



Q1 2022 EARNINGS CALL PRESENTATION

MAY 5, 2022

ANIKA. RESTORE ACTIVE LIVING.™

SAFE HARBOR STATEMENTS

Cautionary Note on Forward-looking Statements

The statements made in, and during the course of, this presentation that are not statements of historical fact, including those related to the Company's commercial capabilities, initiatives and production, its product pipeline and associated timelines, its upcoming corporate milestones, and its growth strategy and projections, are forward looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements in "believe," "will," "would," "expect," "anticipate," "intend," "estimate," "plan," "likely," and other expressions, which are predictions of, or indicate future events and trends, and which do not constitute historical matters, identify forward-looking statements, including, without limitation, relating to the impact of the COVID-19 global pandemic and related developments on our ongoing business, clinical studies and future expectations with respect to its 2022 business objectives and financial performance, those statements related to the Company's product pipeline, the regulatory status, including plans for expanded indications, of the Company's products, the market potential of the Company's products, and management's discussion of the Company's growth and strategic plans. The Company's actual results could differ materially from any anticipated future results, performance or achievements described in the forward-looking statements as a result of a number of factors, both known and unknown, including, without limitation, future strategic decisions made by the Company, the results of its research and development efforts and the timing of regulatory approvals.

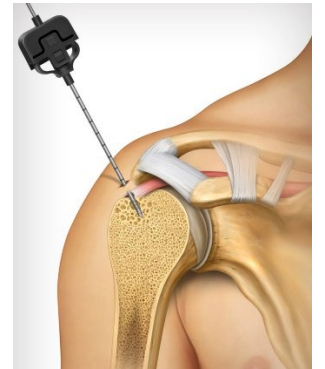
Cautionary Note on Non-GAAP Financial Measures

This presentation refers to certain non-GAAP financial measures. These non-GAAP financial measures should not be considered replacements for, and should be read together with, the most comparable GAAP financial measures. A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures, calculated and presented in accordance with GAAP, is available under the "Quarterly Results" tab in the Investor Relations section of the Company's website at www.anika.com.

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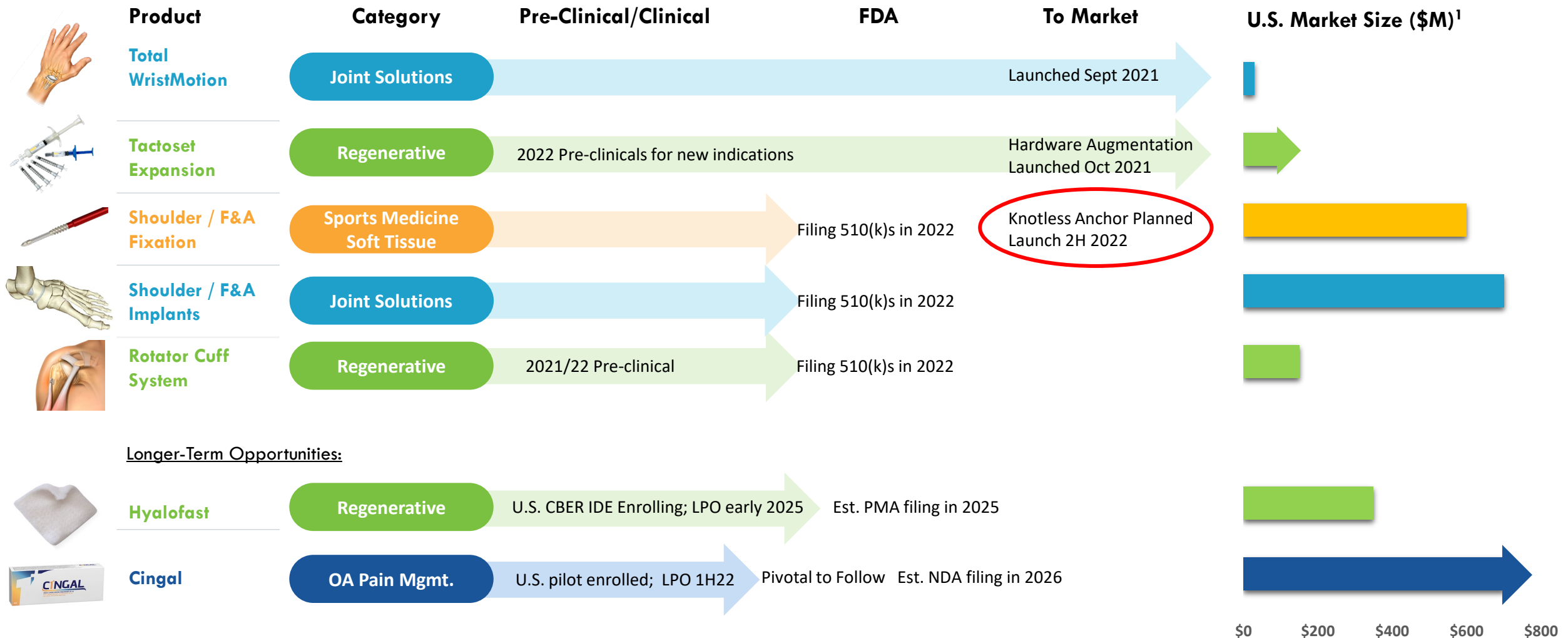
Q1 2022 BUSINESS HIGHLIGHTS

