

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): February 28, 2018

Akorn, Inc.

(Exact name of registrant as specified in charter)

Louisiana
(State or Other Jurisdiction
of Incorporation)

001-32360
(Commission File Number)

72-0717400
(IRS Employer
Identification No.)

1925 W. Field Court, Suite 300, Lake Forest, Illinois 60045
(Address of Principal Executive Offices) (Zip Code)

(847) 279-6100
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Securities Act.

Item 2.02 Results of Operations and Financial Conditions.

Akom, Inc. (the “Company”) provides the information attached hereto as Exhibit 99.1 as a supplement to the financial results presented in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2017 (as filed with the Securities and Exchange Commission on February 28, 2018).

The information in this Item 2.02, including Exhibit 99.1 attached hereto, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed to be incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description of Exhibit
<u>99.1</u>	Supplemental Information



SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AKORN, INC.

Date: February 28, 2018

By: /s/ Duane A. Portwood

Name: Duane A. Portwood

Title: Chief Financial Officer

Non-GAAP Financial Measures

To supplement Akom's financial results presented in accordance with U.S. generally accepted accounting principles ("GAAP"), the Company presents EBITDA and Adjusted EBITDA, which are non-GAAP (also referred to as "adjusted" or "non-GAAP adjusted") financial measures, in the table below.

Akom's management uses EBITDA and Adjusted EBITDA in managing and analyzing its business and financial condition and setting performance goals. Adjusted EBITDA is deemed by the Company to be a useful performance indicator because it includes an add back of non-cash or non-recurring operating expenses that have no impact on continuing cash flows as well as other items that are not expected to recur and therefore are not reflective of continuing operating performance. Akom's management believes that the presentation of these non-GAAP financial measures provide investors greater transparency into Akom's ongoing results of operations allowing investors to better compare the Company's results from period to period. See the table below for details regarding the adjustments made.

The shortcomings of non-GAAP financial measures as performance measures are that they provide a view of the Company's results of operations without including all events during a period. For example, Adjusted EBITDA does not take into account the impact of capital expenditures on either the liquidity or the financial performance of the Company and likewise omits share-based compensation expenses, which may vary over time and may represent a material portion of overall compensation expense.

Investors should also note that these non-GAAP financial measures are not prepared under any comprehensive set of accounting rules or principles and do not reflect all of the amounts associated with the Company's results of operations as determined in accordance with GAAP. Investors should also note that these non-GAAP financial measures have no standardized meaning prescribed by GAAP and, therefore, have limits in their usefulness to investors. In addition, from time-to-time in the future there may be other items that the Company may exclude for purposes of its non-GAAP financial measures; likewise, the Company may in the future cease to exclude items that it has historically excluded for purposes of its non-GAAP financial measures. Because of the non-standardized definitions, the non-GAAP financial measures as used by Akom in this supplemental information may be calculated differently from, and therefore may not be directly comparable to, similarly titled measures used by the Company's competitors and other companies.

Due to the inherent limitations of non-GAAP financial measures, investors 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.

Set forth on the following table is a reconciliation of EBITDA and Adjusted EBITDA to the most directly comparable GAAP financial measure.

RECONCILIATION OF NET (LOSS) FROM CONTINUING OPERATIONS TO NON-GAAP ADJUSTED EBITDA

	FISCAL YEAR ENDED DECEMBER 31, 2017
NET (LOSS) FROM CONTINUING OPERATIONS	(24,550)
ADJUSTMENTS TO ARRIVE AT EBITDA:	
Depreciation expense	23,730
Amortization expense	61,443
Interest expense, net	38,070
Income tax provision (benefit)	(34,648)
EBITDA	64,045
NON-CASH AND OTHER ADDITIONAL ADJUSTMENTS:	
Acquisition-related expenses	8,027
Debt financing costs	5,216
(Gain) from asset sales	(2,802)
Litigation settlements	4,053
Loss on impairment	128,127
One-time implementation costs	3,930
Non-cash stock compensation expense	21,019
Restatement expenses	17,311
ADJUSTED EBITDA	248,926

Note: Net (loss) from continuing operations, EBITDA, and Adjusted EBITDA for the year ended December 31, 2017 includes approximately \$13.1 million of pre-tax expenses related to the TheraTears® direct-to-consumer advertising campaign. This amount is not included as an adjustment to arrive at EBITDA and Adjusted EBITDA.