

**FY'26-Q2 Earnings Presentation**  
**May 21, 2026**



**Brent Ashton**  
CEO



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COO



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CFO

# Forward-Looking Statements and Non-GAAP Financial Information

Certain statements included in this presentation may be considered forward-looking statements. These forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”, “estimate”, “expect”, “intend” and statements that an event or result “may”, “will”, “should”, “could”, or “might” occur or be achieved and other similar expressions. More specifically, this presentation contains forward-looking statements which include but are not limited to statements regarding: the Company’s corporate strategy and strategic objectives; the availability of external financing to fund the Company’s ongoing liabilities and commitments; and economic events. These forward-looking statements involve risk and uncertainties, including the impact on the Company given its current liquidity situation, the difficulty in predicting product approvals, acceptance of and demands for new products, the impact of the products and pricing strategies of competitors, delays in developing and launching new products, the regulatory environment, fluctuations in operating results, and other risks, any of which could cause results, performance, or achievements to differ materially from the results discussed or implied in the forward-looking statements. Such forward-looking statements should not be taken as guarantees of future performance of Covalon.

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Certain financial measures in this presentation – namely earnings before interest, depreciation and amortization (“EBITDA”), adjusted EBITDA, pro-forma EBITDA, free cash flow and enterprise value – are non-GAAP financial measures. While Covalon and certain of its competitors measure and evaluate the performance of their respective consolidated operations and business segments with reference to these and similar measures, non-GAAP measures do not have any standardized or prescribed meaning under IFRS Accounting Standards or otherwise and therefore are unlikely to be comparable to similar measures presented by other companies. These non-GAAP measures should not be considered in isolation or as a substitute for financial measures prepared in accordance with IFRS Accounting Standards. All non-GAAP measures are included because management monitors and uses the information on a regular basis to analyze the performance of the business and therefore may be considered useful information.

For further information about the risks and uncertainties relating to forward-looking statements included in this Memorandum, the recipient should consult the “Risks and Uncertainties” section of Covalon’s annual MD&A dated December 11th, 2025, as well as those contained in Covalon’s interim MD&As and other public record filings on SEDAR+.

All figures are in Canadian dollars, unless otherwise noted, and Covalon’s fiscal year end is September 30th.

