



Q4 and Full Year 2020 Earnings

March 10, 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) 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, non-cash amortization of intangible assets, amortization of certain warrant discount costs in Q2 2019, and the financial impact of certain one-time items that are non-recurring, including the financial impact of the debt refinancing in Q2 2019, 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.

Strong Performance in Q4 2020 and Positioned Well for Future Growth



BELBUCA & Symproic continue to achieve all-time highs in market share and volume



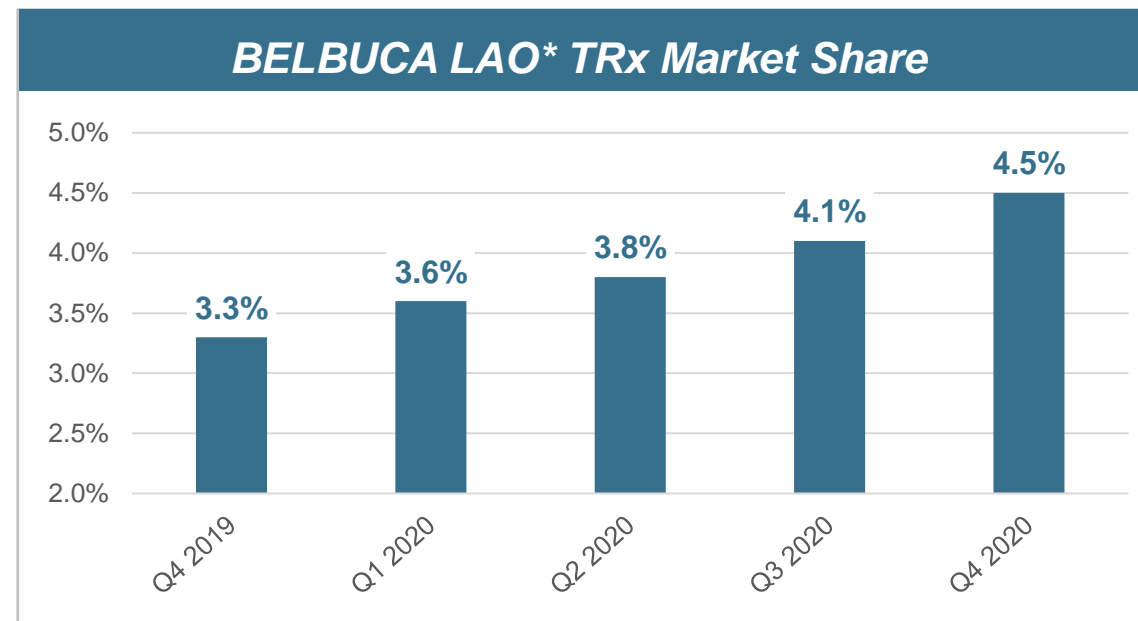
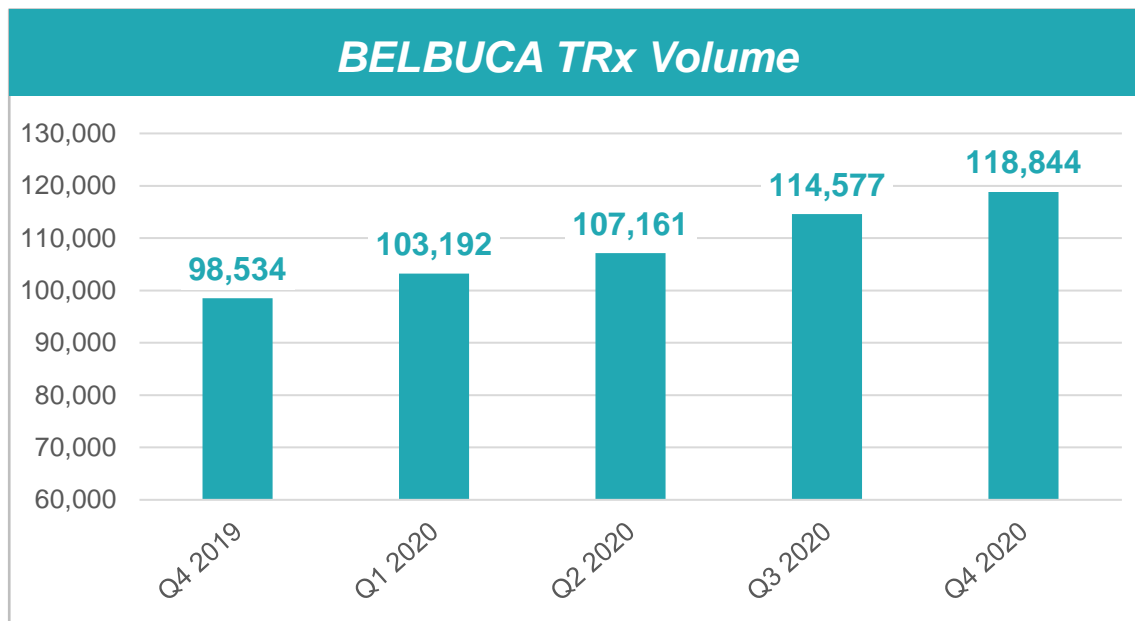
BELBUCA First Start Program launched nationally following encouraging pilot indicators



Strong balance sheet supports BDSI's continued growth through investment in organic and business development opportunities

