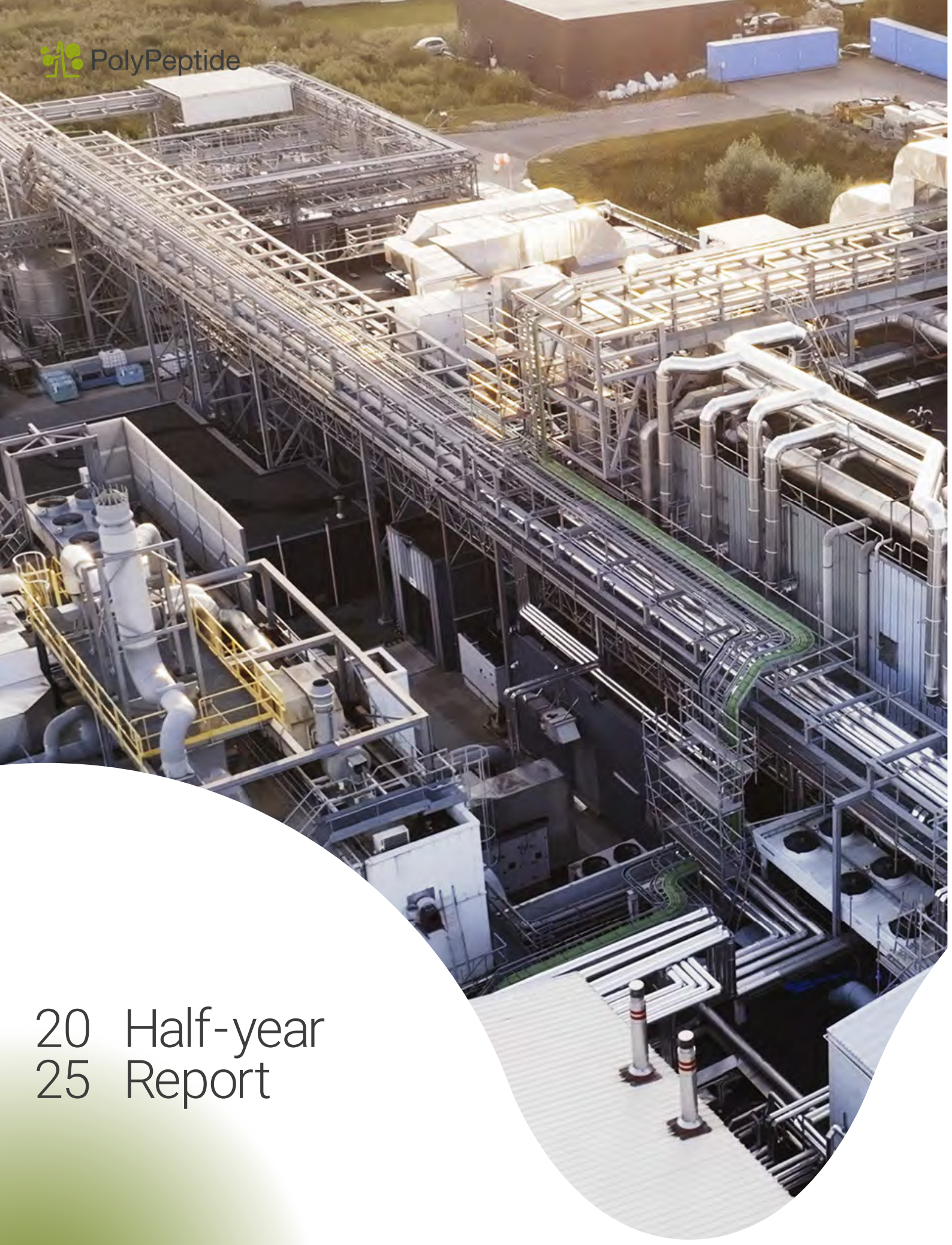
PolyPeptide



2025 Half-year Report

Content Overview

Editorial

Peter Wilden, Chair of the Board of Directors, and Juan José González, Chief Executive Officer

PolyPeptide delivers +24% growth in H1 2025, successful ramp-up at its Belgian site, 2025 full-year guidance revised towards the upper end of the range

H1 2025 performance highlights

In the first half of 2025, PolyPeptide generated EUR 167.1 million in revenue, driven mainly by metabolic therapeutics and representing a 23.7% increase versus H1 2024 while continuing to further advance its capacity expansion strategy:

- In H1, revenue from metabolic therapeutics grew by 98.2%, reaching 56.0% of 2025 H1 revenues. As we deliver on large contracts, commercial revenue continued to accelerate (+37.9% vs H1 2024), accounting for nearly two thirds of PolyPeptide's total revenues.
- EBITDA was EUR 4.4 million versus EUR 2.9 million in H1 2024, driven by higher sales, partially offset by investments made to support PolyPeptide's growth.
- Net cash flows from operating activities reached EUR 49.7 million versus EUR 0.5 million in H1 2024. Further customer prepayments (net inflows of EUR 27.7 million in H1 2025), as well as disciplined working capital management, offset the buildup of inventory to support the planned growth in H2 2025.
- Capital expenditures reached EUR 46.1 million, or 27.6% of revenue, for key projects in Belgium, Sweden and France. In H1, commercial production at the large-scale SPPS capacity in Braine-l'Alleud, Belgium, progressed to plan, in line to achieve target utilization rate by end 2025. The construction work to double SPPS capacity in Malmö, Sweden, is on track.
- In H1, PolyPeptide announced the expansion of its revolving credit facility by additional capital commitments of EUR 40 million to EUR 151 million, further enhancing the Group's financial flexibility.

Strengthening our organization and capabilities

- As we expand our commercial business and with the continued importance of large-pharma customers, we maintain our focus on our talent agenda.
- In H1 2025, we enhanced our capabilities in production, operational excellence, engineering, ERP, development, supply chain and quality management, by strengthening our organization, further deepening our CDMO and peptide manufacturing expertise at global and local level.
- We are especially pleased to announce the appointment of Raoul Bernhardt as Chief Manufacturing and Supply Chain Officer and as member of the Executive Committee, succeeding Jens Fricke. Mr. Bernhardt brings with him 30+ years of international experience in various senior roles in operations and supply chain management, including as former Vice President at Catalent Pharma Solutions, a CDMO. He will continue to drive PolyPeptide's operations and supply chain excellence agenda. Jens Fricke will remain with the Group and will oversee the multi-site capacity expansion programs.

Revised guidance for full-year 2025

On the back of the operational progress made in H1 2025 and robust customer demand, PolyPeptide revises its guidance for the full-year 2025 towards the upper end of the range. It now expects annual revenue growth of 13-20% at constant currency rates, with an EBITDA margin in the high single-digit / low double-digit range, and capital expenditures of around EUR 100 million.

PolyPeptide's priorities for 2025 remain to ramp up its new large-scale facility in Braine-l'Alleud to its target utilization rate by the end of the year, execute its operational and quality excellence programs, and advance customer contractual partnerships, while executing on the capacity expansions across PolyPeptide's multi-site network.

Operating in an attractive market

According to Evaluate Pharma (accessed June 2025), the global peptide therapeutics market has been valued at approximately USD 59 billion in 2024 and is projected to reach approximately USD 162 billion by 2030 with a compound annual growth rate (CAGR) of above 15% from 2024 to 2030.

