First-Half 2026 Results Presentation

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Operator: Ladies and gentlemen, welcome to the EUROAPI 2026 Half Year Results Presentation. This call will be structured in two parts. First, a presentation by the EUROAPI Group management team represented by David Seignolle, CEO, and Olivier Falut, CFO. Afterwards, there will be a Q&A session. During this session, you may ask question in two ways; by submitting a written question in the box below the player, or by joining the conference call and dial pound key five on your telephone keypad to enter the queue. I will now hand over the call to David Seignolle to begin today's conference. Please go ahead.

David Seignolle: If we can move to the following slides. Thank you. So before we begin, I would like to mention that our Head of Investor Relations, Sophie Palliez, is unfortunately unable to join us today due to personal reasons, and we wish her well.

Let me now begin with a snapshot of our first half performance, before Olivier takes you through the financial results in more detail. In the first half of 2026, EUROAPI generated net sales of €356 million. Core EBITDA amounted to €20.7 million, representing a 5.8% margin, while EBITDA was -€43.1 million, reflecting the non-recurring costs associated with the continued execution of FOCUS-27. We maintain a disciplined investment approach with €39.1 million of CapEx, nearly two-thirds of which were dedicated to growth and performance projects.

Finally, we ended the first half with a net debt position of €37.9 million, reflecting both our investment programme and the expected evolution of working capital during the period. Beyond these headline figures, I believe there are three key takeaways from the first half.

The first message is that our transformation continues to progress on schedule despite a challenging business environment. As expected, our sales were impacted by the continued evolution of our portfolio towards more differentiated and higher value-added products. The planned discontinuation of non-differentiated API represented a negative impact of around €13 million during the first half. At the same time, we continued to see softer demand in certain product categories, which weighed on manufacturing activity.

The second message is that we remain fully focussed on the levers we control. Lower production volumes naturally impacted our industrial performance. However, we continue to improve our cost efficiency through disciplined execution of FOCUS-27. We further reduce our sales and general expenses and continue to strengthen our cost base across the organisation. While these efforts could not fully offset the lower level of activity during the first half, they demonstrate that the transformation is delivering tangible operational improvements.

Finally, FOCUS-27 continued to deliver important milestones. During the first half, we continued to optimise our manufacturing footprint while maintaining a disciplined investment strategy. We also reached an important milestone with the signing of the agreement to divest our Brindisi site. At the same time, we streamline our operations in Germany and in France to adapt to the new demand. More importantly, as we prepare for future growth, we have started to adapt our commercial organisation to our longer term ambitions. Overall, despite a difficult market environment, we continue to simplify the company, strengthen its operational foundations and progressively sharpen EUROAPI's competitive positioning.

With that, let me hand over to Olivier, who will walk you through our financial performance in more detail.

Olivier Falut: We will start the review of the consolidated accounts with the evolution of net sales. As mentioned, total sales reached €356.5 million, down 13.5% compared to the same period last year. The perimeter impact related to the Haverhill divestment at the end of June 2025. On comparable basis, meaning at constant exchange rate and perimeter, sales were down by 11.8% versus previous period, reflecting notably the impact of the discontinued products.

Before taking a closer look at the net sales per activity, let me first highlight the prior year figures of API solutions to Sanofi have been restated to reflect the reclassification of Opella sales from Sanofi to other clients, following the exchange of Opella's majority shareholder. This adjustment ensures a like-for-like comparison of our commercial performance across the two periods.

With that being said, API solutions to Sanofi decreased by 36.2% due to an unfavourable comparison base related to the divestment of Haverhill. Excluding Haverhill, sales would have declined by 28.4%. The remaining decline reflects mainly product discontinuations, which has an estimated negative impact of around €13 million on the first half sales.

API solutions to other clients decreased by 11%, notably due to the weaker demand of corticosteroids and complex molecules in Frankfurt. Total CDMO sales increased by 2%, of which 38% increase for Sanofi and a decrease of 8.2% for other customers. Consistent with FOCUS-27, the commercial phase projects represent 94% of the total CDMO sales of H1, up 11.5% compared to the previous year. Sales were impacted by a one-off impact related to the discontinuation of a project of large molecules. Excluding this impact, H1 CDMO sales – CMO sales would have increased by 8%, supported by the development of projects with Sanofi such as PLLA.

