Medexus Announces Fiscal Q3 2026 Results, Driven by Continued Strong Year-To-Date Product-Level Performance of GRAFAPEX (treosulfan) for Injection

Management to host conference call at 8:00 AM Eastern time on Thursday, February 12, 2026

Toronto, Ontario and Chicago, Illinois (Newsfile Corp. - February 11, 2026) - Medexus Pharmaceuticals (TSX: MDP) (OTCQX: MEDXF) today announced its operating and financial results and provided a business update for the company's third fiscal quarter ended December 31, 2025 (the company's fiscal Q3 2026). All dollar amounts in this press release are in US dollars unless specified otherwise.

Key update on GRAFAPEX

Medexus has continued to see a positive market response to GRAFAPEX™ (treosulfan) for Injection since the US commercial launch of the product in February 2025. The Company expects GRAFAPEX will account for a significant portion of total net revenue and operating cash flow over the coming fiscal years. For the three- and nine-month periods ended December 31, 2025, Medexus recognized product-level net revenue from GRAFAPEX of $2.0 million and $8.2 million, relative to $2.5 million and $8.5 million of GRAFAPEX personnel and infrastructure investments. Medexus continues to expect that annual product-level net revenue from GRAFAPEX will exceed $100 million within five years after commercial launch.

"Product-level performance for GRAFAPEX continues to demonstrate strong momentum, which is consistent with the positive feedback we heard earlier this month at the 2026 Tandem Meetings^ in Salt Lake City, Utah," commented Ken d'Entremont, Chief Executive Officer. "Sequential quarter-over-quarter momentum remained strong with growth of 30% in underlying patient demand in fiscal Q3 2026 compared to fiscal Q2 2026. We have also observed a robust increase in monthly patient demand from December to January, which was one of the strongest months to date."

Mr d'Entremont continued: "We also saw greater GRAFAPEX utilization in adult hospitals in fiscal Q3 2026, which is an important indicator because we expect utilization in adult patient populations to be the primary driver of long-term growth for the product. Specifically, the 30% sequential quarter-over-quarter increase in underlying patient demand for GRAFAPEX includes a 56% increase in demand from hospitals that treat adult patient populations, compared to a 28% decrease from pediatric hospitals, given what we believe is greater seasonality in pediatric procedures versus a durable trend in this patient population. We also saw a 59% increase in utilization by hospitals that treat both adult and pediatric patient populations."

"The $8.5 million we have invested in the GRAFAPEX launch through December 31 continues to have a significant impact," concluded Mr d'Entremont. As of today, 32% of all 180 US transplant centers have already ordered GRAFAPEX for procedures in their institutions, and 77% of those 57 institutions have reordered."

^ The Tandem Meetings I Transplantation & Cellular Therapy Meetings of ASTCT and CIBMTR are the combined annual meetings of the American Society for Transplantation and Cellular Therapy (ASTCT) and CIBMTR (Center for International Blood and Marrow Transplant Research).

Financial highlights

Medexus is currently focused on delivering strong performance from GRAFAPEX, and also remains focused on supporting stable overall performance across the Company's portfolio of products in both the United States and Canada.

Key financial highlights for fiscal Q3 2026 include the following:

- Net revenue of $25.3 million and $74.7 million for the three- and nine-month periods ended December 31, 2025, a decrease of $4.7 million and $8.9 million, or 15.7% and 10.6%, compared to $30.0 million and $83.6 million for the corresponding prior year periods. Net revenue for the three- and nine-month periods ended December 31, 2025 includes $2.0 million and $8.2 million of product-level net revenue from GRAFAPEX. The $4.7 million and $8.9 million year-over-year net revenue decrease was primarily due to reduced net sales of Rupall (due to significant generic competition, the impact of which Medexus expects is now largely reflected in product-level performance) and Gleolan in the United States (due to the March 2025 termination of the related license agreement), together with an approximately $2.0 million beneficial impact of customer buying patterns of IXINITY on net revenue for fiscal Q3 2025. The year-over-year decrease was partially offset by the positive effects on product-level net revenue from Rasuvo of a January 2025 change in Medicare Part D discounts for government-sponsored programs under the US Inflation Reduction Act, or IRA, and increased unit demand for Rasuvo following the withdrawal of another product in the branded methotrexate autoinjector market by its distributor.

