KNIGHT THERAPEUTICS INC.

ANNUAL INFORMATION FORM
Fiscal year ended December 31, 2025

March 18, 2026

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Cautionary Note Regarding Forward Looking Statements

Certain statements contained in this annual information form ("AIF") may constitute "forward-looking information" or "forward-looking statements" (collectively, "forward-looking statements") within the meaning of applicable Canadian securities laws. Any statements made in this AIF that are not statements of historical fact or that refer to estimated or anticipated future events are forward-looking statements. These include, but are not limited to, the Corporation's beliefs about future revenue and expense levels and growth rates, prospects related to its strategic initiatives and business strategies (including the integration of, and synergies associated with, strategic acquisitions), express or implied assumptions about government regulatory action or inaction, anticipated product approvals and launches, business initiatives and product development activities, assessments related to clinical trial results, product performance and the competitive environment, and anticipated financial performance. Without limiting the generality of the foregoing, words such as "may", "will", "expect", "believe", "anticipate", "intend", "could", "would", "estimate", "preliminary", "continue", "plans" or "pursue", or the negative or other variations thereof or comparable terminology, are intended to identify forward-looking statements.

Although the Corporation believes that the forward-looking statements in this AIF are based on information and assumptions that are reasonable, these forward-looking statements are by their nature subject to a number of factors that could cause actual results to differ materially from management's expectations and plans as set forth in such forward-looking statements, including, without limitation, the following factors, many of which are beyond the Corporation's control and the effects of which can be difficult to predict: risks related to operations in Latin American emerging markets, cross-border trade risks including the imposition of tariffs and other trade restriction measures, political and economic conditions in the countries in which the Corporation operates, the ongoing conflicts between Ukraine and Russia, as well as in the Middle East, inflation and interest rates, currency exchange fluctuations, volatility in financial markets and the banking system, disruptions in the global supply chain, changes in laws and regulations, and the effects of climate change on business operations, financial results and the supply chain.

The Corporation cautions that the foregoing lists of factors and assumptions are not exhaustive and that other factors could also adversely affect its results. For more information on the risks, uncertainties and assumptions that could cause the Corporation's actual results to differ from current expectations, please refer to the matters discussed under the "Risk Factors" section of this AIF.

The forward-looking statements contained in this AIF describe the Corporation's expectations at the date of this AIF and, accordingly, are subject to change after such date. Except as may be required by applicable securities laws, the Corporation does not undertake any obligation to update or revise any forward-looking statements contained in this AIF, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on these forward-looking statements.

GLOSSARY OF ABBREVIATIONS

In this AIF, unless the context otherwise requires, the following terms shall have the meanings set forth below:

Abbreviation	Entity
60P	60^{o} Pharmaceuticals, LLC
Antibe	Antibe Therapeutics Inc.
BMS	Bristol-Myers Squibb
Crescita	Crescita Therapeutics Inc.
Knight Europe or GBT	Knight Therapeutics Europe S.A. (former Biotoscana Investments Inc.)
Knight, the Corporation or the Company	Knight Therapeutics Inc.
Knight International	Knight Therapeutics International S.A.
Knight USA	Knight Therapeutics USA Inc.
M8	M8 Pharmaceuticals, Inc.
NBC	National Bank of Canada
Paladin	Paladin Labs Inc.
Profounda	Profounda Inc.
Synergy	Synergy CHC Corp.
Teralys	Teralys Capital
Triumvira	Triumvira Immunologics Inc.
TVM	TVM Capital GmbH
TXMD	TherapeuticsMD, Inc

Abbreviation	Currency
ARS	Argentine Peso
BOB	Bolivian Boliviano
BRL	Brazilian Real
C$ or $	Canadian Dollar
CHF	Swiss Franc
CLP	Chilean Peso
COP	Colombian Peso
EUR	Euro
MXN	Mexican Peso
PEN	Peruvian Sol
PYG	Paraguayan Guarani
US$ or USD	U.S. Dollar
UYU	Uruguayan Peso

Abbreviation	Territory
CAN	Canada
LATAM	Latin America
U.S.	United States of America

Abbreviation	Other
ADHD	Attention-Deficit Hyperactivity Disorder
AI	Artificial Intelligence
ANDI	Asociación Nacional de Empresarios de Colombia (Colombia's national business association)
ANMAT	Administración Nacional de Medicamentos, Alimentos y Tecnología Médica (Argentina's health authority regulatory agency)
ANS	Agência Nacional de Saúde Suplementar (Brazil´s national health agency)
ANVISA	Agencia Nacional de Vigilancia Sanitaria (Brazil's health authority regulatory agency)
API	Active pharmaceutical ingredient
ASCT	Autologous stem cell transplantation
BIRMEX	Laboratorios de Biológicos y Reactivos de México (Mexican state-owned pharmaceutical company)
CADTH	Canadian Agency for Drugs and Technologies in Health
CAGR	Compound Annual Growth Rate
CBCA	Canada Business Corporations Act
CEO	Chief Executive Officer
COFEPRIS	Comisión Federal para la Protección contra Riesgos Sanitarios (Mexico's health authority regulatory agency)
Common Share	Common share of Knight Therapeutics Inc.
CONITEC	National Committee for Health Technology Incorporation
CMED	Câmara de Regulação do Mercado de Medicamentos (Brazil's pharmaceutical price-regulation government body)
CMO	Contract manufacturing organization
CRA	Canada Revenue Agency
CTD	Common Technical Document
DIGEMID	Directorate General of Medicines, Supplies and Drugs in Peru
DLBCL	Diffuse large B-cell lymphoma
EMA	European Medicines Agency
ESG	Environmental, social and governance
FDA	U.S. Food and Drug Administration
FGFR2	Fibroblast growth factor receptor 2
Financial Statements	Annual audited consolidated financial statements
FL	Follicular Lymphoma
FONASA	Fondo Nacional de Salud (Chile's public health insurance system)
Formulary	An official list of drugs established by a provincial government or a private insurance plan, the cost of which will be reimbursed by them for the benefit of eligible patients
Generic Drug/ Gx	A drug that, in comparison with an Innovative Drug, contains identical amounts of the identical medicinal ingredients, in comparable dosage forms, but does not necessarily contain the same non-medicinal ingredients and which is interchangeable with the said Innovative Drug
GMP	Good Manufacturing Practices, which are the standards established by health authorities under which drugs can be developed, manufactured, packaged, analyzed, stored and shipped
HER2	Human epidermal growth factor receptor 2
HIP	Highest International Price
HIV	Human immunodeficiency virus infection
HMO	Health Maintenance Organization
HTA	Health Technology Assessment
IEEPA	International Emergency Economic Powers Act
IFC	International Finance Corporation
IMC	Innovative Medicines Canada
IMPI	Mexican Intellectual Property Office

IMSS	Mexican Social Security Institute
INDEC	Instituto Nacional de Estadística y Censos (Argentina's National Institute of Statistics and Censuses)
INESSS	Institut national d'excellence en santé et services sociaux
Innovative Drug	A drug that usually enjoys proprietary barriers to entry, including regulatory or patent derived market exclusivity, novelty or brand differentiation
INSABI	Institute of Health for the Wellbeing
INVIMA	Instituto Nacional de Vigilancia de Medicamentos y Alimentos (Colombia's health authority regulatory agency)
IQVIA	IQVIA Holdings, Inc. a leading pharmaceutical market research organization
IRP	International Reference Pricing
ISP	Instituto de Salud Publica de Chile (Public Health Institute of Chile)
ITP	Immune thrombocytopenia
MD&A	Management Discussion and Analysis
NAV	Net Asset Value
NCA	Argentina´s National Competition Authority
NCIB	Normal Course Issuer Bid
NCPMMD	National Price Commission of Pharmaceuticals and Medical Devices of Colombia
OECD	Organization for Economic Cooperation and Development
PAMI	Public health insurance agency in Argentina
PBS	Colombian Formulary of Drugs
pCODR	Pan-Canadian Oncology Review
pCPA	Pan-Canadian Pharmaceutical Alliance
PFIC	Passive Foreign Investment Company
PLOA	Projeto de Lei Orçamentária Anual (Brazilian annual budget bill)
PMPRB	Patented Medicine Prices Review Board, an independent quasi-judicial body that oversees pricing of patented pharmaceuticals in Canada
PhRMA	Pharmaceutical Research and Manufacturers of America association
PRV	Priority Review Voucher
QRA	Quebec Revenue Agency
SOFR	Secured Overnight Financing Rate
TPD	Health Canada's Therapeutic Products Directorate
TSX	Toronto Stock Exchange, a Canadian senior equities market
TSX-V	TSX Venture Exchange, a Canadian equities market
UPC	Unidad de Pago por Capitación (per-capita budget, Colombia)
USMCA	United States–Mexico–Canada Agreement

Throughout this Annual Information Form, references to the Company´s products are made using their respective brand names. For more information about these products refer to Business of the Corporation - Knight's Product Portfolio. The corresponding API (molecule) for each brand name is set out in the table below:

Brand Name	Molecule Name
Abraxane®	Paclitaxel protein-bound particles for injectable suspension
Akynzeo®	Netupitant/palonosetron/fosnetupitant/palonosetron
Aloxi®	Palonosetron
Ambisome®	Amphotericin B
Arakoda™	Tafenoquine
Bapocil®	Palbociclib
Bijuva®	Estradiol and progesterone
Cresemba®	Isavuconazonium sulfate
Crexont®	Carbidopa and levodopa
Dexedrine®	Dextroamphetamine sulfate
Dolufevir®	Dolutegravir
Envarsus® PA	Tacrolimus
Exelon®	Rivastigmine
Fibridoner®	Pirfenidone
Fycompa®	Perampanel
Gemtesa®	Vibegron
Halaven®	Eribulin mesylate
Impavido®	Miltefosine
Imvexxy®	Estradiol vaginal inserts
Jornay PM®	Methylphenidate HCl extended-release capsules
Karfib®	Carfilzomib
Ladevina®	Lenalidomide
Lenvima®	Lenvatinib
Leprid®	Leuprolide acetate
Metadol	Methadone hydrochloride
Metadol-D	Methadone hydrochloride
Minjuvi®	Tafasitamab
Movantik®	Naloxegol
Myfembree®	Relugolix/estradiol/norethindrone acetate
Nerlynx®	Neratinib
Niktimvo®	Axatilimab
Nucynta®	Tapentadol (tapentadol hydrochloride)
Onicit®	Palonosetron
Orgovyx®	Relugolix
Palbocil®	Palbociclib
Pemazyre®	Pemigatinib
Qelbree®	Viloxazine
Rembre®	Dasatinib
Salofalk®	Mesalazine
Statex	Morphine sulfate
Tavalisse®	Fostamatinib

Testim®	Testosterone
Trelstar®	Triptorelin
Tridural	Tramadol hydrochloride
Ursofalk®	Ursodeoxycholic acid
Vidaza®	Azacitidine
Wynzora®	Calcipotriol and betamethasone dipropionate
Xcopri®	Cenobamate
Xetrane®	Pomalidomide
Zynyz®	Retifanlimab
Zyvalix®	Abiraterone acetate

CORPORATE STRUCTURE

Knight Therapeutics Inc. (“Knight”, the "Company" or the “Corporation”) was incorporated under the CBCA on November 1, 2013. On February 28, 2014, the Corporation ceased to be a wholly-owned subsidiary of Paladin immediately following a court approved plan of arrangement under Section 192 of the CBCA, and its Common Shares were listed on the TSX-V the same day. On April 29, 2014, the Corporation’s Common Shares were up-listed from the TSX-V to the TSX. The articles of the Corporation have been amended several times, and most recently the Corporation amalgamated with NeurAxon Inc. on January 1, 2015. On November 29, 2019, Knight acquired 51.2% interest in Biotoscana Investments S.A. (renamed Knight Therapeutics Europe S.A. and hereinafter referred as “Knight Europe”) and acquired the remaining 48.8% in August 2020. The Corporation’s registered offices are located at 100 Alexis-Nihon Blvd., #600, Montreal, Québec, Canada H4M 2P2.

Please see below an organizational chart showing the intercorporate relationships of Knight as at December 31, 2025. Knight wholly owns Knight Therapeutics International S.A. ("**Knight International**"), Knight Therapeutics USA Inc. ("**Knight USA**"), Knight Europe and its subsidiaries.

Subsidiary	Jurisdiction of Incorporation	Percent ownership
Laboratorio LKM S.A.[1]	Argentina	100%
Laboratorio LKM Bolivia S.A.	Bolivia	100%
UM - Industria e Distribuidora de Medicamentos Ltda.	Brazil	100%
United Medical Ltda.	Brazil	100%
11718991 Canada Inc.	Canada	100%
Laboratorio Biotoscana Farma S.p.A.	Chile	100%
Laboratorio LKM Chile S.p.A.	Chile	100%
Biotoscana Farma S.A.	Colombia	100%
Biotoscana Colveh 1 S.A.S	Colombia	100%
Biotoscana Colveh 2 S.A.S	Colombia	100%
Biotoscana Colveh 3 S.A.S	Colombia	100%
Biotoscana Colveh 4 S.A.S	Colombia	100%
Knight Therapeutics USA Inc.	Delaware	100%
Biotoscana Ecuador S.A.	Ecuador	100%
LKM Laboratorios Ecuador S.A.	Ecuador	100%
Knight Therapeutics Europe S.A.	Grand Duchy of Luxembourg	100%
Grupo Biotoscana de Especialidad S.A. de C.V.	México	100%
Grupo Biotoscana Panamá S.A.	Panamá	100%
Laboratorio LKM Paraguay S.A.	Paraguay	100%
Biotoscana Farma de Perú S.A.C.	Perú	100%
Grupo Biotoscana S.L.U.	Spain	100%
Latin American Pharma Company ETVE S.L.U.	Spain	100%
Knight Therapeutics International S.A.	Uruguay	100%
Biotoscana Uruguay S.A.	Uruguay	100%
GBT - Grupo Biotoscana S.A.	Uruguay	100%

[1] *Effective January 1, 2025, Laboratorio LKM S.A. and Biotoscana Farma S.A. were merged.*

All dollar amounts herein are expressed in thousands of Canadian dollars (unless otherwise indicated) except for share and per share amounts. All other currencies are in thousands (unless otherwise indicated).

GENERAL DEVELOPMENT OF THE BUSINESS

Overview

Knight was founded in 2014 to become a leading rest of world specialty pharmaceutical company focused on acquiring, in licensing, out-licensing, marketing, and commercializing pharmaceutical products. Knight is currently present in Canada and 10 Latin American countries and works with distributors in select international markets. Since founding, Knight has been focused on building a portfolio of innovative products through in-licensing or acquiring product rights. Knight operates in the fast-growing Latin American countries, through its wholly-owned subsidiaries - United Medical, Biotoscana Farma and Laboratorio LKM, in market segments such as oncology and hematology, infectious diseases, neurology and other specialty therapeutic areas.

Since inception, the Company has raised gross proceeds of $685,000 through issuance of 109,298,800 Common Shares at prices ranging from $3.50 to $10.00. As at March 12, 2026, the Corporation has acquired, under its NCIB programs, a total of 46,027,373 Common Shares at an average price of $5.70 for total cash proceeds of $262,497. The details of the NCIB programs are as follows:

Launch Date	Status	Common Shares Acquired	Average Price ($)	Total Cash Consideration ($)
July 11, 2019	Completed	12,053,693	7.14	86,094
July 14, 2020	Completed	6,193,169	5.33	32,991
July 14, 2021	Completed	10,267,956	5.25	53,869
July 14, 2022	Completed	7,785,625	4.99	38,871
July 14, 2023	Completed	5,999,524	4.87	29,231
July 15, 2024	Completed	2,019,906	5.48	11,065
August 22, 2025	Active	1,707,500	6.08	10,376
Total		**46,027,373**	**5.70**	**262,497**

Knight has committed to invest over $126,000 with nine life sciences debt or equity fund managers all of which can leverage their broad life sciences industry experience and existing relationships with key life science companies to help secure product rights for the Corporation. During 2019, Knight determined that while the fund strategy has been financially successful, the strategy has not been successful from a business development perspective as it led to only two product license agreements. Consequently, Knight has no plans to invest in any new venture capital funds. Since its founding and up to December 31, 2025, the Corporation has invested $161,499 in strategic funds and received distributions of $153,050. Furthermore, as at December 31, 2025, the fund investments were valued on the balance sheet at their fair value of $79,484 and Knight has approximately $3,496[1] of unfunded commitments that may be called over the life of the funds. The remaining life of the funds varies between one to six years but can be extended depending on the ability of the funds to liquidate their investments. Furthermore, Knight invested over $170,000 through strategic debt financing to over a dozen companies with the objective of deploying capital in low risk, fair return opportunities while helping to secure Canadian and select international product rights. In 2025, the Company collected $17,598 [US$12,771] and received warrants with fair value of $1,116 [US$811] for the outstanding strategic loan receivables and as at December 31, 2025 no longer has strategic loan receivables.

In 2025, Knight added more than 50 products to its portfolio. Those products were added through the Paladin and Sumitomo Transactions, and the expansion of our partnerships with Incyte and Helsinn which resulted in the addition of Zynyz®, Niktimvo® and Onicit®, as well as the addition of an in-licensed branded generic product. Furthermore, the Company advanced its pipeline with the regulatory submissions of Tavalisse in Argentina,

[1] Based on December 31, 2025 closing foreign exchange rate

All dollar amounts herein are expressed in thousands of Canadian dollars (unless otherwise indicated) except for share and per share amounts. All other currencies are in thousands (unless otherwise indicated).

Crexont in multiple countries and a supplemental indication for FL for Minjuvi® in Brazil. In 2025, Knight launched Jornay PM® in Canada, Minjuvi® in Mexico and Argentina and Pemazyre® in Brazil and Mexico; the re-launched Onicit® in Mexico and Brazil and Myfembree® and Orgovyx® in Canada.

In 2026, Knight submitted Niktimvo® for regulatory approval in Brazil, and Minjuvi® for the supplemental indication of FL in Argentina and Mexico. In addition, Knight received the approval of the supplemental indication of Minjuvi® for the treatment of adult patients with relapsed or refractory FL in Brazil.

Paladin Transaction

In June 2025, Knight closed a definitive Asset Purchase Agreement to acquire the international business of Endo Operations Limited which was mainly its Canadian business operating as Paladin Pharma Inc. (“Paladin Transaction”). Knight paid $90,002 and an additional $23,008 for inventory and upon receipt of the Partner Payment expects to pay $8,457 for the final and full settlement of the holdback from the purchase price. Furthermore, Knight may pay future contingent payments of up to US$15,000 upon achieving certain sales milestones.

Sumitomo Transaction

In June 2025, Knight entered into exclusive license and supply agreements with Sumitomo Pharma America Inc. ("Sumitomo") and its affiliates to commercialize Myfembree®, Orgovyx® and Gemtesa® in Canada, as well as an asset purchase agreement under which Knight acquired certain mature products (“Sumitomo Transaction”). Under the terms of the agreements, Knight acquired the exclusive rights to distribute, promote, market and sell the in-licensed and acquired products in Canada. Knight paid $25,400 and may pay certain future contingent sales milestones up to $15,750.

Revolving Credit Facility

In June 2025, Knight entered into a secured revolving credit facility with NBC for US$50,000 ($68,215), and drew $60,000 at closing to fund a portion of the Paladin Transaction. On October 31, 2025, Knight completed a syndication of the credit facility, resulting in a four-bank lending syndicate with NBC acting as lead arranger. At that time, the credit facility was increased to US$100,000 and includes an accordion feature for an additional US$100,000, subject to lender approval.

Three Year History

Fiscal 2023

Products

Minjuvi®

Minjuvi® was submitted for regulatory approval in Colombia in Q4 2022, in Argentina in Q1 2023 and Mexico Q2 2023. In July 2023, Knight obtained ANVISA approval for Minjuvi®, under their rare disease designation in combination with lenalidomide followed by Minjuvi® monotherapy for the treatment of adult patients with relapsed or refractory DLBCL, including DLBCL arising from low grade lymphoma, and who are not eligible for ASCT. In addition, on October 16, 2023, Knight received Brazilian pricing approval for Minjuvi® from CMED.

Pemazyre®

On October 10, 2023, Knight submitted a marketing authorization application for Pemazyre® to ANVISA, the Brazilian health regulatory agency, under the rare diseases approval pathway, for the treatment of adults with locally advanced or metastatic cholangiocarcinoma with a FGFR2 fusion or rearrangement that have progressed after at least one prior line of systemic therapy. In addition, Pemazyre® was submitted for regulatory approval in Argentina and Mexico in Q2 2023.

Tavalisse®

In July 2023, Knight submitted marketing authorization applications for Tavalisse® for the treatment of thrombocytopenia in adult patients with chronic ITP who have had an insufficient response to a previous treatment, for regulatory approval in Mexico and Colombia.

Karfib®

In Q2 2023, Knight submitted the marketing authorization application for Karfib® in Chile. Karfib® is indicated as a single agent for the treatment of patients with relapsed or refractory multiple myeloma who have received one or more previous lines of therapy. Karfib® in combination with dexamethasone or with lenalidomide plus dexamethasone is indicated for the treatment of patients with relapsed or refractory multiple myeloma who have received one to three previous lines of therapy.

Rembre®

In Q2 2023, Knight submitted the marketing authorization application for Rembre® in Chile. Rembre® is indicated for treatment of chronic myeloid leukemia with positive Philadelphia chromosome.

Palbocil® and Bapocil®

Palbocil® was launched in Argentina in March 2023 and Bapocil® was approved in Chile in March 2023. Palbocil® / Bapocil® is indicated for the treatment of patients with hormone receptor positive, HER2-negative locally advanced or metastatic breast cancer in combination with: an aromatase inhibitor as initial endocrine-based therapy in post-menopausal women; or fulvestrant in patients with disease progression after prior endocrine therapy.

Xetrane®

In Q2 2023, Knight obtained the regulatory approval for Xetrane® in Chile. Xetrane® is indicated in combination with dexamethasone, for the treatment of adult patients with multiple myeloma who have received at least two prior therapies including lenalidomide and a proteasome inhibitor and have demonstrated disease progression on or within 60 days of completion of the last therapy. Xetrane® is also indicated for the treatment of adult patients with AIDS-related Kaposi sarcoma after failure of highly active antiretroviral therapy or in patients with Kaposi sarcoma who are HIV-negative.

Expansion of Pipeline

Qelbree®

In Q4 2023, Knight in-licensed Qelbree® for Canada. Qelbree® is an extended-release formulation of viloxazine, a multimodal serotonergic and norepinephrine modulating agent, a nonstimulant medication for the treatment of ADHD. Qelbree® is commercially available in the United States as a prescription medicine to treat ADHD in patients 6 years of age and older. Qelbree® was approved by the US Food and Drug Administration in 2021 for the treatment of children 6-17 years of age and in 2022 for the treatment of adults. Qelbree® is the first new nonstimulant to enter the market in over 10 years and will represent a new option in a segment that continues to have a significant unmet medical need.

Strategic Loans

On February 15, 2019, the Company entered into a financing agreement with M8 for up to $159,150 (US$125,000), subject to certain conditions, of which $13,134 (US$10,000) was initially issued and recorded at fair value through profit or loss (FVTPL). The loan bears interest at 15% per annum and matures five years from the issuance date. On September 30, 2019, the Company loaned an additional $1,987 (US$1,500) to M8 at an interest rate of 15% per annum. Furthermore, Knight received warrants of M8.

In September 2023, Acino announced it had entered into an agreement to acquire M8, which closed in Q4 2023 (“M8 Acquisition Transaction”). The Company collected the remaining principal balance of the loan and the fair value of the warrants upon the closing of the M8 Acquisition Transaction.

Fiscal 2024

Products

Minjuvi®

In Q1-24, Knight launched Minjuvi® in Brazil. In Q4-24, Knight obtained regulatory approval by COFEPRIS, the Mexican health regulatory agency, for Minjuvi® in combination with lenalidomide followed by Minjuvi® monotherapy for the treatment of adult patients with relapsed or refractory DLBCL, who are not eligible for ASCT.

Imvexxy® and Bijuva®

In Q1 2024, Knight launched Imvexxy® and Bijuva® in Canada. Imvexxy® is approved for the treatment of moderate-to-severe dyspareunia (vaginal pain associated with sexual activity), a symptom of vulvar and vaginal atrophy, due to menopause. Bijuva®, approved by the Health Canada in September 2020, is a bio-identical hormone therapy combination of estradiol and progesterone in a single, oral softgel for the treatment of

moderate-to-severe vasomotor symptoms due to menopause.

Karfib®

In February 2024, Knight obtained the regulatory approval for Karfib® in Colombia. Karfib® is indicated as a single agent for the treatment of patients with relapsed or refractory multiple myeloma who have received one or more previous lines of therapy. Karfib® in combination with dexamethasone or with lenalidomide plus dexamethasone is indicated for the treatment of patients with relapsed or refractory multiple myeloma who have received one to three previous lines of therapy.

Tavalisse®

Knight submitted marketing authorization applications for Tavalisse®, for the treatment of thrombocytopenia in adult patients with chronic ITP who have had an insufficient response to a previous treatment, for regulatory approval in Brazil in Q1-24 and Argentina in Q1-25. Knight obtained regulatory approval of Tavalisse® in Mexico in Q1-24.

Qelbree®

In Q4-24, Knight submitted Qelbree® for regulatory approval in Canada. Qelbree® is an extended-release formulation of viloxazine, a multimodal serotonergic and norepinephrine modulating agent, a nonstimulant medication for the treatment of ADHD.

Pemazyre®

In Q4-24, Knight obtained regulatory approval for Pemazyre® in Brazil. Pemazyre® is for the treatment of adults with locally advanced or metastatic cholangiocarcinoma with a FGFR2 fusion or rearrangement that have progressed after at least one prior line of systemic therapy.

Lenvima®

During 2023, two companies received ANVISA's approval for generic lenvatinib in Brazil. During 2024, both of those companies received the approval for a branded generic lenvatinib. In Q3-24, a competitor in Brazil launched both a branded generic and a generic of Lenvima®. The introduction of generics and branded generics will increase competitive pressures and negatively impact future sales and margins of Lenvima® in Brazil. Additionally, in Q3-24, a competitor received the approval of a generic lenvatinib in Chile.

Expansion of Pipeline

Crexont®

In Q1-24, Knight in-licensed Crexont® for Canada and Latin America. Crexont® is a novel, oral formulation of carbidopa ("CD")/levodopa ("LD") extended-release capsules designed for the treatment of Parkinson's disease. Crexont® was approved by the US Food and Drug Administration in 2024 for the treatment of Parkinson´s disease. Crexont® contains immediate-release (IR) granules and extended-release (ER) coated beads. The IR granules consist of CD and LD, with a disintegrant polymer to allow for rapid dissolution. The ER beads consist of LD, coated with a sustained release polymer to allow for slow release of the drug, a mucoadhesive polymer to keep the granules adhered to the area of absorption longer, and an enteric coating to prevent the granules from disintegrating prematurely in the stomach. Crexont® was studied in the RISE-PD clinical study which was a 20-week, randomized, double-blind, double-dummy, active-controlled, phase 3 clinical trial with 630 patients. The

RISE-PD study met its primary and secondary endpoints and showed that treatment with Crexont® demonstrated statistically significant improvement in daily "Good On" time with fewer doses of Crexont® compared with immediate-release carbidopa-levodopa (least squares mean, 0.53 hours; 95% CI, 0.09-0.97), with Crexont® dosed a mean 3 times per day vs 5 times per day for immediate-release carbidopa-levodopa[1].

Jornay PM®

In Q2-24, Knight entered into an exclusive supply and distribution agreement for Jornay PM® in Canada and Latin America. Jornay PM®, is an extended-release formulation of methylphenidate, a stimulant medication for the treatment of ADHD. Jornay PM® consists of microbeads with a delayed-release layer and an extended-release layer. The first layer delays the release of the active ingredient until morning while the extended-release layer controls the release of the active ingredient from the early morning and throughout the day. This unique formulation provides a pharmacokinetic profile that allows ADHD symptom control from the time patients wake up until they go to bed. Jornay PM® was studied in two randomized, double-blind, placebo-controlled, phase 3 clinical trials[2,3]. Both studies met their primary and key secondary endpoints demonstrating a statistically significant and clinically meaningful improvement in ADHD symptoms upon awakening, through the afternoon, and into the evening. In Q4-24, Knight obtained regulatory approval from Health Canada for Jornay PM® to treat ADHD in children.

Branded Generic Molecules

Knight in-licensed two branded generic products molecules covering oncology and hematology for certain key territories in LATAM.

Fiscal 2025

Transactions in 2025

Paladin Transaction

In June 2025, Knight closed a definitive Asset Purchase Agreement to acquire the international business of Endo Operations Limited which was mainly its Canadian business operating as Paladin Pharma Inc. ("Paladin Transaction"). Knight paid $90,002 and an additional $23,008 for inventory and upon receipt of the Partner Payment expects to pay $8,457 for the final and full settlement of the holdback from the purchase price. Furthermore, Knight may pay future contingent payments of up to US$15,000 upon achieving certain sales milestones. Paladin's portfolio included over 40 products, including owned and licensed products, most of which are mature products. Paladin's promoted products included Xcopri®, a newly launched treament for epilepsy and Envarsus® PA, an immunosuppressant used to prevent organ rejection. In addition, Paladin had one pipeline asset, Wynzora® for the treatment of psoriasis. Refer to section Business of the Corporation for further information on these products.

Sumitomo Transaction

In June 2025, Knight entered into exclusive license and supply agreements with Sumitomo Pharma America Inc. ("Sumitomo") and its affiliates to commercialize Myfembree®, Orgovyx® and Gemtesa® in Canada, as well as an

[1] *Hauser RA et al. JAMA Neurol. 2023 Oct 1;80(10):1062-1069.*

[2] *Childress, A. C., Cutler, A. J., Marraffino, A., McDonnell, M. A., Turnbow, J. M., Brams, M., DeSousa, N. J., Incledon, B., Sallee, F. R., & Wigal, S. B. (2020). A randomized, double-blind, placebo-controlled study of HLD200, a delayed-release and extended-release methylphenidate, in children with attention-deficit/ hyperactivity disorder: An evaluation of safety and efficacy throughout the day and across settings. Journal of Child and Adolescent Psychopharmacology, 30(1), 2–14. https://doi.org/10.1089/cap.2019.0070*

[3] *Pliszka, S. R., Wilens, T. E., Bostrom, S., Arnold, V. K., Marraffino, A., Cutler, A. J., López, F. A., DeSousa, N. J., Sallee, F. R., Incledon, B., & Newcorn, J. H. (2017). Efficacy and safety of HLD200, delayed-release and extended-release methylphenidate, in children with attention-deficit/hyperactivity disorder. Journal of Child and Adolescent Psychopharmacology, 27(6), 474–482. https://doi.org/10.1089/cap.2017.0084*

asset purchase agreement under which Knight acquired certain mature products ("Sumitomo Transaction"). Under the terms of the agreements, Knight acquired the exclusive rights to distribute, promote, market and sell the in-licensed and acquired products in Canada. Knight paid $25,400 and may pay certain future contingent sales milestones up to $15,750. The Sumitomo Transaction included two newly launched products, Myfembree® for the reduction of symptoms associated with uterine fibroids and endometriosis, and Orgovyx® for the treamtment of advanced prostate cancer. In addition, the Sumitomo Transaction included a pipeine asset, Gemtesa, for the treatment of overactive bladder. Knight relaunched Myfembree® and Orgovyx® in Canada in Q3-25 and expects to submit Gemtesa® for Health Canada approval during 2026 . Refer to section Business of the Corporation for further information on these products.

Expansion of the existing partnerships

Knight expanded its relationship with Helsinn Healthcare SA ("Helsinn") and added exclusive rights to distribute, and commercialize Onicit® in Mexico, Brazil and select LATAM countries. Knight assumed commercial activities for Onicit® in Mexico and Brazil in Q1 2025.

Knight expanded its relationship with Incyte Biosciences International Sàrl ("Incyte") and added the exclusive rights to distribute Zynyz® (retifanlimab) and Niktimvo® (axatilimab) for Latin America. Zynyz® is approved in the United States and Europe for the treatment of adult patients with metastatic or recurrent locally advanced Merkel cell carcinoma (MCC), a rare and aggressive type of skin cancer.[4] Niktimvo® received FDA approval in August 2024 for the treatment of chronic graft-versus-host disease (cGVHD) after failure of at least two prior lines of systemic therapy in adult and pediatric patients weighing at least 40 kg.[5] In Q1 2026, Knight announced that it submitted Niktimvo® for regulatory approval in Brazil. Refer to section Business of the Corporation for further information on these products.

Branded generics

In 2025, Knight in-licensed an oncology/hematology branded generic molecule for Brazil.

Return of commercial rights

In March 2026, Knight executed certain agreements with two partners to return the Canadian commercial rights of six non-core products in exchange for a payment of $21,500 ("Partner Payment"). These products generated revenues of $7,527[6] in 2025.

In accordance with the Asset Purchase Agreement of the Paladin Transaction, as a final and full settlement, Knight will release $8,457 of the Settlement Agreement Holdback to Paladin.

Revolving Credit Facility

In June 2025, Knight entered into a secured revolving credit facility (the "Credit Facility") with NBC for a total amount of US$50,000 [$68,215], of which $60,000 was withdrawn at closing to fund a portion of the Paladin Transaction. On October 31, 2025, Knight closed the syndication of its credit facility. As part of the syndication process, three additional banks were included as Lenders: Citibank N.A., Canadian Imperial Bank of Commerce (CIBC), and The Toronto-Dominion Bank (TD) (together with NBC, the "Lenders"). The syndicate has four banks, with NBC as the Lead Arranger. The Credit Facility was increased to US$100,000 with an accordion feature for an additional US$100,000, subject to receipt of acceptance by the Lenders. The Credit Facility is secured by Knight's

[4] *Incyte Corporation. ZYNYZ (retifanlimab-dlwr) injection, for intravenous use: Full prescribing information. Mar 2023, https://www.zynyz.com/zynyz-prescribing-information. Accessed 24 July 2025.*
[5] *Incyte Corporation. NIKTIMVO (axatilimab-csfr) injection, for intravenous use: Full prescribing information. U.S. Food and Drug Administration, Aug. 2024, https://www.accessdata.fda.gov/drugsatfda_docs/label/2024/761411s000lbl.pdf. Accessed 24 July 2025.*
[6] *For certain products, revenues include $3,247 generated by Paladin Pharma Inc. between January 1 and June 17, 2025.*

assets held in Canada, Luxembourg and Uruguay, and has an initial term of 3 years, with the option to extend annually for additional one-year term. The Credit Facility is subject to customary stand-by fees for the undisbursed portion and can be drawn in USD or CAD at the SOFR or CORRA rate plus an applicable margin between 1.25% to 2.75% depending on Knight's debt leverage plus applicable credit spread adjustments. On December 17, 2025, Knight repaid $20,000 of principal of the Credit Facility and another $10,000 in Q1-2026.

In addition, the Credit Facility includes certain customary financial and non-financial covenants that the Company must maintain over the period of the agreement and are tested on a quarterly basis. As at December 31, 2025, Knight was in compliance with the financial and non-financial covenants.

Acquisition of a manufacturing facility in Argentina

In March 2026, Knight executed an asset purchase agreement to acquire a pharmaceutical development and manufacturing facility (including land, building and certain equipment) in an industrial zone outside of Buenos Aires in Argentina ("Facility"). Knight expects to move portions of its branded generic manufacturing activities to this Facility over the next three years.

Products

Tavalisse®

Knight submitted marketing authorization applications for Tavalisse®, for the treatment of thrombocytopenia in adult patients with chronic ITP who have had an insufficient response to a previous treatment, for regulatory approval in Argentina in Q1 2025. In September 2025, Knight received a rejection from ANVISA regarding its marketing authorization application for Tavalisse® in Brazil and has filed an appeal in December 2025. Knight's appeal was accepted and ANVISA is continuing its review.

Crexont®

Knight submitted Crexont® for approval in Canada and Mexico in Q2 2025 , and in Chile, Argentina and Peru in Q4 2025. Crexont® is a novel, oral formulation of carbidopa ("CD")/levodopa ("LD") extended-release capsules designed for the treatment of Parkinson's disease.

Qelbree®

In Q4 2025, Knight received a Notice of Non-Compliance from Health Canada for its New Drug Submission for Qelbree®, for the treatment of ADHD. Knight expect to submit its response to Health Canada in 2026.

Minjuvi®

Knight submitted supplemental applications seeking regulatory approvals for an additional indication of Minjuvi® in combination with rituximab and lenalidomide for the treatment of adult patients with previously treated FL in Brazil in Q2 2025 and in Argentina and Mexico in Q1 2026. Furthermore, Knight received the approval of Minjuvi® in combination with rituximab and lenalidomide for the treatment of adult patients with relapsed or refractory FL in Brazil in Q1 2026.

In 2025, Knight received the regulatory approval of Minjuvi® in Argentina for the treatment of adult patients with relapsed or refractory DLBCL who are not eligible for ASCT. Minjuvi® was launched in both Mexico and Argentina.

Pemazyre®

Knight obtained the regulatory approval of Pemazyre® as monotherapy for the treatment of adults with locally advanced or metastatic cholangiocarcinoma with a FGFR2 fusion or rearrangement that have progressed after at least one prior line of systemic therapy in Mexico in Q1-25 and Argentina in Q2-25. Furthermore, Knight launched

Pemazyre® in Brazil and Mexico in Q4 2025 and expects to launch in Argentina in the first half of 2026.

Wynzora®

Wynzora® is a cream-based fixed dose combination of calcipotriene and betamethasone dipropionate for topical treatment of psoriasis vulgaris in adults and adolescents aged 12-17 years for up to 8 weeks.[7] Its dual mode of action is targeting the hallmark cytokines IL-23 and IL-17A/F immune axis and TNF-α expression in a single product. Wynzora® Cream is uniquely enabled by MC2's formulation and drug delivery system PAD Technology™, allowing an effective convenient-to-use aqueous formulation.[8] Knight acquired the license agreement with MC2 for Wynzora® upon closing the Paladin Transaction. Wynzora® was approved by Health Canada in Q4 2025. Knight expects to launch Wynzora® in the second half of 2026.

Gemtesa®

Knight licensed Gemtesa® in June 2025 as part of the Sumitomo Transaction. Gemtesa® is indicated for the treatment of overactive bladder (OAB) with symptoms of urge urinary incontinence, urgency, and urinary frequency in adults and OAB with symptoms of urge urinary incontinence, urgency, and urinary frequency in adult males on pharmacological therapy for benign prostatic hyperplasia (BPH) in the U.S.[9] Gemtesa® works by selectively targeting the β3 adrenergic receptors to reduce OAB symptoms through the relaxation of the bladder detrusor muscle to increase bladder capacity. Gemtesa® is approved in the U.S. and Europe, and Knight expects to submit for Health Canada's approval in 2026.

Jornay PM®

Knight launched Jornay PM® in Canada in Q4 2025. Jornay PM® is the first and only evening-dosed methylphenidate product commercially available in Canada to treat ADHD in children from 6 to 12 years of age.[10]

Bapocil®

In 2026, Bapocil® was approved and launched in Colombia. Bapocil® in combination with endocrine therapy is indicated for the treatment of patients with metastatic or advanced breast cancer that is hormone receptor positive and HER2-negative, in combination with: an aromatase inhibitor as initial endocrine-based therapy in post-menopausal women; or with fulvestrant in patients with disease progression after endocrine therapy.

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[7] *Knight Therapeutics, Inc. Wynzora® (calcipotriol and betamethasone dipropionate cream) [product monograph]. Montreal, QC: Knight Therapeutics, Inc.; November 21, 2025.*

[8] *mc2 therapeutics Nov, 2023, https://www.wynzora.com/wp-content/uploads/2023/12/Wynzora_USPI_13.0.pdf access 07 January 7, 2026*

[9] *Urovant Sciences, Inc. GEMTESA (vibegron) Tablets, for Oral Use: Prescribing Information. U.S. Food and Drug Administration, Dec. 2020, https://www.accessdata.fda.gov/drugsatfda_docs/label/2020/213006s000lbl.pdf. Accessed 24 July 2025. accessdata.fda.gov*

[10] *Jornay PM, Health Canada Product monograph, November 2025 https://pdf.hres.ca/dpd_pm/00078457.PDF last access 07 January 2026*

DESCRIPTION OF THE BUSINESS

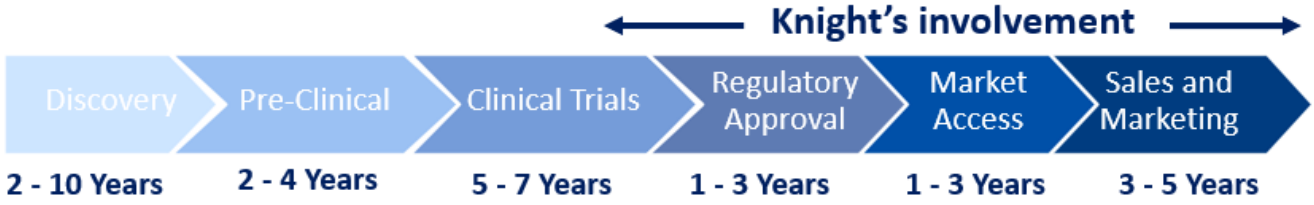
Knight Therapeutics Inc. is a specialty pharmaceutical company, headquartered in Montreal, Canada, and is listed on the Toronto Stock Exchange under the ticker symbol "GUD". The Company operates in Canada, Latin America and select international markets and the activities performed are as follows:

- Principal business activity is developing, acquiring, in-licensing, out-licensing, manufacturing, marketing and distributing pharmaceutical products in Canada, Latin America and select international markets.
- Finances other life sciences companies with the goal of strengthening relationships in the life science industry and securing product distribution rights for Canada and select international markets.
- Invested and monitors investments in life sciences venture capital funds whereby the Company may receive preferential access to innovative healthcare products for Canada and select international markets.
- Develops innovative pharmaceutical products including those to treat neglected tropical and rare pediatric diseases.

In 2019 the Corporation executed on its rest of the world strategy by acquiring a 51.2% interest in GBT, a Latin American specialty pharmaceutical company headquartered in Montevideo, Uruguay, operating in 10 countries in Latin America. In 2020, Knight acquired the remaining stake in GBT.

Knight's Focus

Knight focuses on in-licensing late-stage innovative assets in order to mitigate clinical and regulatory risks. Although Knight's focus is on late-stage innovative products, the Corporation also invests in development of branded generics in Argentina and other Latin American markets since these products generate stable earnings without the inherent risk involved in developing innovative products.



The Innovative Drug Industry

In developed countries, patent and regulatory legislation offers Innovative Drug developers a period of market exclusivity to provide incentives to pharmaceutical companies to take on the high risks, substantial costs and relatively long timeframes associated with developing Innovative Drugs. Such market exclusivity enables Innovative Drug marketers to focus on the sales and marketing of their approved products.