Significant Double-Digit YoY Growth in BELBUCA TRx

BELBUCA Reached All-Time Highs for TRx Count & TRx Market Share



Growth Metrics

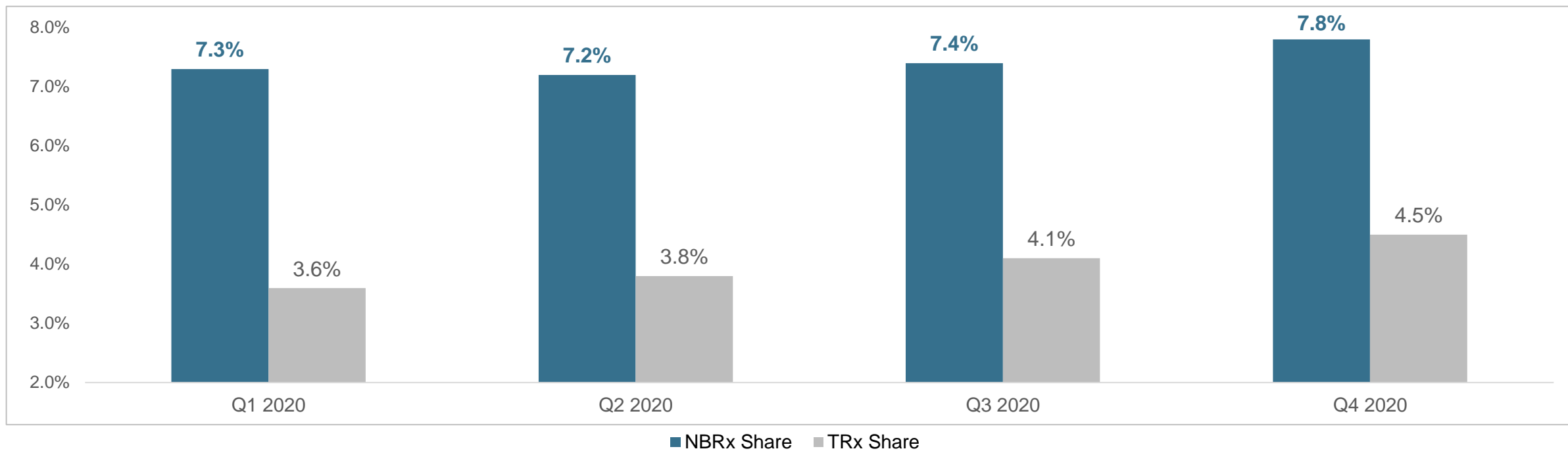
+20.6% Q4 2020 vs Q4 2019

+3.7% Q4 2020 vs Q3 2020

Increasing BELBUCA's TRx Market Share through effective commercial execution

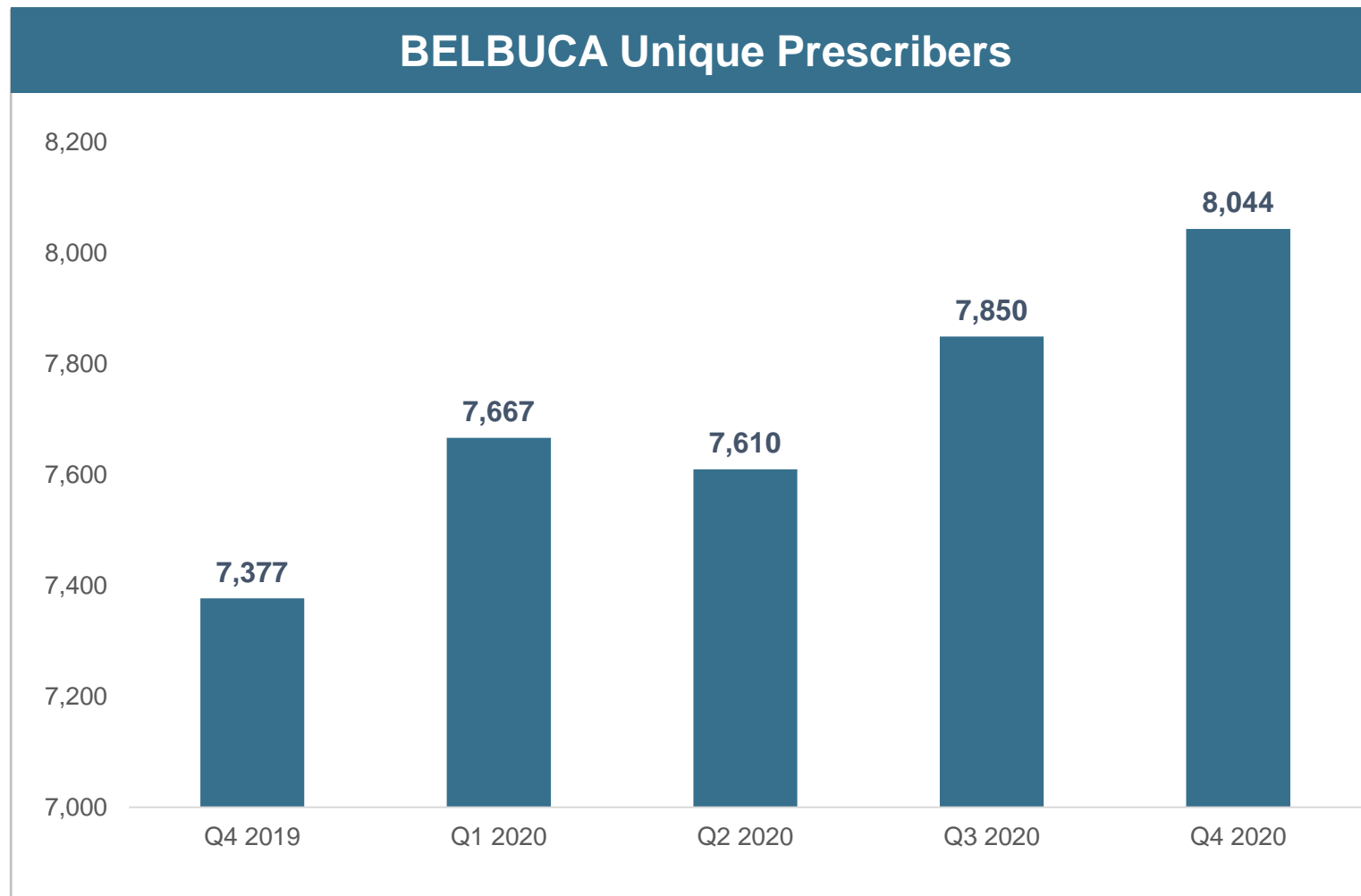
BELBUCA NBRx Share Well Above TRx Share

Indicative of Future Growth Potential



- ✓ TRx share increased by 34.5% from 3.3% in Q4 2019 to 4.5% in Q4 2020.
- ✓ Successful commercial execution generating higher New-to-Brand Rx share
- ✓ Total Rx share increasing due to broader adoption by Healthcare Professionals