- ✓ Revenue growth of 7%
 - OA Pain Management¹ increased 18% primarily on favorable order timing
 - Joint Preservation and Restoration down 1%
 - Non-Orthopedic¹ down 34% due to last time buys in Q1'21
- ✓ Showcased full product portfolio at AAOS Annual Meeting with a high level of surgeon interest in Tactoset, WristMotion, and OVOMotion
- ✓ Ramped up Joint Preservation medical education activities YTD, holding multiple in-person events in the U.S. with over 140 surgeons trained to date
- ✓ Orthopedic industry veteran, Rob Delp, joined senior leadership team in April as Vice President of U.S. Sales, previously President, Americas for Zimmer Biomet



KEY PRODUCT DEVELOPMENT AND CLINICAL TRIAL TIMELINE

NEW PRODUCT LAUNCHES WITHIN 6-24 MONTHS ACCELERATE GROWTH IN 2023-2024+



Note: Last Patient Out (LPO); Foot/Ankle (F&A).

\$0 \$200 \$400 \$600 \$800

¹ SmartTRAK and internal estimates

PROGRESSING ON OUR TRANSFORMATION STRATEGY IN 2022



Sustaining #1 U.S. market share position in OA Pain Management with Monovisc and Orthovisc



Commercial execution and focus on delivering value to the Ambulatory Surgery Center (ASC)



Advancing product pipeline in Regenerative, Sports Medicine Soft Tissue and Joint Solutions



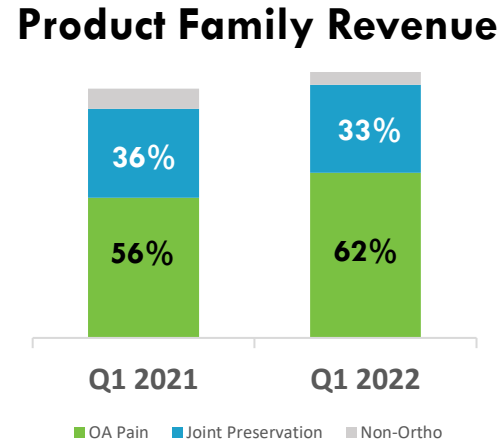
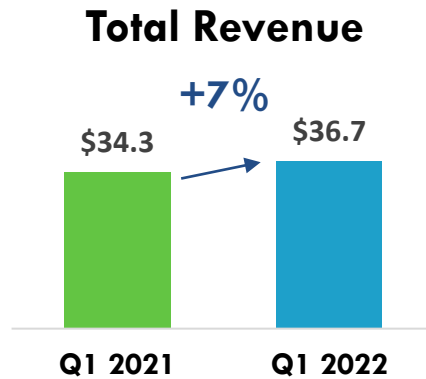
Cingal pilot trial data to be available in the fall