In the LATAM market, patent protection is not as common as in developed countries. Some countries like Brazil and Mexico, have stronger patent protection laws than certain others, such as Argentina. Data exclusivity and trademark registrations are more often relied upon for the protection of intellectual property.

In the Innovative Drug industry, core competencies are required in science, to successfully develop new drugs, in medical and regulatory affairs, to obtain marketing approval, and in market access, sales and marketing, to receive reimbursement and drive prescription volumes. Fully integrated pharmaceutical companies build all of these core competencies, while others focus on specific areas of the value chain. For example, biotech companies focus on the development of new drugs derived from either biotechnology or chemistry. Specialty pharmaceutical companies focus on understanding the dynamics of end-users, obtaining reimbursement and building distribution

networks.

In order for pharmaceutical companies to launch new drugs, a rigorous approval process must be undertaken with the national regulatory authorities in the countries in which the products will be marketed. IMC, a Canadian-based pharmaceutical industry group, estimates that it takes, on average, ten to fifteen years for an experimental drug to advance from the laboratory to the market, that less than five out of five thousand compounds that are screened eventually progress to human testing and that only one of such compounds is ultimately approved for sale. Generally, pre-clinical studies may take place over a three to six-year period. Thereafter, and depending on the success rate of the pre-clinical studies, the actual phase I, phase II and phase III clinical trials may take up to seven years. In addition, the regulatory review and approval process by the FDA and the TPD, or the Latin American health agencies, such as ANVISA, ANMAT, COFEPRIS or INVIMA, could take an additional one to three years. Finally, there may be post-marketing phase IV clinical studies required by both health agencies to strengthen marketing claims of approved products and/or risk management plans or patient registries to monitor drug safety. By focusing on late-stage drugs, the Corporation believes that its risk exposure, costs and time frames for approval may be reduced. During the past decade, the pharmaceutical industry has continued to consolidate. The Corporation believes that this consolidation is being driven by a desire among pharmaceutical companies to (i) gain access to promising product pipelines in key therapeutic categories, (ii) add sales and marketing capabilities in other territories, and (iii) reduce costs through economies of scale and synergies.

Industry consolidation, increased regulation and pricing and reimbursement challenges have increased the level of sales necessary for an individual product to justify active marketing and promotion by large pharmaceutical companies. This has led large pharmaceutical companies to focus their marketing efforts on drugs with high potential sales, new product launches and products which fit within core therapeutic or marketing areas. These pharmaceutical companies may seek to divest small or non-strategic product lines which, the Corporation believes, can be highly profitable for specialty pharmaceutical companies that focus on developing expertise in specialty therapeutic fields.

Branded Generic Industry

Generic Drugs are normally commercialized and known by their chemical name or international nonproprietary name, have the same active ingredient, concentration, pharmaceutical form and dosage and are used for the same indications as the Innovative Drug. They are bioequivalent to the Innovative Drug but may differ in size, shape, packaging and period of activity. Generics are pharmaceutically equivalent to an Innovative Drug. In developing countries, including Latin America, health regulations allow manufacturers to commercialize Generic Drugs with a brand name. Branded generics are given a brand name to differentiate the product from ordinary generics (which are also commercialized in these markets) or other branded generics. The brand name is seen as an indicator of quality and may lead to patient and physician loyalty. In certain developing countries, ordinary generics are commonly sold into public institutions and through government tender and branded generics are sold in private institutions or paid for by patients who will pay more for the better quality associated with the brand. Regulations in Latin American countries vary as to the level of studies that need to be conducted to obtain approval of a generic (branded or otherwise) product. In certain countries in Latin America, branded generic manufacturers are required to provide *in vitro* studies of equivalence, whereas in other countries the manufacturer is required to provide *in vivo* bioequivalence studies. Depending on the type of studies and regulatory review times, it may take between two to four years from launch of development effort to approval and launch of a branded generic product. Similar to Innovative Drug, branded generics are marketed to physicians on the basis of quality and name recognition but rely on the efficacy of the Innovative Drug. For example, Exelon® already has branded generic competitors in Brazil, Colombia and Chile and is likely to face new branded generic competitors in these and other countries. The market for branded generics is highly competitive in Latin America with several large well-funded local companies and multi-nationals with expertise in development and commercialization, including Adium S.A., Eurofarma, Gador, Laboratorios Bago, Sandoz, Cipla, Dr. Reddy and Teva. Competitors in the branded generic industry strive to be first to market in order to gain the most market share before new entrants arrive. As new entrants launch their own branded generic of a certain molecule, competitors may discount products to retain market share.

Pharmaceutical Markets in Which Knight Operates

The Corporation believes that as multinational pharmaceutical companies continue to increase in size, their threshold for desirable products and the target market size of innovative products, including rare diseases, increases. Many products do not address sufficiently large market potential and are overlooked by multinational pharmaceutical and biotech companies. Thus, the Corporation believes that these dynamics create an opportunity for specialty pharmaceutical companies such as Knight. The size of pan-American (ex-US) market represents approximately 6% of the global pharmaceutical market.

The Canadian Pharmaceutical Market

CANADA	
Market Size & Population	• In 2025, Canada's population was approximately 41.7 million[2] and its GDP per capita was estimated at US$54.9[3]. • Pharmaceutical product sales totaled $51.7 billion for 2025, representing an increase of 8.4% compared to prior year[1].
Healthcare System	• Healthcare expenditures per capita in Canada is estimated at approximately $9.6 in 2025[4]. • The federal government's role in healthcare includes setting and administering national principles under the Canada Health Act, while provinces and territories are responsible for delivering most healthcare services. Each provincial and territorial health insurance plan covers medically necessary hospital and physician services on a pre-paid basis, without direct charges at the point of care. • Most provincial and territorial governments also offer and fund supplementary benefits for certain groups (e.g., low-income residents and seniors), such as coverage for drugs prescribed outside hospitals. • On October 10, 2024, the Pharmacare Act (Bill C-64) came into force. Its first phase is funded with $1.5 billion over five years to launch pharmacare. Following Pharmacare's implementation, the federal government announced that the Minister of Health will negotiate bilateral agreements with provinces and territories to provide universal, single-payer, first-dollar access to a range of contraceptives and diabetes medications. o The federal government has entered into agreements under the Pharmacare Act with British Columbia, Manitoba, Prince Edward Island and Yukon while Alberta and Quebec have indicated their intention to opt out.
Regulatory Overview	• Health Canada is responsible for ensuring the safety, efficacy, and quality of all pharmaceutical drugs before and after they enter the marketplace, under the Food and Drugs Act. • Regulatory Review Timeline: The approval process for an innovative drug typically takes 12 to 24 months after submission of a drug dossier to Health Canada. • Health Canada has finalized amendments to the Food and Drug Regulations and the Medical Devices Regulations under its Agile Licensing initiative. These amendments were published in the Canada Gazette, Part II in December 2024 and are being implemented on a staggered basis. Certain provisions are already in force, while additional measures, including expanded authorities related to terms and conditions and risk management plans, are scheduled to come into force in future phases. The amendments are intended to modernize regulatory processes and codify existing policies and practices. • Health Canada has released draft guidance to combine the current Priority Review and Notice of Compliance with Conditions (NOC/c) frameworks into a faster, simplified review process with new eligibility criteria and timelines. Although regulatory changes have been made under the Agile Licensing initiative, the new accelerated review system is not yet in force, so the existing Priority Review and NOC/c pathways are still being used until further updates. • Health Canada has pre published a proposed Ministerial Reliance Order in the Canada Gazette, Part I, and launched a public consultation on a framework that would allow reliance on decisions and assessments from trusted foreign regulatory authorities for certain drug submissions. The proposed Ministerial Reliance Order is not yet in force, and its scope, timing, and implementation remain subject to consultation and final regulatory approval.

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Pricing	**Price Regulation:** • Patented medicines in Canada fall under the jurisdiction of the PMPRB, an independent federal quasi-judicial body. Non-patented products are not regulated by PMPRB. • The PMPRB has two primary roles: i) Regulatory: Ensuring that prices charged by patentees for patented medicines sold in Canada are not excessive. ii) Reporting: Monitoring pharmaceutical pricing trends and reporting on R&D spending by patentees. **Pricing Framework:** • Under previous PMPRB guidelines, the price of a new patented product in Canada was limited to either: (i) The cost of existing drugs sold in Canada, or (ii) The median or highest price for the same drug sold in a list of comparator countries specified by PMPRB. • Effective July 1, 2022, the international comparator basket expanded from seven to eleven countries (the "PMPRB11"), with the U.S. and Switzerland excluded. • In December 2024, PMPRB published its Draft Guidelines for PMPRB Staff, with final guidelines issued on June 30, 2025, effective January 1, 2026. Under these guidelines, price regulation follows a two-step process: (i) an initial international price comparison and (ii) an in-depth review where warranted. • At Step 1, staff compare the Canadian list price to the HIP among the PMPRB11 countries; medicines priced above the HIP may proceed to an in-depth review at Step 2. • The guidelines also clarify transition timing: patented medicines with a first sale on or after July 1, 2022 are subject to the new framework starting January 1, 2026, while medicines first sold before July 1, 2022 will transition for review beginning January 2028. • Compared with prior guidance, formulaic price tests and detailed comparator rules used under earlier guidelines have been removed, increasing uncertainty around relative price assessments in Step 2.
Reimbursement	• Hospital Setting: Drugs administered to patients in hospitals are covered by the public healthcare system, though coverage is not harmonized across provinces. • Outpatient Setting: Drugs prescribed outside hospitals may be paid for through: i) public drug plan (provincial or territorial); ii) private drug plan; iii) out-of-pocket by the patient; or iv) combination of these sources. • HTA: Two HTA organizations review the clinical and cost-effectiveness of drug products: o Canada's Drug Agency (CDA-AMC), formerly CADTH, for all provinces except Québec. o INESSS in Québec. • These agencies provide recommendations to public drug plans on whether a drug should be reimbursed. Following a positive recommendation, manufacturers typically negotiate with the pCPA to establish pricing terms. If successful, a Letter of Intent is signed, and provinces make final funding decisions through product listing agreements. • The process to obtain public listing can take two to three years from dossier submission. • Private Market: For private reimbursement, manufacturers submit dossiers to individual private payers. Depending on the drug, indication, and cost, payers may: Cover the drug at list price, ii) Negotiate a discounted price through a listing agreement, or iii) Decline coverage. Negotiations for private plans can take several months. • Operational Approach: The Corporation manages reimbursement through internal expertise and specialized external consultants who assist with: i) Dossier development, ii) Submissions to HTA agencies, and iii) Negotiations with public and private plans. Consultants may also commission independent pharmacoeconomic studies to demonstrate economic benefits. • Coverage Landscape: Each province maintains a public drug formulary listing drugs and conditions eligible for reimbursement. Only a subset of Canadians receives government-funded prescription drug coverage outside hospitals; others rely on private insurance or pay out-of-pocket.
Intellectual Property	• The Canadian Intellectual Property Office (CIPO) is the federal agency responsible for granting patents and registering trademarks in Canada. • Patented drugs may also benefit from patent protection under the Patented Medicines Regulations (Notice of Compliance) through a linkage system that connects the drug approval process with patent rights. This mechanism ensures that patents listed on the Patent Register are considered during the approval of generic versions. • Innovative drugs containing a new chemical entity are eligible for regulatory data protection under section C.08.004.1 of the Food and Drug Regulations. This provides eight years of data protection from the date of first marketing approval.

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Key LATAM Pharmaceutical Markets

BRAZIL	
Market Size & Population	• Brazil is the largest economy in Latin America by GDP and has the region's largest population, estimated at 212.9 million in 2025, with an estimated GDP per capita of US$10.6 in 2025[3]. • Brazil's public health system, Sistema Único de Saúde (SUS), is one of the largest in the world and provides universal healthcare. More than 75% of the Brazilian population[5] relies exclusively on SUS for health services. • The private healthcare market is also significant, ranking among the largest health insurance markets globally by population, second only to the United States. Currently, there are 52.2 million beneficiaries with private health insurance, primarily funded through employment[6]. • According to IQVIA, total pharmaceutical product sales in Brazil reached US$43.8 billion for the twelve-month period ended December 31, 2025, representing an increase of 10.9% compared to the same period in the prior year[1].
Healthcare System	• Dual healthcare system (i.e. public (75%) and private (25%)). • Brazil ranks as the country with the largest public healthcare expenditures in Latin America. In 2024, public healthcare spending totaled $48.4 billion (BRL 193.5 billion), an increase of approximately 20% compared to the previous year[7]. In 2025, the government has proposed a healthcare budget of $58.9 billion (BRL 235.6 billion), representing an increase of about 21% over the 2024 executed budget[7]. For 2026, the government has proposed a healthcare budget of approximately $61.4 billion (BRL 245.5 billion) according to the PLOA 2026, representing an increase of about 5.5% over the 2025 executed budget of $58.2 billion (BRL 232.8 billion)[7] . • Healthcare expenditures account for 9.7% of Brazil's GDP[5].
Regulatory Overview	• Pharmaceutical regulation overseen by ANVISA. • The approval process includes a comprehensive review of pharmacology, efficacy, safety, and technical aspects. • To market a product in Brazil, companies must obtain: i) an operating license authorization from ANVISA and local health authorities, ii) GMP certification and iii) product registrations/enrollment with ANVISA. • ANVISA requires pharmaceutical companies to use their own laboratories for testing and release of all non-orphan synthetic products intended for the Brazilian market. • Market authorizations are generally valid for 10 years. For products under the rare disease designation, the duration of the marketing authorizations depends on the progress of clinical studies and may be granted for 3, 5, or 10 years. **Approval timelines:** • The regulatory review for new chemical entity drug typically takes 15-18 months for products granted priority review and 24-32 months under standard pathway. • ANVISA sets a 120-day approval timeline for priority review submissions and 365 days for standard submissions; however, most approvals take at least 33% longer than these targets[8]. • ANVISA participates in Project Orbis, an FDA-led international work-sharing initiative that enables the concurrent submission and parallel review of innovative oncology products among participating regulatory authorities. For example, the supplemental indication of Minjuvi for FL was reviewed by ANVISA under Project Orbis and Knight received the approval within 8 months of submission.

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Pricing	• Drug prices in Brazil are regulated by CMED, which sets maximum prices for drugs sold by manufacturers, importers, and distributors to pharmacies. • Upon obtaining marketing authorization from ANVISA, companies must apply for pricing approval to CMED. • For innovative products, the submission must include: (i) product details and all granted patents; (ii) evidence of superior efficacy, safety profile, and potential to reduce overall treatment costs; (iii) IRP data from comparator countries approved by CMED at the time of analysis, which currently include Australia, Canada, Spain, the U.S., France, Greece, Portugal, Italy, New Zealand, and the country of origin; and (iv) expected launch price in Brazil. • The launch price in Brazil cannot exceed the lowest price for the product in any comparator country under IRP rules. • Pricing timelines: (i) CMED's initial decision typically takes at least three months; and (ii) manufacturers may appeal CMED's decision; the appeal process may take 6–18 months. • CMED also publishes the maximum allowable annual price adjustment on March 31. Historically, these adjustments have been below inflation. For 2025, the allowable range was a maximum of 5.06%, depending on product classification. • In 2025, certain products faced a price decrease of up to 0.15% which was linked to Resolution CM-CMED No. 2, which introduced new criteria for defining the Factory Price (PF) and Maximum Consumer Price (PMC), effective March 31, 2025. • For generic products, the price must be at least 35% lower than the reference product submitted to ANVISA. • For branded generics, the price may be set up to the list price of the referenced product. • In December 2025, CMED adopted a new resolution replacing Brazil's 2004 drug pricing framework. Effective April 2026 after a transition period, these rules update product classifications, add new reference countries (Germany, Japan, Mexico, Norway, South Africa and United Kingdom), change how international reference pricing is applied, increase documentation requirements, and revise protocols for incremental innovation, biologics, and biosimilars. Some elements especially those concerning advanced therapies, radiopharmaceuticals, extraordinary adjustments, and future price ceiling reductions are still under regulatory and political review.
Reimbursement	**Public market:** • Approximately 75% of the Brazilian population relies exclusively on SUS, which has a high concentration of hospitals in the Southeast and Northeast regions. Public reimbursement is regulated by CONITEC, which govern access to high-cost treatments. Specialty drugs, such as oncology therapies, are funded through APAC (High-Complexity Procedure Protocols). • Certain public institutions and states manage their own budgets and may incorporate therapies through Hospital Internal Committees (local guidelines). Public reimbursement is generally limited to drugs included on the National List of Essential Medicines and approved by CONITEC. After a positive opinion from the Ministry of Health, procurement occurs through a public tender system for state-level drugs and certain exceptional outpatient medications. **Private market:** • Reimbursement by private insurers is regulated by the National Health Agency (ANS), which updates the list of mandatory procedures, including oral oncology drugs and treatments for chronic diseases, according to clinical protocols. In rare cases, HMOs may reimburse drugs based on their own HTA process, typically requiring a positive budget impact analysis before inclusion on the ANS list. • To obtain reimbursement from private insurers and HMOs, the product must be included in the ANS List of Procedures. For oncology products not included by ANS, HMOs reimbursement may be available on a case by case review and approval. **Key developments:** • March 2022: A law reduced the reimbursement decision timeline for new treatments (including oral cancer drugs) from two years to six to eight months. • All medications with a positive CONITEC opinion, including chronic disease treatments (subcutaneous or IV), must be reimbursed in the private market. These technologies are added to the ANS list within 60 days. • September 2022: Another law was approved, to ensure the coverage of exams and technologies not provided for in the ROL (formulary of drugs reimbursed by the private insurance system) of the ANS that have scientific proof or are approved by CONITEC or another renowned agency such as The National Institute for Health and Care Excellence or CADTH. • Under the Brazilian Constitution, health is a fundamental right of all citizens and a duty of the government. The government is thus obliged to provide the means necessary to supply medicines to all Brazilians which is done through the Single Health System (SUS). Under limited conditions, access for products in cases where the product is not included by CONITEC may be obtained through judicial means.
Intellectual Property	• Patent review in Brazil is conducted by the Brazilian Patent Office. However, ANVISA—the agency responsible for drug approvals—also provides a binding opinion on pharmaceutical patent applications that may pose a health risk. • Brazil does not provide regulatory data exclusivity protection for pharmaceuticals.

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Other Factors	**Tax Reform:** • In January 2025, the Brazilian Presidency sanctioned a law introducing a consumption tax reform, replacing a series of federal, state, and municipal taxes with two new taxes: IBS and CBS. These will operate under a dual VAT (Value Added Tax) model. • The transition period for the reform is expected to run from 2026 to 2032, with full implementation by 2033.

ARGENTINA	
Market Size & Population	• In 2025, Argentina had a population of 45.9 million and a GDP per capita estimated at US$14.4[3]. • The country's economy remains highly volatile, characterized by high inflation and moderate growth. In 2025, inflation reached 31.5%, while GDP grew by 5%. • According to INDEC, total pharmaceutical product sales amounted to US$14 billion (converted at the annual average exchange rate) for the twelve-month period ended September 2025, with US$8.5 billion in retail and US$6.5 billion in institutional sales. This represented an increase of 4% compared to the prior year, while unit volumes decreased by 4.9% during the same period[9]. • Despite the economic environment, the pharmaceutical industry has been one of the most dynamic sectors in Argentina and is a driver for economic growth, employment, scientific knowledge and applied technology.
Healthcare System	• Argentina has a fragmented healthcare market with a mix of large and small local pharmaceutical companies. • In recent years, there has been an increase in public sector tenders, which has driven average selling prices downward, as evidenced by the widening price differential between PAMI prices and list prices. • PAMI has been expanding its market share among payers and is currently the largest driver of growth in the Argentine pharmaceutical market.
Healthcare Expenditures/Budget	• To reduce healthcare costs, the Ministry of Health in Argentina has mandated that locally manufactured products containing the same active ingredient as imported products and which are priced lower must be covered by local payors. • Healthcare expenditures in Argentina represent approximately 9% of GDP[5].

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Regulatory Overview	• Pharmaceutical regulation in Argentina is overseen by the ANMAT, under the Ministry of Health. ANMAT is responsible for all aspects of drug approval and control, including safety, efficacy, and quality, as well as activities related to manufacturing, import/export, warehousing, and commercialization of medicines and raw materials. **Import Restrictions:** • Argentina imposes barriers to the importation of certain pharmaceutical products based on product classification or country of origin. Only products manufactured in approved countries or facilities previously inspected or accepted by ANMAT are permitted and require a marketing authorization. • APIs are generally not subject to these restrictions, except those of biological origin. **Licensing Requirements:** • Before obtaining a marketing authorization, companies must be licensed by ANMAT to manufacture or import pharmaceutical products for sale in Argentina. ANMAT also requires companies to use their own laboratories for testing and release of all products intended for the Argentine market. **Approval Timelines:** • Innovative drugs: 12-15 months after dossier submission. • Branded generics: 12–15 months. • After marketing authorization, ANMAT requires the first batch of each newly approved product to be analyzed in the presence of ANMAT representatives. This step adds approximately six months to the timeline. **Special Processes:** • ANMAT allows abbreviated approval for copies of products approved in other markets (except biological products). • Biological products require full approval and ANMAT authorization for all manufacturing facilities (API and finished products). **Validity of Authorizations:** • Standard marketing authorizations: 5 years, renewable for an additional 5 years. • Rare disease designation: annual renewal required. **Additional Requirements:** • Serialization is mandatory for certain pharmaceutical products. **Recent Developments:** • In May 2025, ANMAT published a guideline on biosimilar comparability, aimed at improving access and availability of these therapies. • In 2025, Argentina experienced a serious public-health incident involving locally manufactured contaminated product administered in hospital settings, which resulted in multiple patient deaths and infections. ANMAT ordered product recalls of related products, suspended manufacturing activities of certain companies, and referred the matter for criminal investigation. The incident led to heightened scrutiny of pharmaceutical manufacturing including GMP audits, pharmacovigilance, and post-inspection enforcement in Argentina, particularly for high-risk sterile injectable products. In addition, leadership changes were made at ANMAT. Knight was not involved in any of the related incidents and was recertified for GMP compliance by ANMAT in September 2025.
Pricing	• Argentina does not have a permanent pharmaceutical price-control authority; however, the government has frequently imposed price freezes, negotiated price agreements, and temporary controls. Companies are free to set their own prices and implement price increases. • Historically, the government has occasionally imposed price freezes or restrictions on price increases. • Certain payors, such as PAMI, are moving toward bidding processes, which establish fixed prices for the duration of the tender—typically four to six months. • In general, average branded generic drug prices in Argentina are low and have been declining over time due to: o Increased use of public tenders, and o A large number of competitors launching the same or similar products. • Given limitations on patentability, many innovative products face branded generic competition, often requiring significant discounts to remain competitive.
Reimbursement	• Access and reimbursement for innovative drugs, which are often high-cost, remain a significant challenge in Argentina, as these products are generally not included in PAMI. • Argentina's reimbursement system is highly fragmented, consisting of three main sectors: o Public sector: Covers national programs and uninsured individuals. o Social security sector: Primarily unionized workers, offering broad coverage. o Private sector: Includes private insurance companies. • Obtaining reimbursement in the public and social security sectors can be particularly challenging during the first three to four years following product launch. • Coverage can overlap, as individuals may supplement public or social security coverage with private insurance, creating a complex reimbursement landscape.

Intellectual Property	• To facilitate local manufacturing and product approvals, ANMAT provides multiple pathways for the approval of generics or "similar" products. • Definition of "Similar" Products (per ANMAT): I. Similar medicinal or pharmaceutical specialty: Contains the same active pharmaceutical ingredients, concentrations, pharmaceutical form, route of administration, therapeutic indication, and dosage as the reference product. Differences may exist in characteristics such as size, shape, excipients, shelf-life, and primary packaging. II. Similar pharmaceutical form: Must share the same physical form (solid, liquid, gaseous), route of administration, and equivalence to the reference product's pharmaceutical form. • Because ANMAT applies a broad definition of generics and often does not require bioequivalence studies, generic manufacturers can obtain marketing authorizations by submitting a limited registration dossier. • In 2012, the Argentinian National Institute of Industrial Property updated its guidelines on chemical-pharmaceutical patent applications, significantly restricting the patentability of certain categories of inventions, including formulations, compositions, and uses. While these guidelines have been challenged, no rulings have been issued to date. As a result, the generic market continues to grow. • There is no data exclusivity protection for pharmaceuticals.
Other Factors	• In November 2023, Argentina held general elections, and Javier Milei, a right-wing libertarian candidate, won and assumed office on December 10, 2023. • Since then, government spending reductions and an ongoing economic recession have led to decreased industrial activity and reduced consumption levels, particularly in the retail channel. These conditions have impacted multiple sectors. • Argentina's economy continued to face instability throughout 2025 and several key sectors—including manufacturing, retail, and construction—posting declines, despite government claims of improving macroeconomic conditions. • Inflation fell significantly during 2025 following aggressive austerity and fiscal tightening, dropping from historically high levels toward the low 30% range; however, these measures also contributed to reduced purchasing power, and ongoing pressure on household consumption.

COLOMBIA	
Market Size & Population	• Colombia has the third-largest population in Latin America, estimated at 53.5 million in 2025, with a GDP per capita of approximately US$8.3.[3] • According to ANDI, total pharmaceutical production in Colombia is projected to reach approximately US$6.6 billion (COP 25 trillion) in 2025, representing year-on-year growth of 9.2%.[10] • IQVIA reports that total pharmaceutical sales amounted to US$7.4 billion for the twelve-month period ended June 2025, an increase of 10.3% compared to the prior year, while unit volumes decreased by 8% during the same period.[1] • The pharmaceutical market is expected to achieve a CAGR of 5.1% over the five-year period from 2025 to 2029[1]. • In 2025, total health-system resources reached US$25.1 billion, but the sector estimates a single-year funding gap of about US$3.2 billion and a cumulative deficit approaching US$9 billion, highlighting persistent strain on system liquidity.
Healthcare System	• Colombia operates a universal healthcare system through its Social Security System, which provides national coverage regulated by the Ministry of Health. • In 2025, overall public healthcare resources increased to approximately US$25.1 billion, up from about US$23.3 billion in 2024, reflecting a modest rise in system funding; however, this growth remained insufficient relative to sector needs and did not alleviate structural funding pressures. • Social reforms, including those related to health, labor, pensions, and taxes, remain a top priority for the government. • Patient complaints on healthcare access has reached historic highs in 2025, reflecting increased access barriers due to system instability.
Regulatory Overview	• Pharmaceutical regulation in Colombia is overseen by INVIMA under the Ministry of Health. • Approval Process: The drug approval process involves pharmacological, pharmaceutical, and legal reviews. Since 2019, these three stages have been conducted in one package process in parallel to improve efficiency. • INVIMA complement and detail regulation requirements supplemented by official guidelines and templates. **Timelines:** • Innovative drugs: Typically at least 36 months after dossier submission. • Defined timelines are rarely met due to delays in evaluations by the health authority. **Requirements:** • INVIMA rarely approves applications based solely on Phase 2 data. • Marketing authorizations do not require renewal, but products must be marketed within one year of approval. Temporary suspension of commercialization must be notified and control measures established. **Recent Developments:** • INVIMA continues to assess new regulations aimed at reducing backlogs and preventing drug shortages. • INVIMA is updating its technological tools and is changing internal administrative procedures to reduce backlogs and improving evaluation timelines. • In November 2025, the Ministry of Health published a proposal of new regulation to update and harmonize requirements of different drugs, including controls such serialization. The proposal is under evaluation.
Pricing	• Pharmaceutical pricing in Colombia is overseen by the NCPMMD, which applies a dual approach: i) regulated prices for certain medicines, and ii) price surveillance for others. • Medicines are categorized based on total sales and Concentration Index (ICD), and Relevant Markets are defined by ICD and pharmaceutical form. **IRP:** • Calculated as the 20th percentile of a basket of 19 countries. • Published in May 2024 under Act 18 of 2024 by NCPMMD. • Act 19 of 2024 updated the list of drugs under this pricing scheme, with no major inclusions. • An annual update of regulated medicines is expected in Q2 2026. • Currently, molecules under the reference pricing system account for approximately 40% of prescriptions in the country. **Unregulated Products:** • Drugs not under direct price control are freely priced, but subject to strict government surveillance. The Ministry of Health regularly conducts pricing reviews and may impose regulation on list prices at any time post-launch. **Upcoming Policy Changes:** • The Colombian government has announced a new pricing policy that will enforce stricter IRP thresholds and include lower-price reference countries (e.g., India, South Africa, Greece, Italy). This change is expected to significantly impact pharmaceutical pricing. • Projected 2026 healthcare resource needs exceed available funding by an estimated US$3.2 billion, reinforcing the government's push for stricter cost-containment across pharmaceuticals.

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Reimbursement	• Colombia's public reimbursement system consists of two regimes: o Contributory regime: Covers employed individuals, pensioners, retirees, and their families. o Subsidized regime: Covers unemployed individuals. • Both regimes provide the same healthcare benefits plan and are funded through: o Mandatory contributions equal to 12.5% of an employee's income (split between employees at 4% and employers at 8.5%). o General national taxes. • Special regimes exist for armed forces, teachers, and employees of state-owned petroleum companies, which operate their own health services. • The HMOs are regulated health insurers responsible for enrolling members, managing provider networks, and controlling access to care under the country's health system. **Budget Allocation:** • HMOs receive two main allocations: o UPC Budget per capita: Approximately US$375 in 2025 (up 5.9% vs. 2024) for each covered life to fund all products listed on the Colombian Drug Formulary (PBS). o Reimbursement requests for drugs not listed on PBS. • The universal healthcare system allows Colombians to choose an HMO affiliation for a monthly contribution, which is equal across HMOs. **Private Coverage:** • In 2025, approximately 8% of the population held private health insurance, including medical policies, prepaid medicine plans, complementary HMOs, or ambulance coverage. **Funding Distribution:** • 97% of medicines and procedures are funded through the PBS budget. • 3% are funded via reimbursement for drugs not on the PBS list. • Most of Knight's products sold in Colombia are included on the PBS list as of August 2025. • Between Jan–Oct 2025, non-PBS spending represented only 4.4% of ADRES disbursements, reaffirming the dominance of PBS funding. • Hospitals and health service delivery institutions (IPS) continue to face extended collection cycles, with days sales outstanding rising from 103 days (2023) to 150 days (Q3 2025)[10], suggesting increasing delays in payments from the government. • For 2026, the Ministry of Health increased the UPC by 12.94%, though the contributory regime saw only a 9.03% increase further widening the financing gap amid rising medical costs.
Intellectual Property	• Patent application reviews in Colombia take an average of 4 to 5 years. • While Colombia provides five years of data protection for new chemical or biological entities, INVIMA has been known to deny data protection for new chemical entities due to minor chemical similarities with previously approved molecules. • There are no specific regulations for pharmaceutical trademarks.
Other Factors	• Financial volatility in Colombia is creating access barriers and driving the implementation of cost-containment initiatives, such as reverse tenders and centralized purchasing. • Government programs, in contrast to HMOs, are based on the "Social Justice" concept, prioritizing underprivileged and rural regions where infrastructure and healthcare access remain limited. These areas are expected to receive top priority in resource allocation. • The government has committed to increasing financial flows to remote regions to improve healthcare delivery. • Tensions with the United States have increased, driven by disagreements over drug policy, security cooperation, and shifting regional alignments. • Out-of-pocket spending on pharmaceutical products rose to 16.8% in 2024, reflecting increased household burden amid system underfunding. • Political volatility is expected to intensify ahead of the 2026 presidential election. Current polling shows a competitive three-bloc race among left, center and right political parties with high voter fragmentation and no clear majority. Most scenarios indicate a likely runoff election, and outcomes remain uncertain given a large undecided electorate and shifting political dynamics.

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MEXICO	
Market Size & Population	• In 2025, Mexico had a population of approximately 131.9 million, making it the second-largest pharmaceutical market in Latin America. The country is also a major producer of high-tech medicines, including antibiotics, anti-inflammatories, and cancer treatments. • The healthcare sector represents about 5.9% of total GDP, and GDP per capita is estimated at US$14[3]. • According to IQVIA, total pharmaceutical sales reached US$20 billion for the twelve-month period ended March 2026, an increase of 6% compared to the prior year, while unit volumes grew 2%[1]. • The pharmaceutical market is valued at approximately US$19.8 billion, with generic drugs representing 80% of unit volume. The pharmaceutical industry in Mexico measured in values is made up of: 75% patented medicines, 12% generics, and 13% non-prescription medicines. • Sales of pharmaceutical products are projected to achieve a CAGR of 6.9% over the five-year period from 2026 to 2030[1].
Healthcare System	• Dual structure: public and private sectors. **Public sector:** • Operates through social security, providing coverage for employed individuals and their families. • Includes most medical services and prescription drugs, primarily cost-driven generics. • IMSS Bienestar delivers basic healthcare for unemployed and self-employed populations. **Private sector:** • Funded through out-of-pocket payments and private insurance. **Population coverage:** • Approximately 88% of the population receives care through the public system. • Only 12% utilize private healthcare services. **Healthcare expenditure:** • In 2025, spending represented 5.9% of GDP. • The 2025 federal health budget is approximately $70 billion (MXN$918 billion), a 11% decrease compared to 2024. o This reduction supports the government's strategy to lower Public Sector Financial Requirements (RFSP) from 3.9% to 2.5% of GDP.
Regulatory Overview	**Regulatory authority:** • The Ministry of Health mandates COFEPRIS (Federal Commission for Protection against Sanitary Risks) to oversee drugs, biologics, and medical devices. • COFEPRIS enforces the General Health Law and its Regulations, supplemented by official guidelines and norms. **Drug approval process:** • Review timeline for new drug applications: o Non-orphan drugs: 18–24 months after dossier submission (ordinary process) or 2.5-3 months (reliance process); and o Orphan drugs: 10-14 months. • Process includes pharmacological, pharmaceutical, and legal evaluations. • New molecules require committee approval before marketing authorization. • Defined timelines are often delayed due to evaluation bottlenecks. **Marketing authorizations:** • Validity: Orphan drugs: 2 years; Non-orphan drugs: 5 years and 10 years for renewals. • Renewals require compliance with: o GMP standards, safety and efficacy requirements. o Pharmacovigilance, labeling, and other regulatory provisions. • Non-orphan synthetic drugs, biologic (blood products) and vaccines require local QA testing. • Certain drug products which are not approved in Mexico can be supplied through public tenders if they are approved by a referenced regulatory (e.g. FDA, EMA, Health Canada). **Recent regulatory updates:** • COFEPRIS is developing simplified registration pathways for medicines approved by recognized agencies. o Updated reliance guidelines effective September 2025. • 2026: COFEPRIS established that extensions of renewals health registrations may now be granted for up to 10 years as opposed to 5 years effective in January 2026. **Marketing authorization holder requirement:** • Only companies with manufacturing sites can hold marketing authorizations for pharmaceutical products.

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Pricing	**Price regulation:** • There is no formal price regulation; prices for public institutions are market-driven. **Public system pricing:** • Once a drug is listed in the National Formulary Code (CNIS): o Patented drugs: Prices are set through institutional agreements between manufacturers and payers. o Generics: Prices are determined via tender processes. **Procurement coordination:** • Multiple entities have managed public drug purchases in recent years: o Mid-2020: Government partnered with the United Nations Office for Project Services (UNOPS) to support procurement. o 2021–2022: Coordination shifted to INSABI. o 2023 onward: Responsibility moved to IMSS Bienestar, with support from BIRMEX.
Reimbursement	• **Public healthcare segments:** o IMSS: Social security for employees in private companies and self-employed individuals. o ISSSTE: Social security for state workers. o IMSS Bienestar: (Replaced INSABI) Provides coverage for low-income populations and those without formal social security. o Other sector-specific systems: Military (SEDENA), Navy (SEMAR), and PEMEX employees have their own social security schemes. o The federal government is the primary payer within the public health system. • **Private sector:** o Includes independent health plans and hospitals. • **System separation:** o Public and private sectors operate independently. o Reimbursement and pricing decisions are made separately in each sector.
Intellectual Property	**Regulatory authority:** • Patents and trademarks are managed by the Mexican Intellectual Property Office (IMPI). • IMPI grants patents covering compounds, formulations, uses, and manufacturing processes for medicines. **Patent linkage system:** • Exists between COFEPRIS and IMPI to prevent granting marketing authorizations that violate exclusivity rights. **USMCA agreement:** • Signed on November 30, 2018 and later amended on December 10, 2019 by the U.S., Mexico, and Canada, updating NAFTA. • Includes detailed provisions on data protection. **Data exclusivity under USMCA:** • Mexico's data protection terms for pharmaceutical products under USMCA are minimum 5 years of regulatory data protection.
Other Factors	• **Regulatory delays:** Recent changes in COFEPRIS administrative staff and policies have slowed approval timelines, causing delays in importation and renewal of pharmaceutical products. • **Institutional changes:** INSABI was abolished on May 30, 2023 and replaced by IMSS-Bienestar, which since 2025 has coordinated centralized tenders through BIRMEX, reshaping procurement and distribution structures across the public system. • **Political context:** Mexico held presidential elections in June 2024, with Claudia Sheinbaum taking office in October 2024. A new COFEPRIS Commissioner was appointed at that time, continuing institutional restructuring within the health regulatory apparatus. • **Streamlining of regulatory procedures:** Additional reforms in mid-2025 consolidated medical device registration routes, reduced administrative requirements, and reorganized homoclave codes to simplify submissions under new July–August agreements. • **Expansion of medicine access programs:** The Sheinbaum administration announced the rollout of 15,000 government-run "Pharmacies for Well-Being" beginning in August 2025, aimed at improving medication availability and strengthening preventive care in underserved regions. • **National health sovereignty strategy:** In July 2025, Mexico launched a new plan to boost domestic pharmaceutical and medical-supply manufacturing, reduce reliance on imports, and prioritize local producers within public procurement processes.

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CHILE	
Market Size & Population	**Population and Economy:** • In 2025, Chile had a population of approximately 19.9 million people and a GDP per capita of US$17.2[3]. • The country's GDP grew between 2.3-2.5% in 2025 and is expected to grow 2.2% in 2026. **Market Performance:** • According to IQVIA, total pharmaceutical sales for the twelve-month period ending December 2025 reached US$5.0 billion, representing a 6.5% increase compared to the previous year (real growth foreign-exchange adjusted)[1]. • During the same period, the number of units sold in retail channel declined by 4%[1]. **Future Outlook:** • Pharmaceutical sales in Chile are projected to grow at a compound annual growth rate (CAGR) of 5.8% in constant USD between 2025 and 2029.
Healthcare System	**System Structure:** • Chile has a dual healthcare system consisting of public and private sectors, which cover separate populations and distinct areas of care. **Population Coverage:** • The public system covers approximately 81% of the population, while the private system covers about 19%. **Coverage Characteristics:** • The public health system does not provide formal universal coverage; however, reforms and the increased prevalence of private coverage have resulted in effective universal access to primary care, typically with some level of copayment. **Coverage Gaps:** • Despite these improvements, coverage gaps remain across both systems, particularly affecting the most disadvantaged segments of the population.
Regulatory Overview	**Regulatory Authority:** • The ISP reviews and approves the Healthcare License, which allows companies to import or manufacture pharmaceutical products. **Approval Timelines:** • The regulatory review timeline varies by product type: o Innovative synthetic drugs: 6 to 12 months. o Generic drugs: 6 months. o Biologics: 24 months. **Application Requirements:** • Applicants must submit safety and efficacy data, including full preclinical and clinical studies. For generics, a simplified registration procedure is available, which may require bioequivalence studies. Recent regulations encourage companies to demonstrate bioequivalence even when it is not formally required. **Biologics Regulation Updates:** • In 2024, ISP issued a regulation allowing companies to rely on clinical information if the product was approved by a recognized agency. • This was reinforced in January 2025 with more specific rules detailing the agencies and documentation required for abbreviated evaluation, which should occur within four months of starting the registration phase. • In early 2026, instructions were published for submitting applications for health registration of biological products under the Reliance procedure, limiting it only to products registered with the EMA. **Marketing Authorization:** • Once granted, the marketing authorization is valid for five years and can be renewed for equal and successive periods. **Operational Challenges:** • Between June and August 2025, ISP faced a cyberattack and multiple strikes, causing significant delays in processing regulatory files, which continues in 2026.
Pricing	• **Pricing Model**: Chile operates under an unregulated, free market-based pricing system. • **Price Levels**: As a result, the average prices of patented products and branded generics are among the highest in Latin America, which can impact drug coverage and hinder patient access to treatments. • **Regulatory Response**: To address these challenges, the Health Authority has begun requesting price information from other markets to use as a reference when evaluating potential drug coverage.

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Reimbursement	• **Healthcare Coverage Structure:** Chile's healthcare system is primarily structured around mandatory medical coverage, which is financed through health insurance contributions paid to healthcare insurance providers. • **Public and Private Coverage:** o Contributions are directed either to FONASA, the public entity that covers approximately 80% of the population, or to ISAPRE (HMOs), a private entity. o All workers and self-employed individuals are required to contribute a percentage of their monthly wages into either a public or private plan. • **Benefit Basket:** o Chile has a benefit basket under the public health system that applies to all Chileans, whether covered by FONASA or ISAPREs, and this basket is guaranteed by law. o The law provides for minimum medical coverage, while additional benefits depend on the health institution and the plan chosen by each individual. • **Garantías Explícitas en Salud (GES):** The GES program, which includes a copayment, guarantees coverage related to access, quality, timeliness, and financial protection for 87 pathologies. • **High-Cost Drug Coverage:** Current legislation also defines universal coverage for high-cost treatments in 27 specific pathologies. • **Review Cycle:** Both programs are expected to be reviewed and updated every three years.
Intellectual Property	• **Regulatory Environment:** Intellectual property regulations in Chile are generally less favorable for manufacturers of patented drugs compared to developed markets like Canada. • **Patent Restrictions:** Chile does not allow the filing of "use" patents for new indications if the molecule is already included as an active ingredient in any product approved for sale domestically. • **Data Protection Requirements:** For products to qualify for data protection, they must be launched within twelve (12) months after the date of first approval in any market. Consequently, local generic manufacturers often capitalize on this rule to launch generic versions of drugs not patented in Chile that exceeded this twelve (12) month timeframe. • **Data Exclusivity Term:** The data exclusivity protection for new molecules lasts five (5) years.
Other Factors	**Political context:** • José Antonio Kast, leader of the right-wing Republican Party, won Chile's presidential runoff election on December 14, 2025, securing approximately 58% of the vote, marking a shift to the right in the country's political landscape. • Kast is scheduled to assume office in March 2026, succeeding President Gabriel Boric. • His platform focuses on law and order, fiscal discipline, market-oriented policies, and a reduced role of the State. • In healthcare, Kast has not proposed structural system overhauls, instead emphasizing efficiency, private-sector participation, and cost containment.