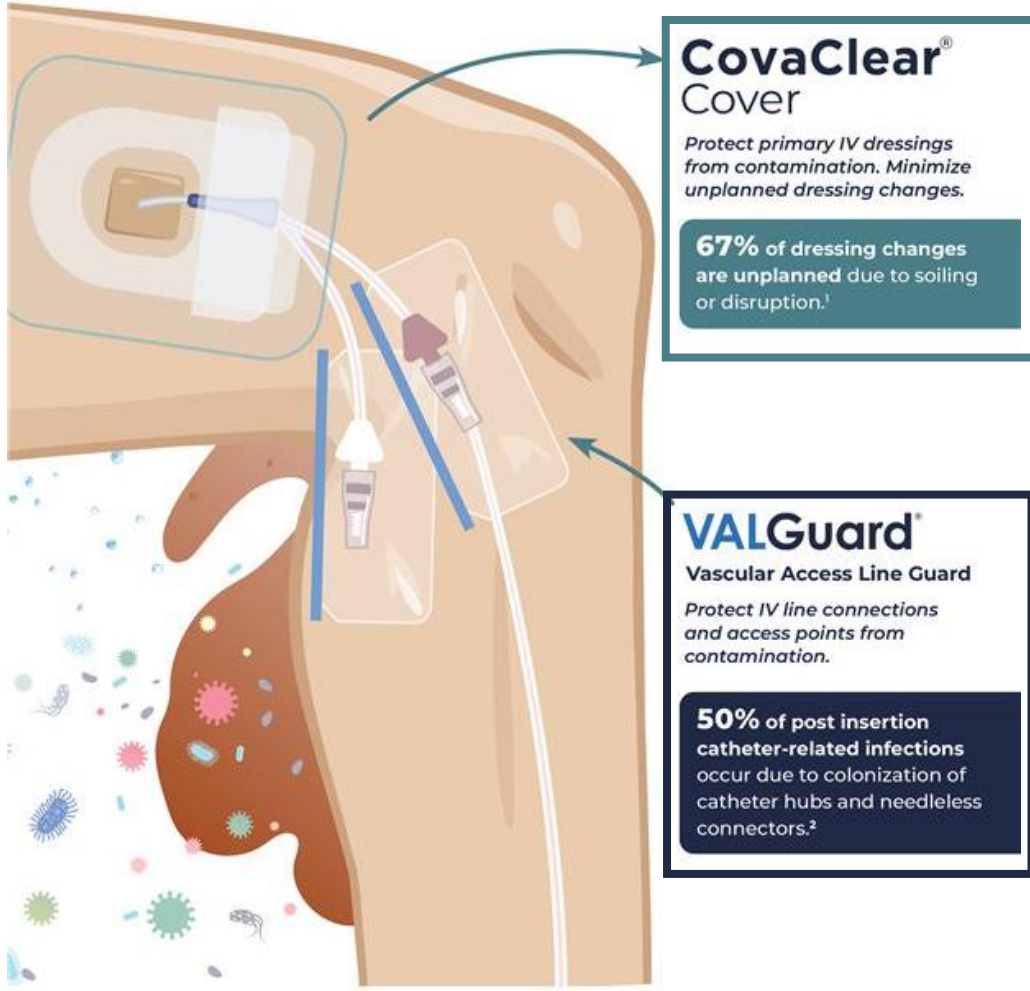
# Q2 FY'26 Financial Results

|   | FY'25 Q2         | FY'26 Q2         | Delta                 |
|---|------------------|------------------|-----------------------|
| Revenue                                     | \$7.6            | \$8.7            | + 14.9%               |
| Gross Profit<br>(Gross Margin)              | \$4.1<br>(54.6%) | \$5.4<br>(61.5%) | + 29.6%<br>(+690 bps) |
| Adjusted Gross Profit<br>(Adj Gross Margin) | \$4.2<br>(55.1%) | \$5.5<br>(62.9%) | + 31.2%<br>(+780 bps) |
| Operating Expenses                          | \$3.9            | \$4.4            | + 15.2%               |
| Adjusted EBITDA                             | \$0.6            | \$1.3            | + 126.9%              |
| Earnings per Share<br>(Diluted)             | \$0.02           | \$0.04           | + \$0.02              |

# Q2 FY'26 Year To Date Financial Results

|   | FY'25 Q2<br>LYTD | FY'26 Q2<br>YTD  | Delta                |
|---|------------------|------------------|----------------------|
| Revenue                                     | \$15.8           | \$15.6           | - 0.9%               |
| Gross Profit<br>(Gross Margin)              | \$9.1<br>(58.0%) | \$9.4<br>(60.0%) | + 2.6%<br>(+200 bps) |
| Adjusted Gross Profit<br>(Adj Gross Margin) | \$9.1<br>(58.0%) | \$9.6<br>(61.5%) | + 4.9%<br>(+350 bps) |
| Operating Expenses                          | \$7.5            | \$8.4            | + 11.4%              |
| Adjusted EBITDA                             | \$2.1            | \$1.7            | - 18.0%              |
| Earnings per Share<br>(Diluted)             | \$0.06           | \$0.04           | - \$0.02             |

# Preventing Contamination is a Significant Covalon Opportunity



- Bedside care with vascular access is often messy – contamination events can lead to serious complications if critical IV components are not properly protected
- Covalon is pioneering the development of the “Contamination Prevention” clinical category
- Our solution is anchored by two complementary product lines - VALGuard® Line Guard and CovaClear® Cover dressings
- Significant customer benefits include:
  - Reducing the risk of patient complications, including deadly bloodstream infections
  - Reducing reactive nursing time – freeing up more time for proactive patient care
  - Reduced facility expenses on replacement IV therapy components

# Momentum Building For Covalon's Contamination Prevention Solution

## Notable Adopters Shared Last Quarter



## Additional Notable Adopters From Past Few Months



Massive further opportunity with existing account penetration and new account acquisition

# Clinician Perspective on Contamination Prevention

“Any nurse who has spent time at the bedside knows that **contamination events don't wait for a convenient moment, and the demands on our time can feel relentless.** Diaper blowouts, vomit, soiling, spilled fluids, and secretions are **happening all the time in units across the hospital.** When patients soil unprotected central line dressings or IV tubing, what starts as a routine clean-up **becomes an urgent cascade of a time-consuming, costly intervention.** IV lines get rebuilt, dressings get changed, and sometimes the catheter itself even has to be replaced. **Every central line contamination event puts a patient at risk.**”

