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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 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 June 30, 2026
OR

☐ **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 001-36714

JAGUAR HEALTH, INC.
(Exact name of registrant as specified in its charter)

Delaware	**46-2956775**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

200 Pine Street, Suite 400
San Francisco, California 94104
(Address of principal executive offices, zip code)

(415) 371-8300
(Registrant's telephone number, including area code)

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 ☐ Accelerated filer ☐ Non-accelerated filer ☒ Smaller reporting company ☒
Emerging growth company ☐

If an emerging growth company, indicate by a 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 ☒

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	**Trading Symbol(s)**	**Name of each exchange on which registered:**
Common stock, Par Value $0.0001 Per Share	JAGX	The NASDAQ Capital Market

As of August 19, 2026, there were (i) 5,168,300 shares of voting common stock, par value $0.0001 per share, outstanding, and (ii) 0 share of non-voting common stock, par value $0.0001 per share, outstanding.

PART I. — FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements

JAGUAR HEALTH, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share data)	June 30, 2026 (unaudited)	December 31, 2025
Assets		
Current assets:		
Cash	$ 3,788	$ 968
Restricted cash	2,802	6,864
Accounts receivable, net	8	1,521
Other receivable	190	177
Inventory, net	7,316	8,599
Prepaid expenses and other current assets	3,429	2,216
Total current assets	17,533	20,345
Property and equipment, net	417	463
Operating lease - right-of-use asset	1,011	1,000
Intangible assets, net	15,086	16,021
Other assets	147	494
Total assets	**$ 34,194**	**$ 38,323**
Liabilities and Stockholders' Equity (Deficit)		
Current liabilities:		
Accounts payable	$ 4,793	$ 8,686
Accrued liabilities	4,712	4,166
Deferred revenue	170	170
Operating lease liability, current	219	192
Notes payable, net of discount (includes note designated at Fair Value Option amounting to $8.3 million as of June 30, 2026, and $26.2 million as of December 31, 2025, respectively)	13,833	27,440
Series O convertible preferred stock: $0.0001 par value; 1,557,000 and 0 shares authorized at June 30, 2026 and December 31, 2025, respectively; 0 shares issued and outstanding at June 30, 2026 and December 31, 2025	1,653	—
Total current liabilities	25,380	40,654
Operating lease liability, net of current portion	873	892
Deferred revenue, net of current portion	298	382
Derivative liability	196	—
Commitment share liability	800	—
Notes payable, net of discount, net of current portion (includes notes designated at Fair Value Option amounting to $0 as of June 30, 2026, and $5.7 million as of December 31, 2025, respectively)	1,726	15,083
Total liabilities	29,273	57,011
Commitments and contingencies (See Note 5)		
Stockholders' equity (deficit)		
Series L perpetual preferred stock: $0.0001 par value; 200 shares authorized at June 30, 2026, and December 31, 2025; 0 and 121 shares issued and outstanding at June 30, 2026 and December 31, 2025, respectively	—	2,485
Series M perpetual preferred stock: $0.0001 par value; 400 shares authorized at June 30, 2026, and December 31, 2025; 0 and 144 shares issued and outstanding at June 30, 2026 and December 31, 2025, respectively	—	—
Series N perpetual preferred stock: $0.0001 par value; 2,000 shares authorized at June 30, 2026, and December 31, 2025; 0 and 10 shares issued and outstanding at June 30, 2026 and December 31, 2025, respectively	—	—
Series P perpetual preferred stock: $0.0001 par value; 300 shares authorized at June 30, 2026, and December 31, 2025; 240 and 0 shares issued and outstanding at June 30, 2026 and December 31, 2025, respectively	—	—
Series Q perpetual preferred stock: $0.0001 par value; 2,000 shares authorized at June 30, 2026, and December 31, 2025; 877 and 0 shares issued and outstanding at June 30, 2026 and December 31, 2025, respectively	—	—
Common stock - voting: $0.0001 par value, 500,000,000 shares and 298,000,000 shares authorized at June 30, 2026, and December 31, 2025, respectively; 4,857,211 and 199,330 issued and outstanding at June 30, 2026, and December 31, 2025, respectively	—	1
Common stock - non-voting: $0.0001 par value, 50,000,000 shares authorized at June 30, 2026, and December 31, 2025; 0 share issued and outstanding at June 30, 2026, and December 31, 2025, respectively	—	—
Additional paid-in capital	411,605	380,974
Noncontrolling interest	(1,694)	(1,399)
Accumulated deficit	(403,749)	(399,916)
Accumulated other comprehensive loss	(1,241)	(833)
Total stockholders' equity (deficit)	4,921	(18,688)
Total liabilities and stockholders' equity (deficit)	**$ 34,194**	**$ 38,323**

See accompanying notes to these unaudited condensed consolidated financial statements.

JAGUAR HEALTH, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(In thousands, except share and per share data)	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
License revenue	$ 43	$ 43	$ 19,086	$ 86
Product revenue, net	1,182	2,936	2,386	5,107
Grant revenue	—	—	25	—
Total revenue, net	1,225	2,979	21,497	5,193
Operating expenses				
Cost of product revenue	1,031	527	2,189	1,042
Research and development	3,336	3,265	7,264	6,995
Sales and marketing	5	2,467	901	4,960
General and administrative	4,450	4,727	8,558	9,624
Total operating expenses	8,822	10,986	18,912	22,621
Income (loss) from operations	(7,597)	(8,007)	2,585	(17,428)
Loss on extinguishment of debt	(3,504)	(1,822)	(4,132)	(1,822)
Changes in fair value of freestanding and hybrid financial instruments designated at Fair Value Option	(1,918)	(1,068)	(2,255)	(2,411)
Interest income (expense)	(161)	15	(860)	71
Other income (expense)	378	322	583	434
Income (loss) before income tax expense	(12,802)	(10,560)	(4,079)	(21,156)
Income tax expense	—	—	—	—
Net loss before equity in net loss of joint venture	(12,802)	(10,560)	(4,079)	(21,156)
Equity in net loss of joint venture	—	—	—	—
Net income (loss)	$ (12,802)	$ (10,560)	$ (4,079)	$ (21,156)
Net loss attributable to noncontrolling interest	$ (120)	$ (153)	$ (246)	$ (285)
Stock dividends to preferred stockholders	$ —	$ —	$ 9,470	$ —
Deemed dividend to preferred stockholders	$ 8	$ —	$ 6,071	$ —
Preferred returns to preferred stockholders	$ —	$ —	$ 331	$ —
Cumulative preferred dividends allocated to preferred stockholders	$ 11	$ —	$ 11	$ —
Net loss attributable to common stockholders	$ (12,701)	$ (10,407)	$ (19,716)	$ (20,871)
Net loss per share, basic and diluted	$ (15.70)	$ (358.94)	$ (35.11)	$ (937.26)
Weighted-average common stock outstanding, basic and diluted	809,122	28,994	561,567	22,268

See accompanying notes to these unaudited condensed consolidated financial statements.

JAGUAR HEALTH, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSSES

(Unaudited)

(In thousands, except share and per share data)	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net loss	$ (12,802)	$ (10,560)	$ (4,079)	$ (21,156)
Other comprehensive income (loss)	1	(22)	(457)	(285)
Net comprehensive loss	$ (12,801)	$ (10,582)	$ (4,536)	$ (21,441)
Common stockholders:				
Net loss attributable to common stockholders	$ (12,701)	$ (10,407)	$ (19,716)	$ (20,871)
Other comprehensive loss attributable to common stockholders				
Translation adjustments	1	(19)	(408)	(253)
Net comprehensive loss attributable to common stockholders	$ (12,700)	$ (10,426)	$ (20,124)	$ (21,124)
Preferred stockholders:				
Stock dividends to preferred stockholders	$ —	$ —	$ 9,470	$ —
Deemed dividend to preferred stockholders	8	—	6,071	—
Preferred returns to preferred stockholders	—	—	331	—
Cumulative preferred dividends allocated to preferred stockholders	11	—	11	—
Total dividends and preferred returns to preferred stockholders	$ 19	$ —	$ 15,883	$ —
Noncontrolling interests:				
Net loss attributable to noncontrolling interests	$ (120)	$ (153)	$ (246)	$ (285)
Other comprehensive loss attributable to noncontrolling interests				
Translation adjustments	—	(3)	(49)	(32)
Net comprehensive loss attributable to noncontrolling interests	$ (120)	$ (156)	$ (295)	$ (317)

See accompanying notes to these unaudited condensed consolidated financial statements.

JAGUAR HEALTH, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)

(Unaudited)

(In thousands, except share data)	Redeemable preferred stock		Series L Perpetual preferred stock		Series M Perpetual preferred stock		Series N Perpetual preferred stock		Series P Perpetual preferred stock		Series Q Perpetual preferred stock		Common Stock - voting		Common Stock - non-voting		Additional paid-in capital	Noncontrolling interest	Accumulated deficit	Accumulated other comprehensive loss	Total stockholders' equity (deficit)
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount					
Balances as of March 31, 2026	—	$ —	—	$ —	—	$ —	—	$ —	—	$ —	—	$ —	—	13,019,277	$ 1	9	$ —	$ 378,130	$ (1,574)	$ (391,067)	$ (1,242)	$ (15,752)
Adjustment for 1-for-35 reverse stock split, effective April 30, 2026	—	—	—	—	—	—	—	—	—	—	—	—	(12,647,297)	(1)	(9)	—	1	—	—	—	—
Preferred stock issued to investors in exchange for cash, net of issuance costs of $18	—	—	—	—	—	—	—	—	240	—	—	—	—	—	—	—	1,826	—	—	—	1,826
Preferred stock issued to Uptown in exchange for notes payable and accrued interest	—	—	—	—	—	—	—	—	—	—	500	—	—	—	—	—	12,500	—	—	—	12,500
Preferred stock issued to Streeterville in exchange for notes payable and accrued interest	—	—	—	—	—	—	—	—	—	—	408	—	—	—	—	—	10,200	—	—	—	10,200
Common stock issued to investors upon conversion of Series O Preferred Stock	—	—	—	—	—	—	—	—	—	—	—	—	3,985,302	—	—	—	8,510	—	—	—	8,510
Common stock issued to Streeterville in exchange for Series Q Preferred Stock	—	—	—	—	—	—	—	—	—	—	(31)	—	268,775	—	—	—	8	—	—	—	8
Common stock issued to Iliad upon exercise of pre-funded warrants	—	—	—	—	—	—	—	—	—	—	—	—	139,500	—	—	—	—	—	—	—	—
Common stock issued to Streeterville upon exercise of pre-funded warrants	—	—	—	—	—	—	—	—	—	—	—	—	62,994	—	—	—	—	—	—	—	—
Common stock issued to Uptown in exchange for notes payable and accrued interest	—	—	—	—	—	—	—	—	—	—	—	—	28,660	—	—	—	113	—	—	—	113
Deemed dividend to Streeterville related to exchange of Series Q Preferred Stock	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(24)	—	—	—	(24)
Deemed contribution to Streeterville related to exchange of Series Q Preferred Stock	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	16	—	—	—	16
Warrants issued to investors in exchange for cash, net of issuance costs of $2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	154	—	—	—	154
Stock-based compensation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	171	—	—	—	171
Net loss	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(120)	(12,682)	—	(12,802)
Translation loss	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1	1
Balances as of June 30, 2026	—	$ —	—	$ —	—	$ —	—	$ —	240	$ —	877	$ —	4,857,211	$ —	—	$ —	$ 411,605	$ (1,694)	$ (403,749)	$ (1,241)	$ 4,921

See accompanying notes to these unaudited condensed consolidated financial statements.

JAGUAR HEALTH, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)

(Unaudited)

(In thousands, except share data)	Redeemable preferred stock		Series L Perpetual preferred stock		Series M Perpetual preferred stock		Series N Perpetual preferred stock		Series P Perpetual preferred stock		Series Q Perpetual preferred stock		Common Stock - voting		Common Stock - non-voting		Additional paid-in capital	Noncontrolling interest	Accumulated deficit	Accumulated other comprehensive loss	Total stockholders' equity (deficit)
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount					
Balances as of March 31, 2025	**99**	**$ 2,485**	**—**	**$ —**	**—**	**$ —**	**—**	**$ —**	**—**	**$ —**	**—**	**$ —**	**674,047**	**$ —**	**9**	**$ —**	**$ 359,428**	**$ (952)**	**$ (356,946)**	**$ (700)**	**$ 830**
Adjustment for 1-for-35 reverse stock split, effective April 30, 2026	—	—	—	—	—	—	—	—	—	—	—	—	(654,789)	—	(9)	—	—	—	—	—	—
Preferred stock issued to Streeterville in exchange for another preferred stock	(99)	(2,485)	99	2,485	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,485
Preferred stock issued to Iliad in exchange of notes payable and accrued interest	—	—	22	—	170	—	—	—	—	—	—	—	—	—	—	—	4,800	—	—	—	4,800
Preferred stock issued to Streeterville in exchange of notes payable and accrued interest	—	—	—	—	90	—	—	—	—	—	—	—	—	—	—	—	2,250	—	—	—	2,250
Common stock issued in At the Market offering, net of issuance and offering costs of $47	—	—	—	—	—	—	—	—	—	—	—	—	9,590	—	—	—	1,494	—	—	—	1,494
Common stock issued to placement agent in exchange of cash net of issuance and offering costs of $97	—	—	—	—	—	—	—	—	—	—	—	—	7,037	—	—	—	518	—	—	—	518
Common stock issued to note holders in exchange of notes payable and accrued interest	—	—	—	—	—	—	—	—	—	—	—	—	4,477	—	—	—	865	—	—	—	865
Common stock issued to Iliad in exchange for notes payable and accrued interest	—	—	—	—	—	—	—	—	—	—	—	—	3,357	—	—	—	1,100	—	—	—	1,100
Shares retired	—	—	—	—	—	—	—	—	—	—	—	—	(1)	—	—	—	—	—	—	—	—
Warrants issued	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,981	—	—	—	2,981
Issuance costs attributable to warrants	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(140)	—	—	—	(140)
Stock-based compensation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	279	—	—	—	279
Net loss	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(153)	(10,407)	—	(10,560)
Translation loss	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(3)	—	(19)	(22)
Balances as of June 30, 2025	**—**	**$ —**	**121**	**$ 2,485**	**260**	**$ —**	**—**	**$ —**	**—**	**$ —**	**—**	**$ —**	**43,718**	**$ —**	**—**	**$ —**	**$ 373,575**	**$ (1,108)**	**$ (367,353)**	**$ (719)**	**$ 6,880**

See accompanying notes to these unaudited condensed consolidated financial statements.

JAGUAR HEALTH, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)

(Unaudited)

(In thousands, except share data)	Redeemable preferred stock		Series L Perpetual preferred stock		Series M Perpetual preferred stock		Series N Perpetual preferred stock		Series P Perpetual preferred stock		Series Q Perpetual preferred stock		Common Stock - voting		Common Stock - non-voting		Additional paid-in capital	Noncontrolling interest	Accumulated deficit	Accumulated other comprehensive loss	Total stockholders' equity (deficit)
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount					
Balances as of January 1, 2026	—	$ —	121	$ 2,485	144	$ —	10	$ —	—	$ —	—	$ —	6,976,544	$ 1	9	$ —	$ 380,974	$ (1,399)	$ (399,916)	$ (833)	$ (18,688)
Adjustment for 1-for-35 reverse stock split, effective April 30, 2026	—	—	—	—	—	—	—	—	—	—	—	—	(6,777,214)	(1)	(9)	—	1	—	—	—	—
Preferred stock issued to Iliad on preferred returns of Series M Preferred Stock	—	—	—	—	9	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Preferred stock issued to Streeterville on preferred returns of Series M Preferred Stock	—	—	—	—	4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Preferred stock issued to investors in exchange for cash, net of issuance costs of $18	—	—	—	—	—	—	—	—	240	—	—	—	—	—	—	—	1,826	—	—	—	1,826
Preferred stock issued to Uptown in exchange for notes payable and accrued interest	—	—	—	—	—	—	—	—	—	—	500	—	—	—	—	—	12,500	—	—	—	12,500
Preferred stock issued to Streeterville in exchange for notes payable and accrued interest	—	—	—	—	—	—	—	—	—	—	408	—	—	—	—	—	10,200	—	—	—	10,200
Common stock issued to investors in exchange for Series N Preferred Stock	—	—	—	—	—	—	(10)	—	—	—	—	—	595	—	—	—	—	—	—	—	—
Common stock issued to investors upon conversion of Series O Preferred Stock	—	—	—	—	—	—	—	—	—	—	—	—	3,985,302	—	—	—	8,510	—	—	—	8,510
Common stock issued to Streeterville in exchange for Series Q Preferred Stock	—	—	—	—	—	—	—	—	—	—	(31)	—	268,775	—	—	—	8	—	—	—	8
Common stock issued to Uptown in exchange for notes payable and accrued interest	—	—	—	—	—	—	—	—	—	—	—	—	28,660	—	—	—	113	—	—	—	113
Common stock issued to Iliad in upon exercise of pre-funded warrants	—	—	—	—	—	—	—	—	—	—	—	—	185,343	—	—	—	—	—	—	—	—
Common stock issued to Streeterville upon exercise of pre-funded warrants	—	—	—	—	—	—	—	—	—	—	—	—	189,137	—	—	—	—	—	—	—	—
Common stock issued to investors in exchange for restricted stock units (RSUs)	—	—	—	—	—	—	—	—	—	—	—	—	69	—	—	—	—	—	—	—	—
Deemed dividend to Iliad related to exchange of Series L Preferred Stock	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(479)	—	—	—	(479)
Deemed dividend to Streeterville related to exchange of Series L Preferred Stock	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(2,163)	—	—	—	(2,163)
Deemed dividend to Iliad related to exchange of Series M Preferred Stock	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(1,910)	—	—	—	(1,910)
Deemed dividend to Streeterville related to exchange of Series M Preferred Stock	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(1,511)	—	—	—	(1,511)
Deemed dividend to Streeterville related to exchange of Series Q Preferred Stock	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(24)	—	—	—	(24)
Deemed contribution to Streeterville related to exchange of Series Q Preferred Stock	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	16	—	—	—	16
Warrants issued to Streeterville in exchange for Series L Preferred Stock	—	—	(99)	(2,485)	—	—	—	—	—	—	—	—	—	—	—	—	4,647	—	—	—	2,162
Warrants issued to Iliad in exchange for notes payable and accrued interest	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,222	—	—	—	2,222
Warrants issued to Iliad in exchange for Series M Preferred Stock	—	—	—	—	(88)	—	—	—	—	—	—	—	—	—	—	—	1,910	—	—	—	1,910
Warrants issued to Streeterville in exchange for notes payable and accrued interest	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,590	—	—	—	1,590
Warrants issued to Streeterville in exchange for Series M Preferred Stock	—	—	—	—	(69)	—	—	—	—	—	—	—	—	—	—	—	1,511	—	—	—	1,511
Warrants issued to Iliad in exchange for Series L Preferred Stock	—	—	(22)	—	—	—	—	—	—	—	—	—	—	—	—	—	479	—	—	—	479
Warrants issued to investors in exchange for notes payable and accrued interest	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	179	—	—	—	179
Warrants issued to investors in exchange for cash, net of issuance costs of $2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	154	—	—	—	154
Stock dividend issued as Series O Preferred Stock	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(9,470)	—	—	—	(9,470)
Stock issuance costs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(4)	—	—	—	(4)
Stock-based compensation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	326	—	—	—	326
Net loss	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(246)	(3,833)	—	(4,079)
Translation loss	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(49)	—	(408)	(457)
Balances as of June 30, 2026	—	$ —	—	$ —	—	$ —	—	$ —	240	$ —	877	$ —	4,857,211	$ —	—	$ —	$ 411,605	$ (1,694)	$ (403,749)	$ (1,241)	$ 4,921

See accompanying notes to these unaudited condensed consolidated financial statements.

JAGUAR HEALTH, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)

(Unaudited)

(In thousands, except share data)	Redeemable preferred stock		Series L Perpetual preferred stock		Series M Perpetual preferred stock		Series N Perpetual preferred stock		Series P Perpetual preferred stock		Series Q Perpetual preferred stock		Common Stock - voting		Common Stock - non-voting		Additional paid-in capital	Noncontrolling interest	Accumulated deficit	Accumulated other comprehensive loss	Total stockholders' equity (deficit)
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount					
Balances as of January 1, 2025	**99**	**$ 2,485**	**—**	**$ —**	**—**	**$ —**	**—**	**$ —**	**—**	**$ —**	**—**	**$ —**	**528,440**	**$ —**	**9**	**$ —**	**$ 354,234**	**$ (791)**	**$ (346,482)**	**$ (467)**	**$ 6,494**
Adjustment for 1-for-35 reverse stock split, effective April 30, 2026	—	—	—	—	—	—	—	—	—	—	—	—	(513,341)	—	(9)	—	—	—	—	—	—
Preferred stock issued to Streeterville in exchange for another preferred stock	(99)	(2,485)	99	2,485	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,485
Preferred stock issued to Iliad in exchange of notes payable and accrued interest	—	—	22	—	170	—	—	—	—	—	—	—	—	—	—	—	4,800	—	—	—	4,800
Preferred stock issued to Streeterville in exchange of notes payable and accrued interest	—	—	—	—	90	—	—	—	—	—	—	—	—	—	—	—	2,250	—	—	—	2,250
Common stock issued in At the Market offering, net of issuance and offering costs of $47	—	—	—	—	—	—	—	—	—	—	—	—	11,875	—	—	—	3,250	—	—	—	3,250
Common stock issued to placement agent in exchange of cash net of issuance and offering costs of $97	—	—	—	—	—	—	—	—	—	—	—	—	7,037	—	—	—	518	—	—	—	518
Common stock issued to note holders in exchange of notes payable and accrued interest	—	—	—	—	—	—	—	—	—	—	—	—	4,477	—	—	—	865	—	—	—	865
Common stock issued to Iliad in exchange for notes payable and accrued interest	—	—	—	—	—	—	—	—	—	—	—	—	3,357	—	—	—	1,100	—	—	—	1,100
Common stock issued to Streeterville in exchange of notes payable and accrued interest	—	—	—	—	—	—	—	—	—	—	—	—	1,474	—	—	—	315	—	—	—	315
Common stock issued to Uptown in exchange of notes payable and accrued interest	—	—	—	—	—	—	—	—	—	—	—	—	400	—	—	—	1,210	—	—	—	1,210
Shares retired	—	—	—	—	—	—	—	—	—	—	—	—	(1)	—	—	—	—	—	—	—	—
Warrants issued	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	4,776	—	—	—	4,776
Issuance costs attributable to warrants	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(323)	—	—	—	(323)
Stock-based compensation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	580	—	—	—	580
Net loss	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(285)	(20,871)	—	(21,156)
Translation loss	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(32)	—	(252)	(284)
Balances as of June 30, 2025	**—**	**$ —**	**121**	**$ 2,485**	**260**	**$ —**	**—**	**$ —**	**—**	**$ —**	**—**	**$ —**	**43,718**	**$ —**	**—**	**$ —**	**$ 373,575**	**$ (1,108)**	**$ (367,353)**	**$ (719)**	**$ 6,880**

See accompanying notes to these unaudited condensed consolidated financial statements.

JAGUAR HEALTH, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

(in thousands)	Six Months Ended June 30, 2026	2025
Cash flows from operating activities		
Net comprehensive loss	$ (4,536)	$ (21,441)
Adjustments to reconcile net comprehensive loss to net cash used in operating activities:		
Loss on extinguishment of debt	4,132	1,822
Changes in fair value of freestanding and hybrid financial instruments designated at Fair Value Option	2,255	2,411
Depreciation and amortization expenses	946	957
Amortization of debt discount	432	—
Stock-based compensation, vested and released restricted stock units, and exercised stock options	326	580
Amortization of operating lease - right-of-use asset	116	145
Share in joint venture's loss	36	75
Changes in assets and liabilities		
Accounts receivable	1,513	354
Other receivable	(13)	(13)
Inventory	1,283	(374)
Prepaid expenses and other current assets	91	(775)
Other assets	26	106
Accounts payable	(3,893)	1,285
Accrued liabilities	979	1,581
Deferred revenue	(84)	(85)
Operating lease liability	(117)	(137)
Total cash provided by (used in) operating activities	3,492	(13,509)
Cash flows from financing activities		
Payment of 2025 Note Payable	(4,000)	—
Payment of Convertible Notes	(2,435)	(20)
Proceeds from issuance of preferred stock	1,826	—
Payment of insurance financing	(298)	—
Proceeds from issuance of pre-funded warrants	154	—
Proceeds from Convertible Notes	—	3,445
Proceeds from issuance of shares in At the Market offering, net of issuance and offering costs of $0 and $47 in 2026 and 2025, respectively	—	3,250
Proceeds from issuance of shares to third party investors		1,309
Repayment of insurance financing	—	(313)
Payment of Tempesta Note	—	(50)
Total cash provided by (used in) financing activities	(4,753)	7,621
Effects of foreign exchange rate changes on assets and liabilities	19	93
Net decrease in cash and restricted cash	(1,242)	(5,795)
Cash and restricted cash at beginning of the period	7,832	8,002
Cash and restricted cash at end of the period	$ 6,590	$ 2,207

See accompanying notes to these unaudited condensed consolidated financial statements.

JAGUAR HEALTH, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)

(Unaudited)

	Six Months Ended June 30,	
	2026	**2025**
Supplemental schedule of cash flow information		
Cash paid for interest	$ 6	$ 9
Cash paid for income taxes	$ —	$ —
Supplemental schedule of non-cash financing and investing activities		
Stock dividends issued as Series O Preferred Stock	$ 9,470	$ —
Common stock issued to investors upon conversion of Series O Preferred Stock	$ 8,510	$ —
Warrants issued to Streeterville in exchange for Series L Preferred Stock	$ 4,647	$ —
Preferred stock issued to Streeterville in exchange for notes payable and accrued interest	$ 3,700	$ 2,250
Deemed dividend to Streeterville related to exchange of Series L Preferred Stock	$ 2,163	$ —
Warrants issued to Iliad in exchange for Series M Preferred Stock	$ 1,910	$ —
Deemed dividend to Iliad related to exchange of Series M Preferred Stock	$ 1,910	$ —
Warrants issued to Streeterville in exchange for Series M Preferred Stock	$ 1,511	$ —
Deemed dividend to Streeterville related to exchange of Series M Preferred Stock	$ 1,511	$ —
First Insurance Financing	$ 504	$ 681
Warrants issued to Iliad in exchange for Series L Preferred Stock	$ 479	$ —
Deemed dividend to Iliad related to exchange of Series L Preferred Stock	$ 479	$ —
Common stock issued to Uptown in exchange for notes payable and accrued interest	$ 113	$ 1,210
Recognition of operating lease - right-of-use asset and operating lease liability	$ 109	$ 341
Deemed dividend to Streeterville related to exchange of Series Q Preferred Stock	$ 24	$ —
Deemed contribution to Streeterville related to exchange of Series Q Preferred Stock	$ 16	$ —
Common stock issued to Streeterville in exchange for Series Q Preferred Stock	$ 8	$ —
Adjustment for 1-for-35 reverse stock split, effective April 30, 2026	$ 1	$ —
Common stock issued to Streeterville upon exercise of pre-funded warrants	$ —	$ —
Common stock issued to Iliad upon exercise of pre-funded warrants	$ —	$ —
Common stock issued to investors in exchange for Series N Preferred Stock	$ —	$ —
Common stock issued to investors in exchange for restricted stock units (RSUs)	$ —	$ —
Preferred stock issued to Iliad in exchange of notes payable and accrued interest	$ —	$ 4,800
Preferred stock issued in exchange of another class of preferred stock	$ —	$ 2,485
Common stock issued to Iliad in exchange for notes payable and accrued interest	$ —	$ 1,100
Common stock issued to notes holder in exchange of convertible notes payable and accrued interest	$ —	$ 866
Common stock issued to Streeterville in exchange for notes payable and accrued interest	$ —	$ 315
Common stock issued to Iliad in exchange for Series M Preferred Stock	$ —	$ —
Deemed dividend to investors related to exchange of Series N Preferred Stock	$ —	$ —
Cash and restricted cash		
Cash	$ 3,788	$ 2,207
Restricted cash	$ 2,802	$ —
Total cash and restricted cash	$ 6,590	$ 2,207

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

JAGUAR HEALTH, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Organization and Business

Jaguar Health, Inc. ("Jaguar" or the "Company") was founded in San Francisco, California, as a Delaware corporation on June 6, 2013 (inception). The Company was a majority-owned subsidiary of Napo Pharmaceuticals, Inc. ("Napo") until the close of the Company's initial public offering on May 18, 2015. The Company was formed to develop and commercialize first-in-class prescription and non-prescription products for companion animals.

On July 31, 2017, Jaguar completed a merger with Napo pursuant to the Agreement and Plan of Merger dated March 31, 2017, by and among Jaguar, Napo, Napo Acquisition Corporation ("Merger Sub"), and Napo's representative (the "Merger Agreement"). In accordance with the terms of the Merger Agreement, upon the completion of the merger, Merger Sub merged with and into Napo, with Napo surviving as the wholly owned subsidiary (the "Merger" or "Napo Merger"). Immediately following the Merger, Jaguar changed its name from "Jaguar Animal Health, Inc." to "Jaguar Health, Inc." Napo now operates as a wholly owned subsidiary of Jaguar focused on human health, including the ongoing development of crofelemer and commercialization of Mytesi (crofelemer 125 mg delayed-release tablets).

On March 15, 2021, Jaguar established Napo EU S.p.A (which changed its name in December 2021 to "Napo Therapeutics") in Milan, Italy as a subsidiary of Napo. Napo Therapeutics' core mission is to provide access to crofelemer in Europe to address significant orphan disease indications, including, initially, two key orphan target indications: short bowel syndrome with intestinal failure ("SBS-IF") and microvillus inclusion disease ("MVID").

On November 1, 2025, Jaguar established JAGX Holdings, LLC ("JAGX Holdings"), a Utah limited liability company and wholly owned subsidiary of Jaguar. JAGX Holdings was formed primarily to hold the cash collateral deposit account securing Jaguar's obligations under the Note Purchase Agreement pursuant to a Deposit Account Control Agreement ("DACA") and may engage in other activities permitted for a Utah limited liability company as determined by Jaguar. JAGX Holdings is consolidated as a variable interest entity. See Note 2, Summary of Significant Accounting Policies, for further information regarding the consolidation of variable interest entities.

The Company manages its operations through two segments – human health and animal health – and is headquartered in San Francisco, California.

Liquidity and Going Concern

The Company, since its inception, has incurred recurring operating losses and negative cash flows from operations and has an accumulated deficit of $403.7 million as of June 30, 2026. The Company expects to continue incurring losses and negative cash flows in future periods. Further, the Company's future operations, which include the satisfaction of current obligations, are dependent on the success of the Company's ongoing development and commercialization efforts, as well as securing additional financing and generating positive cash flows from operations. These conditions raise substantial doubt about the Company's ability to continue as a going concern over the next 12 months after the date these financial statements are issued.

Although the Company plans to finance its operations and cash flow needs through equity and/or debt financing, collaboration arrangements with other entities, license royalty agreements, as well as revenue from future product sales, the Company does not have cash balances sufficient to fund its operating plan through one year from the issuance of these consolidated financial statements.

On January 12, 2026, the Company entered into a license and supply agreement with a third party (as amended on June 22, 2026) providing for $16.0 million in upfront revenue. Additionally, on February 22, 2026, the Company received a $3.0 million fee to extinguish a repurchase option related to the agreement, bringing the total revenue from this arrangement to $19.0 million. The agreement also provides for the sale of existing inventory for two of the Company's products, temporary custodial services for inventory, and ongoing royalties. Management believes this infusion of capital improves the Company's liquidity position, but the Company still needs additional funding. There can be no assurance that additional funding will be available to the Company on acceptable terms or on a timely basis, if at all, or that the Company will generate sufficient cash from operations to adequately fund operating needs.

If the Company is unable to obtain an adequate level of financing needed for the long-term development and commercialization of its products, the Company will need to curtail planned activities and reduce costs. These conditions, along with recurring operating losses and an accumulated deficit, raise substantial doubt about the Company's ability to continue as a going concern for a period of one year from the issuance of these consolidated financial statements. The accompanying consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

2. Summary of Significant Accounting Policies

Basis of Presentation

The condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial information and on a basis consistent with the annual consolidated financial statements, and in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary for a fair presentation of the periods presented. These interim financial results are not necessarily indicative of the results to be expected for the year ending December 31, 2026, or for any other future annual or interim period. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto contained in the Annual Report on Form 10-K for the year ended December 31, 2025. The condensed consolidated balance sheet at December 31, 2025, has been derived from the audited consolidated financial statements at that date but does not include all disclosures, including notes, required by U.S. GAAP for complete financial statements.

There has been no material change to the Company's significant accounting policies during the six months ended June 30, 2026, as compared to the significant accounting policies described in Note 2 of the "Notes to Condensed Consolidated Financial Statements" in the Company's Annual Report on Form 10-K as of and for the year ended December 31, 2025, which was filed with the Securities and Exchange Commission ("SEC") on April 7, 2026.

Except as noted above, the condensed consolidated financial statements have been prepared on the same basis as the audited consolidated financial statements and, in the opinion of management, reflect all adjustments of a normal recurring nature considered necessary to present fairly the financial position as of June 30, 2026, results of operations for the three and six months ended June 30, 2026 and 2025, changes in stockholders' equity (deficit) for the three and six months ended June 30, 2026 and 2025, and cash flows for the six months ended June 30, 2026 and 2025. The interim results are not necessarily indicative of the results for any future interim periods or for the entire year.

Principles of Consolidation

The consolidated financial statements have been prepared in accordance with US GAAP and applicable rules and regulations of the SEC. The consolidated financial statements include the accounts of the Company and its subsidiaries in which the Company has a controlling financial interest, including variable interest entities ("VIEs") for which the Company is the primary beneficiary. The Company is considered the primary beneficiary because it has (i) the power to direct the activities that most significantly affect the VIE's economic performance, and (ii) the obligation to absorb losses of, and the right to receive benefits from, the VIE that could potentially be significant. All intercompany transactions and balances have been eliminated in consolidation. The Company's reporting currency is the United States ("US") dollar.

Variable Interest Entities

The Company consolidates an entity in which it has a variable interest in accordance with the consolidation guidance in Accounting Standards Codification ("ASC") 810, *Consolidation*. JAGX Holdings is a VIE formed to hold cash collateral securing the Company's obligations under a Secured Promissory Note. The Company has concluded that it is the primary beneficiary of JAGX Holdings, and, accordingly, includes JAGX Holdings in its consolidated financial statements.

Significant Judgments and Determinations

The Company consolidates JAGX Holdings as a VIE because JAGX Holdings lacks sufficient equity at risk to finance its activities independently. The Company is the primary beneficiary as it holds the power to direct JAGX Holdings' most significant economic activities—primarily the administration of a restricted deposit account—and is exposed to significant residual returns and losses as the sole member and issuer of Streeterville New Note (see Note 7). Lender rights held by Streeterville Capital, LLC ("Streeterville") were determined to be protective and do not grant the ability to direct JAGX Holdings' significant activities.

Nature of Restrictions and Financial Position

JAGX Holdings was formed as a bankruptcy-remote special purpose entity solely to hold the cash collateral securing the Note issued by Jaguar. Its primary asset consists of funds held in a restricted deposit account governed by a DACA, which are not available for Jaguar's general corporate purposes. Under the terms of the DACA, Jaguar is prohibited from unilaterally withdrawing funds; access is restricted to a formulaic release mechanism contingent upon the repayment of Jaguar's debt obligations, subject to Streeterville's right to seize the funds unilaterally upon the occurrence of a trigger event or a determination that repayment is impaired.

As of June 30, 2026, the carrying amount of JAGX Holdings' assets included in the Company's consolidated financial statements was restricted cash of $2.8 million. The Secured Promissory Note, which is a full-recourse obligation of Jaguar and is collateralized by the restricted cash held by JAGX Holdings, is presented within Notes Payable in the consolidated balance sheet, with approximately $5.2 million classified as current and the remainder classified as non-current. A derivative liability related to an embedded feature in the Secured Promissory Note is also recognized within the Company's consolidated balance sheet.

Risks and Recourse

The Note is a full-recourse obligation of Jaguar. Streeterville's rights as a creditor extend beyond the assets held by JAGX Holdings to the general credit of Jaguar. During the period ended June 30, 2026, Jaguar provided no financial or other support to JAGX Holdings beyond what was contractually required under the Note Purchase Agreement dated November 12, 2025.

Effects on Financial Position, Financial Performance, and Cash Flows

Jaguar's involvement with JAGX Holdings primarily affects its financial position through the recognition of restricted cash, the related current and non-current portions of notes payable, and the derivative instrument associated with the embedded feature in the Secured Promissory Note within the consolidated balance sheet. The restricted cash is not available for general corporate purposes and is classified accordingly. JAGX Holdings does not conduct operations and therefore does not have a significant direct impact on the Company's revenues or operating expenses. However, the interest expense on the Secured Promissory Note, changes in the fair value of the related derivative instrument, and interest income earned on the restricted deposit account are recognized in Jaguar's consolidated statements of operations in the periods incurred. Cash flows between Jaguar and JAGX Holdings are limited to movements of funds into and out of the restricted deposit account in connection with borrowings, repayments of principal and interest on the Note, and any permitted formula-based releases under the DACA, all of which are reflected within Jaguar's consolidated statements of cash flows consistent with the underlying nature of the transactions.

Noncontrolling interest

The Company consolidates the results of Napo Therapeutics, which was owned 89% by the Company and 11% by private investors as of June 30, 2026 and December 31, 2025. The potential voting rights with a certainty of being exercised in its shares are included in the ownership percentage.

Use of Estimates

The preparation of the condensed consolidated financial statements in conformity with US GAAP requires the Company's management to make judgments, assumptions and estimates that affect the amounts reported in its condensed consolidated financial statements and the accompanying notes. The accounting policies that reflect the Company's more significant estimates and judgments and that the Company believes are the most critical to aid in fully understanding and evaluating its reported financial results are the valuation of stock options, restricted stock units ("RSUs"), freestanding and hybrid instruments designated at fair value option ("FVO"), warrant liabilities, acquired in-process research and development ("IPR&D"), and useful lives assigned to long-lived assets; impairment assessment of non-financial assets; valuation adjustments for excess and obsolete inventory; allowance for doubtful accounts; deferred taxes and valuation allowances on deferred tax assets; evaluation and measurement of contingencies; and recognition of revenue, including estimates for product returns. Those estimates could change, and as a result, actual results could differ materially from those estimates.

