



H1 | 2026

PYRUM INNOVATIONS AG

Interim Consolidated Report for the period from January 1 through June 30, 2026

Pyrum Group Key Figures at a Glance

Earnings Position

in thousands of euros	Jan. 1, 2026 – Jun. 30, 2026	Jan. 1, 2025 – Jun. 30, 2025
Revenue	1,743	1,267
Total output	3,787	6,712
Other operating income ¹	496	2,303
EBITDA ²	-4,358	-2,358
EBITDA (adjusted) ³	-4,358	-4,369
EBIT ⁴	-6,297	-3,942
EBIT (adjusted) ⁵	-6,297	-5,954
Net income	-7,003	-4,582

Financial Position

in thousands of euros	Jun. 30, 2026	Dec. 31, 2025
Total assets	65,197	74,239
Equity	23,874	30,874
Equity ratio ⁶	36.6%	41.6%
Available liquidity	6,102	17,006
Employees ⁷	100	98

¹ Research grants, funding, and R&D Services

² Consolidated net income/loss for the period before depreciation and amortization, before net financial income, before income taxes

³ Adjusted for investment grants totaling EUR 0 thousand (2025: EUR 2,011 thousand)

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

⁵ Adjusted for investment grants totaling EUR 0 thousand (2025: EUR 2,011 thousand)

⁶ Equity/Total Assets

⁷ Period average (12 months)

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Letter from the Executive Board

Dear shareholders, partners, and supporters of Pyrum,

The past few months have been all about change and growth. As you can already see from the report's new design, it's not just our projects that have evolved—our corporate identity has as well. In addition to our new logo, our corporate perspective has changed significantly. In the past, we were primarily perceived as one thing: a tire recycler. That's not wrong. But what's far more important is that we are a supplier of system-critical raw materials. It's no secret that the Earth's resources are finite and are being depleted earlier every year. That's why waste must become our source of raw materials for the future. A source of raw materials that forms the foundation of our technology. Our new slogan, "Rethink Resources," fully embodies this spirit. We must begin to rethink resources. Not everything is new with our rebranding; rather, we're adopting a new perspective for scaling our technology and, in doing so, contributing to the economy's independence from raw materials.

We recognize that a strong vision only realizes its value through consistent implementation. This is precisely what we have been working on with great determination over the past few months—and in doing so, we have achieved several important milestones. For more than fifteen years, we have pursued the goal of one day scaling up the technology we have researched, developed, and built ourselves beyond our own facility and selling plants to third parties. With the first plant purchase agreement, which we concluded in mid-August with our joint venture SUAS reTire, we have successfully taken exactly this step. This marks a significant milestone in Pyrum's development, one of which the entire team is very proud of. It was only with some distance that we fully realized the significance of this agreement: It confirms that our technology is ready for the next big step—scaling beyond our own site.

With the modification measures of the new milling and pelletizing plant in the third quarter, significant increases were achieved. The plant has now achieved an hourly throughput of up to 1,250 kg, exceeding the throughput of comparable plants. However, we have not yet reached the originally specified throughput of 1,650 kg per hour, which means that further technical optimization is still required. The first modification carried out in spring already resulted in more stable operation. This enabled us to successfully complete Continental's acceptance process in May and subsequently deliver the first volumes produced by the new plant. During the scheduled maintenance shutdown in August, a more extensive modification was carried out, focusing in particular on the buffer hopper between the grinding and pelletizing units, which, based on our current understanding, is the main cause of the remaining throughput limitations.

To ensure that we can nevertheless meet our TTB delivery obligations, we initially received a special permit from the State Office for Environmental and Occupational Safety for a period of two months, allowing us to extend our operations to three shifts, including Saturdays. We

would like to take this opportunity to expressly thank the State Office for its swift and constructive support.

However, this can only be a short-term solution, as the additional shift also results in higher operating costs. For this reason, we had already agreed with the plant manufacturer in May and June to order a second dosing unit, including an additional hopper, as a contingency in case the modifications actual carried out will not deliver the desired results. Based on our current assessment, this second dosing line represents the most technically sustainable solution.

We all—ourselves included—had hoped to reach the target output much sooner. But as with any new facility being built for the first time, challenges and teething problems can arise.

We ourselves are not satisfied with the progress made in this area. Nevertheless, we are confident that this “problem child” will soon meet its performance targets, thereby allowing our entire facility to reach its full potential in the near future. The facilities and plants currently in the planning stages will benefit from these experiences, so that we will no longer encounter these problems once these facilities are completed.

With the increased capacity we expect to achieve in the next coming weeks the long-term question of product sales also arises. A true circular economy can only emerge if the recovered raw materials find their way back into the production of new products. In July 2026, we secured Pirelli as the next major customer for our TTB, joining Continental and Schwalbe. Through the Tyre-to-Tyre initiative launched by Pirelli, not only will our TTB be used in new tires, but so will our TTO (ThermoTireOil®), which is processed into synthetic rubber by our project partners BASF and Synthos. This brings us an important step closer to our goal of continuously closing the raw material loop for end-of-life tires.

We’ve already reached several important milestones this year that we’re very proud of. We’re maintaining the same high standards for the rest of the year, with the clear aim of further optimizing our processes and increasing production.

Our team has done a fantastic job and continues to do everything possible to ensure that every last cog in our plant expansion meshes perfectly. We’d like to say thank you for that. We’re proud of what we can achieve together as a team.

At the same time, we know there’s still a lot ahead of us. In the coming months, we’ll continue to do our part, overcome further challenges, and take the next steps to bring Pyrum to the next level.

We are all the more delighted that you are joining us on this journey. We look forward to the coming months with confidence and invite you to follow Pyrum’s continued development alongside us.

Best regards



Pascal Klein
Chairman of the Board



Kai Winkelmann
Member of the Executive Board

Preliminary Remarks

In this report, we provide information on the business performance of the Pyrum Innovations AG Group for the period from January 1, 2026, to June 30, 2026, as well as on the outlook for future development.

The information in this report has neither been audited nor reviewed by an auditor.



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Group Overview

Business Activities and Group Structure

Pyrum Innovations AG is one of the world's leading technology companies in the field of scrap tire recycling. Since 2008, the company has been continuously developing and conducting research on its innovative, patented thermolysis technology, which enables the nearly emission-free recycling of scrap tires and plastics. This process yields high-quality products such as the thermolysis oil ThermoTireOil® (TTO) and the industrial carbon black ThermoTireBlack® (TTB), which are used by renowned partners such as BASF, Continental, Schwalbe, and Pirelli to manufacture new products. In this way, the company closes the material cycle and pursues a sustainable business model. Thanks to prestigious certifications such as ISCC Plus for its TTO and TTB, as well as REACH registration for its TTO, the products are recognized as high-quality, sustainable, and renewable.

Pyrum Innovations AG is currently focusing on expanding its own recycling capacities and strengthening the market for end-of-life tire recycling through thermolysis. The ongoing modification measures currently being carried out in the third quarter of 2026 on the new milling and pelletizing plant at the headquarters in Dillingen/Saar is intended to increase TTB's production volumes to the planned target level.

