



Pyrum Innovations AG

Half-year report |

2025

Interim Group Report for the period from January 1 to June 30, 2025

Pyrum Group key figures at a glance

Earnings and financial position

in thousands of euros	Jan. 1, 2025 Jun. 30, 2025	Jan. 1, 2024– Jun. 30, 2024
Revenue	1,267	708
Total output	6,712	4,536
Other operating income ¹	2,303	800
EBITDA ²	-2,358	-3,183
EBITDA (adjusted) ³	-4,369	-3,714
EBIT ⁴	-3,942	-4,289
EBIT (adjusted) ⁵	-5,954	-4,820
Net income	-4,582	-4,787

Net assets

in thousands of euros	Jun. 30, 2025	Dec. 31, 2024
Total assets	60,759	65,465
Equity	17,663	22,245
Equity ratio ⁶	29.1%	34.0%
Available liquidity	2,878	11,740
Employees ⁷	93	91

¹ Research grants, subsidies, and R&D services

² Consolidated net income/loss before depreciation and amortization, before financial result, before income taxes

³ Adjusted for investment grants of EUR 2,011 thousand (2024: EUR 531 thousand)

⁴ Consolidated net income/loss for the period before financial result, before income taxes

⁵ Adjusted for investment grants of EUR 2,011 thousand (2024: EUR 531 thousand)

⁶ Equity/total assets

⁷ Period average (12 months)

TABLE OF CONTENTS

Letter from the Executive Board	5
Company.....	9
Pyrum share.....	10
Fundamentals of the Group	12
Report on own and customer projects.....	17
Interim Group Management Report for the first half of 2025	21
1. Fundamentals of Pyrum Innovations AG and the Group	22
2. Economic report	28
3. Future development	35
4. Outlook for the remainder of 2025	37
Interim consolidated financial statements for the first half of 2025	39
Consolidated balance sheet as of June 30, 2025.....	40
Consolidated income statement for the first half of fiscal year 2025.....	42
Consolidated cash flow statement for the first half of the 2025 financial year	43
Consolidated statement of changes in equity for the first half of the 2025 financial year	44
Condensed consolidated notes as of June 30, 2025	45
I. General disclosures on Pyrum Innovations AG and the Group	46
II. Information on the scope of consolidation.....	47
III. Principles of consolidation	47
IV. Accounting and valuation principles	48
V. Notes to the balance sheet	51
Consolidated fixed asset schedule	52
VI. Income statement disclosures	59
VII. Related parties	62
VIII. Information on the cash flow statement	63
IX. Significant events after the end of the first half of the 2025 financial year	63
X. Other disclosures.....	64
Financial calendar 2025.....	66
Legal notice	66

Letter from the Executive Board

Dear shareholders, partners, and supporters of Pyrum,

I hope you are all well and have had a good and successful year so far. Things have been a little quiet around Pyrum lately, but that doesn't mean that nothing has been happening behind the scenes. Quite the contrary. We have been able to lay important foundations for existing and new projects. In the following, I would therefore like to give you a brief overview of developments in our company and an outlook for the rest of the year.

I would like to start with a topic that has probably been on many of your minds for some time: Why is the announced start of construction in Perl continuing to be delayed? This question is absolutely justified, and I can well understand that it is causing discontent among many. We, too, would have liked to get started long ago. However, in order to build our new plant in Perl-Besch, it was essential that the site in question be connected to the public road network. The problem was that our site was separated from the nearest road by another piece of land. This land belongs to the church, which has leased it to the municipality of Perl. We only needed part of this area to connect to the transport network. However, this meant that the church property had to be divided into three parts, which entailed a number of legal and contractual hurdles. After intensive negotiations — and, above all, with the tremendous support of the municipality of Perl and SHS Strukturholding Saar GmbH — a solution was finally found that satisfied all parties involved. The notarization of the property transfer to the municipality of Perl has now been completed. This means that our property can now be officially connected to the transport network — and we can finally begin the concrete planning for the groundbreaking ceremony. At this point, however, I would like to mention that the groundbreaking ceremony is merely a symbolic event. Work on the new plant began a long time ago.

The initial preparatory groundwork has been successfully completed, long leads, i.e., plant components with long delivery times, have been ordered and architects have been commissioned. So rest assured: we are doing everything we can to get the groundbreaking ceremony underway as soon as possible. However, planning such an event requires some lead time, which is why we ask for your patience. As soon as the date is set, we will of course inform the public immediately. We would like to take this opportunity to once again express our sincere thanks to Strukturholding Saar, the municipality of Perl, and the Hippert family, who have supported us throughout the negotiations.

There has also been a lot going on at our headquarters in Dillingen over the past few months. In the summer of 2025, the first maintenance of the two new production lines, TAD 2 and 3, was successfully completed. This maintenance not only met our expectations, but also took place without delays and to the planned extent. The lines are now fully operational again and can resume regular operation. In addition, we were able to extend the cleaning cycles of the plant from four to eight weeks — without compromising on quality.

Another success in the first half-year was the successful implementation of an additional shredder shift. Previously, maintenance work had been carried out during the day, which led to regular shutdowns of the shredder during the approved operating time. The additional shift has enabled us to move the shredder maintenance work to the night shift and continue production during the day. The extension of the production cycles in TAD 2 and 3 and the optimization of the shredder process should enable us to significantly increase our output in the future.

In the new grinding and pelletizing hall, which has been under construction since February 2025 on an area of around 1,000 m², we were able to install over 100 tons of steel, which forms the foundation for the three-level facility. The plant has been undergoing warm commissioning since July 2025, and throughput has already been increased to 800 kg/h. Although we have not yet reached the planned target throughput of 1,650 kg/h, which is due to a bottleneck in the conveyor technology, we are already working closely with the manufacturer to procure new conveyor technology. We must not forget that we are one of the first to commission a grinding and pelletizing plant for recycled carbon black (rCB). This involves a steep learning curve. Unfortunately, this also means that there will occasionally be unforeseen delays along the way, for example due to technical challenges. The necessary adjustments to the plant are expected to be completed in December 2025, or in the first quarter of 2026 at the latest. In the meantime, a stable process for producing 600–800 kg/h at 12–14 hours per day should lead to significant sales increases in the fourth quarter. The material produced is already being purchased by Schwalbe in small quantities.

However, it is still necessary to generate additional financial resources for the further expansion and rollout of our project. In July 2025, we successfully carried out a capital increase of EUR 5.6 million. I understand your concerns about possible dilution, and I would like to emphasize that, as Pyrum's largest single shareholder, I am naturally particularly sensitive to such decisions. For me, a capital increase is never a decision to be taken lightly, but only makes sense if it opens up significant opportunities for us and accelerates our growth. We have the technology, several projects in the pipeline, and, with our long-standing partners, the customers for our products. What we still lack are the necessary financial resources, which we cannot raise through bank loans alone. If we want to grow, we need money, and that includes the right mix of equity and debt capital. In the beginning, unfortunately, equity can only come from capital increases or convertibles, and we are confident that in the future, the necessary equity will come from the profits generated by the company itself.

Last but not least, I would like to give you a glimpse into the future. We see great potential, particularly in our research and development work. Following the success of completely recycling our CFRP (carbon fiber reinforced plastics) laboratory equipment for the first time worldwide in 2023, we now want to take the next step. To this end, the demonstration plant for recycling CFRP developed as part of the Infinity project is to be further expanded. The main focus here is on increasing throughput and developing an integrated oil treatment system. Examples of CFRP applications include wind turbines and lightweight components in the automotive industry, but their disposal poses a major challenge. That is why now is the right time for us to take the next step. We have the technological foundations and an outstanding team to continue advancing this groundbreaking technology.

I hope I have been able to give you a good overview of the ongoing developments at Pyrum and provide you with more certainty regarding our current projects. For the remainder of 2025, our main focus at will be on the start of construction in Perl-Besch and the successful completion of the commissioning of the new grinding and pelletizing plant. With this, we want to lay the foundation for a significant expansion of capacity and increasing sales.

We look forward to continuing to take you along on the Pyrum journey and are confident that the rest of 2025 will be a successful year. Thank you for your continued support and trust in Pyrum.

Best regards



Pascal Klein

CEO Pyrum Innovations AG

Preliminary remark

In this report, we provide information on the business performance of the Pyrum Innovations AG Group for the period from January 1, 2025, to June 30, 2025, as well as the outlook for future development.

The information contained in this report has not been audited or reviewed by an auditor.



Content

Company

Pyrum share	10
Fundamentals of the Group	12
Report on own and customer projects.....	17

Pyrum share

Performance of Pyrum shares in the first half of 2025

The Pyrum share opened at EUR 26.50 on January 2, 2025. The share reached its half-year high of EUR 33.30 on May 27, 2025, and its low of EUR 24.60 on January 3, 2025. The closing price on June 30, 2025, was EUR 31.60.

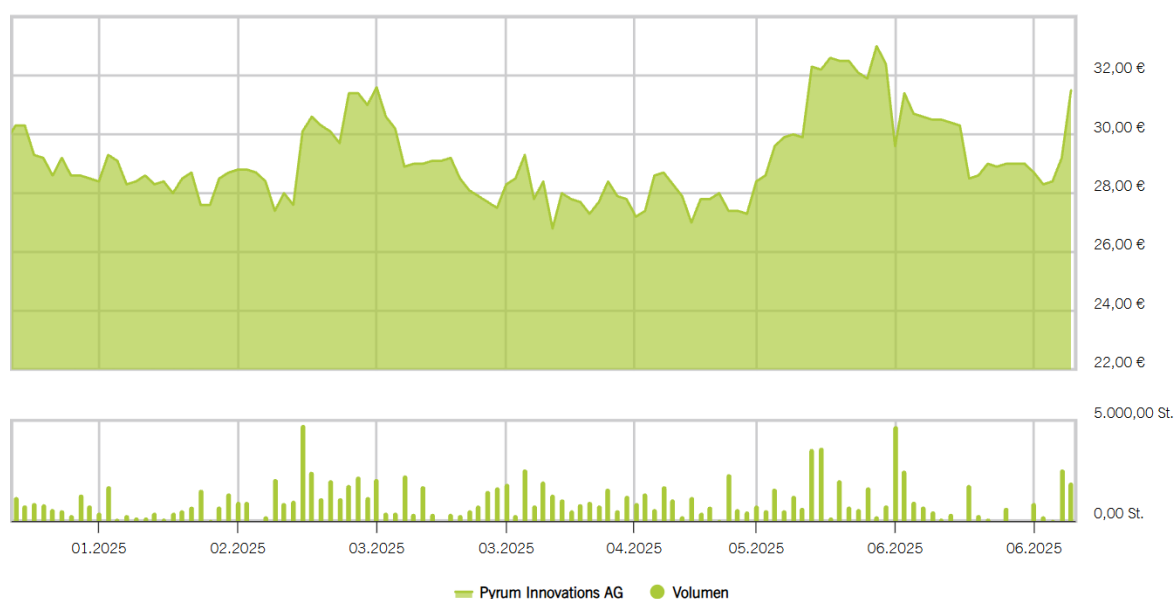
Master data

ISIN	DE000A2G8ZX8
Stock exchange	FRA: PYR
symbol	OSLO: PYRUM
Trading segment	FRA: SCALE OSLO: Euronext Growth Market
First trading day	September 30, 2021

Key figures

Price on January 2, 2025	EUR 26.50
Highest price (May 27, 2025)	EUR 33.30
Lowest price (January 3, 2025)	EUR 24.60
Closing price on June 30, 2025	EUR 31.60
Number of shares (June 30, 2025)	3.62 million

Pyrum share price performance in the first half of 2025 (XETRA)



powered by DEUTSCHE BÖRSE CASH MARKET

All relevant information on our investor relations activities can be found in the Investor Relations section at the following link: <https://www.pyrum.net/investoren/>.

Shareholder structure of Pyrum Innovations AG as of June 30, 2025

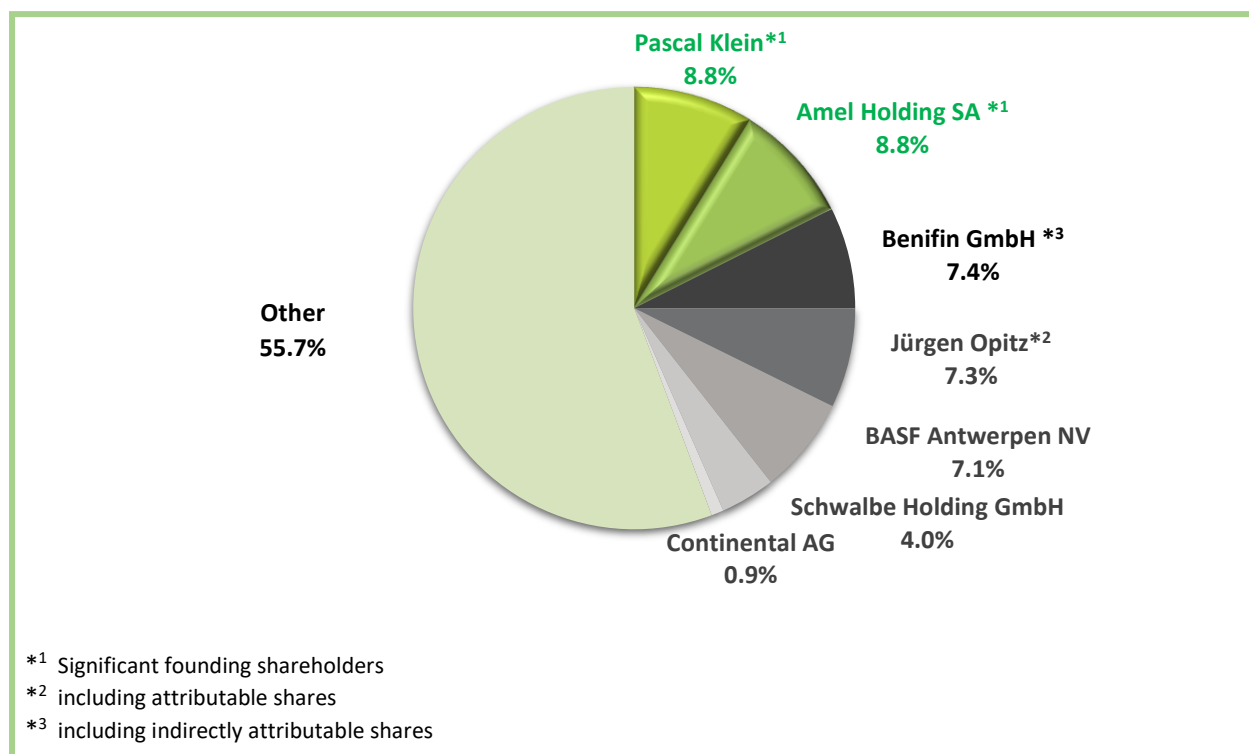


Fig. 1: Shareholder structure of Pyrum Innovations AG as of June 30, 2025

→ As of June 30, 2025, approximately **5,300 shareholders** were listed in the share register.

