



**INSPIRING  
SOLUTIONS  
FOR BETTER  
HEALTH**

## **Q1 2020 Earnings**

**May 7, 2020**  
Nasdaq: BDSI

## 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 continued growth in BELBUCA net sales and total company net revenue in 2020 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 2019 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, amortization of intangible assets, amortization of certain warrant discount costs, and the financial impact of certain one-time items that are non-recurring, including our debt refinancing in May 2019 and the discontinuation of marketing of BUNAVAIL.

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.

# Strong Company Performance for Q1 2020



**Total Company Net Revenue grew 94% to record level of \$38.3M**



**BELBUCA<sup>®</sup> prescription growth of 52% YoY**  
**Symproic<sup>®</sup> prescription growth of 19% YoY**



**Expanded BELBUCA access to more than 2M Medicare patients**  
**Enhanced BELBUCA coverage within two influential regional plans**



**Positive cash flow further strengthens Balance Sheet**

# Rapid Response to COVID-19 Pandemic

**Increased Finished Goods inventory levels**

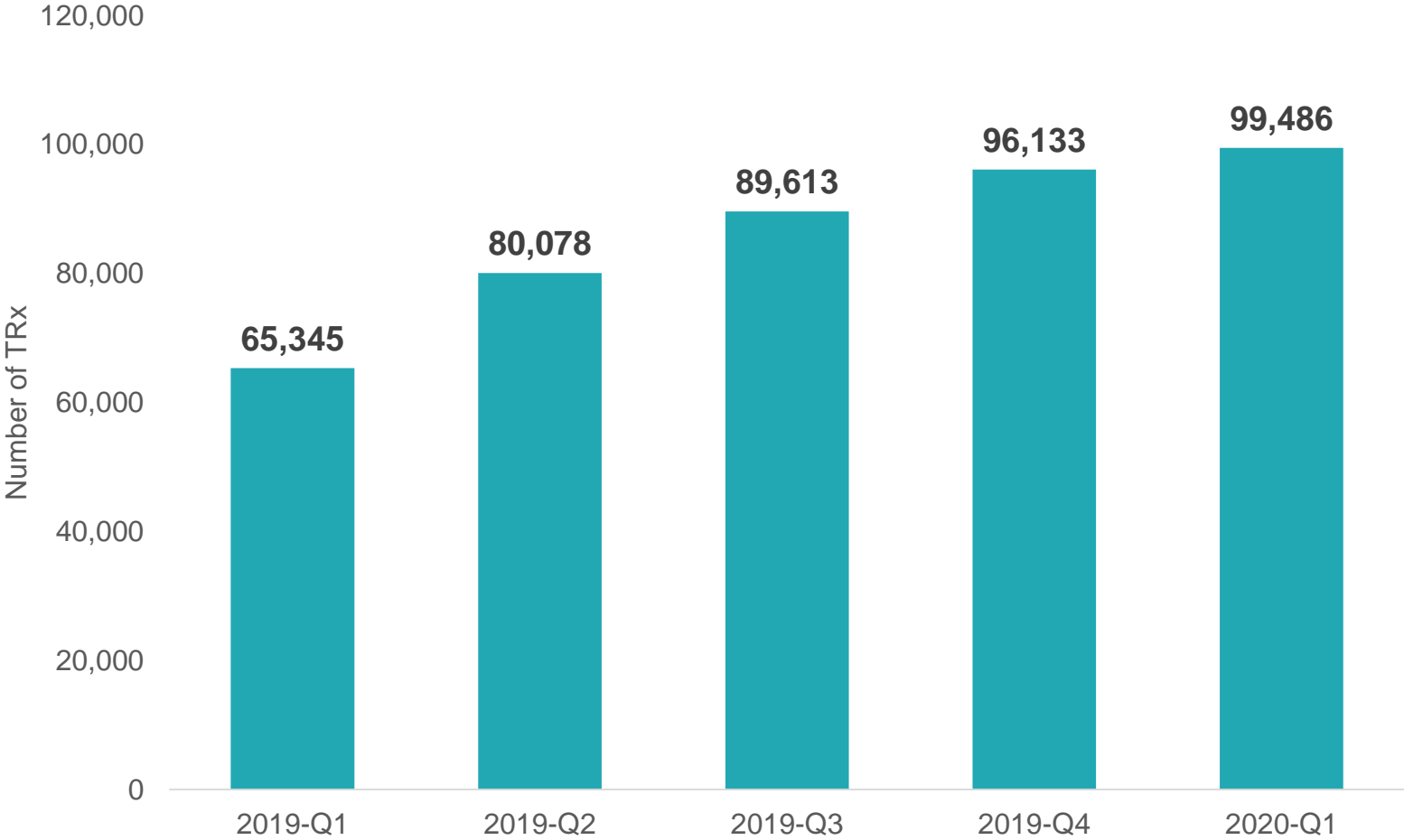
**Transitioned customer engagement to virtual support**

**Launched array of new customer and patient support programs**

**Created cross-functional COVID-19 committee to successfully navigate through pandemic**

**Believe these actions will have beneficial impact near term and are important components for renewed momentum as customers return to more normal operations**