Long-term framework agreements with a ten-year term for the purchase of TTB are in place with tire manufacturer Continental, which uses the industrial carbon black recovered by Pyrum in the production of its Super Elastic solid tires, as well as with bicycle tire manufacturer Schwalbe, which has already switched approximately 70% of its tire lineup to Pyrum TTB. In addition, BASF—which has held a stake in Pyrum Innovations AG since 2020—uses the TTO produced by Pyrum and incorporates it into its production network. In July 2026 Pirelli launched its “Tyre-to-Tyre” initiative. As part of this initiative, Pyrum supplies its TTB directly to Pirelli, while the TTO is processed into synthetic rubber via BASF and Synthos and subsequently reused in the production of new high-performance tires.

In addition to operating its own facilities at its headquarters in Dillingen/Saar and selling the products manufactured there, the company plans to build Pyrum recycling plants for national and international customers. The company is currently focusing on the European market. In collaboration with partners in countries such as the Czech Republic, Greece, and Germany, new Pyrum plants are to be established across Europe in the coming years, which will be operated by the individual project companies. Pyrum plans to participate directly in some of the projects. The company holds 49% stakes in the joint ventures reTIRE in the Czech Republic and UniPyrum in Emleben, which were founded in November 2025 and January 2026, respectively.

The company is constantly researching new solutions for recycling waste materials. In addition to recycling scrap tires, its in-house R&D team succeeded in 2023 in becoming the first in the world to fully recycle CFRP (carbon fiber-reinforced plastics). CFRP is found, for example, in wind turbines and automotive body panels. In 2024, a European patent application was filed for the process. In addition, as part of the research collaboration with Continental, a joint product patent was also filed for the developed rCB (recovered carbon black).

Group Structure

Pyrum Innovations AG, headquartered in Dillingen/Saar, is the parent company of the group and manages the company's operations. Its wholly-owned subsidiaries include Pyrum Innovations International S.A., headquartered in Schengen, Luxembourg, which holds the company's intellectual property and patents, as well as 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. In November 2025 and January 2026, two joint ventures were also established with the respective project partners in the Czech Republic and Emleben, with the aim of jointly planning, constructing, and operating the plants.

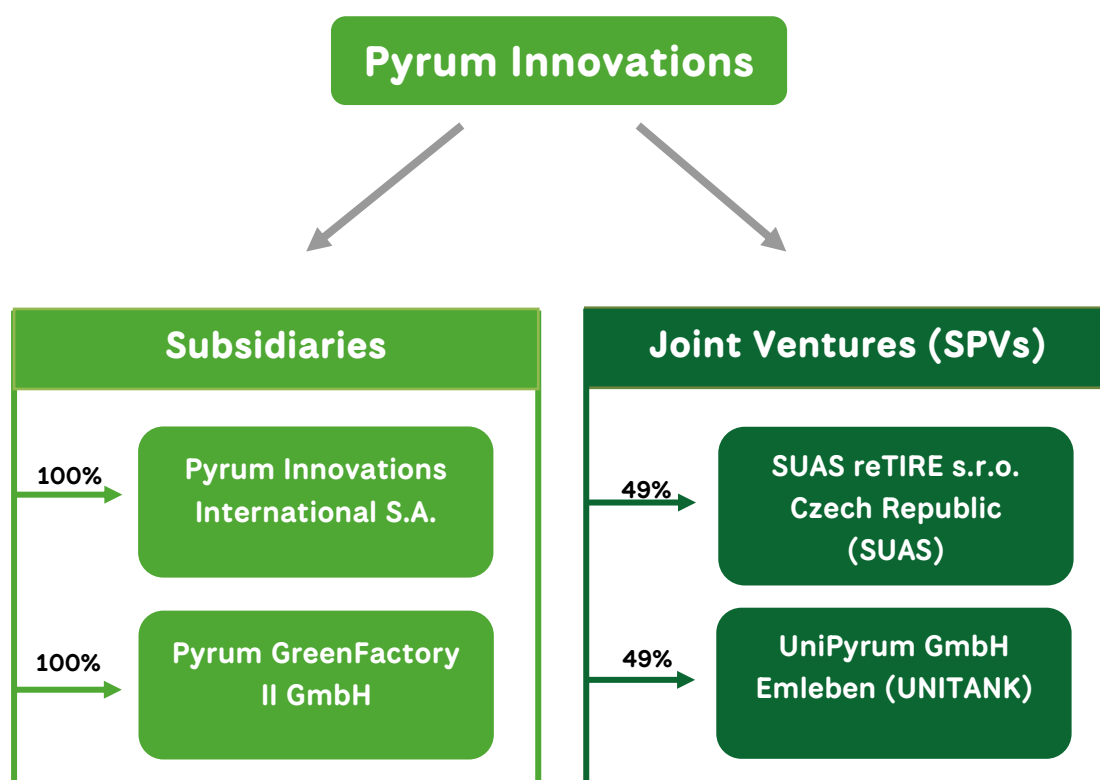


Fig. 1: Group Structure of Pyrum Innovations AG

Shareholder Structure of Pyrum Innovations AG

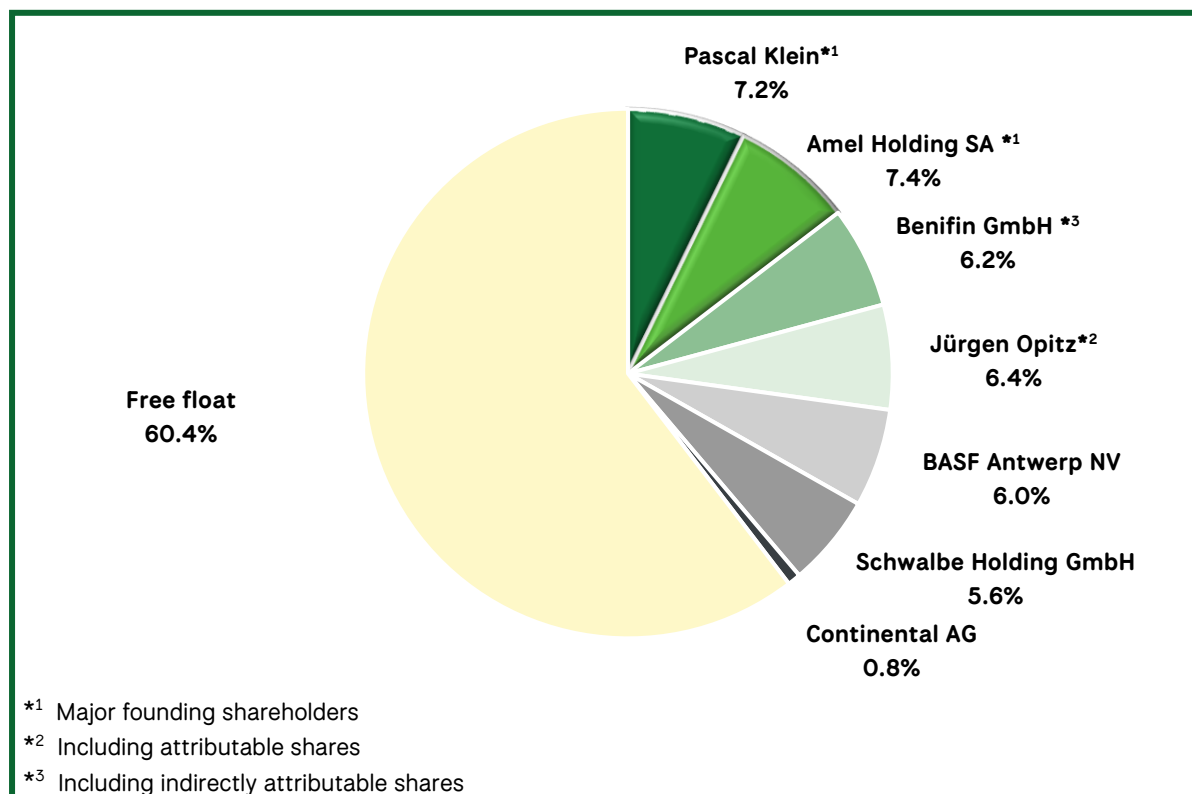


Fig. 2: Shareholder Structure of Pyrum Innovations AG as of June 30, 2026

→ As of June 30, 2026, approximately 6,000 shareholders were listed in the share register.