PERU	
Market Size & Population	• **Population and Economy:** o Peru is the fifth most populous country in Latin America, with a population of approximately 34.6 million people. o The country's GDP per capita is estimated at US$9.3 in 2025[3]. • **Pharmaceutical Market Performance:** o According to IQVIA, total pharmaceutical sales for the twelve-month period ending December 2024 amounted to US$2.0 billion, representing an increase of 2.3% compared to the same prior year period[1]. • **Future Outlook:** o Pharmaceutical sales in Peru are projected to grow at a compound annual growth rate (CAGR) of 3.3% over the five-year period from 2025 to 2030[1].
Healthcare System	• **System Structure**: Peru has a decentralized healthcare system administered by multiple entities: o Ministry of Health (MINSA) provides health services for approximately 57% of the population. o EsSalud covers around 31% of the population. o The Armed Forces (FFAA), National Police (PNP), and the private sector together provide services to the remaining 11%. • **Private Sector**: ◦ The private sector offers medium penetration for new molecules and product lines due to easier access compared to the public sector. ◦ Access in the public sector is significantly lower and more complicated, especially for innovative treatments and high-priced products. ◦ The government actively promotes generic products to ensure affordable prices and to raise public awareness that generics are equivalent to brand-name products. • **System Characteristics**: The healthcare system consists of multiple service and insurance providers, which often results in overlapping coverage and services with little coordination. • **Universal Coverage:** Peru does not have universal health coverage.

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Regulatory Overview	• **Regulatory Authority**: Drugs, biologics, and medical devices in Peru are regulated by DIGEMID. • **Healthcare Registration**: To manufacture or import a pharmaceutical product, companies must obtain a healthcare registration. • **Marketing Authorization:** o Marketing authorizations are valid for five (5) years and can be renewed for equal periods. o The renewal process begins one year before expiration and requires submission of all documents from the initial registration, except for efficacy and safety studies. • **Approval Timelines**: The regulatory review timeline for a drug approval after dossier submission generally takes 12 to 18 months. • **GMP Requirements**: To import, register, renew, or modify a healthcare registration, a GMP certificate issued by DIGEMID is required, except for products manufactured in High Vigilance Countries (including France, Netherlands, UK, USA, Canada, Japan, Switzerland, Germany, Spain, Australia, Denmark, Italy, Norway, Belgium, Sweden, Republic of Korea, Portugal, Ireland, Hungary, and Austria). • **Additional Certifications:** Pharmaceutical establishments involved in import, storage, and distribution must be certified in Good Storage Practices, Good Distribution and Transportation Practices, and Good Pharmacovigilance Practices, all approved by DIGEMID. • **Rare and Orphan Disease Regulation**: Since 2023, new regulations allow pharmaceutical products for rare or orphan diseases, including oncology products, that have registration or approval in High Vigilance Countries to obtain healthcare registration without further technical requirements. This regulation is currently under discussion in Congress. • **Marketing Authorization Holder:** Marketing authorizations cannot be held by a foreign company. • Public consultation for regulation on quality control of the first batch and subsequent batches of pharmaceutical products in a laboratory belonging to the national network of official quality control laboratories in Peru.
Pricing	• **Pricing Regulation**: Prices of pharmaceutical products in Peru are not regulated. • **Pricing Transparency**: Each company is required to report retail prices to DIGEMID's Price Observatory, which publishes the information in a public database that allows consumers to compare prices.
Intellectual Property	• **Regulatory Authority**: Patents and trademarks in Peru are regulated by the National Institute for the Defense of Competition and Intellectual Property (INDECOPI). • **Patent Requirements:** A patent application must comply with three basic requirements: novelty, inventive level, and industrial application. • **Recognition of Foreign Patents:** Foreign patents are recognized under the Patent Cooperation Treaty (PCT) and the Paris Agreement, granting a total of thirty (30) months for filing a patent application in Peru.
Other Factors	• **Political Instability**: Peru's political instability and policy paralysis have weakened governance, creating risks for the country's economy. • **Government Approval and Elections:** José Jerí, whose approval rating had fallen to around 30%–33% before he was removed from office by Congress in February 2026, has since been replaced by interim president José María Balcázar. New general elections are scheduled for April 2026.

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1 *IQVIA: Retail and non-retail sales in local currency. Non-retail market is not fully captured for some countries.*
2 *Statistics Canada: https://www150.statcan.gc.ca/n1/pub/71-607-x/71-607-x2018005-eng.htm*
3 *International Monetary Fund: https://www.imf.org/external/datamapper/NGDP_RPCH@WEO/OEMDC/ADVEC/WEOWORLD*
4 *Canadian Institute for Health Information: https://www.cihi.ca/en/national-health-expenditure-trends*
5 *International Trade Administration: https://www.trade.gov/country-commercial-guides*
6 *Instituto De Estudios De Saude Suplementar : https://iessdata.iess.org.br/dados/bmh*
7 *Portal da Transparência: https://portaldatransparencia.gov.br/funcoes/*
8 *ANVISA: http://antigo.anvisa.gov.br/en/english*
9 *Instituto Nacional de Estadística y Censos (INDEC): https://www.indec.gob.ar/indec/web/Nivel4-Tema-3-6-19*
10 *Asociación Nacional de Empresarios de Colombia (ANDI): https://www.andi.com.co/Home/Pagina/27-english-version*

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Environmental Matters

Knight operates three (3) manufacturing facilities, a research and development facility as well as laboratories in Argentina and in Brazil. The facilities in Argentina and Brazil are subject to a variety of environmental, health, and safety laws and regulations at the federal, state or provincial, and municipal levels. These laws and regulations govern, among other things, air emissions, wastewater discharges, the use, handling, and disposal of hazardous substances and wastes, soil and groundwater contamination, and employee health and safety. Knight's manufacturing facilities use, in varying degrees, hazardous substances in their processes. In the event of the discovery of previously unknown contamination at these facilities, Knight may be required to take additional, unplanned remedial measures and potentially fines, closures or suspension.

THE CORPORATION'S STRATEGY

Knight intends to continue its growth and become a prominent specialty pharmaceutical company in select therapeutic fields, in Canada and Latin America as well as select international markets. Knight's strategy is to be the pan-American (ex-US) partner of choice. Knight aims to enter into long-term agreements with its licensors in order to ensure that the Corporation will have long term benefit of its commercial investments. Knight believes that this can be accomplished through targeted promotion of certain products and through the acquisition of additional specialty pharmaceutical and other products in Canada, Latin America and in select international markets. Knight has demonstrated and continues to believe that there are opportunities to obtain sales and marketing rights to products in the fields and territories that are of interest to Knight.

Growth Strategy

On November 29, 2019, Knight successfully executed on its rest of the world strategy by acquiring a controlling stake in GBT and subsequently executing on the acquisition of the balance of the company. With this acquisition Knight gained access to established Latin American growth platform with a footprint across 10 Latin American countries.

Since acquiring GBT, Knight's product licensing efforts have been focused on identifying potential products and companies that fit within its existing platform, pan-American (ex-US). In 2025, Knight strengthened its Canadian infrastructure and portfolio with multiple mature cashflow generating products as well as several early launch and pipeline products with the Palaldin and Sumitomo transactions.

Knight may look at rights for select areas such as the Middle East / North Africa, Australia, Sub-Saharan Africa, Asia/Pacific and other countries excluding the U.S., Western Europe, Japan and China. The Company's priority is to leverage its existing infrastructure in LATAM and Canada by pursuing multiple avenues of growth that will further strengthen its platform and position Knight as a key player in the pan-American (ex-US) pharmaceutical market.

The Company continues to pursue a three-pronged strategy to build its product portfolio.

1. Acquisition of products, portfolios and companies

Knight is pursuing the acquisition of innovative products including portfolios that have been launched and marketed primarily by large pharmaceutical companies or other specialty pharmaceutical companies for a number of years. The acquisition of mature products from global pharmaceutical companies is accretive to Knight's profitability and represents an opportunity to build a portfolio of owned assets with valuable and well-established brands. The Company is also pursuing bolt-on corporate acquisitions in certain key markets that would further optimize its platform including footprint, capabilities, and portfolio.

The following are examples of the execution of this strategy via acquisition:

Date	Product	Description
Q2-25	Portfolio of products	Acquired the Paladin business under the terms of the definitive asset purchase agreement
Q2-25	Portfolio of products	Exclusive license and supply agreements and asset purchase agreement to commercialize Sumitomo's Canadian portfolio
Q2-21	Exelon®	Exclusive rights to manufacture, market and sell Exelon® in Canada and Latin America
Q3-20	—	Acquired remaining public float for a 100% acquisition of Grupo Biotoscana
Q4-19	—	Controlling stake of 51.2% in Grupo Biotoscana
Q1-14	Impavido®	Worldwide rights to Impavido® as part of its business separation agreement with Paladin Labs Inc.

Paladin Transaction

In June 2025, Knight closed a definitive Asset Purchase Agreement to acquire the international business of Endo Operations Limited which was mainly its Canadian business operating as Paladin Pharma Inc. (“Paladin Transaction”). Knight paid $90,002 and an additional $23,008 for inventory and upon receipt of the Partner Payment expects to pay $8,457 for the final and full settlement of the holdback from the purchase price. Furthermore, Knight may pay future contingent payments of up to US$15,000 upon achieving certain sales milestones. The acquisition of Paladin´s assets adds critical mass and expands the size of the Company´s business in Canada while adding a portfolio of cash flow generating products that will help fund Knight's growth in Canada and Latin America.

Sumitomo Transaction

In June 2025, Knight entered into exclusive license and supply agreements with Sumitomo Pharma America Inc. ("Sumitomo") and its affiliates to commercialize Myfembree®, Orgovyx® and Gemtesa® in Canada, as well as an asset purchase agreement under which Knight acquired certain mature products (“Sumitomo Transaction”). Under the terms of the agreements, Knight acquired the exclusive rights to distribute, promote, market and sell the in-licensed and acquired products in Canada. Knight paid $25,400 and may pay certain future contingent sales milestones up to $15,750.

Acquistion of Exelon®

The acquisition of Exelon®, completed during 2021, is another example of the execution of this strategy. On May 26, 2021, the Company entered into an agreement with Novartis to acquire the exclusive rights to manufacture, market and sell Exelon®, in Canada and Latin America as well as an exclusive license to use the intellectual property and the Exelon® trademark, from Novartis within those territories. Exelon® is a prescription product that was first approved in 1997 and is indicated for the symptomatic treatment of mild to moderately severe dementia in people with Alzheimer's disease. The product was acquired for a total cash consideration of $217,331 (US$ $180 million).

Knight currently owns the Canadian and Latin American rights to Exelon®, the worldwide rights of Impavido® and the worldwide (excluding U.S.) rights to Neuragen®. Knight is continuing to pursue out-licensing opportunities for Impavido® and Neuragen® in other jurisdictions.

2. In-licensing of innovative products

The Company is pursuing the in-licensing of innovative late-stage products in its key therapeutic areas that include oncology/hematology, infectious disease, immunology, gastrointestinal and neurology. In addition, the Company remains open to consider the in-licensing of products in other specialty areas where the Company believes there may be an attractive market opportunity. The in-licensing strategy represents future growth opportunities as the Company launches innovative and unique treatments across its markets.

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The following are examples of the execution of this strategy related to products added to Knight's portfolio through in-licensing:

Date	Product	Territory
Q3-25	Niktimvo® (axatilimab)	LATAM
Q3-25	Zynyz® (retifanlimab)	LATAM
Q2-25	Gemtesa® (vibegron)	Canada
Q2-25	Orgovyx® (relugolix)	Canada
Q2-25	Myfembree® (relugolix/estradiol/norethindrone acetate)	Canada
Q1-25	Onicit® (palonosetron)	Brazil, Mexico and select LATAM territories
Q2-24	Jornay PM® (methylphenidate extended-release capsules)	Canada and LATAM
Q1-24	Crexont® (carbidopa and levodopa extended-release capsules)	Canada and LATAM
Q4-23	Qelbree® (viloxazine)	Canada
Q2-22	Aloxi® (palonosetron)	Canada
Q2-22	Akynzeo® (netupitant/palonosetron/fosnetupitant/ palonosetron)	Canada and select LATAM territories
Q2-22	Tavalisse® (fostamatinib)	LATAM
Q3-21	Pemazyre® (pemigatinib)	LATAM
Q3-21	Minjuvi® (tafasitamab)	LATAM
Q1-20	Trelstar® (triptorelin)	Canada
Q1-19	Nerlynx® (neratinib)	Canada
Q3-18	Bijuva® (estradiol and progesterone)	Canada
Q3-18	Imvexxy® (estradiol vaginal inserts)	Canada
Q4-16	Movantik (naloxegol)	Canada

In Q3-25, Knight expanded its relationship with Incyte Biosciences International Sàrl ("Incyte") for the exclusive rights to distribute Zynyz® and Niktimvo® for Latin America. Refer to section Business of the Corporation for further information on these products.

On June 5, 2025, Knight entered into exclusive license and supply agreements with Sumitomo Pharma America Inc. and its affiliates to commercialize Myfembree®, Orgovyx® and Gemtesa® in Canada, as well as an asset purchase agreement under which Knight acquired certain mature products (“Sumitomo Transaction”). Under the terms of the agreements, Knight acquired the exclusive rights to distribute, promote, market and sell the in-licensed and acquired products in Canada.

In January 2025, Knight expanded its relationship with Helsinn with the in-licensing of the exclusive rights to distribute, and commercialize Onicit® in Mexico, Brazil and select LATAM countries.

In May 2024, Knight entered into an exclusive supply and distribution agreement with Ironshore Pharmaceuticals & Development, Inc. ("Ironshore"), for the rights to seek regulatory approval and commercialize Jornay PM®, an extended-release formulation of methylphenidate, a stimulant medication for the treatment of ADHD, in Canada and Latin America. Ironshore was subsequently acquired by Collegium Pharmaceuticals Inc.

In January 2024, Knight entered into an exclusive license agreement with Amneal Pharmaceuticals, Inc. for

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exclusive rights to seek regulatory approval and commercialize Crexont®, an oral formulation of carbidopa/ levodopa extended-release capsule designed for the treatment of Parkinson's disease, in Canada and Latin America.

In December 2023, Knight entered into an exclusive license agreement with Supernus Pharmaceuticals, Inc. for exclusive rights to seek regulatory approval and commercialization of Qelbree®, an extended-release formulation of viloxazine, a multimodal serotonergic and norepinephrine modulating agent, a nonstimulant medication for the treatment of ADHD, in Canada.

These transactions demonstrate the unique proposition that Knight provides potential license partners.

3. Development & in-licensing of branded generic products

In certain developing countries, including Latin America, health regulations allow for generic products to be commercialized with a brand name. Competitors in the branded generic industry strive to be first to market in order to gain the most market share before new entrants arrive. For the fiscal year ended December 31, 2025, the revenues from the branded generic portfolio is approximately 10% of the total revenues of the Corporation.

The Company's branded generic development efforts include:

(1) internal development of branded generics for Argentina and other LATAM markets excluding Brazil and Mexico; and
(2) in-licensing of branded generics for LATAM markets including Brazil and Mexico.

With respect to internal development of branded generics, Knight's focus is to develop new branded generic products for Argentina as well as certain other Latin American markets. The development process of a branded generic product is expected to be between 20-36 months depending on the complexity of the drug and whether a Bioequivalence study is required. In addition to internal development, the growth of the branded generic portfolio is supplemented through in-licensing of additional molecules. This strategy complements the in-house development efforts by providing access to the two largest pharmaceutical markets in Latin America, namely Brazil and Mexico. In addition, it allows access to branded generics products that cannot be developed or manufactured in-house by the Company.

The following are examples of the execution of this strategy via in-licensing:

Date	Molecule	Territory
Q1-25	O402 (Oncology / Hematology)	Brazil
Q4-24	H403 (Oncology / Hematology)	Brazil and Colombia
Q4-24	O401 (Oncology / Hematology)	Brazil
Q3-23	H402 (Oncology / Hematology)	Brazil and Colombia
Q4-21	C401 (Neurology)	Select LATAM territories

The Company has three different manufacturing sites with the following regulatory approval status:

- Respiratory Plant: ANMAT approved;
- Oncology Oral Solid Plant: ANMAT, DIGEMID and INVIMA approved; and
- Oncology Liquid & Sterile Injectable Plant Oncology: ANMAT and DIGEMID approved.

The ANMAT approval allows the Corporation to submit for regulatory approval, manufacture in Argentina and

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commercialization of the pharmaceutical products in Uruguay, Bolivia, Paraguay, Ecuador, Chile and certain markets in Central America. The DIGEMID and INVIMA licenses are required for the commercialization of products manufactured in Argentina in Peru and Colombia, respectively.

In addition to internal development, the Corporation is expanding its branded generics portfolio through an in-licensing strategy. Since 2021, the Company has licensed five branded generic products, for certain LATAM countries, including Brazil, Mexico and Colombia, which are in various stages of development. For in-licensed branded generics, typically, Knight will own the marketing authorization and the trademark while supply of the drug will be provided by the licensor. Under Knight's license agreements for branded generic products Knight may be required to conduct certain quality or bioequivalence studies for its territories prior to regulatory submission.

Developing and Acquiring Late-Stage Pharmaceuticals

Knight maintains an active program to identify potential products for development, acquisition or licensing. In addition, the Company pursues opportunities to in-license late-stage products from biotech companies. Knight focuses on already marketed (in US or Europe) or late-stage development products in order to mitigate clinical, regulatory and commercial risks. Such products generally have passed safety and toxicity testing and have demonstrated at least preliminary efficacy in humans. This allows Knight to concentrate on developing competencies in regulatory affairs, market access, and sales and marketing. Although Knight's focus is on late-stage products, the Corporation may nonetheless acquire the rights to earlier stage products through partnerships derived from its life sciences fund strategy and secured lending. For example, Knight's agreement with Triumvira is a strategic lending strategy through a secured debt and as further consideration, the Company received the exclusive license to commercialize Triumvira's future products for Canada, Israel, Mexico, Colombia and for TAC01-CD19 for Israel, Mexico, Brazil and Colombia if certain conditions are met.

The Company is actively pursuing product acquisitions that may require substantial capital resources. Presently, there are no open offers on agreements or commitments with respect to any such acquisitions. There is no assurance that the Company will successfully complete any of these potential product acquisitions.

Knight uses a number of internal and external sources to identify products potential acquisition targets, evaluate their scientific and clinical viability, and estimate their commercial potential. The Company's acquisitions strategy involves both its internal business development efforts and, to a lesser extent, the assistance of consultants. Once identified, each product undergoes scientific, clinical and commercial screens to further evaluate its fit within Knight's product portfolio and the likelihood of its future success.

The criteria used for screening development, acquisition, or in-licensing product opportunities are as follows:

Criteria	Description
Financial return	The expected return should reflect the inherent clinical, regulatory and commercial risks involved, with late-stage development products generally requiring a higher expected return than products with existing sales.
Stage of development	Knight will take on commercialization risk, not clinical research risk on innovative products, and as a result selects later-stage products.
Required investment	Knight aims to minimize its up-front payments for product rights and target projects that, in the event of failure, will not materially affect the results of the Company. The Company may minimize the up-front payment through an equity investment in or secured loan to the licensor.
Market differentiation	The product should be differentiated from existing marketed pharmaceuticals by providing superior safety, efficacy, or pharmacoeconomic value.
Economies of scope	The product should generally be marketable through Knight's existing or developing sales channels or fit within select countries identified as growth and value opportunities in Knight's geographic expansion and, unless the product will be profitable on its own at the outset or provide the foundation for a new product area with a clear path to profitability, must complement or supplement Knights's existing products.

Commercial Strategy

Focusing on Specialty Therapeutic Fields

The Corporation's focus is to market and sell licensed innovative products in Canada, LATAM and select international markets and engage in development, manufacturing and marketing of specialty pharmaceutical branded generic products in LATAM. The Company's business model focuses on therapeutic areas covering oncology and hematology, infectious diseases, neurology and other specialty areas where the Company believes that there is a market opportunity. Knight is mostly focused on those therapeutic fields where a relatively small number of physicians (specialists or general practitioners) account for the majority of prescriptions. This allows Knight to use a relatively small salesforce to target these physicians and to generate sales and market share. This targeted approach may be used for all of Knight's current innovative pharmaceutical products and is a determinant of whether Knight will enter a new therapeutic area or add a new product.

Leveraging Specialized Sales and Marketing Infrastructure

Knight's strategy is to grow its drug portfolio and develop sales and marketing expertise within specialty therapeutic fields where it is currently active (i.e. commercial or near-commercial products). Knight remains committed to maintaining its focus on commercial expertise and specialty focus in specific countries and aims to strengthen its presence in areas such as oncology/hematology, infectious diseases, immunology, gastrointestinal and neurology. This allows Knight to continue to build on its strategic relationships with prescribing physicians and industry contacts. Knight remains open to considering in-licensing of products in other specialty areas where the Company believes that there may be an attractive market opportunity.

Outsourcing of Select Functions

To reduce overhead, control expenses and maintain flexibility, the Corporation contracts with various third parties for a number of business activities, including but not limited to:

- select administrative services;
- laboratory studies, where permitted;
- warehousing and logistic services;

- select pharmacovigilance activities;
- select product manufacturing; and
- select selling services.

By using contract manufacturers to produce its current products (excluding the majority of currently marketed branded generic products), which require relatively small and infrequent production runs, Knight controls its investment in capital and avoids the risks involved in manufacturing.

The majority of the branded generic products commercialized are manufactured at plants owned by the Company. Knight will continue to assess whether it is more cost effective to manufacture in its own facilities or to outsource production, taking into account not only the costs but supplier reliability and local import regulations. In addition, Brazilian and Argentinian regulations require pharmaceutical companies to establish their own laboratories for the testing and release of all products in their respective markets.

Knight continues assessing which activities may be more efficient to conduct internally as it is conducting the same activity in multiple regions or due to the lower costs of certain activities in specific countries in Latin America.

Strategic Loans to Life Sciences Companies

Knight lends capital on a secured basis to life sciences companies located in various geographic markets. Typically, loans have low to mid-teens interest rates, are secured and may come with additional consideration to the Corporation such as fees and/or equity consideration. Furthermore, the loans often include product rights or options for Canada and select international markets. By offering these loans, Knight not only strengthen its ties within the life sciences industry and, in doing so, help to secure product rights either directly or indirectly basis. To date, Knight's strategic lending strategy has led to two commercial assets (i.e. Neuragen® and Synergy family of products) as well as a number of early stage pipeline products including the recent in-licensing rights of select Triumvira's future products for certain countries. As at December 31, 2025, the Company had no strategic loan receivable from any company.

Neglected Tropical Diseases and Rare Pediatric Diseases

Knight's strategy includes investing in treatments and cures for neglected tropical diseases and rare pediatric diseases. This strategy not only aims to generate revenue from the sale of pharmaceutical products for these diseases, but may also provide a beneficial interest in future priority review vouchers ("PRVs").

Knight International acquired the worldwide rights to Impavido® as part of its business separation agreement with Paladin. Impavido® is an oral treatment for leishmaniasis, a tropical disease which affects up to 12 million people globally. Knight International engaged in development activities and, through its US affiliate, submitted Impavido® to the FDA for approval. In March 2014, Impavido® was approved in the U.S. by the FDA for the treatment of cutaneous, mucosal and visceral leishmaniasis. With the approval of Impavido® by the FDA, Knight USA was granted a PRV on behalf of its beneficial owner, Knight International. This PRV was sold by Knight International on November 19, 2014 for US$125,000 to Gilead Sciences, Inc. On September 28, 2015, Knight International appointed Profounda as its commercialization partner for the U.S. Profounda launched Impavido® in the U.S. in March 2016. Knight International is currently looking for commercialization partners in other jurisdictions.

In addition, Knight International started a strategic financing relationship with 60P in December 2015. As part of the agreement, Knight International obtained the commercial rights for all of 60P's products in Canada and select international markets and select products in LATAM. Knight has advanced a total of US$11,395 to 60P which was

used for the development of tafenoquine for the prevention of malaria as well as for the regulatory submission of Arakoda™ to the FDA. On Aug 9, 2018, Arakoda™ was approved in the US by the FDA for the prophylaxis of malaria in patients aged 18 years and older. As at December 31, 2025, there is no outstanding balance for this loan.

BUSINESS OF THE CORPORATION

Knight is a pharmaceutical company which acquires, in-licenses, out-licenses, develops, markets and sells products in Canada, Latin America and in select international markets. Knight's business activities include the following:

Pharmaceutical Products	• Acquiring or in-licensing the sales and marketing rights to pharmaceutical products • Developing, manufacturing, selling and marketing pharmaceutical products including branded generics • Developing innovative pharmaceuticals to treat neglected tropical diseases and rare pediatric diseases • Acquiring pharmaceutical products from pharmaceutical companies • Partnering, co-promoting and/or out-licensing pharmaceutical products • Launching and marketing innovative pharmaceutical products to prescribing physicians through a direct sales force or a contract sales organization, journal advertisements, continuing medical education materials and sponsorship • Making regulatory submissions to government agencies seeking approval to market clinically-tested therapeutics • Submitting applications to national bodies, provincial and private payers to approve pricing and reimbursement for product
Strategic Investments	• Pursuing acquisitions and, or making equity investments in specialty pharmaceutical businesses in Canada and select international markets • Financing life science companies in Canada and internationally in order to in-license innovative pharmaceutical products

Sources of Product Opportunities

The Corporation believes that the current industry dynamics have created a number of opportunities for a specialty pharmaceutical company to acquire or license pharmaceutical products to market and distribute profitably. Knight's strategy is to be the pan-American (ex-US) partner of choice. Knight aims to enter into long-term agreements with its licensors in order to ensure that the Corporation will have long term benefit of its commercial investments. These opportunities can be categorized in the following manner:

Multinational Pharmaceutical Companies - The Corporation believes that pharmaceutical companies are continuing to focus on drugs with high sales potential that can significantly impact their profitability. As a result, many multinational pharmaceutical companies have products that, despite the opportunity for growth, receive little or no promotion. Knight seeks to either acquire these products outright or offer these companies a means of sharing in the financial benefits of Knight's direct sales and marketing.

Regional Pharmaceutical Companies - U.S. and European specialty pharmaceutical companies or maturing biotech firms that choose to market proprietary products in their respective territories on their own generally do not have the sales and marketing capability to market their products in Canada or Latin America. The Corporation believes that Knight offers a good strategic fit for other specialty pharmaceutical companies without a presence in Canada or Latin America and seeks to represent such companies in these regions.

Emerging Biotech Companies - According to PhRMA, there are more than 8,000 medicines in clinical development globally, all of which have the potential to help patients around the world. When negotiating with a multinational pharmaceutical company, Canadian and LATAM distribution rights are not always prioritized. By carving out these territories through a license agreement with a corporation such as Knight, a biotech company stands to gain additional value as a means of defraying the cost of research and development. In addition, Knight is able to in-license a broader territory and provide more value as opposed to country only license agreements.

Moreover, many emerging biotech companies wish to control and/or actively participate in the commercialization of their products in the U.S or Europe. The Corporation believes that such companies may not have the resources to work internationally and are more inclined to sign regional distribution deals for smaller markets such as Canada and LATAM as well as select international markets. Through its contacts with biotech companies and the venture capital community, the Corporation is made aware of opportunities to acquire the Canadian and other geographical licensing rights to innovative products.

Additionally, the Corporation may support the financing of biotech companies to acquire later stage products. This includes investing in life sciences venture capital funds, lending on a secured basis to life sciences companies and supporting the development of pharmaceutical products for neglected tropical diseases and rare pediatric diseases. The Corporation is no longer investing into venture capital funds, beyond already committed capital.

Branded generics - The market for branded generics in LATAM is highly competitive and well-funded by several large local and multinational companies. The key to success in branded generic industry is to be one of the first on the market and to build a Company's reputation around quality and reliability. The infrastructure in Argentina which consists of research and development, and manufacturing facilities, enables the Corporation to develop and launch several products in the key therapeutic areas in Argentina and certain markets in Latin America. In addition to in-house development, the Corporation, in-licenses branded generic products for its key therapeutic areas for Latin America. The in-licensing strategy allows the Corporation to gain access to the branded generics markets of both Brazil and Mexico by partnering with companies whose manufacturing sites are ANVISA and/or COFEPRIS approved.

Based upon business conditions, Knight's financial strength and other factors, Knight regularly re-examines its business strategies and may change them at any time as circumstances warrant.

Knight's Product Portfolio

The Company's focus is to market and sell innovative products and engage in the development, manufacturing and marketing of specialty pharmaceutical branded generic products in Latin America and Canada, as well as select international markets.

Knight expects to expand its product portfolio within existing therapeutic fields in Canada and LATAM and intends to leverage its expertise in specialty sales and marketing, branded generic development, product acquisition and in-licensing to gain a competitive advantage in delivering pharmaceutical products to the marketplace, thereby decreasing scientific risks, long development timelines and high development costs. In addition, Knight's wholly owned subsidiary, Knight Therapeutics International S.A., develops innovative pharmaceuticals including those used to treat neglected tropical diseases and rare pediatric diseases.

The Company's priority is to leverage its existing infrastructure in LATAM and Canada by pursuing multiple avenues of growth that will further strengthen its platform and position Knight as a key player in the pan-American (ex-US) pharmaceutical market.

The Company generated the following revenues in the last two years:

Revenues by Therapeutic Area:

Years ended December 31,	**2025**	2024
Therapeutic Area	**$**	$
Oncology/Hematology	**146,373**	140,837
Infectious Diseases	**160,381**	150,986
Neurology	**85,460**	53,229
Other Specialty	**57,874**	26,252
Total	**450,088**	371,304 [1]

Revenues by Product Portfolio:

Years ended December 31,	**2025**	2024
Product Portfolio	**$**	$
Innovative		
Promoted	**318,841**	272,902
Mature	**84,411**	41,236
Discontinued	**57**	3,652
Total Innovative	**403,309**	317,790
BGx		
New Launches	**2,088**	2,087
Mature	**44,353**	50,731
Discontinued	**338**	696
Total BGx	**46,779**	53,514
Total	**450,088**	371,304

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Prescription pharmaceutical products

The following summarizes certain products from Knight's product portfolio.

PRODUCT	INDICATION	TERRITORY[1]					PARTNER
		Canada	Brazil	Argentina	Colombia	Mexico	
Oncology/Hematology							
Minjuvi®	ASCT ineligible patients with relapsed or refractory DLBCL		Q1-24	Q4-25		Q1-25	Incyte
Minjuvi®	Relapsed or refractory FL		■	●		●	Incyte
Pemazyre®	Unresectable locally advanced or metastatic cholangiocarcinoma with a FGFR2 fusion		Q4-25	■		Q4-25	Incyte
Akynzeo®	Prevention of chemotherapy-induced acute and delayed nausea and vomiting	Q4-22	Q3-22	Q3-22			Helsinn
Aloxi® / Onicit®	Prevention of acute nausea and vomiting associated with moderate and highly emetogenic cancer chemotherapy	Q4-22	Q1-25			Q1-25	Helsinn
Tavalisse®	Previously treated chronic immune thrombocytopenia		●	●	●	■	Rigel
Trelstar®	Advanced prostate cancer	Q2-20					Debiopharm
Orgovyx®	Advanced prostate cancer	Q1-24[2]					Sumitomo
Vidaza®	Myelodysplastic syndrome		Q2-10				BMS
Abraxane®	Metastatic adenocarcinoma of the pancreas		Q4-17				BMS
Halaven®	Metastatic breast cancer and liposarcoma subtype of soft tissue sarcoma		Q4-17	Q4-19	Q2-22		Eisai
Lenvima®	Locally advanced or metastatic differentiated thyroid cancer and previously untreated advanced or unresectable hepatocellular carcinoma		Q4-17		Q1-22		Eisai
Lenvima®	Advanced renal cell cancer		Q4-17				Eisai
BGx							
Ladevina® (lenalidomide)	Multiple myeloma; myelodysplastic syndrome			2011	Q3-19		Own
Ladevina® (lenalidomide)	Mantle Cell Lymphoma; previously treated FL			2011			Own
Zyvalix® (abiraterone)	Metastatic castration-resistant prostate cancer			2014	Q2-18		Own
Karfib® (carfilzomib)	Relapsed or refractory multiple myeloma			Q4-19	■		Own
Leprid® (leuprolide)	Palliative treatment of advanced prostate cancer			2007			Own
Rembre® (dasatinib)	Philadelphia chromosome-positive (Ph+) chronic myeloid leukemia; Ph+ acute lymphoblastic leukemia			2013	Q1-22		Own
Palbocil®, Bapocil® (palbociclib)	Hormone receptor (HR)-positive, HER2-negative advanced or metastatic breast cancer			Q1-23	Q1-26		Own
Xetrane® (pomalidomide)	Multiple myeloma			Q2-19	●		Own
Xetrane® (pomalidomide)	AIDS-related Kaposi sarcoma			Q2-22			Own

[1] The products with an associated date are currently marketed by Knight in the respective territory. Unless otherwise noted, the information provided represents the date when the product was launched by Knight or when it was acquired or in-licensed by Knight if such products had existing sales.

[2] Date refers to the date of launch by Paladin or Sumitomo in partnership with Pfizer.

▲ *Pre-registration: Not yet submitted for regulatory review. The indication is the anticipated indication upon regulatory approval.*

● *Submitted: Currently under regulatory review. The indication is the anticipated indication upon regulatory approval.*

■ *Approved: Approved by regulatory authorities but not yet commercially launched.*

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PRODUCT	INDICATION	TERRITORY[1]					PARTNER
		Canada	Brazil	Argentina	Colombia	Mexico	
Infectious Disease							
Ambisome®	Invasive fungal infection		1997				Gilead
Cresemba®	Invasive fungal infection		Q2-20	Q3-19	Q3-19	Q2-19	Basilea
Impavido®	Leishmaniasis						Own
BGx							
Dolufevir® (dolutegravir)	HIV infection			Q2-21			Own
Neurology							
Jornay PM®	ADHD	Q4-25	▲			▲	2028-2030
Exelon®	Symptomatic treatment of mild to moderately severe dementia in people with Alzheimer's and Parkinson's disease	Q2-21	Q2-21	Q2-21	Q2-21	Q2-21	Own
Dexedrine®	ADHD	1940´s[2]					Own
Xcopri®	Adjunctive therapy in the management of partial-onset seizures in adults with epilepsy	Q1-24[2]					SK
Other Specialty							
Imvexxy®	Moderate-to-severe dyspareunia	Q1-24					TXMD
Myfembree®	Treatment for heavy menstrual bleeding associated with uterine fibroids and moderate to severe pain associated with endometriosis in pre-menopausal women	Q1-24[2]					Sumitomo
Envarsus®PA	Prophylaxis of organ rejection in allogenic kidney or liver transplant in combination with other immunosuppressants	Q2-19[2]					Veloxis
Bijuva®	Moderate-to-severe vasomotor symptoms due to menopause	Q1-24					TXMD
Salofalk®	Acute ulcerative colitis			2007	Pre-2019		Dr. Falk
Ursofalk®	Primary biliary cirrhosis			2007	Pre-2019		Dr. Falk
Testim®	Testosterone deficiency	2007[2]					Endo
BGx							
Fibridoner® (pirfenidone)	Idiopathic pulmonary fibrosis			2017			Own

[1] The products with an associated date are currently marketed by Knight in the respective territory. Unless otherwise noted, the information provided represents the date when the product was launched by Knight or when it was acquired or in-licensed by Knight if such products had existing sales.
[2] Date refers to the date of launch by Paladin or Sumitomo in partnership with Pfizer.

			Change				Change	
IQVIA sales in Canada	**Q4-25**	Q4-24	**$**	**%**	**2025**	2024	**$**	**%**
Akynzeo®	**3,343**	3,051	292	10%	**12,853**	11,020	1,833	17%
Trelstar®	**2,034**	2,286	(252)	(11%)	**8,176**	8,455	(279)	(3%)
Orgovyx® [1]	**2,841**	659	2,182	331%	**7,265**	659	6,606	1002%
Jornay PM®	**99**	—	99	—%	**99**	—	99	—%
Xcopri® [3]	**3,615**	741	2,874	388%	**8,600**	741	7,859	1061%
Imvexxy®	**3,002**	1,133	1,869	165%	**8,521**	2,438	6,083	250%
Myfembree® [2]	**2,400**	1,324	1,076	81%	**8,092**	1,324	6,768	511%
Envarsus®PA [3]	**3,284**	2,422	862	36%	**11,494**	2,422	9,072	375%
Total	**20,619**	11,617	9,002	77 %	**65,101**	27,059	38,042	141 %

[1] Added to Knight´s portfolio through the Sumitomo Transaction and Knight started recording revenues effective June 5, 2025.
[2] Added to Knight´s portfolio through the Sumitomo Transaction and Knight started recording revenues effective July 1, 2025.
[3] Added to Knight´s portfolio through the Paladin Transaction and Knight started recording revenues effective June 17, 2025.

All dollar amounts herein are expressed in thousands of Canadian dollars (unless otherwise indicated) except for share and per share amounts. All other currencies are in thousands (unless otherwise indicated).

IQVIA sales in Canada	Q4-25	Q3-25	Q2-25	Q1-25	Q4-24	Q3-24	Q2-24	Q1-24
Akynzeo®	**3,343**	3,359	3,163	2,988	3,051	2,935	2,659	2,375
Trelstar®	**2,034**	1,988	2,090	2,063	2,286	2,001	2,211	1,957
Orgovyx® [1]	**2,841**	2,130	1,356	938	659	398	143	4
Jornay PM®	**99**	—	—	—	—	—	—	—
Xcopri® [3]	**3,615**	2,736	1,350	899	741	571	381	151
Imvexxy®	**3,002**	2,284	1,887	1,348	1,133	692	487	126
Myfembree® [2]	**2,400**	2,133	1,959	1,600	1,324	876	468	73
Envarsus®PA [3]	**3,284**	3,073	2,635	2,502	2,422	2,153	1,993	1,694
Total	**20,619**	17,704	14,440	12,338	11,617	9,626	8,342	6,380

[1] Added to Knight´s portfolio through the Sumitomo Transaction and Knight started recording revenues effective June 5, 2025.
[2] Added to Knight´s portfolio through the Sumitomo Transaction and Knight started recording revenues effective July 1, 2025.
[3] Added to Knight´s portfolio through the Paladin Transaction and Knight started recording revenues effective June 17, 2025.

Oncology/Hematology

INNOVATIVE

Minjuvi® (tafasitamab)

On September 22, 2021, Knight entered into a supply and distribution agreement with Incyte for the exclusive rights to distribute Minjuvi® and Pemazyre® in Latin America. Under the terms of the agreement, Knight is responsible for seeking the necessary regulatory approvals and distributing both products in Latin America.

Monjuvi®/Minjuvi® (tafasitamab), in combination with lenalidomide, is approved in the U.S., Europe, Canada and other countries for the treatment of adult patients with relapsed or refractory DLBCL who are not eligible for ASCT. DLBCL is the most common type of non-Hodgkin lymphoma, and there are approximately 12,000 - 16,000 new cases of DLBCL each year in Latin America[1,2]. In 2025, Incyte announced that the FDA and the European Commission approved Monjuvi®/Minjuvi®, in combination with rituximab and lenalidomide for the treatment of adult patients with relapsed or refractory FL. The approvals were based on data from the Phase 3 inMIND trial evaluating the efficacy and safety of Minjuvi in combination with rituximab and lenalidomide as a treatment for patients with relapsed or refractory FL. Furthermore, in January 2026, Incyte announced positive topline results from the pivotal study of tafasitamab as a first-line treatment for DLBCL based on the Phase 3 frontMIND trial evaluating the efficacy and safety of Monjuvi®/Minjuvi®, and lenalidomide in addition to R-CHOP (rituximab, cyclophosphamide, doxorubicin, vincristine and prednisone) compared to R-CHOP alone as a first-line treatment for adults with newly diagnosed DLBCL with an International Prognostic Index (IPI) score of three to five (3-5) for patients >60 years of age, or age-adjusted IPI (aaIPI) of two to three (2-3) for patients ≤60 years of age.

In July 2023, Knight obtained ANVISA approval for Minjuvi® in combination with lenalidomide followed by Minjuvi® monotherapy for the treatment of adult patients with relapsed or refractory DLBCL, including DLBCL arising from low grade lymphoma, and who are not eligible for ASCT. In addition, on October 16, 2023, Knight received Brazilian pricing approval for Minjuvi® from the CMED and subsequently launched the drug in Q1 2024.

Furthermore, Knight obtained regulatory approval for Minjuvi® in combination with lenalidomide followed by Minjuvi® monotherapy for the treatment of adult patients with relapsed or refractory DLBCL, who are not eligible for ASCT in Mexico in Q4 2024 and in Argentina in Q4 2025. Knight launched Minjuvi® in Mexico in Q1 2025 and in Argentina in Q4 2025.

[1] Globocan 2020.
[2] Li S et al. Pathology. 2018 Jan;50(1):74-87.

All dollar amounts herein are expressed in thousands of Canadian dollars (unless otherwise indicated) except for share and per share amounts. All other currencies are in thousands (unless otherwise indicated).

Knight submitted supplemental applications seeking regulatory approvals for an additional indication of Minjuvi® in combination with rituximab and lenalidomide for the treatment of adult patients with previously treated FL. Those applications were submitted in Brazil in Q2 2025 and received approval in Q1 2026. In addition, Knight filed supplemental applications for this second indication in Argentina and Mexico in Q1 2026.

Pemazyre® (pemigatinib)

Pemazyre® is approved in the U.S., Europe and Japan for the treatment of adult patients with locally advanced or metastatic cholangiocarcinoma with a FGFR2 fusion or rearrangement that have progressed after at least one prior line of systemic therapy.[3] Cholangiocarcinoma is the most common cancer of the bile duct. FGFR2 fusions or rearrangements have been observed in 10-16% of patients with intrahepatic cholangiocarcinoma, whereas the incidence in patients with extrahepatic cholangiocarcinoma is rare. There are approximately 4,000 - 6,000 new cases of intrahepatic cholangiocarcinoma each year in Latin America[4]. Pemazyre® is also approved in the U.S. for the treatment of adults with relapsed or refractory myeloid/lymphoid neoplasms with FGFR1 rearrangement.

Knight obtained the regulatory approval of Pemazyre® as monotherapy for the treatment of adults with locally advanced or metastatic cholangiocarcinoma with a FGFR2 fusion or rearrangement that have progressed after at least one prior line of systemic therapy in Brazil, Mexico and Argentina. Furthermore, Knight launched Pemazyre® in Brazil and Mexico in Q4 2025 and expects to launch in Argentina in the first half of 2026.

