

**ANI Pharmaceuticals, Inc. and Subsidiaries**  
**Table 1: US GAAP Income Statement**  
*(unaudited, in thousands, except per share amounts)*

	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
Net Revenues	\$ 54,357	\$ 47,268	\$ 107,244	\$ 93,751
Operating Expenses				
Cost of sales (excl. depreciation and amortization)	15,632	16,593	30,357	37,286
Research and development	5,773	5,137	10,146	7,239
Selling, general, and administrative	14,188	9,962	27,472	18,918
Depreciation and amortization	9,472	8,313	25,575	16,508
Total Operating Expenses	45,065	40,005	93,550	79,951
Operating Income	9,292	7,263	13,694	13,800
Other Expense, Net				
Interest expense, net	(3,406)	(3,730)	(6,760)	(7,364)
Other income/(expense), net	46	(30)	(84)	(91)
Income Before Benefit/(Provision) for Income Taxes	5,932	3,503	6,850	6,345
Benefit/(Provision) for Income Taxes	653	(726)	184	(1,318)
Net Income	\$ 6,585	\$ 2,777	\$ 7,034	\$ 5,027
<b>Earnings Per Share</b>				
Basic Earnings Per Share	\$ 0.55	\$ 0.24	\$ 0.59	\$ 0.43
Diluted Earnings Per Share	\$ 0.53	\$ 0.23	\$ 0.57	\$ 0.42
Basic Weighted-Average Shares Outstanding	11,851	11,679	11,799	11,634
Diluted Weighted-Average Shares Outstanding	12,269	11,789	12,046	11,748

**ANI Pharmaceuticals, Inc. and Subsidiaries**  
**Table 2: US GAAP Balance Sheets**  
*(unaudited, in thousands)*

	<b>June 30, 2019</b>	<b>December 31, 2018</b>
<b>Current Assets</b>		
Cash and cash equivalents	\$ 40,589	\$ 43,008
Accounts receivable, net	76,274	64,842
Inventories, net	45,296	40,503
Prepaid income taxes, net	3,442	-
Prepaid expenses and other current assets	3,311	4,524
<b>Total Current Assets</b>	<b>168,912</b>	<b>152,877</b>
Property and equipment, net	38,953	38,090
Restricted cash	5,018	5,021
Deferred tax assets, net of deferred tax liabilities and valuation allowance	31,957	27,964
Intangible assets, net	196,697	201,604
Goodwill	3,580	3,580
Other non-current assets	1,789	1,468
<b>Total Assets</b>	<b>\$ 446,906</b>	<b>\$ 430,604</b>
<b>Current Liabilities</b>		
Current component of Term Loan, net of deferred financing costs	\$ 4,149	\$ 3,256
Convertible notes, net of discount and deferred financing costs	115,858	112,463
Accounts payable	9,809	8,884
Accrued expenses and other	2,423	1,707
Accrued royalties	6,265	8,456
Accrued compensation and related expenses	2,133	3,524
Current income taxes payable, net	-	5,022
Accrued government rebates	10,943	8,974
Returned goods reserve	14,656	12,552
Deferred revenue	558	711
<b>Total Current Liabilities</b>	<b>166,794</b>	<b>165,549</b>
Term Loan, net of deferred financing costs and current component	65,688	67,296
Other non-current liabilities	6,768	496
<b>Total Liabilities</b>	<b>239,250</b>	<b>233,341</b>
<b>Stockholders' Equity</b>		
Common stock	1	1
Treasury stock	(723)	(659)
Additional paid-in capital	194,867	186,812
Retained earnings	18,524	11,488
Accumulated other comprehensive loss, net of tax	(5,013)	(379)
<b>Total Stockholders' Equity</b>	<b>207,656</b>	<b>197,263</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 446,906</b>	<b>\$ 430,604</b>