BELBUCA is Continuously Building Prescriber Base

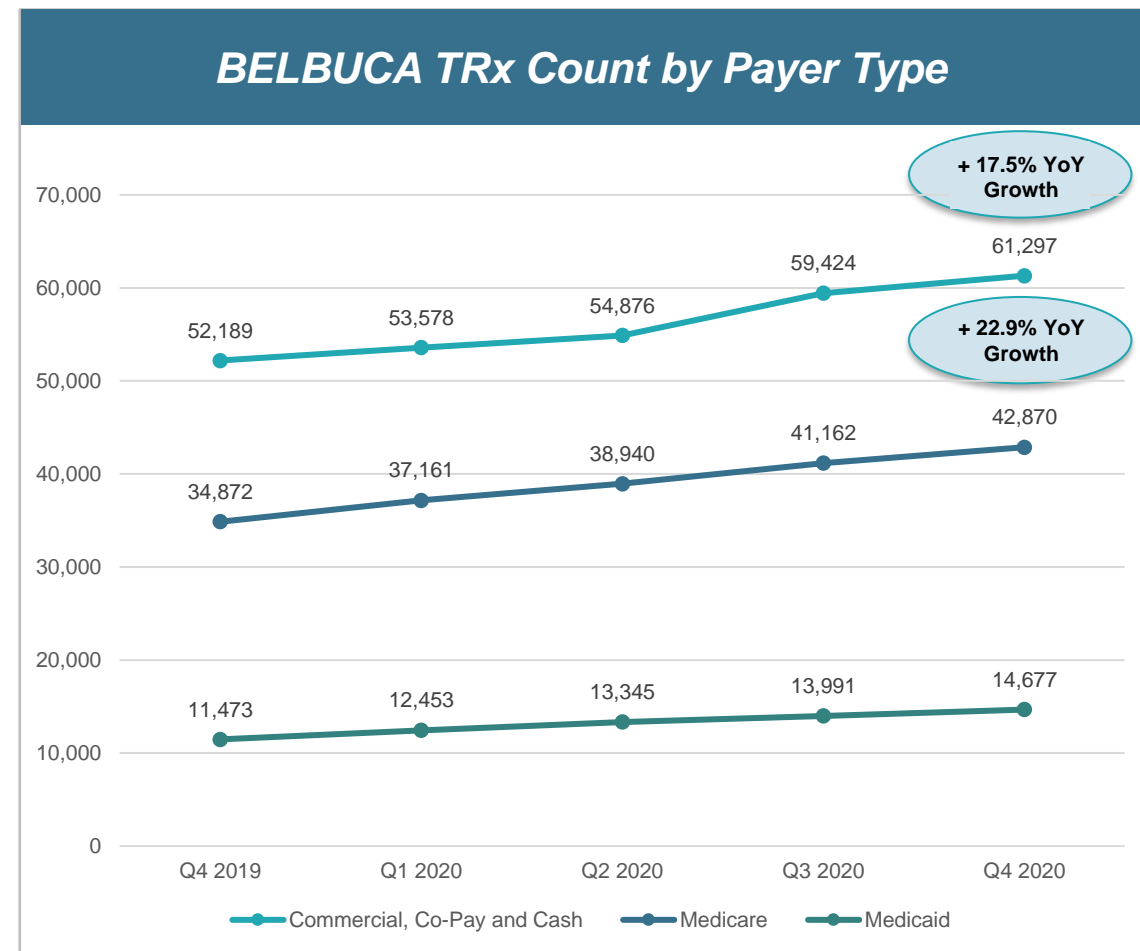
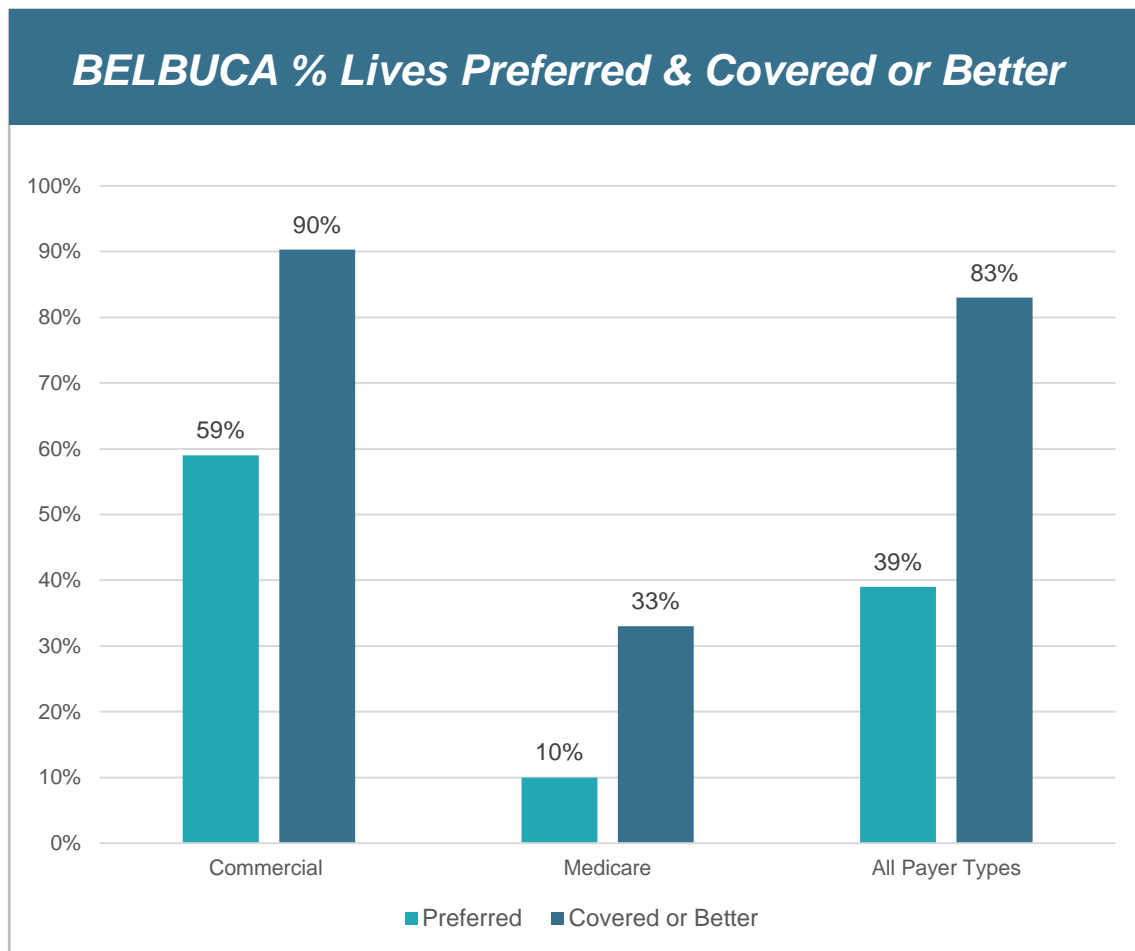


Adding 1,000+
New Prescribers for each
of the last 6 quarters



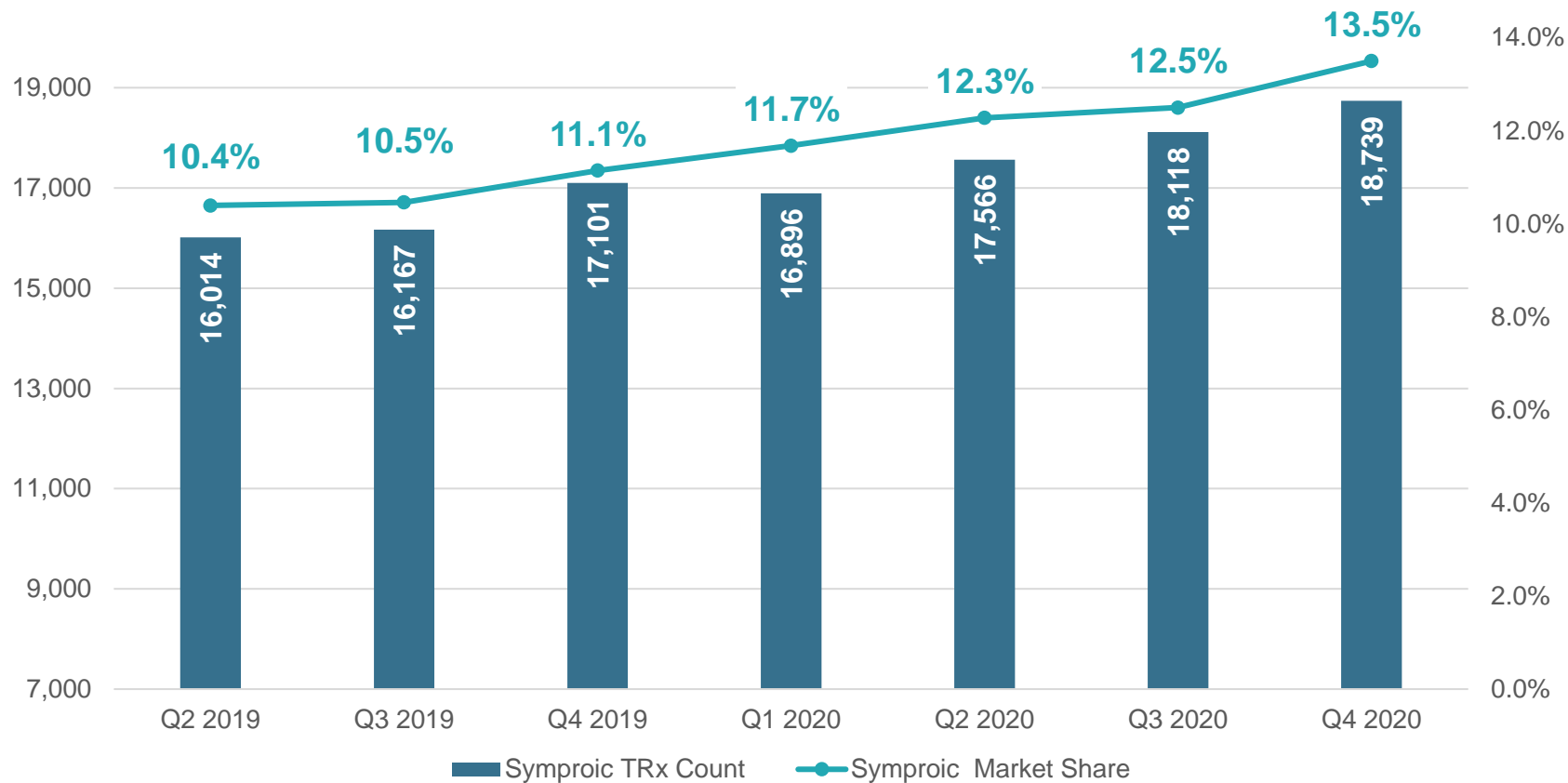
BELBUCA Enjoys Strong Formulary Coverage