Shareholder structure of Pyrum Innovations AG after capital increase in July 2025

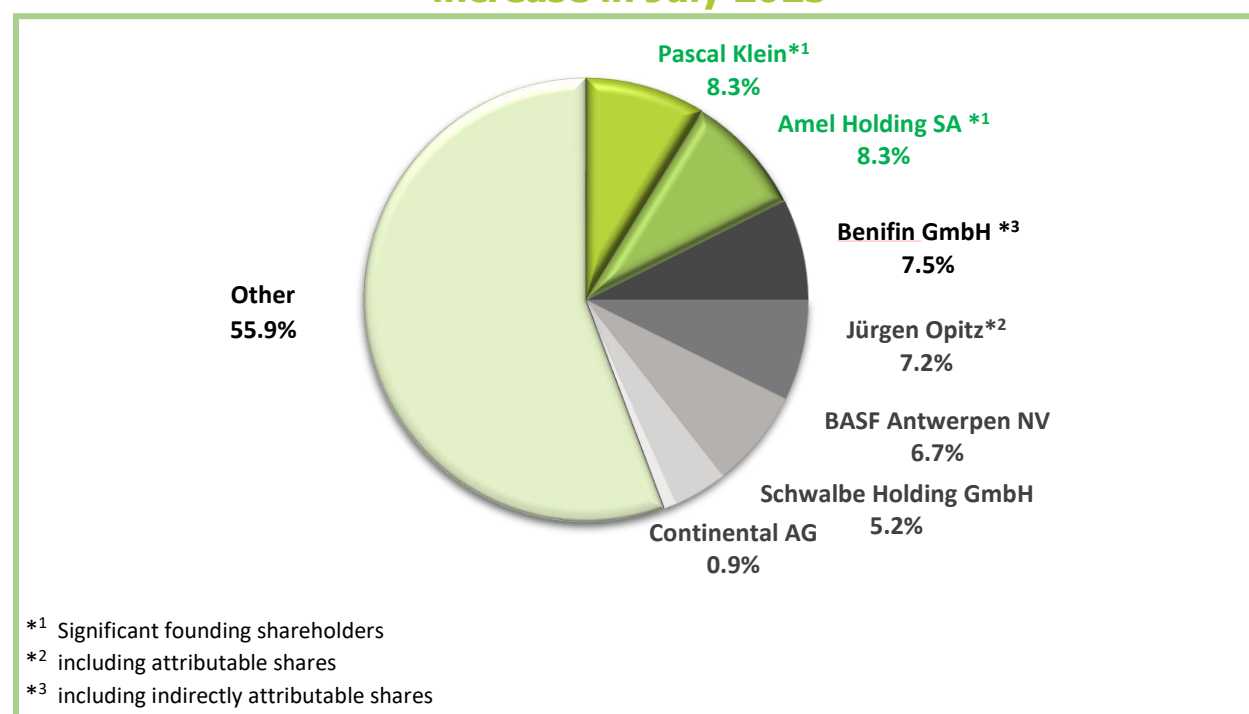


Fig. 2: Shareholder structure of Pyrum Innovations AG after capital increase in July 2025

Fundamentals of the Group

Business activities and group structure

Pyrum Innovations AG is one of the world's leading companies in the recycling of used tires through thermolysis. Since 2008, the company has been continuously developing and researching its innovative thermolysis technology, which enables the virtually emission-free recycling of used tires and plastics. This process yields high-quality products such as thermolysis oil and rCB (recovered carbon black), which are used by renowned partners such as BASF, Continental, and Schwalbe to manufacture new products. In this way, the company closes the recycling loop and pursues a sustainable business model. Thanks to renowned certifications such as ISCC Plus and REACH registration, the products are considered high-quality, sustainable, and renewable.

Pyrum Innovations AG is currently focusing on expanding its own recycling capacities and strengthening the market for used tire recycling through thermolysis. As part of the expansion of its site in Dillingen/Saar, the company successfully completed the commissioning of the TAD 2 and 3 thermolysis reactors at the end of the first quarter of 2025. These plant components have been transferred to regular operation. Following completion of the mill and pelletizing plant in the first half of 2026, Pyrum expects to triple its current recycling capacities.

In August 2024, Pyrum signed new contracts with tire manufacturer Continental, which uses the industrial carbon black recovered by Pyrum for the production of its Super Elastic solid tires, securing not only price guarantees but also the necessary quantities of used tires. Last year, the company also gained Schwalbe Holding GmbH, which has also been purchasing rCB from Pyrum since 2020, as a strategic investor. Schwalbe has already converted 70% of its tire range to Pyrum rCB and plans to produce its entire range using Pyrum rCB in the future. To secure this development in the long term, Pyrum and Schwalbe signed a ten-year framework agreement for the purchase of rCB in 2025. In addition, BASF, which has been involved in Pyrum Innovations AG since 2020 as part of its ChemCycling project, uses Pyrum's thermolysis oil and feeds it into its production network.

In addition to operating its own plants at its headquarters in Dillingen/Saar and selling the products manufactured there, the company plans and builds Pyrum recycling plants for national and international customers. The company is currently focusing on the European market. With partners in Greece, Czechia, Great Britain, and Germany, for example, new Pyrum plants are to be built in Europe in the coming years, which will be operated by the individual project companies. Pyrum plans to participate in most of the projects with its own capital.

The company is constantly researching new solutions for recycling waste materials. In addition to recycling old tires, its own F&E Team succeeded in 2023 in recycling CFRP (carbon fiber reinforced plastics) holistically for the first time worldwide. A European patent application for the process was filed in 2024. In addition, a product- patent was also filed for the rCB developed with Continental. Since its foundation, Pyrum Innovations AG has already received several awards for its innovative solutions.

Pyrum Innovations AG, based in Dillingen/Saar, is the parent company of the group and manages the company's operational business. Its subsidiaries and wholly owned subsidiaries are Pyrum Innovations International S.A., based in Schengen, Luxembourg, which holds the company's intellectual property and patents, and the subsidiary "Pyrum GreenFactory II GmbH," founded in 2024, which serves as the project and operating company for Pyrum's second plant, currently under construction in Perl-Besch.

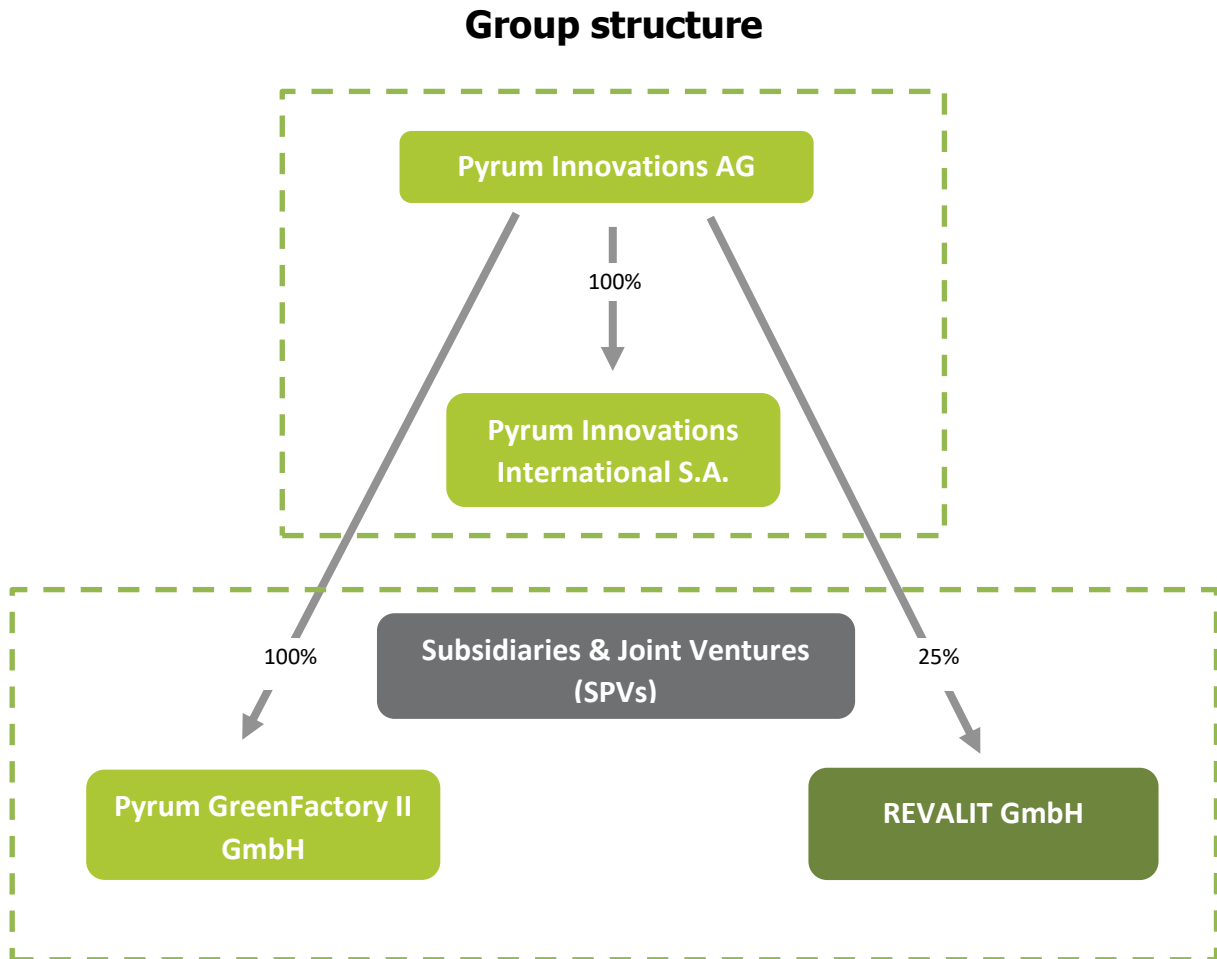


Fig. 3: Group structure of Pyrum Innovations AG

Value chain

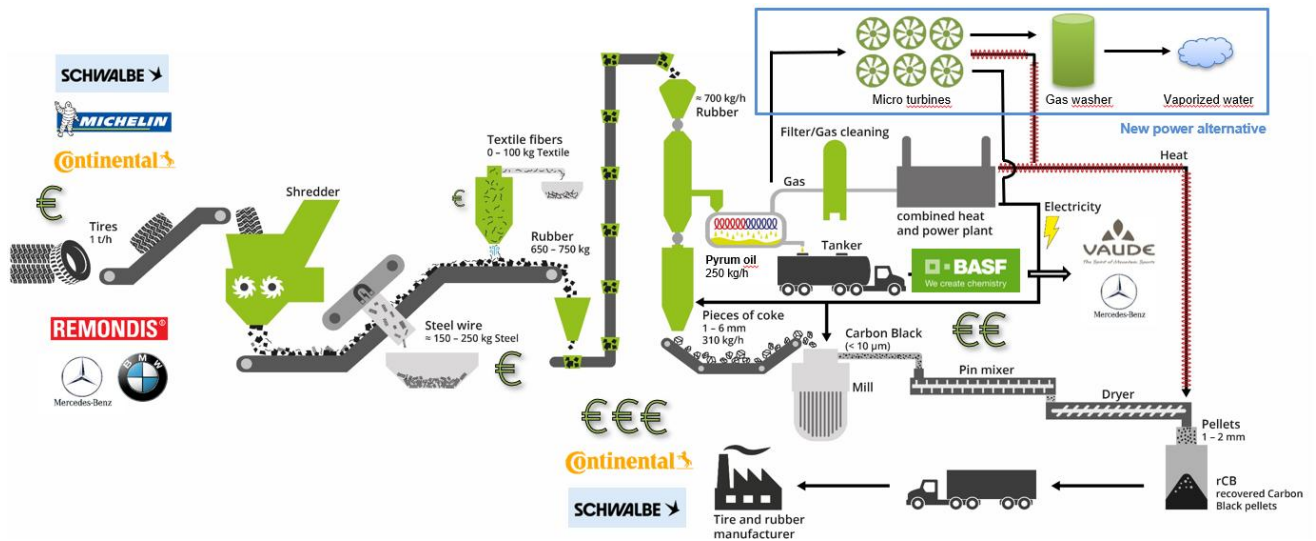


Fig. 4: Value chain of a Pyrum plant

The diagram shows an example of how one ton of used tires is processed. To guarantee the safety and quality of the end products, Pyrum operates its own tire shredding plant. This allows the volume flow and quality of the input materials to be specifically controlled and checked.

