

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

**FORM 10-K**

**Annual Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**  
For the fiscal year ended December 31, 2025

**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: 000-54677

**CV Sciences, Inc.**  
(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)  
**9530 Padgett Street,**  
**Suite 107, San Diego,**  
(Address of principal executive offices)

**80-0944970**  
(I.R.S. Employer  
Identification No.)  
**CA 92126**  
(Zip Code)

Registrants telephone number, including area code 866-290-2157

Securities registered pursuant to Section 12(b) of the Act: None

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
N/A	N/A	N/A

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

**Common Stock, \$0.0001 par value per share**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes  No

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

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

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

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

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

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

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter.

The aggregate market value of the registrant's common stock held by non-affiliates as of June 30, 2025, the last day of the registrant's most recently completed second fiscal quarter, based upon the closing price of the registrant's common stock as reported by the OTC:QB Marketplace on such date, was approximately \$7 million. This calculation does not reflect a determination that persons are affiliates for any other purposes.

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

**As of March 24, 2026, the issuer had 193,458,420 shares of issued and outstanding common stock, par value \$0.0001.**

DOCUMENTS INCORPORATED BY REFERENCE.

Certain portions of the registrant's definitive proxy statement to be delivered to its stockholders in connection with the registrant's 2026 Annual Meeting of Stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K. Such definitive proxy statement will be filed with the Securities and Exchange Commission within 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K.

**CV SCIENCES, INC.**  
**FORM 10-K**  
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## WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information required by the Securities Exchange Act of 1934, as amended (the “Exchange Act”), with the Securities and Exchange Commission (the “SEC”). Our SEC filings are available to the public on the SEC’s Internet site at <http://www.sec.gov>.

In addition, on our Internet website, <http://www.cvsciences.com>, we post the following filings as soon as reasonably practicable after they are electronically filed with or furnished to the SEC: our annual reports on Form 10-K, our quarterly reports on Form 10-Q, our current reports on Form 8-K, and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act. The contents of our website are not incorporated in or otherwise to be regarded as part of this Annual Report on Form 10-K (this “Annual Report”).

*When we use the terms “CV Sciences,” the “Company,” “we,” “our” and “us” we mean CV Sciences, Inc., a Delaware corporation, taken as a whole, as well as any predecessor entities, unless the context otherwise indicates.*

## FORWARD LOOKING STATEMENTS

This Annual Report, the other reports, statements, and information that the Company has previously filed with or furnished to, or that we may subsequently file with or furnish to, the SEC and public announcements that we have previously made or may subsequently make include, may include, or may incorporate by reference certain statements that may be deemed to be “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. Such forward-looking statements are intended to enjoy the protection of the safe harbor for forward-looking statements provided by that Act. To the extent that any statements made in this Annual Report contain information that is not historical, these statements are forward-looking. Forward-looking statements can be identified by the use of words such as “anticipate,” “estimate,” “plan,” “project,” “continuing,” “ongoing,” “expect,” “believe,” “intend,” “may,” “will,” “should,” “could,” and other words of similar meaning. These statements are subject to risks and uncertainties that cannot be predicted or quantified and, consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include, without limitation, marketability of our products; legal and regulatory risks associated with the industries in which we operate, our operation in foreign countries, and the OTC Markets; our ability to successfully integrate acquired businesses into our own; our ability to raise additional capital to finance our activities; the future trading of our common stock; our ability to operate as a public company; our ability to protect our proprietary information; general economic and business conditions; the volatility of our operating results and financial condition; the volatility of our stock price; our ability to attract or retain qualified senior management personnel; the risk that our results could be adversely affected by natural disaster, public health crises, political crises, war, negative global climate patterns, or other catastrophic events; and other risks detailed from time to time in our filings with the SEC, or otherwise.

Information regarding market and industry statistics contained in this Annual Report is included based on information available to us that we believe to be accurate. It is generally based on industry and other publications that are not produced for purposes of securities offerings or economic analysis. Forecasts and other forward-looking information obtained from these sources are subject to the same qualifications stated above and the additional uncertainties accompanying any estimates of future market size, revenue and market acceptance of products and services. We do not undertake any obligation to publicly update any forward-looking statements, except as required by applicable law. As a result, investors should not place undue reliance on these forward-looking statements.

## PART I

### ITEM 1. BUSINESS

#### Overview

CV Sciences, Inc. (“CV Sciences,” the “Company,” “we,” “our” or “us”) is a consumer wellness company specializing in nutraceuticals and plant-based foods. Our hemp extracts and other proven, science-backed, natural ingredients and products are sold through a range of sales channels from business-to-business (“B2B”) to business-to-consumer (“B2C”).

Our *+PlusCBD™* branded products are sold at select retail locations throughout the U.S. and are the top-selling brands of hemp extracts in the natural products market, according to SPINS, the leading provider of syndicated data and insights for the natural, organic and specialty products industry. With a commitment to science, *+PlusCBD™* product benefits in healthy people are supported by human clinical research data, in addition to three published clinical case studies available on PubMed.gov. *+PlusCBD™* was the first hemp extract supplement brand to invest in the scientific evidence necessary to receive self-affirmed Generally Recognized as Safe (“GRAS”) status.

On December 7, 2023, we entered into a Membership Interest Purchase Agreement, pursuant to which we purchased all of the outstanding equity interests in Cultured Foods Sp. z.o.o. (“Cultured Foods”), resulting in Cultured Foods becoming a wholly owned subsidiary of the Company. Cultured Foods is a leading European manufacturer and distributor of plant-based protein products. In January 2025, we launched *Lunar Fox™*, a brand that is focused on distribution of plant-based products in the U.S. market. Our *Cultured Foods™* and *Lunar Fox™* brands provide a variety of 100% plant-based food products. Committed to crafting nutritious and flavorful alternatives, *Cultured Foods™* and *Lunar Fox™* cater to individuals seeking vegan, gluten-free, or flexitarian options for a nutritious and satisfying culinary experience.

In May 2024, we acquired all outstanding membership interests of Elevated Softgels, LLC, a Delaware limited liability company (“Elevated Softgels”). Elevated Softgels is a leading manufacturer of encapsulated softgels and tinctures for the supplement and nutrition industry, based in Colorado.

In August 2024, we engaged Maxim Group, LLC (“Maxim”) as a non-exclusive financial advisor and investment banker to provide strategic financial advisory and investment banking services. Working with Maxim, the Company intends to continue building an efficient and cost effective consumer products platform. We also intend to continue to evaluate inbound and outbound merger, sale, acquisition or other opportunities for the Company.

We also have a dormant drug development program focused on developing and commercializing CBD-based novel therapeutics, which may be pursued further, subject to available capital.

Our primary offices and facilities are located in San Diego, California; Grand Junction, Colorado; and Warsaw, Poland.

Our common stock is traded on the OTC:QB market under the trading symbol CVSI.

#### Current Operations

We currently manufacture and distribute more than 50 products across our four brands. We continuously evaluate new products to develop, introduce and market, as well as making improvements to our existing products.

We develop, manufacture, market and sell herbal supplements, CBD products and plant-based food products under the following brands: *+PlusCBD™*, *+PlusHLTH™*, *Cultured Foods™*, and *Lunar Fox™* in the healthcare market sector, including nutraceutical, beauty care, specialty foods, and pet products.

- *+PlusCBD™* - Our award-winning line of products available in softgel, tinctures, topicals, and gummies. It was our first brand to market, released in 2014, and is the top-selling brand of hemp-derived CBD in the natural product retail market. *+PlusCBD™* is backed by published research, third party safety testing, and rigorous quality standards.

In addition, products under our *+PlusCBD™ Pet* brand offer all the hemp extract benefits offered by *+PlusCBD™* for human use, but they are formulated just for cats and dogs. *+PlusCBD™ Pet* provides physical and emotional support to help address the stress and physical discomfort keeping pets from being

their best. Available in easy to use chews and liquids, with several flavor options including beef, and chicken.

- **+PlusHLTH™** - During 2024, we launched a new line of cannabinoid-free supplements delivering targeted formulations for optimized health, improved performance and increased vitality. Products under our +PlusHLTH™ brand are currently distributed to select retailers in the U.S. and are available online.
- **Cultured Foods™** - Products under our *Cultured Foods™* brand are currently being distributed in Europe. Our products are entirely plant-based, natural, gluten-free and shelf-stable.
- **Lunar Fox™** - In March 2025, we launched *Lunar Fox™*, our new brand of plant-based, natural, gluten-free and shelf-stable products tailored for and distributed to select retailers in the U.S. market.

Hemp-based CBD is one of more than 100 cannabinoids found in hemp and is non-psychoactive. Our U.S. based operations oversee our raw material supply chain, raw material processing, product development and manufacturing, and sales and marketing. We will continue to scale operations to accommodate market conditions.

We previously developed cannabinoids intended to treat medical indications. Cannabinoids are compounds derived from the Cannabis sativa plant, which contains two primary cannabinoids, CBD and tetrahydrocannabinol (“THC”). Clinical and preclinical data suggest that CBD has promising results in treating a range of medical indications. We acquired drug development assets utilizing CBD as the active pharmaceutical ingredient in our CanX acquisition in December 2015.

Our product candidate, CVSI-007, combines CBD and nicotine in treatment of smokeless tobacco use and addiction. In May 2016, we filed a patent application for the technology implemented for CVSI-007 with the U.S. Patent and Trademark Office (“USPTO”). On May 19, 2020, we received a formal notice of issuance from the USPTO for our patent application 15/426,617. The patent covers methods of treating smokeless tobacco addiction by administering pharmaceutical formulations containing CBD and nicotine. We have similar patent protection in other key markets throughout the world. As of December 31, 2025, our patent has been granted in 10 countries, including the United States, Australia, Canada, Germany, Spain, France, Great Britain, Italy, Netherlands, and Japan.

Our CVSI-007 program has been dormant for several years due to the significant capital required to advance this program. Further development of this program will require significant investment which has not been available. As a result, we have curtailed further development of this program and the related support for patent protection.

During the year ended December 31, 2025, we continued to make strategic cost reductions, including reductions in employee headcount, vendor spending, and the curtailing of certain expenses related to our drug development activities in order to ensure the success of our business.

#### **Description of our Subsidiaries**

CV Sciences was incorporated under the name Foreclosure Solutions, Inc. in the State of Texas on December 9, 2010. On July 25, 2013, CannaVest Corp., a Texas corporation (“CannaVest Texas”), merged with CV Sciences, a wholly-owned Delaware subsidiary of CannaVest Texas, to effectuate a change in the Company’s state of incorporation from Texas to Delaware. On January 4, 2016, we filed a Certificate of Amendment of Certificate of Incorporation reflecting our corporate name change to “CV Sciences, Inc.”, effective on January 5, 2016. In addition, on January 4, 2016, we amended our Bylaws to reflect our corporate name change to “CV Sciences, Inc.”

On December 7, 2023, we acquired Cultured Foods, a limited liability company organized under the laws of Poland. On May 13, 2024, we acquired Elevated Softgels, LLC, a Delaware limited liability company.

#### **Government Regulation**

We are subject to local and federal laws and regulations pertaining to the sale of hemp-derived CBD products in our operating jurisdictions. We maintain required licenses for sourcing, manufacturing, and distribution; we also monitor changes in laws, regulations, treaties, and agreements on a continuous basis. We derive our revenue from the manufacture, marketing and distribution of hemp extracts and other proven, science-backed, natural ingredients and products. All applicable legislation is a matter of public record, and we are unable to predict what additional legislation

or amendments governments may enact in the future. Changes to government regulation could impact our existing and planned operations or increase our operating expenses, which could have an adverse effect on our financial condition, results of operations and cash flows.

At the federal level, on December 20, 2018, The Agriculture Improvement Act of 2018 (the “2018 Farm Bill”) was signed into law in the United States. The 2018 Farm Bill, among other things, defines industrial hemp and cannabinoids derived from industrial hemp so long as the delta-9 THC concentration is less than 0.3% by dry weight, and allows for industrial hemp production and sale in the United States. The 2018 Farm Bill also removed “hemp” from the purview of the Controlled Substances Act (the “CSA”), and accordingly, the U.S. Drug Enforcement Administration (“DEA”) no longer has any claim to interfere with the interstate commerce of hemp products. The FDA retained authority over the addition of CBD and other cannabinoids to products that fall within the Food, Drug and Cosmetic Act (‘FDCA”). To date, the U.S. Food and Drug Administration (“FDA”) deems that it is currently illegal to add CBD to a food or beverage, and the FDA does not deem CBD a dietary supplement as the agency cannot conclude that CBD is “generally recognized as safe” among qualified experts for its use in human or animal food. In January 2023, the FDA publicly announced it had concluded that a new regulatory pathway for CBD was needed that balances individuals’ desire for access to CBD products with the regulatory oversight needed to manage risks and that it was prepared to work with Congress on this matter. There can be no assurance that the FDA will approve CBD as an additive to products under the FDCA.

Individual states have retained regulatory authority through their own analogues to the FDCA. The laws and regulations of certain states diverge from the laws and regulations of other states as well as from the federal treatment of the use of hemp as, or in, food, dietary supplements or cosmetic products. Each state also has a certain level of discretion to develop and implement its own laws and regulations governing the manufacturing, composition, formulation, marketing, labeling and sale of hemp products, which has created a patchwork of different regulatory schemes applicable to such products throughout the U.S. We actively monitor federal and state regulations and proposed regulations.

In November 2025, Congress enacted the Continuing Appropriations, Agriculture, Legislative Branch, Military Construction and Veterans Affairs, and Extension Act, 2026 (the “November 2025 Appropriations Act”), which significantly amended the federal definition of “hemp” under 7 U.S.C. Sec. 16390. The revised definition changes the THC measurement standard from delta-9 THC (only) to “total THC” concentration (including tetrahydrocannabinols acid, or THCA) of not more than 0.3% on a dry weighted basis. The new definition also imposes a cap of 0.4 milligrams of combined total THC per container for final hemp-derived cannabinoid products and excludes cannabinoids that are not naturally produced by the cannabis plant or that were synthesized or manufactured outside the plant. The changes take effect November 12, 2026, creating a one-year transition period. Accordingly, a substantial majority of hemp-derived products that were previously allowed to be sold under the 2018 Farm Bill - including those sold by CV Sciences - will be subject to severe regulatory restrictions beginning on November 12, 2026, unless further legal action is taken. In response, members of Congress have introduced or announced plans to introduce legislation that would extend or replace the November 2026 deadline, including proposals for comprehensive regulatory frameworks governing hemp-derived cannabinoid products. The outcome of these legislative efforts could materially affect CV Sciences’ ability to continue selling the majority of its current product lines after November 12, 2026.

On December 18, 2025, President Trump signed an Executive Order titled “Increasing Medical Marijuana and Cannabidiol Research”, which directs the Attorney General to take all necessary steps to complete the rulemaking process to reschedule marijuana from Schedule I to Schedule III of the CSA in the most expeditious manner permitted by federal law. The Executive Order also directs the Administration to work with Congress to update the statutory definition of final hemp-derived cannabinoid products to allow continued access to appropriate full spectrum CBD products while restricting products that pose serious health risks. Additionally, the Executive Order directs the Secretary of Health and Human Services, the Commissioner of Food and Drugs, the Administrator of the Centers for Medicare and Medicaid Services (CMS) and the Director of the National Institutes of Health to develop research methods and models utilizing real-world evidence to improve access to hemp- derived cannabinoid products. CMS Administrator Dr. Mehmet Oz announced that the Center of Medicare and Medicaid Innovation (CMMI) is planning a model that would allow Medicare beneficiaries to receive hemp-derived CBD products at no charge if recommended by their physicians, with coverage of up to \$500 in hemp-derived productions, presumably on an annual basis, potentially beginning as early as April 2026. The full details of this program have yet to be made public. These

developments may significantly impact our hemp-derived production operations and present both regulatory uncertainty and potential new-market opportunities as the federal framework continues to evolve.

We are subject to federal and state consumer protection laws, including laws protecting the privacy of customer non-public information; the handling of customer complaints; the requirement to provide warnings about exposures to chemicals with adverse health effects; and regulations prohibiting unfair and deceptive trade practices.

The growth and demand for online commerce has resulted in more stringent consumer protection laws, at both state and federal levels, that impose additional compliance burdens on online companies. These laws cover issues such as user privacy, spyware and the tracking of consumer activities, marketing e-mails and communications, other advertising and promotional practices, money transfers, pricing, product safety, content and quality of products and services, taxation, electronic contracts and other communications and information security.

We are subject to numerous similar and other laws and regulations outside the U.S. for the sale of our plant-based food products, including but not limited to laws and regulations governing food safety, occupational health and safety, anti-corruption and data privacy, including the European Union General Data Protection Regulation. Certain jurisdictions have either imposed, or are considering imposing, product labeling requirements or other limitations on the marketing or sale of certain of our products.

There is uncertainty over whether or how existing laws governing issues such as sales and other taxes, auctions, libel, and personal privacy apply to the internet and commercial online services. These issues are predicted to take years to resolve. For example, tax authorities in some states, as well as a Congressional advisory commission, are currently reviewing the appropriate tax treatment of companies engaged in online commerce. Furthermore, new state tax regulations may subject CV Sciences to additional state sales and income taxes. Other areas that may result in significant additional taxes or regulatory restrictions include, without limitation, new legislation or regulation; the application of laws and regulations from jurisdictions whose laws do not currently apply, or the application of existing laws and regulations to the internet and commercial online services. These taxes or restrictions could have an adverse effect on our cash flow, output, and overall financial condition. Furthermore, there is a possibility that we may be financially responsible for past failures to comply with requirements.

#### **Sales and Distribution**

Our products are currently sold online through our websites ([www.pluscbdoil.com](http://www.pluscbdoil.com) and [www.cvsciences.com](http://www.cvsciences.com)), select distributors, brick and mortar retailers, and select e-tailers. We have relationships with wholesalers, distributors and retailers across the natural product, specialty, and professional market industries. We utilize our knowledgeable partners to display and present our products to customers in their brick and mortar stores. These relationships are important to ensure consumers across a variety of sales channels have access to our products. These partnerships and our expansive distribution allow us to build consumer trust in our brand and products. We have additional partners in the natural product channel to service our retail customers by stocking and displaying products and explaining product attributes and health benefits. For the year ended December 31, 2025, we sold products into approximately 2,500 brick and mortar stores. We also utilize e-commerce platforms to reach consumers and guide them through the CBD buying process as we believe consumers rely heavily on digital research.

39% of our net revenue for the year ended December 31, 2025 was from new products launched since January 1, 2023. During this time period, we launched 39 new products.

Our plant-based food products are predominantly sold in Europe and primarily in the retail space. Typically, we sell our plant-based food products to distributors for a specific territory within Europe.

#### **Markets, Geography, Seasonality, and Major Customers**

Our hemp-based products are predominantly sold in North America and primarily in the retail space. Based on our current and historical consolidated balance sheets and statement of operations, it does not appear that our business or operations experience any seasonality with respect to our sales, as any such seasonality appears to be unpredictable. Although we believe our customers' historical buying patterns and budgetary cycles may be a factor that impacts our annual and quarterly sales results, we are not able to reliably predict our sales based on seasonality because outside

factors (timing of orders, introduction of new products, and other economic factors impacting our industry) can also substantially impact our sales patterns during the year.

Furthermore, because the majority of our sales are spread amongst various retailers, distributors, and direct consumers, our three largest customers accounted for an aggregate of approximately 8% and 9% of our total sales for the years ended December 31, 2025 and 2024, respectively. As a result, we do not believe our financial condition and results of operations is dependent on any one particular major customer.

Our plant-based food products are predominantly sold in Europe and primarily in the retail space. The plant-based food market has been growing in Europe and is well developed in the certain parts of Europe. Northern and western parts of Europe are more developed than the southern and south-eastern regions, such as Italy, Spain, Greece, the Balkans, Romania, and Bulgaria. Typically, we sell our plant-based food products to distributors for a specific territory within Europe.

We are also a manufacturer of encapsulated softgels and tinctures for the supplement and nutrition industry. We currently allow low to large minimum order quantity (“MOQ”) production runs for our mostly US-based customers.

#### **Working Capital Items**

We believe that our inventory levels are currently adequate for our short-term needs based upon present level of demand. We consider our products to be generally available and current suppliers to be reliable and capable of satisfying anticipated needs.

#### **Competition**

The CBD-based consumer product industry is highly competitive and fragmented with numerous companies, consisting of publicly- and privately-owned companies, such as Charlotte's Web Holdings Inc., cbdMD, Inc., Medterra CBD, Inc., and many others. There are also large, well-funded companies that have indicated their intention to compete in the hemp-based product category in the U.S. We routinely evaluate internal and external opportunities to optimize value for stockholders through new product development or by asset acquisitions or sales and believe we are well-positioned to capitalize on the growing CBD product category.

The plant-based food market in Europe is competitive and very fragmented. There are currently very few brands with a product portfolio similar to ours. Most of our competitors offer refrigerated products.

Most of our manufacturing competitors are larger companies requiring larger MOQ for softgels. We offer unique capabilities as we can handle small and large manufacturing orders.

There are several companies developing cannabinoid therapeutics for a range of medical indications. The cannabinoid therapeutic area currently includes formulated extracts of the *Cannabis* plant and synthetic formulations. These formulations include CBD or THC, or a combination of CBD and THC as the active pharmaceutical ingredient. Certain companies such as GW Pharmaceuticals plc (sold to Jazz Pharmaceuticals in 2021) have focused on plant-based CBD formulations, while other companies such as Harmony Biosciences Holdings, Inc. have focused on synthetic CBD formulations.

