

ACTIVITY REPORT

For the first quarter
of 2026



TCHAIKAPHARMA
HIGH QUALITY MEDICINES

TCHAIKAPHARMA HIGH QUALITY MEDICINES INC.

27.04.2026

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 EUR 1,427,025.62 (One million four hundred and twenty seven thousand twenty-five euros and 62 cents) shall be allocated as follows EUR 138,612.22 (One hundred and thirty eight thousand six hundred and twelve euros and 22 cents) to be allocated to reserves, EUR 6,505.13 (Six thousand five hundred and five euros and 13 cents) for additional reserves and EUR 1,277,817.93 (One million two hundred and seventy-seven thousand eight hundred and seventeen euros and 93 cents) to be allocated to Retained Earnings.
- By Decision of the General Assembly of 25.06.2024 the accumulated retained profit in the amount of EUR 3,940,783.48 (Three million nine hundred and forty thousand seven hundred and eighty-three euros and 48 cents) shall be distributed as follows: EUR 3,732,430.73 (Three million seven hundred thirty two thousand four hundred and thirty euros and 73 cents) shall go for capital increase, reserves shall be set aside EUR 173,813.90 (One hundred seventy three thousand eight hundred and thirteen euros and 90 cents) and additional reserves EUR 3,861.42 (Three thousand eight hundred and sixty-one euros and 42 cents), EUR 30,677.51 (Thirty thousand six hundred and seventy-seven euros and 51 cents) remains retained earnings.
- By Decision of the General Assembly of 25 June 2025, the profit for 2024 in the amount of EUR 2,296,665.26 (Two million two hundred and ninety-six thousand six hundred and sixty-five euros and 26 cents) shall be distributed as follows: EUR 229,666.52 (Two hundred and twenty-nine thousand six hundred and sixty-six euros and 52 cents) shall be allocated to reserves EUR 1,379.53 (One thousand three hundred and seventy-nine euros and 53 cents) shall be allocated to additional reserves. The company's capital is increased by the amount of EUR 2,096,296.71, which includes the balance of the profit for 2024 in the amount of EUR 2,065,619.20 and the company's undistributed profit from previous years in the amount of EUR 30,677.51. The increase is in the process of being entered in the Commercial Register.

The current capital of the Company is EUR 49,032,891.40 distributed in 95,900,000 ordinary dematerialized voting shares with a par value of EUR 0.51 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>EUR'000</i>	<i>EUR'000</i>	<i>EUR'000</i>
I. Fixed tangible assets	336	709	391
1. Land and buildings	81	17	0
2. Property and equipment	182	691	391
3. Other fixed assets	74	1	1
II. Fixed intangible assets	44	5	253
1. Industrial property rights	24	3	67
2. Software	20	2	6
3. Patents and licenses	0	0	180
Total amount of acquisition of fixed tangible and intangible assets	380	714	644

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, 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:

Submitted Renewals:

TromBye – 100 mg tablets – Renewal - IAL-8922/26-02-2026

Submitted variations:

Buto-Asma 0,1mg/dose pressurised inhalation, suspension - notif. Art 61 (3) - IAL-1558/14-01-2026

Meropenem 1g powder for solution for injection/infusion - Type IB - IAL-1960/15-01-2026

Jamax 5 mg tablets - Type Iain - IAL-1967/15-01-2026

Propipin 75mg/110mg/150mg hard capsules - notif. Art 61 (3) - IAL-4747/03-02-2026; IAL-4749/03-02-2026; IAL-4750/03-02-2026

Endora 30mg/ 60mg film-coated tablets - notif. Art 61 (3) - IAL-5992/10-02-2026; IAL-5992/10-02-2026

Buto-Asma 0,1mg/dose pressurised inhalation, suspension - Type IB - IAL-5616/09-02-2026