The disposal fee that Pyrum receives for accepting tires is used to cover the operating costs of the tire shredding plant.

The steel, textile, and rubber components recovered vary depending on whether truck, car, or bicycle tires are being processed. The recovered tire wire can be directly reprocessed into new products in steel mills.

The thermolysis reactor is energy self-sufficient and electrically operated by converting the thermolysis gas obtained in the process into electricity. More than 150 heating sources ensure optimal and controllable temperature distribution in the reactor. This is the basis for the reproducible production of high-quality thermolysis oil and recovered carbon black (rCB).

Since there are no moving parts in the reactor, unwanted oxygen ingress, as can occur in conventional processes such as batch or rotary kilns, is permanently excluded. This guarantees an optimal thermolysis process.

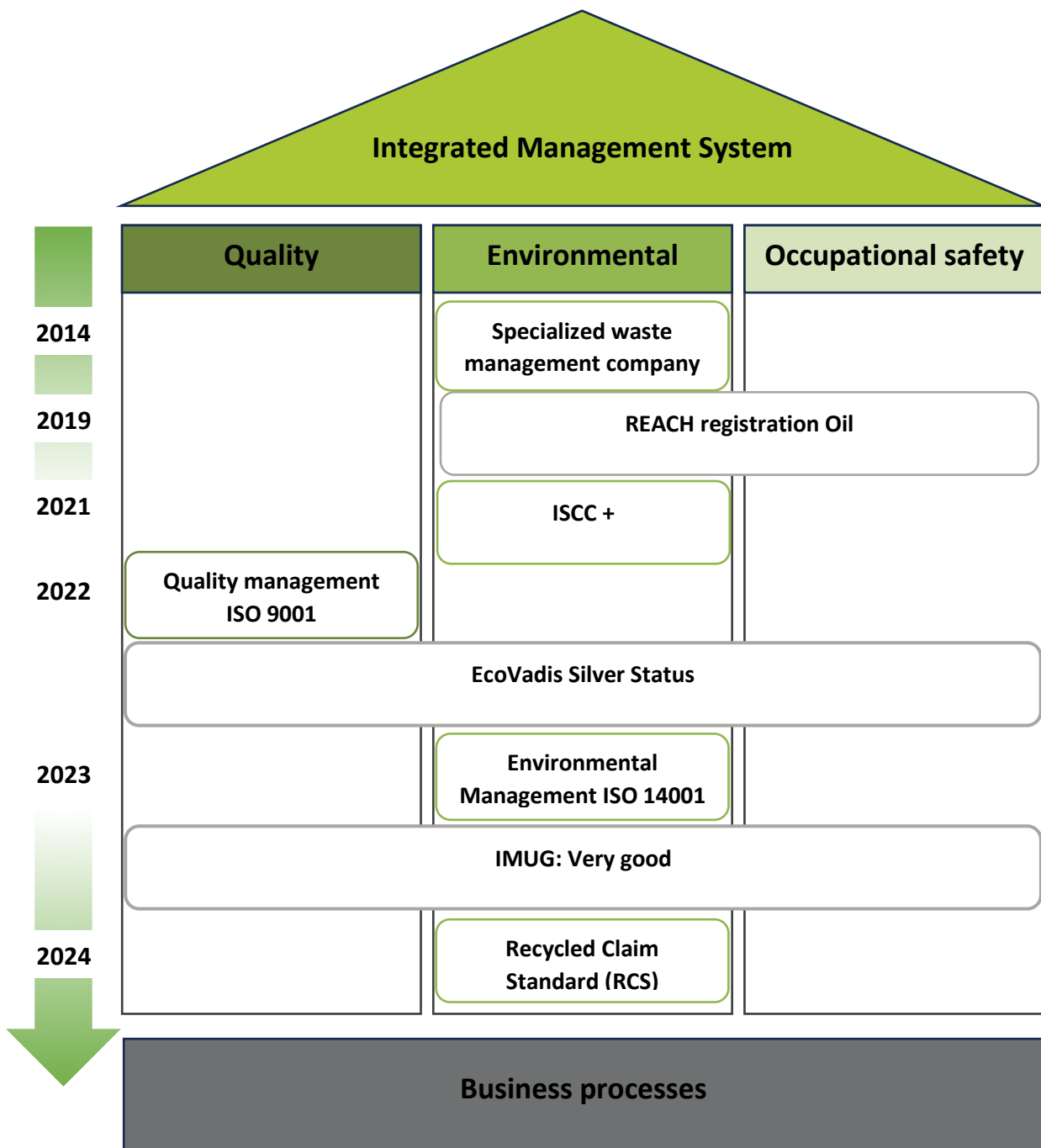
The waste heat from the company's own power generation can be used for the drying process of the rCB pellets, which leads to additional CO₂ savings compared to the current recycling mix of scrap tires.

Optimal recycling is achieved by supplying the thermolysis oil to BASF, which uses it to manufacture high-quality products, and by using the rCB in tire production at Continental and Schwalbe.

Our certifications

Classification of certificates in the Integrated Management System (IMS) of Pyrum Innovations AG

The structure of the Integrated Management System (IMS) of Pyrum Innovations AG is based on the three pillars of sustainability (economy, ecology, and social issues) and enables a flexible response to all requirements from the corporate environment. The certificates obtained can be classified into the areas of quality, environmental protection, and occupational safety and can be assigned to both a specific area and across areas.



Silver Status achieved again in EcoVadis Rating

At the beginning of July 2025, Pyrum was once again awarded silver status in the EcoVadis rating. The EcoVadis rating is a comprehensive assessment of companies' sustainability performance in the areas of environment, labor and human rights, ethics, and sustainable procurement. Compared to the last assessment, the company improved its score by 9 points to 70 points. Pyrum has made significant improvements, particularly in the area of sustainable procurement. This was mainly due to the gradual expansion of the existing quality and environmental management system to include sustainability issues and the introduction of new, group-wide compliance guidelines.

Recertifications

Every year, we undergo recertification as a "specialist waste management company" and "ISCC+", which are valid for another year. In March 2025, the **annual recertification as a "specialist waste management company"** was **passed** without any deviations and with **positive feedback**. The audit for ISCC+ certification was also carried out in September 2025 without any deviations. Pyrum continues to plan to expand its ISCC+ certification in accordance with EU guidelines. This certification specializes in particular in biofuels.

In addition, the certification audit of the quality and environmental management system according to ISO 9001 and ISO 14001 was successfully carried out and passed in March 2025. The certificates are valid for three years.

Report on own and customer projects

Own plants

Status of the Dillingen TAD 2 and 3 expansion



The TAD 2 and TAD 3 reactors, which went into operation at the end of the first quarter of 2025 as part of the site expansion, successfully completed their first annual maintenance in July/August 2025. This went as expected and was carried out by Pyrum on schedule, without delays and to the planned extent. The reactors then resumed regular operation. Furthermore, the power generation unit was also able to transition from the test phase to regular operation in mid-August 2025.

In order to achieve a substantial increase in sales, the recovered carbon black (rCB) produced in the new reactors must be milled and pelletized. This is where the new jet mill now comes into play. The installation of the grinding plant developed by Hosokawa was successfully completed in mid-February 2025. With an input material volume of 1,650 kg/h and an output material volume of 1,350 kg/h, it is the world's largest jet mill for rCB. In the second quarter, the pelletizing plant from the same manufacturer was installed.

The combined commissioning of both plants began on schedule in July 2025. In the meantime, a throughput of 800 kg/h has been achieved for a short time, meeting the customer's quality standards. The grinding process also achieves the target volumes. However, it has not yet been possible to achieve the target throughput of 1,650 kg/h in pelletizing. The problem with the material transport system between the two machines has been reported, and the manufacturer is working on a suitable solution. The necessary adjustments to the plant are expected to take place in December 2025, but no later than the first quarter of 2026. In the meantime, the plant is to run at a stable rate of 600-800 kg/h. Initial samples have already been delivered to tire manufacturers, and Schwalbe has also purchased its first small quantities.

As a final construction measure, a new sprinkler system will be installed afterwards.

Perl Besch - Pyrum GreenFactory II GmbH

Pyrum's second plant will be built on a site covering around 25,000 m² at the new location in Perl-Besch near the border triangle of Germany, France, and Luxembourg, and will have an annual recycling capacity of 22,400 tons of scrap tires. The building plot for the new site was prepared last year.

In June 2025, Pyrum received approval to start construction early at the new location. In September 2025, a contract between the municipality of Perl, the Catholic Church, Strukturholding Saar, Hippert, and Pyrum was finalized and notarized. This ensures that the building site can be connected to the public transport network. The symbolic groundbreaking ceremony had to be postponed due to ongoing negotiations at the original groundbreaking date, but is still planned for 2025.

Financing negotiations with banks and public funding agencies have not yet been concluded at the time of reporting.

Ongoing customer projects in plant engineering

In addition to the approval procedures that have been initiated, the focus of activities in the ongoing projects in 2025 will be on the development of the respective detailed engineering and, in particular, the finalization of all contracts with SUAS in order to be able to enter the next project phase. In addition to the projects described below, Pyrum has further projects in Europe, such as the construction of a plant in the United Kingdom with SUEZ.

Czechia – SUAS Group

At the beginning of March 2025, the SUAS Group made the final investment decision (FID) for the partner project in Czechia. The Czech companies SUAS Group and Sokolovská uhelná are planning, in cooperation with Pyrum, to build a tire recycling plant with a recycling capacity of 22,700 tons of scrap tires per year at their plant in Vřesová, with completion targeted for 2027.

The Czech partner, which is active in the energy and recycling industry, already operates a power plant on the site and will be able to use the thermolysis gas to generate electricity in the future. This will allow synergies and existing structures to be leveraged in the planning and implementation of the new plant.

Pyrum Innovations AG and SUAS GROUP will establish a joint venture for the joint construction and operation of the plant, with Pyrum holding a 49% stake in the company.

In cooperation with a renowned Czech engineering firm, the building application has been submitted to the relevant authorities. At the time of this report, a positive response is still pending. The company expects to conclude the participation agreement, the full financing of the project, and the plant purchase agreement before the end of 2025.

Greece – Thermo Lysi SA

The plant of the Greek project company Thermo Lysi SA is to be built approximately 140 km north of Athens. Pyrum plans to acquire an up to 15% stake in the project company's equity.

At the beginning of the first quarter of 2025, the Greek company was granted a building permit to construct a thermolysis recycling plant. Thermo Lysi then also received environmental approval in March 2025. This means that all the necessary permits for the construction and licenses for the operation of the new plant in Greece have been obtained, so that the project is now considered "fully approved".

In the meantime, all necessary documents for an EU grant application have been submitted to Thermo Lysi. The grant is intended to cover part of the investment sum. Furthermore, Pyrum and Thermo Lysi signed an engineering contract worth around EUR 2.2 million in mid-May. Both companies have decided to initiate the detailed engineering work before the final financing decision has been made in order to prepare the next steps in the project development in a targeted manner. Pyrum is currently working on the detailed engineering for the planned plant. Once the detailed planning has been completed, an internationally active Greek construction company is expected to adapt the documents to Greek law. Furthermore, an EPC contractor will take over the construction and ordering of the plant components.

The operator of the future plant has signed a contract with Ecoelastika, the only waste disposal system for scrap tires in Greece. The final supply agreement for the required quantity of scrap tires is expected to run for several years, ideally starting in 2026.

Bremen - REMONDIS

The joint venture with the recycling company REMONDIS is to be realized on a site in the port area of Bremen. It is to have a recycling capacity of 22,700 tons of scrap tires per year. The agreement on the planning and preparation of the approval documents has been concluded. If all parties involved make a positive investment decision, Pyrum is expected to hold a 33% stake in the SPV. In mid-September 2025, the application conference to present the planned plant in Bremen took place with the responsible authorities in Bremen. The scope of the approval was defined and the preparation of the approval documents was commissioned.

Emleben - UNITANK

The Memorandum of Understanding (MoU) with UNITANK Betriebs- und Verwaltungs GmbH provides for the construction of up to ten joint plants. For the potential first joint project in Emleben (Thuringia), the suitability of the site has been examined in detail and discussions have been held with local authority representatives and utility companies to agree on the specific features of the site that need to be taken into account and to ensure that the necessary connections to the public grid are in place at an early stage. Together with its partner UNITANK, extensive preparatory work is underway at the project level on pre-engineering and the creation of a business plan, as well as preparations for the planned future ownership structure for a potential joint venture in plant construction and operation. At the same time, UNITANK is holding talks with future suppliers for tire input and with potential customers for the end products. In addition, the target regions for the next joint plants are being coordinated with UNITANK.

Sweden – GreenTech Recycling Tires AB

At the end of February 2024, a consulting agreement was signed between GreenTech Recycling Tires AB and Pyrum Innovations AG, which provides for the construction of a joint thermolysis plant in Sweden. It is planned that Pyrum will invest up to EUR 3,000,000 in the SPV, provided that the financing of GreenTech is fully secured. Both partners are aiming to build a plant with a recycling capacity of 22,700 tons of scrap tires per year.

In close cooperation with the GreenTech team, the preparation of the permit application is progressing rapidly. As part of the layout design, synergies with a neighboring project are currently being examined. In addition, in cooperation with the environmental consultant in Sweden, an application conference and a project presentation with the authorities took place in December 2024. The scope of the permit was determined, which is currently being processed within the framework of the consulting agreement.

Antwerp - VTTI

At the end of February 2025, Pyrum and VTTI, one of the world's leading companies in the field of energy storage and infrastructure, signed an agreement to develop a waste tire thermolysis plant. The new plant is to be built at the Antwerp Terminal (ATPC) in the Port of Antwerp and Bruges (PoAB) and, with a recycling capacity of 90,000 tons of end-of-life tires per year, will be the largest Pyrum plant to date.