PolyPeptide believes that the main growth driver is the increasing demand for peptide-based therapies for metabolic disorders, in particular for the treatment of diabetes, obesity, and other co-morbidities. During the first half of 2025, pharmaceutical companies announced significant investments in the form of external agreements (e.g., collaboration, licensing) to diversify their portfolio, while supporting trials for new-generation molecules targeting metabolic diseases and their related co-morbidities. We observe efforts, supported by both completed and ongoing studies and trials, focused on differentiation, particularly through indications expansion, enhanced efficacy, alternative delivery routes and extended dosing intervals aimed at meeting market demand, improving patients' convenience and adherence, thus generating opportunities for peptide CDMO players.

With a history of over 70 years and a strong manufacturing track record with over 1,000 distinct therapeutic peptides manufactured for customers, we are convinced that PolyPeptide is well positioned to successfully compete in this market. PolyPeptide's customer proximity, driven by its multi-site network and a culture of agility and responsiveness are reflected in its rich pipeline of active custom and commercial projects with large exposure to GLP-1 and the metabolic opportunity.

Sharpened growth strategy

In H1 2025, we continued to focus on the execution of our growth strategy across our global multi-site network. Our 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. Polypeptide's strategy aims to strengthen 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 and process intensification, superior pipeline development capabilities, and rapid and flexible capacity expansion that leverages the potential for modularity.

As part of its strategy, PolyPeptide is advancing its capacity expansion roadmap with continued and targeted investments. In H1, commercial production at the new large-scale SPPS capacity in Braine l'Alleud, Belgium progressed according to plan, in line to achieve target utilization rate by end of 2025. In Malmö, Sweden, the construction work to double SPPS capacity announced in January 2025 remains on track. The large-scale capacity expansion with the deployment of a modular approach is intended to accelerate time to market, while enhancing flexibility to ensure high utilization, and supports a large commercial GLP-1 contract previously communicated by PolyPeptide. In addition, PolyPeptide continued to advance the doubling of the SPPS capacity in Strasbourg, France, for a large commercial contract.

We believe the execution of this strategy will enable PolyPeptide to offer its customers a distinctive value proposition that further differentiates it from the competition. The Group's strategy includes transformational elements to adapt to evolving customer needs and to enhance its industrial-scale capabilities. As a result, PolyPeptide strives to advance its peptide manufacturing practices through efficient and sustainable ways of working and new proprietary technologies.

Mid-term outlook

Our target is to double revenue reported for 2023 by 2028. Revenue growth projections are supported by commercial contracts and supply forecasts of existing customers.

Profitability is expected to approach an EBITDA margin of 25% by 2028, driven by our 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 beyond 2028. We plan to expand manufacturing capacity in an efficient way, capitalizing on our existing multi-site network and proprietary technology to maximize manufacturing throughput. Our plan is to build additional capacity in phases in line with specific customer projects and their growth trajectory.

Continuing to deliver on our customer promise

With a promising start to the first half of 2025, we believe we are well-positioned to meet our revised guidance and mid-term outlook. We are excited to contribute to a continually expanding global peptide market and deliver on our customer promise: Creating the future in peptides. The drivers that make this happen are our now more than 1,400 colleagues across six cGMP sites who continue to deliver on a daily basis, contributing towards our growth strategy, by driving quality excellence standards and enhancing PolyPeptide's industrial-scale capabilities.

Speaking on behalf of the Board of Directors and the Executive Committee, we are especially grateful to all our employees, our customers who are at the center of our growth strategy, and our shareholders for their ongoing support and trust.

Baar, 8 August 2025

Sincerely,

Peter Wilden
Chair of the Board of Directors

Juan José González
Chief Executive Officer

Key Figures[1]

kEUR	H1 2025	H1 2024	Change
Revenue	167,096	135,043	23.7%
EBITDA	4,434	2,869	54.6%
EBITDA in % of revenue	2.7%	2.1%	0.5 ppts
Operating result (EBIT)	-13,723	-12,571	-9.2%
Operating result (EBIT) in % of revenue	-8.2%	-9.3%	1.1 ppts
Result for the period	-26,539	-11,386	-133.1%
Result for the period in % of revenue	-15.9%	-8.4%	-7.5 ppts
Earnings per share (EUR), basic	-0.80	-0.35	-129.8%
Return on net operating assets (RONOA)	-1.8%	-3.4%	1.6 ppts
Cash and cash equivalents (end of period)	76,695	48,475	58.2%
Net cash flow from operating activities	49,656	471	10,465.0%
Capital expenditures	46,108	20,537	124.5%
Capital expenditures in % of revenue	27.6%	15.2%	12.4 ppts
Total assets (end of period)	773,067	664,971	16.3%
Equity ratio (end of period)	42.8%	54.1%	-11.3 ppts
Employees (# of FTEs, average)	1,366	1,277	7.0%

[1] 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- and oligonucleotide-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.

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.

PolyPeptide delivers +24% growth in H1 2025, successful ramp-up at its Belgian site, 2025 full-year guidance revised towards the upper end of the range

Revenue and customer projects

In H1 2025, PolyPeptide generated EUR 167.1 million in revenue, driven mainly by metabolic therapeutics and representing a 23.7% increase versus H1 2024 or a 23.3% growth at constant currency rates. Commercial revenue increased by 37.9%, reflecting the ramp-up of the new large-scale capacity in Braine-l'Alleud, Belgium, as well as favorable market trends across PolyPeptide's broad portfolio. Revenue from metabolic therapeutics grew 98.2% versus H1 2024, reaching 56.0% of total revenue. Development revenue increased by 4.1% versus H1 2024 based on continued demand across many therapeutic areas.

PolyPeptide's diversified pipeline of active custom projects reflects its reputation and development capabilities with a strong exposure to metabolic therapeutics (including GLP-1 receptor agonist drugs), oncology and neurology. Furthermore, PolyPeptide refocused its half-year disclosure practice to better reflect the relevant drivers and trends[1].

[1] PolyPeptide refocused its half-year disclosure practice to better reflect the relevant growth drivers. As short-term movements in project count are not considered representative, disclosure of the number of projects in the active custom project pipeline will be limited to the annual reporting cycle.

Profitability

PolyPeptide's gross profit and EBITDA continued to improve in H1 2025. Gross profit in H1 2025 was EUR 14.3 million versus EUR 10.5 million in H1 2024 and EBITDA was EUR 4.4 million versus EUR 2.9 million in H1 2024.

The increase in EBITDA was driven by higher sales (EUR +14.5 million), which was partially offset by an unfavorable product mix with higher material costs (EUR -5.2 million), and investments in FTEs to support our growth (EUR -4.5 million), mostly from the increase in average full-time equivalents (+7.0%) compared to H1 2024. Exceptional costs included ramp-up of the large-scale SPPS asset in Braine (EUR -2.0 million) and ERP-related investments (EUR -1.1 million).

The operating result (EBIT) in H1 2025 was EUR -13.7 million versus EUR -12.6 million in H1 2024. The financial result was EUR -17.3 million versus EUR 0.3 million in H1 2024, largely driven by an unfavorable revaluation impact on intra-Group positions due to foreign exchange movements (favorable impact in H1 2024). Interest expenses were stable compared to H1 2024.

The result for the period and deferred tax income resulted in an income tax benefit of EUR 4.5 million in H1 2025 versus EUR 0.9 million in H1 2024, bringing the result for H1 2025 to EUR -26.5 million versus EUR -11.4 million.

Cash flow and cash position

Net cash flows from operating activities reached EUR 49.7 million in H1 2025 versus EUR 0.5 million in H1 2024. Further prepayments received from customers (net inflows of EUR 27.7 million in H1 2025), as well as disciplined working capital management offset the buildup of inventory to support the planned growth in H2 2025.

