

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549  
FORM 10-Q**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
For the quarterly period ended March 31, 2026

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_.

Commission file number: 001-33637

**Cumberland Pharmaceuticals Inc.**  
(Exact Name of Registrant as Specified In Its Charter)

Tennessee  
(State or Other Jurisdiction of  
Incorporation or Organization)  
**1600 West End Avenue, Suite 1300,**  
Nashville, Tennessee  
(Address of Principal Executive Offices)

**62-1765329**  
(I.R.S. Employer  
Identification No.)  
  
**37203**  
(Zip Code)

**(615) 255-0068**  
(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:		
Class	Trading Symbol	Name of exchange on which registered
Common stock, no par value	CPIX	Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files.) Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 14,983,107 shares of common stock as of May 5, 2026.

**CUMBERLAND PHARMACEUTICALS INC.**  
**INDEX**

<u>PART I – FINANCIAL INFORMATION</u>	<u>1</u>
<u>Item 1. Financial Statements (Unaudited)</u>	<u>1</u>
<u>Condensed Consolidated Balance Sheets</u>	<u>1</u>
<u>Condensed Consolidated Statements of Operations</u>	<u>2</u>
<u>Condensed Consolidated Statements of Cash Flows</u>	<u>3</u>
<u>Condensed Consolidated Statements of Equity</u>	<u>4</u>
<u>Notes to the Condensed Consolidated Financial Statements</u>	<u>5</u>
<u>Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>20</u>
<u>Item 3. Quantitative and Qualitative Disclosures About Market Risk</u>	<u>30</u>
<u>Item 4. Controls and Procedures</u>	<u>31</u>
<u>PART II – OTHER INFORMATION</u>	<u>32</u>
<u>Item 1. Legal Proceedings</u>	<u>32</u>
<u>Item 1A. Risk Factors</u>	<u>32</u>
<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>32</u>
<u>Item 5. Other Information</u>	<u>32</u>
<u>Item 6. Exhibits</u>	<u>#</u>
<u>SIGNATURES</u>	<u>34</u>

---

**PART I – FINANCIAL INFORMATION**

**Item 1. Financial Statements (Unaudited)**

**CUMBERLAND PHARMACEUTICALS INC. AND SUBSIDIARIES**  
**Condensed Consolidated Balance Sheets**  
**(Unaudited)**

	<b>March 31, 2026</b>	<b>December 31, 2025</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 11,007,245	\$ 11,444,693
Accounts receivable, net	14,261,978	16,944,780
Inventories, net	5,453,836	6,225,518
Prepaid and other current assets	2,066,198	2,445,276
<b>Total current assets</b>	<b>32,789,257</b>	<b>37,060,267</b>
Non-current inventories	9,875,505	9,253,090
Property and equipment, net	237,375	264,724
Intangible assets, net	12,793,249	14,027,921
Goodwill	914,000	914,000
Operating lease right-of-use assets	7,618,720	8,343,832
Co-commercialization investment	3,840,700	3,986,780
Other assets	2,926,214	2,973,378
<b>Total assets</b>	<b>\$ 70,995,020</b>	<b>\$ 76,823,992</b>
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 16,537,072	\$ 18,567,546
Operating lease current liabilities	485,162	467,774
Other investment liabilities	4,487,137	5,074,504
Other current liabilities	12,978,680	12,635,095
<b>Total current liabilities</b>	<b>34,488,051</b>	<b>36,744,919</b>
Revolving line of credit - long term	5,240,733	5,240,733
Operating lease non-current liabilities	4,343,892	4,471,965
Other long-term liabilities	5,619,332	5,822,153
<b>Total liabilities</b>	<b>49,692,008</b>	<b>52,279,770</b>
Equity:		
Shareholders' equity:		
Common stock— no par value; 100,000,000 shares authorized; 14,983,107 and 14,956,627 shares issued and outstanding as of March 31, 2026, and December 31, 2025, respectively	51,730,222	51,684,381
Accumulated deficit	(30,093,698)	(26,804,059)
<b>Total shareholders' equity</b>	<b>21,636,524</b>	<b>24,880,322</b>
Noncontrolling interests	(333,512)	(336,100)
<b>Total equity</b>	<b>21,303,012</b>	<b>24,544,222</b>
<b>Total liabilities and equity</b>	<b>\$ 70,995,020</b>	<b>\$ 76,823,992</b>

See accompanying Notes to Condensed Consolidated Financial Statements.

**CUMBERLAND PHARMACEUTICALS INC. AND SUBSIDIARIES**  
**Condensed Consolidated Statements of Operations**  
**(Unaudited)**

	<b>Three months ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
Net revenues	\$ 9,131,317	\$ 11,713,055
Costs and expenses:		
Cost of products sold	1,933,889	1,425,714
Selling and marketing	5,064,875	4,231,980
Research and development	1,458,436	1,295,076
General and administrative	2,554,475	2,463,008
Amortization	1,248,934	1,005,330
Total costs and expenses	12,260,609	10,421,108
Operating income (loss)	(3,129,292)	1,291,947
Interest income	78,031	125,709
Interest expense	(85,839)	(163,802)
Income (loss) before income taxes	(3,137,100)	1,253,854
Income tax expense	(3,871)	(5,670)
Co-commercialization investment loss	(146,080)	—
Net income (loss)	(3,287,051)	1,248,184
Net loss (income) at subsidiary attributable to noncontrolling interests	(2,588)	8,884
Net income (loss) attributable to common shareholders	\$ (3,289,639)	\$ 1,257,068
Income (loss) per share attributable to common shareholders		
- basic	\$ (0.22)	\$ 0.08
- diluted	\$ (0.22)	\$ 0.08
Weighted-average shares outstanding		
- basic	14,960,210	14,942,522
- diluted	14,960,210	15,259,824

See accompanying Notes to Condensed Consolidated Financial Statements.

**CUMBERLAND PHARMACEUTICALS INC. AND SUBSIDIARIES**  
**Condensed Consolidated Statements of Cash Flows**  
**(Unaudited)**

	<b>Three months ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
<b>Cash flows from operating activities:</b>		
Net (loss) income	\$ (3,287,051)	\$ 1,248,184
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization expense	1,276,283	1,031,584
Amortization of operating lease right-of-use asset	285,184	285,184
Co-commercialization investment loss	146,080	—
Share-based compensation	106,842	74,212
Increase (decrease) in non-cash contingent consideration	(228,965)	44,976
Decrease in cash surrender value of life insurance policies over premiums paid	86,949	81,182
Noncash interest expense	5,173	5,362
Net changes in assets and liabilities affecting operating activities:		
Accounts receivable	2,682,802	1,213,541
Inventories, net	703,861	967,399
Other current assets and other assets	384,152	60,371
Operating lease liabilities	(225,351)	(219,493)
Accounts payable and other current liabilities	(1,346,113)	(600,043)
Other long-term liabilities	(202,821)	(293,942)
<b>Net cash provided by operating activities</b>	<b>387,025</b>	<b>3,898,517</b>
<b>Cash flows from investing activities:</b>		
Additions to property and equipment	—	(47,630)
Increase in cash surrender value of life insurance policies	(42,018)	—
Net (increase) decrease of investment in manufacturing	—	(1,162,357)
Additions to intangible assets	(19,155)	(18,199)
<b>Net cash provided by (used in) investing activities</b>	<b>(61,173)</b>	<b>(1,228,186)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from ATM offering, net	—	5,266,334
Payments on line of credit	—	(10,035,437)
Cash settlement of contingent consideration	(702,299)	(511,131)
Payments made in connection with repurchase of common shares	(61,001)	(245,868)
<b>Net cash used in financing activities</b>	<b>(763,300)</b>	<b>(5,526,102)</b>
Net decrease in cash and cash equivalents	(437,448)	(2,855,771)
Cash and cash equivalents at beginning of period	\$ 11,444,693	\$ 17,964,184
Cash and cash equivalents at end of period	<u>\$ 11,007,245</u>	<u>\$ 15,108,413</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

**CUMBERLAND PHARMACEUTICALS INC. AND SUBSIDIARIES**  
**Condensed Consolidated Statements of Equity**  
**(Unaudited)**

	Common stock		Accumulated deficit	Noncontrolling interests	Total equity
	Shares	Amount			
Balance, December 31, 2024	13,952,624	\$ 46,821,425	\$ (23,967,931)	\$ (307,517)	\$ 22,545,977
Share issuances	1,000,000	4,715,950	—	—	4,715,950
Share-based compensation	62,350	74,213	—	—	74,213
Repurchase of common shares	(53,837)	(243,705)	—	—	(243,705)
Net income (loss)	—	—	1,257,068	(8,884)	1,248,184
Balance, March 31, 2025	14,961,137	\$ 51,367,883	\$ (22,710,863)	\$ (316,401)	\$ 28,340,619

	Common stock		Accumulated deficit	Noncontrolling interests	Total equity
	Shares	Amount			
Balance, December 31, 2025	14,956,627	\$ 51,684,381	\$ (26,804,059)	\$ (336,100)	\$ 24,544,222
Share-based compensation	46,725	106,842	—	—	106,842
Repurchase of common shares	(20,245)	(61,001)	—	—	(61,001)
Net income (loss)	—	—	(3,289,639)	2,588	(3,287,051)
Balance, March 31, 2026	14,983,107	\$ 51,730,222	\$ (30,093,698)	\$ (333,512)	\$ 21,303,012

See accompanying Notes to Condensed Consolidated Financial Statements

**CUMBERLAND PHARMACEUTICALS INC. AND SUBSIDIARIES**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

**(1) ORGANIZATION AND BASIS OF PRESENTATION**

Cumberland Pharmaceuticals Inc. ("Cumberland," the "Company," or as used in the context of "we," "us," or "our"), is a specialty pharmaceutical company focused on the acquisition, development and commercialization of branded prescription pharmaceuticals. We are dedicated to our mission of working together to provide unique products that improve the quality of patient care.

