

# Amphastar Pharmaceuticals Reports Financial Results for the Three Months Ended June 30, 2022

August 8, 2022

*Reports Net Revenues of \$123.5 Million for the Three Months Ended June 30, 2022*

**RANCHO CUCAMONGA, CA / ACCESSWIRE / August 8, 2022** / Amphastar Pharmaceuticals, Inc. (NASDAQ:AMPH) ("Amphastar" or the "Company") today reported results for the three months ended June 30, 2022.

## Second Quarter Highlights

- Net revenues of \$123.5 million for the second quarter
- GAAP net income of \$17.3 million, or \$0.33 per share, for the second quarter
- Adjusted non-GAAP net income of \$20.7 million, or \$0.39 per share, for the second quarter

Dr. Jack Zhang, Amphastar's President and Chief Executive Officer, commented: "We've maintained momentum through the first half of 2022. Sales remained strong through the second quarter, allowing us to increase our investment in research and development. We are optimistic that sales will continue their upward trajectory into the third quarter, particularly with ganirelix's full quarter of sales and the upcoming launch of vasopressin this month, each of which presents new opportunities for further diversification of our revenue streams."

|   | <b>Three Months Ended</b>                    |             | <b>Six Months Ended</b> |             |
|---|--|-------------|-------------------------|-------------|
|   | <b>June 30,</b>                              |             | <b>June 30,</b>         |             |
|   | <b>2022</b>                                  | <b>2021</b> | <b>2022</b>             | <b>2021</b> |
|   | <b>(in thousands, except per share data)</b> |             |                         |             |
| Net revenues  | \$ 123,467                                   | \$ 101,663  | \$ 243,835              | \$ 204,683  |
| GAAP net income attributable to Amphastar                             | \$ 17,346                                    | \$ 7,767    | \$ 41,599               | \$ 12,808   |
| Adjusted non-GAAP net income attributable to Amphastar*               | \$ 20,730                                    | \$ 10,615   | \$ 45,316               | \$ 24,168   |
| GAAP diluted EPS attributable to Amphastar stockholders               | \$ 0.33                                      | \$ 0.16     | \$ 0.79                 | \$ 0.26     |
| Adjusted non-GAAP diluted EPS attributable to Amphastar stockholders* | \$ 0.39                                      | \$ 0.21     | \$ 0.86                 | \$ 0.49     |

\* Adjusted non-GAAP net income attributable to Amphastar and Adjusted non-GAAP diluted EPS attributable to Amphastar stockholders are non-GAAP financial measures. Please see the discussion in the section entitled "Non-GAAP Financial Measures" and the reconciliation of GAAP to non-GAAP financial measures in Table III of this press release.

## Second Quarter Results

### **Three Months Ended**

|   | <u>June 30,</u>          |                          | <u>Change</u>           |                    |
|---|--------------------------|--------------------------|-------------------------|--------------------|
|   | <u>2022</u>              | <u>2021</u>              | <u>Dollars</u>          | <u>%</u>           |
| (in thousands)                                      |                          |                          |                         |                    |
| <b>Net revenues:</b>                                |                          |                          |                         |                    |
| Primatene Mist <sup>®</sup>                         | \$ 18,974                | \$ 16,680                | \$ 2,294                | 14 %               |
| Epinephrine   | 18,119                   | 9,192                    | 8,927                   | 97 %               |
| Lidocaine   | 16,042                   | 11,594                   | 4,448                   | 38 %               |
| Phytonadione  | 13,381                   | 10,421                   | 2,960                   | 28 %               |
|   |                          |                          | )                       |                    |
| Glucagon  | 11,795                   | 12,131                   | (336 )                  | (3 %               |
|   |                          |                          | )                       |                    |
| Enoxaparin  | 9,031                    | 9,328                    | (297 )                  | (3 %               |
| Naloxone  | 7,193                    | 6,625                    | 568                     | 9 %                |
| Other finished pharmaceutical products              | <u>25,588</u>            | <u>18,751</u>            | <u>6,837</u>            | <u>36 %</u>        |
| Total finished pharmaceutical products net revenues | <u>\$ 120,123</u>        | <u>\$ 94,722</u>         | <u>\$ 25,401</u>        | <u>27 %</u>        |
|   |                          |                          | )                       |                    |
| API   | <u>3,344</u>             | <u>6,941</u>             | <u>(3,597 )</u>         | <u>(52 %</u>       |
| Total net revenues                                  | <u><u>\$ 123,467</u></u> | <u><u>\$ 101,663</u></u> | <u><u>\$ 21,804</u></u> | <u><u>21 %</u></u> |

