



Cosmo Pharmaceuticals Announces Amendment of its Investment Agreement with Acacia

Dublin, Ireland – 15 December 2020: Cosmo Pharmaceuticals N.V. (SIX: COPN) today announced that, on 14 December 2020, Acacia Pharma Group plc (“Acacia”) (EURONEXT: ACPH) and Cosmo entered into an amendment agreement (the “Amendment Agreement”) being an amendment to the Investment Agreement between the parties dated 10 January 2020, pursuant to which Acacia and Cosmo agreed that, in exchange for Cosmo prioritising the packaging and labelling production run for BYFAVO™ for supply in the US, Acacia shall make the EUR 5 million payment due on the first commercial sale of BYFAVO™ in advance of the first commercial sale of BYFAVO™ and by no later than 31 December 2020.

Acacia Pharma is preparing to launch BYFAVO™ in the US in the coming weeks.

Payment will be settled by the Company issuing new ordinary shares in the share capital of the Company (the “New Ordinary Shares”) to Cosmo, at an issue price of EUR 2.38 each (being the 15-day volume weighted average price of the Company’s shares prior to the date of the Amendment Agreement). Listing and admission to trading of the New Ordinary Shares on Euronext Brussels remains, in accordance with the Investment Agreement, conditional upon the necessary regulatory approvals being obtained from the FCA and the Belgian FSMA.

The New Ordinary Shares will rank *pari passu* in all respects with the Company’s existing ordinary shares in issue. Following the receipt of the New Ordinary Shares, Cosmo’s stake in Acacia will increase from 20.52% to approx. 21.88%.

BYFAVO™ was approved by the US Food and Drug Administration (FDA) on 2 July 2020 for the induction and maintenance of procedural sedation in adults undergoing procedures lasting 30 minutes or less. It received its Schedule IV designation from the US Drug Enforcement Administration (DEA) on 5 October 2020.

DEA scheduling requirements between July and October this year delayed the final approval and finalization of the BYFAVO™ label, leading Acacia Pharma to request Cosmo to prioritize the BYFAVO™ processing schedule during a time when its facility would typically be closed. The agreement to amend the timing for this payment was reached in consideration for Cosmo modifying its production schedule and expediting its packaging and labelling production for BYFAVO™.

This brings the total milestones received by Cosmo in 2020 as a result of the sublicense of its BYFAVO™ US rights to Acacia to EUR 45 million. An additional USD 105 million will also become payable by Acacia to Cosmo based on the achievement of BYFAVO™ commercial milestones yet to be achieved.

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 Ltd. for the US and has licensed Relafalk® to Dr. Falk Pharma GmbH for the EU and other countries. For additional information on Cosmo and its products please visit the Company's website: www.cosmopharma.com

Calendar

Full Year Results 2020
Annual General Meeting, Amsterdam

March 26, 2021
May 28, 2021

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