

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or Section 15(d)  
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): November 5, 2020 (November, 4, 2020)

**BioDelivery Sciences International, Inc.**  
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	001-31361 (Commission File Number)	35-2089858 (IRS Employer Identification No.)
4131 ParkLake Ave., Suite 225 Raleigh NC (Address of principal executive offices)		27612 (Zip Code)

Registrant's telephone number, including area code: 919-582-9050

**Not Applicable**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation to the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common stock, par value \$0.001	BDSI	The Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## **Item 2.02 Results of Operations and Financial Condition.**

On November 5, 2020, BioDelivery Sciences International, Inc. (the “Company”) issued a press release announcing its financial results for the third quarter ended September 30, 2020. A copy of the press release is being furnished as Exhibit 99.1 to this Form 8-K.

The information in this Form 8-K (including Exhibit 99.1) is intended to be furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

## **Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

### Bailey Agreement

Pursuant to the Bailey Agreement, Mr. Bailey will serve as Chief Executive Officer of the Company, effective as of November 4, 2020 (the “Effective Date”). As Chief Executive Officer, Mr. Bailey will be paid an annual base salary of \$650,000, will be eligible to receive a target annual incentive bonus equal to 70% of his base salary, commencing in 2021. For recognition of Mr. Bailey’s service as interim Chief Executive Officer, Mr. Bailey will be paid a one-time bonus of \$200,000 to be paid by December 31, 2020, subject to his continued employment (the “Interim CEO Bonus”). The Interim CEO Bonus will be paid in lieu of a similar one-time bonus from his prior offer letter. In connection with the execution of the Bailey Agreement, the Company (i) accelerated the vesting of all of Mr. Bailey’s unvested restricted stock units and stock options that were previously granted to Mr. Bailey in May 2020 in connection with his hiring as interim Chief Executive Officer and (ii) granted Mr. Bailey stock options to purchase 840,000 shares of the Company’s common stock and granted restricted stock units for 160,000 shares of common stock, each of which will vest in equal installments over a three year period beginning on the Effective Date. Pursuant to the Bailey Agreement, in the event Mr. Bailey’s employment is terminated by the Company without Cause, by Mr. Bailey for Good Reason or as a result of Mr. Bailey’s death or permanent disability, subject to his signing and complying with a release agreement and the release agreement becoming effective, Mr. Bailey will be entitled to receive a lump sum cash payment equal to 100% of Mr. Bailey’s annual base salary then in effect plus his pro-rated target annual performance bonus for the then-current year and any bonus for the prior year which was earned but not yet paid. In the event Mr. Bailey’s employment is terminated by the Company without Cause or by Mr. Bailey for Good Reason within 12 months after a Change in Control, subject to his signing and complying with a release agreement and the release agreement becoming effective, Mr. Bailey will be entitled to (i) receive a lump sum cash payment equal to 100% of Mr. Bailey’s annual base salary then in effect, (ii) receive 100% of his target annual performance bonus for the then-current year, (iii) maintain any rights granted pursuant to any retirement, profit sharing and savings, healthcare, 401(k) and any other benefit plans sponsored by the Company and (iv) full acceleration of vesting of any of his unvested equity awards.





## **BioDelivery Sciences Reports Strong Q3 2020 Results**

*Total Company Net Revenue Increased 30% versus Prior Year Reaching a Record \$39.4 Million*

*Conference Call and Webcast Scheduled for 8:30 AM EST Today*

**RALEIGH, N.C., November 5, 2020** - BioDelivery Sciences International, Inc. (NASDAQ: BDSI), a rapidly growing specialty pharmaceutical company dedicated to patients living with serious and complex chronic conditions, today reported strong financial results for the third quarter ended September 30, 2020, as well as the following operational and performance highlights.