Our primary target markets are hospital acute care, gastroenterology and oncology. These medical specialties are characterized by relatively concentrated prescriber bases that we believe can be served effectively by small, targeted sales forces. We promote our approved products through our hospital, field and oncology sales forces in the United States. We continue to build a network of established international partners with the needed regulatory and commercial capabilities to register and provide our medicines to patients in their countries.

Cumberland's growth strategy involves maximizing the potential of our existing brands, while continuing to build a portfolio of differentiated products. Our current portfolio includes seven products approved by the U.S. Food and Drug Administration ("FDA") in the United States. We also continue to build international partnerships to bring our medicines to patients in other countries. Additionally, we look for opportunities to expand our brands into new patient populations through clinical trials, new product presentations and our support of select, investigator-initiated studies. Meanwhile, our clinical team is developing a pipeline of new product candidates to address poorly met medical needs. We also pursue opportunities to acquire additional marketed brands as well as late-stage development product candidates in our target medical specialties.

The Company's products are manufactured by third parties, which are overseen by our quality control and manufacturing professionals. We work closely with our warehousing and distribution partners to make our products available in the U.S.

In the opinion of management, the accompanying unaudited condensed consolidated financial statements of the Company have been prepared on a basis consistent with the December 31, 2025, audited consolidated financial statements and include all adjustments, consisting of only normal recurring adjustments, necessary to fairly present the information set forth herein. All significant intercompany accounts and transactions have been eliminated in consolidation. The unaudited condensed consolidated financial statements have been prepared in accordance with the regulations of the Securities and Exchange Commission (the "SEC"), and certain information and disclosures have been condensed or omitted as permitted by the SEC for interim period presentation. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes included in our Annual Report on Form 10-K for the year ended December 31, 2025 (the "2025 Annual Report on Form 10-K"). The results of operations for the three months ended March 31, 2026, are not necessarily indicative of the results to be expected for the entire fiscal year or any future period.

***Recent Accounting Guidance***

***Recent Accounting Pronouncements***

In November 2023, the Financial Accounting Standards Board ("FASB") issued final guidance in Accounting Standards Update ("ASU") 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, which is intended to improve transparency of segment disclosures, primarily through expanded disclosures for significant segment expenses. The guidance is effective for annual periods beginning in 2024 and interim periods beginning in 2025. With the Company having only one segment, the adoption, effective January 1, 2024, did not have a material impact on the Company's consolidated financial statements.

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures ("Update 2023-09")*, which expands income tax disclosure requirements to include additional information related to the rate reconciliation of our effective tax rates to statutory rates as well as additional disaggregation of taxes paid. The amendments in Update 2023-09 also remove disclosures related to certain unrecognized tax benefits and deferred taxes. Update 2023-09 is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. We adopted Update 2023-09 effective for the year ended December 31, 2025 on a prospective basis.

### *Recently Issued Accounting Standards Not Yet Adopted*

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* ("ASU 2024-03"), which requires companies to disclose additional information for certain relevant expense categories in the Statements of Operations and within the notes to the financial statements. ASU 2024-03 is effective for annual periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027, with early adoption permitted and can be applied either prospectively to financial statements issued for reporting periods after the effective date, or retrospectively to prior periods which are presented in the financial statements. We are currently assessing the impact of the requirements on our consolidated financial statements and disclosures.

### *Use of Estimates*

The preparation of the condensed consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management of the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates under different assumptions and conditions. The Company's most significant estimates include: (1) its allowances for chargebacks and accruals for rebates and product returns, (2) the allowances for obsolescent or unmarketable inventory and (3) valuation of contingent consideration liabilities associated with business combinations.

### *Operating Segments*

The Company has one operating segment, which is specialty pharmaceutical products. Management has chosen to organize the Company based on the type of products sold. Operating segments are identified as components of an enterprise about which separate discrete financial information is evaluated by the chief operating decision maker, or decision-making group, in making decisions regarding resource allocation and assessing performance. The Company, which uses consolidated financial information in determining how to allocate resources and assess performance, has concluded that our specialty pharmaceutical products compete in similar economic markets and similar circumstances. Substantially all of the Company's assets are located in the United States and total revenues are primarily attributable to U.S. customers.

Trade and Note Receivables Policy

Management evaluates the application of Current Expected Credit Losses (CECL) to all of its financial instruments including trade and note receivables. CECL is applicable to all financial instruments measured at amortized cost. Therefore for the Company, this principally relates to trade receivables and two notes receivable. CECL also requires the measurement of expected credit losses on a collective (pool) basis when similar risk characteristics exist. This may include, either individually or in combination, some of the following characteristics of Accounting Standards Codification ("ASC") 326-20-55-5:

- a. Internal or external credit score/rating
- b. Risk ratings or classification
- c. Financial asset type
- d. Size
- e. Effective interest rate
- f. Term
- g. Geographical location
- h. Historical or expected credit loss patterns
- i. Reasonable and supportable forecast periods

The standard requires entities to pool financial assets but allows them to choose which risk characteristics to use. Under the requirements of the guidance, the Company reassesses at the end of each reporting period whether the pool of assets continues to display similar risk characteristics.

With over twenty years of experience, Cumberland has experienced virtually no write downs of receivables as most of our receivables are due from large successful pharmaceutical, healthcare or government customers, consistently making payments on account. Although the payment behaviors of all of our customers are consistently reliable, for the sake of transparency, we have separated our customer base into seven separate pools. The Company performs a monthly analysis of aged accounts receivable to determine how much, if any, of the accounts receivable balance should be reserved as potential bad debt. The Company reviews all balances over 90 days past due for a possible reserve and considers any specific factors or information for balances aged under 90 days if there are indicators that the balance should be reserved, such as other aged balances with the customer or bankruptcy as well as any economic issues with a customer industry or region.

## (2) EARNINGS (LOSS) PER SHARE

The following table reconciles the numerator and denominator used to calculate basic and diluted earnings (loss) per share for the three months ended March 31, 2026 and 2025:

	Three months ended March 31,	
	2026	2025
Numerator:		
Net income (loss) attributable to common shareholders	\$ (3,289,639)	\$ 1,257,068
Denominator:		
Weighted-average shares outstanding – basic	14,960,210	14,942,522
Dilutive effect of other securities	—	317,302
Weighted-average shares outstanding – diluted	14,960,210	15,259,824

As of March 31, 2026 and 2025, restricted stock awards and options to purchase 688,907 and 810,211 shares of common stock, respectively, were outstanding but were not included in the computation of diluted earnings per share because the effect would be antidilutive.

### (3) REVENUES

#### *Product Revenues*

The Company accounts for revenues from contracts with customers under ASC 606.

The Company's net revenues consisted of the following for the three months ended March 31, 2026 and 2025:

	Three months ended March 31,	
	2026	2025
Products:		
Sancuso	2,928,634	2,256,294
Vibativ	2,118,295	1,378,066
Talicia	1,916,481	—
Kristalose	981,483	3,484,310
Caldolor	965,564	1,307,439
Acetadote	51,981	151,651
Vaprisol	517	(600)
Omeclamox-Pak	1	(5,387)
RediTrex	(489)	(347)
Other revenue	168,850	3,141,629
Total net revenues	<u>\$ 9,131,317</u>	<u>\$ 11,713,055</u>

With regard to Vaprisol, we are in the process of transitioning to a new manufacturing partner, who was issued an FDA Form 483 in the second quarter of 2022. In April 2026, we received notification that these FDA Form 483 related issues have been satisfactorily resolved. We plan to resubmit our application for their facility to the FDA for approval in the second quarter of 2026. For the three months ended March 31, 2026 and 2025, the amounts represent routine sales deduction adjustments.

In late 2023, we discontinued the sales of Omeclamox-Pak and expensed the remaining brand intangible assets. For the three months ended March 31, 2026 and 2025, the amounts noted resulted from routine sales deduction adjustments.

Effective June 30, 2023, the Company returned all rights of RediTrex back to Nordic B.V., and will receive a long-term royalty on any sales of the product in the future. For the three months ended March 31, 2026 and 2025, the amounts noted resulted from routine sales deduction adjustments.