- Adjusted EBITDA* of $4.5 million and $12.3 million for the three- and nine-month periods ended December 31, 2025. Fiscal Q3 2026 is the third consecutive fiscal quarter of Adjusted EBITDA* growth since the approval and launch of GRAFAPEX in fiscal Q4 2025. Adjusted EBITDA* for the three- and nine-month periods ended December 31, 2025 represents a decrease of $1.3 million and $5.6 million, or 22.4% and 31.3%, compared to $5.8 million and $17.9 million for the corresponding prior year periods, which predate the approval and launch of GRAFAPEX. The $1.3 million and $5.6 million year-over-year Adjusted EBITDA* decrease was primarily due to significant generic competition on Rupall and the March 2025 termination of the US Gleolan agreement, together with an approximately $2.0 million beneficial impact of customer buying patterns of IXINITY on net revenue for fiscal Q3 2025, and the other factors discussed in the MD&A. Adjusted EBITDA* for the three- and nine-month periods ended December 31, 2025 was also affected by product-level net revenue from GRAFAPEX of $2.0 million and $8.2 million, relative to $2.5 million and $8.5 million of GRAFAPEX personnel and infrastructure investments in the same periods.

- Operating income of $1.7 million and $3.9 million for the three- and nine-month periods ended December 31, 2025. Fiscal Q3 2026 is the third consecutive fiscal quarter of operating income growth since the approval and launch of GRAFAPEX in fiscal Q4 2025. Operating income for the three- and nine-month periods ended December 31, 2025 represents a decrease of $2.1 million and $5.5 million, or 55.3% and 58.5%, compared to $3.8 million and $9.4 million for the corresponding prior year periods, which predate the approval and launch of GRAFAPEX.

- Gross margin of 53.6% and 55.1%, and Adjusted Gross Margin* of 62.9% and 64.5%, for the three- and nine-month periods ended December 31, 2025, compared to gross margin of

50.7% and 52.8%, and Adjusted Gross Margin* of 56.3% and 58.3%, for the corresponding prior year periods, which predate the approval and launch of GRAFAPEX. The gross margin and Adjusted Gross Margin* increases are primarily due to changes in the relative contribution of product-level net revenue – in particular an increasing level of net sales of GRAFAPEX, which the Company launched in February 2025 and which is expected to have a relatively higher product-level gross margin and Adjusted Gross Margin*, and an absence of net sales of Gleolan in the United States, which the Company ceased commercializing in March 2025 and which had a relatively lower product-level gross margin and Adjusted Gross Margin*. Gross margin also benefited from the positive effects on product-level net revenue for Rasuvo of a January 2025 change in Medicare Part D discounts for government-sponsored programs under the IRA.

- Net income of $0.1 million and $0.3 million for the three- and nine-month periods ended December 31, 2025, a decrease of $0.6 million and $2.5 million compared to net income of $0.7 million and $2.8 million for the corresponding prior year periods, which predate the approval and launch of GRAFAPEX.

- Available liquidity of $15.0 million (December 31, 2025), consisting of cash and cash equivalents, compared to $24.0 million (March 31, 2025).

- Cash provided by operating activities of $7.8 million and $15.1 million for the three- and nine-month periods ended December 31, 2025, an increase of $1.1 million and a decrease of $6.7 million compared to $6.7 million and $21.8 million for the corresponding prior year periods. The Company has continued to generate positive cash flow from operations in the four fiscal quarters since the approval and launch of GRAFAPEX in fiscal Q4 2025, notwithstanding the $11.2 million of GRAFAPEX personnel and infrastructure investments during that period to support the commercial launch of the product beginning in February 2025.