# Significant Double-digit YoY Growth in BELBUCA TRx

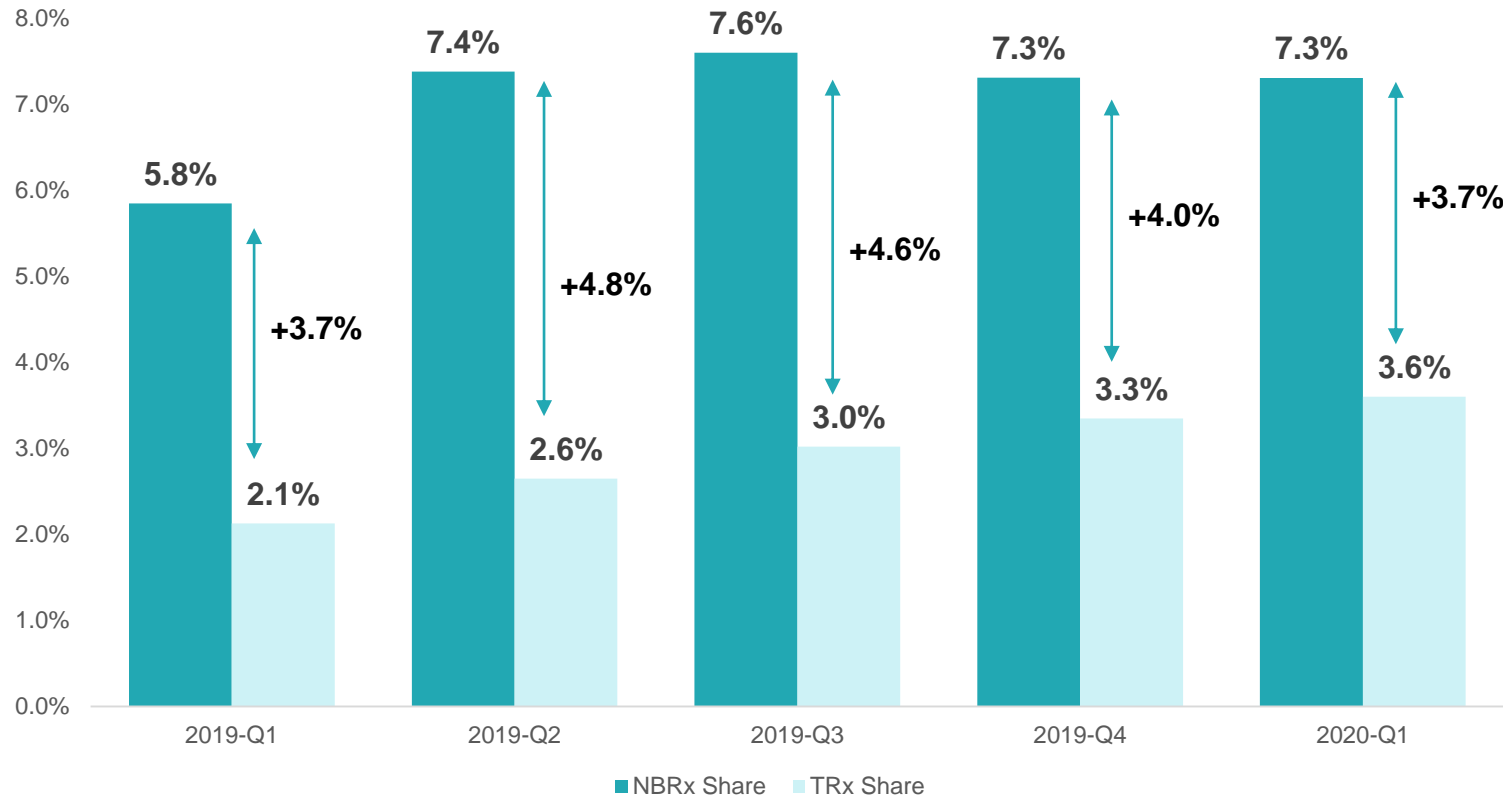


**Growth Metrics**

- +52%** Q1 2020 vs Q1 2019
- +3.5%** Q1 2020 vs Q4 2019

Source: Symphony Retail Vantage Data  
TRx = Total Retail Prescriptions

# BELBUCA NBRx Share Well Above TRx Share



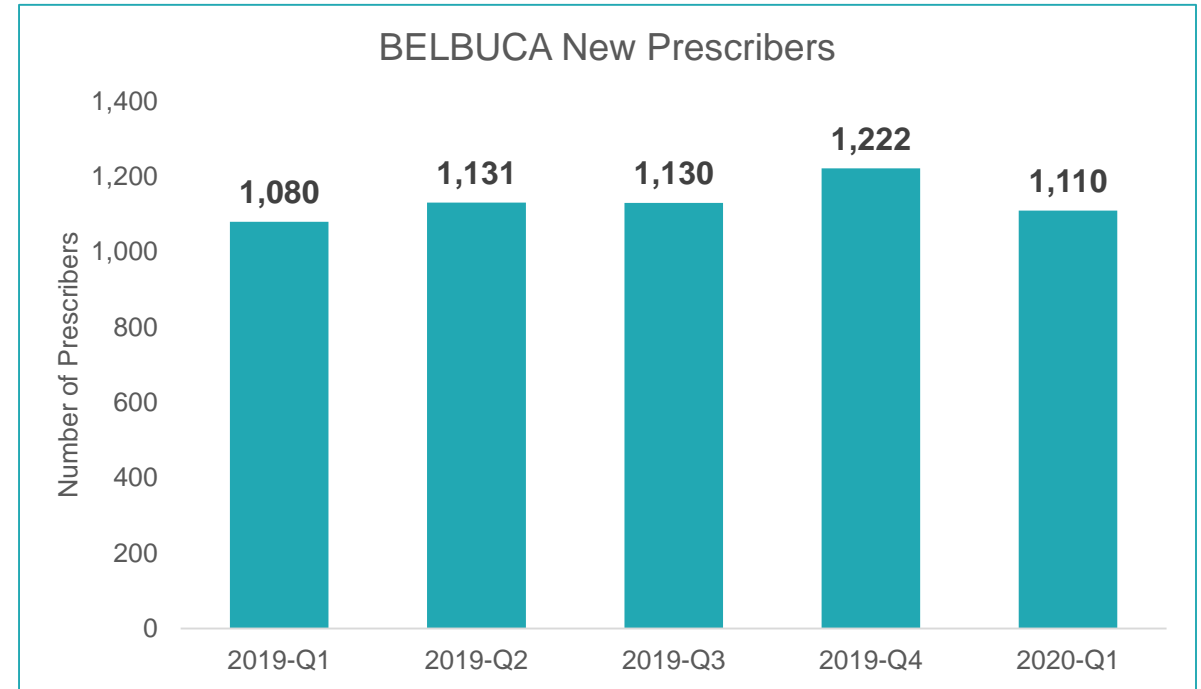
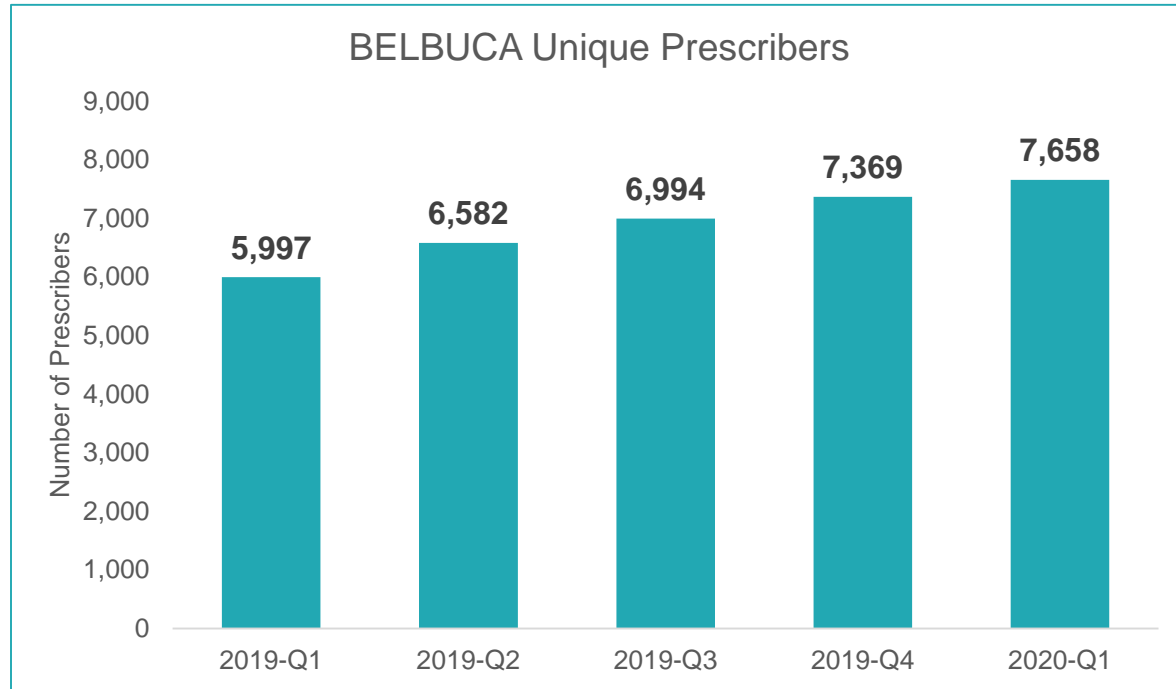
**NBRx share significantly higher than TRx share throughout 2019 and into 2020**