Cash and Restricted Cash

The Company's cash on deposit may exceed United States federally insured limits at certain times during the year. The Company maintains cash accounts with certain major financial institutions in the United States. Restricted cash represents cash not available to us for immediate and general use. Amounts included in restricted cash primarily relate to funds subject to legal or contractual withdrawal restrictions. The Company does not have cash equivalents as of June 30, 2026 and December 31, 2025.

Accounts Receivable, net

Accounts receivable is recorded net of allowances for discounts for prompt payment and credit losses.

Upon adoption of Accounting Standards Update ("ASU") No. 2013-13, ASC 326, *Financial Instruments—Credit Losses*, the Company began utilizing a loss rate approach under the Current Expected Credit Losses ("CECL") model to determine its lifetime expected credit losses on receivables from customers. This method calculates an estimate of credit losses based on historical experience, credit quality, age of the accounts receivable balances, and current and forecasted economic and business conditions that may affect a customer's ability to pay. In determining the loss rates, the Company evaluates information related to its historical losses, adjusted for existing conditions, and further adjusted for the period of time that can reasonably be forecasted. The facts and circumstances as of the balance sheet date are used to adjust the estimate for periods beyond those that can reasonably be forecasted.

The past due status of accounts receivable is determined based on the contractual due dates for payments. Receivable is deemed past due when payment has not been received 30 days after the contractual due date. The credit loss allowance was immaterial as of June 30, 2026 and December 31, 2025. The corresponding expense for the credit loss allowance is reflected in general and administrative expenses.

Current Expected Credit Losses

The Company recognizes an allowance for credit losses for financial assets carried at amortized cost to present the net amount expected to be collected as of the balance sheet date. Such allowance is based on credit losses that are expected to arise over the contractual term of the asset, which includes consideration of historical credit loss information adjusted for current conditions and reasonable and supportable forecasts.

Changes in the allowance for credit losses are recorded as provision of (or reversal of) credit loss expense. Assets are written off when the Company determines that such are deemed uncollectible. Write-offs are recognized as a deduction from the allowance for credit losses. Expected recoveries of amounts previously written off, not to exceed the aggregate of the amount previously written off, are included in determining the necessary allowance at the balance sheet date.

Concentrations

Cash is the financial instrument that potentially subjects the Company to a concentration of credit risk as cash is deposited with a bank and cash balances generally exceed Federal Deposit Insurance Corporation ("FDIC") insurance limits.

For the six months ended June 30, 2026, approximately 88% of the Company's revenue was derived from license revenue with Woodward Specialty LLC ("Woodward"). For the three months ended June 30, 2026, substantially all of the Company's revenue was derived from the sale of Mytesi. For the three and six months ended June 30, 2025, substantially all of the Company's revenue was derived from the sale of Mytesi.

Revenue earned from each major customer as a percentage of total revenue is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Customer 1	95%	0%	98%	0%
Customer 2	0%	58%	1%	59%
Customer 3	0%	30%	0%	26%

The Company is subject to credit risk from its accounts receivable related to its sales. Accounts receivable balance of the significant customers as a percentage of total accounts receivable is as follows:

	June 30, 2026	December 31, 2025
Customer 1	100%	0%
Customer 2	0%	46%
Customer 3	0%	39%

The Company is subject to concentration risk from its accounts payable related to its cost of product revenue. Accounts payable balance of the significant suppliers as a percentage of total accounts payable is as follows:

	June 30, 2026	December 31, 2025
Supplier 1	17%	17%
Supplier 2	16%	14%
Supplier 3	15%	8%

The cost of product revenue balance of the significant suppliers as a percentage of total cost of product revenue is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Supplier 1	68%	0%	69%	0%
Supplier 2	14%	0%	13%	0%
Supplier 3	0%	11%	0%	11%
Supplier 4	0%	19%	0%	19%
Supplier 5	0%	0%	0%	25%

Other Risks and Uncertainties

The Company's future operations results involve a number of risks and uncertainties. Factors that could affect the Company's future operating results and cause actual results to vary materially from expectations including, but not limited to, war, rapid technological change, obtaining second source suppliers and manufacturers, regulatory approval from the US Food and Drug Administration ("FDA") or other regulatory authorities, the results of clinical trials and the achievement of milestones, market acceptance of the Company's product candidates, competition from other products and larger companies, protection of proprietary technology, strategic relationships, and dependence on key individuals. In addition, the reshaping of the federal government workforce may impact the availability, timing, and consistency of regulatory oversight and funding, introducing further uncertainty to the Company's operations.

Other Global Events

Macroeconomic conditions worldwide are subject to constant change, influenced by several factors, including persistently high inflation, structural weaknesses in the labor market, low productivity growth, adverse weather conditions, and possible political unrest in certain regions. Despite these global economic challenges, no significant changes have occurred in the Company's operations.

Fair Value

The Company's financial instruments include accounts receivable, net, other receivable, accounts payable, accrued liabilities, operating lease liability, derivative liability, and debt. The recorded carrying amount of accounts receivable, other receivable, accounts payable, and accrued liabilities reflect their fair value due to their short-term nature. Other financial liabilities are initially recorded at fair value, and subsequently measured at fair value or amortized cost using the effective interest method. See Note 3 for the fair value measurements.

Fair Value Option

ASC 825-10, *Financial Instruments* ("ASC 825-10"), provides an FVO election that allows companies an irrevocable election to use fair value as the initial and subsequent accounting measurement attribute for certain financial assets and liabilities. ASC 825-10 permits entities to elect to measure eligible financial assets and liabilities at fair value on an ongoing basis. Unrealized gains and losses on items for which the FVO has been elected are reported in earnings. The decision to elect the FVO is determined on an instrument-by-instrument basis, must be applied to an entire instrument and is irrevocable once elected. Assets and liabilities measured at fair value pursuant to ASC 825-10 are required to be reported separately from those instruments measured using another accounting method. In accordance with the options presented in ASC 825-10, the Company elected to present the aggregate of fair value and non-fair-value amounts in the same line item in the condensed consolidated balance sheets and parenthetically disclose the amount measured at fair value in the aggregate amount. The fair values of the Company's financial instruments reflect the amounts that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). The fair value estimates presented in these financial statements are based on information available to the Company as of June 30, 2026 and December 31, 2025.

Derivative Instrument

The Company evaluates its financial instruments to determine if such instruments are derivatives or contain features that qualify as embedded derivatives. For derivative instruments that are bifurcated from a host contract, the Company recognizes them as either assets or liabilities in the consolidated balance sheet and measures them at fair value. Embedded derivatives are bifurcated from the host contract when their economic characteristics and risks are not clearly and closely related to the host contract, the hybrid instrument is not measured at fair value with changes in fair value reported in earnings, and the embedded feature would meet the definition of a derivative if it were a freestanding instrument. These derivatives are remeasured at each reporting date, with changes in fair value recognized in earnings within other income (expense), net in the consolidated statement of operations.

Equity Line of Credit

The Company evaluates equity-linked financing arrangements, such as an equity line of credit ("ELOC"), to determine if they meet the definition of a derivative under ASC 815, *Derivatives and Hedging* ("ASC 815") or represent liability-classified obligations under ASC 480, *Distinguishing Liabilities from Equity* ("ASC 480"). When an ELOC arrangement is determined to be a freestanding derivative instrument, it is initially measured at fair value and subsequently remeasured at fair value at each reporting date with changes recognized in earnings. The obligation to issue commitment shares as consideration for the ELOC is classified as a liability under ASC 480. This liability is initially measured at fair value and subsequently remeasured at fair value at each reporting date through earnings until settled upon share issuance. Upon settlement and share issuance, the liability is reclassified to stockholders' equity (deficit).

Deferred Offering Costs

Specific incremental costs directly attributable to the ELOC offering, including the initial fair value of the commitment shares and out-of-pocket transaction expenses, are capitalized as deferred offering costs within prepaid expenses and other current assets under ASC 340-10-S99-1 (SEC SAB Topic 5.A). As drawdowns occur under the ELOC, these deferred offering costs are systematically charged against the gross proceeds, acting as a pro rata offset to additional paid-in capital. In the event the ELOC facility expires, is terminated, or if management determines that future drawdowns are improbable, any remaining unamortized deferred offering costs are immediately recognized as an expense in the consolidated statement of operations.

Inventory, net

Inventory is stated at the lower of cost or net realizable value. Cost is determined using the first-in, first-out method. Cost is initially recorded at the invoiced amount of services or crude plant latex (“CPL”) provided by third-party processors, Probos L&CH ("Probos") and Corporación Forestal Amazónico ("CORFA SAC"), including the sum of qualified expenditures and charges for bringing the inventory to its existing condition and location. Inventory is categorized into raw materials, work-in-process, and finished goods. Raw materials consist of CPL, recognized as inventory upon harvest and valued at cost, including acquisition and harvest expenditures. Work-in-process inventory is recognized only when CPL has been transformed into Active Pharmaceutical Ingredient (“API”) and is in transit to Patheon Pharmaceuticals Inc., with costs comprising direct materials, labor, and applicable overheads. Finished goods represent completed crofelemer tablets ready for sale, valued at cost, which includes direct materials, labor, and manufacturing overhead allocated during production. The Company calculates inventory valuation adjustments when conditions indicate that net realizable value is less than cost due to physical deterioration, usage, obsolescence, reductions in estimated future demand, or reductions in selling price. Inventory write-downs are measured as the difference between the cost of inventory and net realizable value. Inventory costs are removed from inventory and recorded in the cost of goods sold upon delivery of the tablets to customers.

Prelaunch Inventory

The Company’s policy is to capitalize costs for prelaunch inventories within the drug development phase, which is evidence that the product’s reasonably likely critical attributes for success are present and feasible, and the key causes of failures are absent based on management’s assumptions. The costs that can be capitalized for prelaunch inventory are recorded as “Prepaid expenses and other current assets.”

Property and Equipment

Land is stated at cost, reflecting the fair value of the property at July 31, 2017, the date of the Napo merger. Equipment is stated at cost, net of accumulated depreciation. Equipment begins to be depreciated when it is placed into service. Depreciation is calculated using the straight-line method over estimated useful lives ranging from three to ten years.

Expenditures for repairs and maintenance of assets are charged to expenses as incurred. Costs of major additions and betterments are capitalized and depreciated on a straight-line basis over their estimated useful lives. Upon retirement or sale, the cost and related accumulated depreciation of assets disposed of are removed from the accounts and any resulting gain or loss is included in the condensed consolidated statement of operations.

Software Developed for Internal Use

The Company capitalizes the costs of developing software for internal use. These costs include both purchased software and internally developed software. Costs of developing software are expensed until technological feasibility has been established. Thereafter, all costs are capitalized and are carried at the lower of unamortized cost or net realizable value. Internally developed and purchased software costs are generally amortized over five years.

Long-lived Assets

The Company regularly reviews the carrying value and estimated lives of all of its long-lived assets, including property and equipment and definite-lived intangible assets, to determine whether indicators of impairment exist that warrant adjustments to carrying values or estimated useful lives. The determinants used for this evaluation include management's estimate of the asset's ability to generate positive income from operations and positive cash flow in future periods, as well as the strategic significance of the assets to the Company's business objectives. If the Company determines that events or changes in circumstances indicate that the carrying amount of the asset group may not be recoverable, the Company evaluates the realizability of its long-lived assets (asset group) based on a comparison of projected undiscounted cash flows from use and eventual disposition with the carrying value of the related asset. Any write-downs (measured based on the difference between the fair value and the asset's carrying value) are treated as permanent reductions in the carrying amount of the assets (asset group).

None of the Company's long-lived assets were deemed impaired as of June 30, 2026 and December 31, 2025.

Indefinite-lived Intangible Assets

Acquired IPR&D are intangible assets acquired in the July 2017 Napo merger. Under ASC 805, *Business Combination*, IPR&D are initially recognized at fair value and classified as indefinite-lived assets until the successful completion or abandonment of the associated research and development efforts. During the development period, these assets will not be amortized as charges to earnings; instead, these assets will be tested for impairment on an annual basis or more frequently if impairment indicators are identified. An impairment loss is measured based on the excess of the carrying amount over the asset's fair value.

Renewal or Extension Costs of Intangible Assets

Costs incurred to renew or extend the term of recognized finite-lived and indefinite-lived intangible assets (including patents, trademarks, developed technology, and license agreements) are evaluated at the time of renewal or extension to determine appropriate accounting treatment. Incremental direct costs incurred to renew or extend the legal or contractual life of a recognized intangible asset are capitalized to the extent they provide future economic benefits and are amortized on a straight-line basis over the remaining useful life of the asset or the renewed contractual period, whichever is shorter. Costs that do not extend the estimated useful life or enhance the future economic functionality of the underlying asset are expensed as incurred within operating expenses.

Leases

The Company accounts for its leases in accordance with ASC 842, *Leases* ("ASC 842").

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease based on the unique facts and circumstances present. Operating lease liabilities and their corresponding right-of-use assets are recorded based on the present value of lease payments over the expected lease term. Because the interest rate implicit in lease contracts is typically not readily determinable, the Company utilizes its incremental borrowing rate, which is the rate incurred to borrow on a collateralized basis over a similar term, an amount equal to the lease payments in a similar economic environment. Certain adjustments to the right-of-use asset may be required for items such as initial direct costs paid or incentives received.

The Company elected to include both the lease and non-lease components as a single component and account for its lease.

Lease Modification

ASC 842 defines lease modification as a change to the terms and conditions of a contract that results in a change in the scope of or the consideration for a lease. A lease modification can result in either a separate new contract that is accounted for separately from the original contract or a single modified contract.

The Company accounts for a modification to a contract as a separate contract when the modification grants the lessee an additional right of use not included in the original lease and the lease payments increase commensurate with the standalone price for the additional right of use, adjusted for the circumstances of the particular contract. When the Company concludes that a lease modification should be accounted for as a new contract that is separate and apart from the original lease, the new contract should be evaluated for whether it is a lease or contains an embedded lease. If the new contract is a lease or contains an embedded lease, the new lease should be accounted for as any other new lease. The new lease is recorded on the commencement date of the new lease, which is the date the lessee has access to the leased asset.

If a lease modification is not accounted for as a separate contract, the Company should reassess whether the contract contains a lease. If the modified contract is a lease or contains an embedded lease, a lessee should reallocate contract consideration, reassess the lease classification, remeasure the lease liability, and adjust the right-of-use asset.

Research and Development Expense

Research and development ("R&D") expenses consist of expenses incurred in performing research and development activities, including related salaries, clinical trials, and related drug and non-drug product costs, contract services, and other outside service expenses. Research and development expenses are charged to operating expenses during the period incurred.

The Company capitalizes tangible costs for materials that have a probable alternative future use in other research and development projects. The Company determines that alternative future use exists when materials are not dedicated to a single, specific clinical trial and possess separate economic value independent of any one project's success. These capitalized materials are recorded as "Prepaid expenses and other current assets" based on their expected timing of use. The Company reclassifies these materials as R&D expense when they are consumed in research activities or become specifically dedicated to a clinical trial, at which point the alternative future use is deemed to no longer exist.

Liability-Classified Preferred Stock

The Company evaluates its financial instruments to determine the appropriate classification as liabilities or equity under ASC 480. Financial instruments issued in the form of shares that embody an unconditional obligation to transfer a variable number of equity shares are classified as liabilities if the monetary value of the obligation is predominantly fixed, varying with something other than the fair value of the issuer’s equity shares, or varying inversely with the fair value of those shares.

Clinical Trial Accruals

Clinical trial costs are a component of research and development expenses. The Company accrues and expenses for clinical trial activities performed by third parties based upon actual work completed in accordance with agreements established with clinical research organizations and clinical sites. The Company determines the costs to be recorded based upon validation with the external service providers as to the progress or stage of completion of trials or services and the agreed-upon fee to be paid for such services.

Revenue Recognition

The Company recognizes revenue in accordance with ASC 606, *Revenue from Contracts with Customers* (“ASC 606”).

The Company’s policy typically permits returns if the product is damaged, defective, or otherwise cannot be used when received by the customer if the product has expired. Returns are accepted for products that will expire within three months or that have expired up to one year after their expiration dates. Estimates for expected returns of expired products are based primarily on an ongoing analysis of our historical return patterns.

The Company recognizes revenue in accordance with the core principle of ASC 606 or when there is a transfer of control of promised goods or services to customers in an amount that reflects the consideration that the Company expects to be entitled to in exchange for those goods or services.

The Company recognizes the incremental costs of obtaining a contract as an expense when incurred if the amortization period of the asset that the Company otherwise would have recognized is one year or less.

The Company does not adjust the amount of consideration for the effects of a significant financing component if, at contract inception, the expected period between the transfer of promised goods or services and customer payment is one year or less.

The Company has elected to treat shipping and handling activities as fulfillment costs. Additionally, the Company elected to record revenue net of sales and other similar taxes as "Product revenue, net" in the consolidated statements of operations.

Contracts - Distribution Agreement

The Company's Mytesi products are primarily sold to specialty pharmacies based on specified payment and shipping terms as outlined in the Exclusive Distribution Agreement entered into by the Company and Cardinal Health, Inc. ("Cardinal Health") as of January 16, 2019. The Company's Canalevia-CA1 and Neonorm products are primarily sold to distributors, who then sell the products to end customers. Since 2021, the Company has entered into one distribution agreement with established distributors to distribute the Company's animal health products in the United States. The distribution agreement and the related purchase orders together meet the contract existence criteria under ASC 606. The Company sells directly to its customers without the use of an agent.

Performance obligations

For animal health products sold by the Company, the single performance obligation identified above is the Company's promise to transfer the Company's animal health products to distributors based on specified payment and shipping terms in the arrangement. Product warranties are assurance-type warranties that do not represent a performance obligation. For the Company's human health product, Mytesi, the single performance obligation identified above is the Company's promise to transfer Mytesi to specialty pharmacies based on specified payment and shipping terms as outlined in the Exclusive Distribution Agreement entered into by the Company and Cardinal Health.

Transaction price

For contracts with Cardinal Health and other distributors, the transaction price is the amount of consideration that the Company expects to collect in exchange for transferring the promised goods or services. The transaction price of Mytesi is the Wholesaler Acquisition Cost ("WAC"), and the transaction price of Canalevia-CA1 and Neonorm is the manufacturer's list price, net of discounts, returns, and price adjustments.

Allocate transaction price

For contracts with distributors, the entire transaction price is allocated to the single performance obligation contained in each contract.

Revenue recognition

For contracts with Cardinal Health, a single performance obligation is satisfied at a point in time upon each contract's Free On Board ("FOB") terms when control, including title and all risks, has transferred to the customer.

Disaggregation of Product Revenue

Human

Sales of Mytesi are recognized as revenue at a point in time when the products are delivered to all authorized distributors. The total net revenues from the sale of Mytesi were $1.2 million and $2.8 million for the three months ended June 30, 2026 and 2025, respectively. Net revenues from the sale of Mytesi were $2.1 million and $4.9 million for the six months ended June 30, 2026 and 2025, respectively.

Animal

The Company recognized Canalevia-CA1 products revenues of $0 and $60,000 for the three months ended June 30, 2026 and 2025, respectively, and Neonorm revenues of $7,000 and $14,000 for the three months ended June 30, 2026 and 2025, respectively. The Company recognized Canalevia-CA1 products revenues of $270,000 and $77,000 for the six months ended June 30, 2026 and 2025, respectively, and Neonorm revenues of $14,000 and $30,000 for the six months ended June 30, 2026 and 2025, respectively. Revenues are recognized at a point in time upon shipment, when title and control are transferred to the buyer. Sales of Canalevia-CA1, Neonorm Calf and Foal to distributors are made under agreements that may provide distributor price adjustments and rights of return under certain circumstances.

Contracts – Specialty Pharmacies

Effective October 1, 2020, the Company engaged a private company as an authorized specialty pharmacy provider of the Company's Mytesi product. Under the Specialty Product Distribution Agreement, the Company shall supply the products directly to the private company's specialty pharmacies in such amounts as may be ordered. There is no minimum purchase or inventory requirement. The specialty pharmacies were authorized distributors of record for all National Drug Codes of Mytesi.

Effective April 20, 2021, the Company engaged another private company as an authorized specialty pharmacy provider of Mytesi. Under the Specialty Pharmacy Distribution and Services Agreement, the private company shall sell and dispense Mytesi directly ordered from the Company at the agreed price to patients within the territories identified in the agreement.

The Company has entered into agreements with a total of five different specialty pharmacy chains that are authorized to provide Mytesi to patients. Effective January 12, 2026, the Company engaged in a license and supply agreement with Woodward, an affiliate of Future Pak, LLC ("Future Pak"), and Future Pak, pursuant to which, Napo granted to Future Pak an exclusive, nontransferable, sublicensable, royalty-free right and license under the Napo Mytesi Patents to sell, offer for sale, have sold, make, have made, promote, distribute and otherwise commercialize the Mytesi Product and the Canalevia CA-1 Product. Following the license and supply agreement, the Company no longer directly sells or recognizes revenue from Mytesi sales through these specialty pharmacy chains, as such sales are made by Future Pak pursuant to the exclusive rights granted under the agreement.

Performance obligations

The single performance obligation is the Company's promise to transfer Mytesi to specialty pharmacies, based on specified payment and shipping terms outlined in the agreements.

Transaction price

The transaction price is the amount of consideration the Company expects to collect in exchange for transferring the promised goods or services. The transaction price of Mytesi is the WAC, net of estimated discounts, returns, and price adjustments.

Allocate transaction price

The entire transaction price is allocated to the single performance obligation contained in each contract.

Revenue recognition

The single performance obligation is satisfied at a point in time, upon the FOB terms of each contract, when control, including title and all risks, has been transferred to the customer.

Product Revenue

Sales of Mytesi are recognized as revenue at a point in time when the products are delivered to the specialty pharmacies. Net revenues from the sale of Mytesi to the specialty pharmacies were $0 and $2.5 million for the three months ended June 30, 2026 and 2025, respectively. Net revenues from the sale of Mytesi to the specialty pharmacies were $24,000 and $4.2 million for the six months ended June 30, 2026 and 2025, respectively.

Contracts – Exclusive Distribution Agreement

On April 12, 2024, the Company entered into a five-year exclusive in-license agreement with Venture Life Group PLC ("Venture Life"), a United Kingdom-based international consumer health company focused on the global self-care market for Venture Life's 510(k) cleared oral mucositis prescription product, Gelclair for the US market. The agreement grants the Company the exclusive rights to market Venture Life's FDA-approved oral mucositis prescription product, Gelclair, within the US market. The Company paid a non-refundable license fee of €200,000 (equivalent to $215,040, excluding value-added taxes or "VAT") to Venture Life. Additionally, the Company will pay Venture Life a running royalty based on a percentage of the net sales throughout the agreement term. The non-refundable license fee has been capitalized as license under intangible assets, while the running royalty will be recognized as royalty expense. The agreement and binding term sheet collectively qualify as a valid contract under ASC 606.

Performance obligations

The Company identified a single performance obligation, which is the exclusive rights to market Gelclair in the US market. The Company will pay Venture Life a running royalty based on a percentage of the net sales throughout the agreement term.

Transaction price

Transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Allocate transaction price

The entire transaction price is allocated to the single performance obligation contained in the contract.

Revenue recognition

The single performance obligation is satisfied over-time, throughout the five-year license period.

Product Revenue

For the three and six months ended June 30, 2026, the Company recognized a revenue of $6,000 and $15,000, respectively. For the three and six months ended June 30, 2025, the Company recognized a revenue of $27,000 and $52,000, respectively. For the three and six months ended June 30, 2026, the total royalty expense associated with this contract amounted to $142,000 and $284,000, respectively. For the three and six months ended June 30, 2025, the total royalty expense associated with this contract amounted to $39,000 and $78,000, respectively. The royalty expense are recorded as "Cost of product revenue" in the consolidated statements of operations.

Contracts – License Agreement

Effective March 18, 2024, the Company engaged in a securities purchase agreement, supplemented by a binding term sheet, with Gen Ilac Ve Saglik Urunleri Sanayi Ve Ticaret, A.S. (“GEN” or “Licensee”). The Company grants GEN a right to access its intellectual property for the Company's FDA-approved prescription drug crofelemer and commercialize crofelemer finished product in licensed Eastern Europe territories for a consideration including license fees, royalties and product sales. The agreement and binding term sheet collectively qualifies as a valid contract under ASC 606.

Performance obligations

The Company identified two promises, namely (1) the grant of license to manufacture and commercialize pharmaceutical products that utilize Crofelemer (the “Licensing Transaction”) and (2) the supply of crofelemer API. Licensee cannot benefit from the license alone without the API as the latter comes from a plant exclusive to the Company. No other entities can produce the API. Consequently, the grant of license and the supply API are not distinct, and accounted as a single performance obligation.

Transaction price

Transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. The transaction price in the contract with GEN includes both fixed and variable considerations.

For the Licensing Transaction, the fixed consideration is measured as the difference between the proceeds from the related share issuance and the fair value of the shares issued. The variable consideration, in the form of royalty, is based on a percentage of the Licensee's revenue from the sale of pharmaceutical products utilizing Crofelemer. For the supply of Crofelemer API, the variable consideration is determined using the expected value of a wide range of possible amounts.

Allocate transaction price

The entire transaction price is allocated to the single performance obligation contained in the contract.

Revenue recognition

The single performance obligation is satisfied over-time, throughout the five-year license period, based on the expiration dates of the licensed patents.

License Revenue

For the three months ended June 30, 2026 and 2025, license fees recognized from the contract with GEN amounted to $43,000 and $43,000, respectively. For the six months ended June 30, 2026 and 2025, license fees recognized from the contract with GEN amounted to $86,000 and $86,000, respectively. As of June 30, 2026 and December 31, 2025, the total deferred revenue associated with this contract amounted to $468,000 and $552,000, respectively.

Contracts – License and Supply Agreement

Effective January 12, 2026 (the "Effective Date"), the Company engaged in a license and supply agreement with Woodward and Future Pak, pursuant to which, Napo granted to Woodward an exclusive, nontransferable, sublicensable, royalty-free right and license under the Napo Mytesi Patents to sell, offer for sale, have sold, make, have made, promote, distribute and otherwise commercialize the Mytesi Product and the Canalevia CA-1 Product. On June 22, 2026, the Company and Napo entered into a first amendment to the agreement with Woodward, effective as of January 12, 2026, clarifying the transfer of title and risk of loss, and establishing temporary Custodial Services for existing inventory. The agreement and binding term sheet, as amended, collectively qualify as a valid contract under ASC 606.

Performance obligations

The Company identified distinct performance obligations, namely (1) the grant of the exclusive intellectual property (“IP”) license, (2) manufacturing and supply of the Mytesi Product and the Canalevia Product (the “Products”), (3) the transfer of existing inventory of the Products on the Effective Date (the "Effective Date Inventory") and existing inventories of Mytesi and Canalevia during April 2026 (the "April Inventory"), and (4) the provision of temporary Custodial Services to manage the inventory on Woodward's behalf at designated third-party logistics hubs while Woodward actively established its commercial distribution infrastructure. The manufacturing process for these products is not proprietary to Napo’s internal operations and is currently performed by third-party contract manufacturing organizations, allowing Woodward to benefit from the license using readily available resources. Consequently, the grant of the exclusive IP license, the manufacturing and supply of the Products, the transfer of Effective Date and April Inventory, and the Custodial Services are distinct and accounted for as separate performance obligations.

Significant judgments

The Company exercised significant judgment in determining that the Mytesi patents constitute functional intellectual property rather than symbolic intellectual property. This determination was based on the fact that the Mytesi patents possess significant standalone functionality, and the Company’s ongoing activities do not significantly change that functionality or the utility of the intellectual property to Woodward. Consequently, the license provides a right to use the intellectual property as it exists at a point in time. The Company also exercised significant judgment in applying bill-and-hold accounting for the Effective Date and April Inventory. The Company determined that control transferred to Woodward on January 12, 2026, and April 14, 2026, respectively, despite retaining physical possession to provide temporary custodial services, because all criteria under ASC 606-10-55-83 were met: (1) the bill-and-hold arrangement was substantive, as Woodward requested it to allow time to establish its commercial distribution infrastructure; (2) the inventory was separately identified by specific lot numbers and quantities as held on behalf of Woodward while temporarily administered under the Company's third-party logistics account profile until its formal transfer to Woodward's account on May 18, 2026; (3) the inventory was complete and physically ready for shipment; and (4) the Company did not have the ability to use the product or direct it to another customer.

Pursuant to the license and supply agreement, the Company granted Woodward a temporary license to commercialize product under the Company’s National Drug Code and labeler code while Woodward establishes its commercial distribution infrastructure. Statutory Medicaid rebates, wholesale chargebacks, and related fees processed under the Company’s labeler code for sales occurring after the Effective Date represent pass-through costs fully reimbursable and indemnified by Woodward under the agreements. Accordingly, these obligations are recorded as pass-through liabilities with a corresponding receivable due from Woodward, resulting in no net impact on the Company’s consolidated statements of operations.

Transaction price

For the exclusive IP license, the fixed consideration is the upfront payment for the grant of the exclusive IP license. The variable considerations, in the form of contingent payments, are based on the amount of consideration indicated in the contract upon satisfaction of conditions and sales milestones. For the manufacturing and supply of the products and transfer of Effective Date Inventory, the variable consideration is determined using the expected value of a wide range of possible amounts. For the Custodial Services, the consideration consists of the reimbursement of costs, fees, and expenses incurred by the Company.

As of June 30, 2026, the Company performed a specific probability assessment of these milestones. Due to the inherent uncertainty of pharmaceutical commercialization and the dependence on third-party performance, the Company determined that these milestones are fully constrained. Therefore, they are excluded from the transaction price as it is not yet highly probable that a significant reversal of cumulative revenue will not occur.

Allocate transaction price

The transaction price is allocated to the distinct performance obligations based on their relative standalone selling prices at contract inception. Variable consideration related to sales milestones is allocated entirely to the exclusive IP license once the constraint is removed.

Revenue recognition

At inception, the exclusive IP license was accounted for as a financing arrangement under ASC 606-10-55-66, as the Company retained a call option to reacquire the commercial rights for an amount exactly equal to the original consideration. Because the repurchase price was equal to the consideration received, the specific accretion of interest during the period the option remained outstanding was zero. On February 22, 2026, Napo received a $3.0 million fee to extinguish the clause. Upon extinguishment, control of the exclusive IP license was transferred to Woodward. Revenue for the exclusive IP license is recognized at a point in time upon the transfer of control.

Revenue for the Effective Date Inventory and April Inventory were recognized at a point in time as they satisfied the criteria for bill-and-hold revenue recognition. Revenue for future supply services and inventory is recognized at a point in time upon physical receipt by Woodward or its designated consignee. The Custodial Services for Mytesi concluded on May 15, 2026, when Woodward fully transitioned to its own direct distribution network. Accordingly, the Company recognized the reimbursement consideration attributable to these completed services as Custodial Service revenue.

License Revenue

For the three and six months ended June 30, 2026, license fees recognized from the contract with Woodward amounted to $0 and $19.0 million, respectively. As of June 30, 2026, the total financial liability associated with this contract amounted to $0.

Collaboration Revenue

Revenue recognition for collaboration agreements requires significant judgment. The Company’s assessments and estimates are based on contractual terms, historical experience, and general industry practice. Revisions in these values or estimations increase or decrease collaboration revenue in the period of revision.

On September 24, 2018, the Company entered into a Distribution, License, and Supply Agreement (“License Agreement”) with Knight Therapeutics (“Knight”). The License Agreement has a term of 15 years (with automatic renewals) and provides Knight with an exclusive right to commercialize current and future Jaguar human health products (including crofelemer, NP-300, and any product containing a proanthocyanidin or with an anti-secretory mechanism) in Canada and Israel. Knight forfeited its right of first negotiation for expansion to Latin America. Under the License Agreement, Knight is responsible for applying for and obtaining necessary regulatory approvals in the territory of Canada and Israel, as well as marketing, sales, and distribution of the licensed products. Knight will pay a transfer price for all licensed products, and upon achievement of certain regulatory and sales milestones, the Company may receive payments from Knight in an aggregate amount of up to approximately $18.0 million, payable throughout the initial 15-year term of the agreement. The Company did not have any license revenues for the three and six months ended June 30, 2026 and 2025.

Modifications to Liability-classified Instruments

In accounting for debt modifications and exchange transactions, it is the Company's policy first to determine whether it qualifies as a troubled debt restructuring ("TDR") pursuant to the guidance provided in ASC 470-60, *Debt—Troubled Debt Restructurings by Debtors* ("ASC 470-60"). A debt modification or exchange transaction that is not within the scope of the ASC 470-60 is accounted for under ASC 470-50, *Modification and Extinguishments* ("ASC 470-50"), to determine if the transaction is a mere modification or an extinguishment.

For the six months ended June 30, 2026 and 2025, the Company has entered into amendments to the terms of its royalty interests and purchase agreements. The cumulative impact of these amendments resulted in certain extinguishments and modifications (See Note 7).

Modifications to Equity-classified Instruments

In accounting for modifications of equity-classified warrants, the Company's policy is to determine the impact by analogy to the share-based compensation guidance of ASC 718, *Compensation-Stock Compensation* ("ASC 718"). The model for a modified share-based payment award that is classified as equity and remains classified in equity after the modification is addressed in ASC 718-20-35-3, *Compensation-Stock Compensation—Awards Classified as Equity—Subsequent Measurement*. Pursuant to that guidance, the incremental fair value from the modification is recognized as an expense in the statements of operations to the extent the modified instrument has a higher fair value; however, in certain circumstances, such as when an entire class of warrants is modified, the measured increase in fair value may be more appropriately recorded as a deemed dividend, depending upon the nature of the warrant modification.

The Company did not modify any equity-classified warrants for the three and six months ended June 30, 2026 and 2025.

In accounting for amendments to preferred stock, the Company's policy is to measure the impact by analogy to ASC 470-50 in determining if such an amendment is an extinguishment or a modification. If the amendment results in an extinguishment, the Company follows the SEC staff guidance in ASC 260-10-S99-2, *Earnings Per Share—Overall—SEC Materials*, and ASC 470-20, *Debt—Debt with Conversion and Other Options*. If the amendment results in a modification, the Company follows the model in either ASC 718 or ASC 470-50, depending on the nature of the amendment.

The Company did not modify any equity-classified preferred stock for the three and six months ended June 30, 2026 and 2025.

Stock-based Compensation

The Company's Stock Incentive Plan (See Note 12) provides for the grant of stock options, restricted stock, and restricted stock unit awards. The Company measures stock awards granted to employees, non-employees, and directors at estimated fair value on the date of grant and recognizes the corresponding compensation expense of the awards, net of estimated forfeitures, over the requisite service periods, which correspond to the vesting periods of the awards. If necessary, forfeitures are estimated at the time of grant and revised in subsequent periods if actual forfeitures differ from those estimates. The Company issues stock awards with only service-based vesting conditions and records compensation expenses for these awards using the straight-line method.

The Company uses its common stock's grant date fair market value to determine the grant date fair value of options granted to employees, non-employees, and directors. The Company measures and recognizes compensation expense for all stock options and RSUs granted to its employees and directors based on the estimated fair value of the award on the grant date. The Company believes that the fair value of stock options granted to non-employees is more reliably measured than the fair value of the services received. The determination of the grant date fair value of options using an option pricing model is affected by the Company's estimated common stock fair value and requires management to make a number of assumptions, including the expected life of the option, the volatility of the underlying stock, the risk-free interest rate and expected dividends.

The Company estimates the fair value of stock options using the Black-Scholes option valuation model. The fair value is recognized as an expense, net of estimated forfeitures, over the requisite service period, which is generally the vesting period of the respective award, on a straight-line basis. The fair market value of common stock is based on the closing price of the Company's common stock as reported on the date of the grant.

Income Taxes

The Company uses the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial reporting and the tax bases of assets and liabilities and are

measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. A valuation allowance is provided when it is more likely than not that some portion or all of a deferred tax asset will not be realized.

The Company has adopted the provisions of ASC 740, *Income Taxes*. Under these principles, tax positions are evaluated in a two-step process. The Company first determines whether it is more likely than not that a tax position will be sustained upon examination. If a tax position meets the more-likely-than-not recognition threshold, it is then measured to determine the amount of benefit to be recognized in the financial statements. The tax position is the most significant benefit, with a greater than 50 percent likelihood of being realized upon ultimate settlement.

The Company files a consolidated tax return for its related entities.

Foreign Currency Remeasurement and Translation

The functional currency of Napo Therapeutics is the Euro. The Company follows ASC 830, *Foreign Currency Matters* ("ASC 830"). ASC 830 requires the assets, liabilities, and results of operations of a foreign operation to be measured using the functional currency of that foreign operation. Exchange gains or losses from remeasuring transactions and monetary accounts in a currency other than the functional currency are included in current earnings or losses.

Translation adjustments result from translating the functional currency of subsidiary financial statements into the US Dollar reporting currency. These translation adjustments are reported separately and accumulated in the consolidated balance sheets as a component of accumulated other comprehensive gain or loss.

Comprehensive Gain or Loss

The Company follows ASC 220, *Income Statement—Reporting Comprehensive Income*, which establishes standards for reporting and displaying comprehensive income and its components (revenue, expenses, gains, and losses) in a full set of general-purpose financial statements.

For the three months ended June 30, 2026 and 2025, the amount of other comprehensive income from translation adjustments were $1,000 and $22,000, respectively. For the six months ended June 30, 2026 and 2025, the amount of other comprehensive income from translation adjustments were $457,000 and $284,000, respectively.

Basic and Diluted Net Loss Per Share of Common Stock

Basic net loss per share of common stock is computed by dividing net loss attributable to common stockholders for the year by the weighted average number of common stock outstanding during the year. Diluted net loss per share is computed by dividing the net loss attributable to common stockholders for the year by the weighted average number of common stock, including potential dilutive shares of common stock assuming the dilutive effect of potential dilutive securities. The Company uses the treasury stock method to calculate diluted net loss per share. For years in which the Company reports a net loss, diluted net loss per share is the same as basic net loss per share because their impact would be anti-dilutive to the calculation of net loss per share. For the three and six months ended June 30, 2026 and 2025, the Company reports a combined basic net loss and diluted loss per share of common stock. Diluted net loss per share of common stock is the same as basic net loss per share of common stock for the three and six months ended June 30, 2026 and 2025.