Now, turning to the core EBITDA evolution. H1 2026 core EBITDA reached €20.7 million for a margin of 5.8% down by 9.6% in H1 2025. The evolution in core EBITDA margin was driven by the following elements. Despite a lower level of net sales versus previous year, volume, price, and mix impacts contributed positively to the core EBITDA margin. Volume impact for 1.8 percentage point, price and mix contributed for 1.1 percentage points. Industrial efficiencies led to a loss of 5.9% percentage points and core EBITDA margin do due to the low – lower fixed cost absorption in Frankfurt and Elbeuf. Energy and raw materials increased by margin – increased the margin by 0.3 percentage points. Foreign exchange impact linked to the recent appreciation of Hungarian Forint has negatively impacted our local cost base and explained a loss of 0.6 percentage points of core EBITDA. OpEx, including R&D weighted 0.3 percentage points, excluding lower R&D cost absorption following the lower CDMO activity, OpEx would have favourably contributed to the core EBITDA margin by 0.9 percentage points. Last, Brindisi weighted 0.2 percentage points on 2026 core EBITDA margin, while the divestment of Haverhill allowed to gain from last year 0.5 percentage points.

Olivier Falut: Moving to Slide 10 now. Total non-recurring items restated from the core EBITDA were of €63.8 million in H1 2026. We recorded €11.1 million of idle costs, compared to €20.6 million in H1 2025. We also recognised €10.1 million of external and internal costs related to the transformation of the company. Finally, employee-related expenses amounted to €42.5

million, compared to only €12.4 million in H1 2025. This mainly reflected a one-off linked to the Frankfurt site redundancy plan. Consequently, related-employees expenses are expected to be materially lower in H2 2026 than in H1. H1 2026 EBITDA was at -€43.1 million compared to €5 million positive in H1 2025.

Looking now at items below EBITDA on Slide 11. Operating income amount to -€135.7 million in H1 2026, compared to a -€27.8 million in 2025, and included €92.6 million impact from depreciation and amortisation, of which €33 million of impairments. This impairment was triggered by the revision of mid-term customer demand for certain small molecule manufactured in Frankfurt, and also the impact of the divestment of Brindisi based on the agreement signed with Huvepharma on July 29th, 2026.

As we move below operating income, net financial expense were €3.4 million in H1 2026 and income tax a -€2.4 million. Taken together, these items resulted a net loss of €141.5 million in H1 2026, in comparison to a loss on €28.5 million in H1 2025.

Moving to the CapEx now. Concerning our investing activities, CapEx reached €39.1 million in H1 2026, which represents 11% of total H1 net sales. 64% of the CapEx, which – was dedicated to growth and performance. Full year 2026 CapEx is expected to be in line with the group objectives of approximately nine – sorry, 8% of the net sales.

Finally, if we look at our net debt evolution on page 13. We ended H1 2026 with a net debt position of €37.9 million, compared with €68.2 million of net cash position at the end of 2025. The €42.7 million increase in inventory was driven by higher volume, reflecting sales phasing into H2 and by the impact of the insourcing of the production of an intermediate previously produced by Sanofi as part of a CMO contract. Factored receivables amounting to €17.6 million at the end of June 2026. H1 2026, other current assets and liabilities include IT and insurance deferred expenses. As a reminder, H1 2025, other current assets and liabilities included 18 million paid by Sanofi to secure available capacity as part of the financing of FOCUS-27.

To conclude this review of our H1 2026 consolidated results, I will now hand back to David. Thank you.

David Seignolle: Thank you, Olivier. Let me conclude with our outlook for 2026. The external environment remains challenging, but our operational priorities have not changed.