**VALGuard® and CovaClear® Cover are the first products I've used that treat contamination prevention as a real clinical priority rather than something nursing just has to manage around. The time we've recovered, the costly supplies we've avoided, the serious patient complications we've prevented - including bloodstream infections that no family should ever have to hear about - adds up fast to make a meaningful difference for everyone involved.**

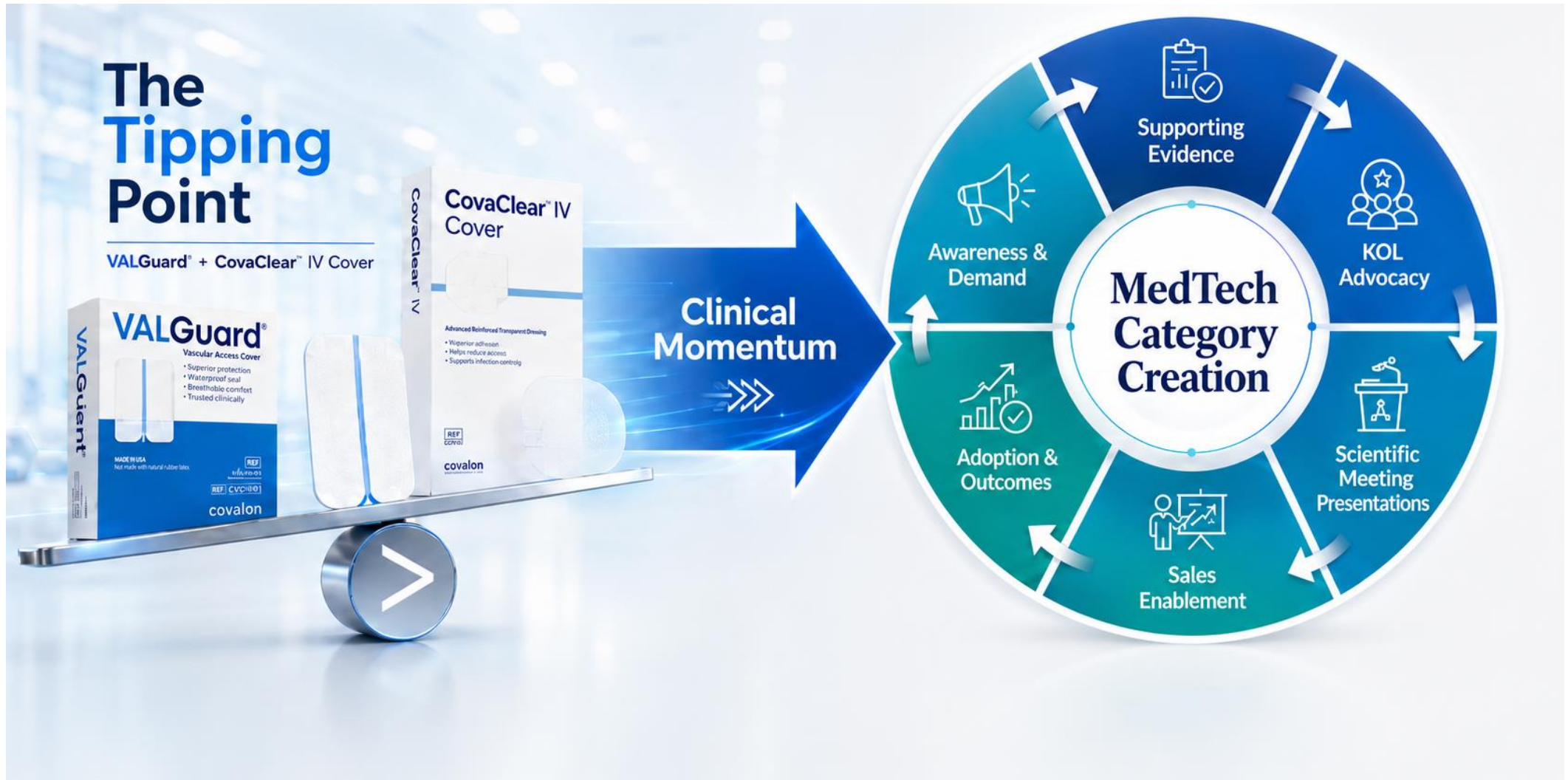
Contamination has always been present, but with Covalon's Contamination Prevention solutions, we're able to prevent risks for infections in ways we could not before.”