**Some slow-down in initiating patients on new drugs started in mid-March**

**NBRx share increased by 26% YoY**

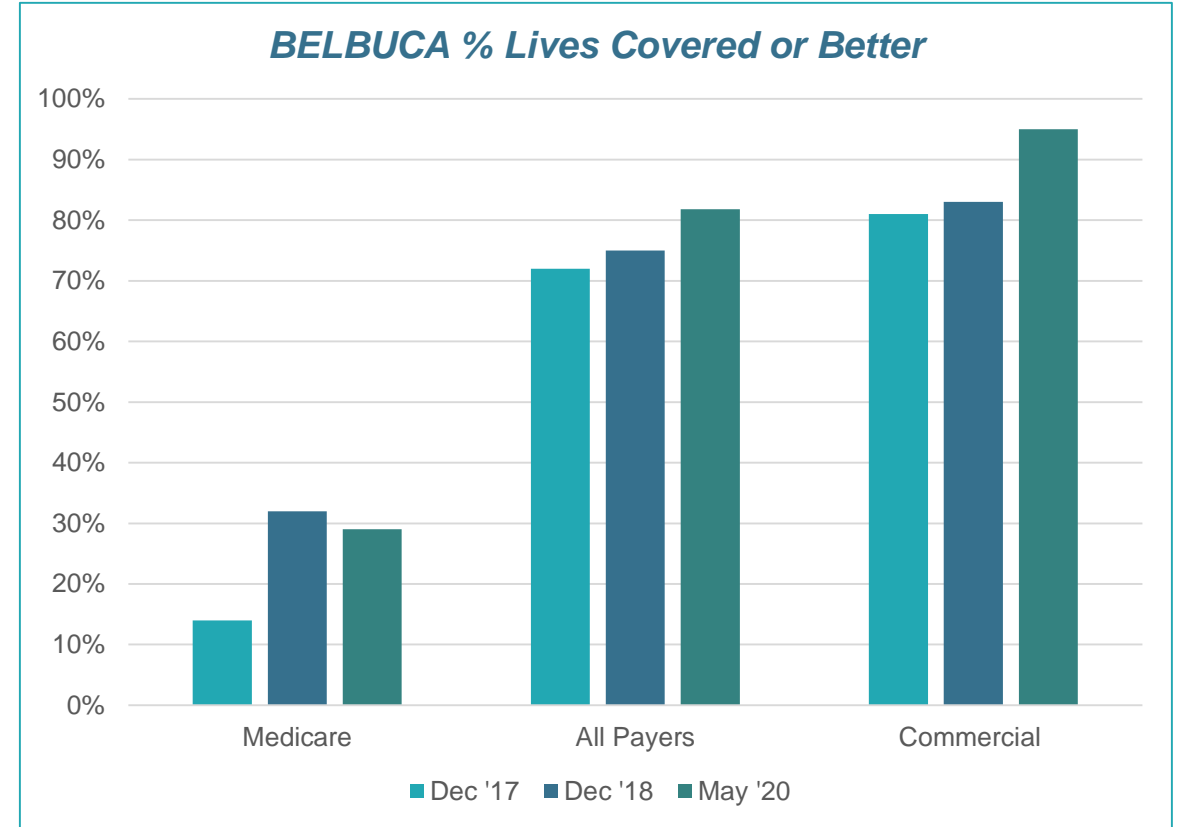
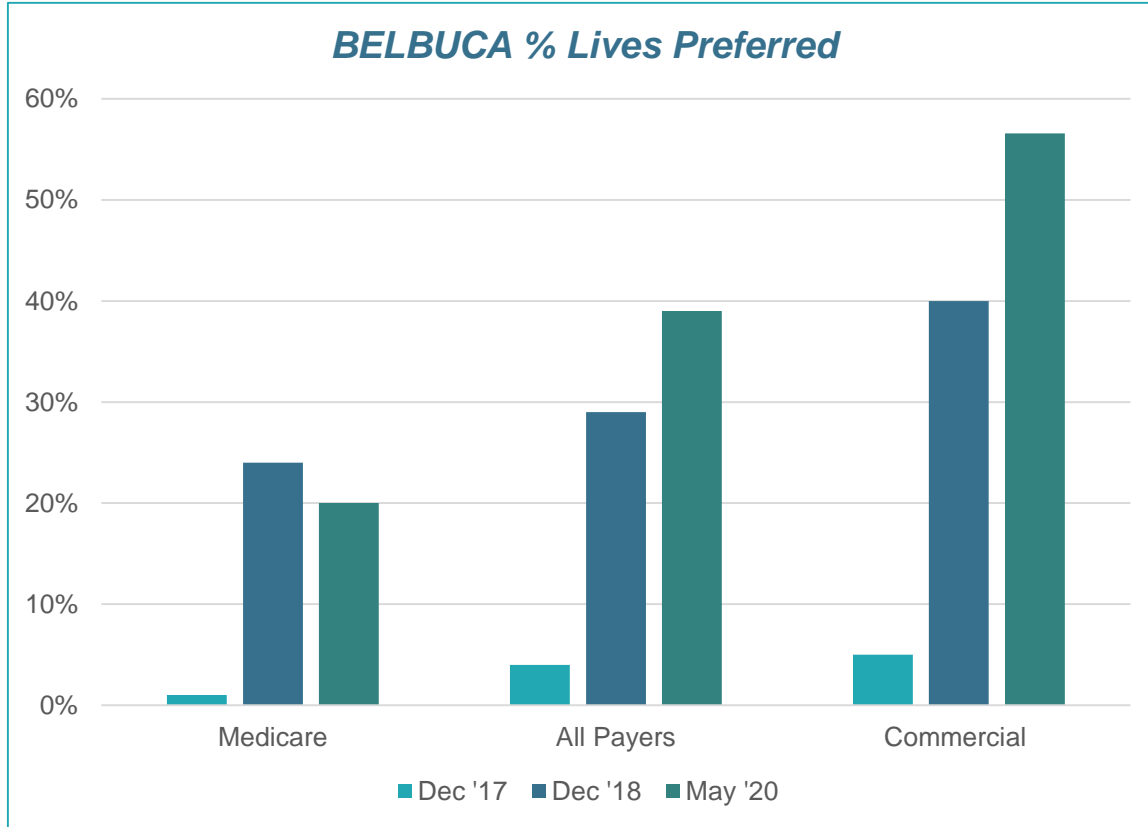
**TRx share increased by 71% YoY**