### *Other Revenues*

In early 2025, Cumberland received a \$3.0 million milestone payment from our distribution partner in China associated with the approval of Vibativ for that market. The Company has agreements with international partners for commercialization of the Company's products with associated payments included in other revenues. Those agreements provide that each of the partners is responsible for seeking regulatory approvals for the product, and following approval, each partner will be responsible for the ongoing distribution and sales in the respective international territories. Cumberland is typically entitled to receive a non-refundable, up-front payment at the time each agreement is executed as consideration for the product dossier and for the rights to the distinct intellectual property rights in the respective international territory. These agreements also typically provide for additional payments upon a partner's achievement of a defined regulatory approval and sales milestones. The Company may also be entitled to receive royalties on future sales of the products and a transfer price on supplies. The contractual payments associated with the partner's achievement of regulatory approvals, sales milestones and royalties on future sales are recognized as revenue upon occurrence, or at such time that the Company has a high degree of confidence that the revenue would not be reversed in a subsequent period.

Other revenues also include lease income generated by CET's Life Sciences Center, which is a research facility that provides scientists with access to flexible lab space and other resources to develop biomedical products. This lease income, as noted in Footnote 5 - Leases, was approximately \$0.2 million for the three months ended March 31, 2026 and 2025.

#### (4) INVENTORIES

The Company works closely with third parties to manufacture and package finished goods for sale. Based on the arrangements with the manufacturer or packager, the Company will either take title to the finished goods at the time of shipment or at the time of arrival at the Company's warehouses. The Company then holds such goods in inventory until distribution and sale. These finished goods inventories are stated at the lower of cost or net realizable value with cost determined using the first-in, first-out method.

The Company continually evaluates inventory for potential losses due to excess, obsolete or slow-moving goods by comparing sales history and projections to the inventory on hand. When evidence indicates that the carrying value may not be recoverable, a charge is taken to reduce the inventory to its current net realizable value. At March 31, 2026 and December 31, 2025, there were no cumulative net realizable value charges for potential obsolescence and discontinuance losses necessary.

The Company purchases the active pharmaceutical ingredient ("API") for Kristalose and Sancuso and maintains the inventory of that raw material. API for the Company's Vaprisol and Vibativ brands were included in the assets associated with the acquisition of those brands and are also included in the raw materials inventory.

As these APIs are consumed in the manufacture of our products, the value of the API involved is transferred from raw materials to finished goods.

Consigned inventory represents Authorized Generic inventory stored with our partner until shipment to their customers.

At March 31, 2026 and December 31, 2025, the Company's net inventories consisted of the following:

	<u>March 31, 2026</u>	<u>December 31, 2025</u>
Raw materials and work in process	\$ 10,061,130	\$ 9,832,293
Finished goods	5,268,211	5,646,315
Total inventories	<u>15,329,341</u>	<u>15,478,608</u>
Less non-current inventories	(9,875,505)	(9,253,090)
Total inventories classified as current	<u>\$ 5,453,836</u>	<u>\$ 6,225,518</u>

At March 31, 2026 and December 31, 2025, the Company's non-current inventories consisted of the following:

	<u>March 31, 2026</u>	<u>December 31, 2025</u>
Vibativ raw materials	\$ 5,557,928	\$ 4,883,895
Kristalose raw materials	2,263,417	2,261,500
Vaprisol raw materials	1,171,603	1,171,603
Sancuso raw materials	615,873	656,667
Acetadote raw materials	23,137	24,152
Ifetroban raw materials	40,878	40,879
Kristalose finished Ggoods	107,527	85,204
Vibativ finished goods	—	16,429
Caldolor finished goods	95,142	112,761
Total inventories classified as non-current	<u>\$ 9,875,505</u>	<u>\$ 9,253,090</u>

## **(5) LEASES**

On November 15, 2021, Cumberland entered into a lease (the "Broadwest Lease"), pursuant to which the Company leases approximately 16,903 rentable square feet of space (the "Leased Premise") at the Broadwest office campus located in Nashville, Tennessee with 1600 West End Avenue Partners, LLC (the "Landlord"). The Leased Premise serves as the Company's corporate headquarters. The initial term of the Lease is one hundred fifty-seven (157) months, with two consecutive options to renew for a period of 5 years each, with the commencement date of October 25, 2022. This lease currently expires in November 2035.

The Company is responsible for paying rent to the Landlord under the lease beginning three months after the commencement date. The Company pays a base rent of \$33.06 per square foot of rentable space with a gradual rental rate increase of 2.5% for each year thereafter of the prior year's base rental. In addition to the monthly base rent, the Company is responsible for its percentage share of the operating expenses of the building. The lease also provided for a tenant improvement allowance which was used to build out the space.

On October 24, 2022, CET provided the notice of exercise to extend the lease with The Gateway to Nashville, LLC (the "Gateway Lease") for five years. The lease is for approximately 14,200 square feet of wet laboratory and office space in Nashville, Tennessee where CET operates the CET Life Sciences Center. The wet laboratory and office space is leased through April 2028. The Company also subleases a portion of the space under this lease.

Also included within the right-of-use assets are start up expenditures related to new supply agreements with Nephron Pharmaceuticals Corporation ("Nephron") for our Vaprisol product, Kindos Pharmaceuticals Co., Ltd. ("Kindos") for our Vibativ and Acetadote products and Recipharm Pharmservices Pvt. Ltd ("Recipharm") for our ifetroban study drug. These expenditures are classified as embedded leases resulting in right-of-use assets with the carrying value being reduced straight-line over the life of the contracts. As of March 31, 2026, the right-of-use assets for Nephron, Kindos and Recipharm were \$0.6 million, \$1.2 million and \$1.2 million, respectively, and are included in the total right-of-use assets of \$7.6 million.

Operating lease liabilities were recorded as the present value of remaining lease payments not yet paid for the lease term discounted using the incremental borrowing rate associated with each lease. Operating lease right-of-use assets represent operating lease liabilities adjusted for lease incentives and initial direct costs. As the Company's leases do not contain implicit borrowing rates, the incremental borrowing rates were calculated based on information available at the commencement date of each lease. Incremental borrowing rates reflect the Company's estimated interest rates for collateralized borrowings over similar lease terms.

The weighted-average remaining lease term for the Broadwest Lease and Gateway Lease is 8.7 years and 8.9 years at March 31, 2026 and December 31, 2025, respectively. The weighted-average incremental borrowing rate used to discount the present value of the remaining lease payments for both leases is 9.35% and 9.36% at March 31, 2026 and December 31, 2025, respectively.

*Lease Position*

At March 31, 2026 and December 31, 2025, the Company's lease assets and liabilities were as follows:

<b>Right-of-Use Assets</b>	<b>March 31, 2026</b>	<b>December 31, 2025</b>
Operating lease right-of-use assets	\$ 7,618,720	\$ 8,343,832
<b>Lease Liabilities</b>		
	<b>March 31, 2026</b>	<b>December 31, 2025</b>
Operating lease current liabilities	\$ 485,162	\$ 467,774
Operating lease non-current liabilities	4,343,892	4,471,965
Total	<u>\$ 4,829,054</u>	<u>\$ 4,939,739</u>

As of March 31, 2026, cumulative future minimum sublease income under non-cancelable operating subleases totals approximately \$0.1 million which includes the 90-day notice required for lease termination. Future minimum lease payments under non-cancelable operating leases (with initial or remaining lease terms in excess of one year) are as follows:

<b>Maturity of Lease Liabilities at March 31, 2026</b>	<b>Operating Leases</b>
2026	\$ 684,558
2027	934,180
2028	740,791
2029	650,766
2030	667,049
After 2030	3,529,586
	<u>7,206,930</u>
Less: Interest	2,377,876
Present value of lease liabilities	<u>\$ 4,829,054</u>

Rent expense is recognized over the expected term of the lease, including renewal option periods, if applicable, on a straight-line basis as a component of general and administrative expense. Rent expense and sublease income were as follows:

	<b>Three months ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
Rent expense	<u>\$ 344,165</u>	<u>\$ 354,752</u>
Sublease income	<u>\$ 163,850</u>	<u>\$ 158,629</u>

## **(6) SHAREHOLDERS' EQUITY AND DEBT**

### *Share repurchases*

Cumberland currently has a share repurchase program available to repurchase its common stock pursuant to Rule 10b-18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). In January 2019, the Company's Board of Directors established the current \$10 million repurchase program to replace the prior authorizations. During the three months ended March 31, 2026 and March 31, 2025, the Company repurchased 20,245 and 53,837 shares of common stock for \$0.1 million and approximately \$0.2 million, respectively. At March 31, 2026, there remains approximately \$2.1 million available under the current repurchase program for common share repurchases.

### *Share Sales*

The Company filed an updated Form S-3 with the SEC in December 2023, which was declared effective December 26, 2023 (the "Current Registration Statement"). The Company entered into an agreement with H.C. Wainwright & Co., LLC ("H.C. Wainwright") to establish a new At the Market ("ATM") program under the Current Registration Statement. On March 20, 2024, the Company filed a related prospectus supplement in connection with the sale and issuance of shares having an aggregate gross sales price of up to \$5.8 million. On February 5, 2025, the Company issued 1,000,000 shares under an ATM for an aggregate amount of \$5.5 million. As a result of this transaction, deferred offering costs of \$0.6 million related to the ATM were reclassified as a reduction of paid-in-capital. On February 14, 2025, the Company filed a prospectus supplement to amend the previous prospectus supplement to increase the maximum gross sales price from \$5.8 million to \$10 million. The Company intends to continue an ATM feature through H.C. Wainwright, that would allow the Company to additionally issue shares of its common stock.

