



KNIGHT THERAPEUTICS INC.

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2025

INTERIM CONSOLIDATED BALANCE SHEETS

[In thousands of Canadian dollars]

[Unaudited]

As at	Notes	September 30, 2025	December 31, 2024
ASSETS			
Current			
Cash and cash equivalents	5	81,876	80,106
Marketable securities		13,682	62,225
Trade receivables		117,890	105,196
Other receivables	4	8,149	4,339
Inventories	4, 6	144,401	102,698
Prepays and deposits		8,016	7,744
Other current financial assets	7	22,583	30,506
Income taxes receivable		4,098	3,999
Total current assets		400,695	396,813
Prepays and deposits		9,204	7,217
Right-of-use assets	4	9,651	5,912
Property, plant and equipment	4	12,127	14,110
Intangible assets	4	377,417	283,612
Goodwill	4	92,239	86,477
Other financial assets	7	71,909	103,426
Deferred tax assets	4	29,933	21,247
Other long-term receivables		45,401	44,983
Total non-current assets		647,881	566,984
Total assets		1,048,576	963,797

INTERIM CONSOLIDATED BALANCE SHEETS (continued)

[In thousands of Canadian dollars]

[Unaudited]

As at	Notes	September 30, 2025	December 31, 2024
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Accounts payable and accrued liabilities	4	112,852	78,345
Lease liabilities	4	3,735	2,640
Other liabilities	4	9,705	1,876
Bank loans	8	17,805	17,486
Income taxes payable		475	213
Other balances payable	9	8,104	10,688
Total current liabilities		152,676	111,248
Accounts payable and accrued liabilities		5,276	4,828
Lease liabilities	4	5,962	3,434
Bank loans	8	78,740	25,899
Other balances payable	4, 9	36,285	19,443
Deferred tax liabilities		2,845	3,840
Total liabilities		281,784	168,692
Shareholders' equity			
Share capital	10 [i]	532,792	534,266
Warrants		—	117
Contributed surplus		29,522	25,708
Accumulated other comprehensive income		64,057	80,220
Retained earnings		140,421	154,794
Total shareholders' equity		766,792	795,105
Total liabilities and shareholders' equity		1,048,576	963,797

Commitments and contingencies [note 15]

See accompanying notes

INTERIM CONSOLIDATED STATEMENTS OF (LOSS) INCOME

[In thousands of Canadian dollars, except for share and per share amounts]

[Unaudited]

	Notes	Three-month period ended September 30,		Nine-month period ended September 30,	
		2025	2024	2025	2024
Revenues	12, 13	121,548	92,263	316,982	274,440
Cost of goods sold		65,738	47,246	181,475	140,387
Gross margin		55,810	45,017	135,507	134,053
Expenses					
Selling and marketing		17,908	13,372	47,506	39,285
General and administrative		13,116	12,110	41,149	34,747
Research and development		8,694	5,153	19,761	15,939
Amortization of intangible assets		15,446	11,179	35,651	33,725
Operating income (loss)		646	3,203	(8,560)	10,357
Interest income on financial instruments measured at amortized cost		(1,094)	(2,458)	(4,943)	(6,554)
Other interest income		(13)	(65)	(44)	(1,194)
Interest expense		2,368	1,915	6,498	6,776
Other expense (income)	7	271	(795)	2,601	(1,006)
Net loss on financial assets measured at fair value through profit or loss	7	4,589	2,820	11,271	19,752
Foreign exchange (gain) loss		(3,124)	2,326	(4,116)	5,934
Gain on hyperinflation		(434)	(1,148)	(1,901)	(7,528)
Income (loss) before income taxes		(1,917)	608	(17,926)	(5,823)
Income taxes					
Current		2,035	1,862	2,704	4,776
Deferred		(161)	(1,339)	(6,402)	(4,196)
Income tax expense (recovery)		1,874	523	(3,698)	580
Net (loss) income for the period		(3,791)	85	(14,228)	(6,403)
Basic and diluted net loss per share	11	(0.04)	—	(0.14)	(0.06)
Basic and diluted weighted average number of common shares outstanding		99,657,996	101,132,799	99,643,135	101,211,415

See accompanying notes

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

[In thousands of Canadian dollars]

[Unaudited]

	Three-month period ended September 30,		Nine-month period ended September 30,	
	2025	2024	2025	2024
Net (loss) income for the period	(3,791)	85	(14,228)	(6,403)
Other comprehensive income (loss), net of income taxes				
Items that may be reclassified subsequently to net income or loss:				
Unrealized gain (loss) on translation of foreign operations	6,538	(2,273)	(13,380)	19,650
Items permanently in other comprehensive income or loss:				
Net (loss) gain on equity investments at fair value through other comprehensive income, including income tax recovery of \$118 and \$426 (2024: income tax expense of \$18 and \$28)	(798)	14,530	(2,783)	14,598
Other comprehensive income (loss) for the period	5,740	12,257	(16,163)	34,248
Total comprehensive income (loss) for the period	1,949	12,342	(30,391)	27,845

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

[In thousands of Canadian dollars]

[Unaudited]