**Intellectual Property**

We have filed trademark applications on our brands, logos and marks in the U.S. and internationally. In May 2016, we filed a patent application for our product candidate CVSI-007 with the USPTO. On May 19, 2020, we received formal notice of issuance from the USPTO for our patent application 15/426,617. The patent covers methods of treating smokeless tobacco addiction by administering pharmaceutical formulations containing CBD and nicotine. We are pursuing similar patent protection in other key markets throughout the world. As of December 31, 2025, our patent has been granted in 10 countries, including the United States, Australia, Canada, Germany, Spain, France, Great Britain, Italy, Netherlands, and Japan. Due to funding constraints, we have curtailed patent protection support related to our CVSI-007 drug development program.

We review our intellectual property portfolio on a periodic basis, and we will continue to broaden our portfolio in a fiscally prudent manner. In addition to our trademarks (both registered and unregistered) and patents, we rely on a combination of trade secret laws and restrictions on disclosure to protect our intellectual property rights.

**Research and Development**

Our research and development costs have consisted primarily of salaries and related personnel expense, facilities and equipment expense and other costs. We charge all research and development expenses to operations as incurred in the ongoing development of new consumer products and in development of our drug candidate CVSI-007. Our new product development activities include ideation and feasibility, product development, scaleup and validation, and product launch. We incurred research and development expenses of \$0.1 million for the years ended December 31, 2025 and 2024.

**Raw Materials and Product Manufacturing**

We have invested significant capital to develop and maintain relationships with growers on a global scale to ensure access to raw materials to support anticipated revenue growth. We have historically sourced our raw materials from well-established and well-recognized hemp growers in Europe. In addition, we have developed relationships with hemp growers in the United States and purchase raw materials domestically as well. We have maintained access to these growers for their raw material supply and continue to explore and develop other relationships to ensure that we can meet the expected demand for hemp-based consumer products well into the future.

We are committed to producing quality products and testing transparency. Our goals include the optimization of our product manufacturing processes and the sourcing of reliable, high-quality raw materials. Our testing procedures are robust and comprehensive, starting with a supply chain built through our supplier verification program. All incoming cannabinoid ingredients are required to be first tested by the supplier at an independent, ISO accredited, third-party laboratory before they reach our production facilities and a Certificate of Analysis provided with each delivery. We then have the cannabinoid ingredients re-tested by an independent, ISO accredited, third-party laboratory to verify the supplier results before they are released into our production process. Final verification is performed by an independent ISO accredited third-party laboratory to ensure the finished products meet our high standards.

We are dedicated to providing the highest quality CBD consumer products on the market. We strive to meet or exceed the FDA's Good Manufacturing Practices ("GMP") guidelines. These guidelines provide a system of processes, procedures and documentation to assure a product has the identity, strength, composition, quality and purity that appear on its label. We follow all guidelines for GMP and our products are processed, produced, and tested throughout the manufacturing process to confirm strict compliance with company and regulatory standards and specifications. Our third party manufacturers use FDA-registered facilities, which are independently GMP certified and subject to continuing independent audit and certification.

Our plant-based products are manufactured at our facility in Warsaw, Poland. We use only high-quality raw materials from selected suppliers to make our plant-based products.

We also manufacture encapsulated softgels and tinctures for our customers. Our setup is flexible to allow runs of very small to larger orders. Our customers can use their formulations or our in-house offerings. We can also provide formulation help. All products are tested by a third-party lab for purity and potency.

### **Environmental Matters**

No significant pollution or other types of hazardous emission result from the Company's operations, and it is not anticipated that our operations will be materially affected by federal, state or local law and regulation concerning environmental controls. Our costs of complying with environmental health and safety requirements have not been material.

Furthermore, compliance with federal, state and local requirements regulating the discharge of materials into the environment, or otherwise relating to the protection of the environment, have not had, nor are they expected to have, any material effect on the capital expenditures, earnings or competitive position of the Company. However, we will continue to monitor emerging developments in this area.

### **Employees**

We believe that our future success will depend, in part, on our ability to continue to attract, hire, and retain qualified personnel. As of December 31, 2025, we had a total of 44 employees, which included 36 full-time and 1 part-time employee in the U.S. and 6 full-time and 1 part-time employee in Poland. As of December 31, 2024, we had a total of 49 employees, which included 41 full-time and 1 part-time employee in the U.S. and 6 full-time and 1 part-time employee in Poland. As discussed elsewhere in this Annual Report, during the year ended December 31, 2025, we continued to reduce our U.S. employee headcount in connection with our efforts to decrease our costs. In addition to our full-time employees, we contract with third-parties for the conduct of certain marketing, sales and manufacturing efforts. Employee health and safety in the workplace is one of our core values. We have no collective bargaining agreements with our employees, and none are represented by labor unions. Management believes the Company has good relationships with its employees.

### **Company Websites**

We maintain a corporate Internet website at: [www.cvsciences.com](http://www.cvsciences.com). We also sell our hemp-based products online at: [www.pluscbdoil.com](http://www.pluscbdoil.com) and provide additional information on our plant-based food products at: [www.culturedfoods.eu](http://www.culturedfoods.eu). The contents of these websites are not incorporated in or otherwise to be regarded as part of this Annual Report.

We file reports with the SEC, which are available on our website free of charge. These reports include annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, "Section 16" filings on Form 3, Form 4, and Form 5, and other related filings, each of which is provided on our website as soon as reasonably practical after we electronically file such materials with or furnish them to the SEC. In addition, the SEC maintains a website ([www.sec.gov](http://www.sec.gov)) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including the Company.

### **ITEM 1A. RISK FACTORS**

Not required for "smaller reporting companies" as defined in Item 10(f)(1) of Regulation S-K.

### **ITEM 1B. UNRESOLVED STAFF COMMENTS**

None.

### **ITEM 1C. CYBERSECURITY**

#### *Risk Management and Strategy*

We continue to assess and improve the capabilities of our people, processes, and technologies in order to address our cybersecurity risks. We value the importance of assessing, identifying, and managing material risks associated with cybersecurity threats, as such term is defined in Item 106(a) of Regulation S-K. These risks include, among other things: operational risks, intellectual property theft, fraud, extortion, harm to employees or customers and violation of data privacy or security law. Our cybersecurity risks, and the controls designed to mitigate those risks, are included as a part of our overall risk management governance which is reviewed at least annually by our board of directors.

Our IT networks and related systems are critical to the operation of our business and essential to our ability to successfully perform day-to-day operations. Risks from cybersecurity threats are regularly evaluated as a part of our broader risk management activities and as a component of our internal control system. Cybersecurity awareness, including specific topics related to social engineering and email fraud, are included in our employee handbook. We have processes and controls, in particular with respect to our financial and reporting technology, to prevent and minimize cybersecurity risks and attacks. We rely on industry-standard third-party software and vendors for our core systems, including data storage, analysis and backup.

*Governance*

Our board of directors is responsible for overseeing our cyber security risk management and strategy. Our AVP Logistics, Systems & IT is responsible for managing our outside technology services and has over 10 years of relevant experience. The AVP Logistics, Systems & IT reports directly to our Chief Financial Officer and reviews cybersecurity assessments with our Chief Financial Officer on a regular basis. Our Chief Financial Officer is responsible for escalating any cybersecurity matters as appropriate. The Audit Committee of our board of directors will regularly review cybersecurity requirements and risks on a quarterly basis.

While we believe we have implemented appropriate measures and controls for our business, we may not be successful in preventing or mitigating a cybersecurity incident that could have a material adverse effect on us. To date, to our knowledge, there have been no incidents materially affecting the Company, but a material incident could result in disruption of critical IT networks and systems, impeding our operations, release of confidential information, and/or corruption of data. Such an incident could damage our reputation, brands, future sales and could expose us to potential liability.

**ITEM 2. PROPERTIES**

As of December 31, 2025, our primary facility consists of approximately 6,000 square feet of leased office and warehouse space located in San Diego, California. The lease term is one year through May 31, 2026, with a one year renewal period. The total lease obligation over the estimated lease term of two years is approximately \$0.3 million. The lease commenced on June 1, 2025.

In February 2025, we entered into a new lease agreement for our existing Elevated Softgels manufacturing facility. The facility is approximately 7,200 square feet and located in Grand Junction, Colorado. The lease term is for one year, with two one year renewal periods. The total lease obligation over the estimated lease term of two years is approximately \$0.2 million. The lease commenced on April 1, 2025.

We entered into a lease agreement for our manufacturing facility in Poland. The facility is approximately 2,400 square feet and located outside of Warsaw, Poland. The lease term is for two years and expires on September 30, 2026. Based on the present value of the lease payments, we recognized an operating lease asset and liability for operating leases of \$0.1 million on October 1, 2024.

We believe that our existing facilities are sufficient to accommodate our current business operations.

**ITEM 3. LEGAL PROCEEDINGS**

For a description of our material pending legal proceedings, please see Note 13, *Commitments and Contingencies*, to our consolidated financial statements included in Part IV in this Annual Report.

**ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable.

PART II

**ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES**

Our common stock is traded on the OTC:QB under the symbol "CVSI." Trading of securities on the OTC:QB is often sporadic and investors may have difficulty buying and selling or obtaining market quotations. Any OTC:QB market quotations reflect inter-dealer quotations, without adjustment for retail mark-up, mark-down, or commission and may not necessarily represent actual transactions.

**Holders of Common Stock**

As of March 24, 2026, there were 41 registered holders of our common stock. The actual number of holders of our common stock is much greater than the number of registered holders, and includes holders who are beneficial owners, but whose securities are held in "nominee" or "street name" by brokers or other nominees.

**Dividend Policy**

No cash dividends were paid on our common stock in the 2025 and 2024 fiscal years and the Board of Directors has not considered any change in this practice, nor does it expect to consider any such change in this practice in the foreseeable future.

The payment of cash dividends in the future, if ever, will be determined by our Board of Directors, in light of conditions then existing, including our earnings, financial requirements, and opportunities for reinvesting earnings, business conditions, and other factors. The terms of our Note and New Note (as described in Note 8, *Debt*, to our consolidated financial statements included in Part IV in this Annual Report) prohibit the payment of cash dividends or distribution on our equity securities without the prior written consent of the lender.

**Equity Compensation Plan Information**

See Part III, Item 12. "*Securities Ownership of Certain Owners and Management and Related Stockholder Matters*" of this Annual Report for information regarding securities authorized for issuance under equity compensation plans.

**Unregistered Sales of Equity Securities**

The Company did not sell any unregistered equity securities during the period covered by this Annual Report that were not otherwise disclosed in a Current Report on Form 8-K or our Quarterly Reports on Form 10-Q.

**Issuer Repurchases of Equity Securities**

We did not repurchase any shares of our common stock during the fourth quarter of the fiscal year covered by this Annual Report.

**ITEM 6. [RESERVED]**

## ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our consolidated financial condition and results of operations for the years ended December 31, 2025 and 2024 should be read in conjunction with our consolidated financial statements and the notes to those statements that are included elsewhere in this Annual Report. Our discussion includes forward-looking statements based upon current expectations that involve risks and uncertainties, such as our plans, objectives, expectations and intentions. Actual results and the timing of events could differ materially from those anticipated in these forward-looking statements as a result of a number of various factors, many of which are out of our control. We use words such as “anticipate,” “estimate,” “plan,” “project,” “continuing,” “ongoing,” “expect,” “believe,” “intend,” “may,” “will,” “should,” “could,” and similar expressions to identify forward-looking statements.

### OVERVIEW

We are a consumer wellness company specializing in nutraceuticals and plant-based foods. Our hemp extracts and other proven, science-backed, natural ingredients and products are sold through a range of sales channels from B2B to B2C.

Our *+PlusCBD*<sup>TM</sup> branded products are sold at select retail locations throughout the U.S. and are the top-selling brands of hemp extracts in the natural products market, according to SPINS, the leading provider of syndicated data and insights for the natural, organic and specialty products industry. With a commitment to science, *+PlusCBD*<sup>TM</sup> product benefits in healthy people are supported by human clinical research data, in addition to three published clinical case studies available on PubMed.gov. *+PlusCBD*<sup>TM</sup> was the first hemp extract supplement brand to invest in the scientific evidence necessary to receive self-affirmed GRAS status.

On December 7, 2023, we entered into a Membership Interest Purchase Agreement, pursuant to which we purchased all of the outstanding equity interests in Cultured Foods Sp. z.o.o., resulting in Cultured Foods becoming a wholly owned subsidiary of the Company. Cultured Foods is a leading European manufacturer and distributor of plant-based protein products. In January 2025, we launched *Lunar Fox*<sup>TM</sup>, a brand that is focused on distribution of plant-based products in the U.S. market. Our *Cultured Foods*<sup>TM</sup> and *Lunar Fox*<sup>TM</sup> brands provide a variety of 100% plant-based food products. Committed to crafting nutritious and flavorful alternatives, *Cultured Foods*<sup>TM</sup> and *Lunar Fox*<sup>TM</sup> cater to individuals seeking vegan, gluten-free, or flexitarian options for a nutritious and satisfying culinary experience.

In May 2024, we acquired all outstanding membership interests of Elevated Softgels, LLC, a Delaware limited liability company. Elevated Softgels is a leading manufacturer of encapsulated softgels and tinctures for the supplement and nutrition industry, based in Colorado.

In August 2024, we engaged Maxim Group, LLC as a non-exclusive financial advisor and investment banker to provide strategic financial advisory and investment banking services. Working with Maxim, the Company intends to continue building an efficient and cost effective consumer products platform. We intend to continue to evaluate inbound and outbound merger, sale, acquisition or other opportunities for the Company.

We also have a dormant drug development program focused on developing and commercializing CBD-based novel therapeutics, which may be pursued further, subject to available capital.

Our primary offices and facilities are located in San Diego, California; Grand Junction, Colorado; and Warsaw, Poland.

Our common stock is traded on the OTC:QB market under the trading symbol CVSI.

**Results of Operations**

**Comparison of the Years ended December 31, 2025 vs. December 31, 2024**

*Revenues and gross profit*

	Year Ended December 31,		Amount	Change	%
	2025	2024 (in thousands)			
Product sales, net	\$ 13,789	\$ 15,705	\$ (1,916)		(12.2)%
Cost of goods sold	7,037	8,537	(1,500)		(17.6)%
Gross profit	<u>\$ 6,752</u>	<u>\$ 7,168</u>	<u>\$ (416)</u>		(5.8)%
Gross margin	49.0%	45.6%			

*Revenue by channel*

	Year Ended December 31, 2025		Year Ended December 31, 2024	
	Amount (in thousands)	% of product sales, net	Amount (in thousands)	% of product sales, net
Business-to-business ("B2B") sales	\$ 7,741	56.1 %	\$ 8,768	55.8 %
Business-to-consumer ("B2C") sales	6,048	43.9 %	6,937	44.2 %
Product sales, net	<u>\$ 13,789</u>	<u>100.0 %</u>	<u>\$ 15,705</u>	<u>100.0 %</u>

We had product sales of \$13.8 million and gross profit of \$6.8 million, representing a gross margin of 49.0%, in 2025 compared to product sales of \$15.7 million and gross profit of \$7.2 million, representing a gross margin of 45.6%, in 2024. Our net product sales decreased by \$1.9 million, or 12.2%, in 2025 when compared to 2024. The decline is primarily due to lower sales volume in 2025 compared to 2024. The total number of units sold during the year ended December 31, 2025 decreased by 12.6% compared to the year ended December 31, 2024, partially offset by slightly higher average sales price per unit of 0.3%.

In addition, 39% of our net revenue for the year ended December 31, 2025 was from new products launched since January 1, 2023. During this time period, we launched 39 new products. The overall market continues to be fragmented and highly competitive, which we believe is largely due to the lack of a clear regulatory framework and a patchwork of state regulation.

Cost of goods sold consists primarily of raw materials, packaging, manufacturing overhead (including payroll, employee benefits, stock-based compensation, facilities, depreciation, supplies and quality assurance costs), merchant card fees and shipping. We were able to reduce our cost of goods sold in 2025 compared to 2024 by \$1.5 million or 17.6%. The reduction is partially due to the lower number of units sold in 2025. In addition, cost of goods sold in 2025 decreased as a percentage of revenue compared to 2024, mostly due to lower shipping and fulfillment costs and other production cost savings, partially offset by higher cost of goods sold for Elevated Softgels and Cultured Foods. Our gross profit declined by \$0.4 million, or 5.8%, to \$6.8 million in 2025 and gross margins improved from 45.6% in 2024 to 49.0% in 2025. The improvement in our gross margin is primarily due to lower shipping and fulfillment costs and other production cost savings, partially offset by higher cost of goods sold for Elevated Softgels and Cultured Foods.

*Research and development expense*

	Year Ended December 31,		Amount	Change	%
	2025	2024 (in thousands)			
Research and development expense	\$ 122	\$ 118	\$ 4		3.4%
Percentage of product sales, net	0.9%	0.8%			

Research and development (“R&D”) expense increased slightly due to additional product development activity associated with the in-sourcing of the manufacturing of our vegan softgels.

**Selling, general and administrative expense**

	Year Ended December 31, 2025		Year Ended December 31, 2024		Change	
	Amount (in thousands)	% of product sales, net	Amount (in thousands)	% of product sales, net	Amount (in thousands)	%
Sales expense	\$ 2,803	20.3%	\$ 3,166	20.2%	\$ (363)	(11.5)%
Marketing expense	1,666	12.1%	2,088	13.3%	(422)	(20.2)%
General and administrative expense	3,153	22.9%	3,986	25.4%	(833)	(20.9)%
Selling, general and administrative expense	<u>\$ 7,622</u>	<u>55.3%</u>	<u>\$ 9,240</u>	<u>58.8%</u>	<u>\$ (1,618)</u>	<u>(17.5)%</u>

Selling, general and administrative (“SG&A”) expenses decreased by \$1.6 million, or 17.5%, to \$7.6 million in 2025, from \$9.2 million in 2024. Additionally, SG&A expense as a percentage of product sales, net decreased from 58.8% in 2024 to 55.3% in 2025.

- Sales expense decreased by \$0.4 million, or 11.5%, due to lower commission, payroll, travel and other expense, partially offset by an increase in stock-based compensation.
- Marketing expense decreased by \$0.4 million, or 20.2%, due to lower digital marketing spend, partially offset by an increase in stock-based compensation expense. Our digital marketing expense declined due to lower advertising activity during the year ended December 31, 2025.
- General and administrative (“G&A”) expense decreased by \$0.8 million, or 20.9% from the prior year due to lower legal and professional fees, insurance expense, depreciation expense and other administrative cost reductions, partially offset by an increase in stock-based compensation expense. In addition, we recognized a gain in fair value of contingent consideration liabilities of \$0.2 million during the year ended December 31, 2024.

**Benefit from reversal of accrued payroll taxes**

We previously recorded a contingent liability for payroll taxes associated with the RSU release to our founder. We believe that on April 15, 2025, the statute of limitation on both the employer and employee Medicare portion of FICA taxes expired. As a result of the expiration of the relevant statutes of limitations, we believe the IRS does not have the right to assess and collect the \$0.5 million of employer and employee Medicare portion of FICA taxes from CV Sciences and we made a change in accounting estimate and no longer expect to incur a loss with respect to this matter. As a result, we derecognized the contingent liability of \$0.5 million during the year ended December 31, 2025. For more information, please see Note 12, *Related Parties*, to our consolidated financial statements included in Part IV in this Annual Report.

**Interest expense, net**

Interest expense, net consists of interest expense and interest income. Interest expense, net was \$0.5 million and \$0.2 million during the years ended December 31, 2025 and 2024, respectively. Interest expense, net increased by \$0.3 million due to the amortization of debt discount and debt issuance costs for the note payable to an institutional investor.

**Non-GAAP Financial Measures**

We use Adjusted EBITDA internally to evaluate our performance and make financial and operational decisions that are presented in a manner that adjusts from their equivalent generally accepted accounting principles (“GAAP”)

measures or that supplement the information provided by our GAAP measures. Adjusted EBITDA is defined by us as EBITDA (net loss plus depreciation, amortization, interest and income tax expense, minus income tax benefit), further adjusted to exclude certain non-cash expenses and other adjustments as set forth below. We use Adjusted EBITDA because we believe it helps to provide insights in trends in our business in addition to GAAP financial measures, since Adjusted EBITDA eliminates from our results specific financial items that have less bearing on our core operating performance.

We use Adjusted EBITDA in communicating certain aspects of our results and performance, including in this Annual Report, and believe that Adjusted EBITDA, when viewed in conjunction with our GAAP results and the accompanying reconciliation, can provide investors with greater understanding of factors affecting our financial condition and results of operations than GAAP measures alone. In addition, we believe the presentation of Adjusted EBITDA is useful to investors in making period-to-period comparison of results because the adjustments to GAAP are not reflective of our core business performance.

Adjusted EBITDA is not presented in accordance with, or as an alternative to, GAAP financial measures and may be different from non-GAAP measures used by other companies. We encourage investors to review the GAAP financial measures included in this Annual Report, including our consolidated financial statements, to aid in their analysis and understanding of our performance and in making comparisons.

A reconciliation from our net loss to Adjusted EBITDA, a non-GAAP measure, for the years ended December 31, 2025 and 2024 is detailed below:

	Year ended December 31,	
	2025	2024
	(in thousands)	
Net loss	\$ (958)	\$ (2,394)
Depreciation expense	168	313
Amortization expense	24	21
Interest expense, net	517	212
Income tax expense (benefit)	9	(8)
EBITDA	(240)	(1,856)
Stock-based compensation (1)	497	258
Professional fees associated with legal dispute (2)	—	828
Gain on extinguishment of debt (3)	(38)	—
Benefit from reversal of accrued payroll taxes (4)	(522)	—
Adjusted EBITDA	\$ (303)	\$ (770)

(1)Represents stock-based compensation expense related to stock options awarded to employees, consultants and non-executive directors based on the grant date fair value using the Black-Scholes valuation model. For more information, please see Note 10, *Stock-Based Compensation*, to our consolidated financial statements included in Part IV in this Annual Report.

