

*To Our Shareholders, Employees & Partners:*

I am pleased to share several key developments from 2021, that allowed us to make significant progress in our mission to improve the quality of patient care through the delivery of high-quality medicines.

We finished the year with a major development by signing an agreement with Japan-based *Kyowa Kirin* for the acquisition of the U.S. rights to their **Sancuso**<sup>®</sup> product – an oncology support brand. It is the first and only FDA-approved prescription patch for the prevention of nausea and vomiting in cancer patients receiving certain chemotherapy treatments. We will build on this development to launch a Cumberland Oncology national sales division and also explore co-promotion opportunities.

During 2021 we implemented the national launch of **RediTrex**<sup>®</sup>, our FDA-approved line of injectable methotrexate products. RediTrex features an innovative delivery system for easy handling and dosing accuracy. It is designed for patients with arthritis, to increase the efficacy of their treatment, while providing greater continuation rates and less discomfort.

In November we received **FDA approval** of expanded labeling for our **Caldolor**<sup>®</sup> product. This intravenously delivered formulation of ibuprofen is now approved for use prior to surgery. Orthopedic surgeon Dr. Stephen Southworth, who has published extensively on intravenous ibuprofen, supported this development stating that “when administered immediately prior to surgery, patients given Caldolor experience less postoperative pain and a decrease in their opioid use.”

Additionally, in November we announced that we will be **moving our headquarters** to the Broadwest campus in Nashville’s West End/Vanderbilt corridor. Staying close to the nation’s leading health care community was important to us, and we are thrilled to have found a space that will allow us to continue to collaborate closely with the internationally recognized Vanderbilt University Medical Center.

Meanwhile, we continued our focus on and commitment to sustainability by issuing our 2020 **ESG Report** in July, which detailed Cumberland’s activities pertaining to environmental, social and governance matters. As noted in the report, we provided nearly 2.5 million patient doses of our products, safely disposed of over 4,000 pounds of expired and damaged products and had no product recalls. We also actively supported our team, engaged with our community and look forward to continuing this reporting annually.

We were pleased to see enrollment in our **clinical studies** resume in 2021, after having been interrupted due to the pandemic. We are sponsoring three Phase II clinical programs evaluating our **ifetroban** product candidates. These studies involve patients with cardiomyopathy associated with *Duchenne Muscular Dystrophy*, a fatal, genetic neuromuscular disease; *Systemic Sclerosis*, a debilitating autoimmune disorder; and *Aspirin-Exacerbated Respiratory Disease*, a severe form of asthma.

Furthermore, we are designing a Phase II study to evaluate the use of ifetroban to treat patients with **Progressive Fibrosing Interstitial Lung Diseases**. We are preparing an application to the FDA to support that new program.

Total 2021 net revenues were \$36 million, resulting in \$1 million or \$.08 a share in adjusted earnings. Cash flow from operations totaled \$6.4 million in 2021. We ended the year with \$85 million in total assets including \$27 million in cash and investments, \$42 million in total liabilities and \$43 in shareholder equity.

During the fourth quarter 2021 we extended our bank line of credit for a new three-year term and expanded the facility to provide up to \$20 million in capital. Proceeds from that initiative funded our Sancuso acquisition.

These important accomplishments would not have been possible without the dedication of our incredible team. Like others that rely on hospital admissions and patient visits to drive revenue, Cumberland faced its challenges in 2021 resulting from the pandemic. However, our team remained steadfast in pursuit of our mission. I would like to thank everyone at Cumberland for their valuable contributions over the last year. We look forward to a successful 2022 and will keep you updated on our progress along the way.

All the best,