# Continuously Reaching All-Time High Unique Prescribers and Consistently Adding New Prescribers



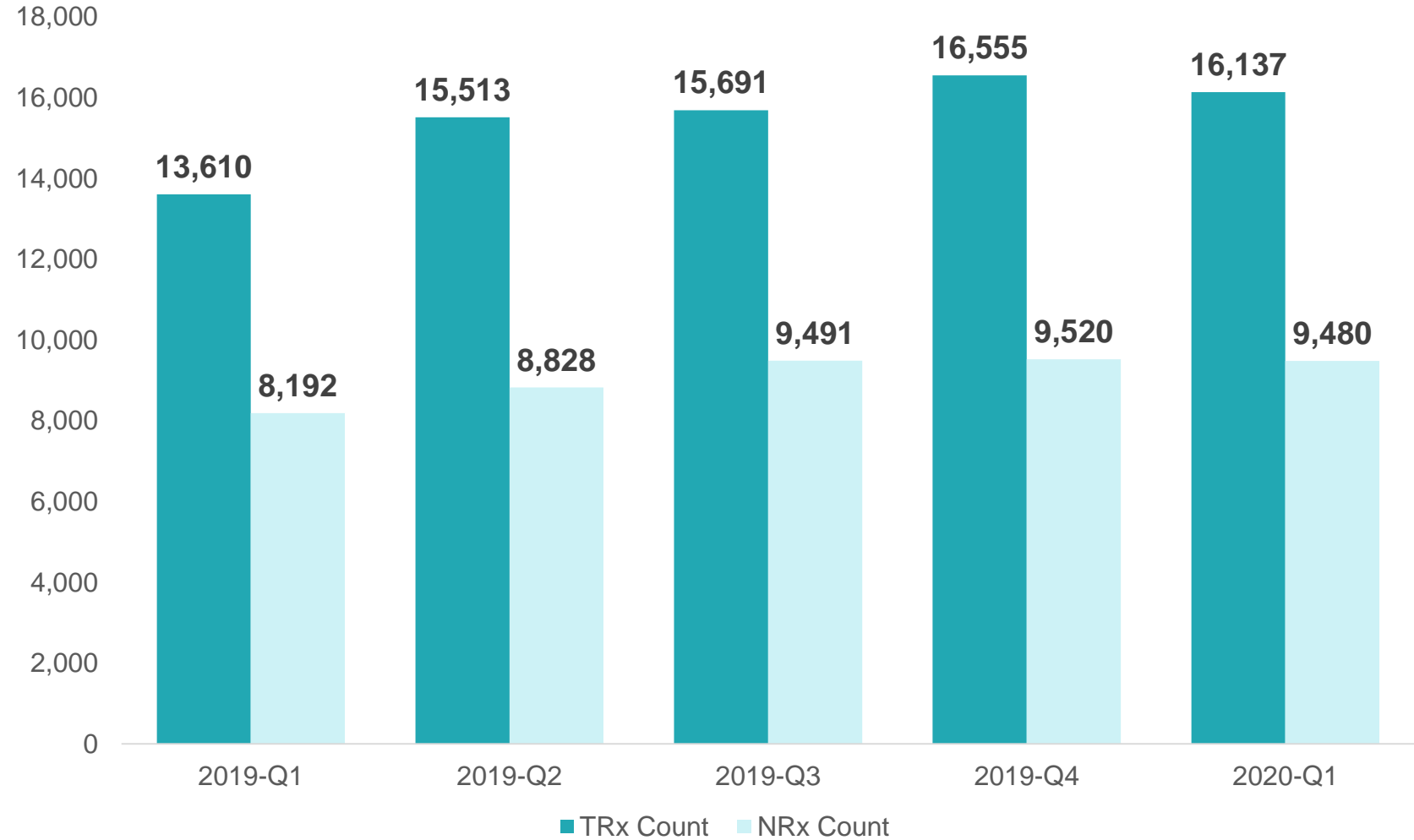
**Unique prescribers increased 28% YoY in Q1 2020**

