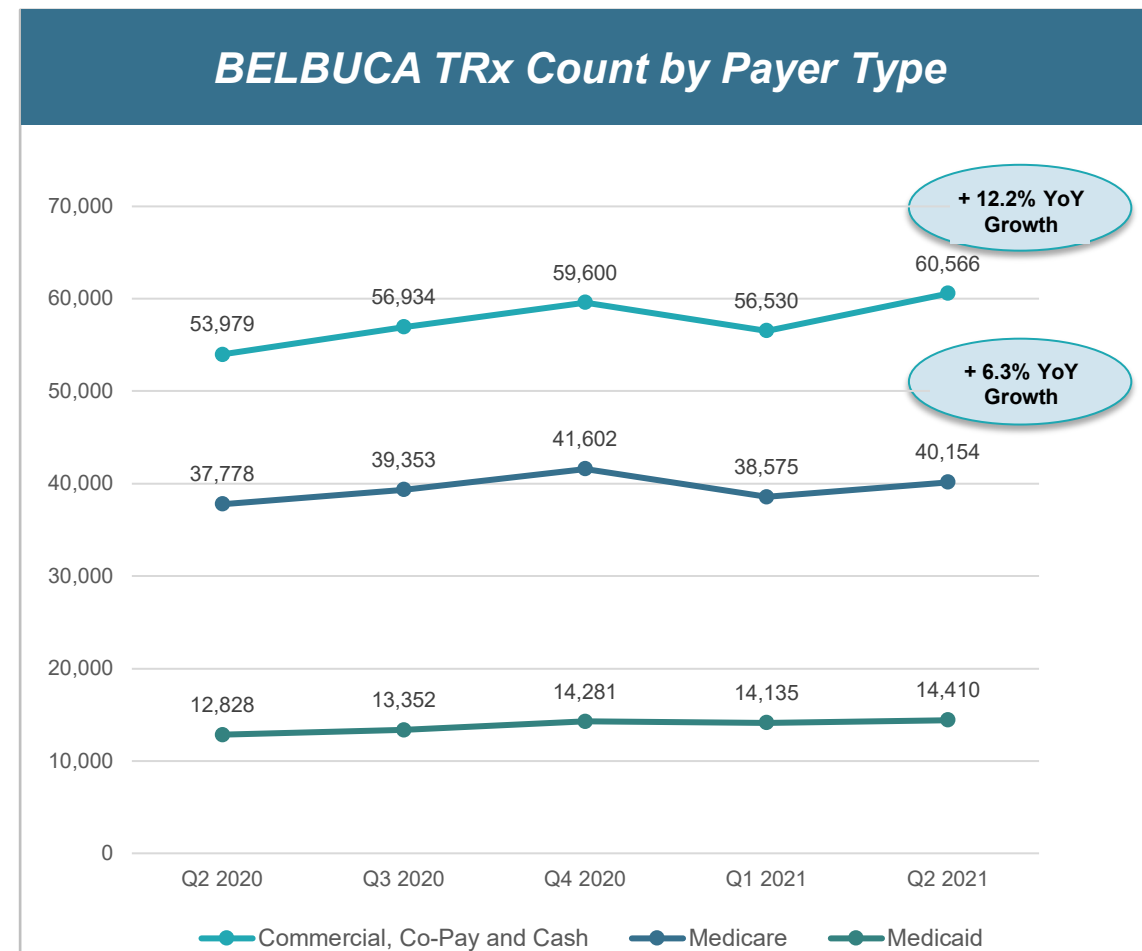
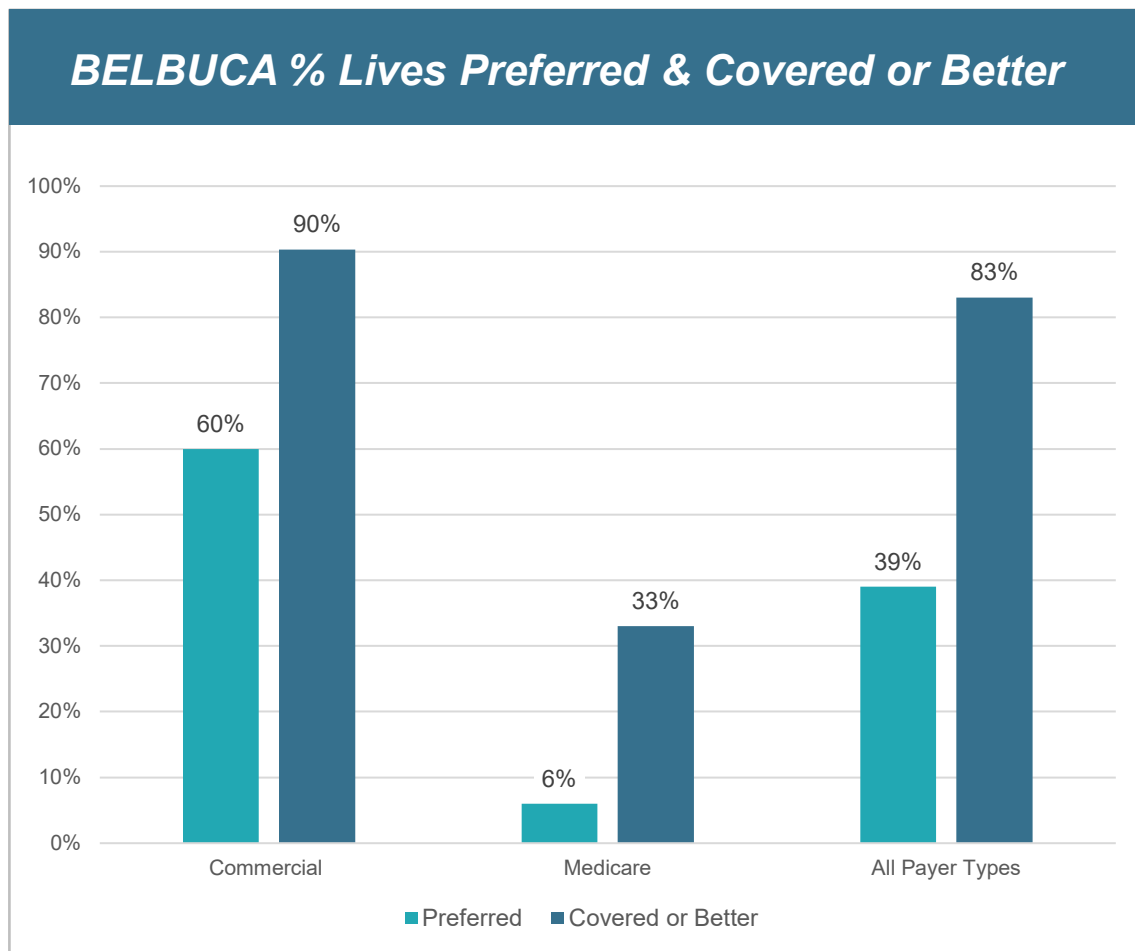