(2)Represents legal and other professional expenses incurred during 2024 associated with the legal dispute with founder.

(3)Represents gain on extinguishment of debt related to our Streeterville note payable. For more information, please see Note 8, *Debt*, to our consolidated financial statements included in Part IV in this Annual Report.

(4)Represents benefit for reversal of accrued payroll tax associated with the RSU release to founder in 2019. For more information, please see Note 12, *Related Parties*, to our consolidated financial statements included in Part IV in this Annual Report.

### Liquidity and Capital Resources

During the year ended December 31, 2025, our primary sources of capital came from (i) cash generated from our operations, (ii) existing cash, and (iii) proceeds from note payable financings. As of December 31, 2025, we had approximately \$0.3 million of cash and working capital of 133,000.

For the year ended December 31, 2025, we generated negative cash flows from operations of \$0.4 million, and we had an accumulated deficit of \$87.9 million as of December 31, 2025.

We believe that a combination of factors have adversely impacted our business operations for the year ended December 31, 2025. Due to a low barrier entry market with a lack of a clear regulatory framework, we face intense competition from both licensed and illicit market operators that may also sell herbal supplements and hemp-based CBD consumer products. Because we operate in a market that is rapidly evolving and expanding globally, our customers may choose to obtain CBD products from our competitors, and our success depends on our ability to attract and retain our customers from purchasing CBD products elsewhere. To remain competitive, we intend to continue to innovate new products, build brand awareness, and make significant investments in our business strategy by introducing new products into the markets in which we operate, adopt quality assurance protocols and procedures, build our market presence, and undertake further research and development. In addition, we intend to evaluate and pursue additional acquisitions to further diversify our product offerings.

In October 2025, we entered into a securities purchase agreement with an institutional investor (the “Investor”), pursuant to which we issued and sold to the Investor a secured promissory note and received net proceeds of \$0.3 million. For more information refer to Note 8, *Debt*, to our consolidated financial statements included in Part IV of this Annual Report.

In November 2025, Congress passed, and the President signed into law, a government funding bill that includes provisions affecting hemp-derived products. The legislation provides that, effective November 13, 2026, the sale of hemp-derived products containing more than 0.4 milligrams of total tetrahydrocannabinol (“THC”) per container will be prohibited under federal law. Products containing less than this amount may continue to be sold, but such products currently represent a small portion of the overall hemp-derived product market.

We are evaluating the potential impact of this legislation on our product portfolio, supply chain, and future operating results. We have until November 13, 2026 to assess and, if necessary, modify our product formulations, labeling, and related compliance measures in response to this legislation. While management cannot reasonably estimate the financial effect of this legislation at this time, it could have a material adverse impact on our business, results of operations, and cash flows.

Management implemented, and continues to make and implement, strategic cost reductions, including reductions in employee headcount, vendor spending, and the delaying of certain expenses related to our drug development activities. To the extent that we feel it is necessary and in the best interest of the Company and our stockholders, we may also take further actions that alter our operations in order to ensure the success of our business.

#### *Note Payable*

In February 2025, we entered into a securities purchase agreement with an institutional investor (the “Investor”), pursuant to which we issued and sold to the Investor a secured promissory note in the original principal amount of \$1,600,000 (the “Note”). The Note carries an original issuance discount of \$400,000 and we paid \$10,000 to the Investor to cover legal fees. We incurred additional legal and professional fees of \$72,424. The original issuance discount was deducted from the proceeds of the Note received by us which resulted in a purchase price received by us of \$1,200,000.

The Note was due and payable on August 12, 2026 and we were required to make monthly repayments to the Investor of \$106,667 starting on June 12, 2025.

In September 2025, we entered into an agreement (the “Agreement”) with the Investor. The Agreement amended the Note among other things: (a) to provide for a new maturity date of February 12, 2027, (b) to provide that the monthly redemption amount consists of (i) \$106,667 of the outstanding principal amount of the Note on each of the first 3 monthly redemption dates, (ii) \$0 of the outstanding principal amount of the Note on each of the next 6 monthly redemption dates, and (iii) \$106,667 of the outstanding principal amount of the Note on each of the subsequent 12 monthly redemption dates, and (c) to provide the Investor \$150,000 in cash.

We can pay all or any portion of the outstanding balance earlier than it is due without penalty. In the event we paid the Note in full on or before August 12, 2025, we would have received a \$100,000 discount from the outstanding balance. The Note is secured by all of our assets pursuant to a security agreement and intellectual property security agreement entered into with the Investor on February 12, 2025. Our obligations under the Note are guaranteed by each of our subsidiaries. No interest will accrue on the Note unless and until an occurrence of an event of default, as defined in the Note.

In October 2025, we entered into a new note with the Investor, pursuant to which we issued and sold to the Investor a secured promissory note in the original principal amount of \$600,000 (the "New Note"). The New Note carries an original issuance discount of \$150,000 and we paid \$13,125 to the Investor to cover legal and other fees. The original issuance discount for the New Note and modification fees related to the original Note were deducted from the proceeds of the New Note received by the Company which resulted in a purchase price received by the Company of \$300,000. The other terms of the New Note are substantially similar to the Note.

In March 2026, the Company amended the Note and the New Note (collectively, the "Notes") to include a conversion feature pursuant to which the outstanding balance of the Notes may be converted into shares of common stock of the Company at a fixed conversion price of \$0.06 per share. The outstanding principal amounts of the Notes was increased by 20% and, after such adjustment, the amended Notes have an aggregate outstanding principal amount of \$2,256,000. The Company's obligation to make monthly redemptions on the Notes was eliminated. The amendments also provide that if, after the sale of the conversion shares received upon a conversion, the holder receives net proceeds of less than 100% of the principal amount of the Notes converted, and the aggregate shortfall under both Notes exceeds \$94,000, the Company will issue a new note on substantially the same terms and conditions of the amended Notes (the "Third Note") with a principal amount equal to the aggregate shortfall in excess of \$94,000. If issued, the Third Note will be due April 6, 2027. There is no stated maximum number of shares of common stock that may be issuable in respect of conversions pursuant to the Third Note.

#### *Streeterville Note*

In July 2024, we entered into a note purchase agreement with Streeterville, pursuant to which we issued and sold to Streeterville a Secured Promissory Note (the "Streeterville Note") in the original principal amount of \$1.2 million. The Streeterville Note carried an original issuance discount of \$283,500. We incurred additional debt issuance costs of \$5,000. As a result, we received aggregate net proceeds of approximately \$0.9 million in connection with the sale and issuance of the Streeterville Note. The Streeterville Note was to mature on July 3, 2025 and we were required to make weekly repayments to Streeterville on the note in the amount of \$22,856 until the Streeterville Note was paid in full. We were able to pay all or any portion of the outstanding balance earlier than it is due without penalty. In the event we repaid the Streeterville Note in full on or before December 31, 2024, we would have received a \$75,000 discount from the outstanding balance.

No interest was to accrue on the Streeterville Note until an occurrence of an event of default, as defined in the Streeterville Note, if ever. The Streeterville Note provided for customary events of default, including, among other things, the event of nonpayment of principal, interest, fees or other amounts, a representation or warranty proving to have been incorrect when made, failure to perform or observe covenants within a specified period of time, a cross-default to certain other indebtedness of the Company, the bankruptcy or insolvency of the Company or any significant subsidiary, monetary judgment defaults of a specified amount and other defaults resulting in liability of a specified amount. In the event of an occurrence of an event of default by us, Streeterville could have declared all amounts owed under the Streeterville Note immediately due and payable. Also, a late fee and interest penalty equal to either 22% per annum or the maximum rate allowable under law, whichever is lesser, could have been applied to any outstanding amount not paid when due or that remained outstanding while an event of default existed. The Streeterville Note was secured by all of our assets as set forth in the Security Agreement dated July 3, 2024.

We made principal payments to Streeterville of \$0.6 million during the year ended December 31, 2025. We repaid the outstanding Streeterville Note prior to its maturity date and recognized a gain on extinguishment of \$37,500. As a result, the Streeterville Note has been fully repaid and satisfied as of December 31, 2025, and our obligations thereunder, were cancelled and terminated.

#### *First Insurance Funding Agreements*

In October 2025, we entered into a financing agreement with First Insurance Funding in order to fund a portion of our insurance policies for the upcoming policy year. The amount financed was \$0.2 million, which incurs interest at a rate of 7.72% per annum. We are required to make monthly payments of \$18,299 from November 2025 through July 2026.

In October 2024, we entered into a finance agreement with First Insurance Funding in order to fund a portion of our insurance policies. The amount financed was \$0.2 million, which incurred interest at an annual rate of 8.42%. We were required to make monthly payments of \$20,396 from November 2024 through July 2025. There was no outstanding balance as of December 31, 2025.

*Going Concern*

U.S. GAAP requires management to assess a company's ability to continue as a going concern within one year from the financial statement issuance and to provide related note disclosure in certain circumstances. Our consolidated financial statements and corresponding notes have been prepared assuming the Company will continue as a going concern. For the year ended December 31, 2025, we generated negative cash flows from operations of \$0.4 million, and we had an accumulated deficit of \$87.9 million as of December 31, 2025. Management anticipates that the Company will be dependent, for the near future, on additional investment capital to fund our operations and growth initiatives. The Company intends to position itself so that it will be able to raise additional funds through the capital markets, issuance of debt, and/or securing lines of credit in order to continue its operations. However, there can be no assurances that additional working capital will be available to us on favorable terms, or at all, which would be likely to have a material adverse effect on the Company's ability to continue its operations.

The Company's financial operating results and accumulated deficit, besides other factors, raise substantial doubt about the Company's ability to continue as a going concern. The Company will continue to work towards increasing revenue and operating cash flows to meet its future liquidity requirements. However, there can be no assurance that the Company will be successful in generating positive cash flows from operations or any capital-raising efforts that it may undertake, and the failure of the Company to generate positive cash flows or raise additional capital could adversely affect its future operations and viability.

A summary of our changes in cash flows for the years ended December 31, 2025 and 2024 is provided below:

	Year ended December 31,	
	2025	2024
	(in thousands)	
Net cash flows provided by (used in):		
Operating activities	\$ (407)	\$ (861)
Investing activities	(109)	(28)
Financing activities	337	32
Effect of exchange rate changes on cash	3	(6)
Net decrease in cash	(176)	(863)
Cash, beginning of year	454	1,317
Cash, end of year	<u>\$ 278</u>	<u>\$ 454</u>

*Operating Activities*

Net cash used in operating activities includes net loss adjusted for non-cash items such as depreciation, amortization, stock-based compensation, benefit of reversal of payroll tax liability, gain on debt extinguishment, and amortization of debt discount related to our promissory notes. Operating assets and liabilities primarily include balances related to funding of inventory purchases and customer accounts receivable. Operating assets and liabilities that arise from the funding of inventory purchases and customer accounts receivable can fluctuate significantly from day to day and period to period depending on the timing of inventory purchases and customer payment behavior.

Cash used by operating activities was \$0.4 million in the year ended December 31, 2025, compared to \$0.9 million in the year ended December 31, 2024. Our net loss of \$0.9 million for the year ended December 31, 2025, adjusted for non-cash items of \$1.0 million, resulted in a net income, adjusted for non-cash items of \$0.1 million, compared to a net loss, adjusted for non-cash items, of \$1.3 million in the prior year, an improvement of \$1.4 million. Non-cash adjustments slightly declined by \$0.1 million due to the benefit for the reversal of accrued payroll tax of \$0.5 million related to the RSU's previously issued to our founder and lower depreciation and amortization, partially offset by higher stock-based compensation expense and higher amortization of debt discount. Our net loss declined by \$1.4 million, mostly due to the benefit for the reversal of accrued payroll taxes of \$0.5 million in 2025 and our improved operating performance and reduced SG&A expenses.

**Investing Activities**

Cash used in investing activities was \$109,000 in the year ended December 31, 2025, mostly related to the purchase of additional manufacturing equipment for Elevated Softgels. Cash used in investing activities was \$28,000 in the year ended December 31, 2024 and was related to our acquisition of Elevated Softgels of \$10,000 in May 2024 and the purchase of additional equipment for Elevated Softgels of \$18,000.

**Financing Activities**

Net cash provided by financing activities was \$337,000 and \$32,000 for the years ended December 31, 2025 and 2024, respectively. Our financing activities for 2025 consisted of proceeds from our note financing of \$1.6 million, offset by repayments on our notes payable of \$1.1 million and our insurance financing of \$0.2 million. Our financing activities for 2024 consisted of proceeds from our note payable financing with Streeterville of \$0.9 million, offset by repayments of our insurance financing of \$0.2 million, the Streeterville note payable of \$0.5 million and the notes payable that we assumed in connection with the Cultured Foods acquisition of \$0.1 million.

**Inflation**

We have not been affected materially by inflation during the periods presented. However, rising inflation may adversely impact our business and corresponding financial position and cash flow.

**Known Trends or Uncertainties**

There can be no assurance that the Company's business and corresponding financial performance will not be adversely affected by general economic or consumer trends, which may have a material adverse effect on the Company's business, financial condition and results of operations. Additionally, inflation has risen, Federal Reserve interest rates remain high after increases during 2023, which may also materially adversely our business and corresponding financial position and cash flows.

Furthermore, such economic conditions have produced downward pressure on share prices and on the availability of credit for financial institutions and corporations. If current levels of market disruption and volatility continue, the Company might experience reductions in business activity, increased funding costs and funding pressures, as applicable, a decrease in the market price of our common stock, a decrease in asset values, additional write-downs and impairment charges and lower profitability.

We have seen some consolidation in our industry during economic downturns. These consolidations have not had a negative effect on our total sales; however, should consolidations and downsizing in the industry continue to occur, those events could adversely impact our revenues and earnings going forward.

There is currently a lack of a clear federal regulatory framework regarding the development, sale and use of CBD products in the United States. As a result, differing state regulations have emerged, which regulations are constantly evolving and differ significantly from state to state in many cases. Several states, including without limitation, California, Florida, Maryland, Minnesota, New York, Utah and Virginia, have recently adopted regulations that may impact our ability to sell certain of our products in these states. In September 2024, California Governor Gavin Newsom signed an emergency order into law, effectively banning the sale of hemp products intended for human use that contain detectable amounts of THC or certain other cannabinoids in California, amongst other things. The emergency order was originally in effect through March 25, 2025, and has been extended by one year. We have certain products which fall under this category that we have historically sold in California. It is currently unknown whether the duration of the emergency order will be extended, and/or whether it will be replaced with a permanent law with similar or more stringent prohibitions. This emergency order had a negative impact on our operating results for the year ended December 31, 2025 and we expect that it will continue to have a negative impact on our business going forward for so long as it, or any permanent law with similar or more stringent prohibitions, remains in effect; however, it is currently impossible to quantify the expected impact on our business. There is also substantial uncertainty and different interpretations among federal, state and local regulatory agencies, legislators, academics and businesses as to the emerging regulation of cannabinoids. These different opinions include, but are not limited to, the regulation of cannabinoids by the FDA and the extent to which manufacturers of products containing cannabinoids may engage in interstate commerce. These uncertainties have had, and may continue to have, an adverse effect on our business. Additionally, restrictive state regulations could adversely impact our revenue and earnings going forward.

Changes in U.S. and foreign governments' trade policies have resulted in, and may continue to result in, tariffs on imports into and exports from the U.S., among other restrictions. In February 2025, the U.S. administration announced increased tariffs on imports from China, where certain components of our finished products are sourced. We are closely monitoring this evolving situation and evaluating our responses, which may include price adjustments or other cost-mitigation measures. However, there can be no assurance that we will be able to fully mitigate the impact of such tariffs or trade restrictions. If further tariffs are imposed, we could be forced to raise prices on all or certain of our products or make changes to our operations, any of which could materially harm our revenue or operating results. Any additional future tariffs or quotas imposed may impact our sales, gross margin and profitability if we are unable to pass increased prices onto our customers. Currently, we cannot fully determine how these tariffs will affect our business operations. The overall impact on our business will be influenced by several variables, including the duration and potential expansion of current tariffs, future changes to tariff rates, scope, or enforcement, retaliatory measures by impacted trade partners, inflationary effects and broader macroeconomic responses, changes to consumer purchasing behavior, and the effectiveness of our responses in managing these challenges.

We have been experiencing certain manufacturing constraints that resulted in temporary out-of-stock situations for some of our key products. We are working closely to resolve these issues and expect inventory levels to normalize in 2026. While we do not currently anticipate a material long-term impact, these temporary shortages may affect our near-term revenue and customer order fulfillment.

### **Contractual Obligations**

As of December 31, 2025, our primary facility consists of approximately 6,000 square feet of leased office and warehouse space located in San Diego, California. The lease term is one year through May 31, 2026, with a one year renewal period. The total lease obligation over the estimated lease term of two years is approximately \$0.3 million. The lease commenced on June 1, 2025.

In February 2025, we entered into a new lease agreement for our existing Elevated Softgels manufacturing facility. The facility is approximately 7,200 square feet and located in Grand Junction, Colorado. The lease term is for one year, with two one year renewal periods. The total lease obligation over the estimated lease term of two years is approximately \$0.2 million. The lease commenced on April 1, 2025.

We entered into a lease agreement for our manufacturing facility in Poland. The facility is approximately 2,400 square feet and located outside of Warsaw, Poland. The lease term is for two years and expires on September 30, 2026. Based on the present value of the lease payments, we recognized an operating lease asset and liability for operating leases of \$0.1 million on October 1, 2024.

We enter into contracts in the normal course of business with vendors and customers for product manufacturing, logistics, shipping, marketing, professional services and other services as part of our operations. These contracts generally provide for termination on notice, and therefore are cancelable contracts and not included as contractual commitments.

### **Critical Accounting Policies**

The preparation of these consolidated financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the dates of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting periods. On an ongoing basis management evaluates its critical accounting policies and estimates.

A "critical accounting policy" is one which is both important to the understanding of the financial condition and results of operations of the Company and requires management's most difficult, subjective, or complex judgments, and often requires management to make estimates about the effect of matters that are inherently uncertain. Management believes the following accounting policies fit this definition:

**Goodwill and Intangible Assets** – We evaluate the carrying value of goodwill and intangible assets annually during the fourth quarter in accordance with Accounting Standards Codification ("ASC") Topic 350, Intangibles Goodwill and Other, and between annual evaluations if events occur or circumstances change that would more likely than not reduce the fair value of the reporting unit below its carrying amount. Such circumstances could include, but are not

limited to (1) a significant adverse change in legal factors or in business climate, (2) unanticipated competition, or (3) an adverse action or assessment by a regulator.

Goodwill is evaluated for impairment by first performing a qualitative assessment to determine whether a quantitative goodwill test is necessary. If it is determined, based on qualitative factors, that the fair value of the reporting unit may more likely than not be less than carrying amount, or if significant adverse changes in our future financial performance occur that could materially impact fair value, a quantitative goodwill impairment test would be required. Additionally, we can elect to forgo the qualitative assessment and perform the quantitative test. If the qualitative assessment indicates that the quantitative analysis should be performed, or if management elects to bypass a qualitative assessment, we then evaluate goodwill for impairment by comparing the fair value of the reporting unit to its carrying amount, including goodwill. The quantitative assessment for goodwill requires us to estimate the fair value of our reporting units using either an income or market approach or a combination thereof.

Management makes critical assumptions and estimates in completing impairment assessments of goodwill and other intangible assets. Our cash flow projections look several years into the future and include assumptions on variables such as future sales and operating margin growth rates, economic conditions, probability of success, market competition, inflation and discount rates.

During the fourth quarter of 2025 and 2024, we performed our annual goodwill impairment test and determined, after performing a qualitative test of our reporting unit, that it is more likely than not that the fair value of the reporting unit exceeded its carrying amount. As a result of our goodwill impairment test, we did not record a goodwill impairment charge for the years ended December 31, 2025 and 2024.

We classify intangible assets into three categories: (1) intangible assets with definite lives subject to amortization; (2) intangible assets with indefinite lives not subject to amortization; and (3) goodwill. We determine the useful lives of our identifiable intangible assets after considering the specific facts and circumstances related to each intangible asset. Factors we consider when determining useful lives include the contractual term of any agreement related to the asset, the historical performance of the asset, our long-term strategy for using the asset, any laws or regulations which could impact the useful life of the asset and other economic factors, including competition and specific market conditions. Intangible assets that are deemed to have definite lives are amortized, primarily on a straight-line basis, over their useful lives to their estimated residual values, generally five years.

We did not record any impairment charge for the years ended December 31, 2025 and 2024, respectively.

**Revenue Recognition** – The majority of our revenue contracts represent a single performance obligation related to the fulfillment of customer orders for the purchase of our products, which is primarily related to our *Plus CBD™* line of products. Net sales reflect the transaction prices for these contracts based on our selling list price, which is then reduced by estimated costs for trade promotional programs, consumer incentives, and allowances and discounts used to incentivize sales growth and build brand awareness. We recognize revenue at the point in time that control of the ordered product is transferred to the customer, which is typically upon shipment to the customer or other customer-designated delivery point. We accrue for estimated sales returns by customers based on historical sales return results. The computation of the sales return and discount allowances require that management makes certain estimates and assumptions that affect the timing and amounts of revenue and liabilities recorded. Shipping and handling fees charged to customers are included in product sales and were not material for each of the years ended December 31, 2025 and 2024. Taxes collected from customers that are remitted to governmental agencies are accounted for on a net basis and not included as revenue.

**Inventory Valuation** – Inventory is carried at the lower of cost or net realizable value, with cost determined using the weighted-average method. Determining net realizable value requires significant judgment, particularly with respect to estimating future selling prices, customer demand, and the timing of inventory turnover.

A significant portion of our inventory consists of products with defined shelf lives. As a result, we evaluate inventory for potential excess, obsolescence, or expiration by analyzing product age, remaining shelf life, historical sales velocity, and forecasted demand. Inventory that is not expected to be sold within its usable life is written down to its estimated net realizable value.

