

Profitable Growth and Cash Flows from Commercial Pharmaceutical Assets

Nasdaq: ASRT

May 2024

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The statements in this communication include forward-looking statements. Forward-looking statements may discuss goals, intentions and expectations as to future plans, trends, events, results of operations or financial condition, or otherwise, based on current beliefs. Forward-looking statements speak only as of the date they are made or as of the dates indicated in the statements and should not be relied upon as predictions of future events, as there can be no assurance that the events or circumstances reflected in these statements will be achieved or will occur. Forward-looking statements can often, but not always, be identified by the use of forward-looking terminology including "believes," "expects," "may," "will," "should," "seeks," "intends," "plans," "pro forma," "outlook," "estimates," "anticipates," "designed," or the negative of these words and phrases, other variations of these words and phrases or comparable terminology. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those contemplated by the statements, including: Assertio's ability to grow sales of Rolvedon and Sympazan and the commercial success and market acceptance of Rolvedon and Sympazan and Assertio's other products; Assertio's ability to successfully develop and execute its sales, marketing and promotion strategies using its sales force and non-personal promotion model capabilities; the impact on sales and profits from the entry and sales of generics of Assertio's products and/or other products competitive with any of Assertio's products (including indomethacin suppositories compounded by hospitals and other institutions including a 503B compounder which we believe to be violation of certain provisions of the Food, Drug and Cosmetic Act); the timing and impact of additional generic approvals and uncertainty around the recent approvals and launches of generic Indocin products (which are not patent protected and now face generic competition as a result of the August 2023 approval and launch of generic indomethacin suppositories and January 2024 approval of a generic indomethacin oral suspension product); risks that any new businesses will not be integrated successfully or that the combined company will not realize estimated cost savings, value of certain tax assets, synergies and growth, or that such benefits may take longer and/or cost more to realize than expected; expected industry trends, including pricing pressures and managed healthcare practices; Assertio's ability to attract and retain executive leadership and key employees, including in connection with our ongoing search for a successor CEO; the ability of Assertio's third-party manufacturers to manufacture adequate quantities of commercially salable inventory and active pharmaceutical ingredients for each of Assertio's products on commercially reasonable terms and in compliance with their contractual obligations to Assertio, and Assertio's ability to maintain its supply chain which relies on single-source suppliers; the outcome of, and Assertio's intentions with respect to, any litigation or government investigations, including pending and potential future shareholder litigation relating to the Spectrum Merger and/or the recent approval and launch of generic indomethacin suppositories, antitrust litigation, opioid-related government investigations, opioid-related litigation and related claims for negligence and breach of fiduciary duty against Assertio's former insurance broker, as well as Spectrum's legacy shareholder and other litigation and, and other disputes and litigation, and the costs and expenses associated therewith; Assertio's financial cost and outcomes of clinical trials, including the extent to which data from the Rolvedon same-day dosing trial, if and when completed, may support ongoing commercialization efforts; Assertio's compliance with legal and regulatory requirements related to the development or promotion of its products; variations in revenues obtained from commercialization agreements and the accounting treatment with respect thereto; Assertio's common stock maintaining compliance with Nasdaq's minimum closing bid requirement of at least $1 per share; and Assertio's ability to obtain and maintain intellectual property protection for its products and operate its business without infringing the intellectual property rights of others. For a discussion of additional factors that could cause actual results to differ materially from those contemplated by forward-looking statements, see the risks described in Assertio's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other filings with the Securities and Exchange Commission. Assertio does not assume, and hereby disclaims, any obligation to update forward-looking statements, except as may be required by law.

To supplement our financial results presented on a U.S. generally accepted accounting principles ("GAAP") basis, we have included information about non-GAAP measures of EBITDA, adjusted EBITDA, adjusted earnings, and adjusted earnings per share as useful operating metrics. We believe that the presentation of these non-GAAP financial measures, when viewed with results under GAAP provides supplementary information to analysts, investors, lenders, and our management in assessing our performance and results from period to period. We use these non-GAAP measures internally to understand, manage and evaluate our performance. These non-GAAP financial measures should be considered in addition to, and not a substitute for, or superior to, net income or other financial measures calculated in accordance with GAAP. Non-GAAP financial measures used by us may be calculated differently from, and therefore may not be comparable to, non-GAAP measures used by other companies. Please refer to Assertio's Quarterly Financial Highlights Investor Presentation posted on investor.assertiotx.com for an explanation of these non-GAAP financial measures and for tables that reconcile the non-GAAP figures to their GAAP equivalent.