**Adding 1,000+**  
**New Prescribers for each**  
**of the last 8 quarters**



# BELBUCA Enjoys Strong Formulary Coverage

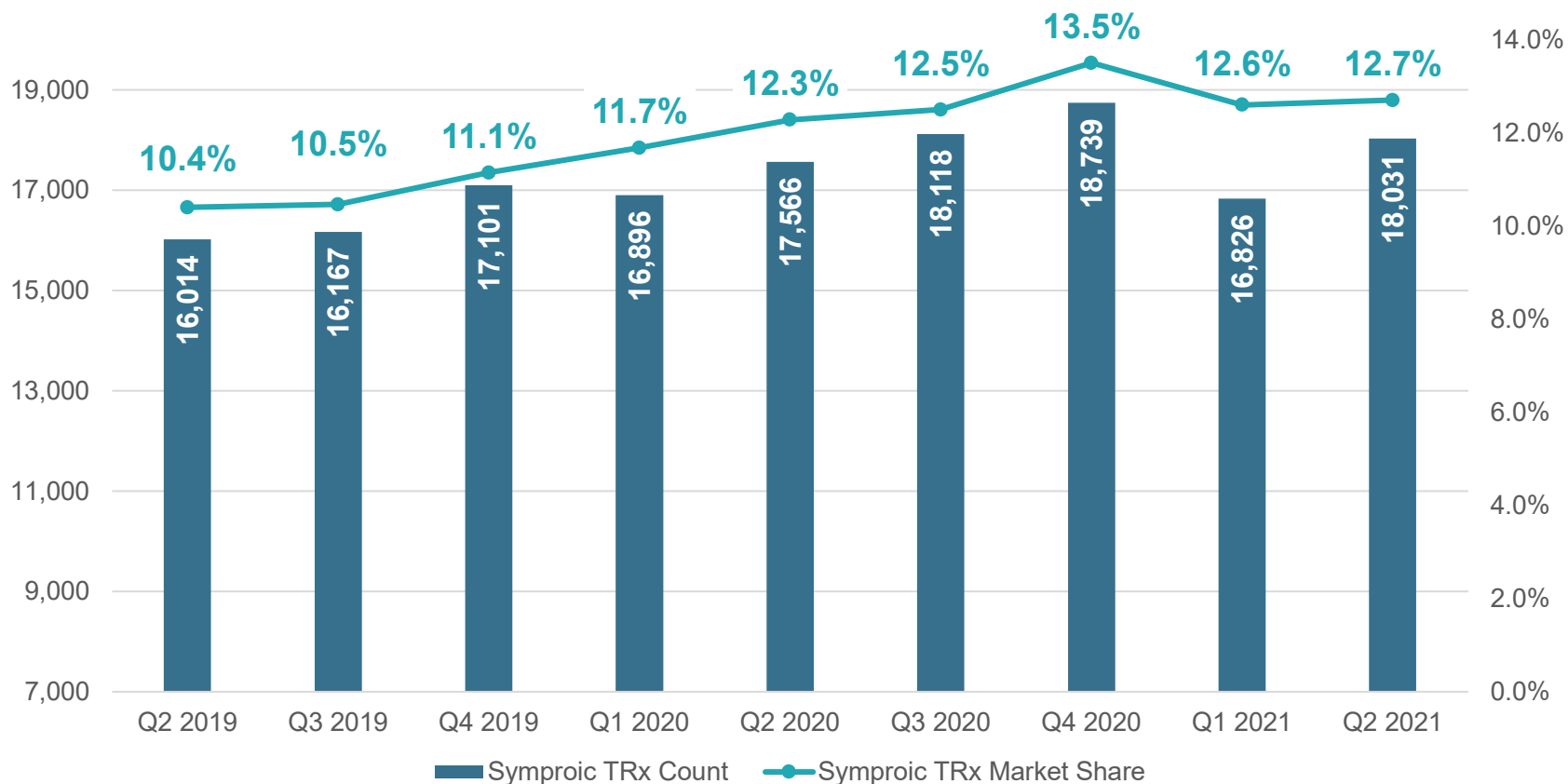
History of Consistent Year Over Year Growth Across All Payer Types