**ANI Pharmaceuticals, Inc. and Subsidiaries**  
**Table 3: Adjusted non-GAAP EBITDA Calculation and US GAAP to Non-GAAP Reconciliation**  
*(unaudited, in thousands)*

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Net Income	\$ 6,585	\$ 2,777	\$ 7,034	\$ 5,027
Add back				
Interest expense, net	3,406	3,730	6,760	7,364
Other (income)/expense, net	(46)	30	84	91
(Benefit)/provision for income taxes	(653)	726	(184)	1,318
Depreciation and amortization	9,472	8,313	25,575	16,508
Add back				
Stock-based compensation	2,593	1,782	4,303	3,159
Acquired IPR&D expense	2,324	1,335	2,324	1,335
Excess of fair value over cost of acquired inventory	-	-	-	5,645
Transaction and integration expenses	-	341	84	341
Adjusted non-GAAP EBITDA	\$ 23,681	\$ 19,034	\$ 45,980	\$ 40,788

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Table 4: Adjusted non-GAAP Net Income and Adjusted non-GAAP Diluted Earnings per Share Reconciliation

(unaudited, in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Net Income	\$ 6,585	\$ 2,777	\$ 7,034	\$ 5,027
Add back				
Non-cash interest expense	1,856	1,945	3,655	3,859
Depreciation and amortization expense	9,472	8,313	25,575	16,508
Acquired IPR&D expense	2,324	1,335	2,324	1,335
Stock-based compensation	2,593	1,782	4,303	3,159
Excess of fair value over cost of acquired inventory	-	-	-	5,645
Transaction and integration expenses	-	341	84	341
Less				
Tax impact of add back items	(3,899)	(3,155)	(8,626)	(7,095)
Discrete tax benefit related to ANI Canada transfer pricing agreement	(1,653)	-	(1,653)	-
Adjusted non-GAAP Net Income	\$ 17,278	\$ 13,338	\$ 32,696	\$ 28,779
Diluted Weighted-Average				
Shares Outstanding	12,269	11,789	12,046	11,748
Less dilutive effect of notes	(306)	-	(153)	-
Adjusted Diluted Weighted-Average				
Shares Outstanding	11,963	11,789	11,893	11,748
Adjusted non-GAAP				
Diluted Earnings per Share	\$ 1.44	\$ 1.13	\$ 2.75	\$ 2.45

**ANI Pharmaceuticals, Inc. and Subsidiaries**  
**Table 5: Cortrophin® Gel Re-Commercialization Milestone Update**

<b>Objective</b>	<b>Duration</b>	<b>Steps / Details</b>	<b>Status</b>
<b>Manufacture commercial-scale batches of corticotropin API</b>	2-3 months per batch	<ul style="list-style-type: none"> <li>• Scale-up manufacturing process 5x to projected commercial scale</li> <li>• Finalize API manufacturing process &amp; initiate PV / registration batches</li> <li>• Method development for API characterization methods</li> <li>• Method validation for API release / stability methods</li> <li>• Perform viral clearance studies and validation</li> </ul>	Complete Complete Complete Complete In Progress
<b>Manufacture Commercial Scale Cortrophin® Gel Drug Product</b>	1 month per batch	<ul style="list-style-type: none"> <li>• Finalize drug product manufacturing process</li> <li>• Initiate process validation</li> <li>• Method validation for API release / stability methods</li> <li>• Manufacture three API and three drug product registration batches</li> </ul>	Complete Complete In Progress Two Complete / Third In Progress
<b>Registration stability for sNDA</b>	6 months	<ul style="list-style-type: none"> <li>• Initiate registration stability studies and demonstrate six-months of accelerated and real-time stability prior to sNDA submission</li> </ul>	First two studies initiated and in progress / Third awaiting batch manufacturing
<b>sNDA submission</b>		<ul style="list-style-type: none"> <li>• Target date: 1Q 2020</li> <li>• Filing - four month PDUFA date</li> </ul>	On Track