Can we move to the next slide, please? There you go. We will continue to execute FOCUS-27 with discipline, maintain strict cost control and focus our investments on projects that support the long-term development of the company. Despite an increasingly challenging business environment, our revenue expectations remain unchanged. We continue to expect full year net sales to be in line with our initial outlook, with sales expected down around 10% on a comparative basis versus 2025. However, since the beginning of the year, the appreciation of the Hungarian Forint has significantly increased our local cost base. Although the operational improvements generated by our transformation continue to deliver benefits, they are expected to be more than offset this year by the adverse foreign exchange impact, which should weigh by approximately €9 million on our full year core EBITDA. As a consequence, we now expect our full year core EBITDA margin to be around 6% at constant perimeter. This is at 2025 perimeter and does not take into account the impact of the deconsolidation of Brindisi sales and core EBITDA before the end of the year. We will provide an impact after the closing.

Looking ahead, cost discipline will remain an important part of the equation. However, the next chapter for EUROAPI will also be about commercial execution. We are strengthening our commercial capabilities, sharpening our value proposition, and deepening our engagement with customers. Together, these efforts will progressively restore growth, sharpen and strengthen EUROAPI's competitive positioning, and lays the foundations for the company's next phase of development. Thank you for your attention. Olivier and I are now happy to take your questions. Operator.

Questions and Answers

Operator: If you wish to ask a question, you may do so by submitting a written question in the box below the player or by joining the conference call and dial pound key five on your telephone keypad to enter the queue. If you wish to withdraw your question, please dial pound key six on your telephone keypad. The next question comes from Fynn Scherzler from Deutsche Bank AG. Please go ahead.

David Seignolle: We cannot hear the question. Operator.

Speaker: We can start with a question that we received actually on the chat from Martial Descoutures from ODDO BHF. So how much of the API solutions weakness do you consider temporary versus structural? Do you expect customer demand to improve in 2027, or should we continue to assume a challenging market environment?

David Seignolle: Morning, Martial. Thank you for your question. This is actually an interesting question. And we don't have a very, let's say, black-and-white answer throughout the portfolio. What we see right now is we see structural change in the demand across some molecules which are highly commoditised by now. And this would be simple small molecules similar to the ones we have previously stopped in Frankfurt. And we see some continued momentum. And we have planned to actually see this reduction unfold in the next couple of years. On the other hand, what we see is some demand where we believe it is simply temporary. There's been a significant stocking in effect at our customers post-COVID. But five years down the road, we see significant efforts of reducing the inventory of – at our customers. And therefore we see temporary measures of reduced demand, which we see for this year and maybe a bit of 2027. So on some of the molecules, we will see this as a temporary solution. And in others, thankfully, there are a couple of products where we see demand still strong. And that's why we are continuing to invest on our capacity increase or performance improvement to improve the yield and increase throughput.

Speaker: We have a second question from Martial. CDMO performed better than expected in H1. Should we expect this momentum to continue into H2 and 2027?

David Seignolle: We are actually seeing some interesting momentum building in CDMO. We have recently hired new folks coming from the CDMO space with interesting backgrounds whether they are technical, commercial, operational, and mixing all that up and being able to address the customers and understand their needs. So will this – I mean, is this all the impact that they're having and seeing some momentum? No, but it's definitely helping to seize those opportunities. It's important to note that we have continuously been receiving RFPs for a while. We have understood why we were not necessarily winning all of those. There are some that we

know we will never win, but there are some that we need to make sure we are successful throughout this process.

So I'm very much encouraged to see some long-term programmes with top-tier pharma companies for which we're starting and we have started for a while now to progress on CDMO. And we are seeing the second or third steps of their programmes. I'm very pleased to see that we are seeing significant RFPs from other big-tier pharma companies, which are –hopefully we will start later on this year and progress through next year. We see continued success of new programmes with other customers for the years to come. So indeed, there is some continued success here. And I appreciate you noted it.