# Symproic® TRx Count & Share Since Acquisition

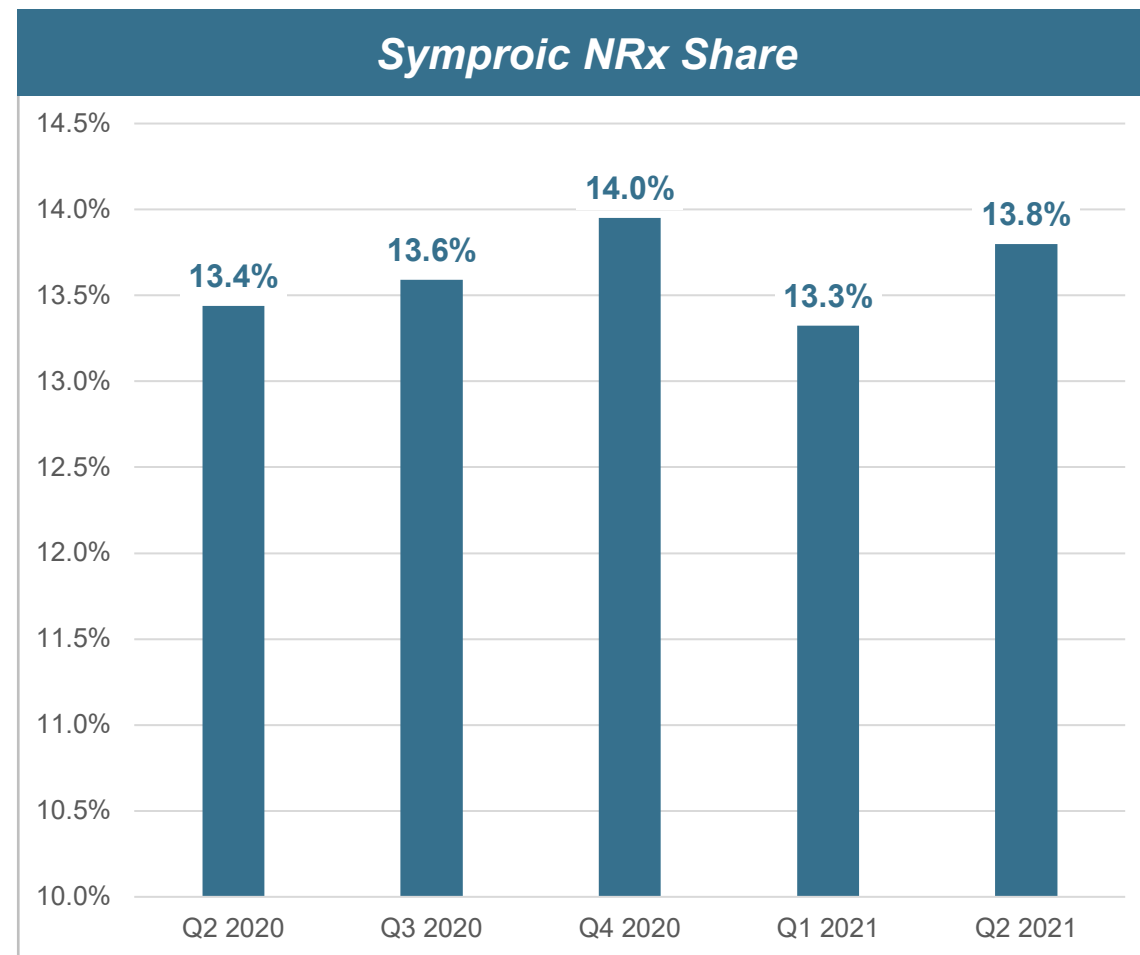
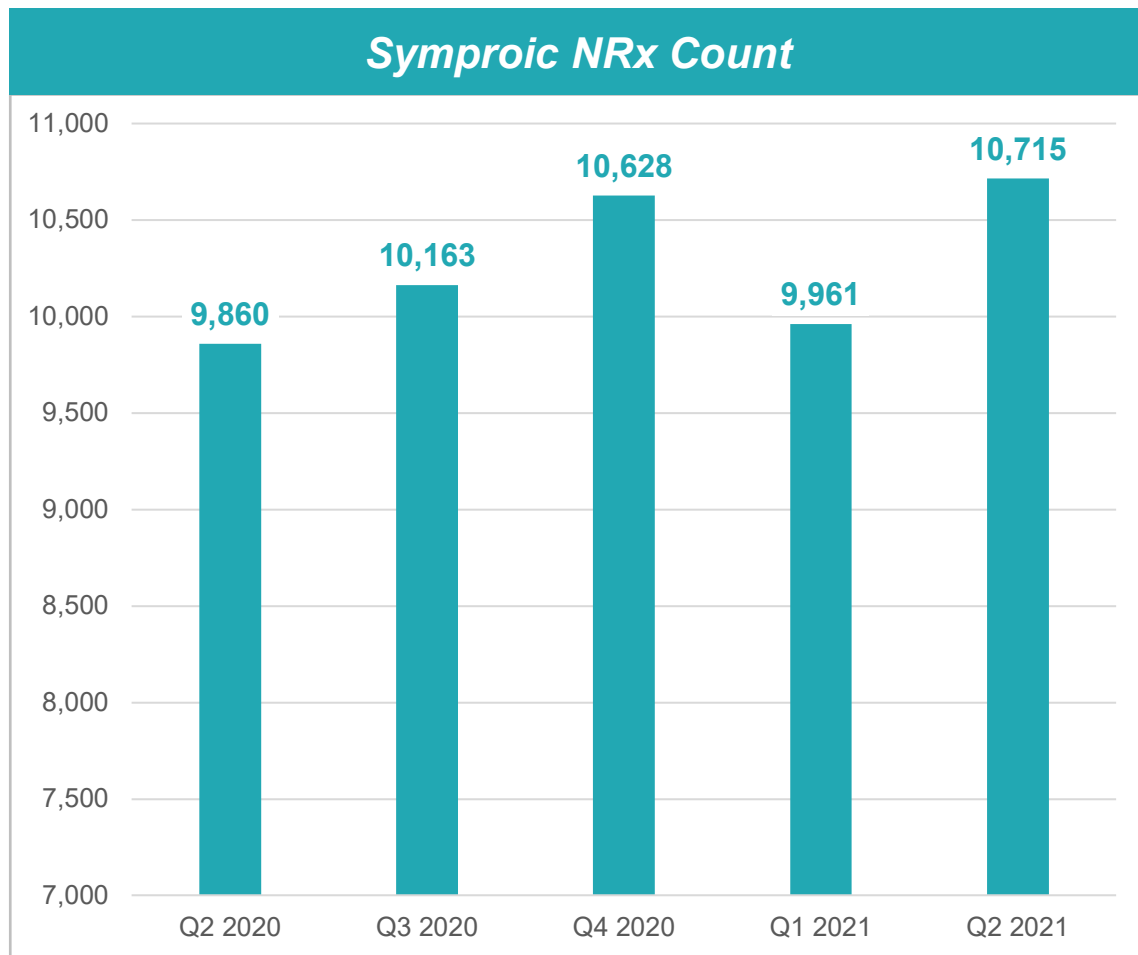
**Symproic Quarterly TRx Count & TRx Share of PAMORA\* Market**