Recent Accounting Pronouncements

Recently Adopted Accounting Pronouncements

Stock Compensation

In March 2024, the FASB issued ASU 2024-01, Compensation – Stock Compensation (Topic 718): Scope Application of Profit Interest and Similar Awards. This update clarifies how companies account for profit interest and similar awards given to employees or non-employees, which helps determine whether such award fall under stock compensation or general compensation accounting standards. The amendments in this update are effective for annual periods beginning after December 15, 2025, and interim periods within those annual periods for entities other than public business entities. The Company adopted this guidance effective January 1, 2026, and the adoption did not have a material impact on its consolidated financial statements.

Recently Issued Accounting Pronouncements Not Yet Adopted

Disaggregation of Income Statement Expenses

In November 2024, the FASB issued ASU 2024-03, Disaggregation of Income Statement Expenses ("DISE"), which requires additional disclosures regarding the nature of expenses included in the income statement. This update responds to investor feedback requesting greater transparency in financial reporting by requiring entities to provide a tabular disclosure of specified natural expense categories within relevant expense captions. The disclosure requirements include purchases of inventory, employee compensation, depreciation, intangible asset amortization, and depletion expenses, among others. Additionally, entities must provide qualitative descriptions of any remaining amounts not separately disaggregated and disclose total selling expenses. The amendments in this update apply to all public business entities and are effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027. Entities may apply the requirements prospectively, with an option for retrospective application. Early adoption is permitted. The Company has elected not to early adopt but will monitor the impact of the additional disclosures.

In January 2025, the FASB issued ASU 2025-01, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date. This update amends the effective date of ASU 2024-03, Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses, which requires additional disclosures regarding the nature of expenses included in the income statement. The amendment clarifies that all public business entities are required to adopt the guidance in annual reporting periods beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027. The Company has elected not to early adopt but will monitor the impact of the additional disclosures.

Consolidation

In June 2025, the FASB issued ASU 2025-03, *Consolidation (Topic 810) and Derivatives and Hedging (Topic 815): Amendments to Certain Disclosure and Presentation Requirements*, which amends certain disclosure and presentation requirements for consolidation and derivatives. The amendments are intended to improve the clarity and usefulness of disclosures related to variable interest entities and derivative instruments. The ASU is effective for annual periods beginning after December 15, 2026, and interim periods within those annual periods. Early adoption is permitted. The Company is evaluating the effect of this guidance on its disclosures but does not expect a material impact on its consolidated financial statements. The Company has elected not to early adopt but will monitor the impact of the additional disclosures on its consolidated financial statements.

Financial Instruments—Credit Losses

In November 2025, the FASB issued ASU 2025-08, *Financial Instruments—Credit Losses (Topic 326): Purchased Loans*. The amendments clarify the accounting for purchased loans within the scope of Topic 326 and retain the gross-up approach for purchased financial assets with credit deterioration, while clarifying which purchased financial assets are subject to that guidance. The amendments are effective for the Company for annual reporting periods beginning after December 15, 2026, and interim periods within those annual periods, and are to be applied prospectively to loans acquired on or after the date of initial application. Early adoption is permitted. The Company has elected not to early adopt but will monitor the impact of this guidance on its consolidated financial statements.

Derivatives and Hedging

In December 2025, the FASB issued ASU 2025-09, *Derivatives and Hedging (Topic 815): Improvements to Hedge Accounting*. The amendments refine and expands the existing scope exceptions that exclude certain contracts, including certain R&D funding arrangements, from derivative accounting, and clarifies the accounting for share-based noncash consideration received from a customer. The amendments are effective for the Company for annual reporting periods beginning after December 15, 2026, and interim periods within those annual periods. Early adoption is permitted. The Company has elected not to early adopt but will monitor the impact of this guidance on its consolidated financial statements.

Government Grants

In December 2025, the FASB issued ASU 2025-10, *Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities*. This update improves GAAP by establishing authoritative guidance on the recognition, measurement, and presentation of government grants received by business entities, reducing diversity in current practice. The amendments require that a grant be recognized when it is probable that the entity will comply with the attached conditions and the grant will be received. Entities may elect to recognize grants related to assets either as deferred income or as an adjustment to the cost basis of the asset. For public business entities, the amendments are effective for annual reporting periods beginning after December 15, 2028, and interim

periods within those years. The Company is evaluating the effect of this guidance on its consolidated financial statements.

Interim Reporting

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*. This update improves the navigability of required interim disclosures and clarifies when the guidance is applicable to entities that provide interim financial statements in accordance with GAAP. The amendments introduce a disclosure principle requiring entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. For public business entities, the ASU is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company has elected not to early adopt but will monitor the impact of the additional disclosures on its consolidated financial statements.

Codification Improvements

In December 2025, the FASB issued ASU 2025-12, *Codification Improvements*. This update addresses suggestions from stakeholders and makes incremental improvements to GAAP by clarifying guidance, correcting errors, and making minor improvements across a variety of Topics. Key amendments include clarifying the calculation of earnings per share when a loss from continuing operations exists and explicitly permitting the excess of treasury stock repurchase price over par value to be accounted for as a deduction from additional paid-in capital, provided the balance does not become negative. The amendments are effective for all entities for annual reporting periods beginning after December 15, 2026. The Company is currently assessing the impact this standard will have on its consolidated financial statements and related disclosures.

Paid-in-Kind Dividends on Equity-Classified Preferred Stock

In April 2026, the FASB issued ASU 2026-01, *Equity (Topic 505): Initial Measurement of Paid-in-Kind Dividends on Equity-Classified Preferred Stock*, to provide authoritative guidance and eliminate diversity in practice regarding the initial measurement of paid-in-kind ("PIK") dividends on preferred stock classified as permanent or temporary equity. The amendments require that PIK dividends be initially measured based on the PIK dividend rate stated in the preferred stock agreement, such as multiplying a stated rate by the liquidation value of the preferred stock. These amendments are effective for the Company for annual reporting periods beginning after December 15, 2026, including interim periods within those years, with early adoption permitted in any period for which financial statements have not yet been issued. The update may be applied either on a prospective basis to dividends recognized on or after the initial application date or on a modified retrospective basis for instruments outstanding as of the initial application date. The Company is currently evaluating the impact that the adoption of this guidance will have on its consolidated financial statements and related disclosures and has not yet elected a transition method or an adoption date.

The Company has assessed recently issued accounting pronouncements and determined that there are no other new standards expected to have a material impact on its financial statements. However, the Company will continue to monitor developments in accounting standards and evaluate their relevance as they arise.

3. Fair Value Measurement

ASC 820, *Fair Value Measurement*, defines fair value, establishes a framework for measuring fair value under U.S. GAAP and enhances disclosures about fair value measurements. Fair value is defined under ASC 820 as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value under ASC 820 must maximize the use of observable inputs and minimize the use of unobservable inputs. The standard describes a fair value hierarchy based on three levels of inputs, of which the first two are considered observable and the last unobservable, that may be used to measure fair value which are the following:

- Level 1 – Observable inputs such as quoted prices (unadjusted) for identical instruments in active markets.
- Level 2 – Observable inputs such as quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-derived valuations whose significant inputs are observable.
- Level 3 – Unobservable inputs that reflect the reporting entity's own assumptions.

The following tables set forth the fair value of the Company's consolidated financial instruments that were measured at fair value on a recurring basis as of June 30, 2026 and December 31, 2025. The liabilities categorized as Level 3 within the hierarchy below represent notes payable, derivative instruments and liability-classified instruments for which the Company has elected the fair value option.

(in thousands)	June 30, 2026 (unaudited) Level 1	Level 2	Level 3	Total
Assets				
Derivative asset	$ —	$ —	$ —	$ —
Total fair value of assets	$ —	$ —	$ —	$ —
Liabilities				
Streeterville Note	$ —	$ —	$ 7,726	$ 7,726
Series O convertible preferred stock	—	—	1,653	1,653
Commitment share liability	—	—	800	800
Streeterville 2	—	—	356	356
Derivative liability	—	—	196	196
Convertible Notes	—	—	169	169
Uptown	—	—	93	93
Iliad	—	—	—	—
Total fair value of liabilities	$ —	$ —	$ 10,993	$ 10,993

(in thousands)	December 31, 2025 Level 1	Level 2	Level 3	Total
Assets				
Derivative asset	$ —	$ —	$ 322	$ 322
Total fair value of assets	$ —	$ —	$ 322	$ 322
Liabilities				
Streeterville Note	$ —	$ —	$ 8,222	$ 8,222
Streeterville 2	—	—	8,580	8,580
Derivative liability	—	—	—	—
Convertible Notes	—	—	2,540	2,540
Uptown	—	—	11,387	11,387
Iliad	—	—	1,172	1,172
Total fair value of liabilities	$ —	$ —	$ 31,901	$ 31,901

The change in the estimated fair value of Level 3 asset is summarized below:

(in thousands)	Six Months Ended June 30, 2026 (unaudited) Derivative asset (liability)
Beginning fair value of Level 3 asset	$ 322
Additions	—
Changes in fair value	(518)
Ending fair value of Level 3 asset (liability)	$ (196)

(in thousands)	Year Ended December 31, 2025 Derivative asset
Beginning fair value of Level 3 liability	$ —
Additions	322
Changes in fair value	—
Ending fair value of Level 3 asset	$ 322

The change in the estimated fair value of Level 3 liabilities is summarized below:

	Six Months Ended June 30, 2026 (unaudited)						
(in thousands)	Streeterville Note	Streeterville 2	Series O Convertible Preferred Stock	Commitment share liability	Convertible Notes	Uptown	Iliad
Beginning fair value of Level 3 liability	$ 8,222	$ 8,580	$ —	$ —	$ 2,540	$ 11,387	$ 1,172
Additions	—	18,223	9,470	800	—	9,981	—
Exchanges	—	(3,700)	—	—	—	(113)	—
Converted	—	—	(8,510)	—	—	—	—
Extinguishments	—	(22,956)	—	—	—	(21,322)	(1,172)
Settlements	—	—	—	—	(2,435)	—	—
Changes in fair value	(496)	209	693	—	64	160	—
Ending fair value of Level 3 liability	$ 7,726	$ 356	$ 1,653	$ 800	$ 169	$ 93	$ —

	Year Ended December 31, 2025						
(in thousands)	Streeterville Note	Streeterville 2	Series O Convertible Preferred Stock	Commitment share liability	Convertible Notes	Uptown	Iliad
Beginning fair value of Level 3 liability	$ 11,853	$ 8,673	$ —	$ —	$ —	$ 9,615	$ 5,215
Additions	—	—	—	—	1,833	—	—
Exchanges	—	(3,234)	—	—	(227)	(1,210)	(5,900)
Converted	—	—	—	—	(926)	—	—
Extinguishments	—	—	—	—	—	—	(7)
Settlements	—	—	—	—	(50)	—	—
Changes in fair value	(3,631)	3,141	—	—	1,910	2,982	1,864
Ending fair value of Level 3 liability	$ 8,222	$ 8,580	$ —	$ —	$ 2,540	$ 11,387	$ 1,172

The fair value of the Streeterville Note recognized as a Level 3 liability at the date of issuance and as of June 30, 2026, amounted to $7.8 million and $7.7 million, respectively. The fair value of the remaining notes payable at FVO at the extinguishment date and as of June 30, 2026, amounted to $21.1 million and $618,000. The fair values were based on the weighted average discounted expected future cash flows representing the terms of the notes, discounting them to their present value equivalents. The notes were classified as Level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including the Company's own credit risk.

The Company determined and performed the valuations with the assistance of an independent valuation service provider. On a quarterly basis, the Company considers the main Level 3 inputs for hybrid instruments used derived as follows:

- Discount rate which was determined using a comparison of various effective yields on bonds as of the valuation date
- Market indications for vouchers, which affect the Return Bonus from the sale of Tropical Disease Priority Review Voucher ("TDPRV")
- Weighted probability of cash outflows which was estimated based on the entity's knowledge of the business and how the current economic environment is likely to impact the timing of the cash outflows, attributed to the different repayment features of the notes

The following table summarizes the quantitative information about the significant unobservable inputs used in Level 3 fair value measurement for the Streeterville Note:

Unobservable inputs	Range of inputs (probability-weighted average) June 30, 2026	Range of inputs (probability-weighted average) December 31, 2025	Relationship of unobservable inputs to fair value
Risk adjusted discount rate	9.43% - 29.52% (29.52%)	8.85% - 28.67% (28.67%)	If discount rate is adjusted to a total of an additional 100 basis points (bps), fair value would have decreased by $262,000. If discount rate is adjusted to a total deduction of 100 bps, fair value would have increased by $262,000.
Sales proceeds: Amount of comparable TDPRV	$67.5 million to $350.0 million ($100 million)	$67.5 million to $350.0 million ($110 million)	If expected cash flows by Management considered the highest amount of market indications for vouchers, FV would have decreased by $509,000. If expected cash flows by Management considered the lowest amount of market indications for vouchers, FV would have increased by $2.89 million.
Range of probability for timing of cash flows: Variations of the terms and conditions of the timing of cash flows, including settlement of the note principal, interest, penalties, and acceleration clause	0.00%-85.00%	0.00%-50.00%	If expected cash flows by Management considered the Scenario with the least amount of indicated value, FV would have decreased by $254,000. If expected cash flows by Management considered the Scenario with the most significant amount of indicated value, FV would have increased by $1.77 million.

The fair value of the Convertible Notes recognized as a Level 3 liability at the date of issuance and as of June 30, 2026, amounted to $169,000. The fair value was determined based on the discounted expected future cash flows representing the terms of the notes, including their short-term maturity and conversion features, and was discounted to present value equivalents. The notes were classified as Level 3 within the fair value hierarchy due to the use of unobservable inputs, including the Company's own credit risk.

The Company determined and performed the valuation with the assistance of an independent valuation service provider. On a quarterly basis, the Company considers the main Level 3 input for these freestanding financial instruments to be the discount rate, which was determined using a comparison of various effective yields on bonds as of the valuation date

The following table summarizes the quantitative information about the significant unobservable inputs used in Level 3 fair value measurement for the Convertible Promissory Notes:

Unobservable inputs	Range of inputs (probability-weighted average) June 30, 2026	Range of inputs (probability-weighted average) December 31, 2025	Relationship of unobservable inputs to fair value
Risk adjusted discount rate	8.9% - 23.51% (23.51%)	8.9% - 23.51% (23.51%)	If discount rate is adjusted to a total of an additional 100 bps, fair value would have decreased by $2,000. If discount rate is adjusted to a total deduction of 100 bps, fair value would have increased by $2,000.

For the additional notes designated at FVO that are freestanding, the Company considers only the discount rate which was determined using a comparison of various effective yields on bonds as of valuation date.

The following table summarizes the quantitative information about the significant unobservable inputs used in Level 3 fair value measurement for the remaining instruments that are not classified as hybrid instruments:

Unobservable inputs	Range of inputs (probability-weighted average) June 30, 2026	Range of inputs (probability-weighted average) December 31, 2025	Relationship of unobservable inputs to fair value
Risk adjusted discount rate	9.5% - 32.30% (32.30%)	8.9% - 26.00% (26.00%)	If discount rate is adjusted to a total of an additional 100 bps, fair value would have decreased by $2.54 million. If discount rate is adjusted to a total deduction of 100 bps, fair value would have increased by $2.88 million.

The fair value of the derivative instrument recognized as a Level 3 asset at the date of issuance and as of June 30, 2026, amounted to $322,000 derivative asset and $196,000 derivative liability, respectively. The fair value was determined using a Black-Derman-Toy ("BDT") binomial lattice model in conjunction with a discounted cash flow methodology. The valuation incorporates a discount rate derived from the risk-free rate, based on the US Treasury Daily Treasury Par Yield Curve, plus a weighted option-adjusted spread ("OAS"). The weighted OAS reflects a blended credit profile of the Company and the financial institution holding the related collateral.

The following table summarizes the quantitative information about the significant unobservable inputs used in the Level 3 fair value measurement for the derivative instrument:

	Range of inputs (probability-weighted average)		
Unobservable inputs	**June 30, 2026**	**December 31, 2025**	**Relationship of unobservable inputs to fair value**
Option-adjusted spread	9.4% - 25.10% (25.10%)	5.40% - 7.40% (6.40%)	If discount rate is adjusted to a total of an additional 100 bps, fair value would have increased by $105,000. If discount rate is adjusted to a total deduction of 100 bps, fair value would have decreased by $101,000.

The fair value of the Series O convertible preferred stock recognized as a Level 3 asset at the date of issuance and as of June 30, 2026, amounted to $9.5 million and $1.7 million, respectively. The fair value was estimated using a discounted cash flow technique consisting of a 30.00% risk-adjusted discount rate, which reflects the Company's credit risk profile and expected settlement mechanics. Sensitivities to changes in the unobservable input indicate that an increase in the discount rate would result in a significantly lower fair value liability, whereas a decrease would result in a significantly higher fair value liability.

The fair value of the commitment share liability recognized as a Level 3 asset at the date of issuance and as of June 30, 2026, amounted to $800,000. The fair value reflects the fixed contractual settlement amount given the proximity to the reporting date and the imminent conversion into common stock.

Fair Value Option

The Company elected to apply the FVO accounting to certain freestanding instruments and to the entire class of hybrid instruments, including structured notes, of which there are assessed embedded derivatives that would be eligible for bifurcation, to align the measurement attributes of those instruments under US GAAP and to simplify the accounting model applied to these financial instruments.

The valuations of these instruments were predominantly driven by the discount rate and the derivative features embedded within the instruments. The Company determined and performed the valuations of the freestanding and hybrid instruments with the assistance of an independent valuation service provider. The valuation methodology utilized is consistent with the income approach for estimating the fair value of the interest-bearing portion of the instruments and the related derivatives. Cash flows of the financial instruments in their entirety, including the embedded derivatives, are discounted at an appropriate rate for the applicable duration of the instrument. Interests on the interest-bearing portion of the instruments held to maturity and mark-to-market adjustments are aggregated in the changes in fair value of freestanding and hybrid financial instruments designated at FVO in the condensed consolidated statements of operations. As of June 30, 2026 and December 31, 2025, the Company did not note any fair value movement on FVO liabilities attributable to any instrument-specific credit risk, which should be recorded in other comprehensive income (loss).

The following tables summarize the fair value and outstanding balance for items the Company accounts for under FVO:

(in thousands)	Fair value	Unpaid Principal Balance	Accrued Interest	Fair Value Over (Under) Outstanding Balance
		(unaudited)		
At June 30, 2026				
Streeterville Note	$ 7,726	$ 6,570	$ —	$ 1,156
Streeterville 2	356	364	—	(8)
Convertible Notes	169	152	17	—
Uptown	93	96	1	(4)
Iliad	$ —	$ —	$ —	$ —

(in thousands)	Fair value	Unpaid Principal Balance	Accrued Interest	Fair Value Over (Under) Outstanding Balance
At December 31, 2025				
Streeterville Note	$ 8,222	$ 6,000	$ 1,036	$ 1,186
Streeterville 2	8,580	6,953	2,649	(1,022)
Convertible Notes	2,540	2,572	41	(73)
Uptown	11,387	13,563	5,988	(8,164)
Iliad	$ 1,172	$ —	$ 1,183	$ (11)

4. Related Party Transactions

Board of Directors ("BOD") Cash Compensation

The Company makes BOD cash compensation quarterly based on the Director Compensation Program. For the three months ended June 30, 2026 and 2025, the Company paid its directors approximately $108,000 and $109,000 in cash compensation, respectively. For the six months ended June 30, 2026 and 2025, the Company paid its directors approximately $217,000 and $213,000 in cash compensation, respectively.

5. Commitments and Contingencies

Commitments

Leases

On April 6, 2021, the Company entered into an office lease agreement of approximately 10,526 square feet of office space in San Francisco, inclusive of office space covered under the previous sublease agreement. The term of the lease began on September 1, 2021, and expired on February 28, 2025, unless terminated earlier. The lease had an early occupancy provision which entitled the Company to use a portion of the leased premises on June 1, 2021, free of rent obligation. In addition, the Company has the option to extend the lease for one three-year period after the expiration date. This option was not included as part of the lease term as the Company was not reasonably certain to exercise it; hence, the lease term only includes the non-cancellable period of three years plus the period of early occupancy.

The base rent under the lease office was $42,000 monthly for the first 12 months, $43,000 monthly for the next 12 months, and $45,000 for the last twelve months. The lease agreement only contained one lease component, which is the lease of the office space. Non-lease components such as payment of building operating costs and share in real property taxes were accounted for separately and were not considered as part of the total lease payments. The lease was classified as an operating lease.

On October 7, 2021, the Company entered an agreement for the lease of office premises from November 1, 2021, to April 30, 2022, subject to automatic renewal for subsequent periods until terminated by either party. Base rent amounted to €10,000 or approximately $10,500. If the contract was not terminated within 12 months, the lease amount would be increased in line with the index of relevant inflation at each annual expiration of the contract's start date. The lessor had the right to decline the renewal of the contract. Upon the happening of certain specified events, the lessor might immediately withdraw from the contract. The Company was required to leave the occupied spaces immediately in the same condition in which they were found in the event of contract termination or expiry. The Company paid a deposit of €20,000, or approximately $21,000, to the lessor. On January 26, 2022, the lease agreement was amended, whereby the term was extended by 20 months from May 1, 2022 to December 31, 2023. All other contract provisions remained the same.

On October 25, 2023, the Company entered a second amendment to extend the lease of the office premises whereby Suite 600 shall extend until February 28, 2025, while Suite 400 shall be accounted for as a separate lease commencing on September 1, 2023, and expiring on August 31, 2030. Under the second lease amendment, the office lease premises were remeasured separately, with Suite 400 measuring approximately 5,735 square feet while Suite 600 measuring 5,263 square feet. The base rent for Suite 400 was $18,000 monthly in the first two years, $18,000 monthly in the third and fourth years, $19,000 monthly in the fifth and sixth years, $20,000 monthly in the seventh and eighth years, and $21,000 in the last year. Accordingly, Suite 600's base rent was amended to $22,000 monthly on its remaining terms. The option to renew at the end of the lease term was amended into a one-to-five-year period from the original one-to-three-year period. All other contract provisions remained the same.

On October 10, 2021, the Company also entered a short-term office lease in Milan, Italy. The term of the lease began on November 1, 2021, subject to automatic renewal equal to the present term until terminated by mutual agreement. On January 26, 2022, the lease agreement was amended, whereby the term was extended by 20 months from May 1, 2022 to December 31, 2023. The Company recognized rent expense on a straight-line basis over the non-cancellable lease period. On September 12, 2023, the Company entered into a second lease amendment whereby the term was extended by another year from January 1, 2024 to December 31, 2024. The Company recognized rent expense on a straight-line basis over the non-cancellable lease period. On December 31, 2023, the Company elected not to renew the lease agreement for October 10, 2021.

On January 25, 2022, the Company entered an agreement for the lease of office premises from March 1, 2022, to December 31, 2023, subject to automatic renewal for subsequent periods until terminated by either party. Base rent amounted to €4,000 or approximately $4,200. A similar agreement was entered with the lessor for the lease of premises to be used as office space from November 1, 2022, to December 31, 2023, subject to automatic renewal for subsequent periods until terminated by either party. Base rent amounted to €3,817 or approximately $4,000. If the contracts are not terminated within 12 months, the lease amounts will be increased in line with the index of relevant inflation at each annual expiration of the contract's start date. The lessor has the right to decline the renewal of the contracts. Upon the happening of certain specified events, the lessor may immediately withdraw from the contracts. The Company is required to leave the occupied spaces immediately in the same conditions in which they were found in the event of contract termination or expiry. The Company paid a deposit of €9,000, or approximately $9,500, to the lessor.

On March 30, 2022, the Company entered an agreement for the lease of two separate vehicles for 48 months, expiring on March 29, 2026. The total monthly lease payment amounted to €2,000 or approximately $2,100, payable in advance. The Company elected to include both the lease and non-lease components as a single component and account for it as a lease. The Company also paid a total deposit of €19,000 or approximately $20,000, exclusive of VAT. Early termination of the contracts requires the payment of specified amounts. On December 17, 2025, the lease agreement was amended, whereby the term was extended by 12 months from March 30, 2026 to March 29, 2027.

In May 2022, the Company entered an agreement for the lease of one vehicle for 48 months, expiring on April 30, 2026. The total monthly lease payment amounted to €833 or approximately $880, payable in advance. The Company elected to include both the lease and non-lease components as a single component and account for it as a lease. The Company also paid a total deposit of €21,000 or approximately $22,000, exclusive of VAT. Early termination of the contracts requires the payment of specified amounts.

In October 2022, the Company entered an agreement for the lease of three vehicles for 48 months, expiring on September 30, 2026. The total monthly lease payment amounted to €2,094 or approximately $2,200, payable in advance. The Company elected to include both the lease and non-lease components as a single component and account for it as a lease.

In November 2022, the Company entered an agreement for the lease of two vehicles for 48 months, expiring on October 31, 2026. The monthly lease payment amounted to €1,459 or approximately $1,500, payable in advance. The Company elected to include both the lease and non-lease components as a single component and account for it as a lease.

On October 25, 2023, the Company entered into the second amendment to the lease of the office premises in San Francisco. Under this amendment, the lease term for Suite 400 was changed from February 28, 2025 to August 31, 2030. Additionally, it reflected a remeasurement of the premises, increasing the Company's total rentable area from 10,526 to 10,998 square feet. As part of this remeasurement, Suite 400's rentable area was adjusted to 5,735 square feet, while Suite 600's rentable area remained unchanged at 5,263 square feet per the original lease agreement. This amendment did not increase Suite 400's rent proportionally to the updated square footage. The option to renew at the end of the lease term was amended into a one-to-five-year period from the original one-to-three-year period. This option was not included as part of the lease term as the Company was not reasonably certain to exercise it; hence, the lease term only includes the noncancellable period until February 28, 2025. The second amendment did not modify any terms related to Suite 600.

On December 8, 2023, the Company entered a two-year office lease in Milan, Italy. The lease term began on January 1, 2024, until December 31, 2025. The Company recognizes rent expense on a straight-line basis over the non-cancellable lease period.
On January 1, 2025, the Company entered into the third amendment to the lease of the office premises in San Francisco. Under this amendment, the lease term for Suite 600 was changed from February 28, 2025 to August 31, 2030, rendering the lease terms for both Suite 400 and Suite 600 coterminous. Additionally, the amendment established a revised rental rate for Suite 600 at $24.00 per rentable square foot, effective upon the amendment’s execution. The rental rate is subject to annual escalations of three percent (3%) thereafter. The third amendment did not modify any terms related to Suite 400.

The table below provides additional details of the office space and vehicle leases presented in the condensed consolidated balance sheet as of June 30, 2026, and December 31, 2025:

(in thousands)	June 30, 2026 (unaudited)	December 31, 2025
Operating lease - right-of-use asset - office space	$ 995	$ 954
Operating lease - right-of-use asset - vehicles	16	46
Total	$ 1,011	$ 1,000
Operating lease liability, current	$ 219	$ 192
Operating lease liability, net of the current portion	873	892
Total	$ 1,092	$ 1,084
Weighted-average remaining life (years)	3.78	4.48
Weighted-average discount rate	23.71%	24.48%

Lease costs included in general and administrative expenses in the condensed consolidated statements of operations for the three and six months ended June 30, 2026, were approximately $157,000 and $246,000, respectively. Lease costs included in general and administrative expenses in the condensed consolidated statements of operations for the three and six months ended June 30, 2025, were approximately $131,000 and $263,000, respectively.

For the six months ended June 30, 2026 and 2025, respectively, cash paid for operating lease liabilities recognized under operating cash flows amounted to approximately $117,000 and $137,000, respectively.

Non-cash investing and financing activities for the six months ended June 30, 2026 and 2025, including addition to right-of-use assets obtained from new and modified operating liabilities, amount to approximately $109,000 and $341,000, respectively.

The following table summarizes the undiscounted cash payment obligations for operating lease liability as of June 30, 2026 and December 31, 2025.

(in thousands)	June 30, 2026 (unaudited)	December 31, 2025
2026	230	408
2027	440	375
2028	379	379
2029	391	391
2030	266	266
Total undiscounted operating lease payments	1,706	1,819
Imputed interest expenses	(614)	(735)
Total operating lease liability	1,092	1,084
Operating lease liability, current	(219)	(192)
Operating lease liability, net of current portion	$ 873	$ 892

Purchase Commitment

On September 3, 2020, the Company entered into a manufacturing and supply agreement with Alivus Life Sciences Limited (f/k/a Glenmark Life Sciences Limited) (“Alivus”), pursuant to which Alivus will continue to serve as the Company’s manufacturer of crofelemer for use in Mytesi, the Company’s human prescription drug product approved by the FDA, and for other crofelemer-based products manufactured by the Company or its affiliates for human or animal use. The term of the agreement is approximately 2.5 years (i.e., until March 31, 2023) and may be extended for successive two-year renewal terms upon mutual agreement between the parties thereto. The agreement was renewed on July 12, 2023, and was further renewed until March 31, 2026. The agreement contains provisions regarding the rights and responsibilities of the parties with respect to manufacturing specifications, forecasting and ordering, delivery arrangements, payment terms, confidentiality and indemnification, and other customary provisions. The agreement includes a commitment to purchase from Alivus a minimum quantity of 500 kilograms of crofelemer per year, pro-rated for partial

years, where the Company may be obligated to pay any shortfall. Either party may terminate the agreement for any reason with 12 months prior written notice to the other party. In addition, either party may terminate the agreement upon written notice as a result of a material breach of the agreement that remains uncured for a period of 90 days. If the Company terminates the agreement due to a material breach caused by Alivus, the Company will not be obligated to pay for any minimum quantity shortfall. As of June 30, 2026, the Company has no remaining purchase commitments or other material obligations under the agreement.

Asset Transfer and Transition Commitment

On September 25, 2017, the Company entered into the Termination, Asset Transfer, and Transition Agreement with Alivus dated September 22, 2017. As a result of the agreement, the Company now controls commercial rights for Mytesi for all indications, territories, and patient populations globally and also holds commercial rights to the existing regulatory approvals for crofelemer in Brazil, Ecuador, Zimbabwe, and Botswana. In exchange, the Company agrees to pay Alivus 25% of any payment it receives from a third party to whom the Company grants a license or sublicense or with whom the Company partners in respect of or sells or otherwise transfers any of the transferred assets, subject to certain exclusions until Alivus has received a total of $7.0 million. For the six months ended June 30, 2026 and 2025, the Company paid Alivus $0 and $620,000, respectively.

Revenue Sharing Commitment Update

On December 14, 2017, the Company entered into a collaboration agreement with Seed Mena Businessmen Services LLC (“SEED”) for Equilevia™, the Company's non-prescription, personalized, premium product for total gut health in equine athletes. According to the terms of this agreement, the Company will pay SEED 15% of total revenue generated from any clients or partners introduced to the Company by SEED in the form of fees, commissions, payments, or revenue received by the Company or its business associates or partners, and the agreed-upon revenue percentage increases to 20% after the first million dollars of revenue. In return, SEED will provide the Company access to its existing United Arab Emirates (“UAE”) network and contacts and assist the Company with any legal or financial requirements. The agreement will continue indefinitely until terminated by either party pursuant to the terms of the Agreement. No payments have been made to date.

Joint Venture - Magdalena Biosciences, Inc.

In January 2023, Jaguar and Filament Health (“Filament”), with Funding from One Small Planet, formed the U.S.-based joint venture Magdalena Biosciences, Inc. (“Magdalena”). Magdalena’s focus is on the development of novel, natural prescription medicines derived from plants for mental health indications, including, initially, attention-deficit/hyperactivity disorder (“ADHD”) in adults. The goal of the collaboration is to extend the botanical drug development capabilities of Jaguar and Filament in order to develop pharmaceutical-grade, standardized drug candidates for mental health disorders and to partner with a potential future licensee to develop and commercialize these novel plant-based drugs. This venture aligns with Jaguar's mental health Entheogen Therapeutics Initiative (“ETI”) and Filament's corporate mission to develop novel, natural prescription medicines from plants. Magdalena will leverage Jaguar's proprietary medicinal plant library and Filament's proprietary drug development technology. Jaguar’s library of 2,300 highly characterized medicinal plants and 3,500 plant extracts, all from firsthand ethnobotanical investigation by Jaguar and members of the ETI Scientific Strategy Team, is a key asset Jaguar has generated over 30 years that bridges the knowledge of traditional healers and Western medicine. Magdalena holds an exclusive license to plants and plant extracts in Jaguar's library, not including any sources of crofelemer or NP-300, for specific indications and is in the process of identifying plant candidates in the library that may prove beneficial for addressing indications such as ADHD.

The Company accounted for its 40% investment in Magdalena under the equity method. As of June 30, 2026 and December 31, 2025, the carrying value of the Company’s investment in Magdalena was $0. The summarized income statement information for the six months ended June 30, 2026, of Magdalena is as follows:

(in thousands)	June 30, 2026 (unaudited)
Revenue	$ —
Operating expenses	90
Loss before income tax	90
Income tax expense	—
Net loss	$ 90
Net loss attributable to the Company	$ 36

The net loss attributable to the Company is included in other income in the consolidated statements of operations.

Securities Purchase and Licensing Agreement

On March 18, 2024, the Company entered into a privately negotiated securities purchase agreement with GEN, pursuant to which the Company issued 13 shares of the Company's common stock at $157,500 per share for gross proceeds of approximately $2.0 million. The sale of the securities was consummated in connection with the licensing transaction covering the exclusive license and commercialization agreement for the Company's FDA-approved prescription drug crofelemer with purchasers in certain Eastern European countries.

The Company determined that the issuance of shares and the license grant should be accounted for as a single arrangement under ASC 606. The fair value of the common stock issued was excluded from the consideration allocated to the revenue unit of account following the separation and initial measurement requirements. The deferred revenue amounting to $850,000 will be recognized as revenue evenly over a period of five years, which represents the approximate term of the license period considering the license patents' expiration dates. For the six months ended June 30, 2026 and 2025, the Company recognized $86,000 and $86,000 related to the license granted. As of June 30, 2026, the remaining deferred revenue balance related to this agreement was $468,000, of which $170,000 is classified as current and $298,000 is classified as non-current deferred revenue.

April 2024 Agreement for Gelclair

On April 12, 2024, the Company entered into an exclusive 5-year in-license agreement with Venture Life, for the exclusive rights to market Gelclair within the US market. The agreement will automatically be renewed for an additional five-year term, totaling ten years, if the Company meets all Minimum Purchase Obligations ("MPOs") and minimum net sales obligations.

The Company paid a non-refundable license fee of €200,000 (equivalent to $215,040, excluding VAT) and will pay a running royalty based on a percentage of the net sales throughout the agreement term. The non-refundable license fee has been capitalized as License under Intangible Assets, while the running royalty will be recognized as royalty expense.

The Company commenced the commercial launch of Gelclair in October 2024. For the three and six months ended June 30, 2026, the Company recognized amortization of $6,000 and $11,000, and royalty expense of $142,000 and $284,000, respectively, based on a percentage of net sales. For the three and six months ended June 30, 2025, the Company recognized amortization of $6,000 and $11,000, and royalty expense of $39,000 and $78,000, respectively, based on a percentage of net sales. As of June 30, 2026 and December 31, 2025, the carrying amount of the Gelclair license was $176,000, and $187,000.

Contingencies

On February 3, 2026, a former employee filed a complaint against the Company with the American Arbitration Association (AAA). While we cannot predict the outcome of this matter with certainty, the claim financial result should not exceed our insurance retention for this matter, $100,000. An adverse ruling could potentially impact our reputation. The Company believes the claim is without merit and intends to defend itself vigorously; accordingly, no accrual for loss contingency has been recorded as of June 30, 2026.

6. Balance Sheet Components

Inventory

Inventory at June 30, 2026 and December 31, 2025 consisted of the following:

(in thousands)	June 30, 2026 (unaudited)	December 31, 2025
Raw materials	$ 2,066	$ 2,041
Work in process	6,828	7,236
Accumulated provision for inventory obsolescence	(2,000)	(2,000)
Work in process, net	4,828	5,236
Finished goods	422	1,322
Total inventory, net	$ 7,316	$ 8,599

Inventory provisions as a result of excess inventory or obsolescence are recorded as a component of cost of sales in the consolidated statements of operations. For the three and six months ended June 30, 2026, inventory provisions were $0 and $0, respectively. For the three and six months ended June 30, 2025, inventory provisions were $0 and $0, respectively.

Property and Equipment, net

Property and equipment, net at June 30, 2026 and December 31, 2025, consisted of the following:

(in thousands)	June 30, 2026 (unaudited)	December 31, 2025
Land	$ 396	$ 396
Lab equipment	477	477
Software	63	63
Furniture and fixtures	28	62
Computers and peripherals	23	23
Total property and equipment at cost	987	1,021
Accumulated depreciation	(570)	(558)
Property and equipment, net	$ 417	$ 463

Depreciation and amortization expenses were $6,000 and $12,000 for the three and six months ended June 30, 2026, respectively.

Depreciation and amortization expenses were $11,000 and $23,000 for the three and six months ended June 30, 2025, respectively.

Intangible Assets, net

Intangible assets consisted of the following:

(in thousands)	June 30, 2026 (unaudited)	December 31, 2025
Developed technology	$ 25,000	$ 25,000
Accumulated developed technology amortization	(14,861)	(14,028)
Developed technology, net	10,139	10,972
In-process research and development	4,800	4,800
Accumulated in-process research and development impairment	(800)	(800)
In process research and development, net	4,000	4,000
Trademarks	300	300
Accumulated trademark amortization	(178)	(168)
Trademarks, net	122	132
Internal use software costs - registry	1,237	1,237
Accumulated internal use software costs impairment	(371)	(371)
Accumulated internal use software costs amortization	(723)	(653)
Internal use software costs - registry, net	143	213
Patents	568	569
Accumulated patents amortization	(63)	(54)
Patents, net	505	515
License	217	217
Accumulated license amortization	(40)	(28)
License, net	177	189
Total intangible assets, net	$ 15,086	$ 16,021

Amortization expense of finite-lived intangible assets was $467,000 and $934,000 for the three and six months ended June 30, 2026. Amortization expense of finite-lived intangible assets was $467,000 and $934,000 for the three and six months ended June 30, 2025, respectively.