The other element, which is new, is we are also seeing a new type of demand for CDMO, which is around the fermentation capabilities that we have. The loss of the B12 volumes over the last years have left some fermentation capacity idle and available. And we're starting to market that, and this capacity is triggering some interest. Now it is our efforts to understand how we match the available capacity and equipment to the demand and process that potential customers would need. But hopefully we are able to bring future volumes in in our Elbeuf sites in the years to come as well.

Speaker: We have a question from Matthew Losherfrom Portzamparc. You mentioned commercial organisation improvement. What does that mean exactly? Do you have a concrete elements please? Thank you.

David Seignolle: Yes. So I think we all understand that. And we are the first one to do so that our commercial performance in the recent years has not been where it needs to be. I think probably due to a combination of external factors and these are easy to point out and to lay ourselves on, but market headwinds, increased competitive pressure, notably from Asia, etc., but certainly also from internal factors. We have an ageing portfolio, we mentioned this highly commoditised APIs a couple of minutes ago, high cost in some areas, suboptimal commercial practices, etc., etc. And that's why to address those, we have appointed a new head of commercial with Frédéric Robert joining us about a year ago with a strong industry experience where he spent all his life working in commercial organisations in pharma.

So our objective in the short term is to obviously capture more opportunities across the business by strengthening customer engagement, increasing our presence in the field, spending more time with our customers to better understand their needs and future projects. At the same time, I think we are focusing on improving our opportunity conversion and building a more performance-driven commercial organisation. We have reorganised the regions. We have brought in some new talents throughout the organisation. We have built a new marketing organisation to try to gather all the good bits and pieces that were existing across the organisation, and taking that to a different level and trying to do what should have been done and trying to meet commercial best practices to, at the end, add or increase our value proposition. And in parallel to that, obviously, it's not purely a commercial effort, but all the discipline and rigour we are putting on cost are helping to address competitiveness, and in the long term. So we're also looking at improving our value proposition, improving our portfolio, CDM offering, etc., etc.

Speaker: We have a couple of questions on the Brindisi site, the sale of the Brindisi site. The first one comes from Grit Müehlner from Deutsche Bank. Grit would like to know how it fits in

the overall FOCUS-27 framework plan and what kind of milestone does it represent. And also, could you provide an update on the closure costs in particular, in comparison to the cost that were planned initially in the FOCUS-27 plan at the time of the agreement of the last amend and extend agreement. Thank you.

David Seignolle: Thank you, Grit, for the question. I'll start with the original focus plan and the timelines. And then Olivier, please add on all the cost elements.

Olivier Falut: Sure.

David Seignolle: So when we built FOCUS-27, we decided to refocus our network on those four sites and divest Haverhill and Brindisi. At that time, we said we will engage in those divestments, but the target we had in mind was to ensure we had divested those sites no later than end of the plan, which is end of 2027. So we are very happy to be able to have progressed Haverhill relatively quickly about one year ago, and that we have signed an agreement with Huvepharma on the way forward with Brindisi. The signing has happened yesterday. We expect the closing to happen in the next couple of months. You know that there are specific regulations with regards to Italy that we cannot or we cannot – we have to deal with. But hopefully, we will close that quickly because the buyer also has interesting plans and wants to move quickly. So I think it's in everyone's interest to progress that faster. And that's about the timeline. Olivier, do you want to answer a bit about the cost?

Olivier Falut: Yes, about the cost. Clearly we committed with Huvepharma to support the site toward a two year transformation period. And during this period of two years, we will help in terms of operation, in terms of CapEx and in terms of transformation of the site for a total amount of €60 million. That's the total – the cost we will support the site for the next two years.

Speaker: We have another question on Brindisi, Clément Bassat from Portzamparc has the following question. So you expect to pay €30 million to the buyer at the end of 2026, followed by €15 million in each of '27 and '28. Are there no revenues expected from the site over that period? Thank you.

Olivier Falut: The revenue of the sites will belong to the new owner, clearly. We do not expect any additional P&L impact except for the TSA, we will provide to the site for a few hundred-k euros. But for the rest, the site will belong to the new owner. And the P&L will also belong to the Huvepharma group and not to EUROAPI anymore.