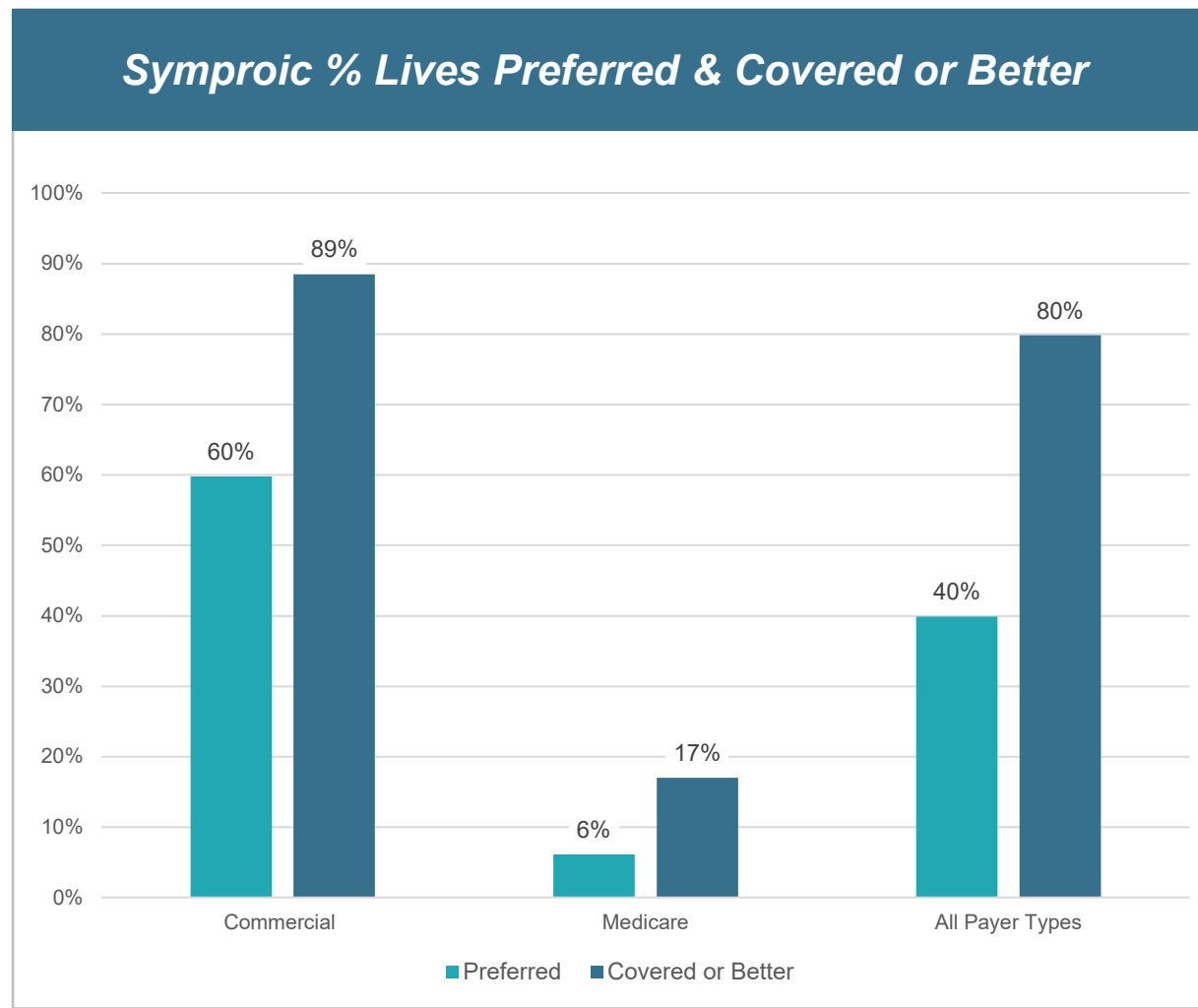
Strong rebound over previous quarter with **7%** QoQ growth in TRx count