This presentation shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. This presentation should be read in conjunction with the most recent Form 10-K and subsequent reports on file with the Securities and Exchange Commission on the date of this presentation.

Assertio Holdings Overview

Business Summary

- Commercial focus: Differentiated, widely known pharmaceutical assets with strong cash flows and IP protection
- Market agnostic: Oncology, neurology, hospital and pain/inflammation
- Omni-channel: Contracting, market access, digital non-personal promotion, field-based oncology team
- Experienced team: Extensive commercial execution and business development experience at board and management levels
- Balance sheet: Well-funded with positive cash flow from operations to support organic and strategic growth

Key Metrics

Current Capitalization	
Share Price (4/7/24):	$1.11 (Nasdaq: ASRT)
Market Cap:	$102.3M (1)
Cash:	$80.7M (2)
Debt:	$40.0M (3)

2024 Guidance (Reaffirmed May 6, 2024)	
Net Product Sales (GAAP):	$110.0 Million to $125.0 Million
Adj. EBITDA (Non-GAAP):	$20.0 Million to $30.0 Million
Operating Cash Flow:	Increase balance sheet cash at year end

Primary Products

ROLVEDON® (eflapegrastim-xnst) injection 13.2 mg/0.6 mL

Sympazan® (clobazam) oral film© 5 mg • 10 mg • 20 mg

Otrexup (methotrexate) injection

SPRIX® (ketorolac tromethamine) Nasal Spray 15.75 mg per spray

INDOCIN® (indomethacin)

(1) As of May 7, 2024 (2) As of March 31, 2024 (3) 6.5% Convertible Notes due 2027

Diverse Commercial Assets Focused on Cash Generation

IP Protection on Key Assets: Rolvedon 2039, Sympazan 2040, Otrexup 2031

Core Growth Assets

ROLVEDON®
(eflapegrastim-xnst) injection
13.2 mg/0.6 mL

The first long-acting myeloid growth factor in 20+ years with a unique molecular structure

- Execute on contracting and commercial access opportunities
- Penetrate key community oncology clinic target market
- Advance same-day dosing clinical study

Sympazan®
(clobazam) oral film©
5 mg • 10 mg • 20 mg

Oral film formulation of clobazam for the treatment of LGS seizures

- Target underpenetrated markets of prospective prescribers
- Drive awareness of oral film delivery benefits

Steady Cash Flow Assets

Otrexup
(methotrexate) injection

Methotrexate subcutaneous injection

SPRIX®
(ketorolac tromethamine)
Nasal Spray
15.75 mg per spray

Opioid-level relief in a convenient spray

- Execute on digital promotion programs to enhance physician awareness and patient access
- Improve payor coverage and expand usage

Post Exclusivity Assets

INDOCIN®
(indomethacin)

Branded indomethacin suppository for the U.S.

CAMBIA®
Diclofenac Potassium for Oral Solution

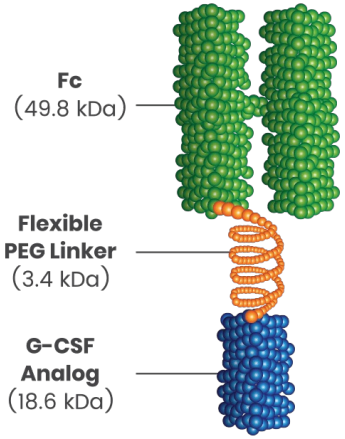
NSAID sachet for acute treatment of migraines