### **Key Business Highlights**

- Total Company net revenue for the third quarter increased by 30% versus the prior year period to \$39.4 million. This growth was driven by BELBUCA® net sales of \$34.8 million, an increase of 31% versus the prior year period, and Symproic® net sales of \$3.5 million, an increase of 59% compared to the third quarter of 2019.
- BELBUCA reached all-time high prescription volume and market share, with total BELBUCA prescriptions of more than 114,500 during the third quarter, representing year-over-year prescription volume growth of 25%.
- Symproic reached all-time high prescription volume and market share, with total Symproic prescriptions of more than 18,100 in the third quarter, representing growth of 12% versus the prior year.
- Achieved significant growth to \$9.4 million of GAAP Net Income and an attractive 34% EBITDA Margin in the third quarter.
- Jeff Bailey appointed as Chief Executive Officer (CEO) after serving as interim CEO since May 2020.
- Announced that its Board of Directors authorized the repurchase of up to \$25.0 million of the Company's shares of common stock. The Company plans to utilize existing cash on hand to fund the share repurchase program.

“Our commercial execution during the third quarter has been extremely impactful as evidenced by strong prescription trends for both BELBUCA and Symproic, which have continued in October,” stated Jeff Bailey, CEO of BDSI. “I am proud to permanently join the talented BDSI team and very confident in our ability to execute on our vision to deliver innovative products to patients while maximizing shareholder value.”

### **Third Quarter 2020 Financial Results**

**Total Company Net Revenue** for the third quarter of 2020 was a record \$39.4 million, an increase of 30% compared to \$30.3 million in the third quarter of 2019, and an increase of 8% compared to \$36.6 million in the second quarter of 2020.

**BELBUCA Net Sales** for the third quarter of 2020 were \$34.8 million, an increase of 31% compared to \$26.5 million in the third quarter of 2019, and an increase of 7% compared to \$32.3 million in the second quarter of 2020. While BELBUCA gross to net deductions increased in the third quarter as anticipated, primarily due to typical increases



seen for Medicare coverage gap, along with increased Medicaid costs, those increases were favorably impacted by updates to our channel estimates reflected in the third quarter of 2020.

**Symproic Net Sales** for the third quarter were \$3.5 million, an increase of 59% compared to \$2.2 million in the third quarter of 2019, and an increase of 1% compared to \$3.4 million in the second quarter of 2020.

**BUNAVAIL Net Revenue** for the third quarter was \$0.6 million, reflecting the release of a portion of the returns reserves taken at the time discontinuation was announced. In March, the Company announced the discontinuation of marketing of BUNAVAIL.

**Total Operating Expenses** for the third quarter of 2020 were \$22.5 million, compared to \$23.4 million in the third quarter of 2019 and \$28.2 million in the second quarter of 2020.

**GAAP Net Income** for the third quarter of 2020 was \$9.4 million, or \$0.09 per share, compared to GAAP net income of \$0.4 million, or \$0.00 per share, in the third quarter of 2019 and GAAP net income of \$1.2 million, or \$0.01 per share, for the second quarter of 2020.

**EBITDA** for the third quarter of 2020 was \$13.4 million, or 34% of net sales, compared to \$3.5 million or 11.6% of net sales in the third quarter of 2019 and \$5.1 million or 13.9% of net sales in the second quarter of 2020.

**Non-GAAP Net Income** for the third quarter of 2020 was \$12.7 million and reflects GAAP net income excluding stock-based compensation and non-cash amortization of intangible assets. This reflects an increase of \$9.2 million as compared to non-GAAP net income of \$3.5 million in the third quarter of 2019, excluding the same items, and an increase of \$3.1 million compared to non-GAAP net income of \$9.6 million in the second quarter of 2020, excluding stock-based compensation, non-cash amortization of intangible assets, the non-recurring financial impact of the BUNAVAIL discontinuation and the one-time expenses related to the CEO transition incurred in the second quarter.

**Cash Position:** As of September 30, 2020, cash and cash equivalents were approximately \$100.2 million, compared to \$63.9 million at December 31, 2019, reflecting the generation of positive operating cash flow of \$9.0 million and \$14.0 million in the three and nine month periods, respectively, through September 30<sup>th</sup>. The total cash flow generation year to date of \$36.3 million includes the operating cash generation of \$14.0 million, \$2.8 million in proceeds from the exercise of options, and \$19.6 million of net proceeds from increasing our existing credit facility.

“The continuing market performance of both BELBUCA and Symproic, together with our strong profitability and balance sheet, and most importantly the commitment of our team to serving patients, position BDSI well to continue to drive long-term shareholder value,” stated Jeff Bailey.