	<i>Notes</i>	Share capital	Warrants	Contributed surplus	Accumulated other comprehensive income (loss)	Retained earnings	Total Shareholders' equity
Balance as at January 1, 2025		534,266	117	25,708	80,220	154,794	795,105
Net loss		—	—	—	—	(14,228)	(14,228)
Other comprehensive loss for the period		—	—	—	(16,163)	—	(16,163)
Comprehensive loss		—	—	—	(16,163)	(14,228)	(30,391)
Share-based compensation expense	<i>10 [ii]</i>	—	—	5,187	—	—	5,187
Shares purchased under Normal Course Issuer Bid	<i>10 [iii]</i>	(3,242)	—	—	—	(145)	(3,387)
Issuance upon vesting of PSUs and RSUs	<i>10 [ii]</i>	1,113	—	(1,490)	—	—	(377)
Issuance under share purchase plan	<i>10 [i]</i>	430	—	—	—	—	430
Repayment of share purchase loans	<i>10 [i]</i>	225	—	—	—	—	225
Warrant expiration		—	(117)	117	—	—	—
Balance as at September 30, 2025		532,792	—	29,522	64,057	140,421	766,792
Balance as at January 1, 2024		540,046	117	25,991	29,829	150,888	746,871
Net loss		—	—	—	—	(6,403)	(6,403)
Other comprehensive income for the period		—	—	—	34,248	—	34,248
Comprehensive income (loss)		—	—	—	34,248	(6,403)	27,845
Share-based compensation expense	<i>10 [ii]</i>	—	—	2,362	—	—	2,362
Shares purchased under Normal Course Issuer Bid	<i>10 [iii]</i>	(3,437)	—	—	—	(302)	(3,739)
Issuance upon vesting of PSUs and RSUs	<i>10 [ii]</i>	1,003	—	(1,339)	—	—	(336)
Issuance upon exercise of stock options	<i>10 [ii]</i>	1,358	—	(799)	—	—	559
Issuance under share purchase plan	<i>10 [i]</i>	347	—	—	—	—	347
Balance as at September 30, 2024		539,317	117	26,215	64,077	144,183	773,909

See accompanying notes

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

[In thousands of Canadian dollars]

[Unaudited]

	Notes	Three-month period ended September 30,		Nine-month period ended September 30,	
		2025	2024	2025	2024
OPERATING ACTIVITIES					
Net (loss) income for the period		(3,791)	85	(14,228)	(6,403)
Adjustments reconciling net loss to operating cash flows:					
Deferred income tax expense (recovery)		(161)	(1,339)	(6,402)	(4,196)
Share-based compensation expense	10 [ii]	1,641	801	5,187	2,362
Depreciation and amortization		17,768	13,389	41,490	39,139
Net loss on financial assets measured at fair value through profit or loss	7	4,589	2,820	11,271	19,752
Interest expense		2,368	1,915	6,498	6,776
Accrued interest income		(48)	(613)	318	(1,444)
Unrealized foreign exchange loss (gain)		1,423	98	1,254	(6,231)
Other (income) expense	7	271	—	2,601	—
Change in contingent consideration	4	(2,077)	—	(2,077)	—
Gain on hyperinflation		(434)	(1,148)	(1,901)	(7,528)
		21,549	16,008	44,011	42,227
Changes in non-cash working capital and other items	14	(11,386)	(10,992)	(9,926)	(7,416)
Cash inflow from operating activities		10,163	5,016	34,085	34,811
INVESTING ACTIVITIES					
Acquisition of Paladin	4	(3,196)	—	(110,081)	—
Purchase of marketable securities		(3,094)	(45,417)	(16,976)	(123,339)
Purchase of intangible assets	4	(2,401)	(1,671)	(30,237)	(28,488)
Purchase of property and equipment		(410)	(374)	(1,403)	(1,909)
Investment in funds		(759)	(1,372)	(894)	(2,575)
Proceeds on maturity of marketable securities		3,059	58,703	64,686	150,693
Proceeds from sale of property and equipment		—	—	30	—
Proceeds from repayments of loans receivable	7	3,840	—	17,598	97
Proceeds from disposal of equity investments and derivatives		139	—	139	—
Proceeds from distribution of funds		1,416	1,658	6,564	4,435
Cash (outflow) inflow from investing activities		(1,406)	11,527	(70,574)	(1,086)
FINANCING ACTIVITIES					
Proceeds from contributions to share purchase plan	10	126	110	378	303
Proceeds from issuance upon exercise of stock options	10	—	338	—	559
Proceeds from bank loans	8	—	1,638	111,203	2,930
Proceeds from repayment of share purchase loans		—	—	225	—
Repurchase of common shares through Normal Course Issuer Bid	10 [iii]	—	(2,474)	(3,351)	(3,716)
Principal repayment of lease liabilities		(1,200)	(997)	(3,385)	(2,861)
Principal repayment on bank loans	8	(3,810)	(2,039)	(60,214)	(10,698)
Interest paid on bank loans		(1,025)	(503)	(4,652)	(4,703)
Cash (outflow) inflow from financing activities		(5,909)	(3,927)	40,204	(18,186)
Increase in cash and cash equivalents during the period		2,848	12,616	3,715	15,539
Cash and cash equivalents, beginning of the period		77,816	60,807	80,106	58,761
Net foreign exchange difference		1,212	332	(1,945)	(545)
Cash and cash equivalents, end of the period		81,876	73,755	81,876	73,755
Supplemental cash flow information:					
Interest received		1,104	1,910	5,305	6,304
Interest paid		(1,025)	(503)	(4,652)	(4,703)
Net income taxes paid		(583)	(915)	(2,311)	(4,486)

