

To Our Shareholders, Employees & Partners:

We have enjoyed a strong first half of 2022. Our portfolio of FDA-approved brands delivered combined revenues of \$10.3 million during the second quarter – a 14% increase over the prior year period.

Year to date revenues were \$21.5 million up 10% over the first half of 2021. Year to date cashflow from operations was \$2.2 million. We ended the second quarter with \$93 million in total assets – which included \$18 million in cash, \$53 million in liabilities and \$40 million of shareholders' equity.

This performance follows our exciting and significant early 2022 milestone involving the acquisition of **Sancuso**[®] from the U.S. affiliate of Japan-based *Kyowa Kirin Co., Ltd.* As a reminder, Sancuso is an FDA-approved oncology supportive care medication administered as a dissolvable prescription patch to prevent difficult side effects associated with certain chemotherapy treatments.

To support the Sancuso brand, we formed a new sales division, **Cumberland Oncology**, and also entered into a co-promotion agreement with **Verity Pharmaceuticals** to feature Sancuso through their national oncology sales organization. Verity's sales organization, comprised of 20 individuals, launched their co-promotion in early July.

We are pleased to have recently announced the results of our **2021 Sustainability Report**, outlining our activities pertaining to environmental, social and governance (ESG). Highlights from the report noted:

- We provided 2.43 million doses of our products for patients
- We also safely disposed of over 6,291 pounds of expired or damaged products
- No products recalled and no clinical trials terminated due to failure to practice good clinical standards
- And we continued to invest in our employees through recognition awards, development initiatives and education programs.

Additionally, in July we were honored to welcome **Martin Brown Jr.** to **Cumberland's Board of Directors**. Martin is an attorney at Adams and Reese LLP with 30 years of legal experience. He previously served 10 years on the Board of *Brown Forman Corporation*, a large American spirits and wine company whose shares are listed on the New York Stock Exchange. Martin brings significant legal, public company, health care and civic experience to our Board. We believe that his contributions will be valuable in our efforts to acquire, develop and deliver innovative products.

With a series of Phase II clinical studies underway, we continue to progress the development of our **ifetroban** candidate for patients with a series of unmet medical needs. This June, the ***American Journal of Respiratory and Critical Care Medicine*** published preclinical studies that support the use of ifetroban as a promising therapeutic for patients with pulmonary fibrosis associated with lung disease. We're designing a new clinical program for that indication.

These accomplishments would not have been possible without the hard work and valuable contributions of our team members and their commitment to our mission as we improve the quality of patient care through the delivery of high-quality medicines.

We look forward to now building on the strong first half of 2022 and keeping you updated on our progress throughout the remainder of the year.

All the best,



August 2022