Changes in net revenues were primarily driven by:

- Primatene Mist<sup>®</sup> sales increased due to an increase in unit volumes as a result of the continued success of our advertising campaign
- Epinephrine sales increased due to an increase in unit volumes as a result of competitor shortages
- Lidocaine sales increased as a result of an increase in unit volumes
- Phytonadione sales increased due to an increase in unit volumes and higher average selling price
- Other finished pharmaceutical product sales increased due to higher demand for certain products such as dextrose and sodium bicarbonate, largely resulting from competitor shortages, as well as the launch of ganirelix prefilled syringe in late June 2022
- API sales decreased due to the timing of orders from MannKind Corporation

|                             | <u>Three Months Ended</u> |                      | <u>Change</u>           |          |
|-----------------------------|---------------------------|----------------------|-------------------------|----------|
|                             | <u>June 30,</u>           |                      | <u>Dollars</u>          | <u>%</u> |
|                             | <u>2022</u>               | <u>2021</u>          |                         |          |
| (in thousands)              |                           |                      |                         |          |
| Net revenues                | \$ 123,467                | 101,663              | \$ 21,804               | 21 %     |
| Cost of revenues            | <u>60,111</u>             | <u>54,287</u>        | <u>5,824</u>            | 11 %     |
| Gross profit                | <u><u>\$ 63,356</u></u>   | <u><u>47,376</u></u> | <u><u>\$ 15,980</u></u> | 34 %     |
| <i>as % of net revenues</i> | 51 %                      | 47 %                 |                         |          |

Changes in the cost of revenues and the resulting increase in gross margin were primarily driven by:

- Increased sales of higher-margin products such as Primatene Mist<sup>®</sup>

- Decreased in heparin and enoxaparin component purchase commitments since these components are reserved to the lower of cost or net realizable value at the time of commitment
- These factors were partially offset by an overall increases in labor costs, as well as increased costs for heparin, the starting material for enoxaparin, and a lower average selling price for enoxaparin

|                                      | <b>Three Months Ended</b> |             |                |          |
|--------------------------------------|---------------------------|-------------|----------------|----------|
|                                      | <b>June 30,</b>           |             | <b>Change</b>  |          |
|                                      | <b>2022</b>               | <b>2021</b> | <b>Dollars</b> | <b>%</b> |
|                                      | <b>(in thousands)</b>     |             |                |          |
| Selling, distribution, and marketing | \$ 5,756                  | \$ 4,129    | \$ 1,627       | 39 %     |
| General and administrative           | 9,979                     | 14,565      | (4,586 )       | (31 %)   |
| Research and development             | 22,798                    | 18,122      | 4,676          | 26 %     |
| Non-operating income (expense), net  | (1,672 )                  | 3,657       | (5,329 )       | (146 %)  |

- Selling, distribution, and marketing expenses increased primarily due to increased advertising and freight expenses
- General and administrative expenses decreased primarily due to a decrease in legal expenses and a decrease in expenses in China due to the restructuring of our subsidiary, Amphastar Nanjing Pharmaceuticals, Co., Ltd. ("ANP"), in 2021
- Research and development expenses increased due to:
  - An increase in expenditure for materials and components, primarily for our AMP-018 and insulin products
  - This increase was partially offset by a decrease in clinical trial expense as a result of a shift in timing for some of our clinical trial studies, as well as a decrease in expenses in China due to the restructuring of ANP in 2021
- The change in non-operating income (expense) net is primarily a result of:
  - Foreign currency fluctuations in 2022
  - A final settlement with Aventis in June 2021 which resulted in the reduction of accrued expense by \$2.7 million

Cash flow provided by operating activities for the six months ended June 30, 2022 was \$53.6 million.