# Symproic NRx Count Reached a New High in Q2

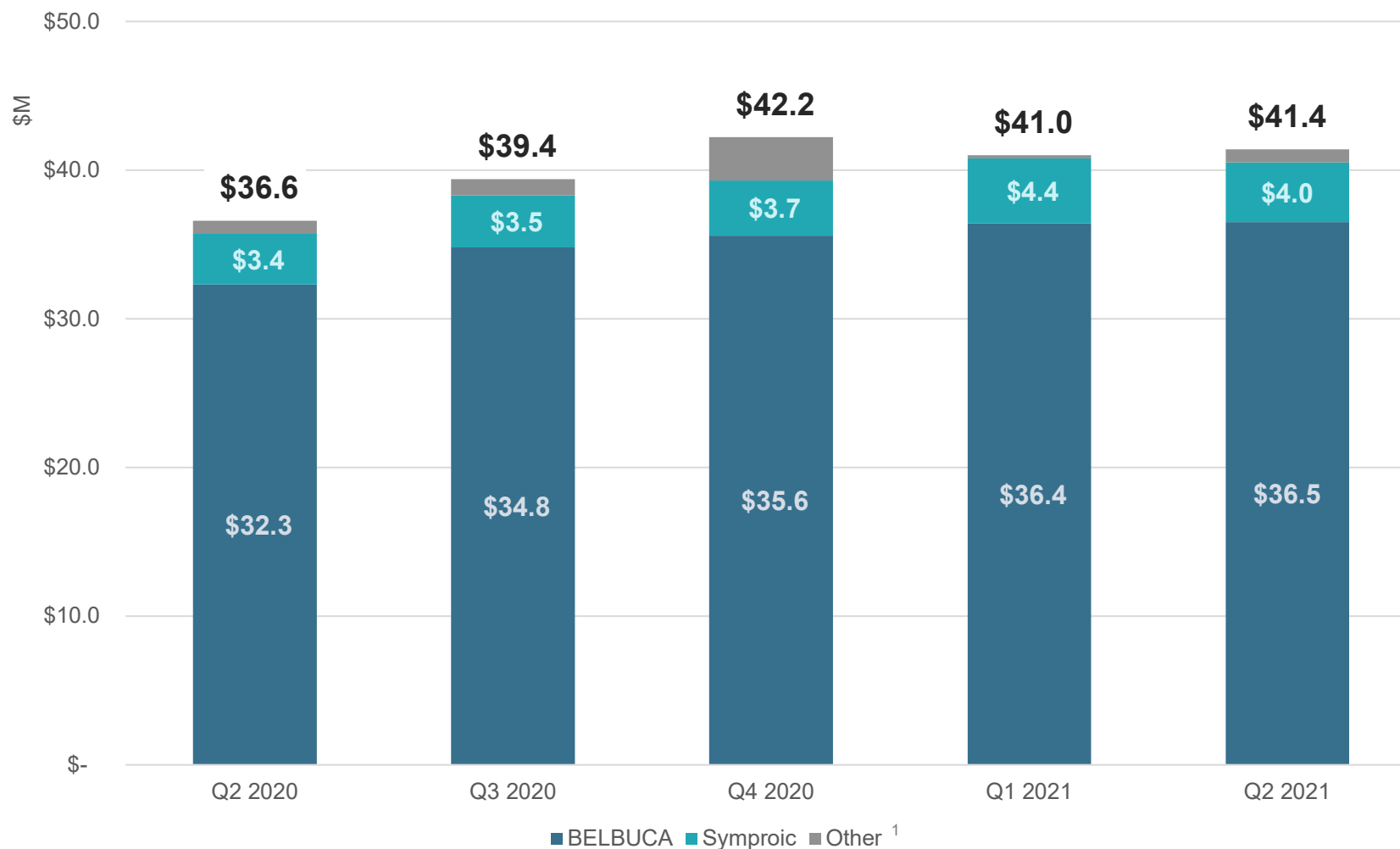
Symproic NRx Count Increased +7.6% from Q1 to Q2