Net cash flows from investing activities were EUR -50.8 million versus EUR -32.2 million in H1 2024, bringing the free cash flow to EUR +0.5 million. Cash and cash equivalents at the end of H1 2025 reached EUR 76.7 million versus EUR 48.5 million at the end of H1 2024 and 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 H1 2025, EUR 60 million of the committed EUR 151 million were drawn from the revolving credit facility.

Operational progress

During H1 2025, PolyPeptide continued to focus on its capacity expansion strategy across the site network by implementing its advanced proprietary technology with an integrated engineering design, advanced automation and process control to ensure high productivity, safety, and sustainability. Overall, capital expenditures reached EUR 46.1 million or 27.6% of revenue (15.2% in H1 2024) with some highlights including:

In H1, commercial production at the new large-scale SPPS capacity in Braine-l'Alleud, Belgium progressed according to plan, in line to achieve target utilization rate by end of 2025. Further, PolyPeptide, progressed its global capacity expansions, and the doubling of solid-phase peptide synthesis (SPPS) capacity at its manufacturing site in Malmö,

Sweden, including the implementation of a new tank farm. PolyPeptide continues to sharpen its value proposition and superior development capabilities through the deployment of a modular approach to support a large commercial GLP-1 contract.

To enhance PolyPeptide's scalability, a new provider has been selected for the future ERP system to bolster the Group's control mechanisms. To mobilize the program, technical experts are being hired in H2 to drive the ERP implementation and to support a seamless rollout across all sites.

Organizational development

As we expand our commercial business and with the continued importance of large-pharma customers, we maintain our focus on our talent agenda.

In H1 2025, we enhanced our capabilities in production, operational excellence, engineering, ERP, development, supply chain and quality management, by strengthening our organization, further deepening our CDMO and peptide manufacturing expertise at global and local level.

We are especially pleased to announce the appointment of Raoul Bernhardt as Chief Manufacturing and Supply Chain Officer and member of the Executive Committee, succeeding Jens Fricke. Mr. Bernhardt brings with him 30+ years of international experience in various senior roles in operations and supply chain management, including his deep experience as former Vice President at Catalent Pharma Solutions, a CDMO. He will continue to drive PolyPeptide's operations and supply chain excellence agenda. Jens Fricke remains in the Group and will oversee the multi-site capacity expansion programs.

Update on Sustainability Reporting

PolyPeptide follows an integrated approach for the management of environmental, social and governance (ESG) topics that are considered material to its business. PolyPeptide continues to prepare for the enhanced disclosure requirements for the financial year 2025 under the Corporate Sustainability Reporting Directive of the European Union (CSRD) and the European Sustainability Reporting Standards (ESRS), with the intention of transitioning to an ESRS Sustainability Statement.

In March 2025, PolyPeptide received the outcome of its latest Carbon Disclosure Project (CDP) assessment and received a B score. For the third consecutive year, the Group was able to improve its climate rating. In July, PolyPeptide received the results of the EcoVadis Group Evaluation 2025 and was awarded silver status, representing a further improvement over the 2024 score with progress noted over all four evaluation areas which include environment, ethics, labour & human rights and sustainable procurement. PolyPeptide also continues the work on the transition plan including Greenhouse Gas (GHG) reduction targets as announced in the climate report 2024.

In preparation for the enhanced disclosure requirements for the financial year 2025, PolyPeptide conducted a double materiality assessment (DMA), which considered the entire value chain, including the Group's upstream and downstream value chain, its own activities and reflecting input from key stakeholder groups interviewed during the process. Details of the impacts, risks and opportunities of these material topics will be disclosed in the Sustainability Statement 2025, which will be published as part of the Annual Report 2025.

Guidance for 2025

On the back of the operational progress made in H1 2025 and robust customer demand, PolyPeptide revises its guidance for the full-year 2025 towards the upper end of the range. It now expects:

	Previous	Revised
Revenue growth vs 2024 (at constant currency rates)	10-20%	13-20%
EBITDA margin	Increasing vs 2024	High single-digit / low double-digit
Capital expenditures	~20% of revenue	EUR ~100m

The revised guidance for 2025 assumes that revenue in H2 2025 will exceed the revenue in H1 2025 and that the ramp-up of the new large-scale asset in Braine-l'Alleud, Belgium, continues to be on track. PolyPeptide's priorities for 2025 remain to ramp up its new large-scale facility in Braine-l'Alleud to its target utilization rate by the end of the year, execute its operational and quality excellence programs, and advance its customer contractual partnerships, while executing on the capacity expansions across its multi-site network.

Mid-term outlook

Market

According to Evaluate Pharma (accessed June 2025), the global peptide therapeutics market has been valued at approximately USD 59 billion in 2024 and is projected to reach approximately USD 162 billion by 2030 with a compound annual growth rate (CAGR) of above 15% from 2024 to 2030.

PolyPeptide believes that the main growth driver is the increasing demand for peptide-based therapies for metabolic disorders, in particular for the treatment of diabetes, obesity, and other co-morbidities.

The advancement of hundreds of pre-clinical and clinical development projects in other therapeutic areas, including oncology, infectious diseases, orphan diseases, cardiovascular, neurology, or gastro-enterology applications, is expected to complement the growth beyond metabolic disorders. We observe that the global drug development landscape remains focused on synthetic peptides with complex molecular structures and novel formulation technologies, including oral peptides. In addition, we continue to observe a strong outsourcing trend based on the high degree of specialized knowledge involved in chemical synthesis, customers' geopolitical considerations and the current macro-economic environment.

With a history of over 70 years and a strong manufacturing track record with over 1,000 distinct therapeutic peptides manufactured for customers, we are convinced that PolyPeptide is well positioned to successfully compete in this market. PolyPeptide's customer proximity driven by its multi-site network and a culture of agility and responsiveness are reflected in its rich pipeline of active custom and commercial projects with large exposure to GLP-1 and the metabolic opportunity.

Strategy

In H1 2025, we continued to focus on the execution of our growth strategy across our global multi-site network. Our 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. Polypeptide's strategy aims to strengthen 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 and process intensification, superior pipeline development capabilities, and rapid and flexible capacity expansion that leverages the potential for modularity.

We believe the execution of this strategy will enable PolyPeptide to offer its customers a distinctive value proposition that further differentiates it from the competition. The Group's strategy includes transformational elements to adapt to evolving customer needs and to enhance its industrial-scale capabilities. As a result, PolyPeptide strives to advance its peptide manufacturing practices through efficient and sustainable ways of working and new proprietary technologies.

Financials

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.

Over the mid-term horizon and on average, PolyPeptide expects capital expenditures of 15% to 20% of revenue to ensure capacity also beyond 2028. Large capacity expansions are expected to be made in close collaboration with the Group's customers and including long-term commitments through financing support (prepayments or other structures). Investment phasing may lead to capital expenditures above the indicated range in a given year, depending on the opportunities that arise. The Group's long-term lifecycle management Capex is generally expected to be between 4-6% of revenue.