### *Restricted Share Grants and Incentive Stock Options*

During the three months ended March 31, 2026 and March 31, 2025, the Company issued 37,250 shares and 35,110 shares of restricted stock, respectively, to advisors and directors. Restricted stock issued to advisors generally cliff-vests on the fourth anniversary of the date of grant and for directors on the one-year anniversary of the date of grant. During the three months ended March 31, 2026 and March 31, 2025, the Company also issued 173,000 and 177,100 incentive stock options, respectively, to employees that cliff-vest on the fourth anniversary of the date of grant, and are largely set to expire in 2036 and 2035, respectively.

Stock compensation expense is presented as a component of general and administrative expense in the condensed consolidated statements of operations as it relates to these restricted share grants and options. For the three months ended March 31, 2026 and 2025, stock compensation expense was \$0.1 million for each period. For the three months ended March 31, 2026 and 2025, we recorded a credit of \$6,229 and \$3,503, respectively, to stock compensation expense related to the forfeiture of unvested incentive stock options.

### *Debt Agreement*

On September 5, 2023, the Company entered into a new Revolving Credit Loan Agreement (the "Loan Agreement") with Pinnacle Bank. This facility provides for an aggregate principal funding amount of up to \$25 million. The initial revolving line of credit was up to \$20 million, with the ability for Cumberland to increase the amount to \$25 million, under certain conditions. It had a 3-year term expiring on October 1, 2026. The interest rate is based on Benchmark (Term SOFR) plus 2.75%. Cumberland was initially subject to one financial covenant, the maintenance of a Funded Debt Ratio, determined on a quarterly basis. Borrowings under the line of credit are collateralized by substantially all of our assets.

On May 6, 2024, the Company entered into a First Amendment to the Loan Agreement which provides an alternative to the financial covenant by delivering to the lender a borrowing base certificate and complying with certain borrowing base requirements which set forth a maximum revolver amount equal to the lesser of (a) up to \$20 million or (b) the sum of the Company's cash balances and eligible accounts receivable.

On November 18, 2025, the Company entered into the First Amendment to the Revolving Credit Note and Second Amendment to the Credit Loan Agreement. The Amendment provides for a principal available for borrowing of up to \$15 million. The Company has the right to request an increase of up to an additional \$10 million. The aggregate principal funding amount remains unchanged of up to \$25 million. The Company is subject to a financial covenant, maintenance of a Minimum Fixed Charge Coverage Ratio determined on a quarterly basis, along with Borrowing Base Requirements, as defined. The Amendment extends the maturity date to October 1, 2027.

As of March 31, 2026 and December 31, 2025, the Company had \$5.2 million in borrowings outstanding under its revolving credit facility. The applicable interest rate under the Loan Agreement was 6.375% at March 31, 2026.

### **(7) INCOME TAXES**

As of March 31, 2026, the Company had approximately \$52.6 million in federal net operating loss carryforwards including approximately \$44.1 million of net operating loss carryforwards resulting from the exercise of nonqualified stock options. These have historically been used to significantly offset income tax obligations. The Company expects it will continue to pay minimal income taxes during 2026 and beyond, through the continued utilization of these net operating loss carryforwards, on any taxable income generated from our operations.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted in the U.S. The OBBBA includes significant provisions, such as the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act, modifications to the international tax framework and the restoration of favorable tax treatment for certain business provisions. The legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. We are currently assessing its impact on our taxes and consolidated financial statements.

### **(8) COLLABORATIVE AGREEMENTS**

Cumberland is a party to several collaborative arrangements with research institutions to identify and pursue promising pharmaceutical product candidates. The funding for these programs is primarily provided through SBIR/STTR programs and other grant awards. The Company has determined that these collaborative agreements, with the exception of the collaborative payment discussed in Note 10, related to Vibativ and Sancuso contingent consideration payments, do not meet the criteria for accounting under ASC Topic 808, *Collaborative Agreements*. The agreements do not specifically designate each party's rights and obligations to each other under the collaborative arrangements. Except for patent defense costs, expenses incurred by one party are not required to be reimbursed by the other party. Expenses incurred under these collaborative agreements are included in research and development expenses and funding received from grants are recorded as net revenues in the condensed consolidated statements of operations.

### **(9) COMMITMENTS AND CONTINGENCIES**

The Company is involved in litigation arising in the normal course of business. The Company does not believe that the disposition or ultimate resolution of existing claims or lawsuits will have a material adverse effect on the business or financial condition of the Company.

## (10) PRODUCT ACQUISITIONS AND RETURN OF PRODUCT RIGHTS

### *Vibativ*

During November 2018, the Company executed an agreement with Theravance Biopharma ("Theravance") to acquire the assets and global rights to Vibativ including responsibility for the marketing, distribution, manufacturing and regulatory activities associated with the brand. Vibativ is a patented, FDA approved injectable anti-infective for the treatment of certain serious bacterial infections including hospital-acquired and ventilator-associated bacterial pneumonia and complicated skin and skin structure infections. It addresses a range of Gram-positive bacterial pathogens, including those that are considered difficult-to-treat and multidrug-resistant.

Cumberland accounted for the transaction as a business combination in accordance with ASC 805 and the product sales are included in the results of operations subsequent to the acquisition date. The Company made an upfront payment of \$20 million at the closing of the transaction and a \$5 million milestone payment in early April 2019. In addition, Cumberland has agreed to pay royalties of up to 20% of on-going net sales of the product in the U.S. after an annual \$3 million threshold is met. The future royalty payments were recognized at their acquisition-date fair value as a contingent consideration liability, as part of the contingent consideration transferred in the business combination. Cumberland prepared the valuations of the contingent consideration liability utilizing significant unobservable inputs. As a result, the valuation is classified as Level 3 fair value measurement.

The following table presents the changes in the fair value of the contingent consideration liability that is remeasured on a recurring basis. The contingent consideration earned and accrued in operating expenses is paid to Theravance quarterly.

Balance at December 31, 2025	\$	3,630,598
Cash payment of royalty during the period		(554,410)
Change in fair value of contingent consideration included in operating expenses		(107,096)
Contingent consideration earned and accrued in operating expenses		359,640
Balance at March 31, 2026	\$	<u>3,328,732</u>

The contingent consideration liability of \$3.3 million was accounted for as \$1.7 million of other current liabilities and \$1.6 million of other long-term liabilities on the condensed consolidated balance sheet as of March 31, 2026.

### *Sancuso*

On January 3, 2022, Cumberland acquired the U.S. rights to the FDA-approved oncology-supportive care medicine Sancuso from Kyowa Kirin, Inc. ("Kyowa Kirin"), the U.S. affiliate of Japan-based Kyowa Kirin Co., Ltd.

Sancuso is the first and only FDA-approved prescription patch for the prevention of nausea and vomiting in patients receiving certain types of chemotherapy treatment. The active drug in Sancuso, granisetron, slowly dissolves in the thin layer of adhesive that sticks to the patient's skin and is released into their bloodstream over several days, working continuously to prevent chemotherapy-induced nausea and vomiting ("CINV"). It is applied 24 to 48 hours before receiving chemotherapy and can prevent CINV for up to five consecutive days. Alternative oral treatments must be taken several times (day and night) to deliver the same therapeutic doses.

Cumberland acquired U.S. rights to Sancuso and assumed full commercial responsibility for the product in the United States – including its marketing, promotion, distribution, manufacturing and medical support activities. The product's FDA registration was subsequently transferred from Kyowa Kirin to Cumberland in August 2023.

Cumberland has accounted for this transaction as a business combination in accordance with ASC 805 and the product sales are included in the results of operations subsequent to the acquisition date. The Company made an upfront payment of \$13.5 million at the closing of the transaction. The agreement called for milestone payments of up to \$3.5 million based on the attainment of various approvals and sales performance. In January 2023, Cumberland made a \$1.0 million milestone payment to Kyowa Kirin based on the FDA approval of a manufacturing site for the product. In October 2023, Cumberland made a \$0.5 million milestone payment based on the successful transfer of the product's FDA registration from Kyowa Kirin to Cumberland.

The remaining \$2.0 million in milestones are tied to achievement of certain annual sales levels for the product.

In addition, Cumberland has agreed to initially pay a royalty of 10% of on-going net sales of Sancuso. That royalty rate was subsequently reduced to 5% in early 2025. The future royalty payments were required to be recognized at their acquisition-date fair value as a contingent consideration liability, as part of the contingent consideration transferred in the business combination. Cumberland has prepared a valuation of the contingent consideration liability utilizing significant unobservable inputs. As a result, the valuation is classified as Level 3 fair value measurement.

The following table presents the changes in the fair value of the contingent consideration liability that is remeasured on a recurring basis.

Balance at December 31, 2025	\$	1,273,000
Cash payment of milestones and royalty during the period		(147,890)
Change in fair value of contingent consideration included in operating expenses		(121,869)
Contingent consideration earned and accrued in operating expenses		146,432
Balance at March 31, 2026	\$	<u>1,149,673</u>

The contingent consideration liability earned and accrued in operating expenses is paid to Kyowa Kirin quarterly. The contingent consideration liability of \$1.1 million was accounted for as \$0.7 million of current liabilities and \$0.4 million of other long-term liabilities on the condensed consolidated balance sheet as of March 31, 2026.