** Refer to "Non-GAAP measures" at the end of this press release for information about non-GAAP measures and related items, including Adjusted EBITDA, Net Debt to Adjusted EBITDA, and Adjusted Gross Margin.*

"Even while investing in the launch of GRAFAPEX, we have generated an average of $4.3 million of cash from operating activities per quarter in the four quarters since launch," commented Brendon Buschman, Chief Financial Officer of Medexus. "As GRAFAPEX continues to scale, we believe we are well positioned for further improvement in operating cash flow."

Mr Buschman continued: "We also meaningfully strengthened our balance sheet with our new credit agreement with National Bank of Canada, which includes scheduled principal repayments of only $0.5 million per quarter. With Net Debt to Adjusted EBITDA* of 0.71x for the trailing four fiscal quarters ended December 31, 2025, our financial strength enabled us to fully repay the remaining $7.5 million regulatory milestone obligation to medac from cash on hand on January 1, as scheduled, as well as repurchase 201,500 common shares to date under our NCIB."

Mr d'Entremont concluded: "As we enter the final quarter of our fiscal year 2026, we continue to be very pleased with the performance of GRAFAPEX to date, and we look forward to fiscal year 2027 as we expect product-level performance of GRAFAPEX to make up an increasing share of total net revenue and cash flow. Overall, we continue to execute with discipline and focus as we position Medexus for the opportunities ahead."

Key corporate highlights

- NBC Credit Agreement: In November 2025, Medexus entered into the NBC Credit Agreement, a senior secured credit agreement with National Bank of Canada as administrative agent and lender. The NBC Credit Agreement provides for a $21.0 million term loan facility, or Term Facility, and a $5.0 million revolving loan facility, or Revolving Facility. The Term Facility benefits from an additional $10.0 million delayed draw feature, intended to finance future licensing and acquisition transactions, and a $15.0 million uncommitted accordion feature. The facilities under the NBC Credit Agreement will mature on November 17, 2029, being four years from the date of the NBC Credit Agreement. Medexus used the net proceeds of the Term Facility to satisfy its obligations under the Company's now-repaid senior secured credit agreement with Bank of Montreal, or BMO, which otherwise would have matured in March 2026.
- 2025 NCIB: In November 2025, the Toronto Stock Exchange accepted Medexus's notice of intention to make a normal course issuer bid for its Common Shares (2025 NCIB). Under the 2025 NCIB, Medexus may purchase for cancellation up to 2,983,650 Common Shares. As of December 31, 2025, Medexus had repurchased 191,900 Common Shares under the 2025 NCIB for an aggregate repurchase price of C$0.5 million ($0.4 million).

Operational highlights

Leading products

Hematology and hemato-oncology

- GRAFAPEX (US): Medexus achieved $2.0 million and $8.2 million of product-level net revenue from GRAFAPEX for the three- and nine-month periods ended December 31, 2025, relative to the $2.5 million and $8.5 million of GRAFAPEX personnel and infrastructure investments discussed below. Underlying patient demand was $2.6 million for fiscal Q3 2026, representing sequential underlying patient demand growth of 30% compared to $2.1 million for fiscal Q2 2026, and $6.7 million for fiscal year 2026 to date. The cumulative net result of these demand patterns was an incremental $0.7 million benefit to product-level net revenue in fiscal Q3 2026 from end-of-quarter wholesaler purchases agreed by the Company. (Source: Internal EDI Data.) Since launch, wholesaler purchases of GRAFAPEX have exceeded demand by $1.8 million, resulting in an estimated 1.5 to 2 months of inventory on hand at December 31, 2025 held by the Company's single wholesaler for GRAFAPEX. This wholesaler inventory level is consistent with Medexus's expectations for a product launch; however, inventory management decisions by the wholesaler could affect the timing, volume, and commercial terms of wholesaler orders, and consequently product-level net revenue, in future quarters. Medexus expects that the underlying patient demand of GRAFAPEX will be approximately $3.0 million to $4.0 million in fiscal Q4 2026 – compared to $2.2 million in fiscal Q1 2026, $2.1 million in fiscal Q2 2026, and $2.6 million in fiscal Q3 2026. (Source: Internal EDI data.) Taking into account the estimated wholesaler inventory at December 31, 2025, Medexus anticipates that patient demand will result in product-level net revenue from GRAFAPEX recognized in fiscal Q4 2026 of between $3.0 million and $4.0 million, resulting in product-level net revenue of $11.0 million to $12.0 million for fiscal year 2026. Based on product-level performance to date, Medexus expects that product-level performance of