History of Consistent Growth Across All Payer Types



Symproic® TRx Count & Share Reach New Highs Since Acquisition

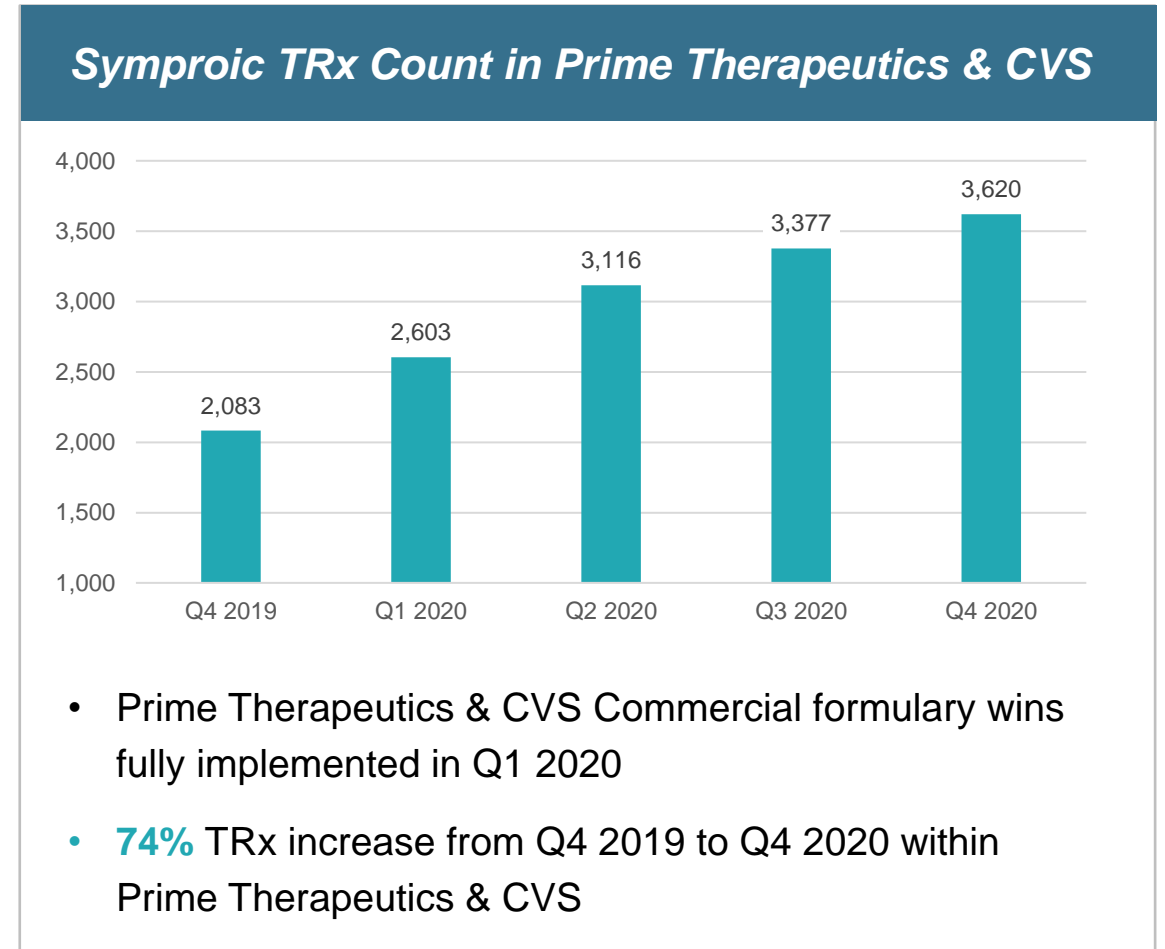
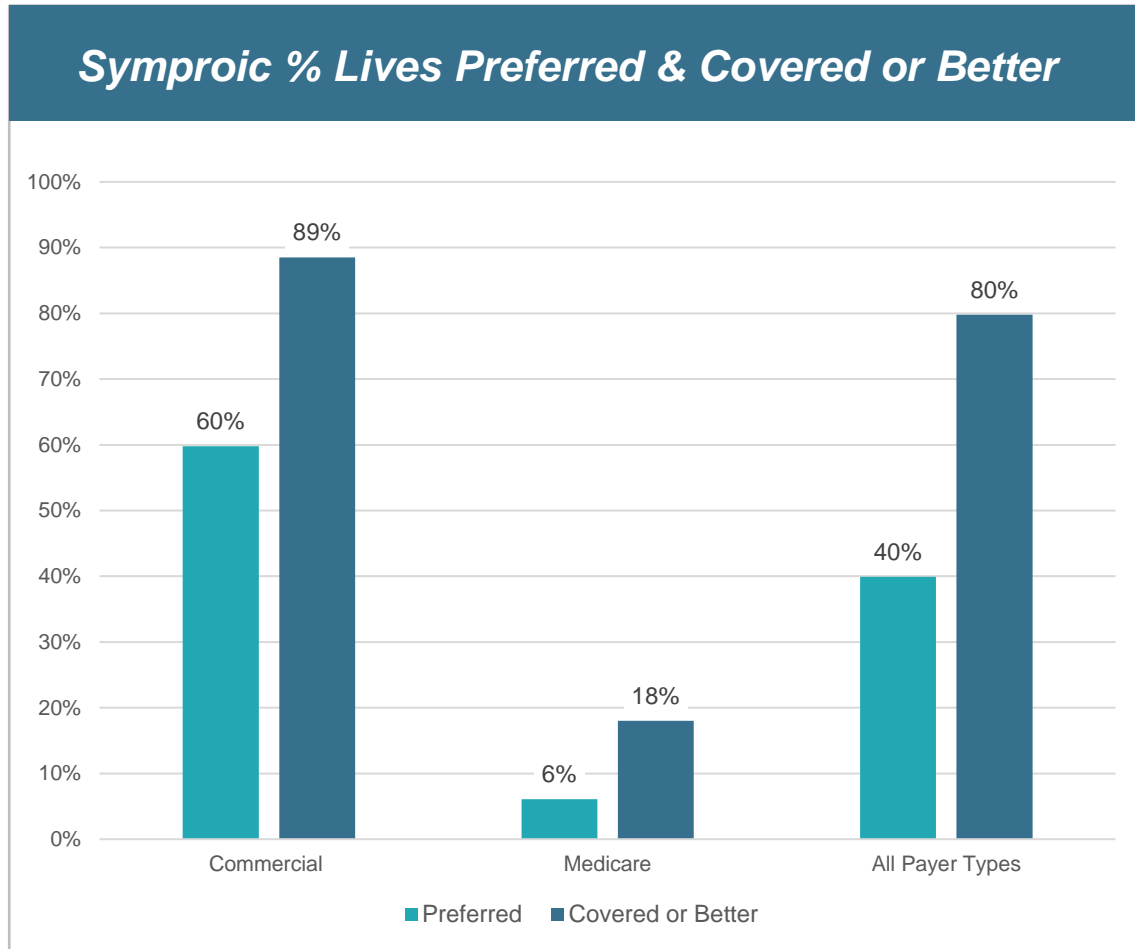
Symproic Quarterly TRx Count & TRx Share of PAMORA* Market



