



# Q1'24 Earnings Report

May 9, 2024 | Nasdaq: COLL



## Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995. We may, in some cases, use terms such as "predicts," "forecasts," "believes," "potential," "proposed," "continue," "estimates," "anticipates," "expects," "plans," "intends," "may," "could," "might," "should" or other words that convey uncertainty of future events or outcomes to identify these forward-looking statements. Examples of forward-looking statements contained in this presentation include, among others, statements related to our full-year 2024 financial guidance, including projected product revenue, adjusted operating expenses and adjusted EBITDA, current and future market opportunities for our products and our assumptions related thereto, expectations (financial or otherwise) and intentions, and other statements that are not historical facts. Such statements are subject to numerous important factors, risks and uncertainties that may cause actual events or results, performance, or achievements to differ materially from the company's current expectations, including risks relating to, among others: unknown liabilities; risks related to future opportunities and plans for our products, including uncertainty of the expected financial performance of such products; our ability to commercialize and grow sales of our products; our ability to manage our relationships with licensors; the success of competing products that are or become available; our ability to maintain regulatory approval of our products, and any related restrictions, limitations, and/or warnings in the label of our products; the size of the markets for our products, and our ability to service those markets; our ability to obtain reimbursement and third-party payor contracts for our products; the rate and degree of market acceptance of our products; the costs of commercialization activities, including marketing, sales and distribution; changing market conditions for our products; the outcome of any patent infringement or other litigation that may be brought by or against us; the outcome of any governmental investigation related to our business; our ability to secure adequate supplies of active pharmaceutical ingredient for each of our products and manufacture adequate supplies of commercially saleable inventory; our ability to obtain funding for our operations and business development; regulatory developments in the U.S.; our expectations regarding our ability to obtain and maintain sufficient intellectual property protection for our products; our ability to comply with stringent U.S. and foreign government regulation in the manufacture of pharmaceutical products, including U.S. Drug Enforcement Agency, or DEA, compliance; our customer concentration; and the accuracy of our estimates regarding expenses, revenue, capital requirements and need for additional financing. These and other risks are described under the heading "Risk Factors" in our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q and other filings with the SEC. Any forward-looking statements that we make in this presentation speak only as of the date of this presentation. We assume no obligation to update our forward-looking statements whether as a result of new information, future events or otherwise, after the date of this presentation.

## Non-GAAP Financial Measures

To supplement our financial results presented on a GAAP basis, we have included information about certain non-GAAP financial measures. We believe the presentation of these non-GAAP financial measures, when viewed with our results under GAAP and the accompanying reconciliations, provide analysts, investors, lenders, and other third parties with insights into how we evaluate normal operational activities, including our ability to generate cash from operations, on a comparable year-over-year basis and manage our budgeting and forecasting. In addition, certain non-GAAP financial measures, primarily Adjusted EBITDA, are used to measure performance when determining components of annual compensation for substantially all non-sales force employees, including senior management.

In this presentation, we discuss the following financial measures that are not calculated in accordance with GAAP, to supplement our consolidated financial statements presented on a GAAP basis.

### Adjusted EBITDA

Adjusted EBITDA is a non-GAAP financial measure that represents GAAP net income or loss adjusted to exclude interest expense, interest income, the benefit from or provision for income taxes, depreciation, amortization, stock-based compensation, and other adjustments to reflect changes that occur in our business but do not represent ongoing operations. Adjusted EBITDA, as used by us, may be calculated differently from, and therefore may not be comparable to, similarly titled measures used by other companies.

There are several limitations related to the use of adjusted EBITDA rather than net income or loss, which is the nearest GAAP equivalent, such as:

- adjusted EBITDA excludes depreciation and amortization, and, although these are non-cash expenses, the assets being depreciated or amortized may have to be replaced in the future, the cash requirements for which are not reflected in adjusted EBITDA;
- we exclude stock-based compensation expense from adjusted EBITDA although: (i) it has been, and will continue to be for the foreseeable future, a significant recurring expense for our business and an important part of our compensation strategy; and (ii) if we did not pay out a portion of our compensation in the form of stock-based compensation, the cash salary expense included in operating expenses would be higher, which would affect our cash position;
- adjusted EBITDA does not reflect changes in, or cash requirements for, working capital needs;
- adjusted EBITDA does not reflect the benefit from or provision for income taxes or the cash requirements to pay taxes;
- adjusted EBITDA does not reflect historical cash expenditures or future requirements for capital expenditures or contractual commitments;
- we exclude impairment expenses from adjusted EBITDA and, although these are non-cash expenses, the asset(s) being impaired may have to be replaced in the future, the cash requirements for which are not reflected in adjusted EBITDA;
- we exclude restructuring expenses from adjusted EBITDA. Restructuring expenses primarily include employee severance and contract termination costs that are not related to acquisitions. The amount and/or frequency of these restructuring expenses are not part of our underlying business;
- we exclude litigation settlements from adjusted EBITDA, as well as any applicable income items or credit adjustments due to subsequent changes in estimates. This does not include our legal fees to defend claims, which are expensed as incurred;
- we exclude acquisition related expenses as the amount and/or frequency of these expenses are not part of our underlying business. Acquisition related expenses include transaction costs, which primarily consisted of financial advisory, banking, legal, and regulatory fees, and other consulting fees, incurred to complete the acquisition, employee-related expenses (severance cost and benefits) for terminated employees after the acquisition, and miscellaneous other acquisition related expenses incurred;
- we exclude recognition of the step-up basis in inventory from acquisitions (i.e., the adjustment to record inventory from historic cost to fair value at acquisition) as the adjustment does not reflect the ongoing expense associated with sale of our products as part of our underlying business; and
- we exclude losses on extinguishments of debt as these expenses are episodic in nature and do not directly correlate to the cost of operating our business on an ongoing basis.

### Adjusted Operating Expenses

Adjusted operating expenses is a non-GAAP financial measure that represents GAAP operating expenses adjusted to exclude stock-based compensation expense, and other adjustments to reflect changes that occur in our business but do not represent ongoing operations.

### Adjusted Net Income and Adjusted Earnings Per Share

Adjusted net income is a non-GAAP financial measure that represents GAAP net income or loss adjusted to exclude significant income and expense items that are non-cash or not indicative of ongoing operations, including consideration of the tax effect of the adjustments. Adjusted earnings per share is a non-GAAP financial measure that represents adjusted net income per share. Adjusted weighted-average shares - diluted is calculated in accordance with the treasury stock, if-converted, or contingently issuable accounting methods, depending on the nature of the security.

### Reconciliations of adjusted EBITDA, adjusted operating expenses, adjusted net income, and adjusted earnings per share to the most directly comparable GAAP financial measures are included in this presentation.

The Company has not provided a reconciliation of its full-year 2024 guidance for adjusted EBITDA or adjusted operating expenses to the most directly comparable forward-looking GAAP measures, in reliance on the unreasonable efforts exception provided under Item 10(e)(1)(i)(B) of Regulation S-K, because the Company is unable to predict, without unreasonable efforts, the timing and amount of items that would be included in such a reconciliation, including, but not limited to, stock-based compensation expense, acquisition related expense and litigation settlements. These items are uncertain and depend on various factors that are outside of the Company's control or cannot be reasonably predicted. While the Company is unable to address the probable significance of these items, they could have a material impact on GAAP net income and operating expenses for the guidance period. A reconciliation of adjusted EBITDA or adjusted operating expenses would imply a degree of precision and certainty as to these future items that does not exist and could be confusing to investors.

A large, semi-transparent blue graphic of a person's head and shoulders, positioned in the upper left corner of the slide. The head is a circle, and the shoulders are a trapezoidal shape.

# Business Update

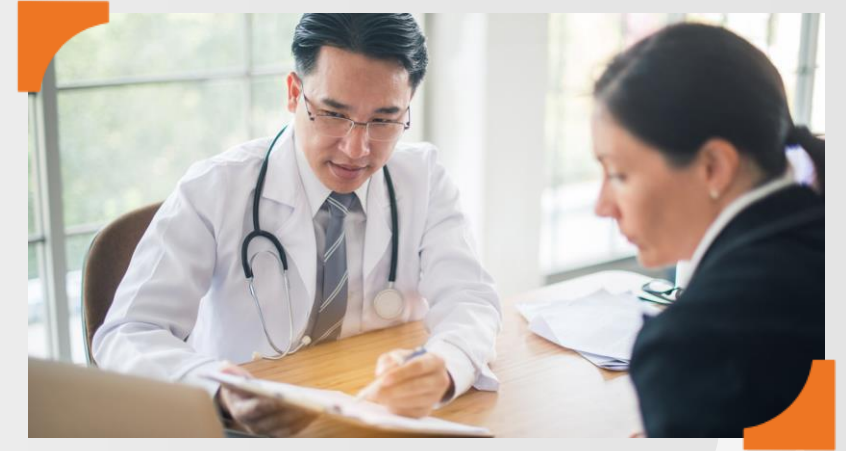
Joe Ciaffoni, President & Chief Executive Officer



