

CONSOLIDATED ACTIVITY REPORT

For the second quarter
of 2026



TCHAIKAPHARMA
HIGH QUALITY MEDICINES

TCHAIKAPHARMA HIGH QUALITY MEDICINES INC.

27.08.2026

General information about Tchaikapharma High Quality Medicines Inc.-Group

1. 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 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.

2. 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.

"Tchaikapharma High Quality Medicines" Inc. is a public company according to the Public Offering of Securities Act of 21.05.2015.

3. Controlled companies

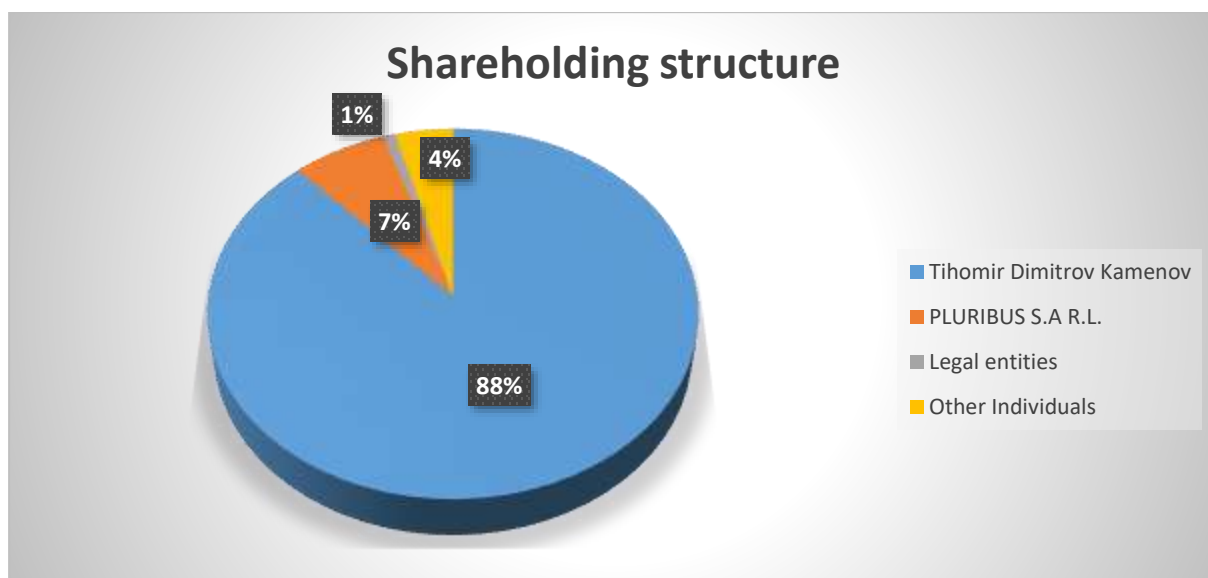
As of 30.06.2026 it has one wholly-owned subsidiary: SWYSSI S.R.L. registered in the Republic of Romania and on 21.02.2024 registered a second subsidiary, PERPETEL EAD.

4. Board of Directors

Tchaikapharma High Quality Medicines Inc. has a one-tier management system with a Board of Directors of three members. The management of the parent company in the person of the Board of Directors as of 30.06.2026 is composed of:

Biser Rosenov Georgiev	Chairman
Sylvia Slavcheva Patrikova	Member
Radka Alexandrova Tsenova	Member

5. Shareholding structure 30.06.2026.



6. Employees

As of 30.06.2026, the average number of employees in Tchaikapharma High Quality Medicines Inc. Group is 214 people, who are entirely in the parent company.

II. Development of the activity

Investments

Major investments in the second quarter of 2026.

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

Investments for the period	2024	2025	2026
Tchaikapharma High Quality Medicines Inc.	EUR'000	EUR'000	EUR'000
I. Fixed tangible assets	709	391	274
1. Land and buildings	17	0	9
2. Property and equipment	691	391	214
3. Other fixed assets	1	1	51
II. Fixed intangible assets	5	253	55
1. Industrial property rights	3	67	55
2. Software	2	6	-
3. Patents and licenses	0	180	-
Total amount of acquisition of fixed tangible and intangible assets	714	644	329

Major investments in progress

The company makes capital investments in the acquisition and development of innovative dosage forms with a view to diversifying and expanding its product portfolio. Alongside its pharmaceutical products, Tchaikapharma High-Quality Medicines Inc. also manufactures food supplements designed to improve health and quality of life.