TromBye 100 mg tablets – Renewal - IAL-8922/26-02-2026

Nordipin 5 mg ; 10 mg tablets - Type IB - IAL-8920/26-02-2026

Peximyr 0,18 mg; 0,7 mg tablets - Type IB - IAL-9666/04-03-2026

Furoser 10 mg/ml solution for injection - notif. Art.61(3) - IAL-10135/06-03-2026

Simvacor 10 mg; 20 mg; 40 mg film-coated tablets - Type IAin - IAL-11770/17-03-2026

Remifentanil-Tchaikapharma 5 mg solution for injection/infusion - Type IB - IAL-11768/17-03-2026

Fluidoro 10 mg film-coated tablets - Type II - IAL-12193/18-03-2026

Prostanorm 6 mg/0,4 mg modified-release tablets - Type Iain - IAL-12566/20-03-2026

Reverantza 20 mg/5 mg; 40 mg/5 mg film-coated - Type IB - IAL-13116/24.03.2026

Total: 15

Approved MA's from BDA:

Approved MA's for new products:

Linagliptin/Metformin Tchaikapharma 2.5 mg/850mg; 2.5mg/1000mg film-coated tablets – MA - BG/MA/MP-70871/12-01-2026; BG/MA/MP-70872/12-01-2026

Tadalafil – Tchaikapharma 5mg, 10mg, 20mg film-coated tablets – MA - BG/MA/MP-71025/29-01-2026; BG/MA/MP-71026/29-01-2026; BG/MA/MP-71027/29-01-2026

Approved Renewals:

Reverantza 20mg/5mg; 40mg/5mg film-coated tablets – Renewal – BG/MA/MP – 71215/23-02-2026; BG/MA/MP – 71216/23-02-2026

Approved variations:

Letrofemin 2,5 mg film-coated tablets - notif. Art 61 (3) - IAL-2276/19-01-2026
Ivabonor 5 mg; 7,5 mg film-coated tablets - Type II - IAL-1101/13.01.2026
Rivaroxaban- Tchaikapharma 10 mg; 15 mg; 20 mg film-coated tablets - notif. Art 61 (3) - IAL-2741/21-01-2026; IAL-2746/21-01-2026; IAL-2750/21-01-2026
Bilamcar 8 mg/5 mg; 16 mg/5 mg; 8mg/10mg; 16mg/10mg capsules, hard – Type IB - IAL-3133/23.01.2026
Bilamcar 8 mg/10 mg capsules, hard - Type IB - IAL-3140/23.01.2026
RosttaAcy 5mg/100mg; 10mg/100mg; 20mg/100mg hard capsules - Type IA - IAL-0527/08.01.2026
Vancocin CP 1g powder for solution for infusion - Type IAin - BG/MA/MP-70955/20-01-2026
Furoser 10 mg/ml solution for injection - notif. Art 61 (3) - IAL-4281/30-01-2026
Pizona Combi 15 mg/850 mg film-coated tablets - Type IA - IAL-1808/15.01.2026
Lidocaine Tchaikapharma 10 mg/ml ; 20 mg/ml solution for injection Type IA - IAL-1113/13.01.2026
Co-Paxene 2mg/0.625mg ;4mg/ 1,25mg tablets - Type IA - IAL-1752/15.01.2026
Kefadim 1 g powder for solution for injection - Type IB - IAL-7969/20-02-2026
Betablocade 50 mg; 100mg prolonged-release tablets - Type Iain - BG/MA/MP-71447/17-03-2026; BG/MA/MP-71448/17-03-2026
Buto-Asma 0,1mg/dose pressurised inhalation, suspension - notif. Art 61 (3) - IAL-3575/27-01-2026
Meropenem 1g powder for solution fot injection/infusion - Type IB - IAL-8237/23-02-2026
Jamax 5 mg tablets - Type Iain - BG/MA/MP-71270/05-03-2026
Propipin 75mg/110mg/150mg hard capsules - notif. Art 61 (3) - IAL-11126/12-03-2026; IAL-11128/12-03-2026; IAL-11130/12-03-2026
Buto-Asma 0,1mg/dose pressurised inhalation, suspension - Type IB - BG/MA/MP-71446/17-03-2026
Nordipin 5 mg ; 10 mg tablets - Type IB - BG/MA/MP-71412/13-03-2026; BG/MA/MP-71413/13-03-2026
Peximyr 0,18 mg; 0,7 mg tablets - Type IB - BG/MA/MP-71410/13-03-2026; BG/MA/MP-71411/13-03-2026

