



## **Cosmo Half-Year Report 2020**

**Dublin, Ireland – 30 July 2020** – Cosmo Pharmaceuticals N.V. (SIX: COPN) reports half-year results for the period ended 30 June 2020.

**Cosmo obtained important product approvals, continued to execute its equity for product strategy and is on track to return to operating profit in FY20.**

### **Key Events Half-Year 2020 – Products and Business**

- ByFavo™ sub-licensed to Acacia Pharma Group (EURONEXT: ACPH) in January in equity for product deal for €30m in upfront payment, regulatory and commercial milestones due in equity plus up to \$105m in sales related commercial milestones. Additional equity investment of €21.1m made in the company plus €25m in loan financing provided. ByFavo™ approved by the FDA in July 2020.
- European Medicines Agency's (EMA) Committee for Medicinal Products for Human Use (CHMP) adopted a positive opinion for Methylene Blue MMX in June 2020.
- Protocol and related statistical analysis plan for the confirmatory phase III trial for Methylene Blue MMX filed with the U.S. FDA in April 2020 for final comment.
- Very positive results of the first investigator initiated prospective clinical study of GI Genius™ announced. ADR (Adenoma Detection Rate) and APC (Adenoma Per Colonoscopy) were significantly higher in the GI Genius™ group compared to the control group.
- GI Genius™ further approved in Australia, Israel and the United Arab Emirates.

### **Financial Highlights Half-Year 2020**

- Revenues €25.9m vs €21.5m last year, mainly because of increase in manufacturing income for generic and Lialda® and milestones income which did not occur in prior period.
- Expenses (net) down 40% to €23.2m following the elimination of our U.S. organisation.
- Operating profit €2.7m vs operating loss €17.2m in prior period.
- Net financial expense €5.8m mainly relates to interest on convertible bonds of €4.2m of which cash impact €2.2m.
- Loss for the period €3.0m including share of Cassiopea loss €2.2m.
- Cash inflow from operations before changes in working capital €4.8m for the period.
- Cash and investments in funds €238.4m at 30 June 2020 (excluding 574,312 treasury shares at cost of €47.1m) vs €268.2m at 31 December 2019.
- Market value of Cosmo's stake in Cassiopea at 30 June 2020 €188.2m versus carrying value of €138.8m.
- Equity €405.4m vs €393.7m at 31 December 2019.

## Key figures

| EUR 1,000                         | H1 2020         | H1 2019         |
|-----------------------------------|-----------------|-----------------|
| <b>Income statement</b>           |                 |                 |
| <b>Revenues</b>                   | <b>25,883</b>   | <b>21,507</b>   |
| Cost of sales                     | (12,845)        | (11,029)        |
| <b>Gross profit</b>               | <b>13,038</b>   | <b>10,478</b>   |
| Other income                      | 5,530           | 277             |
| R&D costs                         | (7,289)         | (7,667)         |
| SG&A costs                        | (8,617)         | (20,289)        |
| <b>Net operating expenses</b>     | <b>(10,376)</b> | <b>(27,679)</b> |
| <b>Operating profit/(loss)</b>    | <b>2,662</b>    | <b>(17,201)</b> |
| Net finance (expenses) / income   | (5,773)         | (2,600)         |
| Share of result of associate      | (2,220)         | (2,818)         |
| <b>Loss before taxes</b>          | <b>(5,331)</b>  | <b>(22,619)</b> |
| Income tax                        | 2,316           | 1,837           |
| <b>Loss for the period</b>        | <b>(3,015)</b>  | <b>(20,782)</b> |
| <b>Shares</b>                     |                 |                 |
| Weighted average number of shares | 14,488,454      | 14,715,110      |
| Earnings per share (in EUR)       | (0.208)         | (1.407)         |

| EUR 1,000                                    | 30 Jun 20 | 31 Dec 19 |
|--|-----------|-----------|
| <b>Statement of financial position</b>       |           |           |
| Non-current assets                           | 304,700   | 282,795   |
| Cash and cash equivalents                    | 82,591    | 110,387   |
| Other current assets                         | 209,326   | 191,978   |
| Liabilities                                  | 191,177   | 191,427   |
| Equity attributable to owners of the Company | 405,440   | 393,733   |
| Equity ratio (%)                             | 68.0%     | 67.3%     |

Alessandro Della Chà, Chief Executive Officer, said: *“In the first half of 2020 we continued to execute our equity for product strategy which allows us to participate in the equity upside of our products by taking stakes in our partners. We believe that we have substantially de-risked our business and are well positioned with a pipeline of products and €238.4 million in cash and investments and look to the future with optimism. We are maintaining our FY20 guidance of revenue in the range of €52 to €56m and operating profit in the range of €2m to €8m”*

The Half-Year Report 2020 with further information was published on 30 July 2020, 07:00 am CET, and is available for download at:

<http://www.cosmopharmaceuticals.com/investor-relations/financial-reports>

### Half-Year 2020 Results Conference Call on Thursday, 30 July 2020, 10:00am CET

Alessandro Della Chà, CEO and Niall Donnelly, CFO will present the half-year results 2020 and will provide an update of Cosmo’s activities. The conference call is scheduled to last 30-45 minutes and will be held in English.

#### Dial-in numbers:

From Continental Europe: +41 (0) 58 310 50 00  
 From UK: +44 (0) 207 107 06 13  
 From USA: +1 (1) 631 570 56 13

The presentation is available for download at:

<http://www.cosmopharma.com/ir/presentations.aspx>

## **About Cosmo Pharmaceuticals**

Cosmo is a specialty pharmaceutical company focused on developing and commercialising products to treat selected gastrointestinal disorders and improve endoscopy quality measures through aiding the detection of colonic lesions. Cosmo has also developed medical devices for endoscopy and has recently entered into a partnership with Medtronic for the global distribution of GI Genius™ its artificial intelligence device for use in colonoscopies and GI procedures. Cosmo has licensed Aemcolo™ to Red Hill Biopharma and is the licensee of BYFAVO™ (Remimazolam) for the US for procedural sedation, which it has sub-licensed to Acacia. For additional information on Cosmo and its products please visit the Company's website: [www.cosmopharma.com](http://www.cosmopharma.com)

## **Financial calendar**

Investora, Zurich

September 23, 2020

## **Contact**

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