During 2025, in connection with its annual impairment assessment of the Company's in-process research and development ("IPR&D") assets, consisting of crofelemer for irritable bowel syndrome ("IBS") and pediatrics ("PEDS"), the Company determined that the combined estimated fair value of these IPR&D programs was less than their carrying amount of $4.8 million. Based on this

evaluation, the Company estimated the fair value of the IPR&D assets to be $4.0 million. Accordingly, for the year ended December 31, 2025, the Company recognized an impairment loss of $800,000.

The following table summarizes the Company's estimated future amortization expense of intangible assets with finite lives as of June 30, 2026:

(in thousands)	Amounts
Remainder of 2026	$ 1,778
2027	1,095
2028	1,095
2029	1,095
2030	1,095
Thereafter	4,928
	$ 11,086

Accrued Liabilities

Accrued liabilities at June 30, 2026 and December 31, 2025 consisted of the following:

(in thousands)	June 30, 2026 (unaudited)	December 31, 2025
Accrued chargebacks and discounts	$ 1,360	$ 641
Accrued customer credits	1,094	1,055
Accrued legal costs	596	829
Accrued royalties	403	134
Accrued share of joint venture losses	397	351
Accrued vacation	366	357
Accrued payroll and commission	164	263
Accrued audit and tax services	132	81
Accrued in-transit payable	97	328
Accrued interest	5	5
Accrued local tax	1	12
Accrued payroll tax	1	6
Accrued other	96	104
Total	$ 4,712	$ 4,166

Other accrued liabilities as of June 30, 2026 and December 31, 2025 mainly consist of consultancy fees, contract fees and scientific advisory board fees.

7. Debt

Notes payable at June 30, 2026 and December 31, 2025 consisted of the following:

(in thousands)	June 30, 2026 (unaudited)	December 31, 2025
Notes designated at Fair Value Option	$ 8,344	$ 31,901
Streeterville - New Note	7,233	10,925
Insurance Financing	371	164
Total	15,948	42,990
Less: Unamortized discount and debt issuance costs	(389)	(467)
Note payable, net of discount	$ 15,559	$ 42,523
Notes payable - non-current, net	$ 1,726	$ 15,083
Notes payable - current, net	$ 13,833	$ 27,440
Weighted average interest rate on short-term borrowings	9.20%	8.33%

The Company paid approximately $6,000 and $9,000 in interest on its debt for the six months ended June 30, 2026 and 2025, respectively.

All notes payable not designated at FVO are expected to mature in 2026 to 2029. Future maturities are based on contractual minimum payments. The timing of maturities may fluctuate based on future revenue.

Sale of Future Royalty Interest

October 2020 Purchase Agreement

On October 8, 2020, the Company entered into a royalty interest purchase agreement (the "October 2020 Purchase Agreement") with Iliad Research and Trading, L.P. ("Iliad"), pursuant to which the Company sold to Iliad a royalty interest entitling Iliad to receive $12.0 million of future royalties on sales of Mytesi and certain up-front license fees and milestone payments from licensees and distributors (the "Royalty Repayment Amount") for an aggregate purchase price of $6.0 million.

Until the Royalty Repayment Amount has been paid in full, the Company will pay Iliad 10% of the Company's net sales on included products and 10% of worldwide revenues related to upfront licensing fees and milestone payments from licensees and distributors, but specifically excluding licensing fees and milestone payments that are reimbursements of clinical trial expenses. Beginning on the six-month anniversary of the delivery of the October 2020 Purchase Agreement to the Company (the "Purchase Price Date") and continuing until the 12-month anniversary of the Purchase Price Date, the monthly royalty payment shall be the greater of (a) $250,000, and (b) the actual royalty payment amount Iliad is entitled to for such month. Beginning on the 12-month anniversary of the Purchase Price Date and continuing until the 18-month anniversary of the Purchase Price Date, the monthly royalty payment shall be the greater of (a) $400,000 and (b) the actual royalty payment amount Iliad is entitled to for such month. Beginning on the 18-month anniversary of the Purchase Price Date and continuing until 24 - month anniversary of the Purchase Price Date, the monthly royalty payment shall be the greater of (a) $600,000 and (b) the actual royalty payment amount Iliad is entitled to for such month. Beginning on the 24-month anniversary of the Purchase Price Date and continuing until the Royalty Repayment Amount has been paid in full, the monthly royalty payment shall be the greater of (a) $750,000, and (b) the actual royalty payment amount Iliad is entitled to for such month.

The Royalty Interest amount of $12.0 million was classified as debt, net of a $6.0 million discount, at initial recognition. Under ASC 470-10-35-3, *Debt—Overall—Subsequent Measurement* ("ASC 470-10-35-3"), Royalty payments to Iliad will be amortized under the interest method per ASC 835-30, *Interest—Imputation of Interest* ("ASC 835-30"). While the agreement contains a stated interest rate, the timing and amount of royalty payments depend on future revenue streams. After each royalty payment, the Company will use a prospective method to determine a new discount rate based on the revised estimate of remaining cash flows. The new rate is the discount rate that equates the present value of the revised estimate of remaining cash flows with the carrying amount of the debt, and it will be used to recognize interest expense for the remaining periods. At issuance, based on projected cash outflows from future revenue streams, the discount rate was 34.51%.

Pursuant to the October 2020 Purchase Agreement, if the weekly volume weighted average price ("VWAP") of the Company's common stock is not equal to or greater than the minimum VWAP of $0.9105 at least twice during each calendar month during the six months beginning on November 1, 2020, then the Royalty Repayment Amount will be automatically increased by $6.0 million at the end of such six-month period. During the observation period starting November 1, 2020, the Company's weekly VWAP failed to reach the minimum VWAP of $0.9105. On November 13, 2020, the Company concluded that the contingent clause had been met, warranting an additional $6.0 million Royalty Repayment Amount to be added to the outstanding balance commencing on May 10, 2021, for the purpose of cash interest calculation. The change in the Royalty Repayment Amount was accounted for as a debt modification and resulted in a new discount rate of 45.42%.

The company entered into several exchange agreements from April 13, 2021, to March 9, 2022, whereby the Company agreed to partition $8.0 million from the original outstanding balance of the royalty interest and exchange for a total of 2 shares of the Company's voting common stock. The period between the first and last exchanges from February 11, 2022 to March 9, 2022, occurred within a 12-month period and each was individually assessed as a modification, the debt terms that existed prior to the February 11 exchange were used in applying the 10% test on the cumulative assessment performed. The exchanges were cumulatively accounted for as an extinguishment and resulted in a loss of $2.2 million.

On April 14, 2022, the Company entered into amendments (the "Royalty Interest Global Amendments") to its existing royalty interests, including the Royalty Interest in the original principal amount of $12.0 million under the October 2020 Purchase Agreement. The amendment grants the Company, at its sole discretion, the right to exchange from time to time, all or any portion of the Royalty Interests for shares of the Company's common stock at a price per share equal to the Nasdaq Minimum Price (as defined in Nasdaq Listing Rule 5635(d)) as of the date of the applicable exchange. Under the Royalty Interest Global Amendments, the

Company's ability to exchange the Royalty Interests for shares of the Company's common stock is subject to certain limitations, on which the Company will not have such right and issue any common stock to investors if such limitations were not followed.

The Company entered into several exchange agreements after the Royalty Interest Global Amendments from May 13, 2022, to November 18, 2022, whereby the Company agreed to partition $1.9 million from the outstanding balance of the royalty interest in exchange for a total of 2 shares of the Company's voting common stock. These exchange agreements were individually assessed and accounted for as debt modification.

On March 17, 2023 and March 23, 2023, the Company entered into another exchange agreement with Iliad, pursuant to which the parties agreed to partition $992,000 and $227,000, respectively, from the outstanding balance of the royalty interest in exchange for 1 and 1 share, respectively, of the Company's common stock.

The exchanges that occurred within the 12 months before the May 13, 2022 exchange were previously accounted for as extinguishment; therefore, cumulative assessment was no longer performed.

On May 8, 2023, the Company entered into a standstill agreement (as amended, the "Standstill Agreement") with Iliad, Uptown Capital, LLC (f/k/a Irving Park Capital, LLC) ("Uptown") and Streeterville (together with Iliad and Uptown, collectively, "Investor") to allow the Company to refrain from making royalty payments with respect to four outstanding royalty interests issued by the Company to the Investor dated October 8, 2020, December 22, 2020, March 8, 2021, and August 24, 2022, respectively (each, a "Royalty Interest" and collectively, the "Royalty Interests"), including any royalty payments due and payable as of May 8, 2023 (the "Standstill Date"), and refrain from buying, selling, or otherwise trading in the Company's common stock for a period beginning on the Standstill Date and ending on the earliest of (a) the date that is six months following the Standstill Date (b) the date of the public announcement of the probability value in Jaguar's OnTarget Phase 3 clinical trial of crofelemer for prophylaxis of cancer therapy-related diarrhea, and (c) the date of any offering or sale of any debt or equity securities, including without limitation any at-the-market offering (the "Standstill Period"), but excluding any exempt issuances. As a material inducement and consideration for Investor's agreement to enter into the Standstill Agreement, the Company issued (i) Iliad warrants to purchase up to 14 shares of the common stock, (ii) Uptown warrants to purchase up to 14 shares of the common stock which will expire on May 8, 2033, and (iii) Streeterville warrants to purchase up to 36 shares of the common stock, all at an exercise price of $25,200.00 per share.

On June 28, 2023, the Company entered into the first amendment to the Standstill Agreement, pursuant to which the Standstill Agreement was amended to, among other things, permit (i) the Company to issue an aggregate of 105 shares of the Company's Series H Convertible Preferred Stock to the Investor in exchange for a $760,000 reduction in the outstanding balance of the December 2020 Royalty Interest and a $1.7 million reduction in the outstanding balance of the August 2022 Royalty Interest (the "Exchange Transaction") without triggering the termination of the Standstill Period, and (ii) the Investor to (A) consummate the Exchange Transaction during the Standstill Period and (B) sell all shares of the Company's common stock beneficially owned by Investor immediately prior to the consummation of the Exchange Transaction during the Standstill Period.

On June 30, 2023, the Company entered into a binding memorandum of understanding (the "Binding MOU") with the Investor to modify the allocation of the warrants as set forth in the Standstill Agreement such that the Company issued (i) Iliad warrants to purchase up to 33 shares of the voting common stock and (ii) Uptown warrants to purchase up to 40 shares of the voting common stock, and no warrants were issued to Streeterville under the Standstill Agreement.

On August 14, 2023, the Company entered into an amendment ("the Second Amendment") to the Standstill Agreement with Iliad and Uptown (together, "Standstill Investor") to (i) permit the Company to offer and sell securities without triggering the termination of the Standstill Period, and (ii) remove the restriction on Standstill Investor's ability to buy, sell, or otherwise trade in shares of the Company's common stock during the Standstill Period.

On September 29, 2023, the Company entered into the Global Amendment No. 2 to the October 2020 Royalty Interest with Iliad, pursuant to which, beginning on January 1, 2026, the monthly royalty payment under the October 2020 Purchase Agreement shall be the greater of (a) $750,000, and (b) the actual royalty payment amount Iliad is entitled to for such month pursuant to the terms of the October 2020 Purchase Agreement. As a material consideration for Iliad's agreement to enter into this amendment, the Company agreed to issue Iliad warrants to purchase up to 4 shares of the Company's voting common stock at an exercise price of $19,425.00 per share. Such warrants may be exercisable for cash or on a cashless basis at any time and from time to time during the period commencing on September 29, 2023 (the "Issuance Date") and ending on the five-year anniversary of the Issuance Date. Pursuant to an analysis of the indicators provided in ASC 470-60-55-8, *Debt—Troubled Debt Restructurings by Debtors—Implementation Guidance and Illustrations* ("ASC 470-60-55-8"), the Company is not deemed to be experiencing financial difficulty. The debt restructuring is, therefore, not considered a TDR.

The cumulative effect of the exchanges to the October 2020 Royalty Interest resulted in significant modifications and was accounted for as extinguishment. The Company recorded an extinguishment gain in the consolidated statements of operations

amounting to $2.0 million. The extinguishment triggered a remeasurement event under ASC 825-10 and created an election date on whether to account for the October 2020 Royalty Interest under the FVO.

The Company irrevocably elected to initially and subsequently apply the FVO accounting to the entire royalty interest. The Company used the valuation report from an independent valuation service provided to measure the reporting date fair value of the royalty interest.

On December 28, 2023, the Company entered into a privately negotiated exchange agreement with Iliad, pursuant to which the Company issued an aggregate of 93 shares of the Company's voting common stocks to Iliad in exchange for a $789,000 reduction in the outstanding balance of the October 2020 Royalty Interest. The effect of the exchange was accounted for as a debt modification.

On January 29, 2024, the Company entered into a privately negotiated exchange agreement with Iliad pursuant to which the Company issued an aggregate of 152 shares of the Company's voting common stock to Iliad in exchange for a $836,000 reduction in the outstanding balance of the royalty interest dated October 8, 2020. The effect of the exchange was accounted for as a debt modification.

On June 7, 2024, the Company entered into an exchange agreement with Iliad, pursuant to which the parties agreed to partition $1.5 million from the outstanding balance of the royalty interest dated October 8, 2020. This reduced the outstanding balance of the original royalty interest. The partitioned royalty was exchanged for 7 shares of the Company's voting common stock.

On July 15, 2024, the Company entered into a privately negotiated exchange agreement with Iliad pursuant to which the Company issued an aggregate of 520 shares of the Company's voting common stock to Iliad in exchange for a $1.9 million reduction in the outstanding balance of the original royalty interest. The effect of the exchange was accounted for as a debt modification.

On July 18, 2024, the Company entered into a privately negotiated exchange agreement with Iliad pursuant to which the Company issued an aggregate of 229 shares of the Company's voting common stock to Iliad in exchange for $819,000 reduction in the outstanding balance of the original royalty interest. The effect of the exchange was accounted for as a debt modification.

On April 30, 2025, the Company entered into a privately negotiated exchange agreement with Iliad pursuant to which the Company issued an aggregate of 1,643 of the Company's voting common stock to Iliad in exchange for $633,000 reduction in the outstanding balance of October 2020 Royalty Interest. The effect of the exchange was accounted for as a debt modification.

On May 13, 2025, the Company entered into a privately negotiated exchange agreement with Iliad, pursuant to which the Company issued an aggregate of 1,714 shares of the Company's voting common stock to Iliad in exchange for a $466,000 reduction in the outstanding balance of the October 2020 Royalty Interest. The effect of the exchange was accounted for as a debt modification.

On May 14, 2025, the Company entered into a privately negotiated exchange agreement with Iliad, pursuant to which the Company issued an aggregate of 22 shares of the Company's newly authorized Series L Preferred Stock to Iliad in exchange for a $550,000 reduction in the outstanding balance of the October 2020 Royalty Interest. The effect of the exchange was accounted for as a debt modification.

On June 27, 2025, the Company entered into privately negotiated exchange agreements (the "Iliad Series M Exchange Agreement" and the "Streeterville Series M Exchange Agreement") with Iliad and Streeterville, pursuant to which Company issued 170 shares and 90 shares of the Company's newly authorized Series M Preferred Stock to Iliad and Streeterville, respectively, in exchange for a $4,250,000 reduction in the outstanding balance of the October 2020 Royalty Interest and a $2,250,000 reduction in the outstanding balance of the August 2022 Royalty Interest, respectively.

On November 17, 2025, the Company entered into amendments (the "Royalty Interest Global Amendments No. 3") to the October 2020 Royalty Interest with Iliad. Pursuant to these amendments, beginning on April 1, 2026, the monthly royalty payment under each of the Royalty Interests shall be the greater of (a) $750,000, and (b) the actual royalty payment amount the respective investor is entitled to for such month pursuant to the terms of such Royalty Interest.

On January 16, 2026, the Company issued the First Pre-Funded Warrants to purchase 44,396 shares, in exchange for a combined reduction of $1.2 million in the outstanding balances of the October 2020 Royalty Interest.

On June 30, 2026 and December 31, 2025, the fair value of Iliad's royalty interests was determined to be $0 and $1.2 million. For the three and six months ended June 30, 2026, the net change in the fair value of Iliad's royalty interests was $0. For the three and six months ended June 30, 2025, the net change in the fair value of Iliad's royalty interests was $4.5 million and $4.2 million. The net change in fair value was recorded in the changes in fair value of freestanding and hybrid financial instruments designated at FVO in the condensed consolidated statements of operations.

December 2020 Purchase Agreement

On December 22, 2020, the Company entered into a royalty interest purchase agreement (the "December 2020 Purchase Agreement") with Uptown Capital, LLC(f/k/a Irving Park Capital, LLC) ("Uptown"), a company affiliated with Chicago Venture Partners, L.P. ("CVP"). CVP is an institutional investor that has provided various financing facilities to the Company. Pursuant to this agreement, the Company sold to Uptown a royalty interest entitling Uptown to receive $12.0 million of future royalties on sales of Mytesi and certain up-front license fees and milestone payments from licensees and distributors (the "Uptown Royalty Repayment Amount") for an aggregate purchase price of $6.0 million (the "December 2020 Royalty Interest").

Until such time as the Uptown Royalty Repayment Amount has been paid in full, the Company will pay Uptown 10% of the Company's Net Sales on Included Products and 10% of worldwide revenues related to upfront licensing fees and milestone payments from licensees and distributors, but specifically excluding licensing fees and milestone payments that are reimbursements of clinical trial expenses. Beginning on the payment start date of March 8, 2024 (the "Uptown Purchase Price Date"), and continuing until the 12-month anniversary of the Uptown Purchase Price Date, the monthly royalty payment shall be the greater of (a) $750,000 and (b) the actual royalty payment amount Uptown is entitled to for such month.

At initial recognition, the December 2020 Royalty Interest amount of $6.0 million is classified as debt, net of a $6.0 million discount (representing the difference between the purchase price and the $12.0 million Royalty Repayment Amount). Under ASC 470-10-35-3, royalty payments to Uptown will be amortized under the interest method per ASC 835-30. While the agreement contains a stated interest rate, the timing and amount of royalty payments depend on future revenue streams. After each royalty payment, the Company will use a prospective method to determine a new discount rate based on the revised estimate of remaining cash flows. The new rate is the discount rate that equates the present value of the revised estimate of remaining cash flows with the carrying amount of the debt, and it will be used to recognize interest expense for the remaining periods. At issuance, based on projected cash outflows from future revenue streams, the discount rate was 23.70%.

On April 14, 2022, under the Royalty Interest Global Amendments, the Company was granted, at its sole discretion, the right to exchange, from time to time, all or any of the Royalty Interest under the original principal amount of $12.0 million or any portion of the December 2020 Purchase Agreement for shares of the Company's voting common stock at a price per share equal to the Nasdaq Minimum Price (as defined in Nasdaq Listing Rule 5635(d)) as of date of the applicable exchange, subject to certain limitations.

On February 8, 2023, the Company entered into an exchange agreement with Uptown, pursuant to which the parties agreed to partition $675,000 from the outstanding balance of the royalty interest. The parties further agreed to exchange the partitioned royalty for 3 shares of the Company's common stock.

On May 8, 2023, the Company entered into an exchange agreement with Uptown to partition a new royalty interest in the Uptown Royalty Repayment Amount of $1.1 million from the outstanding balance of the royalty interest and exchange for 36 shares of the Company's voting common stock.

On the same date, the Company entered into the Standstill Agreement as described above, pursuant to which the Company may refrain from making royalty payments on the December 2020 Royalty Interest during the Standstill Period.

On September 29, 2023, the Company entered into the Global Amendment No. 2 to the December 2020 Royalty Interest with Uptown, pursuant to which, beginning on January 1, 2026, the monthly royalty payment under the December 2020 Royalty Interest shall be the greater of (a) $750,000, and (b) the actual royalty payment amount Uptown is entitled to for such month pursuant to the terms of the December 2020 Royalty Interest. As a material consideration for Uptown's agreement to enter into this amendment, the Company agreed to issue to Uptown warrants to purchase up to 5 shares of the Company's voting common stock at an exercise price of $19,425.00 per share. Such warrants may be exercisable for cash or on a cashless basis at any time and from time to time during the period commencing on September 29, 2023 (the "Issuance Date") and ending on the five-year anniversary of the Issuance Date. Pursuant to an analysis of the indicators provided in ASC 470-60-55-8, the Company is not deemed to be experiencing financial difficulty. The debt restructuring is, therefore, not considered a TDR.

On the same date, the Company entered into a privately negotiated exchange agreement with Uptown (the "Exchange Agreement"), pursuant to which the Company issued an aggregate of 118 shares of the Company's newly authorized Series I Convertible Preferred Stock (the "Series I Preferred Stock" or "Preferred Stock") to Uptown, at an effective exchange price per share equal to the market price (defined as the Minimum Price under Nasdaq Listing Rule 5635(d)) as of the date of the Exchange Agreement, in exchange for a $1.5 million reduction in the outstanding balance of the December 2020 Royalty Interest ("Partitioned Royalty" or the "Exchange Transaction"). Subject to the terms of the Series I Preferred Stock, each share of Series I Preferred Stock is convertible into shares of the Company's common stock (the "Conversion Shares").

The cumulative effect of the exchanges to the December 2020 Royalty Interest resulted in significant modifications and was accounted for as extinguishment. The Company recorded an extinguishment gain in the consolidated statements of operations amounting to $2.7 million. The extinguishment triggered a remeasurement event under ASC 825-10 and created an election date on whether to account for the December 2020 Royalty Interest under the FVO accounting.

The Company irrevocably elected to initially and subsequently apply the FVO accounting to the entire royalty interest. The Company used the valuation report from an independent valuation service provided to measure the reporting date fair value of the royalty interest.

On January 28, 2025, the Company entered into a privately negotiated exchange agreement with Uptown, pursuant to which the Company issued 1,474 shares of voting common stock to Uptown in exchange for a $1.1 million reduction in the outstanding balance of the Uptown's royalty interest. The Company accounted for the exchange as a debt modification under ASC 470-50 because the present value of the modified cash flows differed from the original terms by only 0.86%, falling well below the 10% threshold required for extinguishment treatment. Consequently, no gain or loss was recognized in the consolidated statements of operations.

On November 17, 2025, the Company executed the Royalty Interest Global Amendments No. 3 regarding the December 2020 Royalty Interest with Uptown. Pursuant to these amendments, beginning on April 1, 2026, the monthly royalty payment under each of the Royalty Interests shall be the greater of (a) $750,000, and (b) the actual royalty payment amount the respective investor is entitled to for such month pursuant to the terms of such Royalty Interest.

On March 6, 2026, the Company entered into global amendments to its existing royalty interests with Uptown. Under the Uptown 2020 Royalty Interest Global Amendment No. 4, the starting date for monthly royalty payments was postponed from April 1, 2026, to July 1, 2026. Additionally, the Royalty Repayment Amount for the agreement was reduced by ten percent, resulting in new repayment balance of $11,125,282.54.

On May 19, 2026, the Company entered into a privately negotiated exchange agreement with Uptown, pursuant to which, the Company issued 500 shares of Series Q Perpetual Preferred Stock (the "Series Q Preferred Stock") to Uptown in exchange for a $12.5 million reduction in the outstanding balance of the December 2020 Royalty Interest.

On June 17, 2026, the Company entered into Global Amendment No. 5 to the December 2020 Royalty Interest with Uptown. Pursuant to this amendment, the commencement date for the monthly royalty payments was deferred, and payments will now begin on October 1, 2026, instead of the previously scheduled start date of July 1, 2026.

On June 30, 2026 and December 31, 2025, the fair value of Uptown's royalty interests was determined to be $93,000 and $11.4 million. For the three and six months ended June 30, 2026, the net change in the fair value of Uptown's royalty interests was $499,000 and $657,000, respectively. For the three and six months ended June 30, 2025, the net change in the fair value of Uptown's royalty interests was $679,000 and $385,000, respectively. The net change in fair value was recorded in the change in fair value of financial instruments and hybrid instruments designated at FVO in the condensed consolidated statements of operations.

March 2021 Purchase Agreement

On March 8, 2021 (the “Closing Date”), the Company entered into a purchase agreement (the “March 2021 Purchase Agreement”) with Streeterville, a company affiliated with CVP, pursuant to which the Company sold a royalty interest entitling Streeterville to $10.0 million and any interest, fees, and charges as royalty repayment amount (the “March 2021 Royalty Repayment Amount”) for an aggregate purchase price of $5.0 million (the “March 2021 Royalty Interest”). Interest will accrue on the March 2021 Royalty Repayment Amount at a rate of 5% per annum, compounding quarterly, and will increase to 10% per annum, compounding quarterly on the 12-month anniversary of the Closing Date.

The Company is obligated to make minimum royalty payments on a monthly basis beginning at the earlier of (a) 36 months following the Closing Date or (b) 30 days following the satisfaction of all existing royalties to Streeterville, and its affiliates namely Iliad and Uptown, but not earlier than 18 months following the Closing Date (the “royalty payment start date”) in an amount equal to the greater of (i) $250,000 beginning on the royalty payment start date and continuing until either the royalty repayment amount has been paid in full or the 6-month anniversary of the royalty payment start date, $400,000 beginning on the 6-month anniversary of the royalty payment start date and continuing until either the royalty repayment amount has been paid in full or the 12-month anniversary of the royalty payment start date, $600,000 beginning on the 12-month anniversary of the royalty payment start date and continuing until either the royalty repayment amount has been paid in full or the 18-month anniversary of the royalty payment start date, $750,000 beginning on the 18-month anniversary of the royalty payment start date and continuing until the royalty repayment amount has been paid in full, and (ii) 10% of the Company’s net sales on Mytesi and any related improvements, modifications or follow-on products (collectively, the “Included Products”), 10% of worldwide revenues related to upfront licensing fees and milestone payments from licensees and/or distributors but specifically excluding licensing fees and/or milestone payments that are reimbursements of

clinical trial expenses or associated with the license of Included Products from the Company to Napo EU, including but not limited to the upfront fee payable by Napo EU to Napo for Included Products and crofelemer for other indications; and 50% of royalties collected from licenses of the Included Product to third parties.

At initial recognition, the March 2021 Royalty Interest amount of $10.0 million is classified as debt, net of a $5.0 million discount. Under ASC 470-10-35-3, royalty payments to Streeterville will be amortized under the interest method per ASC 835-30. While the agreement contains a stated interest rate, the timing and amount of royalty payments depend on future revenue streams. After each royalty payment, the Company will use a prospective method to determine a new discount rate based on the revised estimate of remaining cash flows. The new rate is the discount rate that equates the present value of the revised estimate of remaining cash flows with the carrying amount of the debt, and it will be used to recognize interest expense for the remaining periods. At issuance, based on projected cash outflows from future revenue streams, the discount rate was 19.36%.

On April 14, 2022, under the Royalty Interest Global Amendments, the Company is granted, at its sole discretion, the right to exchange, from time to time, all or any of the Royalty Interest under the original principal amount of $10.0 million of the March 2021 Purchase Agreement for shares of the Company's voting common stock at a price per share equal to the Nasdaq Minimum Price (as defined in Nasdaq Listing Rule 5635(d)) as of date of the applicable exchange, subject to certain limitations.

The Company entered into several exchange agreements after the Royalty Interest Global Amendments from August 17, 2022, to September 30, 2022, whereby the Company agreed to partition $5.4 million from the outstanding balance of the royalty interest and exchange for a total of 6 shares of the Company's voting common stock in accordance with the term of the Royalty Interest Exchange Agreement. These exchange agreements were collectively assessed and accounted for as debt modification.

On March 1, 2024, the Company entered into a privately negotiated exchange agreement with Streeterville, pursuant to which the Company issued an aggregate of 179 shares of Series J Preferred Stock to Streeterville in exchange for the surrender of the March 2021 Royalty Interest by Streeterville. Upon completion of this transaction (the" CVP Exchange Transaction"), all outstanding balance of the March 2021 Royalty Interest was fully paid, and the March 2021 Royalty Interest was terminated.

The exchanges of Series J Preferred Stock were accounted for as extinguishment. Because the fair value of the common stock transferred is less than the carrying amount of the Series J Preferred Stock surrendered, the difference was credited to retained earnings and added to earnings available to common shareholders.

August 2022 Purchase Agreement

On August 24, 2022, the Company entered into another royalty interest purchase agreement (the "August 2022 Purchase Agreement") with Streeterville, pursuant to which the Company sold Streeterville a royalty interest (the "August 2022 Royalty Interest") to receive $12.0 million (the "August 2022 Royalty Repayment Amount") of future royalties on sales of Mytesi® (crofelemer) for any indications that could cannibalize crofelemer indications or any other chronic indication and certain up-front license fees and milestone payments from licensees and/or distributors for an aggregate purchase price of $4.0 million ("the Royalty Financing"). The Company uses the proceeds to support the ongoing pivotal Phase 3 clinical trial of crofelemer for prophylaxis of diarrhea in adults receiving targeted cancer therapy. Interest accrues on the August 2022 Royalty Repayment Amount at a rate of 5% per annum from the Purchase Price Date until the one-year anniversary of such date and 10% per annum thereafter, using simple interest computed based on a 360-day year.

The Company is obligated to make minimum royalty payments on a monthly basis beginning on January 1, 2024 (the "Payment Start Date") in an amount equal to the greater of (A) a tiered monthly amount starting at $250,000 and increasing to $400,000, $600,000, and $750,000 on the 6, 12, and 18-month anniversaries of the Payment Start Date, respectively, and (B) the royalty payments to which Streeterville is entitled, consisting of: (1) 10% of the Company's net sales on crofelemer, including any improvements, modifications, follow-on products, and Lechlemer for specific indications (collectively, the "Included Products"); (2) 10% of worldwide revenues related to upfront licensing fees and milestone payments (excluding clinical trial reimbursements or certain Napo EU intercompany licenses); and (3) 50% of royalties collected from licenses of Included Products to third parties.

Pursuant to the terms of the August 2022 Purchase Agreement, the Company has the right to exchange from time to time, at the Company's sole discretion, all or any portion of the August 2022 Royalty Repayment Amount for shares of voting common stock at a price per share equal to the Nasdaq Minimum Price (as defined in Nasdaq Listing Rule 5635(d)) as of the date of the applicable exchange. At issuance, based on projected cash outflows from future revenue streams, the discount rate was 55.97%.

On September 29, 2023, the Company entered into Global Amendment No. 1 and Global Amendment No. 2 to the August 2022 Royalty Interest with Streeterville. Under these amendments: (a) beginning on January 1, 2026, the monthly royalty payment shall be the greater of (x) $750,000, or (y) the actual royalty payment amount Streeterville is entitled to for such month; and (b) the Company is prohibited from making prepayments of the August 2022 Royalty Repayment Amount. As material consideration for

these amendments, the Company issued Streeterville warrants to purchase up to 291 shares of common stock and an additional 5 shares of common stock at an exercise price of $19,425 per share. Pursuant to an analysis of the indicators provided in ASC 470-60-55-8, the Company is not deemed to be experiencing financial difficulty, and the restructuring is not considered a TDR.

At any time following an Event of Default, Streeterville may elect to increase the August 2022 Royalty Repayment Amount by 15% (the "Default Effect") and interest shall accrue at the lesser of 18% per annum or the maximum rate permitted by law.

The cumulative effect of the exchanges to the August 2022 Royalty Interest resulted in significant modifications, which were accounted for as extinguishment. The Company recorded an extinguishment loss in the consolidated statements of operations amounting to $1.0 million. The extinguishment triggered a remeasurement event under ASC 825-10, and the Company irrevocably elected to initially and subsequently apply the FVO accounting to the entire royalty interest.

The Company irrevocably elected to initially and subsequently apply the FVO accounting to the entire royalty interest. The Company used the valuation report from an independent valuation service provided to measure the reporting date fair value of the royalty interest.

On January 29, 2024, the Company entered into a privately negotiated exchange agreement with Streeterville pursuant to which the Company issued 30 shares of the Company's voting common stock to Streeterville in exchange for a $165,000 reduction in the outstanding balance of the royalty interest dated August 24, 2022.

On February 14, 2025, the Company entered into a privately negotiated exchange agreement with Streeterville, pursuant to which the Company issued 400 shares of voting common stock to Streeterville in exchange for a $291,000 reduction in the outstanding balance of the Streeterville's royalty interest.

On September 30, 2025, the Company entered into a privately negotiated exchange agreement with Streeterville, pursuant to which the Company issued 8,187 shares of voting common stock to Streeterville in exchange for a $600,000 reduction in the outstanding balance of the Streeterville's royalty interest.

On November 17, 2025, the Company executed the Royalty Interest Global Amendments No. 3 regarding the August 2022 Royalty Interest with Streeterville. Pursuant to these amendments, beginning on April 1, 2026, the monthly royalty payment under the August 2022 Royalty Interest shall be the greater of (a) $750,000, and (b) the actual royalty payment amount Streeterville is entitled to for such month pursuant to the terms of such Royalty Interest.

On January 16, 2026, the Company issued the Second Pre-Funded Warrants to purchase 31,767 shares, in exchange for a reduction of $850,000 in the outstanding balance of the August 2022 Royalty Interest.

On March 6, 2026, the Company entered into global amendments to its existing royalty interests with Streeterville. Under the Streeterville 2022 Royalty Interest Global Amendment No. 4, the starting date for monthly royalty payments was postponed from April 1, 2026, to July 1, 2026. Additionally, the August 2022 Royalty Repayment Amount for the agreement was reduced by ten percent, resulting in new repayment balance of $12.4 million.

On May 19, 2026, the Company entered into privately negotiated exchange agreements with Streeterville. Pursuant to the CVP Exchange Agreements, the Company issued a total of 408 shares of Series Q Preferred Stock to Streeterville in exchange for an aggregate $10.2 million reduction in the outstanding balance of the August 2022 Royalty Interest.

On June 17, 2026, the Company also entered into Global Amendment No. 5 to the August 2022 Royalty Interest with Streeterville. Pursuant to this amendment, the commencement date for the monthly royalty payments was deferred, and payments will now begin on October 1, 2026, instead of the previously scheduled start date of July 1, 2026.

On June 30, 2026 and December 31, 2025, the fair value of Streeterville's royalty interests was determined to be approximately $356,000 and $8.6 million, respectively. For the three and six months ended June 30, 2026, the net change in the fair value of Streeterville's royalty interests was $613,000 and $817,000, respectively. For the three and six months ended June 30, 2025, the net change in the fair value of Streeterville's royalty interests was $905,000 and $722,000, respectively. The net change in fair value were recorded in the changes in fair value of freestanding and hybrid instruments designated at FVO in the condensed consolidated statements of operations.

Streeterville Note

On January 13, 2021, the Company issued a secured promissory note to Streeterville in the original principal amount of $6.2 million for an aggregate purchase price of $6.0 million. The Company will use the proceeds to fund the development of the Company's NP-300 drug product candidate for the indication of the symptomatic relief of diarrhea from cholera and general corporate purposes, including the Company's product pipeline activities. The note is due after four years and bears interest at 3.25% per annum. Interest on the note is payable annually in advance by adding the interest charge for each upcoming year to the outstanding balance on the date each such interest charge is accrued. The Company also paid $25,000 to cover legal fees, accounting costs, due diligence, monitoring, and other transaction costs incurred in connection with the note issuance. The original principal amount includes the first year of prepaid interest and the transaction expenses.

At any time following the occurrence of a trial failure which refers to any of the following: (i) the Company abandons the clinical trial with NP-300 for an indication for the symptomatic relief of infectious diarrhea for cholera; (ii) the Company fails to start the Phase 1 clinical trial of NP-300 for the symptomatic relief of infectious diarrhea for cholera by July 1, 2022; or (iii) the Company fails to meet all primary endpoints in the pivotal trials of NP-300 for the symptomatic relief if infectious diarrhea for cholera with statistical significance, Streeterville may elect to increase the outstanding balance as of the date of the trial failure by 25% without acceleration (the "Trial Failure Effect"). If Streeterville elects to apply the Trial Failure Effect, it reserves the right to declare the outstanding balance immediately due and payable at any time. As of June 30, 2026, no trial failure occurred.

Streeterville is entitled to a maximum of 18% and a minimum of 1% of the gross proceeds received by the Company from the sale of TDPRV (the "Return Bonus"). The Return Bonus percentage is reduced pro rata based on the percentage of the original principal balance of the note that has been repaid as of the date of the sale of the TDPRV. Even if the note has been paid in full at the time of the sale of the TDPRV, the Company is still obliged to pay Streeterville a Return Bonus of 1%. If Streeterville applies the Trial Failure Effect, the Return Bonus will automatically be reduced to 1%. If the TDPRV has not been sold as of the day immediately preceding the note's maturity date, the Return Bonus percentage will be fixed as of such date. As of June 30, 2026, the Company has not sold any TDPRV.

Beginning on the earlier of (a) 6 months after January 2021 and (b) initiation of human trials with NP-300 for symptomatic relief of infectious diarrhea for cholera, the Company may pay all or any portion of the outstanding balance earlier than it is due. In the event the Company elects to prepay all or any portion of the outstanding balance, it shall pay to Streeterville 112.5% of the portion of the outstanding balance the Company elects to prepay. The Company may not prepay the note without Streeterville's consent on the date the last patient is enrolled in a pivotal trial.

After Streeterville becomes aware of the occurrence of any default, Streeterville may accelerate the note, with the outstanding balance becoming immediately due and payable in cash at the Mandatory Default Amount (i.e., the outstanding balance following the application of the Default Effect). Streeterville reserves the right to declare the outstanding balance immediately due and payable at any time following the default. Default Effect means multiplying the outstanding balance as of the date of default by 5% or 15% for each occurrence of default, capped at an aggregate of 25%, and then adding the resulting product to the outstanding balance. The percentage to be used depends on whether the default is viewed as minor or major, as defined in the agreement. Furthermore, interest accrues on the outstanding balance beginning on the default date at an interest rate equal to less than 18% per annum or the maximum rate permitted under applicable law. As of June 30, 2026, no default has occurred.

In connection with the note issuance, the Company has entered into a security agreement with Streeterville, pursuant to which Streeterville will receive a first priority security interest in all existing and future NP-300 technology and any TDPRV and the sale proceeds therefrom that may be granted to the Company by the FDA in connection with the development of NP-300 for the cholera indication. The Company also agreed, with certain exceptions, not to grant any lien on any of the collateral securing the note and not to grant any license under any of the intellectual property relating to such collateral. The grant of security interest has become effective in April 2021.

The Company irrevocably elected to initially and subsequently apply the FVO accounting to the entire note. The fair value at the transaction date was equal to the cash proceeds received of $6.0 million. The transaction expense of $25,000 was recognized in profit and loss as incurred. The Company used the valuation report from an independent valuation service provided to measure the reporting date fair value of the note.

