



20 Annual  
25 Report

Creating the future  
in peptides

# Management Report

<b>4</b>	<b>Editorial</b>
<b>6</b>	<b>Key figures</b>
<b>7</b>	<b>PolyPeptide in brief</b>
<b>9</b>	<b>Strategy</b>
<b>13</b>	<b>Business review</b>
13	Revenue
13	Profitability
13	Cash flow and financing
13	Capacity expansion
14	Risk management
14	Sustainability management
15	Strategy and organization
15	Mid-term outlook and guidance for 2026

## Editorial



Peter Wilden, Chair of the Board of Directors, and Juan Jose Gonzalez, CEO

### Delivering results, building for long-term growth

Strong revenue growth and a marked improvement in profitability made 2025 a year of sustained progress and positive momentum for PolyPeptide. We delivered a robust financial performance, further improved our position in the fast-growing metabolic therapeutics market, and continued to strengthen our industrial-scale capabilities. At the same time, we advanced our multi-site expansion strategy, reinforcing our global footprint with a view to capturing long-term market opportunities. Overall, these results reflect PolyPeptide's disciplined execution and continued progress against our strategic priorities.

#### 2025 Performance Highlights

As we reflect on 2025, several key achievements stand out:

- **Strong revenue growth:** PolyPeptide generated EUR 389.3 million in revenue, representing an increase of 15.6% versus 2024, or 16.0% at constant currency rates. Metabolics was a key growth driver, increasing its revenue share to 57% (2024: 40%). Commercial revenue rose to 61% of total revenue, supported by a 19.6% CAGR since 2021.
- **Improved profitability and strong cash flow:** EBITDA increased to EUR 46.8 million, with the margin strengthening to 12.0% (2024: 7.5%). The improvement was mainly driven by higher production volumes, operational efficiencies, and the successful ramp-up of the large-scale SPPS capacity in Braine-l'Alleud (Belgium). Higher profitability, complemented by customer-prepayments, delivered a strong operating cash flow.
- **Capital expenditures (capex) on track:** Key milestones included the full ramp-up of the large-scale SPPS capacity in Braine-l'Alleud (Belgium), that reached its target utilization rate, continued progress on expansion projects in Strasbourg (France) and Ambernath (India), and the ongoing modular expansion in Malmö (Sweden) to double SPPS capacity, supporting the Group's mid-term growth ambitions.

#### Executing Our Strategy in a Dynamic Market

We believe that peptides continue to represent one of the most attractive markets for CDMOs. Third-party data projects the global peptide therapeutics market to grow at approximately 15% CAGR from 2024 to 2031, led by metabolics as the largest and fastest-expanding segment. Growth is expected to accelerate further due to rising obesity-related co-morbidities, such as cardiovascular disease, chronic kidney disease, and MASH.

Since 2021, PolyPeptide has strengthened its position in the field of metabolic therapeutics, with related revenue having more than tripled. Further growth momentum is supported by a rich project pipeline across multiple therapeutic areas

and a diversified customer base. PolyPeptide’s pipeline, efficient and sustainable technologies, and global multi-site network form key pillars enabling us to support our customers throughout the entire product lifecycle.

In 2025, we continued to pursue our capacity expansion strategy to strengthen our global industrial network. These expansions are carried out in close collaboration with customers and reflect the trust they place in our long-term capabilities. Between 2023 and 2025, customer prepayments generated a cumulative net inflow of approximately EUR 156 million, materially contributing to capital expenditure programs.

Innovation remained central to our competitive advantages throughout 2025. Our focus on green chemistry, process intensification, automation, and industrial-scale optimization aims to increase throughput, enhance sustainability, and accelerate development timelines. Our modular manufacturing concept enables rapid and flexible deployment of capacity while maintaining operational continuity and stringent GMP standards.

Throughout the year, we also strengthened our supply chain resilience through long-term collaborations, reinforcing the robustness of our global network as we prepare for continued growth and rising customer demand.

## 2026 Guidance and Mid-term Outlook

The progress achieved in 2025 demonstrates PolyPeptide’s ability to deliver on its commitments while strengthening its financial and operational foundation. For 2026, we expect continued revenue growth of 20–25% versus 2025 (at constant currency rates) and an EBITDA margin in the mid- to high-teens. Capital expenditures are expected to be in line with the Group’s mid-term outlook of 15–20% of revenue.

Looking further ahead, PolyPeptide remains well positioned to meet its mid-term outlook to double 2023 revenue reported by 2028, and achieve an EBITDA margin approaching 25% by 2028, with average capital expenditures at 15–20% of revenue to ensure capacity beyond 2028.