- Manage long term profitability and cash flow following generic introductions

ASSERTIO

Rolvedon: Clinically Differentiated in a Large Addressable Market

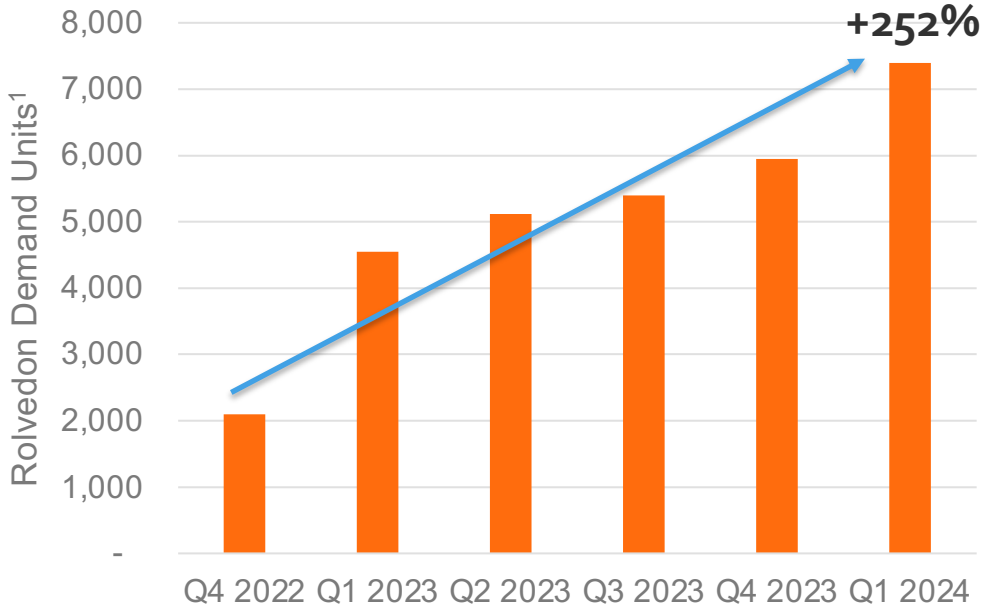
- Decreases the incidence of infection in adult patients receiving myelosuppressive anti-cancer drugs associated with clinically significant incidence of febrile neutropenia
- $1+ billion estimated market opportunity[1], ~1/3 focused on community oncology clinics
- Novel formulation with exclusive J-code from CMS



Novel formulation combines a granulocyte colony-stimulating factor (G-CSF) analog with an Fc fragment of human immunoglobulin G4 (IgG4)[2]

Supported by a complete innovator biopharmaceutical development program

ROLVEDON®
(eflapegrastim-xnst) injection
13.2 mg/0.6 mL



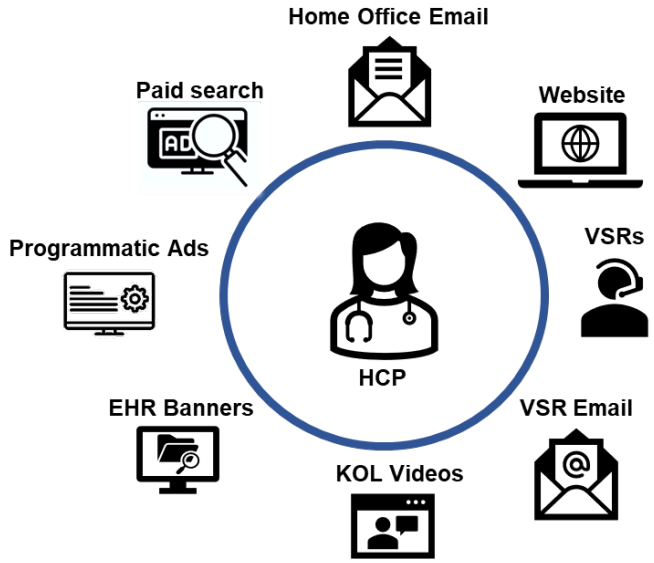
(1) Reflects internal estimates of served addressable market (2) ROLVEDON Prescribing Information. Lake Forest, IL: Spectrum Pharmaceuticals, Inc. 2024

Lower Cost, Efficient Omni-Channel Sales Platform

Focused field sales team drives added value in new oncology-specific growth opportunities