NRx Share of 14%
in Q4 2020 vs.
12.7% in Q4 2019

Symproic Favorable Formulary Coverage Continues

History of Strong Growth within Recent Wins



BELBUCA & Symproic TRx Growth Outperformed in Q4 and 2020 (Retail TRx Data)

BELBUCA 2020 vs 2019

-9.7% LAO Market TRx Volume Decline
+30.2% BELBUCA TRx Volume Growth



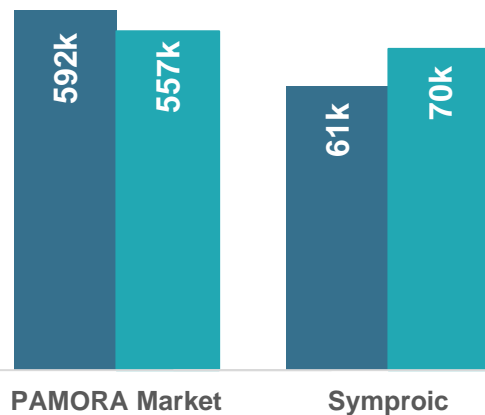
BELBUCA Q4 2020 vs Q3 2020

-5.9% LAO Market TRx Volume Decline
+3.3% BELBUCA TRx Volume Growth



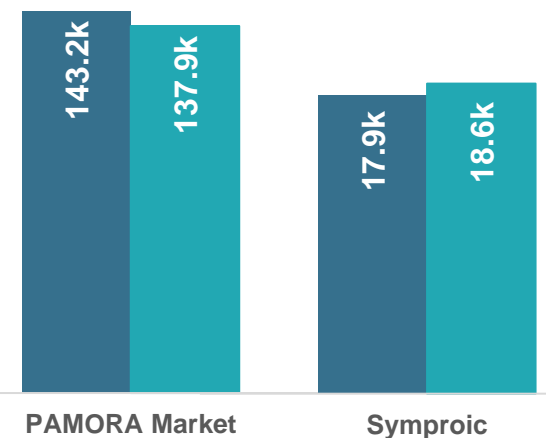