We maintain reserves for excess and obsolete inventory based on a combination of factors, including current and projected demand, recent sales trends, product shelf life, and strategic business plans. In periods of demand volatility, product transitions, or changes in distribution channels, these estimates become more subjective and require increased management judgment.

Given the perishable nature of certain products and the variability in demand across our product portfolio, small changes in key assumptions—such as forecasted demand or expected sell-through rates—could result in materially different reserve levels. For example, a decline in demand or delays in distribution could increase the risk of product expiration and require additional inventory write-downs, which would negatively impact gross profit.

While we believe our assumptions are reasonable and consistent with available information, actual results may differ materially due to changes in market conditions, customer demand, product life cycles, or execution of our sales and distribution strategies.

***Recent Accounting Pronouncements***

Refer to Note 2 of our consolidated financial statements for a discussion of recent accounting standards and pronouncements.

**Off-Balance Sheet Arrangements**

None.

**ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Not required for “smaller reporting companies” as defined in Item 10(f)(1) of Regulation S-K.

**ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

The financial statements required by this item are set forth at the pages indicated in Part IV, Item 15(1) of this Annual Report.

**ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

None.

**ITEM 9A. CONTROLS AND PROCEDURES**

**EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES**

Our disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) under the Securities Exchange Act of 1934, as amended) are designed to ensure that information required to be disclosed 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 rules and forms of the Securities and Exchange Commission and to ensure that information required to be disclosed is accumulated and communicated to management, including our principal executive and financial officers, to allow timely decisions regarding disclosure. Our Chief Executive Officer (“CEO”) and our Chief Financial Officer (“CFO”), with assistance from other members of management, have reviewed the effectiveness of our disclosure controls and procedures as of December 31, 2025 and, based on their evaluation, have concluded that the disclosure controls and procedures were effective as of such date.

**MANAGEMENT’S ANNUAL REPORT ON 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) under the Exchange Act. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial

statements for external purposes in accordance with U.S. GAAP and includes those policies and procedures that: (1) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect our transactions and the dispositions of our assets; (2) provide reasonable assurance that our transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles and that our receipts and expenditures are being made only in accordance with appropriate authorizations; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness for future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Under the supervision of and with the participation of our management, we assessed the effectiveness of our internal control over financial reporting as of December 31, 2025, using the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in Internal Control-Integrated Framework (2013). Based on our evaluation under this framework, our management concluded that our internal control over financial reporting was effective as of December 31, 2025.

**CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING**

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) or 15d-15(f) of the Exchange Act) that occurred during the fiscal quarter ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

**ATTESTATION REPORT OF THE REGISTERED PUBLIC ACCOUNTING FIRM**

This Annual Report does not include an attestation report of our independent registered public accounting firm on the Company's internal controls as the Company is a non-accelerated filer and is thus not required to provide such a report.

**ITEM 9B. OTHER INFORMATION**

During the three months ended December 31, 2025, no director or officer (as defined in Rule 16a-1(f) under the Exchange Act) of the Company adopted or terminated any "Rule 10b5-1 trading arrangement" or any "non Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

**ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS**

Not applicable.

**PART III**

**ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE**

Information required by this item will be contained in our definitive proxy statement to be filed with the Securities and Exchange Commission in connection with our 2026 Annual Meeting of Stockholders, or the “Definitive Proxy Statement,” which is expected to be filed not later than 120 days after the end of our fiscal year ended December 31, 2025 and is incorporated herein by reference.

There have been no material changes to the procedures by which security holders may recommend nominees to our Board of Directors since we last described such procedures.

The Company has a Code of Ethics which is posted on our website at: [www.cvsciences.com](http://www.cvsciences.com).

**ITEM 11. EXECUTIVE COMPENSATION**

Information required by this item will be contained in our Definitive Proxy Statement, which is expected to be filed not later than 120 days after the end of our fiscal year ended December 31, 2025 and is incorporated herein by reference.

**ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS**

Information required by this item will be contained in our Definitive Proxy Statement, which is expected to be filed not later than 120 days after the end of our fiscal year ended December 31, 2025 and is incorporated herein by reference.

**ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE**

Information required by this item will be contained in our Definitive Proxy Statement, which is expected to be filed not later than 120 days after the end of our fiscal year ended December 31, 2025 and is incorporated herein by reference.

**ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES**

Information required by this item will be contained in our Definitive Proxy Statement, which is expected to be filed not later than 120 days after the end of our fiscal year ended December 31, 2025 and is incorporated herein by reference.

**PART IV**

**ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES**

1. Financial Statements

The following financial statements of the Company are submitted herewith:

Report of Independent Registered Public Accounting Firm

Consolidated Balance Sheets as of December 31, 2025 and 2024

Consolidated Statements of Operations for the years ended December 31, 2025 and 2024

Consolidated Statements of Comprehensive Income (Loss) for the years ended December 31, 2025 and 2024

Consolidated Statements of Stockholders' Equity for the years ended December 31, 2025 and 2024

Consolidated Statements of Cash Flows for the years ended December 31, 2025 and 2024

Notes to Consolidated Financial Statements

2. Financial Statement Schedules

Schedules are not submitted because they are not applicable or not required under Regulation S-X or because the required information is included in the consolidated financial statements or notes thereto.

3. Exhibits required to be filed by Item 601 of Regulations S-K

A list of exhibits is set forth on the Exhibit Index as included in this Annual Report on Form 10-K and are incorporated herein by reference.

**ITEM 16. FORM 10-K SUMMARY**

None.

## EXHIBIT INDEX

Exhibit No.	Description of Exhibit	Form	File No.	Exhibit	Filing Date	Filed Herewith
2.1	<a href="#"><u>Agreement and Plan of Merger, dated as of July 25, 2013, by and between CannaVest Corp., a Texas corporation, and CannaVest Corp., a Delaware corporation.</u></a>	10-Q	000-54677	2.1	August 13, 2013	
2.2	<a href="#"><u>Agreement and Plan of Reorganization by and among CannaVEST Corp., CANNAVEST Merger Sub, Inc., CANNAVEST Acquisition LLC, CanX, Inc., and The Starwood Trust, as the Shareholder Representative</u></a>	8-K	000-54677	2.1	January 4, 2016	
2.3	<a href="#"><u>Amendment No. 1 to the Agreement and Plan of Reorganization, dated as of March 16, 2017, by and among the Company, CANNAVEST Acquisition LLC, and the Starwood Trust, as the Shareholder Representative</u></a>	10-Q	000-54677	10.4	May 9, 2017	
2.4	<a href="#"><u>Membership Interest Purchase Agreement, dated December 7, 2023, by and among the Company, Cultured Foods Sp. z.o.o., Brian McWhorter and Barbara McWhorter</u></a>	10-K	000-54677	2.4	March 29, 2024	
2.5	<a href="#"><u>Membership Interest Purchase Agreement, dated May 8, 2024, by and among the Company, Elevated Softgels LLC, Clayton J. Montgomery, Chirs Fagan, Andrew Kester and Timothy McGreer</u></a>	10-Q	000-54677	2.1	May 15, 2024	
3.1	<a href="#"><u>Certificate of Incorporation of CannaVest Corp., as filed on July 26, 2013.</u></a>	10-Q	000-54677	3.1	August 13, 2013	
3.2	<a href="#"><u>Bylaws of CannaVest Corp., dated as of June 26, 2013.</u></a>	10-Q	000-54677	3.2	August 13, 2013	
3.3	<a href="#"><u>Certificate of Amendment to Certificate of Incorporation of CannaVest Corp., as filed on January 4, 2016</u></a>	10-K	000-54677	3.3	April 14, 2016	
3.4	<a href="#"><u>Certificate of Incorporation of the Company, as amended.</u></a>	10-Q	000-54677	3.4	May 16, 2016	
3.5	<a href="#"><u>Amendment to the Bylaws of the Company, as amended.</u></a>	8-K	000-54677	3.1	March 22, 2017	
3.6	<a href="#"><u>Bylaws of the Company, as amended.</u></a>	10-Q	000-54677	3.6	May 9, 2017	
3.7	<a href="#"><u>Amendment to the Bylaws of the Company, as amended.</u></a>	8-K	000-54677	3.1	June 14, 2021	
3.8	<a href="#"><u>Certificate of Designation of Preference, Rights and Limitations of Convertible Preferred Stock.</u></a>	8-K	000-54677	3.1	April 1, 2022	

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Exhibit No.	Description of Exhibit	Form	File No.	Exhibit	Filing Date	Filed Herewith
3.9	<a href="#">Certificate of Amendment to Certificate of Incorporation of CV Sciences, Inc., as filed on June 6, 2022</a>	10-Q	000-54677	3.9	August 15, 2022	
4.1	<a href="#">CannaVest Corp. Specimen Stock Certificate</a>	8-K	000-54677	4.1	July 31, 2013	
4.2	<a href="#">Description of Registrant's Securities.</a>	10-K	000-54677	4.2	April 4, 2022	
10.1 †	<a href="#">2013 Equity Incentive Plan Form of Stock Option Grant Notice and Form of Stock Option Agreement.</a>	S-8	333-199173	4.2	October 6, 2014	
10.2 †	<a href="#">Amended and Restated 2013 Equity Incentive Plan, as amended.</a>	8-K	000-54677	10.1	June 17, 2019	
10.3 †	<a href="#">Employment Agreement, dated July 6, 2016, by and between the Company and Michael J. Mona, Jr.</a>	10-Q	000-54677	10.1	November 1, 2016	
10.4 †	<a href="#">Non-Qualified Stock Option Agreement, by and between the Company and Michael J. Mona, Jr., dated July 6, 2016.</a>	10-Q	000-54677	10.4	November 1, 2016	
10.5 †	<a href="#">Amendment to Employment Agreement, dated March 16, 2017, by and between the Company and Michael Mona, Jr.</a>	10-Q	000-54677	10.5	May 9, 2017	
10.6 †	<a href="#">Amendment to Employment Agreement, dated March 16, 2017, by and between the Company and Michael Mona III</a>	10-Q	000-54677	10.6	May 9, 2017	
10.7 †	<a href="#">Amendment to Stock Option Agreement, dated March 16, 2017, to that certain Non-Qualified Stock Option Agreement, dated July 6, 2016, by and between the Company and Michael Mona, Jr.</a>	10-Q	000-54677	10.7	May 9, 2017	
10.8 †	<a href="#">Non-Qualified Stock Option Agreement, dated March 15, 2017, by and between the Company and Michael Mona, Jr.</a>	10-Q	000-54677	10.10	May 9, 2017	
10.9 †	<a href="#">Employment Agreement, dated June 8, 2018, by and between the Company and Mr. Mona, Jr.</a>	10-Q	000-54677	10.1	August 1, 2018	
10.10 †	<a href="#">Restricted Stock Unit Award Agreement, dated June 8, 2018, by and between the Company and Mr. Michael Mona, Jr.</a>	10-Q	000-54677	10.2	August 1, 2018	
10.11 †	<a href="#">Employment Agreement, dated June 23, 2021, by and between the Company and Mr. Joseph Dowling</a>	8-K	000-54677	10.1	June 29, 2021	
10.12 †	<a href="#">Employment Agreement, dated December 17, 2021, by and between the Company and Mr. Joerg Grasser.</a>	8-K	000-54677	10.1	December 21, 2021	

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<u>Exhibit No.</u>	<u>Description of Exhibit</u>	<u>Form</u>	<u>File No.</u>	<u>Exhibit</u>	<u>Filing Date</u>	<u>Filed Herewith</u>
10.13 †	<a href="#">Amendment to amended and restated Equity Incentive Plan, as amended, dated March 30, 2022.</a>	10-K	000-54677	10.40	April 4, 2022	
10.14 †	<a href="#">Amendment No. 1 to Executive Employment Agreement, dated January 5, 2023, by and between the Company and Mr. Joseph Dowling</a>	10-K	000-54677	10.45	March 30, 2023	
10.15 †	<a href="#">Amendment No. 1 to Executive Employment Agreement, dated January 5, 2023, by and between the Company and Mr. Joerg Grasser</a>	10-K	000-54577	10.46	March 30, 2023	
10.16 †	<a href="#">CV Sciences, Inc. 2023 Equity Incentive Plan</a>	8-K	000-54577	10.1	June 5, 2023	
10.17 †	<a href="#">Form of Stock Option Grant Notice and Form of Stock Option Agreement</a>	10-Q	000-54577	10.4	August 14, 2023	
10.18	<a href="#">Securities Purchase Agreement dated February 12, 2025</a>	8-K	000-54577	10.1	February 20, 2025	
10.19	<a href="#">Senior Secured Note Due August 12, 2026</a>	8-K	000-54577	10.2	February 20, 2025	
10.20	<a href="#">Security Agreement dated February 12, 2025</a>	8-K	000-54577	10.3	February 20, 2025	
10.21	<a href="#">Intellectual Property Security Agreement dated February 12, 2025</a>	8-K	000-54577	10.4	February 20, 2025	
10.22	<a href="#">Securities Purchase Agreement dated October 6, 2025</a>	8-K	000-54577	10.1	October 10, 2025	
10.23	<a href="#">Senior Secured Note Due April 6, 2027</a>	8-K	000-54577	10.2	October 10, 2025	
10.24	<a href="#">Security Agreement dated October 6, 2025</a>	8-K	000-54577	10.3	October 10, 2025	
10.25	<a href="#">Intellectual Property Security Agreement dated October 6, 2025</a>	8-K	000-54577	10.4	October 10, 2025	
10.26	<a href="#">Agreement dated March 4, 2026</a>	8-K	000-54577	10.1	March 10, 2026	
10.27	<a href="#">Amended and Restated Senior Secured Convertible Note Due February 12, 2027</a>	8-K	000-54577	10.2	March 10, 2026	
10.28	<a href="#">Amended and Restated Senior Secured Convertible Note Due April 6, 2027</a>	8-K	000-54577	10.3	March 10, 2026	
10.29	<a href="#">Form of Senior Secured Convertible Note Due April 6, 2027</a>	8-K	000-54577	10.4	March 10, 2026	
19.1	<a href="#">Insider Trading Policy</a>					X
21.1	<a href="#">Subsidiaries</a>					X

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<u>Exhibit No.</u>	<u>Description of Exhibit</u>	<u>Form</u>	<u>File No.</u>	<u>Exhibit</u>	<u>Filing Date</u>	<u>Filed Herewith</u>
23.1	<a href="#">Consent of Haskell &amp; White LLP, Independent Registered Public Accounting Firm.</a>					X
31.1*	<a href="#">Certification of the Principal Executive Officer pursuant to Section 302(a) of the Sarbanes-Oxley Act of 2002.</a>					X
31.2*	<a href="#">Certification of the Principal Financial Officer pursuant to Section 302(a) of the Sarbanes-Oxley Act of 2002.</a>					X
32.1*	<a href="#">Certification of the Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>					X
32.2*	<a href="#">Certification of the Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>					X
101 INS*	Inline XBRL Instance Document**					X
101 SCH*	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents**					X
104**	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101 attachments)					X

\* Filed herewith.

† Indicates a management contract or compensatory plan or arrangement.

\*\* The XBRL related information in Exhibit 101 shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability of that section and shall not be incorporated by reference into any filing or other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing or document.

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) 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.

CV Sciences, Inc.  
(Registrant)

By /s/ Joseph D. Dowling  
Joseph D. Dowling  
Chief Executive Officer  
Dated March 26, 2026

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<b>Signature</b>	<b>Title</b>	<b>Date</b>
<u>/s/ Joseph D. Dowling</u> Joseph D. Dowling	Chief Executive Officer and Director (Principal Executive Officer)	March 26, 2026
<u>/s/ Joerg Grasser</u> Joerg Grasser	Chief Financial Officer (Principal Financial and Accounting Officer)	March 26, 2026
<u>/s/ Jamie Corroon</u> Jamie Corroon	Director	March 26, 2026
<u>/s/ Bill McCorkle</u> Bill McCorkle	Director	March 26, 2026

**CV Sciences, Inc.**  
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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Stockholders and Board of Directors  
CV Sciences, Inc.

***Opinion on the Consolidated Financial Statements***

We have audited the accompanying consolidated balance sheets of CV Sciences, Inc. (the “Company”) as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive income (loss), stockholders’ equity, and cash flows for each of the years then ended, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2025 and 2024, and the consolidated results of its operations and its cash flows for each of the years then ended, in conformity with accounting principles generally accepted in the United States of America.

***Substantial Doubt about the Company’s Ability to Continue as a Going Concern***

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As described in Note 2 to the consolidated financial statements, the Company has experienced recurring operating losses, negative cash flows from operations, and has limited liquid resources. These matters raise substantial doubt about the Company’s ability to continue as a going concern. Management’s plans in regard to these matters are also described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

***Basis for Opinion***

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM (CONTINUED)**

***Critical Audit Matter***

Critical audit matters are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there were no critical audit matters.

*/s/ Haskell & White LLP*

HASKELL & WHITE LLP

We have served as the Company's auditor since 2021.

Irvine, California  
March 26, 2026

**CV SCIENCES, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
(in thousands, except per share data)

	As of December 31,	
	2025	2024
<b>Assets</b>		
Current assets:		
Cash	\$ 278	\$ 454
Accounts receivable, net	402	522
Inventory	4,087	4,897
Prepaid expenses and other	366	370
<b>Total current assets</b>	<b>5,133</b>	<b>6,243</b>
Property and equipment, net	344	399
Right of use assets	347	94
Intangibles, net	76	93
Goodwill	1,015	971
Other assets	47	127
<b>Total assets</b>	<b>\$ 6,962</b>	<b>\$ 7,927</b>
<b>Liabilities and stockholders' equity</b>		
Current liabilities:		
Accounts payable	\$ 1,044	\$ 1,925
Accrued expenses	2,447	3,424
Current portion of operating lease liability	247	83
Current portion of long-term debt, net of discounts and issuance costs	1,262	677
<b>Total current liabilities</b>	<b>5,000</b>	<b>6,109</b>
Operating lease liability	100	19
Debt, net of discounts and issuance costs	387	—
Deferred tax liability	7	4
<b>Total liabilities</b>	<b>5,494</b>	<b>6,132</b>
Commitments and contingencies (Note 13)		
<b>Stockholders' equity</b>		
Preferred stock, par value \$0.0001; 10,000 shares authorized; 1 share issued as of December 31, 2025 and 2024; no shares outstanding as of December 31, 2025 and 2024	—	—
Common stock, par value \$0.0001; 790,000 shares authorized; 184,264 shares issued and outstanding as of December 31, 2025 and 2024	18	18
Additional paid-in capital	89,330	88,773
Accumulated deficit	(87,939)	(86,981)
Accumulated other comprehensive income (loss)	59	(15)
<b>Total stockholders' equity</b>	<b>1,468</b>	<b>1,795</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 6,962</b>	<b>\$ 7,927</b>

The accompanying notes are an integral part of these statements.

See Report of Independent Registered Public Accounting Firm.

**CV SCIENCES, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(in thousands, except per share data)

	<b>For the Years Ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
Product sales, net	\$ 13,789	\$ 15,705
Cost of goods sold	7,037	8,537
<b>Gross profit</b>	<b>6,752</b>	<b>7,168</b>
Operating expenses:		
Research and development	122	118
Selling, general and administrative	7,622	9,240
Benefit from reversal of accrued payroll taxes (Note 12)	(522)	—
Total operating expenses	7,222	9,358
<b>Operating loss</b>	<b>(470)</b>	<b>(2,190)</b>
Gain on extinguishment of debt	(38)	—
Interest expense, net	517	212
Loss before income taxes	(949)	(2,402)
Income tax expense (benefit)	9	(8)
<b>Net loss</b>	<b>\$ (958)</b>	<b>\$ (2,394)</b>
Weighted average common shares outstanding, basic and diluted	184,264	175,585
Net loss per common share, basic and diluted	\$ (0.01)	\$ (0.01)

The accompanying notes are an integral part of these statements.  
See Report of Independent Registered Public Accounting Firm.

**CV SCIENCES, INC.**  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)  
(in thousands)

	For the Years Ended December 31,	
	2025	2024
Net loss	\$ (958)	\$ (2,394)
Other comprehensive income (loss):		
Foreign currency translation adjustment	74	(25)
<b>Total comprehensive loss</b>	<u>\$ (884)</u>	<u>\$ (2,419)</u>

The accompanying notes are an integral part of these statements.  
See Report of Independent Registered Public Accounting Firm.

**CV SCIENCES, INC.**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
(in thousands)

<b>Common Stock</b>						
	<b>Shares</b>	<b>Amount</b>	<b>Additional Paid-In Capital</b>	<b>Accumulated Deficit</b>	<b>Accumulated Other Comprehensive Income</b>	<b>Total</b>
Balance - December 31, 2023	161,678	\$ 16	\$ 87,464	\$ (84,587)	\$ 10	\$ 2,903
Issuance of common stock for services	5,163	—	182	—	—	182
Issuance of common stock for acquisition	17,423	2	869	—	—	871
Stock-based compensation	—	—	258	—	—	258
Foreign currency translation adjustment	—	—	—	—	(25)	(25)
Net loss	—	—	—	(2,394)	—	(2,394)
Balance - December 31, 2024	184,264	18	88,773	(86,981)	(15)	1,795
Vesting of common stock for services	—	—	60	—	—	60
Stock-based compensation	—	—	497	—	—	497
Foreign currency translation adjustment	—	—	—	—	74	74
Net loss	—	—	—	(958)	—	(958)
Balance - December 31, 2025	<u>184,264</u>	<u>\$ 18</u>	<u>\$ 89,330</u>	<u>\$ (87,939)</u>	<u>\$ 59</u>	<u>\$ 1,468</u>

The accompanying notes are an integral part of these statements.