GRAFAPEX, net of working capital changes, will be accretive to quarterly operating cash flows starting in fiscal Q4 2026 (calendar Q1 2026). Medexus continues to expect that the annual product-level Adjusted Gross Margin* of GRAFAPEX will ultimately be approximately 80%. For fiscal year 2026 to date, product-level Adjusted Gross Margin* has been slightly higher due to the evolving reimbursement and tariff dynamics for the product.

As of December 31, 2025, 46 individual healthcare institutions, representing 26% of the 180 transplant centers in the United States, have made positive formulary inclusion determinations. For the nine-month period ended December 31, 2025, approximately 75% of product-level net revenue from GRAFAPEX is attributable to institutions that have made such positive formulary inclusion determinations. Wholesaler data as of December 31, 2025 shows that 55 of the 180 transplant centers, representing an estimated 38% of total allo-HSCT procedures performed in the United States annually (source: Allogeneic HSCT in HRSA 2016-2020; Health Resources and Services Administration), have already ordered GRAFAPEX for procedures in their institutions, and 41, or 75%, of those institutions have placed repeat orders.

- Trecondyv (Canada): Patient unit demand for Trecondyv remained strong during the 12-month period ended December 31, 2025, which is reflected in the unit demand growth of 51% over the trailing 12-month period ended December 31, 2025. (Source: Hospitals Direct Sales Data, MAT December 2025.)

- IXINITY (US): Patient unit demand in the United States increased by 2% over the trailing 12-month period ended December 31, 2025. (Source: customer-reported dispensing data.) In fiscal Q3 2026, in an effort to further improve batch yield and manufacturing costs, Medexus entered into an agreement with the Company's third-party contract manufacturer of IXINITY for a $4.0 million manufacturing process upgrade (plus $2.0 million for a test batch of IXINITY that will, if successful, be saleable product), of which approximately $1.2 million is expected to be paid in fiscal year 2026.

Rheumatology and allergy

- Rasuvo (US): Patient unit demand for Rasuvo increased by 3% over the trailing 12-month period ended December 31, 2025. (Source: IQVIA TSA Monthly Data.) During fiscal Q2 2026, Medexus learned that another product in the branded methotrexate autoinjector market had been withdrawn by its distributor, which has resulted in increased unit demand for Rasuvo as patients and healthcare professionals have looked for alternatives. Medexus attributes the 17% increase in patient unit demand over fiscal Q3 2026 when compared to the prior year period to this change in the competitive landscape. Medexus expects that the effect of this one-time increase in unit demand is now largely reflected in product-level performance of Rasuvo.

- Metoject (Canada): Patient unit demand for Metoject decreased by 6% over the trailing 12-month period ended December 31, 2025. (Source: IQVIA – TSA Monthly Data.)

- Rupall (Canada): Rupall's market exclusivity, granted by Health Canada, expired in January 2025 and Rupall now faces generic competition in Canada. As a result, patient unit demand over the three- and nine-month periods ended December 31, 2025 has decreased 63.1% and 57% when compared to the corresponding prior year periods. (Source: IQVIA TSA

Monthly Data.) Medexus expects that the adverse impact of generic competition is now largely reflected in product-level performance of Rupall, meaning that declines in net sales and product-level performance of Rupall for future fiscal quarters will be less severe. As a result of these dynamics, the Company has reduced operating expenses associated with the product since fiscal Q1 2026 and reallocated field support in fiscal Q3 2026.