You can find all relevant information regarding our investor relations activities in the Investor Relations section via the link below: <https://www.pyrum.net/en/investor-relations/>

Value Chain

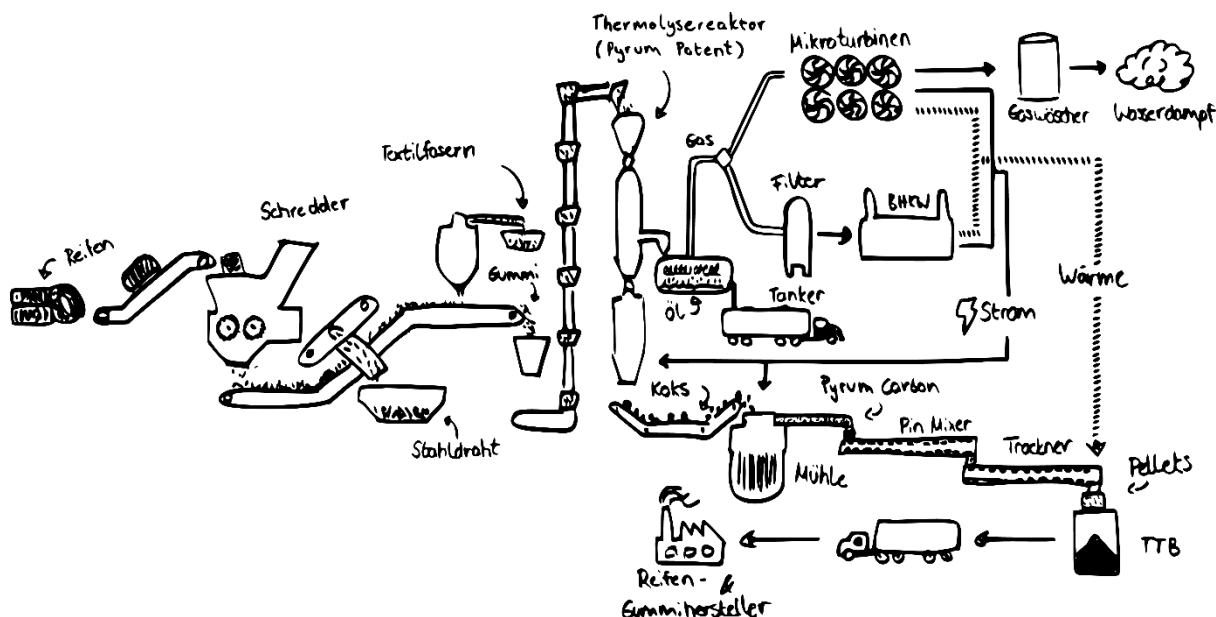


Fig. 3: Value chain of a Pyrum plant

The diagram illustrates, by way of example, the processing of one metric ton of scrap tires. To guarantee the safety and quality of its end products, Pyrum operates its own tire shredding facility. This allows the company to precisely control and monitor both the flow of material and the quality of the input materials.

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

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

The thermolysis reactor can operate electrically and be energy-self-sufficient during operation by generating electricity from the thermolysis gas produced in the process. More than 150 heating sources ensure optimal and controllable temperature distribution within the reactor. This is the foundation for the reproducible production of high-quality ThermoTireOil® and ThermoTireBlack®.

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

The waste heat from the facility's own power generation can be used for the drying process of the TTB pellets, resulting in additional CO₂ savings compared to the current mix of end-of-life tire recycling methods.⁸

⁸ Fraunhofer UMSICHT: LCA, recycling used tires via pyrolysis increases circularity and reduces CO₂ emissions, 2023

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, Schwalbe, and Pirelli.

Report on Own and Customer Projects

The following provides an overview of the latest developments in Pyrum's projects. Only current and significant progress, as well as relevant milestones, are included. The goal is to provide a concise overview of the most important changes since the last report.

Own Facilities

Status of the Dillingen TAD2 & TAD3 Expansion



Fig. 4: Milling and pelletizing plant

Scheduled annual maintenance work on the facilities took place in the third quarter. As part of this, the planned modification measures on the new milling and pelletizing plant were also initiated. Since mid-August, throughput in the transport system between the two plant sections has been gradually increased. The target output of 1.35 metric tons per hour (17.5 metric tons per day) has not yet been achieved. Management currently expects a delay of a few more weeks.

Based on current information, the cause lies in the dosing process between the grinding and pelletizing lines, as the freshly ground material—which is heavily aerated—initially needs time to settle. The plant is now achieving capacities of up to 1,250 kg/h. In the short term, we plan to utilize additional production time through three-shift operations and on Saturdays to increase our production volumes and thereby meet our delivery obligations. As a long-term technical solution, the manufacturer, in consultation with Pyrum, had already ordered a second dosing system with an additional intermediate tank as a precautionary measure in May/June,

in case the retrofit measures do not achieve the desired results in the third quarter. This will allow one container to be in production while the material settles in the other. The new dosing system is scheduled to be delivered in November, so that a decision regarding installation and commissioning can then be made in consultation with the supplier.

As part of the maintenance work, optimizations were made to the thermolysis plant. The initial results of these measures—which still need to be verified—point to significant improvements in oil yield as well as a reduction in energy consumption, and thus a potential improvement in the economic efficiency of the thermolysis process. The Pyrum team is currently investigating whether these measures have also improved the product properties of TTB. For this purpose, Pyrum will commission a neutral laboratory partner to test rubber compounds over the next few months in order to gain an even better understanding of how changes in production parameters in the thermolysis process and post-processing affect the bonding behavior of Pyrum TTB in rubber manufacturing. This is also intended to deepen Pyrum's own expertise and reduce its reliance on the laboratory capacities of industrial partners.

As part of the ongoing optimization and modernization of TAD2 and TAD3, the Oxipurge project is now to be adapted for industrial scale. The project involves an integrated thermal cleaning process designed to efficiently remove coke deposits, thereby contributing to higher plant availability as well as a longer service life and operational lifespan for the reactors.

Ongoing Customer Projects in Plant Engineering

Czech Republic – SUAS reTIRE s.r.o.

In August 2026, the equipment purchase agreement for the reactors was signed with SUAS reTire s.r.o. At the same time, the loan agreements with the financing bank in the Czech Republic were successfully finalized. This ensures full financing for the project.