- Megan Stimpson, DNP, RN, Clinical Nurse Specialist



**Seattle Children's**  
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# Contamination Prevention Category Tipping Point



# Vascular Access Category Creation Can Drive Outsized Returns

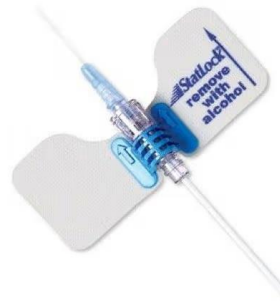
## Disinfecting Caps (\$200 million category)



### Ivera Medical (Curos™ Caps)

- Acquired by 3M Health Care in 2015 for \$150 million USD
- 3M Health Care was spun off from 3M to create Solventum in 2024

## Catheter Stabilization Devices (\$500 million + category)



### Venetec (StatLock™ Stabilization Device)

- Acquired by C.R. Bard in 2006 for \$166 million USD
- C.R. Bard was in turn acquired by Becton Dickinson in 2017 for \$24 Billion

## Single Use CHG Skin Prep (\$500 million + category)

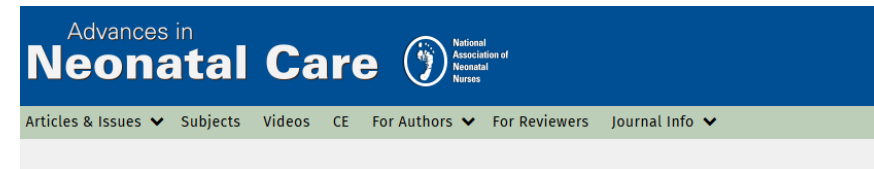


### Enturia (ChloraPrep™ Skin Prep)

- Acquired by Cardinal Health in 2006 for \$490 million
- Cardinal Health spun off what became Carefusion in 2008
- Carefusion was in turn acquired by Becton Dickinson in 2015 for \$12 Billion

# Recent Highlights and Achievements

- Significant new CovaClear® Cover win at one of the largest hospitals in the Northeast – initial order to stock more than 30 different supply locations.
- New peer-reviewed clinical study that included VALGuard® published in *Advances in Neonatal Care* – adds to growing body of evidence around Contamination Prevention solution
- Association for Vascular Access-hosted webinar on Contamination Prevention with Dr. Nancy Moureau drew 600+ live clinicians, 100+ requested direct follow-up



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PRACTICE IMPROVEMENTS IN NEONATAL CARE

**Implementing a Sustainable, Phased Approach to Reducing CLABSI Rates in a Level IV NICU**

Velasco, Sarah DNP, FNP-C, RNC-NIC; Hamby, Alexandra MSN, RNC-NIC; Loresto, Figaro L. Jr PhD, RN; Bourque, Stephanie L. MD, MSCS; Smith, Danielle MD, MAS

Editor(s): Harris-Haman, Pamela A. DNP, CRNP, NNP-BC, Section Editor

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**Dr. Nancy Moureau, RN, PhD**  
*Clinician Scientist, Vascular Access Specialist, Educator*  
Internationally recognized speaker and expert in the field of vascular access

# Recent Highlights and Achievements

- Contamination Prevention selected for the official education programs at the 2026 INS, APIC, and AVA annual meetings — reaching thousands of nurses and infection preventionists
- Strong Covalon presence at Infusion Nurses Society and Symposium on Advanced Wound Care conferences – outstanding engagement with clinical customers and industry participants



# Covalon Is Building Momentum Toward Significant Value Creation

- Delivered on solid Q2, second half expectations remain strong
- Rapid progress on Contamination Prevention category building
- Accelerating adoption of VALGuard® and CovaClear® Cover in children's and acute care hospitals – huge upside opportunity
- Covalon's value is increasing ahead of financial market recognition



# Q&A





# Investor Relations Contact Information



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