On behalf of the Board of Directors and the entire management team, we would like to thank our shareholders and customers for their continued support and confidence. Most importantly, we thank our employees for their commitment, professionalism, and contribution to PolyPeptide’s success. As we look ahead, we are excited about the opportunities before us and remain focused on delivering sustainable long-term value.

Baar, 10 March 2026

Sincerely,



**Peter Wilden**  
Chair of the Board of Directors



**Juan Jose Gonzalez**  
Chief Executive Officer

## Key figures<sup>1</sup>

kEUR	2025	2024	Change
Revenue	389,327	336,792	15.6%
EBITDA	46,755	25,350	84.4%
EBITDA in % of revenue	12.0%	7.5%	4.5 pts
Operating result (EBIT)	8,689	-7,364	218.0%
Operating result (EBIT) in % of revenue	2.2%	-2.2%	4.4 pts
Result for the year	-21,169	-19,564	-8.2%
Result for the year in % of revenue	-5.4%	-5.8%	0.4 pts
Earnings per share (EUR), basic	-0.64	-0.59	-8.2%
Return on net operating assets (RONOA)	1.6%	-1.6%	3.3 pts
Cash and cash equivalents (end of year)	74,589	68,277	9.2%
Net cash flow from operating activities	77,510	89,399	-13.3%
Capital expenditures	109,978	87,839	25.2%
Capital expenditures in % of revenue	28.2%	26.1%	2.2 pts
Total assets (end of year)	825,959	756,574	9.2%
Equity ratio (end of year)	41.2%	47.2%	-6.0 pts
Employees (# of FTEs, average)	1,395	1,291	8.1%

<sup>1</sup> This table and report include references to operational indicators and alternative financial performance measures (APM) that are not defined or specified by IFRS. These APM should be regarded as complementary information to and not as substitutes for the Group's consolidated financial results based on IFRS. For the definitions of the main operational indicators and APM used, including related abbreviations, as well as for selected reconciliations to IFRS, please refer to the section "Definitions and reconciliations" of this report.



## PolyPeptide in brief

PolyPeptide is a specialized Contract Development & Manufacturing Organization (CDMO) for peptide-based active pharmaceutical ingredients (API).

By supporting its customers mainly in pharma and biotech, it contributes to the health of millions of patients across the world.

PolyPeptide serves a fast-growing market, offering products and services from pre-clinical through to commercial stages. Its broad portfolio reflects the opportunities in drug therapies across areas and with a large exposure to metabolic diseases, including GLP-1.

Dating back to 1952, PolyPeptide today runs a global manufacturing network in Europe, the U.S. and India.

PolyPeptide's shares are listed on SIX Swiss Exchange (SIX: PPGN).

Multi-site network

6

cGMP-certified manufacturing sites

Over

70

years of experience in API manufacturing

Manufacture of around

1/3

of all commercial peptides

PolyPeptide's **VISION** is to be the most innovative peptide CDMO by shaping the future of peptide drug manufacturing and contributing to the health of millions of patients across the world.

The Group's **MISSION** is to help customers develop products, secure regulatory approvals, and successfully launch and commercialize their products by securing current Good Manufacturing Practices (cGMP)-compliant manufacturing practices with efficient and sustainable technologies. Focusing on peptides, the Group supports customers from early development through commercial scale.

PolyPeptide is subject to comprehensive regulations, including cGMP, to assure the quality of its services and products.

Customers expect PolyPeptide to have deep scientific knowledge, technical expertise, and operational experience, demonstrating a relentless focus on quality and high delivery performance.

Building on its **VALUES**, PolyPeptide aims to be the preferred long-term partner for its customers throughout the entire drug life cycle.



### **INNOVATION**

We are curious and explore new ways.  
We are ambitious and find solutions.

### **EXCELLENCE**

We have in-depth technical knowledge and deliver results.  
We deliver quality in everything we do and lead by example.



### **TRUST**

We believe in teamwork and collaboration.  
We are transparent and we accept responsibility.



# Strategy

## Company profile

PolyPeptide is a focused contract development and manufacturing organization (CDMO) specializing in the development and manufacturing of synthetic peptides used as active pharmaceutical ingredients (APIs) or intermediates in therapeutic products. It serves a diversified customer base of around 250 academic, pharmaceutical, and biotech companies around the world. It also produces a range of generic peptides and peptides used in animal health and medical devices.

With a history of over 70 years and a strong manufacturing track record with over 1,000 distinct therapeutic peptides manufactured for customers, the Group has developed into a full-service drug substance provider with differentiated technologies and capabilities to support complex and innovative drug development projects.