Symproic 2020 vs 2019

-5.9% PAMORA Market TRx Volume Decline
+13.1% Symproic TRx Volume Growth

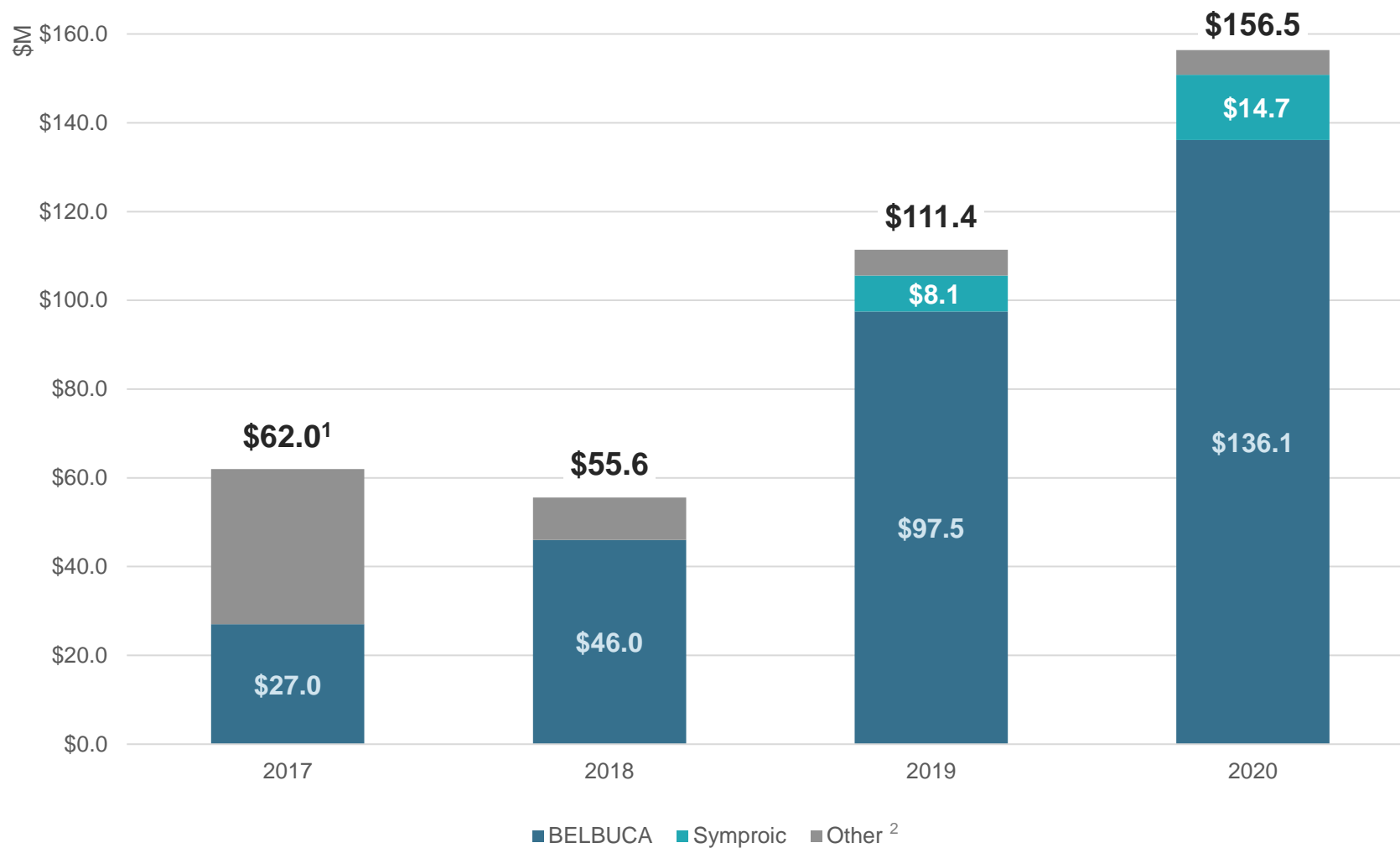


Symproic Q4 2020 vs Q3 2020

-3.7% PAMORA Market TRx Volume Decline
+3.8% Symproic TRx Volume Growth



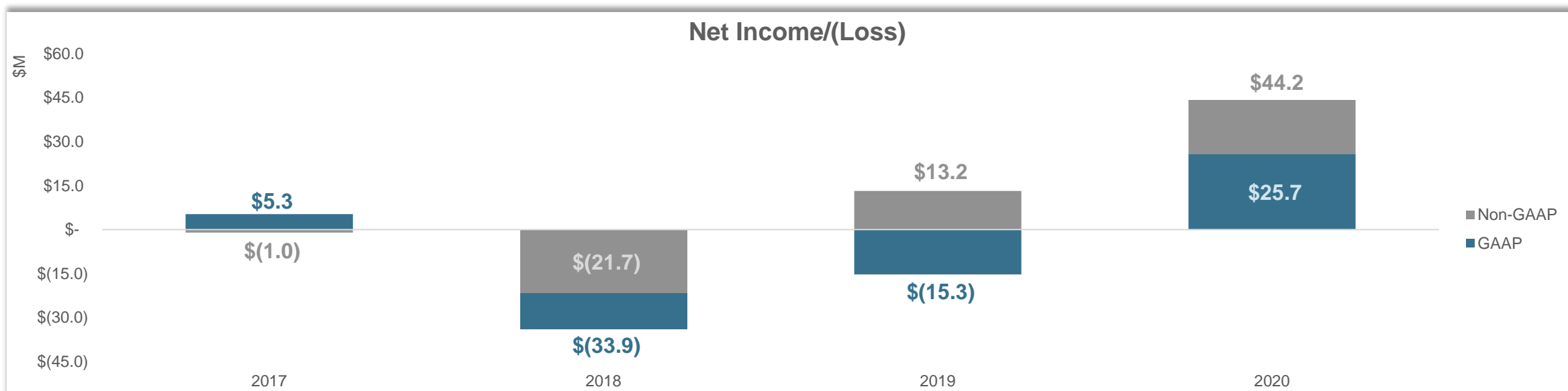
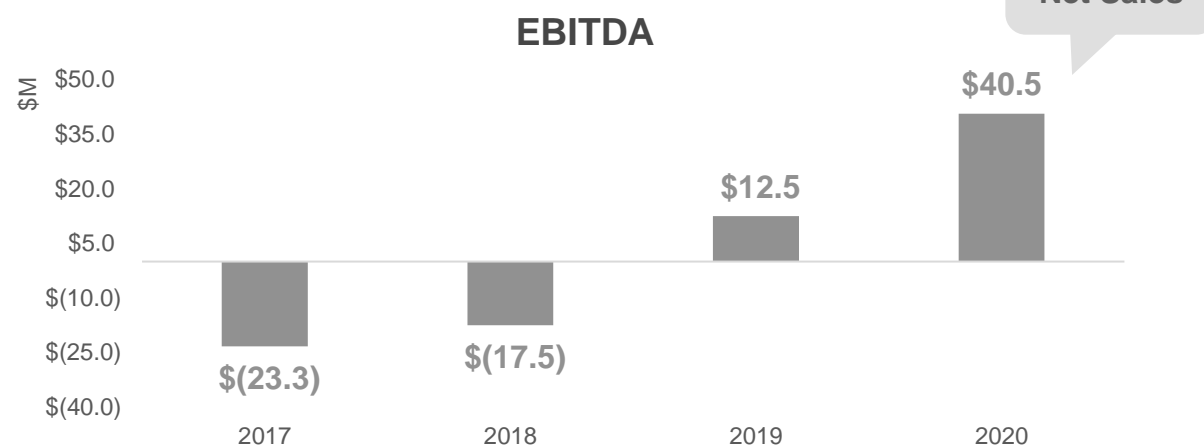
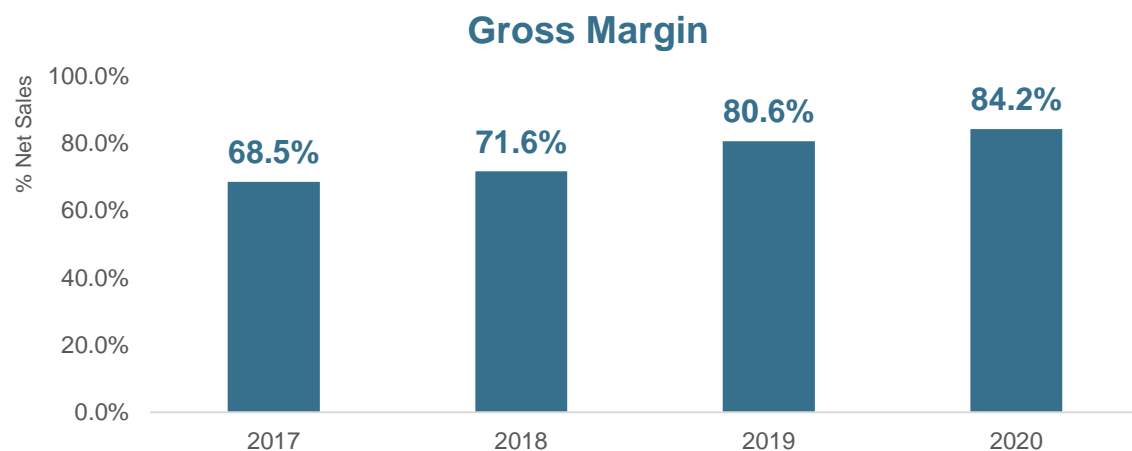
Robust Annual Net Revenue Growth Trends



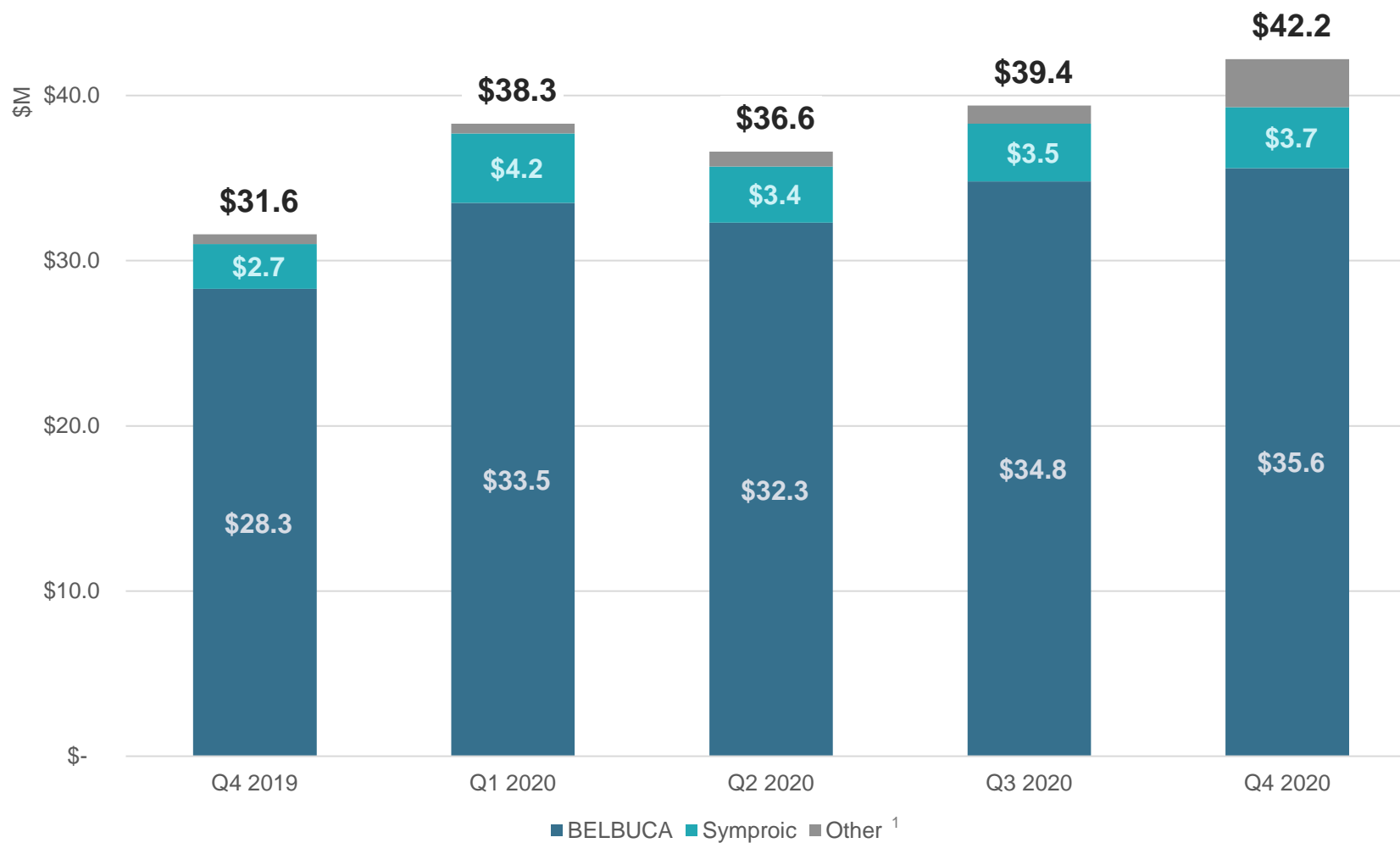
Total Net Revenue
+ 40%
 in 2020 vs. 2019