# Symproic Favorable Formulary Coverage Continues

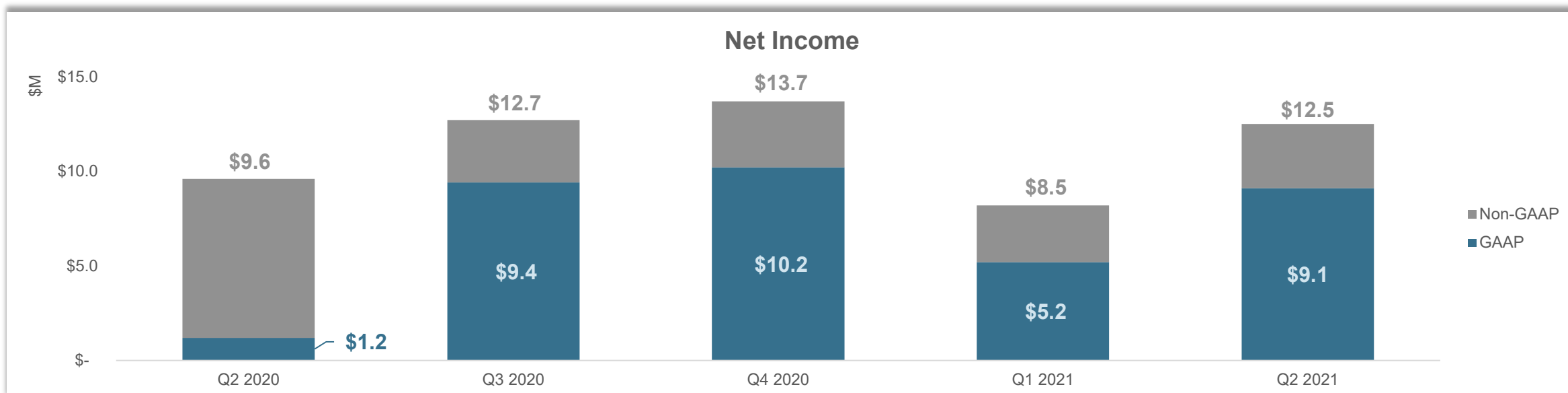
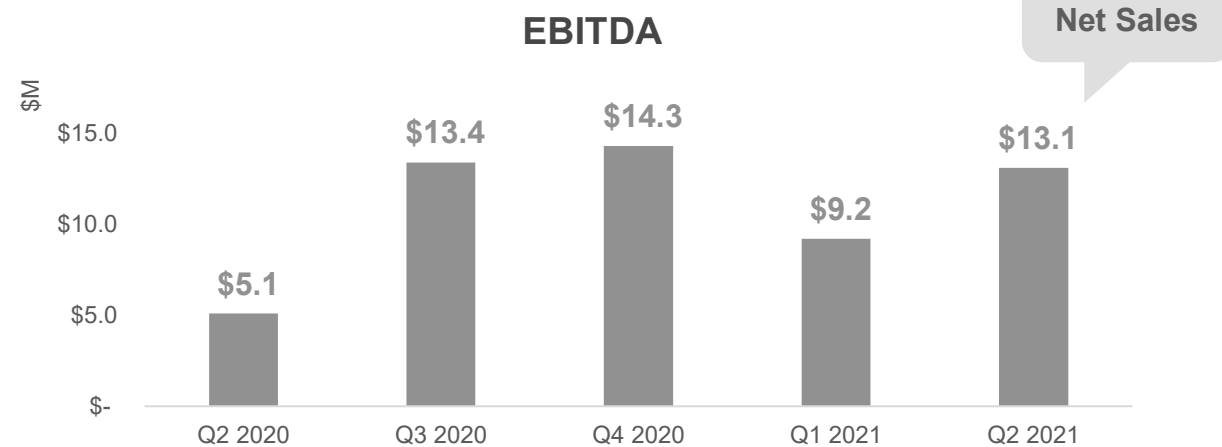
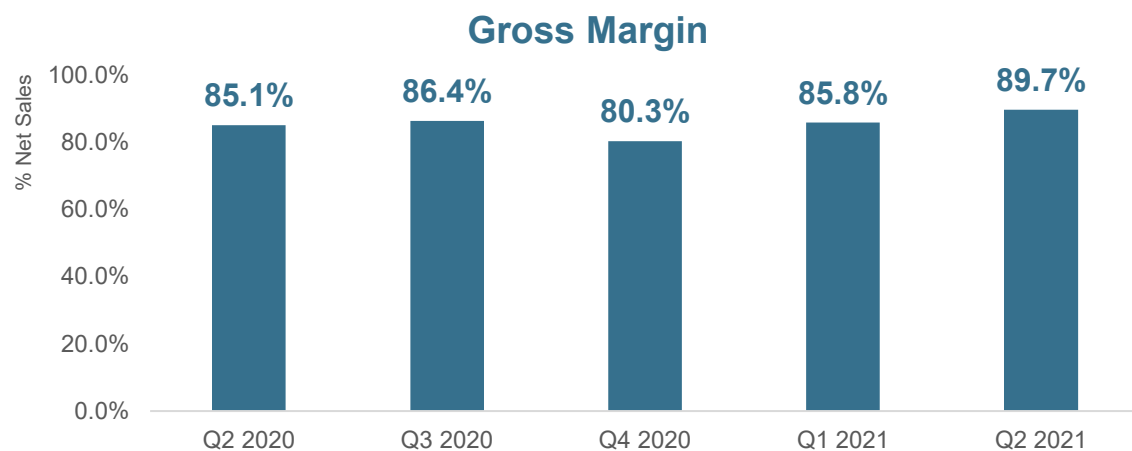