### *RediTrex*

On July 12, 2022, Cumberland entered into an amendment to an agreement with Nordic Group B.V. ("Nordic") returning all the U.S. rights to RediTrex back to Nordic including the trademark and market authorization effective June 30, 2023. The companies have cooperated on the transition and Cumberland will receive a long-term royalty on any Nordic sales of the product.

## (11) SEGMENT REPORTING

The Company has one reportable segment which is specialty pharmaceutical products. The Company's chief operating decision maker ("CODM") is its chief executive officer. The CODM uses consolidated, single segment financial information for purposes of evaluating performance, planning and forecasting future period financial results, and allocating resources. The CODM assesses performance for the single segment and decides how to allocate resources based on net income or loss that also is reported on the consolidated statement of operations as net income or loss. The measure of segment assets is reported on the consolidated balance sheet as total assets.

The following table summarizes selected financial information of the Company's single operating segment for the three months ended March 31, 2026 and 2025 .

	Three months ended March 31, 2026	
	2026	2025
Net revenues	\$ 9,131,317	\$ 11,713,055
Costs and expenses:		
Cost of products sold	1,933,889	1,425,714
Selling and marketing	5,064,875	4,231,980
Research and development	1,458,436	1,295,076
General and administrative	2,554,475	2,463,008
Amortization	1,248,934	1,005,330
Segment operating expenses	12,260,609	10,421,108
Operating income (loss)	(3,129,292)	1,291,947
Interest income	78,031	125,709
Interest expense	(85,839)	(163,802)
Income (loss) before income taxes	(3,137,100)	1,253,854
Income tax expense	(3,871)	(5,670)
Co-commercialization investment loss	(146,080)	—
Net income (loss)	\$ (3,287,051)	\$ 1,248,184

## **(12) SUBSEQUENT EVENT**

On April 22, 2026, Cumberland entered into a strategic transaction (the “Transaction”) to integrate its commercial products with the U.S. branded business of an affiliate of Apotex Inc., a corporation incorporated under the laws of the Province of Ontario (“Apotex”), in exchange for \$100,000,000 payable at the closing of the Transaction. Through the Transaction, Apotex will create a U.S. branded pharmaceutical platform to build upon, by delivering specialty medicines that improve the quality of patient care. The Transaction will be effected through an Asset Purchase Agreement whereby Apotex will acquire specified assets, including inventory, relating to the Company’s FDA-approved products, which consist of Acetadote<sup>®</sup>, Caldolor<sup>®</sup>, Kristalose<sup>®</sup>, Sancuso<sup>®</sup>, Vaprisol<sup>®</sup> and Vibativ<sup>®</sup>, as well as the Company’s certain product related equity interests. Cumberland will retain the assets associated with Cumberland Emerging Technologies, Inc. and the Company’s ifetroban product candidates, which the Company intends to continue to develop following the closing of the Transaction.

Additionally, Apotex agreed that, in the event, that prior to the two-year anniversary of the closing of the Transaction, Apotex, or its affiliates is awarded a contract by the United States Department of Health and Human Services (or any division thereof) for the supply of Vibativ for certain specified uses, then Apotex must provide a milestone payment to the Company, subject to the terms and conditions set forth in the Agreement, including the achievement of certain net sales associated with such contract. At the closing of the Transaction, Cumberland intends to enter into a transition services agreement with Apotex, pursuant to which Cumberland will provide Apotex and its affiliates certain transition services following the date of the closing of the Transaction in accordance with the terms and conditions set forth in the transition services agreement. As consideration for the provision of the transition services, Apotex and its affiliates will pay Cumberland \$150,000 per month plus reimbursement of certain pre-approved pass-through costs. In addition to the Asset Purchase Agreement, Apotex will also make a one-time payment to Cumberland on the one-year anniversary of the closing of the Transaction to reimburse Cumberland for finished goods inventory received by Apotex in the Transaction in an aggregate amount of \$9 million, less finished goods inventory sold by Cumberland on behalf of Apotex under the transition services agreement to be entered into in connection with the closing of the Transaction. A complete estimate of this subsequent event’s financial impact cannot be made at this time.

The Transaction has been unanimously approved by the Company’s board of directors (the “Board”). The affirmative vote of the holders of a majority of all outstanding shares of the Company’s stock entitled to vote on the proposal, in person or by proxy, is required to approve the Transaction. The Board has recommended that the Company’s shareholders vote in favor of the Transaction.

## **Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations**

### *Disclosure regarding forward-looking statements*

The following discussion contains certain forward-looking statements which reflect management's current views of future events and operations. These statements involve certain risks and uncertainties, and actual results may differ materially from them. Forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ significantly from the results discussed in these forward-looking statements. Some important factors which may cause results to differ from expectations include: availability of additional debt and equity capital; market conditions at the time additional capital is required; our ability to continue to acquire branded products; product sales; management of our growth and integration of our acquisitions and generally unpredictable conditions in national and international markets. While forward-looking statements reflect our beliefs and best judgment based upon current information, they are not guarantees of future performance. Other important factors that may cause actual results to differ materially from forward-looking statements are discussed in the sections entitled "Risk Factors" and "Special Note Regarding Forward-Looking Statements" of our Annual Report on Form 10-K for the year ended December 31, 2025, and our other filings with the SEC. We do not undertake to publicly update or revise any of our forward-looking statements, even in the event that experience or future changes indicate that the anticipated results will not be realized. The following presentation of management's discussion and analysis of financial condition and results of operations should be read in conjunction with our unaudited condensed consolidated financial statements and related notes included in this report on Form 10-Q.

## OVERVIEW

### Our Business

Cumberland Pharmaceuticals Inc. ("Cumberland," the "Company," or as used in the context of "we," "us," or "our"), is a specialty pharmaceutical company focused on the acquisition, development and commercialization of branded prescription pharmaceuticals. We are dedicated to our mission of working together to provide unique products that improve the quality of patient care.

Our primary target markets are hospital acute care, gastroenterology and oncology. These medical specialties are characterized by relatively concentrated prescriber bases that we believe can be served effectively by small, targeted sales forces. We promote our approved products through our hospital, field and oncology sales divisions in the United States. We have built a network of established international partners with the needed regulatory and commercial capabilities to register and provide our medicines to patients in their countries.

Our portfolio of brands approved for marketing by the U.S. Food and Drug Administration ("FDA") includes:

- **Acetadote**<sup>®</sup> (*acetylcysteine*) injection, for the treatment of acetaminophen poisoning;
- **Caldolor**<sup>®</sup> (*ibuprofen*) injection, for the treatment of pain and fever;
- **Kristalose**<sup>®</sup> (*lactulose*) oral solution, a prescription laxative for the treatment of constipation;
- **Sancuso**<sup>®</sup> (*granisetron*) transdermal, for the prevention of nausea and vomiting in patients receiving certain types of chemotherapy treatment;
- **Vaprisol**<sup>®</sup> (*conivaptan*) injection, to raise serum sodium levels in hospitalized patients with euvoletic and hypervolemic hyponatremia;
- **Vibativ**<sup>®</sup> (*telavancin*) injection, for the treatment of certain serious bacterial infections including hospital-acquired and ventilator-associated bacterial pneumonia, as well as complicated skin and skin structure infections; and
- **Talicia**<sup>®</sup> (*omeprazole magnesium, amoxicillin and rifabutin*) oral capsule, for the treatment of *H. pylori* infection.

In addition to these commercial brands, we have announced breakthrough results in a clinical study of our ifetroban product candidate in patients with cardiomyopathy associated with *Duchenne muscular dystrophy* ("DMD"). This rare, fatal genetic neuromuscular disease results in deterioration of the skeletal, heart and lung muscles. We then completed and submitted a clinical study report to the FDA and began interactions to determine their remaining development requirements.

We also have Phase II clinical programs underway evaluating our ifetroban product candidate in patients with 1) Systemic Sclerosis ("SSc") or scleroderma, a debilitating autoimmune disorder characterized by diffuse fibrosis of the skin and internal organs and 2) Idiopathic Pulmonary Fibrosis ("IPF"), the most common form of progressive fibrosing interstitial lung disease. Investigational new study applications have been cleared by the FDA enabling us to launch clinical studies in each of these areas.

Cumberland has built core competencies for the acquisition, development and commercialization of pharmaceutical products in the U.S., and we can leverage this existing infrastructure to support our continued growth. Our management team consists of pharmaceutical industry veterans with experience in business development, product development, regulatory, manufacturing, sales, marketing and finance.

Our business development team identifies, evaluates and negotiates product acquisition, licensing and co-promotion arrangements. Our product development team creates proprietary formulations, manages our clinical studies, prepares our FDA submissions and staffs our medical call center. Our quality and manufacturing professionals oversee the manufacturing, release and shipment of our brands. Our marketing and sales organization is responsible for our commercial activities, and we work closely with our distribution partners to ensure the availability and delivery of our products.