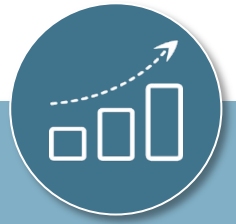
- Strong relationships with key oncology stakeholders
- 30+ person commercial team: sales, marketing, national accounts, contracting, market access and field reimbursement
- Dedicated contracting and commercial access focused on key decision points driving volume and profitability

Low-cost NPP platform blends digital channels, remote virtual representatives and machine learning



Assertio's holistic approach delivers targeted messages to patients, providers and payors in the manner and medium they prefer, to be conveniently consumed when and how they want

2024 Priorities



Grow net sales and manage product life cycles

- Grow Rolvedon and Sympazan sales by leveraging the omni-channel promotional platforms
- Support continued market adoption of Otrexup and Sprix
- Manage life cycle opportunities for Indocin, Cambia and others



Deliver profitable growth with positive cash flow

- Leverage efficient oncology field sales team and low-cost non-personal promotion platform (NPP)
- Continue generating sustainable cash flows across the asset base; build on three consecutive years of positive cash flow results



Acquire new assets to expand and diversify the platform

- Identify assets that further diversify revenue stream while providing commercial synergies
- Contribute positively to margins and cash flows once integrated

2024 Business Development Criteria

Assertio is seeking to acquire or license commercial assets that will further diversify and build its platform



Commercial Synergies

- Can be supported by our omni-channel sales platform
- Synergistic potential with Oncology field team



Patent Life or Exclusivity

- Increased durability of revenue
- Greater potential for revenue growth



Cash Flow and Profit Accretive

- Quantifiable growth opportunities
- Accretive to corporate margin profile
- Sustainable cash flow characteristics

1Q 2024 Results

$31.9 M

Net Product Sales

-1.8% v PQ

$18.5 M

SG&A Expense

-22.9% v PQ

$7.4 M

Adj. EBITDA

+66.0% v PQ

$7.5 M

Operating Cash Flow

+31.5% v PQ

$80.7 M

Cash Balance

+9.9% v PQ

- Rolvedon net sales +32% QoQ – 5th consecutive quarter of demand growth
- Completed Rolvedon same-day dosing trial enrollment in early 2Q, expect data readout before year-end
- Maintained Indocin market share at ~50%.
- Continue to seek accretive, cash generating assets that fit the lean commercial model

Full Year 2024 Outlook

FY 2024 Outlook[1]

$110-125 M	$20-30 M
Net Product Sales	**Non-GAAP Adj EBITDA**

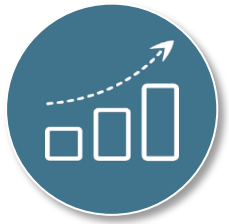
Additional Full-Year 2024 Outlook Comments:

- Rolvedon sales approaching $60 million
- Indocin sales of $18-$25 million
- Adjusted operating expenses of $65-$70 million
- End of 2024 cash balance of $90-$100 million

- Late 2023: Aligned business strategy to the product assets that will drive growth and cash flows going forward; streamlined operating costs
- Started year with $73.4 million in cash and cash equivalents
- $40.0 million of 6.5% convertible debt principal balance, no maturities until September 2027
- Potential for Rolvedon sales to exceed $100 million in the coming years via increased customer access, new volume growth

(1) Outlook provided as of March 11, 2024 and is not being updated or re-affirmed.

2024 Priorities



Grow net product sales and manage product life cycles



Deliver profitable growth with positive cash flow



Acquire new assets to expand and diversify the platform

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Otrexup
(methotrexate) injection

SPRIX®
(ketorolac tromethamine)
Nasal Spray
15.75 mg per spray

INDOCIN®
(indomethacin)

Investor Contact



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Operating Results Full-Year 2022-2023