### Conference Call & Webcast Details

BioDelivery Sciences will host a conference call and webcast today, November 5, 2020, at 8:30 a.m. ET to present third quarter 2020 results and to provide a business update. Dial-in details are as follows:

Date:	Thursday, November 5, 2020
Time:	8:30 AM Eastern Time
Domestic:	877-407-0789
International:	201-689-8562
Conference ID:	13710272
Webcast:	<a href="http://public.viavid.com/index.php?id=141502">http://public.viavid.com/index.php?id=141502</a>



## **ABOUT BIODELIVERY SCIENCES INTERNATIONAL, INC.**

BioDelivery Sciences International, Inc. (NASDAQ: BDSI) is a commercial-stage specialty pharmaceutical company dedicated to patients living with chronic conditions. BDSI has built a portfolio of products that includes utilizing its novel and proprietary BioErodible MucoAdhesive (BEMA®) technology to develop and commercialize, either on its own or in partnership with third parties, new applications of proven therapies aimed at addressing important unmet medical needs. BDSI's marketed products address serious and debilitating conditions, including chronic pain and opioid-induced constipation.

## **CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS**

This press release 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 and Symproic 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 press release 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 in second quarter 2019, and the financial impact of certain one-time items that are non-recurring, including the financial impact of the debt refinancing in the second quarter 2019, the discontinuation of marketing of BUNAVAIL, and costs associated with the CEO transition.

EBITDA excludes net interest, including both interest expenses and interest income, provision for (benefit from) income taxes, 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 this press release.

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**BIODELIVERY SCIENCES INTERNATIONAL, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**(U.S. DOLLARS, IN THOUSANDS, EXCEPT SHARE AND PER SHARE AMOUNTS)**  
**(Unaudited)**

	September 30, 2020	December 31, 2019
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 100,177	\$ 63,888
Accounts receivable, net	43,830	38,790
Inventory, net	18,887	11,312
Prepaid expenses and other current assets	5,754	3,769
Total current assets	168,648	117,759
Property and equipment, net	1,485	2,075
Goodwill	2,715	2,715
License and distribution rights, net	55,109	60,309
Other intangible assets, net	—	47
Total assets	<u>\$ 227,957</u>	<u>\$ 182,905</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 53,409	\$ 53,993
Total current liabilities	53,409	53,993
Notes payable, net	78,363	58,568
Other long-term liabilities	300	580
Total liabilities	132,072	113,141
Commitments and contingencies		
Stockholders' equity:		
Preferred Stock, 5,000,000 shares authorized; Series A Non-Voting Convertible Preferred Stock, \$0.001 par value, 0 and 2,093,155 shares outstanding at September 30, 2020 and December 31, 2019, respectively; Series B Non-Voting Convertible Preferred Stock, \$0.001 par value, 443 and 618 shares outstanding at September 30, 2020 and December 31, 2019, respectively.	—	2
Common Stock, \$0.001 par value; 235,000,000 and 175,000,000 shares authorized at September 30, 2020 and December 31, 2019, respectively; 101,126,452 and 96,189,074 shares issued; 101,110,961 and 96,173,583 shares outstanding at September 30, 2020 and December 31, 2019, respectively.	100	96
Additional paid-in capital	446,910	436,306
Treasury stock, at cost, 15,491 shares as of September 30, 2020 and December 31, 2019.	(47)	(47)
Accumulated deficit	(351,078)	(366,593)
Total stockholders' equity	95,885	69,764
Total liabilities and stockholders' equity	<u>\$ 227,957</u>	<u>\$ 182,905</u>



**BIODELIVERY SCIENCES INTERNATIONAL, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(U.S. DOLLARS, IN THOUSANDS, EXCEPT SHARE AND PER SHARE AMOUNTS)**  
**(Unaudited)**