### **Pipeline Information**

The Company currently has three ANDAs on file with the FDA targeting products with a market size of over \$3 billion, three biosimilar products in development targeting products with a market size of over \$12 billion, and eight generic products in development targeting products with a market size of over \$9 billion. This market information is based on IQVIA data for the 12 months ended June 30, 2022. The Company is developing multiple proprietary products with injectable and intranasal dosage forms.

Amphastar's Chinese subsidiary, ANP, currently has 17 Drug Master Files, or DMFs, on file with the FDA and is developing several additional DMFs.

## **Company Information**

Amphastar is a bio-pharmaceutical company that focuses primarily on developing, manufacturing, marketing, and selling technically-challenging generic and proprietary injectable, inhalation, and intranasal products. Additionally, the Company sells insulin API products. Most of the Company's finished products are used in hospital or urgent care clinical settings and are primarily contracted and distributed through group purchasing organizations and drug wholesalers. More information and resources are available at [www.amphastar.com](http://www.amphastar.com).

Amphastar's logo and other trademarks or service marks of Amphastar, including, but not limited to Amphastar<sup>®</sup>, Primatene Mist<sup>®</sup>, Amphadase<sup>®</sup>, and Cortrosyn<sup>®</sup>, are the property of Amphastar.

## **Non-GAAP Financial Measures**

To supplement its consolidated financial statements, which are prepared and presented in accordance with U.S. generally accepted accounting principles ("GAAP"), the Company is disclosing non-GAAP financial measures when providing financial results. The Company believes that an evaluation of its ongoing operations (and comparisons of its current operations with historical and future operations) would be difficult if the disclosure of its financial results were limited to financial measures prepared only in accordance with GAAP. As a result, the Company is disclosing certain non-GAAP results, including (i) Adjusted non-GAAP net income (loss) attributed to Amphastar and (ii) Adjusted non-GAAP diluted EPS attributed to Amphastar's stockholders, which exclude amortization expense, share-based compensation, impairment charges, legal settlements, and other one-time events in order to supplement investors' and other readers' understanding and assessment of the Company's financial performance because the Company's management uses these measures internally for forecasting, budgeting, and measuring its operating performance. Whenever the Company uses such non-GAAP measures, it will provide a reconciliation of non-GAAP financial measures to their most directly comparable GAAP financial measures. Investors and other readers are encouraged to review the related GAAP financial measures and the reconciliation of non-GAAP measures to their most directly comparable GAAP measures set forth below and should consider non-GAAP measures only as a supplement to, not as a substitute for or as a superior measure to, measures of financial performance prepared in accordance with GAAP.

## **Conference Call Information**

The Company will hold a conference call to discuss its financial results today, August 8, 2022, at 2:00 p.m. Pacific Time.

To access the conference call, dial toll-free (877) 407-0989 or (201) 389-0921 for international callers, five minutes before the conference.

The call can also be accessed on the Investors page on the Company's website at [www.amphastar.com](http://www.amphastar.com).

## **Forward-Looking Statements**

All statements in this press release and in the conference call referenced above that are not historical are forward-looking statements, including, among other things, statements relating to our expectations regarding future financial performance and business trends, backlog, sales and marketing of our products, market size and growth, product development, the timing of FDA filings or approvals, including the DMFs of ANP, the timing of product launches, acquisitions and other matters related to our pipeline of product candidates, the timing and results of clinical trials, our

share buyback program, and other future events, such as the impact of the COVID-19 pandemic including its variants, the Russia-Ukraine conflict and resulting macroeconomic conditions, such as inflation and rising interest rates, and related responses of business and governments to the pandemic on our operations and personnel, and on commercial activity and demand across our business operations and results of operations. These statements are not facts but rather are based on Amphastar's historical performance and our current expectations, estimates, and projections regarding our business, operations, and other similar or related factors. Words such as "may," "might," "will," "could," "would," "should," "anticipate," "predict," "potential," "continue," "expect," "intend," "plan," "project," "believe," "estimate," and other similar or related expressions are used to identify these forward-looking statements, although not all forward-looking statements contain these words. You should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties, and assumptions that are difficult or impossible to predict and, in some cases, beyond Amphastar's control. Actual results may differ materially from those in the forward-looking statements as a result of a number of factors, including those described in Amphastar's filings with the Securities and Exchange Commission, including in our Annual Report on Form 10-K for the year ended December 31, 2021, filed with the SEC on March 11, 2022 and in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2022, filed with the SEC on May 10, 2022. In particular, the extent of COVID-19's impact on our business will depend on several factors, including the severity, duration and extent of the pandemic including its variants, as well as actions taken by governments, businesses, and consumers in response to the pandemic, all of which continue to evolve and remain uncertain at this time. You can locate these reports through our website at <http://ir.amphastar.com> and on the SEC's website at [www.sec.gov](http://www.sec.gov). The forward-looking statements in this release speak only as of the date of the release. Amphastar undertakes no obligation to revise or update information or any forward-looking statements in this press release or the conference call referenced above to reflect events or circumstances in the future, even if new information becomes available or if subsequent events cause our expectations to change.