Total: 20

Kosovo

Submitted applications of MA's for new products:

Approved MA's for new products:

Klacar - film-coated tablets 500mg - new MA – 04.03.2026
Klacar XL - film-coated tablets 500mg – new MA – 04.03.2026

Submitted Renewals:

Bravyol - 5mg tablets – Renewal – 30.01.2026
Amarhyton – 50mg, 100mg prolonged-release capsules, hard – Renewal – 30.01.2026
Tamayra – 5mg/5 mg ; 10mg/5 mg hard capsules– Renewal – 19.02.2026

Morivid - 200 mg film-coated tablets - Renewal – 12.03.2026

Approved Renewals:

Submitted variations:

Morivid – 200 mg film-coated tablets - Type II – 12.02.2026

Amarhython – 50 mg prolonged-release capsules, hard – Type IB – 23.10.2025

Bilamcar – 8mg/5mg; 16mg/5mg hard capsules - Type IA – 26.03.2026

As of 31.03.2026 the average number of employees in Tchaikapharma High Quality Medicines Inc. was 214 (212 as of 31.12.2025). In the table below detailed information about the employees in the company is provided

	31.03.2026	Relative share
Number of employees as of 31.03.2026	214	100%
Higher education	137	64%
Secondary education	76	35%
Primary education	1	1%
Employees under 30 years	76	35%
Employees 31 - 40 years	78	36%
Employees 41 - 50 years.	47	21%
Employees 51 - 60 years.	13	8%
Employees 60+ years	0	0%
Women	106	49%
Men	108	51%

Significant events since the beginning of the year until 31.03.2026

In the first quarter of 2026 there were no significant events.

Key financial indicators

Indicators	01-03/2026	01-03/2025	Change
	EUR'000	EUR'000	%
Sales revenue	9 621	8 277	16.24%
Earnings before interest, taxes and depreciation (EBITDA)	2 381	1 644	44.83%
Net profit	1 829	1 108	65.12%
	01-03/2026	01-12/2025	Change
	EUR'000	EUR '000	%
Non-current assets	22 106	22 370	-1.18%
Current assets	51 502	50 208	2.58%
Equity	73 608	72 578	1.42%

Non-current liabilities	1 484	1 608	-7.71%
Current liabilities	10 662	11 337	- 5.95%

	01-03/2026	01-03/2025
EBITDA/Sales revenue	25%	20%
Net profit/Sales revenue	19%	13%

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 European euro in future business operations, recognized foreign currency assets and liabilities. The rest of the company's transactions are typically denominated in euros.

Sales by types of dosage forms

Revenue by dosage forms	01-03/2026 <i>EUR'000</i>	01-03/2025 <i>EUR'000</i>
Tablets	7 837	12 979
Ampules	18	288
Vials	1 764	2 887
Total:	9 619	16 154

Revenue by therapeutic groups	01-03/2026 <i>EUR'000</i>	01-03/2025 <i>EUR'000</i>
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Cardiovascular system	6 530	10 291
Musculoskeletal system and connective tissue	26	49
Respiratory system and antibiotics	964	1 595
Nervous system	155	293
Endocrine system	730	1 422
Other products	912	1 916
Digestive system and metabolism	190	199
Food supplements	112	135
Oncology	-	254
Total:	9 619	16 154

Changes in the inventories of products and work in progress	433	(148)
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Other operating income	01-03/2026	01-03/2025
	<i>EUR'000</i>	<i>EUR'000</i>
Income from rent	2	2
Other income	-	16
Total:	2	18