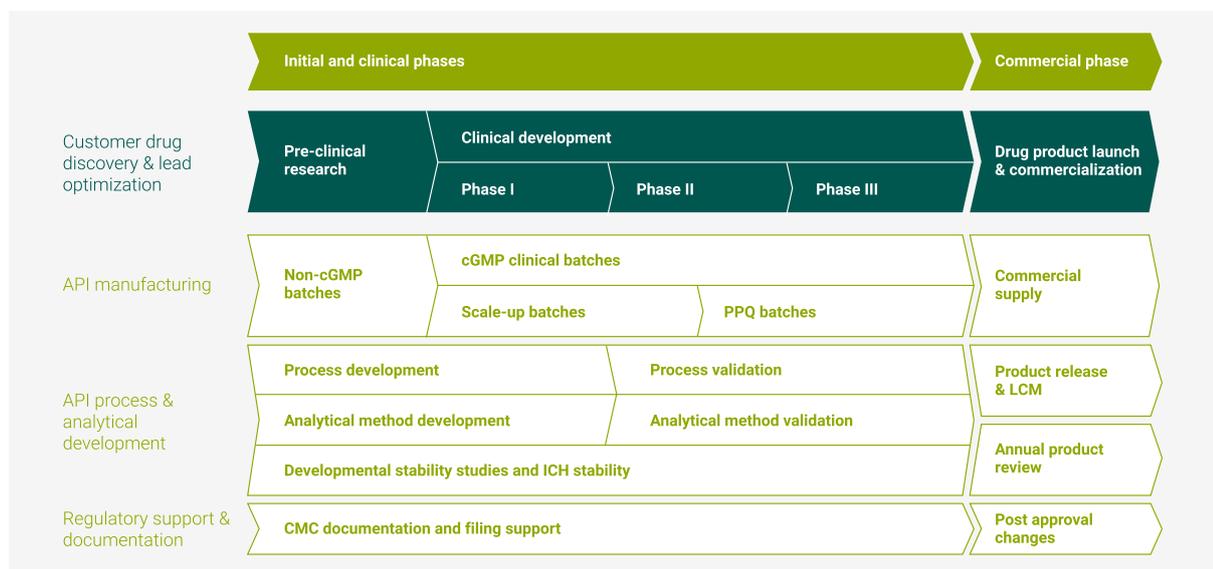
As a CDMO, PolyPeptide is subject to comprehensive regulations, including current Good Manufacturing Practices (cGMP), to assure quality and to ensure the safety of patients. The Group runs a global network of six clinical development and commercial manufacturing sites in Europe, the United States of America, and India, with each of the sites subject to regular inspections by regulatory agencies and audits by its customers. All sites are cGMP certified, demonstrating suitable processes, methods, facilities, and controls.

Beyond the rigorous regulatory environment, PolyPeptide’s market is characterized by distinct structural factors that create high barriers to entry and high switching costs for customers. These factors include the specialized technical expertise and knowledge required to meet customer specifications in relation to quality, reliability and security of supply, the high capital intensity of manufacturing, and the importance of an established track record.

## Business model

PolyPeptide provides its offering through its manufacturing sites and with a “start here – stay here” philosophy, covering the entire life cycle of a drug, starting with the customer’s pre-clinical drug development projects, followed by clinical phases through to commercialization. As a result, its customer relationships are typically strategic and long-term by nature.

### PolyPeptide’s business model



API – Active Pharmaceutical Ingredient; CMC – Chemistry, Manufacturing & Controls; cGMP – current Good Manufacturing Practice; ICH – International Council for Harmonization of Technical Requirements for Pharmaceuticals for Human Use; LCM – Life Cycle Management; NDA – New Drug Application; PPQ – Process Performance Qualification.

Activities include process and analytical method development and stability studies as well as the production of APIs and intermediates. In addition, the Group provides its customers with regulatory documentation and support.

Revenue related to drug development projects results from the Group’s active custom projects pipeline and includes the manufacturing of non-cGMP material for pre-clinical studies and cGMP material for clinical phases. Once a drug has

received regulatory approval, PolyPeptide recognizes related sales as commercial revenue. Most of PolyPeptide's commercial revenue originates from projects that were acquired through development programs, which later secured regulatory approvals.

PolyPeptide maintains a holistic quality system to ensure compliance with cGMP and adherence to applicable guidelines, including those from the International Council for Harmonization of Technical Requirements for Pharmaceuticals for Human Use (ICH).

## Market

According to GlobalData drug database, accessed in February 2026, the global peptide therapeutics market has been valued at approximately USD 68 billion in 2024 and is projected to reach approximately USD 175 billion by 2031 with a compound annual growth rate (CAGR) of around 15% from 2024 to 2031.