**Contact Information:**

Amphastar Pharmaceuticals, Inc.  
 Bill Peters  
 Chief Financial Officer  
 (909) 980-9484

**Table I**  
**Amphastar Pharmaceuticals, Inc.**  
**Condensed Consolidated Statement of Operations**  
**(Unaudited; in thousands, except per share data)**

|                                      | <b>Three Months Ended</b> |               | <b>Six Months Ended</b> |                |
|--------------------------------------|---------------------------|---------------|-------------------------|----------------|
|                                      | <b>June 30,</b>           |               | <b>June 30,</b>         |                |
|                                      | <b>2022</b>               | <b>2021</b>   | <b>2022</b>             | <b>2021</b>    |
| Net revenues                         | \$ 123,467                | \$ 101,663    | \$ 243,835              | \$ 204,683     |
| Cost of revenues                     | <u>60,111</u>             | <u>54,287</u> | <u>124,653</u>          | <u>112,361</u> |
| Gross profit                         | 63,356                    | 47,376        | 119,182                 | 92,322         |
| Operating expenses:                  |                           |               |                         |                |
| Selling, distribution, and marketing | 5,756                     | 4,129         | 11,275                  | 8,666          |
| General and administrative           | 9,979                     | 14,565        | 22,449                  | 29,903         |
| Research and development             | <u>22,798</u>             | <u>18,122</u> | <u>39,021</u>           | <u>32,887</u>  |

|  |                         |                        |                         |                         |
|--|-------------------------|------------------------|-------------------------|-------------------------|
| Total operating expenses   | <u>38,533</u>           | <u>36,816</u>          | <u>72,745</u>           | <u>71,456</u>           |
| Income from operations   | 24,823                  | 10,560                 | 46,437                  | 20,866                  |
| Non-operating income (expenses), net   | <u>(1,672 )</u>         | <u>3,657</u>           | <u>5,747</u>            | <u>(1,535 )</u>         |
| Income before income taxes   | 23,151                  | 14,217                 | 52,184                  | 19,331                  |
| Income tax provision   | <u>5,551</u>            | <u>5,595</u>           | <u>9,628</u>            | <u>6,750</u>            |
| Net income before equity in losses of unconsolidated affiliate                                       | 17,600                  | 8,622                  | 42,556                  | 12,581                  |
| Equity in losses of unconsolidated affiliate   | <u>(254 )</u>           | <u>-</u>               | <u>(957 )</u>           | <u>-</u>                |
| Net income   | <u>\$ 17,346</u>        | <u>\$ 8,622</u>        | <u>\$ 41,599</u>        | <u>\$ 12,581</u>        |
| Net income (loss) attributable to non-controlling interests  | <u>\$ -</u>             | <u>\$ 855</u>          | <u>\$ -</u>             | <u>\$ (227 )</u>        |
| Net income attributable to Amphastar   | <u><u>\$ 17,346</u></u> | <u><u>\$ 7,767</u></u> | <u><u>\$ 41,599</u></u> | <u><u>\$ 12,808</u></u> |
| Net income per share attributable to Amphastar stockholders:   |                         |                        |                         |                         |
| Basic  | \$ 0.35                 | \$ 0.16                | \$ 0.86                 | \$ 0.27                 |
| Diluted  | \$ 0.33                 | \$ 0.16                | \$ 0.79                 | \$ 0.26                 |
| Weighted-average shares used to compute net income per share attributable to Amphastar stockholders: |                         |                        |                         |                         |
| Basic  | 48,864                  | 47,731                 | 48,501                  | 47,626                  |
| Diluted  | 53,227                  | 49,552                 | 52,603                  | 49,535                  |