See accompanying notes

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

[In thousands of Canadian dollars, except for share and per share amounts]
[Unaudited]

GLOSSARY OF ABBREVIATIONS

Abbreviation	Company
CIBC	Canadian Imperial Bank of Commerce
Crescita	Crescita Therapeutics Inc.
Knight or the Company	Knight Therapeutics Inc.
NBC	National Bank of Canada
Synergy	Synergy CHC Corp.
TD	Toronto-Dominion Bank

Abbreviation	Currency
BRL	Brazilian Real
C\$ or \$ or CAD	Canadian Dollar
CHF	Swiss Franc
EUR	Euro
US\$/USD	U.S. Dollar

Abbreviation	Other
Annual Financial Statements	Audited annual consolidated financial statements
BGx	Branded Generic Pharmaceutical Product
CDI	Certificados de Depósitos Interfinanceiros (Brazil interbank lending rate)
CORRA	Canadian Overnight Repo Rate Average
DSU	Deferred share units
EPS	Earnings per share
FA	Financial Assets
FV	Fair value
FVOCI	Fair value through other comprehensive income
FVTPL	Fair value through profit or loss
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
IPO	Initial Public Offering
LATAM	Latin America
NAV	Net Asset Value
NCIB	Normal Course Issuer Bid
PSU	Performance share units
RSU	Restricted share units
SOFR	Secured Overnight Financing Rate administered by the Federal Reserve Bank of New York
WACC	Weighted average cost of capital
WAFV	Weighted average fair value

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

[In thousands of Canadian dollars, except for share and per share amounts]
[Unaudited]

1. NATURE OF OPERATIONS

Description of business

Knight Therapeutics Inc. was incorporated on November 1, 2013 under the Canada Business Corporations Act. The Company is a specialty pharmaceutical company, and its principal business activity is acquiring, in-licensing, out-licensing, developing, manufacturing, marketing and distributing pharmaceutical products in Canada, Latin America and select international markets. The Company's corporate headquarters are located at 100 Boulevard Alexis-Nihon, Suite 600, Montreal, Québec H4M 2P2. Knight is listed on the Toronto Stock Exchange under the ticker symbol "GUD".

2. ACCOUNTING POLICIES

Basis of presentation

These interim condensed consolidated financial statements of the Company for the three and nine-month periods ended September 30, 2025, have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". Accordingly, certain information and footnote disclosure normally included in the annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been omitted or condensed.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those set out in note 2 "Summary of significant accounting policies" of the Company's annual consolidated financial statements for the year ended December 31, 2024.

These interim condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2024. The Company's interim condensed consolidated financial statements for the three and nine-month periods ended September 30, 2025 and 2024 were authorized for issue by the Company's Board of Directors on November 5, 2025.

3. FUTURE CHANGES AND AMENDMENTS TO ACCOUNTING STANDARDS

IFRS 18 Presentation and Disclosure in the Financial Statements

The IASB issued IFRS 18 *Presentation and Disclosure in the Financial Statements* ("IFRS 18"), which sets out requirements and guidance on presentation and disclosure in financial statements, including:

- presentation in income statement of income and expenses within five defined categories: operating, investing, financing, income taxes, and discontinued operations
- presentation in the income statements of new defined subtotals for operating profit and profit before financing and income taxes
- enhanced guidance on aggregation and disaggregation of information and whether to provide information in the financial statements or in the notes
- disclosure of specified expenses by nature
- disclosure of explanations of management-defined performance measures

IFRS 18 will replace IAS 1 *Presentation of Financial Statements* but carries forward many requirements from IAS 1 without any change. The standard is effective for annual reporting periods beginning on or after January 1, 2027, with early application permitted. The Company is currently assessing the impact of this new standard on its consolidated financial statements.

Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments*

The IASB issued amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments*. The amendments clarify the date of recognition and derecognition of some financial assets and liabilities, introduces an accounting policy option for financial liabilities settled using an electronic payment system if certain conditions are met and adds new disclosure

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

[In thousands of Canadian dollars, except for share and per share amounts]

[Unaudited]

requirements for financial instruments with contractual terms that reference a contingent event and equity instruments classified at fair value through other comprehensive income.

The amendments are effective for annual reporting periods beginning on or after January 1, 2026 with early application permitted. The Company is currently assessing the impact of these amendments on its consolidated financial statements.

