

USE OF NON-GAAP FINANCIAL INFORMATION

We utilize “Adjusted EBITDA” as a supplemental measure in our ongoing analysis of short term and long-term cash requirement and liquidity needs. Management uses Adjusted EBITDA as an indicator of our current financial performance. By eliminating the impact of all material non-cash charges as well as items that do not regularly occur, we believe that Adjusted EBITDA provides a more accurate and informative indicator of our cash requirements. Adjusted EBITDA does not represent cash flows from operations as defined by generally accepted accounting principles (“GAAP”), is not a measure derived in accordance with GAAP and should not be considered as an alternative to net income (the most comparable GAAP financial measure to EBITDA).

The table below contains a reconciliation of net income (GAAP) and Adjusted EBITDA (Non-GAAP) for the three and twelve months ended December 31, 2019 and December 31, 2018. We do not provide a reconciliation of forward-looking net income (GAAP) to Adjusted EBITDA (Non-GAAP). Due to the nature of certain reconciling items, it is not possible to predict with any reliability what future outcomes may be with regard to the expense or income that may ultimately be recognized in future periods. Any forward-looking Adjusted EBITDA information that we may provide from time to time consistently excludes the same items from projected net income that are excluded from actual net income in the table below.

RiceBran Technologies Inc.

EBITDA and Adjusted EBITDA Reconciliation (non-GAAP)

(in \$000)

	3 Months Ending			12 Months Ending		
	12/31/19	12/31/18	% Chg.	12/31/19	12/31/18	% Chg.
Net Loss	(\$3,739)	(\$2,356)	59%	(\$13,735)	(\$8,101)	70%
Interest Expense (income)	\$48	\$7	580%	\$46	\$12	282%
Depreciation and Amortization	\$559	\$229	144%	\$1,930	\$818	136%
EBITDA	(\$3,132)	(\$2,120)	48%	(\$11,759)	(\$7,271)	62%
Other Income (Expense)	(\$7)	(\$132)	(94%)	(\$868)	(\$168)	417%
Share Based Comp	\$435	\$236	84%	\$1,360	\$886	53%
Acquisition Related	-	\$132	-	\$508	\$132	285%
Adjusted EBITDA	(\$2,705)	(\$1,884)	44%	(\$10,759)	(\$6,421)	68%