Akynzeo® (netupitant/palonosetron/fosnetupitant/palonosetron) and Aloxi® or Onicit® (palonosetron)

Akynzeo® is the first and only 5-HT3 and NK1 receptor antagonist fixed combination approved for the prevention of chemotherapy-induced acute and delayed nausea and vomiting. Akynzeo® oral is approved and marketed in Canada, Brazil and Argentina. Aloxi® is a second generation 5-HT3 receptor antagonist with high receptor binding affinity and a duration of action up to 5 days after chemotherapy administration[5,6]. Aloxi® oral is approved in Canada for use in adults for the prevention of acute and delayed nausea and vomiting associated with moderately emetogenic cancer chemotherapy; adults for the prevention of acute nausea and vomiting associated with highly emetogenic cancer chemotherapy and for pediatric patients aged 2 to 17 years for the prevention of acute nausea and vomiting associated with moderately and highly emetogenic cancer chemotherapy. Onicit® is approved in Mexico, Brazil and select LATAM countries for the prevention of acute nausea and vomiting associated with the initial and repeated cycles of moderately and highly emetogenic chemotherapy for cancer, and for the prevention of delayed nausea and vomiting associated with the initial and repeated cycles of moderately emetogenic chemotherapy for cancer in adults. Additionally, Onicit®, marketed under the trademark Aloxi® in Canada, is indicated in adults for the prevention of postoperative nausea and vomiting (PONV), for up to 24 hours after surgery.

On May 12, 2022, Knight announced that it entered into an agreement with Helsinn for the exclusive rights to commercialize Akynzeo® oral/IV in Canada, Brazil, Argentina, Uruguay and Paraguay, and Aloxi® oral/IV in Canada. Knight assumed commercial activities and re-launched Akynzeo® in Brazil, Argentina and Canada, and Aloxi® in Canada in 2022. In addition, on January 28, 2025, Knight expanded its relationship with Helsinn and added the exclusive rights to distribute, and commercialize Onicit® in Mexico, Brazil and select LATAM countries, Knight assumed commercial activities for Onicit® in Mexico and Brazil in Q1-25. Akynzeo® competes in the antiemetic market which was over $173 million in 2025 and grew at a CAGR of 8% since 2020, according to IQVIA.

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[3] Jain A, Borad MJ, Kelley RK, et al. Cholangiocarcinoma With FGFR Genetic Aberrations: A Unique Clinical Phenotype. JCO Precis Oncol. 2018;2:1-12. doi:10.1200/PO.17.00080

[4] Lafaro KJ, Cosgrove D, Geschwind JF, Kamel I, Herman JM, Pawlik TM. Multidisciplinary Care of Patients with Intrahepatic Cholangiocarcinoma: Updates in Management. Gastroenterol Res Pract. 2015;2015:860861. doi:10.1155/2015/860861

[5] Rojas C, Slusher BS. Eur J Pharmacol 2012;684(1-3):1-7; 6.

[6] Navari RM and Aapro M. N Engl J Med 2016;374:1356-67.

Tavalisse® (fostamatinib)

On May 24, 2022, Knight announced that it entered into an agreement with Rigel for the exclusive rights to commercialize fostamatinib, an oral spleen tyrosine kinase (SYK) inhibitor, in Latin America. Fostamatinib is commercially available in the U.S. under the brand name Tavalisse® and in Europe under the brand name Tavlesse® for the treatment of chronic immune thrombocytopenia.

Knight submitted marketing authorization applications for Tavalisse®, for the treatment of thrombocytopenia in adult patients with chronic ITP who have had an insufficient response to a previous treatment, for regulatory approval in Mexico and Colombia in July 2023, Brazil in Q1 2024, and Argentina in Q1 2025. Knight obtained regulatory approval of Tavalisse® in Mexico in Q4 2024 and expects to launch in the first half of 2026.

In September 2025, Knight received a rejection from ANVISA regarding its marketing authorization application for Tavalisse® in Brazil and has filed an appeal in December 2025. Knight's appeal was accepted and ANVISA is continuing its review.

Trelstar® (triptorelin)

On January 8, 2020, Knight announced that it had entered into an agreement with Debiopharm for the Canadian commercial rights of Trelstar®, for the palliative treatment of hormone dependent advanced prostate cancer and the management and relief of chronic pain associated with endometriosis. On April 20, 2020, the Company announced that it took over commercial activities from Debiopharm's previous partner and began commercializing Trelstar® in Canada. Trelstar® competes in the GnRH agonist and antagonist market for prostate cancer which was over $233 million in 2025 and grew at a CAGR of 10% since 2020, according to IQVIA.

Orgovyx® (relugolix)

Orgovyx® is the first and only oral GnRH receptor antagonist approved by Health Canada for the treatment of adult patients with advanced prostate cancer.[7] Orgovyx® was approved in October 2023 and was launched by Sumitomo in March 2024 and relaunched by Knight in Q3 2025. The negotiation with the pan-Canadian Pharmaceutical Alliance (pCPA) was successfully concluded in February 2025. Knight concluded the, listing agreements with all major Canadian provinces. Orgovyx® competes in the GnRH agonist and antagonist market for prostate cancer which was over $233 million in 2025 and grew at a CAGR of 10% since 2020, according to IQVIA.

Vidaza® (azacitidine)

Vidaza® is indicated for the treatment of patients with Myelodysplastic Syndromes (MDS) subtypes, including refractory anemia with excess blasts (RAEB) per FAB classification, acute myeloid leukemia (AML) with 20–30% blasts in bone marrow with multilineage dysplasia per WHO classification, and chronic myelomonocytic leukemia (CMML) (modified FAB classification). Knight holds the rights to commercialize the product in Brazil through a distribution agreement with BMS.

Abraxane® (paclitaxel protein-bound particles for injectable suspension)

Abraxane® is indicated for the first-line treatment of patients with metastatic pancreatic adenocarcinoma, in combination with gemcitabine. Knight holds the rights to commercialize the product in Brazil through a distribution agreement with BMS.

[7] *Sumitomo Pharma Switzerland GmbH. ORGOVYX (relugolix tablets, 120 mg): Product monograph. Health Canada, 06 Oct. 2023, https://pdf.hres.ca/dpd_pm/00073150.PDF. Accessed 24 July 2025.*

Halaven® (eribulin mesylate)

Halaven® injection is a synthetic derivative of halicondrin B, belonging to the halichondrin class of antineoplastic agents. Halaven® is indicated for (1) the treatment of adult patients with locally advanced or metastatic breast cancer who have progressed after at least one chemotherapeutic regimen[8] for advanced disease. Prior therapy should have included an anthracycline and a taxane in either the adjuvant or metastatic setting unless patients were not suitable for these treatments, and (2) the treatment of patients with unresectable soft tissue sarcoma who have received prior chemotherapeutic regimen for advanced or metastatic disease. Halaven® is licensed from Eisai and Knight holds the rights to commercialize the product in Latin America except Mexico. Eisai holds the rights to commercialize the product in Mexico.

Lenvima® (lenvatinib)

Lenvima® is indicated for the following three indications (1) the treatment of adult patients with progressive, locally advanced or metastatic, differentiated thyroid carcinoma (papillary/follicular/Hürthle cell), refractory to radioactive iodine, (2) the treatment of adult patients with advanced or unresectable hepatocellular carcinoma who have received no prior systemic therapy, and in certain LATAM countries for (3) the treatment of adult patients with advanced renal cell carcinoma following one prior anti-angiogenic therapy, in combination with everolimus[9]. Lenvima® is licensed from Eisai and Knight holds the rights to commercialize the product in Latin America except Mexico. Eisai holds the rights to commercialize the product in Mexico.

During 2023, two companies received ANVISA approval for generic lenvatinib in Brazil. During 2024, both of those companies received the approval for a branded generic lenvatinib. Additionally, in Q3 2024, a competitor received the approval of a generic lenvatinib in Chile.

In Q3 2024, a competitor in Brazil launched both a branded generic and a generic of Lenvima®. The introduction of generics and branded generics has increased competitive pressures and will continue to negatively impact sales and margins of Lenvima® in Brazil.

BRANDED GENERIC

Ladevina® (lenalidomide)

Ladevina® is indicated for (1) the treatment, as a maintenance monotherapy, of patients with newly diagnosed multiple myeloma, who have had an ASCT, in patients with relapsed or refractory mantle cell lymphoma[1], and in combination with Rituximab for the treatment of adult patients who have received prior therapy for FL (Grade 1-3a); (2) the treatment of adult patients with transfusion-dependent anemia due to low-risk and intermediate-1 myelodysplastic syndromes linked to a 5q deletion cytogenetic abnormality when other therapies are insufficient or inadequate, (3) the treatment, in combination therapy, of adult patients with multiple myeloma without prior treatment who are not candidates for a transplant[1], and (4) the treatment, in combination with dexamethasone of multiple myeloma patients who have received at least one prior therapy and have not responded to treatment.

Zyvalix® (abiraterone acetate)

Zyvalix® is indicated in combination with prednisone or prednisolone for the treatment of castration-resistant metastatic prostate carcinoma and castration sensitive high-risk metastatic prostate carcinoma.

[8] *In Colombia after at least two chemotherapeutic regimen for advanced disease*
[9] *Indication not included in Colombia.*

Karfib® (carfilzomib)

Karfib® is indicated as a single agent for the treatment of patients with relapsed or refractory multiple myeloma who have received one or more previous lines of therapy. Karfib® in combination with dexamethasone or with lenalidomide plus dexamethasone is indicated for the treatment of patients with relapsed or refractory multiple myeloma who have received one to three previous lines of therapy.

Leprid® (leuprolide acetate)

Leprid® is indicated for palliative treatment of advanced hormone-dependent prostate cancer and for the treatment of high-risk localized and locally advanced hormone-dependent prostate carcinoma in combination with radiotherapy.

Rembre® (dasatinib)

Rembre® is indicated for treatment of chronic myeloid leukemia (CML) with positive Philadelphia chromosome (Ph+) and is indicated in adults for Ph+ acute lymphoblastic leukemia (ALL) and lymphoid blast crisis from CML with resistance or lack of tolerance to prior treatment.

Palbocil® and Bapocil® (palbociclib)

Palbocil® / Bapocil® is indicated for the treatment of patients with hormone receptor positive, HER2-negative locally advanced or metastatic breast cancer in combination with: an aromatase inhibitor as initial endocrine-based therapy in post-menopausal women; or fulvestrant in patients with disease progression after prior endocrine therapy. Palbocil® was launched in Argentina in March 2023 and Bapocil® was approved and launched in Colombia in Q1-26.

Xetrane® (pomalidomide)

Xetrane® is indicated in combination with dexamethasone, for the treatment of adult patients with multiple myeloma who have received at least two prior therapies including lenalidomide and a proteasome inhibitor and have demonstrated disease progression on or within 60 days of completion of the last therapy. Xetrane® is also indicated for the treatment of adults patients with AIDS-related Kaposi sarcoma after failure of highly active antiretroviral therapy or in patients with Kaposi sarcoma who are HIV-negative.

Infectious Disease

INNOVATIVE

Ambisome® (amphotericin B)

Ambisome® is a non-pyrogenic lyophilized sterile intravenous infusion of liposomal amphotericin B. It is indicated for (1) the treatment of presumed fungal infections in febrile, neutropenic patients[10], (2) for the treatment of cryptococcal meningitis[10], (3) for the treatment of severe deep mycotic infections, endemic and opportunistic systemic mycosis, caused by organisms susceptible to this anti-infective agent and in the treatment of some cases of American mucocutaneous leishmaniasis, (4) for the treatment of persistent fever of undetermined origin in neutropenic patients who do not respond to antibiotic therapy after 96 hours which is highly indicative of systemic fungal infection, and (5) treatment of visceral leishmaniasis in adults and immunocompetent children. Ambisome® is licensed from Gilead and has been part of Knight's Brazilian affiliate's portfolio for over twenty years.

[10] *Indication approved in Brazil, in the rest of the markets, mucormycosis in patients where amphotericin B is not suitable*

Ambisome® does not currently have a generic competitor in Brazil and while Knight does not have rights to Ambisome® beyond Brazil, Knight is aware that there are four generic competitors in the US. In the second half of 2025, Knight identified two generic submissions to ANVISA for regulatory approval of Amphotericin B. The estimated timelines of approval by ANVISA may vary from fourteen to twenty months.

Cresemba® (isavuconazonium sulfate)

Cresemba® is an azole antifungal agent, available in both injectable and oral formulations in 200 mg and 100 mg strengths, indicated for use in adults for the treatment of invasive aspergillosis and invasive mucormycosis[11] as well as mucormycosis in patients where amphotericin B is not suitable. Cresemba® is licensed from Basilea and Knight holds the rights to commercialize the product in Latin America. In 2022, Cresemba® was incorporated into the Brazilian public health system following a favorable recommendation from the CONITEC.

Impavido® (miltefosine)

On February 27, 2014, Knight acquired the worldwide rights to Impavido® as part of its business separation agreement with Paladin. Impavido® is an oral drug treatment based on miltefosine for the visceral, cutaneous and mucocutaneous leishmaniasis which is caused by a protozoa parasite from over 20 Leishmania species and is approved for sale in the U.S, Germany and Israel. Impavido® was launched in the U.S. in March 2016 by Knight's commercialization partner, Profounda.

BRANDED GENERIC

Dolufevir® (dolutegravir)

Dolufevir® in combination with other antivirals is indicated for the treatment of HIV-infected adults, adolescents and children ≥ 6 years of age and weighing at least 20 kg.

Neurology

Jornay PM® (methylphenidate HCl extended-release capsules)

Knight launched Jornay PM® in Canada in Q4 2025. Jornay PM® is the first and only evening-dosed methylphenidate product commercially available in Canada to treat ADHD in children from 6 to 12 years of age.[12] Jornay PM® consists of microbeads with a delayed-release layer and an extended-release layer. The first layer delays the release of the active ingredient until morning while the extended-release layer controls the release of the active ingredient starting in the morning and continuing throughout the day. This unique formulation provides a pharmacokinetic profile that allows ADHD symptom control from the time patients wake up until the evening. Jornay PM® competes in the ADHD market which was over $1 billion in 2025 of which methylphenidate is over $500 million and grew at a CAGR of 10% since 2020, according to IQVIA.

Exelon® (rivastigmine)

On May 26, 2021, the Company entered into an agreement with Novartis to acquire the exclusive rights to manufacture, market and sell Exelon®, in Canada and Latin America as well as an exclusive license to use the intellectual property and the Exelon® trademark, from Novartis within those territories. Exelon® is a prescription product that was first approved in 1997 and is currently registered and sold in approximately 90 countries. Exelon® is indicated for the symptomatic treatment of mild to moderately severe dementia in people with Alzheimer's disease and Parkinson's disease.

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[11] *Indication not available in Brazil*

[12] *Jornay PM, Health Canada Product monograph, November 2025 https://pdf.hres.ca/dpd_pm/00078457.PDF last access 07 January 2026*

Before the acquisition of Exelon® from Novartis, the drug faced branded and/or generic competition in Canada and most of the markets in LATAM. In Q2 2023, a branded generic drug of Exelon® was launched by a competitor in Brazil. In Q1 2026, a second competitor received approval for a generic drug of Exelon®.

Dexedrine® (dextroamphetamine sulfate)

Dexedrine® is indicated in the adjunctive treatment of narcolepsy and for the treatment of ADHD.

Xcopri® (cenobamate)

Xcopri® (cenobamate tablets) is indicated as adjunctive therapy in the management of partial-onset seizures in adults with epilepsy who are not satisfactorily controlled with conventional therapy. It is taken orally, once daily.[13] Xcopri® is an anti-seizure medication (ASM) discovered and developed by SK Biopharmaceuticals and SK Life Science. It is a novel molecule with a dual mechanism of action. In pre-clinical studies, Xcopri® has been demonstrated to reduce repetitive neuronal firing by inhibiting voltage-gated sodium currents. It is also a modulator of the γ-aminobutyric acid (GABAA) ion channel. The efficacy and safety of Xcopri® for the treatment of adults with uncontrolled partial-onset seizures (also known as focal-onset seizures) were assessed in two randomized, placebo-controlled, double-blind clinical trials (C013 and C017).[14,15] The long-term safety of cenobamate in this population has been studied in an open-label safety study (C021).[16]

During Studies C013 and C017, a total of 441 patients were exposed to Xcopri®. In both studies, the primary efficacy endpoint was median percent reduction from baseline in seizure frequency per 28 days. The key secondary endpoint was responder rates, defined as the proportion of patients with 50% or greater reduction in seizure frequency. Xcopri® significantly reduced seizure frequency and demonstrated a significantly higher ≥50% responder rate compared to placebo.

Xcopri® is marketed in Europe under the trademark Ontozry®. Xcopri® was launched in Canada in January 2024 and obtained in all major Canadian provinces during 2025. Xcopri® competes in the anti-epileptics adjunctive therapies market segment which according to IQVIA, was valued between $100 million to $130 million in 2025 and grew at a CAGR of 5% since 2021.

Other Specialty Therapeutic Areas

INNOVATIVE

Imvexxy® (estradiol vaginal inserts)

On July 31, 2018, Knight entered into an exclusive licensing agreement for the commercial rights of Imvexxy® in Canada and Israel. Imvexxy® is approved for the treatment of moderate-to-severe dyspareunia (vaginal pain associated with sexual activity), a symptom of vulvar and vaginal atrophy, due to menopause.In Q1 2024, Knight launched Imvexxy® in Canada. Imvexxy® competes in the VVA market which was over $148 million in 2025 and grew at a CAGR of 14% since 2020, according to IQVIA.

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[13] *Paladin Labs Inc. XCOPRI (cenobamate tablets): Product monograph. Health Canada, 06 June 2023, https://pdf.hres.ca/dpd_pm/00071217.PDF. Accessed 24 July 2025.*

[14] *Chung, Steve S et al. "Randomized phase 2 study of adjunctive cenobamate in patients with uncontrolled focal seizures." Neurology vol. 94,22 (2020): e2311-e2322. doi:10.1212/WNL.0000000000009530.*

[15] *Krauss, Gregory L et al. "Safety and efficacy of adjunctive cenobamate (YKP3089) in patients with uncontrolled focal seizures: a multicentre, double-blind, randomised, placebo-controlled, dose-response trial." The Lancet. Neurology vol. 19,1 (2020): 38-48. doi:10.1016/S1474-4422(19)30399-0.*

[16] *Sperling, Michael R et al. "Cenobamate (YKP3089) as adjunctive treatment for uncontrolled focal seizures in a large, phase 3, multicenter, open-label safety study." Epilepsia vol. 61,6 (2020): 1099-1108. doi:10.1111/epi.16525.*

Myfembree® (relugolix/estradiol/norethindrone acetate)

Myfembree® is a fixed-dose combination of relugolix, estradiol, and norethindrone acetate and is the first oral prescription treatment for both the management of heavy menstrual bleeding associated with uterine fibroids and the management of moderate to severe pain associated with endometriosis in pre-menopausal women.[17] Myfembree® was approved by Health Canada in September of 2023, launched by Sumitomo in January 2024 and relaunched by Knight in Q3 2025 and received publicly reimbursement in Ontario, Quebec and Nova Scotia during Q1-26. Myfembree® competes in the GnRH market, agonist and antagonist sales for endometriosis and uterine fibroids, which was over $48 million in 2025 and grew at a CAGR of 13% since 2020, according to IQVIA.

Envarsus®PA (tacrolimus)

Envarsus®PA (tacrolimus prolonged-release tablets) is indicated for the prophylaxis of organ rejection in allogenic kidney or liver transplant adult patients in combination with other immunosuppressants. Envarsus®PA is currently marketed in Canada, Europe and in the US. Envarsus®PA was launched in Canada in July 2019. Envarsus®PA is listed for public reimbursement across all provinces in Canada. Envarsus®PA competes in the tacrolimus market which was over $200 million in 2025 and grew at a CAGR of 7% since 2020, according to IQVIA.

Bijuva® (estradiol and progesterone)

On July 31, 2018, Knight entered into an exclusive licensing agreement for the commercial rights of Bijuva® in Canada and Israel. Bijuva®, approved by the Health Canada in September 2020, is a bio-identical hormone therapy combination of estradiol and progesterone in a single, oral softgel for the treatment of moderate-to-severe vasomotor symptoms associated with menopause in women with an intact uterus. In Q1 2024, Knight launched Bijuva® in Canada.

Salofalk® (mesalazine)

Salofalk® is indicated for treatment of ulcerative colitis in both acute attacks and relapse prevention as well as for the treatment of acute episodes of Crohn's disease. Salofalk® is licensed from Dr. Falk Pharma and Knight holds the rights to commercialize the product in Colombia, Argentina, Chile and Peru.

Ursofalk® (ursodeoxycholic acid)

Ursofalk® is indicated for the treatment of the primary biliary cirrhosis. Ursofalk® is licensed from Dr. Falk Pharma and Knight holds the rights to commercialize the product in Colombia, Argentina, Peru and Chile.

Testim® (testosterone)

Testim® is a topical gel containing 1% of testosterone, indicated for testosterone replacement therapy in adult males for conditions associated with a deficiency or absence of endogenous testosterone.

BRANDED GENERIC

Fibridoner® (pirfenidone)

Fibridoner® is indicated for the treatment of mild to moderate idiopathic pulmonary fibrosis in adults.

[17] *Sumitomo Pharma Switzerland GmbH. MYFEMBREE (relugolix, estradiol, and norethindrone acetate tablets): Product monograph. Health Canada, 13 Oct. 2023, https://pdf.hres.ca/dpd_pm/00072888.PDF. Accessed 24 July 2025.*

PIPELINE

The Company believes that its pipeline of innovative and branded generics products will drive future growth but there is no certainty that any of these molecules will be launched due to inherent development, regulatory, legal and commercial risks in launching a pharmaceutical product. The Company's pipeline of undisclosed molecules which could potentially be launched as branded generic products in the future includes internally developed and in-licensed products in the following stages:

1. **Development**: Formulation or clinical development on-going;
2. **Submitted**: Molecule has been submitted by the Company to a health authority agency for approval; and
3. **Approved**: Molecule has obtained regulatory approval, but launch is pending additional local technical requirements.

Pipeline and products launched since 2024

Knight has generated $27,920 in 2025 (2024: $6,413) of revenues from the products in early launch stage which include Minjuvi® and Pemazyre® in Brazil and Mexico, Bapocil® in Argentina, and Imvexxy®, Bijuva®, Jornay PM®, Xcopri®, Myfembree® and Orgovyx®in Canada. The Company expects that its pipeline, including products launched or relaunched by Knight since January 2024 could achieve total revenues over $200,000[18] in combined revenues in their peak years. The products launched in 2024 and 2025 are expected to deliver peak revenues of over $100,000 and the launches in 2026 and beyond is expected to deliver peak revenues of over $100,000.

[18] *This forward looking information is based on assumptions specific to the nature of the Company's activities with regard to annual revenue growth considering industry information, expected market share, pricing assumptions, actions of competitors, sales erosion rates after the end of patent or other intellectual property rights protection, the timing of the entry of generic competition, the expected results of tenders, among other variables.*

PRODUCT	INDICATION OR THERAPEUTIC AREA	TERRITORY					EXPECTED LAUNCH YEAR
		Canada	Brazil	Argentina	Colombia	Mexico	
Oncology/Hematology							
Minjuvi®	ASCT ineligible patients with relapsed or refractory DLBCL		Q1-24	Q4-25		Q1-25	—
Minjuvi®	Relapsed or refractory FL		■	●		●	2026-2027
Zynyz®	Squamous cell carcinoma of the anal canal Advanced Merkel cell carcinoma		▲	▲	▲	▲	2027-2029
Niktimvo®	Chronic graft-versus-host disease		●	▲		▲	2027-2029
Pemazyre®	Unresectable locally advanced or metastatic cholangiocarcinoma with a FGFR2 fusion		Q4-25	■		Q4-25	2026
Tavalisse®	Previously treated of chronic immune thrombocytopenia		●	●	●	■	2026-2027
Bapocil® [1]	Breast Cancer				Q1-26		2026
Xetrane® [1]	Multiple myeloma			Q2-19	●		2029
O501 [1]	Oncology/Hematology			■			2026
O502 [1]	Oncology/Hematology			■			2026
O503 [1]	Oncology/Hematology			▲			2027
O504 [1]	Oncology/Hematology			◆			2030
O401	Oncology/Hematology		◈				2029
O402	Oncology/Hematology		◈				2029
H403	Oncology/Hematology		◈		◈		2028
H402	Oncology/Hematology		◈		◈		2028-2029
Neurology							
Crexont®	Parkinson's disease	●	▲	●	▲	●	2027-2030
Qelbree®	ADHD	●					2027
Jornay PM®	ADHD	Q4-25	▲			▲	2028-2030
Xcopri®	Adjunctive therapy in the management of partial-onset seizures in adults with epilepsy who are not satisfactorily controlled with conventional therapy	Q1-24 [2]					—
C401	Other Specialty				■		2026
Other Specialty							
Imvexxy®	Moderate-to-severe dyspareunia	Q1-24					—
Bijuva®	Moderate-to-severe vasomotor symptoms due to menopause	Q1-24					—
Myfembree®	Treatment for heavy menstrual bleeding associated with uterine fibroids and moderate to severe pain associated with endometriosis in pre-menopausal women	Q1-24 [2]					—
Orgovyx®	Advanced prostate cancer	Q1-24 [2]					—
Wynzora®	Plaque psoriasis	■					2026
Gemtesa®	Treatment of overactive bladder, or OAB	▲					2028

1 Products developed by Knight's internal BGx capabilities in Argentina. Unless otherwise noted in above table, these products are marketed in Argentina.
2 Date refers to the date of launch by Paladin or Sumitomo in partnership with Pfizer.

◈ *Development: Products under development stage.*
▲ *Pre-registration: Not yet submitted for regulatory review. The indication is the anticipated indication upon regulatory approval.*
● *Submitted: Currently under regulatory review. The indication is the anticipated indication upon regulatory approval.*
■ *Approved: Approved by regulatory authorities but not yet commercially launched.*

All dollar amounts herein are expressed in thousands of Canadian dollars (unless otherwise indicated) except for share and per share amounts. All other currencies are in thousands (unless otherwise indicated).

Minjuvi® (tafasitamab)

Knight submitted supplemental applications seeking regulatory approvals for an additional indication of Minjuvi® in combination with rituximab and lenalidomide for the treatment of adult patients with previously treated FL in Brazil in Q2 2025 and in Argentina and Mexico in Q1 2026. Furthermore, Knight received the approval of Minjuvi® in combination with rituximab and lenalidomide for the treatment of adult patients with relapsed or refractory FL in Brazil in Q1 2026.

Zynyz® (retifanlimab)

In Q3 2025, Knight expanded its relationship with Incyte Biosciences International Sàrl, the Swiss-based affiliate of Incyte, and added the exclusive rights to distribute Zynyz® (retifanlimab) and Niktimvo® (axatilimab) for Latin America.

Zynyz® is approved in the United States and Europe for the treatment of adult patients with metastatic or recurrent locally advanced Merkel cell carcinoma (MCC), a rare and aggressive type of skin cancer.[19] Based on epidemiological data from two Brazilian registries, there are an estimated 550 – 1,250 new cases of MCC each year across Brazil, Mexico, Colombia and Argentina.[20] Zynyz® is also approved by the U.S. FDA in combination with carboplatin and paclitaxel for the first-line treatment of adult patients with inoperable locally recurrent or metastatic squamous cell carcinoma of the anal canal (SCAC).[20] In addition, the FDA approved Zynyz® as a single agent for the treatment of adult patients with locally recurrent or metastatic SCAC with disease progression on or intolerance to platinum-based chemotherapy[20]. While epidemiological data for SCAC in LATAM is limited, there are approximately 2,700 – 4,000 new cases of SCAC each year in Brazil, Mexico, Colombia and Argentina.[21]

Niktimvo® (axatilimab)

Niktimvo® received FDA approval in August 2024 for the treatment of chronic graft-versus-host disease (cGVHD) after failure of at least two prior lines of systemic therapy in adult and pediatric patients weighing at least 40 kg.[22] Chronic GVHD is a serious complication of allogeneic stem cell transplantation in which the donor's immune cells attack the recipient's tissues, potentially affecting multiple organs such as the skin, liver, lungs, and gastrointestinal tract. There are approximately 1,400 – 1,800 reported allogeneic transplants in Brazil every year.[23] In Q1 2026, Knight announced that it submitted Niktimvo® for regulatory approval in Brazil.

Pemazyre® (pemigatinib)

In 2025, Knight obtained the regulatory approval for Pemazyre® in Mexico and Argentina, as monotherapy for the treatment of adults with locally advanced or metastatic cholangiocarcinoma with a FGFR2 fusion or rearrangement that have progressed after at least one prior line of systemic therapy. In Q4 2025, Knight launched Pemazyre® in Brazil and Mexico and expects to launch in Argentina in the first half of 2026.

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[19] *Incyte Corporation. ZYNYZ (retifanlimab-dlwr) injection, for intravenous use: Full prescribing information. Mar 2023, https://www.zynyz.com/zynyz-prescribing-information. Accessed 24 July 2025.*

[20] *de Melo, Andreia C, and Luiz C Santos Thuler. "Trends in the incidence and morbidity of Merkel cell carcinoma in Brazil." Future oncology (London, England) vol. 17,22 (2021): 2857-2865. doi:10.2217/fon-2020-1313.*

[21] *Mignozzi, Silvia, Claudia Santucci, Matteo Malvezzi, Fabio Levi, Carlo La Vecchia, and Eva Negri. "Global Trends in Anal Cancer Incidence and Mortality." European Journal of Cancer Prevention 33, no. 2 (November 27, 2023): 77–86. https://doi.org/10.1097/cej.0000000000000842.*

[22] *Incyte Corporation. NIKTIMVO (axatilimab-csfr) injection, for intravenous use: Full prescribing information. U.S. Food and Drug Administration, Aug. 2024, https://www.accessdata.fda.gov/drugsatfda_docs/label/2024/761411s000lbl.pdf. Accessed 24 July 2025.*

[23] *Associação Brasileira de Transplante de Órgãos (ABTO). Registro Brasileiro de Transplantes (RBT): Dados numéricos da doação de órgãos e transplantes realizados por estado e instituição, janeiro–setembro 2024. 31 Oct. 2024, https://site.abto.org.br/wp-content/uploads/2024/11/RBT2024-3t-abto-populacao.pdf. Accessed 5 Nov. 2025.*

Tavalisse® (fostamatinib)

Knight submitted Tavalisse® for regulatory approval in Argentina in Q1 2025, for the treatment of thrombocytopenia in adult patients with chronic ITP who have had an insufficient response to a previous treatment. Knight obtained regulatory approval of Tavalisse® in Mexico in Q4 2024 and expects to launch in the first half of 2026. In addition, Knight received a rejection from ANVISA regarding its marketing authorization application for Tavalisse® in Brazil in Q3 2025 and has filed an appeal in December 2025. Knight's appeal was accepted and ANVISA is continuing its review.

Bapocil® (palbociclib)

In February 2026, Bapocil® was approved and launched in Colombia. Bapocil® in combination with endocrine therapy is indicated for the treatment of patients with metastatic or advanced breast cancer that is hormone receptor positive and HER2-negative, in combination with: an aromatase inhibitor as initial endocrine-based therapy in post-menopausal women; or with fulvestrant in patients with disease progression after endocrine therapy.

Wynzora® (calcipotriol and betamethasone dipropionate)

Wynzora® is a cream-based fixed dose combination of calcipotriene and betamethasone dipropionate for topical treatment of psoriasis vulgaris in adults and adolescents aged 12-17 years for up to 8 weeks.[24] Its dual mode of action is targeting the hallmark cytokines IL-23 and IL-17A/F immune axis and TNF-α expression in a single product. Wynzora® Cream is uniquely enabled by MC2's formulation and drug delivery system PAD Technology™, allowing an effective convenient-to-use aqueous formulation.[25] Wynzora® Cream was approved in the US by the FDA on July 2020, and in the first country in Europe on July 2021. Knight acquired the license agreement with MC2 for Wynzora® upon closing the Paladin Transaction. Health Canada approved Wynzora® in Q4 2025, and Knight expects to launch in the second half of 2026.

Gemtesa® (vibegron)

Knight licensed Gemtesa® in June 2025 as part of the Sumitomo Transaction. Gemtesa® is indicated for the treatment of overactive bladder (OAB) with symptoms of urge urinary incontinence, urgency, and urinary frequency in adults and OAB with symptoms of urge urinary incontinence, urgency, and urinary frequency in adult males on pharmacological therapy for benign prostatic hyperplasia (BPH) in the U.S.[26] Gemtesa® works by selectively targeting the β3 adrenergic receptors to reduce OAB symptoms through the relaxation of the bladder detrusor muscle to increase bladder capacity. Gemtesa® is approved in the U.S. and Europe, and Knight expects to submit for Health Canada's approval in 2026.

Crexont® (carbidopa and levodopa)

Knight submitted Crexont® for approval in Canada and Mexico in Q2 2025 , and in Chile, Argentina and Peru in Q4 2025. Crexont® is a novel, oral formulation of carbidopa ("CD")/levodopa ("LD") extended-release capsules designed for the treatment of Parkinson's disease.

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[24] *Knight Therapeutics, Inc. Wynzora® (calcipotriol and betamethasone dipropionate cream) [product monograph]. Montreal, QC: Knight Therapeutics, Inc.; November 21, 2025.*

[25] *mc2 therapeutics Nov, 2023, https://www.wynzora.com/wp-content/uploads/2023/12/Wynzora_USPI_13.0.pdf access 07 January 7, 2026*

[26] *Urovant Sciences, Inc. GEMTESA (vibegron) Tablets, for Oral Use: Prescribing Information. U.S. Food and Drug Administration, Dec. 2020, https://www.accessdata.fda.gov/drugsatfda_docs/label/2020/213006s000lbl.pdf. Accessed 24 July 2025. accessdata.fda.gov*

Qelbree® (viloxazine)

In Q4 2025, Knight received a Notice of Non-Compliance from Health Canada for its New Drug Submission for Qelbree®, for the treatment of ADHD. Knight expect to submit its response to Health Canada in 2026. Qelbree® competes in the ADHD market which was over $1 billion in 2025 of which the non-stimulant segment is $96 million.

Jornay PM® (methylphenidate HCl extended-release capsules)

Knight launched Jornay PM® in Canada in Q4 2025. Jornay PM® is the first and only evening-dosed methylphenidate product commercially available in Canada to treat ADHD in children from 6 to 12 years of age.[27] Jornay PM® consists of microbeads with a delayed-release layer and an extended-release layer. The first layer delays the release of the active ingredient until morning while the extended-release layer controls the release of the active ingredient starting in the morning and continuing throughout the day. This unique formulation provides a pharmacokinetic profile that allows ADHD symptom control from the time patients wake up until the evening. Jornay PM® competes in the ADHD market which was over $1 billion in 2025 of which methylphenidate is over $500 million and grew at a CAGR of 10% since 2020, according to IQVIA.

Sales and Marketing

Knight's sales and marketing strategy focuses on three key activities: securing reimbursement and patient access, creating demand among targeted prescribers, and ensuring distribution to appropriate points of sale. Knight may expand its sales and marketing team and capabilities in territories where it launches and acquires additional products. Knight expects to market its products to general practitioners and specialty physicians using a salesforce as well as through indirect marketing strategies.

Securing Reimbursement for Patients

Knight recognizes that gaining reimbursement from public and private payers is a key success factor to marketing pharmaceutical products. In each of the territories where Knight operates, Knight's market access and commercial teams pursue several market access strategies to obtain public reimbursement and private reimbursement through insurance companies or HMO.

Creating Demand Among Targeted Prescribers

Knight uses a "pull-through" marketing approach which is common in the pharmaceutical industry. Knight's sales representatives will demonstrate the features and benefits of its products to physicians who may write prescriptions for Knight's products. These physicians write prescriptions for their patients, who, in turn, take the prescriptions to pharmacies to be filled. The pharmacies then place orders with the wholesalers, or, in case of large chain pharmacies, their distribution centers, to which Knight will sell its products.

Knight employs dedicated physician salesforce teams in each of its countries where Knight has commercial operations. The Corporation believes that it can effectively reach its core prescriber group with a dedicated sales team because of the concentrated nature of the specialty markets in which it competes and the Corporation's use of fact-based physician targeting tools. The Corporation uses fact-based physician targeting in order to obtain the greatest return for its sales effort. The sales team uses the data collected and analysis to focus on the smaller, high potential group while other marketing tactics, such as advertising, direct mail or conferences, will be used to reach the balance of the market in a more efficient manner.

[27] *Jornay PM, Health Canada Product monograph, November 2025 https://pdf.hres.ca/dpd_pm/00078457.PDF last access 07 January 2026*

Knight's medical teams organize and support various continuing education initiatives to keep physicians well informed about the latest practices in using the Corporation's products. The Corporation believes that participation in medical conferences in Canada and internationally is important in building awareness of the Corporation's products and their benefits among its target groups. Furthermore, conference participation will continue to strengthen the supportive relationship between the Corporation and its core physician target groups.

Knight may fund and support phase 4 clinical studies as may be appropriate for its current or future products. These studies benefit the Corporation by generating new data which may subsequently be published, and by positioning Knight as a supporter of new medical research among its core physician target group.

The Corporation is also active in working to build awareness and encourage the use of its brands by working with and supporting consumer advocacy groups in their areas of interest. The Corporation believes that this activity helps to generate awareness of the brands directly with patients.

Ensuring Distribution to Appropriate Points of Sale

Knight will employ a variety of tactics to support its own direct sales efforts to ensure that its products are available for sale at the appropriate distribution points, including pharmacies and/or hospitals.

Manufacturing and Distribution

Knight's products are currently available only from sole or limited suppliers. These third-party manufactured products and those manufactured at Knight's facilities account for all of Knight's revenues.

Knight outsources the manufacturing function for certain products to third parties, including licensors. Through contractual arrangements and quality control audits, Knight ensures that its products are manufactured in accordance with the current GMP, consistent with regulatory requirements. In addition, under most of the Corporation's product license agreements, the licensor retains the rights and obligation to manufacture the licensed product.

The Company has three different manufacturing sites used to produce the majority of its marketed branded generics products. The regulatory approval status of each plant is as follows:

- Respiratory Plant: ANMAT approved;
- Oncology Oral Solid Plant: ANMAT, DIGEMID and INVIMA approved; and
- Oncology Liquid & Sterile Injectable Plant Oncology: ANMAT and DIGEMID approved.

The ANMAT approval status allows the Corporation to submit for regulatory approval, manufacture in Argentina and commercialization of the pharmaceutical products in Uruguay, Bolivia, Paraguay, Ecuador, Chile and certain markets in Central America. The DIGEMID and INVIMA license for Peru and Colombia is required on a plant-by-plant basis for regulatory approval, manufacture in Argentina and commercialization of the pharmaceutical products in the respective countries. Knight will continue to assess whether it is more cost effective to manufacture in its own facilities or whether to outsource production, taking into account not just costs but reliability and local import regulations.

Knight depends on third parties for the supply of the raw materials and API necessary to develop and manufacture its products, including the active and inactive pharmaceutical ingredients used in its products. Knight is required to identify the supplier of all the raw materials for its products in the drug applications that it files with Health Canada, LATAM health authorities, the FDA and the EMA. If the API or raw materials for a particular product become unavailable from an approved supplier specified in a drug application, Knight would be required to qualify

a substitute supplier with each regulatory body where the product is approved, which would likely interrupt manufacturing and supply of the affected product. To the extent practicable, Knight attempts to identify more than one supplier in each drug application. However, some API and raw materials are available only from a single source and, in some of its drug applications, only one supplier of API or raw materials has been identified, even in instances where multiple sources exist. To the extent that the manufacturing costs charged by third party contractors increase and such costs are not able to be fully passed on to the Corporation's customers, the profit margins of the Corporation on its products may be adversely impacted.

Under some of its agreements, Knight may be required to purchase a minimum amount of API or raw materials and/or order a minimum amount of manufactured products. Generally, Knight must pay a shortfall penalty if it does not meet its minimum requirements. The inability to supply can have a material adverse effect on the Corporation's financial condition and results of operations and cash flows.

Competition

The market for drugs is highly competitive with many established manufacturers, suppliers and distributors actively engaged in all phases of the business. Knight believes that competition in the sale of pharmaceutical products is based primarily on efficacy, reimbursement coverage, brand awareness, availability, product safety and price. As Knight acquires brand name pharmaceutical products, they may be subject to competition from alternate therapies during the period of patent protection and thereafter from generic or other competitive products. All of Knight's products compete with generic and/or other competitive products in the marketplace. Competing in the branded product business requires Knight to identify and quickly bring to market new products embodying technological innovations. Successful marketing of branded products depends primarily on the ability to communicate the efficacy, safety and value to healthcare professionals in private practice, group practices and health care organizations. The Corporation anticipates that its branded product offerings will support its existing areas of therapeutic focus.

Many of Knight's competitors are large well-known pharmaceutical companies which have considerably greater financial, sales, marketing and technical resources than those of the Corporation. In addition, many of the Corporation's present and potential competitors have research and development capabilities that may allow such competitors to develop new or improved products that may compete with the Corporation's products.

The pharmaceutical industry is characterized by continued product development and technological change. The Corporation's products could be rendered obsolete or uneconomical by the development of new pharmaceuticals to treat the conditions addressed by the Corporation's products, as a result of technological advances affecting the cost of production, or as a result of marketing or pricing action by one or more of the Corporation's competitors.

In Canada and LATAM, Knight competes with Innovative Drug manufacturers, innovative pharmaceutical companies that license and distribute Innovative Drugs, and Generic Drug manufacturers. Within each of Knight's therapeutic fields, other drug companies offer competitive products. For example, Impavido® is approved in Germany, Israel and the U.S., and faces generic competition in some of its markets. The Corporation competes with specialty pharmaceutical companies in Canada such as HLS Therapeutics Inc. Apotex Inc. and regional affiliates of multinationals, such as Bausch Health Canada Ltd., in securing the Canadian rights to new products. In Latin America, Knight faces competition for licenses and product acquisitions from affiliates of multi-national companies, such as Abbott or Bausch Health, as well as local players such as EMS, Eurofarma, Hypera Pharma, Adium S.A., Roemmers, Gador, M8 Pharmaceuticals, Pint Pharma, Swixx Biopharma, and Bago as they look to grow in the region. In addition, in Latin America, Knight's branded generic business competes with large local players such as a Adium S.A., Gador, ProCaps, Bago as well multi-national players such as Sandoz, Teva, Dr. Reddy and Cipla.

Licensing and Intellectual Property

The pharmaceutical industry places great emphasis on proprietary rights, including patent protection and differentiation through the use of trademarks. While some of the Corporation's products do not have patent protection, the Corporation believes that many of the products it intends to sell are differentiated based on their recognizable trademarks.