4. ACQUISITIONS

[i] Business combination

On March 10, 2025, Knight entered into 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" or "Paladin"). On June 17, 2025, Knight closed the Paladin Transaction upon receipt of customary regulatory approvals including anti-trust clearance in Canada. Knight paid \$106,885 in cash and held back \$15,458 of which up to \$10,000 may be paid under specific contingent events occurring and the remaining \$5,458 may be paid or released depending on the settlement of certain liabilities including severance payments. Furthermore, Knight may pay future contingent payments of up to US\$15,000 upon achieving certain sales milestones.

The transaction was accounted for as a business combination in accordance with IFRS 3 Business Combinations. Given the timing of the acquisition and the complexity associated with the valuation process, the Company has not yet completed its measurement of certain assets acquired and liabilities assumed, including deferred taxes, and the fair value of the contingent consideration remains subject to adjustment upon the completion of the valuation process. Management will finalize the accounting for the acquisition no later than one year from the acquisition date and will reflect these adjustments retrospectively, as required under IFRS 3.

The fair value of the consideration for the acquisition of the assets and liabilities assumed, in accordance with IFRS 3 Business Combinations, is provisionally estimated as follows including adjustments made during the three months ended September 30, 2025:

Fair value of consideration

	As previously reported	Adjustment ⁴	Revised amount
	\$	\$	\$
Amount settled in cash	106,885	—	106,885
Contingent consideration ^{1,2}	16,338	(4,522)	11,816
Working capital adjustment payable ³	667	—	667
Total	123,890	(4,522)	119,368

¹ The contingent consideration of \$16,338 includes \$15,458 related to the holdback amount payable as well as \$880 related to the fair value of future contingent payments upon achieving certain sales milestones, measured considering the likelihood of attainment of these payments and discounted by applying an appropriate rate of interest.

² During the three and nine-month periods ended September 30, 2025, an amount of \$2,529 related to the \$5,458 holdback amount payable was paid to Paladin, and \$2,077 was released as a change in the consideration payable and recorded as a non-cash transaction in the consolidated statement of (loss) income.

³ In August 2025, Knight paid \$667 of working capital adjustment payable to Paladin.

⁴ During the three and nine-month periods ended September 30, 2025, the Company has recorded an adjustment to its estimate of the contingent consideration related to the holdback of up to \$10,000 and reported in the Company's unaudited interim condensed consolidated financial statements as at June 30, 2025, based on information obtained about facts and circumstances that existed at the acquisition date.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

[In thousands of Canadian dollars, except for share and per share amounts]

[Unaudited]

Fair value of identifiable net assets

	As previously reported	Adjustment ⁴	Revised amount
	\$	\$	\$
Current asset			
Inventories ¹	26,480	—	26,480
Other receivables ²	974	—	974
Non-current assets			
Right-of-use assets	810	1,117	1,927
Property, plant and equipment	103	—	103
Intangible assets ³	93,088	3,418	96,506
Deferred tax assets	1,429	4	1,433
Current liabilities			
Accounts payable and accrued liabilities	2,148	—	2,148
Lease liabilities	229	284	513
Non-current liabilities			
Lease liabilities	582	832	1,414
Other balances payable (Note 9)	—	7,954	7,954
Total identifiable net assets acquired	119,925	(4,531)	115,394
Goodwill	3,965	9	3,974
Net assets acquired	123,890	(4,522)	119,368

¹ Includes \$22,341 of cost paid on June 17, 2025, according to the Asset Purchase Agreement with Paladin.

² Other receivables corresponds to certain liabilities assumed by Knight that will be reimbursed by Paladin.

³ Includes Licenses of \$79,440 and Intellectual Property of \$17,066.

⁴ The Company has recorded adjustments to the provisional estimates reported in the Company's unaudited interim condensed consolidated financial statements as at June 30, 2025. These adjustments arise from the evaluation of newly obtained information about facts and circumstances that existed at the acquisition date. The adjustments affect principally the fair value of certain intangible assets acquired, right-of-use assets, lease liabilities, as well as the recognition of other balances payable separately from the related intangibles, pertaining to contractually defined future payments, contingent upon the achievement of specific regulatory, sales or time-lined based milestones.

Goodwill is attributable primarily to the strategic and synergistic opportunities related to the Company's business in Canada, the assembled workforce of Paladin and other factors. None of the goodwill recognized is expected to be deductible for income tax purposes.

The acquisition related costs are expensed as incurred and included in *General and administrative* expenses in the interim consolidated statements of loss. For the three and nine-month periods ended September 30, 2025, acquisition expenses amounted to \$170 and \$4,482, respectively.

From June 17, 2025, to September 30, 2025, the Company's interim consolidated statement of (loss) income included revenue of \$22,581 and net income of \$1,333 attributable to Paladin.

The consolidated pro-forma revenues and net loss for the nine-month period ended September 30, 2025 as though the acquisition date had occurred on January 1, 2025 amounted to \$349,981 and \$15,782, respectively, compared to the reported consolidated revenues and net loss of \$316,982 and \$14,228, respectively. The pro-forma basis was calculated using historical information, by applying the Company's accounting policies, and assuming fair value adjustments that arose on acquisition would have been the same if the acquisition occurred on January 1, 2025. The pro-forma amounts exclude

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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[Unaudited]

acquisition costs and benefits from integration initiatives or synergies and are not necessarily indicative of the results that would have resulted if the acquisition occurred on January 1, 2025, or the results that may be obtained in the future.