# Healthier people. Stronger communities.

## Mission Driven

Building a leading, diversified specialty pharmaceutical company committed to improving the lives of people living with serious medical conditions.



## Doing Good As We Do Well

Partnering with organizations driving equitable access to STEM education in underserved communities to support the next generation of scientists.



## Committed To Environmental, Social And Governance (ESG) Initiatives

Operating with integrity, accountability and responsibility and investing in the long-term sustainability of our business and the health of our broader communities.

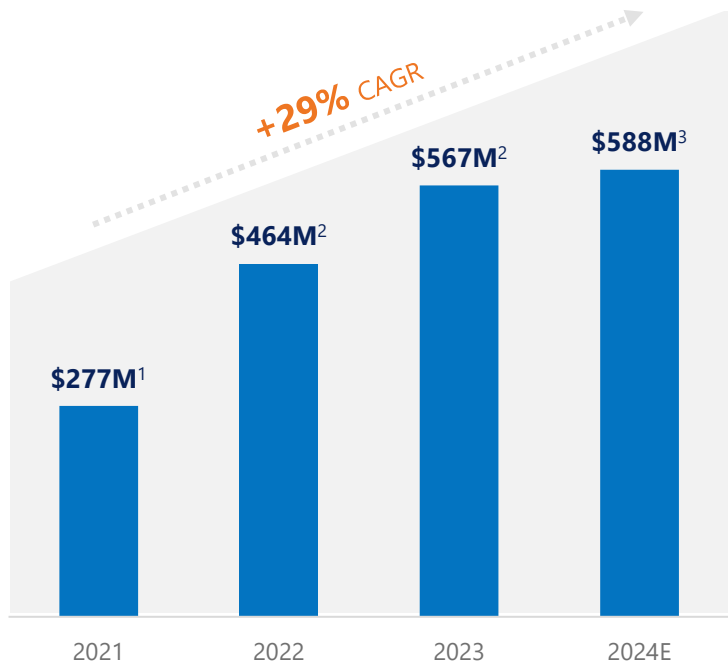
Read our ESG report at [collegiumpharma.com](https://collegiumpharma.com).