# BELBUCA Coverage Rapidly Improving with Further Opportunity in Regional and Medicare Plans





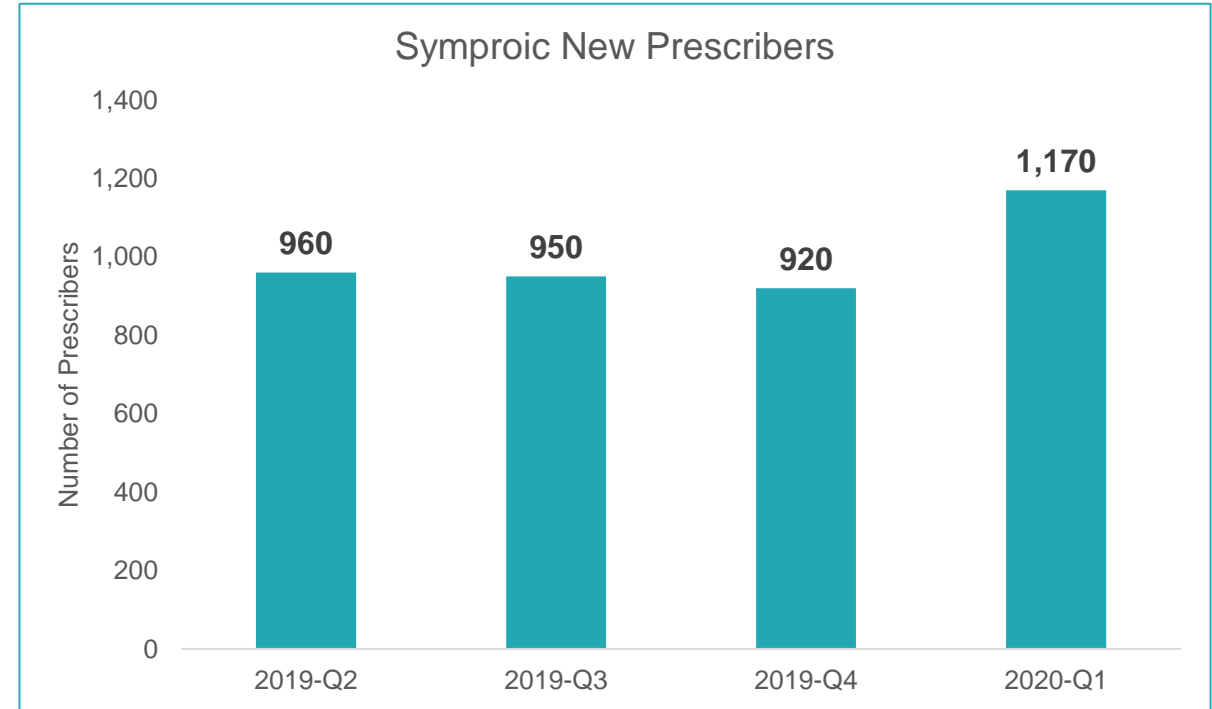
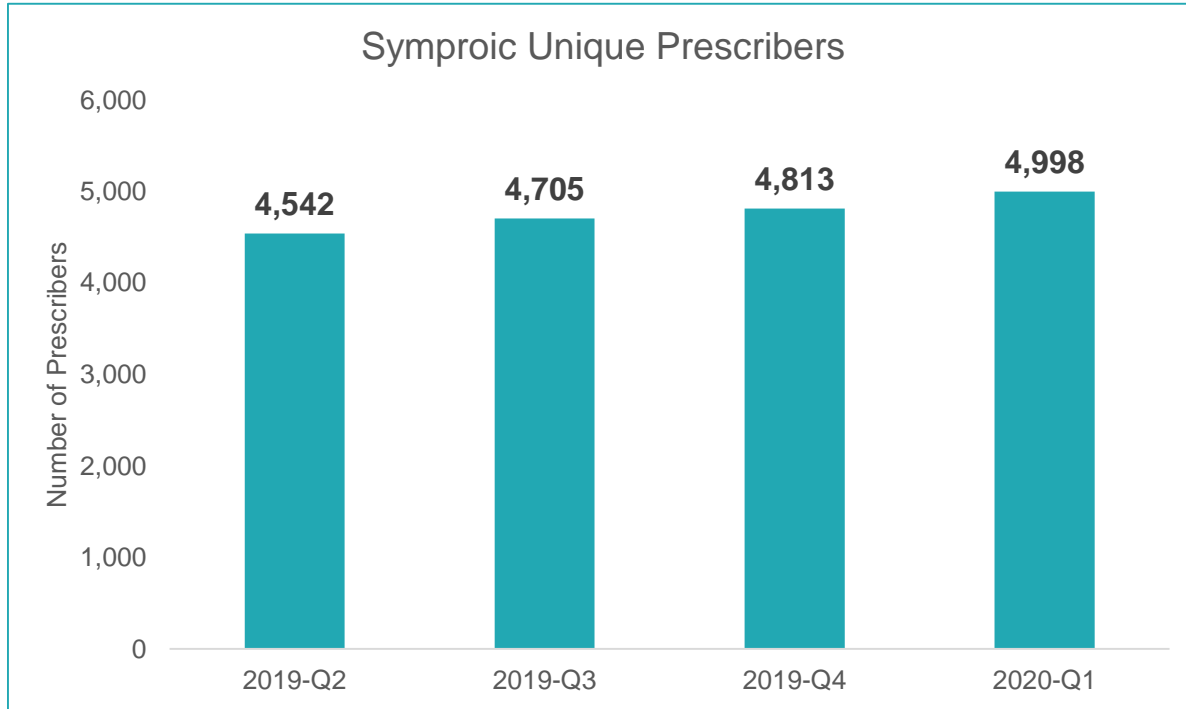
# Symproic TRx & NRx Volume



