

ACTIVITY REPORT

For the fourth quarter
of 2025



TCHAIKAPHARMA
HIGH QUALITY MEDICINES

TCHAIKAPHARMA HIGH QUALITY MEDICINES INC.

22.01.2026

General information about Tchaikapharma High Quality Medicines Inc.

History and development of Tchaikapharma High Quality Medicines Inc.

Legal and commercial name

The legal and commercial name of the company is Tchaikapharma High Quality Medicines Inc.

Location and registration. Unique Identification Code (UIC)

The Company was listed in the Commercial Registry by Decision from 14.03.2000 on the company case 1096/2000 of the Varna District Court as a joint stock company named TCHAIKA PHARMA INC.

By decision of the General Meeting of Shareholders from 04.07.2003, entered by Decision from 30.07.2003 on the company case 1096/2000 of the Varna District Court, the name was changed to TCHAIKAPHARMA HIGH QUALITY MEDICINES INC.

The Company is listed in the Commercial Register of the Registry Agency at the Ministry of Justice with **UIC 103524525**. With registered office. 1 G. M. Dimitrov Bld .

Foundation date and duration in time

The Company was founded and entered in the Commercial Registry by Decision from 14.03.2000 on the company case 1096/2000 of the Varna District Court as a joint stock company. The duration of the Company is not limited in time.

Country of Company registration, headquarters and address pursuant to the Statute; legal form; legislation under which the Company operates

Tchaikapharma High Quality Medicines Inc. is a joint stock company which operates in compliance with the legislation of the Republic of Bulgaria.

The Company was incorporated in the Republic of Bulgaria.

The headquarters and registered office of the Company:

Republic of Bulgaria, 1172 Sofia, 1 G.M. Dimitrov Blvd.

Contact Address: 1172 Sofia, 1 G.M. Dimitrov Blvd.

Telephone: (359 2) 402 64 82

Internet site: www.tchaikapharma.com

Important events in the development of the business of the Company

Important events in the development of the Issuer for the last three years:

- Tchaikapharma High Quality Medicines Inc. was not transformed.

- Tchaikapharma High Quality Medicines Inc. was not transferred or pledged.
- There were no significant changes in the scope of activity of Tchaikapharma High Quality Medicines Inc.
- There were no filed claims for opening of insolvency proceedings.
- By Decision of the General Assembly of 20.06.2023 the profit of 2022 in the amount of BGN 2,791,019.53. (Two million seven hundred and ninety-one thousand nineteen leva and 53 st.) shall be allocated as follows BGN 271,101.95 (Two hundred and seventy one thousand one hundred and one levs and 95 sts.) to be allocated to reserves and BGN 2,499,194.65 (Two million four hundred and ninety nine thousand one hundred and ninety four levs and 65 sts.) to be allocated to Retained Earnings.
- By Decision of the General Assembly of 25.06.2024 the accumulated retained profit in the amount of BGN 7,707,502.56 (Seven million seven hundred and seven thousand five hundred and two levs and 56 st.) shall be distributed as follows: BGN 7,300,000 (Seven million and three hundred thousand levs) shall go for capital increase, reserves shall be set aside BGN 339,950.56 (Three hundred and thirty-nine thousand and nine hundred and fifty levs and 56 st.) and additional reserves BGN 7,552.30 (Seven thousand five hundred and fifty-two leva and 30 st.), BGN 60,000 (Sixty thousand leva) remains retained earnings.
- By Decision of the General Assembly of 25 June 2025, the profit for 2024 in the amount of BGN 4,491,886.82 (four million four hundred and ninety-one thousand eight hundred and eighty-six levs and 82 st.) shall be distributed as follows: BGN 449,188.68 (Four hundred and forty-nine thousand one hundred and eighty-eight levs and 68 st.) shall be allocated to reserves BGN 2,698.14 (Two thousand six hundred and ninety-eight levs and 65 st.) shall be allocated to additional reserves. The company's capital is increased by the amount of BGN 4,100,000, which includes the balance of the profit for 2024 in the amount of BGN 4,040,000.00 and the company's undistributed profit from previous years in the amount of BGN 60,000.00. The increase is in the process of being entered in the Commercial Register.