# Solid Quarterly Net Revenue Growth Trends YoY



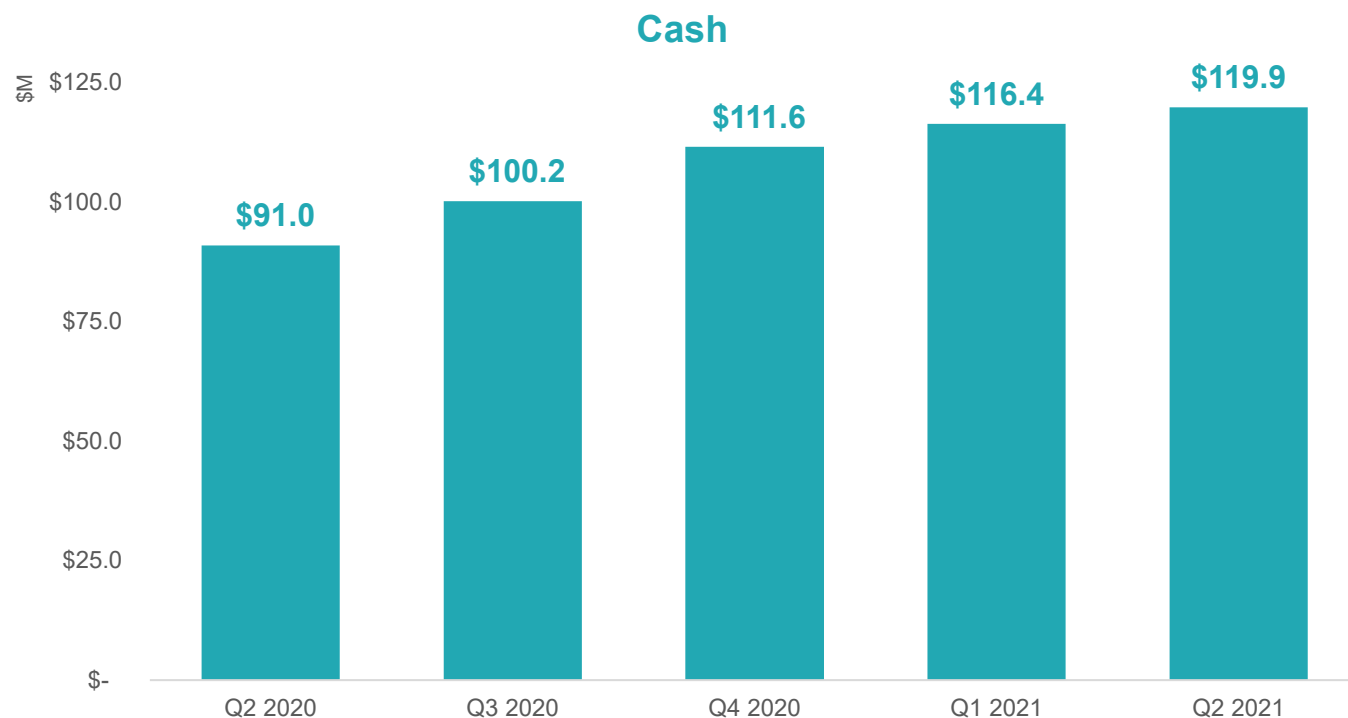
Net Revenue Growth  
**+13%**  
 in Q2 2021 vs. Q2 2020