Fully launched in-person medical education programs



Q1 2022 FINANCIAL HIGHLIGHTS



\$90.3 million
Cash Balance as of
Mar. 31, 2022

Dollars in millions

- Total revenue increased 7% to \$36.7 million
 - OA Pain Management revenue of \$22.7 million, up 18% primarily on favorable order timing
 - Joint Preservation and Restoration revenue of \$12.1 million, down 1% on early quarter COVID headwinds
 - Non-Orthopedic revenue of \$1.8 million, down 34% on last time buys in Q1'21
- Gross margin of 59% includes \$1.6 million of non-cash acquisition related expenses; Adjusted gross margin¹ of 64%
- Net loss of (\$2.9) million, (\$0.20) per share; Adjusted net loss¹ of (\$1.6) million, (\$0.11) per share
- Adjusted EBITDA¹ of \$2.6 million
- Operating cash outflow of (\$1.9) million; cash balance of \$90.3 million

2022 REVENUE OUTLOOK

Revenue Growth

TOTAL COMPANY

Up low to mid-single digit percent (toward upper end of range)

Joint Preservation & Restoration

Up mid-single to low-double digit percent

OA Pain Management

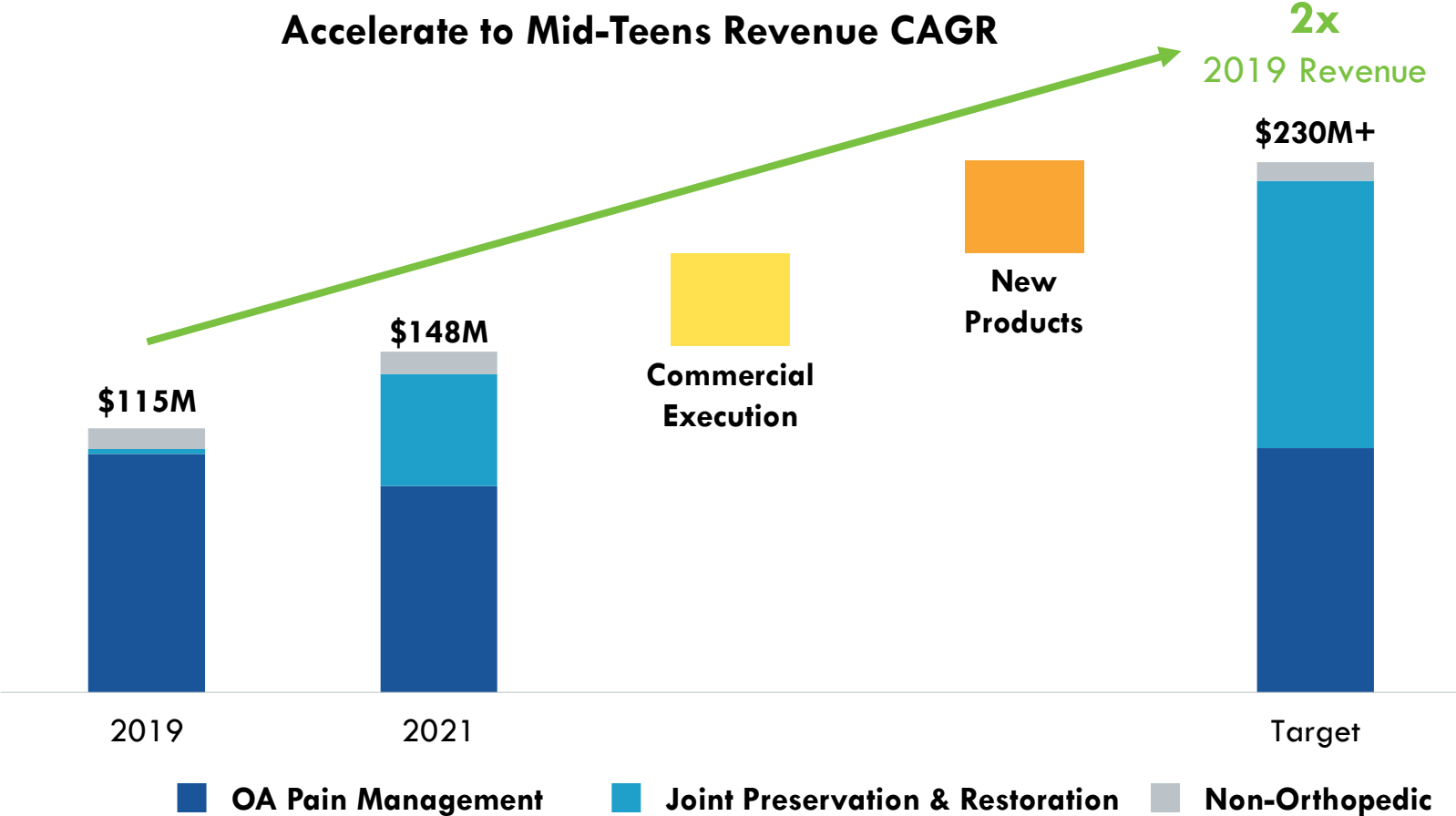
Up low-single digit percent

Non-Orthopedic

Down approx. 20% due largely to legacy product rationalization

There remains volatility and uncertainty in the global macroeconomic environment and the Company's outlook for fiscal 2022 is subject to the changing dynamics associated with staffing shortages, supply chain disruption, inflation and other direct and indirect impacts of the COVID pandemic.

POSITIONED TO DOUBLE REVENUE WITH STRONG MARGINS



Multi-Year Targets

- \$230M+ Revenue on Mid-Teens CAGR
- Adj. Gross Margin¹ 70%+
- Adj. EBITDA^{1,2} Margin 20%+

- Key Growth Drivers**
- Commercial execution targeting ASCs
 - Product portfolio expansion
 - Shoulder
 - Distal extremities
 - HA-enhanced regenerative solutions