	Three Months Ended		
	March 31, 2024	December 31, 2023	March 31, 2023
Revenues:			
Product sales, net	$ 31,862	$ 32,462	$ 41,769
Royalties and milestones	586	523	697
Total revenues	32,448	32,985	42,466
Costs and expenses:			
Cost of sales	11,177	9,721	5,467
Research and development expenses	733	1,024	—
Selling, general and administrative expenses	18,524	23,958	16,904
Change in fair value of contingent consideration	—	(17,414)	9,167
Amortization of intangible assets	5,631	4,775	6,284
Loss on impairment of intangible assets	—	40,808	—
Restructuring charges	720	2,442	—
Total costs and expenses	36,785	65,314	37,822
(Loss) income from operations	(4,337)	(32,329)	4,644
Other (expense) income:			
Debt-related expenses	—	—	(9,918)
Interest expense	(757)	(755)	(1,122)
Other gain	716	1,179	802
Total other expense (income)	(41)	424	(10,238)
Net loss before income taxes	(4,378)	(31,905)	(5,594)
Income tax (expense) benefit	(132)	(25,479)	2,110
Net loss and comprehensive loss	$ (4,510)	$ (57,384)	$ (3,484)
Basic and diluted net loss per share	$ (0.05)	$ (0.61)	$ (0.07)
Shares used in computing basic and diluted net loss per share	94,980	94,669	51,005

For additional information referencing the schedules adjusting items, refer to the annual results announcement Form-8K on file with the Securities and Exchange Commission.

Non-GAAP EBITDA Reconciliation and Notes

	Three Months Ended			
	March 31, 2024	December 31, 2023	March 31, 2023	Financial Statement Classification
GAAP Net Loss	$ (4,510)	$ (57,384)	$ (3,484)	
Interest expense	757	755	1,122	Interest expense
Income tax expense (benefit)	132	25,479	(2,110)	Income tax (expense) benefit
Depreciation expense	65	132	200	Selling, general and administrative expenses
Amortization of intangible assets	5,631	4,775	6,284	Amortization of intangible assets
EBITDA (Non-GAAP)	$ 2,075	(26,243)	$ 2,012	
Adjustments:				
Stock-based compensation	1,207	2,642	2,446	Selling, general and administrative expenses
Change in fair value of contingent consideration (1)	—	(17,414)	9,167	Change in fair value of contingent consideration
Debt-related expenses (2)	—	—	9,918	Debt-related expenses
Transaction-related expenses (3)	—	361	2,355	Selling, general and administrative expenses
Loss on impairment of intangible assets (4)	—	40,808	—	Loss on impairment of intangible assets
Restructuring costs (5)	720	2,442	—	Restructuring charges
Other (6)	3,377	1,855	(295)	Multiple
Adjusted EBITDA (Non-GAAP)	$ 7,379	$ 4,451	$ 25,603	

	Three Months Ended			
	March 31, 2024	December 31, 2023	March 31, 2023	Financial Statement Classification
Amortization of inventory step-up	$ 4,088	$ 3,001	$ 164	Cost of sales
Interest income on cash equivalents	(711)	(690)	(459)	Other gain (loss)
Derivative fair value adjustment	—	(456)	—	Other gain (loss)
Total Other	$ 3,377	$ 1,855	$ (295)	

(1) The fair value of the contingent consideration is remeasured each reporting period, with changes in the fair value resulting from changes in the underlying inputs being recognized as a benefit or expense in operating expenses until the contingent consideration arrangement is settled.

(2) Debt-related expenses in the three months ended March 31, 2023 consist of an induced conversion expense of approximately $8.8 million and direct transaction costs of approximately $1.1 million incurred as a result of the privately negotiated exchange of $30.0 million principal amount of the Company's 6.5% Convertible Senior Notes due 2027.

(3) Represents transaction-related expenses associated with the acquisition of Spectrum, which closed effective July 31, 2023.

(4) Represents the loss recognized in the period for the impairment of intangible assets.

(5) Restructuring costs represent non-recurring costs associated with the Company's announced restructuring plans.

(6) Other for the three months ended March 31, 2024, December 31, 2023 and March 31, 2023 represents the following adjustments (in thousands) as noted to the left:

For additional information referencing the schedules adjusting items, refer to the annual results announcement Form-8K on file with the Securities and Exchange Commission.