



Second Quarter 2018 Earnings Call Presentation

July 26, 2018

NASDAQ: ANIK

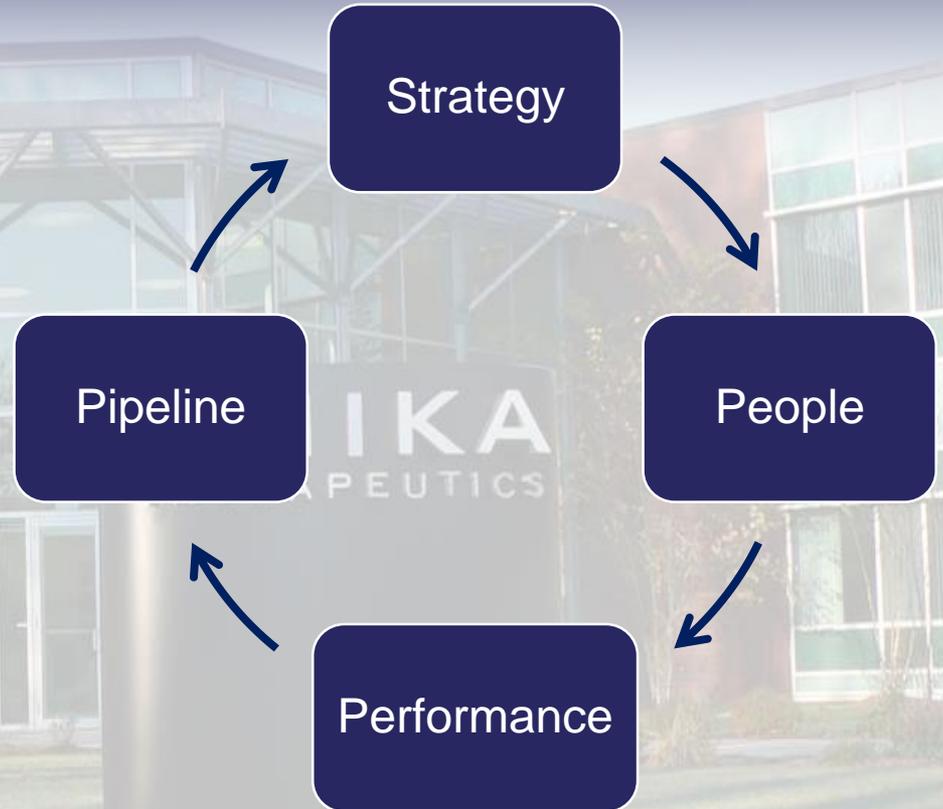
Safe Harbor Statement

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 involve known and unknown risks, uncertainties, and other factors. The words "potential," "develop," "promising," "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, 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.

Future Perspective on Anika



Joseph Darling
President & Chief Executive Officer



Q2 2018 Financial Highlights

Q2 2018 PRODUCT REVENUE

\$30.5M

8% INCREASE OVER
Q2 2017

PRODUCT GROSS
MARGIN

Q2
2018 **73%**

DILUTED EPS

\$0.68

Q2 2018

\$139M

CASH & INVESTMENTS
AT JUNE 30, 2018;
NO DEBT

- U.S. viscosupplement franchise grew 12% in Q2
- MONOVISC U.S. product and royalty revenue grew 42% in Q2
- Product gross margin improved by 10% on sequential quarter basis
- Completed \$30 million ASR Program; Repurchased ~800,000 shares
- Guidance update:
 - Product revenue at same level as 2017
 - Exclude \$5 million milestone revenue
 - Total operating expenses at low \$90 million range

CINGAL: Clinical Trial Update

- **CINGAL delivered greater pain reduction than the active-comparator**
 - Difference at 26-weeks did not reach statistical significance
- **CINGAL has demonstrated safety and effectiveness in three controlled clinical studies**
 - Total data package may present potential pathway for FDA approval
- **Meeting with FDA with all data**
 - Exploring alternative approval pathways in parallel



Growing Portfolio of Regenerative Treatments: Bone Repair Treatment & HYALOFAST

Bone Repair Treatment

- Received 510(k) clearance in Q4 2017
- Commercial launch expected in 2019
- Injectable self-setting, osteoconductive, bone graft substitute that is resorbed by the body and replaced by the growth of new bone during the healing process
- Market opportunity of \$250-300M annually



HYALOFAST

- Single-step, off the shelf, and cost effective solution to repair cartilage tissue
- U.S. market size of \$500M+; Global market opportunity >\$1B
- Implementing strategy to accelerate Phase III trial enrollment
- Revised timeline will be provided as soon as possible



Growing Portfolio of Regenerative Treatments: Rotator Cuff Regenerative Therapy

- **Unique therapy complementing Anika's growing regenerative therapy portfolio**
- **U.S. market opportunity of \$150-200M**
- **Over 650,000 rotator cuff procedures in U.S. alone with strong growth potential**
- **Leverage Anika's proprietary solid HA technology**
- **Prototype development by year end**



Focus on Improving Financial Performance and Operational Efficiency



Increased Focus on International Markets

- Increased involvement with international distributors with the goal of optimizing OUS performance
- Hired industry veteran to evaluate and augment OUS business



New Operations Leadership to Drive Efficiency

- New VP of Operations - focused on optimizing resource utilization, manufacturing, distribution and inventory management



Q&A

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