KEY FINANCIAL INDICATORS

Indicators	01-06/2026	01-06/2025
	EUR'000	EUR'000
Sales revenue	19 141	16 365
Earnings before interest, taxes and depreciation (EBITDA)	3 430	3 442
Net profit	2 395	2 446
	01-06/2026	01-12/2025
	EUR'000	EUR'000
Non-current assets	21 805	22 336
Current assets	51 182	50 237
Equity	62 024	59 629
Non-current liabilities	1 392	1 608
Current liabilities	9 571	11 336
	01-06/2026	01-06/2025

EBITDA/Sales revenue	18%	21%
Net profit/Sales revenue	13%	15%

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	01-06/2026 EUR'000	01-06/2025 EUR'000
Tablets	14 543	12 661
Ampules	164	90
Vials	4 425	3 588
Total:	19 132	16 340

Revenue by therapeutic groups	01-06/2026 EUR'000	01-06/2025 EUR'000
Cardiovascular system	12 001	10 374
Musculoskeletal system and connective tissue	24	25
Respiratory system and antibiotics	2 465	1 600
Nervous system	292	220
Endocrine system	1 491	1 190
Other products	2 309	2 112

Digestive system and metabolism	366	563
Food supplements	153	129
Oncology	31	128
Total:	19 132	16 340

Changes in the inventories of products and work in progress	684	(24)
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Other operating income	01-06/2026	01-06/2025
	<i>EUR'000</i>	<i>EUR'000</i>
Income from rent	10	16
Other income	-	10
Total:	10	26

Financial income	01-06/2026	01-06/2025
	<i>EUR'000</i>	<i>EUR'000</i>
Income from interest	-	-
Income from exchange rate differences	6	30
Total:	6	30

Core activity expenses

Operating expenses	01-06/2026	01-06/2025
	<i>EUR'000</i>	<i>EUR'000</i>
Book value of sold products	970	939
Materials	4 456	3 793
External services	7 805	5 329
Salaries	2 416	2 264
Social security costs	479	424
Depreciation costs	758	708
Other	237	176
Total:	17 121	13 633

Cost of materials	01-06/2026	01-06/2025
	<i>EUR'000</i>	<i>EUR'000</i>
Basic material	4 012	3 369
Electricity	232	182
Fuels and lubricants	69	62
Spare parts and laboratory materials	48	73
Water	11	8
Other materials	84	99
Total:	4 456	3 793

Costs of external services	01-06/2026	01-06/2025
	<i>EUR'000</i>	<i>EUR'000</i>
Security	182	162
Insurance	7	7
Telephone and postage expenses	9	9
Equipment maintenance and subscription	64	56
Fees	34	80
Transport costs	13	12
Other costs for external services	7 496	5 004
Total:	7 805	5 329

Financial expenses	01-06/2026	01-06/2025
	<i>EUR'000</i>	<i>EUR'000</i>
Interest expenses	97	119
Expenses from exchange rate differences	34	23
Other financial expenses	5	6
Total:	136	148

Assets

	01-06/2026	01-12/2025
	<i>EUR'000</i>	<i>EUR'000</i>
Non-current assets		
Property, plant and equipment	17 249	17 889
Intangible assets	1 953	1 844
Trade receivables	2 603	2 603
Total non-current assets	21 805	22 336

Current assets		
Inventories	9 145	9 165
Trade and other receivables	41 951	40 465
Cash and cash equivalents	86	607
Total current assets	51 182	50 237
Total Assets	72 987	72 573

	01-06/2026	01-12/2025
	<i>EUR'000</i>	<i>EUR'000</i>
Property, plant and equipment		
Land and buildings	13 223	13 529
Machinery and equipment	3 959	4 205
Other	-	-
In the process of acquisition	67	155
	17 249	17 889

Inventories	01-06/2026	01-12/2025
	<i>EUR'000</i>	<i>EUR'000</i>
Materials	7 440	7 815
Production	804	411
Goods	901	940
Total:	9 145	9 165

Equity and liabilities

	01-06/2026	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	5 466	3 071
Total Equity	62 024	59 629

Liabilities

	01-06/2026	01-12/2025
	<i>EUR'000</i>	<i>EUR'000</i>
Non-current liabilities		
Long-term loans	573	789
Deferred tax liabilities	637	637
Liabilities to employees on retirement	182	182
Total non-current liabilities	1 392	1 608
Current liabilities		
Trade and other liabilities	5 072	5 590
Short term loans	4 003	4 752
Current part of long-term loans	440	476
Current income tax		29
Other tax liabilities	56	489
Total current liabilities	9 571	11 337
Total liabilities	10 963	12 944
Total equity and liabilities	72 987	72 573

Financial indicators

	01-06/2026	01-12/2025
Leverage ratio	0.18	0.22
Financial autonomy ratio	5.66	4.61

Information on the shares of Tchaikapharma High Quality Medicines Inc.-
Group

The total amount of shares issued as of 30.06.2026 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.-Group

	1-06/2026	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	9.10	9.40
Market capitalization at the end of the period in EUR	872 690 000	901 460 000

Biser Georgiev

/Executive Director/