Pyrum will not participate in the plant as a shareholder, but will act as a development partner and provide its patented thermolysis technology under a plant purchase agreement. Due to the higher recycling volume of the plant, Pyrum will develop a new size design comprising two plants with a respective recycling volume of around 45,000 tons of scrap tires per year.

At the beginning of September 2025, Pyrum Innovations AG and VTTI signed a cooperation agreement; the next planning phase has begun.



Content

Interim Group Management Report for the first half of 2025

1. Fundamentals of Pyrum Innovations AG and the Group.....	22
2. Economic report.....	28
3. Future development	35
4. Outlook for the remainder of 2025	37

1. Fundamentals of Pyrum Innovations AG and the Group

Business model, market, and competition

Pyrum Innovations AG operates in the recycling market. Using its patented thermolysis technology, the company recycles old tires and extracts new raw materials such as recycled carbon black (rCB), thermolysis oil, and gas.

There are various technologies for thermolysis-based tire recycling. The process patented by Pyrum is characterized by its continuous production and the absence of mechanical conveying in the reactor. Pyrum Innovations AG is currently not aware of any competitor in tire thermolysis that does not still operate on the basis of existing batch or rotary kiln processes or is already in verifiable 24/7 operation. Based on current knowledge, most competitors are still operating test and semi-industrial plants that are in the process of scaling up.

In the upstream shredding process, high-quality tire wire is first recovered and returned to steel production. Pyrum obtains the input factor of used tires from workshops, tire manufacturers, waste disposal companies, or municipalities and receives a disposal fee in return.

According to the World Business Council for Sustainable Development (WBCSD), of the approximately 30.9 million tons of scrap tires generated worldwide each year, around 3.4 million tons are generated in Europe alone.⁸ In Germany, the figure is around 600,000-700,000 tons. Due to the increase in electric mobility, these quantities of used tires are also expected to rise further in the coming years. Since electric vehicles can deliver their maximum torque almost immediately, they accelerate significantly faster than vehicles with combustion engines. However, this increased acceleration leads to greater friction and thus faster tire wear. The Recycled Rubber Coalition (RRC) estimates that tires on electric vehicles wear out up to 30% faster as a result.⁹ This means that in Europe alone, Pyrum has the potential to sustainably recycle almost 1.5 million tons of scrap tires per year using thermolysis, thereby contributing to the circular economy.

According to the life cycle assessment of Pyrum technology conducted by the Fraunhofer Institute, the current recycling mix for scrap tires in Germany consists of material recycling with a market share of 52%, incineration of scrap tires in cement plants (42%), and alternative fuel (EBS) power plants (6%). Significant CO₂ savings are already being achieved through the material recycling of scrap tires for the production of playground flooring or sports fields made of rubber granulate (infill), for example. However, the thermolysis process developed by Pyrum, including the use of waste heat, exceeds these savings by 187 kg CO₂ equivalent per ton of scrap tires. In addition, the Fraunhofer Institute certifies that material recycling has significantly limited market potential – at 52%, it has already reached its maximum market share, which can hardly be expanded any further.

The thermolysis market continues to be characterized by a high degree of fragmentation. There is currently no leading company on the European market. The submarket for rCB, the most important output factor in terms of sales, is in an early stage of development, which is already strongly influenced

⁸ World Business Council for Sustainable Development: Global ELT Management (2019)

⁹ Recycled Rubber Coalition (RRC) White Paper 2024

by Pyrum in Germany. The high demand from industry for sustainable raw materials and production processes, as well as increasingly stringent regulations, particularly in the EU, are also creating attractive conditions.

These stricter regulations at EU level and in individual member states are also leading to a more restrictive approach to waste tires. For example, the rising price of CO₂ due to European emissions trading is making the incineration of waste tires significantly more expensive over time. In countries such as Belgium, Finland, Norway, and Sweden, the incineration of rubber products is already completely prohibited. In addition, the use of shredded tire granulate in outdoor areas—such as playgrounds and sports fields—will be banned throughout the EU in the future. The landfilling of used tires or tire granulate is already prohibited throughout the EU. Finally, approaches such as Extended Producer Responsibility (EPR) require producers and distributors of products to consider the post-use phase of a product, thereby enabling a functioning circular economy. This is the EU's response to increasingly scarce resources and the unacceptable handling of waste, which usually has negative effects on people and the environment. In addition, the cement industry has invested heavily in new, more energy-efficient kilns in recent years. The new kilns have shorter combustion paths, which means that there will also be technological limitations in the future on the usability of tires in cement production.

In line with this, Pyrum Innovations AG is seeing continued strong growth in demand for its sustainably produced raw materials such as thermolysis oil and rCB. The planned production expansions will not be nearly enough to meet demand in the coming years. The ongoing war in Ukraine is keeping prices for virgin carbon black (industrial carbon black) produced conventionally by burning heavy oil at a high level. Industrial carbon black is used as a raw material in numerous industries, e.g., in the tire industry for the manufacture of new tires, but also in the plastics and electrical industries. The increasing demand for recycled carbon black is boosted by the fact that numerous international tire manufacturers have set themselves ambitious sustainability targets. The Continental Group, with which Pyrum Innovations AG signed a contract in July 2024 for the long-term purchase of industrial carbon black, has set itself the goal of using 100% sustainably produced materials in tire production by 2050.¹⁰ The current use of Pyrum rCB in forklift and bicycle tires is just the beginning.

The factors described above are having a strong influence on the industry and are leading to a significant change in the design of supply contracts. Just a few years ago, long-term contracts were hardly conceivable in the automotive industry. This makes it all the more significant that Pyrum was able to conclude a framework agreement with Continental last year for the long-term purchase of Pyrum rCB with a term of ten years. In April 2025, Pyrum signed a second long-term purchase agreement with Schwalbe, with similar terms and conditions. This development shows that other tire manufacturers are also increasingly interested in long-term partnerships, which indicates the growing importance of sustainable raw materials in the industry.

¹⁰ Continental AG: Vision 2030

Overall, Pyrum Innovations AG is thus operating in a very attractive market. Pyrum is in demand both as a sustainable disposer of used tires as input material and as a supplier of sustainably produced raw materials. Pyrum Innovations AG intends to play a significant role in this rapidly growing recycling market for used tires.



Research and Development

Research and development is one of Pyrum's core competencies and is in the company's own interest. This area serves to improve the company's own expertise and products, secures its technological lead, and ensures the quality of the products it supplies.

In order to research further areas of application for Pyrum's technology, the company operates its own test laboratory, which is used not only to further develop areas of application for its own technology, but also for customer research projects, thereby generating additional revenue.

In order to utilize as much expertise as possible for development and to always be at the cutting edge of research, Pyrum regularly collaborates with external partners and universities. In addition, there is regular exchange with suppliers of key components and with customers so that innovative topics and trends as well as individual requirements can be taken into account at an early stage of development.

The focus of research is on homogeneous input materials for which, from today's perspective, there are few or no solutions for circular material cycles. This opens up great opportunities in markets that have not yet been tapped either technologically or commercially.

Pyrum also conducts research in the field of hydrogen production from waste. The gas produced during the thermolysis process has a hydrogen content of 40%. Hydrogen separation is to be made possible by developing a two-stage process for obtaining high-purity hydrogen from old tires.

Pyrum continues to work on fully exploiting the potential of its patented recycling technology and opening up new areas of application. Several projects are currently in the application stage.

JDA with Continental Reifen GmbH

"Increasing rCB performance to ensure a reliable and stable supply with consistently high rCB quality."

The research collaboration (JDA) between tire manufacturer Continental and Pyrum, which began in 2022, aims to jointly improve the performance of rCB and tailor it to defined areas of application in new tires. All sub-processes are being optimized: from the composition of the feedstock for thermolysis to the process parameters of thermolysis and the post-treatment of rCB to its final integration into new rubber compounds.



The first phase of the project was extremely successful: the second generation of Pyrum rCB was successfully produced. These new products are characterized by significantly improved performance as a reinforcing filler in rubber and tire compounds. Through targeted optimization of the feedstock composition and process parameters, two types of rCB with properties specifically tailored to tire applications were developed and successfully tested. The respective manufacturing processes have been patented by Pyrum.

CFRP recycling

In 2023, after almost four years of development, Pyrum Innovations AG commissioned the first automated, semi-industrial recycling plant for carbon fiber reinforced plastics (CFRP), thereby recycling CFRP holistically for the first time worldwide. The plant is located at the main factory in Dillingen/Saar and will serve as the foundation for the construction of an industrial plant.

Pyrum is planning to expand the CFRP demonstration plant that emerged from the Infinity project. The expansion will focus on increasing throughput and integrating an oil treatment system into the plant. This is intended to lay the foundation for planning the upscaling of plant technology for in-house recycling plants.

A European patent application for the process was filed in 2024. At the time of reporting, a decision is still pending.

Oxipurge

Currently, thermolysis reactors are usually cleaned manually and mechanically. These processes require a complete shutdown of the plant and pose health risks to personnel. Coke deposits from the thermolysis of rubber granulate (e.g., from old tires) impair heat transfer over time and shorten the service life of the reactors due to increased material fatigue.

The aim of the project pursued by Pyrum is to develop an innovative thermal cleaning process that operates at temperatures of up to 700°C in an oxidizing atmosphere. This should effectively remove residues, increase plant availability, and enable longer operating times. At the same time, the aim is to reduce material fatigue.

This is accompanied by the development of a multi-stage exhaust gas cleaning system (e.g., desulfurization, conversion of CO to CO₂). Flow control and temperature distribution in the reactor are also being investigated in order to avoid hot spots and ensure material resistance. The project aims to close existing knowledge gaps in thermal cleaning and exhaust gas aftertreatment in thermolysis plants.

2. Economic report

Overview of the economic framework conditions

According to the Federal Statistical Office (Destatis), gross domestic product (GDP) in Germany continued to develop modestly in the first half of 2025. Adjusted for price, seasonal, and calendar effects, economic output rose by 0.3% in the first quarter compared to the previous quarter before declining by 0.3% in the second quarter. There was also no momentum compared with the respective quarters of the previous year: real GDP stagnated in the first quarter (0.0%) and declined slightly by 0.2% in the second quarter. The somewhat weaker performance in the second quarter of 2025 is mainly attributable to declines in the manufacturing and construction industries. Private consumer spending rose only moderately, while gross fixed capital formation declined significantly. Exports of goods and services also performed poorly.¹¹ As a result, economic growth in Germany remained at a very low level compared with other industrialized countries.

Inflation in Germany, on the other hand, continued to decline during the first half of 2025, standing at 2.0% in June compared with the same month last year. In April and May 2025, it had been 2.1% in each case. In addition to the continued fall in energy prices, inflation in food prices in particular slowed. Prices for energy products in June 2025 were 3.5% lower than in the same month of the previous year, while food prices rose by 2.0%. On the other hand, above-average inflation in services (+3.3%) continued to have a negative impact.¹²

Looking at the tire market, more than 1.6 billion new tires are sold worldwide every year.¹³ In Germany, the number of passenger car, van, and truck tires sold in 2024 was just under 47.5 million (a 6.8% increase over the previous year), according to the German Tire Retail and Vulcanization Trade Association.¹⁴ Accordingly, roughly the same amount of scrap tires are generated later on – according to research by SWR, around 700,000 tons annually in Germany alone.¹⁵ By way of comparison, a standard Pyrum thermolysis plant with three reactors has a recycling capacity of around 22,700 tons of scrap tires per year. At the same time, according to a feasibility study conducted by Chemnitz University of Technology on behalf of the German Tire Retail and Vulcanization Trade Association, there is a shortage of available recycling capacity for scrap tires in Germany.¹⁶ This shortage could lead to increased illegal dumping, rising disposal costs, and increased exports of scrap tires. Half of all used and worn tires in the EU are already being transported abroad.¹⁷ Demand for the purchase of used tires therefore remains high. At the macroeconomic level, the circular economy is increasingly becoming the focus of public attention. As part of the energy transition, there is a greater emphasis on sustainable products, which also has an impact on the regulatory framework. The incineration of used tires, for example, is associated with ever-increasing costs for CO₂ emissions.

The European Parliament has also taken initial measures based on the EU Commission's strategy, which aims to reduce microplastics released into the environment by 30% by 2030. The amendment to the REACH Regulation will ban the trade in bulk polymers with an average diameter of less than 5 mm by 2031 at the latest.¹⁸ These materials include polymers and rubber granulate obtained from

¹¹ Destatis: Press release 310 dated August 22, 2025

¹² Destatis: Press release 250 dated July 10, 2025

¹³ BlackCycle Project: Press release dated September 3, 2020

¹⁴ German Tyre Retail and Vulcanisation Trade Association: Press release dated March 20, 2025

¹⁵ SWR "Vollbild": Press release dated August 9, 2022

¹⁶ Chemnitz University of Technology: New uses and applications for recycled old tires dated January 24, 2022

¹⁷ World Business Council for Sustainable Development (WBCSD): Global ELT Management (2019)

¹⁸ Ecoelastika: Annual Report 2022

used tires. For context: In the EU, around 1.2 million tons of used tires are processed into shredded material every year. Forty-two percent of the rubber granulate obtained from this is used as infill material for artificial turf pitches, making this the most widespread recycling application for used tires for decades. The ban on bulk polymers resulting from the amendment will inevitably have a major impact on the market.

Pyrum Innovations AG can make a decisive contribution to the desired transformation of the economy by recycling used tires in the recycling cycle.