Earthwork has already begun. Since September 2026, foundation work and the construction of utility lines have been underway. The reactors are scheduled to be ordered in the fourth quarter of 2026. The plant is scheduled to begin operations in the spring of 2028.

Sweden - GreenTech Recycling Tires AB

The outstanding questions raised by Pyrum during the approval process have since been fully resolved.

Furthermore, in September 2026, **the project received a grant of EUR 24 million** from the Environmental Protection Agency (EPA). This is a major milestone for the project, which can now move on to the next phase. This phase involves finalizing the banking documentation and equity structuring. From Pyrum's perspective, the next step is to draft the subsequent contracts, particularly the engineering contracts.



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1. Overview of Pyrum Innovations AG and the Group

Business Model, Market, and Competition

Pyrum Innovations AG is a medium-sized company based in the Saarland that specializes in the production and supply of system-critical raw materials. Using its innovative thermolysis technology, the company converts end-of-life tires into high-quality secondary raw materials such as thermolysis oil (ThermoTireOil®) and recovered carbon black (ThermoTireBlack®). End-of-life tires are the primary waste stream in the business model. Looking ahead, Pyrum plans to incorporate additional waste streams into the recycling process.

There are various technologies for thermolysis-based tire recycling. Pyrum's patented process is characterized by its continuous production and the absence of mechanical conveying within the reactor. Pyrum Innovations AG is currently not aware of any competitor in tire thermolysis that either does not still produce using existing batch or rotary kiln processes or is already operating on a verifiable 24/7 basis with an innovative manufacturing process. Based on current information, these 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 its input of scrap tires from auto repair shops, tire manufacturers, waste management companies, or municipalities and receives a disposal fee in return.

The company's business model is based on two pillars:

Pyrum builds and operates its own facilities or participates in joint-venture facilities (SPVs) operated by the respective project company. For joint-venture facilities, Pyrum generates revenue from the sale of core components, from maintenance contracts, and, on a pro-rata basis, from the operation of the facilities.

The second pillar is the sale of facilities. In this process, Pyrum sells the necessary operating licenses and, together with subcontractors, builds the core component of each facility—the so-called "pyrolysis towers." The customer procures other pre- and post-processing plant components—such as shredders, mills, and pelletizers—directly from the manufacturers of these systems. Even after the sale, Pyrum generates revenue from maintenance contracts and license fees. In the future, revenue from operator models is also conceivable.

According to the World Business Council for Sustainable Development (WBCSD), of the approximately 30.9 million metric tons of scrap tires generated worldwide each year, about 3.4 million metric tons come from Europe alone.⁹ In Germany, the figure is approximately 600,000–700,000 metric tons. By way of comparison: A standard Pyrum thermolysis plant with three reactors has an annual recycling capacity of approximately 22,700 metric tons of

⁹ World Business Council for Sustainable Development: Global ELT Management (2019)

scrap tires. Due to the rise in electric mobility, these volumes of scrap tires are also expected to continue rising in the coming years. Since electric vehicles can deliver their maximum torque almost instantly, they accelerate significantly faster than vehicles with internal combustion engines. However, this increased acceleration leads to greater friction and thus to faster tire wear. The Recycled Rubber Coalition (RRC) estimates that tires on electric vehicles wear out up to 30% faster as a result.¹⁰ This creates the potential for Pyrum, in Europe alone, to sustainably recycle nearly 1.5 million metric tons of scrap tires per year via thermolysis and thus contribute to the circular economy.

The recycling mix in Germany currently consists primarily of material recovery to produce rubber granulate, thermal recovery in cement plants, and the export of scrap tires abroad. Of the approximately 600,000 metric tons of scrap tires generated annually in Germany, about one-third is currently recycled into new materials and used, among other things, as fill material for sports fields and playgrounds.¹¹ At the same time, the share of thermal recycling has fallen to below 20% in recent years, primarily due to the increased costs of CO₂ allowances. With the new EU Waste Shipment Regulation, the export of scrap tires is also expected to be significantly restricted. As a result, approximately 800,000 metric tons—down from about 1.7 million metric tons—are expected to remain within the EU in the future.¹² In addition, according to estimates by the wdk, the disposition of approximately 100,000 metric tons of scrap tires in Germany still cannot be clearly determined.¹³ Overall, it is therefore to be expected that a significantly larger proportion of used tires will remain in Germany and Europe in the future and will need to be sent for appropriate recycling. Pyrum Innovations AG possesses the necessary technology for this, though additional capacity is required. With appropriate incentive measures, the rollout of this technology could be significantly accelerated.

The thermolysis market remains highly fragmented. Currently, there is no leading company on the European market. The submarket for rCB—the output factor with the largest share of revenue—is in an early stage of development, one in which Pyrum is already playing a major role in Germany. High demand from industry for sustainable raw materials and production processes, as well as increasingly stringent regulations—particularly in the EU—further contribute to attractive market conditions.

Pyrum Innovations AG continues to observe a sharp rise in demand for its sustainably produced raw materials, such as TTO and TTB. The planned production expansions will fall far short of meeting this demand in the coming years. Geopolitical developments, including the ongoing war in Ukraine and the conflict in Iran that escalated in 2026, are further contributing to persistently high prices for conventionally produced virgin carbon black, as well as for oil and fuels. The rising demand is driven by the fact that numerous international tire manufacturers have set ambitious sustainability goals. The Continental Group, with which

¹⁰ Recycled Rubber Coalition (RRC) White Paper

¹¹ ZARE: End-of-Life Tire Recovery & Recycling in Germany (as of October 2025)

¹² AZUR Network, press release dated June 23, 2025

¹³ wdk: Press Release dated November 6, 2025, Strengthening the Circular Economy Is Necessary: German End-of-Life Tire Recyclers Are Missing Out on 100,000 Metric Tons of End-of-Life Tires Annually

Pyrum Innovations AG signed a contract in July 2024 for the long-term purchase of industrial carbon black, has set itself the goal, for example, of using 100% sustainably produced materials in tire production by 2050.¹⁴ The current use of Pyrum-TTB in forklift and bicycle tires is just the beginning.

The factors described above are having a significant impact on the industry and signal a clear shift in the structure of supply contracts. Just a few years ago, long-term contracts were almost unthinkable in the automotive industry. This makes it all the more significant that Pyrum has been able to build strong partnerships with its customers in recent years. These partnerships enable the company to enter into long-term purchase agreements with guaranteed purchase prices and terms of up to ten years, thereby ensuring a high degree of planning certainty.

Overall, Pyrum Innovations AG thus operates in a very attractive market. Pyrum is in demand both as a buyer of used tires—the input material—and as a supplier of secondary raw materials. Pyrum Innovations AG intends to play a significant role in this rapidly growing recycling market for used tires.

¹⁴ Continental AG: Vision 2030



Research and Development

Research and development is one of Pyrum's core competencies. This division is dedicated to improving the company's own expertise and products, securing its technological edge, and ensuring the quality of the products it delivers.

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

To leverage as much expertise as possible for development and to remain at the cutting edge of research, the company regularly collaborates with external partners and universities. In addition, there is regular communication with suppliers of key components as well as with customers, so that innovative topics, trends, and individual requirements can be incorporated into the development process at an early stage.

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

Pyrum continues to work on fully exploiting the potential of its patented recycling technology and tapping into new potential areas of application. To this end, several projects are currently in the application phase.

