

# NON-GAAP RECONCILIATION AND SUPPLEMENTAL DATA

# RECONCILIATION TABLES – GAAP NET INCOME TO EBITDA

**Anika Therapeutics, Inc. and Subsidiaries**  
**Reconciliation of GAAP Net Income to Adjusted EBITDA**  
**(in thousands, except per share data)**  
(unaudited)

<i>in thousands, except per share data</i>	For the Three Months Ended December 31,		For the Year Ended December 31,	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Net income (loss)	\$ (15,657)	\$ 4,051	\$ (23,982)	\$ 27,193
Interest and other expense (income), net	185	(360)	302	(1,873)
(Benefit) provision for income taxes	(2,480)	1,111	(4,642)	8,928
Depreciation and amortization	1,714	1,532	6,844	5,991
Stock-based compensation	1,433	1,947	5,386	6,087
Product rationalization related charges	-	-	2,892	-
IPR&D impairment	1,414	-	1,414	-
Acquisition related expenses	-	2,859	4,168	2,859
Acquisition related intangible asset amortization	1,789	-	6,620	-
Acquisition related inventory step up	3,697	-	11,082	-
Goodwill impairment charge	24,376	-	42,520	-
Change in fair value of contingent consideration (benefit)	(12,490)	-	(28,666)	-
Adjusted EBITDA	<u>\$ 3,981</u>	<u>\$ 11,140</u>	<u>\$ 23,938</u>	<u>\$ 49,185</u>

# RECONCILIATION TABLES – GAAP NET INCOME TO ADJUSTED NET INCOME

**Anika Therapeutics, Inc. and Subsidiaries**  
**Reconciliation of GAAP Net Income to Adjusted Net Income**  
**(in thousands, except per share data)**  
(unaudited)

<i>in thousands, except per share data</i>	For the Three Months Ended December 31,		For the Year Ended December 31,	
	2020	2019	2020	2019
Net income (loss)	\$ (15,657)	\$ 4,051	\$ (23,982)	\$ 27,193
Product rationalization related charges, tax effected	-	-	2,376	-
IPR&D impairment, tax effected	1,414	-	1,414	-
Acquisition related expenses, tax effected	-	2,256	3,146	2,256
Acquisition related intangible asset amortization, tax effected	1,304	-	4,997	-
Acquisition related inventory step up	2,696	-	8,365	-
Goodwill impairment, tax effected	21,929	-	37,702	-
Change in fair value of contingent consideration, tax effected (benefit)	(9,999)	-	(23,872)	-
Adjusted net income	<u>\$ 1,687</u>	<u>\$ 6,307</u>	<u>\$ 10,146</u>	<u>\$ 29,449</u>

# RECONCILIATION TABLES – GAAP EPS TO ADJUSTED EPS

**Anika Therapeutics, Inc. and Subsidiaries**  
**Reconciliation of GAAP Diluted Earnings Per Share to Adjusted Diluted Earnings Per Share**  
**(per share data)**  
(unaudited)

<i>in thousands, except per share data</i>	For the Three Months Ended December 31,		For the Year Ended December 31,	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Diluted earnings (loss) per share (EPS)	\$ (1.10)	\$ 0.28	\$ (1.69)	\$ 1.89
Product rationalization related charges, tax effected	-	-	0.17	-
IPR&D impairment, tax effected	0.10	-	0.10	-
Acquisition related expenses per share, tax effected	-	0.15	0.22	0.16
Acquisition related intangible asset amortization, tax effected	0.09	-	0.35	-
Acquisition related inventory step up	0.19	-	0.59	-
Goodwill impairment, tax effected	1.54	-	2.65	-
Change in fair value of contingent consideration, tax effected (benefit)	(0.70)	-	(1.68)	-
Adjusted diluted EPS	<u>\$ 0.12</u>	<u>\$ 0.43</u>	<u>\$ 0.71</u>	<u>\$ 2.05</u>

# PRODUCT FAMILY REVENUE AND GROSS MARGIN

Revenue by Product Family and Gross Margin  
(in thousands, except percentages)  
(unaudited)

	For the Three Months Ended December 31,				For the Year Ended December 31,			
	2020	%	2019	%	2020	%	2019	%
Joint Pain Management	\$ 16,861	52%	\$ 26,403	89%	\$ 83,029	64%	\$ 103,466	90%
Joint Preservation and Restoration	13,135	40%	560	2%	39,368	30%	2,070	2%
Other	2,692	8%	2,804	9%	8,060	6%	8,976	8%
Product Revenue	<u>32,688</u>	<u>100%</u>	<u>29,767</u>	<u>100%</u>	<u>130,457</u>	<u>100%</u>	<u>114,512</u>	<u>100%</u>
Licensing, milestone and contract revenue	-	-	5	0%	-	-	98	0%
Total Revenue	<u>\$ 32,688</u>	<u>100%</u>	<u>\$ 29,772</u>	<u>100%</u>	<u>\$ 130,457</u>	<u>100%</u>	<u>\$ 114,610</u>	<u>100%</u>
Gross Profit	\$ 16,745		\$ 21,123		\$ 69,026		\$ 85,863	
Gross Margin	51%		71%		53%		75%	

# REVENUE BY GEOGRAPHIC REGION

**Total Revenue by Geographic Region**  
**(in thousands, except percentages)**  
**(unaudited)**

	For the Three Months Ended December 31				For the Year Ended December 31,			
	2020	%	2019	%	2020	%	2019	%
United States	\$ 25,334	78%	\$ 23,764	80%	\$ 103,182	79%	\$ 90,302	78%
Europe	3,039	9%	3,348	11%	14,179	11%	14,744	14%
Other	4,315	13%	2,660	9%	13,096	10%	9,564	8%
Total Revenue	<u>\$ 32,688</u>	<u>100%</u>	<u>\$ 29,772</u>	<u>100%</u>	<u>\$ 130,457</u>	<u>100%</u>	<u>\$ 114,610</u>	<u>100%</u>