## GROWTH STRATEGY

Cumberland's current growth strategy, prior to closing the transaction with Apotex Inc., involves maximizing the potential of our existing brands, while continuing to build a portfolio of differentiated products. We currently own rights to seven products approved by the FDA in the United States. We have also established international partnerships to bring our medicines to patients in other countries.

Additionally, we look for opportunities to expand our brands into new patient populations through clinical trials, new product presentations and our support of select, investigator-initiated studies. Meanwhile, our clinical team is developing a pipeline of new product candidates to address poorly met medical needs. We also pursue opportunities to acquire additional marketed brands, as well as late-stage development product candidates in our target medical specialties.

We are supplementing these activities with the earlier-stage product development at Cumberland Emerging Technologies ("CET"), our majority-owned subsidiary. CET partners with academic research institutions to identify and support the progress of promising new product candidates, which Cumberland can further develop and commercialize.

Specifically, we are seeking long-term, sustainable growth by:

- **Supporting and expanding the use of our marketed products.** We continue to evaluate our products following their FDA approval to determine if additional clinical data could expand their market and use. For example, we have secured pediatric approval of Acetadote and Caldolor and expanded the labeling for both brands accordingly. We also added pre-surgery dosing for Caldolor, and more recently included newborns to the patients who can benefit from the product.
- **Selectively adding complementary brands.** In addition to our product development activities, we are also seeking to acquire approved brands or late-stage development product candidates to continue to build our portfolio. We seek under-promoted, FDA-approved drugs as well as late-stage development products that can improve patient care. We will continue to target product acquisition candidates that are competitively differentiated and have valuable intellectual property or other protective features. Our acquisitions of Vibativ and Sancuso are examples of the implementation of this strategy.
- **Progressing our clinical pipeline and incubating future product opportunities at CET.** We believe it is important to build a pipeline of innovative new product opportunities, as we are doing through our ifetroban Phase II development programs. We are also supplementing our acquisitions and late-stage development activities with the early-stage product development activities at CET.
- **Leveraging our infrastructure through co-promotion partnerships.** We believe that our commercial infrastructure can help drive prescription volume and product sales. We also look for select partners that can complement our capabilities and enhance opportunities for our brands. For example, our co-promotion partnerships have allowed us to expand the support for Kristalose across the United States.
- **Building an international contribution to our business.** We hold the worldwide rights to all our brands except for Sancuso, as we acquired only the U.S. rights for that product. We have established our own commercial capabilities, including three sales divisions, that focus on the U.S. market for our products. We are also working with a network of established international partners to register our products and make them available to patients in their countries. We will continue to support our partners' registration and commercialization efforts in their respective territories. The acquisition of Vibativ resulted in several new international partners and market opportunities.
- **Managing our operations with financial discipline.** We continually work to manage our expenses in line with our revenues to deliver positive cash flow from operations. We also seek to maintain favorable gross margins and a strong balance sheet.

## RECENT DEVELOPMENTS

### Strategic Transaction

We recently announced a Strategic Transaction with Apotex, the largest Canadian-based pharmaceutical company to integrate our branded U.S. commercial businesses. Under the terms of the agreement, Apotex will acquire our portfolio of FDA-approved brands for \$100 million in cash consideration, subject to our shareholders' approval and certain other customary closing conditions.

Apotex agreed that, in the event, that prior to the two-year anniversary of the closing of the Transaction, Apotex, or its affiliates is awarded a contract by the United States Department of Health and Human Services (or any division thereof) for the supply of Vibativ for certain specified uses, then Apotex must provide a milestone payment to the Company, subject to the terms and conditions set forth in the Agreement, including the achievement of certain net sales associated with such contract. At the closing of the Transaction, Cumberland intends to enter into a transition services agreement with Apotex, pursuant to which Cumberland will provide Apotex and its affiliates certain transition services following the date of the closing of the Transaction in accordance with the terms and conditions set forth in the transition services agreement. As consideration for the provision of the transition services, Apotex and its affiliates will pay Cumberland \$150,000 per month plus reimbursement of certain pre-approved pass-through costs. In addition to the Asset Purchase Agreement, Apotex will also make a one-time payment to Cumberland on the one-year anniversary of the closing of the Transaction to reimburse Cumberland for finished goods inventory received by Apotex in the Transaction in an aggregate amount of \$9 million, less finished goods inventory sold by Cumberland on behalf of Apotex under the transition services agreement to be entered into in connection with the closing of the Transaction.

This Transaction is designed to unlock value and sharpen our focus on advancing our pipeline of differentiated product candidates designed to address unmet medical needs. Following the closing of the Transaction, we will retain our development programs, as well as our majority ownership in Cumberland Emerging Technologies. This positions Cumberland to then operate with the profile of a development-stage biopharmaceutical organization.

### Fast Track Designation from the FDA

During the first quarter of 2026, the FDA granted Fast Track Designation for our ifetroban candidate product, targeting a fatal form of heart disease in Duchenne muscular dystrophy (DMD) patients.

This designation is intended to accelerate the development and review of therapies addressing serious conditions with unmet medical needs. Importantly, it allows for more frequent FDA interaction, rolling data submissions and earlier guidance throughout the approval process. The program previously received both Orphan Drug and Rare Pediatric Disease designations from the FDA.

### U.S. Promotional Launch of Talicia®

In February 2026, we announced the launch of our national sales promotion for Talicia, under our co-commercialization agreement with Talicia Holding Inc., which we jointly own with RedHill Biopharma. Under this agreement, we assumed responsibility for the distribution and sales promotion of the brand in the U.S.

As part of the launch, we are utilizing our existing field sales division which also promotes Kristalose, with supporting marketing initiatives designed to increase awareness among gastroenterologists and other prescribers.

### New Sancuso® Website

In March 2026, we announced the launch of the new Sancuso website, which is designed to provide health care professionals and patients with enhanced access to educational resources, clinical information and expert insights related to the prevention of chemotherapy-induced nausea and vomiting. The website also features the brand's key message: "*Sancuso – the Difference between Life and Living*".

### **Expanded Indication for Caldolor®**

In April 2026, we announced approval from the FDA for an expanded indication for Caldolor. The indication now includes the management of postoperative pain. This approval enhances the clinical utility of Caldolor and supports its role in non-opioid, and opioid-sparing pain management strategies.

With this update, Caldolor is indicated for use in adult and pediatric patients ages 3 months and older for:

- Management of mild to moderate pain, including postoperative pain
- Management of moderate to severe pain, including postoperative pain, as an adjunct to opioid analgesics
- Reduction of fever

This expanded labeling further broadens Caldolor's use across perioperative and acute care settings.

### **Tariffs**

On April 2, 2026, President Trump issued a proclamation under Section 232 of the Trade Expansion Act of 1962, significantly imposing new tariffs on patented pharmaceuticals and pharmaceutical ingredients. We are carefully assessing how these new rules may affect our operations and supply chains. It appears that the tariffs will not apply to our products that are not patented, and that our products originating in Europe and India may involve a low tariff rate based on trade agreements between the U.S. and those countries.

### **Summary**

We have entered an exciting time for our Company. While we continue to operate our commercial business, we are also planning to implement the transformational transaction with Apotex, following a decision by our shareholders to approve it and satisfaction of the other conditions to closing. We look forward to the opportunity to increase the focus on our pipeline of new medicines that address unmet medical needs for patients.

## **CRITICAL ACCOUNTING POLICIES AND SIGNIFICANT JUDGMENTS AND ESTIMATES**

Please see a discussion of our critical accounting policies and significant judgments and estimates in Note 1 to the Company's Condensed Consolidated Financial Statements accompanying this report and the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2025 Annual Report on Form 10-K.

### **Accounting Estimates and Judgments**

The preparation of condensed consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. We base our estimates on past experience and on other factors we deem reasonable given the circumstances. Past results help form the basis of our judgments about the carrying value of assets and liabilities that cannot be determined from other sources. Actual results could differ from these estimates. The Company's most significant estimates include: (1) its allowances for chargebacks and accruals for rebates and product returns, (2) the allowances for obsolescent or unmarketable inventory and (3) valuation of contingent consideration liabilities associated with business combinations.

## RESULTS OF OPERATIONS

### Three months ended March 31, 2026 compared to the three months ended March 31, 2025

The following table presents the unaudited interim statements of operations for continuing operations for the three months ended March 31, 2026 and 2025:

	Three months ended March 31,		
	2026	2025	Change
Net revenues	\$ 9,131,317	\$ 11,713,055	\$ (2,581,738)
Costs and expenses:			
Cost of products sold	1,933,889	1,425,714	508,175
Selling and marketing	5,064,875	4,231,980	832,895
Research and development	1,458,436	1,295,076	163,360
General and administrative	2,554,475	2,463,008	91,467
Amortization	1,248,934	1,005,330	243,604
Total costs and expenses	12,260,609	10,421,108	1,839,501
Operating income (loss)	(3,129,292)	1,291,947	(4,421,239)
Interest income	78,031	125,709	(47,678)
Interest expense	(85,839)	(163,802)	77,963
Income (loss) before income taxes	(3,137,100)	1,253,854	(4,390,954)
Income tax expense	(3,871)	(5,670)	1,799
Co-commercialization investment loss	(146,080)	—	(146,080)
Net income (loss)	\$ (3,287,051)	\$ 1,248,184	\$ (4,535,235)

The following table summarizes net revenues by product for the periods presented:

Products:	Three months ended March 31,		
	2026	2025	Change
Sancuso	2,928,634	2,256,294	672,340
Vibativ	2,118,295	1,378,066	740,229
Talicia	1,916,481	—	1,916,481
Kristalose	981,483	3,484,310	(2,502,827)
Caldolor	965,564	1,307,439	(341,875)
Acetadote	51,981	151,651	(99,670)
Vaprisol	517	(600)	1,117
Omeclamox-Pak	1	(5,387)	5,388
RediTrex	(489)	(347)	(142)
Other revenue	168,850	3,141,629	(2,972,779)
Total net revenues	\$ 9,131,317	\$ 11,713,055	\$ (2,581,738)

*Net revenues.* The total net revenues for the three months ended March 31, 2026, were \$9.1 million compared to \$11.7 million for the three months ended March 31, 2025. However, the 2025 revenues included a \$3.0 million milestone payment associated with the approval of Vibativ in China.