Economic development of Pyrum AG and the Group

This section explains the interim consolidated financial statements of Pyrum Innovations AG for the period from January 1 to June 30, 2025. The figures for the reporting period are accompanied by the figures for the same period of the previous year in parentheses.

Earnings

In the first half of 2025, the Pyrum Innovations Group generated **sales revenues** of EUR 1,267 thousand (EUR 708 thousand). This represents an increase in revenue of around 79% compared with the first half of 2024.

Changes in inventories of finished and unfinished products and work in progress remained at the previous year's level at EUR 232 thousand (EUR 215 thousand). The inventories of unfinished and finished products increased again by EUR 274 thousand. Orders in progress decreased by EUR 42 thousand.

Capitalized own work amounted to EUR 5,214 thousand (EUR 3,614 thousand). The increase corresponds to the ongoing investment (material and progress of work) on the planned construction of the second Pyrum plant in Perl-Besch and the assembly and commissioning work for the pyrolysis gas power generation and grinding and pelletizing plant in Dillingen.

Total output increased by 48% to EUR 6,712 thousand (EUR 4,536 thousand) compared to the same period last year due to the increase in sales and higher capitalized own work in the reporting period.

Other operating income nearly tripled compared to the same period last year, reaching EUR 2,303 thousand (EUR 800 thousand). This is due to investment subsidies of EUR 2,011 thousand (EUR 531 thousand) for the creation of jobs in Dillingen resulting from the completion of the main facilities for plant expansion.

In addition to raw materials, consumables, and supplies, the **cost of materials** also includes the cost of materials required for the production of capitalized own work. The reported cost of materials amounted to EUR 5,625 thousand (EUR 3,728 thousand) in the first six months of 2025. This includes EUR 4,248 thousand that was required for the production of own work.

Personnel expenses rose by 12% to EUR 3,558 thousand (EUR 3,176 thousand) due to further staff recruitment for capacity expansion and inflation-related wage adjustments.

Depreciation amounted to EUR 1,584 thousand (EUR 1,106 thousand) and resulted on the one hand from regular depreciation of completed assets (Pyrum Innovations AG) and on the other hand from EUR 434 thousand in depreciation for patents (Pyrum Innovations International S.A.). This also includes impairment depreciation of EUR 150 thousand for the older shredder at TAD 1.

Other operating expenses were significantly higher than in the same period of the previous year at EUR 2,176 thousand (EUR 1,600 thousand). This is due to the newly added ongoing operating costs incurred by the operation of TAD 2 and TAD 3. In the first half of 2025, EUR 129 thousand (EUR 139 thousand) in ongoing costs for stock exchange listings were taken into account.

Interest expenses rose by EUR 153 thousand to EUR 660 thousand (EUR 507 thousand). This was mainly due to additional loans taken out since the end of the first half of 2024.

The **consolidated net income for the period** improved slightly to EUR -4,582 thousand (EUR -4,787 thousand).

Net assets

Intangible assets were amortized as usual by EUR 446 thousand in the reporting period. This reduced the value to EUR 4,580 thousand as of the reporting date (EUR 4,966 thousand).

Property, plant, and equipment increased to EUR 50,504 thousand (EUR 46,445 thousand) compared to the balance sheet date of December 31, 2024. The main drivers were advance payments and assets under construction amounting to EUR 2,063 thousand for the new Pyrum GreenFactory II GmbH plant in Perl-Besch as well as EUR 1,963 thousand for the new grinding and pelletizing plant for TAD 2 and TAD 3.

Pyrum GreenFactory II GmbH, founded in January 2024, has already been provided with EUR 5,900 thousand in equity by Pyrum Innovations AG. The company is fully consolidated as a 100% investment, so there are no effects from a Group perspective.

Total **fixed assets** amounted to EUR 55,084 thousand (EUR 51,412 thousand).

Inventories increased to EUR 1,415 thousand (EUR 1,158 thousand) due to finished products.

The **balance sheet** total amounted to EUR 60,759 thousand (EUR 65,465 thousand).

Financial position

Capital structure

The Pyrum Group's **net equity** amounted to EUR 17,663 thousand as of June 30, 2025 (EUR 22,245 thousand).

On 10 July 2025, Pyrum successfully carried out a cash capital increase, which generated gross proceeds of around EUR 5.6 million. As part of this measure, 201,446 new shares were placed at a price of EUR 28.00 per share. This increased the share capital from EUR 3,617,372 (proportionate amount of the share capital of EUR 1.00 per no-par value share) to EUR 3,818,818.

The company plans to use the proceeds for the development of the new site in Perl-Besch, for investments in joint ventures for new plants of Pyrum Innovations AG, and for general corporate purposes.

The **equity ratio** fell to 29.1% as a result of the consolidated net income for the reporting period (34.0%).

Provisions remained at the previous year's level at EUR 3,280 thousand (EUR 3,297 thousand). This includes the inventor's remuneration to be recognized as a liability in the Group, which can only be claimed once Pyrum Innovations International S.A. has achieved profitability.

Liabilities to banks decreased to EUR 2,924 thousand as of June 30, 2025 (EUR 3,141 thousand) due to scheduled repayments.

Liabilities from advance payments received amounted to EUR 3,214 thousand as of the reporting date (EUR 2,614 thousand).

Trade payables doubled compared to the balance sheet date of December 31, 2024, to EUR 3,405 thousand (EUR 1,537 thousand). The reason for the increase is longer-term payment agreements with suppliers in plant engineering.

Other liabilities decreased to EUR 30,273 thousand as of 30 June 2025 (EUR 32,631 thousand). The decrease is due to the realization of income from the release of subsidy liabilities as a result of the capitalization of additional plant components and the scheduled repayment of loans.

Liquidity

The company continuously monitors available liquidity and potential investment impacts. Land purchases are generally refinanced on a long-term basis in order to conserve liquidity and ensure rollout planning.

Cash on hand and bank balances amounted to EUR 3,087 thousand as of June 30, 2025 (EUR 11,949 thousand).

Cash flow statement

The cash flow statement is structured in accordance with the requirements of DRS 21.

In the first half of 2025, negative **cash flow from operating activities** decreased to EUR - 3,985 thousand compared to the same period of the previous year (EUR - 4,227 thousand).

Cash flow from investing activities amounted to EUR -3,620 thousand, compared with EUR -4,300 thousand in the same period of the previous year, due to investments in the expansion of the plant in Dillingen and initial investments at the Perl-Besch site.

Cash flow from financing activities decreased to EUR -1,257 thousand (EUR 13,546 thousand). The prior-year period was marked by the disbursement of two further loan tranches from BASF, while only interest and principal repayments were made in the reporting period.

The Group companies were able to meet their payment obligations at all times.

Report on performance indicators

Financial performance indicators

Pyrum Innovations AG is managed financially using the key figures of sales, total operating performance, and earnings before interest and taxes (EBIT). Adjusted values are determined where necessary.

In addition, available liquidity is an important control parameter. Closely monitored liquidity planning and control play a central role.

In thousands of euros	Jan. 1, 2025- Jun. 30, 2025	Jan. 1, 2024- Jun. 30, 2024
Revenue	1,267	708
Total output	6,712	4,536
EBITDA	-2,358	-3,183
EBITDA (adjusted)	-4,369	-3,714
EBIT	-3,942	-4,289
EBIT (adjusted)	-5,954	-4,820
Free cash flow	2,878	9,294

The development of the individual key figures is explained in the preceding sections.

The adjusted key figures eliminate one-time effects from investment subsidies.

3. Future development

Forecast

Future economic conditions

In its latest forecast from July, the International Monetary Fund (IMF) expects global economic growth of 3.0% for 2025. Economic performance is therefore likely to remain solid, but will continue to decline slightly compared with the previous year 2024 (+3.3%). Against the backdrop of ongoing geopolitical tensions, trade conflicts and the increase in protectionist measures are having a particularly negative impact, while the expansionary fiscal policy of some important countries is supporting economic growth. For the Eurozone, the IMF expects gross domestic product to rise by 1.0% year-on-year for 2025 as a whole. The IMF expects only a slight increase in GDP of 0.1% for economic development in Germany.¹⁹

The German Council of Economic Experts expects macroeconomic stagnation to continue in 2025 (forecast: 0.0%).²⁰ In addition to international factors such as geopolitical tensions and increased military spending, domestic obstacles, including extensive bureaucracy, lengthy approval procedures, and ongoing structural change, are also having a negative impact. The German Council of Economic Experts expects inflation rates of 2.1% and 2.0% in 2025 and 2026, respectively. Uncertainties in the forecast could result in particular from a possible escalation of the trade conflict between the US and the European Union and from the inflationary effects of the financial package adopted in Germany.

Forecast for oil / steel / rCB

The prices for thermolysis oil, tire wire, and rCB (recovered carbon black) are influenced by various factors, including raw material costs, demand trends, technological progress, and regulatory conditions.

According to Precedence Research, the market volume for thermolysis oil reached around USD 358 million in 2024, which corresponds to a market share of approximately 0.02% of the global crude oil market (with a market volume of around USD 1.4 trillion).²¹ The market volume exceeded the previous year's figure by 5.3%, confirming the growth trend forecast in the previous year. By 2034, the global thermolysis oil market is expected to grow to USD 595 million, corresponding to a compound annual growth rate (CAGR) of 5.2%. The increase is being driven by growing demand for alternative and sustainable raw materials and increasing regulatory requirements.

According to the World Steel Association, global steel demand will increase by 1.2% to around 1.8 billion tons in 2025, which is close to the previous year's level.²² However, the steel price, which is subject to generally high volatility, is expected to react sensitively to the current upheavals caused by trade and customs policy.²³

¹⁹ IMF: World Economic Outlook Update July 2025

²⁰ German Council of Economic Experts: Spring Report 2025

²¹ Precedence Research: Tire Pyrolysis Oil Market (February 2025)

²² World Steel Association: Short Range Outlook October 2024

²³ World Steel Association: Short Range Outlook April 2025 postponed

There are still few publicly available forecasts for the future main product, rCB. According to Business Wire, the market for rCB is expected to reach USD 8.8 billion by 2028, a significant increase from USD 4.0 billion in 2021 (CAGR of 11.7%).²⁴ In Europe, rCB is expected to have the potential to replace approximately 10% to 20% of the traditional market for conventional virgin carbon black (vCB), which is produced from oil combustion.²⁵ In terms of price, it is expected to vary depending on quality. Industry leaders believe that the sustainability and positive environmental balance of rCB compared to vCB could lower the barrier to entry and also generate a sustainability premium.

The company expects the price of rCB to stand out from virgin carbon black traditionally produced from oil combustion. This expectation is supported by long-term supply contracts already concluded with customers in the price range of EUR 1,500/t.

Overall, it is expected that prices for thermolysis oil, tire cord, and rCB will be influenced by global market trends, technological developments, and political conditions in the coming years.

Risks and opportunities

The opportunities and risks are explained in detail in the 2024 combined management report, which is expressly referred to here.

²⁴ Business Wire: Insights on the Recovered Carbon Black Global Market to 2028, January 10, 2022

²⁵ Emerton: White Paper – rCB: Evaluating the path to a sustainable tire industry: unlocking the potential of recovered carbon black May 2024

4. Outlook for the remainder of 2025

The forecasts published below regarding the further course of business in 2025 are based on certain assumptions regarding the successful acquisition of consulting contracts, equipment purchase agreements, and financing, as well as equipment availability and production output.

Pyrum Innovations AG continues to expect an increase in consolidated revenue from plant operations, as well as revenue from consulting contracts with customers, in 2025. Overall, revenue of between EUR 4.5 million and EUR 6.0 million is still forecast.

However, the necessary improvements identified during the commissioning of the milling and pelletizing plant will result in lower than previously planned revenue growth from production in the second half of the year 2025; the company then expects to reach 80% of full production capacity in pelletizing during the first quarter of 2026 and full production capacity by the end of the first half of 2026. In contrast, the company expects a stronger increase in revenues than previously planned for its consulting services.

At the time of this report, production of rCB from the new milling and pelletizing plant is on track in terms of volume, but improvements still need to be made to the material transport systems. As the company's plants are novel designs, there is an inherent risk that they may require further unforeseen improvements or adjustments that could delay or restrict their operation. Furthermore, additional design considerations may be necessary to ensure safe and reliable operation. If the adjustments currently required are delayed or do not produce the expected outcome, the increase in sales could be lower than anticipated.

Pyrum AG is in advanced negotiations with several customer projects, both in connection with upfront consulting contracts and complete plant construction contracts. Despite the progress made in the negotiation processes, delays cannot be ruled out due to the complexity of the projects and the necessary involvement of various contractual partners (banks, investors, prime contractors, product buyers, etc.).

Based on the current status of work and planning in the project business, the company expects the Group's total output for the 2025 financial year to be in the range of EUR 10 million to EUR 15 million for the 2025 financial year, compared to the previous forecast of EUR 20 million to EUR 25 million. The extensive investments in plant components originally planned for the second half of 2025 will be postponed to the first half of 2026.

The Group's earnings before interest and taxes for the full year 2025 are still expected to be in the range of EUR -8.5 million to EUR -10.5 million.

In order to achieve the planned growth, it is essential to secure further financing for the construction of additional facilities and to cover the currently negative cash flows. The core focus of management therefore remains on obtaining the necessary financing commitments. Further capital increases are also planned in the future in order to maintain a reasonable balance sheet structure.

The company continues to pursue its goal of achieving the planned growth through a mix of organic growth from its own plants and participation in joint customer projects (SPVs).