[ii] Asset acquisition

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 vibegron 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.

The Sumitomo Transaction was accounted for as an asset acquisition. The consideration included upfront payments of \$25,400, for which there was a holdback amount of \$1,300 that may be released if certain conditions are met, as well as certain future contingent milestones of up to \$15,750. An amount of \$28,993 was recorded as an addition to intangible assets, which included the upfront cash payments of \$25,400 and the fair value of contingent payments of \$3,593 determined based on the probability to meet the related milestones and is discounted to current value using an appropriate rate of interest, and was recognized in Other balances payable non-current as at September 30, 2025. The directly attributable acquisition-related costs amounted to \$725 and were also capitalized as part of the cost of the intangible asset at the acquisition date.

Subsequent to quarter-end, the conditions for the payment of the \$1,300 holdback amount were met. Accordingly, Knight will pay the holdback amount to Sumitomo in November 2025.

5. CASH AND CASH EQUIVALENTS

As at	September 30, 2025	December 31, 2024
	\$	\$
Cash in bank	74,640	74,994
Cash equivalents ¹	7,236	5,112
Total	81,876	80,106

¹ As at September 30, 2025, cash equivalents included certificate of deposits in financial institutions in Brazil of \$7,015 (BRL 26,798) earning interest at rates ranging from 80% to 100% of CDI rate, with daily liquidity, and other short-term deposits with a term up to three months. As at December 31, 2024, included certificate of deposits in financial institutions in Brazil of \$4,717 (BRL 20,269) earning interest at rates ranging from 65% to 100% of CDI rate, with daily liquidity, and other short-term deposits with a term up to three months.

6. INVENTORIES

During the three and nine-month periods ended September 30, 2025, the Company recorded an inventory write-down of \$998 and \$2,666, respectively (2024: \$1,217 and \$2,571, respectively), in the interim consolidated statement of loss in *Cost of goods sold*.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

[In thousands of Canadian dollars, except for share and per share amounts]

[Unaudited]

7. OTHER FINANCIAL ASSETS

As at	September 30, 2025	December 31, 2024
	\$	\$
Equity investments		
Measured at FVTPL ¹	15,303	11,408
Measured at FVOCI ^{1,2}	7,280	9,384
Fund investments		
Measured at FVTPL ³	71,909	92,024
Loans and other receivables		
Measured at amortized cost	—	21,116
Total Other Financial Assets	94,492	133,932
Current	22,583	30,506
Non-current	71,909	103,426

¹ Level 1 fair value hierarchy.

² Level 2 fair value hierarchy.

³ Level 3 fair value hierarchy. The fair value is determined using NAV, that is the only reasonable indication of fair value. Consequently, the Company is unable to conduct a sensitivity analysis.

Equity investments measured at FVOCI

Under IFRS 9, the Company has designated the following strategic investments as equity investments measured at FVOCI.

As at	September 30, 2025		December 31, 2024	
	Number of common shares owned	FV \$	Number of common shares owned	FV \$
Crescita	1,935,489	919	1,935,489	1,123
Synergy	1,911,414	6,361	1,482,844	8,261
Total		7,280		9,384

Synergy

On May 30, 2025, Synergy repaid its outstanding financial obligations to Knight in exchange for a total consideration of \$14,874 [US\$10,811] including \$13,758 [US\$10,000] in cash and warrants with a fair value of \$1,116 [US\$811]. The loan was measured at amortized cost with a book value of \$16,736 [US\$12,176] which includes a principal amount of \$10,071 [US\$7,320]. Based on the fair value of the consideration received, the Company recognized a loss of \$1,862 [US\$1,365] in the interim consolidated statement of loss in *Other expense (income)*.

Under the terms of the warrant, each warrant was convertible into one common share of Synergy at a de minimis exercise price. On June 20, 2025, the Company exercised its warrants and received 428,570 additional common shares of Synergy ("Additional Shares"). Subsequent to the warrant execution, Knight holds 1,911,414 shares ("Synergy Shares"), representing approximately 19.9% of Synergy's outstanding common stock. The Additional Shares are subject to a 180-day post conversion lock-up period and the Synergy Shares are subject to certain trading restrictions imposed under U.S. federal securities laws.

For the three and nine-month periods ended September 30, 2025, the Synergy Shares were recorded at their fair value based on the closing price on Nasdaq discounted by an illiquidity factor resulting in an unrealized loss of \$1,001 [US\$719] and \$2,894 [US\$1,983] respectively, recorded in other comprehensive income (loss). The Synergy Shares are classified as a level 2 equity investment measured at FVOCI.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

[In thousands of Canadian dollars, except for share and per share amounts]

[Unaudited]

Other

During the three and nine-month period ended September 30, 2025, Knight collected the outstanding balance of a secured loan from a life sciences company in the amount of \$3,840 [US\$2,771].