JDA with Continental Reifen GmbH

“Improving rCB performance to ensure a reliable and stable supply while maintaining consistently high rCB quality.”

The joint development agreement (JDA) launched in 2022 between tire manufacturer Continental and Pyrum, aims to jointly improve the performance of rCB and tailor it to specific applications in new tires. All sub-processes are being optimized: from the composition of the feedstocks for thermolysis, through the thermolysis process parameters 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 reinforcing fillers 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. Pyrum has secured patent protection for the respective manufacturing processes.

CFRP Recycling

In 2023, after nearly four years of development, Pyrum Innovations AG commissioned the first automated, semi-industrial recycling plant for carbon fiber-reinforced plastics (CFRP), thereby achieving the world's first comprehensive recycling of CFRP. The plant is located at the main facility in Dillingen/Saar and will serve as the foundation for the construction of an industrial-scale plant.

Pyrum plans 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 groundwork for planning the upscaling of the plant technology for in-house recycling facilities.

In 2024, a European patent application was filed for the process.

- ➔ Both research projects will continue in the 2026 financial year and be further developed for specific industrial applications. The goal is to gain further insights and achieve application readiness.

Oxipurge

Coke deposits formed in the reactors during the thermolysis of rubber granules (e.g., from scrap tires) impair heat transfer over time and can shorten the service life of these due to increased material fatigue. Cleaning of the thermolysis reactors is currently performed primarily by hand and mechanically. This requires a complete plant shutdown and also poses health risks to the personnel involved.

The goal of the project being pursued by Pyrum is to develop an innovative thermal cleaning process that operates at temperatures up to 700°C in an oxidizing atmosphere. This is intended to 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 multistage exhaust gas purification system (e.g., desulfurization, conversion of CO to CO₂). Flow patterns and temperature distribution within the reactor are also being investigated to avoid hotspots and ensure material durability. The project aims to fill existing knowledge gaps regarding thermal cleaning and exhaust gas aftertreatment in our thermolysis plants. The implementation into the existing system is scheduled for early 2027.

2. Economic Report

Development of Economic Conditions

According to the Federal Statistical Office (Destatis), Germany's gross domestic product (GDP) showed a slight positive trend in the first half of 2026. Adjusted for price, seasonal, and calendar effects, economic output increased by 0.4% in the first quarter compared to the previous quarter and by a further 0.3% in the second quarter. Positive momentum was also evident when compared with the corresponding quarters of the previous year: In the first quarter, real GDP rose by 0.8%, and in the second quarter it rose by 1.0%. The trend in the second quarter of 2026 is primarily attributable to the sharp increase in foreign trade: Exports of goods and services were 2.0% higher than in the first quarter. While private consumer spending rose only moderately, gross fixed capital formation declined slightly. The decline was particularly sharp in the case of investment in equipment.¹⁵ Overall, economic growth in Germany thus remained at a relatively low level compared with other industrialized nations.

The inflation rate in Germany declined over the course of the first half of 2026 and stood at 2.3% in June compared with the same month a year earlier. In April and May 2026, it had been 2.9% and 2.6%, respectively. Although energy prices continued to rise at an above-average rate as a result of the war in the Middle East and remained a key driver of inflation, the rate of inflation was lower than in previous months—in part due to the temporary reduction in the energy tax on fuels, which was in effect from May 1 through June 30, 2026; in addition, upward pressure on food prices eased. In June 2026, prices for energy products were 3.4% higher than in the same month of the previous year, while food prices rose by 0.4%. By contrast, above-average inflation in services (+3.1%) continued to weigh on the overall figure.¹⁶

Looking at the tire market, more than 1.65 billion new tires are sold worldwide each year.¹⁷ In Germany, according to the Federal Association of Tire Retailers and Tire Repair Shops, the number of passenger car, van, and truck tires sold in 2025 totaled just under 46.6 million, a decline of 1.9% compared to the previous year.¹⁸ Consequently, roughly the same amount of scrap tires is generated later; according to the German Federal Environmental Foundation, this amounts to approximately 600,000 metric tons annually in Germany alone.¹⁹ By way of comparison: A standard Pyrum thermolysis plant with three reactors has a recycling capacity of around 22,700 metric 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 Federal Association of Tire Retailers and Tire Repair Shops, a shortage of available recycling capacity for scrap tires in Germany is emerging.²⁰ For example, the costs of incinerating scrap tires are rising due to increasing CO₂ prices, making this recycling method increasingly uneconomical. Tires, which until now have been exported primarily to non-OECD countries, may—under the EU Waste

¹⁵ Destatis: Press Release 303 dated August 25, 2026.

¹⁶ Destatis: Press Release No. 311, August 31, 2026; Destatis: Press Release No. 229, June 30, 2026.

¹⁷ Statista, Global market volume for original and replacement tires for passenger cars and light commercial vehicles from 2014 to 2024, April 2025.

¹⁸ Federal Association of Tire Retailers and Tire Repair Shops: Press release dated March 30, 2026.

¹⁹ German Federal Environmental Foundation: DBU aktuell No. 1 | 2023.

²⁰ Chemnitz University of Technology: New Prospects for the Use and Application Fields of Recycled Tire Material, January 24, 2022.

Shipment Regulation, effective as of May 2026—only be shipped there in the future if the recipient country can demonstrate that it meets the strict EU environmental standards. As a result, up to 800,000 metric tons of used tires across Europe—which were previously exported to countries such as India and Morocco—will remain within the EU in the future.²¹

In addition, the European Parliament has taken further measures based on the European 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 of bulk polymers with an average diameter of less than 5 mm by 2031 at the latest.²² These materials include, among others, polymers as well as rubber granules derived from scrap tires. To put this in context: In the EU, approximately 1.2 million metric tons of scrap tires are processed into shredded material each year. Approximately 42% of the rubber granules produced from this material are used as infill for artificial turf fields, making this the most widespread recycling application for scrap tires for decades. The ban on bulk polymers resulting from this amendment will inevitably have a significant impact on the market.

The ongoing restriction of environmentally harmful recycling methods is significantly increasing the pressure to dispose of scrap tires in Germany and Europe. This is where Pyrum Innovations AG comes in, by systematically returning the raw materials extracted from end-of-life-tires to the recycling cycle. To handle the volume of scrap tires, additional thermolysis plants are needed in Germany and Europe. Pyrum Innovations AG already has a well-stocked project pipeline that calls for the construction of several plants—both its own and customer projects—across Europe.

²¹ Regulation (EU) 2024/1157 on the shipment of used tires.

²² Ecoelastika: Annual Report 2022.

Financial Performance of the Group

This section provides an explanation of the interim consolidated financial statements of Pyrum Innovations AG for the period from January 1 to June 30, 2026. The figures for the reporting period are accompanied by the figures for the prior-year period in parentheses.

Results of operations

In the first half of 2026, the Pyrum Innovations Group generated **revenue** of EUR 1,743 thousand (EUR 1,267 thousand). This represents an increase in revenue of approximately 37.6%.

Changes in inventories of finished and work-in-progress products, as well as **work in progress**, were significantly higher in the first half of 2026 at EUR 922 thousand (EUR 232 thousand) than in the comparable period of 2025. Inventories of finished and work-in-progress products increased again by EUR 625 thousand.