# Track Record of Strong Top- and Bottom-Line Growth

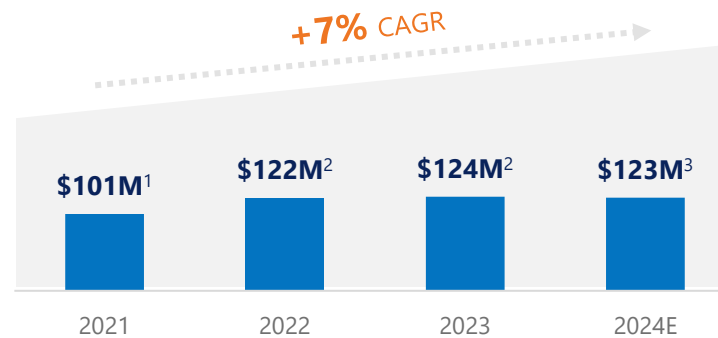
## GROW

### Product Revenues, Net



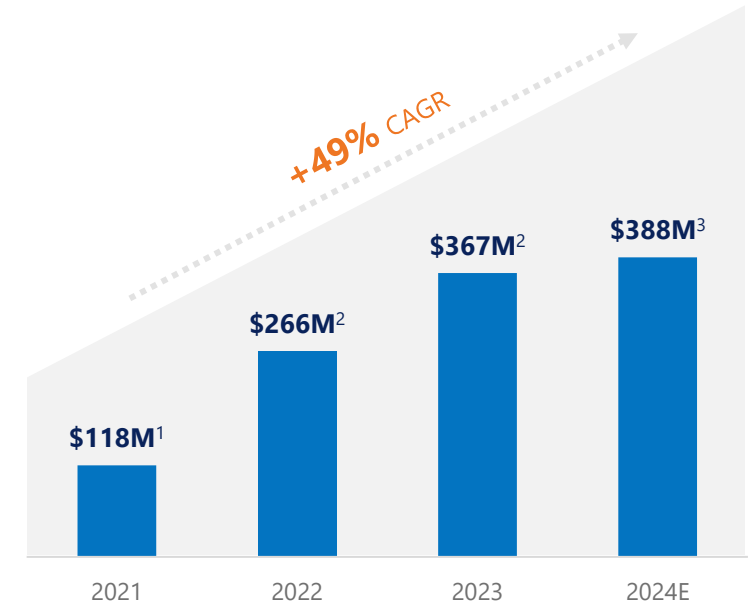
## LEVERAGE

### Adjusted Operating Expenses<sup>4</sup>



## EXPAND

### Adjusted EBITDA<sup>4</sup>



1. This financial data was provided by Collegium in its Annual Report on Form 10-K filed with the SEC on February 23, 2023.

2. This financial data was provided by Collegium in its Annual Report on Form 10-K filed with the SEC on February 22, 2024.

3. This financial data was provided by Collegium in its press release filed with the SEC on May 9, 2024, and represents the mid-point of 2024 financial guidance ranges.

4. Represents a non-GAAP financial measure. Refer to "Non-GAAP Financial Measures" on slide 2.

# Seamless Leadership Transition: Mike Heffernan as Interim CEO



## Founder and Chairman of the Board of Collegium

- Founded Collegium in 2002 and served as President and CEO for over 15 years
- Chairman of the Board of Collegium from 2018 to present
- Successful entrepreneur and biopharmaceutical leader with over 25 years of experience building and leading development stage and commercial companies
- Held leadership roles as CEO, advisor, investor and board member in numerous biopharma, medical device and healthcare services companies

**Mike Heffernan to serve as Interim President and CEO during transition period until new CEO appointed; Board of Directors has initiated the search for a successor**



# Business and Financial Highlights

Colleen Tupper, Executive Vice President & Chief Financial Officer

# Recent Business Highlights

## Delivered strong Q1'24 financial performance<sup>1</sup>

- Product revenues, net: **\$144.9M, flat YoY**
- Adjusted operating expenses: **\$34.5M, down (10)% YoY<sup>2</sup>**
- Adjusted EBITDA: **\$92.4M, up 5% YoY<sup>2</sup>**

## Generated momentum in our pain portfolio

- **Grew** Q1'24 Belbuca<sup>®</sup> prescriptions 4.2% YoY<sup>3</sup>; **generated** record Belbuca revenue of \$50.7M, up 15% YoY
- **Achieved** Xtampza<sup>®</sup> ER GtN of 53.6% in Q1'24
- **Bolstered** value of Nucynta Franchise in 2025 and beyond through authorized generic agreement with Hikma Pharmaceuticals

## Strategically deployed capital

- **Called \$26.4M** aggregate principal amount of outstanding convertible senior notes due 2026 for redemption
- **Repaid \$45.8M of Pharmakon loan** in Q1'24 and ended quarter with net debt/adjusted EBITDA of ~0.8x<sup>4</sup>
- **Board authorized \$35.0M** Accelerated Share Repurchase program

1. This financial data was provided by Collegium in its Form 8-K and/or its Form 10-Q filed with the SEC on May 9, 2024.

2. Represents a non-GAAP financial measure. Refer to "Non-GAAP Financial Measures" on slide 2.

3. IQVIA NPA through March 2024.

4. Net debt/adjusted EBITDA is calculated based on financial data provided by Collegium in its Form 8-K and Form 10-Q filed with the SEC on May 9, 2024. Details regarding the Pharmakon term-loan debt amortization schedule provided by Collegium on form SC TO-C filed with the SEC on February 14, 2022.