On January 29, 2025, the Company entered into an amendment to its secured promissory note with Streeterville to extend the maturity date of the note to July 20, 2025. On February 13, 2025, the Company entered into another amendment to extend the maturity date of the note to January 20, 2026.

On November 17, 2025, the Company entered into an amendment to its secured promissory note with Streeterville to extend the maturity date of the note to April 1, 2026.

On March 6, 2026, the Company and Napo, amended two secured promissory notes with Streeterville. The maturity date of the 2021 Note was extended to July 1, 2026, and its outstanding balance was reduced by ten percent to $6.6 million.

On June 17, 2026, the Company entered into an amendment to its secured promissory note with Streeterville to extend the maturity date from July 1, 2026, to October 1, 2026.

On June 30, 2026 and December 31, 2025, the fair value of the Streeterville note was determined to be $7.7 million and $8.2 million, respectively. For the three and six months ended June 30, 2026, the net change in the fair value of the Streeterville note was $96,000 and $495,000, respectively. For the three and six months ended June 30, 2025, the net change in the fair value of the Streeterville note was $4.0 million and $4.4 million, respectively. The net change in fair value was recorded in the changes in fair value of freestanding and hybrid instruments designated at FVO in the condensed consolidated statements of operations.

Convertible Notes

On March 26, 2025, the Company entered into securities purchase agreements with selected accredited investors (the “Accredited Investors”) pursuant to which the Company issued approximately $3.4 million aggregate principal amount of convertible promissory notes ("March 2025 Convertible Notes" or "Convertible Notes") to such investors ("Bridge Financing"). The March 2025 Convertible Notes had a 3-month maturity, bore interest at 6% per annum, and were convertible immediately at the option of the Accredited Investors into shares of the Company’s common stock.

On March 31, 2025, the Company closed the Bridge Financing, in which the Company issued approximately $3.4 million aggregate principal amount of March 2025 Convertible Notes and warrants to purchase up to 17,788 shares of the Company’s common stock to selected accredited investors at an initial exercise price of $189.35 per share for non-Insiders and $190.05 per share for Insiders. The warrants are exercisable for a period of five years. Additionally, warrants to purchase up to 1,068 shares of the Company’s common stock were issued to the Placement Agents at an exercise price of $242.16 per share, which are immediately exercisable and expire on March 31, 2030. The gross proceeds to Jaguar from the offering were approximately $3.4 million. Net proceeds were approximately $3.1 million, after deducting the placement agent’s fees and other offering expenses, and excluding any potential proceeds from the exercise of the warrants. Jaguar intends to use the net proceeds from the offering for working capital and other general corporate purposes.

The Convertible Notes were immediately convertible, at each holder’s option, in part or in full, into an aggregate of 17,789 shares of the Company’s common stock, at a conversion price of $193.73 per share for the Accredited Investors who were not an officer, director, employee or consultant of the Company (the “Insiders”), and $194.43 per share for Investors who were Insiders, subject to adjustment for customary stock dividend, stock split, stock combination or other similar transactions.

The Company irrevocably elected to initially and subsequently apply the FVO accounting to the entire note. The fair value at the transaction date was equal to the cash proceeds received of $3.4 million. The transaction expense of $208,000 was recognized in profit and loss as incurred.

Replacement Notes

On June 24, 2025, the Company completed a private exchange transaction with selected accredited investors (the “Participating Investors”), issuing approximately $2.6 million aggregate principal amount of new 6% convertible promissory notes (the “Replacement Notes”) in exchange for the cancellation of the March 2025 Convertible Notes held by such Participating Investors (the “Note Exchange Transaction”). The Company also issued warrants up to 26,531 to purchase common stock (the “New Warrants”) at an initial exercise price of $94.50 per share. These warrants are exercisable immediately and expire 18 months from the date of issuance. The Company also agreed to file a registration statement for the resale of the related conversion shares and warrant shares.

The Replacement Notes would mature on January 30, 2026, bore interest at 6% per annum, and were immediately convertible at the option of the holders into up to 13,747 shares of the Company’s common stock at a conversion price of $193.73 per share for non-Insiders and $194.43 per share for Insiders, subject to adjustment for customary stock dividend, stock split, stock combination or other similar transactions; provided, however, that (a) no conversion shares might be issued to a noteholder who is an Insider unless the stockholder approval was obtained by the Company in accordance with Nasdaq Listing Rules 5635(c) and 5635(d), and (b) the total cumulative number of conversion shares that might be issued to a noteholder who is not an Insider, together with any shares of common stock issued to (i) such noteholder upon exercise of the New Warrants issued to such noteholder and (ii) the other Participating Investors in the same series of transactions as the Replacement Notes, might not exceed the requirements of The Nasdaq Capital Market (including the rules related to the aggregation of offerings under Nasdaq Listing Rule 5635(d), if applicable) (the “Issuance Cap”), unless the stockholder approval was obtained by the Company to issue more than the Issuance Cap.

The Company was subject to covenants under the Replacement Notes, including restrictions on dividend payments and the requirement to use net proceeds exceeding $8.0 million from any financing or business development transaction by the Company or Napo, to repay the Replacement Notes.

On June 30, 2026 and December 31, 2025, the fair value of the Convertible Notes was determined to be $169,000 and $2.5 million, respectively. During the six months ended June 30, 2026, the Company made cash payments to settle a portion of the Convertible Notes totaling $2.4 million. For the three and six months ended June 30, 2026, the net change in the fair value of the Convertible Notes was $7,000 and $64,000 respectively. For the three and six months ended June 30, 2025, the net change in the fair value of the Convertible note was $1.65 million.

Streeterville New Note

Secured Promissory Note

On November 12, 2025, the Company entered into a note purchase agreement with Streeterville, pursuant to which the Company issued and sold to Streeterville a secured promissory note in the original principal amount of $10.8 million (the "Secured Promissory Note"). The Secured Promissory Note carries an original issue discount of $800,000 and the Company agreed to pay $10,000 to Streeterville to cover transaction costs, both of which were included in the original principal balance.

On November 12, 2025, Streeterville paid $2.0 million to the Company and $8.0 million was deposited into a deposit account at Lakeside Bank owned by the Company's newly formed wholly-owned subsidiary, JAGX Holdings, subject to a DACA. The collateral requirement for the deposit account starts at $8.0 million and decreases based on the repayment of unsecured outstanding obligations, terminating once the balance is $500,000 or less.

The Secured Promissory Note bears interest at a rate of 8.00% per annum and matures 36 months following the date of issuance. The Company's obligations are secured by the DACA, a guaranty from JAGX Holdings, and a pledge of all membership interests in JAGX Holdings.

Beginning on the 12-month anniversary of the issuance date, Streeterville has the right to redeem up to $600,000 plus accrued interest per calendar month. Additionally, the Company is required to make mandatory prepayments equal to the lesser of the outstanding balance or 25.00% of upfront licensing fees received from any IP Transaction.

The operating guidelines of JAGX Holdings contain restrictive covenants that, until the JAGX Holdings Note is repaid in full, prohibit JAGX Holdings from taking certain actions without the prior written consent of the Investor, including amending its organizational or operating documents; issuing additional membership interests or equity rights; purchasing assets or conducting business operations; incurring any additional debts, liabilities, or obligations; granting any security interests, liens, or encumbrances on its assets; dissolving, winding up, or liquidating the subsidiary or its assets; or merging with or into any other entity.

Additionally, the Company is required to grant Streeterville online access to monitor the JAGX Holdings deposit account until the JAGX Holdings Note is paid in full. The Investor is expressly designated as a third-party beneficiary with the right to enforce these restrictive covenants and terms of the operating guidelines.

On March 6, 2026, the Company entered into an amendment with Streeterville to the Secured Promissory Note. Pursuant to this amendment, the maturity date of the Secured Promissory Note is extended to March 12, 2029, with the outstanding balance adjusted to $7,048,021.86 following the execution of the amendment. To secure the Company's obligations under the 2025 Note, Napo entered into a security agreement granting Streeterville a security interest in the Lechlemer Collateral and the TDPRV Collateral.

Interest expense for the three and six months ended June 30, 2026, was approximately $159,000 and $346,000, respectively. During the six months ended June 30, 2026, the Company made cash payments to settle a portion of the note totaling $4.0 million. At June 30, 2026, the net carrying value of the note was approximately $6.8 million.

Restricted Cash

As of November 12, 2025, JAGX Holdings deposited $8.0 million into a Lakeside Bank account in connection with a secured promissory note issued to Streeterville. These funds serve as collateral for the Secured Promissory Note and are held pursuant to DACA among JAGX Holdings, Streeterville, and Lakeside Bank.

Pursuant to the Note Purchase Agreement and the DACA, the Company is restricted from withdrawing funds from the Deposit Account unless the balance exceeds the defined collateral requirement. The initial collateral requirement is $8.0 million and is subject to reduction based on the repayment of certain unsecured outstanding obligations to the Lender or its affiliates. The collateral requirement automatically terminates once the balance of the deposit account is $500,000 or less. If funds in the deposit account

exceed the collateral requirement by more than $100,000, the Company may request a disbursement of the excess funds, subject to Streeterville's instruction to the bank.

The Company evaluated the contractual terms of the Secured Promissory Note in accordance with ASC 815 to determine whether any embedded features require bifurcation from the host debt instrument. The embedded features identified include: (i) the Prepayment Clause, (ii) the Redemption Clause, (iii) the Mandatory Prepayment provision, (iv) the Increase in Outstanding Balance upon the occurrence of Trigger Events, (v) the Repayment of the Increased Outstanding Balance upon an Event of Default, and (vi) the Increase in Interest Rate upon an Event of Default.

Based on its assessment, the Company determined that the Increase in Outstanding Balance upon the occurrence of Trigger Events and the Repayment of the Increased Outstanding Balance upon an Event of Default are not clearly and closely related to the host debt instrument and therefore require bifurcation and separate accounting as derivative instruments. Although the Increase in Interest Rate upon the occurrence of an Event of Default has been assessed not clearly and closely related to the host debt instrument, it does not meet the definition of a derivative and, therefore, is not subject to bifurcation. The Prepayment Clause, Redemption Clause, and Mandatory Prepayment provision were determined to be clearly and closely related to the Note and, therefore, do not require bifurcation.

The embedded derivatives are not designated as hedging instruments and are accounted for separately from the host debt instrument. The derivatives are remeasured at each reporting date, with changes in fair value recognized in the consolidated statements of operations.

The embedded derivative is classified within Level 3 of the fair value hierarchy due to the use of significant unobservable inputs. The fair value was determined based on an independent valuation report prepared by a third-party valuation specialist. The valuation utilized a Black-Derman-Toy ("BDT") binomial lattice model in conjunction with a discounted cash flow ("DCF") methodology. The valuation incorporates a discount rate derived from the risk-free rate plus a weighted option-adjusted spread ("OAS"). The risk-free rate is based on the US Treasury Daily Treasury Par Yield Curve, converted to spot rates using a bootstrapping approach. The weighted OAS reflects a blended credit profile of Jaguar and Lakeside Bank, considering the portion of proceeds held as collateral with Lakeside Bank and the remaining balance available for Jaguar's use. As of the valuation date, the blended exposure approximates 74% attributable to Lakeside Bank and 26% to Jaguar.

As of June 30, 2026, the fair value of the embedded derivative was approximately $196,000 and is presented as "Derivative liability" within noncurrent liabilities in the consolidated balance sheets. The derivatives are presented on a gross basis and are not offset against the carrying amount of the Secured Promissory Note or against any collateral arrangements. No cash collateral balances are netted against the reported fair value amounts.

Securities Purchase Agreements and Promissory Notes

On January 6, 2026, the Company entered into securities purchase agreements with two accredited investors for the issuance of unsecured promissory notes in the aggregate principal amount of $350,000. The transaction closed on the same day. The notes bore interest at a rate of 6% per annum and would mature one month from the date of issuance. The Company had the right to prepay any outstanding amount under the notes without penalty or premium. During the six months ended June 30, 2026, the Company subsequently paid the unsecured promissory notes in full.

As an inducement for the investors to enter into the agreements, the Company issued warrants to purchase an aggregate of 10,000 shares of the Company's common stock at an initial exercise price of $35.00 per share. The warrants are exercisable immediately and expire upon the earlier of five years from issuance, the consummation of a fundamental transaction, or a liquidation event.

Insurance Financing

March 2024 First Insurance Financing

In March 2024, the Company entered into a premium finance agreement for $97,000 with First Insurance representing the unpaid balance of the total premiums, taxes, and fees of $52,000 with an annual interest rate of 9.3%. The total finance charge was $2,000. Principal and interest payments are due in equal monthly installments over ten months. Interest expense for the three and six months ended June 30, 2026, was approximately $0. Interest expense for the three and six months ended June 30, 2025, was $200. The financing balance was approximately $0 as of June 30, 2026 and December 31, 2025.

May 2024 First Insurance Financing

In May 2024, the Company entered into a premium finance agreement for $519,000, with First Insurance representing the unpaid balance of the total premiums, taxes, and fees of $611,000 with an annual interest rate of 9.2%. The total finance charge was $22,000. Principal and interest payments are due in equal monthly installments over ten months. Interest expense for the three and six months ended June 30, 2026, was approximately $0. Interest expense for the three and six months ended June 30, 2025 was $5,000. The financing balance was approximately $0 as of June 30, 2026 and December 31, 2025.

March 2025 First Insurance Financing

In March 2025, the Company entered into a premium finance agreement for $60,000, with First Insurance representing the unpaid balance of the total premiums, taxes, and fees of $114,000, with an annual interest rate of 5.0%. The total finance charge was $2,000. Principal and interest payments are due in equal monthly installments over eleven months. Interest expense for the three and six months ended June 30, 2026 was $400. Interest expense for the three and six months ended June 30, 2025, was $700. The financing balance was approximately $0 and $11,000 as of June 30, 2026 and December 31, 2025, respectively.

May 2025 First Insurance Financing

In May 2025, the Company entered into a premium finance agreement for $510,000, with First Insurance representing the unpaid balance of the total premiums, taxes, and fees of $567,000, with an annual percentage rate of 8.3%. The total finance charge was $20,000. Principal and interest payments are due in equal monthly installments over ten months. Interest expense for the three and six months ended June 30, 2026, was approximately $5,000. Interest expense for the three and six months ended June 30, 2025 was $2,000. The financing balance was approximately $0 and $153,000 as of June 30, 2026 and December 31, 2025, respectively.

March 2026 First Insurance Financing

In March 2026, the Company entered into a premium finance agreement for $46,000, with First Insurance representing the unpaid balance of the total premiums, taxes, and fees of $62,000, with an annual percentage rate of 9.2%. The total finance charge was $2,000. Principal and interest payments are due in equal monthly installments over ten months. Interest expense for the three and six months ended June 30, 2026, was approximately $1,000 and $1,000, respectively. The financing balance was approximately $32,000 as of June 30, 2026.

May 2026 First Insurance Financing

In May 2026, the Company entered into a premium finance agreement for $376,000, with First Insurance representing the unpaid balance of the total premiums, taxes, and fees of $442,000, with an annual percentage rate of 7.3%. The total finance charge was $13,000. Principal and interest payments are due in equal monthly installments over ten months. Interest expense for the three and six months ended June 30, 2026, was approximately $2,000 and $2,000, respectively. The financing balance was approximately $339,000 as of June 30, 2026.

2019 Tempesta Note

In October 2019, the Company entered into a License Termination and Settlement Agreement with Dr. Michael Tempesta ("Tempesta"), pursuant to which certain royalty payment disputes between the Company and Tempesta were settled. Per the terms of the Agreement, Tempesta received $50,000 in cash, an unsecured promissory note issued by the Company in the aggregate principal amount of $550,000, and 1 share of the Company's common stock in exchange for the cessation of all royalty payments by the Company to Tempesta under certain license agreements. The $550,000 promissory note bore interest at the rate of 2.5% per annum and matured on March 1, 2025. The promissory note provided for the Company to make semi-annual payments equal to $50,000 plus accrued interest beginning on March 1, 2020, until the Note was paid in full. Interest expenses for the three and six months ended June 30, 2026, were $600. Interest expenses for the three and six months ended June 30, 2025, were $600. At June 30, 2026 and December 31, 2025, the net carrying value of the note was approximately $0 and $0, respectively.

8. Warrants

The following table summarizes information about warrants outstanding and exercisable into shares of the Company's common stock as of June 30, 2026, and December 31, 2025:

	June 30, 2026	December 31, 2025
	(unaudited)	
Warrants outstanding, beginning balance	105,953	87
Issuances	418,465	119,564
Exercises	(374,869)	(13,698)
Expirations and cancelations	(1,378)	—
Warrants outstanding, ending balance	148,171	105,953

As of June 30, 2026 and December 31, 2025, the Company's outstanding warrants have an exercise price ranging from $0.0001 to $25,200.00 per common stock.

Standstill Agreement

Pursuant to the Company's entry in the Standstill Agreement, as amended by the Binding MOU, as described further above, the Company agreed to issue (i) Iliad warrants to purchase up to 33 shares of the Company's common stock, and (ii) Uptown warrants to purchase up to 40 shares of the Company's common stock, at an exercise price of $25,200 per share (the "Standstill Warrants").

The Standstill Warrants may be exercisable for cash or on a cashless basis at any time and from time to time during the period commencing on the later of (i) January 1, 2024, and (ii) the date on which the Stockholder Approval is obtained (the "Standstill Warrant Initial Exercise Date") and ending on the five-year anniversary of the Standstill Warrant Initial Exercise Date. As of June 30, 2026, 0 shares of the Company's common stock are still exercisable and outstanding.

At the date of the Standstill Agreement, the warrants were valued at approximately $2.5 million using the Black-Scholes option pricing model as follows: exercise price of $25,200 per share, stock price of $38,325 per share, expected life of five years, volatility of 118.88% and a risk-free rate of 3.49%. The warrants were classified in additional paid-in capital and the offsetting debit was recorded as a debt discount, which is being amortized over the remaining term of the modified royalty interest agreements.

Royalty Interest Global Amendments

On September 29, 2023, the Company entered into Royalty Interest Global Amendments to (i) the October 2020 Royalty Interest with Iliad, (ii) the December 2020 Royalty Interest with Uptown, and (iii) the August 2022 Royalty Interest with Streeterville, pursuant to which, among other things, the Company agreed to issue to (i) Iliad warrants to purchase up to 4 shares of the Company's common stock, (ii) Uptown warrants to purchase up to 5 shares of the common stock, and (iii) Streeterville warrants to purchase up to 5 shares of the common stock, at an exercise price of $19,425.00 per share (collectively, the "Royalty Interest Global Amendment Warrants").

The Royalty Interest Global Amendment Warrants may be exercisable for cash or on a cashless basis at any time and from time to time during the period commencing on September 29, 2023 (the "Royalty Interest Global Amendment Initial Exercise Date") and ending on the five-year anniversary of the Royalty Interest Global Amendment Initial Exercise Date. As of June 30, 2026, 0 shares of the Company's common stock are outstanding.

At the date of the Royalty Interest Global Amendments, the warrants were valued at $173,000 using the Black-Scholes option pricing model as follows: exercise price of $19,425 per share, stock price of $13,650 per share, expected life of five years, volatility of 139.53% and a risk-free rate of 4.6%. The warrants were classified in additional paid-in capital.

Convertible Notes Warrants

On March 31, 2025, the Company closed the Bridge Financing, in which the Company issued approximately $3.4 million aggregate principal amount of March 2025 Convertible Notes and warrants to purchase up to 17,788 shares of the Company's common stock to selected accredited investors at an initial exercise price of $189.35 per share for non-Insiders and $190.05 per share for Insiders. The warrants are exercisable for a period of five years. Additionally, warrants to purchase up to 1,068 shares of the Company's common stock were issued to the Placement Agents at an exercise price of $242.16 per share, which are immediately exercisable and expire on March 31, 2030. The gross proceeds to Jaguar from the offering were approximately $3.4 million. Net proceeds were approximately $3.1 million, after deducting the placement agent's fees and other offering expenses, and excluding any

potential proceeds from the exercise of the warrants. Jaguar intends to use the net proceeds from the offering for working capital and other general corporate purposes.

The Convertible Notes were immediately convertible, at each holder's option, in part or in full, into an aggregate of 17,789 shares of the Company's common stock, at a conversion price of $193.73 per share for the Accredited Investors who were not an officer, director, employee or consultant of the Company (the "Insiders"), and $194.43 per share for Investors who were Insiders, subject to adjustment for customary stock dividend, stock split, stock combination or other similar transactions.

Replacement Notes Warrants

On June 24, 2025, the Company completed a private exchange transaction with the Participating Investors, issuing approximately $2.6 million aggregate principal amount of the Replacement Notes in exchange for the cancellation of the March 2025 Convertible Notes held by such Participating Investors. The Company also issued warrants up to 26,531 to purchase common stock at an initial exercise price of $94.50 per share. These warrants are exercisable immediately and expire 18 months from the date of issuance. The Company also agreed to file a registration statement for the resale of the related conversion shares and warrant shares.

Common and Wainwright Warrants

On May 20, 2025, the Company entered into a securities purchase agreement with selected institutional investors for a registered direct offering of 7,037 shares of common stock at $213.15 per share. In a concurrent private placement, the Company issued to such investors unregistered warrants to purchase up to 14,075 shares of common stock ("Common Warrants") at an exercise price of $204.40 per share. The Common Warrants are immediately exercisable and expire upon the earlier of (i) 24 months from issuance, (ii) a fundamental transaction, or (iii) a liquidation event. The Company also issued to Wainwright warrants to purchase 422 shares of common stock (the "Wainwright Warrants"), representing 6.0% of the shares sold in the registered offering. The Wainwright Warrants have substantially similar terms to the Common Warrants issued to investors in the same transaction, but with an exercise price of $266.44 per share, which represents 125% of the offering price.

Brown Stone Pre-funded Warrants

On September 28, 2025, the Company entered into a securities purchase agreement with Brown Stone Capital Limited ("Brown Stone"), pursuant to which the Company issued and sold to Brown Stone (i) 4,617 shares of common stock and (ii) 13,698 pre-funded warrants to purchase shares of the Company's common stock. On December 11, 2025, the 13,698 pre-funded warrants were exercised and the Company issued 6,748 of voting common stock.

Iliad Pre-funded Warrants

On December 9, 2025, the Company entered into an exchange agreement with Iliad, pursuant to which the Company issued 11,429 shares of common stock and a pre-funded common stock purchase warrant to purchase 37,273 shares of common stock (the "First Pre-Funded Warrant") in exchange for 75 shares of Series M Preferred Stock.

On December 11, 2025, the Company entered into a second exchange agreement with Iliad, pursuant to which the Company issued 1,143 shares of common stock and a pre-funded common stock purchase warrant to purchase 8,709 shares of common stock (the "Second Pre-Funded Warrant") in exchange for 16 shares of Series M Preferred Stock.

January 2026 Common Stock Warrants

On January 6, 2026, the Company issued warrants (the "January 2026 Warrants") to purchase up to an aggregate of 10,000 shares of the Company's voting common stock. The January 2026 Warrants have an initial exercise price of $35.00 per share, subject to standard adjustments for stock splits or reclassifications. These warrants were exercisable immediately upon issuance and expire on the earlier of (i) five years from the date of issuance, (ii) the consummation of a fundamental transaction, or (iii) a liquidation event. The fair value of these warrants at issuance was $179,000, calculated using the Black-Scholes option pricing model, and was recorded within additional paid-in capital.

Royalty and Preferred Stock Exchange Transactions

On January 16, 2026, the Company entered into a series of privately negotiated exchange agreements with Iliad and Streeterville to reduce outstanding debt and retire certain classes of preferred stock. Pursuant to the exchange agreements, the Company issued six separate pre-funded common stock purchase warrants exercisable for an aggregate of 336,466 shares of common stock at an exercise price of $0.035 per share.

The transactions are summarized as follows:

- The Company issued the First and Second Pre-Funded Warrants to purchase 44,396 and 31,767 shares, respectively, in exchange for a combined reduction of $2.0 million in the outstanding balances of the October 2020 and August 2022 Royalty Interests.
- The Company issued the Third and Fourth Pre-Funded Warrants to purchase 20,555 and 92,855 shares, respectively, in exchange for the cancellation and retirement of all 121.3822 outstanding shares of Series L Perpetual Preferred Stock held by Iliad and Streeterville.
- The Company issued the Fifth and Sixth Pre-Funded Warrants to purchase 82,014 and 64,879 shares, respectively, in exchange for the cancellation and retirement of 157.22 shares of Series M Perpetual Preferred Stock held by Iliad and Streeterville.

The Pre-Funded Warrants are exercisable immediately and provide that the number of shares that may be exercised shall be limited to ensure that the number of shares of common stock beneficially owned by the holder, together with its affiliates and certain related parties, does not exceed 9.99% of the total number of shares of common stock then issued and outstanding.

Series P Pre-funded Warrants

On June 9, 2026, in connection with the private placement of the Series P Preferred Stock, the Company issued pre-funded warrants to purchase up to an aggregate of 72,000 shares of the Company's voting common stock as consideration for the two investors' execution and delivery of the purchase agreement of the Series P Preferred Stock. Consequently, no additional consideration is required from the investors other than the nominal exercise price of $0.0001 per warrant share. The pre-funded warrants are exercisable immediately upon issuance and will remain outstanding until they are exercised in full.

9. Preferred Stock

As at June 30, 2026 and December 31, 2025, preferred stock consisted of the following:

	June 30, 2026 (unaudited)			
(in thousands, except share and per share data) Series	Shares Designated	Issued and Outstanding	Carrying Value	Preference per Share
B-2	10,165	—	$ —	$ —
C	1,011,000	—	—	—
D	977,300	—	—	—
E	10	—	—	—
F	10	—	—	—
G	137	—	—	—
H	105	—	—	—
I	118	—	—	—
J	200	—	—	—
K	300,000	—	—	—
L	200	—	—	25
M	400	—	—	25
N	2,000	—	—	3
O	1,557,000	—	—	—
P	300	240	—	10
Q	2,000	877	—	25
Total	3,860,945	1,117	$ —	$ 88

(in thousands, except share and per share data) Series	December 31, 2025 Shares Designated	Issued and Outstanding	Carrying Value	Liquidation Preference per Share
B-2	10,165	—	$ —	$ —
C	1,011,000	—	—	—
D	977,300	—	—	—
E	10	—	—	—
F	10	—	—	—
G	137	—	—	—
H	105	—	—	—
I	118	—	—	—
J	200	—	—	—
K	300,000	—	—	—
L	200	121	2,485	25
M	400	144	—	25
N	2,000	10	—	3
Total	2,301,645	275	$ 2,485	$ 53

- Series L Preferred Stock: Liquidation preference is equal to the stated value of $25,000 per share plus any accrued but unpaid dividends.
- Series M Preferred Stock: Liquidation preference is equal to the stated value of $25,000 per share plus any accrued but unpaid preferred return.
- Series N Preferred Stock: Liquidation preference is equal to the stated value of $2,500 per share plus any accrued but unpaid dividends.
- Series O Preferred Stock: Liquidation preference is $0.0001 per share. Stated value is $8.01 per share plus any accrued but unpaid dividends.
- Series P Preferred Stock: Liquidation preference is equal to the stated value of $10,000 per share plus any accrued but unpaid dividends.
- Series Q Preferred Stock: Liquidation preference is equal to the stated value of $25,000 per share plus any accrued but unpaid dividends.

The Company is authorized to issue a total of 4,475,074 shares of its preferred stock as of June 30, 2026 and December 31, 2025, with a total of 3,860,945 shares and 2,301,645 shares designated to specific Series as of June 30, 2026 and December 31, 2025, respectively.

Series K Preferred Stock

On February 26, 2025, the Company entered into a Rights Agreement with Equiniti Trust Company, LLC, as Rights Agent, designating 300,000 shares of Series K Junior Participating Preferred Stock ("Series K Preferred Stock"). Under the Rights Agreement, each outstanding share of common stock and non-voting common stock as of March 10, 2025 was granted one Class A Right or Class B Right, respectively. Each Right represents the right to initially purchase 1/1,000th of a share of Series K Preferred Stock at a purchase price of $4.50 per one one-thousandth of a share of Series K Preferred Stock, subject to adjustment.

At issuance, the Rights were embedded in the common stock and not exercisable. They would become exercisable and trade independently only if a person or group became an "Acquiring Person" by obtaining 20% or more of the Company's voting power. Prior to these triggering events, the Board might redeem the Rights for $0.01 per Right. The Rights expired on February 26, 2026.

Series L Preferred Stock

On May 14, 2025, the Company entered into privately negotiated exchange agreements with Iliad and Streeterville, under which the Company issued 22 and 99.3822 shares of the Company's newly authorized Series L Preferred Stock to Iliad and Streeterville, respectively, in exchange for a $550,000 reduction in the outstanding balance of the October 2020 Royalty Interest, and for all of the outstanding 99.3822 shares of Series J Preferred Stock held by Streeterville, respectively.

On January 16, 2026, the Company issued the Third and Fourth Pre-Funded Warrants to purchase 20,555 and 92,855 shares, respectively, in exchange for the cancellation and retirement of all 121.3822 outstanding shares of Series L Perpetual Preferred Stock held by Iliad and Streeterville. As of June 30, 2026, there were no shares of Series L Preferred Stock outstanding.

Series M Preferred Stock

On June 27, 2025, the Company entered into privately negotiated exchange agreements (the "Iliad Series M Exchange Agreement" and the "Streeterville Series M Exchange Agreement") with Iliad and Streeterville, pursuant to which Company issued 170 shares and 90 shares of the Company's newly authorized Series M Preferred Stock to Iliad and Streeterville, respectively, together with pre-funded warrants in exchange for a $4,250,000 reduction in the outstanding balance of the October 2020 Royalty Interest and a $2,250,000 reduction in the outstanding balance of the August 2022 Royalty Interest, respectively. Each pre-funded warrant is exercisable immediately at an exercise price of $0.035 per share and may be exercised at any time until exercised in full. The warrants contain a beneficial ownership limitation of 9.99%.

During the fourth quarter of 2025, the Company entered into privately negotiated exchange agreements to retire shares of Series M Preferred Stock.

On November 17, 2025, the Company entered into an exchange agreement with Streeterville, pursuant to which the Company issued 10,322 shares of common stock in exchange for 25 outstanding shares of Series M Preferred Stock held by Streeterville. Upon completion of the transaction, the exchanged preferred shares were cancelled and retired.

On December 9, 2025, the Company entered into an exchange agreement with Iliad, pursuant to which the Company issued 11,429 shares of common stock and a pre-funded common stock purchase warrant to purchase 37,273 shares of common stock (the "First Pre-Funded Warrant") in exchange for 75 shares of Series M Preferred Stock.

On December 11, 2025, the Company entered into a second exchange agreement with Iliad, pursuant to which the Company issued 1,143 shares of common stock and a pre-funded common stock purchase warrant to purchase 8,709 shares of common stock (the "Second Pre-Funded Warrant") in exchange for 16 shares of Series M Preferred Stock.

On January 16, 2026, the Company issued the Fifth and Sixth Pre-Funded Warrants to purchase 82,014 and 64,879 shares, respectively, in exchange for the cancellation and retirement of 157.22 shares of Series M Perpetual Preferred Stock held by Iliad and Streeterville. The total shares retired included 13.22 additional shares issued to satisfy accrued preferred returns, of which 8.78 shares were attributed to Iliad and 4.44 shares were attributed to Streeterville. As of June 30, 2026, there were no shares of Series M Preferred Stock outstanding.

Series N Preferred Stock

On September 9, 2025, the Company entered into PIPE Purchase Agreements with the Purchasers, pursuant to which the Company issued 951 of the newly authorized Series N Perpetual Preferred Stock for an aggregate purchase price of $2.4 million.

During the second half of December 2025, the Purchasers exchanged 941 shares of Series N Preferred Stock into 55,998 shares of common stock. For the six months ended June 30, 2026, the Purchasers exchanged 10 shares of Series N Preferred Stock into 595 shares of common stock. This exchange was executed at Exchange Ratio of 60-to-1 based on the $42.00 exchange price per share. As of June 30, 2026, there were no shares of Series N Preferred Stock outstanding.

Series O Preferred Stock

On February 18, 2026, the Company announced that its Board of Directors declared a special one-time dividend of one-tenth of one share of Series O Convertible Preferred Stock for each share of voting common stock outstanding, plus each share issuable upon exercise of certain warrants (the "Eligible Warrants") to purchase, in aggregate, 68,593 shares of common stock with dividend rights outstanding, at the close of business on March 2, 2026. The preferred stock dividend was issued on March 4, 2026.

In connection with the preferred stock dividend, on March 2, 2026 the Company filed a Certificate of Designation of Preferences, Rights and Limitations of Series O Convertible Preferred Stock with the Secretary of State of the State of Delaware, to designate 1,557,000 shares of the preferred stock, par value $0.0001 per share, as Series O Convertible Preferred Stock.

The Company determined that these shares embody an unconditional obligation to deliver a variable number of common shares with a monetary value that is predominantly fixed at inception. Accordingly, the Series O Convertible Preferred Stock is classified and accounted for as a current liability. The liability was initially recorded at fair value upon issuance and is subsequently

remeasured at fair value at each reporting date, with changes in fair value recognized in the condensed consolidated statements of operations.

On June 25, 2026, the Company completed the conversion of the Series O Preferred Stock. All of the outstanding shares of Series O Preferred Stock and all shares of Series O Preferred Stock issuable upon exercise of the Eligible Warrants automatically converted into shares of common stock at a conversion ratio equal to 3.209 shares of common stock for each share of Series O Preferred Stock. Immediately upon completion of the conversion, there were 3,985,302 shares of common stock issued and outstanding, and the holders of the Eligible Warrants are entitled to receive, upon exercise of the Eligible Warrants, up to 839,000 shares of common stock, which consist of 68,593 warrant shares and 770,407 conversion shares.

As of June 30, 2026, there were no shares of Series O Preferred Stock outstanding. As of June 30, 2026, the fair value of the obligation to issue additional conversion shares upon the future exercise of the outstanding Eligible Warrants amounted to $1.7 million.

Series P Preferred Stock

On June 9, 2026, the Company entered into securities purchase agreements with certain investors, pursuant to which the Company issued 240 shares of Series P Preferred Stock, par value $0.0001 per share, together with pre-funded warrants, for an aggregate purchase price of $2.0 million. The Company may elect to pay dividends in cash or in shares of common stock, provided the contractual equity condition is satisfied on the dividend date. Dividend shares are valued at a price equal to the quotient of the payable dividend divided by the greater of (i) the Minimum Price on the dividend date, as defined under Nasdaq Listing Rule 5635(d), and (ii) the contractual floor price of $0.546.

The Series P Preferred Stock accrues dividends cumulatively on the stated value of $10,000 per share at an annual rate of 8%, payable quarterly in arrears on the first trading day of each fiscal quarter. The Company may elect to pay dividends in cash or in shares of common stock, provided the contractual equity condition is satisfied on the dividend date. Because dividends do not become a legal liability until formally declared by the Board of Directors, dividends in arrears are not recognized as a liability on the condensed consolidated balance sheets. As of June 30, 2026, the Company had undeclared cumulative preferred dividends in arrears of $11,000, representing $46.67 per share, which accumulated from the original issue date of June 9, 2026, through June 30, 2026.

As of June 30, 2026, the total remaining issued and outstanding Series P Preferred Stock was 240 shares.

Series Q Preferred Stock

In connection with the privately negotiated exchange agreements during May 2026, the Company issued shares of newly authorized Series Q Perpetual Preferred Stock in exchange for reductions in the outstanding balances of the Company's Royalty Interests. The Series Q Preferred Stock has a stated value of $25,000 per share and does not entitle holders to receive cash dividends. Each share accrues a preferred return on the stated value at a rate of 10% per year, payable via the issuance of additional shares of Series Q Preferred Stock. The Series Q Preferred Stock votes together with the common stock on an as-converted basis, subject to a 9.99% beneficial ownership voting cap. In the event of liquidation, the Series Q Preferred Stock holds a preference equal to its stated value plus any accrued but unpaid preferred return prior to any distributions to common stockholders.

On May 21, 2026, the Company entered into two privately negotiated exchange agreements with Streeterville. Pursuant to the exchange agreements, the Company issued an aggregate of 54,222 shares of the Company's common stock, par value $0.0001, to Streeterville in exchange for an aggregate of 7.96 outstanding shares of Series Q Perpetual Preferred Stock held by Streeterville. Upon completion of the exchange transaction, the exchanged preferred shares were cancelled and retired.

On May 26, 2026, the Company entered into a privately negotiated exchange agreement with Streeterville, pursuant to which the Company issued 31,958 shares of the Company's common stock to Streeterville in exchange for an aggregate of 3.72 outstanding shares of Series Q Perpetual Preferred Stock held by Streeterville. Upon completion of these respective exchanges, the exchanged preferred shares were cancelled and retired.

On June 1, 2026, the Company entered into another privately negotiated exchange agreement with Streeterville, pursuant to which the Company issued 32,710 shares of common stock in exchange for an aggregate of 4.20 outstanding shares of Series Q Preferred Stock. Upon completion of these respective exchanges, the exchanged preferred shares were cancelled and retired.

On June 9, 2026, the Company entered into a privately negotiated exchange agreements with Streeterville. Pursuant to this agreement, the Company issued 34,798 shares of common stock in exchange for 3.80 outstanding shares of Series Q Preferred Stock. Upon completion of each exchange, the exchanged preferred shares were cancelled and retired.

On June 17, 2026, the Company entered into a privately negotiated exchange agreements with Streeterville. Pursuant to this agreement, the Company issued 36,796 shares of common stock in exchange for 3.40 outstanding shares of Series Q Preferred Stock. Upon completion of each exchange, the exchanged preferred shares were cancelled and retired.

On June 18, 2026, the Company entered into a privately negotiated exchange agreements with Streeterville. Pursuant to this agreement, the Company issued 38,655 shares of common stock in exchange for 3.68 outstanding shares of Series Q Preferred Stock. Upon completion of each exchange, the exchanged preferred shares were cancelled and retired.

On June 24, 2026, the Company entered into a privately negotiated exchange agreements with Streeterville. Pursuant to this agreement, the Company issued 39,636 shares of common stock in exchange for 3.84 outstanding shares of Series Q Preferred Stock. Upon completion of each exchange, the exchanged preferred shares were cancelled and retired.

As of June 30, 2026, the total remaining issued and outstanding Series Q Preferred Stock was 877.40 shares.