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

Financial Report

Interim consolidated financial statements

Interim consolidated income statement

1 January – 30 June (unaudited)

kEUR	Note	H1 2025	H1 2024
Revenue	4	167,096	135,043
Other operating income		503	787
Total income		**167,599**	**135,830**
Cost of sales		-153,308	-125,287
Gross profit / (loss)		**14,291**	**10,543**
Marketing and sales expenses		-2,120	-1,922
Research expenses		-909	-451
General and administrative expenses		-24,985	-20,741
Total operating expenses		**-28,014**	**-23,114**
Operating result (EBIT)		**-13,723**	**-12,571**
Financial income		492	8,873
Financial expenses		-17,823	-8,613
Total financial result		**-17,331**	**260**
Result before income taxes		**-31,054**	**-12,311**
Income tax		4,515	925
Result for the period		**-26,539**	**-11,386**
Attributable to shareholders of PolyPeptide Group AG		-26,539	-11,386
Earnings per share in EUR, basic		-0.80	-0.35
Earnings per share in EUR, diluted		-0.80	-0.35

Interim consolidated statement of comprehensive income

1 January – 30 June (unaudited)

kEUR	Note	H1 2025	H1 2024
Result for the period		-26,539	-11,386
Other comprehensive income to be reclassified to profit or loss in subsequent periods			
Exchange differences on translation of foreign operations, net of tax		-2,437	-8,709
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**-2,437**	**-8,709**
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Remeasurement gain / (loss) on defined benefit plans		2,866	-2,590
Income tax effect		-626	626
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		**2,240**	**-1,964**
Other comprehensive result for the period, net of taxes		**-197**	**-10,673**
Total comprehensive result for the period, net of taxes		**-26,736**	**-22,059**
Attributable to shareholders of PolyPeptide Group AG		-26,736	-22,059

Interim consolidated statement of financial position

(Unaudited)

Assets, kEUR	Note	As at 30 June 2025	As at 31 December 2024
Non-current assets			
Intangible assets		13,887	15,018
Property, plant and equipment		389,119	364,541
Right-of-use assets		21,448	24,448
Deferred income tax assets		20,998	17,620
Other financial assets		6,227	5,164
Contract costs		1,563	1,563
Total non-current assets		**453,242**	**428,354**
Current assets			
Inventories		157,681	146,351
Trade receivables		54,580	82,499
Contract assets		2,910	3,761
Corporate income tax receivables		9,397	8,023
Other current assets		18,562	19,311
Cash and cash equivalents		76,695	68,277
Total current assets		**319,825**	**328,222**
Total assets		**773,067**	**756,576**

Interim consolidated statement of financial position (continued)

(Unaudited)

Equity and liabilities, kEUR	Note	As at 30 June 2025	As at 31 December 2024
Equity attributable to equity holders of the parent company			
Share capital	7	302	302
Share premium		203,129	203,129
Translation reserve		18,872	21,309
Treasury shares	7	-7,453	-8,398
Other capital reserves		-43	425
Retained earnings		116,178	140,477
Total equity		**330,985**	**357,244**
Non-current liabilities			
Deferred income tax liabilities		2,941	3,205
Pensions		30,075	32,133
Provisions		1,783	1,942
Interest-bearing loans and borrowings	10	78,785	39,420
Lease liabilities		16,496	18,982
Other financial liabilities		9,547	9,508
Contract liabilities		105,534	99,639
Total non-current liabilities		**245,161**	**204,829**
Current liabilities			
Interest-bearing loans and borrowings	10	608	30,642
Lease liabilities		4,560	5,073
Other financial liabilities		1,321	1,266
Corporate income tax payable		1,814	356
Trade payables		67,195	73,256
Contract liabilities		88,518	60,475
Other current liabilities		32,905	23,435
Total current liabilities		**196,921**	**194,503**
Total liabilities		**442,082**	**399,332**
Total equity and liabilities		**773,067**	**756,576**

Interim consolidated statement of changes in equity

1 January 2025 – 30 June 2025 (unaudited)
Attributable to shareholders of PolyPeptide Group AG:

kEUR	Share capital	Share premium	Translation reserve	Treasury shares	Other capital reserves	Retained earnings	Total
Balance as at 1 January 2025	**302**	**203,129**	**21,309**	**-8,398**	**425**	**140,477**	**357,244**
Result for the period						-26,539	-26,539
Remeasurement gain / (loss) on defined benefit plans, net of tax						2,240	2,240
Currency exchange differences			-2,437				-2,437
Total comprehensive income	**–**	**–**	**-2,437**	**–**	**–**	**-24,299**	**-26,736**
Purchase of own shares				-484			-484
Share-based payment					961		961
Transfer of own shares				1,429	-1,429		–
Total transactions with owners	**–**	**–**	**–**	**945**	**-468**	**–**	**477**
Balance as at 30 June 2025	**302**	**203,129**	**18,872**	**-7,453**	**-43**	**116,178**	**330,985**

Interim consolidated statement of changes in equity (continued)

1 January 2024 – 30 June 2024 (unaudited)
Attributable to shareholders of PolyPeptide Group AG:

kEUR	Share capital	Share premium	Translation reserve	Treasury shares	Other capital reserves	Retained earnings	Total
Balance as at 1 January 2024	**302**	**203,129**	**21,832**	**-10,393**	**1,217**	**165,139**	**381,226**
Result for the period						-11,386	-11,386
Remeasurement gain / (loss) on defined benefit plans, net of tax						-1,964	-1,964
Currency exchange differences			-8,709				-8,709
Total comprehensive income	**–**	**–**	**-8,709**	**–**	**–**	**-13,350**	**-22,059**
Share-based payment					750		750
Transfer of own shares				1,028	-1,028		–
Total transactions with owners	**–**	**–**	**–**	**1,028**	**-278**	**–**	**750**
Balance as at 30 June 2024	**302**	**203,129**	**13,123**	**-9,365**	**939**	**151,789**	**359,917**

Interim consolidated statement of cash flows

1 January – 30 June (unaudited)

kEUR	H1 2025	H1 2024
Cash flow from operating activities		
Result for the period	-26,539	-11,386
Adjustments to reconcile cash generated by operating activities		
Depreciation, amortization and impairment	18,157	15,440
Movement in provisions	36	-5
Movement in pensions	-247	233
Share-based payment expense	961	750
Financial income	-492	-8,873
Financial expenses	17,823	8,613
Income tax expense / (income)	-4,515	-925
Changes in net working capital		
(Increase) / decrease in inventories	-15,145	-31,196
(Increase) / decrease in trade receivables	24,484	29,239
(Increase) / decrease in contract assets	836	-9,346
(Increase) / decrease in other current assets	-989	963
Increase / (decrease) in trade payables	1,076	-11,146
Increase / (decrease) in contract liabilities	27,720	20,499
Increase / (decrease) in other current liabilities	9,165	1,336
Cash generated from operations	**52,331**	**4,196**
Interest income received	475	322
Interest expenses paid	-3,459	-3,649
Income taxes paid	309	-398
Net cash flows from operating activities	**49,656**	**471**
Cash flow from investing activities		
Acquisition of intangible assets	-457	-1,357
Acquisition of property, plant and equipment	-48,683	-28,376
Investments in other financial assets	-1,671	-2,489
Net cash flows from investing activities	**-50,811**	**-32,222**

Interim consolidated statement of cash flows (continued)

1 January – 30 June (unaudited)

kEUR	H1 2025	H1 2024
Cash flow from financing activities		
Purchase of own shares	-484	–
Net proceeds from long-term borrowings from banks	20,000	–
Repayment of short-term borrowings from Draupnir Holding B.V.	-10,000	–
Repayment of long-term borrowings from banks	–	-10,000
Repayment of lease liabilities	-1,330	-1,943
Repayment of other financial liabilities	-1,016	-353
Net cash flow from financing activities	**7,170**	**-12,296**
Net movement in cash and cash equivalents	**6,015**	**-44,047**
Cash and cash equivalents at the beginning of the period	68,277	95,706
Net foreign currency exchange differences	2,403	-3,184
Cash and cash equivalents at the end of the period	**76,695**	**48,475**

Notes to the interim consolidated financial statements

General

PolyPeptide Group AG (the "Company") is the holding company of a group of companies (the "Group") engaged in the development, manufacturing and marketing of peptide- and oligonucleotide-based compounds for use in the pharmaceutical and related research industries. The Group offers a full-service concept from early-stage custom development to contract manufacturing in both solid phase and solution phase technology.