# 2024 Priorities: Operational Execution

DELIVER ON

## Financial Commitments

- **ACHIEVE** record revenue, adjusted EBITDA and net income
- **GENERATE** record free cash flow

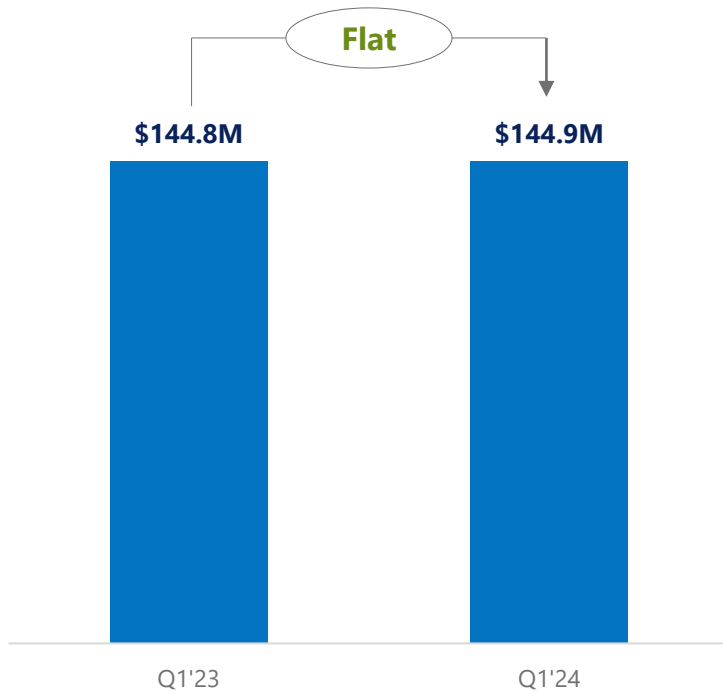
STRATEGICALLY

## Deploy Capital

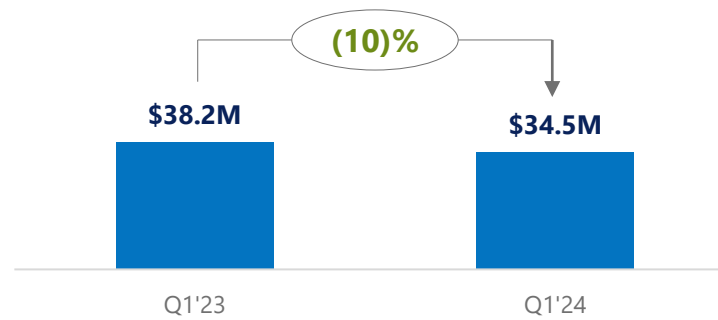
- **RAPIDLY** pay down debt, de-levering on a quarterly basis
- **OPPORTUNISTICALLY** leverage \$150M share repurchase program

# Q1'24 Financial Highlights<sup>1</sup>

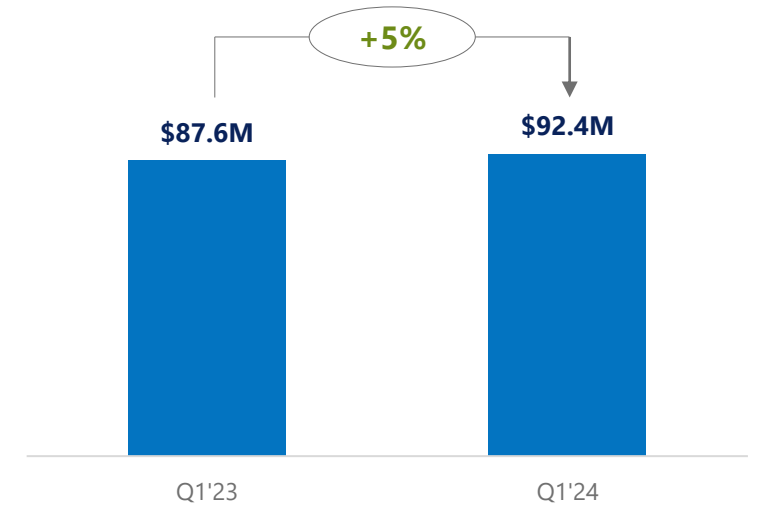
## Product Revenues, Net



## Adjusted Operating Expenses<sup>2</sup>



## Adjusted EBITDA<sup>2</sup>



1. This financial data was provided by Collegium in its Form 8-K and/or its Form 10-Q filed with the SEC on May 9, 2024.  
2. Represents a non-GAAP financial measure. Refer to "Non-GAAP Financial Measures" on slide 2.

