



Q1 2025 EARNINGS CALL

MAY 9, 2025



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 our ongoing business, the costs, progress or potential results of clinical studies, future expectations with respect to its business objectives and financial performance, those statements related to the Company's product pipeline, the regulatory status, including statements around the filing for initial approvals or clearances or 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 and impact of regulatory decisions and 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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COMPANY HIGHLIGHTS

STRATEGIC FOCUS DRIVING COMMERCIAL GROWTH AND PIPELINE ADVANCEMENT

Commercial Update

- **Integrity™ Implant System** procedures tracking to more than double in 2025, exceeding launch expectations and outpacing the market
- **Regenerative Solutions** portfolio grew 33% year-over-year
- Maintained strong double-digit growth of International OA Pain business in Q1 2025
- US OA Pain Management revenue impacted by pricing pressures

Pipeline Progress

- **Integrity** – Advanced platform expansion for foot and ankle
- **Integrity** – Prospective clinical study actively enrolling at multiple sites
- **Hyalofast®** – Filed 2nd PMA module, received MDR approval, and remain on track for filing the 3rd and final module in the second half of this year
- **Cingal®** – Received alignment on bioequivalence bridging study design with FDA and secured access to material to conduct the study

Company Transformation

- Completed sale of Parcus Medical
- Completed transition services relating to sale of Arthrosurface
- Completed previously announced \$15M 10b5-1 share repurchase plan, ahead of initial schedule

Q1 2025 FINANCIAL HIGHLIGHTS

\$M, except per share data

Q1 Financial Results	CONTINUING OPERATIONS	
	2025	V PY
Revenue	\$26.2	(10%)
Commercial	\$11.3	+18%
OEM	\$14.9	(23%)
Gross Profit	\$14.7	(23%)
R&D	\$6.1	(5%)
SG&A	\$12.9	(14%)
Loss from Continuing Ops	(\$4.0)	Unf.
Adjusted EPS ¹	(\$0.06)	
Adjusted EBITDA ¹	\$0.1	Unf.
Operating Cash Flow	(\$0.1)	
Free Cash Flow ²	(\$3.0)	

1Q25 Continuing Operations Highlights

- Revenue decreased by 10% to \$26.2M driven by 23% decrease in OEM Revenue due to lower pricing both in transfer units and royalties on Monovisc® and Orthovisc® sales controlled by J&J MedTech
- Commercial Channel grew by 18%, led by International OA Pain Management +13% y/y and continued sequential Integrity growth
- Gross Profit decreased due to lower OEM Channel revenue and higher manufacturing costs
- R&D expenses decreased primarily due to reduced headcount and lower spend associated with product development and regulatory activities
- SG&A expenses decreased due to cost actions taken in 1Q24 and 4Q24

2025 GUIDANCE: UPDATED OEM REVENUE AND ADJUSTED EBITDA

\$M	2021	2022	2023	2024	2025 Est ¹	2026 Est ¹	2027 Est ¹
Commercial Revenue <ul style="list-style-type: none"> • International OA Pain • Regenerative Solutions • Hyalofast (4Q26-2027) 					+17% 3-Year CAGR		
	\$26	\$32	\$36	\$42	\$47-49.5 +12-18%	+20-30%	+20-30%
OEM Revenue <ul style="list-style-type: none"> • US OA Pain though J&J • Non-Orthopedic Solutions 	\$81	\$82	\$85	\$78	\$62-65 (16)-(20)%	Flat to modestly Lower	Flat to modestly Lower
Adjusted EBITDA ²	N/A	N/A	\$25.0	\$15.5	-3% to 3%		

Updating OEM Revenue Guidance to \$62M – \$65M due to Lower Monovisc and Orthovisc Pricing

Updating Adjusted EBITDA Guidance to (3%) - 3% due to Lower Monovisc and Orthovisc Pricing, Production Yields, Tariffs, and Bioequivalence Study Costs

(1) Variances represent year over year change

(2) Non-GAAP measure Continuing Operations; see reconciliation schedule at the end of this presentation

3 STRATEGIES TO DELIVER SHAREHOLDER VALUE

Near-Term: Deliver market leading OA Pain Management products and achieve full potential of **Integrity™ Implant System** in high-growth **\$220M** tendon augmentation TAM
(2025)

Mid-Term: Obtain FDA approval and successfully launch **Hyalofast®** in Anika's Commercial Channel to address **\$1B** cartilage repair TAM
(2026)

Longer-Term: Obtain FDA approval and successfully launch **Cingal®** to address **\$1B** next generation OA Pain Management TAM