10. Temporary Equity

On March 1, 2024, the Company entered into a privately negotiated exchange agreement with Streeterville, pursuant to which the Company issued an aggregate of 179 shares of Series J Preferred Stock to Streeterville in exchange for the surrender of the March 2021 Royalty Interest by Streeterville. Upon completion of the CVP Exchange Transaction, all outstanding balance of the March 2021 Royalty Interest was fully paid, and the March 2021 Royalty Interest was terminated. At its sole discretion, the Company reserves the right to exchange a portion or all of the outstanding shares of Series J Preferred Stock held by investors for common stock at the stated value of $25,000 per share, divided by the applicable exchange price. The exchange price will be determined based on the lower of the Nasdaq official closing price and the 5-day average Nasdaq official closing price of the common stock immediately preceding the exchange date. The preferences, rights, limitations, and other matters relating to the Series J Preferred Stock are: (1) Streeterville is not entitled to dividends but accrue a preferred return on the stated value at 0% for the first two years, 10% for years three and four, and 15% thereafter, payable in cash or common stock at the Company's sole discretion. (2) The shares vote with the common stock on an as-converted basis, subject to a collective voting power cap of 9.99%, and have a liquidation preference equal to the stated value plus any accrued but unpaid preferred return. (3) While the shares lack voluntary conversion rights, the Company may, at its option, redeem them for cash or exchange them for common stock at a variable ratio based on Nasdaq closing prices, and it is required to allocate 15% of all received licensing fees toward the redemption of the shares.

The Company determined that the nature of the Series J Preferred Stock host was more analogous to a debt instrument and that the economic characteristics and risks of the embedded redemption features were clearly and closely related to the Series J Preferred Stock host. As such, the redemption features were not required to be bifurcated under ASC 815. Since the Series J Preferred Stock is redeemable in certain circumstances upon the occurrence of an event that is not solely within the Company's control, they have been classified as mezzanine equity in the consolidated balance sheets.

On March 5, 2024, the Company entered into a privately negotiated exchange agreement with Streeterville, pursuant to which the Company issued 190 shares of the Company's common stock in exchange for the surrender and cancellation of 40 shares of Series J Perpetual Preferred Stock.

On March 19, 2024, the Company entered into another privately negotiated exchange agreement with Streeterville, pursuant to which the Company issued 159 shares of the Company's common stock in exchange for the surrender and cancellation of 40 shares of Series J Perpetual Preferred Stock based on an effective exchange price of $6,300 per share of common stock.

Reclassification of Temporary Equity

On May 14, 2025, the Company entered into a privately negotiated exchange agreement with Streeterville, pursuant to which the Company issued 99.3822 shares of Series L Preferred Stock in exchange for all 99.3822 shares of Series J Preferred Stock. As a result of the transaction, the Series J Preferred Stock was fully cancelled and retired, and the related temporary equity balance was reclassified to stockholders' equity (deficit).

As of June 30, 2026 and December 31, 2025, the Company had 0 shares of Series J preferred stock outstanding.

11. Stockholders' Equity (Deficit)

As of June 30, 2026 and December 31, 2025, the Company had reserved shares of common stock, on an as-if converted basis, for issuance as follows:

	June 30, 2026 (unaudited)	December 31, 2025
Options issued and outstanding	5,293	5,601
Inducement options issued and outstanding	—	15
Options available for grant under stock option plans	11,060	200
Restricted stock unit awards issued and outstanding	4,421	5,020
Warrants issued and outstanding	148,171	105,953
Total	168,945	116,789

Common Stock

The holders of voting common stock are entitled to one vote for each share of common stock held. The common stockholders are also entitled to receive dividends whenever funds and assets are legally available and when declared by the BOD.

The holders of non-voting common stock are not entitled to vote, except on an as-converted basis with respect to any change of control of the Company that is submitted to the stockholders of the Company for approval. Shares of the Company's non-voting common stock have the same rights to dividends and other distributions and are convertible into shares of the Company's common stock on a one-for-one basis.

At a special meeting of stockholders of the Company held on September 30, 2022, the stockholders approved an increase in the number of authorized shares of the Company’s voting common stock, par value $0.0001 per share, from 150,000,000 to 298,000,000.

At a special meeting of stockholders of the Company held on April 20, 2026, the stockholders approved an increase in the number of authorized shares of the Company’s voting common stock, par value $0.0001 per share, from 298,000,000 shares to 500,000,000 shares.

The Company is now authorized to issue a total number of 554,475,074 shares of stock, of which 500,000,000 shares are voting common stock, 50,000,000 shares are non-voting common stock, and 4,475,074 shares are preferred stock.

Stockholder Rights Plan

On February 26, 2025, the Company adopted a stockholder rights plan and declared a dividend of one preferred share purchase right for each outstanding share of its common stock and non-voting common stock. The rights were designed to protect the interests of all stockholders by reducing the likelihood of a hostile takeover. Each right would initially entitle holders to purchase a fraction of a share of newly designated Series K Junior Participating Preferred Stock at a specified exercise price, subject to adjustment. The rights would become exercisable only upon the occurrence of certain events, unless earlier redeemed, exchanged, or terminated pursuant to the terms of the rights agreement. The rights expired on February 26, 2026.

Reverse Stock Splits

On March 18, 2025, the Company approved a ninth amendment to the Company’s Third Amended and Restated Certificate of Incorporation to effect a 1-for-25 reverse stock split of the Company’s issued and outstanding shares of voting common stock, effective March 24, 2025.

On April 20, 2026, the Company approved an eleventh amendment to the Company’s Third Amended and Restated Certificate of Incorporation to effect a 1-for-35 reverse stock split of the Company’s issued and outstanding shares of voting common stock, effective April 30, 2026.

The reverse stock split reduces the number of shares of common stock issuable upon the conversion of the Company’s outstanding non-voting common stock and the exercise or vesting of its outstanding stock options and warrants in proportion to the ratio of the reverse stock split and causes a proportionate increase in the conversion and exercise prices of such non-voting common stock, stock options, and warrants. In addition, the number of shares reserved for issuance under the Company’s equity compensation plans immediately prior to the effective time will be reduced proportionately. The reverse stock split did not change the total number

of authorized shares of common stock or preferred stock. All share and per share amounts of the Company's common stock, as well as stock options, RSUs, and warrants included in the accompanying consolidated financial statements have been retroactively adjusted to give effect to the reverse stock split for all periods presented, unless indicated otherwise.

At the Market Offering ("ATM")

ATM Agreement

On December 10, 2021, the Company entered into an ATM Agreement, pursuant to which the Company may offer and sell, from time to time through Ladenburg, shares of common stock having an aggregate offering price of up to $15.0 million, subject to the terms and conditions of the ATM Agreement.

On February 2, 2022, the Company entered into an amendment to the ATM Agreement, pursuant to which, the aggregate offering amount of the shares of the Company's common stock which the Company may sell and issue through Ladenburg, as the sales agent, was increased from $15.0 million to $75.0 million.

On May 17, 2024, the Company entered into a second amendment to the ATM Agreement, pursuant to which the previous $75 million limit on the aggregate offering amount of shares of the Company's common stock which the Company may sell and issue through Ladenburg, as the sales agent, was removed such that the amount issuable under the ATM Agreement is limited solely by certain limitations as specified in the May 17, 2024 amendment.

On July 17, 2024, the Company entered into a third amendment to the ATM Agreement with Ladenburg and Lucid Capital Markets, LLC ("Lucid"). Pursuant to the July 17, 2024 amendment, Lucid was added as a party and manager under the agreement, effective beginning July 17, 2024 and ending on September 30, 2024, unless extended by the parties to the agreement.

On November 13, 2024, the Company entered into a fourth amendment to the ATM Agreement with Ladenburg and Lucid. Pursuant to the November 13, 2024 amendment, Lucid's term as manager under the ATM Agreement was retrospectively extended from September 30, 2024 to November 30, 2024, unless further extended by the parties to the agreement.

On February 4, 2025, the Company entered into a fifth amendment to the ATM Agreement with Ladenburg and Lucid. Pursuant to this amendment, Lucid's term as manager under the ATM Agreement was retrospectively extended from November 30, 2024 to June 30, 2025, unless further extended by the parties to the agreement.

On August 14, 2025, the Company entered into a sixth amendment to the ATM Agreement with Ladenburg and Lucid. Pursuant to this amendment, Lucid's term as manager under the ATM Agreement was extended retrospectively from June 30, 2025 to December 31, 2025, unless further extended by the parties to the agreement.

During the six months ended June 30, 2026, the Company issued an aggregate of 0 shares under the ATM Agreement. During the six months ended June 30, 2025, the Company issued an aggregate of 11,875 shares under the ATM Agreement for total net proceeds of $3.3 million.

Series L and Series M Pre-funded Warrants

In November and December 2025, the Company issued an aggregate of 22,893 shares of common stock in connection with the exchange of Series M Preferred Stock with Streeterville and Iliad.

In connection with the exchange of royalty interest debt and the retirement of Series L and Series M Perpetual Preferred Stock on January 16, 2026, the Company issued six separate pre-funded common stock purchase warrants to Iliad and Streeterville. These warrants are exercisable for an aggregate of 336,466 shares of common stock at an exercise price of $0.035 per share and are exercisable in part or in full immediately. The warrants provide that the number of shares exercised shall be limited to ensure the holder's beneficial ownership does not exceed 9.99% of the total shares outstanding. These securities were issued in reliance on the exemption from registration provided under Section 3(a)(9) of the Securities Act.

Series N Exchange for Common Stock Issuance

On December 8, 2025, the Company held a special meeting of stockholders where stockholders approved proposals related to the issuance of shares of common stock upon exchange of 951 shares of Series N Preferred Stock and the issuance of 56,000 shares of common stock and 45,982 pre-funded warrants pursuant to the securities purchase agreement dated September 28, 2025. For the three and six months ended June 30, 2026, the Purchasers exchanged 10 shares of Series N Preferred Stock into 595 shares of common stock.

Uptown Royalty Interests Exchanges for Common Stock Issuances

In connection with the exchange of royalty interest debt on May 14, 2026, the Company issued 28,660 shares of common stock to Uptown.

Series O Conversion for Common Stock Issuance

On June 25, 2026, upon conversion of all of the then outstanding 1,241,928 shares of Series O Preferred Stock and all shares of Series O Preferred Stock issuable upon exercise of the Eligible Warrants, the Company issued 3,985,302 shares of common stock to the holders of Series O Preferred Stock, and the holders of the Eligible Warrants are entitled to receive, upon exercise of the Eligible Warrants, up to 839,000 shares of common stock, which consist of 68,593 warrant shares and 770,407 conversion shares.

Series Q Exchanges for Common Stock Issuances

In connection with the exchange of the retirement of 31 shares of Series Q Perpetual Preferred Stock on eight exchanges during June 2026, the Company issued 268,775 shares of common stock to Streeterville.

Common Stock Purchase Agreement (Equity Line of Credit)

On June 9, 2026, the Company entered into a common stock purchase agreement with C/M Capital Master Fund, LP, establishing an ELOC. Under the terms of the agreement, the Company retains the unilateral right, but not the obligation, to issue and sell up to the lesser of $40,000,000 and 19.99% of the Company's outstanding shares of common stock from time to time during the investment period after the commencement date. Drawdowns are initiated at the Company's sole discretion through various purchase notices, with the purchase price per share determined by contractually specified formulas based on the market price or Volume-Weighted Average Price ("VWAP") of the Company's common stock, subject to certain limitations and a floor price of $1.10.

In consideration for the investor entering into the ELOC arrangement, the Company expects to issue common stock covering an $800,000 commitment fee upon the effectiveness of a related registration statement. This $800,000 commitment amount, along with $35,000 in initial transaction expenses paid by the Company, have been capitalized as deferred offering costs. These deferred costs will be systematically recognized and charged against the gross proceeds from future common stock issuances under the ELOC once issued. As of June 30, 2026, no common stock issuances or drawdowns have been made under the ELOC.

Noncontrolling Interest

As a result of the merger on November 3, 2021 between Napo EU and Dragon SPAC, the Company assumed a noncontrolling interest amounting to $242,000 as of December 31, 2021 which represents noncontrolling interest held by an investor in Napo Therapeutics.

During the three and six months ended June 30, 2026, noncontrolling interest decreased by $120,000 and $294,000, respectively. During the three and six months ended June 30, 2025, noncontrolling interest decreased by $156,000 and $316,000, respectively.

12. Stock-based Compensation

2014 Stock Incentive Plan

Effective May 12, 2015, the Company adopted the Jaguar Health, Inc. 2014 Stock Incentive Plan (“2014 Plan”). The 2014 Plan provides options, restricted stock, and RSUs to eligible employees, directors, and consultants to purchase the Company's common stock. The term of an incentive stock option may not exceed 10 years, except that with respect to any participant who owns more than 10% of the voting power of all classes or our outstanding stock, the term must not exceed 5 years. The 2014 Plan provides for automatic share increases on the first day of each fiscal year in the amount of 5% of the outstanding number of shares of the Company's common stock on the last day of the preceding calendar year.

As of June 30, 2026, 5,293 options were outstanding, and 10,591 options were available for grant. As of December 31, 2025, 5,601 options were outstanding, and 31 options were available for grant.

2020 New Employee Inducement Award Plan

Effective June 16, 2020, the Company adopted the Jaguar Health, Inc. New Employee Inducement Award Plan ("2020 Inducement Award Plan") and, subject to the adjustment provisions of the 2020 Inducement Award Plan, the Company reserved 3 shares of its common stock for issuance pursuant to equity awards granted under the 2020 Inducement Award Plan. On April 13, 2022, the Board of Directors approved an amendment to the plan to reserve an additional 1,670 shares, increasing the total shares issuable thereunder to 1,673. The term of an incentive stock option may not exceed 10 years, except that with respect to any participant who owns more than 10% of the voting power of all classes or our outstanding stock, the term must not exceed 5 years. The 2020 Inducement Award Plan grants stock options, RSUs, restricted stock, and performance shares. The 2020 Inducement Award Plan was adopted without Stockholder Approval pursuant to Rule 5635(c)(4) of the Nasdaq Listing Rules. The terms and conditions of the 2020 Inducement Award Plan are substantially similar to the Company's 2014 Stock Incentive Plan but with such other terms and conditions intended to comply with the Nasdaq inducement award rules. In accordance with Rule 5635(c)(4) of the Nasdaq Listing Rules, the only persons eligible to receive grants of equity awards under the 2020 Inducement Award Plan are individuals who were not previously an employee or director of the Company or following a bona fide period of non-employment, as an inducement material to such persons entering into employment with the Company.

On August 13, 2024, the BOD of the Company approved an amendment to the 2020 Inducement Award Plan to reserve an additional 563 shares of the Company's common stock for issuance pursuant to equity awards granted under the 2020 Inducement Award Plan, thereby increasing the number of shares of the Company's common stock issuable thereunder from 1,673 shares to 2,245 shares.

As of June 30, 2026, 0 options was outstanding, and 469 options were available for grant. As of December 31, 2025, 15 option was outstanding, and 168 options were available for grant.

Stock Options and Restricted Stock Units ("RSUs")

The Company grants RSUs to employees and directors under the 2014 Plan and the 2020 Inducement Award Plan. During the six months ended June 30, 2026, the Company granted 0 RSUs. During the same period, 67 RSUs vested and 532 RSUs were cancelled. As of June 30, 2026, there were 4,421 RSUs outstanding. Stock-based compensation expense is recognized over the requisite service period.

The following table summarizes the incentive plan activity for the six months ended June 30, 2026, and the year ended December 31, 2025:

(in thousands, except share and per share data)	Shares Available for Grant	Stock Options Outstanding	RSUs Outstanding	Weighted Average Stock Option Exercise Price	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value*
Balances as of January 1, 2025	506	871	6	$ 10,900.05	9.77	$ —
Additional shares authorized	9,453	—	—	—	—	—
Options granted	(4,807)	4,807	—	50.75	—	—
Options canceled	62	(62)	—	1,128.75	—	—
RSUs granted	(5,181)	—	5,181	—	—	—
RSUs vested and released	93	—	(93)	—	—	—
RSUs cancelled	74	—	(74)	—	—	—
Outstanding at December 31, 2025	200	5,616	5,020	$ 311.43	9.77	$ —
Additional shares authorized	9,938	—	—	—	—	—
Options granted	—	—	—	—	—	—
Options exercised	323	(323)	—	—	—	—
Options canceled	—	—	—	417.24	—	—
RSUs granted	—	—	—	—	—	—
RSUs vested	67	—	(67)	—	—	—
RSUs cancelled	532	—	(532)	—	—	—
Outstanding at June 30, 2026	11,060	5,293	4,421	$ 205.44	9.29	$ —
Exercisable at June 30, 2026		2,723		$ 236.53	9.25	$ —
Vested and expected to vest at June 30, 2026		2,723		$ 236.53	9.25	$ —

** The fair market value of Jaguar stock on June 30, 2026, was $3.00 per share.*

The intrinsic value is calculated as the difference between the exercise price of the underlying options and the fair market value of the Company's common stock for in-the-money options.

The number of options exercised during the six months ended June 30, 2026, and the year ended December 31, 2025, were 323 and 0, respectively.

The weighted average grant date fair value of stock options granted was $0 per share during the six months ended June 30, 2026, and $47.72 per share for the year ended December 31, 2025.

The number of options that were vested for the six months ended June 30, 2026, and for the year ended December 31, 2025, was 1,187 and 370, respectively. The grant date weighted average fair value of options that were vested for the six months ended June 30, 2026 and for the year ended December 31, 2025, was $90.96 and $1,050.00, respectively.

Stock-Based Compensation

The following table summarizes stock-based compensation expenses related to stock options, inducement stock options, and RSUs for the three and six months ended June 30, 2026 and 2025, and are included in the condensed consolidated statements of operations as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
(in thousands)	(unaudited)		(unaudited)	
Research and development expense	$ 59	$ 92	$ 116	$ 209
Sales and marketing expense	—	36	(11)	54
General and administrative expense	112	151	221	317
Total	$ 171	$ 279	$ 326	$ 580

As of June 30, 2026 and December 31, 2025, the Company had $351,000 and $569,000 unrecognized stock-based compensation expense for options and RSUs outstanding, respectively.

No range of assumptions was set forth and used in calculating the fair value of options granted during the three and six months ended June 30, 2026 and 2025 respectively.

401(k) Plan

The Company sponsors a 401(k) defined contribution plan covering all employees. No employer contributions were made to the plan from plan inception through June 30, 2026.

13. Net Loss Per Share

The following table presents the calculation of basic and diluted net loss per share of common stock for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
(In thousands, except share and per share data)	(unaudited)		(unaudited)	
Net loss attributable to common stockholders	$ (12,701)	$ (10,407)	$ (19,716)	$ (20,871)
Shares used to compute net loss per common stock, basic and diluted	809,122	28,994	561,567	22,268
Net loss per share attributable to common stockholders, basic and diluted	$ (15.70)	$ (358.94)	$ (35.11)	$ (937.26)

Basic net loss per share is calculated by dividing net loss by the weighted average number of common stock outstanding during the period. Diluted net loss per share is computed by dividing net loss by the weighted average number of shares of common stock, and certain common stock equivalents outstanding for the period. Common stock equivalents are only included when their effect is dilutive. The Company's potential securities, including warrants, convertible preferred series stock and other common stock equivalents, were excluded because their effect is anti-dilutive. For the prior periods presented, there is no difference in the number of shares used to compute basic and diluted shares outstanding.

The following are the other common stock equivalents of the Company for the six months ended June 30, 2026 and for the year ended December 31, 2025:

	June 30, 2026 (unaudited)	December 31, 2025
Options issued and outstanding	5,293	5,601
Inducement options issued and outstanding	—	15
Options available for grant under stock option plans	11,060	200
Restricted stock units issued and outstanding	4,421	5,020
Warrants issued and outstanding	148,171	105,953
Total	168,945	116,789

14. Segment Data

The Company has two reportable segments: animal health and human health. The animal health segment is focused on developing and commercializing prescription and non-prescription products for companion and production animals. The human health segment is focused on developing and commercializing human products and the ongoing commercialization of Mytesi, which the US FDA approves for the symptomatic relief of non-infectious diarrhea in adults with HIV/AIDS on antiretroviral therapy. For the three and six months ended June 30, 2026 and 2025, all of the Company's revenues from external customers were attributed to the United States.

The accounting policies used in the segment reporting are the same as those described in the summary significant accounting policies (Note 2). The Company's CODM is the chief financial officer. The CODM primarily utilizes segment's net comprehensive profit or loss as the key indicator in assessing the segment's performance and allocating resources.

The Company's reportable segments' net revenues and net loss for the three and six months ended June 30, 2026 and 2025, consisted of the following:

(in thousands)	Six Months Ended June 30, 2026 (unaudited)			Six Months Ended June 30, 2025 (unaudited)		
	Human Health	Animal Health	Total	Human Health	Animal Health	Total
External revenue	$ 21,102	395	$ 21,497	$ 5,001	$ 192	$ 5,193
Less: Segment expenses						
Cost of product revenue	1,947	242	2,189	1,023	19	1,042
Research and development	6,005	1,250	7,255	5,714	1,281	6,995
Sales and marketing	658	243	901	4,697	263	4,960
General and administrative	3,914	5,664	9,578	4,003	6,579	10,582
Interest	346	514	860	1	(72)	(71)
Other segment items*	986	5,733	6,719	465	3,776	4,241
Segment expenses	13,856	13,646	27,502	15,903	11,846	27,749
Segment net comprehensive income (loss)	$ 7,246	$ (13,251)	$ (6,005)	$ (10,902)	$ (11,654)	$ (22,556)
Reconciliation of net comprehensive loss						
Adjustments and reconciling items**			1,469			1,115
Consolidated net comprehensive loss			$ (4,536)			$ (21,441)

(in thousands)	Three Months Ended June 30, 2026 (unaudited)			Three Months Ended June 30, 2025 (unaudited)		
	Human Health	Animal Health	Total	Human Health	Animal Health	Total
External revenue	$ 1,175	$ 50	$ 1,225	$ 2,863	$ 116	$ 2,979
Less: Segment expenses						
Cost of product revenue	960	71	1,031	517	10	527
Research and development	2,836	495	3,331	2,600	669	3,269
Sales and marketing	(45)	50	5	2,301	166	2,467
General and administrative	1,943	3,022	4,965	2,000	3,242	5,242
Interest	159	2	161	—	(15)	(15)
Other segment items*	(57)	5,392	5,335	155	2,600	2,755
Segment expenses	5,796	9,032	14,828	7,573	6,672	14,245
Segment net comprehensive loss	$ (4,621)	$ (8,982)	$ (13,603)	$ (4,710)	$ (6,556)	$ (11,266)
Reconciliation of net comprehensive loss						
Adjustments and reconciling items**			802			684
Consolidated net comprehensive loss			$ (12,801)			$ (10,582)

**Other segment items for each reportable segment include:*

- Human Health - realized gain/loss on foreign exchange transactions and change in fair value of warrants.
- Animal Health - realized and unrealized gain/loss on foreign exchange transactions, change in fair value of warrants, gain/loss on debt extinguishment and share in net income or loss in joint venture.

***Adjustments and reconciling items include intercompany elimination entries*

The Company's reportable segments assets consisted of the following:

(in thousands)	June 30, 2026 (unaudited)	December 31, 2025
Segment assets		
Human Health	$ 27,439	$ 28,321
Animal Health	173,697	185,511
Total	$ 201,136	$ 213,832

For the three and six months ended June 30, 2026 and 2025, the Company's operations were divided into two geographical locations, Europe and the US. The carrying value of long-term assets in Europe totaled approximately $117,000 and $87,000 as of June 30, 2026 and December 31, 2025, respectively. This pertains to a right-of-use asset for the Napo Therapeutics office and vehicle lease. In the US, the carrying value of long-term assets totaled approximately $16.4 million and $17.4 million as of June 30, 2026 and December 31, 2025, respectively. This is composed of property, plant, and equipment, right-of-use assets, and intangible assets.

The reconciliation of segments assets to the consolidated assets is as follows:

(in thousands)	June 30, 2026 (unaudited)	December 31, 2025
Total assets for reportable segments	$ 201,136	$ 213,832
Less: Investment in subsidiary	(29,231)	(29,231)
Less: Intercompany loan	(137,711)	(146,278)
Consolidated Totals	$ 34,194	$ 38,323

15. Subsequent Events

Issuance of Common Stock

The Company has evaluated subsequent events through August 19, 2026, the date the financial statements were issued. As of August 19, 2026, 311,089 shares of common stock were issued after June 30, 2026, the balance sheet date.

Manufacturing and Supply Agreement with Alivus

On July 9, 2026, Napo entered into a new manufacturing and supply agreement with Alivus. Pursuant to the agreement, Alivus will continue to serve as the manufacturer of crofelemer for use in Mytesi and other crofelemer-based products. The agreement requires Napo to purchase minimum quantities of crofelemer, and the Company may be obligated to pay for any shortfall. The term of the agreement expires on March 31, 2029, with options for successive two-year renewal terms by mutual agreement.

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

Forward Looking Statements

This Quarterly Report on Form 10-Q (this "Quarterly Report") contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), adopted pursuant to the Private Securities Litigation Reform Act of 1995. Statements that are not purely historical may be forward-looking. For example, statements in this Quarterly Report regarding our plans, strategy and focus areas are forward-looking statements.

In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expect," "plan," "aim," "anticipate," "could," "intend," "target," "project," "contemplate," "believe," "estimate," "predict," "potential" or "continue" or the negative of these terms or other similar expressions. The forward-looking statements in this Quarterly Report are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. For a discussion of these and other factors that could cause actual results to differ from those contemplated in the forward-looking statements, please see the discussion under "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this Quarterly Report, our Annual Report on Form 10-K for the fiscal year ended December 31, 2025 and in our publicly available filings with the Securities and Exchange Commission. Forward-looking statements reflect our analysis only as of the date of this Quarterly Report. Because actual events or results may differ materially from those discussed in or implied by forward-looking statements made by us or on our behalf, you should not place undue reliance on any forward-looking statement. We do not undertake responsibility to update or revise any of these factors or to announce publicly any revision to forward-looking statements, whether as a result of new information, future events or otherwise.

The following discussion and analysis of financial condition and results of operations should be read together with the unaudited condensed consolidated financial statements and the related notes included in Item 1 of Part I of this Quarterly Report and with our audited consolidated financial statements and the related notes included in our Annual Report on Form 10-K as of and for the year ended December 31, 2025.

Overview

Jaguar Health, Inc. ("Jaguar"), in conjunction with Jaguar family company Napo Pharmaceuticals, Inc. ("Napo"), develops novel proprietary prescription drugs sustainably derived from plants for people with complicated gastrointestinal ("GI") disease states. Jaguar family companies Napo and Napo Therapeutics, S.p.A., an Italian corporation Jaguar established in Milan, Italy in 2021, are focused on expanding global crofelemer access and are developing new therapies for orphan and rare GI conditions. Magdalena Biosciences, a joint venture formed by Jaguar and Filament Health Corp., is focused on developing novel prescription medicines derived from plants for mental health indications. Jaguar Animal Health is a tradename the Company uses in the animal health space. In the animal health field, the Company focuses on developing and commercializing non-prescription GI products for companion and production animals.

Jaguar was founded in San Francisco, California, as a Delaware corporation on June 6, 2013 ("inception"). The Company was a majority-owned subsidiary of Napo until the close of the Company's initial public offering on May 18, 2015. The Company was formed to develop and commercialize first-in-class prescription and non-prescription products for companion animals. On July 31, 2017, Jaguar completed a merger with Napo pursuant to the Agreement and Plan of Merger dated March 31, 2017, by and among Jaguar, Napo, Napo Acquisition Corporation ("Merger Sub"), and Napo's representative (the "Merger Agreement"). In accordance with the terms of the Merger Agreement, upon the completion of the merger, Merger Sub merged with and into Napo, with Napo surviving as the wholly owned subsidiary (the "Merger" or "Napo Merger"). Immediately following the Merger, Jaguar changed its name from "Jaguar Animal Health, Inc." to "Jaguar Health, Inc." Napo now operates as a wholly owned subsidiary of Jaguar focused on human health, including the ongoing development of crofelemer and commercialization of Mytesi.

Napo's crofelemer 125 mg delayed-release tablets (Mytesi) is an FDA-approved prescription drug for the symptomatic relief of noninfectious diarrhea in adults with HIV/AIDS on antiretroviral therapy. In January 2026, following Napo's entry into a US commercial licensing agreement with an affiliate of privately held Future Pak, LLC ("Future Pak"), Future Pak became the exclusive US marketer for Mytesi as well as the tablet formulation for animal health, Canalevia-CA1, which is Jaguar's crofelemer prescription drug for the treatment of chemotherapy-induced diarrhea in dogs. Jaguar was provided with $16.0 million of non-dilutive capital in January 2026 upon closing of the agreement with Future Pak, and satisfied the specified post-closing conditions required to receive payment of the non-dilutive $2.0 million holdback amount of the upfront fee from Future Pak. Per the terms of the agreement, Jaguar also has the opportunity to receive up to $17.0 million in additional milestone payments and other future payments. Jaguar will continue to manufacture crofelemer for Mytesi and Canalevia-CA1 for Future Pak. Mytesi and Canalevia-CA1 are both delayed-release tablet formulations of crofelemer.

On May 2025, Napo conducted a Type C Meeting with the Division of Gastroenterology at the FDA to discuss the responder analysis results of crofelemer in the cohort of breast cancer patients receiving targeted therapies with or without cytotoxic chemotherapy for prophylaxis of diarrhea from the company's pivotal OnTarget Phase 3 clinical trial. OnTarget was a 24-week (two 12-week stages), randomized, multicenter, placebo-controlled, double-blind global study to evaluate the safety and efficacy of crofelemer in diarrhea prophylaxis in adult solid tumor patients receiving targeted therapies with or without standard chemotherapy. As previously announced, the top line results from the OnTarget study showed that the trial did not meet its primary endpoint for the prespecified analysis of all tumor types and all targeted therapies. In the prespecified subgroup of patients with breast cancer, crofelemer showed statistically significant improvement in the monthly responder analysis. Breast cancer patients represent one of the largest group of adult patients with solid tumors with patients often remaining on targeted therapy over prolonged periods in both adjuvant and metastatic settings.

During the Type C Meeting in May 2025 with the Division of Gastroenterology of the FDA Napo discussed the statistically significant responder analysis results for adult patients with breast cancer in the OnTarget trial, and proposed two concurrent potential approaches during the meeting for potentially making crofelemer available to metastatic breast cancer patients with the significant unmet medical need of CTD: 1) proposed conduct of a pivotal treatment trial to facilitate approval of crofelemer for CTD in patients with metastatic breast cancer; and 2) the conduct of an expanded access program for treatment of breast cancer patients with CTD who may not be eligible for the planned phase 3 treatment trial, by including breast cancer patients in the adjuvant and neoadjuvant settings. The FDA formally acknowledged both of these key discussion points in correspondence to Napo, and Napo plans to submit a protocol to the FDA for a pivotal treatment trial for metastatic breast cancer patients using crofelemer.

Based on discussions with the FDA in May 2025, the company plans to submit to the FDA the final clinical study report (CSR) for the OnTarget trial together with additional details of the responder analysis in the cohort of breast cancer patients, along with a patient survey evaluating clinically meaningful reductions in the frequency of weekly loose/watery stools for patients metastatic cancer patients receiving targeted therapies with or without standard chemotherapy.

The results in the cohort of patients with breast cancer are based on responder analysis, as was also the primary endpoint in the pivotal Phase 3 ADVENT trial that led to FDA approval of crofelemer for its currently commercialized indication, under the brand name Mytesi, for the symptomatic relief of noninfectious diarrhea in adults with HIV/AIDS on antiretroviral therapy. Patients with breast cancer accounted for 183 of the 287 participants in the OnTarget clinical trial, and the results of responder analysis for patients with breast cancer were the subject of a poster presentation at the Multinational Association of Supportive Care in Cancer (MASCC) in Seattle in June 2025. A greater proportion of patients with breast cancer randomized to the crofelemer arm were monthly responders for the entire 3-month period of the OnTarget study. This research underscores the potential of crofelemer for prophylaxis of cancer therapy-related diarrhea (CTD) in adult patients with breast cancer receiving targeted therapies with or without chemotherapy.

As previously announced, it has been reported that patients with cancer-related diarrhea ("CRD") were 40% more likely to discontinue chemotherapy or targeted therapy than patients without CRD. The persistence of index cancer therapy and the time to switch were also lower for patients with CRD. Strategies to control CRD and continue cancer therapy are urgently needed. Furthermore, it has been reported that patients with CRD used significantly more resources, including outpatient services, emergency room visits, and hospitalizations. Effective prevention of CRD provides an untapped market opportunity to reduce the overall cost of cancer care. Findings from studies have indicated that patients with CRD had nearly 2.9 times higher all-cause total cost of care than patients without CRD after adjusting for covariates. Thus, prophylaxis of CRD is expected to result in a significant reduction in cancer treatment costs.

Napo is developing a novel, highly concentrated lyophilized crofelemer powder for oral solution for its prioritized focus on intestinal failure (IF) for the treatment of the ultrarare pediatric disorder, microvillus inclusion disease (MVID), and short bowel syndrome with intestinal failure (SBS-IF). Crofelemer oral powder for solution formulation is a paradigm-shifting and first-in-class drug for the development of novel therapies for these serious unmet medical conditions. This lyophilized oral powder for solution is in advanced clinical development with near-term New Drug Application (NDA) opportunity for MVID and rapid time to market for this potentially breakthrough drug. The lyophilized crofelemer powder for solution has a unique IP position with a long period of exclusivity due to the botanical origin of the drug.

Intestinal failure (IF) is a debilitating condition that often requires patients to receive life-sustaining fluids, electrolytes and nutrients through intravenous administration, which consists of total parenteral nutrition (TPN) with supplemental intravenous fluids, which together constitute parenteral support (PS). Many intestinal failure patients require PS up to 7 days a week, and sometimes for 20 hours or more per day. While PS is supportive, palliative and life-sustaining, it is associated with serious complications including liver and kidney toxicities, and compromised cognitive functioning, and can have negative impact on growth and survival.

MVID is an ultrarare, fatal pediatric disorder with around 200 patients in the US and EU combined. There are currently no approved therapies and only lifelong PS, making it one of the most serious unmet medical needs in pediatric patients due to the lethal

natural history of the disease. Crofelemer's unique physiological mechanism of modulating intestinal chloride ion secretion results in normalizing electrolyte and fluid balance in the gastrointestinal (GI) tract which reduces the need for electrolyte and fluid requirements through PS. Since MVID patients lack a brush border membrane, this physiological MOA addresses the pathophysiology of MVID, and represents a paradigm-shifting therapy for reduction of PS, which would potentially reduce TPN- and MVID-related comorbidities and improve clinical outcomes.

SBS-IF affects an estimated 12,000 patients in the US. SBS-IF patients without colon-in-continuity have poor prognosis with significant comorbidities associated with life-sustaining PS and disease pathology. Despite availability of GLP-2 therapies, which require intestinal adaptation of 2-3 years following abdominal surgery in a subset of SBS-IF patients, PS remains the life-sustaining standard of care for these patients. Novel crofelemer powder for oral solution is a first-in-class paradigm-shifting therapy which does not require intestinal adaptation and can be initiated within 6-12 months after surgery upon stabilization of PS. Since it is not a growth hormone, it can be used in SBS-IF patients who have had abdominal surgery due to cancer, mesenteric etiologies, and inflammatory bowel conditions such as Crohn’s disease and colitis. Furthermore, crofelemer, due to its unique physiological MOA of modulating intestinal chloride ion secretion for maintaining electrolyte and fluid balance, can be used in combination with GLP-2 analogs as well as in patients who are either intolerant or for whom GLP-2 is contraindicated.

SBS affects approximately 10,000 to 20,000 people in the US, according to the Crohn’s & Colitis Foundation, and it is estimated that the population of SBS patients in Europe is approximately the same size, and the US population of SBS-IF patients was estimated at 12,000 patients in 2021 in a well-done epidemiology study. Despite limited treatment options, the global market for SBS is estimated to reach $7.93 billion by 2033, according to report by DataM Intelligence. MVID is an ultrarare pediatric disease, with an estimated prevalence of a couple of hundred patients globally. According to a third-party market research report, the value of the market for nutritional support for MVID is $856 million in 2026 in North America, Europe and the MENA (Middle East and North Africa) region combined, and estimated to exceed $1 billion in these markets as a whole by 2033.

Crofelemer was granted Orphan Drug Designation (“ODD”) by the FDA in February 2023 for MVID, an ultrarare congenital diarrheal disorder (“CDD”), and granted ODD for MVID by the European Medicines Agency (“EMA”) in October 2022. Crofelemer was granted ODD for short bowel syndrome (“SBS”) by the EMA in December 2021 and by the FDA in August 2017. In August 2023, the FDA activated Napo’s Investigational New Drug (“IND”) application for a new crofelemer powder for oral solution formulation for the treatment of MVID.

The Orphan Drug Act (“ODA”) in the US grants special status to a small molecule drug or biological product to treat a rare disease or condition upon request of a sponsor. This status is referred to as ODD (or sometimes "orphan status"). ODD qualifies the drug's sponsor for various development incentives, including tax credits for qualified clinical testing and relief of filing fees. Additionally, the ODA provides a seven-year period of marketing exclusivity to the first sponsor who obtains marketing approval for a designated orphan drug. In the EU, receipt of ODD supports some specific regulatory pathways, and sponsors who obtain ODD for their drug can benefit from Scientific Advice from the EMA for clinical trials for the orphan indication and receive market exclusivity for a period of ten years once the medicine is approved for commercialization.