# Reaffirming 2024 Financial Guidance<sup>1</sup>

## Product Revenues, Net

**\$580–595M**

*Up 3.7% YoY<sup>2</sup>*

## Adjusted Operating Expenses<sup>3</sup>

*(Excluding Stock-Based Compensation)*

**\$120–125M**

*Down (0.9)% YoY<sup>2</sup>*

## Adjusted EBITDA<sup>3</sup>

*(Excluding Stock-Based Compensation)*

**\$380–395M**

*Up 5.6% YoY<sup>2</sup>*

1. This financial data was provided by Collegium in its press release filed with the SEC on May 9, 2024.

2. This financial data is calculated based on data provided by Collegium in its press release filed with the SEC on February 22, 2024, and represents the percent change of the mid-point of 2024 financial guidance ranges compared to 2023 results.

3. Represents a non-GAAP financial measure. Refer to "Non-GAAP Financial Measures" on slide 2.

# Disciplined Capital Deployment

## Rapidly Pay Down Debt

- Ended Q1'24 with net debt/adjusted EBITDA of **~0.8x**; expect **de minimis by year-end 2024**<sup>1,2</sup>
- **Repaid \$283.3M** of Pharmakon loan to date (\$650M issued 3/22/2022); will repay additional \$137.5M in 2024<sup>2</sup>; Pharmakon loan expected to be **paid in full in Q1'26**<sup>2</sup>
- **Called \$26.4M** principal amount of outstanding 2.625% convertible senior notes due 2026 for redemption; **strengthens balance sheet** by reducing debt, positively impacts full-year diluted EPS, and potentially reduces technical short positions

## Leverage Share Repurchase Program

- To date, **returned \$137M** to shareholders by repurchasing 6.3M shares at average price of \$21.65<sup>3</sup>
- Board authorized **\$150M share repurchase program through Q2'25**
- **\$35M Accelerated Share Repurchase** program authorization announced today

1. Adjusted EBITDA is a non-GAAP financial measure. Refer to "Non-GAAP Financial Measures" on slide 2. Net debt/adjusted EBITDA is calculated based on financial data provided by Collegium in its Form 8-K and Form 10-Q filed with the SEC on May 9, 2024. 2024 net debt/adjusted EBITDA is calculated based on Collegium's forecast of net debt at year-end 2024, compared to the mid-point of the 2024 guidance ranges provided by Collegium in its press release filed with the SEC on May 9, 2024. This financial data assumes no additional debt is incurred.

2. Details regarding the Pharmakon term-loan debt amortization schedule were provided by Collegium on form SC TO-C filed with the SEC on February 14, 2022.

3. This financial data is calculated from data provided by Collegium in its Annual Report on Form 10-K filed with the SEC on February 22, 2024.