Other own work capitalized amounted to EUR 1,122 thousand (EUR 5,214 thousand). The difference compared to the first half of the previous year is primarily due to the completion and commissioning of major plant components at the Dillingen site from in the second quarter of 2025 onwards.

Total output decreased by 43.6% to EUR 3,787 thousand (EUR 6,712 thousand) in the reporting period compared to the prior-year period, primarily due to lower other own work capitalized.

Other operating income, at EUR 496 thousand (EUR 2,303 thousand), was significantly lower than in the same period of the previous year. The prior-year period included significant income-recognized effects from public investment grants related to the completion of the two thermolysis plants, TAD2 and TAD3, as well as other sub-plants.

In addition to raw materials, supplies, and consumables, **expenses for materials** also includes the cost of materials required for the production of other own work capitalized. The reported cost of materials for the first six months of 2026 was EUR 1,678 thousand (EUR 5,625 thousand), which was significantly lower than the prior-year figure. The decline in cost of materials corresponds to the lower other own work capitalized compared to the prior year.

Personnel expenses rose by 10.6% to EUR 3,935 thousand (EUR 3,558 thousand) as a result of further staff expansion.

Depreciation and amortization totaled EUR 1,938 thousand (EUR 1,584 thousand) and resulted primarily from additional depreciation on completed facilities and capitalized assets. This includes EUR 434 thousand from depreciation on patents (Pyrum Innovations International S.A.).

Other operating expenses increased to EUR 3,015 thousand (EUR 2,176 thousand). This was due to the new recurring costs associated with the operation of TAD2 and TAD3. In the first half of 2026, EUR 170 thousand (EUR 129 thousand) in recurring costs related to stock exchange listings were included.

Interest expense amounted to EUR 712 T thousand (EUR 660 thousand).

Consolidated net income for the period was EUR -7,003 thousand (EUR -4,582 thousand). When making comparisons, it is important to note that the prior-year results were significantly influenced by income-recognized effects from public investment grants totaling EUR 2,011 thousand.

Net Assets

Intangible assets were amortized as usual by EUR 447 thousand during the reporting period. Consequently, their value as of the reporting date decreased to EUR 3,703 thousand (EUR 4,140 thousand).

Property, plant, and equipment decreased slightly compared to the balance sheet date of December 31, 2025, to EUR 50,576 thousand (EUR 50,711 thousand).

Total non-current **assets** amounted to EUR 55,494 thousand (EUR 54,856 thousand).

Inventories increased to EUR 2,600 thousand (EUR 1,378 thousand), primarily due to higher levels of work in progress.

Total **assets** amounted to EUR 65,197 thousand (EUR 74,239 thousand).

Capital Structure

The Pyrum Group's **equity** amounted to EUR 23,874 thousand (EUR 30,874 thousand) as of June 30, 2026.

The **equity ratio** fell to 36.6% (41.6%).

Provisions amounted to EUR 3,070 thousand (EUR 3,309 thousand), slightly below the previous year's level. This figure includes the inventor's compensation to be recognized as a liability within the Group, which can only be claimed once Pyrum Innovations International S.A. becomes profitable.

Liabilities to banks decreased to EUR 2,558 thousand (EUR 2,734 thousand) as of June 30, 2026, due to scheduled repayments.

Liabilities from advance payments received amounted to EUR 2,614 thousand (EUR 2,664 thousand) as of the reporting date.

Trade payables decreased to EUR 2,545 thousand (EUR 2,921 thousand) compared to the balance sheet date of December 31, 2025.

Other liabilities decreased to EUR 30,536 thousand as of June 30, 2026 (EUR 31,737 thousand). The decrease resulted from the scheduled repayment of loans.

Liquidity Position

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

Cash on hand and bank balances totaled EUR 6,102 thousand (EUR 17,006 thousand) as of June 30, 2026.

Statement of Cash Flows

The statement of cash flows is structured in accordance with DRS 21.

In the first half of 2026, the negative **cash flow from operating activities** increased to EUR -5,423 thousand compared to the same period last year (EUR -3,985 thousand).

Cash flow from investing activities amounted to EUR 3,396 thousand due to investments in the expansion of the facility at the Dillingen site and initial investments at the Perl-Besch site, compared to EUR -3,620 thousand in the prior-year period.

The negative **cash flow from financing activities** increased to EUR -2,084 thousand (EUR -1,257 thousand).

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

Report on Performance Indicators

Financial Performance Indicators

Pyrum Innovations AG and the group are managed financially using the key figures revenue, total operating performance, and earnings before interest and taxes (EBIT). Adjusted figures are calculated as needed.

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

In thousands of euros	Jan. 1, 2026 – Jun. 30, 2026	Jan. 1, 2025 – Jun. 30, 2025
Revenue	1,743	1,267
Total output	3,787	6,712
EBITDA	-4,358	-2,358
EBITDA (adjusted)	-4,358	-4,369
EBIT	-6,297	-3,942
EBIT (adjusted)	-6,297	-5,954
Free cash flow	6,102	2,878

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

The adjusted key figures for the previous year exclude one-time effects from investment grants.

3. Future Development

Forecast

Future Economic Conditions

In its latest July forecast, the International Monetary Fund (IMF) projects global economic growth of 3.0% for 2026. Economic output is thus expected to remain solid but will continue to decline compared to 2025 (+3.5%); compared to its April 2026 forecast (3.1%), the IMF has revised its projection downward by 0.1 percentage points. Against the backdrop of ongoing geopolitical tensions, the war in the Middle East and the associated higher energy prices are having a particularly negative impact, while the accelerating global technology cycle centered on artificial intelligence is supporting economic growth. At the same time, the IMF expects global inflation to rise from 4.1% in 2025 to 4.7% in 2026, before falling to 3.9% in 2027. For the euro area, the IMF forecasts a 0.9% year-over-year increase in gross domestic product for 2026 as a whole. As for economic development in Germany, the IMF anticipates only a slight increase in GDP of 0.7%. The government spending financed by the fiscal package is expected to partially offset the negative effects of the war in the Middle East and rising energy prices.²³

In its Spring Report, the German Council of Economic Experts arrives at a similar assessment, forecasting economic growth of 0.5%. According to the Council, the recovery of the German economy over the course of the year will be slowed primarily by high energy prices resulting from the war in the Middle East. In addition to the long-standing weakness in exports, U.S. import tariffs are placing an additional strain on demand for German products. At the same time, the federal government's fiscal package offers opportunities for an economic revival.²⁴ However, following a stronger-than-expected first half of the year—driven primarily by strong exports—more recent forecasts now anticipate more significant economic growth in Germany. In its fall economic forecast, the German Institute for Economic Research (DIW) projects a 1.2% increase in GDP in 2026. For the following year, 2027, the DIW forecasts economic growth of 1.0%.²⁵ Furthermore, inflation in Germany is expected to rise again this year as a result of high energy prices. The German Council of Economic Experts forecasts inflation rates of 3.0% and 2.8% for 2026 and 2027, respectively.²⁶

²³ IMF: World Economic Outlook Update, July 2026.

²⁴ German Council of Economic Experts: Spring Report 2026.

²⁵ DIW: Press Release dated September 2, 2026

²⁶ German Council of Economic Experts: Spring Report 2026.