PolyPeptide believes that one of the main growth drivers is the increasing demand for peptide-based therapies for metabolic disorders, in particular for the treatment of diabetes, obesity, and other co-morbidities. Based on a third-party market report from August 2024, obesity and type 2 diabetes mellitus (T2DM) present major global health challenges, with an increasing prevalence worldwide. GLP-1 receptor agonists are an established therapeutic option, which is evolving towards offering various formulations differing in efficacy, dosing and routes of administration. The future of incretin-based therapies is observed to move towards novel agents which are dual or triple hormonal agonists. Next to metabolic disorders, the advancement of hundreds of pre-clinical and clinical development projects in other therapeutic areas, including oncology, central nervous system, infectious disease, cardiovascular, gastrointestinal, and immunology, is expected to further complement the growth.

PolyPeptide observed that the global drug development landscape remains focused on synthetic peptides with complex molecular structures, including longer sequences, chemical modifications, and the incorporation of non-natural amino acids, alongside novel formulation technologies such as oral peptides. PolyPeptide believes that its specialized CDMO capabilities remain relevant in customer outsourcing considerations, including in the context of more regionalized supply chain strategies in the current macro-economic environment.

According to the GlobalData drug database, accessed in February 2026, approximately 800 peptide drug projects (synthetic and recombinant) were in development, of which approximately 300 were in clinical development, with over 80 in phase III and pre-registration. GlobalData has recorded over 250 planned, ongoing and completed Phase III clinical trials involving peptides in 2025, which PolyPeptide believes underscores their versatility and broad applicability across multiple indications. Based on third-party market reports, over 100 peptide-based therapies were approved by the US Food and Drug Administration (FDA) as at the end of 2025.

The addressable market for PolyPeptide is the outsourced market for synthetically manufactured peptide-based APIs and intermediates. It was estimated by PolyPeptide, based on public company reports from the financial year 2024, to be valued around USD 2.5 billion in 2024. Out of the approximately 800 peptide drug projects in development, above 80% are estimated to be synthetically manufactured.

## Strategy

### Vision, mission, values

PolyPeptide's vision is to be the most innovative peptide CDMO by shaping the future of peptide drug manufacturing and contributing to the health of millions of patients across the world.

The Group's mission is to help customers develop products, secure regulatory approvals, and successfully launch and commercialize their products by combining cGMP-compliant manufacturing practices with efficient and sustainable technologies. Focusing on peptides, the Group supports customers from early development through commercial scale.

Building on its values of "Innovation", "Excellence" and "Trust", PolyPeptide aims to be the preferred long-term partner for its customers throughout the entire drug life cycle.

Customers expect their CDMO to have deep scientific knowledge, technical expertise, and operational experience, demonstrating a relentless focus on quality and high delivery performance. PolyPeptide strives to meet and exceed these expectations.

### Strategy update

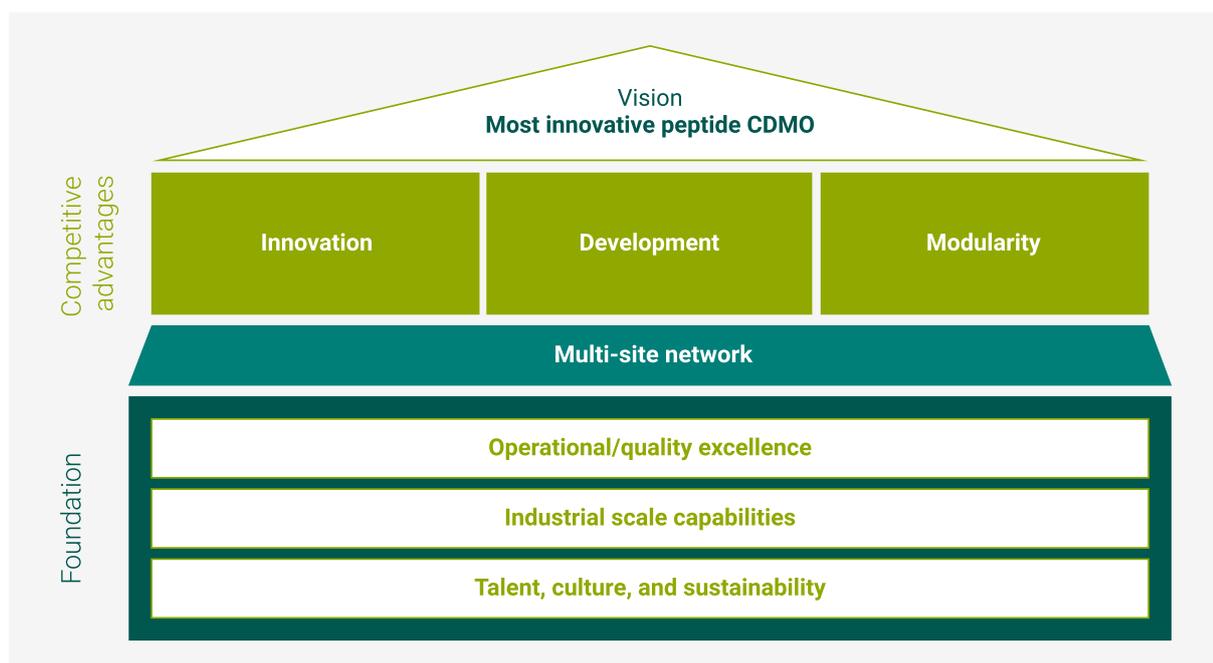
In 2025, PolyPeptide focused on advancing the execution of its growth strategy.