Pyrum Innovations AG

Dillingen/Saar, September 25, 2025

Pascal Klein
Chief Executive Officer

Kai Winkelmann
Member of the Executive Board



Content

Interim consolidated financial statements for the first half of 2025

Consolidated balance sheet as of June 30, 2025	40
Consolidated income statement for the first half of fiscal year 2025	42
Consolidated cash flow statement for the first half of the 2025 financial year	43
Consolidated statement of changes in equity for the first half of the 2025 financial year ..	44

Consolidated balance sheet as of June 30, 2025

ASSETS (in EUR)

Jun. 30, 2025

Dec. 31, 2024

A. Non-current assets

I. Non-current intangible assets

1. Self-created rights and licences in such rights	28,297.00	38,285.00
2. Acquired rights and licences in such rights	4,201,874.79	4,637,918.79
3. Intangible assets under development	349,792.75	290,012.01
	<u>4,579,964.54</u>	<u>4,966,215.80</u>

II. Property, plant, and equipment

1. Land and buildings	5,947,537.84	3,862,773.84
2. Technical equipment and machinery	24,150,105.00	6,178,609.32
3. Other equipment, operating and office equipment	1,042,774.00	1,136,703.00
4. Advances paid and assets under construction	19,363,185.70	35,267,243.77
	<u>50,503,602.54</u>	<u>46,445,329.93</u>

Total non-current assets	55,083,567.08	51,411,545.73
---------------------------------	----------------------	----------------------

B. Current assets

I. Inventories

1. Raw materials and supplies	233,280.96	207,732.02
2. Work in progress	624,109.37	666,263.24
3. Finished and unfinished goods	557,788.93	284,099.56
	<u>1,415,179.26</u>	<u>1,158,094.82</u>

II. Receivables and other current assets

1. Trade receivables	215,354.84	259,419.95
2. Other current assets	795,194.90	579,903.82
	<u>1,010,549.74</u>	<u>839,323.77</u>

III. Cash at hand and in bank	3,087,341.97	11,948,783.44
-------------------------------	--------------	---------------

Total current assets	5,513,070.97	13,946,202.03
-----------------------------	---------------------	----------------------

C. Deferred expenses	162,783.74	107,280.79
-----------------------------	-------------------	-------------------

Total assets	60,759,421.79	65,465,028.55
---------------------	----------------------	----------------------

Consolidated balance sheet as of June, 30 2025

EQUITY AND LIABILITIES (in EUR)

Jun. 30, 2025

Dec. 31, 2024

A. Equity

I. Subscribed Capital	3,617,372.00	3,617,372.00
II. Capital Reserves	61,694,521.56	61,694,521.56
III. Accumulated Losses	-47,649,209.14	-43,066,927.94
Total Equity	17,662,684.42	22,244,965.62

B. Provisions and Accrued Liabilities

Other provisions and accrued liabilities	3,279,616.29	3,296,657.97
---	---------------------	---------------------

C. Liabilities

1. Liabilities to banks	2,924,115.66	3,141,039.12
2. Advance payments received	3,214,411.77	2,614,411.77
3. Trade payables	3,405,405.01	1,536,923.11
4. Other liabilities	30,273,188.64	32,631,030.96
Total liabilities	39,817,121.08	39,923,404.96

Summe Passiva

60,759,421.79

65,465,028.55

Consolidated income statement for the first half of fiscal year 2025

(in EUR)	Jan. 1, 2025 - Jun. 30, 2025	Jan. 1, 2024 - Jun. 30, 2024
1. Revenues	1,266,653.55	707,535.92
2. Increase of finished and unfinished goods	231,535.50	214,622.44
3. Other own work capitalised	5,214,172.17	3,613,641.57
4. Total output	6,712,361.22	4,535,799.93
5. Other operating income	2,303,363.44	800,470.09
6. Expenses for materials		
a) Expenses for raw materials and supplies	4,251,459.18	2,966,463.61
b) Expenses for purchased services	1,373,826.12	761,264.28
	5,625,285.30	3,727,727.89
7. Personnel expenses		
a) Wages and salaries	2,948,724.18	2,685,585.72
b) Social security contributions and expenses for pension provision	609,158.76	489,918.91
	3,557,882.94	3,175,504.63
8. Depreciation, amortisation and write-downs of intangible non-current assets and property, plant, and equipment	1,584,427.55	1,105,653.99
9. Other operating expenses	2,176,256.83	1,600,285.66
10. Other interest and similar income	20,114.12	11,636.91
11. Interest and similar expenses	660,240.05	507,341.94
12. Cost of equity valuation of associates	0.00	2,500.00
13. Result after taxes	-4,568,253.89	-4,771,107.18
14. Other taxes	14,027.31	15,463.46
15. Net loss for the year	-4,582,281.20	-4,786,570.64
16. Loss carried forward from the previous year	-43,066,927.94	-32,932,016.10
17. Balance sheet loss	-47,649,209.14	-37,718,586.74

Consolidated cash flow statement for the first half of the 2025 financial year

(in EUR)	Jan. 1, 2025 - Jun. 30, 2025	Jan. 1, 2024 - Jun. 30, 2024
Net income/loss for the period	-4,582,281	-4,786,571
Depreciation, amortisation of non-current assets / reversals of write-downs of non-current assets	1,584,428	1,105,654
Increase/decrease in provisions	-34,599	-16,946
Other non-cash expenses/income	0	2,500
Increase/decrease in inventories, trade receivables and other assets not related to investing or financing activities	-484,102	-306,855
Increase/decrease in trade payables and other liabilities not attributable to investing or financing activities	891,475	-162,414
Interest expenses/income	653,533	475,707
Miscellaneous other income not attributable to cash flow from operating activities	-2,013,850	-538,119
Cash flow from operating activities	-3,985,396	-4,227,044
Payments for investments in non-current assets	-59,781	0
Payments for investments in property, plant and equipment	-3,579,953	-4,312,119
Interests received	20,114	11,637
Cash flow from investing activities	-3,619,620	-4,300,482
Proceeds from short- or long-term (financial) loans	0	14,300,000
Payments from the redemption of (financial) loans	-600,625	-641,544
Proceeds from grants/subsidies received	0	395,000
Interests paid	-656,090	-507,342
Cash flow from financing activities	-1,256,715	13,546,114
Net change in cash funds	-8,861,731	5,018,588
Cash funds at beginning of period	11,740,045	4,275,304
Cash funds at end of period	2,878,314	9,293,892

Consolidated statement of changes in equity for the first half of the 2025 financial year

(in EUR)	Subscribed capital	Capital reserve			Total reserves	Consolidated loss carried forward	Consolidated net loss	Consolidated balance sheet loss	Total group equity
		according to §272 Para. 2 No. 1 - 3 HGB	according to § 272 Para. 2 No. 4 HGB	Total					
As of 1 January 2024	3,253,735.00	43,815,165.06	8,242,976.00	52,058,141.06	52,058,141.06	-23,420,539.29	-9,511,477.02	-32,932,016.31	22,379,859.75
Allocation to/withdrawal from reserves						-9,511,477.02	9,511,477.02		0.00
Net loss for the period							-4,786,570.64	-4,786,570.64	-4,786,570.64
As of 30 June 2024	3,253,735.00	43,815,165.06	8,242,976.00	52,058,141.06	52,058,141.06	-32,932,016.31	-4,786,570.64	-37,718,586.95	17,593,289.11
As of 1 January 2025	3,617,372.00	53,451,545.56	8,242,976.00	61,694,521.56	61,694,521.56	-32,932,016.31	-10,134,911.63	-43,066,927.94	22,244,965.62
Allocation to/withdrawal from reserves						-10,134,911.63	10,134,911.63		0.00
Net loss for the period							-4,582,281.20	-4,582,281.20	-4,582,281.20
As of 30 June 2025	<u>3,617,372.00</u>	<u>53,451,545.56</u>	<u>8,242,976.00</u>	<u>61,694,521.56</u>	<u>61,694,521.56</u>	<u>-43,066,927.94</u>	<u>-4,582,281.20</u>	<u>-47,649,209.14</u>	<u>17,662,684.42</u>



Content

Condensed consolidated notes as of June 30, 2025

I.	General disclosures on Pyrum Innovations AG and the Group	46
II.	Information on the scope of consolidation	47
III.	Principles of consolidation	47
IV.	Accounting and valuation principles	48
V.	Notes to the balance sheet.....	51
	Consolidated fixed asset schedule	52
VI.	Income statement disclosures	59
VII.	Related parties.....	62
VIII.	Information on the cash flow statement.....	63
IX.	Significant events after the end of the first half of the 2025 financial year	63
X.	Other disclosures	64

I. General disclosures on Pyrum Innovations AG and the Group

The parent company, Pyrum Innovations AG, Dillingen/Saar, was founded on September 10, 2008, as a limited liability company. By resolution dated August 18, 2017, the company was converted into a stock corporation.

It is entered in the commercial register of the Saarbrücken Local Court under the number HR B 104458.

Since September 30, 2021, the AG has been listed on the Euronext Growth market segment of the Oslo Stock Exchange in Norway. Since March 30, 2022, there has been a secondary listing in the "Scale" market segment of Deutsche Börse AG on the Frankfurt Stock Exchange. Both segments are not an organized market within the meaning of Section 11 (2) of the German Securities Trading Act (Wertpapierhandelsgesetz). The AG is therefore not a capital market-oriented company within the meaning of Section 264d of the German Commercial Code (HGB).

The **interim consolidated financial statements** of Pyrum Innovations AG and its subsidiaries were prepared in accordance with the German commercial law provisions of Sections 290 et seq. HGB, taking into account the standards of the German Accounting Standards Committee e.V.

The consolidated balance sheet and consolidated income statement are structured in accordance with the regulations for large corporations. The nature of expense method was selected for the presentation of the consolidated income statement. The consolidated cash flow statement was prepared in accordance with German Accounting Standard DRS 21, as amended by Amendment No. 13 dated June 16, 2023. The consolidated statement of changes in equity has been prepared in accordance with German Accounting Standard DRS 22. German Accounting Standard DRS 18 on deferred taxes has been observed, taking into account amendment DRÄS 11.

The interim consolidated financial statements were also prepared in accordance with the principles of German Accounting Standard DRS 16. The comparative figures for the previous period refer to December 31, 2024, for the balance sheet and to the first half of the 2024 financial year (January 1, 2024 – June 30, 2024) for the income statement.

The interim consolidated financial statements are presented in euros. The fiscal year of the AG and the Group is the calendar year. The reporting date of the interim consolidated financial statements is June 30, 2025.

II. Information on the scope of consolidation

As the parent company, Pyrum Innovations AG prepares the consolidated financial statements for the largest and, at the same time, smallest group of consolidated companies.

Fully consolidated companies

The consolidated financial statements include the subsidiaries Pyrum Innovations International S.A., Schengen/Luxembourg, and Pyrum GreenFactory II GmbH, Dillingen/Saar.

Associated companies

The shares in REVALIT GmbH were fully written down in the 2024 financial year.

III. Principles of consolidation

The assets, liabilities, and deferred items as well as the income and expenses of the individual companies included in the consolidated financial statements are summarized in the consolidated financial statements.

Initial consolidation is carried out using the purchase method. Assets and liabilities are recognized at fair value at the date on which the company became a subsidiary; however, provisions and deferred taxes are measured in accordance with the applicable commercial law provisions. A positive difference from initial consolidation is recognized as goodwill, while a negative difference is recognized as a difference from capital consolidation under equity. This procedure is also applied to asset deals and contributions in kind.

Debt consolidation is carried out by eliminating the receivables with the corresponding liabilities between the companies included in the consolidated financial statements.

Expenses and income are consolidated by offsetting intra-group income against the corresponding expenses. Intercompany profits and losses from transactions between consolidated companies are eliminated.

In accordance with Section 306 of the German Commercial Code (HGB), deferred tax charges and reliefs arising from differences between the carrying amounts of assets and liabilities in the consolidated balance sheet and their tax bases, which are expected to be reversed in the future, are recognized as deferred tax assets or liabilities in the consolidated balance sheet.

Investments in which Pyrum Innovations AG or another Group company does not have a controlling interest but exercises significant influence are included in the consolidated financial statements as investments in associates using the equity method in accordance with Sections 311f. HGB. In this case, the investment is initially recognized at cost under financial assets. Any difference between the acquisition cost and the share of the associated company's equity attributable to Pyrum Innovations AG is allocated to hidden reserves and liabilities and carried forward; any remaining difference is carried forward in accordance with the principles of goodwill. If necessary, additional unscheduled write-downs are made to the fair value of the investment. The share of the associated company's results attributable to Pyrum Innovations AG is recognized in the consolidated income statement together with the expenses and income from the carryforward of the difference and, if applicable, the unscheduled write-downs.

IV. Accounting and valuation principles

The accounting and valuation principles are applied uniformly and consistently in the interim consolidated financial statements.

Acquired intangible assets are recognized at cost and, if subject to depreciation, are reduced by scheduled amortization.

Internally generated intangible assets are recognized in accordance with the option provided for in Section 248 (2) of the German Commercial Code (HGB) and measured at cost. They are reduced by scheduled amortization over their useful life from the date of completion. The capitalization phase begins as soon as the development phase has begun for an intangible asset that can be used individually after completion, completion is highly probable, and the development costs can be reliably attributed to the asset.

Goodwill arising from the acquisition of companies is capitalized and, like goodwill arising from initial consolidation, amortized over its expected useful life.

Property, plant, and equipment are stated at acquisition or production cost and, to the extent that they are subject to wear and tear, are reduced by scheduled depreciation.

Subsequent acquisition or production costs are capitalized if the scope, function, or performance of a technical facility in operation is significantly expanded. Depreciation is calculated on a straight-line basis over the remaining useful life.

The production costs of intangible and property, plant and equipment include direct material costs, direct and indirect production costs, the depreciation of fixed assets used to produce services, and an appropriate portion of administrative overheads. Interest on borrowed capital is not capitalized.