Additional information

Medexus's financial statements and management's discussion and analysis for fiscal Q3 2026 are available on Medexus's corporate website at www.medexus.com and in the company's corporate filings on SEDAR+ at www.sedarplus.ca.

Conference call details

Medexus will host a conference call at 8:00 am Eastern Time on Thursday, February 12, 2026 to discuss Medexus's results for fiscal Q3 2026.

To participate in the call, please dial the following numbers:

877-545-0523 (toll-free) for Canadian and U.S. callers
+1 973-528-0016 for international callers

Access code: 138258

A live webcast of the call will be available on the Investors section of Medexus's corporate website or at the following link:

https://www.webcaster5.com/Webcast/Page/2010/53553

A replay of the call will be available approximately one hour following the end of the call through Thursday, February 19, 2026. To access the replay, please dial the following numbers –

877-481-4010 for Canadian and U.S. callers
+1 919-882-2331 for international callers

Conference ID: 53553

A replay of the webcast will be available on the Investors section of Medexus's corporate website until Friday, February 12, 2027.

About Medexus

Medexus is a leading specialty pharmaceutical company with a strong North American commercial platform and a growing portfolio of innovative and rare disease treatment solutions. Medexus's current focus is on the therapeutic areas of hematology and hematology-oncology and rheumatology and allergy. For more information about Medexus and its product portfolio, please see the company's corporate website at www.medexus.com and its filings on SEDAR+ at www.sedarplus.ca.

Contacts

Ken d'Entremont | CEO, Medexus Pharmaceuticals
Tel: 905-676-0003 | Email: ken.dentremont@medexus.com

Brendon Buschman | CFO, Medexus Pharmaceuticals
Tel: 416-577-6216 | Email: brendon.buschman@medexus.com

Victoria Rutherford | Adelaide Capital
Tel: 480-625-5772 | Email: victoria@adcap.ca

Preliminary estimates

The expected results discussed in this news release (which are distinct from the historical results included in Medexus's financial statements and discussed in this news release) are preliminary estimates only and have not been reviewed or audited by the Company's auditors. Expected results discussed in this news release include preliminary estimates of product-level net revenue generated from GRAFAPEX in fiscal Q4 2026. All such figures are based on information currently available to Medexus management and are subject to change and adjustment as Medexus's financial results for fiscal Q4 2026 are finalized. Accordingly, final reported results may differ, and may differ materially, from these preliminary estimates, and investors therefore should not place undue reliance on any such preliminary estimates. All such preliminary estimates constitute forward-looking information within the meaning of applicable securities laws, are based on a number of assumptions, and are subject to a number of risks and uncertainties. For more information, see "Forward-looking statements".

Forward-looking statements

Certain statements in this news release contain forward-looking information within the meaning of applicable securities laws, also known and/or referred to as "forward-looking information" or "forward-looking statements". The words "anticipates", "believes", "budget", "potential", "targets", "could", "estimates", "expects", "forecasts", "goals", "intends", "may", "might", "objective", "outlook", "plans", "projects", "schedule", "should", "will", "would", "prospects", and "vision", or similar words, phrases, or expressions, are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words, phrases, or expressions. Specific forward-looking statements in this news release include, but are not limited to, information contained in statements regarding any of the following: Medexus's business strategy, outlook, and other expectations and plans regarding financial or operational performance, including those specific to GRAFAPEX™ (treosulfan) for Injection (including patient demand for GRAFAPEX, and including the mix of pediatric and non-pediatric demand and any seasonality or other variability in such demand and any resulting impact of the foregoing on product-level performance of GRAFAPEX), in particular in light of investments in the recent commercial launch of GRAFAPEX; future growth, net revenues, and investments and expenses, including in respect of the commercialization of GRAFAPEX, IXINITY (including the manufacturing process improvement initiative, and including the occurrence or timing of any further investments in that initiative), and Medexus's other leading products, and including product-level performance in respect of same; the occurrence, attribution, and persistence of any increased demand for or other expected benefit to Rasuvo resulting from recent changes in the product's competitive landscape, including the withdrawal by a distributor of a product in the branded methotrexate