The registered office of the Company is Neuhofstrasse 24, 6340 Baar, Switzerland.

As at 30 June 2025, the Company was a 55.47% subsidiary of Draupnir Holding B.V., a company registered in the Netherlands. Draupnir Holding B.V.'s ultimate controlling parent entity is Cryosphere Foundation, a foundation registered on Guernsey, of which Mr. Frederik Paulsen (Lausanne, Switzerland) is at present a named beneficiary pursuant to the charter of the foundation governed by the laws of Guernsey, although he has no vested interest in any portion of the foundation assets.

1 Basis of preparation

These condensed consolidated financial statements are the unaudited, interim consolidated financial statements (hereafter "the Half-year Report") of PolyPeptide Group AG and its subsidiaries for the six-month period ended 30 June 2025 (hereafter "the interim period"). The Half-year Report is prepared in accordance with the International Accounting Standard 34 – *Interim Financial Reporting* and thus does not include all of the information required for a complete set of IFRS financial statements. The Half-year Report should be read in conjunction with the consolidated financial statements for the year ended 31 December 2024 (hereafter "the Annual Report 2024") as it provides an update of the previously reported information.

No new standards or amendments to existing standards with a material effect on the Group's Half-year Report have become mandatorily effective for reporting periods beginning 1 January 2025. Thus, accounting policies adopted in the Half-year Report are consistent with those of the previous financial year.

The preparation of the Half-year Report requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and disclosure of contingent liabilities. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the Half-year Report, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change.

There are a number of standards and interpretations that have been issued by the International Accounting Standards Board that are effective for periods beginning subsequent to 31 December 2025 (the date of the Group's next annual consolidated financial statements) that the Group has decided not to adopt early. The Group does not believe these standards and interpretations will have a material impact on the recognition and measurements of financial items in the consolidated financial statements once adopted.

All amounts are stated in thousands of Euros, unless otherwise stated.

2 Segment information

PolyPeptide generates revenue that can be divided into the three business areas described in Note 4. The chief operating decision maker (i.e., the Executive Committee) reviews revenue generated within each business area but does not review results at this disaggregated level. The chief operating decision maker rather reviews the results of the Group as a whole to assess performance. As a result, the three business areas should not be considered three separate operating segments since only revenue information for each area is reviewed by the chief operating decision maker. Accordingly, there is only one operating segment according to IFRS 8 – *Operating segments.*

No segment information is thus required to be disclosed in the notes to the interim consolidated financial statements according to IAS 34 – *Interim Financial Reporting*.

3 Seasonality

The activities of PolyPeptide are not subject to seasonal or cyclical variations in the underlying business. However, PolyPeptide may experience variability in its revenue across periods as a result of, among other things, the timing of customer purchase orders and payments, investments made during the period, increased competition, the number of selling days in a period and fluctuation of foreign currency exchange rates.

4 Revenue

PolyPeptide generates revenue from the following three business areas:

Revenue by business area

kEUR	H1 2025	H1 2024
Custom Projects	58,847	56,521
Contract Manufacturing	78,916	60,601
Generics and Cosmetics	29,333	17,921
Total revenue	**167,096**	**135,043**

Custom Projects business area specializes in the manufacturing of custom research-grade peptides and oligonucleotides, in milligram, gram or pilot scale quantities, at predefined purity levels for use in pre-clinical and clinical development as well as for regulatory and scientific studies. Custom Projects also provides cGMP manufacturing services during the later phases of development. Revenue is allocated to Custom Projects for sales of products in the pre-clinical through clinical stage development (i.e., prior to commercial launch) as generally set out in master service agreements and/or the accompanying work / purchase orders.

Contract Manufacturing business area manufactures peptides for commercial stage peptide therapeutics, at scale, in commercial batches and in accordance with cGMP requirements. The Group's Contract Manufacturing services also include consultation for continuous improvement and process stabilization / optimization to support scale-up, process changes to support cost of goods sold enhancement, lifecycle management and extension as well as regulatory support. Revenue is allocated to Contract Manufacturing where production is related to the commercial supply of products, including the production of commercial generic products where the Group manufactures for the patent originator, as generally set out in master supply agreements and/or the accompanying work / purchase orders.

Generics and Cosmetics business area manufactures peptide-based generics for the human and veterinary market, produced on an industrial scale following cGMP guidelines. Generally, PolyPeptide's generic products are off-patent and manufactured for numerous generic customers. The business area also includes revenue generated from the sale of peptides used in cosmetics, primarily for anti-aging applications. Revenue is allocated to Generics and Cosmetics for product sales to generics manufacturers and non-originators (i.e., not the original patent holder) as well as cosmetics sales, each as generally set out in nonproprietary master supply agreements and/or the accompanying work / purchase orders.

Revenue from contracts with customers

H1 2025 kEUR	API	Related services	Total
Timing of transfer of goods and services			
Point in time	152,926		152,926
Over time		14,170	14,170
Total revenue	**152,926**	**14,170**	**167,096**

H1 2024 kEUR	API	Related services	Total
Timing of transfer of goods and services			
Point in time	118,616		118,616
Over time		16,427	16,427
Total revenue	**118,616**	**16,427**	**135,043**

Revenue from Active Pharmaceutical Ingredients (API) fully relate to the sale of goods, and revenue from related services refer to the rendering of services. All revenues from contracts with customers classify as business-to-business.

Revenue by geographical area

kEUR	H1 2025	H1 2024
Americas	50,196	37,968
Europe	104,985	82,424
Asia Pacific	11,749	12,869
Others	166	1,782
Total revenue	**167,096**	**135,043**

Revenue is attributed to the individual geographical area based on the invoice address of the respective customer.

5 Significant events and transactions

There have been no significant events and transactions in H1 2025 and H1 2024 that require a separate explanation for the user of the financial statements to understand the changes in financial position and performance of the Group since the end of the last annual reporting period.

6 Share-based payment

The following equity-settled share-based payment arrangements are recognized in the interim consolidated financial statements:

Board of Directors

Members of the Board of Directors receive at least half of their fixed fees in shares, with the option to elect to be paid up to 100% of their fixed fee in shares. For Board members electing to receive more than 50% of their fixed fee in shares, the shares exceeding the 50% portion are granted at a discount of 20% to market price. The proportion between shares (in excess of 50%) and cash is selected by each Board member upon election at the annual general meeting and is fixed until the next annual general meeting. The Board of Directors is compensated on a pro-rata basis for the period of service, even in the case of early termination or removal.

In H1 2025, the fair value at grant date amounted to kEUR 795 (H1 2024: kEUR 785), reflecting a measurement based on a total number of shares of 51,895 (H1 2024: 25,796) and a price of EUR 15.30 per share as of 9 April 2025 (H1 2024: a price of EUR 30 per share as of 10 April 2024). All shares will be fully vested at the annual general meeting in April 2026. In H1 2025, a total amount of kEUR 488 (H1 2024: kEUR 488) was recognized as "General and administrative expenses" in the income statement according to the principles of graded vesting in IFRS 2.