**Table II**  
**Amphastar Pharmaceuticals, Inc.**  
**Condensed Consolidated Balance Sheets**  
**(Unaudited; in thousands, except share data)**

|                                     | <u>June 30,</u> | <u>December</u> |
|-------------------------------------|-----------------|-----------------|
|                                     | <u>2022</u>     | <u>31,</u>      |
|                                     |                 | <u>2021</u>     |
| <b>ASSETS</b>                       |                 |                 |
| Current assets:                     |                 |                 |
| Cash and cash equivalents           | \$ 166,157      | \$ 126,353      |
| Restricted cash                     | 235             | 235             |
| Short-term investments              | 17,234          | 10,320          |
| Restricted short-term investments   | 2,200           | 2,200           |
| Accounts receivable, net            | 80,810          | 78,804          |
| Inventories                         | 98,733          | 92,807          |
| Income tax refunds and deposits     | 5,878           | 126             |
| Prepaid expenses and other assets   | <u>5,898</u>    | <u>7,274</u>    |
| Total current assets                | 377,145         | 318,119         |
| Property, plant, and equipment, net | 237,564         | 244,244         |
| Finance lease right-of-use assets   | 201             | 353             |

|  |                   |                   |
|--|-------------------|-------------------|
| Operating lease right-of-use assets  | 26,962            | 26,894            |
| Investment in unconsolidated affiliate   | 3,065             | 3,985             |
| Goodwill and intangible assets, net  | 37,700            | 38,870            |
| Other assets   | 18,683            | 16,665            |
| Deferred tax assets  | 22,399            | 22,399            |
| Total assets   | <u>\$ 723,719</u> | <u>\$ 671,529</u> |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>  |                   |                   |
| Current liabilities:   |                   |                   |
| Accounts payable and accrued liabilities   | \$ 97,665         | \$ 89,545         |
| Income taxes payable   | 597               | 9,081             |
| Current portion of long-term debt  | 2,057             | 2,202             |
| Current portion of operating lease liabilities   | 3,315             | 2,982             |
| Total current liabilities  | 103,634           | 103,810           |
| Long-term reserve for income tax liabilities   | 6,531             | 6,531             |
| Long-term debt, net of current portion and unamortized debt issuance costs   | 73,871            | 74,776            |
| Long-term operating lease liabilities, net of current portion  | 24,680            | 24,703            |
| Deferred tax liabilities   | 364               | 534               |
| Other long-term liabilities  | 15,332            | 15,653            |
| Total liabilities  | 224,412           | 226,007           |
| Commitments and contingencies  |                   |                   |
| Stockholders' equity:  |                   |                   |
| Preferred stock: par value \$0.0001; 20,000,000 shares authorized; no shares issued and outstanding  | -                 | -                 |
| Common stock: par value \$0.0001; 300,000,000 shares authorized; 57,896,337 and 48,992,289 shares issued and outstanding as of June 30, 2022 and 56,440,202 and 47,714,912 shares issued and outstanding as of December 31, 2021, respectively | 6                 | 6                 |
| Additional paid-in capital   | 443,042           | 422,423           |
| Retained earnings  | 221,936           | 180,337           |
| Accumulated other comprehensive loss   | (8,709)           | (6,765)           |
| Treasury stock   | (156,968)         | (150,479)         |
| Total equity   | 499,307           | 445,522           |
| Total liabilities and stockholders' equity   | <u>\$ 723,719</u> | <u>\$ 671,529</u> |

**Table III**  
**Amphastar Pharmaceuticals, Inc.**  
**Reconciliation of Non-GAAP Measures**  
**(Unaudited; in thousands, except per share data)**

| <b>Three Months Ended</b> |             | <b>Six Months Ended</b> |             |
|---------------------------|-------------|-------------------------|-------------|
| <b>June 30,</b>           |             | <b>June 30,</b>         |             |
| <b>2022</b>               | <b>2021</b> | <b>2022</b>             | <b>2021</b> |