autoinjector market; inventory levels and management of Medexus's single wholesaler for GRAFAPEX; patient demand for GRAFAPEX; and anticipated trends and challenges in Medexus's business and the markets in which it operates, including in respect of the Company's competitive position in and demographics of those markets, the Company's product pricing strategies, and product opportunities available to the Company, and, in particular, Medexus's ability to secure and fund commercialization rights to promising products and the performance of those products against expectations. The forward-looking statements and information included in this news release are based on Medexus's current expectations and assumptions, including factors or assumptions that were applied in drawing a conclusion or making a forecast or projection, and including assumptions based on regulatory guidelines, historical trends, current conditions, and expected future developments. In particular, and without limiting the generality of the foregoing, Medexus's estimate of product-level net revenue from commercialization of GRAFAPEX is based on a number of such factors and assumptions as most recently described in Medexus's most recent management's discussion and analysis, and including the Company's planned commercial, market access, and medical strategies, the success of which will depend in part on the US regulatory landscape and related dynamics, including potential future changes to each, and can introduce and affect exposure to commercial, legal, and regulatory risk. Since forward-looking statements relate to future events and conditions, by their very nature they require making assumptions and involve inherent risks and uncertainties. Medexus cautions that, although the assumptions are believed to be reasonable in the circumstances, these risks and uncertainties mean that actual results could differ, and could differ materially, from the expectations contemplated by the forward-looking statements. Material risk factors include, but are not limited to, those set out in Medexus's materials filed with the Canadian securities regulatory authorities from time to time, including Medexus's most recent annual information form and management's discussion and analysis. Accordingly, undue reliance should not be placed on these forward-looking statements, which are made only as of the date of this news release. Other than as specifically required by law, Medexus undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

Protected names and marks

This news release contains references to trademarks and other protected names and marks, including those belonging to other companies, persons, or entities. Solely for convenience, trademarks and other protected names and marks referred to in this news release may appear without the "®", "™", or other similar symbols. Each such reference should be read as though it appears with the relevant symbol. Any such references are not intended to indicate, in any way, that the holder or holders will not assert those rights to the fullest extent under applicable law.

Non-GAAP measures

Company management uses, and this news release refers to, financial measures that are not recognized under IFRS and do not have a standard meaning prescribed by generally accepted accounting principles (GAAP) in accordance with IFRS or other financial or accounting authorities (non-GAAP measures). These non-GAAP measures may include "non-GAAP financial measures", "non-GAAP ratios", and "supplementary financial measures" (each defined in National Instrument 52-112, Non-GAAP and Other Financial Measures Disclosure). Medexus's method for calculating these measures may differ from methods used by other companies and therefore these measures

are unlikely to be comparable to similarly-designated measures used or presented by other companies.

In particular, management uses Adjusted EBITDA, Adjusted EBITDA Margin (Adjusted EBITDA divided by net revenue, expressed as a percentage), Adjusted Gross Profit (Loss) (gross profit (loss) before amortization of intangible assets), product-level Adjusted Gross Profit (Loss), Adjusted Gross Margin (Adjusted Gross Profit (Loss) divided by net revenue, expressed as a percentage), product-level Adjusted Gross Margin, Net Debt and Net Debt to Adjusted EBITDA (Net Debt as of a given date by Adjusted EBITDA for a given period ending on that same date, expressed as a multiple), and product-level net revenue as measures of Medexus's performance. EBITDA (earnings before interest, taxes, depreciation, and amortization), Adjusted EBITDA, Adjusted Gross Profit (Loss), product-level Adjusted Gross Profit (Loss), and Net Debt are non-GAAP financial measures; Adjusted EBITDA Margin, Adjusted Gross Margin, product-level Adjusted Gross Margin, and Net Debt to Adjusted EBITDA are non-GAAP ratios; and product-level net revenue and gross margin (gross profit (loss) divided by net revenue, expressed as a percentage) are supplementary financial measures.