Scheduled depreciation is calculated on a straight-line basis over the expected useful life of the assets. The following useful lives are assumed:

	years
Buildings and other structures	14-35
Patents, licenses, know-how	10.6
Technical equipment and machinery	5-10
Equipment and furnishings	4-11
Internally generated intangible assets	5
Computer software	5
Computer hardware	3-5

Low-value fixed assets with acquisition costs of up to EUR 800 are fully depreciated in the year of acquisition.

Financial assets are capitalized at their acquisition cost and incidental acquisition costs. In the event of a permanent impairment, write-downs are made to fair value. Notwithstanding this, associated companies are valued at equity in the consolidated financial statements.

Raw materials, consumables, and supplies are recognized at their acquisition cost. Work in progress and finished goods are recognized at their production cost in accordance with the upper limit under commercial law. Inventories are written down to their fair value on the balance sheet date.

Receivables and other assets are capitalized at their nominal value and measured taking into account all identifiable risks.

Other provisions are recognized for all uncertain liabilities and, where necessary, for imminent losses from pending transactions. All identifiable risks are taken into account. Provisions are measured at the amount that, based on reasonable commercial judgment, is necessary to fulfill the underlying obligation. The costs at the expected date of utilization are taken into account.

Provisions that are not expected to be settled until more than one year after the balance sheet date are discounted. The estimated remaining terms used for this purpose are based on management's expectations of probable future utilization, in particular the medium-term planning calculations for plant construction. The term-dependent average market interest rates for the past seven years determined by the Deutsche Bundesbank in accordance with the Provision Discounting Regulation are used for discounting. The income from discounting and interest effects from changes in interest rates and a revised estimate of the terms are recognized in total as interest income or interest expense.

Provisions for obligations relating to the full financial year are recognized on a pro rata basis in the half-year financial statements.

Deferred taxes are recognized and measured in accordance with Section 274 of the German Commercial Code (HGB). Deferred tax assets and liabilities within the same tax jurisdiction are offset, including deferred taxes from consolidation measures in the Group; an active surplus is not recognized in accordance with the option provided for in Section 274 (1) sentence 2 HGB, unless it results from initial consolidation. Deferred tax assets and liabilities are reported on a net basis. Deferred tax assets and liabilities from tax loss carryforwards are recognized to the extent that they are considered recoverable. In this context, expected future taxable income in the same tax jurisdiction is only included in the valuation to the extent that it can be offset against loss carryforwards in the next five years. The carrying amount is at least equal to the amount of a deferred tax liability from the same tax jurisdiction.

Liabilities are recognized at their settlement amount.

Transactions denominated in foreign currencies are translated into euros at the exchange rate on the date of the transaction. In the balance sheet, foreign currency receivables and liabilities with a remaining term of up to one year are translated into euros at the average exchange rate on the balance sheet date. Foreign currency receivables and liabilities with a remaining term of more than one year are translated at the closing rate or the lower or higher rate on the transaction date.

The functional currency of both consolidated companies is the euro; currency translation of the individual financial statements within the Group is not necessary.

Revenue is recognized upon delivery or completion of the service.

Income from government grants is recognized when the commitments have been made or the grant agreements have been concluded and to the extent that the subsidized measures have been performed or fulfilled. Income from grants for assets that must be capitalized is recognized in full as income at the time of completion or commissioning of the asset; it is not recognized on a pro rata basis over the useful life of the asset.

The income is reported as other operating income; claims to realized subsidies are reported as other assets; funds already received but not yet realized are reported as other liabilities.

The accounting, valuation, and classification methods are unchanged from the previous year.

V. Notes to the balance sheet

1. Fixed assets

The development of the individual items of fixed assets is presented below in the fixed asset schedule of the consolidated interim financial statements, stating the depreciation for the financial year.

The acquired property rights and similar rights and assets capitalized in the 2021 consolidated financial statements as part of the initial consolidation comprise the two patents for scrap tire recycling owned by Pyrum Innovations International S.A. and the know-how acquired by the end of 2017 through a research service agreement between Pyrum Innovations International S.A. and Pyrum Innovations AG. The amortization is calculated on a straight-line basis, taking into account the remaining patent protection period for the two patents.

Internally generated intangible assets under development comprise the digital twin of the thermolysis plant developed in 2022, which is expected to be completed at the end of 2025, the development costs for CFRP recycling, and the development costs for the higher-quality rCB developed under the joint development agreement.

The advance payments and assets under construction amounting to EUR 19,363 thousand (31 December 2024: EUR 35,267 thousand) mainly comprise:

In thousands of euros		Jun. 30, 2025	Dec. 31, 2024
Plant expansion at the Dillingen facility	Project start 2020	11,325	30,197
Perl-Besch thermolysis plant (Pyrum GreenFactory II GmbH)	Project start 2024	6,247	4,883

The project to expand the plant at the company headquarters in Dillingen with thermolysis lines 2 and 3 was launched after the first industrial thermolysis tower went into continuous operation in 2020. Construction of the new plant began in September 2021. The status as of June 30, 2025, essentially comprises the power generation system and the new grinding and pelletizing plant. The thermolysis plant with reactors TAD 2 and 3 and part of the peripheral equipment was completed in the first quarter, resulting in EUR 18,922 thousand being reclassified to "Technical equipment and machinery."

Further planning work was carried out in 2025 to prepare for the execution phase of the new plant in Perl-Besch, which is being built by Pyrum GreenFactory II GmbH.

Pyrum Innovations International S.A. holds a 10 percent stake in Pyrum Innovations SAS, Flévy, France. The company has no assets and does not engage in any activities. The stake is not valued in the consolidated balance sheet.

Consolidated fixed asset schedule

(in EUR)	1 January 2025	Acquisition and production costs			30 June 2025	Cumulative depreciation and amortisation			Book value	
		Additions	Disposals	Reclassification		1 January 2025	Additions	30 June 2025	30 June 2025	31 December 2024
I. Non-current intangible assets										
1. Self-created rights and licences in such rights	99,875.19	0.00	0.00	0.00	99,875.19	61,590.19	9,988.00	71,578.19	28,297.00	38,285.00
2. Acquired rights and licences in such rights	7,532,174.76	0.00	0.00	0.00	7,532,174.76	2,894,255.97	436,044.00	3,330,299.97	4,226,684.96	4,637,918.79
3. Intangible assets under development	290,012.01	59,780.74	0.00	0.00	349,792.75	0.00	0.00	0.00	324,982.58	290,012.01
	7,922,061.96	59,780.74	0.00	0.00	7,981,842.70	2,955,846.16	446,032.00	3,401,878.16	4,579,964.54	4,966,215.80
II. Property, plant, and equipment										
1. Land and buildings	4,160,814.33	15,550.41	0.00	2,136,324.70	6,312,689.44	298,040.49	67,111.11	365,151.60	5,947,537.84	3,862,773.84
2. Technical equipment and machinery	15,021,629.58	0.00	6,381.01	18,922,124.80	33,943,754.38	8,843,020.26	944,248.11	9,787,268.37	24,150,105.00	6,178,609.32
3. Other equipment, operating and office equipment	2,455,759.64	33,107.33	0.00	0.00	2,488,866.97	1,319,056.64	127,036.33	1,446,092.97	1,042,774.00	1,136,703.00
4. Advances paid and assets under construction	35,267,243.77	5,154,391.43	0.00	-21,058,449.50	19,363,185.70	0.00	0.00	0.00	19,363,185.70	35,267,243.77
	56,905,447.32	5,203,049.17	6,381.01	0.00	62,108,496.49	10,460,117.39	1,138,395.55	11,598,512.94	50,503,602.54	46,445,329.93
III. Non-current financial assets										
Shares in associates	50,000.00	0.00	0.00	0.00	50,000.00	50,000.00	0.00	50,000.00	0.00	0.00
	64,877,509.28	5,262,829.91	6,381.01	0.00	70,140,339.19	13,465,963.55	1,584,427.55	15,050,391.10	55,083,567.08	51,411,545.73

2. Current assets, prepaid expenses

Inventories mainly comprise intermediate and finished products from the operation of the plant in Dillingen as well as work in progress on customer orders. The intermediate products of the recycling process at the individual processing stages are also generally saleable. However, the majority of these are intended for further processing into higher-value end products.

There are no trade receivables with a remaining term of more than one year. No value adjustments were necessary.

3. Equity

The development of consolidated equity is shown in the consolidated statement of changes in equity.

4. Share capital, authorized capital

As at 30 June 2025, the share capital still amounted to EUR 3,617,372, divided into 3,617,372 shares. With the capital increase on 10 July 2025, it was increased to EUR 3,818,818.

On 30 June 2025, authorised capital still amounted to EUR 937,857, corresponding to 937,857 shares. Of this amount, a further 201,446 shares were issued with the capital increase on July 10, 2025. The remaining authorized capital was cancelled at the Annual General Meeting on July 24, 2025.

By resolution of the Annual General Meeting on July 24, 2025, the Management Board was authorized, with the approval of the Supervisory Board, to increase the share capital by up to a total of EUR 1,446,948 in one or more tranches against cash or non-cash contributions until July 23, 2030. Shareholders' subscription rights may be excluded under certain conditions.

5. Capital reserve

The capital reserve remains unchanged and is formed in full by the parent company.

The capital reserve pursuant to Section 272 (2) No. 1 HGB amounted to EUR 53,451,545.56 as of June 30, 2025, unchanged from December 31, 2024.

The capital reserve pursuant to Section 272 (2) No. 4 HGB amounts to EUR 8,242,976.00 as of June 30, 2025, unchanged from December 31, 2024.

With the capital increase on July 10, 2025, the capital reserve pursuant to Section 272 (2) No. 1 HGB increased to EUR 58,890,587.56.

6. Contingent capital, convertible loan

Contingent capital and convertible loans of BASF Antwerpen NV from 2020

By resolution of the Annual General Meeting on September 9, 2020, the Board of Executive Directors was authorized to issue convertible bonds in the amount of EUR 6,600,000 with an annual interest rate of 3% until December 31, 2024. Shareholders' immediate subscription rights were excluded. BASF Antwerpen NV is authorized to subscribe to the convertible bonds.

The Annual General Meeting on September 9, 2020, also resolved to conditionally increase the share capital of the AG by EUR 199,576 (Contingent capital 2020/I). The contingent capital increase will only be carried out to the extent that the holder of the convertible bonds is entitled to and exercises its conversion right.

On September 9, 2020, the Management Board of Pyrum Innovations AG, with the approval of the Supervisory Board, and Pyrum Innovations International S.A. as joint and several debtors entered into a convertible loan agreement for EUR 7,000,000 with BASF Antwerpen NV. The convertible loan agreement relates to Pyrum AG in the amount of EUR 6,600,000 and to Pyrum Innovations International S.A. in the amount of EUR 400,000. The loan bears interest at 3% p.a. The loan will be disbursed in tranches upon reaching certain milestones, with each tranche having a term of ten years and repayment beginning at the start of the third year after disbursement. Ordinary termination is excluded. The lender is entitled to extraordinary termination for good cause. The lender's option to convert the loan into shares at the exchange ratio described above only applies in the event of termination for good cause. The nominal amount for the shares obtained from the conversion must be paid in cash. The conversion agreement contains dilution protection. The loan liabilities are subordinated by a subordination clause.

Since the conversion right associated with the loan can only be exercised in the event of termination for good cause and the other loan terms were in line with market conditions at the time of issuance, no definable economic value can be attributed to this conversion right that would have had to be transferred to the capital reserve in accordance with Section 272 (2) No. 3 HGB at the time of issuance.

The Annual General Meeting on July 13, 2023, resolved to increase the share capital of the AG by EUR 74,335 (contingent capital 2023/I) to cover dilution protection. The contingent capital increase will only be carried out to the extent that the holder of the convertible bonds is entitled to and exercises its conversion right.

Based on the agreed milestone plan, the final tranche of the convertible loan in the amount of EUR 2,000,000 was disbursed in the third quarter of 2023. This means that the convertible loan totaling EUR 7 million has been paid out in full.

Contingent capital WSV 2025

As of June 30, 2025, the contingent capital WSV 2024 still amounted to EUR 1,446,948, corresponding to 1,446,948 shares.

The Annual General Meeting on July 24, 2025, resolved to increase the share capital of Pyrum Innovations AG by EUR 1,446,948 on a conditional basis (Contingent capital WSV 2025).

The contingent capital increase may only be carried out in the event of the issuance of bonds

with conversion or option rights or obligations in accordance with the authorization resolution of the Annual General Meeting on July 24, 2025 (until July 23, 2030) and only to the extent that conversion or option rights are exercised or conversion or option obligations are fulfilled, or to the extent that the company exercises an option to grant shares in the company in whole or in part in lieu of payment of the amount due, and to the extent that no cash settlement is granted or treasury shares of the company or other forms of fulfillment are used to service the obligation.

Contingent capital 2024 I

The Annual General Meeting on July 18, 2024, resolved to increase the share capital of Pyrum Innovations AG conditionally by EUR 39,000 (Contingent capital 2024 I). As of June 30, 2025, this Contingent Capital 2024 I remained unchanged at EUR 39,000, corresponding to 39,000 shares.

The contingent capital increase serves exclusively to grant subscription rights to shares (stock options) to employees of the company and affiliated companies, which are granted on the basis of the authorization granted by the resolution of the Annual General Meeting on July 18, 2024 (until July 17, 2028) under agenda item 7. The contingent capital increase will only be carried out to the extent that subscription rights are exercised and the company does not grant cash compensation to fulfill the subscription rights, nor does it use its own shares or other forms of fulfillment to service them.

Employee options comprising a total of conditional rights to 9,804 shares were issued until June 30, 2025.