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	2020	2019
<b>Revenues:</b>				
Product sales	\$ 38,785	\$ 29,623	\$ 112,946	\$ 77,438
Product royalty revenues	658	683	1,358	2,154
Contract revenues	—	—	—	160
<b>Total Revenues:</b>	<b>39,443</b>	<b>30,306</b>	<b>114,304</b>	<b>79,752</b>
Cost of sales	5,376	5,350	16,371	14,325
<b>Expenses:</b>				
Selling, general and administrative	22,461	23,360	77,408	62,304
<b>Total Expenses:</b>	<b>22,461</b>	<b>23,360</b>	<b>77,408</b>	<b>62,304</b>
Income from operations	11,606	1,596	20,525	3,123
Interest expense, net	(2,010)	(1,234)	(4,997)	(17,732)
Other (expense)/income, net	(2)	(3)	6	5
Income/(loss) before income taxes	\$ 9,594	\$ 359	\$ 15,534	\$ (14,604)
Income tax provision	(211)	(5)	(19)	(5)
Net income/(loss) attributable to common stockholders	<u>\$ 9,383</u>	<u>\$ 354</u>	<u>\$ 15,515</u>	<u>\$ (14,609)</u>
<b>Basic</b>				
Weighted average common stock shares outstanding	101,031,317	89,649,922	99,377,748	81,612,112
Basic earnings/(loss) per share	<u>\$ 0.09</u>	<u>\$ —</u>	<u>\$ 0.16</u>	<u>\$ (0.18)</u>
<b>Diluted</b>				
Weighted average common stock shares outstanding	105,783,568	105,138,894	104,836,493	81,612,112
Diluted earnings/(loss) per share	<u>\$ 0.09</u>	<u>\$ —</u>	<u>\$ 0.15</u>	<u>\$ (0.18)</u>



**BIODELIVERY SCIENCES INTERNATIONAL, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(U.S. DOLLARS, IN THOUSANDS)**  
**(Unaudited)**

	Nine months ended September 30, 2020	
	2020	2019
<b>Operating activities:</b>		
Net income/(loss)	\$ 15,515	\$ (14,609)
Adjustments to reconcile net income/(loss) to net cash flows from operating activities		
Depreciation and amortization	467	253
Accretion of debt discount and loan costs	231	11,441
Amortization of intangible assets	5,248	5,084
Provision for inventory obsolescence	(297)	57
Stock-based compensation expense	7,845	3,978
Changes in assets and liabilities:		
Accounts receivable	(5,040)	(19,795)
Inventories	(7,278)	(5,416)
Prepaid expenses and other assets	(1,985)	(1,686)
Accounts payable and accrued liabilities	(701)	14,844
Taxes payable	(40)	—
Net cash flows provided by/(used in) operating activities	<u>13,965</u>	<u>(5,849)</u>
<b>Investing activities:</b>		
Product acquisitions	—	(20,674)
Acquisitions of equipment	—	(79)
Net cash flows used in investing activities	<u>—</u>	<u>(20,753)</u>
<b>Financing activities:</b>		
Proceeds from issuance of common stock	—	48,000
Equity issuance costs	—	(410)
Proceeds from notes payable	20,000	60,000
Proceeds from exercise of stock options	2,761	1,193
Payment on note payable	—	(67,346)
Loss on refinancing of former debt	—	(2,794)
Payment on deferred financing fees	(437)	—
Net cash flows provided by financing activities	<u>22,324</u>	<u>38,643</u>
Net change in cash and cash equivalents	36,289	12,041
<b>Cash and cash equivalents at beginning of period</b>	63,888	43,822
Cash and cash equivalents at end of period	<u><u>\$ 100,177</u></u>	<u><u>\$ 55,863</u></u>



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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
<b>Reconciliation of GAAP net income/(loss) to EBITDA (non-GAAP)</b>				
<b>GAAP net income/(loss)</b>	\$ 9,383	\$ 354	\$ 15,515	\$ (14,609)
Add back/(subtract):				
Income tax provision	211	4	19	4
Net interest expense	2,012	1,237	4,991	17,727
Depreciation and amortization	1,754	1,904	5,715	5,259
<b>EBITDA</b>	<b>\$ 13,360</b>	<b>\$ 3,499</b>	<b>\$ 26,240</b>	<b>\$ 8,381</b>
<b>Reconciliation of GAAP net income/(loss) to Non-GAAP net income/(loss)</b>				
<b>GAAP net income/(loss)</b>	9,383	354	15,515	(14,609)
Non-GAAP adjustments:				
Stock-based compensation expense	1,473	1,267	4,424	3,978
Amortization of intangible assets	1,734	1,898	5,248	5,084
Amortization of warrant discount	—	—	—	448
Non-recurring financial impact of debt refinance	—	—	—	11,866
Non-recurring financial impact of CEO transition	67	—	5,078	—
Non-recurring financial impact of BUNAVAIL discontinuation	—	—	295	—
<b>Non-GAAP net income/(loss)</b>	<b>\$ 12,657</b>	<b>\$ 3,519</b>	<b>\$ 30,560</b>	<b>\$ 6,767</b>