The current capital of the Company is BGN 95,900,000 distributed in 95,900,000 ordinary dematerialized voting shares with a par value of BGN 1 (one) each.

Tchaikapharma High Quality Medicines Inc. is one of the fastest growing Bulgarian company specialized in manufacturing high quality and affordable generic and original medicines. The production facilities of the company are built in accordance with European requirements. The company is focused of quality and safety of the production of medicinal products for human medicine. In the years in which the company has been on the market it has proved its honesty and patient care.

Its main goal is the renewal of current trends in the worldwide drug therapy. The main priority for the company are medicinal products for the treatment of diabetes, diseases of the central nervous system, cancers and it is mainly focused on medications associated with the treatment of cardiovascular diseases.

Investments

Major investments for each of the following financial years: 2023, 2024 and 2025.

Overview of the investments in fixed assets by type and year is presented in the following table.

Investments for the period	2023	2024	2025
Tchaikapharma High Quality Medicines Inc.			
I. Fixed tangible assets	964	1 387	765
1. Land and buildings		34	
2. Property and equipment	957	1 351	764
3. Other fixed assets	7	2	1
II. Fixed intangible assets	417	10	495
1. Industrial property rights	417	6	131
2. Software		4	11
3. Patents and licenses			353
Total amount of acquisition of fixed tangible and intangible assets	1 381	1 397	1 260

Major investments in progress

The company invested in the purchase of a machine for visual control of each vial in order to optimize the production process and faster release of the finished product. Installation at the Varna plant is complete and the machine is now in operation. At the end of 2024, the company began production of nutritional supplements, and by December 2025, BGN 65 thousand packages had been sold on the market.

Economic activity

The entered in the Commercial Register activity of the Company is: purchase of substances and formulations for the production and sale of pharmaceuticals in finished or processed form, (after Marketing Authorisation); primary and secondary packaging of formulations (after Marketing Authorisation); import, export, re-export and merchandising in original or processed form; barter transactions and commissions; commercial representation of foreign and domestic individuals and legal entities at home and abroad; industrial and commercial management; consulting, marketing, brokerage, leasing, licensing, entrepreneurship, transport and shipping, research and development activities.

Currently the main scope of activity of the Company can be summarized as follows:

- Production

- Packaging (primary and secondary)
- Marketing and promotion of medicines
- Research and Development

Tchaikapharma High Quality Medicines Inc. continuously maintains its production facilities in accordance with the contemporary European requirements for Good Manufacturing Practice in the production of medicines. At present, more than 160 medicinal products and 10 nutritional supplements are produced in the company's factories. The premises and the equipment of the factories are executed in full compliance with the European requirements for the production of medicines and for the plant in Varna – also for sterile medicinal products.

Submitted documentation to BDA (Bulgarian Drug Agency):

Submitted applications for MA for new products:

Famotidine-Tchaikapharma 20 mg; 40 mg film-coated tablets – MA - IAL-41690/09-10-2025; IAL-41691/09-10-2025

Furoser 20 mg; 40 mg tablets – MA - IAL-50032/02-12-2025

Ferric carboxymaltose - Tchaikapharma 50 mg iron/ml dispersion for injection/infusion – MA - IAL-53044/18-12-2025

Submitted Renewals:

Rivaroxaban Tchaikapharma – Renewal - IAL-43935-24-10-2025

Tamayra Plus – Renewal - IAL-43226-21-10-2025

Submitted variations:

Reducci 10 mg; film-coated tablets - Type IA - IAL-40584/02-10-2025

Simvacor 10 mg; 20 mg; 40 mg film-coated tablets - Type IB - IAL-40902/03-10-2025

Diab 80 mg tablets - Type IB, IB, IA - IAL-41573/09-10-2025

Rivaroxaban- Tchaikapharma 10 mg; 15 mg; 20 mg film-coated tablets - notif. Art 61 (3) - IAL-43151/20-10-2025; IAL-43152/20-10-2025; IAL-43153/20-10-2025

Klacar 500 mf film-coated tablets - Type IA - IAL-43051/20-10-2025

Klacar XL 500 mg prolonged-release tablets - Type IA - IAL-43052/20-10-2025

Propipin 75 mg; 110 mg; 150 mg hard capsules - notif. Art 61 (3) - IAL-43809/24-10-2025; IAL-43810/24-10-2025; IAL-43811/24-10-2025