Sancuso revenue was \$2.9 million for the first quarter of 2026, compared to \$2.3 million for the first quarter of 2025 primarily due to higher sales volume of the product.

Vibativ revenue was \$2.1 million for the three months ended March 31, 2026, compared to \$1.4 million for the same prior year period, due to higher sales volumes, including growing shipments of the product's 4-Pak presentation.

Talicia revenue was \$1.9 million for the three months ended March 31, 2026. Shipments of the brand began in October 2025, and therefore there were no product sales during the prior year period.

Kristalose revenue was \$1.0 million for the first quarter of 2026 compared to \$3.5 million for the same period in the prior year. The decrease was the result of lower sales volume primarily due to the timing of shipments to one of our co-promotion partners, in addition to increased generic substitution.

Caldolor revenue was \$1.0 million for the first quarter of 2026, compared to \$1.3 million for the first quarter of 2025. The decrease was primarily due to the timing of international shipments for the product.

Acetadote revenue includes net sales of our Acetadote brand and our share of net sales from our Authorized Generic. During the first quarter of 2026, there was a decrease of \$0.1 million in the product's revenue when compared to the prior year period due to being out of inventory for both presentations of the product.

There was no Vaprisol revenue for the three months ended March 31, 2026 as Cumberland is currently out of inventory of the product as we await FDA approval on a new manufacturer. The amount represents adjustments of deductions from previous sales of the product.

Other revenue was \$0.2 million for the three months ended March 31, 2026, compared to \$3.1 million for the three months ended March 31, 2025. The decrease was primarily due to a milestone payment received in the first quarter of 2025.

*Cost of products sold.* The cost of products sold for the first quarter of 2026 and 2025 were \$1.9 million and \$1.4 million, respectively. Cost of products sold, as a percentage of net revenues, were 21.2% during the three months ended March 31, 2026, compared to 12.2% during the three months ended March 31, 2025. The percentage increase is primarily due to the impact of a \$3.0 million milestone payment received in 2025.

*Selling and marketing.* The selling and marketing expenses for the first quarter of 2026 and 2025, were \$5.1 million and \$4.2 million, respectively. The increase is primarily due to the costs associated with the addition of Talicia.

*Research and development.* The research and development costs for the three months ended March 31, 2026 and 2025, were \$1.5 million and \$1.3 million, respectively. A portion of our research and development costs is variable based on the number of trials, study sites, number of patients and the cost per patient in each of our clinical programs.

*General and administrative.* The general and administrative expense for the first quarter of 2026 was \$2.6 million similar to \$2.5 million for the same period in 2025.

The components of the statements of operations discussed above reflect the following impacts from Vibativ:

**Financial Impact of Vibativ**

	Three months ended March 31,	
	2026	2025
Net revenue <sup>(1)</sup>	\$ 2,118,295	\$ 4,353,066
Cost of products sold <sup>(2)</sup>	608,984	248,441
Royalty and operating expenses	560,062	510,676
Vibativ contribution	\$ 949,249	\$ 3,593,949

<sup>(1)</sup> Net revenue for 2025 includes \$2,975,000 related to a milestone payment received.

<sup>(2)</sup> The Vibativ inventory included in the costs of product sold during the period was acquired and paid for by Cumberland as part of the acquisition of the brand during 2018.

The components of the statements of operations discussed above reflect the following impacts from Sancuso:

**Financial Impact of Sancuso**

	Three months ended March 31,	
	2026	2025
Net revenue	\$ 2,928,634	\$ 2,256,294
Cost of products sold	131,506	143,976
Royalty and operating expenses	910,861	929,817
Sancuso contribution	\$ 1,886,267	\$ 1,182,501

*Amortization.* The amortization expense is the ratable use of our capitalized intangible assets including product and license rights, patents, trademarks and patent defense costs. Amortization for the three months ended March 31, 2026 and 2025, totaled approximately \$1.2 million and \$1.0 million, respectively.

*Income taxes.* The income tax expense for the three months ended March 31, 2026, and for the three months ended March 31, 2025 was minimal for each year.

**Research and Development Expenses**

The following table shows the primary components of our research and development expenses for the three months ended March 31, 2026 and 2025.

**Research and Development Expenses**

	Three months ended March 31,	
	2026	2025
<b>External research and development expenses</b>		
Clinical development	\$ 500,745	\$ 412,222
Regulatory expenses	408,208	357,700
Other external	15,799	13,674
Total external expenses	924,752	783,596
<b>Internal research and development expenses</b>		
Personnel costs	477,594	456,006
Other internal	56,090	55,474
Total internal expenses	533,684	511,480
Total research and development expenses	\$ 1,458,436	\$ 1,295,076

## LIQUIDITY AND CAPITAL RESOURCES

### Working Capital

Our primary sources of liquidity are cash equivalents, cash flows from operations and the amounts borrowed under our line of credit. We believe that our internally generated cash flows, existing working capital and our line of credit will be adequate to finance internal growth, finance business development initiatives, and fund capital expenditures for the foreseeable future.

The following table summarizes our liquidity and working capital as of March 31, 2026 and December 31, 2025:

	<b>March 31, 2026</b>	<b>December 31, 2025</b>
Cash and cash equivalents	\$ 11,007,245	\$ 11,444,693
Working capital (current assets less current liabilities)	\$ (1,698,794)	\$ 315,348
Current ratio (multiple of current assets to current liabilities)	1.0	1.0
Revolving line of credit availability	\$ 9,759,267	\$ 9,759,267

The following table summarizes our net changes in cash and cash equivalents for the three months ended March 31, 2026 and March 31, 2025:

	<b>Three months ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
Net cash provided by (used in):		
Operating activities	\$ 387,025	\$ 3,898,517
Investing activities	(61,173)	(1,228,186)
Financing activities	(763,300)	(5,526,102)
Net decrease in cash and cash equivalents	\$ (437,448)	\$ (2,855,771)

The net \$0.4 million decrease in cash and cash equivalents for the three months ended March 31, 2026, was primarily attributable to \$0.8 million of cash used in financing activities and \$0.1 million of cash used in investing activities, partially offset by \$0.4 million of cash provided by operating activities.

Cash provided by operating activities totaled \$0.4 million for the three months ended March 31, 2026, primarily due to a \$2.7 million decrease in accounts receivable, a \$1.3 million increase in depreciation and amortization expense, a \$0.7 million decrease in inventory and a \$0.4 million decrease in other assets. These cash inflow items were partially offset by the \$3.3 million net loss and \$1.3 million due to a decrease in accounts payable and other current liabilities.

Cash used in investing activities totaled \$0.1 million which was the result of an increase in cash surrender value of life insurance policies and additions to intangible assets.

Cash used in financing activities totaled \$0.8 million for the three months ended March 31, 2026, primarily due to \$0.7 million for cash settlement of contingent consideration and \$0.1 million in cash used to repurchase shares of our common stock.

The net \$2.9 million decrease in cash and cash equivalents for the three months ended March 31, 2025, was primarily attributable to \$6.8 million of cash used in financing and investing activities, partially offset by \$3.9 million of cash provided by operating activities. Cash provided by operating activities totaled \$3.9 million for the three months ended March 31, 2025, primarily due to the \$1.2 million net income, adjusted by adding back a \$1.2 million decrease in accounts receivable, a \$1.0 million decrease in inventory, \$0.3 million in amortization of operating lease right-of-use assets and \$1.0 million in depreciation and amortization expense, partially offset by deducting a \$0.2 million decrease in operating lease liability and a \$0.6 million decrease in accounts payable and other current liabilities. Cash used in financing activities totaled \$5.5 million for the three months ended March 31, 2025, primarily due to \$10.0 million in payments on our line of credit, \$0.5 million for cash settlement of contingent consideration, and \$0.2 million in cash used to repurchase shares of our common stock, partially offset by \$5.3 million in proceeds from our ATM offering.

## **Debt Agreement**

On September 5, 2023, the Company entered into a new Revolving Credit Loan Agreement with Pinnacle Bank. This facility provides for an aggregate principal funding amount of up to \$25 million. The initial revolving line of credit was up to \$20 million, with the ability for Cumberland to increase the amount to \$25 million, under certain conditions. It had a three year term expiring on October 1, 2026. The interest rate is based on Benchmark (Term SOFR) plus 2.75%. Cumberland was subject to one financial covenant, the maintenance of a Funded Debt Ratio, determined on a quarterly basis. Borrowings under the line of credit are collateralized by substantially all of our assets.