## **BioDelivery Sciences Announces Appointment of Jeff Bailey as Permanent CEO**

**RALEIGH, N.C., November 4, 2020** - BioDelivery Sciences International, Inc. (NASDAQ: BDSI), a rapidly growing specialty pharmaceutical company dedicated to patients living with serious and complex chronic conditions, today announced that its Board of Directors has appointed Jeff Bailey as permanent Chief Executive Officer (CEO), effective November 4, 2020. Jeff had previously been appointed as interim CEO in May 2020 while continuing to serve on the Board of Directors.

"Jeff has been extremely effective in managing the Company during this challenging period and continuously driving growth, and we are very pleased he has agreed to accept the role of permanent CEO," stated Peter Greenleaf, Chairman of the Board of Directors of BDSI. "I am confident that Jeff has the strategic vision and expertise in the pharmaceutical industry to guide BDSI through its next phase. The Board and I are delighted to appoint Jeff as BDSI's CEO."

Mr. Bailey has an accomplished record in leading both public and private healthcare companies where he has leveraged his diverse leadership experiences in various functional areas including commercial, supply chain and business development, as well as in-licensing and transactions. His experiences include a 20+ year career at Johnson & Johnson/Janssen Pharmaceuticals as well as a tenure as Operating Unit President at Novartis Pharmaceuticals, Chief Commercial Officer at King Pharmaceuticals, Chief Operating Officer at Fougera Pharmaceuticals, and Chairman and CEO of Neurovance. Mr. Bailey also served as President and CEO of Lantheus Medical Imaging, taking the company public in 2015. Most recently, he was the CEO of IlluminOss Medical, Inc., which was acquired in May 2020.

"Over the last six months, I have been able to see our very talented team at BDSI in action," stated Jeff Bailey. "When you combine our exceptional people with high-quality differentiated products and our strong balance sheet, we are really poised to deliver strong results by executing on our corporate strategy and expanding our growth. I look forward to being part of the exciting future and driving long term shareholder value."

### **ABOUT BIODELIVERY SCIENCES INTERNATIONAL, INC.**

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“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, BDSI’s continued growth and expansion) 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.

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## **BioDelivery Sciences Announces \$25 Million Share Repurchase Program**

**RALEIGH, N.C., November 4, 2020** - BioDelivery Sciences International, Inc. (NASDAQ: BDSI), a rapidly growing specialty pharmaceutical company dedicated to patients living with serious and complex chronic conditions, today announced that its Board of Directors has authorized the repurchase of up to \$25 million of the Company's shares of common stock.

"This share repurchase program reflects our confidence in the long-term outlook for the Company, including our ability to generate strong cash flow," said Jeff Bailey, Chief Executive Officer of BioDelivery Sciences International. "Importantly, we remain focused on balancing our disciplined approach to capital allocation against growth opportunities available to BDSI, including continuing to invest in the organic growth of our portfolio along with pursuing strategic acquisitions that will continue to drive long-term shareholder value."

The Company expects to make repurchases at the discretion of management from time to time in the open market, depending on market conditions, or through privately negotiated transactions. The timing and amount of any shares purchased on the open market will be determined based on the Company's evaluation of market conditions, share price and other factors. The Company plans to utilize existing cash on hand to fund the share repurchase program.

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BioDelivery Sciences International, Inc. (NASDAQ: BDSI) is a commercial-stage specialty pharmaceutical company dedicated to patients living with chronic conditions. BDSI has built a portfolio of products that includes utilizing its novel and proprietary BioErodible MucoAdhesive (BEMA®) technology to develop and commercialize, either on its own or in partnership with third parties, new applications of proven therapies aimed at addressing important unmet medical needs. BDSI's marketed products address serious and debilitating conditions, including chronic pain and opioid-induced constipation.

### **CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS**

This press release 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 Company's ability to repurchase shares and to generate cash flow) may differ 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.



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