Net loss on Financial instruments measured at FVTPL

As a result of changes in fair value and the disposal of financial assets, the Company recorded the following net loss (gain) on financial instruments in the interim consolidated statement of loss as *Net loss on financial assets measured at fair value through profit or loss*:

	Loss (gain) on FA measured at FVTPL			
	Three-month period ended September 30,		Nine-month period ended September 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Loans and other receivables	—	233	—	(477)
Equity Investments	(2,027)	(195)	(3,897)	1,240
Derivatives	—	—	—	123
Fund Investments	6,616	2,782	15,168	18,866
Total	4,589	2,820	11,271	19,752

8. BANK LOANS

The Company had the following indebtedness, including accrued interest expense, as at the end of the following periods:

As at	Currency	Maturity	September 30, 2025			December 31, 2024		
			Interest rate	Effective interest rate	Total \$	Interest rate	Effective interest rate	Total \$
Banks								
Bancolumbia	COP	Oct 12, 2026	2.28% + IBR	11.32%	4,138	2.28% + IBR	11.39%	4,937
Banco ICBC Argentina ¹	ARS	N/A	N/A	N/A	—	44% ²	N/A	116
Banco Macro Argentina ¹	ARS	N/A	N/A	N/A	—	46% ²	N/A	559
Citibank Argentina ¹	ARS	N/A	N/A	N/A	—	44% ²	N/A	1,116
Santander Argentina ¹	ARS	N/A	N/A	N/A	—	45% ²	N/A	326
IFC	BRL	Oct 15, 2027	1.6% + CDI	16.38%	17,500	1.6% + CDI	13.08%	17,767
IFC	CLP	Oct 15, 2027	7.71%	7.86%	5,544	7.71%	7.86%	6,496
IFC	COP	Oct 15, 2027	1.6% + IBR	10.69%	8,011	1.6% + IBR	11.27%	9,756
IFC	MXN	Oct 15, 2027	1.6% + TIIE	10.05%	1,871	1.6% + TIIE	12.72%	2,312
NBC	CAD	Jun 17, 2028	1.57% + CORRA	4.08%	59,481	—	—	—
Total Bank Loans					96,545			43,385
Current					17,805			17,486
Non-current					78,740			25,899

¹Overdraft balances.

²The interest rate is calculated and compounded on a monthly basis.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

[In thousands of Canadian dollars, except for share and per share amounts]

[Unaudited]

Revolving Credit Facility

On June 17, 2025, Knight entered into a secured revolving 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. Subsequent to quarter-end, 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, ("Credit Facility") 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 assets held in Canada, Luxembourg and Uruguay, and has an initial term of 3 years, with the option to extend annually for an 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. During the nine-months ended September 30, 2025, Knight has incurred fees related to the structuring of the credit facility of approximately US\$650, which have been deferred and recognized on the interim consolidated balance sheet and are subject to amortization on a straight-line basis over the term of the credit facility. 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 September 30, 2025, Knight was in compliance with the financial and non-financial covenants.

9. OTHER BALANCES PAYABLE

The following table presents the change in the carrying value of the Other balances payable during the end of the following periods:

As at	September 30, 2025	December 31, 2024
	\$	\$
Balance beginning of the period	30,131	33,869
Additions	14,338	14,614
Liabilities assumed in business combination (Note 4)	7,954	—
Payments during the period	(4,893)	(8,515)
Derecognition	(2,599)	(12,104)
Foreign exchange	(542)	2,267
Balance at end of the period	44,389	30,131
Current	8,104	10,688
Non-current	36,285	19,443

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

[In thousands of Canadian dollars, except for share and per share amounts]

[Unaudited]

10. SHAREHOLDERS' EQUITY

[i] Share capital

The authorized share capital of the Company is comprised of an unlimited number of common shares and an unlimited number of first preferred shares, which may be issued from time to time in one or more series, without par value. The issued and outstanding share capital of Knight is as follows:

	Number of common shares	\$
Balance as at January 1, 2025	100,048,271	534,266
Issuance under share purchase plan	72,489	430
Shares purchased under NCIB [iii]	(623,200)	(3,242)
Issuance upon vesting of PSUs and RSUs [ii]	180,368	1,113
Repayment of share purchase loans	—	225
Balance as at September 30, 2025	99,677,928	532,792

[ii] Stock-based compensation plans

The Company recorded an expense of \$1,641 (2024: \$801) and \$5,187 (2024: \$2,362) for the three and nine-month periods ended September 30, 2025, related to the share-based compensation for stock options, DSUs, PSUs and RSUs, with corresponding credits to *Contributed surplus* net of forfeitures.

