PCRX

# Pacira BioSciences

## 1Q24 Earnings Presentation

May 2024

PACIRA BIOSCIENCES, INC.

# Forward-looking statements and where to find additional information

*This presentation contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the Private Securities Litigation Reform Act of 1995, including, without limitation, statements related to: our growth and future operating results and trends, our strategy, plans, objectives, expectations (financial or otherwise) and intentions, future financial results and growth potential, including our plans with respect to the repayment of our indebtedness, anticipated product portfolio, development programs, patent terms, development of products, strategic alliances and intellectual property and any other statements that are not historical facts. For this purpose, any statement that is not a statement of historical fact should be considered a forward-looking statement. We often use the words "anticipate," "believe," "can," "could," "estimate," "expect," "intend," "may," "plan," "project," "should," "will," "would" and similar expressions to help identify forward-looking statements. We cannot assure you that our estimates, assumptions and expectations will prove to have been correct. Actual results may differ materially from these indicated by such forward-looking statements as a result of various important factors, including risks relating to, among others: the integration of our new chief executive officer; risks associated with acquisitions, such as the risk that the businesses will not be integrated successfully, that such integration may be more difficult, time-consuming or costly than expected or that the expected benefits of the transaction will not occur; our manufacturing and supply chain, global and United States, or U.S., economic conditions (including inflation and rising interest rates), and our business, including our revenues, financial condition, cash flows and results of operations; the success of our sales and manufacturing efforts in support of the commercialization of EXPAREL® (bupivacaine liposome injectable suspension), ZILRETTA® (triamcinolone acetonide extended-release injectable suspension) and iovera°®; the rate and degree of market acceptance of EXPAREL, ZILRETTA and iovera°; the size and growth of the potential markets for EXPAREL, ZILRETTA and iovera° and our ability to serve those markets; our plans to expand the use of EXPAREL, ZILRETTA and iovera° to additional indications and opportunities, and the timing and success of any related clinical trials for EXPAREL, ZILRETTA and iovera°; the commercial success of EXPAREL, ZILRETTA and iovera°; the related timing and success of United States Food and Drug Administration, or FDA, supplemental New Drug Applications, or sNDAs, and premarket notification 510(k)s; the related timing and success of European Medicines Agency, or EMA, Marketing Authorization Applications, or MAAs; our plans to evaluate, develop and pursue additional product candidates utilizing our proprietary multivesicular liposome, or pMVL, drug delivery technology; the approval of the commercialization of our products in other jurisdictions; clinical trials in support of an existing or potential pMVL-based product; our commercialization and marketing capabilities; our ability to successfully complete capital projects; the outcome of any litigation; the ability to successfully integrate any future acquisitions into our existing business; the recoverability of our deferred tax assets; assumptions associated with contingent consideration payments; and the anticipated funding or benefits of our share repurchase program. Important factors could cause our actual results to differ materially from those indicated or implied by forward-looking statements, and as such we anticipate that subsequent events and developments will cause our views to change. Except as required by applicable law, we undertake no intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, and readers should not rely on the forward-looking statements as representing our views as of any date subsequent to the date of this presentation. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to differ materially from those expressed or implied by these statements. These factors include items mentioned herein and the matters discussed and referenced in Part I-Item 1A. "Risk Factors" included in our Annual Report on Form 10-K for the year ended December 31, 2023 (the "2023 Annual Report") and in other reports as filed with the SEC.*

# Advancing three key EXPAREL drivers in 2024

1

**Advancing the launch of EXPAREL in two new lower extremity nerve block indications**

2

**Awareness and educational initiatives for separate outpatient reimbursement beginning in 2025**

3

**Expanding access through 340B pricing and new GPO partnerships**

# Lower extremity nerve block launch receiving positive market receptivity across all sites of care


- **Attractive value proposition; 4** days of opioid-sparing pain control with single 10 mL dose
- Extends reach within surgeries of the knee, lower leg, and foot and ankle
  - Strong presence in TKA; anticipate faster uptake in this segment comprised of **>1M** procedures

# Separate CMS EXPAREL reimbursement across all outpatient settings marks an important milestone

## Flaws of bundled payments for surgical procedures

- Impedes patient and provider access to best-practice pain management

## Patient-centric legislative solution

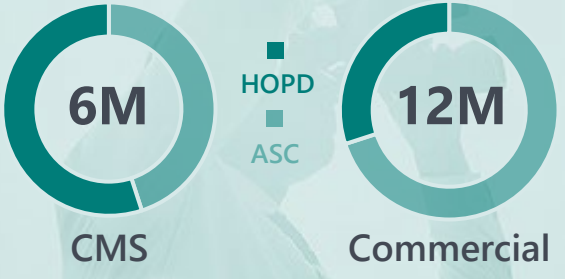
- NOPAIN signed into law in December 2022
- Mandates separate CMS reimbursement at ASP plus 6% across all outpatient settings
- Takes effect January 2025