Executive Committee and selected key employees

The Board of Directors has adopted a Long-Term Incentive Plan ("LTIP") for Executive Committee members and selected key employees of the Group. Under this share-based incentive program, eligible participants are awarded the contingent right to receive a certain number of shares in the future ("PSU(s)") in the Company, subject to, inter alia, continued employment and achievement of market as well as non-market performance targets. The actual number of PSUs that will eventually vest and be settled in shares depends on revenue, EBITDA, and Total Shareholder Return ("TSR") performance of the Group over a three-year performance period.

- In H1 2024, 30 employees of the Group, including members of the Executive Committee, were granted PSUs in the Company. The total fair value at grant date amounted to kEUR 3,408. The fair value at grant date for the PSUs conditioned on revenue and EBITDA performance (i.e., non-market vesting conditions) amounted to kEUR 2,629, reflecting a measurement based on 81,640 number of PSUs potentially vesting and the share price of PolyPeptide Group AG as of the grant date of EUR 32, adjusted for a value cap of 500% at vesting. The impact of the value cap has been determined based on a Monte-Carlo simulation. The fair value at grant date for the PSUs conditioned on TSR performance amounted to kEUR 779, reflecting a measurement based on 17,499 number of PSUs and a fair value per PSU of EUR 45. The fair value per PSU is determined based on a Monte-Carlo simulation that also incorporates a value cap of 500% at vesting.

- In H2 2024, three employees of the Group were granted PSUs in the Company. The total fair value at grant date amounted to kEUR 38. The fair value at grant date for the PSUs conditioned on revenue and EBITDA performance (i.e., non-market vesting conditions) amounted to kEUR 30, reflecting a measurement based on 1,056 number of PSUs potentially vesting and the share price of PolyPeptide Group AG as of the grant date of EUR 28, adjusted for a value cap of 500% at vesting. The impact of the value cap has been determined based on a Monte-Carlo simulation. The fair value at grant date for the PSUs conditioned on TSR performance amounted to kEUR 8, reflecting a measurement based on 226 number of PSUs and a fair value per PSU of EUR 38. The fair value per PSU is determined based on a Monte-Carlo simulation that also incorporates a value cap of 500% at vesting.

- In H1 2025, 41 employees of the Group, including members of the Executive Committee, were granted PSUs in the Company. The total fair value at grant date amounted to kEUR 3,557.The fair value at grant date for the PSUs conditioned on revenue and EBITDA performance (i.e., non-market vesting conditions) amounted to kEUR 3,203, reflecting a measurement based on 154,364 number of PSUs potentially vesting and the share price of PolyPeptide Group AG as of the grant date of EUR 21, adjusted for a value cap of 500% at vesting. The impact of the value cap has been determined based on a Monte-Carlo simulation. The fair value at grant date for the PSUs conditioned on TSR performance amounted to kEUR 354, reflecting a measurement based on 33,076 number of PSUs and a fair value per PSU of EUR 11. The fair value per PSU is determined based on a Monte-Carlo simulation that also incorporates a value cap of 500% at vesting.

The participants are compensated for missed dividend payments during the vesting period if the PSUs vest. As a result, expected dividends during the vesting period have not impacted the fair value measurements of the grant.

An expense of kEUR 473 (H1 2024: kEUR 116) has been recognized in H1 2025 as "General and administrative expenses" in the income statement relating to these grants.

Chief Executive Officer

The CEO of the Group, Juan José González, is participating in the share-based incentive program described above. In addition to this, he was also granted PSUs on 6 September 2023 (“2023 CEO Grant”). The vesting of the PSUs for the 2023 CEO Grant depends on RONOA and EPS performance of the Group over a three-year performance period.

In accordance with IFRS 2, the maximum number of shares potentially vesting was used for the determination of the fair value of the grant. As a result, the fair value at grant date amounted to kEUR 1,135, reflecting a measurement based on 51,060 number of PSUs and the share price of PolyPeptide Group AG as of the grant date of EUR 23. The vesting period ends 10 trading days after the shareholders approve the 2025 audited consolidated financial statements.

The participant is compensated for missed dividend payments during the vesting period if the PSUs vest. As a result, expected dividends during the vesting period have not impacted the fair value measurement of the grant.

In H1 2025, no expense has been recognized in the income statement since it is expected that no PSUs from the CEO Grant will eventually vest. In H1 2024, an amount of kEUR 146 was recognized as “General and administrative expenses” in the income statement. This amount has been reversed in H2 2024.

7 Shareholders' equity

Share capital

There have been no changes to the share capital of the parent company of the Group, PolyPeptide Group AG, during H1 2025. As a result, the share capital of PolyPeptide Group AG comprised 33,125,001 shares of CHF 0.01 each as at 30 June 2025.

All shares are fully paid in.

Treasury shares

	Number of shares	Average purchase/ transfer price (EUR)	% of number of shares in share capital
Own shares as at 1 January 2025	128,505		0.4%
Purchase	25,455	19	0.1%
Transfer	-20,409	70	-0.1%
Own shares as at 30 June 2025	**133,551**		**0.4%**
Own shares as at 1 January 2024	155,494		0.5%
Purchase	–	–	–
Transfer	-14,111	73	-0.1%
Own shares as at 30 June 2024	**141,383**		**0.4%**

8 Investment in subsidiaries

The interim consolidated financial statements include the financial statements of the Company and the subsidiaries listed below. Percentage of voting shares is equal to percentage of ownership.

Name	Location	Percentage of ownership	
		As at June 2025	As at 31 December 2024
Polypeptide Laboratories Holding (PPL) AB	Limhamn, Sweden	100%	100%
Polypeptide Laboratories (Sweden) AB	Limhamn, Sweden	100%	100%
PolyPeptide SA	Braine-l'Alleud, Belgium	100%	100%
PolyPeptide Laboratories France S.A.S.	Strasbourg, France	100%	100%
PolyPeptide Laboratories Inc.	Torrance, CA, USA	100%	100%
PolyPeptide Laboratories San Diego, LLC[1]	San Diego, CA, USA	100%	100%
PolyPeptide Laboratories Pvt. Ltd.	Ambernath (East), India	100%	100%
PolyPeptide Laboratories A/S[2]	Hillerød, Denmark	100%	100%

[1] PolyPeptide Laboratories San Diego, LLC is a wholly owned subsidiary of PolyPeptide Laboratories Inc.

[2] PolyPeptide Laboratories A/S is a dormant company.

9 Related parties

The following transactions have been entered into with related parties:

H1 2025 kEUR	Income from related parties	Purchases from related parties	Amounts due from related parties	Amounts due to related parties
Thalamus AB	–	-39	–	-657
Ferring Group	10,573	–	966	-775
Monedula AB	38	-339	94	-10,869
SVAR Life Science AB	18	–	–	–
Nordic Pharma Ltd.	2	–	–	–
Limhamn Kajan 37 AB	–	-26	–	-819

In addition to the information shown in the table above, PolyPeptide Group AG has secured a subordinated credit facility from its main shareholder, Draupnir Holding B.V.
As a result, interest expenses in the amount of kEUR 787 have been incurred during H1 2025. As at 30 June 2025, an amount of kEUR 20,000 was drawn from the credit facility and is accordingly recognized in the consolidated statement of financial position as a non-current liability.