Napo is currently supporting multiple proof-of-concept (POC) investigator-initiated trials (IIT), and also conducting two pivotal clinical trials, of crofelemer powder for oral solution for MVID and SBS-IF in the US, European Union (EU), and/or Middle East. The Company’s trial to evaluate the safety and efficacy of crofelemer powder for oral solution in pediatric MVID patients is ongoing at multiple sites. Napo Therapeutics is conducting a Phase 2 study in adult SBS-IF patients at multiple clinical sites in Italy and Germany. An open label IIT is ongoing in pediatric IF patients with MVID and/or SBS in Abu Dhabi in the United Arab Emirates. As presented at the 58th Annual European Society for Pediatric Gastroenterology, Hepatology & Nutrition (ESPGHAN) Meeting in Lille, France in June 2026, the results of ongoing investigations of liquid oral crofelemer demonstrate substantial reductions of PS and PS normalized to body weight in pediatric IF patients dosed orally for more than one year, with no significant clinical or laboratory abnormalities. In one MVID patient, the weekly PS requirements normalized to body weight have been reduced by up to 48% following >12 months of liquid oral high-dose crofelemer therapy. In two pediatric SBS-IF patients, weekly PS requirements normalized to body weight were reduced up to 40% following >12 months of liquid oral high dose crofelemer therapy. Napo is also supporting an IIT in the US to evaluate crofelemer powder for oral solution for treatment of adult SBS-IF patients. The Company plans to pursue approval of crofelemer powder for oral solution for MVID in the US following the completion of the pivotal pediatric MVID trial. In accordance with the guidelines of specific EU countries, published data from such clinical investigations could support reimbursed early patient access to crofelemer for these debilitating IF conditions. Participation in early access programs, which do not exist in the US, provides an opportunity for reimbursement while impacting the morbidity and high cost of care for these chronic unmet needs. Additionally, the Company expects that if even just a very small number of MVID patients show benefit with crofelemer, this may potentially allow expedited pathways for regulatory approval in the US. In the US, Napo plans to pursue Breakthrough Therapy Designation (BTD) from the FDA. If a drug is designated as breakthrough therapy, the FDA will expedite the review timeline for the drug.

In addition, a second-generation proprietary anti-secretory antidiarrheal drug (“NP-300”) is in development for symptomatic relief and treatment of moderate-to-severe diarrhea, with or without concomitant antimicrobial therapy, from bacterial, viral, and parasitic infections, including Vibrio cholerae, the bacterium that causes cholera. This program is being pursued with the potential targeted incentive of a tropical disease review voucher from the FDA.

In keeping with the Company’s focus on supportive care for patients undergoing cancer treatment, Jaguar in April 2024 signed an exclusive 5-year in-license agreement with United Kingdom-based Venture Life Group PLC ("Venture Life"), an international consumer health company focused on the global self-care market, for Venture Life's FDA-approved oral mucositis prescription product, Gelclair, for the US market. In October 2024, Jaguar initiated the commercial launch of Gelclair, the Company’s third commercialized prescription product, in the US.

Oral mucositis is among the most common, painful, and debilitating cancer treatment-related side effects. Gelclair is a gel with a mechanical action indicated for the management of pain and relief of pain by adhering to the mucosal surface of the mouth. It coats and protects the oral mucosa, which supports healing. Gelclair is convenient and easy to use, provides rapid and long-lasting pain relief, and improves the ability of oral mucositis patients to eat, drink, and swallow. Unlike other products for oral mucositis, it is not a numbing agent and does not sting the mouth.

In January 2023, Jaguar and Filament Health, with funding from One Small Planet, formed the US-based joint venture Magdalena Biosciences (“Magdalena”). Magdalena’s focus is on the development of novel, natural prescription medicines derived from plants for mental health indications, including, initially, cognitive impairment associated with schizophrenia (CIAS). The goal of the collaboration is to extend the botanical drug development capabilities of Jaguar and Filament in order to develop pharmaceutical-grade, standardized drug candidates for mental health disorders and to partner with a potential future licensee to develop and commercialize these novel plant-based drugs. This venture aligns with Jaguar's Entheogen Therapeutics Initiative (ETI) and Filament’s corporate mission to develop novel, natural prescription medicines from plants. Magdalena is leveraging Jaguar’s proprietary medicinal plant library and Filament’s proprietary drug development technology. Jaguar’s library of 2,300 highly characterized medicinal plants and 3,500 plant extracts, all from firsthand ethnobotanical investigation by Jaguar and members of the ETI Scientific Strategy Team. Magdalena is currently approximately 40-percent owned by Jaguar.

In the field of animal health, Jaguar Animal Health is continuing limited activities related to developing first-in-class gastrointestinal products for dogs. In December 2021, the Company received conditional approval from the FDA to market Canalevia-CA1 (crofelemer delayed-release tablets) for the treatment of chemotherapy-induced diarrhea (CID) in dogs. The FDA conditionally approved Canalevia-CA1 under application number 141-552.

In June 2026 the company completed submission of its New Animal Drug Application (NADA) to the FDA’s Center for Veterinary Medicine for full approval of crofelemer for the treatment of CID in dogs.

As announced, Jaguar is planning the commercial launch of Neonorm Dog, a new extension of Jaguar’s Neonorm franchise for companion animals. Neonorm Dog is designed to provide dog owners with access to a plant-based, non-prescription product intended to support normal stool consistency and GI fluid balance in dogs. Jaguar expects to make Neonorm Dog available through both Amazon and Chewy. The Neonorm franchise currently includes Neonorm Foal and Neonorm Calf, plant-based products developed to support proper hydration and bowel health in pre-weaned foals and calves. Neonorm products contain a standardized botanical extract derived from the sustainably harvested Croton lechleri tree, which acts locally in the gut.

Napo completed its requisite preclinical and formulation activities to support the IND application for NP-300, its second-generation, plant-based oral prescription drug product, for clinical development for the symptomatic relief and treatment of moderate-to-severe diarrhea, with or without concomitant antimicrobial therapy, from bacterial, viral and parasitic infections including Vibrio cholerae, the bacterium that causes cholera. Following the completion of the Phase 1 trial, the Company will be positioned to initiate the next stage of our clinical development program for cholera-related diarrhea when our development team has the requisite resources and bandwidth to initiate the additional required trials.

Cholera produces a devastating loss of electrolytes and fluid in patients, and without appropriate reduction in loss of fluid and electrolytes, patients experience significant hospitalization and mortality. NP-300 provides the opportunity to treat cholera patients in combination with oral rehydration salts (“ORS”) and the recommended guidelines from the World Health Organization (“WHO”) for the use of appropriate antibiotics to reduce the burden of the pathogen. Appropriate preclinical toxicity studies and formulation development activities are ongoing to support the conduct of clinical studies with NP-300.

Napo received partial financial support for preclinical services from the National Institute of Allergy and Infectious Diseases (“NIAID”) of the National Institutes of Health, and Napo is grateful for their support of NP-300’s development.

Cholera is an acute diarrheal illness caused by intestine infection with the bacterium Vibrio cholerae. According to the Centers for Disease Control and Prevention of the US Department of Health & Human Services, an estimated 1.3 to 4 million people around the world get cholera each year, and 21,000 to 143,000 people die from it. The infection is often mild or without symptoms but can sometimes be severe. Approximately one in ten infected persons will have severe disease characterized by profuse, watery diarrhea, vomiting, and leg cramps. In these people, rapid loss of body fluids leads to dehydration and shock. Without treatment, death can occur within hours. Cholera is now endemic in many countries outside the US. From January 1, 2024 to July 28, 2024, a cumulative total of 307,433 cholera cases and 2,326 deaths were reported from 26 countries across five World Health Organization (WHO) regions. WHO classified the global resurgence of cholera as a grade 3 emergency in January 2023, the highest internal level for emergencies in WHO. Based on the number of outbreaks and their geographic expansion, alongside the shortage of vaccines and other resources, WHO continues to assess the risk at the global level as very high and the event remains classified as a grade 3 emergency.

We expect that NP-300 could be significantly less expensive and would support development efforts to receive a tropical disease priority review voucher (“TDPRV”) from the FDA for an indication of the symptomatic treatment of diarrhea from acute infections such as cholera. The FDA grants priority review vouchers as an incentive to develop treatments for neglected diseases and rare pediatric diseases. Priority review vouchers are transferable and, in past transactions by other companies, have sold for prices ranging from $60 million to $350 million. The NP-300 program is paired with funding from a promissory note related to the potential future sale of a possible TDPRV.

Napo has actively ensured that its intellectual property (“IP”) filings in support of the development of crofelemer for various proposed indications are protected appropriately. The IP portfolio for crofelemer includes the relief and treatment of HIV-associated diarrhea and CID as well as planned indications for inflammatory diarrhea, IBS-D, CDD, and SBS, with all indications, Napo prioritizes IP protection. Napo currently holds approximately 185 patents, the majority of which do not expire until 2027-2031.

Napo and Napo Therapeutics remain focused on the development of crofelemer powder for solution for the rare disease intestinal failure (IF) indications of MVID and SBS-IF. Our management team has significant experience in gastrointestinal product development. We have assembled an impressive group of scientific advisory board (“SAB”) members who work closely with the Chair of Napo’s and Jaguar’s Scientific Advisory Board, Dr. Pravin Chaturvedi, who also serves as the Chief Scientific Officer (“CSO”) of Napo and Jaguar.

We believe Jaguar is poised to realize the opportunities for the commercialization of crofelemer powder for oral solution for our IF programs from MVID and SBS-IF. Jaguar, through Napo, holds global unencumbered rights for crofelemer.

Financial Operations Overview

On a consolidated basis, we have not yet generated enough revenue to date to achieve break-even or positive cash flows, and we expect to continue to incur significant research and development and other expenses. Our net income (losses) were $4.1 million net loss and $21.2 million net losses for the six months ended June 30, 2026 and 2025, respectively. As of June 30, 2026, we had a total stockholders' equity (deficit) of $4.9 million, an accumulated deficit of $403.7 million, an accumulated other comprehensive loss of $1.2 million and cash of $3.8 million. We expect to continue to incur losses, and experience increased expenditures for the foreseeable future as we expand our product development activities, seek necessary approvals for our product candidates, conduct species-specific formulation studies for our non-prescription products, establish API manufacturing capabilities and begin additional commercialization activities. Payments of cash compensation to directors under the Director Compensation Program for the three and six months ended June 30, 2026 amounted to $108,000 and $217,000, respectively.

Revenues

Our product and collaboration revenue consists of the following:

- Revenues from the sale of Mytesi and Canalevia, which are sold exclusively to Woodward Specialty LLC (“Woodward”), an affiliate of Future Pak, LLC (“Future Pak”), pursuant to the Supply Agreement entered into on January 12, 2026. Under this arrangement, Napo manufactures or has the Mytesi Product manufactured and supplies it to the Licensee for commercialization in the U.S.

- Revenues from the sale of our animal products branded as Neonorm Calf and Neonorm Foal. Our Neonorm and botanical extract products are primarily sold to distributors, who then sell the products to the end customers.

- Revenues from the license agreement made with Gen Ilac Ve Saglik Urunleri Sanayi Ve Ticaret, A.S., ("Gen" or "Licensee") from which all finished Mytesi are sold in the licensed territory.

- Revenues from a 5-year in-license agreement with United Kingdom-based Venture Life, from which the Company was granted the exclusive rights to market Venture Life's FDA-approved oral mucositis prescription product, Gelclair, within the US market.

- Our policy typically permits returns if the product is damaged, defective, or otherwise cannot be used when received by the customer if the product has expired. Returns are accepted for products that will expire within three months or that have expired up to one year after their expiration dates. Estimates for expected returns of expired products are based primarily on an ongoing analysis of our historical return patterns.

See “Results of Operations” below for more detailed discussion on revenues.

Costs of Product Revenue

The cost of product revenue consists of direct drug substance and drug product materials expenses, direct labor, distribution fees, royalties, and other related expenses associated with the sale of our products.

Research and Development

Research and development ("R&D") expenses consist primarily of clinical trial expenses and contract manufacturing costs, personnel and related benefits, stock-based compensation, employee travel, and reforestation expenses. Clinical and contract manufacturing expenses consist primarily of costs for executing clinical study protocols for safety and efficacy together with evaluating the stability, and manufacturing costs for crofelemer delayed-release tablets as well as crofelemer drug substance from Alivus an outsourced, FDA-approved crofelemer API provider in India. It also includes expenses with a third-party provider for transferring the Mytesi manufacturing process and the related feasibility and validation activities at a contract manufacturing facility in the US.

We capitalize certain tangible research and development materials, such as API and intermediate lyophilized products, that have a probable alternative future use. We reclassify and expense these materials as R&D expense when they are consumed in research activities or become specifically dedicated to a clinical trial. The determination of when materials are "specifically dedicated" to a clinical trial is a critical accounting estimate because it requires significant management judgment. We evaluate dedication based on several factors, including the finalization of clinical protocols, trial-specific labeling requirements, and the initiation of trial-specific manufacturing or packaging runs. If management’s judgment regarding the timing or probability of clinical trial commencement were to change, it could result in the immediate expensing of significant capitalized balances. A material delay or change in clinical strategy could result in the recognition of substantial R&D expenses in a single period, which could materially impact our reported results of operations.

We typically use our employee and infrastructure resources across multiple development programs. We track outsourced development costs by prescription drug product candidate and non-prescription product, and we track personnel or other internal costs related to the development of specific programs or development compounds.

The Company has incurred approximately $25.0 million of expenses for its primary R&D projects from the inception of the projects until June 30, 2026. The timing and amount of our research and development expenses will depend largely upon the outcomes of current and future trials for our prescription drug product candidates, as well as the related regulatory requirements, the outcomes of current and future species-specific formulation studies for our non-prescription products, manufacturing costs and any costs associated with the advancement of our line extension programs. We cannot determine with certainty the duration and completion costs of the current or future development activities. The total project costs remain uncertain due to regulatory and clinical trial complexities. Management continues to monitor timelines closely to address any risks that could impact timely project completion and future operations.

The duration, costs and timing of trials, formulation studies and development of our prescription drug and non-prescription products will depend on a variety of factors, including:

- the scope, rate of progress, and expense of our ongoing, as well as any additional clinical trials, formulation studies and other research and development activities;

- future clinical trial and formulation study results;

- potential changes in government regulations; and

- the timing and receipt of any regulatory approvals.

A change in the outcome of any of these variables with respect to the development of a prescription drug product candidate or non-prescription product could mean a significant change in the costs and timing associated with our development activities.

Research and development expenses decreased following the completion of the in-life portion of the Phase 3 OnTarget Trial in first half of 2025. During the second half of 2026, the Company will submit clinical study report (CSR).

Materials expense and tree planting refers to the Company's ongoing environmental costs related to the sustainable sourcing of crofelemer and reforestation activities in the Amazon Rainforest. These expenses include capital investments in seedling nurseries and tree planting. As of June 30, 2026, no significant non-recurring environmental remediation costs are anticipated. The Company continues to monitor its environmental impact and may incur future costs as needed.

Sales and Marketing

Sales and marketing expenses consist of personnel and related benefits, stock-based compensation, direct sales and marketing, employee travel, and management consulting expenses. We currently incur sales and marketing expenses to promote Mytesi and Gelclair. We do not have significant marketing or promotional expenses related to Canalevia-CA1 and Neonorm Calf or Neonorm Foal for the six months ended June 30, 2026 and 2025.

On January 12, 2026, Napo and the Company entered into a license agreement with Woodward and Future Pak, pursuant to which, Napo granted to Woodward an exclusive, nontransferable, sublicensable, royalty-free right and license (subject to certain exceptions as set forth in the License Agreement) under the Napo Mytesi Patents (as defined in the License Agreement) to sell, offer for sale, have sold, make, have made, promote, distribute and otherwise commercialize the Mytesi Product and the Canalevia Product. Thus, we expect no sales and marketing expenses for these products going forward.

General and Administrative Expense

General and administrative expenses consist of personnel and related benefit expense, stock-based compensation expense, employee travel expense, legal and accounting fees, rent and facilities expense, and management consulting expense.

In the near term, we expect general and administrative expenses to decrease as we focus on our pipeline development and market access expansion on our Intestinal Failure (IF) programs.

Interest Expense

Interest expense consists primarily of non-cash and cash interest costs related to our borrowings.

Change in Fair Value of Financial Instruments and Hybrid Instrument Designated at Fair Value Option

Change in fair value of freestanding and hybrid financial instruments designated at fair value option ("FVO") consists of gain or loss recognized related to fair values changes of our instruments designated at FVO.

Gain (Loss) on Debt Extinguishment

Gain (loss) on debt extinguishment consists of gain (loss) incurred related to the exchanges resulting from the extinguishment of our borrowings.

Critical Accounting Policies and Significant Judgments and Estimates

The preparation of financial statements in conformity with US generally accepted accounting principles (“US GAAP”) requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosures in the financial statements. Critical accounting policies are those accounting policies that may be material due to the levels of subjectivity and judgment necessary to account for highly uncertain matters or the susceptibility of such matters to change, and that have a material impact on financial condition or operating performance. While we base our estimates and judgments on our experience and on various other factors that we believe to be reasonable under the circumstances, actual results may differ from these estimates under different assumptions or conditions. We believe the following critical accounting policies used in the preparation of our financial statements require significant judgments and estimates. For additional information relating to these and other accounting policies, see Note 2 to the consolidated financial statements, appearing elsewhere in this report.

Potential Material Effects of Trends, Events, and Uncertainties

Inflation and the Inflation Reduction Act (IRA)

The Company continues to monitor the effects of ongoing inflationary pressures and the IRA, which became effective on January 1, 2023. Inflation has contributed to higher operating costs across the pharmaceutical industry, including increases in raw material prices, distribution expenses, and labor costs. These cost pressures have affected the Company's gross margins and may continue to do so in future periods.

For the three and six months ended June 30, 2026, the only material impacts of IRA are a significant reduction in the Company's Medicare Part D rebates payable to CMS and a reduction in patients' out-of-pocket copays for their Mytesi prescriptions. Management continues to assess the evolving implications of the IRA on pricing, reimbursement, and research incentives.

Lease Commitments

As of June 30, 2026, the Company holds several lease agreements, including two San Francisco office leases: Suite 400 and Suite 600. Both offices comprise 10,526 rentable square feet, with each suite accounting for 5,263 square feet. Both leases began on September 1, 2021, with an original expiration date of August 31, 2024. The first amendment executed on December 24, 2021, initially extended both leases to February 28, 2025, with monthly rent escalating from $42,000 to $45,000 in the final year.

On October 25, 2023, the second amendment extended Suite 400's lease to August 31, 2030, increased its rentable area to 5,735 square feet, bringing the total leased area to 10,998 square feet, and established a new monthly rent for Suite 400 of $18,000. The second amendment did not affect Suite 600.

The third amendment executed on January 1, 2025, extended Suite 600's lease to August 31, 2030, aligning it with the lease term of Suite 400. It also revised Suite 600's rent to $24.00 per sq. ft., with 3% annual increases. The third amendment did not affect Suite 400.

Given these escalating lease commitments, particularly the planned increases in base rent and the uncertainties surrounding the potential exercise of extension options, the Company is focused on maintaining effective liquidity management strategies to address potential cash flow impacts. Moreover, fluctuations in occupancy rates or operational changes may affect the utilization of leased spaces, thereby influencing amortization expenses associated with right-of-use assets.

The Company regularly evaluates its lease portfolio and market conditions to make informed decisions regarding future lease renewals or new lease agreements. Effective management of these lease liabilities will be essential for ensuring operational flexibility and financial stability in the upcoming years.

Results of Operations

Comparison for the six months ended June 30, 2026 and 2025

The following table summarizes the Company's results of operations with respect to the items set forth in such table for the six months ended June 30, 2026 and 2025, together with the change in such items in dollars and as a percentage.

(in thousands)	Six Months Ended June 30, 2026	2025	Variance	Variance %
License revenue	$ 19,086	$ 86	$ 19,000	22,093.0 %
Product revenue, net	2,386	5,107	(2,721)	(53.3) %
Grant revenue	25	—	25	100.0 %
Total revenue	21,497	5,193	16,304	314.0 %
Operating expenses				
Cost of product revenue	2,189	1,042	1,147	110.1 %
Research and development	7,264	6,995	269	3.8 %
Sales and marketing	901	4,960	(4,059)	(81.8) %
General and administrative	8,558	9,624	(1,066)	(11.1) %
Total operating expenses	18,912	22,621	(3,709)	(16.4) %
Income (loss) from operations	2,585	(17,428)	20,013	(114.8) %
Changes in fair value of freestanding and hybrid financial instruments designated at Fair Value Option	(2,255)	(2,411)	156	(6.5) %
Loss on extinguishment of debt	(4,132)	(1,822)	(2,310)	126.8 %
Interest income (expense)	(860)	71	(931)	(1,311.3) %
Other income (expense)	583	434	149	34.3 %
Income (loss) before income tax expense	(4,079)	(21,156)	17,077	(80.7) %
Income tax expense	—	—	—	— %
Net loss before equity in net loss of joint venture	(4,079)	(21,156)	17,077	(80.7) %
Equity in net loss of joint venture	—	—	—	— %
Net income (loss)	$ (4,079)	$ (21,156)	$ 17,077	(80.7) %
Net income (loss) attributable to noncontrolling interest	$ (246)	$ (285)	$ 39	(13.7) %
Stock dividends to preferred stockholders	$ 9,470	$ —	$ 9,470	100.0 %
Deemed dividend to preferred stockholders	$ 6,071	$ —	$ 6,071	100.0 %
Preferred returns to preferred stockholders	$ 331	$ —	$ 331	100.0 %
Cumulative preferred dividends allocated to preferred stockholders	$ 11	$ —	$ 11	100.0 %
Net loss attributable to common stockholders	$ (19,716)	$ (20,871)	$ 1,155	(5.5) %

Revenue

Product revenue

Due to the Company's arrangements, including elements of variable consideration, gross product sales are reduced in order to reflect the expected consideration to arrive at net product sales. Deductions to reduce gross product sales to net product sales for the six months ended June 30, 2026 and 2025, were as follows:

(in thousands)	Six Months Ended June 30, 2026	2025	Variance	Variance %
Gross product sales				
Mytesi	$ 2,175	$ 6,926	$ (4,751)	(68.6) %
Canalevia	270	77	193	250.6 %
Gelclair	15	52	(37)	(71.2) %
Neonorm	14	30	(16)	(53.3) %
Total gross product sales	2,474	7,085	(4,611)	(65.1) %
Medicaid rebates	(64)	(1,391)	1,327	(95.4) %
Sales discounts	(24)	(566)	542	(95.8) %
Sales returns	—	(21)	21	(100.0) %
Net product sales	$ 2,386	$ 5,107	$ (2,721)	(53.3) %

Our gross product revenues were approximately $2.5 million and $7.1 million for the six months ended June 30, 2026 and 2025, respectively. These figures reflect revenue from the sale of our human drug Mytesi, our animal products branded as Neonorm Calf and Neonorm Foal and exclusive distribution agreement for the sale of Gelclair.

The decrease in gross product revenue of $4.6 million for six months ended June 30, 2026 compared to the same period in 2025, was primarily due to the decrease in sales volume of Mytesi, following the license agreement entered by the Company with Woodward on January 12, 2026.

Medicaid and AIDS Drug Assistance Program ("ADAP") rebates were $64,000 and $1.4 million for the six months ended June 30, 2026 and 2025, respectively, a decrease of $1.3 million due to lower product utilization within the program coupled with changes in rebate agreements and the license agreement entered by the Company with Woodward.

Sales discounts were $24,000 and $566,000 for the six months ended June 30, 2026 and 2025, respectively, a decrease of $542,000 due to changes in sales discount arrangements to various customers.

Sales returns were $0 and $21,000 for the six months ended June 30, 2026 and 2025, respectively, a decrease of $21,000 due to the decrease in volume of sales returns.

License revenue

License revenues increased by $19.0 million from $86,000 for the six months ended June 30, 2025 to $19.0 million in the same period in 2026, due to license agreement entered by the Company with Woodward. The license revenue is recognized at a point in time when control of the underlying functional intellectual property is transferred, permitting Woodward to use and benefit from the license.

Cost of Product Revenue

The following table presents the components of cost of product revenue for the six months ended June 30, 2026 and 2025, together with the change in such components in dollars and as a percentage:

(in thousands)	Six Months Ended June 30, 2026	2025	Variance	Variance %
Cost of Product Revenue				
Material cost	$ 1,631	$ 421	$ 1,210	287.4 %
Direct labor	241	433	(192)	(44.3) %
Distribution fees	33	87	(54)	(62.1) %
Other	284	101	183	181.2 %
Total	$ 2,189	$ 1,042	$ 1,147	110.1 %

The increase in cost of product revenue of $1.1 million for the six months ended June 30, 2026 compared to 2025 was primarily due to:

- Material cost increased by $1.2 million from $421,000 for the six months ended June 30, 2025 to $1.6 million in the same period in 2026, due to the sale of remaining Mytesi and Canalevia inventory on hand under the licensing and supply agreement with Woodward.
- Direct labor decreased by $192,000 from $433,000 for the six months ended June 30, 2025 to $241,000 in the same period in 2026, primarily driven by lower direct labor hours spent manufacturing Mytesi due to second quarter's production schedule changes after the effectivity of licensing and supply agreement with Woodward.
- Distribution fees decreased by $54,000 from $87,000 for the six months ended June 30, 2025 to $33,000 in the same period in 2026, due to lower distribution costs resulting from the sale of Mytesi under the licensing and supply agreement with Woodward, as Woodward took over the distribution of Mytesi and Canalevia.
- Other cost of product revenue increased by $183,000 from $101,000 for the six months ended June 30, 2025 to $284,000 in the same period in 2026, due to the increase in royalty expense related to Gelclair sales. The increase reflects a higher sales volume threshold for royalty calculations, which increased from $2.6 million in 2025 to $6.3 million in 2026, forming the basis for royalty payments.

Research and Development

The following table presents the components of R&D expense for the six months ended June 30, 2026 and 2025, together with the change in such components in dollars and as a percentage:

(in thousands)	Six Months Ended June 30, 2026	2025	Variance	Variance %
Research and Development:				
Clinical and contract manufacturing	$ 3,971	$ 2,342	$ 1,629	69.6 %
Personnel and related benefits	2,292	2,990	(698)	(23.3) %
Third-party consulting services	598	906	(308)	(34.0) %
Stock-based compensation	116	209	(93)	(44.5) %
Materials expense and tree planting	130	161	(31)	(19.3) %
Travel and other expenses	34	193	(159)	(82.4) %
Other	123	194	(71)	(36.6) %
Total	$ 7,264	$ 6,995	$ 269	3.8 %

The increase in R&D expense of $269,000 for the six months ended June 30, 2026, compared to 2025 was primarily due to:

- Clinical and contract manufacturing expenses increased by $1.6 million from $2.3 million for the six months ended June 30, 2025 to $4.0 million in the same period in 2026. The increase was primarily attributable to the progression of crofelemer lyophilization into the development phase, which resulted in higher clinical trial–related costs and increased external contract manufacturing services related to lyophilization activities.

- Personnel and related benefits decreased by $698,000 from $3.0 million for the six months ended June 30, 2025 to $2.3 million in the same period in 2026, due to a reduction in force (RIF) within the Clinical and QA groups, which resulted in lower headcount for clinical trial, research, and quality assurance functions during the period.

- Third-party consulting services decreased by $308,000 from $906,000 for the six months ended June 30, 2025 to $598,000 in the same period in 2026, as the Phase 3 On Target Clinical Trial concluded, reducing the consulting and contractor expenses.

- Stock-based compensation expense decreased by $93,000 from $209,000 for the six months ended June 30, 2025 to $116,000 in the same period in 2026, due to reduction in headcount of employees subject to the stock-based compensation program, reduction of awards granted, and decline in fair value of newly granted options.

- Other R&D expenses decreased by $71,000 from $194,000 for the six months ended June 30, 2025 to $123,000 in the same period in 2026, as the Phase 3 On Target Clinical Trial concluded, reducing other expenses such as consulting, formulation, and regulation fees.

The following table presents the components of R&D expense per project for the six months ended June 30, 2026 and 2025, together with the change in such components in dollars and as a percentage:

	Six Months Ended June 30,			
(in thousands)	2026	2025	Variance	Variance %
Research and Development:				
Clinical trials on:				
Congenital diarrheal disorder (CDD) and microvillus inclusion disease (MVID)	$ 3,345	$ 1,570	$ 1,775	113.1 %
Canalevia - commercial	135	132	3	2.3 %
Short bowel syndrome with intestinal failure (“SBS-IF”)	111	670	(559)	(83.4) %
Canalevia-CA1 (crofelemer delayed-release tablets)	96	233	(137)	(58.8) %
Cancer therapy-related diarrhea (CTD)	62	506	(444)	(87.7) %
Gelclair	25	134	(109)	(81.3) %
Entheogen Therapeutics Initiative (ETI)	8	15	(7)	(46.7) %
Cholera	—	33	(33)	(100.0) %
General research and development activities	3,482	3,702	(220)	(5.9) %
Total	$ 7,264	$ 6,995	$ 269	3.8 %

The increase in R&D expense of $269,000 for the six months ended June 30, 2026 compared to 2025 was primarily due to:

- CDD and MVID clinical trial expenses increased by $1.8 million from $1.6 million for the six months ended June 30, 2025 to $3.3 million in the same period in 2026, due to the increased lyophilization of the Mytesi project and the addition of clinical trials across the US, EU, and Middle East.

- SBS-IF clinical trial expenses decreased by $559,000 from $670,000 for the six months ended June 30, 2025 to $111,000 in the same period in 2026, due to a strategic shift in research priorities, as the company is currently focusing on MVID.

- CTD clinical trial expenses decreased by $444,000 from $506,000 for the six months ended June 30, 2025 to $62,000 in the same period in 2026, due to the winding down of the statistically significant Breast Cancer clinical trial, following the FDA-recommended additional one-year study period.

- Canalevia-CA1 clinical trial expenses decreased by $137,000 from $233,000 for the six months ended June 30, 2025 to $96,000 in the same period in 2026. The reduction in R&D expense was due to the sale of Canalevia inventory under the licensing and supply agreement with Woodward. Additionally, clinical testing for Canalevia CA2 concluded on June 30, 2026, and the product is currently awaiting FDA approval.

- Gelclair clinical trial expenses decreased by $109,000 from $134,000 for the six months ended June 30, 2025to $25,000 in the same period in 2026, as the company halted its plans on marketing and selling the Gelclair product, leading to a significant reduction in related R&D expenses.

Sales and Marketing

The following table presents the components of sales and marketing ("S&M") expense for the six months ended June 30, 2026 and 2025, together with the change in such components in dollars and as a percentage:

(in thousands)	Six Months Ended June 30, 2026	2025	Variance	Variance %
Sales and Marketing:				
Personnel and related benefits	$ 711	$ 2,570	$ (1,859)	(72.3)%
Direct marketing fees and expense	146	1,347	(1,201)	(89.2)%
Third party consulting fees	5	371	(366)	(98.7)%
Stock-based compensation	—	54	(54)	(100.0)%
Other	39	618	(579)	(93.7)%
Total	$ 901	$ 4,960	$ (4,059)	(81.8)%

The decrease in S&M expense of $4.1 million for the six months ended June 30, 2026, compared to the same period in 2025 was largely due to:

- Personnel and related benefits decreased by $1.9 million from $2.6 million for the six months ended June 30, 2025, to $711,000 in the same period in 2026 due to the dissolution of the Jaguar/Napo Sales and Marketing Group as of January 12, following the licensing of Mytesi and Canalevia to Future Pak.

- Direct marketing fees and expenses decreased by $1.2 million from $1.3 million for the six months ended June 30, 2025, to $146,000 in the same period in 2026, due to a reduction in sales and marketing activities for Mytesi and Canalevia following the licensing agreement with Woodward.

- Third-party consulting services decreased by $366,000 from $371,000 for the six months ended June 30, 2025, to $5,000 in the same period in 2026, due to a reduction in sales and marketing activities for Mytesi and Canalevia following the licensing agreement with Woodward, which led to a decrease in third-party consulting services.

- Stock-based compensation expense decreased by $54,000 from $54,000 for the six months ended June 30, 2025 to $0 in the same period in 2026, due to reversal of accrued compensation resulting from reduction in headcount of employees subject to the stock-based compensation program, reduction of awards granted, and decline in fair value of newly granted options.

- Other sales and marketing expenses decreased by $579,000 from $618,000 for the six months ended June 30, 2025, to $39,000 in the same period in 2026. This decrease was primarily driven by the normalization of recruiting and placement fees following the Gelclair commercial launch, alongside lower transportation, meals, and lodging costs attributable to a reduced employee headcount.

General and Administrative

The following table presents the components of general and administrative ("G&A") expense for the six months ended June 30, 2026 and 2025, together with the change in such components in dollars and as a percentage:

(in thousands)	Six Months Ended June 30, 2026	2025	Variance	Variance %
General and Administrative:				
Personnel and related benefits	$ 2,288	$ 2,266	$ 22	1.0 %
Legal services	1,720	2,081	(361)	(17.3) %
Public company expense	1,029	992	37	3.7 %
Depreciation and amortization	929	929	—	— %
Third-party consulting services	627	646	(19)	(2.9) %
Audit, tax and accounting services	439	515	(76)	(14.8) %
Lease expense	246	263	(17)	(6.5) %
Stock-based compensation	221	317	(96)	(30.3) %
Travel and other expenses	189	314	(125)	(39.8) %
Other	870	1,301	(431)	(33.1) %
Total	$ 8,558	$ 9,624	$ (1,066)	(11.1) %

The decrease in G&A expenses of $1.1 million for the six months ended June 30, 2026, compared to the same period in 2025 was largely due to:

- Legal services decreased by $361,000 from $2.1 million for the six months ended June 30, 2025, to $1.7 million in the same period in 2026, due to lower legal fees and reduced consultations for contracts and regulatory filings, as well as fewer financing activities compared to the prior period, which included borrowing of convertible notes and issuance of common stock to HCW investors.

- Audit, tax and accounting services expenses decreased by $76,000 from $515,000 for the six months ended June 30, 2025, to $439,000 in the same period in 2026, due to lower fees for technical accounting professional services and fewer financing activities compared to the prior period, which included borrowing of convertible notes and issuance of common stock to HCW investors.

- Stock-based compensation decreased by $96,000 from $317,000 for the six months ended June 30, 2025, to $221,000 in the same period in 2026, due to reduction in headcount of employees subject to the stock-based compensation program, reduction of awards granted, and decline in fair value of newly granted options.

- Travel and other expenses decreased by $125,000 from $314,000 for the six months ended June 30, 2025, to $189,000 in the same period in 2026, due to lower transportation, meals, and lodging costs for executive travel, driven by reduced funding and investment activities following the Woodward licensing agreement for Mytesi and Canalevia.

- Other general and administrative expenses decreased by $431,000 from $1.3 million for the six months ended June 30, 2025, to $870,000 in the same period in 2026, due to a decrease in Delaware Franchise Tax, lower expenses associated with conference meetings, and reduced IT support costs during the year.

Interest Income (Expense)

Interest expense increased by $931,000 from $71,000 income for the six months ended June 30, 2025, to $860,000 expense in the same period in 2026, due to interest accrual on the new notes, which collectively resulted in higher interest expense incurred during the year.

Change in Fair Value of Financial Instruments and Hybrid Instrument Designated at FVO

The fair value loss of financial instrument and hybrid instrument designated at FVO decreased by $156,000, from $2.4 million in the six months ended June 30, 2025, to $2.3 million in the same period in 2026, primarily due to lower outstanding carrying amounts of royalty interests, and notes payable designated at FVO relative to their fair values, resulting in lower fair value changes during the period.

Loss on Extinguishment of Debt

Loss on extinguishment of debt increased by $2.3 million from $1.8 million in the six months ended June 30, 2025, to $4.1 million in the same period in 2026, primarily due to exchanges of royalty interest debt with Uptown and Streeterville in exchange of Series Q Preferred Stock and pre-funded warrants during the current period that qualified for extinguishment accounting.

Segment Data

The Company has two reportable segments: animal health and human health. The animal health segment develops and commercializes products for animals, while the human health segment focuses on human products, specifically Mytesi, which is approved for the symptomatic relief of non-infectious diarrhea in adults with HIV/AIDS on antiretroviral therapy.

Comparison for the three months ended June 30, 2026

The following table summarizes the Company's results of operations with respect to the items set forth in such table for the three months ended June 30, 2026, together with the change in such items in dollars and as a percentage.

	Three Months Ended June 30,			
(in thousands)	2026	2025	Variance	Variance %
Product revenue, net	$ 1,182	$ 2,936	$ (1,754)	(59.7) %
License revenue	43	43	—	— %
Total revenue	1,225	2,979	(1,754)	(58.9) %
Operating expenses				
Cost of product revenue	1,031	527	504	95.6 %
Research and development	3,336	3,265	71	2.2 %
Sales and marketing	5	2,467	(2,462)	(99.8) %
General and administrative	4,450	4,727	(277)	(5.9) %
Total operating expenses	8,822	10,986	(2,164)	(19.7) %
Income (loss) from operations	(7,597)	(8,007)	410	(5.1) %
Loss on extinguishment of debt	(3,504)	(1,822)	(1,682)	92.3 %
Changes in fair value of freestanding and hybrid financial instruments designated at Fair Value Option	(1,918)	(1,068)	(850)	79.6 %
Interest income (expense)	(161)	15	(176)	(1,173.3) %
Other income (expense)	378	322	56	17.4 %
Income (loss) before income tax expense	(12,802)	(10,560)	(2,242)	21.2 %
Income tax expense	—	—	—	— %
Net loss before equity in net loss of joint venture	(12,802)	(10,560)	(2,242)	21.2 %
Equity in net loss of joint venture	—	—	—	— %
Net income (loss)	$ (12,802)	$ (10,560)	$ (2,242)	21.2 %
Net income (loss) attributable to noncontrolling interest	$ (120)	$ (153)	$ 33	(21.6) %
Cumulative preferred dividends allocated to preferred stockholders	$ 11	$ —	$ 11	100.0 %
Deemed dividend to preferred stockholders	$ 8	$ —	$ 8	100.0 %
Net loss attributable to common stockholders	$ (12,701)	$ (10,407)	$ (2,294)	22.0 %

Revenue

Product revenue

Due to the Company's arrangements, including elements of variable consideration, gross product sales are reduced in order to reflect the expected consideration to arrive at net product sales. Deductions to reduce gross product sales to net product sales for the three months ended June 30, 2026, were as follows:

(in thousands)	Three Months Ended June 30, 2026	2025	Variance	Variance %
Gross product sales				
Mytesi	$ 1,169	$ 3,801	$ (2,632)	(69.2) %
Neonorm	7	14	(7)	(50.0) %
Gelclair	6	27	(21)	(77.8) %
Canalevia	—	60	(60)	(100.0) %
Total gross product sales	1,182	3,902	(2,720)	(69.7) %
Medicaid rebates	—	(656)	656	(100.0) %
Sales discounts	—	(306)	306	(100.0) %
Sales returns	—	(4)	4	(100.0) %
Net product sales	$ 1,182	$ 2,936	$ (1,754)	(59.7) %

Our gross product revenues were approximately $1.2 million and $3.9 million for the three months ended June 30, 2026 and 2025, respectively. These figures reflect revenue from the sale of our human drug Mytesi, our animal products branded as Neonorm Calf and Neonorm Foal and exclusive distribution agreement for the sale of Gelclair.