7. Distribution restriction pursuant to Section 268 (8) HGB

The total amount subject to the distribution restriction pursuant to Section 268 (8) HGB is EUR 378,029.75 and relates to the capitalization of internally generated intangible fixed assets.

8. Provisions

The Group's other provisions are broken down as follows:

In EUR	Jun. 30, 2025	Dec. 31, 2024
Obligations from cooperation agreements	1,626,394	1,614,851
Inventor remuneration (Pyrum S.A.)	927,261	921,247
Personnel-related provisions	467,102	546,845
Financial statement preparation, auditing, legal and consulting costs	180,039	193,315
Outstanding invoices, other	78,820	20,400
	3,279,616	3,296,658

Long-term obligations from cooperation agreements exist with the construction of the first plant in Dillingen. Several cooperation partners have deferred remuneration claims until the realization of further follow-up projects.

An agreement was reached with the inventor of the tire thermolysis process, guaranteeing him performance-related remuneration of EUR 1,000,000. The payment is linked to the profits of Pyrum Innovation International S.A. The resulting obligation is recognized as a liability in the consolidated financial statements at its discounted present value, taking into account the probable period of occurrence.

9. Information on liabilities

The Group's liabilities are broken down as follows:

In EUR	Remaining term up to one year		Remaining term of more than one year	
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2025	Dec. 31, 2024
Liabilities				
to banks	366,439	406,829	2,557,677	2,734,210
Advance payments received	3,214,412	2,614,412	0	0
from deliveries and services	3,363,667	1,455,117	41,737	81,806
of which hire purchase				
liabilities	79,778	111,849	41,737	81,806
Other	3,331,785	4,531,960	26,941,404	28,099,071
of which convertible loans	811,159	692,956	5,319,111	5,727,728
of which other loans	578,232	286,023	21,622,293	22,371,343
of which from public sources				
Subsidies	1,255,767	3,269,617	0	0
of which from taxes	81,697	82,477	0	0
of which within the framework				
of social security				
security	13,186	15,977	0	0
Total	10,276,303	9,008,318	29,540,818	30,915,087

The amount of the Group's liabilities with a remaining term of more than five years is:

Residual term greater than five years

In EUR	Jun. 30, 2025	Dec. 31, 2024
Liabilities		
to banks	1,487,875	1,621,699
Other	12,260,362	14,058,369
of which convertible loans	1,820,136	2,280,782
of which other loans	10,440,226	11,777,587
Total	13,748,237	15,680,068

Liabilities to banks in the amount of EUR 2,924,115 are secured by real estate liens on fixed assets. Liabilities in the amount of EUR 14,242 were covered by cash deposits. Liabilities to banks relate exclusively to the parent company.

Hire purchase liabilities amounting to EUR 121,515 are secured by retention of title or transfer of ownership of fixed assets.

The other loans reported under other liabilities include loans granted by BASF NV in the amount of EUR 27,404,754 as of June 30, 2025.

These consist of the outstanding amount of the convertible loan in the amount of EUR 6.4 million, the loan in the amount of EUR 4 million granted in the second quarter of 2023, and the

loan of EUR 17.3 million granted to date under the EUR 50 million loan agreement dated November 2023.

At the beginning of September 2025, the collateral of the latter two loans was adjusted to reflect the progress of plant construction in Dillingen. According to the current status, these loans from BASF NV are secured by the transfer of ownership of the ELDAN shredder, gas-to-power conversion, grinding plant, and various other plant components of the plant expansion in Dillingen owned by Pyrum Innovations AG; In addition, the plant components ordered from Pyrum GreenFactory II GmbH serve as collateral for the loans. Furthermore, Pyrum Innovations AG's claims arising from the intra-group transfer of loan funds in the amount of EUR 6 million to Pyrum GreenFactory II GmbH were assigned to BASF.

Additional loans, including interest liabilities, amounting to EUR 1,361,735 (previous year: EUR 1,318,700) have been granted by other shareholders of the company. They are unsecured, have terms of up to four years, and interest rates between 2.5% and 6.0%.

10. Off-balance sheet financial obligations

In addition to the liabilities reported in the balance sheet, there are other financial obligations.

Obligations arising from rental and leasing agreements:	thousands of euros
Due in 2025	262
Due in 2026	165
later	120
	547

The order backlog mainly comprises purchase agreements for plant components and amounts to EUR 5,447,774 for the Group, of which EUR 2,500,000 is due in the long term.

Contingent liabilities within the scope of the cooperation agreements amount to EUR 341 thousand. The Executive Board of Pyrum Innovations AG considers the probability of the company being called upon to meet these contingent liabilities to be low, as from today's perspective all relevant plant components will also be used in other plants.

In addition to the above financial obligations in the consolidated financial statements, Pyrum Innovations AG is jointly and severally liable for the loan liabilities of its subsidiary arising from the convertible loan agreement jointly concluded with BASF Antwerpen NV. The obligation has decreased by EUR 20,552 to EUR 367,816 compared to the previous year (previous year: EUR 388,368).

Furthermore, under this agreement, Pyrum Innovations AG is obliged to allow the lender to become a minority shareholder with a stake of up to 7.4% in the event of a conversion of the loan attributable to the subsidiary after termination by the lender for good cause.

The Executive Board of Pyrum Innovations AG considers the probability of this contingent liability being realized to be low, as its subsidiary is financially equipped to meet its obligations under the agreement.

VI. Income statement disclosures

Revenues are broken down as follows:

In EUR	H1 2025	H1 2024
Operation of the recycling plant	977,578	614,132
Consulting	200,000	0
Research contracts	13,654	9,679
Rental income	41,437	47,740
Other revenues / reductions	33,596	35,985
	1,266,265	707,536

Revenue is generated with customers in Germany and the European Union; the transaction currency is the euro.

Other capitalized own work in the first half of 2025, amounting to EUR 5,214 thousand, mainly results from expansions and optimizations of the plants in Dillingen/Saar and from the construction of the new Pyrum GreenFactory II GmbH plant in Perl. In 2025, own work in Dillingen mainly relates to the construction and commissioning of the new grinding and pelletizing plant.

Own work comprises the total expenditure for the half-year for self-constructed property, plant, and equipment, consisting primarily of materials used in the amount of EUR 3,407 thousand (previous year: EUR 2,469 thousand), external services in the amount of EUR 987 thousand (previous year: EUR 637 thousand), and own work by Pyrum personnel valued at full cost in the amount of EUR 465 thousand (previous year: EUR 507 thousand).

Other operating income of EUR 2,303 thousand (previous year: EUR 800 thousand) mainly includes investment subsidies of EUR 2,011 thousand (previous year: EUR 531 thousand) and ongoing subsidies from research projects of EUR 133 thousand (previous year: EUR 78 thousand). Furthermore, EUR 23 thousand (previous year: EUR 5 thousand) are included in other operating income.

Personnel expenses include all wages and salaries of staff and the Executive Board, expenses for temporary staff and mini-jobs, and the employer's share of social security contributions.

Pension expenses amount to EUR 6,378 (previous year: EUR 3,702).

The Group's other operating expenses are broken down as follows:

In thousands of euros	H1 2025	H1 2024
Current costs of public listing	128,885	139,004
Auditing, legal, and consulting costs	344,292	226,928
Repairs and maintenance	332,865	236,873
Other production costs	451,103	280,262
Land and building rentals and ancillary costs	255,953	184,885
Insurance, contributions, levies	158,077	144,583
Vehicle costs	244,354	206,991
Other operating expenses	260,728	180,760
	2,176,256	1,600,286

Legal and consulting costs also include technical, economic, and tax consulting and analysis.

Total research and development costs amounted to EUR 414 thousand in the first half of the year (previous year: EUR 390 thousand). Of this amount, EUR 60 thousand (previous year: EUR 0 thousand) relates to internally generated intangible assets.

Other interest and similar income includes interest income from the discounting of provisions in the amount of EUR 0 (previous year: EUR 133).

Interest expenses were mainly used to finance fixed assets. Expenses from the discounting of long-term provisions amounted to EUR 17,558 for the Group (previous year: EUR 20,131).

Deferred taxes

To determine deferred taxes based on differences between the commercial law valuations of assets and liabilities and their tax valuations or based on tax loss carryforwards, the amounts of the resulting tax charges and relief are measured at the company-specific tax rates at the time the differences are eliminated and are not discounted. Differences arising from consolidation measures are also taken into account. The tax rates applied are 30.53% (Pyrum Innovations AG) and 27.19% (Pyrum Innovations International S.A.).

Deferred tax assets from tax loss carryforwards of Pyrum Innovations AG and Pyrum Innovations International S.A. were recognized in the amount of the passive surpluses resulting for the respective company after offsetting deferred tax assets and liabilities from temporary differences.

The corporate income tax and trade tax loss carryforwards of Pyrum Innovations AG can be offset against future taxable profits for an unlimited period of time; at Pyrum Innovations International S.A., there is a time limit of 17 years after the respective year in which they arose.

The Group's deferred tax assets and liabilities amount to:

In EUR	Jun. 30, 2025	Dec. 31, 2024
Loss carryforwards	1,196,705	624,689
Non-current provisions	273,238	277,234
Purchased intangible assets	-395,360	-436,258
Internally generated intangible assets	-107,839	-100,213
Tangible assets	-302,922	-304,911
Government grants	-663,822	-60,541
Balance after netting	0	0

VII. Related parties

Related parties are defined in accordance with International Accounting Standard IAS 24.

The following are classified as related parties:

- all members of the Executive Board and the companies they influence,
- all members of the Supervisory Board and the companies they influence,
- all employees at the first management level below the Executive Board and the companies they influence,

as well as – based on the size of their shareholdings and, where applicable, other factors – the shareholders BASF Antwerpen NV and Amel Holding S.A.

Pyrum Innovation International S.A. is also a related party and has been an affiliated company since October 7, 2021.

Pyrum GreenFactory II GmbH is the project and operating company for the future plant in Perl-Besch, founded in January 2024. It is also a related and affiliated company.

All transactions with related parties are concluded and executed on arm's length terms and conditions.

The following significant business transactions and legal relationships with related parties are explained below:

In November 2023, a new cooperation agreement was concluded with BASF, which provides for the granting of a credit line of up to EUR 50,000 thousand. Of this amount, EUR 17,300 thousand had been disbursed by June 30, 2025. The loan tranches bear interest at market rates and each have a term of 10 years; collateral must be provided for the loans.

Interest-bearing loan liabilities to shareholder and Supervisory Board member Jürgen Opitz and the companies controlled by him (totaling EUR 688 thousand) remain unchanged.

VIII. Information on the cash flow statement

Cash and cash equivalents are composed as follows:

In EUR	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024	Dec. 31, 2023
Cash and bank balances	3,087,341	11,948,783	9,502,120	4,482,957
less balances pledged as collateral	-209,027	-208,713	-208,228	-207,653
Cash funds	2,878,314	11,740,070	9,293,892	4,275,034

A bank balance of Pyrum Innovations AG amounting to EUR 209 thousand has been pledged as collateral for bank loans and guarantees of Pyrum Innovations AG.

Cash flow from operating activities is presented using the indirect method.

In accordance with accounting standard DRS 21, payments received from public and private subsidies, in particular research subsidies from public funding bodies based on actual costs incurred, are reported in cash flow from operating activities. This figure also includes the majority of payments made from subsidized research expenses.

No investments with an immediate cash outflow effect were made through the conclusion of hire purchase agreements. The scheduled repayment payments are reported as cash outflows from financing activities.

IX. Significant events after the end of the first half of the 2025 financial year

On July 10, 2025, Pyrum successfully carried out cash capital increase, which generated gross proceeds of approximately EUR 5.6 million. As part of this measure, 201,446 new shares were placed at a price of EUR 28.00 per share. This increased the share capital from EUR 3,617,372 (EUR 1 per share) to EUR 3,818,818.

X. Other disclosures

1. Employees

The average number of employees in the company during the reporting period was 93 (as of December 31, 2024: 91). Of these, 40 are industrial workers and 53 are salaried employees.

2. Executive bodies of the company

Supervisory Board

Alf Schmidt

Chairman

Former Managing Director of IBG Industrie-Beteiligungs-Gesellschaft mbH & Co. KG

Renata Bandov

Deputy Chair

Executive Director (In-House Counsel) – Listing Service & Rule Enforcement

Deutsche Börse AG

Jürgen Opitz

Managing Director of Satherm GmbH

Matthias Lindner

Division Controller of BASF Petrochemicals Division

Hans-Jürgen Maas

Auditor and tax advisor, Managing Director of THS

Treuhand Saar Steuerberatungsgesellschaft mbH, Saarbrücken.

Supervisory Board member Matthias Lindner is delegated by shareholder BASF Antwerpen NV on the basis of the delegation right incorporated into the Articles of Association on September 9, 2020.

Executive Board

Pascal Klein

Chairman of the Executive Board

Kai Winkelmann

Chief Financial Officer

Preparation of the interim consolidated financial statements

Today, the Executive Board prepared the interim consolidated financial statements for the period from 1 January to 30 June 2025, and approved them for publication.

Pyrum Innovations AG

Dillingen/Saar, September 25, 2025

Pascal Klein
Chief Executive Officer

Kai Winkelmann
Member of the Executive Board

Financial calendar 2025

November 21	Publication of the quarterly report as of September 30, 2025
November 24–26, 2025	German Equity Forum, Frankfurt

Investor Relations



Kai Winkelmann
Pyrum Innovations AG
Email: presse@pyrum.net



Dariusch Manssuri
IR.on AG
Tel.: +49 221 9140-970
Email: pyrum@ir-on.com



Frederic Hilke
IR.on AG
Tel.: +49 221 9140-970
Email: pyrum@ir-on.com

Legal notice

Pyrum Innovations AG
Dieselstraße 8
D-66763 Dillingen / Saar