Stock Options

Nine-month period ended September 30,	2025		2024	
	Number of share options #	Weighted average exercise price \$	Number of share options #	Weighted average exercise price \$
Balance beginning of the period	5,073,547	6.85	4,577,782	6.95
Granted	901,095	6.21	1,875,697	5.72
Exercised	—	—	(1,312,220)	5.62
Expired/forfeited	(727,428)	8.28	(20,000)	6.00
Balance at end of the period	5,247,214	6.54	5,121,259	6.84
Options exercisable at the end of the period	2,510,877	7.56	2,882,534	7.93
Weighted average remaining contractual life of the options outstanding at end of the period (years)	4.05		4.05	

The weighted average fair value of the options granted during the nine-month period ended September 30, 2025, estimated by using the Black-Scholes option pricing model, was \$2.03 (2024: \$2.01). The fair value of the options was estimated on the date of grant based on the following weighted average assumptions:

Nine-month period ended September 30,	2025	2024
Weighted average risk-free interest rate	2.82%	3.64%
Dividend yield	Nil	Nil
Weighted average volatility factor	25%	24%
Forfeiture rate	1%	1%
Weighted average expected life	6.9 years	7.2 years

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

[In thousands of Canadian dollars, except for share and per share amounts]

[Unaudited]

Deferred share units

During the three and nine-month periods ended September 30, 2025, the Company granted 3,210 DSUs (\$20) and 53,291 DSUs (\$318), respectively, to independent board members (2024: 3,083 DSUs, \$19 and 49,149 DSUs, \$289). As at September 30, 2025, the number of outstanding DSUs was 253,411 (2024: 196,513 DSUs).

Restricted share units and performance share units

The following table shows the RSUs and PSUs granted and outstanding at the beginning and end of the reporting period ended and the weighted average fair value at grant date per unit ("WAFV"):

	Nine-month period ended September 30, 2025			
	RSUs		PSUs	
	Number of units #	WAFV \$	Number of units #	WAFV \$
Balance beginning of the period	346,977	5.10	925,549	5.19
Granted	122,927	6.21	416,755	6.21
Vested	(83,504)	5.21	(156,703)	5.21
Forfeited/cancelled	(30,379)	5.08	(82,614)	5.16
Balance at end of the period	356,021	5.46	1,102,987	5.57
Weighted average remaining contractual life of the share units outstanding	1.50		1.62	

[iii] NCIB

On August 20, 2025, the Company announced that the Toronto Stock Exchange approved its notice of intention to launch a NCIB ("2025 NCIB"). Under the terms of the 2025 NCIB, the Company may purchase for cancellation up to 3,000,000 common shares of the Company which represented approximately 3% of its 99,653,265 common shares issued and outstanding as at August 8, 2025. The 2025 NCIB commenced on August 22, 2025 and will end on the earlier of August 21, 2026 or when the Company completes its maximum purchases under the NCIB. Furthermore, the Company entered into an agreement with a broker to facilitate purchases of its common shares under the NCIB.

During the three-month period ended September 30, 2025, the Company purchased no common shares, and during the nine-month period ended September 30, 2025, the Company purchased 606,400 (2024: 437,500 and 643,161) common shares, at an average price of \$5.53 (2024: \$5.65 and \$5.78) for aggregate cash consideration of \$3,351 (2024: \$2,474 and \$3,716).

Subsequent to quarter-end up to October 30, 2025, the Company purchased an additional 388,700 common shares at an average purchase price of \$5.84 for an aggregate cash consideration of \$2,272.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

[In thousands of Canadian dollars, except for share and per share amounts]

[Unaudited]

11. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing net income (loss) by the weighted average number of common shares outstanding during the period. Diluted earnings per share has been calculated after adjusting the weighted average number of shares used in the basic calculation to assume the conversion of all potentially dilutive shares.

	Three-month period ended September 30,		Nine-month period ended September 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Net (loss) income	(3,791)	85	(14,228)	(6,403)
Basic weighted average shares outstanding	99,657,996	101,132,799	99,643,135	101,211,415
Adjustment for share options, RSUs and DSUs ¹	—	—	—	—
Diluted weighted average shares outstanding	99,657,996	101,132,799	99,643,135	101,211,415
Basic net loss per share	(0.04)	—	(0.14)	(0.06)
Diluted net loss per share	(0.04)	—	(0.14)	(0.06)

¹Adjustments for diluted earnings per share have not been included as all of the share options, RSUs and DSUs are anti-dilutive.

12. DISAGGREGATED REVENUE INFORMATION

The following table represents the disaggregation of revenues from contracts with customers by therapeutic area and product portfolio:

	Three-month period ended September 30,		Nine-month period ended September 30,	
	2025	2024	2025	2024
Therapeutic Area	\$	\$	\$	\$
Oncology/Hematology	37,752	37,295	104,385	105,014
Infectious Diseases	36,840	34,040	118,129	110,569
Other Specialty	46,956	20,928	94,468	58,857
Total	121,548	92,263	316,982	274,440

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

[In thousands of Canadian dollars, except for share and per share amounts]

[Unaudited]

Product Portfolio	Three-month period ended September 30,		Nine-month period ended September 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Innovative				
Promoted	80,413	66,906	229,582	201,133
Mature	29,625	10,179	52,158	30,547
Discontinued	9	1,184	33	3,198
Total Innovative	110,047	78,269	281,773	234,878
BGx				
New Launches	1,499	1,588	4,150	4,284
Mature	9,921	12,233	30,779	34,771
Discontinued	81	173	280	507
Total BGx	11,501	13,994	35,209	39,562
Total	121,548	92,263	316,982	274,440

The description of each portfolio are as follows:

Innovative Portfolio: The portfolio consists of the pharmaceutical products with innovative molecules and includes both in-licensed products as well as products owned (or partially owned) by Knight.