# Attractive EBITDA Margins Driven by Healthy Gross Margins While Continuing to Invest to Support Brand Growth



# Operating Cash Flow of \$9.2M in Q2 Supports Increasing Cash Balance

## Advantageously Positions BDSI for Continued Growth



As of June 30, 2021:

**\$119.9 million** Cash and cash equivalents

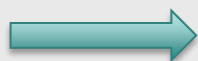
**\$80 million** Long-term debt

**Share repurchase program** authorized  
November 2020; Up to **\$25 million**

**\$12.1 million** used to repurchase 3.3  
million shares through Q2 2021

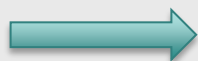
# 2021 Expectations for Ongoing Business

Total Company Net Sales



\$170 - \$180M

BELBUCA Net Sales



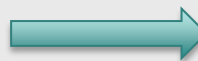
\$155 - \$165M

Total Operating Expenses



\$115 - \$120M

EBITDA



\$40 - \$50M

Operating Cash Flow positive in 2021

# Impact of ELYXYB Acquisition

## Transaction Terms

- \$6M upfront payment at closing
- \$9M August 3, 2022

## Sales Milestones

- Tiered Quarterly Earn-Out Payments in the high single digit/low double-digit range based on net sales performance
- Contingent payments based on achieving certain regulatory milestones
- Sales milestone payments based on achieving certain net sales thresholds



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BDSI's Presence in Neurology

# Reconciliation of GAAP to Non-GAAP Metrics Q1 2020 – Q2 2021

**BIODELIVERY SCIENCES INTERNATIONAL, INC. AND SUBSIDIARIES**  
**RECONCILIATION OF NON-GAAP METRICS**  
**(U.S. DOLLARS, IN THOUSANDS)**  
**(Unaudited)**

	QTD- Q1	QTD- Q2	QTD- Q3	QTD- Q4	QTD- Q1	QTD- Q2
	3/31/2020	6/30/2020	9/30/2020	12/31/2020	3/31/2021	6/30/2021
	2020				2021	
<b>Reconciliation of GAAP Net Income/(Loss) to EBITDA (non-GAAP)</b>						
<b>GAAP Net Income</b>	\$ 4,966	\$ 1,165	\$ 9,383	\$ 10,197	\$ 5,237	\$ 9,064
Add back/(subtracts):						
Income tax recovery/(provision)	(278)	86	211	233	222	312
Net interest expense	1,294	1,685	2,012	2,022	1,979	1,999
Depreciation and amortization	1,802	2,159	1,754	1,806	1,753	1,769
<b>EBITDA</b>	<b>\$ 7,784</b>	<b>\$ 5,095</b>	<b>\$ 13,360</b>	<b>\$ 14,259</b>	<b>\$ 9,191</b>	<b>\$ 13,144</b>
<b>Reconciliation of GAAP Net Income to Non-GAAP Net Income</b>						
<b>GAAP Net Income</b>	\$ 4,966	\$ 1,165	\$ 9,383	\$ 10,197	\$ 5,237	\$ 9,064
Non-GAAP adjustments:						
Stock-based compensation expense	1,520	1,364	1,473	1,750	1,490	1,697
Amortization of intangible assets	1,781	1,734	1,734	1,733	1,735	1,735
Non-recurring financial impact- CEO transition	-	5,078	67	-	-	-
Non-recurring financial impact- BUNAVAIL Discontinuation	-	295	-	-	-	-
<b>Non-GAAP Net Income</b>	<b>\$ 8,267</b>	<b>\$ 9,636</b>	<b>\$ 12,657</b>	<b>\$ 13,679</b>	<b>\$ 8,462</b>	<b>\$ 12,496</b>