The Corporation's success depends in part on its ability to obtain brand recognition, patents, protect trade secrets, operate without infringing the proprietary rights of others and prevent others from infringing on its proprietary rights.

Potential Liability and Insurance

The Innovative Drugs distributed by the Corporation contain medicinal ingredients that have been approved for marketing by Health Canada, the FDA and the EMA. The branded generics have been approved in various countries in LATAM and are generics of products that have been approved in Europe and the U.S. The Corporation faces an inherent business risk of exposure to significant product liability and other claims in the event the use of the Corporation's products results, or is alleged to have resulted, in adverse effects. Knight maintains product liability insurance to cover such risks for products where such coverage is available. The Corporation has never been involved in any significant legal proceedings or been the subject of any claim regarding the safety of its products.

Knight's Fund Investment Portfolio

Knight invested and monitors investments in life sciences venture capital funds in which the Company earns a return similar to any other limited partner in the fund and may receive preferential access to innovative healthcare products from around the world for Canada and select international markets. Knight has remaining commitments to invest in life science venture capital funds of $3,496 as at December 31, 2025. Knight determined that while the fund strategy has been financially successful, the strategy has not been successful from a business development perspective as it led to only two product license agreements. Consequently, Knight has no plans to invest in any new venture capital funds.

As at	**December 31, 2025**
FMV of funds by expected exit date	**$**
1-3 years	61,684
4-5 years	17,466
5+ years	334
Total	**79,484**

As at December 31,	2025	2024
Inception to date:		
Capital calls	**161,499**	160,192
Distributions received	**(153,068)**	(144,117)
Mark to market adjustment	**58,940**	63,818
Foreign exchange gain	**12,113**	12,131
TVPI[1]	**1.44x**	**1.47x**
Contingent gains[2]	**5,960**	8,418
TVPI[1] considering contingent gains[2]	**1.48x**	**1.53x**

[1] TVPI represents total value to paid-in ratio which is calculated as distributions received from the strategic funds and the residual value not yet realized relative to the contributed paid-in capital.

[2] Knight does not record certain contingent gains related to the investments in the strategic funds until it is probable that such gains will be realized. Contingent gains on the investments in the strategic funds include milestones payments to the strategic funds based upon achieving certain events such as clinical success of a trial, regulatory approval of a drug or certain sales-based event.

Knight's Strategic Loans

Knight finances other life sciences companies across multiple geographic markets with the objective of strengthening relationships within the life sciences industry and securing product distribution rights for Canada and select international markets. Typically, loans have low double-digit interest rates and may come with additional consideration to the Company. Loans often come with product rights or product options for Canada and select international markets. These loans strengthen Knight's ties within the life sciences industry and, in doing so, have helped secure product rights for Knight either on a direct or indirect basis. To date, the strategic lending portfolio has resulted in the acquisition of Neuragen and the in-licensing of several products from Triumvira. In 2025, the Company collected $17,598 [US$12,771] and received warrants with fair value of $1,116 [US$811] for the outstanding strategic loan receivables and as at December 31, 2025 no longer has strategic loan receivables.

Personnel and Employees

As of the date hereof, Knight has 830 employees in Canada and LATAM whose collective responsibilities relate primarily to business development, sales and marketing, operations, manufacturing scientific affairs (including research and development) and administration. Of these employees, 311 are unionized, of which 158 are located in Brazil (24 of whom have global or regional responsibilities) and 153 in Argentina. In addition, Knight engages several consultants for various services.

Department	Global	Canada	Brazil	Argentina	Colombia	Other
Commercial	7	62	79	37	29	58
Scientific Affairs	26	42	31	23	18	28
Supply and Manufacturing	14	5	1	172	3	2
Administrative	95	10	23	29	21	15
Total	**142**	**119**	**134**	**261**	**71**	**103**

All dollar amounts herein are expressed in thousands of Canadian dollars (unless otherwise indicated) except for share and per share amounts. All other currencies are in thousands (unless otherwise indicated).

RISK FACTORS

Risk Factors Related to the Business and Industry

Investing in the Corporation's securities involves a significant amount of risk. Potential investors should carefully consider the risks described below, as well as all other information in Knight's publicly filed documents, before making an investment decision. If any of the following risks occur, Knight's business, financial condition or results of operations and financial condition could be adversely affected. In any such case, the trading price of the Common Shares could decline, and investors could lose all or part of their investment.

LATAM Emerging Markets Risks

Knight has operations across emerging markets including Brazil, Colombia, Chile, Mexico, Peru, Argentina, Uruguay, Bolivia, Ecuador and certain other LATAM countries, that expose Knight to the political, social, economic, regulatory and other risks inherent to LATAM countries including, but not limited to:

- *Political instability:* changes in the political leadership, in the leadership of government agencies and conflicts can result in significant government policy changes, disrupt the flow of goods and capital, causing uncertainty and making it difficult to conduct business and achieve profitability.
- *Regulation risk:* changes in government regulations regarding intellectual property, pricing, and access to medicines, can increase the cost of compliance, reduce the efficiency of Knight's operations and limit Knight's ability to obtain necessary approvals for products. Furthermore, operations may be affected in varying degrees by government regulations related to restrictions on production, price controls, export controls, currency remittance, importation of product and supplies, income and other taxes, royalties, the repatriation of profits, expropriation of property, foreign investment, maintenance of licenses, approvals and permits, environmental matters, land use, land claims of local people, water use and workplace safety, governmental regulations that favor or require Knight to award contracts in, employ citizens of, or purchase supplies from, the jurisdiction. Failure to comply with applicable laws, regulations and local practices could materially impact the Company's operations in LATAM countries. The Company continues to monitor developments and policies in LATAM countries to assess the impact thereof to its operations or future operations; however, such developments cannot be predicted and could have an adverse effect on the Company's operations in those countries.
- *Expropriation and nationalization risk:* LATAM countries have a history of nationalizing foreign-owned companies, and a pharmaceutical company could be at risk of having its assets seized by the government, forced renegotiation or nullification of existing licenses, approvals, permits and contracts making it difficult or not possible to continue operations.
- *Inflation:* historically high inflation rates in LATAM (and hyperinflation in Argentina) can increase the cost of producing and distributing pharmaceuticals for the Company, reducing purchasing power of consumers and potentially reducing demand for these products.
- *Currency instability:* devaluation in LATAM currencies can make it difficult for companies to accurately predict costs and revenues, and increase the risk of exchange rate losses, which can impact profitability, cash flows and the financial stability of Knight's business.
- *Excessive and complex taxation:* political instability can lead to changes to political agenda and fiscal policies, resulting in higher tax rates and/or complex tax regulations, which can increase the cost of doing business and reduce Knight's profitability.
- *Public health crises risks:* public health crises, such as pandemics, can have significant impacts on operations such as supply chain disruptions, government-imposed restrictions and decreased demand for certain products.

- *Social unrest risks:* social and labor unrest; war or civil war; organized crime; hostage taking; terrorism; violent crime could disrupt operations, transportation, and supply chains, leading to decreased consumer and investor confidence, reputation damage, and loss of assets and property. In 2026, Mexico saw increased security volatility tied to organized crime, especially after law enforcement killed the Jalisco New Generation Cartel leader in February. This led to widespread violence, road blockades, attacks on infrastructure, flight cancellations, and disruptions at ports and airports, causing significant delays in ground, air, and maritime logistics including cross-border freight. The unstable social environment can impact employee safety and the functioning of infrastructure and property, resulting in decreased demand for products and reduction of Knight's profitability.
- *Fraud and corruption risks:* fraud and corruption by suppliers or personnel or government officials which may implicate the Company, compliance with applicable anti-corruption laws, including the Corruption of Foreign Public Officials Act (Canada) by virtue of the Company operating in jurisdictions that may be vulnerable to the possibility of bribery, collusion, kickbacks, theft, improper commissions, facilitation payments, conflicts of interest and related party transactions, and the Company's possible failure to identify, manage and mitigate instances of fraud, corruption, or violations of applicable regulatory requirements. During 2025, several pharmaceutical companies, including Knight's subsidiary in Argentina, Laboratorio LKM S.A., received notices from Argentina´s National Competition Authority (NCA) regarding a complaint filed with the NCA that triggered an administrative investigation into alleged anticompetitive practices in the Argentine pharmaceutical market. The investigation relates to sales of oncology products to PAMI, which covers pensioners and retirees, for the period from January 2018 to January 2025. The matter is currently ongoing and in a preliminary investigation stage.
- *Legal risks*: in the event of a dispute arising in connection with the Company's operations in LATAM countries in which the Company may conduct business, Knight may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of the courts of Canada or enforcing Canadian judgments in such other jurisdictions. The Company may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. Accordingly, the Company's activities in foreign jurisdictions could be substantially affected by factors beyond the Company's control. During 2025, Knight´s subsidiary in Brazil (United Medical Ltda.), received notifications from MOH informing fines totaling approximately $1,756 [BRL 6,847], primarily related to alleged administrative delays. United Medical has filed administrative appeals against these fines, and, as of the reporting date, the MOH has not issued decisions on such appeals. The Company believes it has well-founded legal and factual grounds to conclude that no fines should be imposed.
- *Economic and market conditions in other countries*: financial and securities markets in LATAM countries are influenced by the economic and market conditions in other countries, including other emerging market countries and other global markets. The volatility and changes in global and emerging financial markets, may substantially affect negatively the capital flows into the countries where Knight operate thereby impacting economic growth and government budgets.

LATAM Political and Economic Conditions

Political and economic conditions directly affect the Company's business and can result in a material adverse effect on the Company. Macroeconomic policies enacted by the governments in LATAM countries in which the Company operates can have significant impact on Knight. The economies in key LATAM markets including, but not limited to, Brazil, Argentina, Colombia, Mexico, and Peru, have been characterized by frequent, and occasionally significant, intervention by the government and unstable economic cycles. The governments have often changed monetary, taxation, credit and other policies to influence the course of the economies. The government's actions in certain LATAM countries, in an effort to control inflation have, at times, involved setting wage and price controls, blocking access to bank accounts, imposing exchange controls, capital inflow and outflow controls and limiting imports and exports. The Company cannot control or predict whether the current governments across LATAM countries in which Knight operates will implement changes to existing policies or the impact such changes may have on the Company's operations in LATAM and, consequently, its business. The Company's business, operating results, financial condition, prospects, as well as the market price of its securities, may be adversely affected by changes in public policies of LATAM countries in which Knight operates, whether federal, state or local, that affect, without limitation:

- inflation;
- fluctuations in exchange rates;
- exchange controls and restrictions on remittances abroad, such as those imposed in 1989 and early 1990 in Brazil or the ones still in place in Argentina;
- interest rates and monetary policies;
- import and export controls;
- liquidity of domestic capital, credit and financial markets;
- expansion or contraction of the economy, as measured by rates of growth in gross domestic product, or GDP;
- fiscal policies; and
- other political, social and economic developments in or affecting LATAM countries in which Knight operates.

Government policies and measures to combat inflation, along with public speculation about such policies and measures, have often had adverse effects on many LATAM economies, contributed to economic uncertainty and increased volatility in the securities markets. The LATAM governments' actions to control inflation have often involved price and salary controls, currency devaluations, capital limitations, limits on imports and other actions. Other policies and measures adopted, including interest rate adjustments, intervention in the currency markets or actions to adjust or fix the value of the local currencies in LATAM countries may adversely affect the countries' economies, the Company's business and results of operations. Uncertainty over whether the governments in various LATAM countries implement reforms or changes in policy or regulation affecting these or other factors in the future may affect economic performance and contribute to economic uncertainty, which may in turn have adverse effects on the Company's operations and consequently on the results of its operations. Recent economic and political instability has led to a negative perception of certain LATAM economies and higher volatility in their local currencies.

In certain markets where Knight operates, the political situation continues to remain highly volatile. Political unrest, recent elections and changes in government in countries where Knight operates may affect Knight's business and operations through healthcare reforms, changes to pharmaceutical regulations and spending, long-term healthcare and economic direction of new government leadership. For further discussion of the recent elections and changes in government in key LATAM countries, refer to the sections entitled "Key LATAM

Pharmaceutical Markets" and "Other LATAM Pharmaceutical Markets" in the "Description of the Business" section located herein.

Argentina: In November 2023, Argentina elected a new president (Javier Milei) took office on December 10, 2023.

The newly elected president implemented the following actions to reduce the public spending:

- Reduction of federal employees.
- Elimination of public financing on construction activities.
- Reduction of economic subsidies to transport and energy.
- Reduction to a minimum of discretionary transfers to the provinces.
- Other measures to deregulate the Government intervention in the market.

In 2024, Argentina's economy faced a recession, which is ongoing, and the timing of a recovery remain uncertain. The biggest impact to the pharmaceutical industry could be the defunding of key institutions such as PAMI and cuts to fund transfer to the provincial governments, generating a reduction in the consumption of medicines in the short term. The country experienced high inflation but which has started to reduce recently. Additionally, ongoing political instability adds another layer of complexity, making it difficult to implement effective economic reforms and address the country's challenges.

In 2025, Argentina continued to experience economic and political volatility. Inflation began to decline from previous highs, and the government maintained its fiscal austerity measures while pushing forward structural reforms. Despite these efforts, uncertainty persists, and healthcare spending reductions have continued to affect access to medicines. The overall outlook for the pharmaceutical industry remains challenging, with limited signs of short-term recovery.

Brazil: In January 2023, Luiz Inácio Lula da Silva was inaugurated as president and he has focused on several key areas to reform and strengthen Brazil's healthcare system. The government aims to ensure it can provide comprehensive and equitable healthcare services to all, reduce inequalities in the development and production of medicines, vaccines and diagnostic tests; and advocate for the integration of digital health and artificial intelligence to improve diagnosis, treatment and data integration for better analysis. However, the lack of financial resources limits the healthcare system's ability to deliver services effectively. Additionally, political changes and instability have impacted the continuity and implementation of health policies.

Brazil's economy is highly vulnerable to fluctuations in global commodity prices, which can lead to instability and affect overall economic performance. Additionally, high production costs, driven by factors such as infrastructure inefficiencies, a complex sales tax system, strain businesses and impact competitiveness. Compounding these issues are political and social tensions fueled by corruption and high income inequality, which undermine public trust and complicate efforts to address economic and social challenges effectively. An economic downturn may lead to a lower number of people covered through private insurance, loss of customer base and a decline in revenues and profitability.

As of 2025, Brazil continues to face fiscal constraints that limit the government’s ability to implement its healthcare reform agenda. While initiatives to integrate digital health and AI have been announced, progress has been slow due to budgetary limitations and political fragmentation. Economic volatility persists, driven by commodity price fluctuations and structural inefficiencies, while inflationary pressures and high interest rates have further strained consumer purchasing power. These factors may lead to reduced private insurance coverage and slower demand for pharmaceutical products.

Colombia: The Company's operations in Colombia are subject to risks arising from structural funding constraints and liquidity challenges within the national healthcare system. For 2026, the Ministry of Health increased the UPC by 9% for the contributive regime and 16% for the subsidized regime; however, these increases may be insufficient to meet overall healthcare demand, with projected funding requirements exceeding available resources by approximately US$3.2 billion and a cumulative system deficit approaching approximately US$9 billion by 2026. These funding gaps heighten the risk of delayed or non-payment by the government to healthcare providers and HMOs and may adversely affect the Company's collections, liquidity and cash flows. Payment cycles across healthcare providers and distributors have also lengthened, with days-sales-outstanding for healthcare providers increasing from approximately 140 days in 2022 to approximately 163 days in 2024, increasing the risk of delayed or uncollectible receivables. In addition, cost-containment pressures, including increased use of centralized purchasing mechanisms representing approximately 16.8% of total health expenditure in 2024, may adversely affect pricing, reimbursement levels and patient access for certain therapies. Political and regulatory uncertainty ahead of the 2026 presidential election further increases the risk of changes to pricing, reimbursement frameworks and institutional arrangements, which could negatively impact the Company's operations and financial performance in Colombia.

As an example, due to financial constraints in the healthcare system, one of the most relevant wholesalers in the pharmaceutical industry in Colombia, Audifarma, initiated a reorganization proceeding in late 2024 which was admitted by the Colombian Superintendency of Corporations, to normalize commercial and credit relationship through operational, administrative, asset and/or liability restructuring. The re-organization of Audifarma is believed to have resulted from multiple factors including inadequate UPC funding, payments withheld by the government, as well as an expanding PBS basket of drugs covered with the UPC. In addition, Audifarma is disputing amounts owing and not yet collected from certain customers.

Chile: President elect José Antonio Kast, leader of the right-wing Republican Party, won Chile's presidential runoff election on December 14, 2025, securing approximately 58% of the vote, marking a shift to the right in the country's political landscape. Kast assumed office on March 11, 2026, succeeding President Gabriel Boric.

Chile faces several significant economic and social challenges. The economy is particularly sensitive to fluctuations in commodity prices which can impact overall economic performance and stability. High levels of income inequality remain a persistent issue, contributing to social and economic divides. Public funding constrains have started to result in delays in collection for the pharmaceutical industry. Should these delays continue, Knight´s results may be impacted.

As of 2025, no new constitutional process has been initiated, and healthcare reform remains absent from the government's legislative agenda. Pension and tax reforms continue to dominate the political discussion, but progress has been slow. At the same time, the financial strain on insurance companies persists following the Supreme Court ruling, resulting in ongoing delays in coverage decisions and reimbursement processes. Public-sector funding constraints have worsened, leading to extended payment delays for pharmaceutical companies. These conditions have created an environment of uncertainty that may negatively impact the Company's ability to collect receivables and could affect future sales in Chile through 2026.

Ecuador

Ecuador faces a range of economic and social challenges. The effectiveness of monetary policy is constrained by the country's polarization, which limits its ability to respond to economic shocks. Compounding these issues is a rise in violence linked to gangs, organized crime, and ongoing political crises, which exacerbates social and economic instability. Violence escalated significantly in 2025, with homicide rates reaching some of the highest levels in the country's history and more than 70% of the population exposed to organized-crime-related violence.
As of 2026, Ecuador remains in a state of heightened political and social tension. With President Noboa now

confirmed for a full term, governance uncertainty has shifted from electoral timing to the administration's ability to contain escalating violence and implement economic reforms. Violence and organized crime continue to disrupt stability, while economic challenges persist due to limited fiscal flexibility and constrained monetary policy. These conditions may negatively impact the pharmaceutical industry through potential delays in public sector payments, disruptions in logistics, and overall market instability. The situation remains fluid and could affect the Company's operations and financial performance in Ecuador through 2026.

Mexico: In October 2024, Mexico's newly elected president Claudia Sheinbaum was sworn in. President Sheinbaum has pledged to continue the policies of her predecessor. Her presidency is anticipated to emphasize the continuity of social and economic reforms aimed at reducing inequality and corruption and to place a strong focus on environmental sustainability.

In the area of health reform, President Sheinbaum plans to strengthen the IMSS BIENESTAR which aims to provide universal health coverage, particularly for those without social security. Her administration is prioritizing preventive health measures, including campaigns to address chronic diseases such as hypertension and diabetes.

Mexico's economy is heavily dependent on the United States making it vulnerable to fluctuations in trade and industrial policies from its northern neighbor. Additionally, Mexico's fiscal stability is highly sensitive to oil prices, given that the oil sector contributes approximately 30% of government revenue. Adding to these economic challenges are issues of skewed income distribution and elevated security risks, which further strain the country's economic and social stability.

As of 2025, President Sheinbaum's administration continues to advance its social agenda, with IMSS BIENESTAR expansion underway, although implementation challenges remain. Preventive health initiatives have been launched, but funding constraints and operational inefficiencies persist. Mexico's economic outlook remains vulnerable due to heightened trade tensions with the U.S. following the implementation of protectionist policies under the Trump administration. These measures have introduced uncertainty in cross-border trade and supply chains, potentially impacting pharmaceutical imports and exports. Additionally, volatility in oil prices and ongoing security concerns continue to pressure fiscal stability. These factors may adversely affect Knight's operations in Mexico through 2026, including potential delays in payments and disruptions in market access.

Trade Policy and Geopolitical Risks

Recent developments in U.S. trade policy and regional geopolitics may adversely affect Knight's operations, costs and demand in key markets. Following the 2024 U.S. presidential election, the United States implemented a more protectionist trade posture. In 2025, the U.S. administration imposed additional tariffs on imports from Canada and Mexico pursuant to the IEEPA, including duties of up to 25% on certain non-USMCA-qualifying goods, with reduced rates for specific Canadian energy products and potash. Canada responded with retaliatory measures, while Mexico pursued a more negotiation-oriented approach, contributing to heightened trade uncertainty and market volatility across North America. On February 20, 2026, the U.S. Supreme Court ruled that IEEPA does not authorize the imposition of tariffs, invalidating the emergency-based tariff regime adopted in 2025. Following the decision, the U.S. administration terminated the affected tariffs but subsequently relied on alternative statutory authorities, including Section 122 of the Trade Act of 1974, to impose temporary, broadly-based import surcharges. While distinct in scope and duration, these measures continue to contribute to uncertainty regarding future tariff levels, coverage and trade relations within North America.

Separately, U.S. sanctions and trade actions targeting Venezuela intensified during 2025–2026. The United States expanded sanctions against Venezuelan individuals, state-linked entities and the oil sector, including enforcement

actions against sanctioned shipments. In March 2025, the U.S. also authorized so-called "secondary tariffs," permitting the imposition of 25% duties on imports from countries that continue to purchase Venezuelan oil. These measures, combined with political instability following Venezuela's disputed 2024 election, have contributed to macroeconomic stress, elevated inflation and currency volatility in Venezuela and parts of the region.

Collectively, these trade and geopolitical developments may increase supply-chain costs, reduce import flexibility, heighten foreign-exchange and operational risks, and negatively affect demand in Knight's markets in Canada and Latin America. The extent and duration of these impacts remain uncertain and depend on future policy actions, legal developments and international responses.

The Globalization of Knight's Business

Knight operates throughout LATAM and Canada, as well as certain other markets. As a result, Knight is subject to the risks inherent in conducting business globally and under the laws, regulations, and customs of various jurisdictions. These risks include, but are not limited to:

- compliance with the national and local laws of countries in which Knight does business, including, but not limited to, sales and marketing of its products, competition laws, trade control laws, anti-bribery laws, privacy laws, compliance with cGMP, labor laws, health and safety, and laws regarding manufacturing practices, product labeling, advertising and post marketing reporting including adverse event reports and field alerts due to manufacturing quality concerns, tax and financial reporting laws, environmental law and intellectual property protections;
- enforcement of intellectual property rights in certain jurisdictions where the legal and regulatory regimes are less established;
- changes in laws, regulations, and practices affecting the pharmaceutical industry and the healthcare system, including but not limited to imports, exports, manufacturing, quality, cost, pricing, reimbursement, approval, inspection, and delivery of healthcare;
- changes in policies designed to promote foreign investment, including significant tax incentives, liberalized import and export duties, and preferential rules on foreign investment and repatriation;
- differing local product preferences and product requirements;
- adverse changes in the economies in which Knight operates as a result of a slowdown in overall growth, a change in government or economic policies, financial, political, or social change, or instability in such countries that affect the markets in which Knight operates, particularly in LATAM and other emerging markets;
- changes in employment laws, wage increases, or rising inflation in the countries in which Knight operates;
- supply disruptions and increases in energy and transportation costs;
- increased tariffs on products or API purchased by Knight, including tariffs on imports from foreign countries or within LATAM;
- natural or man-made disasters, including droughts, floods, earthquakes, hurricanes and the impact of climate change in the countries in which Knight operates;
- local disturbances, the outbreak of highly contagious diseases or other health epidemics or pandemics (such as coronavirus), terrorist attacks, riots, social disruption, wars, or regional hostilities in the countries in which Knight operates and that could affect the economy, Knight's operations and employees by disrupting operations and communications, making travel and the conduct of business more difficult, and/or causing Knight's customers to be concerned about Knight's ability to meet

their needs; and

- government uncertainty, including changes in government which enact new laws or changes in laws and regulations.

There is no guarantee that Knight's efforts to expand sales in select international markets will succeed. The expansion of Knight's activities in select international markets may further expose the Company to more volatile economic conditions, political instability, competition from companies that are already well established in these markets, the inability to adequately respond to unique characteristics of these markets, particularly with respect to their regulatory frameworks, difficulties in recruiting qualified personnel, potential exchange controls, weaker intellectual property protection, higher crime levels, and corruption and fraud.

The continued globalization of Knight's business may also expose Knight to increased currency risk as Knight may make investments in companies whose operations are primarily conducted in foreign currencies which could directly or indirectly result in a decrease in value in Knight's investment if those currencies devalue.

The Company's existing policies and procedures, which are designed to help ensure that Knight, its employees and its agents comply with various laws and regulations regarding corrupt practices and anti-bribery, cannot guarantee protection against liability for actions taken by businesses in which Knight has invested. Failure to comply with domestic or international laws could result in various adverse consequences, including possible delay in the approval or refusal to approve a product, recalls, seizures, withdrawal of an approved product from the market, or the imposition of criminal or civil sanctions, including substantial monetary penalties.

The Company may invest in countries which have strict, government-imposed currency controls. Currency controls may include restrictions on the amount of currency that may be repatriated. In Argentina, under current regulations issued by the Central Bank of Argentina, companies are permitted to repatriate dividends corresponding to fiscal years beginning on or after January 1, 2025, provided such distributions are supported by audited financial statements. Dividends generated in earlier fiscal years remain subject to transitional mechanisms (BOPREAL bonds), but this alternative ways may delay or reduce the economic value of repatriation. In summary, while the regulatory framework has materially improved, some risk remains with respect to the timing and full recovery of funds accumulated under prior controls. In Bolivia, the Company continues to face significant foreign exchange constraints due to limited availability of hard currency. As a result, there is a risk that Knight may not be able to recover funds invested or dividends from foreign investments.

Effects of Inflation in LATAM Countries

The majority of LATAM countries in which Knight operates in have experienced extremely high rates of inflation for many years. Inflation itself, as well as certain governmental efforts to combat inflation, have had, in many instances, significant negative effects on the economies of those countries. Past governmental efforts to curb inflation also involved other more drastic economic measures, which had a materially adverse impact on the level of economic activity. Any similar future measures taken by governments in LATAM countries could have similar adverse effects on the level of economic activity in those countries, and, in turn, on the operations of the Company. The inflationary pressures may not be offset by higher prices on the sale of Knight's pharmaceutical products which may lead to a loss of profitability.

For example, the inflation rate in Argentina was 31.5% in 2025, 118% in 2024 and 211% in 2023. The Company may not be able to increase selling prices at the same pace as inflation leading to a loss of profitability. In addition, changes in Argentina's macroeconomic environment and foreign exchange conditions may increase local cost structures, reducing the competitiveness of products manufactured in Argentina that are commercialized outside Argentina.

In Colombia, on December 29, 2025, the government imposed a mandatory increase of approximately 23% to the statutory minimum wage for 2026 by decree. The measure is currently subject to judicial review and remains in effect on a provisional basis pending a final decision by the Council of State. Such increases may raise labor and operating costs and contribute to inflationary pressures.

The ongoing armed conflict and heightened geopolitical tensions in the Middle East, including the war involving Israel, Iran and the U.S, with broader involvement and spillover effects across the region, including countries such as Qatar, Turkey and parts of the Gulf region, have contributed to volatility in global energy markets, supply chains and financial markets. Escalation or prolonged disruption could result in higher energy, transportation and insurance costs, supply chain interruptions and broader inflationary pressures. Although the Company has no direct operations in the Middle East, such developments may indirectly affect the economies in which the Company operates, including Latin America, through increased costs, currency volatility, reduced consumer purchasing power and tighter financial conditions.

The Company operates in several Latin American jurisdictions that have historically experienced elevated and volatile inflation. While inflation has moderated in certain countries, it remains sensitive to external shocks, including geopolitical events, energy price volatility and changes in global monetary conditions. Persistent inflationary pressures may increase operating and distribution costs, limit pricing flexibility, reduce demand for pharmaceutical products and adversely affect profitability, cash flows and financial condition. Government measures to address inflation, including price controls, currency interventions, changes in taxation or reductions in public healthcare spending, may further adversely impact the Company’s operations and results.

Government Cost Reductions

Disruptions at government agencies caused by funding shortages or global health concerns could hinder the agencies' ability to hire, retain or deploy key leadership and other personnel, or otherwise prevent new or modified products and services from being developed, approved or commercialized in a timely manner, which could negatively impact the business. The ability of government agencies to review and approve new products can be affected by a variety of factors, including government budget and funding levels, ability to hire and retain key personnel and accept the payment of user fees, statutory, regulatory, and policy changes and other events that may otherwise affect the government’s ability to perform routine functions. Average review times at agencies have fluctuated in recent years across various LATAM countries and Canada. In addition, government funding of other government agencies that fund research and development activities is subject to the political process, which is inherently fluid and unpredictable. Disruptions to the government agencies may slow the time necessary for new or existing drugs to be reviewed and/or approved or cleared for commercial. This delay may adversely affect Knight's business, impact its ability to access the public markets and its capacity to secure capital to continue to grow our operations. For example, INVIMA in Colombia shut operations twice in 2022 for several weeks due to cyber-attacks on their systems. These shutdowns slowed submissions, reviews of submissions and halted all communications with the agency during the time of the shutdown. Future government shutdowns could impact the Company's ability to access the public markets and obtain necessary capital in order to properly capitalize and continue its operations.

Governments in Canada and Latin America continue to implement cost-reduction measures targeting pharmaceutical spending, which may adversely affect pricing, reimbursement and profitability. In Canada, enhanced pricing oversight under revised PMPRB guidelines effective January 1, 2026, continued pCPA negotiations, and the implementation of the Pharmacare Act, including the development of a national formulary and bulk-purchasing strategies, may increase downward pressure on drug prices and limit manufacturers’ ability to offset inflation. In Latin America, cost-containment efforts include stricter price controls, constrained annual price adjustments, centralized procurement and fiscal austerity. In Brazil, tighter CMED pricing frameworks and

below-inflation price increases may restrict pricing flexibility, while in Colombia, increased government intervention, price regulation and payment delays elevate credit and working-capital risk. In Argentina, severe healthcare budget cuts, procurement disruptions and high inflation have increased demand volatility and collection risk. Collectively, these measures may result in pricing pressure, reimbursement delays, regulatory uncertainty and reduced margins for pharmaceutical companies operating in these markets.

Dependence on Key Person, Ability to Hire and Retain Key Personnel

The success of Knight is dependent, in part, on the services of its Executive Chairman, Jonathan Ross Goodman. Mr. Goodman suffered an accident in August 2011 from which he has not yet fully recovered and continues to deal with his energy levels and memory retrieval issues. The experience of this individual is a significant contributing factor to Knight's continued success and potential growth. The loss of Mr. Goodman's services on a short, medium, long term or on a temporary basis could have a material adverse effect on Knight's operations and business prospects.

Knight's executives have extensive pharmaceutical and healthcare industry experience and knowledge of the business. A loss of one or more management expertise and technical knowledge could adversely affect business operations and financial performance.

In addition, Knight believes its future success will also depend, in large part, on its ability to attract and retain additional highly skilled technical, management, and sales and marketing personnel. Global competition for specialized pharmaceutical talent continues to intensify, and widespread shortages in critical roles may increase labor costs and delay. There can be no assurance that Knight will be successful in attracting and/or retaining such personnel, and the failure to do so could have a material adverse effect on Knight's business, operating results and financial condition.

Ability to Maintain Good Labour Relations

Knight has 311 unionized employees of which 158 are located in Brazil and 153 in Argentina. The collective agreements are governed by nationally regulated collective bargaining agreements. These agreements mandate salary increases (including inflation or hyper-inflation increases) as well as bonuses and benefits. The unions play an active role in salary negotiations and could have a material negative impact on Knight through increased compensation expenses or work stoppages.

Ability to Implement Knight's Strategy to Grow the Business

Knight's business strategy is largely based on increasing sales and net income through strategic acquisitions, licensing agreements and internal growth initiatives intended to develop marketing opportunities with respect to acquired product lines. Knight's business strategy is focused on enhancing its competitive standing through the promotion and sale of new products through new marketing and distribution channels. Since Knight engages in limited proprietary research activity with respect to product development, it relies heavily on in-licensing or acquiring product lines from other companies.

Other companies, many of which have substantially greater geographic footprint, financial, marketing and sales resources than Knight, compete for the acquisition of products. Knight may not be able to acquire rights to additional products on acceptable terms, if at all, or be able to obtain future financing for acquisition on acceptable terms, if at all. The inability to effect acquisitions of additional products could limit the overall growth of the business. Furthermore, even if Knight can obtain rights to pharmaceutical products, Knight may not generate sales sufficient to create a profit or otherwise avoid a loss.

The U.S. government has renewed its focus on Most Favored Nation (MFN) drug pricing, a policy approach under which prices for drugs purchased by the U.S. government are benchmarked to the lowest or among the lowest net prices paid for the same medicines in comparable international markets. The MFN initiatives are being pursued through executive actions, voluntary manufacturer arrangements and pilot models administered by the Centers for Medicare & Medicaid Services (CMS). Emerging frameworks intended to align U.S. Medicaid and Medicare drug prices with international reference benchmarks may exert downward pressure on U.S. net prices through increased rebates or pricing alignment with lower global price points.

The shift in U.S. pricing policy could influence negatively impact (1) whether a product is launched in referenced international markets such as Canada (2) delays in launch timelines of a product in the referenced international market such as Canada (3) valuation assumptions for products that Knight seeks to in-license. These MFN initiatives may limit Knight's ability to execute its strategy to grow through the in-licensing and commercialization of pharmaceutical products.

Knight's Business Plan and Strategy rely, in part, on Investments and Acquisitions

Knight's business plan is focused, in part, on growth by identifying suitable acquisition opportunities, pursuing such opportunities, completing acquisitions and effectively integrating such businesses in Knight's business and operations. The Company may be unsuccessful in evaluating the material risks involved with the acquired and/or future investments, which could impact its ability to achieve the anticipated benefits from these investments and acquisitions. Furthermore, if Knight is unable to manage its growth effectively, this could adversely impact its financial position and results of operations. There can be no assurance that Knight will be able to identify suitable acquisition candidates or that Knight will be able to acquire assets or companies on an accretive basis.

The successful integration of new operations arising from Knight's acquisition business plan and strategy, including the acquisition of Paladin, requires a substantial amount of management time and attention be focused on integration tasks. Management time that is devoted to integration activities may detract from management's normal operations focus. Integration activities, including integrating processes, management, technologies and manufacturing capabilities, can result in unanticipated operational problems, expenses and liabilities. If Knight is not successful in executing its integration strategies in a timely and cost-effective manner, it will have difficulty achieving its growth and profitability objectives.

Pricing Pressure and Demand Fluctuations

Knight's customers may undergo consolidation and may form strong commercial alliances leading to increased pressure on price, as well as terms and conditions required to do business. For example, Rede D'Or, one of the largest private hospital network groups in Brazil, has been growing its operations through acquisitions of other private hospitals, consolidating smaller customers, as well as acquiring private insurance companies and vertically integrating its operations. In 2022, Rede D'Or acquired one of the largest insurance companies in Brazil, SulAmerica, as well as Hospital Santa Marina, Arthur Ramos Hospital & Hospital Santa Isabel.
Knight's customers are proactively managing their business in order to constantly lower the cost of drug prices. Furthermore, in response to budgetary pressures, governments, insurers and health institutions may revise regulations on pricing, price increases and reimbursement of pharmaceutical products. For example, since 2019, PAMI, our largest customer in Argentina, has been transitioning their drug procurement model from a direct purchase model from pharmaceutical companies to a tender process based solely on pricing.

Government healthcare policies may also result in pricing pressures. In Colombia, the government funds a UPC budget per life covered to each HMO and all products listed as PBS, the Colombian formulary, by the Colombian Ministry of Health, is fully covered by the HMO for patient care. At the start of 2022, the Colombian Ministry of Health updated extensively the list of PBS products by adding over 600 additional products. The UPC budget per

life covered from the government to the HMOs was increased by 16%; however, the increase is considered inadequate to cover the 600 products added to the PBS list. In January 2024 the Colombian Ministry of Health updated the list of PBS products by adding an additional 81 products, with limited increase of the PBS budget per life. Consequently, the purchasing and negotiation strategy of Colombian HMOs shifted towards a more aggressive cost containment strategy leading to high level of discounts, especially on multi-source products (e.g. branded generic molecules with more than one competitor). As a result, the Company may be negatively impacted with a loss of revenues, gross margin, and profitability for its branded generic products or innovative products facing generic competition in Colombia.

Knight's revenues may also be affected by fluctuations in customer buying patterns, whether resulting from seasonality, pricing, wholesaler buying decisions or other factors. As customers shift to a tender process for procurement, the Company's revenues and operational result could be adversely affected by the binary nature of the results from the tenders.

Ability to Integrate New Products and Companies in Canada and Internationally

The integration of newly acquired products and companies into Knight’s business will require significant management attention and expansion of marketing, sales, and general and administrative staff. Knight’s strategic direction includes becoming an international specialty pharmaceutical company. Knight’s management has limited experience operating in LATAM and, as a result of this inexperience, Knight's management may not be able to properly manage and grow in LATAM.

In May 2021, Knight acquired the exclusive rights to manufacture, market and sell Exelon®, in Canada and Latin America as well as an exclusive license to use the intellectual property and the Exelon® trademark, from Novartis within those territories. During 2022, Knight transferred the marketing authorization and took on all commercial activities in Brazil, Colombia, Mexico, Chile, Peru, Argentina and Canada. In addition, on May 12, 2022, Knight announced that it entered into an agreement with Helsinn for the exclusive rights to commercialize Akynzeo® oral/IV (netupitant/palonosetron/fosnetupitant/palonosetron) in Canada, Brazil, Argentina, Uruguay and Paraguay, and Aloxi® oral/IV (palonosetron) in Canada. Knight assumed commercial activities and re-launched Akynzeo® in Brazil, Argentina and Canada, and Aloxi® in Canada during the second half of 2022.

In March 2025, Knight entered into a definitive Asset Purchase Agreement with Endo Operations Limited ("Endo") and Paladin Pharma Inc. ("Paladin" and, together with Endo, the "Sellers"), to acquire the assets used by the Sellers to conduct their international pharmaceuticals business, which is primarily operated through Canada-based specialty pharmaceutical company Paladin. The acquisition closed on June 17, 2025, in which Knight assumed commercial activities and re-launched Envarsus®PA and Xcopri® in Canada. During 2025, as part of Knight's integrations activities, Paladin's headcount was reduced by approximately 30%.

In June 2025, Knight entered into exclusive license and supply agreements with Sumitomo Pharma America Inc. and its affiliates to commercialize Myfembree®, Orgovyx® and Gemtesa® in Canada, as well as an asset purchase agreement under which Knight acquired certain mature products (“Sumitomo Transaction”). Under the terms of the agreements, Knight acquired the exclusive rights to distribute, promote, market and sell the in-licensed and acquired products in Canada. Subsequently, Knight re-launched Myfembree® and Orgovyx® in Canada.

Investing and operating in international locations including emerging markets carry significant inherent financial, legal and political risks. If Knight cannot integrate its acquisitions successfully, these changes and acquisitions could have a material adverse effect on the business, financial condition, results of operations and cash flows. In addition, potential future acquisitions in international jurisdictions are subject to risks inherent in conducting business abroad, including possible nationalization or expropriation, price and currency exchange controls, fluctuations in the relative values of currencies, political instability and restrictive governmental actions. In

addition, as a result of the acquisition, including the GBT acquisition, there may also be liabilities and contingencies that the Company discovered after closing of the transaction or was unable to quantify in the due diligence conducted prior to closing of the transaction and which could have negative affects on the Company's business and financial performance.

The Company's growth in the next few years will come from product launches and acquisitions which will require substantial investment before Knight earns returns on these products. Each new product launch requires significant promotional investment during the first three to five years from launch while during the early years of a launch the Company will not have significant revenues from these products. There is no guarantee that a new product will obtain physician and patient acceptance and earn sufficient revenues to deliver profitable growth. Currently, Knight is either launching or in the early stages of launching several products, including Bijuva®, Imvexxy®, Minjuvi®, Tavalisse®, Palbocil®, Pemazyre®, Crexont®, Jornay PM®, Xcopri®, Myfembree® and Orgovyx®. Refer to the Business of the Corporation section (table for Pipeline and products launched since 2024) for further detail. There is no guarantee that these products will obtain physician and patient acceptance and earn sufficient revenues to deliver profitable growth.

Ability to Acquire License Rights to New Products or Renew Existing License Rights

Knight's growth depends on acquisition of product rights from other companies in order to expand its new product portfolio. Risks in acquiring new products include:

a) the ability to locate new products that are attractive and complement Knight's business; and,

b) the ability to acquire or obtain the license for these products at financially attractive terms.

Knight faces ongoing competition from other pharmaceutical companies to acquire product rights. Consequently it is more competitive for Knight to find attractive products on acceptable terms. Certain license agreements may impose certain commitments and restrictions. Financial commitments may include minimum inventory purchases and commercial spend which may limit Knight's ability to manage profitability. Knight may also have commitments to obtain approval or launch within a certain period of time or risk termination. Furthermore, product license agreements may include limitations on the ability for the Company to license additional products with similar or same indications. In addition, Knight may face competition for product rights from local regional players who are better funded and more knowledgeable about the local pharmaceutical market. Such restrictions may affect Knight's ability to license new products or gain efficiencies from commercial infrastructure and limit the Company's growth and profitability.

Since the acquisition of GBT, Knight has become a pan-American (ex-US) license partner. There is no guarantee that Knight will be able to secure future licensing right for Canada and Latin America. In LATAM, Knight may face competition for product rights from local regional players who are better funded and more knowledgeable about the local pharmaceutical market.

Knight's strategy is to be the pan-American (ex-US) partner of choice. Knight aims to enter into long-term agreements with its licensors in order to secure sustained benefits from its commercial investments. Knight's license agreements include both short-term and long-term product agreements. There is no guarantee that license agreements that come up for renewal in the near term will be renewed or whether they will be renewed on similar or profitable financial terms. The termination of license agreements or changes to the financial terms of the license agreement may have a material adverse effect on the Company's cash flows and operations.

Ability to Successfully Develop and Launch New Drugs

Knight intends to invest significant time, resources and capital in identifying and purchasing new drugs, dosage and delivery systems, either on its own or through possible licensors. Knight's continued growth will depend, in part, on its success in such investment. Knight may not be able to recover its investment in the development of new drugs, given that projects may be interrupted, unsuccessful or not as profitable as initially contemplated.