BGx Portfolio: The portfolio consists of branded generic products which are pharmaceutically equivalent to an innovative molecule.

13. SEGMENT REPORTING

The Company has one reportable segment, namely the development, acquisition, in-licensing, out-licensing, marketing and distribution of pharmaceutical products, consumer health products and medical devices. This reflects the management structure and the way the chief operating decision-maker evaluates the business.

Geographic information

The following table represents the revenues per country, based on where the customer is located.

	Three-month period ended September 30,		Nine-month period ended September 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Revenues				
Brazil	42,412	41,073	132,702	133,300
Canada	30,647	6,115	48,101	16,696
Colombia	15,776	15,249	40,252	41,498
Argentina	10,315	11,941	30,679	32,752
Mexico	5,893	4,857	18,176	15,033
Rest of LATAM	9,829	10,623	32,580	28,529
Other ¹	6,676	2,405	14,492	6,632
Total	121,548	92,263	316,982	274,440

¹ Includes US and other countries.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

[In thousands of Canadian dollars, except for share and per share amounts]

[Unaudited]

As at September 30, 2025 and December 31, 2024, non-current operating assets consisting of property, plant and equipment, intangible assets, goodwill, right-of-use assets and other long-term receivables were held in the following geographic areas:

As at	September 30, 2025	December 31, 2024
	\$	\$
Non-current operating assets		
Canada	203,949	71,115
Brazil	48,721	45,757
Argentina	30,320	37,795
Mexico	5,698	5,465
Colombia	16,052	13,634
Uruguay	162,273	184,589
Luxembourg	31,144	36,786
Rest of LATAM	38,678	39,953
Total	536,835	435,094

14. STATEMENT OF CASH FLOWS

Effect on cash flows of changes in non-cash working capital are as follows:

	Three-month period ended September 30,		Nine-month period ended September 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Changes in non-cash working capital:				
Decrease (increase) in:				
Trade and other receivables	(21,051)	(10,003)	(17,059)	(4,399)
Prepays and deposits	(957)	(3,414)	(1,073)	(2,148)
Inventories	4,787	(9,641)	(24,862)	(11,104)
Income taxes receivable	1,285	814	(99)	(2,510)
Increase (decrease) in:				
Accounts payable and accrued liabilities	4,016	9,420	32,724	10,100
Other liabilities	409	(16)	171	1,234
Income taxes payable	125	1,848	272	1,411
Total changes in non-cash working capital	(11,386)	(10,992)	(9,926)	(7,416)

15. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Company secures development, sales, marketing and distribution rights to innovative drug products requiring royalties or product payments. These payments are considered normal operating commitments and as such are not included herein. The Company has entered into various agreements which include contractual commitments extending beyond the current year. These commitments are classified into two major categories: fund commitments, milestone and purchase commitments. The commitments of the Company as at September 30, 2025 are as follows:

[i] Fund commitments

As at September 30, 2025, under the terms of the Company's agreements with life sciences venture capital funds, \$4,159, may be called over the life of the funds.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

[In thousands of Canadian dollars, except for share and per share amounts]

[Unaudited]

[ii] Milestone and purchase commitments

Under certain agreements, Knight may have to pay additional consideration should the Company achieve certain sales volumes or if certain milestones are met, such as regulatory approval. Milestones in connection with intangible asset acquisitions that the Company considers probable to be achieved have been recorded as a liability in *Other Balances Payable*.

As at September 30, 2025, the Company may have to pay up to \$480,366 upon achieving certain sales volumes, regulatory or other milestones related to specific products. These milestones are not currently expected to be achieved in the future.

The table below outlines the foreign currency included in the total milestone commitments:

As at September 30, Foreign Currency Unit	2025	
	Foreign Currency	\$
USD	139,585	194,316
CHF	55,335	96,615
EUR	16,982	27,733

As at September 30, 2025, for products that are currently launched, the Company has committed to inventory purchases of \$69,517 [US\$29,308, CHF 7,477 and EUR 9,591], which will be purchased over the next 6 years.

	\$
2025	1,606
2026	21,417
2027	20,258
2028	12,762
2029 and beyond	13,474
Total	69,517

As at September 30, 2025, for products that are not currently launched, Knight has a commitment to purchase up to \$3,411 [US\$2,450], of inventory for pharmaceutical products during the two-year period after their respective commercial launch.

Contingencies

On March 28, 2025, Knight's subsidiary in Argentina, Laboratorio LKM S.A., received a notification from the National Commission for the Defense of Competition ("NCDC") referring to a claim filed before the NCDC about an administrative investigation for alleged anticompetitive practices in the Argentine pharmaceutical market on the sales of oncology products to the public medical insurance program ("PAMI") covering pensioners and retirees. The claim affects 38 pharmaceutical companies, including large multinational pharmaceuticals, and covers the period from January 2018 to January 2025. The claim is currently in an initial investigation stage. The Company believes the claim is unfounded and it is not possible at this time to estimate the outcome. The Company has not recorded any provision related to this claim.

Stock Exchange Listing

Toronto Stock Exchange

Trading Symbol: GUD

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