¹ Non-GAAP measure; see reconciliation schedule at the end of this presentation

² Adj. EBITDA target excludes cost of Cingal pivotal trial due to the discrete nature of this trial, outside the Company's ongoing run rate

SUMMARY

01

Anika is laser focused on becoming the leader in joint preservation – one of the highest opportunity spaces in orthopedics

02

2022 is a foundational year of execution on our product pipeline and commercial strategy to deliver targeted value to the ASC in early intervention orthopedics

03

Emerge with a broad, differentiated product portfolio, exciting pipeline, and established commercial team focused on the joint preservation continuum of care

04

Positioning to accelerate revenue growth coming out of 2022, growing both EBITDA margin and cash flows

NON-GAAP RECONCILIATION AND SUPPLEMENTAL DATA

STATEMENT OF OPERATIONS

Anika Therapeutics, Inc. and Subsidiaries
Consolidated Statements of Operations
(in thousands, except per share data)

	For the Three Months Ended March 31,	
	2022	2021
Revenue	\$ 36,693	\$ 34,292
Cost of Revenue	14,889	13,318
Gross Profit	21,804	20,974
Operating expenses:		
Research and development	6,157	6,361
Selling, general and administrative	19,201	18,175
Change in fair value of contingent consideration	-	(4,820)
Total operating expenses	25,358	19,716
(Loss) income from operations	(3,554)	1,258
Interest and other expense, net	(154)	(43)
(Loss) income before income taxes	(3,708)	1,215
Income taxes	(775)	(1,623)
Net (loss) income	\$ (2,933)	\$ 2,838
Net (loss) income per share:		
Basic	\$ (0.20)	\$ 0.20
Diluted	\$ (0.20)	\$ 0.20
Weighted average common shares outstanding:		
Basic	14,466	14,343
Diluted	14,466	14,435

BALANCE SHEET

Anika Therapeutics, Inc. and Subsidiaries
 Consolidated Balance Sheets
 (in thousands, except per share data)

