

COMPANY UPDATE

To Our Shareholders, Employees & Partners:

As the year moves toward an end, the COVID-19 pandemic does continue to impact our lives and our communities. However, we are optimistic as vaccination rates rise and case counts decline. Cumberland remains fully operational while keeping our team safe and our facilities open. Fortunately, our diversified portfolio of FDA-approved brands is helping to mitigate the impact of the pandemic on our business during this challenging time.

During the third quarter, we implemented the national launch of our **RediTrex**[®] line of pre-filled methotrexate syringes. They are designed for the safe, simple treatment of active rheumatoid, juvenile idiopathic and severe psoriatic arthritis.

Other key third quarter developments include:

- Published discussions with Dr. Ali Hassoun and Dr. Edward Dominguez regarding the **Vibativ**[®] dual mechanism of action and their thoughts on the product's use in treating COVID-19 patients with secondary bacterial infections.
- Dr. Stephen Southworth provided support in a national podcast for the use of **Caldolor**[®] as the foundational step in *Enhanced Recovery After Surgery* (ERAS) protocols, as an alternative to opioids.
- Announced a study supporting the use of **Caldolor**[®] in patients with kidney stones.
- Disseminated the *Health Outcome Predictive Evaluation* (HOPE) registry analysis regarding the need to treat hyponatremia in COVID-19 patients – supporting the use of **Vaprisol**[®], and discussed in a Dr. Biff Palmer podcast.

Also in the third quarter, we released our **2020 Sustainability Report**, outlining our activities pertaining to environmental, social and governance (ESG) matters. Highlights of this report include: the delivery of nearly 2.5 million doses of our brands for patients, no products recalled or studies terminated due to failure to practice good clinical standards, and no brands listed on the FDA's MedWatch Safety Alerts for Human Medical Products. Our workforce was 46% female and included 18% minorities in 2020. We remain committed to sustainability and to maintaining transparency of our corporate operations.

Our clinical studies have resumed as we emerge from the pandemic, and we are working closely with sites as they reopen and enroll patients in trials for our products. We continue to develop our pipeline of treatments for unmet medical needs, which now includes a new program for the use of our ifetroban to treat **Progressive Fibrosing Interstitial Lung Diseases**.

Although Cumberland continues to be impacted by the pandemic, our business remains steady. During the third quarter, our product portfolio of FDA-approved brands delivered combined revenues of \$8.1 million. The adjusted loss for the quarter was \$0.3 million, or \$0.02 a share. Year to date revenues have totaled \$27.7 million, resulting in adjusted earnings of \$0.7 million, or \$0.05 per share. We have also generated \$4.4 million cashflow from operations during 2021.

We ended the third quarter with just under \$88 million in total assets, \$41 million in liabilities and \$47 million of shareholders' equity. In addition, we recently extended our \$15 million **Bank Line of Credit** for a new three-year term.

I'd like to acknowledge our team for their dedicated efforts in advancing our mission of improving patient care through the delivery of high-quality medicines. We remain focused on that mission, as we move through the final quarter of 2021 and look forward to keeping you updated on our progress.

All the best,



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