Building on its multi-site network, PolyPeptide’s strategy aims at strengthening both its foundations and competitive advantages:

1. The foundation consists of operational and quality excellence, industrial-scale capabilities, talent and working culture with a commitment to meeting the Group’s corporate responsibilities and sustainability objectives.
2. The competitive advantages center around innovation, with a focus on green chemistry, process intensification and process design, superior pipeline development capabilities, and rapid and flexible capacity expansion that leverages the potential for modularity.

By executing its strategy, PolyPeptide seeks to offer its customers a distinctive value proposition that further differentiates it from competition and that offers a platform that enables its customers to advance complex peptide molecules toward becoming medicines reaching patients worldwide.

### PolyPeptide’s strategy



To execute its strategy, the Group remains committed to continually strengthening its core foundations:

**Operational and quality excellence:** PolyPeptide strives to meet customer requirements in terms of quality, quantity, and time. The design of operational and quality processes is key to reducing technical and business risks while meeting performance standards. PolyPeptide’s operational and quality excellence programs focus on optimizing production planning and execution, enhancing technical proficiency, and sharing best practices across the manufacturing network. Execution requires a continuous improvement mindset to achieve increased efficiency and capacity utilization.

**Industrial scale capabilities:** Given the strong demand and expected peptide therapeutics market growth, the industry needs to evolve its capabilities to satisfy large-scale manufacturing requirements. To support industrial-scale production, PolyPeptide employs proprietary technology and integrated engineering (including improved process controls and enhanced automation) to drive productivity, safety, and sustainability. In 2025, PolyPeptide broadened its sourcing options for key materials. In addition to its long-term partnership with Flamma, it established a more robust and flexible supply chain for peptide manufacturing via its strategic alliance with Lupin Manufacturing Solutions (LPM). Furthermore, to ensure a seamless transition between drug substance (DS) and drug product (DP) in the US, PolyPeptide entered into a collaboration agreement with Lifecore. The collaboration will leverage PolyPeptide’s strong capabilities in peptide manufacturing and development in combination with Lifecore’s expertise in formulation, fill/finish, and packaging in the US.

**Talent, culture, and sustainability:** As a CDMO focused on the development and manufacturing of synthetic peptides, PolyPeptide operates in a specialized field employing a highly educated workforce. By the end of 2025, 64% of its employees held academic degrees and 7% held PhDs in various relevant fields, including in chemistry and engineering. The talent agenda has been further focused on enhancing the organization with industrial-scale manufacturing and supply chain capabilities, while strengthening competences for strategic growth readiness. Furthermore, the Group

adheres to fundamental principles of business ethics, corporate responsibility, and compliance and integrates relevant criteria into its strategy and operations to cultivate sustainable value creation over the long term.

Building on these core foundations, PolyPeptide aims to achieve excellence through its competitive advantages:

**Innovation:** PolyPeptide is focused on innovative manufacturing technologies, while improving environmental sustainability. The importance of PolyPeptide's green chemistry agenda is further fueled by the growing volume of products and the increasing complexity of their structures. In particular, PolyPeptide's green chemistry agenda focuses on solvent reduction, green solvents and reagents, and solvent recycling. In parallel, PolyPeptide focuses on process intensification to enhance production efficiency by optimizing speed, reaction throughput, and yield. One exemplary application includes the development of a high-capacity SPPS resin enabling optimized volumetric capacity. PolyPeptide further concentrates on the development of process design standards and flexible technology platforms to enable a high-throughput modular manufacturing approach.

**Development:** PolyPeptide strives to offer customers superior manufacturing processes and analytical methods, grounded on a partner focused approach from early-stage to late-stage development. With more than 70 years of manufacturing experience, PolyPeptide's regarded development capabilities stem from its (i) agile mindset, attentive to evolving customer needs, (ii) customer proximity and high responsiveness via its multi-site network, and (iii) ability to build long-term trusted relationships. These strengths are reflected in PolyPeptide's rich pipeline of 196 active custom projects across therapeutic areas, including an exposure to metabolic of approximately 20% of the active custom projects pipeline.