David Seignolle: Well, just one caveat to that, there are still some products that will be manufactured in Brindisi, for example, B12 salts, where we continue to be the IP owner, and the new buyer will be manufacturing for us as a CMO. And we will continue to distribute these products in our portfolio.

Speaker: So we have another question from Clément Bassat from Portzamparc. What level of restructuring costs and impairment charges do you expect to recognise in H2? Thank you.

Olivier Falut: As mentioned during the presentation, we expect to have much more restructuring costs in H1 than in H2 provided on the top that we also accrued for some of the costs that will occur on H2. So basically, the main portion is already in our books at the end of H1.

Speaker: So now we have a question from Fynn Scherzler from Deutsche Bank. Could you speak about your liquidity position, which has turned into net debt now and the cash burn you expect going forward? How much headroom is left in your RCF? Thank you.

Olivier Falut: We clearly forecasted the situation and we have enough headroom and basically a lot of headroom. As a reminder, we have no covenant until the end of H1 2027. And on the top of that, the covenant will be at that time at four. And we have plenty of room ahead of the current situation.

David Seignolle: I think important to note that we have a 451 million RCF in or signed with a pool of banks for which only very little has been pulled at this stage. And we see basically 2026 full year cash flow position to be at this stage in line with our original assumptions for the year.

Speaker: We have a follow-up question from Fynn. Please explain where we stand in the restructuring process in terms of related one-off costs for idle costs, transformation and employees. You already said employee-related costs will be lower in H2. Is this the remainder completed here now? And one-offs should decline from here?

Olivier Falut: Yeah. This is clearly the plan. The FOCUS-27 plan is already well-organised and achieved. So basically we do not expect to have in the near future the same amount of transformation costs even if we don't know about the whole future. But for the next few months, obviously, we perform what we had ahead in terms of transformation. So for '26, clearly again the transformation costs have been mainly performed or accrued by the end of H1.

David Seignolle: If I can add to that. I think the key points here is the FOCUS-27 plan was built two-and-a-half years ago with a set of assumptions that materialised or not materialised. So the idea here is we adapt as we go. We know that we have gone far beyond the original assumption in terms of cost reductions. At the same time, we have not seen the top line development as was originally planned two-and-a-half years ago. So the good thing here is we continue to be adaptive to the situation, to amend our plans along the way. And even though we are – we have been, I think, very strong on the cost reduction, we have started to address the most important part of our journey, which is building commercial momentum. But you know as much as me that in this industry, it takes time. So if we need to adapt further our plans, we will. But one thing we will not move is we are definitely moving towards developing competitive value propositions and making our value proposition for the customers in this market more attractive.

Speaker: We have a follow-up question from Grit Müehlner from Deutsche Bank regarding the total closure cost for Brindisi. She understands that €60 million transformation costs are planned for the next two years. However, she is not seeing the overall cost picture here in comparison to the initial plan. Can you please clarify? Thank you.

Olivier Falut: I guess that we did not disclose in detail what was the cost we expected. And by the way, in cash-wise, we were ready to be even more aggressive if it was necessary to go by our own means in terms of fixing the situation in Brindisi. But all in all, again, the situation as of today is that the final closing SPA contract with the Huvepharma set the €60 million threshold, which is, honestly speaking, and regarding the cost, we have also today in Brindisi a good solution for the group.

Speaker: Thank you. We have no more questions on the chat. And I understand we have no questions from the telephone. So if you would like to conclude the call maybe?

David Seignolle: Sure. Thank you very much, everybody. It's been a difficult first part of the year as it has been for the first couple of years of EUROAPI. It's important to note that we remain focussed on our plan. We have a long-term ambition in mind from a commercial standpoint, which is based on rebuilding the right direction, as I mentioned a couple of times, and building the organisation towards a service provider versus an industrial company. This is where the company is heading. This is where – this is how we will grow and develop. And in the meantime, we will be doing the right things we need to do to address cost and manage profitability. We look forward to coming back in March 2027 with the results of the full year. Thank you.

[END OF TRANSCRIPT]