See Report of Independent Registered Public Accounting Firm.

**CV SCIENCES, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOW**  
(in thousands)

	For the years ended December 31,	
	2025	2024
<b>OPERATING ACTIVITIES</b>		
Net loss	\$ (958)	\$ (2,394)
Adjustments to reconcile net loss to net cash flows used in operating activities:		
Depreciation and amortization	192	334
Stock-based compensation	497	258
Amortization of debt discount	513	209
Amortization of right of use assets	238	122
Gain in fair value of contingent consideration liabilities	—	(188)
Gain on debt extinguishment	(38)	—
Benefit from reversal of accrued payroll tax (Note 12)	(522)	—
Deferred taxes	3	(15)
Other	138	355
Change in operating assets and liabilities:		
Accounts receivable, net	124	(84)
Inventory	827	803
Prepaid expenses and other	166	342
Accounts payable and accrued expenses	(1,342)	(467)
Operating lease liability	(245)	(136)
Net cash flows used in operating activities	(407)	(861)
<b>INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(109)	(18)
Acquisition of business, net of cash acquired	—	(10)
Net cash flows used in investing activities	(109)	(28)
<b>FINANCING ACTIVITIES</b>		
Proceeds from note payable	1,650	900
Debt issuance costs related to note payable	(90)	(5)
Repayment of note payable	(1,050)	(622)
Repayment of unsecured debt	(173)	(241)
Net cash flows provided by financing activities	337	32
Effect of exchange rate changes on cash	3	(6)
Net decrease in cash	(176)	(863)
Cash, beginning of year	454	1,317
Cash, end of year	<u>\$ 278</u>	<u>\$ 454</u>

The accompanying notes are an integral part of these statements.

See Report of Independent Registered Public Accounting Firm.

**CV SCIENCES, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOW**  
(in thousands)

	For the years ended December 31,	
	2025	2024
<b>Supplemental cash flow disclosures:</b>		
Interest paid	\$ 6	\$ 8
<b>Supplemental disclosure of non-cash transactions:</b>		
Purchase of insurance through issuance of note payable (Note 8)	\$ 160	\$ 177
Right of use asset financed by lease liabilities	\$ 486	\$ 49
Debt issuance cost for note payable	\$ (550)	\$ (284)
Services paid with common stock	\$ 60	\$ 182
Fair value of assets acquired, excluding cash	\$ —	\$ 414
Liabilities assumed	—	(73)
Goodwill on acquisition	—	640
Common stock consideration	—	(871)
Contingent consideration	—	(100)
Cash paid for acquisition	<u>\$ —</u>	<u>\$ 10</u>

The accompanying notes are an integral part of these statements.

See Report of Independent Registered Public Accounting Firm.

**CV SCIENCES, INC.**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**1. ORGANIZATION AND BUSINESS**

CV Sciences, Inc. (the “Company”) was incorporated under the name Foreclosure Solutions, Inc. in the State of Texas on December 9, 2010. On July 25, 2013, CannaVest Corp., a Texas corporation (“CannaVest Texas”), merged with the Company, a wholly-owned Delaware subsidiary of CannaVest Texas, to effectuate a change in the Company’s state of incorporation from Texas to Delaware. On January 4, 2016, the Company filed a Certificate of Amendment of Certificate of Incorporation reflecting its corporate name change to “CV Sciences, Inc.”, effective on January 5, 2016. In addition, on January 4, 2016, the Company amended its Bylaws to reflect its corporate name change to “CV Sciences, Inc.”

The Company develops, manufactures, markets and sells herbal supplements, hemp-based cannabidiol (“CBD”) and plant-based food products. The Company sells its products under tradenames, such as *+PlusCBD™*, *+PlusCBD™ Pet*, *+PlusHLTH™*, *Cultured Foods™*, and *Lunar Fox™*. The Company’s products are sold in a variety of market sectors including nutraceutical, beauty care and specialty foods. In addition, subject to available capital, the Company is developing drug candidates which use CBD as a primary active ingredient.

On December 7, 2023, the Company acquired Cultured Foods Sp. z.o.o., a limited liability company organized under the laws of Poland (“Cultured Foods”). Cultured Foods is a leading European manufacturer and distributor of plant-based protein products. The Company’s plant-based food products are sold under the Cultured Foods brand.

On May 13, 2024, the Company acquired Elevated Softgels LLC, a Delaware limited liability company (“Elevated Softgels”). Elevated Softgels is a manufacturer of encapsulated softgels and tinctures for the supplement and nutrition industry.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation** – The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”). On December 7, 2023, the Company acquired Cultured Foods. On May 13, 2024, the Company acquired Elevated Softgels. All intercompany accounts and transactions have been eliminated in consolidation.

**Use of Estimates** – The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts in the consolidated financial statements and accompanying notes. Actual results may differ from these estimates. Significant estimates include the valuation of intangible assets, inputs for valuing equity awards, and assumptions related to revenue recognition.

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no impact on net sales, operating loss, net loss or net loss per common share.

**Concentrations of Credit Risk** – As of December 31, 2025, the Federal Deposit Insurance Corporation (“FDIC”) provided insurance coverage of up to \$0.3 million per depositor per bank. The Company has not experienced any losses in such accounts and does not believe that the Company is exposed to significant risks from excess deposits. The Company’s cash balance in excess of FDIC limits is not material as of December 31, 2025. The Company has not experienced any such losses in these accounts to date, and believes that the financial institutions at which such amounts are held are stable; however, no assurance can be provided.

The Company sources its raw materials from suppliers in Europe and the U.S. One provider of legal services accounted for 41% and 28% of our outstanding accounts payable as of December 31, 2025 and 2024, respectively. In addition, one supplier of shipping and fulfillment services and one contract manufacturer accounted for 16% each of our outstanding accounts payable as of December 31, 2025. There was no other concentration of suppliers and no concentration of accounts receivable or revenue as of and for the years ended December 31, 2025 and 2024.

**Fair Value Measurements** – Fair value is defined as the price that would be received from the sale of 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

**CV SCIENCES, INC.**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

transaction between market participants on the measurement date. The carrying values of accounts receivable, other current assets, accounts payable, and certain accrued expenses as of December 31, 2025 and 2024, approximate their fair value due to the short-term nature of these items. The Company's debt balance also approximates fair value as of December 31, 2025 and 2024, as the interest rates on the debt approximates the rates available to the Company as of this date. The accounting guidance establishes a three-level hierarchy for disclosure that is based on the extent and level of judgment used to estimate the fair value of assets and liabilities.

- Level 1 - uses unadjusted quoted prices that are available in active markets for identical assets or liabilities. The Company does not have any cash equivalents or restricted cash as of December 31, 2025 and 2024. The Company does not have any liabilities that are valued using inputs identified under a Level 1 hierarchy as of December 31, 2025 and 2024.
- Level 2 - uses inputs other than quoted prices included in Level 1 that are either directly or indirectly observable through correlation with market data. These include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and inputs to valuation models or other pricing methodologies that do not require significant judgment because the inputs used in the model, such as interest rates and volatility, can be corroborated by readily observable market data. The Company did not have any assets or liabilities that are valued using inputs identified under a Level 2 hierarchy as of December 31, 2025 and 2024.
- Level 3 - uses one or more significant inputs that are unobservable and supported by little or no market activity, and that reflect the use of significant management judgment. Level 3 assets and liabilities include those whose fair value measurements are determined using pricing models, discounted cash flow methodologies or similar valuation techniques, and significant management judgment or estimation. Except as described below under the caption Goodwill and Intangible Assets, the Company did not have any assets or liabilities that are valued using inputs identified under a Level 3 hierarchy as of December 31, 2025 and 2024.

**Liquidity Considerations** – U.S. GAAP requires management to assess a company's ability to continue as a going concern within one year from the consolidated financial statement issuance and to provide related note disclosure in certain circumstances. The accompanying consolidated financial statements and notes have been prepared assuming the Company will continue as a going concern. For the year ended December 31, 2025, the Company generated negative cash flows from operations of \$0.4 million and had an accumulated deficit of \$87.9 million as of December 31, 2025. Management anticipates that the Company will be dependent, for the near future, on additional investment capital to fund operations, growth initiatives, and will continue to make and implement strategic cost reductions, including reductions in employee headcount, vendor spending, and curtailing expenses related to its drug development activities. The Company intends to position itself so that it will be able to raise additional funds through the capital markets, issuance of debt, and/or securing lines of credit.

In October 2025, the Company entered into a securities purchase agreement with an institutional investor (the "investor"), pursuant to which the Company issued and sold to the Investor a secured promissory note and received net proceeds of \$0.3 million. For more information refer to Note 8.

In November 2025, Congress passed, and the President signed into law, a government funding bill that includes provisions affecting hemp-derived products. The legislation provides that, effective November 13, 2026, the sale of hemp-derived products containing more than 0.4 milligrams of total tetrahydrocannabinol ("THC") per container will be prohibited under federal law. Products containing less than this amount may continue to be sold, but such products currently represent a small portion of the overall hemp-derived product market.

The Company is evaluating the potential impact of this legislation on its product portfolio, supply chain, and future operating results. The Company has until November 13, 2026 to assess and, if necessary, modify its product formulations, labeling, and related compliance measures in response to this legislation. While management cannot reasonably estimate the financial effect of this legislation at this time, it could have a material adverse impact on the Company's business, results of operations, and cash flows.

The Company's financial operating results and accumulated deficit, besides other factors, raise substantial doubt about the Company's ability to continue as a going concern. The Company will continue to pursue the actions outlined above,

CV SCIENCES, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as well as work towards increasing revenue and operating cash flows to meet its future liquidity requirements. However, there can be no assurance that the Company will be successful in any capital-raising efforts that it may undertake, and the failure of the Company to raise additional capital could adversely affect its future operations and viability.

**Debt Discounts and Issuance Costs** – The Company presents its debt issuance costs and debt discounts as a direct deduction from the carrying amount of the related indebtedness on its consolidated balance sheet and amortizes these costs over the term of the related debt liability using the effective interest method. Amortization is recorded in interest expense in the consolidated statements of operations.

**Accounts Receivable** – Generally, the Company requires payment prior to shipment. However, in certain circumstances, the Company extends credit to companies located throughout the U.S. Accounts receivable consist of trade accounts arising in the normal course of business. Accounts for which no payments have been received after 30 days are considered delinquent and customary collection efforts are initiated. Accounts receivable are carried at original invoice amount less a reserve made for doubtful receivables based on a review of all outstanding amounts on a quarterly basis.

Management has determined the allowance for credit losses by regularly evaluating individual customer receivables and considering a customer's financial condition and credit history, and current economic conditions. The allowance for credit losses as of December 31, 2025 and 2024 was not material.

**Inventory** – Inventory is stated at lower of cost or net realizable value, with cost being determined on an average cost basis. Cost includes costs directly related to manufacturing and distribution of the products. Primary costs include raw materials, packaging, manufacturing overhead, shipping and depreciation of manufacturing equipment and production facilities. Manufacturing overhead includes payroll, employee benefits, utilities, maintenance and property taxes. Total shipping and handling costs were \$1.2 million and \$1.7 million for the years ended December 31, 2025 and 2024, respectively, and are recorded in cost of goods sold.

The Company performs an assessment of inventory obsolescence to measure inventory at the lower of cost or net realizable value. Factors considered in the determination of obsolescence include slow-moving or non-marketable items.

The Company's inventory production process includes the processing and cultivation of botanical raw material. Because of the duration of the cultivation process, a portion of our inventory will not be sold within one year. Consistent with the practice in other industries that cultivate botanical raw materials, all inventory is classified as a current asset.

**Property & Equipment** – Equipment is stated at cost less accumulated depreciation. Cost represents the purchase price of the asset and other costs incurred to bring the asset into its existing use. Depreciation is provided on a straight-line basis over the assets' estimated useful lives. Maintenance or repairs are charged to expense as incurred. Upon sale or disposition, the historically-recorded asset cost and accumulated depreciation are removed from the respective accounts and any related gain or loss is recognized.

**Impairment of Long-Lived Assets** – In accordance with ASC Topic 360, *Accounting for the Impairment or Disposal of Long-Lived Assets*, the Company reviews property and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of property and equipment is measured by comparing its carrying value to the undiscounted projected future cash flows that the assets are expected to generate. If the carrying amount of an asset is not recoverable, the Company recognizes an impairment loss based on the excess of the carrying amount of the long-lived asset over its respective fair value, which is generally determined as the present value of estimated future cash flows or at the appraised value. The impairment analysis is based on significant assumptions of future results made by management, including revenue and cash flow projections. Circumstances that may lead to impairment of property and equipment include a significant decrease in the market price of a long-lived asset, a significant adverse change in the extent or manner in which a long-lived asset is being used or in its physical condition and a significant adverse change in legal factors or in the business climate that could

CV SCIENCES, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

affect the value of a long-lived asset including an adverse action or assessment by a regulator. As of December 31, 2025 and 2024, the Company determined that long-lived assets were not impaired.

**Segments** – Operating segments are defined as components of an entity for which discrete financial information is available that is regularly reviewed by the Chief Operating Decision Maker (“CODM”), who is its Chief Executive Officer, in deciding how to allocate resources and in assessing performance. As such, the Company has one operating segment, which is the business of hemp-based CBD wellness products. The majority of the Company’s long-lived assets are located in the United States and substantially all revenue is attributed to customers and consumers based in the United States.

**Goodwill and Intangible Assets** – The Company evaluates the carrying value of goodwill and intangible assets annually during the fourth quarter in accordance with ASC Topic 350, *Intangibles Goodwill and Other*, and between annual evaluations if events occur or circumstances change that would more likely than not reduce the fair value of the reporting unit below its carrying amount. Such circumstances could include, but are not limited to (1) a significant adverse change in legal factors or in business climate, (2) unanticipated competition, (3) an adverse action or assessment by a regulator, (4) declining net sales, or (5) significant increase in costs.

Goodwill is evaluated for impairment by first performing a qualitative assessment to determine whether a quantitative goodwill test is necessary. The Company has determined that it operates as a single operating segment and, accordingly, has one reporting unit for purposes of goodwill impairment testing. If it is determined, based on qualitative factors, that the fair value of the reporting unit may more likely than not be less than carrying amount, or if significant adverse changes in the Company’s future financial performance occur that could materially impact fair value, a quantitative goodwill impairment test would be required. Additionally, management can elect to forgo the qualitative assessment and perform the quantitative test. If the qualitative assessment indicates that the quantitative analysis should be performed, or if management elects to bypass a qualitative assessment, the Company then evaluates goodwill for impairment by comparing the fair value of the reporting unit to its carrying amount, including goodwill. The quantitative assessment for goodwill requires management to estimate the fair value of the Company’s reporting units using either an income or market approach or a combination thereof.

Management makes critical assumptions and estimates in completing impairment assessments of goodwill and other intangible assets. The Company’s cash flow projections look several years into the future and include assumptions on variables such as future sales and operating margin growth rates, economic conditions, probability of success, market competition, inflation and discount rates.

During the fourth quarter of 2025 and 2024, the Company performed its annual goodwill impairment analysis following the steps laid out in ASC 350-20-35-3C. The Company’s annual impairment analysis includes a qualitative assessment to determine if it is necessary to perform the quantitative impairment test. In performing a qualitative assessment, the Company reviewed events and circumstances that could affect the significant inputs used to determine if the fair value is less than the carrying value of goodwill. The Company determined that there were certain triggering events, including sales declines, macroeconomic headwinds, regulatory headwinds and liquidity concerns. However, the fair value of the reporting unit was higher than its carrying amount. As a result, the Company did not record any goodwill impairment charge for the year ended December 31, 2025. The Company also did not record any goodwill impairment charge for the year ended December 31, 2024.

The Company classifies intangible assets into three categories: (1) intangible assets with definite lives subject to amortization; (2) intangible assets with indefinite lives not subject to amortization; and (3) goodwill. The Company has definite life intangible assets consisting of trademarks and customer relationships acquired from Cultured Foods and customer relationships acquired from Elevated Softgels.

The Company reviews intangible assets that have definite lives whenever an event or change in circumstances indicate that the carrying value of the asset may not be recoverable. The Company did not identify any triggering event during the year ended December 31, 2025 and 2024. As such, no intangible asset impairment charge was recorded during the years ended December 31, 2025 and 2024.

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**Revenue Recognition** – The majority of the Company's revenue contracts represent a single performance obligation related to the fulfillment of customer orders for the purchase of its products. Net sales reflect the transaction prices for these contracts based on the Company's selling list price, which is then reduced by estimated costs for trade promotional programs, consumer incentives, and allowances and discounts used to incentivize sales growth and build brand awareness. The Company recognizes revenue at the point in time that control of the ordered product is transferred to the customer, which is typically upon shipment to the customer or other customer-designated delivery point. The Company accrues for estimated sales returns by customers based on historical sales return results. The computation of the sales return and other allowances require that management makes certain estimates and assumptions that effect the timing and amounts of revenue and liabilities recorded. Shipping and handling fees charged to customers was not material for the years ended December 31, 2025 and 2024. Taxes collected from customers that are remitted to governmental agencies are accounted for on a net basis and not included as revenue.

The following represents product sales by retail (B2B) and e-commerce (B2C) channels for the years ended December 31, 2025 and 2024:

	For the years ended December 31,		2024	
	2025	% of product sales, net	2024	% of product sales, net
	Amount (in thousands)		Amount (in thousands)	
Retail sales (B2B)	\$ 7,741	56.1 %	\$ 8,768	55.8 %
E-Commerce sales (B2C)	6,048	43.9 %	6,937	44.2 %
Product sales, net	<u>\$ 13,789</u>	<u>100.0 %</u>	<u>\$ 15,705</u>	<u>100.0 %</u>

**Compensation and Benefits** – The Company records compensation and benefits expense for all cash and deferred compensation, benefits, and related taxes as earned by its employees. Compensation and benefits expense also includes compensation earned by temporary employees and contractors who perform similar services to those performed by the Company's employees, primarily information technology and project management activities. The Company maintains a defined contribution 401(k) plan available to eligible employees. Employee contributions are voluntary and are determined on an individual basis, limited to the maximum amount allowable under federal tax regulations. The Company does not make matching contributions.

**Research and Development Expense** – Research and development costs are charged to expense as incurred and include, but are not limited to, employee salaries and benefits, cost of inventory used in product development and consulting service fees. Research and development expense was \$0.1 million for the years ended December 31, 2025 and 2024, respectively.

**Advertising** – The Company supports its products with advertising to build brand awareness of the Company's various products in addition to other marketing programs executed by the Company's marketing team. The Company believes the continual investment in advertising is critical to the development and sale of its products. Advertising costs of \$0.1 million and \$0.5 million were expensed as incurred during each of the years ended December 31, 2025 and 2024, respectively.

**Common Stock Warrants** - The Company classifies as equity any warrants that (i) require physical settlement or net-share settlement or (ii) provide the Company with a choice of net-cash settlement or settlement in its own shares (physical settlement or net-share settlement). The Company assesses classification of its common stock warrants and other freestanding derivatives at each reporting date to determine whether a change in classification between assets and liabilities is required. The Company's freestanding derivatives consist of warrants to purchase common stock that were issued in connection with its convertible preferred stock. The Company evaluated these warrants to assess their proper classification, and determined that the common stock warrants meet the criteria for equity classification in the accompanying consolidated balance sheets.

**Stock-Based Compensation** – Certain employees, officers, directors, and consultants of the Company participate in various long-term incentive plans that provide for granting stock options, restricted stock awards, restricted stock

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units, stock bonus awards and performance-based awards. Stock options generally vest in equal increments over a two- to four-year period and expire on the tenth anniversary following the date of grant. Performance-based stock options vest once the applicable performance condition is probable of being satisfied.

The Company recognizes stock-based compensation for equity awards granted to employees, officers and directors as compensation and benefits expense in the statements of operations. The fair value of stock options is estimated using a Black-Scholes valuation model on the date of grant. The fair value of restricted stock awards is equal to the closing price of the Company's stock on the date of grant. Stock-based compensation is recognized over the requisite service period of the individual awards, which generally equals the vesting period. For performance-based stock options, compensation is recognized once the applicable performance condition is satisfied.

**Income Taxes** – Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which the related temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized when the rate change is enacted. Valuation allowances are recorded to reduce deferred tax assets to the amount that will more likely than not be realized. In accordance with ASC Topic 740, *Income Taxes*, the Company recognizes the effect of uncertain income tax positions only if the positions are more likely than not of being sustained in an audit, based on the technical merits of the position. Recognized uncertain income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which those changes in judgment occur. The Company recognizes both interest and penalties related to uncertain tax positions as part of the income tax provision. As of December 31, 2025 and 2024, the Company did not have a liability for unrecognized tax uncertainties. The Company is subject to routine audits by taxing jurisdictions.

**Foreign Currency** – The Company translates the assets and liabilities of its foreign subsidiary into U.S. Dollars at current rates of exchange in effect at the end of the reporting period. Income and expense items are translated at rates that approximate the rates in effect at the transaction date. Gains and losses from translation are included in accumulated other comprehensive income or loss. Gains or losses resulting from foreign currency transactions during the years ended December 31, 2025 and 2024 (transactions denominated in a currency other than the entity's functional currency) are included as other income in the Company's consolidated statements of operations.

**Recent Accounting Pronouncements Not Yet Adopted**

In October 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-06, "Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative" ("ASU 2023-06"). ASU 2023-06 incorporates certain SEC disclosure requirements into the FASB Accounting Standards Codification ("ASC"). The amendments in ASU 2023-06 are expected to clarify or improve disclosure and presentation requirements of a variety of ASC Topics, allow users to more easily compare entities subject to the SEC's existing disclosures with those entities that were not previously subject to the requirements, and align the requirements in the ASC with the SEC's regulations. ASU 2023-06 has an unusual effective date and transition requirements since it is contingent on future SEC rule setting. If the SEC fails to enact required changes by June 30, 2027, this ASU is not effective for any entities. Early adoption is not permitted.