Simvacor 10 mg; 20 mg; 40 mg film-coated tablets - Type IA - IAL-44559/29-10-2025

Alonet 400 mg film-coated tablets - Type IB - IAL-46269/10-11-2025

Isosorbe 40 mg prolonged-release tablets - notif.61(3) - IAL-39689/26-09-2025

RosttaAcy 5mg/100mg; 10mg/100mg; 20mg/100mg hard capsules - Type IA - IAL-46386/10-11-2025

Vancocin CP 1g powder for solution for infusion - Type IAin - IAL-52134/15.12.2025

Furoser 10 mg/ml solution for injection - notif. Art 61 (3) - IAL-52133/15.12.2025

Pizona Combi 15 mg/850 mg film-coated tablets - Type IA - IAL-52169/15.12.2025
Lidocaine Tchaikapharma 10 mg/ml ; 20 mg/ml solution for injection - Type IA - IAL-52435/16.12.2025
Co-Paxene 2mg/0.625mg ;4mg/ 1,25mg tablets - Type IA - IAL-52609/17.12.2025
Kefadim 1 g powder for solution for injection - Type IB - IAL-52689/17.12.2025
Betablocade 50 mg; 100mg prolonged-release tablets - Type IAin - IAL-53621/22.12.2025
Zornichka 12,5 mg; 25 mg tablets – Type IA – IAL - 53797/23.12.2025

Total: 19

Approved MA's from BDA:

Approved variations:

ContaMedia 350mg/ml solution for injection - Type II - BG/MA/MP-70207/17-10-2025
PlaquEX Combi 75 mg/75 mg hard capsules - Type IA - IAL-40821/03-10-2025
Rosteza 10 mg/10 mg; 20 mg/10 mg film-coated tablets - Type II - BG/MA/MP-70248/22-10-2025; BG/MA/MP-70249/22-10-2025
Diab MR 30 mg; modified-release tablets - group IB, IB, IA - IAL-40653/02-10-2025
Meropenem 1g powder for solution for injection/infusion - Type IB - BG/MA/MP-70135/08-10-2025
Cardifriend 5mg; 10mg tablets - Type IB - BG/MA/MP-70133/08-10-2025;
BG/MA/MP-70134/08-10-2025
Zornichka 12,5 mg tablets; 25 mg tablets - Type IAin - IAL-41057/06-10-2025
Furoser 10 mg/ml solution for injection - group IB; IB; IB; IAin - IAL-46808/12-11-2025
Bacteripime 1 g powder for solution for injection/infusion - Type IA - IAL-40649/02-10-2025
Dexketoprofen 50mg/2 ml solution for injection/infusion - Type IAin - BG/MA/MP-70130/07-10-2025
Simvacor 10 mg; 20 mg; 40 mg film-coated tablets - Type IB - BG/MA/MP-70467/11-11-2025;
BG/MA/MP-70468/11-11-2025; BG/MA/MP-70469/11-11-2025
Rivaroxaban- Tchaikapharma 10 mg; 15 mg; 20 mg film-coated tablets - notif. Art 61 (3) - IAL-48152/20-11-2025; IAL-48165/20-11-2025; IAL-48166/20-11-2025
Klacar 500 mf film-coated tablets - Type IA - IAL-45776/06-11-2025
Klacar XL 500 mg prolonged-release tablets - Type IA - IAL-45767/06-11-2025
Propipin 75 mg; 110 mg; 150 mg hard capsules - notif. Art 61 (3) - IAL-48152/20-11-2025;
IAL-48165/20-11-2025; IAL-48166/20-11-2025
Simvacor 10 mg; 20 mg; 40 mg film-coated tablets - Type IA - IAL-46324/10-11-2025
Isosorbe 40 mg prolonged-release tablets - notif.61(3) - IAL-45735/06-11-2025
RosttaAcy 5mg/100mg; 10mg/100mg; 20mg/100mg hard capsules – Type IA - IAL-49657/28-11-2025