## Opportunity to greatly expand patient access

Reimbursement pathway for

**18M**

procedures in HOPD and ambulatory settings



# Advancing pre-launch activities to maximize reimbursement opportunity

Enhancing commercial organization to ensure operational excellence across

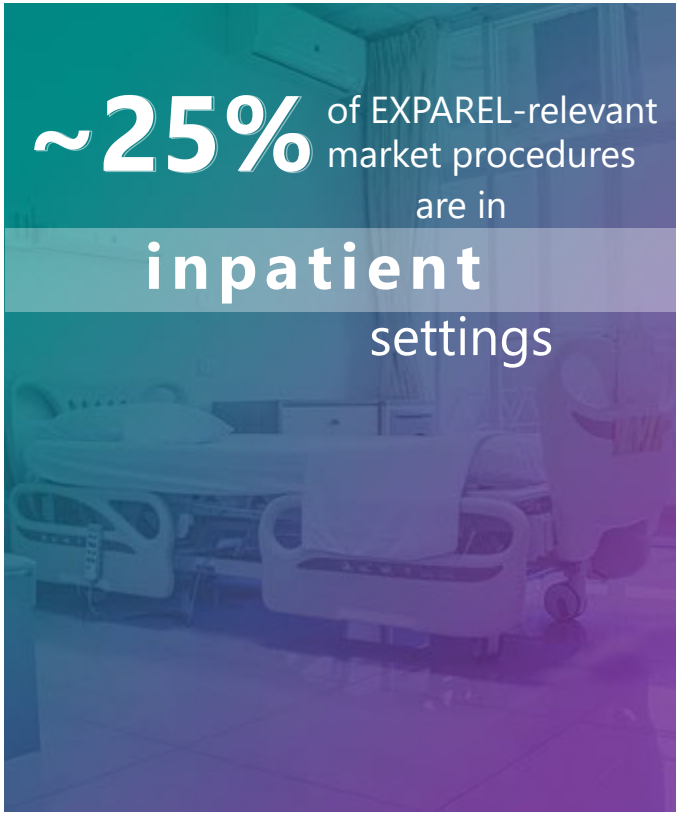
| Marketing | Strategic Accounts | Medical & Market Access |
|---|---|---|

Advancing initiatives to drive




| Pharmacy | C-suite | Clinicians | Payers | Influencers | Patients |
|---|---|---|---|---|---|

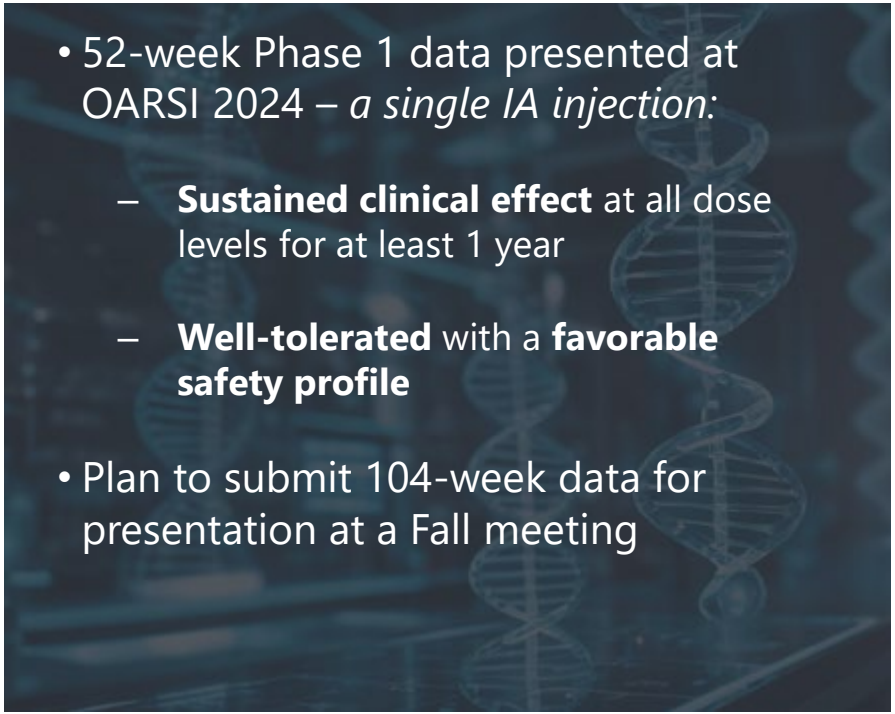
# Paving the way for separate EXPAREL reimbursement