|   |                         |                         |                         |                         |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| GAAP net income   | \$ 17,346               | \$ 8,622                | \$ 41,599               | \$ 12,581               |
| Adjusted for:   |                         |                         |                         |                         |
| Intangible amortization   | 344                     | 277                     | 696                     | 553                     |
| Share-based compensation  | 4,235                   | 6,084                   | 9,257                   | 10,918                  |
| Impairment of long-lived assets   | -                       | 308                     | -                       | 314                     |
| Reserves for litigation and settlements   | (383)                   | (2,704)                 | (5,729)                 | 2,991                   |
| Income tax provision on pre-tax adjustments   | (812)                   | (306)                   | (507)                   | (2,535)                 |
| Non-GAAP net income   | <u>\$ 20,730</u>        | <u>\$ 12,281</u>        | <u>\$ 45,316</u>        | <u>\$ 24,822</u>        |
| Non-GAAP net loss attributable to non-controlling interests   | <u>\$ -</u>             | <u>\$ 1,666</u>         | <u>\$ -</u>             | <u>\$ 654</u>           |
| Non-GAAP net income attributable to Amphastar   | <u><u>\$ 20,730</u></u> | <u><u>\$ 10,615</u></u> | <u><u>\$ 45,316</u></u> | <u><u>\$ 24,168</u></u> |
| Non-GAAP net income per share attributable to Amphastar stockholders:   |                         |                         |                         |                         |
| Basic   | \$ 0.42                 | \$ 0.22                 | \$ 0.93                 | \$ 0.51                 |
| Diluted   | \$ 0.39                 | \$ 0.21                 | \$ 0.86                 | \$ 0.49                 |
| Weighted-average shares used to compute non-GAAP net income per share attributable to Amphastar stockholders: |                         |                         |                         |                         |
| Basic   | 48,864                  | 47,731                  | 48,501                  | 47,626                  |
| Diluted   | 53,227                  | 49,552                  | 52,603                  | 49,535                  |

**Three Months Ended June 30, 2022**

|   | <b>Cost of revenue</b> | <b>Selling, distribution and marketing</b> | <b>General and administrative</b> | <b>Research and development</b> | <b>Non-operating income (expense), net</b> | <b>Income tax provision</b> | <b>Non-controlling interest adjustments</b> |
|---|------------------------|--|-----------------------------------|---------------------------------|--|-----------------------------|---|
| GAAP  | \$ 60,111              | \$ 5,756                                   | \$ 9,979                          | \$ 22,798                       | \$ (1,672)                                 | \$ 5,551                    | \$  |
| Intangible amortization                     | (219)                  | -  | (125)                             | -                               | -  | -                           | -   |
| Share-based compensation                    | (938)                  | (194)                                      | (2,718)                           | (385)                           | -  | -                           | -   |
| Reserves for litigation and settlements     | -                      | -  | -                                 | -                               | (383)                                      | -                           | -   |
| Income tax provision on pre-tax adjustments | -                      | -  | -                                 | -                               | -  | 812                         | -   |
| Non-GAAP                                    | <u>\$ 58,954</u>       | <u>\$ 5,562</u>                            | <u>\$ 7,136</u>                   | <u>\$ 22,413</u>                | <u>\$ (2,055)</u>                          | <u>\$ 6,363</u>             | <u>\$</u>                                   |

**Three Months Ended June 30, 2021**

|  | <b>Cost of revenue</b> | <b>Selling, distribution and marketing</b> | <b>General and administrative</b> | <b>Research and development</b> | <b>Non-operating income</b> | <b>Income</b> | <b>Non-controlling interest</b> |
|--|------------------------|--|-----------------------------------|---------------------------------|-----------------------------|---------------|---------------------------------|
|--|------------------------|--|-----------------------------------|---------------------------------|-----------------------------|---------------|---------------------------------|