Forecast: Oil / Steel / rCB

According to Precedence Research, the market volume for thermolysis oil derived from scrap tires reached approximately \$377 million in 2025, remaining a niche segment within the global crude oil market. The market volume exceeded the previous year's figure by approximately 5.3%. By 2034, the global thermolysis oil market is expected to grow to 595 million USD—corresponding to a compound annual growth rate (CAGR) of 5.2%. This growth is driven by rising demand for alternative and sustainable raw materials, as well as increasing regulatory requirements.²⁷ In its projections for 2026, the IMF anticipates a 32% increase in oil prices to an average of approximately 89 USD per barrel, driven by production and transportation disruptions in the Middle East.²⁸

According to the World Steel Association, global steel demand will increase by 0.3% to approximately 1.72 billion metric tons in 2026, remaining close to the previous year's level. However, the steel price—which is generally subject to high volatility—is expected to react sensitively to the current disruptions caused by trade and tariff policies. For 2027, a somewhat more pronounced recovery in steel demand is forecast, rising by 2.2% to approximately 1.76 billion metric tons. Key reasons for the weak performance in the current cycle include the war-induced slump in steel demand in the Middle East and the ongoing—albeit flattening—correction in China.²⁹

For the rCB market—as the sales market for the future flagship product TTB—there are still few reliable, publicly available forecasts. According to Business Wire, the rCB market is expected to reach a volume of \$8.8 billion by 2028, up from \$4.0 billion in 2021. This would correspond to a compound annual growth rate (CAGR) of 11.7%.³⁰ For Europe, it is projected that rCB has the potential to substitute approximately 10% to 20% of the traditional market for virgin carbon black (vCB), which is conventionally produced from oil combustion.³¹ In terms of price, it is expected to vary depending on quality. Industry leaders believe that the sustainability and positive environmental footprint of rCB compared to vCB could lower the barrier to entry and also generate a sustainability premium.

The company expects that the price of its TTB will stand out from that of conventional virgin carbon black produced by burning oil. This expectation is supported by long-term supply contracts already concluded with customers in the price range of EUR 1,500/t, meaning that the currently achievable price is already 100% above the company's expectations at the time of its initial public offering in 2021.

Overall, prices for thermolysis oil, tire cord, and TTB are expected to be influenced by global market trends, technological developments, and political conditions in the coming years.

²⁷ Precedence Research: Tire Pyrolysis Oil Market (July 2025).

²⁸ IMF: World Economic Outlook Update, July 2026.

²⁹ World Steel Association: Short-Range Outlook 2026.

³⁰ Business Wire: Insights on the Recovered Carbon Black Market through 2028, January 10, 2022.

³¹ Emerton: White Paper – rCB: Evaluating the Path to a Sustainable Tire Industry: Unlocking the Potential of Recovered Carbon Black, May 2024.

Risks and Opportunities

The assessments of opportunities and risks are explained in detail in the 2025 Summary Management Report, to which we expressly refer here.

4. Outlook for the remainder of 2026

The Executive Board of Pyrum Innovations AG is adjusting its forecast for fiscal year 2026 based on business performance in the first half of 2026 and current plans for the second half of 2026. The previous forecast projected consolidated revenue for the 2026 financial year in the range of approximately EUR 6.5 million to EUR 9.5 million, total output of approximately EUR 12.0 million to EUR 18.0 million, and EBIT in the range of approximately EUR -8.0 million to EUR -10.5 million. For Pyrum Innovations AG, total output of between approximately EUR 10.0 million and EUR 15.0 million and EBIT of between approximately EUR -7.5 million and EUR -10.0 million had previously been expected. These expectations are being adjusted in light of current developments.

The adjustment stems in particular from the fact that the ramp-up of the milling and pelletizing plant, as well as the timing of the completion of individual plant construction and customer projects, are materializing later than originally anticipated. At the same time, the updated forecast takes into account the actual figures for revenue, total output, and EBIT achieved in the first half of 2026, as well as the successful conclusion of the first plant purchase agreement and the revenue of approximately EUR 3.0 million planned for the second half of the year.

Revenue

In the first half of 2026, the Group generated revenue of EUR 1,743 thousand. Based on current planning, the company anticipates additional revenue of between EUR 2.5 million and EUR 3.5 million for the second half of 2026. These are expected to result primarily from the continued ramp-up of product sales of TTB, TTO, tires, and tire wire, as well as from project and engineering services.

On this basis, the Executive Board now anticipates consolidated revenue of approximately EUR 5.0 million for the 2026 financial year and expects a range of approximately EUR 4.2 million to EUR 5.3 million. The updated revenue forecast thus falls below the previous forecast range of EUR 6.5 million to EUR 9.5 million. The key factor here is that, to date, while the throughput of the grinding and pelletizing plant has increased significantly, it has not been possible to maintain it at a stable level, and the plant has not yet been adjusted to the target volume. This is having a significant negative impact on planned revenue from TTB sales. The previous forecast for the full year 2026 is therefore no longer realistic.

As a precaution, Pyrum had already submitted a request to local authorities several months ago to extend production hours from 16 hours per day to 24 hours per day. This request was approved on a temporary basis for two months. By the end of September, the third production shift is expected to be up and running in order to compensate for some of the production shortfall and to maximize monthly production volume as much as possible in the fourth quarter of 2026. However, this will not allow the company to make up for the production time already lost in 2026, and a three-shift operation with a night shift at the mill and pelletizing plant entails higher operating costs.

In the project business, advance payments for the Czech project were already received in the second half of 2026. These funds secure the implementation of the project but do not result in additional revenue recognition as long as the underlying services have not yet been rendered.

Total output

The Group's total output in the 2026 financial year will continue to be driven by sales revenue, changes in inventory, and other own work capitalized. Based on the total revenue of EUR 3,787 thousand generated in the first half of 2026 and taking into account the expected product and project development in the second half of 2026, the Executive Board anticipates total revenue for the full year 2026 to range from approximately EUR 11.0 million to EUR 14.0 million. This range takes into account that individual development and project services subject to capitalization, as well as the extent of changes in inventory in the second half of the year, depend on actual project progress and the production ramp-up. The previous forecast of consolidated total revenue in the range of approximately EUR 12.0 million to EUR 18.0 million is thus being revised downward.

EBIT

Earnings before interest and taxes will remain significantly negative for the full year 2026. In the first half of 2026, consolidated EBIT was EUR -6,297 thousand. While higher product sales—projected at between EUR 3.0 million and EUR 3.5 million—along with expected project and advance payment inflows and increasing capacity utilization will have a positive impact in the second half of the year, earnings will simultaneously be weighed down by the ongoing ramp-up and optimization phase, increases in personnel and operating costs, maintenance and energy costs, and the continued high level of other operating expenses. Against this backdrop, the Executive Board now expects consolidated EBIT for the 2026 financial year to range from approximately EUR -10.0 million to EUR -12.5 million. The previous forecast of consolidated EBIT ranging from approximately EUR -8.0 million to EUR -10.5 million has thus been revised downward.

For further development in the second half of 2026, the scheduled realization of product sales and project progress in plant engineering remain of key importance. In particular, it should be noted that advance payments received for customer projects are, in some cases, used directly to finance material orders and advance work. At the same time, delays in customer projects, technical adjustments, supply chain issues, or financing steps can lead to deviations from the plan. The Executive Board will therefore continue to closely monitor the development of the key forecast metrics—revenue, total output, and EBIT—and update the planning accordingly.