**+19% TRx Growth in Q1 2020 vs prior year**

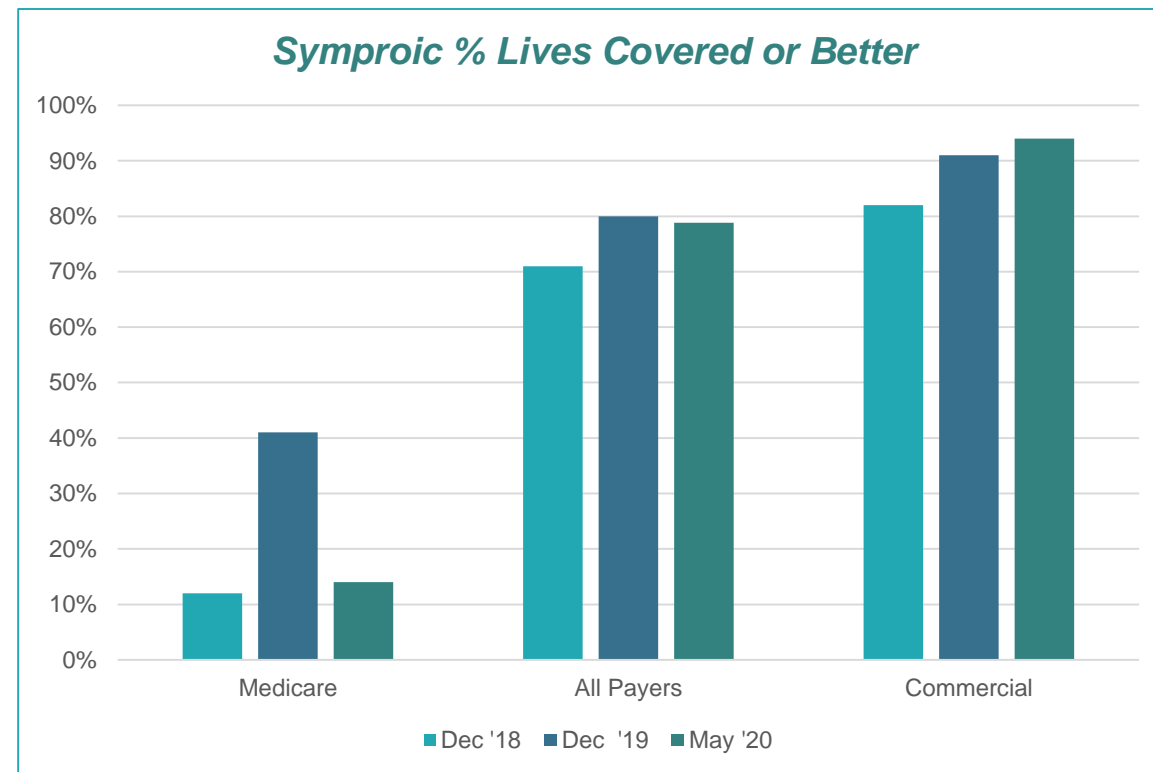
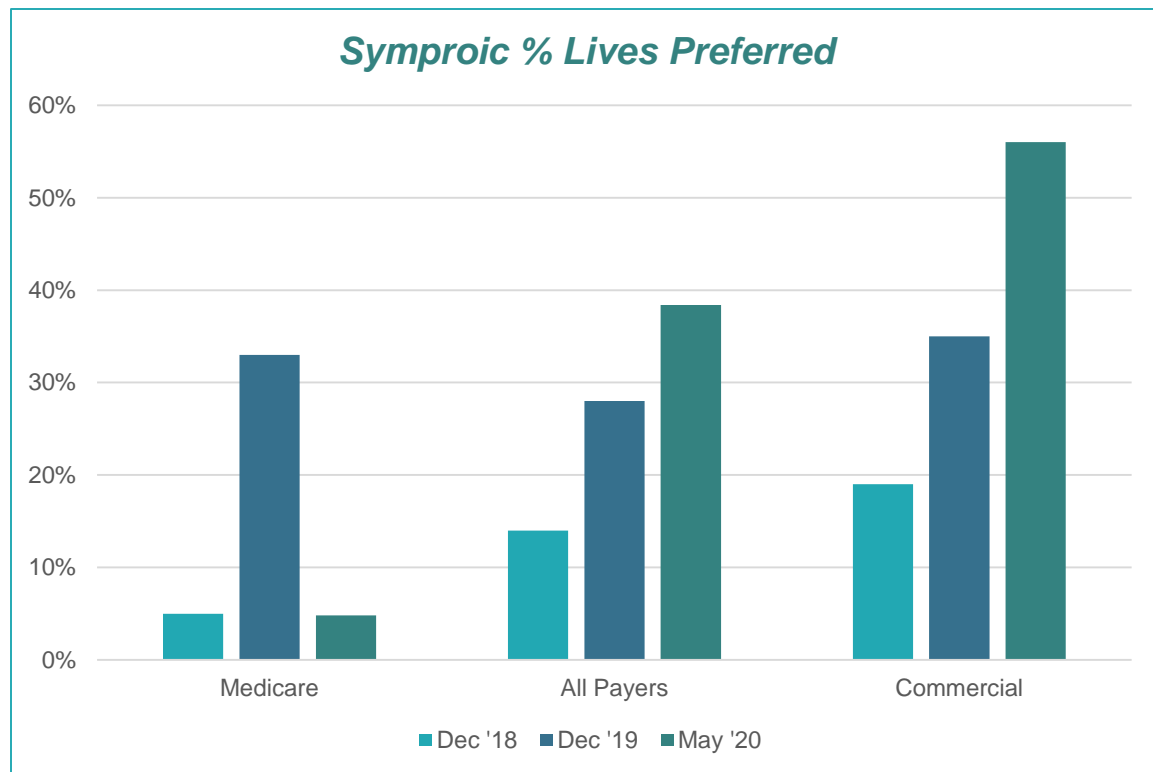
**Q1 2020**  
**13.3% NRx share**  
**11.7% TRx share**

# Symproic Unique and New Prescribers



**New Prescribers reached highest quarterly total under BDSI promotion**

# Symproic Access Improved Significantly for 2020 with Further Opportunity in Commercial Preferred



May 2020 Medicare coverage reflects impact of contract expiration with major PBM as of Jan 2020