- Launching new GPO partnerships in 2024
  - In 1Q24, announced deal with **Premier** whose network of hospitals and health systems covers **~20%** of EXPAREL-relevant market procedures
  - **2** additional GPOs on track to launch later this year
- Helps healthcare systems afford opportunity to be at the forefront of opioid-sparing pain management

# PCRX-201 has the potential to be an important disease-modifying gene therapy for osteoarthritis (OA) of the knee

- Novel, Helper-Dependent Adenovirus (HDAd) vector gene therapy product candidate for knee OA
- HDAd vector turns joint cells into factories to produce sustained therapeutic levels of interleukin-1 receptor antagonist (IL-1Ra) without coding for a virus
- IL-1Ra plays central role in blocking inflammation and catabolic processes associated with OA pain and disease progression

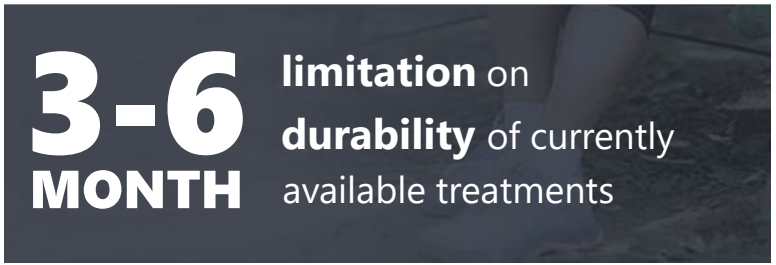



OARSI: Osteoarthritis Research Society International; IA: intraarticular

# High need for novel OA of the knee treatments given lack of durable efficacy in current therapies

**14M** Americans **suffer** from symptomatic knee OA

**2M** younger than **45**



**3-6 MONTH** **limitation** on **durability** of currently available treatments

**+12 MONTHS DURABILITY** considered **TRANSFORMATIVE**

**First-ever** FDA **RMAT** designated gene therapy product in OA

**Favorable Cost of Goods Profile**

- Small doses for local delivery
- Standardized equipment
- Easily scalable production

RMAT: Regenerative Medicine Advance Therapy

# Strong first quarter financial performance

- 1Q24 total revenue of **$167M**
  - **EXPAREL** net product sales of **$132M**
  - **ZILRETTA** net product sales of **$26M**
  - **iovera°** net product sales of **$5M**
- 1Q24 adjusted EBITDA of **$45M**(1)

| 2024 Financial Guidance | *Reiterated as of 1Q24* |
|---|---|
| Total Revenue | **$680-705M** |
| Non-GAAP Gross Margin | **74-76%** |
| Non-GAAP R&D | **$70-80M** |
| Non-GAAP SG&A | **$245-265M** |
| Stock-based Comp. | **$50-55M** |

**$150M Stock Repurchase Plan**

Underscores confidence in growth outlook and belief that Pacira shares offer a highly attractive investment opportunity given the significant value ahead

(1) See non-GAAP disclosure in appendix for reconciliation to GAAP.

# Positioned for sustainable success

- Sharply focused on driving **long-term growth**
- 3 **best-in-class** products
- **LENB launch** receiving positive market receptivity
- Significant **reimbursement** opportunity ahead
- 2024 a key setup year to **drive growth in 2025 and beyond**
- Advancing an important **gene therapy** in OA

# APPENDIX

# Non-GAAP disclosure

**Pacira BioSciences, Inc.**

**Reconciliation of GAAP Net Income (Loss) to Adjusted EBITDA (Non-GAAP)**
**(in thousands)**
**(unaudited)**

| | Three Months Ended March 31, 2024 |
|---|---|
| **GAAP net income (loss)** | **$ 8,979** |
| Interest income | (3,903) |
| Interest expense [1] | 3,316 |
| Income tax expense (benefit) | 4,661 |
| Depreciation expense | 4,104 |
| Amortization of acquired intangible assets | 14,322 |
| **EBITDA** | **31,479** |
| Other adjustments: | |
| Contingent consideration (gains) charges, restructuring charges and other: | |
| Changes in the fair value of contingent consideration | (3,806) |
| Restructuring charges [2] | 3,300 |
| Acquisition-related fees | 174 |
| Step-up of acquired Flexion inventory to fair value and other | — |
| Stock-based compensation | 13,151 |
| CEO transition costs | 277 |
| Loss on early extinguishment of debt | — |
| **Adjusted EBITDA** | **$ 44,575** |

(1) Includes amortization of debt discount and debt issuance costs.
(2) Approximately $2.2 million of restructuring charges were excluded from this line item as they are included in the stock-based compensation line item.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BIOSCIENCES, INC.
Thank you