ALLOCATING RESOURCES TO HIGHEST RETURNING PROGRAMS TO MAXIMIZE SHAREHOLDER VALUE



NON-GAAP RECONCILIATION AND SUPPLEMENTAL DATA

STATEMENT OF OPERATIONS

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

	For the Three Months Ended March 31,	
	2025	2024
Revenue	\$ 26,168	\$ 29,022
Cost of Revenue	11,487	10,047
Gross Profit	<u>14,681</u>	<u>18,975</u>
Operating expenses:		
Research and development	6,059	6,409
Selling, general and administrative	<u>12,906</u>	<u>15,071</u>
Total operating expenses	<u>18,965</u>	<u>21,480</u>
Loss from operations	(4,284)	(2,505)
Interest and other income (expense), net	415	592
Loss before income taxes	(3,869)	(1,913)
Provision for income taxes	89	43
Loss from continuing operations	(3,958)	(1,956)
Loss from discontinued operations, net of tax	(915)	(2,558)
Net loss	<u>\$ (4,873)</u>	<u>\$ (4,514)</u>
Net loss per share:		
Basic		
Continuing Operations	\$ (0.28)	\$ (0.13)
Discontinued Operations	<u>\$ (0.06)</u>	<u>\$ (0.18)</u>
	<u>\$ (0.34)</u>	<u>\$ (0.31)</u>
Diluted		
Continuing Operations	\$ (0.28)	\$ (0.13)
Discontinued Operations	<u>\$ (0.06)</u>	<u>\$ (0.18)</u>
	<u>\$ (0.34)</u>	<u>\$ (0.31)</u>
Weighted average common shares outstanding:		
Basic	14,297	14,698
Diluted	14,297	14,698

BALANCE SHEET

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

ASSETS	March 31,		December 31,	
	2025	2024	2025	2024
Current assets:				
Cash and cash equivalents	\$ 53,371	\$ 55,629		
Accounts receivable, net	21,987	23,594		
Inventories, net	21,336	23,809		
Prepaid expenses and other current assets	5,815	5,494		
Current assets held for sale	-	5,126		
Total current assets	102,509	113,652		
Property and equipment, net	40,461	38,994		
Right-of-use assets	25,180	25,685		
Other long-term assets	5,725	5,656		
Notes receivable	5,838	5,935		
Deferred tax assets	1,188	1,177		
Intangible assets, net	2,281	2,490		
Goodwill	7,423	7,125		
Non-current assets held for sale	-	2,026		
Total assets	\$ 190,605	\$ 202,740		
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities:				
Accounts payable	\$ 5,277	\$ 5,617		
Accrued expenses and other current liabilities	12,624	13,567		
Current liabilities held for sale	-	4,122		
Total current liabilities	17,901	23,306		
Other long-term liabilities	744	772		
Lease liabilities	23,563	24,014		
Non-current liabilities held for sale	-	659		
Stockholders' equity:				
Common stock, \$0.01 par value	143	144		
Additional paid-in-capital	87,563	88,961		
Accumulated other comprehensive loss	(6,103)	(6,783)		
Retained earnings	66,794	71,667		
Total stockholders' equity	148,397	153,989		
Total liabilities and stockholders' equity	\$ 190,605	\$ 202,740		

RECONCILIATION TABLES – GAAP NET LOSS TO ADJUSTED EBITDA

Anika Therapeutics, Inc. and Subsidiaries
Reconciliation of GAAP Net Loss from Continued Operations to Adjusted EBITDA
 (in thousands)
 (unaudited)

	For the Three Months Ended March 31,	
	2025	2024
Net loss from continuing operations	\$ (3,958)	\$ (1,956)
Interest and other (income) expense, net	(415)	(592)
Provision for income taxes	89	43
Depreciation and amortization	1,416	1,374
Stock-based compensation	2,995	3,254
Costs of shareholder activism	-	601
Adjusted EBITDA	\$ 127	\$ 2,724

RECONCILIATION TABLES – GAAP NET INCOME TO ADJUSTED NET INCOME

Anika Therapeutics, Inc. and Subsidiaries
Reconciliation of GAAP Net Income from Continuing Operations to Adjusted Net Income from Continuing Operations
(in thousands)
(unaudited)

	For the Three Months Ended March 31,	
	2025	2024
Loss from continuing operations	\$ (3,958)	\$ (1,956)
Share-based compensation, tax effected	3,063	3,285
Costs of shareholder activism, tax effected	-	607
Adjusted net (loss) income from continuing operations	<u>\$ (895)</u>	<u>\$ 1,936</u>

RECONCILIATION TABLES – GAAP EPS TO ADJUSTED EPS

Anika Therapeutics, Inc. and Subsidiaries
Reconciliation of GAAP Diluted Earnings from Continuing Operations Per Share to Adjusted Diluted Earnings
from Continuing Operations Per Share
(in thousands, except per share data)
(unaudited)

	For the Three Months Ended March 31,	
	2025	2024
Diluted loss from continuing operations per share	\$ (0.28)	\$ (0.13)
Share-based compensation, tax effected	0.22	0.22
Costs of shareholder activism, tax effected	-	0.04
Adjusted diluted net (loss) income per share	<u>\$ (0.06)</u>	<u>\$ 0.13</u>

REVENUE BY CHANNEL

Anika Therapeutics, Inc. and Subsidiaries
Revenue by Product Family
(in thousands, except percentages)
(unaudited)

	For the Three Months Ended March 31,			
	2025	2024	\$ change	% change
OEM Channel	\$ 14,909	\$ 19,450	\$ (4,541)	-23%
Commercial Channel	11,259	9,572	1,687	18%
	<u>\$ 26,168</u>	<u>\$ 29,022</u>	<u>\$ (2,854)</u>	<u>-10%</u>