Alonet 400 mg film-coated tablets - Type IB - BG/MA/MP-70718/17-12-2025

RosttaAcy 5mg/100mg; 10mg/100mg; 20mg/100mg hard capsules - Type IA - IAL-49657/28-11-2025

Total: 20

Kosovo

Submitted variations:

Bravylol 5 mg tablets – add new manufacturer – Ausun – 06.10.2025

Amarython 50 mg prolonged-release capsules, hard – add bulk Tchaikapharma-Plovdiv – 17.10.2025

Amarython 50 mg prolonged-release capsules, hard – type IB

As of 31.12.2025 the average number of employees in Tchaikapharma High Quality Medicines Inc. was 212 (207 as of 31.12.2024). In the table below detailed information about the employees in the company is provided

	31.12.2025	Relative share
Number of employees as of 31.12.2025	212	100%
Higher education	138	65%
Secondary education	72	34%
Primary education	2	1%
Employees under 30 years	74	35%
Employees 31 - 40 years	79	37%
Employees 41 - 50 years.	47	22%
Employees 51 - 60 years.	12	6%
Employees 60+ years	0	0%
Women	107	51%
Men	105	49%

Significant events since the beginning of the year until 31.12.2025

In the fourth quarter of 2025 there were no significant events.

Key financial indicators

Indicators	01-12/2025 BGN '000	01-12/2024 BGN '000	Change %
Sales revenue	63 994	53 141	20.42%

Earnings before interest, taxes and depreciation (EBITDA)	9 838	7 659	28.45%
Net profit	6 431	4 492	43.16%
	01-12/2025	01-12/2024	Change
	BGN '000	BGN '000	%
Non-current assets	42 270	41 612	1.58%
Current assets	98 236	86 892	13.06%
Equity	140 506	109 449	9.34%
Non-current liabilities	3 009	2 141	40.54%
Current liabilities	21 617	16 914	27.81%

	01-12/2025	01-12/2024
EBITDA/Sales revenue	15%	14%
Net profit/Sales revenue	10%	8%

Review of the risk factors

- The Company's activities could be affected by any change in the regulatory requirements for the production of pharmaceutical products.
- Changes to the legislation regulating the Company's business are possible, and these can potentially increase the costs of compliance or have another effect on its operations.
- The production processes of the Company are subject to stringent requirements and approvals by regulatory authorities which may delay or interrupt the operations of the Company.
- The ability of the Company to pay dividends depends on a number of factors and there is no guarantee that in a year it will be able to pay dividends in accordance with its dividend policy.
- The Company is exposed to operational risk, which is inherent in its business activities.
- The Company is subject to multitude laws and regulations in the field of environmental protection and health and safety conditions and is exposed to potential liabilities related to the environment.
- The Company is exposed to strong competition.
- The Company operates in active exchange with foreign suppliers and customers. It is therefore exposed to currency risk, mainly against the US dollar. Currency risk is related to the adverse movement in the exchange rate of the US dollar against the Bulgarian lev in future business operations, recognized foreign currency assets and liabilities. The rest of the company's operations are usually denominated in Bulgarian lev and/or in euros.

Sales by types of dosage forms

Revenue by dosage forms

01-12/2025	01-12/2024
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	<i>BGN '000</i>	<i>BGN '000</i>
Tablets	48 015	43 981
Ampules	5 605	5 434
Vials	10 286	3 582
Total:	63 906	52 997

Revenue by therapeutic groups	01-12/2025	01-12/2024
	<i>BGN '000</i>	<i>BGN '000</i>
Cardiovascular system	40 025	34 636
Musculoskeletal system and connective tissue	97	49
Respiratory system and antibiotics	7 697	6 223
Nervous system	595	1 104
Endocrine system	4 703	4 252
Other products	7 673	4 032
Digestive system and metabolism	2 524	2 432
Food supplements	349	31
Oncology	244	238
Total:	63 906	52 997

Changes in the inventories of products and work in progress	666	(77)
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Other operating income	01-12/2025	01-12/2024
	<i>BGN '000</i>	<i>BGN '000</i>
Income from rent	70	66
Other income	67	309
Total:	137	375