**Modularity:** Through a standardized, modular approach, PolyPeptide aims to accelerate implementation, enhance adaptability, maximize output, and reduce risks. This approach is expected to enable (i) rapid deployment of manufacturing capacity, shortening time-to-market through standardized modules, (ii) flexibility to adjust capacity according to demand, (iii) increased process throughput by applying optimal process design and, lastly, (iv) mitigated risks during implementation and qualification by relying on a consistent, standardized design.

PolyPeptide is implementing its growth strategy across its global network of six cGMP- certified manufacturing sites in Europe, the United States of America, and India. As part of its strategy, PolyPeptide is advancing its capacity expansion roadmap with targeted capex investments. By the end of 2025, it achieved the ramp-up of its new large-scale facility in Braine-l'Alleud, Belgium, to its target utilization rate. In addition, the Group marked a significant milestone on its SPPS capacity expansion project in Malmö, Sweden, with the delivery and installation of pre-built modules on site, which are now undergoing mechanical completion. The newly added SPPS capacity at the site in Strasbourg, France, has become operational and is expected to ramp up production throughout 2026. PolyPeptide also announced an investment at the Ambarnath, India, facility, planned to increase production capacity transforming into a larger, more diversified site. Lastly, In Torrance, plans were made in late 2025 to expand downstream capacity.

The Group maintains a Global Balanced Scorecard to support the implementation of its strategy and operational plans. In addition to the financial targets for a given period, the scorecard includes sustainability performance objectives.

For more details, refer to the [Sustainability Report](#) and the [Remuneration Report](#). For the review of the financial and operational performance, including the guidance for 2026, refer to the [Business Review](#).

### Mid-term outlook

PolyPeptide confirms its target to double revenue reported for 2023 by 2028. Revenue growth projections are supported by commitments and supply forecasts of existing customers.

Profitability is expected to approach an EBITDA margin of 25% by 2028, driven by growth initiatives, improving profitability in the existing base business with higher asset utilization and efficiency as well as operating leverage.

Capital expenditures of 15% to 20% of revenue are required to ensure capacity also beyond 2028. PolyPeptide plans to expand manufacturing capacity in an efficient way, capitalizing on its existing multi-site network and proprietary technology to maximize manufacturing throughput.

PolyPeptide plans to build additional capacity in phases in line with specific customer projects and their growth trajectory. The phasing of the capacity being made available is expected to result in an uneven year-on-year growth in revenue and operational expenses, impacting profitability for a given period.

PolyPeptide's guidance and mid-term outlook assumes, no unexpected adverse events.

## Business review

### Revenue

In 2025, PolyPeptide generated EUR 389.3 million in revenue, representing a 15.6% increase versus 2024 (+16.0% at constant currency rates).

Development revenue increased by 29.9% and commercial revenue increased by 7.9%, driven by the successful ramp-up of the new large-scale SPPS capacity in Braine-l'Alleud, further improved utilization of existing assets, and continued strong demand for peptide-based therapeutics. The revenue share related to metabolics further increased to 57% (vs. 40% in 2024)<sup>1</sup>.

Throughout 2025, PolyPeptide remained committed to meeting the needs of its customers and maintaining a rich development pipeline. With 30 (2024: 29) projects acquired during 2025, and with other projects being completed, discontinued, or paused, the active custom projects pipeline at the end of 2025 included 196 (201) projects, with 30 (32) projects for phase III and 38 (38) projects for phase II of clinical development. Overall, the pipeline included 37 metabolic projects across ~25 customers, of which 7 were in Phase III. The number of commercial projects supported during 2025 increased to 68 (65), of which 10 were metabolic programs.

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<sup>1</sup> The revenue share related to oncology declined to 10% (vs. 17% in 2024). Going forward, PolyPeptide will no longer separately disclose the revenue share related to oncology, as its external reporting will focus on metabolics as the main growth driver.

### Profitability

In 2025, PolyPeptide delivered a marked improvement in profitability. Gross profit for 2025 was EUR 66.6 million versus EUR 39.3 million in 2024, and EBITDA was EUR 46.8 million (+84.4%) versus EUR 25.4 million in 2024. The EBITDA margin increased by 4.5 percentage points to 12.0% versus 7.5% in 2024.

The increase in EBITDA reflects an improvement of EUR 21.4 million, driven by higher production volumes, improved operational performance and product mix, as well as the ramp-up of the large-scale SPPS facility in Braine-l'Alleud (EUR +1.4 million), which was partially offset by exceptional costs from ERP-related investments (EUR -4.1 million). With an 8.1% increase in average full-time equivalents, personnel expenses were EUR 16.4 million (+13.4%) higher versus 2024, reflecting ongoing preparations for further growth, including the ramp-up of new assets and continued organizational development.