# Opportunistic Share Repurchases<sup>1</sup>

Returned \$137M of Capital to Shareholders from 2021 to 2023

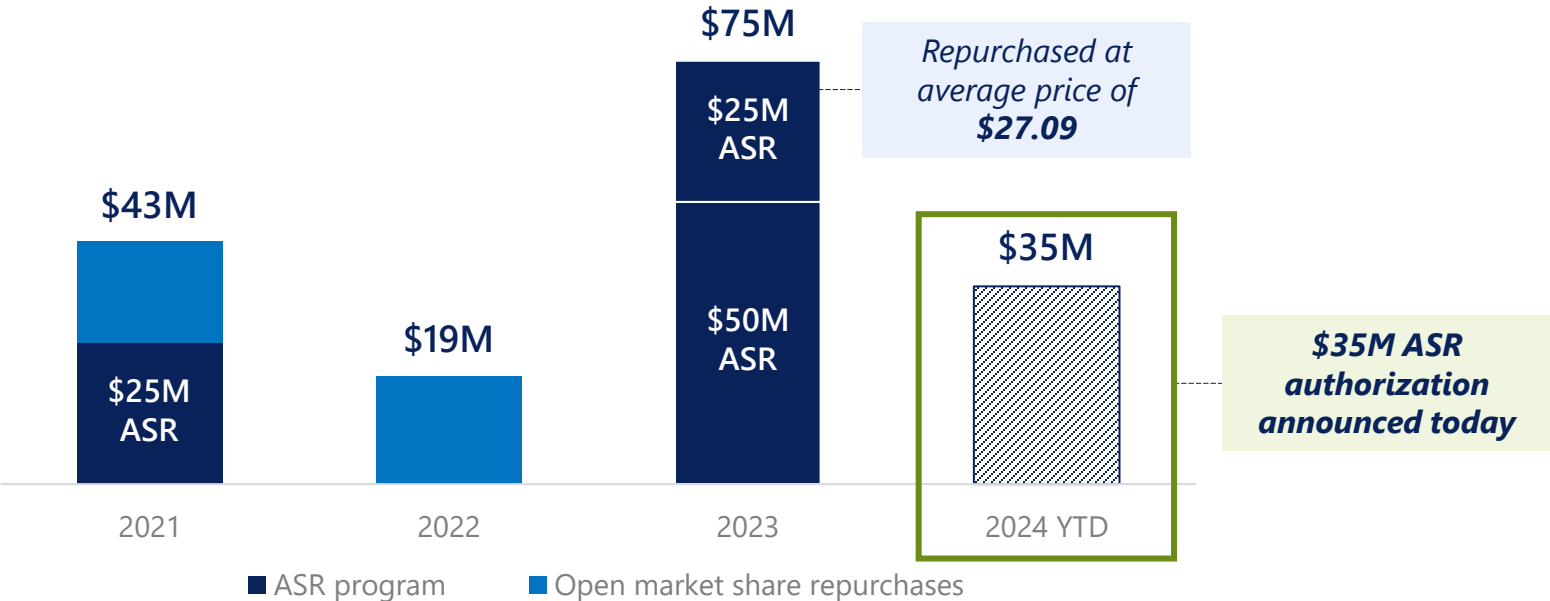
**Repurchased 6.3M shares at average price of \$21.65**

Average Repurchase Price

2021 - **\$19.93**

2022 - **\$17.57**

2023 - **\$24.29**



**Board Authorized \$150M Share Repurchase Program Through Q2'25**

1. This financial data is calculated from data provided by Collegium in its Annual Reports on Form 10-K filed with the SEC on February 22, 2024.





# Commercial Update

Scott Dreyer, Executive Vice President & Chief Commercial Officer

# Q1'24 Commercial Update

## Collegium Portfolio has Over 50% Branded ER Market Share and Large Prescriber Bases<sup>1,2</sup>

  
**BELBUCA™** (III)  
(buprenorphine) Buccal Film

**10,100**

Unique prescribers<sup>3</sup>

  
**Xtampza® ER**  
(oxycodone) EXTENDED-RELEASE CAPSULES (II)

**16,300**

Unique prescribers<sup>3</sup>

  
**NUCYNTA®**  
(tapentadol) TABLETS (II)

  
**NUCYNTA® ER**  
(tapentadol) EXTENDED-RELEASE TABLETS (II)

**10,600**

Unique prescribers<sup>3</sup>

1. IQVIA NPA through March 2024.

2. Quarter-ending product share (Belbuca, Xtampza ER, and Nucynta® ER).

3. IQVIA Xponent through March 2024; approximate quarterly prescriber counts.

# Well Positioned to Grow Belbuca Prescriptions and Revenue in 2024

## Increasing momentum for Belbuca in Q1'24

### GROWING BELBUCA PRESCRIPTIONS

**+4.2%**

YoY growth in Belbuca prescriptions in  
Q1'24<sup>1</sup>

### STRONG BRAND FUNDAMENTALS

**#1** highest rated branded ER opioid in  
terms of product differentiation and  
favorability<sup>2</sup>

**74%** of surveyed target HCPs plan to  
increase prescribing<sup>2</sup>

### COMMERCIAL PRIORITIES

**Reinforce** clinical differentiation

**Pull through** strong commercial access  
position

**Expand** Medicare Part D coverage

1. IQVIA NPA through March 2024.

2. ATU (Awareness, Trial, & Usage) Market Research Study, fielded Q4 2022.

# Xtampza ER Poised to Grow Revenue in 2024

## SUCCESSFULLY MANAGING GTN

**53.6%**

GtN in Q1'24

**Xtampza ER GtN expected to be  
56%–58% in 2024**

## STRONG BRAND FUNDAMENTALS & MARKET ACCESS POSITION

**#1** highest rated ER oxycodone in terms of product differentiation and favorability<sup>1</sup>

**48%** of surveyed target HCPs plan to increase prescribing, while 60% plan to decrease prescribing of OxyContin<sup>1</sup>