Financial income	01-03/2026	01-03/2025
	<i>EUR'000</i>	<i>EUR'000</i>
Income from interest	-	-
Income from exchange rate differences	5	6
Total:	5	6

Core activity expenses

Operating expenses	01-03/2026	01-03/2025
	<i>EUR'000</i>	<i>EUR'000</i>
Book value of sold products	329	506
Materials	2 201	1 897
External services	3 612	2 684
Salaries	1 177	1 121
Social security costs	230	205
Depreciation costs	382	361
Other	106	87
Total:	8 037	6 862

Cost of materials	01-03/2026	01-03/2025
	<i>EUR'000</i>	<i>EUR'000</i>
Basic material	1 975	1 670
Electricity	120	107
Fuels and lubricants	34	31

Spare parts and laboratory materials	24	35
Water	5	4
Other materials	43	50
Total:	2 201	1 897

Costs of external services	01-03/2026	01-03/2025
	<i>EUR'000</i>	<i>EUR'000</i>
Security	94	81
Insurance	5	4
Telephone and postage expenses	3	5
Equipment maintenance and subscription	33	30
Fees	16	52
Transport costs	6	7
Other costs for external services	3 455	2 506
Total:	3 612	2 684

Financial expenses	01-03/2026	01-03/2025
	<i>EUR'000</i>	<i>EUR'000</i>
Interest expenses	50	63
Expenses from exchange rate differences	21	12
Other financial expenses	2	3
Total:	73	78

Assets

	01-03/2026	01-12/2025
	<i>EUR'000</i>	<i>EUR'000</i>
Non-current assets		
Property, plant and equipment	17 582	17 889
Intangible assets	1 887	1 844
Investments with minority interest	34	34
Trade receivables	2 603	2 603
Total non-current assets	22 106	22 370

Current assets		
Inventories	9 635	9 165
Trade and other receivables	41 796	40 466
Treasury shares redeemed	-	-
Cash and cash equivalents	71	577
Total current assets	51 502	50 208
Total Assets	73 608	72 578

	01-03/2026	01-12/2025
	<i>EUR'000</i>	<i>EUR'000</i>
Property, plant and equipment		

Land and buildings	13 381	13 529
Machinery and equipment	4 133	4 205
Other	-	-
In the process of acquisition	68	155
	17 582	17 889

Inventories	01-03/2026	01-12/2025
	<i>EUR'000</i>	<i>EUR'000</i>
Materials	7 921	7 815
Production	802	411
Goods	912	940
Total:	9 635	9 165

Equity and liabilities

	01-03/2026	01-12/2025
	<i>EUR'000</i>	<i>EUR'000</i>
Registered capital	49 033	49 033
Statutory reserve	7 525	7 525
Undistributed profit	4 904	3 075
Total Equity	61 462	59 634

Liabilities

Non-current liabilities	01-03/2026	01-12/2025
	<i>EUR'000</i>	<i>EUR'000</i>
Long-term loans	665	789
Deferred tax liabilities	637	637
Liabilities to employees on retirement	182	182
Total non-current liabilities	1 484	1 608

Current liabilities

Trade and other liabilities	5 604	5 590
Short term loans	4 002	4 752
Current part of long-term loans	457	476
Current corporate income tax	29	29
Other tax liabilities	570	489
Total current liabilities	10 662	11 337
Total liabilities	12 146	12 944
Total equity and liabilities	73 608	72 578

Financial indicators

	01-03/2026	01-12/2025
Leverage ratio	0.20	0.22

Financial autonomy ratio

5.06

4.61

Information on the shares of Tchaikapharma High Quality Medicines Inc.

The total amount of shares issued as of 31.03.2026 was 95,900,000 with a nominal value of EUR 0.51 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.

	1-03/2026	1-12/2025
Total number of issued shares	95 900 000	95 900 000
Number of shares in circulation at end of period	95 900 000	95 900 000
Price per share at the end of the period in EUR	9.35	9.40
Market capitalization at the end of the period in EUR	896 665 000	901 460 000

Biser Georgiev

/Executive Director/