H1 2024 kEUR	Income from related parties	Purchases from related parties	Amounts due from related parties	Amounts due to related parties
Thalamus AB	–	-89	–	-765
Ferring Group	15,156	-117	1,006	-45
Monedula AB	68	-671	85	-11,223
Amring Pharmaceuticals Inc	3	–	–	–
SVAR Life Science AB	70	-1	38	–
Nordic Pharma Ltd.	–	-2	–	–
Limhamn Kajan 37 AB	–	-33	–	-140

In addition to the information shown in the table above, PolyPeptide Group AG has secured a short-term credit facility from its main shareholder, Draupnir Holding B.V. As a result, interest expenses in the amount of kEUR 1,605 have been incurred during H1 2024. As at 30 June 2024, an amount of kEUR 40,000 was drawn from the credit facility and is accordingly recognized in the consolidated statement of financial position as a current liability.

All disclosed related parties are either related through the Esperante Investments S.à r.l. ownership structure or through managerial control. Esperante Investments S.à r.l. is a higher parent company of the majority shareholder Draupnir Holding B.V.

Purchases from and amounts due to Thalamus AB relate to rental of premises. Income from and amounts due from the Ferring Group relate to sale of goods.

Purchases from Monedula AB relate to the lease of premises. Income and amounts due from Monedula relate to property management fees and recharged improvements to the premises. Amounts due to Monedula AB relate to the financial liability recognized for the lease of premises.

Income from and amounts due from SVAR Life Science AB relates to sale of goods. Purchases from and amounts due to Limhamn Kajan 37 AB relate to rental of premises.

During H1 2025, no provisions for doubtful debt and no write-offs on receivables from related parties were recognized (H1 2024: nil). No guarantees were given or received for any outstanding related party balances (H1 2024: nil).

10 Interest-bearing loans and borrowings

As at the reporting date, the Company had in place a revolving credit facility agreement provided by UBS Switzerland AG, Zürcher Kantonalbank and Danske Bank (the "RCF"). During H1 2025, the Company amended and restated the RCF, increasing the capital commitments from EUR 111 million to EUR 151 million and extending the term to March 2028.

The RCF includes a financial covenant. For each period of twelve months ending on 30 June or 31 December in any year, the Group must comply with a predetermined financial ratio that is based on debt and earnings.

One of the lenders participating in the RCF has issued a bank guarantee in the amount of EUR 10 million in favor of one of the Group's customers in relation to amounts received for (i) manufacturing capacity reservations and (ii) raw material prepayments. The amount of the bank guarantee has reduced the available drawings under the RCF accordingly.

The interest rate on the RCF amounted to EURIBOR plus an average margin of 2.60% in H1 2025 per annum (H1 2024: 3.40% per annum). As at 30 June 2025, an amount of kEUR 60,000 was drawn from the RCF (31 December 2024: kEUR 40,000).

As at the reporting date, the Company also had in place a subordinated credit facility with its main shareholder, Draupnir Holding B.V., in the amount of EUR 20 million, which was fully drawn as at 30 June 2025 (31 December 2024: kEUR 30,000) (the "Draupnir Facility"). During H1 2025, the Company amended and restated the Draupnir Facility extending the term to May 2027. The interest rate on the Draupnir Facility amounts to three-month EURIBOR plus a margin between 2.65% and 3.95% (H1 2024: 2.9% and 4.2%) per annum on the amounts drawn.

As at 30 June 2025, an amount of kEUR 1,200 was granted by ING Bank (31 December 2024: kEUR 1,200), of which nil was drawn (31 December 2024: nil). In H1 2025 and H1 2024, the interest rate on the ING Bank credit facility amounted to 1-month EURIBOR plus a margin of 1.2% on the amounts drawn, and a facility fee of 0.30% on the total facility amount.

11 Subsequent events

There have been no significant events subsequent to the end of the reporting period that would require additional disclosures in the interim consolidated financial statements.

The interim consolidated financial statements were approved for issue by the Board of Directors on 8 August 2025.

Definitions and Reconciliations

Selected information provided in this report includes operational indicators or Alternative Financial Performance Measures (APM) that are not accounting measures defined by IFRS. The Group believes that investor understanding of PolyPeptide's performance is enhanced by disclosing such indicators and measures, since they provide additional insights into the underlying business, strategic progress and/or financial performance. Operational indicators and AMP should not be considered as substitutes for the Group's consolidated financial results based on IFRS. They may not be comparable to similarly titled measures by other companies. This section includes the definitions of the main operational indicators and APM provided as well as a reconciliation of selected APM to the most directly reconcilable IFRS line items.

Abbreviations

API - Active Pharmaceutical Ingredient

APM - Alternative Financial Performance Measure

CAPEX - Capital Expenditure

CDMO - Contract Development and Manufacturing Organization

CDP - Carbon Disclosure Project

CSRD - Corporate Sustainability Reporting Directive

cGMP - current Good Manufacturing Practice

EBITDA - Earnings Before Interest, Taxes, Depreciation, and Amortization

ESRS - European Sustainability Reporting Standards

ERP - Enterprise Resource Planning

FTE - Full-time equivalent

RCF - Revolving Credit Facility

SPPS - Solid-Phase Peptide Synthesis

Operational Indicators

As part of our financial disclosure, we report revenue from our custom development projects business area, and we occasionally make implicit or explicit reference to the underlying project pipeline as an indicator to measure operational performance. This includes the number of projects in clinical development in total or in categories. Our project count for a given period includes only projects that are invoiced to our customers. Projects with parallel activities at more than one site, or which are transferred from one site to another, or which included multiple peptides or oligonucleotides are counted as one project. The synthesis or one-time manufacturing of small quantities of peptides or oligonucleotides, mostly for research or academic use, is not considered as a project.

Our reference to

- **pre-clinical projects** includes non-GMP manufacturing for the lead candidate selection, and subsequent non-GMP manufacture of the selected API for pre-clinical and toxicological studies;
- **phase I, phase II and phase III projects** includes GMP manufacturing of the API for phase I, phase II and phase III clinical trials, including analytical method validation, stability studies, process and analytical development as well as regulatory documentation.

Active custom projects include (i) projects with ongoing manufacturing activities; (ii) projects with ongoing non-manufacturing activities (development, analytical services, regulatory, stability studies); (iii) projects with open orders in the Group's accounting system pending to be delivered; and (iv) projects that are active on the customer's end but not necessarily active at PolyPeptide (*i.e.*, when the customer is conducting pre-clinical or clinical studies, formulation studies, etc.).

Reference to "peptides" is to a chemical entity (CE) with a unique amino acid sequence regardless of production site or manufacturing process. A "pipeline peptide" is a new chemical entity (NCE) in pre-clinical or clinical phase of development and a "commercial peptide" is a NCE commercially approved on the market.

A "commercial project" relates to the manufacturing of commercial peptide or oligonucleotide. This includes therapeutic API or intermediates with regulatory approval, both for the innovator or for a generic drug manufacturer. A commercial project may also include material for diagnostic, cosmetic or veterinary purposes.

"Commercial revenue" is defined as the combined revenue of the business areas Contract Manufacturing and Generics & Cosmetics. "Development revenue" is defined as the revenue in the business area Custom Projects.

Alternative Financial Performance Measures (APM)

Revenue at constant currency rates: Revenue translated into the presentation currency, EUR, using the weighted average EUR currency exchange rate from the prior period. This measure provides additional transparency on revenue trends by excluding the impact of fluctuations in exchange rates.

Operating result (EBIT): Earnings before total financial result and income tax.

EBITDA: Operating result (EBIT) plus depreciation, amortization and impairment charges (if any).

EBITDA Margin: EBITDA as a percentage of revenue.

Capital expenditures (Capex): Investments in property, plant and equipment assets and intangible assets capitalized during a reporting period.