Financial income	01-12/2025	01-12/2024
	<i>BGN '000</i>	<i>BGN '000</i>
Income from interest	583	477
Income from exchange rate differences	87	52
Total:	670	529

Core activity expenses

Operating expenses	01-12/2025	01-12/2024
	<i>BGN '000</i>	<i>BGN '000</i>
Book value of sold products	3 249	2 251
Materials	15 451	13 552
External services	24 798	19 792
Salaries	8 947	7 944
Social security costs	1 671	1 434
Depreciation costs	2 889	2 519

Other	715	532
Total:	57 720	48 024
Cost of materials	01-12/2025	01-12/2024
	BGN '000	BGN '000
Basic material	13 768	12 064
Electricity	775	796
Fuels and lubricants	245	147
Spare parts and laboratory materials	220	211
Water	42	24
Other materials	401	310
Total:	15 451	13 552

Costs of external services	01-12/2025	01-12/2024
	BGN '000	BGN '000
Security	674	632
Insurance	29	30
Telephone and postage expenses	37	34
Equipment maintenance and subscription	222	261
Fees	389	323
Transport costs	48	48
Other costs for external services	23 399	18 464
Total:	24 798	19 792

Financial expenses	01-12/2025	01-12/2024
	BGN '000	BGN '000
Interest expenses	441	477
Expenses from exchange rate differences	87	51
Other financial expenses	40	1
Total:	568	529

Assets

	01-12/2025	01-12/2024
	BGN '000	BGN '000
Non-current assets		
Property, plant and equipment	33 534	33 304
Intangible assets	3 576	2 836
Investments with minority interest	69	69
Trade receivables	5 091	5 403
Total non-current assets	42 270	41 612
Current assets		
Inventories	17 925	15 862

Trade and other receivables	79 183	70 822
Treasury shares redeemed	-	129
Cash and cash equivalents	1 128	79
Total current assets	98 236	86 892
Total Assets	140 506	128 504

	01-12/2025	01-12/2024
	BGN '000	BGN '000
Property, plant and equipment		
Land and buildings	25 100	23 848
Machinery and equipment	7 892	9 167
Other	-	6
In the process of acquisition	542	283
	33 534	33 304

	01-12/2025	01-12/2024
	BGN '000	BGN '000
Inventories		
Materials	15 284	14 318
Production	803	265
Goods	1 838	1 279
Total:	17 925	15 862

Equity and liabilities

	01-12/2025	01-12/2024
	BGN '000	BGN '000
Registered capital	95 900	91 800
Statutory reserve	13 549	13 097
Undistributed profit	6 431	4 552
Total Equity	115 880	109 449

Liabilities

	01-12/2025	01-12/2024
	BGN '000	BGN '000
Non-current liabilities		
Long-term loans	1 543	675
Deferred tax liabilities	1 198	1 198
Liabilities to employees on retirement	268	268
Total non-current liabilities	3 009	2 141

Current liabilities

Trade and other liabilities	10 450	6 337
Short term loans	9 284	9 784
Current part of long-term loans	932	670
Other tax liabilities	951	123
Total current liabilities	21 617	16 914
Total liabilities	24 626	19 055

Total equity and liabilities	140 506	128 504
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Financial indicators

01-12/2025 01-12/2024

Leverage ratio	0.21	0.17
Financial autonomy ratio	4.71	5.74

Information on the shares of Tchaikapharma High Quality Medicines Inc.

The total amount of shares issued as of 31.12.2025 was 95,900,000 with a nominal value of BGN 1 per share. All issued shares are registered, dematerialized, ordinary and indivisible under the Statute of the Company. All issued shares are of the same type. Each share gives equal rights to its owner in proportion to the nominal value of the share. The shares of Tchaikapharma High Quality Medicines Inc. are traded on the official market of the Bulgarian Stock Exchange-Sofia.

Essential information on the shares of Tchaikapharma High Quality Medicines Inc.

	1-12/2025	1-12/2024
Total number of issued shares	95 900 000	91 800 000
Number of shares in circulation at end of period	95 900 000	91 800 000
Price per share at the end of the period in BGN	18.40	17.23
Market capitalization at the end of the period in BGN	1 764 56FF0	1 581 714 000

Biser Georgiev

/Executive Director/