Knight develops branded generic products through its own research and development efforts. The research and development efforts require an early assessment of therapeutic trends and intellectual property rights in the various countries in which Knight operates, especially Argentina. The process of development of branded generic products is complex requiring multiples phases such as formulation development, analytical and microbiological validation, stability and pharmaceutical equivalence and bioequivalence studies. There is no guarantee that any of the phases can be successfully completed as the process of product development is inherently risky, has a high failure rate, is time consuming and costly. The products developed through internal efforts, if and when fully developed, tested and approved, may not be profitable.

A key success factor in Knight's branded generic strategy is the timing of its launches. The Company may face delays in launches and therefore may not be able to realize the economic benefits anticipated in connection with its branded generic pipeline. Knight's products may enter the market after other branded generic or ordinary generic manufacturers or may not be as cost effective to be commercially viable for payors. If the Company cannot execute timely launches of new products, it may not be able to offset the increasing pricing pressure on its existing portfolio including its branded generic products. An unsuccessful launch can be caused by many factors including delays in regulatory approvals, lack of operational or clinical readiness or patent litigation. Failure or delays to execute launches of new generic products could have a material adverse effect on the business, financial condition, and results of operations.

Ability to Maintain Approvals for Development, Manufacture and Distribution

Government authorities in Canada and throughout LATAM extensively regulate, among other things, the research, development, testing, approval, manufacturing, labelling, post-approval monitoring and reporting, packaging, advertising and promotion, storage, distribution, marketing and export and import of pharmaceutical products. In certain countries, health regulations are managed both federally and by the state or province and municipality. The majority of branded generic products commercialized by Knight are manufactured in its own facilities in Argentina. Each of these facilities must comply with cGMP in Argentina as well as in each of the markets in which Knight commercializes branded generic products prior to marketing approval. In addition, its manufacturing, warehousing and distribution sites are subject to municipal, provincial and national environmental regulations and other permit requirements. Each country has specific requirements on import and release of products to patients. For example, Brazil and Argentina require that each legal entity that distributes products in the country maintain its own laboratory in order to release products for the local market. Further, each laboratory must have good laboratory practices and must be approved by the local regulatory authority. For that reason, Knight owns and operates two (2) laboratories in Argentina and one (1) in Brazil.

In certain LATAM countries, a change in government may lead to changes in certain health regulations, including requiring more or less local development, manufacturing, release or additional studies to remain in compliance. These changes may result in additional expenses, delays in launch and approval or withdrawal of certain products. Furthermore, failure to comply with these regulations or to meet compliance deadlines could result in, but is not limited to, warning letters, civil penalties, delays in approving or refusal to approve a product candidate, product recall, product seizure, interruption of production, operating restrictions, suspension or withdrawal of product approval, injunctions or criminal prosecution.

Certain of Knight's branded products are specialized and require complex manufacturing processes and systems. As the Company develops new products, it may have to upgrade equipment, change sites, or make other investments to the manufacturing process, machines and locations. These changes may need to be approved by health authorities in various countries, lead to manufacturing delays and product shortages. Such permits and interruptions may have a significant negative impact on market share of locally manufactured products which could have a material impact on the Company's cash flows and operating results.

Furthermore, in recent years, regulatory agencies around the world have increased their scrutiny of pharmaceutical manufacturers. This has resulted in requests for product recalls, temporary plant shutdowns to address specific issues and other remedial actions. Knight's manufacturing facilities, as well as those of its CMOs and license partners, have been the subject of increased regulatory oversight, leading to increased expenditures required to ensure compliance with new or more stringent production and quality control regulations.

In 2025, Argentina experienced a serious public-health incident involving locally manufactured contaminated product administered in hospital settings, which resulted in multiple patient deaths and infections. ANMAT ordered product recalls of related products, suspended manufacturing activities of certain companies, and referred the matter for criminal investigation. The incident led to heightened scrutiny of pharmaceutical manufacturing including GMP audits, pharmacovigilance, and post-inspection enforcement in Argentina, particularly for high-risk sterile injectable products. In addition, leadership changes were made at ANMAT. Knight was not involved in any of the related incidents and was recertified for GMP compliance by ANMAT in September 2025.

These regulatory actions may also adversely affect the Company's ability to supply products and to obtain approvals for new products or maintain approval of existing products. If any regulatory body were to require one or more of Knight's manufacturing facilities to cease or limit production, or to halt the approval of new or pending regulatory applications, its business and reputation could be adversely affected. In addition, because regulatory approval to manufacture a drug is site-specific, the delay and cost of remedial actions or obtaining approval to manufacture at a specific facility could have a material adverse effect on the business, financial condition and results of operations.

Concern over Controlled Substances in Products and Risks Associated with Legal and Regulatory Action

The Company sells products that are controlled substances, some of which are classified as narcotics:

Name	Molecule	Country
Dexedrine®	dextroamphetamine	Canada
Tridural	tramadol hydrochloride	Canada
Statex	morphine sulfate	Canada
Metadol and Metadol-D	methadone hydrochloride	Canada
Testim® 1%	testosterone gel	Canada
Jornay PM®	methylphenidate	Canada, Mexico, Brazil, Argentina and Colombia
Nucynta®	tapentadol (tapentadol hydrochloride)	Canada
Fycompa®	perampanel	Brazil and Mexico

Knight will be required to comply with laws and regulations relating to the manufacturing, importation, shipment, storage, sale and use of controlled substances. In addition, there may be country specific quota imposed on the quantity of controlled substance that can be imported and or exported by the pharmaceutical industry. Each LATAM country has its own laws and regulations governing controlled substances, therefore adhering to these

varying requirements can be complex and resource consuming. There is no assurance Knight can eliminate the risks associated with controlled substance laws and regulations through the implementation of policies and procedures. Knight's customers and healthcare providers may violate direct or indirectly the laws and regulations related to controlled substances, leading to legal liabilities and penalties against the Company. This may negatively impact the Company's business operations, cash flows, and financial condition. Furthermore, issues like prescription drug abuse and media scrutiny over the use of controlled substances, such as medications for ADHD, can also adversely affect the business operations and reputation.

Ability to Maintain Manufacturing Operating Licenses and to Manufacture Branded Generics Products

In fiscal year 2025, 10% of total revenues was derived from sales of Knight's branded generics portfolio mainly produced in Argentina and sold in select countries across Latin America, including Argentina. The Company operates three manufacturing sites in Buenos Aires, Argentina and each site requires a municipal license granted by the state of Buenos Aires as well as a health authority GMP certification from ANMAT. For certain products that are exported to Peru and Colombia, the site must receive GMP approval from DIGEMID and INVIMA, respectively. Each of those certifications may be granted for a limited period of 2 to 5 years. As the municipal and health authority licenses are up for renewal, an audit or inspection of the manufacturing site may be required and over time the rules, regulations and standards may increase which may lead to a risk of non-renewal. If such licenses are not renewed, the Company may need to discontinue its manufacturing operations or sales to certain jurisdictions, which will lead to a decline in sales and profitability.

In addition, Knight's manufacturing sites in Argentina require regular annual maintenance of its equipment and facilities. The maintenance requires a temporary halt of production operations. If Knight's maintenance activities last longer than planned, it may lead to delays in production, back orders, higher cost of production and lower gross margin on its products. Furthermore, Knight's manufacturing facilities require importation of specialized equipment or spare parts from outside Argentina. With the volatile macroeconomic situation in Argentina and changing restrictions of importations as well as currency controls, the Company may face difficulties to effectively operate its manufacturing sites in Argentina.

If the Company cannot manufacture its branded generics products on a cost-efficient and timely basis, it may lose sales, market share on its product, incur fines on contractual commitments and incur losses on manufacturing operations.

Ability to Maintain Laboratories in Brazil and Argentina

The Company’s operations in Brazil and Argentina depend on continued access to Company-owned or leased laboratories that are required under local regulatory frameworks for the testing and batch release of pharmaceutical products. In these jurisdictions, regulatory authorities generally require that product testing and release activities be conducted through laboratories controlled by the marketing authorization holder. If the Company were to lose access to its laboratories in Brazil or Argentina, experience a termination or non-renewal of related lease agreements, or otherwise be unable to operate these laboratories in compliance with applicable regulatory requirements, the Company may be unable to release, commercialize or continue selling certain products in those markets. Replacing or relocating laboratory facilities could require significant time, capital investment, regulatory approvals and re-validation activities, during which time product launches or ongoing commercialization could be delayed or suspended. Any such disruption could materially and adversely affect the Company’s revenues, operating results and growth in Latin America.

Ability to comply with Environmental, Climate and Sustainability Standards

Knight operates three manufacturing facilities, a research and development facility and two laboratories in Argentina, as well as a laboratory in Brazil. The facilities in Argentina and Brazil are subject to a variety of environmental, health, and safety laws and regulations at the federal, state or provincial, and municipal levels. These laws and regulations govern, among other things, air emissions, wastewater discharges, the use, handling, and disposal of hazardous substances and wastes, soil and groundwater contamination, and employee health and safety. Any failure by us to comply with environmental, health, and safety requirements could result in the limitation or suspension of production, subject us to monetary fines, civil or criminal sanctions, or other future restrictions or penalties. Knight is also subject to laws and regulations governing the destruction and disposal of raw materials and non-compliant products, the handling of regulated material included in products, and the disposal of Knight's products or their components at the end of their useful lives.

Compliance with these requirements could restrict Knight's ability to expand facilities or require Knight to acquire costly environmental or safety control equipment, incur other significant expenses, or modify manufacturing processes. Knight's manufacturing facilities may use, in varying degrees, hazardous substances in their processes. In the event of the discovery of previously unknown contamination at these facilities, Knight may be required to take additional, unplanned remedial measures and potential fines, closures or suspension. Furthermore, changes to local regulations including environmental standards may require Knight to move its manufacturing sites to different locations which could lead to loss of market share and revenues due to supply interruptions as well as significant investment in capital expenditures.

Environmental, climate and sustainability standards have been widely developed internationally and locally in the past several years, and continues to be developed in many countries including the European Union, Canada, Brazil and other countries in which Knight operates, to mitigate negative impacts on the environment and promote sustainable practices. Even though such standards have not yet been adopted, their adoption is expected in the near term. The Company also continues to monitor the acceleration of climate/sustainability reporting initiatives by regulators and standard setters, including the European Union's European Sustainability Reporting Standards (ESRS) and Corporate Sustainability Reporting Directive (CSRD). In March 2026, the European Union is expected to adopt amendments to the CSRD which will significantly narrow the scope of mandatory sustainability reporting. As a result, Knight´s subsidiaries will not be subject to mandatory CSRD reporting requirements, based on applicable thresholds.The Company will continue assessing the impact and scope of sustainability standards and expects to comply with the ones applicable.

Failure to comply with climate, environmental and sustainability standards and practices can have adverse consequences to Knight, including, but not limited to, legal penalties and fines, negative publicity and loss of consumer trust harming the Company's reputation, increased operational costs, decreased sales and decreased competitiveness. Failure to comply with environmental and sustainability standards may place Knight at a disadvantage compared to competitors that do comply, which can negatively impact Knight's market position, difficulty in obtaining licenses and permits for operations.

Reliance of Key Products

Knight has a significant portion of its revenues from the sale of certain key products, which may evolve as the Corporation's product portfolio grows. For example, for the year ended December 31, 2025, the key products included Exelon®, AmBisome®, Impavido®, Lenvima®, Cresemba®, Onicit®, Akynzeo®, Abraxane®, Salofalk®, and Halaven®, Trelstar®, Imvexxy®, Minjuvi®, Xcopri®, Myfembree® and Orgovyx®, financial results and cash flows may be materially affected should sales of these products decline, whether from new entrants into the market, generic competition, adverse events or other factors.

Value of Intangible Assets and Goodwill

A significant amount of the Corporation's total assets is acquired intangible assets and goodwill as defined in the Corporation's annual audited consolidated financial statements for fiscal 2025. As of December 31, 2025, the carrying value of Knight's intangible assets was approximately $379,510 (2024: $283,612) and goodwill was approximately $89,982 (2024: $86,477). The Corporation is required to review the carrying value of its intangible assets for impairment periodically or when there is an indication of impairment and is required to review the carrying value of its goodwill on an annual basis. Intangible assets include the net book value of product rights, trademarks and process know-how covered by certain patented and non-patented information. Goodwill is the excess of the aggregate consideration transferred in a business combination and the amount recognized for non-controlling interest over the net identifiable assets acquired and liabilities assumed. The goodwill is allocated to each of the Corporation's cash-generating units expect profit from the business combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units or groups of units. Management reviews the carrying value based on projected future results. If events such as generic competition or inability to manufacture or obtain supply of product occur that may cause sales of the related products to decline, the Corporation adjusts the projected results accordingly. Any impairment in the carrying value results in a write-down of the intangible asset or goodwill which is charged to income during the period in which the impairment is determined. The write-down of intangible assets or goodwill may have a material adverse effect on the results of operations in the period in which the write-down occurs. Additional information relating to this can be found in the Corporation's Audited Financial Statements and MD&A for the year ended December 31, 2025, available on Knight's profile at www.sedarplus.ca.

Strategic Loan Investments put Knight's Capital at Risk

Certain of Knight's collaborations or other transactions with pharmaceutical companies, drug developers and other life sciences companies have involved and will continue to involve the financing of such companies by way of loans and other forms of debt. Such loans take and may continue to take different forms and will have different terms with respect to interest rate, repayment terms, security and other matters. Some of the companies with which the Company entered into strategic financing transaction have relatively short or no operating histories. There can be no assurance that any such companies will be able to repay such loans in accordance with their repayment terms or that any security in respect of such loans would be sufficient at the time of realization to cover the debt owed by such companies. Any failure to repay such loans in accordance with applicable terms, failure to realize on security or inadequacy of security upon realization could have a material adverse effect on the capital position and general financial condition of Knight. In addition, even if the Corporation is able to realize certain value for the security, it may distract management from other parts of the business and require substantial time and resources in order to realize the security. As at December 31, 2025, there was no strategic loan receivable outstanding.

Ability to Maintain Financial Covenants on Existing Financial Leverage

On June 17, 2025, Knight entered into a secured revolving credit facility (the "Credit Facility") with National Bank of Canada ("NBC") for a total amount of US$50,000 [$68,215] , of which $60,000 was withdrawn at closing to fund a portion of the Paladin Transaction. On October 31, 2025, Knight closed the syndication of its credit facility. As part of the syndication process, three additional banks were included as Lenders: Citibank N.A., CIBC, and TD (together with NBC, the "Lenders"). The syndicate has four banks, with NBC as the Lead Arranger. The Credit Facility was increased to US$100,000 with an accordion feature for an additional US$100,000, subject to receipt of acceptance by the Lenders. The Credit Facility has a complex structure involving four banks, with NBC acting as Lead Arranger. It is secured by Knight's assets located in Canada, Luxembourg and Uruguay and includes customary financial and non-financial covenants, some of which relate to certain of Knight's subsidiaries, that must be complied with throughout the term of the agreement. Certain covenants are tested on a periodic basis, while others must be met on a continuous basis. The complexity of this structure increases the risk of non-compliance with such covenants, which could adversely affect the Company's liquidity and financial flexibility and access to capital.

As at December 31, 2025, Knight had total bank debt of $67,895, which includes a $26,389 secured loan with the IFC and a $38,562 Credit Facility. Knight's borrowings include customary covenants, including certain financial and non-financial covenants, limitations on incurring additional indebtedness and the ability to make distributions to shareholders, and certain financial covenants related to asset coverage and liquidity and other maintenance covenants, as well as customary events of default. The breach of any of these covenants, including financial covenants could result in default under the relevant agreement, which could, in turn, cause cross-acceleration or cross-defaults under Company's other financing arrangements. In such event, Knight may be unable to borrow under its financing arrangements and may not be able to repay the amounts due under such arrangements, which could have a material adverse effect on Knight's business, results of operations, financial condition, liquidity, and cash flows. The adverse effects of debt commitments may include: (i) limiting the ability to secure additional financing for working capital, capital expenditures, or product development; (ii) reducing Knight's ability to use cashflow from operations for its operations, as a portion may be required to service indebtedness; (iii) increase risk of default resulting from a failure to make the required payments of principal and/or interest due to failure of Knight's business to perform as expected; (iv) restricting the ability of Knight to make strategic acquisitions; and (v) subjecting the Company's operations to covenants that may limit operating flexibility.

In addition, Knight's ability to comply with these covenants may also be affected by events beyond the Company's control including prevailing economic conditions and business, financial and other factors. If Knight is unable to make payments on its debt, the Company may have to resort to alternative financing such as cost savings initiatives, delaying capital investments, seeking to raise additional capital, restructuring or refinancing its debt which may be at higher interest and can further restrict the business operations and cause the market value of Company's Common Shares to decline.

Strategic Investments may not be Profitable to Knight or may not help the Corporation Secure Product Rights

As part of Knight's growth strategy, it invested in healthcare-specialized funds and fund managers which had substantial assets under management in the healthcare sector in order to leverage their existing relationships with key life science companies to help secure Canadian and select international market product rights for Knight. Since inception of the fund strategy, the Corporation has committed to invest, or made investments of approximately $126,653 based on exchange rates in effect as of the commitment dates. Knight does not exercise direction or control over the funds in which it invests and does not have any direct decision making in the investment decisions of such funds. There is no guarantee that such funds will make investments that are profitable for Knight nor that Knight's relationships with such funds will help Knight secure any product rights. Further, Knight's investments in such funds are capital in nature and there is no guarantee that all or any such capital will be recovered. Although, there is typically a planned exit date for each strategic fund, there is no guarantee that the Company will receive a distribution and exit its strategic fund investment before that date. The strategic fund may extend its exit date due to various factors such as volatility of the market or liquidity of the underlying investment of the fund. Knight determined that while the fund strategy has been financially successful, the strategy has not been successful from a business development perspective as it led to only two product license agreements. Consequently, Knight has no plans to invest in any new venture capital funds.

Knight's Investments in Neglected Tropical Diseases and Rare Pediatric Diseases may not Lead to Approved Products or to the Granting of a Priority Review Voucher (PRV) by the FDA

One of Knight International's strategies is to source opportunities to license or acquire and develop therapeutics to treat either neglected tropical or rare pediatric diseases. Knight International may not be able to source such opportunities or to source them on attractive financial terms. In addition, Knight International may not be successful in securing FDA approval for such therapeutics, or if approved, may nonetheless not be granted a PRV from the FDA, and therefore may not be successful in receiving a beneficial interest in additional PRVs. For instance, Knight International entered into a strategic loan with 60P to support the development and approval of Arakoda™(tefenoquine) for the prevention of malaria, a rare tropical disease. While 60P did obtain FDA approval for Arakoda™, 60P was not the first company to obtain FDA approval for tafenoquine and, as such, did not receive a PRV.

Ability to Have Access to Additional Financing and Capital, and Dilution

Knight may consider issuing additional debt or equity securities in the future to fund potential acquisitions or investments, or for general corporate purposes. If Knight issues additional equity or convertible debt securities to raise additional funds, its existing shareholders may experience additional dilution, and the new equity or debt securities may have advantageous rights, preferences and privileges when compared to those of Knight's shareholders as at the date hereof. Such dilution may be significant. In addition, if Knight incurs debt, it may increase its leverage relative to its earnings or to its equity capitalization, requiring Knight to pay interest. Knight may not be able to market such issuances on favourable terms, or at all, in which case, Knight may not be able to develop or enhance its products, execute its business plan, take advantage of future opportunities, or respond to competitive pressures or unanticipated customer requirements. The Credit Facility provides for potential incremental borrowing capacity, subject to lender consent, market conditions, and compliance with applicable covenants. The accordion feature is not committed, and there can be no assurance that Knight will be able to access additional borrowings when required or at all.

Generic Product Risk

There may be no proprietary protection for many of the branded pharmaceutical products in Knight's portfolio. Certain of Knight's products are not patented or have limited patent life and will soon lose patent protection. Further, a significant portion of Knight's revenues derive from sales of branded generic products which do not have any patent protection. The entrance into the market of a generic pharmaceutical or competing branded generic products, typically erodes the branded product or the Corporation's own branded generic product's market share which may have a material adverse effect on Knight's business, financial condition and results of operations.

Certain products in Knight's innovative portfolio have no patent or data protection and are still without generic competition. However, a generic may submit for regulatory approval and if approved may launch in Knight's market leading to a loss of sales and profitability. For example, Ambisome® does not currently have a generic competitor in Brazil and while Knight does not have rights to Ambisome® beyond Brazil, Knight is aware that there are four generic competitors in the US. In the second half of 2025, Knight identified two generic submissions to ANVISA for regulatory approval of Amphotericin B. If approved, one to two generics to Ambisome® may launch in Brazil. The estimated timelines of approval by ANVISA may vary from fourteen to twenty months. Should generic competitor obtain ANVISA approval and launch a generic or branded generic version of AmBisome® in Brazil, the Corporation's sales, profitability and cash flows will have a material negative impact.

During 2023, two companies received ANVISA approval for generic lenvatinib in Brazil. During 2024, both of those companies received the approval for a branded generic lenvatinib. Additionally, in Q3 2024, a competitor received the approval of a generic lenvatinib in Chile. If Knight is not successful in its generic defense strategy, the Corporation's sales, profitability and cash flows will have a material negative impact.

Before the acquisition of Exelon® from Novartis, the drug faced branded and/or generic competition in Canada and most of the markets in LATAM. In Q2 2023, a branded generic drug of Exelon® was launched by a competitor in Brazil and in Q1 2026, another generic of Exelon® was approved by ANVISA. If Knight is not successful in its generic defense strategy, the Corporation's sales, profitability and cash flows will have a material negative impact.

Dependence upon Companies in which Knight Makes Investments

Economic, governmental, industry and external factors outside Knight's control may affect each of the companies in which Knight invests, whether directly, or indirectly through its investments in funds. If these companies do not succeed, the value of Knight's assets and the market price or value of its Common Shares could decline. Some of the material risks relating to the companies in which Knight may invest include:

- the ability of these companies to successfully develop and obtain governmental approvals for the products which serve as the basis for Knight's investments;
- the ability of competitors to develop similar or more effective products, making the drugs developed by the companies in which Knight invests difficult or impossible to market;
- the ability of the companies in which Knight invests to adequately secure patents for their products and protect their propriety information;
- the ability of the companies in which Knight invests to enter the marketplace without infringing upon competitors' patents;
- the ability of the companies in which Knight invests to remain technologically competitive, and the dependence of these companies upon key scientific and managerial personnel; and
- the ability of the companies in which Knight invests to manage cash flow in order to remain solvent and

ensure that Knight's investment remains realizable.

Knight has limited or no control over the resources that any company in which it invests (but does not control) may devote to developing the products for which Knight collaborates with them. Any company in which Knight invests may not perform as expected. Such companies may breach or terminate their agreements with Knight or otherwise fail to conduct product discovery and development activities successfully or in a timely manner. If any of these events occur, it could have a material adverse effect on Knight's business.

Control of Knight's Strategic Investments

Knight may not have a controlling position in any of its strategic investments. As a result, it is subject to the risk that a strategic investment partner may make business decisions with which it disagrees or takes risks or otherwise act in ways that do not serve its interests.

Potential Limited Access to Information about Privately-held Companies in which Knight Invests

Knight may invest in privately-held companies. Generally, little or no public information exists about private companies and it is required to rely on the ability of its senior management to obtain adequate information to evaluate the potential returns from investing in these assets. If the Company is unable to uncover all material information about these assets, it may not make a fully informed investment decision and may incur a loss on its investment.

Product Liability Claims, Insurance and Recalls, and Unexpected Product Safety or Efficacy Concerns

Knight faces an inherent business risk of exposure to product liability claims in the event that the use of its technologies or products are alleged to have resulted in adverse effects. Side effects, or marketing or manufacturing problems pertaining to any of Knight's current or future products could result in product liability claims or adverse publicity. Unexpected safety or efficacy concerns can also arise with respect to marketed products, whether or not scientifically justified, leading to product recalls, withdrawals or declining sales, as well as product liability, consumer fraud and/or other claims.

These risks will exist for those products in clinical development and with respect to those products that receive regulatory approval for commercial sale. In addition, clinical studies sponsored by Knight may involve risks of civil liability. Although Knight intends to take what it believes to be appropriate precautions, including obtaining and maintaining product liability coverage (subject to certain deductibles and maximum payouts) and obtaining indemnification from its partners (subject to the terms of each specific agreement), Knight may not be able to avoid significant product liability exposure.

Due to increasing numbers of lawsuits over the last several years and related payouts under insurance policies, some insurers are reducing their scope and level of coverage, causing the supply of insurance to lag behind demand. This could increase Knight's premiums, reduce the scope and capacity of its coverage, and adversely affect its ability to maintain and renew existing insurance policies on favorable terms or at all. While the Company continues to maintain insurance coverage intended to address certain risks, such coverage may be insufficient to cover claims and losses it faces. In addition, not all risks are covered by insurance and no assurance can be given that the insurance coverage obtained and maintained by Knight will be sufficient to cover losses or claims that may occur involving Knight's business.

In certain markets where Knight operates, counterfeit and falsified medicines, i.e. unauthorized sale of non-approved drugs that imitate Knight's own packaging is a health, safety and trade concern. Counterfeit drugs may lead to damage of Knight's and Knight's product's reputation and brand equity. While the Company has processes

in place to identify a counterfeit product from the original drug, the health authority may require Knight to recall and stop selling its authentic drug which can lead to a loss of profitability through decline in sales, write-off of inventory and recall expenses.

Marketing and Competition

The Innovative Drug and Generic Drug industries are competitive and this competition may increase. Products compete based on efficacy, safety and side effect profiles, price and brand differentiation. Some of Knight's competitors may have greater technical or financial resources than Knight and may use these resources to pursue a competitive position that threatens Knight's current or future products. Knight's current or future products could be rendered obsolete or uneconomical by the development of new pharmaceuticals to treat the conditions addressed by these products, as a result of technological advances affecting the cost of production, or as a result of marketing or pricing action by one or more of Knight's competitors. For example, Knight commercializes several oncology products. As new therapies, including immunotherapies, are introduced, Knight's products may be pushed into later lines of treatment guidelines.

Ability to Obtain and Maintain Regulatory Approvals

The manufacture and sale of pharmaceutical products is highly regulated, which significantly increases the difficulty and costs involved in obtaining and maintaining regulatory approval for marketing new and existing products.

The regulatory approval process can be long and may involve significant delays despite Knight's best efforts. Moreover, Health Canada, ANVISA, COFEPRIS, INVIMA and other health agency regulations are rigorous, time consuming and costly, and Knight cannot predict the extent to which it may be affected by changes in regulatory developments and its ability to meet such regulations. There is also a risk that Knight's current or future products may be withdrawn from the market and the required approvals suspended because of non-compliance with regulatory requirements. As part of the FDA's approval of Impavido® in the U.S., Knight has committed to conduct post-approval studies; there remains one study to be completed and should it yield a negative result, there can be no assurance that the FDA will not revoke regulatory approval for Impavido®.

In most LATAM countries, marketing authorizations are granted for a finite period of time, generally 5 years, and must be renewed prior to the expiry date. For each, Knight is required to resubmit certain regulatory and compliance paperwork, and in certain cases provide additional studies that meet the more current regulatory requirements. Knight may have delays in obtaining documentation from third parties, incur expenses to update the studies, and face delays from agencies. If Knight is not able to obtain marketing authorization renewals on a timely basis, Knight may face supply interruptions and losses.

In addition, there can be no assurance that the regulators will not require modification to any other submissions which may result in delays or failure to obtain regulatory approvals. For example, In 2025, Knight received Notice of Non-Compliance from Health Canada requesting additional information for its New Drug Submission for Qelbree® (viloxazine) and will submit the response in 2026. In addition, Knight, received a rejection from ANVISA regarding the marketing authorization application for Tavalisse® in Brazil and submitted an appeal. Knight's appeal was accepted and ANVISA is continuing to review Tavalisse®. Any delay or failure to obtain regulatory approvals could adversely affect the ability of Knight to utilize its technology, thereby adversely affecting operations. Furthermore, there can be no assurance that Knight's future products will prove to be safe and effective in clinical trials, or receive the requisite regulatory approvals.

New Legislation or Regulatory Requirements

New legislative proposals for pharmaceutical product pricing, reimbursement levels, approval criteria and manufacturing requirements may, from time to time, be proposed and adopted both in Canada and in other markets, including Latin America, in which Knight sells its products. New legislation or regulatory requirements may have a material adverse effect on Knight's financial condition, results of operations or cash flows. Any failure to comply with applicable laws, rules and regulations in all jurisdictions in which Knight plans to operate may result in legal proceedings.

Furthermore, to achieve approvals of new products and new indications, regulatory authorities in Canada and Latin America continue to establish new and increasingly rigorous requirements in the already lengthy and expensive process of obtaining regulatory approvals and reimbursement for pharmaceutical products. For the regulatory approval of a drug in certain Knight's territories including Brazil, Colombia, Peru, Ecuador, Paraguay, Bolivia, CENAM, (collectively "Zone IV countries"), data providing Zone IV or Zone IVb stability for hot, high humidity and tropical climatic conditions is required. Such stability data is not required for products approved and marketed in the US, Canada or Europe. Knight or its partners may need to perform additional stability studies for products submitted to these health authorities, potentially increasing the investment required as well as delaying regulatory timelines. In the event of stability Zone IV or Zone IVb failure, Knight will not be able to obtain regulatory approval and commercialize the products in these countries.

Similarly, the post-approval regulatory burden has also increased. Approved drugs are subject to various requirements such as risk evaluation and mitigation strategies, risk management plans, comparative effectiveness studies, HTAs, and requirements to conduct post-approval Phase IV clinical trials to gather additional safety and other data on products. These requirements have the effect of making the maintenance of regulatory approvals for Knight's products increasingly expensive, and further heightening the risk of recalls, product withdrawals, loss of market share, and loss of revenue and profitability.

In certain LATAM countries when a new government takes office, it may decide to change certain healthcare legislation and regulations, including requiring more or less local development, manufacture, pricing, release or additional studies to remain in compliance. These changes may result in additional expenses, delays in launch and approval or withdrawal of certain products. Furthermore, failure to comply with these regulations or not meet compliance within the regulatory time limits could result in, including but not limited to, warning letters, civil penalties, delays in approving or refusal to approve a product candidate, product recall, product seizure, interruption of production, operating restrictions, suspension or withdrawal of product approval, injunctions or criminal prosecution.

Ability to Obtain Product Reimbursement

The success of many of Knight's current and future products and, in turn, its future growth and profitability, will depend to a significant extent upon its ability to obtain competitive levels of reimbursement for those drugs from public formularies (federal, provincial and territories) and other third-party private payers.

In order to reduce drug prices in Canada, the Council of the Federation of Canadian provinces established the pCPA in 2010 for the purpose of conducting joint provincial/territorial negotiations for prescription drugs in Canada, thereby achieving greater value for all Formularies.

All brand name drugs receiving a favorable review from the CDR for non-oncology drugs for all provinces except Quebec, from the pCODR for oncology drugs for all provinces except Quebec, or INESSS for all drugs (oncology and non-oncology) in Quebec are now subject to a negotiation process managed by the pCPA. Through this negotiation, the pCPA attempts to reach an agreement directly with drug companies like Knight. Once this

agreement or Letter of Intent ("LOI") is reached, it becomes the basis upon which provincial and territorial Formularies determine if they will list reimburse the drug in their territory. Upon issuance of the LOI, each province that elects to include the product in its Formulary will enter into a Product Listing Agreements with the Corporation.

As drug costs have increased, public Formularies have become more restrictive in both the number of products they reimburse and the conditions under which they will be reimbursed, both financial and line of therapy (i.e. delay usage after failure of other therapies). Furthermore, as cost of treatments have increased, private insurers in Canada have begun to review which products they will reimburse and list on their Formularies. The failure to achieve Formulary listings and/or specific conditions attached to restricted listings may affect patients' and physicians' decisions regarding the use of Knight's future products. There can be no assurance that the current conditions and rigor or timing of review related to submissions for public and private Formulary listings will not change or become more onerous in the future. Furthermore, there can be no assurance that the Formularies will list or continue to list Knight's future products. If any of Knight's future products fail to achieve a negotiated LOI with the pCPA or are not listed on the provincial Formularies or obtain limited private listings, this may have a material adverse effect on Knight's financial condition, results of operations or cash flows.

Price negotiations with government agencies, HMOs and other buyers in LATAM may take considerable time after the Corporation has received its marketing authorization for a product. For example, in Brazil, upon obtaining marketing authorization, pharmaceutical companies must obtain approval of their launch price from CMED before they can launch their product. CMED bases its launch pricing approval on comparative pricing in the U.S., New Zealand, Australia, Greece, Portugal, Italy, Spain, France, and Canada. In addition, CMED is also responsible for sanctioning the allowable annual price increases. Finally, in order to obtain reimbursement from private insurers, the pharmaceutical product may have to be included in the List of Procedures as approved and published by ANS. Delays in pricing and reimbursement approvals may have a negative impact on the Corporation's cash flows and profitability. In addition, in certain countries where Knight operates, the Corporation may be forced to reduce its price, offer discounts, forgive certain balances outstanding in order to comply with cost-containment measures. Furthermore, as HMOs and governments look to controls spending on healthcare and more specifically on drugs, they may move purchasing of certain products to tender based solely on price.

Product Pricing Regulations on Certain Drug Products

All patented drug products that form part of Knight's Canadian portfolio of products are subject to pricing regulation by the PMPRB, a federal agency tasked with ensuring that prices of patented medicines are not excessive. The PMPRB does not approve prices for drug products in advance of their launch in Canada, rather, it provides guidelines from which companies set their prices at the time of their product launch. For existing patented products, prices cannot be increased annually by more than a factor based on Statistics Canada's Consumer Price Index.

Effective January 1, 2026, Health Canada implemented the PMPRB's new pricing framework applicable to patented medicines sold in Canada. The guidelines also introduce transition timing under which patented medicines with a first sale on or after July 1, 2022 become subject to the new framework beginning January 1, 2026, while medicines first sold before July 1, 2022 transition beginning January 2028. The framework expands the international comparator basket to eleven reference countries (PMPRB11) and introduces a revised two-step review process. Under Step 1, PMPRB staff compare a product's Canadian list price to the HIP among the PMPRB11 countries, and products priced above the HIP may advance to Step 2, an in-depth review. Step 2 reviews allow for greater regulatory discretion, as prior formula-based pricing tests and thresholds have been removed. The expanded comparator basket increases exposure to foreign pricing and currency fluctuations, which may lower HIP benchmarks over time. These recent changes, or any other future changes to the guidelines, methodology or policies of PMPRB or other relevant regulatory bodies may have a significant adverse effect on

the price of patented drugs sold by the Company in Canada and may limit the Company's ability to in-license and launch products in Canada due to more restrictive pricing regulations. If PMPRB determines a ceiling price for a patented product that is lower than the Company's expectation, or if the PMPRB deems a patented product to be excessively priced, this could lead to a reduction of the product's price and a fine may be levied against the Company. Such determinations by the PMPRB may have a material adverse effect on Knight's financial condition and results of operations or cash flows.

The U.S. government has renewed its focus on Most Favored Nation (MFN) drug pricing, a policy approach under which U.S. government drug prices are benchmarked to the lowest or among the lowest net prices paid for the same medicines in comparable international markets. The MFN initiatives are being pursued through executive actions, voluntary manufacturer arrangements and pilot models administered by the Centers for Medicare & Medicaid Services (CMS). Emerging frameworks intended to align U.S. Medicaid and Medicare drug prices with international reference benchmarks may exert downward pressure on U.S. net prices through increased rebates or pricing alignment with lower global price points. The shift in U.S. pricing policy could negatively impact (1) whether a product is launched in referenced international markets such as Canada (2) launch timelines of a product in the referenced international markets such as Canada (3) valuation assumptions for products that Knight seeks to in-license. These MFN initiatives may limit Knight's ability to in-license and launch new pharmaceutical products.

In LATAM, pharmaceutical prices are subject to extensive government regulations, which may include imposing price controls and maximum price caps, mandated price reductions to battle hyperinflation and limitations on price increases. Price negotiations with government agencies, HMOs and other buyers may take considerable time after the Corporation has received its marketing authorization for a product. Over the last few years Brazilian authorities looked to reduce the price of drugs. As a result, Brazil's pharmaceutical market is subject to extensive price regulation by CMED, which establishes maximum factory prices for branded and generic products, consumer prices and government procurement prices for medicines sold in Brazil. In December 2025, CMED adopted a new resolution which replaced the prior pricing framework in force since 2004. The new rules govern the price of new medicines and new presentation and include multiple changes to the regulations, including: revised product classifications including; addition of new international reference countries (Germany, Japan, Mexico, Norway, South Africa and United Kingdom); and changes to application of IRP; increase of documentation requirements; changes to timelines and deadlines; and modified treatment of incremental innovation, biologics and biosimilars. These rules are effective April 2026 following a transition period. While these reforms aim to modernize and increase transparency in Brazil's drug pricing system, they may adversely affect Knight's Brazilian operations by (1) limiting launch prices for new products, (2) limiting price increases for existing products, (3) increasing the evidentiary and procedural burden associated with pricing approvals, (4) increasing the number of new competitors entering the market and (5) reducing margins on certain products in the Company´s portfolio. Moreover, certain aspects of the new framework particularly with respect to advanced therapies, radiopharmaceuticals, extraordinary price adjustments and potential future reductions in regulated price ceilings remain subject to further regulatory development and political debate, which may increase uncertainty and negatively impact Knight's revenues, profitability and growth prospects in Brazil.

In Colombia, in May 2024, the NCPMMD published a circular seeking to modify the medicine price control methodology that has been in force in Colombia since 2013. Refer to "Description of Business" (Colombia Pricing Section) for further details. The new methodology for setting the maximum price is more restrictive than the previous regulations and can potentially lead to a reduction in the maximum selling price for products which are not yet price regulated. Based on the current guidelines, products which are already price regulated before the implementation of this new methodology will not be impacted. In addition, the NCPMMD amended the scope of IRP under Acts 18 and 19 of 2024 to: (i) adding 3 countries, going from 16 countries to 19 countries; (ii) formalizing the application of bottom 20th percentile price in Colombia from a general median application previously; and (iii)

including approximately 40% of prescriptions regulated under this system. Products not yet under direct price control remain freely priced but are subject to strict government surveillance, and list prices may be regulated at any time post-launch.

The Colombian government has also announced forthcoming pricing policy changes that introduce stricter IRP thresholds and incorporate lower-price reference countries, which are expected to exert further downward pressure on pharmaceutical prices. Persistent financial stress within the healthcare system where, as of late 2025, EPS pay out more in claims than they receive in funding has increased the likelihood of more aggressive cost-containment measures. Projected funding shortfalls for 2026 reinforce this trend and may negatively impact the Company through additional price regulation, reduced margins and increased discounting requirements.

As at March 18, 2026, Knight commercializes certain products in Colombia which are not price regulated, including Lenvima® and Halaven®. Should the NCPMMD includes these drugs or any other still not regulated under the jurisdiction of price regulation, it may lead to a decline in the selling price and revenues, profitability and cash flow generated.

Delays in obtaining pricing and reimbursement approvals may have a negative impact on the Corporation's, revenues, cash flows and profitability. In addition, in certain countries where Knight operates, the Corporation may be forced to reduce its price, offer discounts, provide financial assistance, forgive certain balances outstanding.

As pricing regulations evolve throughout the various countries in which the Corporation operates, the Corporation may not be in compliance with either the regulation or its license agreements and may need to take corrective actions. For example, should a jurisdiction require that pharmaceutical companies disclose discounts, the Corporation or its license partner may be impacted in another jurisdiction due to the reference price. These changes may have a material adverse impact on the Corporation's revenues, cash flows and profitability.

Ability to Protect and Maintain its Intellectual Property and Licensing Arrangements

Knight's success depends in part on its ability to protect and maintain intellectual property rights and licensing arrangements for its current and future products. Knight faces uncertainties regarding whether its patent applications or those of its licensors will result in the patents being granted. Even if patents are granted, these may not provide Knight with a competitive advantage over competitors with similar technologies. Furthermore, competitors may design around Knight's or its licensors' patents and develop similar technologies or replicate the technologies Knight or its licensors have developed. Furthermore, there is no assurance that Knight's or it´s licensor´s intellectual property rights will not be challenged, invalidated, infringed or circumvented.

Moreover, intellectual property laws vary between countries and may not provide the same level of protection for Knight's intellectual property as the laws of Canada and the U.S. Additionally, such other countries may lack adequate policies and procedures for defending Knight's intellectual property rights. Further, in most Latin American countries the marketing authorization and the related patent are not linked. Consequently, a generic product may obtain regulatory approval and launch, even if there is a valid patent in the country. While Knight or its license partner can pursue patent infringement litigation, these processes are costly and take years to resolve during which time Knight's product sales and market share will continue to decline. In certain countries outside the U.S. and Canada enforce a compulsory licenses system, whereby third parties can be granted license to commercialize patented products if the patent is not commercially exploited by its owner or its licensees within a specific number of years of the patent issuance. There is a risk that Knight's future employees, consultants or contractors use intellectual property owned by others in connection with their work for Knight. Furthermore, disputes may also arise regarding ownership rights in any related or resulting know-how and inventions.

Any loss of patent protection would likely adversely affect Knight's operating results in those national markets. The commercial success of Knight will also depend in part on Knight not infringing patents or proprietary rights of others and not breaching the licenses granted to Knight. Any claims of infringement of intellectual property rights, even claims without merit may require the Corporation to (i) allocate time and resources to defend or challenge; (ii) suspend the manufacture, licensing or use of product(s) alleged to employ the contested intellectual property; (iii) redesign, rework or replace the brands of its products or packaging, if feasible; (iv) divert the attention and resources of management; or (v) if possible, enter into license agreements in order to obtain the right to use the intellectual property of a third party. There can be no assurance that Knight will be able to obtain a license to any third-party technology that it may require to conduct its business or that such technology can be licensed at a reasonable cost.

The Corporation, through its acquisition develops and commercializes branded generic pharmaceutical products. The generic product development may be considered a violation of historical, current and future license partnership agreements. There is no certainty that Knight will not be challenged by its partners for non-compliance of its future licensing arrangements. Furthermore, there can be no assurance that Knight will be able to remain in compliance with its future licensing arrangements. Consequently, there may be a risk that these licensing arrangements will be withdrawn with no compensation or penalties to Knight.

Reliance on Branded Generic Portfolio

Knight's branded generic portfolio is marketed with trademarks developed and registered by Knight in each country where the product is launched. In many countries where Knight operates, brands are widely considered to be an indicator of quality and reliability. As spending in the health sector rises, there has been consideration given to reduce and control cost, including the cost of prescription medicines, in both the public and private sector. There is no guarantee that public and private institutions will continue to pay the higher prices related to branded generics and they may choose to substitute with pure generics. Further, as regulatory standards improve in these countries, consumers and health care professionals may begin to have more confidence in pure generics and may not pay a premium for a branded generic. In addition, key to success in the branded generic market is to maintain a continuous pipeline and be one of the first product to launch. An inability to quickly develop and market branded generic products may result in lower market penetration and have a negative impact on the growth and profitability of the business.