|  | <u>revenue</u>   | <u>and<br/>marketing</u> | <u>administrative</u> | <u>development</u> | <u>(expense),<br/>net</u> | <u>tax<br/>provision</u> | <u>adjustm</u> |
|--|------------------|--------------------------|-----------------------|--------------------|---------------------------|--------------------------|----------------|
| GAAP   | \$ 54,287        | \$ 4,129                 | \$ 14,565             | \$ 18,122          | \$ 3,657                  | \$ 5,595                 | \$             |
| Intangible<br>amortization                           | (244)            | -                        | (33)                  | -                  | -                         | -                        | -              |
| Share-based<br>compensation                          | (932)            | (147)                    | (4,568)               | (437)              | -                         | -                        | -              |
| Impairment<br>of long-lived<br>assets                | (84)             | -                        | (2)                   | (222)              | -                         | -                        | -              |
| Reserves for<br>litigation and<br>settlements        | -                | -                        | -                     | -                  | (2,704)                   | -                        | -              |
| Income tax<br>provision on<br>pre-tax<br>adjustments | -                | -                        | -                     | -                  | -                         | 306                      | -              |
| Non-GAAP   | <u>\$ 53,027</u> | <u>\$ 3,982</u>          | <u>\$ 9,962</u>       | <u>\$ 17,463</u>   | <u>\$ 953</u>             | <u>\$ 5,901</u>          | <u>\$ 1,</u>   |

**Six Months Ended June 30, 2022**

|  | <u>Cost of</u>    | <u>Selling,<br/>distribution<br/>and<br/>marketing</u> | <u>General<br/>and<br/>administrative</u> | <u>Research<br/>and<br/>development</u> | <u>Non-<br/>operating<br/>income<br/>(expense),<br/>net</u> | <u>Income<br/>tax<br/>provision</u> | <u>Non-<br/>control<br/>interc<br/>adjustr</u> |
|--|-------------------|--|---|---|---|-------------------------------------|--|
| GAAP   | \$ 124,653        | \$ 11,275  | \$ 22,449                                 | \$ 39,021                               | \$ 5,747  | \$ 9,628                            | \$   |
| Intangible<br>amortization                           | (454)             | -  | (242)                                     | -                                       | -   | -                                   | -  |
| Share-based<br>compensation                          | (2,323)           | (362)  | (5,579)                                   | (993)                                   | -   | -                                   | -  |
| Reserves for<br>litigation and<br>settlements        | -                 | -  | -   | -                                       | (5,729)   | -                                   | -  |
| Income tax<br>provision on<br>pre-tax<br>adjustments | -                 | -  | -   | -                                       | -   | 507                                 | -  |
| Non-GAAP   | <u>\$ 121,876</u> | <u>\$ 10,913</u>                                       | <u>\$ 16,628</u>                          | <u>\$ 38,028</u>                        | <u>\$ 18</u>  | <u>\$ 10,135</u>                    | <u>\$</u>                                      |

**Six Months Ended June 30, 2021**

|                            | <u>Cost of</u> | <u>Selling,<br/>distribution<br/>and<br/>marketing</u> | <u>General<br/>and<br/>administrative</u> | <u>Research<br/>and<br/>development</u> | <u>Non-<br/>operating<br/>income<br/>(expense),<br/>net</u> | <u>Income<br/>tax<br/>provision</u> | <u>Non-<br/>control<br/>interc<br/>adjustr</u> |
|----------------------------|----------------|--|---|---|---|-------------------------------------|--|
| GAAP                       | \$ 112,361     | \$ 8,666   | \$ 29,903                                 | \$ 32,887                               | \$ (1,535)  | \$ 6,750                            | \$   |
| Intangible<br>amortization | (486)          | -  | (67)                                      | -                                       | -   | -                                   | -  |

|   |                   |                 |                  |                  |               |                 |
|---|-------------------|-----------------|------------------|------------------|---------------|-----------------|
| Share-based compensation                    | (2,078 )          | (274 )          | (7,536 )         | (1,030 )         | -             | -               |
| Impairment of long-lived assets             | (84 )             | -               | (8 )             | (222 )           | -             | -               |
| Reserves for litigation and settlements     | -                 | -               | (1,295 )         | -                | 1,696         | -               |
| Income tax provision on pre-tax adjustments | -                 | -               | -                | -                | -             | 2,535           |
| Non-GAAP                                    | <u>\$ 109,713</u> | <u>\$ 8,392</u> | <u>\$ 20,997</u> | <u>\$ 31,635</u> | <u>\$ 161</u> | <u>\$ 9,285</u> |

**SOURCE:** Amphastar Pharmaceuticals, Inc.

View source version on [accesswire.com](https://www.accesswire.com):

<https://www.accesswire.com/711047/Amphastar-Pharmaceuticals-Reports-Financial-Results-for-the-Three-Months-Ended-June-30-2022>