An explanation and discussion of each of these non-GAAP measures, including their limitations, is set out under the heading "Preliminary Notes—Non-GAAP measures" in Medexus's most recent management's discussion and analysis, and is hereby incorporated by reference. A reconciliation of Adjusted EBITDA to the most directly comparable IFRS measure can be found under the heading "Reconciliation of Adjusted EBITDA to Net Income (Loss)" below. A reconciliation of Adjusted Gross Margin and product-level Adjusted Gross Margin to the most directly comparable IFRS measure can be found under the heading "Reconciliation of Adjusted Gross Profit (Loss) and Adjusted Gross Margin" below. A reconciliation of Net Debt to the most directly comparable IFRS measure can be found under the heading "Reconciliation of Net Debt to current portion of long-term debt and long-term debt" below.

The following tables are derived from and should be read together with Medexus's consolidated financial statements for the corresponding fiscal periods. The supplementary disclosure is intended to more fully explain disclosures related to Adjusted EBITDA, Adjusted Gross Margin and product-level Adjusted Gross Margin, and Net Debt and Net Debt to Adjusted EBITDA, and provides additional information related to Medexus's operating performance. However, Medexus's non-GAAP measures have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of Medexus's financial information as reported under IFRS.

Reconciliation of Adjusted EBITDA to Net Income (Loss)

	Three-month periods ended December 31,		Nine-month periods ended December 31,	
(Amounts in $ '000s except percentages)	2025	2024	2025	2024
Net income (loss)	80	733	281	2,800
Add back:				
Depreciation and amortization (property, equipment, product licenses)	2,424	1,756	7,278	4,742
Financing costs	1,361	1,996	4,174	6,190
Income tax expense (recovery)	366	147	453	(601)
EBITDA	4,231	4,632	12,186	13,131
Add back:				
Share-based compensation	370	282	807	937
Termination benefits	–	–	276	356
Business combinations payable – unrealized gain on change in fair value	–	–	(182)	–
Foreign exchange (gain) loss	(132)	905	(416)	1,003
Impairment loss	–	–	–	2,463
Gain on disposal of assets	–	–	(408)	–
Adjusted EBITDA	4,469	5,819	12,263	17,890
Adjusted EBITDA Margin	17.6%	19.4%	16.4%	21.4%

Reconciliation of Adjusted Gross Profit (Loss) and Adjusted Gross Margin

Company

	Three-month periods ended December 31,		Nine-month periods ended December 31,	
(Amounts in $ '000s except percentages)	2025	2024	2025	2024
Net revenue	25,324	29,992	74,680	83,578
Cost of sales	11,746	14,801	33,542	39,426
Gross profit	13,578	15,191	41,138	44,152
Gross margin	53.6%	50.7%	55.1%	52.8%
Add back: Amortization of product licenses	2,354	1,696	7,066	4,566
Adjusted Gross Profit	15,932	16,887	48,204	48,718
Adjusted Gross Margin	62.9%	56.3%	64.5%	58.3%

GRAFAPEX

	Three-month periods ended December 31,		Nine-month periods ended December 31,	
(Amounts in $ '000s except percentages)	2025	2024	2025	2024
Product-level net revenue	2,030	n/a	8,191	n/a
Product-level cost of sales	(1,337)	n/a	(4,309)	n/a
Product-level gross profit	693	n/a	3,882	n/a
Product-level gross margin	34.1%	n/a	47.4%	n/a
Add back: Product-level amortization of product licenses	1,072	n/a	3,214	n/a
Product-level Adjusted Gross Profit	1,765	n/a	7,096	n/a
Product-level Adjusted Gross Margin	86.9%	n/a	86.6%	n/a

Reconciliation of Net Debt to current portion of long-term debt and long-term debt

(Amounts in $ '000s)

As at:	December 31, 2025	March 31, 2025
Current portion of long-term debt	7,197	36,980
Long-term debt	18,153	198
	25,350	37,178
Less: Cash and cash equivalents	14,975	23,973
Net Debt	**10,375**	**13,205**