# Key Marketing Initiatives Supporting HCPs and Patients

## Virtual Customer Engagement

Virtual Speaker Programs

Virtual HCP Engagement Platform

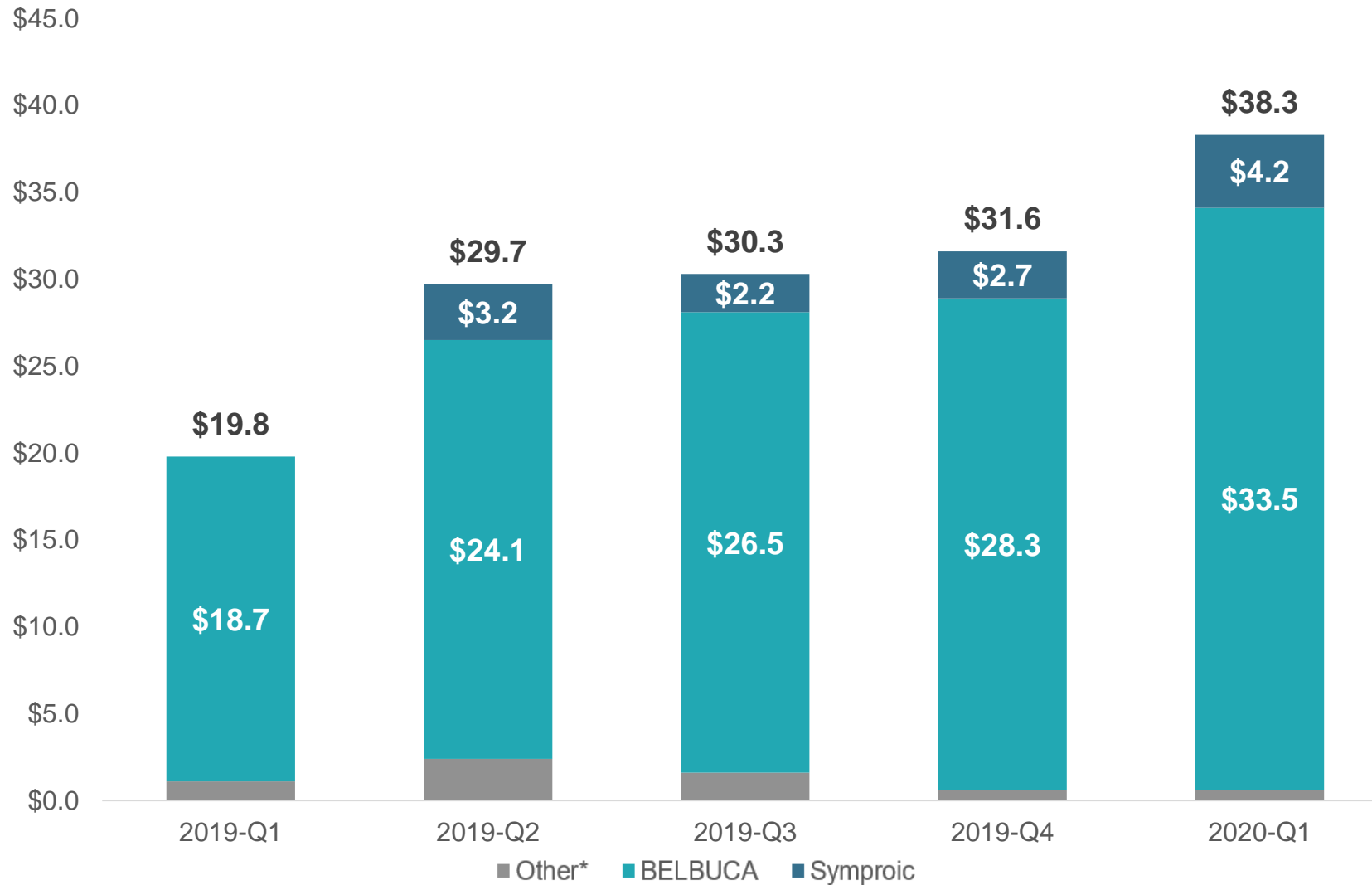
Enhanced E-Mail Communication Portal

## Patient Support Resources

Prior Authorization Support

Expanded Co-Pay Assistance

# Record Level Quarterly Net Sales

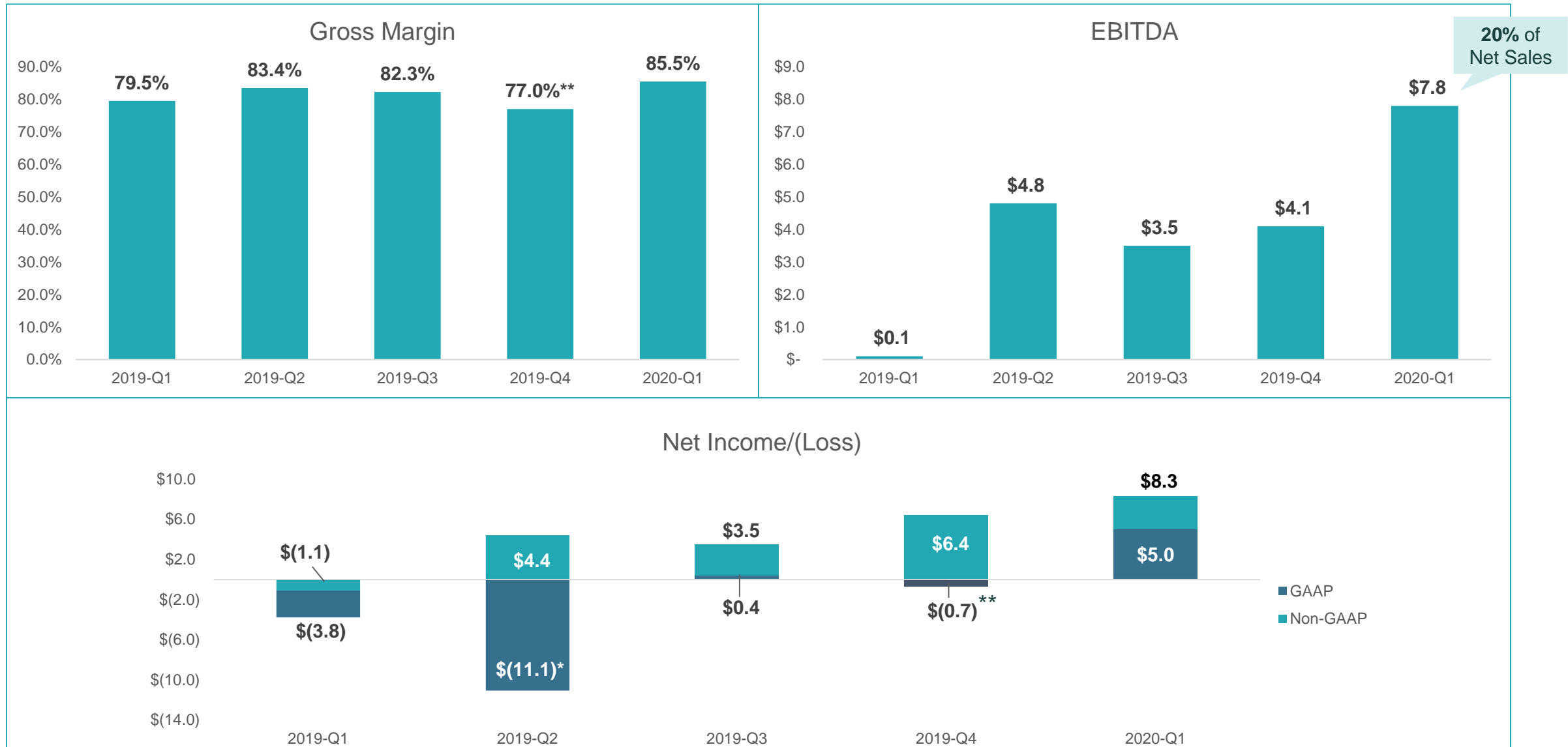


**+94%** Growth in Q1 2020 vs Prior Year

**+21%** Growth vs Q4 2019

\*BUNAVAIL and royalty revenues

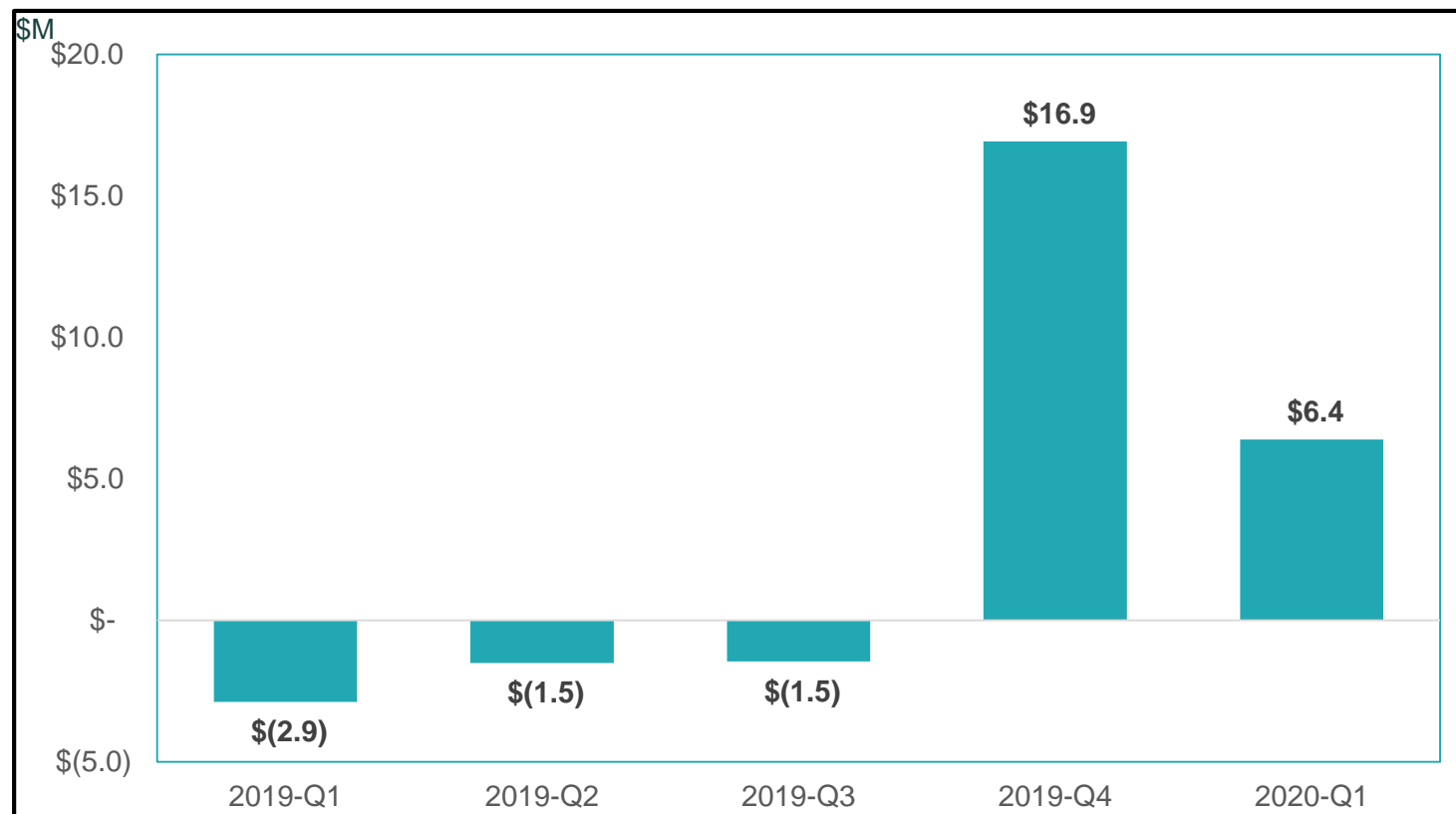
# Quarterly Gross Margin, EBITDA and Net Income



\*Q2 2019 GAAP Net loss includes one-time debt refinancing costs of \$11.8 M

\*\*Q4 2019 Gross Margin and GAAP Net loss includes one-time costs associated with the discontinuation of BUNAVAIL marketing of \$3.8 M

# Operating Cash Flow



**At March 31, 2020**

**Cash and cash equivalents: \$70.6M**

**Long-term Debt: \$60.0M**

# Reconciliation of Quarterly Non-GAAP Metrics 2019 – 2020



<b>BIODELIVERY SCIENCES INTERNATIONAL, INC. AND SUBSIDIARIES</b>					
<b>RECONCILIATION OF NON-GAAP METRICS</b>					
<b>(U.S. DOLLARS, IN THOUSANDS)</b>					
<b>(Unaudited)</b>					
	<b>QTD- Q1</b>	<b>QTD- Q2</b>	<b>QTD- Q3</b>	<b>QTD- Q4</b>	<b>QTD- Q1</b>
	<b>3/31/2019</b>	<b>6/30/2019</b>	<b>9/30/2019</b>	<b>12/31/2019</b>	<b>3/31/2020</b>