The operating result (EBIT) in 2025 was EUR 8.7 million versus EUR -7.4 million in 2024. The financial result was EUR -28.7 million versus EUR -10.8 million in 2024, driven mainly by an unfavorable revaluation of intercompany loans based on foreign exchange movements (unrealized) and non-cash financing components related to contract liabilities, while interest expense was broadly in line with prior year. The result for the year was EUR -21.2 million versus EUR -19.6 million in 2024.

### Cash flow and financing

The increased profitability and preparations for growth with customer support contributed to a strong operating cash flow. Net cash flows from operating activities reached EUR 77.5 million in 2025 versus EUR 89.4 million in 2024. Inventories increased by EUR 7.9 million (+5.4% versus year-end 2024), reflecting an improved inventory turnover driven by disciplined working capital management and the Company's procurement improvement initiative. Contract liabilities recorded further net inflows of EUR 27.4 million, bringing net proceeds from customer prepayments between 2023–2025 to EUR 156.2 million and reflecting continued customer support for capacity expansion initiatives.

Net cash flows from investing activities were EUR -111.7 million versus EUR -91.0 million in 2024, bringing free cash flow to EUR -31.4 million versus EUR 2.4 million in 2024. With net inflows from financing activities in the amount of EUR 33.8 million (2024: EUR -25.3 million), cash and cash equivalents at the end of 2025 were at EUR 74.6 million versus EUR 68.3 million at the end of 2024.

PolyPeptide announced the expansion of its existing credit facilities in May 2025. As at the end of 2025, EUR 20 million was outstanding under the unsecured short-term credit facility with the Group's main shareholder. EUR 51 million remained available under the EUR 151 million committed revolving credit facility (RCF), with advanced negotiations for a further increase of the RCF ongoing. In addition, the capital band and conditional share capital for financing created at the general meeting held on 9 April 2025 ("AGM 2025") provide the Group with further flexibility.

## Capacity expansion

In 2025, capital expenditures reached EUR 110.0 million or 28.2% of revenue, in line with the Company's revised guidance and reflecting investments across PolyPeptide's manufacturing sites to meet strong customer demand.

The large-scale solid-phase peptide synthesis (SPPS) asset in Braine-l'Alleud, Belgium achieved its target utilization rate at the end of 2025. During ramp-up, optimization measures were identified, raising potential revenues from the asset from EUR ~100 million to EUR ~125 million. The newly added SPPS capacity at the site in Strasbourg, France, has become operational and is expected to ramp up production throughout 2026. In Malmö, Sweden, PolyPeptide achieved a significant milestone for its SPPS capacity expansion, where the pre-built modules were successfully delivered and installed in September 2025. The modules are currently undergoing mechanical completion and are on track to start ramp-up in 2027. In Torrance, plans were made in late 2025 to expand downstream capacity.

Throughout 2025, PolyPeptide engaged with customers to discuss their mid- and long-term capacity requirements as well as the evaluation of optimal manufacturing locations within the Group's network. With geopolitical uncertainty remaining an important consideration, PolyPeptide's manufacturing network across three continents puts the Group in a strong position to serve customers locally, as needed.

The Group continued to advance the specialization of its network as it transitions from laboratory-scale production to an industrialized manufacturing model. This increased focus on allocating activities to the sites best equipped to meet specific customer needs involved shifting projects between locations, supported by the necessary technology transfers, regulatory documentation and filings. Over time, these measures are expected to enhance operational efficiency, increase output, and contribute to revenue growth.

As part of its large-scale capacity expansion, PolyPeptide uses proprietary manufacturing technology with an integrated engineering design, advanced automation, and process control to ensure high productivity, safety, and sustainability. The Company also strives to leverage the potential for modularity and optimize the SPPS reactor size to reduce project complexity, while shortening time to market and enhancing flexibility.

## Risk management

PolyPeptide has implemented an Enterprise Risk Management ("ERM") framework that provides a consistent, Group wide view of key risks and supports alignment with the Group's strategic objectives. The ERM framework includes an annual risk assessment to identify, evaluate and address relevant risks, including sustainability-related risks, with results reported to the Audit and Risk Committee ("ARC") and the Board of Directors. The Board of Directors, through the ARC, is further supported by the Internal Audit function, which provides independent and objective assurance and supports the evaluation and enhancement of the effectiveness of the Group's risk management, control and governance processes.

For more details on the Group's ERM framework and Internal Audit, refer to the [Corporate Governance Report 2025](#).

## Sustainability management

The Group is committed to driving sustainability by embedding core principles of sustainable business practices, ethical conduct, and regulatory compliance into its operations and ERM framework. At PolyPeptide, material sustainability topics are anchored in our corporate strategy and daily operations, reflecting our commitment to long-term value creation and alignment with evolving regulatory requirements.