In November 2024, FASB issued ASU 2024-03, "Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses" ("ASU 2024-03"). Under ASU 2024-03, a public entity would be required to disclose information about purchases of inventory, employee compensation, depreciation, intangible asset amortization, and depletion for each income statement line item that contains those expenses. Entities would also have to disclose other specific expenses, gains, or losses that are already required to be disclosed under GAAP in this same disclosure, a qualitative description of the amounts remaining that are not separately disaggregated quantitatively, and the total amount of selling expenses, as well as an entity's definition of selling expenses. ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. ASU 2024-03 allows for early adoption and requires either prospective adoption to financial statements issued for reporting periods after the effective

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date of ASU 2024-03 or retrospectively to any or all prior periods presented in the financial statements. The Company is currently evaluating the impact that the adoption of this standard will have on its consolidated financial statements.

In May 2025, the FASB issued ASU 2025-03, “Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity” (“ASU 2025-03”), which revises the guidance in ASC 805 on identifying the accounting acquirer in a business combination in which the legal acquiree is a variable interest entity (“VIE”). ASU 2025-03 is intended to improve comparability between business combinations that involve VIEs and those that do not. Under ASU 2025-03, a reporting entity involved in a business combination effected primarily by the exchange of equity interests must consider the factors in ASC 805-10-55-12 through 55-15 to determine which entity is the accounting acquirer regardless of whether the legal acquiree is a VIE. More specifically, when considering those factors, the reporting entity can determine that a transaction in which the legal acquiree is a VIE represents a reverse acquisition (in which the legal acquirer is identified as the acquiree for accounting purposes). As a result, comparability is increased with business combinations in which the legal acquiree is a VIE. ASU 2025-03 is effective for fiscal years beginning after December 15, 2026, including interim periods within those fiscal years. Early adoption is permitted. The amendments in ASU 2025-03 must be applied prospectively to any business combination that occurs after the initial adoption date. The Company is currently evaluating the effects this adoption will have on its consolidated financial statements.

In May 2025 the FASB issued ASU 2025-04, “Clarifications to Share-Based Consideration Payable to a Customer” (“ASU 2025-04”), which clarifies the guidance on the accounting for share-based payment awards that are granted by an entity as consideration payable to its customer, with the intent to reduce diversity in practice and improve existing guidance by revising the definition of a “performance condition” and eliminating a forfeiture policy election for service conditions associated with share-based consideration payable to a customer. ASU 2025-04 also clarifies that the guidance in Topic 606 on the variable consideration constraint does not apply to share-based consideration payable to a customer “regardless of whether an award’s grant date has occurred.” ASU 2025-04 is effective for fiscal years beginning after December 15, 2026 with updates to be applied on a retrospective or modified retrospective basis. Early adoption is permitted. The Company is currently evaluating the effects this adoption will have on its consolidated financial statements.

***Recently Adopted Accounting Standards***

In December 2023, the FASB issued ASU 2023-09, “Income Taxes (Topic 740): Improvements to Income Taxes Disclosures” (“ASU 2023-09”), which requires greater disaggregation of income tax disclosures. The new standard requires additional information to be disclosed with respect to the income tax rate reconciliation and income taxes paid disaggregated by jurisdiction. ASU 2023-09 should be applied prospectively for fiscal years beginning after December 15, 2024, with retrospective application permitted. The Company discloses its income tax rate reconciliation in its annual consolidated financial statements only. The Company adopted this ASU on January 1, 2025, and the impact of the adoption was enhanced disclosures in Note 15.

In March 2024, the FASB issued ASU 2024-02, “Codification Improvements – Amendments to Remove References to the Concepts Statements” (“ASU 2024-02”). The amendments in ASU 2024-02 are effective for public business entities for fiscal years beginning after December 15, 2024. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2025. Early application of the amendments in this update is permitted for all entities, for any fiscal year or interim period for which financial statements have not yet been issued (or made available for issuance). If an entity adopts the amendments in an interim period, it must adopt them as of the beginning of the fiscal year that includes that interim period. The adoption of this guidance did not have a material impact on the Company’s consolidated financial statements.

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**3. INVENTORY**

Inventory as of December 31, 2025 and 2024 was comprised of the following (in thousands):

	December 31,	
	2025	2024
Raw materials	\$ 2,598	\$ 2,581
Work in process	387	649
Finished goods	1,102	1,667
	<u>\$ 4,087</u>	<u>\$ 4,897</u>

Additions to the inventory provision for the years ended December 31, 2025 and 2024 were not material. The Company had inventory outside the United States of \$0.1 million as of December 31, 2025 and 2024.

**4. PROPERTY AND EQUIPMENT**

Property and equipment, net, as of December 31, 2025 and 2024 were as follows (in thousands):

	Useful Lives	December 31,	
		2025	2024
Office furniture and IT equipment	3 - 5 years	\$ 1,393	\$ 1,393
Tenant improvements	*	78	78
Machinery and equipment	7 years	396	283
Construction in progress		9	10
		1,876	1,764
Less: accumulated depreciation		(1,535)	(1,364)
Translation adjustment		3	(1)
		<u>\$ 344</u>	<u>\$ 399</u>

\* Tenant improvements are amortized over the lesser of the remaining term of the related lease or the estimated useful life of the tenant improvements.

Depreciation expense for the years ended December 31, 2025 and 2024 was \$0.2 million and \$0.3 million, respectively.

**5. ACQUISITIONS*****Cultured Foods***

On December 7, 2023, the Company acquired all issued and outstanding equity interests of Cultured Foods. Cultured Foods manufactures and distributes plant-based food products. Cultured Foods is based in Poland. This acquisition provided the Company with growth opportunities in both plant-based food products and distribution of supplements products into Europe.

Included in the purchase agreement was an earn-out provision whereby the Company agreed to pay the Cultured Foods selling shareholder additional consideration contingent on achievement of certain annual revenue results of Cultured Foods in 2024. During the year ended December 31, 2024, the Company adjusted its previously recorded accrual of \$88,000 for the earn-out provision, as the revenues of Cultured Foods did not trigger any earn-out payments. The potential earn-out was originally recorded as additional goodwill. During the year ended December 31, 2024, the Company recorded the change in fair value of the earn-out subsequent to the acquisition date of \$88,000 in selling, general and administrative expense. The valuation and purchase price allocation for the Cultured Foods acquisition was finalized during the year ended December 31, 2024.

***Elevated Softgels***

On May 13, 2024, the Company acquired all the issued and outstanding membership interests in Elevated Softgels. Elevated Softgels manufactures encapsulated softgels and tinctures for the supplement and nutrition industry. Elevated

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Softgels is based in Grand Junction, Colorado. This acquisition creates opportunity to further increase the Company's sales to current and new clients. In addition, the Company intends to in-source production of certain key products.

The acquisition closed on May 13, 2024 and, accordingly, the consolidated statements of operations and comprehensive income (loss) included Elevated Softgels' results of operations for the period from May 13, 2024 through December 31, 2024. As a result of the business combination, acquisition costs of \$13,704 were expensed as incurred during the year ended December 31, 2024.

The following table outlines the total consideration transferred as of the acquisition date (in thousands):

Cash	\$	41
Common shares		871
Earn-out		100
Total consideration transferred	\$	<u>1,012</u>

The following table summarizes the assets and liabilities assumed as of the acquisition date, updated for certain measurement adjustments (in thousands):

Cash	\$	31
Inventories		49
Intangible assets		38
Other non-current assets		11
Fixed assets		316
Goodwill		640
Total assets		1,085
Accounts payable and accrued liabilities		73
Total liabilities		73
Net assets acquired	\$	<u>1,012</u>

The fair value of acquired intangible assets were determined using a forecasted cash flow approach. Acquired intangible assets consists of customer relationships. The Company assigned a 5-year useful life to the acquired intangible assets. The Company determined that Elevated Softgels carrying costs approximates fair value for all other acquired assets and assumed liabilities.

Included in the purchase agreement is an earn-out provision whereby the Company agreed to pay the Elevated Softgels' selling equity holders additional consideration contingent on achievement of certain net revenue of Elevated Softgels for the 12-months period starting on May 13, 2024. During the year ended December 31, 2024, the Company adjusted its previously recorded accrual of \$100,000 for the earn-out provision, as the revenue of Elevated Softgels are expected to be insufficient to trigger any earn-out payments. The potential earn-out was originally recorded as additional goodwill. During the year ended December 31, 2024, the Company recorded the change in fair value of the earn-out subsequent to the acquisition date of \$100,000 in selling, general and administrative expense. In addition, during the year ended December 31, 2024, the Company adjusted certain estimated fair values of acquired assets and assumed liabilities through goodwill. The valuation and purchase price allocation for the Elevated Softgels acquisition has been finalized.

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**6. GOODWILL AND INTANGIBLE ASSETS****Goodwill**

The following table summarizes the changes in the carrying amounts of goodwill (in thousands):

	<b>Carrying Amount</b>
Balance - December 31, 2023:	\$ 342
Acquisition of Elevated Softgels	640
Translation adjustment	(11)
Balance - December 31, 2024:	971
Translation adjustment	44
Balance - December 31, 2025:	<u>\$ 1,015</u>

As of December 31, 2025, the Company performed its annual goodwill impairment analysis following the steps laid out in ASC 350-20-35-3C. The Company's annual impairment analysis included a qualitative assessment to determine if it was necessary to perform the quantitative impairment test. The Company determined that there were certain triggering events, including sales declines, macroeconomic headwinds, regulatory headwinds and liquidity concerns. However, the fair value of the reporting unit was higher than its carrying amount. As a result, the Company did not record any goodwill impairment charge for the year ended December 31, 2025. The Company also did not record any goodwill impairment charge for the year ended December 31, 2024.

**Intangible Assets**

The following table summarizes the intangible assets and the related accumulated amortization (in thousands):

	<b>December 31, 2025</b>		<b>December 31, 2024</b>	
Gross carrying amount	\$	116	\$	116
Accumulated amortization		(46)		(22)
Translation adjustment		6		(1)
Net carrying amount	<u>\$</u>	<u>76</u>	<u>\$</u>	<u>93</u>

Changes in the carrying amounts of intangible assets are summarized below (in thousands):

	<b>Trade names</b>		<b>Customer relationships</b>		<b>Total</b>	
Balance - December 31, 2023:	\$	52	\$	26	\$	78
Acquisition of Elevated Softgels		—		38		38
Amortization		(11)		(10)		(21)
Translation adjustments		(1)		(1)		(2)
Balance - December 31, 2024:		40		53		93
Amortization		(11)		(13)		(24)
Translation adjustments		5		2		7
Balance - December 31, 2025:	<u>\$</u>	<u>34</u>	<u>\$</u>	<u>42</u>	<u>\$</u>	<u>76</u>

The Company did not incur costs to renew or extend the term of acquired intangible assets for the years ended December 31, 2025 and 2024. The estimated amortization expense for the Company's intangible assets is not significant in any future individual fiscal year.

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**7. ACCRUED EXPENSES**

Accrued expenses as of December 31, 2025 and 2024 were as follows (in thousands):

	December 31,	
	2025	2024
Accrued payroll tax - Mona (Note 12)	\$ —	\$ 522
Accrued payroll expenses	1,365	1,479
Other accrued liabilities	1,082	1,423
	<u>\$ 2,447</u>	<u>\$ 3,424</u>

**8. DEBT**

Debt as of December 31, 2025 and 2024 was as follows (in thousands):

	December 31,	
	2025	2024
Note payable, net of discount and costs	\$ 1,524	\$ 538
Insurance financing	125	139
	1,649	677
Less: Current portion of debt	(1,262)	(677)
Long-term portion of debt	<u>\$ 387</u>	<u>\$ —</u>

Principal payments on the debt are as follows (in thousands):

Year	December 31, 2025
2026	\$ 1,262
2027	387
Total principal payments	<u>\$ 1,649</u>

**Note Payable**

*Note Payable*

In February 2025, the Company entered into a securities purchase agreement with an institutional investor (the "Investor"), pursuant to which the Company issued and sold to the Investor a secured promissory note in the original principal amount of \$1,600,000 (the "Note"). The Note carries an original issuance discount of \$400,000 and the Company agreed to pay \$10,000 to the Investor to cover legal fees. The Company incurred additional legal and professional fees of \$72,424. The original issuance discount was deducted from the proceeds of the Note received by the Company which resulted in a purchase price received by the Company of \$1,200,000.

The Note was due and payable on August 12, 2026 and the Company was required to make monthly repayments to the Investor of \$106,667 starting on June 12, 2025.

In September 2025, the Company entered into an agreement (the "Agreement") with the Investor. The Agreement amended the Note among other things: (a) to provide for a new maturity date of February 12, 2027, (b) to provide that the monthly redemption amount consists of (i) \$106,667 of the outstanding principal amount of the Note on each of the first 3 monthly redemption dates, (ii) \$0 of the outstanding principal amount of the Note on each of the next 6 monthly redemption dates, and (iii) \$106,667 of the outstanding principal amount of the Note on each of the subsequent 12 monthly redemption dates, and (c) to provide the Investor \$150,000 in cash.

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The Company can pay all or any portion of the outstanding balance earlier than it is due without penalty. In the event the Company repaid the Note in full on or before August 12, 2025, the Company would have received a \$100,000 discount from the outstanding balance. The Note is secured by all of the Company's assets pursuant to a security agreement and intellectual property security agreement entered into with the Investor on February 12, 2025. The Company's obligations under the Note are guaranteed by each of the Company's subsidiaries.

No interest will accrue on the Note unless and until an occurrence of an event of default, as defined in the Note. The Note provides for customary events of default (an "Event of Default"), including, among other things, the nonpayment when due of principal, interest, fees or other amounts, a representation or warranty proving to have been incorrect when made, failure to perform or observe covenants within a specified cure period, a cross-default to certain other indebtedness and material agreements of the Company, and the occurrence of a bankruptcy, insolvency or similar event affecting the Company. Upon the occurrence of certain significant Events of Default as specified in the Note, the Investor may increase the outstanding balance of the Note by 20%, and upon the occurrence of certain Events of Default, the Investor may increase the outstanding balance of the Note by 5%. Upon the occurrence of an Event of Default, the Investor may declare all amounts owed under the Note immediately due and payable. In addition, upon the occurrence of an Event of Default, interest shall begin accruing on the outstanding balance of the Note from the date of the Event of Default equal to the lesser of 18% per annum and the maximum rate allowable under law.

In October 2025, the Company entered into a securities purchase agreement with the Investor, pursuant to which the Company issued and sold to the Investor a secured promissory note in the original principal amount of \$600,000 (the "New Note"). The New Note carries an original issuance discount of \$150,000 and the Company paid \$13,125 to the Investor to cover legal and other fees. The original issuance discount for the New Note and modification fees related to the Note were deducted from the proceeds of the New Note received by the Company which resulted in a purchase price received by the Company of \$300,000.

The New Note is due and payable on April 6, 2027 and the Company is required to make monthly repayments to the Investor of \$46,154 starting on April 6, 2026. The Company can pay all or any portion of the outstanding balance earlier than it is due without penalty. In the event the Company repays the New Note in full on or before April 6, 2026, the Company will receive an 8% discount from the outstanding balance. The New Note is secured by all of the Company's assets pursuant to a security agreement and intellectual property security agreement entered into with the Investor in October 2025. The Company's obligations under the New Note are guaranteed by each of the Company's subsidiaries. No interest will accrue on the New Note unless and until an occurrence of an event of default, as defined in the New Note.

In March 2026, the Company amended its existing promissory notes - see Note 17, Subsequent Events, for a discussion of certain amendments to the Note and the New Note.

*Streeterville Note*

In July 2024, the Company entered into a note purchase agreement with Streeterville, pursuant to which the Company issued and sold to Streeterville a Secured Promissory Note (the "Streeterville Note") in the original principal amount of \$1.2 million. The Streeterville Note carried an original issuance discount of \$283,500. The Company incurred additional debt issuance costs of \$5,000. As a result, the Company received aggregate net proceeds of approximately \$0.9 million in connection with the sale and issuance of the Streeterville Note. The Streeterville Note was to mature on July 3, 2025 and the Company was required to make weekly repayments to Streeterville on the note in the amount of \$22,856 until the Streeterville Note was paid in full. The Company was able to pay all or any portion of the outstanding balance earlier than it is due without penalty. In the event the Company repaid the Streeterville Note in full on or before December 31, 2024, the Company would have received a \$75,000 discount from the outstanding balance.

No interest was to accrue on the Streeterville Note until an occurrence of an Event of Default, as defined in Section 4 of the Streeterville Note, if ever. The Streeterville Note provided for customary events of default, including, among other things, the event of nonpayment of principal, interest, fees or other amounts, a representation or warranty proving to have been incorrect when made, failure to perform or observe covenants within a specified period of time, a cross-default to certain other indebtedness of the Company, the bankruptcy or insolvency of the Company or any significant

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subsidiary, monetary judgment defaults of a specified amount and other defaults resulting in liability of a specified amount. In the event of an occurrence of an Event of Default by the Company, Streeterville could have declared all amounts owed under the Streeterville Note immediately due and payable. Also, a late fee and interest penalty of equal to either 22% per annum or the maximum rate allowable under law, whichever is lesser, could have been applied to any outstanding amount not paid when due or that remained outstanding while an Event of Default exists. The Streeterville Note was secured by all of the Company's assets as set forth in the Security Agreement dated July 3, 2024.

The Company made principal payments to Streeterville of \$0.6 million during the year ended December 31, 2025. The Company repaid the outstanding Streeterville Note prior to its maturity date and recognized a gain on extinguishment of note of \$37,500. As a result, the Streeterville Note has been fully repaid and satisfied as of December 31, 2025, and the Company's obligations thereunder, were cancelled and terminated.

***Insurance Financing***

In October 2025, the Company entered into a finance agreement with First Insurance Funding ("First Insurance") in order to fund a portion of its insurance policies for the upcoming policy year. The amount financed was \$0.2 million and incurs interest at a rate of 7.72% per annum. The Company is required to make monthly payments of \$18,299 from November 2025 through July 2026. The outstanding balance as of December 31, 2025 is \$0.1 million.

In October 2024, the Company entered into a finance agreement with First Insurance in order to fund a portion of its insurance policies for the most recent policy year. The amount financed was \$0.2 million, which incurred interest at a rate of 8.42% per annum. The Company was required to make monthly payments of \$20,396 from November 2024 through July 2025. The Company had an outstanding balance of \$0.1 million as of December 31, 2024. There was no outstanding balance as of December 31, 2025.

**9. STOCKHOLDERS EQUITY**

***Common Stock***

As of December 31, 2025 and 2024, the Company had 184,264,000 shares of common stock issued and outstanding.

During the year ended December 31, 2022, the Company issued 5,496,000 shares of common stock to a vendor as compensation for \$0.4 million of services provided to the Company. In accordance with the agreement, the Company issued 1,549,410 additional shares of common stock to the vendor during the year ended December 31, 2024.

During the year ended December 31, 2024, the Company issued 3,613,013 shares of common stock to another vendor as compensation for strategic advisory services provided to the Company. In accordance with the agreement, the issued shares vested over a six month period from the date of the agreement.

***Warrants***

The following represents a summary of the warrants outstanding as of December 31, 2025 and 2024:

Issue Date	Classification	Exercise Price	Expiration Date	Number of Shares Underlying Warrants	
				December 31, 2025	December 31, 2024
March 30, 2022	Equity	\$ 0.1000	June 6, 2025	—	10,000,000
March 30, 2022	Equity	\$ 0.0875	June 6, 2025	—	750,000
				—	10,750,000

During the year ended December 31, 2025, the Company cancelled 10,750,000 warrants with an weighted average exercise price of \$0.0991 per share, as these warrants remained unexercised and the deadline to exercise these warrants lapsed.

**10. STOCK-BASED COMPENSATION**

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On June 1, 2023, the Company's stockholders approved the adoption of a new 2023 Equity Incentive Plan (the "2023 Plan"), and the Company adopted the 2023 Plan. As a result, the CV Sciences, Inc. Amended and Restated 2013 Equity Incentive Plan (the "2013 Plan") terminated and was replaced by the 2023 Plan; future issuances of incentive instruments will be made under and governed by the 2023 Plan. Outstanding awards issued under the 2013 Plan will remain subject to the terms and conditions of the 2013 Plan, provided that to the extent that outstanding awards under the 2013 Plan are forfeited or lapse unexercised, the shares of common stock subject to such awards will no longer be available for future issuance under the 2013 Plan or any other equity incentive plan of the Company.

The 2023 Plan has a term of 10 years. The number of shares of the Company's common stock authorized for issuance under the 2023 Plan was initially 34,976,000 shares, which number shall automatically increase on January 1 of each fiscal year (for a period of ten years after adoption of the 2023 Plan) during the term of the 2023 Plan, commencing on January 1, 2024, by the lesser of (a) 4% of the total shares of the Company's common stock outstanding on December 31st of the prior year, and (b) a lesser number of the Company's common stock as determined by the Company's Board of Directors. As of December 31, 2025, the Company had 13,846,547 authorized but unissued shares reserved for issuance under the 2023 Plan. On January 1, 2025, the Company added 7,370,547 shares to the 2023 Plan.

The stock options are exercisable at no less than the fair market value of the underlying shares on the date of grant, and restricted stock and restricted stock units are issued at a value not less than the fair market value of the common stock on the date of the grant. Generally, stock options awarded are vested in equal increments ranging from two to four years on the annual anniversary date on which such equity grants were awarded. The stock options generally have a maximum term of 10 years.

The Company recognized stock-based compensation expense of \$0.5 million and \$0.3 million for the years ended December 31, 2025 and 2024, respectively.

Subsequent to December 31, 2025, the Company issued an aggregate of 14,450,000 stock options to employees and directors with an exercise price of \$0.04 per share.