Risks of Litigation due to Infringement on Intellectual Property

Companies that produce and sell branded pharmaceutical products may routinely bring litigation against competitors, including the Corporation, seeking approval to manufacture and market generic forms of branded products, alleging patent infringement or other violations of intellectual property rights. Patent holders may also bring patent infringement suits against companies that are currently marketing and selling pharmaceutical products. Litigation often involves significant expense. Additionally, if the patents of others are held valid, enforceable and infringed by Knight's current products or future products in development, the Company would, unless it could obtain a license from the patent holder, need to delay selling our corresponding branded generic product and, if it are already selling Knight's product, cease selling and potentially destroy existing product stock. Additionally, the Corporation may be required to pay monetary damages or royalties to license proprietary rights from third parties and the Company may not be able to obtain such licenses on commercially reasonable terms or at all. There may be situations in which the Corporation may make business and legal judgments to market and sell products that are subject to claims of alleged patent infringement prior to final resolution of those claims by the courts based upon Knight's belief that such patents are invalid, unenforceable or are not infringed by its marketing and sale of such products. This is commonly referred to in the pharmaceutical industry as an "at-risk" launch. The risk involved in an at-risk launch can be substantial because, if a patent holder ultimately prevails against us, the remedies available to such holder may include, but not limited to, damages calculated based on

the profits lost by the patent holder, which can be significantly higher than the profits the Company makes from selling the generic version of the product. Moreover, if a court determines that such infringement is willful, the damages could be subject to trebling. The Company may face substantial damages from adverse court decisions in such matters and may be at risk for the value of such inventory that the Company is unable to market or sell.

Any unfavorable outcome of such litigation, including losses related to “at-risk” product launches, could have a material adverse effect on the business, financial condition, results of operations and cash flows.

Disputes Regarding Ownership or Inventorship of Products and Technologies

From time-to-time Knight may become involved in disputes relating to the ownership or inventorship of its existing and future products and technologies. If Knight is unsuccessful in obtaining assignments of patents or is otherwise unable to establish its ownership of the invention covered by the patents, Knight may face additional costs in perfecting its title to these patents and its business may be adversely affected.

Reliance on Third Parties for Supply and Manufacture of Products

Many of Knight's products are the result of complex manufacturing processes, and some require highly specialized raw materials. Problems may arise during manufacturing for a variety of reasons, including equipment malfunction, failure to follow specific protocols and procedures, problems with or shortages of raw materials, natural disasters, and environmental factors. For some of Knight's key raw materials, the Company has only a single source of supply, and alternate sources of supply may not be readily available. If its supply of certain raw materials or finished products is interrupted from time to time, or proves insufficient to meet demand, its cash flows and results of operations could be adversely impacted. Additionally, any such supply interruption could result in a supply shortage to patients depending on the number of competitors able to meet the supply needs. Knight's inability to timely supply any of its key products may result in claims and penalties from customers and could have a material adverse effect on its business, financial condition and results of operations as well as result in reputational harm. An inability to supply products to customers could also result in the breach of customer’s contractual obligations, especially for tenders won by the Corporation. Such breaches may result in significant fines and penalties.

Certain of Knight’s products are manufactured by third parties, including all licensed products. Knight does not have manufacturing facilities, personnel or access to raw materials to independently manufacture its licensed products. Except for any contractual rights and remedies which Knight may have with its manufacturers, Knight has no control over the availability of its products, their quality or cost. While Knight manufactures most of its own branded generic products, Knight relies on third parties for all APIs and raw materials. If for any reason, Knight is unable to obtain or retain third-party manufacturers or suppliers on commercially acceptable terms, it may not be able to distribute its products as planned. If Knight encounters delays or difficulties with contract manufacturers or API and raw material suppliers in producing or packaging its products, the distribution, marketing and subsequent sales of these products would be adversely affected, and Knight may have to seek alternative sources of supply or abandon or sell product lines on unsatisfactory terms. Knight may not be able to enter into alternative supply arrangements on commercially acceptable rates, if at all. There can be no assurance that the manufacturers and suppliers that Knight will have engaged will be able to provide sufficient quantities of these products or that the products supplied will meet with Knight’s specifications. In addition, production of the Corporation’s future products may require raw materials for which the sources and quantities are limited. An inability to obtain adequate supplies of API or raw materials could significantly delay the development, regulatory approval and marketing of Knight’s existing and future products, including Exelon®, Impavido® or the various branded generic products.

Drug manufacturers are subject to ongoing periodic unannounced inspection by Health Canada, the FDA, ANVISA

(Brazil), ANMAT (Argentina), COFEPRIS (Mexico), INVIMA (Colombia) as well as other LATAM health agencies, and corresponding state and foreign agencies to ensure strict compliance with GMPs and other government regulations. In addition, Knight has three (3) manufacturing facilities including two (2) laboratories in Argentina and one (1) laboratory in Brazil. Each of these facilities are inspected by their local agency, and, in the case of the manufacturing facilities and laboratories in Argentina, may also be inspected by other LATAM agencies. While Knight is obligated to audit the performance of third-party contractors, it does not have complete control over its third-party manufacturers' compliance with these regulations and standards. Failure by either Knight's third-party manufacturers or by Knight to comply with applicable regulations could result in, but not limited to, sanctions being imposed, including fines, injunctions, civil penalties, failure of the government to grant review of submissions or market approval of drugs, delays, suspension or withdrawal of approvals, product seizures or recalls, operating restrictions, facility closures and criminal prosecutions, any of which could negatively impact the business.

Knight has entered into and intends to continue to enter into licensing and collaboration arrangements pursuant to which Knight will commit itself to supplying third parties with product. If Knight is unable to fulfill such obligations because of a failure of Knight's contract manufacturers, Knight may be in breach of its obligations under those arrangements.

Knight also relies on complex shipping arrangements to and from the various facilities of its supply chain. Customs clearance and shipping by land, air or sea routes rely on and may be affected by factors that are not in Knight's full control or are hard to predict. A significant portion of Knight's costs is comprised of raw materials for its products as well as energy, transportation and labor costs for its manufacturing and operations. The Company has experienced increases in prices of raw materials, energy, labor and transportation. To the extent that the Company cannot pass along such increased costs to its customers, its results of operations and financial condition will be adversely affected.

In addition, Knight relies on complex information technology systems, including internet-based systems, to support its supply-chain processes as well as internal and external communications. The size and complexity of its systems make them potentially vulnerable to breakdown or interruption, whether due to computer viruses, lack of system upgrades or other causes that may result in the loss of key information or the impairment of production and other supply chain processes. Such disruptions and breaches of security could have a material adverse effect on the business, financial condition and results of operation.

Knight also relies on complex shipping arrangements and IT systems to support its supply chain. Disruptions in logistics or technology could impair production and distribution. Rising costs for raw materials, energy, labor and transportation have already impacted operations, and inability to pass these costs to customers could adversely affect financial results. Furthermore, geopolitical instability and increasing regulatory complexity may disrupt global supply chains for APIs and critical raw materials, creating further uncertainty and potential delays in product availability.

Reliance on Third-Party Service Providers for Distribution and Transitional Services

Knight relies on third-party service providers for certain critical operational activities, including the warehousing, handling and distribution of pharmaceutical products in various jurisdictions. These third-party logistics providers are responsible for storage conditions, inventory management, order fulfillment and delivery to customers. Knight does not have direct operational control over these third parties, and any failure by them to perform their obligations in accordance with contractual terms, regulatory requirements or quality standards could result in supply disruptions, product losses or damage, regulatory non-compliance, reputational harm and adverse financial impacts.

In addition, in connection with the acquisition of products or portfolio of products, Knight may enter into a transitional services agreement with seller to provide certain services such as inventory management, customer service, sales order to cash process, which may include reliance on the seller's systems. During this transitional period, Knight is dependent on seller's systems and processes, which may expose the Company to risks related to system performance, data accuracy, cybersecurity, regulatory compliance and the timely collection of receivables. Any disruption, failure or delay in the provision of these third-party services, or any challenges encountered in transitioning these activities to Knight's own systems upon the expiration of the transitional services agreement, could adversely affect the Company's revenues, cash flows and operating results.

Reliance on Data Obtained from IQVIA

Knight relies on operational data obtained from IQVIA, an industry accepted data source. IQVIA data may not accurately reflect actual prescriptions. If IQVIA data is inaccurate or unreliable and Knight's controls are not effective, there could be an adverse effect on Knight's ability to properly manage inventory and its financial performance.

Pandemic Risk

Pandemics, such as the COVID-19 pandemic, have impacted and may in the future impact Knight's business, operations and financial condition and results. Related risks and challenges for Knight's business include, among others: uncertainty regarding the severity and duration of a pandemic; impacts to business operations; decreased demand for certain of its products; increased costs of doing business; manufacturing disruptions and delays; supply chain disruptions and shortages, including challenges related to reliance on third-party suppliers resulting in reduced availability of materials or components used in the development, manufacturing, distribution or administration of its products; evolving macroeconomic factors and conditions, including general economic uncertainty, unemployment rates and recessionary pressures; changes in labor markets, including challenges related to its human capital and talent development; unknown consequences on its business performance and initiatives stemming from the substantial investment of time and other resources to any potential pandemic response; increased difficulty and uncertainty regarding predicting or estimating future performance; pace of post-pandemic recovery, disruption and volatility within the financial or credit markets; and its financial performance in general.

Furthermore, the Company's operating expenses may be negatively impacted by rising inflationary pressures on its operating expenses including but not limited to its compensation costs.

Due to the continued evolution in the global business environment, the Corporation may face the following challenges in a post-pandemic pharmaceutical industry:

- Economic impact & budgetary controls
    - Governments implementation of new or additional pricing regulations as a measure to balance budgets and recover pandemic spending.
    - Private payers facing budget constraints and continue to increase hurdle rate for drug reimbursement.
    - Continued negative impact with rising unemployment rates leading to loss of coverage in patients' private insurance.

- Competitive landscape and industry dynamics
    - New product launches continue to be challenging in a complex and uncertain environment.
    - Products with self/home administration continue to maintain an advantage.

- Surge of digital players.

Climate Change

Natural disasters and extreme weather events resulting from climate change, such as floods, heatwaves, blizzards, hurricanes, wildfires, the rise of sea level, and water stress, pose various risks including but not limited to:

- *Supply chain disruptions:* changes in weather patterns and extreme weather events can disrupt the supply of raw materials and delivery of finished goods.
- *Infrastructure damage:* severe weather events such as hurricanes and floods can local utility and transportation infrastructure, as well as damage warehouses, manufacturing facilities of Knight or its suppliers, leading to shortages, higher costs and potential disruptions of operations.
- *Regulatory changes:* governments may impose new or amend existing regulations aiming to reduce greenhouse gas emissions, which can increase compliance costs.
- *Reputation risk:* Knight may face criticism from consumers, partners and stakeholders for not addressing its carbon footprint and contributing to climate change.

The above-mentioned risks could lead to raw materials and product shortages, disruptions of Knight's operations and higher production and compliance costs, loss of key suppliers and customers that, in turn, could impact its ability to deliver its products to customers and comply with regulations leading to a material negative impact to its financial results and condition.

Macroeconomic Conditions, Higher Costs and Inflation Risk

Challenging global market and economic conditions with a tighter credit environment and recession in most major economies began in fiscal 2008 and took years to recover. As a result of COVID-19, the world's major economies faced similar structural flaws and challenges going forward impacting global productivity growth. Concerns about the systemic impact of ongoing potential long-term and wide-spread recession, energy costs and geopolitical issues have contributed to increased market volatility, energy costs and may affect expectations for western and emerging economies. These conditions have contributed to higher volatility. Turbulence in Canada, Latin America and international markets and economies and prolonged declines in business and consumer spending may adversely affect Knight's liquidity and financial condition, and the liquidity and financial condition of Knight's future customers. Furthermore, the COVID-19 pandemic has resulted in very high levels of public spending and due to budget constraints, governments may look in the future towards healthcare costs including drug prices to recover part of the spending. Knight's strategic investments may be susceptible to economic slowdowns or recessions and adverse economic conditions may lead to financial losses and a decrease in revenues, net income and assets.

The current global macroeconomic environment is characterized by elevated levels of inflation due to several external factors including global supply chain constrains, ongoing conflicts between Ukraine and Russia, U.S. and Venezuela, as well as in the Middle East, and volatile global financial and economic conditions. Despite the reduction in inflation in the most recent months in response to aggressive monetary tightening policies implemented by central banks around the world, the Company continues to experience increased inflationary pressures, across all Knight's geographies, on operating expenses including, but not limited to, compensation costs, raw material and product costs driven by rising costs of its partners and suppliers in both developed and developing markets. Such increase in costs cannot be matched to the same extent by increases in Knight's product prices due to local pricing regulations and competitive pressure for certain of its products.

Knight has no control over changes in inflation and interest rates, foreign currency exchange rates and controls or other economic factors affecting its businesses or over the possibility of political unrest, legal and regulatory

changes in jurisdictions in which Knight operates. Therefore, further cost increases could have a significant impact on the Company's cost of sales, gross profit margins, profitability and cash flows.

Global impact of imposing additional tariffs, quotas, duties, or other restrictions or regulations

Additional tariffs, quotas, duties, or other restrictions or regulations can significantly affect the pharmaceutical industry by raising the cost of production and disrupting the supply chains. Countries like Canada, Mexico, and those in the European Union often depend on importing active pharmaceutical ingredients (APIs) and other raw materials from international suppliers. When tariffs are applied to these imports, manufacturing costs rise, which are usually passed on to consumers in the form of higher drug prices. Additionally, tariffs create market uncertainty, which can reduce foreign investment and consequently cause shortages of critical medications. This is particularly problematic for smaller pharmaceutical markets, where increased costs and supply chain disruptions can severely affect the availability and affordability of medications. Overall, additional tariffs, quotas, duties, or other restrictions or regulations can place considerable pressure on the global pharmaceutical industry, impacting both producers and patients.

Risks exist as of the date of this annual information form that: (i) announced tariffs and retaliatory tariffs imposed may remain in place for an extended period; (ii) additional tariffs and retaliatory tariffs may be implemented between the US and Canada or between the US and other nations; (iii) other actions may be taken to restrict or tax the trade of goods between the US and Canada or between the US and other nations; and/or (iv) action may be conducted to amend or terminate existing trade agreements, including the US-Mexico-Canada Agreement.

In addition, the significant expansion of U.S. tariff measures under President Trump’s 2026 trade actions, including broad global tariff hikes, increased sector-specific duties and the imposition of minimum tariffs on most imports, has heightened global trade uncertainty and contributed to rising costs across international supply chains.

Knight has no control over tariffs, quotas, duties, or other restrictions or regulations and its impact on the pharmaceutical industry. Should further tariffs be imposed, cost increases could have a significant impact on the Company's cost of sales, gross profit margins, profitability and cash flows as well as compounded by global tariff instability, retaliatory trade measures, and higher logistics costs, which could have a significant impact on inventory levels. The expanded U.S. tariff regime and resulting global retaliatory actions further increase the potential for upstream cost inflation and supply chain disruption affecting Knight’s vendors and partners.

Impact of Ongoing Conflicts Around the World

Geopolitical events, including the ongoing Russia-Ukraine war, escalating tensions in the Middle East involving Israel, Iran and the U.S, with broader involvement and spillover effects across the region, including countries such as Qatar, Turkey and parts of the Gulf region, as well as the escalating U.S.–Venezuela conflict, have affected global financial markets and exacerbated ongoing economic challenges, including heightened inflation. Over the past year, these conflicts have contributed to increased volatility in global energy markets and material disruptions to major shipping routes. Heightened security risks and military activity affecting key maritime chokepoints, including the Red Sea, the Suez Canal and the Strait of Hormuz, have led shipping companies to reroute vessels away from these corridors. Such rerouting has resulted in longer transit times, higher freight and insurance costs, reduced vessel availability and broader interruptions to global maritime logistics. Given the strategic importance of the Strait of Hormuz for global oil and liquefied natural gas flows, any sustained disruption in this corridor could further amplify energy price volatility and adversely impact global trade and economic conditions. The Company does not conduct any direct business operations in any of the impacted regions and to date has not had any measurable disruptions to its supply of raw materials or ability to service customers. The Company is actively monitoring for any potential impacts arising from these conflicts; however, any further

escalation of these conflicts or deterioration in regional stability could lead to increased costs and supply chain disruptions for Knight's vendors, CMOs and partners and as such may have a material adverse impact on Knight's business, financial condition and results of operations.

In addition, as a result of heightened geopolitical tensions, military activity and disruptions to key global shipping routes, the Company's inventory in transit may be subject to increased risk of loss or delay that may not be fully covered by insurance, including where war-risk or force majeure exclusions apply.

Agreements Relating to the Development and Distribution of Products

The Corporation currently has several collaboration or distribution agreements relating to the marketing and distribution of its products in international markets, such as Impavido® in the U.S, Europe and Israel, or Exelon® in Central America and the Caribbean. The Corporation relies on these agreements because it is currently not strategic to market its products directly in these markets. The Corporation intends to secure additional agreements relating to the marketing and distribution of its products for which it may receive regulatory approval. If the Corporation is unable to reach agreements with suitable collaborators and marketing and distribution partners, it may fail to meet certain business objectives. Knight faces significant competition in seeking appropriate development, marketing and distribution partners. Moreover, collaboration and distribution arrangements are complex and time consuming to negotiate, document, implement, manage and monitor.

Knight may not be successful in establishing and implementing collaboration or marketing and distribution arrangements upon satisfactory terms or at all. Reliance on these agreements will likely expose Knight to many risks, including but not limited to the following:

- development, marketing and distribution partners may not devote sufficient resources to Knight's products or product candidates;
- disputes may arise with respect to payments that Knight believes are due under such distribution and collaboration agreements;
- unwillingness on the part of development, marketing and distribution partners to provide updates regarding the progress of its development, commercialization or marketing activities, or to permit public disclosure of these activities;
- development, marketing and distribution partners may terminate the relationship;
- disputes may arise in the future with respect to the ownership of rights to technology developed with partners;
- disagreements with development, marketing and distribution partners could result in litigation or arbitration;
- partners may elect to pursue the development of any additional product candidates and pursue technologies or products either on their own or in collaboration with other parties, including competitors with competing technologies or products;
- collaborators and marketing and distribution partners may pursue higher priority programs or change the focus of their programs, which could affect the collaborator's and distributor's commitment to their respective territories;
- Development, marketing and distribution partners may fail to maintain required regulatory approvals, compliance standards or operational capabilities which may require Knight to seek alternative partnerships, which could result in increased costs, delays, supply disruptions and adverse impacts on the commercialization of its products; and

- development, marketing and distribution partners may develop or distribute products that compete with Knight's products.

The Company may from time to time replace distributors for certain products or territories, and any such transition may be complex, time-consuming and subject to operational, regulatory and commercial risks. The Company may experience delays or disruptions which could be exarcebarated if an incumbent distributor is unwilling or unable to cooperate in the transition process, including with respect to inventory handover, regulatory filings, data transfer, customer relationships, or continuity of supply. Any lack of cooperation, or other challenges associated with a distributor transition, could result in supply interruptions, lost sales, increased costs, reputational harm, or delays in the effective commercialization of the affected products. In addition, there can be no assurance that a replacement distributor will be identified on a timely basis, or that any new distribution arrangement will be entered into on terms as favorable to the Company as those of the prior arrangement. The occurrence of any of these events could materially adversely affect the Company's business, financial condition, results of operations, cash flows, and growth strategy.

ESG Matters

Companies are increasingly being evaluated not only on financial performance, but also on their performance on a variety of ESG matters, which contribute to the long-term sustainability of a company's success. A variety of organizations measure the performance of companies on such ESG topics, and the results of these assessments are widely publicized. In addition, investment in funds specializing in companies that perform well in ESG assessments are gaining popularity, and major institutional investors have publicly emphasized the importance of ESG measures in their investment decisions. Topics taken into account in such assessments include but not limited to, the Corporation's efforts and impacts on climate change and human rights, ethics and compliance with law, and the role of the Corporation's board of directors in supervising these issues. Other industry-specific ESG topics include but not limited to, the importance of public access to medicines, health and safety, affordability and pricing, and ethical marketing. Knight actively manages a broad range of ESG matters, evaluating their potential impact on the sustainability of Knight's business over time, and the effects of its business on society and the environment. However, in light of investor's increased focus on ESG matters, there can be no certainty that Knight will manage such issues successfully, or that Knight will successfully meet society's expectations as to its proper role. Any failure or perceived failure by us in this regard could have a material adverse effect on Knight's reputation and on its business, share price, financial condition, or results of operations, including the sustainability of Knight's business over time.

Concentration of Credit Risk: Customers and Strategic Relationships

As at December 31, 2025 Knight has a total trade receivable balance of $127,775. Credit risk is the risk of loss associated with the inability of a third party to fulfil its payment obligations. Knight is exposed to credit risk with respect to amounts receivable from customers. The corporation monitors its customers' credit and individual credit limits are established after an analysis of the client's credit history, credit ratings, and forward-looking information provided by internal and external sources. Knight has a credit policy in place to ensure that these limits are periodically reviewed and immediately adjusted, if needed. Furthermore, the Corporation establishes the expected credit loss provision based upon days past due and the likelihood of collection for each customer.

Management determines credit risk related to trade and accounts receivable based on customers who account for more than 5% of accounts receivable. As at December 31, 2025, three customers represented 26%, 9% and 5% (2024: two customers for 31% and 7%) of the trade and accounts receivable balance. For the year ended December 31, 2025, one customer represented 20% (2024: 20%) of revenues. Knight sells its pharmaceutical products to drug wholesalers, retailers and distributors, including national, provincial and independent

pharmacies, retail drug and food store chains, hospitals, member of buying groups, clinics and other institutions. A significant portion of Knight's revenues are derived from such sales and therefore are dependent on the activities and success of those customers. Any significant reduction or loss of business with one or several of these customers could have a material adverse effect on Knight's business, financial condition, cash flows and results of operations.

The operating environment for counterparties in Colombia remains strained, with persistent system funding pressures and weakened solvency among payers, which together increase the risk of delayed payments to suppliers. Collection cycles across providers have continued to lengthen, indicating broader delays along the healthcare payment chain that can affect the timing of cash inflows and elevate expected credit losses. Most sector liquidity continues to be routed through the public benefits scheme (PBS), reinforcing that disruptions in public funding flows can amplify receivables risk. In addition, patient-access frictions have risen, reflecting operational stress that can be associated with administrative backlogs and slower claim processing. Due to the current situation, Knight may face delays or an increase in the provision against its accounts receivables and in the inventory allowance in Colombia which may lead to loss of profitability. Colombia represented 12.2% of total Net Revenues for Knight in 2025. In November 2025, Audifarma's creditors formally approved a court-supervised reorganization agreement under Law 1116, placing the company under a long-term restructuring framework extending through 2039[1]. As at December 31, 2025, the Company has a net receivable of $1.3 million with Audifarma. Given the above-mentioned risks, the Company continues to face material uncertainty regarding the recoverability of outstanding accounts receivables and the potential adverse impact on future sales to Audifarma.

Another source of credit risk for Knight arises from its investment in funds, strategic investments in and loans to third parties with whom it has strategic commercial relationships. Knight intends to continuously monitor the risks associated with the amounts invested, however there can be no assurance of the financial stability of these debtors. The insolvency or operational failure of such debtors could both have an impact on the benefits that might otherwise be enjoyed by Knight under these strategic commercial relationships and jeopardize its ability to recover all or a portion of the credit it has extended, both of which could have an adverse impact on the financial position of Knight.

The marketable securities and cash equivalent balances are subject to minimal risk of changes in value and are invested in institutions with a S&P or DBRS credit rating of A, R1(low) or better. Currently, the Company's short-term investments and cash equivalent balances are invested in one Canadian financial institution.

The table below represents the Company's maximum exposure to credit risk without taking into consideration any security obtained to mitigate the risk. The maximum exposure to credit risk is determined by the carrying value of the asset.

Years ended December 31,	**2025**	2024
	$	$
Trade receivables	**127,775**	105,196
Interest receivable	**128**	845
Other receivables	**2,782**	1,874
Loans receivable	**—**	21,116
Investments in funds	**79,484**	92,024
Total	**210,169**	221,055

[1] *Audifarma S.A., Acuerdo de Reorganización Empresarial (Ley 1116/2006), approved November 2025, Superintendencia de Sociedades (Colombia). Includes admission reference (Dec 12, 2024), creditor approval details, plan term (to April 2039), Cartera Cedida fiduciary assignment (pro-solvendo), and oversight/ committee provisions.*

All dollar amounts herein are expressed in thousands of Canadian dollars (unless otherwise indicated) except for share and per share amounts. All other currencies are in thousands (unless otherwise indicated).

Policies Regarding Returns, Allowances and Chargebacks May Reduce Revenues in Future Fiscal Periods

Knight establishes reserves based on its best estimates of the impact that these policies may have in subsequent periods. Knight cannot ensure that such reserves are adequate or that actual product returns, allowances and chargebacks will not exceed the estimates, which could have a material adverse effect on the results of operations, financial condition, cash flows and the market price of Knight's securities.

Value of Financial Assets

A significant portion of Knight's total assets relate to financial assets. Selected financial assets relating to strategic loans, equity investments, fund investments and derivatives held by the Corporation are summarized in the following table:

As at December 31,	**2025**	2024
	$	$
Loans and other receivables		
Measured at amortized cost	**—**	21,116
Equity Investments		
Measured at FVTPL	**13,144**	11,408
Measured at FVOCI	**5,802**	9,384
Fund Investments		
Measured at FVTPL	**79,484**	92,024
Total	**98,430**	133,932

Knight values a substantial portion of its financial assets at their fair values. When the fair values of financial assets recorded in the consolidated balance sheet cannot be measured based on quoted prices in active markets, it is measured using other valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as credit risk, discount rates, volatility and liquidity. Changes in assumptions about these factors could affect the reported fair value of financial assets.

The fair values of Knight's financial assets may fluctuate significantly which could have a material adverse effect on the Corporation's results of operations, financial condition, cash flows and the market price of Knight's securities. In addition, there is no guarantee that the fair values of Knight's financial assets will be realized in full or in part by the Corporation.

For more information regarding the Corporation's financial assets, methodology for measuring fair values of financial assets, refer to Notes 2, 3, and 16 of the Corporation's Financial Statements for the fiscal year ended December 31, 2025, which can be found under Knight's profile at www.sedarplus.ca.

Value of Investments in Funds

The Corporation records investments in funds at their NAV and its valuation may involve uncertainties and judgment determinations made by fund investment managers and, if such valuations should prove to be incorrect, the NAV of a fund could be misstated. Independent pricing information may not always be available to Knight regarding certain securities and other investments held within the funds. Additionally, the funds may hold investments which by their very nature may be extremely difficult to value accurately. The NAV of Knight's investment in funds is $79,484 as at December 31, 2025, which includes unrealized loss of $30,587 and there can be no assurance that Knight will not incur any material write-down in the future on the investments in funds or

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that Knight will realize the current NAV of its fund investment.

Value of Inventory

Knight values inventory at the lower of cost (average cost), and net realizable value. Knight establishes reserves for inventory to reflect situations in which the cost of the inventory is not expected to be recovered. The reserve for inventory is equal to all or a portion of the inventory which has reached its expiration or is close to expiration and not expected to be sold, based on the specific facts and circumstances. In order to determine whether the inventory is properly stated at the lower of cost or net realizable value, management plans to review the amount of inventory on hand and the remaining shelf life, and estimate the time required to sell such inventory taking into account current and expected market conditions and competition. The write-down of inventory may have a material adverse effect on the results of operations in the period in which the write-down occurs.

Income Tax and Tax Reforms

Knight's income tax reporting is subject to audit by tax authorities. The effective tax rate may change from year to year based on the mix of income, non-deductible expenses, changes in tax law and changes in the estimated values of future income tax assets and liabilities.

Knight bases its tax provision on certain estimates and assumptions made by management. Knight's consolidated income tax rate is affected by the mix and amount of net income earned in each of its subsidiaries. Knight may enter into many transactions and arrangements in the ordinary course of business and in certain of these, the tax treatment may not be entirely certain. Knight therefore makes and will continue to make estimates and judgments in determining its consolidated tax provision and the value of Knight's tax assets and taxes payable.

In a tax audit, Knight's interpretation of tax legislation may be challenged and tax authorities in various jurisdictions may disagree with, and subsequently challenge, the amount of profits taxed in such jurisdictions under its intercompany agreements. The outcome of any audits by taxation authorities may differ from the estimates and assumptions Knight will use in determining its consolidated tax provisions and accruals. This could result in a material effect on Knight's consolidated income tax provision, financial position, cash flows and the net income for the period in which such determinations are made. From time to time, the Corporation is subject to tax audits. While the Corporation believes that its filing positions are appropriate and supportable, periodically, certain matters are challenged by tax authorities.

PRV Tax Case

Knight received notices of reassessment from the CRA and the QRA in July 2018 and January 2019, respectively. The notices relate to the 2014 disposition of a PRV held by Knight's wholly-owned subsidiary, Knight Therapeutics International S.A. A PRV is a transferable asset that entitles the holder to a priority review for a drug of its choice.

The Company's PRV was granted on March 19, 2014 upon the FDA approval of Impavido® and was disposed of to a third party in November 2014 for gross proceeds of US$125,000. The notices of reassessment provide that Knight is liable to pay an aggregate of $23,340 and $18,242 to the CRA and QRA, respectively, in additional taxes and interest. Knight has made a deposit for the full amount to the CRA in July 2018 and to the QRA in February 2019. In addition, interest income on the deposit is payable to Knight by the CRA and QRA if the Company wins the process.

Knight believes the reassessments are unfounded and filed a notice of objection with the CRA in September 2018 to start the objection process. In October 2021, the CRA responded to Knight's notice of objection with a confirmation of their initial tax reassessments. Knight filed a notice of appeal to the Tax Court of Canada in

December 2021. The appeal hearing at the Tax Court of Canada ("TCC") started in February 2026 and is expected to resume and end in August 2026. Once the hearing is completed, Knight expects a decision to be delivered by the TCC in the next 18 to 24 months. Either party may appeal the decision of the Tax Court of Canada to the Federal Court of Appeal. The resolution of this process is expected to have two possible outcomes explained as follows:

- Favourable for Knight: The Company is not liable for the tax on the disposition of the PRV and will recover as cash the $41,582 deposited with the taxation authorities as well as interest which is estimated to be $9,056 as at December 31, 2025.
- Unfavorable for Knight: The Company is liable for the tax on the disposition of the PRV and will not recover the $41,582 deposited with the taxation authorities. This will lead to the de-recognition of the other receivable balance for the amount deposited with an increase of the current income tax expense.

Based on the Company's view, it is more-likely-than not that the appeal process will be favourable to Knight. Therefore, the Company has not recorded any tax provision related to the disposition of the PRV in its consolidated financial statements. However, there can be no assurance regarding the outcome or when a resolution may be reached.

Goodwill Tax Case

In July 2021, Knight's Brazilian subsidiary received a tax reassessment from the Brazilian Federal Internal Revenue Service ("IRS"). The reassessment mainly relates to tax amortization of goodwill claimed from 2016 to 2018. The reassessment deemed that such tax amortization is not deductible for the purposes of taxable income calculation and Knight is liable to pay an aggregate of $20,600 (BRL 82,400) in taxes, penalties and interest. Knight did not make any payment with respect to this reassessment.

Knight strongly disagrees with the reassessment, considers it unfounded and has filed an administrative defense. The Company received a favorable decision at the administrative court in 2025 by a majority of five votes to one. The IRS filed an appeal in January 2026 and the case has moved to the Superior Chamber of Tax Appeals ("CSRF"). The CSRF generally takes up to 2 years to provide a judgment which is expected to have two possible outcomes explained as follows:

Favorable to Knight:
Knight is not liable for the taxes, penalties and interest reassessed. The IRS will not be permitted to appeal to the judicial courts.

Unfavorable to Knight:
Knight is liable for the taxes and penalties of $20,600 (BRL 82,400) and additional interest of $9,425 (BRL 37,715) as at December 31, 2025. However, Knight has the right to appeal to the judicial courts.

Based on the Company's view, it is more-likely-than-not that CSRF will render a favorable decision to Knight. Therefore, the Company has not recorded any tax provision related to this reassessment in its consolidated financial statements. However, there can be no assurance regarding the outcome or when the resolution may be reached.

Although the Company believes its tax provisions are adequate, the final determination of tax audits and any related disputes could be materially different from historical income tax provisions and accrual.

Knight and its affiliates are subject to taxation in Canada, the U.S., 10 countries in LATAM as well as Spain and

Luxembourg. Knight may in the future be subject to taxation in other foreign jurisdictions. The integrated nature of Knight's operations can produce conflicting claims from taxation authorities in different countries as to the profits to be taxed in the individual countries, including potential disputes relating to the prices Knight subsidiaries charge one another for intercompany transactions, known as transfer pricing. In recent years, tax authorities around the world have increased their scrutiny of corporate tax filings and have become more rigid in exercising any discretion they may have. Knight currently maintains certain operating activities in the World Trade Center Free Zone in Montevideo, Uruguay. This allows Knight to benefit from tax relief in connection with commercial activities conducted throughout the Free Zone. A change to regulations or interpretations by other jurisdictions of the Uruguayan Free Zone may have a material adverse effect on the Corporation's cash flows, financial position and operating results. Knight's effective tax rate and tax liability is determined by a number of factors, including the amount of taxable income in particular jurisdictions, the tax rates in these jurisdictions, tax treaties between jurisdictions, the extent to which it transfers funds to and repatriates funds from its subsidiaries and future changes in laws. An adverse interpretation or ruling by one of the taxing authorities in a jurisdiction in which Knight operates or a change in law could increase its tax liability or result in the imposition of penalty payments, which could adversely impact its operating results.

Changes to global tax regulations or changes to the base erosion and profit shifting guidelines of the OECD may have adverse consequences to the Company's tax assets and liabilities. Furthermore, Knight benefits from certain governmental programs including tax treaties in certain countries and states in which it operates. The termination or expiration of such governmental programs could adversely affect the Company's profitability.

In Canada, Global Minimum Tax Act (Pillar Two) was enacted in 2024 and applies to Qualifying MNE Groups that reported consolidated annual revenues exceeding EUR 750 million in at least two of the four fiscal years immediately preceding a particular fiscal year in respect of fiscal years that began on or after December 31, 2023. This Act ensures that Qualifying MNE Groups pay at least 15% effective tax rate in every jurisdiction where they operate. Based on the consolidated revenues reported by Knight, as of the reporting date, Knight is not subject to such minimum tax and accordingly, Pillar Two rules are not expected to have an impact on Knight at this time. However, should Knight's consolidated revenues increase in the future such that it is considered a Qualifying MNE Group, Pillar Two rules could apply which may result in additional tax liabilities, increased compliance complexity and changes to the effective tax rate in certain jurisdictions.

In addition, given the changing tax landscape in LATAM and globally, future tax reforms can materially impact negatively Knight's operations and profitability.

Taxes and tax reform in Brazil

On January 16, 2025, Brazil's president sanctioned Complementary Law no. 214/2025, stemming from the approval of Complementary Bill of Law No. 68/2024, which establishes the consumption tax reform, with the purpose of improving the efficiency and reducing the complexity of the current tax system in Brazil.

Under this consumption tax reform, three federal taxes (PIS: Social Integration Program; COFINS: Contribution to Social Security Financing; and, IPI: Tax on manufactured goods), one state tax (ICMS) and one municipal tax (ISS) will be replaced by two new taxes: IBS (Goods and Services Tax) and CBS (Contribution on Goods and Services). IBS will be replacing ICMS (tax on the circulation of goods, transportation and communication services) and ISS (services tax). CBS, on the other hand, will bring together contributions previously made under PIS, COFINS and IPI. A Selective Tax, which will be governed at the federal level and levied on goods and services that pose a risk to public health and the environment, will also be established under the reform.

The new IBS and CBS taxes will be constituted under the dual VAT (Value Added Tax) model. Under this approach, the calculation basis of both taxes will be the same and the amounts owed under the previous stages of the

production chain may be offset. The transition is expected to commence in 2026 until 2032, with full implementation by 2033. The reform also creates a tax benefits compensation fund, to compensate legal entities between 2029 and 2032 that enjoy incentives granted under certain conditions for a fixed period.

On December 17, 2025, the National Congress approved Complementary Law (LC) 224/25, which introduced new measures that will impact Knight's business from April 1, 2026 to December 31, 2026. Firstly, Knight will have to pay PIS and COFINS at 1.2% on sales of certain products such as Ambisome®, Exelon®, and Abraxane® which are currently exempt from PIS and COFINS. Secondly, Knight will have to pay 1.58% PIS and COFINS on the value of imported products. Knight continues to monitor the impact of the tax reforms on Knight's operation in Brazil considering regulations being published from time to time and the Brazilian pharma industry's reactions. The Company may be exposed to higher indirect taxes and may lose certain of its state grants and benefits with the reform. This may have a negative impact to Knight's operations, cash flows and profitability.

New Law over tax incentives in Brazil

On December 29, 2023, a new Law was published establishing relevant changes to the treatment of state and municipalities tax incentives in the calculation of federal taxes in Brazil. In accordance with the legislation in force up until December 31, 2023, tax incentives granted by other governmental bodies such as states and municipalities could be excluded from the calculation of the Corporate Income Tax (IRPJ) and the Social Contribution on Net Profit (CSLL). In addition, these tax incentives could be excluded from the calculation of the Program of Social Integration (PIS) and Contribution for the Financing of Social Security (COFINS), which are turnover taxes levied over gross revenue. With the enactment of this new Law, from January 1, 2024, there are uncertainties as to whether the amounts connected with these tax incentives could still be excluded from the taxable basis of IRPJ, CSLL, PIS and COFINS. This new measure may have a negative impact on Knight's net revenues and taxes payable in Brazil.

PFIC Rules Related to the Ownership and Disposition of Knight Shares

A U.S. holder of shares of a PFIC will generally be required to treat excess distributions or gain from the sale of shares as ordinary income and pay an interest charge to the extent the excess distribution or gain is allocated to prior taxable years for PFIC purposes. If Knight is a PFIC, U.S. holders who make a timely election could, either (a) mark their Common Shares to market each year and treat the gain or loss (to the extent of previously recognized gain) as ordinary income or (b) include in their income annually their share of net earnings of Knight as income from a qualified electing fund (a "QEF Election"), whether or not Knight distributes cash to the U.S. holder. However, Knight does not intend to provide U.S. holders with the information required by them to make a QEF Election, and therefore U.S. holders may not be able to avail themselves of the QEF Election. A PFIC is any non-U.S. corporation which meets either an asset or income test. The asset test is met if at least 50% of assets of a corporation consist of assets that produce or are held to produce passive income; and the income test is met if at least 75% of its gross income consists of passive income. Although it is not free from doubt, based on the composition of Knight's income and assets for its year ended December 31, 2025, Knight believes that it was not a PFIC for that year. However, if a U.S. holder owned Common Shares at a time when Knight was a PFIC, Knight would be treated as a PFIC for that holder even if Knight were no longer a PFIC.

Quarterly Fluctuations

Knight's results of operations, and in particular, revenues, may vary from quarter to quarter due to many factors including the following: the level of acceptance of Knight's products, customer purchasing ordering patterns, wholesaler stocking requirements, which will affect the revenues associated therewith; the ability to sell meaningful amounts of Knight's current product pipeline which may be dependent on approvals for an initial indication or additional indications in Canada, Latin America and select international markets; the timing and

number of future product launches. Each new product launch may require significant promotional investment during the first three to five years from launch. The level of patient and physician acceptance of Knight's existing and future products, as well as the availability of similar therapies, may impact Knight's revenues by driving the level and timing of prescriptions for its products. Other factors include expenditures related to the acquisition, sale and promotion of pharmaceutical products, the availability and cost of raw materials, interruptions in supply by third-party manufacturers, new products introduced by Knight or its competitors, the mix of products that Knight sells, sales and marketing expenditures and general economic and industry conditions that may affect customer demand.

Compliance with Laws and Regulations Affecting Public Companies

Any future changes to the laws and regulations affecting public companies, compliance with existing provisions of National Instrument *52-109 – Certification of Disclosure in Issuers' Annual and Interim* Filings of the Canadian Securities Administrators ("NI 52-109") and the other applicable Canadian securities laws and regulation and related rules and policies, may cause Knight to incur increased costs as it evaluates the implications of new rules and responds to new requirements. Delays or a failure to comply with the new laws, rules and regulations could result in enforcement actions, the assessment of other penalties and civil suits.

New laws and regulations may make it more expensive for Knight to provide indemnities to its officers and directors and may make it more difficult to obtain certain types of insurance, including liability insurance for directors and officers; as such, Knight may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. The impact of these events could also make it more difficult for Knight to attract and retain qualified persons to serve on its Board of Directors, or as executive officers. Knight may be required to hire additional personnel and utilize additional outside legal, accounting and advisory services—all of which could cause general and administrative costs to increase beyond what Knight currently has planned. Knight intends to evaluate and monitor developments with respect to these laws, rules and regulations, and cannot predict or estimate the amount of the additional costs it may incur or the timing of such costs. Knight is required to review and report annually on the effectiveness of its internal control over financial reporting in accordance with NI 52-109.

Knight's CEO and CFO are expected to report on the effectiveness of Knight's internal control over financial reporting. Management's review is designed to provide reasonable assurance, not absolute assurance that all material weaknesses existing within Knight's internal controls are identified. Material weaknesses will represent deficiencies existing in Knight's internal controls that may not prevent or detect a misstatement occurring which could have a material adverse effect on the quarterly or annual financial statements of Knight. In addition, management cannot provide assurance that the remedial actions that will be taken by Knight to address any material weaknesses identified will be successful, nor can management provide assurance that no further material weaknesses will be identified within its internal controls over financial reporting in future years. If Knight fails to maintain effective internal controls over its financial reporting, there is the possibility of errors or omissions occurring or misrepresentations in Knight's disclosures which could have a material adverse effect on Knight's business, its financial statements, and the value of the Common Shares.

The Corporation's manufacturing and testing facilities are subject to laws and regulations at various government levels, including federal, state/provincial and municipal. These laws and regulations relate to the whole spectrum of production, starting from reception of raw materials and ingredients to finished products, and cover matters such as product safety, quality, processing, content, composition, labelling, packaging and storage. They also cover matters relating to product logistics and distribution in respect of products manufactured by the Corporation and products manufactured by third parties that are handled by the Corporation. The Corporation production facilities are subject to plant inspections by government authorities in order to ensure compliance with applicable laws and regulations.

As a public company, the Corporation is required to comply with the internal control evaluation and certification requirements of Canadian securities laws. As a result, based on the evaluation of Knight's ICFR, the Corporation's financial reporting internal controls are currently in compliance with those requirements.