PolyPeptide's strategy builds on its multi-site network to strengthen its foundations and competitive advantages, with innovation in green chemistry playing an increasingly important role in sustainable peptide drug manufacturing. Through its green chemistry agenda, PolyPeptide aims to improve environmental sustainability by reducing and optimizing the use of hazardous solvents across its processes. By prioritizing sustainability in our innovation, development and operational efforts in areas where we believe we can have the greatest influence, we aim to contribute to a more sustainable future.

In 2025, PolyPeptide further strengthened its climate transition plan by including near-term, science-based greenhouse gas (GHG) reduction targets for Scopes 1, 2, and 3, as approved by the Science Based Targets initiative (SBTi). The Group has set the absolute near-term target to reduce Scope 1 and Scope 2 GHG emissions by 2030 by 42% versus 2023. For scope 3, the Group set an intensity near-term target to reduce GHG emissions until 2033 by 61% versus 2022.

To reinforce its commitment and align with evolving expectations of business partners and investors, PolyPeptide is voluntarily reporting in reference to the EU Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) as well as in accordance with the Taskforce on Climate-related Financial Disclosure (TCFD) framework.

The Group participates in the Carbon Disclosure program (CDP), scoring a "B" rating in 2025 (2024: B). This is complemented by the EcoVadis Group rating, where PolyPeptide received an "Advanced" rating for its carbon management program in 2025 and a "Silver" rating for its sustainability program, a recognition awarded to

the Top 15% of companies assessed by EcoVadis in the 12 months prior to the medal issue date. Since January 2026, all manufacturing sites are certified according to ISO45001:2018 Occupational health & safety, ISO14001:2015 Environmental management and ISO27001:2022 Information Security.

For more details on PolyPeptide's efforts related to corporate responsibility and climate-related risks and opportunities, refer to the [Sustainability Report 2025](#).

## Strategy and organization

PolyPeptide operates in an attractive market and competes with a track record of over 1,000 distinct therapeutic peptides manufactured, customer proximity driven by the multi-site network, and a culture of agility and responsiveness. These strengths are reflected in PolyPeptide's rich pipeline of active custom and commercial projects across therapeutic areas, including a large exposure to metabolic therapeutics.

In 2025, PolyPeptide focused on advancing the execution of its growth strategy. Its vision is to be the most innovative peptide CDMO, strengthening competitive advantages in 1) innovation focused on green chemistry, process intensification and process design, 2) superior pipeline development capabilities, and 3) rapid and flexible capacity expansion leveraging the potential for modularity.

For more details on PolyPeptide's market and growth strategy, refer to the chapter [Strategy](#).

In 2025, the talent agenda has been further focused on enhancing the organization with industrial-scale manufacturing and supply chain capabilities, while strengthening competences for strategic growth readiness. To enhance PolyPeptide's scalability, a new provider has been selected for the future enterprise resource planning system (ERP) system to bolster the Group's control mechanisms. To mobilize the program, technical experts were hired in 2025 to drive the ERP implementation and to support a seamless rollout across all sites.

As part of its organizational development, PolyPeptide continues to promote internal collaboration across its network and global functions. To achieve its goals, PolyPeptide focuses on the needs of its customers, the sharing of best practice across its site network and the alignment of priorities. It thereby adopts an approach of continuous improvement with a dedication to employee development and engagement to position PolyPeptide as an attractive employer.

## Mid-term outlook and guidance for 2026

The progress made in 2025 positions PolyPeptide well to meet its mid-term outlook first communicated with H1 results in August 2024. PolyPeptide targets doubling revenue reported for 2023 by 2028, with profitability approaching an EBITDA margin of 25% by 2028. Over the mid-term horizon and on average, PolyPeptide expects capital expenditures of 15% to 20% of revenue to ensure capacity also beyond 2028.

For 2026, PolyPeptide's priority is to meet the strong and increasing customer demand. The ramp-up at the new large-scale SPPS facility in Belgium was completed successfully in 2025, providing a strong foundation for continued growth in 2026. PolyPeptide expects revenue to grow 20–25% in 2026 versus 2025, at constant currency rates. The EBITDA margin is expected to continue to rise, reaching mid- to high-teens based on top-line growth and further progress in operations, which will be partially offset by preparations for future growth as well as the ERP implementation previously announced. Growth is expected to be balanced across the year, with both the first and second halves contributing meaningfully to revenue and EBITDA development. Capex is expected to be in line with the Group's mid-term outlook of 15–20% of revenue.

From a financing perspective, PolyPeptide expects further improvements in profitability and cash flow, customer funding support for large capacity expansion projects, and the utilization of its credit facilities.

As PolyPeptide continues to invest for growth, it will not be proposing the payment of a dividend to the AGM 2026.