BELBUCA Revenue
+ 40%
 in 2020 vs. 2019

Sales Trajectory Driving Impressive Annual Gross Margin and Profitability

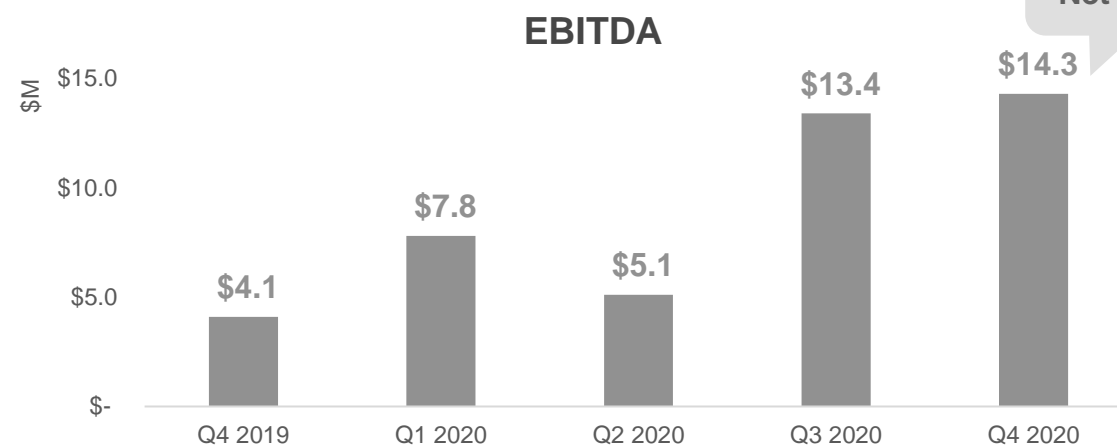
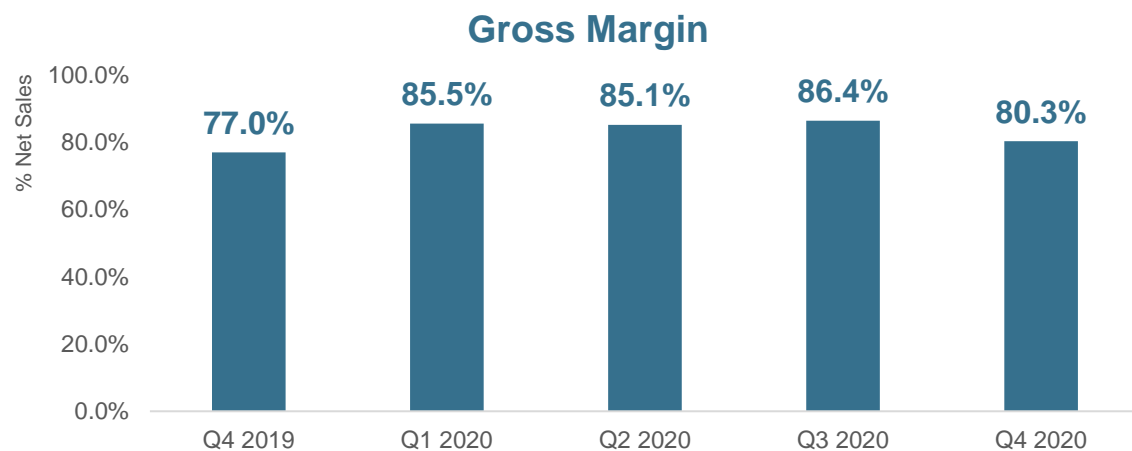