<b>Reconciliation of GAAP Net Income/(Loss) to EBITDA (non-GAAP)</b>	<b>2019</b>				<b>2020</b>
<b>GAAP Net Income/(Loss)</b>	<b>\$ (3,833)</b>	<b>\$ (11,130)</b>	<b>\$ 354</b>	<b>\$ (696)</b>	<b>\$ 4,966</b>
Add back:					
Provision for income taxes	-	-	4	1	(278)
Net interest expense	2,561	13,929	1,237	1,308	1,294
Depreciation and amortization	1,375	1,981	1,904	3,491	1,802
<b>EBITDA</b>	<b>\$ 103</b>	<b>\$ 4,780</b>	<b>\$ 3,499</b>	<b>\$ 4,104</b>	<b>\$ 7,784</b>
<b>Reconciliation of GAAP Net Income/(Loss) to Non-GAAP Net Income/(Loss)</b>					
<b>GAAP Net Income/(Loss)</b>	<b>\$ (3,833)</b>	<b>\$ (11,130)</b>	<b>\$ 354</b>	<b>\$ (696)</b>	<b>\$ 4,966</b>
Non-GAAP adjustments:					
Stock-based compensation expense	1,142	1,569	1,267	1,438	1,520
Amortization of intangible assets	1,289	1,898	1,898	1,899	1,781
Amortization of warrant discount	269	179	-		
Non- recurring financial impact- Debt Refinance 2019		11,866		3,750	
Non- recurring financial impact- BUNAVAIL Discontinuation 2019					
<b>Non-GAAP Net Income/(Loss)</b>	<b>\$ (1,133)</b>	<b>\$ 4,382</b>	<b>\$ 3,519</b>	<b>\$ 6,391</b>	<b>\$ 8,267</b>

Q2 2019 GAAP Net loss includes one-time debt refinancing costs of \$11.9M

Q4 2019 GAAP Net loss includes one-time costs associated with the discontinuation of BUNAVAIL marketing of \$3.8M