As of December 31, 2025, total unrecognized compensation cost related to non-vested stock-based compensation arrangements was \$0.7 million, which is expected to be recognized over a weighted-average period of 1.8 years.

The following summarizes activity related to the Company's stock options (in thousands, except per share data):

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contract Term (in years)	Aggregate Intrinsic Value
Outstanding - December 31, 2024	26,823	\$ 0.14	8.4	\$ —
Granted	14,950	0.04	—	—
Exercised	—	—	—	—
Forfeited	(1,830)	0.27	—	—
Outstanding - December 31, 2025	<u>39,943</u>	0.09	8.1	555
Exercisable - December 31, 2025	<u>22,299</u>	0.13	7.5	266
Vested or expected to vest - December 31, 2025	<u>39,943</u>	\$ 0.09	8.1	\$ 555

The Company has established performance milestones in connection with the drug development efforts for its drug candidate CVSI-007. As of December 31, 2025, there were 6,750,000 remaining unvested stock options granted to Michael Mona Jr. ("Mona") outside of the 2013 Plan and 2023 Plan which are not included in the table above. These stock options vest upon the completion of future performance conditions (refer to Note 12).

There were no stock option exercises during the years ended December 31, 2025 and 2024.

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The following table presents the weighted average grant date fair value of stock options granted and the weighted-average assumptions used to estimate the fair value on the date of grant using the Black-Scholes valuation model:

	For the years ended December 31,	
	2025	2024
Volatility	146.1%	138.1%
Risk-Free Interest Rate	4.4%	4.3%
Expected Term (in years)	5.76	5.75
Dividend Rate	0.0%	0.0%
Fair Value Per Share on Grant Date	\$ 0.03	\$ 0.05

The risk-free interest rates are based on the implied yield available on U.S. Treasury constant maturities with remaining terms equivalent to the respective expected terms of the options. Expected volatility is based on the historical volatility of the Company's common stock. The Company estimates the expected term for stock options awarded to employees, non-employees, officers and directors using the simplified method in accordance with ASC Topic 718, *Stock Compensation*, because the Company does not have sufficient relevant historical information to develop reasonable expectations about future exercise patterns. In the future, as the Company gains historical data for the actual term over which stock options are held, the expected term may change, which could substantially change the grant-date fair value of future stock option awards, and, consequently, compensation of future grants.

#### 11.NET LOSS PER SHARE

The Company computes basic net loss per share using the weighted-average number of common shares outstanding during the year. Diluted net loss per share is calculated by dividing net loss by the weighted-average number of common shares plus potential common shares. The Company's stock options, including those with performance conditions, are included in the calculation of diluted net loss per share using the treasury stock method when their effect is dilutive. Potential common shares are excluded from the calculation of diluted net loss per share when their effect is anti-dilutive.

The following common stock equivalents were not included in the calculation of net loss per diluted share because their effect were anti-dilutive (in thousands):

	For the years ended December 31,	
	2025	2024
Stock options	39,943	26,823
Performance stock options	6,750	6,750
Warrants	—	10,750
Total	<u>46,693</u>	<u>44,323</u>

#### 12.RELATED PARTIES

During the year ended December 31, 2019, the Company's former President and Chief Executive Officer, Mona, and the Company entered into a Settlement Agreement (the "Settlement Agreement"), pursuant to which the Company acknowledged that Mona's resignation from the Company on January 22, 2019 was for Good Reason (as defined in Mona's Employment Agreement) and agreed to extend the deadline for Mona's exercise of his stock options for a period of five years. In exchange, Mona agreed that notwithstanding the terms of his Employment Agreement providing for acceleration of vesting of all stock options upon a Good Reason resignation, certain of his unvested stock options would not immediately vest, but rather continue to vest if, and only if, certain Company milestones are achieved related to the Company's drug development efforts. These stock options were issued in July 2016 (6,000,000 options) and March 2017 (5,000,000 options) and 6,750,000 of these stock options have not vested as of December 31, 2025. The Company and Mona also agreed to mutually release all claims arising out of and related to Mona's resignation and separation from the Company. As a result of Mona's Restricted Stock Unit Award Agreement, the Company recorded stock-based compensation expense related to (i) the accelerated vesting of the RSU's of \$5.1 million and (ii) due to the Settlement Agreement's modification of certain stock options of \$2.7 million during the year ended December 31, 2019. During the year ended December 31, 2024, the Company cancelled 11,300,000 fully

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vested outstanding stock options of Mona with a weighted average exercise price of \$0.42 per share, as these stock options remained unexercised and the deadline to exercise these stock options lapsed.

In addition, 2,950,000 shares of stock were issued to Mona upon the vesting and settlement of the RSU's. The settlement of the RSU's by the payment of shares was treated as taxable compensation to Mona and thus subject to income tax withholdings. No amounts were withheld (either in cash or the equivalent of shares of common stock from the settlement of the RSU's) or included in the original Company's payroll tax filing. The compensation was subject to Federal and State income tax withholding and Federal Insurance Contributions Act ("FICA") taxes withholding estimated to be \$6.4 million for the employee portions. The employer portion of the FICA taxes was \$0.2 million and was recorded as a component of selling, general and administrative expenses in the consolidated statement of operations for the year ended December 31, 2019. During the year ended December 31, 2020, the Company reported the taxable compensation associated with the RSU settlement to the taxing authorities and included the amount in Mona's W-2 for 2019. Although the primary tax liability is the responsibility of the employee, the Company is secondarily liable to the taxing authorities and thus has continued to reflect this liability on its consolidated balance sheet through December 31, 2022 in an amount of \$6.7 million, which was recorded as a component of accrued expenses. The Company initially recorded an offsetting receivable of \$6.2 million during the second quarter of 2019 for the total estimated Federal and State income taxes which should have been withheld in addition to the employee portion of the FICA payroll taxes as the primary liability is ultimately the responsibility of the employee. The receivable was recorded as a component of prepaid expenses and other on the consolidated balance sheet. The deadline to file and pay personal income taxes for 2019 with extensions was on October 15, 2020. Notwithstanding repeated requests from the Company, Mona failed to provide to the Company the appropriate documentation substantiating that he properly filed and paid his taxes for 2019. In connection with the previous reported claim made by Mona against the Company in which Mona alleged that the Company should be held liable to Mona for the amount of taxes, interest and penalties he owed to the United States Internal Revenue Service ("IRS") and California Franchise Tax Board ("FTB") resulting from Mona's failure to timely pay income taxes owed as a consequence of the settlement of the restricted stock unit, Mona disclosed to the Company that he did not pay his personal income tax for 2019. (Also as previously reported, on November 20, 2024, the arbitrator ruled against Mona and in favor of the Company on all claims alleged by Mona.) As a result, the Company derecognized its previously recorded receivable of \$6.2 million during the fourth quarter of 2020. The associated liability would have been relieved once the tax amount was paid by Mona and the Company had received the required taxing authority documentation from Mona. If the tax amount was not paid by Mona, the Company could have been liable for such tax due.

The Company believes that the statute of limitations for federal payroll tax withholding expired on April 15, 2023. The Company also believes that the statute of limitations for the state tax withholding expired during the three months ended March 31, 2023. As a result of the expiration of the relevant statutes of limitations, the Company believes that neither the IRS nor the California FTB have the ability to assess and collect the \$6.2 million of income taxes from the Company. Thus, the Company has made a change in accounting estimate and no longer expects to incur a loss with respect to this matter. As a result, the Company derecognized the contingent liability of \$6.2 million during the year ended December 31, 2023.

The Company believes that the statute of limitations for employer and employee Medicare portion of FICA taxes expired on April 15, 2025. As a result of the expiration of the relevant statutes of limitations, the Company believes that the IRS does not have the ability to assess and collect the \$0.5 million of employer and employee Medicare portion of FICA taxes from the Company and the Company has made a change in accounting estimate and no longer expects to incur a loss with respect to this matter. As a result, the Company derecognized the contingent liability of \$0.5 million during the year ended December 31, 2025.

### **13.COMMITMENTS AND CONTINGENCIES**

On March 17, 2015, Michael Ruth filed a stockholder derivative suit in Nevada District Court alleging breach of fiduciary duty and gross mismanagement (the "Ruth Complaint"). The claims were premised on the same events that were the subject of a purported class action filed in the Southern District of New York on April 23, 2014 (the "Sallustro Case"). On July 2, 2019, the court in the Sallustro Case entered a final order dismissing the complaint with prejudice. The Company did not make any settlement payment, and at no time was there a finding of wrongdoing by the Company or any of its directors. Regarding the Ruth Complaint, the parties previously agreed to stay the action pending the conclusion of discovery in the Sallustro Case. Once the Sallustro Case was dismissed, the stay was lifted. Plaintiff's

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counsel later informed the Court that Mr. Ruth sold his shares of CVSI stock and thus he no longer had standing to pursue this claim. However, the Court allowed plaintiff's counsel to substitute CVSI shareholder Otilda Lamont as the named plaintiff. On September 20, 2019, defendants filed a motion to dismiss the Ruth Complaint and the court issued a ruling denying the motion to dismiss on November 24, 2020. A Third Amended Complaint was filed on December 11, 2020 substituting Otilda Lamont as plaintiff. The Company filed an answer to the Ruth complaint on January 11, 2021. The parties agreed to a settlement in principle in January 2022 whereby the Company agreed to make certain corporate governance reforms in exchange for dismissal of the lawsuit. Plaintiff filed a motion for preliminary approval of proposed settlement on June 1, 2022. The court granted preliminary approval of the proposed settlement on February 7, 2023. A hearing seeking final approval of the proposed settlement was held on May 15, 2023, and the court indicated it would likely approve the proposed settlement and reschedule the hearing with regard to plaintiff's motion for attorney's fees. On June 23, 2023, the Company received notice of a court order dated May 23, 2023 without any hearing, granting plaintiff's motion for attorney's fees and expenses of approximately \$250,000. On or about May 1, 2024, the Company and plaintiff executed a stipulation for the payment of the plaintiff's attorney's fees and expenses over the course of approximately eighteen months subject to a confession of judgment. The amount has been fully paid as of December 31, 2025.

On December 3, 2019, Michelene Colette and Leticia Shaw filed a putative class action complaint in the Central District of California, alleging the labeling on the Company's products violated the Food, Drug, and Cosmetic Act of 1938 (the "Colette Complaint"). On February 6, 2020, the Company filed a motion to dismiss the Colette Complaint. Instead of opposing the Company's motion, plaintiffs elected to file an amended complaint on February 25, 2020. On March 10, 2020, the Company filed a motion to dismiss the amended complaint. The court issued a ruling on May 22, 2020 that stayed this proceeding in its entirety and dismissed part of the amended complaint. The court's order stated that the portion of the proceeding that is stayed will remain stayed until the U.S. Food and Drug Administration (the "FDA") completes its rulemaking regarding the marketing, including labeling, of CBD ingestible products. However, on January 26, 2023, the FDA announced that it does not intend to pursue rulemaking allowing the use of cannabidiol products in dietary supplements or conventional foods. As a result, on February 13, 2023, Plaintiffs filed a status report with the court asking to have the stay lifted. The Company filed a written opposition. The court has taken no action since Plaintiffs filed that status report, and the case remains stayed pursuant to the court's original order.

On February 12, 2025, the Company initiated an arbitration with JAMS asserting claims against its long-time legal counsel, Procopio, Cory, Hargreaves & Savitch LLP ("Procopio"). The Company's engagement agreement with Procopio requires the resolution of such disputes through arbitration. Procopio provided the Company legal advice and guidance on when Mona would recognize W-2 income and be subject to payroll and income tax withholding resulting from the settlement of RSU's previously awarded to Mona. According to Procopio, because Mona was then an insider within the meaning of Section 16(b) of the Securities Exchange Act of 1934 and he was subject to suit and disgorgement of short-swing profits if he sells stock within six months of the settlement date of the RSU's, Mona does not recognize W-2 income on the settlement date and, instead, would recognize W-2 income and be subject to tax withholding upon the expiration of the six month period under Section 16(b). In reliance on Procopio's advice, the Company issued to Mona a share certificate evidencing his ownership of shares of the Company's stock then valued at more than \$13 million that Mona constructively received upon the settlement of his RSU's without withholding taxes. After Mona received the certificate, without acknowledging its prior advice and guidance, Procopio changed its prior advice and advised the Company that tax withholding was required as of the settlement date. Procopio continued to represent the Company to resolve the lack of withholding, address the fallout therefrom, report the same in its periodic reports filed with the SEC and numerous other legal matters. The Company disclosed the lack of withholding in its Form 10-Q for the quarter ended, March 31, 2019, and in subsequent quarterly and annual reports. The Company has also disclosed in its prior reports filed with the SEC that the lack of withholding has been the subject of multiple legal proceedings, the most recent of which involved a case brought by Mona against the Company that was resolved in November 2024 in the Company's favor in a binding arbitration. After that case was submitted to the arbitrator for decision, the Company sought to address with Procopio the legal advice and guidance it provided. Procopio responded by terminating the Company as a client on January 10, 2025, ending the Company's 12-year relationship with Procopio as its legal counsel. The Company seeks to recover damages from Procopio resulting from its reliance on Procopio's advice and guidance, including fees and expenses paid to Procopio and other professionals, expenses incurred by the Company and other harm to it. In April 2025, JAMS appointed an arbitrator to the case. The hearing is scheduled to begin on October 12, 2026.

In the normal course of business, the Company is a party to a variety of agreements pursuant to which the Company may be obligated to indemnify the other party. It is not possible to estimate the potential amount of future payments,

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if any, under these types of agreements due to the conditional nature of our obligations, and the unique facts and circumstances involved in each particular agreement. Historically, payments made by us under these types of agreements have not had a material effect on our business, results of operations or financial condition.

**14.LEASES**

In October 2024, the Company entered into a new lease agreement for its manufacturing facility in Poland. The facility is approximately 2,400 square feet and located outside of Warsaw, Poland. The lease term is for two years and expires on September 30, 2026. Based on the present value of the lease payments, the Company recognized an operating lease asset and liability for operating leases of \$0.1 million on October 1, 2024.

In February 2025, the Company entered into a new lease agreement for its existing Elevated Softgels manufacturing facility. The facility is approximately 7,200 square feet and located in Grand Junction, Colorado. The lease term is for one year, with two one year renewal periods. The total lease obligation over the estimated lease term of two years is approximately \$0.2 million. The lease commenced on April 1, 2025.

In May 2025, the Company entered into a new lease agreement for its existing main office facility. The lease is for the Company's operations, warehouse, sales, marketing and back office functions. The facility is approximately 6,000 square feet and located in San Diego, California. The lease term is for one year, with a one-year renewal period. The total lease obligation over the estimated lease term of two years is approximately \$0.3 million. The lease commenced on June 1, 2025.

The Company's operating leases are included in "Right of use assets" on the Company's December 31, 2025 and 2024 Consolidated Balance Sheets, and represents the Company's right to use the underlying assets for the lease term. The Company's obligation to make lease payments is included in "Operating lease liability - current" and "Operating lease liability" on the Company's December 31, 2025 and 2024 Consolidated Balance Sheets. Operating lease expense is recognized on a straight-line basis over the lease term. As of December 31, 2025, the Company had operating lease obligations and operating lease assets of \$0.3 million related to its facilities. The Company's total lease cost was \$0.2 million and \$0.1 million for the years ended December 31, 2025 and 2024, respectively. Total lease costs was mostly comprised of operating lease costs. Short-term lease costs related to short-term operating leases and variable lease costs were \$0.1 million during the year ended December 31, 2024. Short-term lease cost related to short-term operating leases and variable lease costs were not material during the year ended December 31, 2025.

Because the rate implicit in the leases is not readily determinable, the Company uses the rate of interest that a lessee would have to pay to borrow on a collateralized basis over a similar term in an amount equal to the lease payments in a similar economic environment. Information related to the Company's operating lease assets and related lease liabilities were as follows:

	<b>December 31, 2025</b>
Weighted-average remaining lease term (in months)	15.42
Weighted-average discount rate	7.9%

Maturities of lease liabilities as of December 31, 2025 were as follows (in thousands):

Year ending December 31,	
2026	276
2027	90
Total	366
Less: imputed interest	(19)
Total lease liabilities	\$ 347
Operating lease liability - current	\$ 247
Operating lease liability - net of current portion	100
Total operating lease liability	\$ 347

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**15. INCOME TAXES**

The Company is subject to taxation in U.S., Poland, and state jurisdictions. The pretax loss for the years ended December 31, 2025 and 2024 were attributed to the following jurisdictions (in thousands):

	For the years ended December 31,	
	2025	2024
Domestic operations	\$ (582)	\$ (2,141)
Foreign operations	(367)	(261)
Total	<u>\$ (949)</u>	<u>\$ (2,402)</u>

The income tax expense for the years ended December 31, 2025 and 2024 was comprised of the following (in thousands):

	For the years ended December 31,	
	2025	2024
Current:		
Federal	\$ —	\$ —
State	6	7
Foreign	—	—
Total current tax expense	6	7
Deferred:		
Federal	3	4
State	—	—
Foreign	—	(19)
Total deferred tax expense (benefit)	3	(15)
Income tax expense (benefit)	<u>\$ 9</u>	<u>\$ (8)</u>

A reconciliation of the expected income tax expense at the federal statutory rate of 21% for the year ended December 31, 2025 and the income tax expense reported in the consolidated financial statements is as follows:

	For the year ended December 31, 2025	
	Amount (in thousands)	% of pretax income (loss)
Net loss before taxes	\$ (949)	
U.S. federal statutory tax rate	(199)	21.0%
State and local income taxes, net of federal income tax effect*	6	(0.6)%
Foreign tax effects		
Poland		
Foreign rate differential	7	(0.7)%
Changes in valuation allowance	30	(3.2)%
Prior period adjustments	40	(4.2)%
Non-taxable or non-deductible items		
Stock-based compensation	93	(9.8)%
Other adjustments	3	(0.3)%
Other		
Prior period adjustments	29	(3.1)%
Income tax expense	<u>\$ 9</u>	<u>(0.9)%</u>

\* State taxes in Texas made up the majority (greater than 50%) of the tax effect in this category.

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As previously disclosed for the year ended December 31, 2024, prior to the adoption of ASU 2023-09, the effective income tax rate differs from the statutory federal income tax rate as follows:

	<b>For the year ended December 31, 2024 % of pretax income (loss)</b>
Federal tax expense	21.0%
State taxes, net of federal benefit	5.8%
Other permanent differences	0.8%
Stock-based compensation	(168.4)%
NOL adjustments and other true-ups	0.9%
Other permanent differences	(1.0)%
Decrease in valuation allowance	141.2%
	0.3%

The amount of cash taxes paid by the Company are as follows (in thousands):

	<b>For the year ended December 31, 2025</b>
Federal	\$ —
State	8
Foreign	—
Cash taxes, net of amounts refunded	\$ 8

The following table summarizes the significant components of the Company's deferred tax assets and liabilities as of December 31, 2025 and 2024 (in thousands):

	<b>December 31,</b>	
	<b>2025</b>	<b>2024</b>
<b>Deferred tax assets:</b>		
Net operating loss carryforwards	\$ 11,718	\$ 11,337
Business credit carryforwards	930	930
Intangible assets	142	281
Stock-based compensation	72	101
Change to inventory	43	47
Operating lease liabilities	75	16
Accruals and reserves	452	656
Other	62	301
	13,494	13,669
<b>Deferred tax liabilities:</b>		
Operating lease assets	(75)	(14)
Property and equipment	(11)	(28)
	(86)	(42)
Valuation allowance	(13,415)	(13,631)
Net deferred tax liabilities	\$ (7)	\$ (4)

The valuation allowance decreased by \$0.2 million and \$3.4 million for the year ended December 31, 2025 and 2024.

Deferred tax assets and liabilities are provided for significant revenue and expense items recognized in different years for tax and financial reporting purposes. The Company periodically assesses the likelihood that it will be able to

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recover its deferred tax assets. The Company considers all available evidence, both positive and negative, including historical levels of income, expectations and risks associated with estimates of future taxable income, and ongoing prudent and feasible profits. As of December 31, 2025 and 2024, the Company established valuation allowances equal to the full amount of its deferred tax assets, net of certain tax liabilities, due to the uncertainties regarding the realization of the deferred tax assets in future years.

As of December 31, 2025, the Company had federal, California, and other state net operating loss (“NOL”) carryforwards of \$43.8 million, \$27.8 million, and \$8.7 million, respectively, which are available to offset future taxable income. Federal NOL carryforwards arising after 2017 of \$36.5 million do not expire. Federal NOL carryforwards arising before 2018 of \$7.2 million expire from 2036 to 2037. California NOL carryforwards of \$27.8 million expire from 2036 to 2045. Other state NOL carryforwards of \$8.7 million have various expirations from 2036 to 2045.

As of December 31, 2025, the Company has federal and California R&D credit carryforwards of approximately \$0.7 million and \$0.4 million, respectively, which are available to offset future taxable income. Federal R&D credit carryforwards expire from 2036 to 2041. California R&D credit carryforwards do not expire.

The NOL carryforward may be subject to an annual limitation under Sections 382 and 383 of the Internal Revenue Code of 1986 (the “Code”), and similar state provisions if the Company experienced one or more ownership changes, which would limit the amount of NOL and tax credit carryforwards that can be utilized to offset future taxable income and tax, respectively. In general, an ownership change, as defined by Section 382 and 383, results from the transactions increasing ownership of certain stockholders or public groups in the stock of the corporation of more than 50% over a three-year period. The Company completed a Section 382 and 383 analysis regarding the limitation of NOL and credit carryforwards from inception in December 2010 through November 4, 2019. The Company experienced multiple ownership changes for the purposes of Section 382 and 383 of the Code with the latest change in April 2017. The ownership changes did not result in the forfeiture of any NOLs or credits generated prior to this date. If a change in ownership occurs in the future, the NOL and tax credits carryforwards could be eliminated or restricted.

