



Cosmo Half-Year Report 2021

Ad hoc announcement pursuant to Art. 53 LR

Dublin, Ireland – 30 July 2021 – Cosmo Pharmaceuticals N.V. (SIX: COPN) reports half-year results for the period ended 30 June 2021.

Cosmo obtained the first ever FDA approval for a device that uses artificial intelligence to help detect signs of colon cancer and announced important out-licencing agreements. As a consequence of the Cassiopea licencing deal announced on 26 July, Cosmo will be back to profit before tax in FY21.

Key Events Half-Year 2021 – Products and Business

- GI Genius™, the first device that uses artificial intelligence to assist clinicians in the detection lesions in the colon in real time during colonoscopy, approved by the FDA.
- Successful outcome of our phase II Proof of Concept (POC) clinical trial of Rifamycin-MMX 600mg in Irritable Bowel Syndrome with Diarrhea (IBS-D) announced.
- EU rights (plus Switzerland, UK, EEA countries, Russia and Mexico) for Lumeblue™ licenced to Alfasigma S.p.A.
- Cosmo's associate, Cassiopea S.p.A., announced the signing of licence and supply agreements with Sun Pharmaceutical Industries for Winlevi® in US and Canada in July.
- Agreement entered into with RedHill Biopharma Ltd. (Nasdaq: RDHL) to manufacture Movantik®, RHB-204 and Opaganib.

Financial Highlights Half-Year 2021

- Revenues increased by 9.7% to €28.4m vs €25.9m last year.
- Expenses (net) of €28.4m vs €23.2m last year the increase mainly due to the fact that in the first half of 2020, in "other income", a gain was recorded on the out-licencing of Byfavo™ to Acacia of €4.2 million and a break-fee of €1.1 million paid by Acacia in relation in a debt equity conversion, both of which had the impact of reducing net expenses.
- Operating profit €8k vs €2.7m last year.
- Net financial expense €1.9m mainly includes interest on convertible bonds of €4.3m, of which cash impact €2.2m, offset by interest received of €1.5m and FX gains of €0.9m.
- Loss for the period €5.7m including share of Cassiopea loss €2.8m.
- Cash inflow from operating activities €12.7m.
- Cash and investments in funds €203.1m at 30 June 2021 (excluding 705,773 treasury shares at cost of €57.4m) vs €212.9m at 31 December 2020.
- Market value of Cosmo's stake in Cassiopea at 30 June 2021 €207.4m versus carrying value of €133.4m.
- Equity €371.0m vs €400.1m at 31 December 2020, the reduction mainly due to a reduction in the value of the equity stakes held in other companies during the period.

Key figures

EUR 1,000	H1 2021	H1 2020
Income statement		
Revenues	28,420	25,883
Cost of sales	(13,796)	(12,845)
Gross profit	14,624	13,038
Other income	163	5,530
R&D costs	(7,436)	(7,289)
SG&A costs	(7,343)	(8,617)
Net operating expenses	(14,616)	(10,376)
Operating profit/(loss)	8	2,662
Net finance expenses	(1,916)	(5,773)
Share of result of associate	(2,759)	(2,220)
Loss before taxes	(4,667)	(5,331)
Income tax	(1,074)	2,316
Loss for the period	(5,741)	(3,015)
Shares		
Weighted average number of shares	14,392,984	14,488,454
Earnings per share (in EUR)	(0.399)	(0.208)

EUR 1,000	30 Jun 21	31 Dec 20
Statement of financial position		
Non-current assets	323,552	343,293
Cash and cash equivalents	203,134	212,852
Other current assets	36,073	40,016
Liabilities	191,758	196,036
Equity attributable to owners of the Company	371,001	400,125
Equity ratio (%)	65.9%	67.1%

Management change

Sean MacDonald has resigned from the position of Head of Business Development to pursue other opportunities and in the interim the role will be assumed by the CEO.

CEO comment

Alessandro Della Chà, Chief Executive Officer, said: *"In the first half of 2021 we reached a number of very important milestones including obtaining FDA approval of GI Genius™. The business is very well positioned, sales of GI Genius™ are about to commence in the US, we are moving to replenish our pipeline and we hold €582m in equity stakes in other companies, investments, loans treasury shares and cash. We expect Cassiopea to close FY21 with a profit as a result of the agreement with Sun for Winlevi® and Cosmo's financial results will benefit in line with our stake in Cassiopea. As a result, we estimate that Cosmo will deliver a profit before tax in the range of €4m to €6m in FY21."*

The Half-Year Report 2021 with further information was published on 30 July 2021, 07:00 am CET, and is available for download at:

<http://www.cosmopharmaceuticals.com/investor-relations/financial-reports>

Half-Year 2021 Results Conference Call on Friday, 30 July 2021, 2:00pm CET

Alessandro Della Chà, CEO and Niall Donnelly, CFO will present the half-year results 2021 and will provide an update of Cosmo's activities. The webcast is scheduled to last 30-45 minutes and will be held in English.

Webcast Participants' Link:

<https://78449.choruscall.com/dataconf/productusers/cosmo/mediaframe/45417/indexl.html>

Dial-in numbers

Switzerland / Europe: +41 (0) 58 310 50 00

United Kingdom: +44 (0) 207 107 06 13

United States: +1 (1) 631 570 56 13

The presentation is available for download at:

<http://www.cosmopharma.com/ir/presentations.aspx>

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 and is the licensee of BYFAVO™ (Remimazolam) for the US for procedural sedation, which it has sub-licensed to Acacia. For additional information on Cosmo and its products please visit the Company's website: www.cosmopharma.com

Financial calendar

Commerzbank ODDO BHF Conference, Virtual	31 August 2021
H.C. Wainwright 23rd Annual Global Investment Conference	7-9 September 2021
Investora, Zurich	16 September 2021
Credit Suisse Equity Forum Switzerland, Zurich	16-19 November 2021

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