Reliance on Information Technology and Cybersecurity

Knight is dependent on information technology systems, including internet-based systems, for internal communication as well as communication with customers and suppliers. Knight's business depends on the efficient and uninterrupted operation of its computer and communications systems and networks, hardware and software systems and its other information technology. As such, Knight continuously invests financial and other resources to maintain, enhance, further develop, replace or add to its information technology infrastructure. Such efforts carry risks such as cost overruns, project delays and business interruptions, which could have a material adverse effect on the business, financial condition, results of operations and cash flows. Additionally, these measures are not guaranteed to protect against all cybersecurity incidents.

In the ordinary course of the business, the Company collects and maintains information, which includes confidential, proprietary and personal information regarding its customers and employees, in digital form. Over the last year, in order to improve its processes, Knight has implemented several different systems and IT tools and policies, most of which are managed or hosted by third parties. Disruption, degradation, destruction or manipulation of these systems through intentional or accidental means by Knight employees, third parties with authorized access or cyber threat actors could adversely affect key business processes. The complexity of systems, and those of third-party providers with whom Knight contracts, make such systems potentially vulnerable to service interruptions. Data maintained in digital form is subject to risk of cyber-attacks, which are increasing in frequency and sophistication and are made by groups and individuals with a wide range of motives and expertise, including criminal groups, "hackers" and others. Cyber-attacks could include the deployment of harmful malware, viruses, worms, denial-of-service attacks, ransomware, phishing, social engineering and other means to affect service reliability and threaten data confidentiality, integrity and availability. Despite the Company's efforts to monitor and safeguard its systems to prevent data compromise, the possibility of future data breaches cannot be eliminated entirely, and risks associated with intrusion, tampering and theft remain. If Knight's systems were to fail or it is unable to successfully expand the capacity of these systems, or it is unable to integrate new technologies into its existing systems, its operations and financial results could suffer.

Knight also outsources certain elements and functions of its operations, including but not limited to its information technology infrastructure, electronic invoicing, third-party warehouse and logistics providers, pharmacovigilance and specialty pharmaceutical activities, to third parties. As a result, the Company manages many independent vendor relationships with third parties who may or could have access to its confidential information. The size and complexity of Knight's and its vendors' systems make such systems potentially vulnerable to service interruptions and to security breaches from inadvertent or intentional actions by its employees, its partners, its vendors or other third parties, or from attacks by malicious third parties.

The Company and its vendors' information technology operations are spread across multiple, sometimes inconsistent platforms, which pose difficulties in maintaining data integrity across systems. The ever-increasing use and evolution of technology, including cloud-based computing, creates opportunities for the unintentional or improper dissemination or destruction of confidential information stored in the Corporation's systems.

Any breach of Knight's security measures or the accidental loss, inadvertent disclosure, unapproved dissemination, misappropriation or misuse of trade secrets, proprietary information or other confidential information, whether as a result of theft, fraud, cyber-attacks, hacking, trickery or other forms of deception or any other cause, could enable others to produce competing products, use its proprietary technology or information and/or adversely affect its business position. Further, any such interruption, security breach, loss or disclosure of

confidential, proprietary or personal information could result in financial, legal, business and reputational harm to the Company and could have a material adverse effect on the business, financial condition, results of operations and cash flows.

The Company's insurance coverage may not be sufficient to cover all potential losses including those related to cybersecurity incidents.

In addition, the Company deals with various third-party stakeholders such as CMOs, license partners, health regulatory agencies. Those stakeholders may also be reliant on their information technology to maintain their operations. Any failure of their IT systems could lead to a negative impact to the Company's business and result of operations. For example, in Q1-2022, the Corporation became aware that the Colombian Health Regulatory Authority, INVIMA, could have suffered cybersecurity attack. Such attacks could leads to delays of the Corporation's approval for new drugs, renewal of existing drugs or any other regulatory activities.

Risks related to Artificial Intelligence

Artificial intelligence ("AI") and advanced data-driven tools are increasingly used in the pharmaceutical industry and healthcare, including by Knight and its partners, to support functions such as data analysis, forecasting, supply chain optimization, regulatory processes, and commercial operations. While these technologies offer efficiency, they also carry risks, including reliance on flawed or biased data and algorithms, which may lead to incorrect decisions, operational disruptions, compliance issues, and reputational harm. AI systems can be difficult to validate and audit especially in regulated environments which raises compliance risks.

Regulatory frameworks for AI are rapidly changing in Canada, Latin America, and other areas where Knight operates. New laws or guidance may increase costs, limit technology use, or expose Knight to penalties or litigation. Knight's third-party partners may also use AI, and any failure, misuse, or breach of these systems could compromise sensitive data, disrupt operations, or enable sophisticated cyber-attacks and fraud.

Knight cannot guarantee that its risk management and governance around AI will fully mitigate these threats, or that the adoption or avoidance of AI will not create a competitive disadvantage. Any of these risks could significantly affect the Company's business, financial condition, operations, and cash flows.

Interest Rate Risk

The Company is subject to interest rate risk on the interest income generated on its cash, cash equivalents and marketable securities. Assuming all other variables remain constant, a 1% decline on the interest rate generated on cash, cash equivalents and marketable securities would have resulted in a reduction of interest income of $953 over a one-year period.

In connection with debt held in Knight, the Company is exposed to interest rate risks in connection with its bank loans borrowings. Details regarding maturity dates and effective interest rates are described in Section 7 *Liquidity and Capital Resources* of *Management's Discussion and Analysis*. The Bancolombia, the IFC and the Revolving Credit Facility loans have a variable interest rate that fluctuates with the CDI, IBR and TIIE rates. The applicable CDI, IBR. TIIE and CORRA are the average rates applicable during each interest period. Assuming all other variables remain constant, a 1% increase in the interest rate would have resulted in an increase of interest expense of $679 over a one-year period.

Details regarding maturity dates and effective interest rates are described in Note 7 of the Corporation's Consolidated Financial Statements for the fiscal year ended December 31, 2025 which can be found under Knight's profile at www.sedarplus.ca.

Equity Price Risk

The carrying values of the investments subject to equity price risk are:

	2025	2024
	$	$
Equity investments	**18,946**	20,792
Investments in Funds	**79,484**	92,024
Net exposure	**98,430**	**112,816**

The Company monitors its equity investments for impairment on a periodic basis and at least every reporting period. Market prices are subject to fluctuation and, consequently, the amount realized in the subsequent sale of an investment may significantly differ from the reported market value. Fluctuation in the market price of a security may result from perceived changes in the underlying economic characteristics of the investee, the relative price of alternative investments and general market conditions. Furthermore, amounts realized in the sale of a particular security may be affected by the volume of trade, as well as Securities Exchange Regulations. The Company's Board of Directors regularly reviews and approves equity investment decisions.

Foreign Exchange Risk

The reporting currency of Knight is Canadian dollars (CAD). While the Company generates a significant portion of its revenues from LATAM countries with currencies like the Brazilian real (BRL), Argentinian peso (ARS) and Colombian peso (COP), such currencies have been historically highly volatile and could create significant fluctuations on the Company's result when translated to CAD. Furthermore, Knight is exposed to a currency mismatch due to certain pharmaceutical products, APIs and operating costs denominated in currencies of developed markets (CHF, USD, EUR). The currency mismatch exposes Knight to foreign exchange risks which could result in significant fluctuations of the Company's gross margin or net income.

The Company also maintains cash and cash equivalents, marketable securities, trade and other receivables, accounts payables, accrued liabilities and bank loans denominated in currencies like USD, EUR, BRL and ARS and is, therefore, exposed to foreign exchange risk on these balances as well.

December 31, 2025	USD	EUR	BRL	ARS	CLP	COP	MXN
Cash and cash equivalents	**13,989**	**815**	**—**	**—**	**—**	**—**	**—**
Marketable securities	**13,759**	**—**	**—**	**—**	**—**	**—**	**—**
Trade and other receivables	**168**	**440**	**271,675**	**2,516,060**	**2,340,907**	**84,742,021**	**102,431**
Other financial assets	**3,577**	**13,557**	**—**	**—**	**—**	**—**	**—**
Accounts payable and accrued liabilities	**(3,434)**	**(4,407)**	**(57,126)**	**(158)**	**—**	**(2,210,409)**	**—**
Other balances payable	**(8,811)**	**(896)**	**—**	**—**	**—**	**—**	**—**
Financial liabilities	**—**	**—**	**(51,582)**	**—**	**(2,963,148)**	**(20,118,425)**	**(21,695)**
Net exposure	**19,248**	**9,509**	**162,967**	**2,515,902**	**(622,241)**	**62,413,187**	**80,736**

December 31, 2024	USD	EUR	BRL	ARS	CLP	COP	MXN
Cash and cash equivalents	20,584	2,122	—	—	—	—	485
Marketable securities	39,592	—	—	—	—	—	—
Trade and other receivables	1,130	145	397,147	2,233,589	8,465,175	100,096,534	163,999
Other financial assets	8,735	18,758	—	—	—	—	—
Accounts payable and accrued liabilities	(4,786)	(712)	(124,072)	(158)	(5,005,468)	(11,890,171)	(74)
Other balances payable	(10,213)	—	—	—	—	—	—
Financial liabilities	—	—	(77,134)	—	(4,527,452)	(29,877,082)	(33,725)
Net exposure	55,042	20,313	195,940	2,233,431	(1,067,745)	58,329,281	130,684

[1] *Includes intercompany loans in foreign currency between Company's subsidiaries*

The Company is also exposed to foreign exchange risk on the BOB, CHF, PEN, PYG and UYU. The total net exposure, in CAD, for these currencies is $1,158 (2024: $741).

Argentina - exchange rates and currency controls:

Argentina has undergone significant changes to its foreign exchange regulatory framework under President Javier Milei. Beginning in April 2025, the Government lifted most currency and capital controls ("cepo cambiario"), granting businesses the ability to freely purchase foreign currency and pay for imported goods and services without the prior 30-day waiting period. The Central Bank further eased restrictions through Communication A 8226, allowing payments of imports immediately upon customs clearance and permitting dividend remittances for fiscal years beginning January 1, 2025. While these reforms aim to normalize Argentina's business climate, the Argentine Peso continues to experience volatility due to the country's fragile monetary framework. As of February 2026, Argentina introduced a new monetary scheme designed to stabilize inflation and rebuild reserves, but vulnerabilities remain and could contribute to renewed currency instability.

As a result, while access to foreign currency for recent imports has improved, companies operating in Argentina, including Knight, remain exposed to potential FX volatility and regulatory adjustments that may affect liquidity and the timing of foreign supplier payments.

Bolivia - exchange rates and currency controls:

Bolivia continues to face a severe foreign exchange liquidity crisis characterized by critically low international reserves, a widening gap between the fixed official exchange rate and the parallel market rate, and persistent import shortages. In 2025, foreign currency reserves had fallen to extremely low levels, driven by declining hydrocarbon revenues, a prolonged fixed-exchange-rate policy, and limited access to external financing.

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According to the IMF's 2025 Article IV Consultation, Bolivia has exhausted liquid foreign currency reserves, forcing the central bank to sharply curtail availability of foreign currency to the private sector and prioritize government fuel imports and external debt payments. Businesses increasingly rely on the parallel market for dollars, significantly raising the cost of imports.

Economic conditions remain fragile, with inflation rising, ongoing shortages of fuel and imported goods, and political uncertainty ahead of the November 2025 presidential transition, which is expected to shift economic policy direction but may take time to stabilize the FX environment.

As a result, companies operating in Bolivia including Knight may have to fund their subsidiaries to amid ongoing FX rationing and liquidity shortages.

Risks Associated with Knight's Internal Controls Over Financial Reporting

Any controls and procedures or ICFR, despite how well they may be designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the Corporation's control system are met and that all control issues, including instances of fraud, if any, within the Corporation have been prevented or detected. Any failure of Corporation's internal controls could have an adverse effect on results of operations. Ensuring compliance with reporting and other obligations places significant demands on management, administrative, operational and accounting resources and may result in higher than anticipated operating expenses, as well as higher independent auditor fees. In addition, a failure to maintain an effective system of disclosure controls and internal control over financial reporting, may impact Corporation's ability to produce timely and accurate financial statements or comply with applicable regulations. Moreover, despite Corporation's efforts to implement controls in Knight's domestic and international operations, there can be no assurance that these controls will prove to be effective in all instances.

Risk Factors Related to the Common Shares

Volatility of Share Price

The market price of the Common Shares is unpredictable and may be volatile, which could cause the value of a shareholder's investment to decline. Publicly-traded securities such as those of the Corporation will not necessarily trade at values determined by reference to the underlying value of its business. The prices at which the Common Shares will trade cannot be predicted. The market price of the Common Shares could fluctuate significantly for various reasons, many of which are beyond the Corporation's control, including the following:

- changes or perceived changes in the condition (including financial condition), operations, results or prospects of the Company's businesses and market assessments of these changes or perceived changes;
- the Corporation's announcements or those of its competitors' regarding new products or services, enhancements, significant contracts, acquisitions or strategic investments;
- changes in the Corporation's capital structure, such as future issuances of securities or sales of large blocks of Common Shares by the Corporation's shareholders;
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Corporation or its competitors;
- changes in governmental regulations or proposals, or new government regulations or proposals, affecting the Corporation;
- the addition or departure of the Corporation's executive officers and other key personnel;
- the Corporation's quarterly or annual earnings or those of other companies in the Corporation's industry

and anticipated fluctuations in respect thereof;

- operating and stock price performance of companies that investors deem comparable to the Corporation;
- changes in earnings estimates or recommendations by securities analysts who track the Common Shares;
- changes in industry conditions;
- developments related to investigations, regulatory proceedings, or litigation that involve the Corporation;
- news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Corporation's industry or target markets; and
- changes in general market, economic and political conditions in the U.S., Canada, the EU and global economies or financial markets in which the Corporation does business, including those resulting from natural disasters, terrorist attacks, acts of war and responses to such events.

Financial markets have recently experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated or disproportionate to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Common Shares may decline even if the Corporation's operating results, underlying asset values or prospects have not changed. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, the Corporation's operations could be adversely impacted and the trading price of the Common Shares may be materially adversely affected.

Absence of dividends

Knight has not paid dividends on its Common Shares and does not anticipate declaring any dividends in the foreseeable future. Thus, the return on an investment in Common Shares will depend upon any future appreciation in value. There is no guarantee that the Corporation will declare dividends in the future or that the Common Shares will appreciate in value or even maintain the price at which they were purchased.

Dilution

The number of Common Shares the Company is authorized to issue is unlimited. Knight cannot predict the size of future issuances of the Common Shares or the effect, if any, that future issuances and sales of the Common Shares will have on the market price of the Common Shares. Sales of substantial amounts of the Common Shares, or the perception that such sales could occur, may adversely affect prevailing market prices for the Common Shares and the interests of Shareholders may be diluted thereby.

Shareholders have limited control over Knight's operations

Shareholders have limited control over changes in Knight's policies and operations, which increases the uncertainty and risks of an investment in its Company. Knight's Board determines major policies, including policies regarding financing, growth, debt capitalization and any future dividends to Shareholders. Generally, Knight's Board may amend or revise these and other policies without a vote of the Shareholders. Shareholders will only have a right to vote, as a class, in the limited circumstances described elsewhere in this Annual Information Form. Its Board's broad discretion in setting policies and the limited ability of Shareholders to exert control over those policies increases the uncertainty and risks of an investment in its Company.

Financial Reporting and Other Public Company Requirements

Knight is subject to reporting and other obligations under applicable Canadian securities laws and rules of any stock exchange on which the Common Shares are listed, including National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings. These reporting and other obligations place significant demands on its management, administrative, operational and accounting resources. If the Company is unable to accomplish any such necessary objectives in a timely and effective manner, its ability to comply with its financial reporting obligations and other rules applicable to reporting issuers could be impaired. Moreover, any failure to maintain effective internal controls could cause us to fail to satisfy its reporting obligations or result in material misstatements in its financial statements. If the Company cannot provide reliable financial reports or prevent fraud, its reputation and operating results could be materially adversely affected which could also cause investors to lose confidence in its reported financial information, which could result in a reduction in the trading price of the Common Shares.

Knight does not expect that its disclosure controls and procedures and internal controls over financial reporting will prevent all error or fraud. A control system, no matter how well-designed and implemented, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Due to the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues within an organization are detected. The inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Controls can also be circumvented by individual acts of certain persons, by collusion of two or more people or by management override of the controls. Due to the inherent limitations in a control system, misstatements due to error or fraud may occur and may not be detected in a timely manner.

Knight will be subject to disclosures related to Environment, Social and Governance (ESG) depending on its jurisdiction of operations. The additional disclosure requirements will require Knight to develop additional processes and controls which may require the Company to incur incremental costs.

DIVIDEND RECORD AND POLICY

Knight intends to retain its earnings to finance growth and does not expect to pay dividends on its Common Shares in the foreseeable future. No dividend was declared or paid by the Corporation on its Common Shares since the Corporation came into existence.

CAPITAL STRUCTURE

The authorized share capital of the Corporation is comprised of an unlimited number of Common Shares of which 98,034,743 Common Shares, 5,241,577 stock options, 256,718 Deferred Stock Units, 338,669 Restricted Stock Units, 1,085,636 Performance Stock Units were issued and outstanding as at March 12, 2026. Each Common Share entitles the holder to one vote per share. The holders of Common Shares are entitled to receive notice of meetings of shareholders of the Corporation and to vote at such meetings. The holders of the Common Shares are entitled to receive, as and when declared by the Board of Directors, dividends in such amounts as shall be determined by the Corporation's Board of Directors. The holders of Common Shares have the right to receive the remaining property of the Corporation in the event of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary.

MARKET FOR SECURITIES

The Common Shares of the Corporation are posted and listed for trading on the TSX and are traded under the symbol “GUD”.

Price Range and Trading Volume

The following table sets forth, for the periods indicated, the reported high and low closing prices and the total trading volume of the Common Shares on the TSX on a monthly basis:

Month	Low	High	Volume
2025			
January	5.25	5.81	1,341,400
February	5.29	5.78	767,500
March	5.42	6.45	2,287,700
April	5.43	6.30	1,289,300
May	5.50	6.22	924,500
June	5.73	6.17	1,808,700
July	5.81	6.28	1,018,800
August	6.08	6.55	1,669,200
September	5.88	6.49	980,400
October	5.68	6.01	919,500
November	5.76	6.27	1,033,400
December	5.88	6.17	1,055,800
2026			
January	5.66	6.11	1,306,500
February	5.75	6.57	3,135,100
Up until March 12, 2026	6.08	6.37	432,346

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DIRECTORS AND OFFICERS

The following table sets forth the name, province or state, and country of residence of each of the directors of the Corporation as at December 31, 2025, as well as their position with the Corporation, as applicable, or their principal occupation, as well as the year in which they became directors of the Corporation.

Name. Province/State of Residence	Principal Occupation	Director Since	Other Principal Occupations Held in Last Five Years
Jonathan Ross Goodman Québec, Canada	Executive Chairman of the Corporation	2013	CEO of the Corporation from 2014 to August 2021
James C. Gale[(1)] New York, USA	Managing Partner, Signet Healthcare Partners (healthcare investing)	2014	None
Samira Sakhia Québec, Canada	President and Chief Executive Officer of the Corporation	2016	President of the Corporation from 2016 to August 2021 COO of the Corporation from June 2020 to August 2021 CFO of the Corporation from November 2017 to March 2020
Robert N. Lande[(1)(2)] New York, USA	President, Stratos Global International LLC (foreign exchange trading services)	2014	None
Michael J. Tremblay [(2)] Ontario, Canada	Corporate Director	2019	None
Nicolás Sujoy[(1)(2)] Buenos Aires, Argentina	Partner, Clara Capital Executive Chairman of Grupo Prisma	2020	None
Janice Murray [(1)(2)] Québec, Canada	President of VOBOC — Cancer Patient Organization / Vice-President of West Island Palliative Care	2020	Director of Boondoc Technology from September 2019 to August 2022

(1) Member of the Audit Committee

(2) Member of the Compensation, Corporate Governance and Nominating Committee

The following table sets forth the name, province and country of residence and position within the Corporation of each person who is an executive officer as of the date hereof.

Name, Province of Residence	Position within Knight	Other Principal Occupations Held in Last Five Years
Samira Sakhia Québec, Canada	President and Chief Executive Officer	President & COO of the Corporation from Jun. 2020 to Aug. 2021 President & CFO of the Corporation from Nov. 2017 to March 2020 President of the Corporation from Aug. 2016 to Aug. 2021
Arvind Utchanah Montevideo, Uruguay	Chief Financial Officer	VP Finance of the Corporation from August 2019 to March 2020 Director Finance of the Corporation from June 2016 to August 2019
Amal Khouri Québec, Canada	Chief Business Officer	Vice President, Business Development at Knight (2014-2021)

As at March 12, 2026, the directors and executive officers of Knight, as a group, beneficially own or exercise control or direction over, directly or indirectly, 22,784,165 Common Shares, representing approximately 23.2% of the issued and outstanding Common Shares.

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Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Cease Trade Orders

To the knowledge of the Directors and officers of the Corporation, none of the Directors or executive officers is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company that (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer. For purpose of the foregoing, an "order" means (i) a cease trade order, (ii) an order similar to a cease trade order, or (iii) an order that denied the relevant company access to any exemption under securities legislation.

Bankruptcies

Except as described below, to the knowledge of the Directors and officers of the Corporation, none of the Directors or executive officers of the Corporation i) is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or ii) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

Prior to his current position as President of Stratos Global International LLC, Mr. Lande served as Chief Financial Officer of Global Brokerage Inc. ("**GLBR**"), a shareholder of Stratos. On December 11, 2017, GLBR filed a Prepackaged Chapter 11 Plan of Reorganization (the "**GLBR Plan**") pursuant to the terms of a Restructuring Support Agreement (the "**RSA**") signed with approximately 70% by value of the bondholders of a GLBR bond that was maturing in 2018. The overall purpose of the GLBR Plan was to enable GLBR to extend the maturity of the bond for five additional years. The GLBR Plan was confirmed on January 22, 2018, and GLBR emerged from bankruptcy on February 8, 2018. The overall purpose of the GLBR Plan was successful, and the new secured notes have been distributed in accordance with the GLBR Plan.

Mr. Gale served as a board member of Sancilio & Company Inc. ("**Sancilio**") since 2017 until 2018, pursuant to a stockholder's agreement between Signet Healthcare Partners and other shareholders of Sancilio. Within one year following his resignation from Sancilio's board of directors, Sancilio and certain of its affiliates filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code.

Amal Khouri served as a director of Antibe Therapeutics Inc. ("**Antibe**"), a clinical-stage biotech company developing a non-addictive opioid replacement drug candidate. Antibe, a reporting issuer listed on the TSX, initiated proceedings under the Companies' Creditors Arrangement Act (CCAA) on April 9, 2024. The Ontario Superior Court of Justice appointed a receiver and manager, without security, of the assets, undertakings and properties of Antibe, effective April 22, 2024. Ms. Khouri and one other director resigned as directors of Antibe effective April 8, 2024. All other Board Directors resigned as directors of Antibe on April 22, 2024 to allow the court-appointed receiver to assume control. Antibe shares were suspended from trading on April 9, 2024 and delisted on May 24, 2024.

Penalties or Sanctions

None of the Directors or executive officers of the Corporation was subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflict of interest

To the knowledge of Knight, there are no known real, potential or perceived conflicts of interest between Knight and directors or officers of Knight.

Knight has adopted a Conflict of Interest policy which members of the Board, officers and all employees must report any real, potential or perceived Conflict of Interest to the Chair of the Board. The Chair will then in turn report the Conflict of Interest to the Compensation, Corporate Governance and Nominating Committee, which will determine the further handling of the matter.

In addition, if a member of the Board has reasonable cause to believe that a fellow member of the Board has failed to appreciate and disclose a Conflict of Interest, he or she shall inform the fellow member of the Board. If the Conflict of Interest is not disclosed to the Board in accordance with the above procedure, the Director will inform the Chair of the Board of the perceived Conflict of Interest.

The Conflict of Interest Policy can be reviewed on the Company's website at www.knighttx.com.

Committees of the Board of Directors and their Responsibilities

Prior to March 2017, the committees of the Board of the Directors were the Corporate Governance and Compensation Committee, the Nominating Committee and the Audit Committee. In March 2017, the Board approved a merger of its Nominating Committee and Corporate Governance and Compensation Committee to form the Compensation, Corporate Governance and Nominating Committee ("CCGNC"). The principal duties of the CCGNC include all responsibilities of the predecessor committees.

CCGNC

The members of the CCGNC are Michael J. Tremblay (Chairperson), Robert N. Lande, Nicolás Sujoy and Janice Murray. The principal functions of the CCGNC are as follows:

a) to address matters of corporate governance and to review and approve the compensation of the senior management of the Corporation, to review management's development of the compensation philosophy and then to independently monitor the Corporation's compensation systems and practices to ensure they encourage and reward behavior which supports the achievement of the Corporation's strategic goals. The CCGNC's role is also to make recommendations to the Board as to which directors and fulltime employees should be granted shared-based awards and stock options pursuant to the Omnibus Plan; and

b) to evaluate the size of the Board; identify the skill sets currently available and skill sets that may be required; assess the performance of the Board, its committees and the contributions of individual directors, taking into consideration knowledge, experience and personal attributes (e.g., professional experience, skills, background, race and gender); and, without disproportionately weighting any single attribute, recommend to the Board the director nominees to be put before the shareholders at the annual meetings.

Audit Committee Disclosure

Audit Committee's Charter

The principal duties of the Audit Committee of the Board (the "Audit Committee") include assisting the Board in its oversight of (i) the integrity of the Corporation's financial statements, financial reporting process, system of internal controls over financial reporting, and audit process, (ii) compliance with, and process for monitoring compliance with, legal and regulatory requirements, (iii) the independent auditors' qualifications and independence, (iv) the performance of the independent auditors, and (v) pre-approval of all audit and non-audit services provided by the independent auditors. The Audit Committee charter is attached hereto as Schedule "A".

The Audit Committee meetings for fiscal year 2025 took place on a quarterly basis.

Composition of the Audit Committee

The Audit Committee is composed of Robert N. Lande (Chairperson), James C. Gale, Janice Murray and Nicolás Sujoy, each of whom is (i) independent and (ii) financially literate. Each member has the ability to read and understand financial statements that present a breadth and complexity of accounting issues comparable to the breadth and complexity of the issues raised by the Knight's financial statements, understand the accounting principles Knight uses to prepare its financial statements and have the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves.

Relevant Education and Experience

Robert N. Lande – Chairman

Mr. Lande is the President of Stratos Global International LLC, a global fintech offering trading in equities, foreign exchange and derivatives. Formerly, he was Chief Financial Officer of Stratos and prior to that was a managing partner and Chief Operating Officer of Riveredge Capital Partners LLC, an investment management firm. Prior to Riveredge, Mr. Lande worked for over 16 years within the BCE/Bell Canada group where his last position was Chief Financial Officer of Telecom Américas Ltd., a joint venture between Bell Canada International, AT&T (then SBC Communications) and America Movil. Mr. Lande was a member of the board of directors of Paladin from 1995 to 2014. Mr. Lande is a chartered financial analyst and holds an M.B.A. from the John Molson School of Business of Concordia University and a B.A. in Economics from McGill University.

James C. Gale, Director

Mr. Gale is the founding partner of Signet Healthcare Partners. He is currently the Chairman of the Board of Bionpharma, Inc., and also serves on the board of directors of Ascendia Pharmaceuticals, Lee's Pharmaceutical Holdings Ltd, Juno Pharmaceuticals Inc., Pharma Nobis LLC, NorthX Biologics AB, RK Pharma Inc. and Chr. Olesen Synthesis A/S. Prior to Signet, Mr. Gale worked for Gruntal & Co., LLC as head of principal investment activities and investment banking. Prior to joining Gruntal, he worked in Home Insurance Co., Gruntal's parent. Earlier in his career, Mr. Gale was a senior investment banker at E.F. Hutton & Co. Mr. Gale holds an M.B.A. from the University of Chicago. Mr. Gale was a member of the board of directors of Paladin Labs Inc. from 2008 to 2014.

Nicolás Sujoy

Mr. Sujoy has more than 25 years of private equity experience in Latin America. He is a founding partner of the private equity firm Clara Capital and is currently the Executive Chairman of Grupo Prisma, a leading Argentinian payment processing company. Formerly, Mr. Sujoy worked for Advent International where he was a director and

country manager, participating in transactions in the pharma, banking and business services sectors, and serving on the board of directors of several companies. With Advent, where he worked for 7 years, Mr. Sujoy led or co-led investments in Nuevo Banco Comercial and Pronto in Uruguay, and in Laboratorios LKM and Fada Pharma in Argentina, among others. He also participated in the acquisition of Biotoscana Farma in Colombia, and the assembly of the regional pharmaceutical company GBT. Prior to joining Advent, he was an investment manager at HSBC Private Equity Latin America, where he participated in transactions in telecommunications and energy sectors, among others. Mr. Sujoy holds a degree in economics from the Torcuato di Tella University in Argentina.

Janice Murray

Ms. Murray has a wealth of pharmaceutical experience as well as leadership in general management, strategy, finance and sales & marketing. She served as Chief Financial Officer of Novartis Pharmaceuticals Canada Inc., for several years before becoming Vice-President of the Ophthalmics Business Franchise. Ms. Murray then became Chief Financial Officer of the Latin America & Canada Region where she was responsible for 10 reporting units and $2 billion in sales. Before her retirement in 2019, she became President of Novartis Canada where she led multiple therapeutic areas, launched several innovative medicines and served on the Innovative Medicines Canada Industry Board. Prior to Novartis Canada, Ms. Murray held several roles at Canadian National Railways, including Vice-President Network Strategy Development, Vice-President of Sales and Market Development and Chief of Internal Audit where she led several strategic projects during key acquisitions and privatization. She completed her CPA, CA designation while working at KPMG LLP where she became an Audit Manager. Ms. Murray holds a Bachelor of Commerce from University of Ottawa and a Graduate Diploma in Accounting from McGill University. Ms. Murray serves on the boards of the VOBOC Foundation, and the Teresa Dellar Palliative Care Residence Foundation. Ms. Murray holds a CPA designation from the CPA Ontario, as well as ICD.D designation from the Institute of Corporate Directors' program at the University of Toronto - Rotman School of Management.

Pre-Approval Policies and Procedures

The Audit Committee has instituted a policy to pre-approve audit and non-audit services. The Chair of the Audit Committee is given limited delegated authority from time to time by the Audit Committee to pre-approve permitted non-audit services. The Audit Committee also considers on a continuing basis whether the provision of non-audit services is compatible with maintaining the independence of the external auditors.

External Auditor Service Fees

The table below provides the fees that Ernst & Young LLP billed the Corporation for the fiscal years ended December 31, 2025 and December 31, 2024:

Category	**2025**	2024
	$	$
Audit services	**1,959,755**	1,640,750
Audit-related services	**160,285**	286,000
Tax services	**702,406**	476,435
Total Fees	**2,822,446**	2,403,185

Fees for audit services include fees associated with the annual audit, translation services, accounting assistance, involvement with public offerings and fees associated with regulatory filings. Tax fees include tax compliance, tax advice and tax planning, including expatriate tax services. All other services refer to the aggregate fees billed for products and services provided by the Company's independent auditors, other than "Audit services", "Audit-

All dollar amounts herein are expressed in thousands of Canadian dollars (unless otherwise indicated) except for share and per share amounts. All other currencies are in thousands (unless otherwise indicated).

related services" and "Tax services", consisting primarily of certain permissible consulting and advisory services. The Audit Committee has considered whether the provision of services other than audit services is compatible with maintaining the independence of the Company's independent auditors. The Audit Committee has adopted a policy that prohibits the Company from engaging its independent auditors for "prohibited" categories of non-audit services and requires pre-approval by such Committee of audit services and other services within certain permissible categories of non-audit services.

LEGAL PROCEEDINGS

To the knowledge of the Corporation there are no material legal proceedings to which the Corporation is a party or to which their property is subject, and no such proceedings are contemplated.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed elsewhere in this AIF, to the knowledge of the Corporation, no (a) director or executive officer of the Corporation, (b) person or company that beneficially owns, controls or directs, directly or indirectly, more than 10% of the Common Shares, nor (c) associate or affiliate of any of the persons or companies referred to in (a) or (b) has, or has had within the three most recently completed financial years before the date hereof, any material interest, direct or indirect, in any transaction that has materially affected or is reasonably expected to materially affect the Corporation or any of its subsidiaries.

MATERIAL CONTRACTS

The Corporation has entered into the following material contracts, the particulars of which are described elsewhere in this Annual Information Form:

- Loan agreement dated June 30, 2022, between Knight Therapeutics Inc. and INTERNATIONAL FINANCE CORPORATION.
- Asset purchase agreement by and among Knight, Endo Operations Limited and Paladin Pharma Inc. dated March 10, 2025.
- Credit Agreement dated June 17, 2025 among Knight as borrower, the financial institutions party from time to time to the agreement as lenders, National Bank of Canada as administrative agent and National Bank Financial Markets as lead arranger and sole bookrunner.
- Amended and restated Credit Agreement dated October 31, 2025, among Knight as borrower, the financial institutions party from time to time to the agreement as lenders, National Bank of Canada as administrative agent and National Bank Capital Market as as lead arranger and sole bookrunner,

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Common Shares is Computershare at its principal offices located in Montreal, Quebec.

INTEREST OF EXPERTS

The Corporation's Annual Audited Consolidated Financial Statements for the year ended December 31, 2025 included in the Corporation's Annual Report filed under *National Instrument 51-102 – Continuous Disclosure Obligations*, portions of which are incorporated by reference in this AIF, have been audited by Ernst & Young LLP. Ernst & Young LLP is independent of the Corporation within the meaning of the Code of Ethics of the *Ordre des comptables professionnels agréés du Québec*.

ADDITIONAL INFORMATION

Additional information regarding the Corporation can be found under the Corporation's profile on SEDAR+ at www.sedarplus.ca.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of its securities and the securities authorized for issuance under its equity compensation plan, if applicable, is contained in its management information circular for its annual meeting of shareholders filed on an annual basis. Additional financial information is provided in the Corporation's Financial Statements and MD&A for the most recent completed financial year.

The foregoing documents may be obtained by contacting its Chief Executive Officer at its head office, 100 Alexis-Nihon Blvd., #600, Montreal, Québec H4M 2P2, telephone: (514) 484-4483.

SCHEDULE "A"
AUDIT COMMITTEE CHARTER

APPROVED BY THE BOARD OF DIRECTORS ON MARCH 22, 2023

The Audit Committee (the "**Committee**") is created by the Board of Directors of the Corporation (the "**Board**") with the purpose, composition, duties and responsibilities that follow:

Purpose of the Committee: The Committee represents and assists the Board in discharging its oversight responsibility relating to: (i) the accounting, reporting, and financial practices of the Corporation and any subsidiaries, including the integrity of the Corporation's financial statements; (ii) the surveillance of administration and financial controls and the Corporation's compliance with legal and regulatory requirements; (iii) the External Auditor's qualifications and independence; (iv) the performance of the Corporation's External Auditor; and (v) prepares the report required to be included in the Corporation's annual information form pursuant to the rules of the governing regulatory bodies including *National Instrument 52-110 – Audit Committees* ("52-110").

Definitions and Interpretation:

In this Charter:

"**Board**" means the board of directors of the Corporation;

"**Chairman**" means the chairman of the Committee;

"**Committee**" means the audit committee of the Board;

"**Corporation**" means Knight Therapeutics Inc.;

"**Director**" means a member of the Board; and

"**External Auditor**" means the Corporation's independent auditor.

Composition: The members of the Committee shall be appointed by the Board. The Committee shall be composed of at least three Directors. The appointment of members of the Committee shall take place annually at the first meeting of the Board after a meeting of the shareholders at which Directors are elected, provided that if the appointment of members of the Committee is not so made, the Directors who are then serving as members of the Committee shall continue as members of the Committee until their successors are appointed. The Board may appoint a member to fill a vacancy which occurs in the Committee between annual elections of Directors. If a vacancy exists on the Committee, the remaining members shall exercise all of their powers so long as a quorum remains in office. Any member of the Committee may be removed from the Committee by a resolution of the Board.

Independence and Financial Literacy of the Members: Each member shall be "independent" within the meaning of 52-110. Each member of the Committee must be "financially literate" as defined in 52-110 and at least one member must have accounting or related financial management expertise, as determined by the Board.

Committee Chairman: The Chairman of the Committee (the "Chairman") shall be designated by the Board. The designation of the Committee's Chairman shall take place annually at the first meeting of the Board alter a meeting of the members at which Directors are elected, provided that if the designation of Chairman is not so made, the Director who is then serving as Chairman shall continue as Chairman until his or her successor is appointed.

Meetings: Any of the Chairman of the Board, any member of the Committee, the Chief Financial Officer, the Secretary of the Corporation or the auditor (either internal or the External Auditor), may, acting alone, require that the Chairman call a meeting of the Committee within a reasonable time. The Committee shall meet at least four times per year, either in person or telephonically, and at such times and places as the Committee shall determine. The External Auditor shall receive notice of each meeting of the Committee and shall be entitled to attend any such meetings at the Corporation's expense. The Committee shall meet separately in executive session, at least once per year, with the External Auditor. The Committee shall report regularly to the full Board with respect to its activities. The majority of the members of the Committee shall constitute a quorum.

External Advisors: The Committee shall have the authority to retain such external counsel, accountants, experts and other advisors as it determines appropriate to assist it in the performance of its functions and shall receive appropriate funding, as determined by the Committee, from the Corporation for payment of compensation to any such advisors.

Remuneration of Committee Members: Members of the Committee and the Chairman shall receive such remuneration for their service on the Committee as the Board may determine from time to time. No member of the Committee may earn fees from the Corporation or any of its subsidiaries other than directors' fees. For greater certainty, no member of the Committee shall accept, directly or indirectly, any consulting, advisory or other compensatory fee from the Corporation.

Duties and Responsibilities:

Among its specific duties and responsibilities, the Committee shall:

i) Recommend to the Board the appointment and compensation of the External Auditor and oversee the External Auditor’s work. The Board shall appoint and retain, subject to ratification by the Corporation’s shareholders, compensate, evaluate, and terminate, when appropriate, the External Auditor, which shall report to the Board.

ii) Obtain and review, at least annually, a report by the External Auditor describing: the External Auditor’s internal quality-control procedures and any material issues raised by the most recent internal quality-control review, or peer review.

iii) Approve in advance all audit services to be provided by the External Auditor. (By approving the audit engagement, the audit services within the scope of the engagement shall be deemed to have been pre-approved.)

iv) Establish policies and procedures for the engagement of the External Auditor to provide audit and permissible non-audit services, which shall include pre-approval of all permissible non-audit services to be provided by the External Auditor.

v) Consider, at least annually, the independence of the External Auditor, including whether the External Auditor’s performance of permissible non-audit services is compatible with the auditor’s independence, and obtain and review a report by the External Auditor describing any relationships between the External Auditor and the Corporation or any other relationships that may adversely affect the independence of the auditor.

vi) Review and discuss with the External Auditor:

a) the scope of the audit, the results of the annual audit examination by the auditor, and any difficulties the

auditor encountered in the course of their audit work, including any restrictions on the scope of the External Auditor's activities or on access to requested information and any significant disagreements with management; and

b) the reports of the External Auditor with respect to interim periods.

vii) Review, analyze and discuss with management and the External Auditor the annual audited financial statements of the Corporation, and, in relation thereto, if any:

a) the auditor's judgment as to the quality of the Corporation's accounting principles, setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements;

b) the Corporation's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," including accounting policies that may be regarded as critical;

c) major issues regarding the Corporation's accounting principles and financial statement presentations, including any significant changes in the Corporation's selection or application of accounting principles and financial statement presentations;

d) the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented;

e) reports from the External Auditor as required by applicable securities rules; and

f) review earnings press releases.

These reviews must be completed before any of the above items are publicly disclosed.

viii) Recommend to the Board based on the review and discussion described in paragraph vii) above, whether the annual financial statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" relating thereto should be approved.

ix) Review, analyze and discuss with management and (if and where applicable) the External Auditor the interim financial statements of the Corporation, and, in relation thereto, if any:

a) an analysis of the auditor's judgment as to the quality of the Corporation's accounting principles, setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements;

b) major issues regarding the Corporation's accounting principles and financial statement presentations, including any significant changes in the Corporation's selection or application of accounting principles and financial statement presentations;

c) reports from the External Auditor as required by applicable securities rules; and

d) review earnings press releases.

These reviews must be completed before any of the above items are publicly disclosed.

x) Approve, on behalf and in the name of the Board, based on the review and discussion described in paragraph vii) above, the interim financial statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" relating thereto.

xi) Resolve disagreements, if any, between management and the External Auditor with respect to issues relating to financial reporting.

xii) Review and discuss the adequacy and effectiveness of the Corporation's internal controls, including any significant deficiencies in internal controls and significant changes in such controls reported to the Committee by the External Auditor or management.

xiii) Periodically review and discuss the adequacy and effectiveness of the Corporation's disclosure controls over financial information, procedures, and management reports thereon.

xiv) Review and discuss with the principal internal auditor of the Corporation the scope and results of the internal audit program.

xv) Review and discuss corporate policies with respect to earnings press releases, as well as financial information and earnings guidance provided to analysts and ratings agencies.

xvi) Review and discuss the Corporation's policies with respect to risk assessment and risk management including reviewing the Corporation's processes for identifying and managing data, cyber and other information technology risks and processes for development of data security programs and practices.

xvii) Oversee the Corporation's compliance systems with respect to legal and regulatory requirements.

xviii) Establish procedures for handling complaints regarding accounting, internal accounting controls and auditing matters, including procedures for confidential, anonymous submission of concerns by employees regarding accounting and auditing matters.

xix) Establish policies for the hiring of employees and former employees of the External Auditor and any former external auditor.

xx) Annually evaluate the performance of the Committee and assess the adequacy of the Committee's charter.

Stock Exchange Listing
Toronto Stock Exchange
Trading Symbol: GUD

Transfer Agent
Computershare
1500, boul. Robert-Bourassa, 7th Floor
Montreal, Quebec H3A 3S8
T: 1 (800) 564-6253

Investor Relations
Samira Sakhia
President and Chief Executive Officer
T: (514) 484-4483
E-mail: IR@knighttx.com

Arvind Utchanah
Chief Financial Officer
T: +598 2626 2344
E-mail: IR@knighttx.com

Head Office and Registered Office
Knight Therapeutics Inc.
100 Alexis-Nihon Blvd., #600
Montreal, Québec H4M 2P2
T. (514) 484-4483
F. (514) 481-4116