Net operating assets: The sum of Non-current assets plus Current assets less Cash and cash equivalents less Current liabilities.

Return on net operating assets (RONOA): Last twelve months Operating result in percent of average Net operating assets.

Equity ratio: Equity at the end of the period divided by Total assets at the end of the period.

Free Cash Flow (FCF): Net cash flows from operating activities less cash paid for acquisition of intangible assets less cash paid for acquisition of property, plant and equipment assets.

Net Cash: Cash and cash equivalents less lease liabilities less other financial liabilities.

Reconciliations

Revenue at constant currency rates[1]

kEUR	H1 2025	H1 2024
Revenue at constant currency rates[1]	166,511	135,628
Impact from changes in exchange rates compared to prior period	585	-585
Revenue reported (IFRS)	**167,096**	**135,043**

[1] Revenue translated into the presentation currency, EUR, using the weighted average EUR currency exchange rate from the prior period.

Change in revenue

	H1 2025 vs H1 2024	H1 2024 vs H1 2023
Change in revenue reported (IFRS) (%)	23.7%	2.4%
Change in revenue at constant currency rates (%)[1]	23.3%	2.9%

[1] The change is calculated as: (Current period's revenue at constant currencies) / (Prior period's revenue reported (IFRS)) - 1.

Revenue by business area, excl. coronavirus pandemic[1] (H1 2025 vs H1 2024 and H1 2021)

kEUR	H1 2025	H1 2024	H1 2021
Commercial	**108,249**	**78,522**	**58,929**
Contract Manufacturing	78,916	60,601	45,765
Generics & Cosmetics	29,333	17,921	13,164
Development	**58,847**	**56,521**	**76,207**
Custom Projects, excl. revenue associated with the coronavirus pandemic	58,847	56,521	43,988
Revenue associated with the coronavirus pandemic	–	–	32,219
Revenue reported (IFRS)	**167,096**	**135,043**	**135,136**

[1] According to Note 4 in the interim consolidated financial statements, the Group generates revenue that can be divided into three business areas. However, to discuss business drivers more concisely, revenue of the business areas Contract Manufacturing and Generics & Cosmetics has been combined into “Commercial revenue” in the table above, while revenue in the business area Custom Projects is labelled “Development revenue”.

Revenue by therapeutic area, excl. coronavirus pandemic (H1 2025 vs H1 2024 and H1 2021)

kEUR	H1 2025	H1 2024	H1 2021
Metabolic	93,651	47,257	35,647
Oncology	22,452	21,826	15,483
Other, excl. revenue associated with the coronavirus pandemic	50,993	65,960	51,787
Revenue associated with the coronavirus pandemic	–	–	32,219
Revenue reported (IFRS)	**167,096**	**135,043**	**135,136**

Operating result to EBITDA

kEUR	H1 2025	H1 2024
Operating result (EBIT)	-13,723	-12,571
Depreciation, amortization and impairment charges (if any)	18,157	15,440
EBITDA	**4,434**	**2,869**

Return on net operating assets (RONOA)[1]

kEUR	H1 2025	H1 2024
Last twelve months Operating result (EBIT)	-8,516	-14,575
Average[1] Net operating assets:		
Total non-current assets (average)	412,785	350,476
Total current assets (average)	306,234	276,571
Cash and cash equivalents (average)	-62,585	-28,730
Total current liabilities (average)	-190,265	-166,212
Average[1] Net operating assets	466,169	432,105
Return on net operating assets (RONOA)	**-1.8%**	**-3.4%**

[1] The average amounts are calculated as: (Current period's figures + prior period's figures) / 2.

Free Cash Flow

kEUR	H1 2025	H1 2024
Net cash flows from operating activities	49,656	471
Acquisition of intangible assets	-457	-1,357
Acquisition of property, plant and equipment	-48,683	-28,376
Free Cash Flow	**516**	**-29,262**

Net Cash

kEUR	As at 30 June 2025	As at 31 December 2024
Cash and cash equivalents	76,695	68,277
Interest-bearing liabilities (Total financial debt):		
Interest-bearing loans and borrowings (Non-current)	-78,785	-39,420
Lease liabilities (Non-current)	-16,496	-18,982
Other financial liabilities (Non-current)	-9,547	-9,508
Interest-bearing loans and borrowings (Current)	-608	-30,642
Lease liabilities (Current)	-4,560	-5,073
Other financial liabilities (Current)	-1,321	-1,266
Interest-bearing liabilities (Total financial debt)	-111,317	-104,891
Net Cash / (debt)	**-34,622**	**-36,614**

Capital expenditures (Capex)

kEUR	H1 2025	H1 2024
Property, plant and equipment assets capitalized	45,631	19,993
Intangible assets capitalized	477	544
Capital expenditures (Capex)	**46,108**	**20,537**

Legal Note

Cautionary statement on forward-looking information: This report has been prepared by PolyPeptide Group AG and includes forward-looking information and statements concerning the outlook for the Group's business. These statements are based on current expectations, estimates and projections about the factors that may affect the Group's future performance. These expectations, estimates and projections are generally identifiable by statements containing words such as "expects", "believes", "estimates", "targets", "plans", "projects", "outlook" or similar expressions.

There are numerous risks, uncertainties and other factors, many of which are beyond PolyPeptide Group AG's control, that could cause the Group's actual results to differ materially from the forward-looking information and statements made in this Half-year Report and that could affect the Group's ability to achieve its stated targets. The important factors that could cause such differences include, among others: timing and strength of its customer's product offerings, relationships with employees, customers and other business partners; strategies and initiatives of competitors; manufacturing capacity and utilization; quality issues; supply chain matters; the ability to continue to obtain sufficient financing to meet growth initiatives and liquidity needs, legal, tax or regulatory disputes; and changes in the political, social and regulatory framework in which the Group operates, or in economic or technological trends or conditions, including currency fluctuations, inflation and consumer confidence, on a global, regional or national basis. Although PolyPeptide Group AG believes that its expectations reflected in any such forward-looking statements are based upon reasonable assumptions, it can give no assurance that those expectations will be achieved.

In particular, the statements in the sections on Guidance for 2025 and Mid-term outlook constitute forward-looking statements and are not guarantees of future financial performance. PolyPeptide Group AG's actual results of operations could deviate materially from those set forth in these sections as a result of the factors described above or other factors. As such, investors should not place undue reliance on the statements in the sections on Guidance for 2025 and Mid-term outlook.

Except as otherwise required by law, PolyPeptide Group AG disclaims any intention or obligation to update any forward-looking statements as a result of developments.

Alternative Financial Performance Measures (APM): This report contains references to operational indicators and APM that are not defined or specified by IFRS, including revenue at constant currency rates, EBITDA, EBITDA margin, net operating assets, return on net operating assets (RONOA), capital expenditures (Capex), free cash flow, net cash, total financial debt and headcount. These APM should be regarded as complementary information to and not as substitutes for the Group's consolidated financial results based on IFRS. These APM may not be comparable to similarly titled measures disclosed by other companies. For the definitions of the main operational indicators and APM used, including related abbreviations, as well as for selected reconciliations to IFRS, refer to the section "Definitions and reconciliations" in this report.

For the purposes of this report, unless the context otherwise requires, the term "the Company" means PolyPeptide Group AG, and the terms "PolyPeptide", "the Group", "we", "us" and "our" mean PolyPeptide Group AG and its consolidated subsidiaries. In various tables, the use of "-" indicates not meaningful or not applicable.

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Full year results 2025
12 March 2026

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