ASSETS	March 31, 2022	December 31, 2021
Current assets:		
Cash, cash equivalents and investments	\$ 90,325	\$ 94,386
Accounts receivable, net	29,313	29,843
Inventories, net	35,225	36,010
Prepaid expenses and other current assets	10,459	8,289
Total current assets	165,322	168,528
Property and equipment, net	47,954	47,602
Right-of-use assets	20,517	20,957
Other long-term assets	20,385	20,285
Intangible assets, net	80,436	82,382
Goodwill	7,625	7,781
Total assets	<u>\$ 342,239</u>	<u>\$ 347,535</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 7,444	\$ 7,633
Accrued expenses and other current liabilities	15,233	17,847
Contingent consideration	4,315	4,315
Total current liabilities	26,992	29,795
Other long-term liabilities	684	1,258
Deferred tax liability	9,956	10,157
Lease liabilities	18,820	19,240
Stockholders' equity:		
Common stock, \$0.01 par value	145	144
Additional paid-in-capital	68,796	67,081
Accumulated other comprehensive loss	(5,799)	(5,718)
Retained earnings	222,645	225,578
Total stockholders' equity	285,787	287,085
Total liabilities and stockholders' equity	<u>\$ 342,239</u>	<u>\$ 347,535</u>

RECONCILIATION TABLES – GAAP GROSS PROFIT TO ADJUSTED GROSS PROFIT AND ADJUSTED GROSS MARGIN

Reconciliation of GAAP Gross Profit to Adjusted Gross Profit (in thousands) (unaudited)

	For the Three Months Ended March 31,	
	2022	2021
Gross Profit	\$ 21,804	\$ 20,974
Acquisition related intangible asset amortization	1,562	1,562
Acquisition related inventory step up	-	2,578
Adjusted Gross Profit	<u>\$ 23,366</u>	<u>\$ 25,114</u>
Adjusted Gross Margin	64%	73%

RECONCILIATION TABLES – GAAP NET INCOME TO ADJUSTED EBITDA

Reconciliation of GAAP Net Income to Adjusted EBITDA
(in thousands)
(unaudited)

	For the Three Months Ended March 31,	
	2022	2021
Net (loss) income	\$ (2,933)	\$ 2,838
Interest and other expense, net	154	43
Benefit from income taxes	(775)	(1,623)
Depreciation and amortization	1,830	1,721
Share-based compensation	2,545	2,259
Acquisition related intangible asset amortization	1,787	1,787
Acquisition related inventory step up	-	2,578
Change in fair value of contingent consideration	-	(4,820)
Adjusted EBITDA	<u>\$ 2,608</u>	<u>\$ 4,783</u>

RECONCILIATION TABLES – GAAP NET INCOME TO ADJUSTED NET INCOME

Reconciliation of GAAP Net Income to Adjusted Net Income
(in thousands)
(unaudited)

	For the Three Months Ended March 31,	
	2022	2021
Net (loss) income	\$ (2,933)	\$ 2,838
Acquisition related intangible asset amortization, tax effected	1,345	1,396
Acquisition related inventory step up, tax effected	-	2,016
Change in fair value of contingent consideration, tax effected	-	(5,498)
Adjusted net (loss) income	<u>\$ (1,588)</u>	<u>\$ 752</u>

RECONCILIATION TABLES – GAAP EPS TO ADJUSTED EPS

**Reconciliation of GAAP Diluted Earnings Per Share to Adjusted Diluted Earnings Per Share
(per share data)
(unaudited)**

	For the Three Months Ended March 31,	
	2022	2021
Diluted (loss) earnings per share (EPS)	\$ (0.20)	\$ 0.20
Acquisition related intangible asset amortization, tax effected	0.09	0.10
Acquisition related inventory step up, tax effected	-	0.14
Change in fair value of contingent consideration, tax effected	-	(0.38)
Adjusted diluted (loss) earnings per share (EPS)	<u>\$ (0.11)</u>	<u>\$ 0.06</u>

REVENUE BY PRODUCT FAMILY

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

For the Three Months Ended March 31,

	<u>2022</u>	<u>2021</u>	<u>\$ change</u>	<u>% change</u>
OA Pain Management	\$ 22,733	\$ 19,316	\$ 3,417	18%
Joint Preservation and Restoration	12,139	12,219	(80)	-1%
Non-Orthopedic	1,821	2,757	(936)	-34%
Revenue	<u>\$ 36,693</u>	<u>\$ 34,292</u>	<u>\$ 2,401</u>	<u>7%</u>