The decrease in gross product revenue of $2.7 million for three months ended June 30, 2026 compared to the same period in 2025, was primarily due to the decrease in sales volume of Mytesi.

Medicaid and AIDS Drug Assistance Program ("ADAP") rebates were $0 and $656,000 for the three months ended June 30, 2026 and 2025, respectively, a decrease of $656,000 due to lower product utilization within the program coupled with changes in rebate agreements and the license agreement entered by the Company with Woodward.

Sales discounts were $0 and $306,000 for the three months ended June 30, 2026 and 2025, respectively, a decrease of $306,000 due to changes in sales discount arrangements to various customers.

Sales returns were $0 and $4,000 for the three months ended June 30, 2026 and 2025, respectively, a decrease of $4,000 due to the decrease in volume of sales returns.

Cost of Product Revenue

The following table presents the components of cost of product revenue for the three months ended June 30, 2026 and 2025, together with the change in such components in dollars and as a percentage:

(in thousands)	Three Months Ended June 30, 2026	2025	Variance	Variance %
Cost of Product Revenue				
Material cost	$ 670	$ 232	$ 438	188.8 %
Direct labor	185	205	(20)	(9.8) %
Distribution fees	33	37	(4)	(10.8) %
Other	143	53	90	169.8 %
Total	$ 1,031	$ 527	$ 504	95.6 %

The increase in cost of product revenue of $504,000 for the three months ended June 30, 2026 compared to 2025 was primarily due to:

- Material cost increased by $438,000 from $232,000 for the three months ended June 30, 2025 to $670,000 in the same period in 2026, due to the sale of remaining Mytesi inventory on hand under the licensing and supply agreement with Woodward.

- Other cost of product revenue increased by $90,000 from $53,000 for the three months ended June 30, 2025 to $143,000 in the same period in 2026, due to the increase in royalty expense related to the sales of Gelclair. The increase reflects a higher sales volume threshold for royalty calculations, which increased from $2.6 million in 2025 to $6.3 million in 2026, forming the basis for royalty payments.

Research and Development

The following table presents the components of R&D expense for the three months ended June 30, 2026 and 2025, together with the change in such components in dollars and as a percentage:

(in thousands)	Three Months Ended June 30, 2026	2025	Variance	Variance %
Research and Development:				
Clinical and contract manufacturing	$ 1,836	$ 1,045	$ 791	75.7 %
Personnel and related benefits	1,006	1,482	(476)	(32.1) %
Third-party consulting services	277	346	(69)	(19.9) %
Materials expense and tree planting	69	84	(15)	(17.9) %
Stock-based compensation	59	92	(33)	(35.9) %
Travels and other expenses	28	128	(100)	(78.1) %
Other	61	88	(27)	(30.7) %
Total	$ 3,336	$ 3,265	$ 71	2.2 %

The increase in R&D expense of $71,000 for the three months ended June 30, 2026, compared to 2025 was primarily due to:

- Clinical and contract manufacturing expenses increased by $791,000 from $1.0 million for the three months ended June 30, 2025 to $1.8 million in the same period in 2026. The increase was primarily driven by higher clinical trial costs as crofelemer lyophilization progressed into the development phase, expanded external contract manufacturing services, and ongoing pediatric MVID clinical trials, where the pivotal randomized trial entered its active treatment extension.

- Personnel and related benefits decreased by $476,000 from $1.5 million for the three months ended June 30, 2025 to $1.0 million in the same period in 2026, due to a reduction in force (RIF) within the Clinical and QA groups, which resulted in lower headcount for clinical trial, research, and quality assurance functions during the period.

- Third-party consulting services decreased by $69,000 from $346,000 for the three months ended June 30, 2025 to $277,000 in the same period in 2026, as the Phase 3 On Target Clinical Trial concluded, reducing the consulting and contractor expenses.

- Travels and other expenses decreased by $100,000 from $128,000 for the three months ended June 30, 2025 to $28,000 in the same period in 2026, due to the reduction in force within the Clinical and QA groups and the conclusion of the Phase 3 ON Target clinical trial, both of which reduced travel requirements for research and clinical purposes.

The following table presents the components of R&D expense per project for the three months ended June 30, 2026 and 2025, together with the change in such components in dollars and as a percentage:

(in thousands)	Three Months Ended June 30, 2026	2025	Variance	Variance %
Research and Development:				
Clinical trials on:				
Congenital diarrheal disorder (CDD) and microvillus inclusion disease (MVID)	$ 1,764	$ 880	$ 884	100.5 %
Cancer therapy-related diarrhea (CTD)	(65)	9	(74)	(822.2) %
Canalevia-CA1 (crofelemer delayed-release tablets)	46	159	(113)	(71.1) %
Canalevia - commercial	43	76	(33)	(43.4) %
Gelclair	23	37	(14)	(37.8) %
Entheogen Therapeutics Initiative (ETI)	5	10	(5)	(50.0) %
Short bowel syndrome with intestinal failure (“SBS-IF”)	—	343	(343)	(100.0) %
Cholera	—	11	(11)	(100.0) %
General research and development activities	1,520	1,740	(220)	(12.6) %
Total	$ 3,336	$ 3,265	$ 71	2.2 %

The increase in R&D expense of $71,000 for the three months ended June 30, 2026 compared to 2025 was primarily due to:

- CDD and MVID clinical trial expenses increased by $884,000 from $880,000 for the three months ended June 30, 2025 to $1.8 million in the same period in 2026, due to the increased lyophilization of the Mytesi project and the addition of clinical trials across the US, EU, and Middle East.
- CTD clinical trial expenses decreased by $74,000 from $9,000 for the three months ended June 30, 2025 to a negative expense of $65,000 in the same period in 2026, due to the winding down of the statistically significant Breast Cancer clinical trial, following the FDA-recommended additional one-year study period.
- Canalevia-CA1 clinical trial expenses decreased by $113,000 from $159,000 for the three months ended June 30, 2026 to $46,000 in the same period in 2026. The reduction in R&D expense was due to the sale of Canalevia inventory under the licensing and supply agreement with Woodward. Additionally, clinical testing for Canalevia CA2 concluded on June 30, 2026, and the product is currently awaiting FDA approval.
- SBS-IF clinical trial expenses decreased by $343,000 from $343,000 for the three months ended June 30, 2025 to $0 in the same period in 2026, due to a strategic shift in research priorities, as the company is currently focusing on MVID.
- General research and development activities decreased by $220,000 from $1.7 million for the three months ended June 30, 2025 to $1.5 million in the same period in 2026, as the Phase 3 On Target Clinical Trial concluded, reducing other expenses such as consulting, formulation, and regulation fees. Furthermore, the reduction of the personnel costs and travel expense contributes to the decrease.

Sales and Marketing

The following table presents the components of sales and marketing (“S&M”) expense for the three months ended June 30, 2026 and 2025, together with the change in such components in dollars and as a percentage:

(in thousands)	Three Months Ended June 30, 2026	2025	Variance	Variance %
Sales and Marketing:				
Personnel and related benefits	$ 52	$ 1,335	$ (1,283)	(96.1) %
Direct marketing fees and expense	(66)	761	(827)	(108.7) %
Third party consulting fees	—	62	(62)	(100.0) %
Stock-based compensation	—	36	(36)	(100.0) %
Other	19	273	(254)	(93.0) %
Total	$ 5	$ 2,467	$ (2,462)	(99.8) %

The decrease in S&M expense of $2.5 million for the three months ended June 30, 2026, compared to the same period in 2025 was largely due to:

- Personnel and related benefits decreased by $1.3 million from $1.3 million for the three months ended June 30, 2025, to $52,000 in the same period in 2026 due to the dissolution of the Jaguar/Napo Sales and Marketing Group as of January 12, following the licensing of Mytesi and Canalevia to Future Pak.

- Direct marketing fees and expenses decreased by $827,000 from $761,000 for the three months ended June 30, 2025, to negative expense of $66,000 in the same period in 2026, due to a reduction in sales and marketing activities for Mytesi and Canalevia following the licensing agreement with Woodward.

- Third-party consulting services decreased by $62,000 from $62,000 for the three months ended June 30, 2025, to $0 in the same period in 2026, due to a reduction in sales and marketing activities for Mytesi and Canalevia following the licensing agreement with Woodward, which led to a decrease in third-party consulting services.

- Other sales and marketing expenses decreased by $254,000 from $273,000 for the three months ended June 30, 2025, to $19,000 in the same period in 2026, primarily reflecting the normalization of recruiting and placement fees following the Gelclair commercial launch in the prior year, as most sales and marketing hiring was completed in the prior period and current-year personnel additions did not require recruiter placement fees.

General and Administrative

The following table presents the components of general and administrative ("G&A") expense for the three months ended June 30, 2026 and 2025, together with the change in such components in dollars and as a percentage:

(in thousands)	Three Months Ended June 30, 2026	2025	Variance	Variance %
General and Administrative:				
Personnel and related benefits	$ 1,106	$ 1,143	$ (37)	(3.2) %
Legal services	1,042	983	59	6.0 %
Public company expense	648	551	97	17.6 %
Depreciation and amortization	464	464	—	— %
Third-party consulting services	295	326	(31)	(9.5) %
Lease expense	157	131	26	19.8 %
Stock-based compensation	112	151	(39)	(25.8) %
Audit, tax and accounting services	97	166	(69)	(41.6) %
Travel and other expenses	91	157	(66)	(42.0) %
Other	438	655	(217)	(33.1) %
Total	$ 4,450	$ 4,727	$ (277)	(5.9) %

The decrease in G&A expenses of $277,000 for the three months ended June 30, 2026, compared to the same period in 2025 was largely due to:

- Public company expense increased by $97,000 from $551,000 for the three months ended June 30, 2025, to $648,000 in the same period in 2026, due to the increased cost for digital media that was used for corporate stock promotion.

- Audit, tax and accounting services expenses decreased by $69,000 from $166,000 for the three months ended June 30, 2025, to $97,000 in the same period in 2026, due to lower fees for technical accounting professional services.

- Travel and other expenses decreased by $66,000 from $157,000 for the three months ended June 30, 2025, to $91,000 in the same period in 2026, due to lower transportation, meals, and lodging costs for executive travel, driven by reduced funding and investment activities following the Woodward licensing agreement for Mytesi and Canalevia.

- Other general and administrative expenses decreased by $217,000 from $655,000 for the three months ended June 30, 2025, to $438,000 in the same period in 2026, due to a decrease in Delaware Franchise Tax, lower expenses associated with conference meetings, and reduced IT support costs during the year.

Interest Income (Expense)

Interest expense increased by $176,000 from $15,000 income for the three months ended June 30, 2025, to $161,000 expense in the same period in 2026, due to interest accrual on the new notes, which collectively resulted in higher interest expense incurred during the year.

Change in Fair Value of Financial Instruments and Hybrid Instrument Designated at FVO

The fair value loss of financial instrument and hybrid instrument designated at FVO decreased by $850,000, from $1.1 million in the three months ended June 30, 2025, to $1.9 million in the same period in 2026, primarily due to lower outstanding carrying amounts of royalty interests, and notes payable designated at FVO relative to their fair values, resulting in lower fair value changes during the period.

Loss on Extinguishment of Debt

Loss on extinguishment of debt increased by $1.7 million from $1.8 million in the three months ended June 30, 2025, to $3.5 million in the same period in 2026, primarily due to exchange of royalty interest debt with Uptown in exchange of Series Q Preferred Stock during the quarter that qualified for extinguishment accounting.

Liquidity and Capital Resources

Sources of Liquidity

For the six months ended June 30, 2026 and 2025, we had $4.1 million net loss and $21.2 million net loss, respectively. We expect to incur additional losses in the near-term future due to significant expenses incurred related to the research and development phase. At June 30, 2026, we had an accumulated deficit of $403.7 million. We continue our efforts to develop our products and continue the development of our pipeline in the near term and to date, we have generated only limited revenues.

As of June 30, 2026, we had cash of $3.8 million. As of June 30, 2026, the carrying amount of JAGX Holdings' assets included in our consolidated financial statements was restricted cash of $2.8 million. While our historical resources were insufficient to fund our operating plan for one year from the issuance of these financial statements, our liquidity position improved in January 2026. We entered into a US licensing agreement that provided $16.0 million in total upfront fees, and received a $3.0 million fee to extinguish a repurchase option related to the agreement, bringing the total revenue from this arrangement to $19.0 million. While management believes this infusion improves our liquidity, it does not fully alleviate the conditions that raise substantial doubt about our ability to continue as a going concern for one year from the issuance of these financial statements.

We have funded our operations primarily through grant of exclusive rights and entering into license agreements, in addition to selling our commercial products. Cash used in financing activities for the six months ended June 30, 2026 consisted of $6.4 million in principal payments of the notes payable, $1.9 million in proceeds from issuance of preferred stock, and $298,000 repayment of insurance financing.

We expect our expenditures will continue to increase as we continue our efforts to develop our products and continue the development of our pipeline in the near term. We may seek additional capital due to favorable market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. We may also not be successful in entering into partnerships that include payment of upfront licensing fees for our products and product candidates for markets outside the United States, where appropriate. If we do not generate upfront fees from any anticipated arrangements, it would have a negative effect on our operating plan. We still plan to finance our operations and capital funding needs through equity and debt financing as well as revenue from future product sales. However, there can be no assurance that additional funding will be available to us on acceptable terms on a timely basis, if at all, or that we will generate sufficient cash from operations to fund operating needs or ultimately achieve profitability adequately. If we are unable to obtain an adequate level of financing needed for the long-term development and commercialization of our products, we will need to curtail planned activities and reduce costs. Doing so will likely have an adverse effect on our ability to execute on our business plan.

Liquidity Management

As of June 30, 2026, the Company is actively monitoring trends in its capital resources, recognizing favorable and unfavorable developments that may materially impact its financial position. The Company has experienced a substantial decrease in debt levels, primarily driven by principal payments and the exchange of outstanding notes payable for equity instruments.

The Company expects changes in the mix of capital resources, particularly concerning the relative costs of debt versus equity financing. Current market conditions indicate a trend of rising interest rates, which may increase the cost of future debt issuances.

Furthermore, the Company recognizes challenges related to liquidity. It has incurred recurring operating losses and negative cash flows, which raises uncertainties about its future liquidity. The ability to meet current obligations relies on successful ongoing development efforts and securing additional financing.

While the Company plans to finance its operations through equity and/or debt financing, collaboration arrangements, and revenue from future product sales, it currently believes that existing cash balances may not be sufficient to fund its operating plan in the next years. There can be no assurance that additional funding will be available on acceptable terms.

To address these liquidity concerns, the Company is committed to pursuing all available avenues for financing and will continuously assess its capital structure and operational needs to ensure financial stability.

Comparison of Operating Loss and Cash Flow

For the six months ended June 30, 2026, the Company reported an operating income of $2.6 million, an increase of $20.0 million, or 115% increase, compared to the prior period. This increase was primarily driven by the license agreement entered by the Company with Woodward on January 12, 2026. The variance underscores the Company's strategic focus on managing liquidity while supporting growth and maintaining operational stability.

Analysis of Cost of Capital Resources

Changes in market conditions may impact our cost of capital resources. Rising interest rates could increase our cost of debt, while seeking equity financing may lead to higher required returns on equity due to potential dilution. We will actively monitor these factors as part of our financial strategy.

Cash Flows for the Six Months Ended June 30, 2026 Compared to the Six Months Ended June 30, 2025

The following table shows a summary of cash flows for the six months ended June 30, 2026 and 2025:

(in thousands)	Six Months Ended June 30, 2026	2025
Total cash provided by (used in) operating activities	$ 3,492	$ (13,509)
Total cash provided by financing activities	(4,753)	7,621
Effects of foreign exchange rate changes on assets and liabilities	19	93
Net increase (decrease) in cash and restricted cash	$ (1,242)	$ (5,795)

Cash Used in Operating Activities

During the six months ended June 30, 2026, net cash provided by operating activities of $3.5 million resulted from our net comprehensive loss of $4.5 million, adjusted by loss on extinguishment of debt of $4.1 million, change in fair value of financial instrument and hybrid instrument designated at FVO of $2.3 million, depreciation and amortization expenses of $946,000 amortization of debt discount of $432,000, stock-based compensation of $326,000, amortization of operating lease right-of-use asset of $116,000, equity in a net loss in the joint venture of $36,000, and net decrease in operating assets and liabilities of $215,000.

Net cash provided by operating activities increased by $17.1 million compared to the prior year, primarily due to due to license agreement entered by the Company with Woodward on January 12, 2026.

During the six months ended June 30, 2025, net cash used in operating activities of $13.5 million resulted from our net comprehensive loss of $21.4 million, adjusted by the change in fair value of financial instrument and hybrid instrument designated at FVO of $2.4 million, loss on extinguishment of debt of $1.8 million, depreciation and amortization expenses of $957,000, stock-based compensation of $580,000, amortization of operating lease right-of-use asset of $145,000, equity in a net loss in the joint venture of $75,000 and net increase in operating assets and liabilities of $1.9 million.

Cash Used in Investing Activities

No cash was also used in investing activities during the six months ended June 30, 2026.

This reflects management’s commitment to maintaining liquidity, as there were no cash outflows from investing activities during the quarter.

No cash was also used in investing activities during the six months ended June 30, 2025.

Cash Provided by Financing Activities

During the six months ended June 30, 2026, net cash used in financing activities of $4.8 million consisted of $6.4 million in principal payments of the notes payable, $298,000 repayment of insurance financing, partially offset by $1.9 million in proceeds from issuance of preferred stock.

Net cash provided by financing activities decreased by $11.6 million in 2026, primarily due to a decline in proceeds from the ATM offering, which totaled $3.3 million in the prior period compared to $0 in the current period. Additionally, the Company did not issue new notes as compared to $3.4 million in net proceeds from issuance of Convertible Notes. The Company also made higher principal payments of notes payable and insurance financing, which totaled $6.7 million in the current period compared to $383,000 in the prior period. This overall trend highlights the Company’s continuous settlements of financial obligations to creditors.

During the six months ended June 30, 2025, net cash provided by financing activities of $7.6 million consisted of $3.4 million in net proceeds from Convertible Notes, $3.2 million in net proceeds from shares issued in an At the Market offering, $1.3 million in net proceeds from shares issued to HCW investors, offset by $313,000 repayment of insurance financing, and $70,000 in principal payments of the notes payable.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Not applicable.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

Our management, Chief Executive Officer, and Principal Financial and Accounting Officer evaluated the effectiveness of our disclosure controls and procedures as of June 30, 2026. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Principal Financial and Accounting Officer, as appropriate, to allow timely decisions regarding required disclosure. Based on this evaluation, our Chief Executive Officer and Principal Financial and Accounting Officer concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of June 30, 2026.

Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) and 15d-15(c) under the Exchange Act. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of the effectiveness of internal control to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may deteriorate. Under the supervision and with the participation of our management, including our Chief Executive Officer and Principal Financial and Accounting Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting as of June 30, 2026, using the criteria established in Internal Control-Integrated Framework (“2013 Framework”) issued by the Committee of Sponsoring Organization of the Treadway Commission (“COSO”). Based on our evaluation using those criteria, our management has concluded that, as of June 30, 2026, our internal control over financial reporting was effective in providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. GAAP for the reasons discussed above.

This Quarterly Report on Form 10-Q does not include an attestation report of our registered public accounting firm on our internal control over financial reporting because we are a smaller reporting company and are not subject to auditor attestation requirements under applicable SEC rules.

There were no changes in our internal control over financial reporting that have materially affected or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. — OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we may be subject to various legal proceedings and claims that arise in the ordinary course of our business activities. Regardless of the outcome, litigation can have a material adverse effect on us due to defense and settlement costs, diversion of our management resources, and other factors. We are not currently subject to any material legal proceedings.

Item 1A. Risk Factors

Except as described herein, there have been no material changes from the risk factors as previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2025.

Risks Related to Our Common Stock

Our failure to meet the continued listing requirements of The Nasdaq Capital Market could result in a delisting of our common stock.

Our common stock is listed on the Nasdaq Capital Market under the symbol "JAGX." In order to maintain that listing, we must satisfy minimum financial and other requirements, including, without limitation, the minimum stockholders' equity requirement, the minimum bid price requirement, and the publicly held shares requirement. There can be no assurances that we will be successful in maintaining, or if we fall out of compliance, in regaining compliance with the continued listing requirements and maintaining the listing of our common stock on the Nasdaq Capital Market. Delisting from Nasdaq could adversely affect our ability to raise additional financing through the public or private sale of equity securities, and we would incur additional costs under requirements of state "blue sky" laws in connection with any sales of our securities. Delisting could also have other negative results, including the potential loss of confidence by employees, the loss of institutional investor interest, and fewer business development opportunities. If Nasdaq delists our common stock, the price of our common stock may decline, and our common stock may be eligible to trade on the OTC Bulletin Board, another over-the-counter quotation system, or on the pink sheets, which would negatively affect the liquidity of our common stock and an investor may find it more difficult to dispose of their common stock or obtain accurate quotations as to the market value of our common stock.

On March 5, 2026, we received a written notification from the staff of the Listing Qualifications Department (the "Staff") of The Nasdaq Stock Market LLC ("Nasdaq") indicating that because the bid price for our common stock for the previous 30 consecutive business days had closed below the minimum $1.00 per share, we were no longer in compliance with the requirement for continued listing on Nasdaq under Rule 5550(a)(2) (the "Bid Price Rule"). Further, this notice stated that, pursuant to Nasdaq Listing Rule 5810(c)(3)(A)(iv), we were not eligible for any compliance period specified in Nasdaq Listing Rule 5810(c)(3)(A) due to the fact that we effected a reverse stock split over the prior one-year period or effected one or more reverse stock splits over the prior two-year period with a cumulative ratio of 250 shares or more to one.

This notice stated that unless we timely request by March 12, 2026, an appeal before a Hearings Panel (the "Panel"), our securities would be scheduled for delisting from Nasdaq. We requested an appeal before the Panel, and had a hearing before the Panel on April 7, 2026 regarding our non-compliance with the Bid Price Rule.

On April 24, 2026, we received a decision letter from the Panel granting the request to continue our listing on Nasdaq, subject to the condition that, on or before May 15, 2026, the Company shall demonstrate compliance with the Bid Price Rule by evidencing a closing bid price of at least $1.00 per share for a minimum of 10 consecutive business days on or before May 15, 2026.

On April 20, 2026, we approved the eleventh amendment to our Third Amended and Restated Certificate of Incorporation to effect a 1-for-35 reverse stock split of our issued and outstanding shares of common stock, effective April 30, 2026.

On May 1, 2026, we received a written notification from the Staff of the Listing Qualifications Department notifying the Company that, as a result of the 1-for-35 reverse stock split, we had a post reverse stock split number of publicly held shares of common stock of approximately 401,226. As a result, we did not comply with the minimum 500,000 Publicly Held Shares requirement for continued inclusion set forth in Nasdaq Listing Rule 5550(a)(4) (the "Publicly Held Shares Requirement"). Accordingly, this matter served as an additional basis for delisting our securities from Nasdaq.

This notice was also a formal notification that the Panel would consider this matter in their decision regarding our continued listing on The Nasdaq Capital Market. In addition, Staff noted that under Nasdaq Listing Rule 5810(c)(3)(A), we would remain non-compliant with both the minimum $1 bid price requirement and the Publicly Held Shares Requirement until the Publicly Held shares deficiency is cured and, thereafter, the Company evidences a closing bid price of at least $1.00 per share for a minimum of 10

consecutive business days, unless Staff exercises its discretion to extend this 10 day period as discussed in Nasdaq Listing Rule 5810(c)(3)(H).

Following the exercise by certain third-party investors of existing pre-funded warrants to purchase Common Stock on May 4, 2026, we regained compliance with the Publicly Held Shares Requirement.

On May 6, 2026, we received a decision letter from the Panel granting our request for an extension to demonstrate compliance with the Listing Rules of Nasdaq.

In its letter, the Panel stated that our non-compliance with Listing Rule 5550(a)(4) reset the clock for the Company to regain compliance with the Bid Price Rule. Based upon our representations, the Panel was willing to grant an additional one-day extension to our deadline to demonstrate compliance with the Bid Price Rule by evidencing a closing bid price of at least $1.00 per share for a minimum of 10 consecutive business days, from May 15, 2026 to May 18, 2026.

On May 26, 2026, we were formally notified by Nasdaq that we had regained compliance with the Bid Price Rule (the "Compliance Determination") but that the Panel would maintain jurisdiction over the Company and its listing until September 1, 2026, the outside date of the Panel's discretion in this matter. The Compliance Determination further stated that, in accordance with Listing Rule 5815(d)(4)(B), the Company is subject to a Mandatory Panel Monitor for a period of one year from the date of the Compliance Determination, or May 26, 2027. If within the one-year monitoring period Nasdaq determines that the Company has failed to evidence a closing bid price of at least $1.00 per share for 30 consecutive business days, the Company will not be afforded a 180-day grace period otherwise automatically available under Listing Rule 5810(c)(3). Rather, Nasdaq would issue a delist determination, at which time the Company may request a new hearing before the Panel. The Company's request for a hearing would stay any further action by Nasdaq at least pending the hearing and the expiration of any extension period that may be granted by the Panel following such hearing.

In addition, on July 22, 2026, the SEC's Division of Trading and Markets approved a new Nasdaq continued listing standard that would require us to maintain a market value of listed securities of at least $5.0 million. Unlike many other of Nasdaq's continued listing standards, this new listing standard provides no cure or compliance period, and requests for review by a Nasdaq Hearings Panel do not stay the suspension of trading. However, on July 29, 2026, the SEC stayed approval of this rule after two parties filed notices of intent to seek SEC review. As a result, we cannot predict whether or when the new listing standard will take effect.

We continue to actively monitor our performance with respect to the listing standards and will consider available options to resolve any deficiency and maintain compliance with the Nasdaq rules. There can be no assurance that we will be able to maintain compliance or, if we fall out of compliance, regain compliance with any deficiency, or if we implement an option that regains our compliance, maintain compliance thereafter. In addition, even if we are successful in maintaining compliance with applicable Nasdaq continued listing requirements, our Board may decide, in its sole discretion, that the costs of compliance and the demands of management time and our resources required to maintain our Nasdaq listing are greater than the benefits received by the Company and our stockholders from being a Nasdaq-listed company and that, accordingly, consistent with other cash management and cost reduction measures that we have implemented, we should voluntarily delist from the Nasdaq Capital Market.

If our common stock were delisted from Nasdaq voluntarily or involuntarily, trading of our common stock most likely will be conducted in the over-the-counter market on an electronic bulletin board established for unlisted securities such as OTCID, OTCQX, OTCBX or OTC Pink which will reduce the market liquidity of our common stock. Delisting may result in lower levels of ownership and trading by institutional investors, who are generally guided by quantitative and qualitative investment standards such as market capitalization, minimum share price and liquidity, which in turn often produces lower trading volumes and reduced liquidity. As a result, an investor would find it more difficult to dispose of, or obtain accurate quotations for the price of, our common stock. Also, many brokers will not allow customers to hold non-listed securities in managed accounts or place restrictions which inhibit holding or trading, and it is generally understood that brokers will not recommend non-listed securities to retail clients, perhaps not as official policy but rather as a practical reality. We cannot assure you that our common stock, if delisted from Nasdaq voluntarily, or if they would be delisted involuntarily by Nasdaq, will be listed on another national securities exchange or quoted on an over-the counter quotation system.

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

Uptown Common Stock Exchange Agreements

On May 14, 2026, the Company entered into a privately negotiated exchange agreement with Uptown, pursuant to which the Company issued 28,660 shares of common stock to Uptown in exchange for a $91,000 reduction in the outstanding balance of the Company's December 2020 Royalty Interest.

Royalty Interest for Series Q Preferred Stock Exchange Transactions

On May 19, 2026, the Company entered into a privately negotiated exchange agreement with Uptown, pursuant to which, the Company issued 500 shares of Series Q Preferred Stock to Uptown in exchange for a $12.5 million reduction in the outstanding balance of the December 2020 Royalty Interest.

Also on May 19, 2026, the Company entered into privately negotiated exchange agreements with Streeterville, pursuant to which, the Company issued a total of 408 shares of Series Q Preferred Stock to Streeterville in exchange for an aggregate of $10.2 million reduction in the outstanding balance of the August 2022 Royalty Interest.

Series Q Exchanges for Common Stock Issuances

On May 21, 2026, the Company entered into two privately negotiated exchange agreements with Streeterville. Pursuant to the exchange agreements, the Company issued an aggregate of 54,222 shares of the Company's common stock, par value $0.0001, to Streeterville in exchange for an aggregate of 7.96 outstanding shares of Series Q Perpetual Preferred Stock held by Streeterville. Upon completion of the exchange transaction, the exchanged preferred shares were cancelled and retired.

On May 26, 2026, the Company entered into a privately negotiated exchange agreement with Streeterville, pursuant to which the Company issued 31,958 shares of the Company's common stock to Streeterville in exchange for an aggregate of 3.72 outstanding shares of Series Q Perpetual Preferred Stock held by Streeterville. Upon completion of these respective exchanges, the exchanged preferred shares were cancelled and retired.

In connection with the exchange of 31 shares of Series Q Perpetual Preferred Stock on eight exchanges during June 2026, the Company issued an aggregate of 268,775 shares of common stock to Streeterville.

Common Stock Purchase Agreement (Equity Line of Credit)

On June 9, 2026, the Company entered into a common stock purchase agreement with C/M Capital Master Fund, LP, establishing an equity line of credit (ELOC). Under the terms of the agreement, the Company retains the unilateral right, but not the obligation, to issue and sell up to the lesser of $40,000,000 and 19.99% of the Company's outstanding shares of common stock from time to time during the investment period after the commencement date.

In consideration for the investor entering into the ELOC arrangement, the Company issued 253,995 shares of common stock and pre-funded warrants to purchase up to 620,557 shares of common stock covering an $800,000 commitment fee upon the effectiveness of a related registration statement.

Series P Preferred Stock Issuance

On June 9, 2026, the Company entered into securities purchase agreements with certain investors, pursuant to which the Company issued 240 shares of Series P Preferred Stock, par value $0.0001 per share, together with pre-funded warrants, for an aggregate purchase price of $2.0 million.

On July 16, 2026, in connection with the private placement of the Series P Preferred Stock, the Company issued pre-funded warrants to purchase up to an aggregate of 32,535 shares of the Company’s common stock as consideration for the two investors’ execution and delivery of the purchase agreement of the Series P Preferred Stock.

The offers, sales, and issuances of the securities described above were deemed to be exempt from registration under the Securities Act in reliance on Section 3(a)(9) or Section 4(a)(2) of the Securities Act, Regulation D or Regulation S promulgated thereunder.

Other than equity securities issued in transactions disclosed above and on our Current Reports on Form 8-K filed with the SEC on May 19, 2026, May 22, 2026, June 2, 2026, June 11, 2026, and June 18, 2026, there were no unregistered sales of equity securities during the period.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit No.	Description
3.1	Certificate of Tenth Amendment of the Third Amended and Restated Certificate of Incorporation of Jaguar Health, Inc. (incorporated by reference to Exhibit 3.1 to the Form 8-K filed April 21, 2026, File No. 001-36714).
3.2	Certificate of Designation of Preferences, Rights and Limitations of Series Q Convertible Preferred Stock of Jaguar Health, Inc. (incorporated by reference to Exhibit 3.1 to the Form 8-K filed May 19, 2026, File No. 001-36714).
3.3	Certificate of Designation of Preferences, Rights and Limitations of Series P Non-Convertible Preferred Stock of Jaguar Health, Inc. (incorporated by reference to Exhibit 3.1 to the Form 8-K filed June 11, 2026, File No. 001-36714).
4.1	Form of the Commencement Pre-Funded Warrant (incorporated by reference to Exhibit 4.1 to the Form 8-K filed June 11, 2026, File No. 001-36714).
4.2	Global Amendment No. 5, dated June 17, 2026, by and between Jaguar Health, Inc. and Uptown Capital, LLC (incorporated by reference to Exhibit 4.1 to the Form 8-K filed June 18, 2026, File No. 001-36714).
4.3	Global Amendment No. 5, dated June 17, 2026, by and between Jaguar Health, Inc. and Streeterville Capital, LLC (incorporated by reference to Exhibit 4.2 to the Form 8-K filed June 18, 2026, File No. 001-36714).
4.4	Amendment to the 2021 Note, dated June 17, 2026, by and among Jaguar Health, Inc., Napo Pharmaceuticals, Inc. and Streeterville Capital, LLC (incorporated by reference to Exhibit 4.3 to the Form 8-K filed June 18, 2026, File No. 001-36714).
10.1	Exchange Agreement, by and between Streeterville Capital, LLC and Jaguar Health, Inc., dated May 19, 2026 (incorporated by reference to Exhibit 10.2 to the Form 8-K filed May 19, 2026, File No. 001-36714).
10.2	Exchange Agreement, by and between Streeterville Capital, LLC and Jaguar Health, Inc., dated May 19, 2026 (incorporated by reference to Exhibit 10.2 to the Form 8-K filed May 19, 2026, File No. 001-36714).
10.3	Exchange Agreement, by and between Streeterville Capital, LLC and Jaguar Health, Inc., dated May 19, 2026 (incorporated by reference to Exhibit 10.3 to the Form 8-K filed May 19, 2026, File No. 001-36714).
10.4	Exchange Agreement, by and between Streeterville Capital, LLC and Jaguar Health, Inc., dated May 21, 2026 (incorporated by reference to Exhibit 10.1 to the Form 8-K filed May 22, 2026, File No. 001-36714).
10.5	Exchange Agreement, by and between Streeterville Capital, LLC and Jaguar Health, Inc., dated May 21, 2026 (incorporated by reference to Exhibit 10.2 to the Form 8-K filed May 22, 2026, File No. 001-36714).
10.6	Exchange Agreement, by and between Streeterville Capital, LLC and Jaguar Health, Inc., dated May 26, 2026 (incorporated by reference to Exhibit 10.1 to the Form 8-K filed June 2, 2026, File No. 001-36714).
10.7	Exchange Agreement, by and between Streeterville Capital, LLC and Jaguar Health, Inc., dated June 1, 2026 (incorporated by reference to Exhibit 10.2 to the Form 8-K filed June 2, 2026, File No. 001-36714).
10.8	ELOC Agreement, dated June 9, 2026, by and between Jaguar Health, Inc. and the Institutional Investor named therein (incorporated by reference to Exhibit 10.1 to the Form 8-K filed June 11, 2026, File No. 001-36714).
10.9	ELOC Registration Rights Agreement, dated June 9, 2026, by and between Jaguar Health, Inc. and the Institutional Investor named therein (incorporated by reference to Exhibit 10.2 to the Form 8-K filed June 11, 2026, File No. 001-36714).
10.10	Form of Preferred Stock Purchase Agreement (incorporated by reference to Exhibit 10.3 to the Form 8-K filed June 11, 2026, File No. 001-36714).
10.11	Preferred Registration Rights Agreement, dated June 9, 2026, by and between Jaguar Health, Inc. and the Investors named therein (incorporated by reference to Exhibit 10.4 to the Form 8-K filed June 11, 2026, File No. 001-36714).
10.12	Exchange Agreement, dated June 9, 2026, by and between Jaguar Health, Inc. and Streeterville Capital, LLC (incorporated by reference to Exhibit 10.1 to the Form 8-K filed June 18, 2026, File No. 001-36714).
10.13	Exchange Agreement, dated June 17, 2026, by and between Jaguar Health, Inc. and Streeterville Capital, LLC (incorporated by reference to Exhibit 10.2 to the Form 8-K filed June 18, 2026, File No. 001-36714).
10.14	Exchange Agreement, dated June 18, 2026, by and between Jaguar Health, Inc. and Streeterville Capital, LLC (incorporated by reference to Exhibit 10.3 to the Form 8-K filed June 18, 2026, File No. 001-36714).
10.15	First Amendment to Manufacturing and Supply Agreement, dated as of June 22, 2026, by and among Napo Pharmaceuticals, Inc., Jaguar Health, Inc., and Woodward Specialty LLC (incorporated by reference to Exhibit 10.1 to the Form 8-K filed June 25, 2026, File No. 001-36714).
10.16	Manufacturing and Supply Agreement, dated July 9, 2026, by and between Napo Pharmaceuticals, Inc. and Alivus Life Sciences Limited (incorporated by reference to Exhibit 10.1 to the Form 8-K filed July 14, 2026, File No. 001-36714).
31.1*	Principal Executive Officer's Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Principal Financial Officer's Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification Pursuant to 18 U.S.C. § 1350 (Section 906 of Sarbanes-Oxley Act of 2002).
32.2**	Certification Pursuant to 18 U.S.C. § 1350 (Section 906 of Sarbanes-Oxley Act of 2002).
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 With Embedded Linkbase Documents
104	The cover page for the Company's Quarterly Report on Form 10-Q has been formatted in Inline XBRL and contained in Exhibit 101

* Filed herewith.

** In accordance with Item 601(b)(32)(ii) of Regulation S-K and SEC Release No. 34 47986, the certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Form 10 Q and will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or deemed to be incorporated by reference into any filing under the Exchange Act or the Securities Act of 1933 except to the extent that the registrant specifically incorporates it by reference.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

August 19, 2026

JAGUAR HEALTH, INC.

By: /s/ Carol R. Lizak
Carol R. Lizak
Principal Financial and Accounting Officer

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Lisa A. Conte, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Jaguar Health, Inc. for the quarter ended June 30, 2026;

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(s) 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(s) 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.

Date: August 19, 2026

By: /s/ Lisa A. Conte

Lisa A. Conte
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Carol Lizak, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Jaguar Health, Inc. for the quarter ended June 30, 2026;

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(s) 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(s) 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.

Date: August 19, 2026

By: /s/ Carol Lizak

Carol Lizak
Principal Financial and Accounting Officer

Exhibit 32.1

CERTIFICATION 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 of Jaguar Health, Inc. (the "Company") on Form 10-Q for the period ending June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, 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 result of operations of the Company.

Date: August 19, 2026

By: /s/ Lisa A. Conte

Lisa A. Conte
President and Chief Executive Officer

Exhibit 32.2

CERTIFICATION 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 of Jaguar Health, Inc. (the "Company") on Form 10-Q for the period ending June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, 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 result of operations of the Company.

Date: August 19, 2026

By: /s/ Carol Lizak
Carol Lizak
Principal Financial and Accounting Officer