**Strong** market access coverage across all payor types, commercial and Medicare Part D

## COMMERCIAL PRIORITIES

**Reinforce** clinical differentiation

**Pull through** strong commercial and Medicare Part D access positions

**Expand** coverage while managing GtN below 65%



# Closing Remarks

Joe Ciaffoni, President & Chief Executive Officer



# Creating Long-Term Value Through Operational Execution

## DELIVER ON

### Financial commitments of top- and bottom-line growth:

- Achieve record revenue, adjusted EBITDA and net income
- Generate record free cash flow

## STRATEGICALLY

### Deploy capital in a disciplined manner:

- Rapidly pay down \$183.3M in debt in 2024
- Return capital to shareholders by leveraging \$150M share repurchase program

### Creating value for shareholders by:

- ✓ **Growing** revenue
- ✓ **Increasing** profitability
- ✓ **Generating** strong cash flows
- ✓ **Strategically deploying** capital



Q&A



# Non-GAAP Reconciliations

**Collegium Pharmaceutical, Inc.**  
**Reconciliation of GAAP Net Income (Loss) to Adjusted EBITDA**  
(in thousands)  
(unaudited)

	<b>Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
GAAP net income (loss)	\$ 27,713	\$ (17,426)
Adjustments:		
Interest expense	17,339	21,427
Interest income	(4,487)	(2,747)
Loss on extinguishment of debt	—	23,504
Provision for (benefit from) income taxes	8,909	(131)
Depreciation	917	817
Amortization	34,517	37,466
Stock-based compensation	7,475	6,035
Litigation settlements	—	8,500
Recognition of step-up basis in inventory	—	10,170
Total adjustments	\$ 64,670	\$ 105,041
Adjusted EBITDA	\$ 92,383	\$ 87,615

**Collegium Pharmaceutical, Inc.**  
**Reconciliation of GAAP Operating Expenses to Adjusted Operating Expenses**  
(in thousands)  
(unaudited)

	<b>Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
GAAP operating expenses	\$ 41,982	\$ 52,775
Adjustments:		
Stock-based compensation	7,475	6,035
Litigation settlements	—	8,500
Total adjustments	\$ 7,475	\$ 14,535
Adjusted operating expenses	<u>\$ 34,507</u>	<u>\$ 38,240</u>



**Collegium Pharmaceutical, Inc.**  
**Reconciliation of GAAP Net Income (Loss) to Adjusted Net Income and Adjusted Earnings Per Share**  
(in thousands, except share and per share amounts)  
(unaudited)

	<b>Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
GAAP net income (loss)	\$ 27,713	\$ (17,426)
Adjustments:		
Non-cash interest expense	1,780	2,287
Loss on extinguishment of debt	—	23,504
Amortization	34,517	37,466
Stock-based compensation	7,475	6,035
Litigation settlements	—	8,500
Recognition of step-up basis in inventory	—	10,170
Income tax effect of above adjustments <sup>(1)</sup>	(12,653)	(18,874)
Total adjustments	\$ 31,119	\$ 69,088
Non-GAAP adjusted net income	\$ 58,832	\$ 51,662
Adjusted weighted-average shares — diluted <sup>(2)</sup>	41,438,466	40,196,015
Adjusted earnings per share <sup>(2)</sup>	\$ 1.45	\$ 1.32

(1) The income tax effect of the adjustments was calculated by applying our blended federal and state statutory rate to the items that have a tax effect. The blended federal and state statutory rate for the three months ended March 31, 2024 and 2023 were 26.6% and 26.8%, respectively. As such, the non-GAAP effective tax rates for the three months ended March 31, 2024 and 2023 were 28.9% and 21.5%, respectively.

(2) Adjusted weighted-average shares - diluted were calculated using the "if-converted" method for our convertible notes in accordance with ASC 260, *Earnings per Share*. As such, adjusted weighted-average shares - diluted includes shares related to the assumed conversion of our convertible notes and the associated cash interest expense added-back to non-GAAP adjusted net income. For the three months ended March 31, 2024 and 2023, adjusted weighted-average shares - diluted includes 7,509,104 and 4,646,372 shares, respectively, attributable to our convertible notes. In addition, adjusted earnings per share includes other potentially dilutive securities to the extent that they are not antidilutive.