The One Big Beautiful Bill Act of 2025 (the “2025 Tax Act”) was signed into law on July 4, 2025. The 2025 Tax Act, among other things, extends certain provisions of 2017 U.S. federal tax legislation relating to federal bonus depreciation and immediate expensing for domestic research and development expenditures. These provisions did not have a material effect on the Company's consolidated financial statements for the year ended December 31, 2025.

The Company recognizes a tax benefit from an uncertain tax position when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits, and uncertain income tax positions must meet a more likely than not recognition threshold to be recognized. The Company recognizes interest and penalties related to unrecognized tax benefits within the income tax expense line in the statements of operations.

The Company is subject to taxation in the U.S., Poland, and U.S. state jurisdictions. Due to net operating losses all tax years since 2016 remain open to examination.

A reconciliation of the Company's unrecognized tax benefits for the years ended December 31, 2025 and 2024 is provided in the following table (in thousands):

	2025	2024
Balance as of January 1:	\$ 168	\$ 170
Increase in current year positions	—	—
Increase in prior year positions	—	—
Decrease in prior year positions	—	(2)
Balance as of December 31:	<u>\$ 168</u>	<u>\$ 168</u>

## 16.SEGMENT DATA

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The Company defines its segments on the basis of the way in which internally reported financial information is regularly reviewed by the CODM to analyze financial performance, make decisions, and allocate resources. The Company manages its operations as a single operating and reportable segment, which is the production and sale of nutraceuticals and plant-based foods. As internal reporting is based on the consolidated results, the Company has identified one reporting and reportable segment. The CODM uses net income loss and cash flow information in the budget and forecasting process and considers budget-to-actual variances on a regular basis when making decisions about the allocation of operating and capital resources. The measure of the operating segment assets is reported on the consolidated balance sheet as total assets.

The accounting policies used in the segment reporting are the same as those described in the summary of significant accounting policies - refer to Note 2. The Company's CODM is the Chief Executive Officer.

The Company's reportable segment product sales, net and net loss for the years ended December 31, 2025 and 2024 consisted of the following (in thousands):

	<b>For the Years Ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
Product sales, net	\$ 13,789	\$ 15,705
Cost of goods sold	7,037	8,537
<b>Gross profit</b>	<b>6,752</b>	<b>7,168</b>
Operating expenses:		
Research and development expense	122	118
Sales expense	2,803	3,166
Marketing expense	1,666	2,088
General and administrative expense	3,153	3,986
Benefit from reversal of accrued payroll taxes	(522)	—
Total operating expenses	7,222	9,358
<b>Operating loss</b>	<b>(470)</b>	<b>(2,190)</b>
Other expense, net	479	212
Loss before income taxes	(949)	(2,402)
Income tax expense (benefit)	9	(8)
<b>Net loss</b>	<b>\$ (958)</b>	<b>\$ (2,394)</b>

## 17.SUBSEQUENT EVENTS

In March 2026, the Company amended its existing promissory notes (the "Notes") with an Investor to include a conversion feature to which the outstanding balance of the Notes may be converted at the option of the holder into shares of the Company's common stock at a fixed conversion price of \$0.06 per share. The outstanding principal amounts of the Notes were also increased by 20%. After such adjustment, the amended Notes have an aggregate outstanding principal amount of \$2,256,000. The amendments also provide that if, after the sale of the conversion shares received upon a conversion, the Investor receives net proceeds of less than 100% of the principal amount of the Notes converted, and the aggregate shortfall under both Notes exceeds \$94,000, the Company will issue a new note on substantially the same terms and conditions of the amended Notes (the "Third Note") with a principal amount equal to the aggregate shortfall in excess of \$94,000. If issued, the Third Note will be due April 6, 2027. There is no stated maximum number of shares of common stock that may be issuable in respect of conversions pursuant to the Third Note.



**CV SCIENCES, INC.**  
**INSIDER TRADING POLICY**

This Insider Trading Policy provides the standards of CV Sciences, Inc. (the “**Company**”) on trading and causing the trading of the Company’s securities or securities of other publicly-traded companies while in possession of confidential information. This policy is divided into two parts: the first part prohibits trading in certain circumstances and applies to all directors, officers and employees of the Company as well as independent contractors or consultants who have access to material non-public information of the Company and the second part imposes special additional trading restrictions and applies to all (i) directors of the Company, (ii) executive officers of the Company and (iii) the employees listed on Appendix A (collectively, “**Covered Persons**”).

One of the principal purposes of the federal securities laws is to prohibit so-called “insider trading.” Simply stated, insider trading occurs when a person uses material non-public information obtained through involvement with the Company to make decisions to purchase, sell, give away or otherwise trade the Company’s securities or to provide that information to others outside the Company. The prohibitions against insider trading apply to trades, tips and recommendations by virtually any person, including all persons associated with the Company, if the information involved is “material” and “non-public.” These terms are defined in this Policy under Part I, Section 3 below. The prohibitions would apply to any director, officer or employee who buys or sells Company stock on the basis of material non-public information that he or she obtained about the Company, its customers, suppliers, or other companies with which the Company has contractual relationships or may be negotiating transactions.

PART I

**1.Applicability**

This Policy applies to all transactions in the Company’s securities, including common stock, options and any other securities that the Company may issue, such as preferred stock, notes, bonds and convertible securities, as well as to derivative securities relating to any of the Company’s securities, whether or not issued by the Company.

This Policy applies to all employees of the Company and its subsidiaries, all officers of the Company and its subsidiaries and all members of the Company’s Board of Directors. This Policy also applies to all independent contractors or consultants who have access to material non-public information of the Company (each, a “**Material IC**”).

**2.General Policy: No Trading or Causing Trading While in Possession of Material Non-public Information**

(a)No director, officer or employee or Material IC may purchase or sell any Company security, whether or not issued by the Company, while in possession of material non-public information about the Company. (The terms “material” and “non-public” are defined in Part I, Section 3(a) and (b) below.)

(b)No director, officer or employee or Material IC who knows of any material non-public information about the Company may communicate that information to any other person, including family and friends.

(c)In addition, no director, officer or employee or Material IC may purchase or sell any security of any other company, whether or not issued by the Company, while in possession of material non-public information about that company that was obtained in the course of his or her involvement with the Company. No director, officer or employee or Material IC who knows of any such material non- public information may communicate that information to any other person, including family and friends.

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(d) For compliance purposes, you should never trade, tip or recommend securities (or otherwise cause the purchase or sale of securities) while in possession of information that you have reason to believe is material and non-public unless you first consult with, and obtain the advance approval of, the Compliance Officer (which is defined in Part I, Section 3(c) below).

(e) Covered Persons must “pre-clear” all trading in securities of the Company in accordance with the procedures set forth in Part II, Section 3 below.

### 3. Definitions

(a) **Materiality.** Insider trading restrictions come into play only if the information you possess is “material.” Materiality, however, involves a relatively low threshold. Information is generally regarded as “material” if it has market significance, that is, if its public dissemination is likely to affect the market price of securities, or if it otherwise is information that a reasonable investor would want to know before making an investment decision.

Information dealing with the following subjects is reasonably likely to be found material in particular situations:

- (i) significant changes in the Company's prospects;
- (ii) significant write-downs in assets or increases in reserves;
- (iii) developments regarding significant litigation or government agency investigations;
- (iv) liquidity problems;
- (v) changes in earnings estimates or unusual gains or losses in major operations;
- (vi) major changes in management;
- (vii) changes in dividends;
- (viii) extraordinary borrowings;
- (ix) award or loss of a significant contract;
- (x) changes in debt ratings;
- (xi) proposals, plans or agreements, even if preliminary in nature, involving mergers, acquisitions, divestitures, recapitalizations, strategic alliances, licensing arrangements, or purchases or sales of substantial assets;
- (xii) public offerings; and
- (xiii) pending statistical reports (such as, consumer price index, money supply and retail figures, or interest rate developments).

Material information is not limited to historical facts but may also include projections and forecasts. With respect to a future event, such as a merger, acquisition or introduction of a new product, the point at which negotiations or product development are determined to be material is determined by balancing the probability that the event will occur against the magnitude of the effect the event would have on a company's operations or stock price should it occur. Thus, information concerning an event that would have a large effect on stock price, such as a merger, may be material even if the possibility that the event will occur is relatively small. When in doubt about whether particular non-public information is material, presume it is material. **If you are unsure whether information is material, you should consult the Compliance Officer before making any decision to disclose such information (other than to persons who need to know it) or to trade in or recommend securities to which that information relates.**

(b) **Non-public Information.** Insider trading prohibitions come into play only when you possess information that is material and “non-public.” The fact that information has been disclosed to a few members of the public does not make it public for insider trading purposes. To be “public” the information must have been disseminated in a manner designed to reach investors generally, and the investors must be

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given the opportunity to absorb the information. Even after public disclosure of information about the Company, you must wait until the close of business on the second trading day after the information was publicly disclosed before you can treat the information as public.

Non-public information may include:

- (i) information available to a select group of analysts or brokers or institutional investors;
- (ii) undisclosed facts that are the subject of rumors, even if the rumors are widely circulated; and
- (iii) information that has been entrusted to the Company on a confidential basis until a public announcement of the information has been made and enough time has elapsed for the market to respond to a public announcement of the information (normally two or three days).

**As with questions of materiality, if you are not sure whether information is considered public, you should either consult with the Compliance Officer or assume that the information is “non-public” and treat it as confidential.**

(c) Compliance Officer. The Company has appointed the Chief Financial Officer as the Compliance Officer for this Policy. The duties of the Compliance Officer include, but are not limited to, the following:

- (i) assisting with implementation of this Policy;
- (ii) circulating this Policy to all employees and ensuring that this Policy is amended as necessary to remain up-to-date with insider trading laws;
- (iii) pre-clearing all trading in securities of the Company by Covered Persons in accordance with the procedures set forth in Part II, Section 3 below; and
- (iv) providing approval of any transactions under Part II, Section 4 below.

#### **4. Violations of Insider Trading Laws**

Penalties for trading on or communicating material non-public information can be severe, both for individuals involved in such unlawful conduct and their employers and supervisors, and may include jail terms, criminal fines, civil penalties and civil enforcement injunctions. Given the severity of the potential penalties, compliance with this Policy is absolutely mandatory.

(a) Legal Penalties. A person who violates insider trading laws by engaging in transactions in a company's securities when he or she has material non-public information can be sentenced to a substantial jail term and required to pay a penalty of several times the amount of profits gained or losses avoided.

In addition, a person who tips others may also be liable for transactions by the tippers to whom he or she has disclosed material non-public information. Tippers can be subject to the same penalties and sanctions as the tpees, and the SEC has imposed large penalties even when the tipper did not profit from the transaction.

The SEC can also seek substantial penalties from any person who, at the time of an insider trading violation, “directly or indirectly controlled the person who committed such violation,” which would apply to the Company and/or management and supervisory personnel. These control persons may be held liable for up to the greater of \$1 million or three times the amount of the profits gained or losses avoided. Even for violations that result in a small or no profit, the SEC can seek a minimum of \$1 million from a company and/or management and supervisory personnel as control persons.

(b) Company-imposed Penalties. Employees who violate this Policy may be subject to

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disciplinary action by the Company, including dismissal for cause. Any exceptions to the Policy, if permitted, may only be granted by the Compliance Officer and must be provided before any activity contrary to the above requirements takes place.

## PART II

### **1.Blackout Periods**

All Covered Persons are prohibited from trading in the Company's securities during blackout periods.

(a)Quarterly Blackout Periods. Trading in the Company's securities is prohibited ten (10) calendar days prior to the end of the fiscal quarter, which the Compliance Officer will announce via email, and ending at the close of business on the day following the date the Company's financial results are publicly disclosed and Form 10-Q or Form 10-K is filed. During these periods, Covered Persons generally possess or are presumed to possess material non-public information about the Company's financial results.

(b)Other Blackout Periods. From time to time, other types of material non-public information regarding the Company (such as negotiation of mergers, acquisitions or dispositions or new product developments) may be pending and not be publicly disclosed. While such material non-public information is pending, the Company may impose special blackout periods during which Covered Persons are prohibited from trading in the Company's securities. If the Company imposes a special blackout period, it will notify the Covered Persons affected.

### **2.Trading Window**

Covered Persons are permitted to trade in the Company's securities when no blackout period is in effect. Generally this means that Covered Persons can trade during the period beginning on the day that the blackout period under Section 1(a) ends and ending on the day that the next blackout period under Section 1(a) begins. However, even during this trading window, a Covered Person who is in possession of any material non-public information should not trade in the Company's securities until the information has been made publicly available or is no longer material. In addition, the Company may close this trading window if a special blackout period under Part II, Section 1(b) above is imposed and will re-open the trading window once the special blackout period has ended.

### **3.Pre-clearance of Securities Transactions**

(a)Because Covered Persons are likely to obtain material non-public information on a regular basis, the Company requires all such persons to refrain from trading, even during a trading window under Part II, Section 2 above, without first pre-clearing all transactions in the Company's securities.

(b)Subject to the exemption in subsection (d) below, no Covered Person may, directly or indirectly, purchase or sell any Company security at any time without first obtaining prior approval from the Compliance Officer. These procedures also apply to transactions by such person's spouse, other persons living in such person's household and minor children and to transactions by entities over which such person exercises control.

(c)The Compliance Officer shall record the date each request is received and the date and time each request is approved or disapproved. Unless revoked, a grant of permission will normally remain valid until the close of trading three business days following the day on which it was granted. If the transaction does not occur during the three business-day period, pre-clearance of the transaction must be re-requested.

(d)Pre-clearance is not required for purchases and sales of securities under an Approved 10b5-1 Plan. With respect to any purchase or sale under an Approved 10b5-1 Plan, the third party effecting

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transactions on behalf of the Covered Person should be instructed to send duplicate confirmations of all such transactions to the Compliance Officer.

#### 4. Prohibited Transactions

(a) Directors and executive officers of the Company are prohibited from, trading in the Company's equity securities during a blackout period imposed under an "individual account" retirement or pension plan of the Company, during which at least 50% of the plan participants are unable to purchase, sell or otherwise acquire or transfer an interest in equity securities of the Company, due to a temporary suspension of trading by the Company or the plan fiduciary.

(b) A Covered Person, including such person's spouse, other persons living in such person's household and minor children and entities over which such person exercises control, is prohibited from engaging in the following transactions in the Company's securities unless advance approval is obtained from the Compliance Officer:

(i) Short-term trading. Covered Persons who purchase Company securities may not sell any Company securities of the same class for at least six months after the purchase;

(ii) Short sales. Covered Persons may not sell the Company's securities short;

(iii) Options trading. Covered Persons may not buy or sell puts or calls or other derivative securities on the Company's securities;

(iv) Trading on margin. Covered Persons may not hold Company securities in a margin account or pledge Company securities as collateral for a loan; and

(v) Hedging. Covered Persons may not enter into hedging or monetization transactions or similar arrangements with respect to Company securities.

**5. Limited Exceptions.** The following are certain limited exceptions to the restrictions imposed by the Company under this Policy. Please be aware that even if a transaction is subject to an exception to this Policy, you will need to separately assess whether the transaction complies with applicable law. For example, even if a transaction is indicated as exempt from this Policy, you may need to comply with the "short-swing" trading restrictions under Section 16 of the Exchange Act, to the extent applicable. You are responsible for complying with applicable law at all times.

(a) Qualified 10b5-1 Plans. The trading restrictions under this Policy do not apply to transactions under a pre-existing written plan, contract, instruction, or arrangement under Rule 10b5-1 (an "**Approved 10b5-1 Plan**") that:

(i) has been reviewed and approved at least one month in advance of any trades thereunder by the Compliance Officer (or, if revised or amended, such revisions or amendments have been reviewed and approved by the Compliance Officer at least one month in advance of any subsequent trades);

(ii) was entered into in good faith by the Covered Person at a time when the Covered Person was not in possession of material non-public information about the Company; and

(iii) gives a third party the discretionary authority to execute such purchases and sales, outside the control of the Covered Person, so long as such third party does not possess any material non-public information about the Company; or explicitly specifies the security or securities to be purchased or sold, the number of shares, the prices and/or dates of transactions, or other formula(s) describing such transactions.

(b) Receipt and vesting of stock options, restricted stock, restricted stock units and stock

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appreciation rights. The trading restrictions under this Policy do not apply to the acceptance or purchase of stock options, restricted stock, restricted stock units or stock appreciation rights issued or offered by the Company. The trading restrictions under this Policy also do not apply to the vesting, cancellation or forfeiture of stock options, restricted stock, restricted stock units or stock appreciation rights in accordance with applicable plans and agreements.

(c) Exercise of stock options; settlement of restricted stock units. The trading restrictions under this Policy do not apply to the exercise of stock options for cash or the settlement of restricted stock units under the Company's equity incentive plans. Likewise, the trading restrictions under this Policy do not apply to the exercise of stock options in a stock-for-stock exercise with the Company or an election to have the Company withhold securities to cover tax obligations in connection with an option exercise or settlement of restricted stock units. However, the trading restrictions under this Policy do apply to (i) the sale of any securities issued upon the exercise of a stock option or settlement of a restricted stock unit, (ii) a cashless exercise of a stock option through a broker, since this involves selling a portion of the underlying shares to cover the costs of exercise, and (iii) any other market sale for the purpose of generating the cash needed to pay the exercise price of an option.

(d) Certain 401(k) plan transactions. The trading restrictions in this Policy do not apply to purchases of Company stock in any Company 401(k) plan, as applicable, resulting from periodic contributions to such plan based on your payroll contribution election. The trading restrictions do apply, however, to elections you make under any Company 401(k) plan to (i) increase or decrease the percentage of your contributions that will be allocated to a Company stock fund, (ii) move balances into or out of a Company stock fund, (iii) borrow money against any 401(k) plan account if the loan will result in liquidation of some or all of your Company stock fund balance, and (iv) pre-pay a plan loan if the pre-payment will result in the allocation of loan proceeds to a Company stock fund.

(e) Stock splits, stock dividends and similar transactions. The trading restrictions under this Policy do not apply to a change in the number of securities held as a result of a stock split or stock dividend applying equally to all securities of a class, or similar transactions.

(f) *Bona fide* gifts and inheritance. The trading restrictions under this Policy do not apply to *bona fide* gifts involving Company securities or transfers by will or the laws of descent and distribution.

(g) Change in form of ownership. Transactions that involve merely a change in the form in which you own securities are permissible. For example, you may transfer shares to an *inter vivos* trust of which you are the sole beneficiary during your lifetime.

(h) Other exceptions. Any other exception from this Policy must be approved by the Compliance Officer, in consultation with the Board of Directors or an independent committee of the Board of Directors, and legal counsel.

## **6. Acknowledgment and Certification**

All Covered Persons are required to sign the attached acknowledgment and certification.

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**ACKNOWLEDGMENT AND CERTIFICATION**

The undersigned does hereby acknowledge receipt of the Company's Insider Trading Policy. The undersigned has read and understands (or has had explained) such Policy and agrees to be governed by such Policy at all times in connection with the purchase and sale of securities and the confidentiality of non-public information.

(Signature)

(Please print name)

Date:

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## APPENDIX A

Covered Persons

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**List of Subsidiaries**

**Domestic Entities**

Elevated Softgels LLC  
Star Sky Foods, LLC

**Jurisdiction of Formation**

Delaware  
Delaware

**Foreign Entity**

Cultured Foods Sp. z.o.o.

**Jurisdiction of Formation**

Poland

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**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the incorporation by reference in the Registration Statement on Form S-8 (No. 333-199173) of CV Sciences, Inc. (the “Company”) of our report dated March 26, 2026, relating to our audits of the Company’s consolidated financial statements as of December 31, 2025 and 2024, and for each of the years then ended, included in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2025, which report includes an explanatory paragraph expressing substantial doubt regarding the Company’s ability to continue as a going concern.

*/s/ HASKELL & WHITE LLP*

HASKELL & WHITE LLP

Irvine, California  
March 26, 2026

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

I, Joseph D. Dowling, Chief Executive Officer of CV Sciences, Inc. (the "Company") certify that:

1. I have reviewed this Annual Report on Form 10-K of the Company;
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. I am 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 my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me 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 my 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 my 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. I have disclosed, based on my 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.

Dated: March 26, 2026

By: /s/ Joseph D. Dowling  
**Joseph D. Dowling**  
**Chief Executive Officer**  
**(Principal Executive Officer)**



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

I, Joerg Grasser, Chief Financial Officer of CV Sciences, Inc. (the "Company") certify that:

1. I have reviewed this Annual Report on Form 10-K of the Company;
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. I am 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 my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me 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 my 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 my 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. I have disclosed, based on my 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.

Dated: March 26, 2026

By: /s/ Joerg Grasser  
**Joerg Grasser**  
**Chief Financial Officer**  
**(Principal Financial Officer)**



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

In connection with the Annual Report of CV Sciences, Inc. (the "Registrant") on Form 10-K for the year ended December 31, 2025 (the "Report"), I, Joseph D. Dowling, Chief Executive Officer of the Registrant, do hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report, as filed with the Securities and Exchange Commission, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Dated: March 26, 2026

By: /s/ Joseph D. Dowling  
**Joseph D. Dowling**  
**Chief Executive Officer**  
**(Principal Executive Officer)**

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

In connection with the Annual Report of CV Sciences, Inc. (the "Registrant") on Form 10-K for the year ended December 31, 2025 (the "Report"), I, Joerg Grasser, Chief Financial Officer of the Registrant, do hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report, as filed with the Securities and Exchange Commission, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Dated: March 26, 2026

By: /s/ Joerg Grasser

**Joerg Grasser**  
**Chief Financial Officer**  
**(Principal Financial Officer)**

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