Robust Quarterly Net Revenue Growth Trends

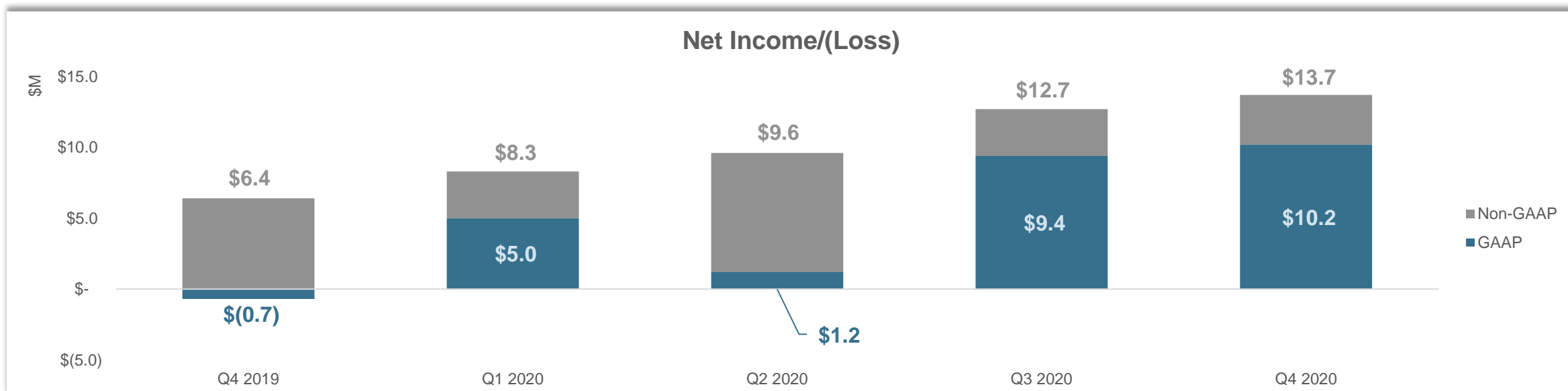


Revenue up **33%**
in Q4 2020 vs. Q4 2019

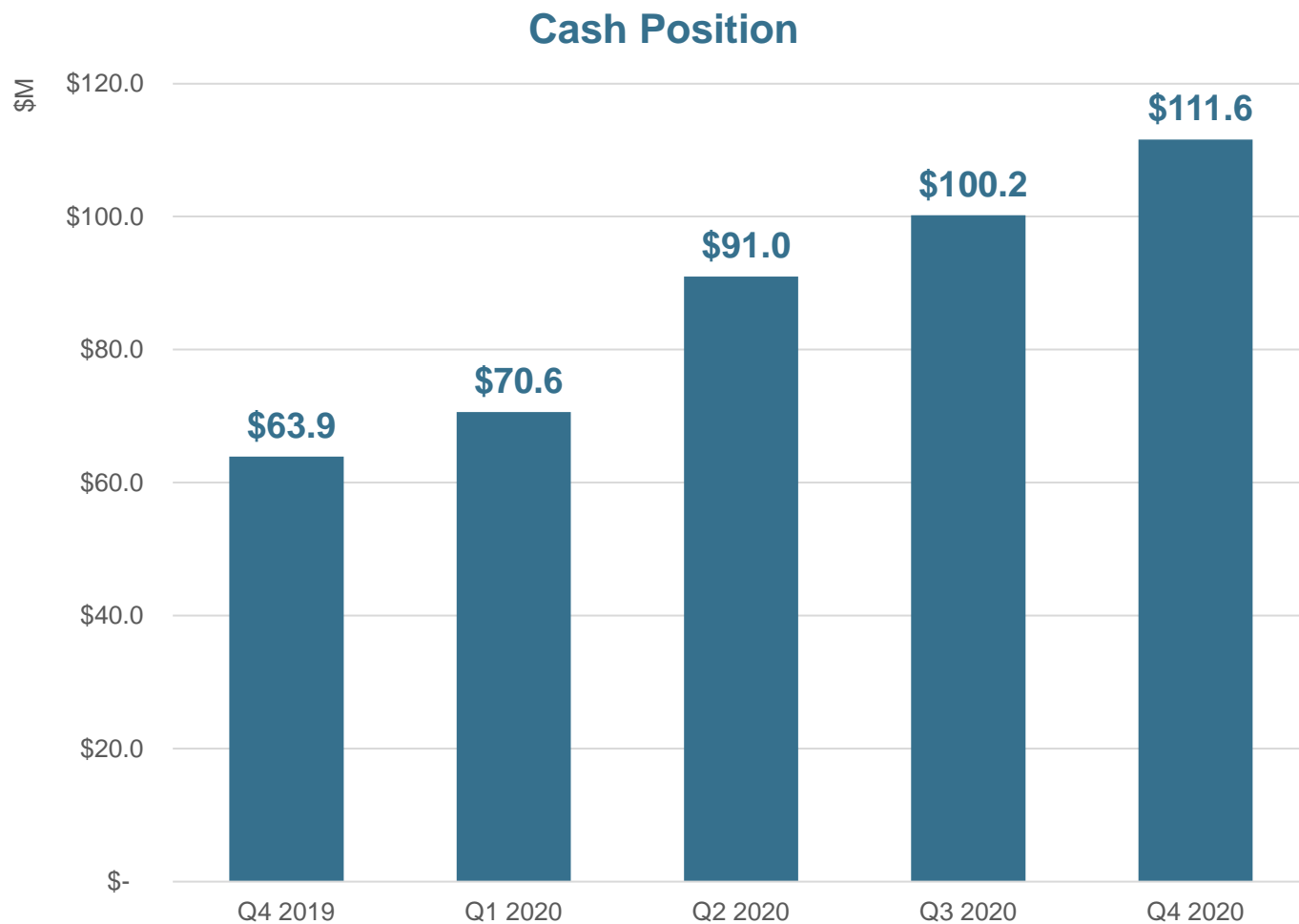
Sales Trajectory Driving Impressive Quarterly Gross Margin and Profitability



34% of Net Sales



Strong Cash Balance Advantageously Positions BDSI for Growth



As of December 31, 2020:

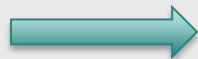
\$111.6 million Cash and cash equivalents

\$80 million Long-term debt

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

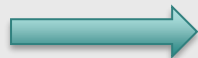
2021 Expectations

Total Company Net Sales



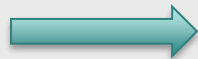
\$170 - \$180M

BELBUCA Net Sales



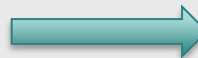
\$155 - \$165M

Total Operating Expenses



\$115 - \$120M

EBITDA



\$40 - \$50M

Operating Cash Flow positive throughout 2021

Key Takeaways

Q4 2020



Strong Q4 Performance

- ✓ TRx & NBRx Growth
- ✓ All-time high market share for BELBUCA & Symproic
- ✓ Continued Profitability with 34% EBITDA Margin
- ✓ +\$11M Operating Cash

Full Year 2020



Record Full Year Results

- ✓ 40% Top Line Growth
- ✓ 26% EBITDA Margin
- ✓ \$112M Cash on Hand
- ✓ + \$25M Operating Cash
- ✓ EPS of \$0.26

2021 & Beyond



Corporate Strategy aligned with solid execution

Strong Balance Sheet positions BDSI to pursue growth opportunities

Reconciliation of GAAP to Non-GAAP Metrics Q4 2019 – Q4 2020

\$000s	QTD- Q4 12/31/2019	QTD- Q1 3/31/2020	QTD- Q2 6/30/2020	QTD- Q3 9/30/2020	QTD- Q4 12/31/2020
	2019	2020			
Reconciliation of GAAP Net Income/(Loss) to EBITDA (non-GAAP)					
GAAP Net Income/(Loss)	\$ (696)	\$ 4,966	\$ 1,165	\$ 9,383	\$ 10,197
Add back/(subtracts):					
Income tax recovery/(provision)	1	(278)	86	211	233
Net interest expense	1,308	1,294	1,685	2,012	2,022
Depreciation and amortization	3,491	1,802	2,159	1,754	1,806
EBITDA	\$ 4,104	\$ 7,784	\$ 5,095	\$ 13,360	\$ 14,258
 Reconciliation of GAAP Net Income/(Loss) to Non-GAAP Net Income/(Loss)					
GAAP Net Income/(Loss)	\$ (696)	\$ 4,966	\$ 1,165	\$ 9,383	\$ 10,197
Non-GAAP adjustments:					
Stock-based compensation expense	1,438	1,520	1,364	1,473	1,750
Amortization of intangible assets	1,899	1,781	1,734	1,734	1,733
Non-recurring financial impact- CEO transition			5,078	67	
Non- recurring financial impact- BUNAVAIL Discontinuation	3,750		295		
Non-GAAP Net Income/(Loss)	\$ 6,391	\$ 8,267	\$ 9,636	\$ 12,657	\$ 13,680

Reconciliation of Non-GAAP Metrics 2017-2020

\$000's	2017	2018	2019	2020
Reconciliation of GAAP Net Income/(Loss) to EBITDA (non-GAAP)				
GAAP Net Income/(Loss)	\$ 5,285	\$ (33,867)*	\$ (15,305)	\$ 25,711
Add back/(subtracts):				
Income tax recovery/(provision)	(15,972)	14	5	252
Net interest expense	(18,733)	10,206	19,036	7,013
Depreciation and amortization	6,119	6,188	8,748	7,521
EBITDA	\$ (23,301)	\$ (17,459)	\$ 12,484	\$ 40,497

\$000's	2017	2018	2019	2020
Reconciliation of GAAP Net Income/(Loss) to Non-GAAP Net Income/(Loss)				
GAAP Net Income/(Loss)	\$ 5,285	\$ (33,867)*	\$ (15,305)	\$ 25,711
Non-GAAP adjustments:				
Stock-based compensation expense	14,800	5,941	5,416	6,107
Amortization of intangible assets	5,425	5,157	6,981	6,982
Amortization of warrant discount	832	1,076	448	-
Non-recurring financial impact- Debt Refinance 2019	-	-	11,866	-
Non-recurring financial impact- CEO transition	-	-	-	5,145
Non-recurring financial impact- BUNAVAIL Discontinuation	-	-	3,750	295
Non-recurring financial impact- Bargain purchase gain	(27,336)			
Non-GAAP Net Income/(Loss)	\$ (994)	\$ (21,693)	\$ 13,156	\$ 44,240

* GAAP Net Loss in 2018 reflects Net Income before the impact of the beneficial conversion feature of convertible preferred stock of (\$12.5M)