On May 6, 2024, the Company entered into a First Amendment to the Loan Agreement which provided an alternative to the financial covenant by delivering to the lender a borrowing base certificate and complying with certain borrowing base requirements which set forth a maximum revolver amount equal to the lesser of (a) up to \$20 million or (b) the sum of the Company's cash balances and eligible accounts receivable.

On November 18, 2025, the Company entered into the First Amendment to the Revolving Credit Note and Second Amendment to the Credit Loan Agreement. The Amendment provides for a principal available for borrowing of up to \$15 million. The Company has the right to request an increase of up to an additional \$10 million. The aggregate principal funding amount remains unchanged of up to \$25 million. The Company is subject to a financial covenant, maintenance of a Minimum Fixed Charge Coverage Ratio determined on a quarterly basis, along with Borrowing Base Requirements, as defined. The Amendment extends the maturity date to October 1, 2027.

## **OFF-BALANCE SHEET ARRANGEMENTS**

During the three months ended March 31, 2026 and 2025, we did not engage in any off-balance sheet arrangements.

## **Item 3. Quantitative and Qualitative Disclosures about Market Risk**

### **Interest Rate Risk**

We are exposed to market risk related to changes in interest rates on our cash on deposit in highly-liquid money market accounts and our revolving credit facility. We do not utilize derivative financial instruments or other market risk-sensitive instruments to manage exposure to interest rate changes. The main objective of our cash investment activities is to preserve principal while maximizing interest income through low-risk investments.

We believe that our interest rate risk related to our cash and cash equivalents is not material. The risk related to interest rates for these accounts would produce less income than expected if market interest rates fall. Based on current interest rates, we do not believe we are exposed to significant downside risk related to a change in interest on our money market accounts at March 31, 2026.

The interest rate risk related to borrowings under our line of credit was based on Term SOFR plus an interest rate spread. The pricing under the Loan Agreement provides for an interest rate spread of 1.75% to 2.75% above Term SOFR with a minimum Term SOFR of 0.90%. The applicable interest rate under the Loan Agreement was 6.375% at March 31, 2026. As of March 31, 2026, we had \$5.2 million in borrowings outstanding under our revolving credit facility.

### **Exchange Rate Risk**

While we operate primarily in the United States, we are exposed to foreign currency risk. Currently, we do not utilize financial instruments to hedge exposure to foreign currency fluctuations. We believe our exposure to foreign currency fluctuation is minimal as our purchases in foreign currency have a maximum exposure of 90 days based on invoice terms with a portion of the exposure being limited to 30 days based on the due date of the invoice. Foreign currency exchange gains and losses were immaterial for the three months ended March 31, 2026 and 2025. Neither a five percent increase nor decrease from current exchange rates would have a material effect on our operating results or financial condition.

**Item 4. Controls and Procedures**

The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")), as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on such evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of such period, the Company's disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms and is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

During the three months ended March 31, 2026, there has not been any change in our internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## PART II – OTHER INFORMATION

### Item 1. Legal Proceedings

The information required by this item is incorporated by reference from Part I, Item 1. Financial Statements, Notes to Unaudited Condensed Consolidated Financial Statements, Note 9.

### Item 1A. Risk Factors

Not applicable.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

#### Purchases of Equity Securities

We currently have a share repurchase program to purchase up to \$10 million of our common stock pursuant to Rule 10b-18 of the Exchange Act. In January 2019, our Board of Directors established the current \$10 million repurchase program to replace the prior authorizations for repurchases of our outstanding common stock.

The following table summarizes the activity, by month, during the three months ended March 31, 2026:

Period	Total Number of Shares (or Units) Purchased	Average Price Paid per Share (or Unit)	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	Maximum number (or Approximate Dollar Value) of Shares (or Units) that May be Purchased Under the Publicly Announced Plans or Programs
January	—	—	—	—
February	—	—	—	—
March	20,245 <sup>(1)</sup>	\$3.01	20,245	\$61,000.99
Total	<u>20,245</u>			

<sup>(1)</sup> 20,245 shares were repurchased directly in private purchases at the then-current fair market value of common stock.

### Item 5. Other Information

#### Rule 10b5-1 Trading Plans

None of our directors or officers adopted, modified or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement during the three months ended March 31, 2026, as such terms are defined under Item 408(a) of Regulation S-K.

## Item 6. Exhibits

No.	Description
10.1#	<a href="#"><u>Employment Agreement dated March 4, 2026, effective as of January 1, 2026, by and between A.J. Kazimi and Cumberland Pharmaceuticals Inc., incorporated herein by reference to Exhibit 10.11 of the Company's Annual Report on Form 10-K (File No. 001-33637) as filed with the SEC on March 9, 2026.</u></a>
10.2#	<a href="#"><u>Employment Agreement dated March 4, 2026, effective as of January 1, 2026, by and between Jim Herman and Cumberland Pharmaceuticals Inc., incorporated herein by reference to Exhibit 10.12 of the Company's Annual Report on Form 10-K (File No. 001-33637) as filed with the SEC on March 9, 2026.</u></a>
10.3#	<a href="#"><u>Employment Agreement dated March 4, 2026, effective as of January 1, 2026, by and between Todd Anthony and Cumberland Pharmaceuticals Inc., incorporated herein by reference to Exhibit 10.13 of the Company's Annual Report on Form 10-K (File No. 001-33637) as filed with the SEC on March 9, 2026.</u></a>
10.4#	<a href="#"><u>Employment Agreement dated March 4, 2026, effective as of January 1, 2026, by and between Chris Bitterman and Cumberland Pharmaceuticals Inc., incorporated herein by reference to Exhibit 10.14 of the Company's Annual Report on Form 10-K (File No. 001-33637) as filed with the SEC on March 9, 2026.</u></a>
10.5#	<a href="#"><u>Employment Agreement dated March 4, 2026, effective as of January 1, 2026, by and between John M. Hamm and Cumberland Pharmaceuticals Inc., incorporated herein by reference to Exhibit 10.15 of the Company's Annual Report on Form 10-K (File No. 001-33637) as filed with the SEC on March 9, 2026.</u></a>
31.1*	<a href="#"><u>Certification of Chief Executive Officer Pursuant to Rule 13-14(a) of the Securities Exchange Act of 1934 as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u></a>
31.2*	<a href="#"><u>Certification of Chief Financial Officer Pursuant to Rule 13-14(a) of the Securities Exchange Act of 1934 as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u></a>
32.1**	<a href="#"><u>Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u></a>
101.INS*	INLINE XBRL INSTANCE DOCUMENT - THE INSTANCE DOCUMENT DOES NOT APPEAR IN THE INTERACTIVE DATA FILE BECAUSE ITS XBRL TAGS ARE EMBEDDED WITHIN THE INLINE XBRL DOCUMENT.
101.SCH*	INLINE XBRL TAXONOMY EXTENSION SCHEMA DOCUMENT
101.CAL*	INLINE XBRL TAXONOMY EXTENSION CALCULATION LINKBASE DOCUMENT
101.DEF*	INLINE XBRL TAXONOMY EXTENSION DEFINITION LINKBASE DOCUMENT
101.LAB*	INLINE XBRL TAXONOMY EXTENSION LABEL LINKBASE DOCUMENT
101.PRE*	INLINE XBRL TAXONOMY EXTENSION PRESENTATION LINKBASE DOCUMENT
104	COVER PAGE INTERACTIVE DATA FILE (FORMATTED AS INLINE XBRL AND CONTAINED IN EXHIBIT 101)
*	Filed herewith.
**	Furnished herewith.
#	Indicates a management contract or compensatory plan



**CERTIFICATION OF CHIEF EXECUTIVE OFFICER  
PURSUANT TO SECTION 302 OF  
THE SARBANES-OXLEY ACT OF 2002**

I, A.J. Kazimi, certify that:

1. I have reviewed this Form 10-Q of Cumberland Pharmaceuticals Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 8, 2026 By:

/s/ A.J. Kazimi

A.J. Kazimi

Chief Executive Officer

**CERTIFICATION OF CHIEF FINANCIAL OFFICER  
PURSUANT TO SECTION 302 OF  
THE SARBANES-OXLEY ACT OF 2002**

I, John Hamm, certify that:

1. I have reviewed this Form 10-Q of Cumberland Pharmaceuticals Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 8, 2026 By:

/s/ John Hamm

---

John Hamm  
Chief Financial Officer

**CERTIFICATION OF CHIEF EXECUTIVE AND  
CHIEF FINANCIAL OFFICER  
PURSUANT TO 18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2026 of Cumberland Pharmaceuticals Inc. (the "Company"), as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, A.J. Kazimi, Chief Executive Officer and John Hamm, Chief Financial Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. section 1350), that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ A. J. Kazimi

\_\_\_\_\_  
A.J. Kazimi  
Chief Executive Officer

May 8, 2026

/s/ John Hamm

\_\_\_\_\_  
John Hamm  
Chief Financial Officer

May 8, 2026