A positive development is that the Swedish project partner, GreenTech Recycling Tires AB, recently received a grant commitment in the amount of EUR 24.0 million. As a result, this project is also expected to gain momentum by the first quarter of 2027 at the latest

Pyrum is currently in negotiations with a partner in Spain regarding the potential construction of a facility. The project is set to begin with a feasibility study conducted by Pyrum. If the project is commissioned, the Spanish partner expects the study to be completed before the end of this year.

Pyrum Innovations AG

Dillingen/Saar, September 22, 2026



Pascal Klein
Chairman of the Board



Kai Winkelmann
Board of Directors



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Consolidated Balance Sheet as of June 30, 2026

ASSETS

(in euros)

30.06.2026

31.12.2025

A. Anlagevermögen

I. Non-current intangible assets

1. Self-created rights and licences in such rights	8,321.00	18,309.00
2. Acquired rights and licences in such rights	3,330,217.79	3,765,832.79
3. Intangible assets under development	364,159.10	356,112.04
	3,702,697.89	4,140,253.83

II. Property, plant, and equipment

1. Land and buildings	6,385,411.34	6,431,626.84
2. Technical equipment and machinery	29,857,144.00	31,091,471.00
3. Other equipment, operating and office equipment	990,195.00	958,866.00
4. Advances paid and assets under construction	13,343,414.80	12,229,455.38
	50,576,165.14	50,711,419.22

III. Non-current financial assets

	1,214,694.10	4,079.40
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Total non-current assets

	55,493,557.13	54,855,752.45
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B. Current assets

I. Inventories

1. Raw materials and supplies	134,766.62	192,066.62
2. Work in progress	1,129,680.13	878,966.47
3. Finished and unfinished goods	950,607.93	279,301.53
4. Advance payments on inventories	384,685.87	28,023.54
	2,599,740.55	1,378,358.16

II. Receivables and other current assets

1. Trade receivables	415,499.42	235,049.12
2. Other current assets	312,386.39	618,953.27
	727,885.81	854,002.39

III. Cash at hand and in bank

	6,101,699.07	17,005,803.22
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Total current assets

	9,429,325.43	19,238,163.77
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C. Deferred expenses

	274,161.34	145,212.77
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Total assets

	65,197,043.90	74,239,128.99
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Consolidated Income Statement for the first half of the 2026 financial year

(in euros)	01.01.-30.06.2026	01.01.-30.06.2025
1. Revenues	1,743,239.41	1,266,653.55
2. Increase of finished and unfinished goods	922,020.06	231,535.50
3. Other own work capitalised	1,122,143.48	5,214,172.17
4. Total output	3,787,402.95	6,712,361.22
5. Other operating income	495,510.91	2,303,363.44
6. Expenses for materials		
a) Expenses for raw materials and supplies	857,929.32	4,251,459.18
b) Expenses for purchased services	819,932.27	1,373,826.12
	1,677,861.59	5,625,285.30
7. Personnel expenses		
a) Wages and salaries	3,266,676.32	2,948,724.18
b) Social security contributions and expenses for pension provision	668,596.05	609,158.76
	3,935,272.37	3,557,882.94
8. Depreciation, amortisation and write-downs of intangible non-current assets and property, plant, and equipment	1,938,500.47	1,584,427.55
9. Other operating expenses	3,014,913.54	2,176,256.83
10. Other interest and similar income	6,124.89	20,114.12
11. Interest and similar expenses	712,294.33	660,240.05
13. Result after taxes	-6,989,803.55	-4,568,253.89
14. Other taxes	13,074.77	14,027.31
15. Net loss for the year	-7,002,878.32	-4,582,281.20
16. Loss carried forward from the previous year	-53,106,365.84	-43,066,927.94
17. Balance sheet loss	-60,109,244.16	-47,649,209.14

Consolidated Statement of Cash Flows for the first half of the 2026 financial year

(in euros)	01.01.-30.06.2026	01.01.-30.06.2025
Net income/loss for the period	-7,002,878	-4,582,281
Depreciation and write-ups of property, plant and equipment	1,938,500	1,584,428
Increase/decrease in provisions	-240,185	-34,599
Increase/decrease in inventories, trade receivables and other assets not related to investing or financing activities	-1,207,280	-484,102
Increase/decrease in trade payables and other liabilities not attributable to investing or financing activities	383,172	891,475
Interest expenses/income	706,169	653,533
Miscellaneous other income not attributable to cash flow from operating activities	-917	-2,013,850
Cash flow from operating activities	-5,423,419	-3,985,396
Payments for investments in non-current assets	-8,047	-59,781
Payments for investments in property, plant and equipment	-2,179,609	-3,579,953
Payments for investments in financial assets	-1,210,615	0
Interests received	1,948	20,114
Cash flow from investing activities	-3,396,323	-3,619,620
Payments from the repayment of (financial) loans	-1,378,190	-600,625
Interests paid	-706,172	-656,090
Cash flow from financing activities	-2,084,362	-1,256,715
Zahlungswirksame Veränderungen des Finanzmittelfonds	-10,904,104	-8,861,731
Cash funds at beginning of period	17,005,803	11,740,045
Cash funds at end of period	6,101,699	2,878,314

Consolidated Statement of Changes in Equity for the first half of the 2026 financial year

	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					
(in euros)									
As of January 1, 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 year							-4,582,281.20	-4,582,281.20	-4,582,281.20
As of June 30, 2025	3,617,372.00	53,451,545.56	8,242,976.00	61,694,521.56	61,694,521.56	-43,066,927.94	-4,582,281.20	-47,649,209.14	17,662,684.42
As of January 1, 2026	4,292,664.00	71,447,506.56	8,242,976.00	79,690,482.56	79,690,482.56	-43,066,927.94	-10,039,437.90	-53,106,365.84	30,876,780.72
Allocation to/withdrawal from reserves						-10,039,437.90	10,039,437.90		0.00
Net loss for the year							-7,002,878.32	-7,002,878.32	-7,002,878.32
As of June 30, 2026	<u>4,292,664.00</u>	<u>71,447,506.56</u>	<u>8,242,976.00</u>	<u>79,690,482.56</u>	<u>79,690,482.56</u>	<u>-53,106,365.84</u>	<u>-7,002,878.32</u>	<u>-60,109,244.16</u>	<u>23,873,902.40</u>



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I. General Information 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 registered in the commercial register of the Saarbrücken Local Court under 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, it has also been listed on the "Scale" market segment of Deutsche Börse AG on the Frankfurt Stock Exchange. Neither of these segments constitutes 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. of the German Commercial Code (HGB), in compliance with the standards of the German Accounting Standards Committee e.V.

The presentation of the consolidated balance sheet and the consolidated statement of income follows the regulations for large corporations. The total cost method was chosen for the presentation of the consolidated statement of income. The consolidated statement of cash flows was prepared in accordance with German Accounting Standard DRS 21. 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 is applied.

The interim consolidated financial statements were also prepared in accordance with the principles of German Accounting Standard DRS 16. The comparative figures for the prior period relate to December 31, 2025, for the balance sheet, and to the first half of fiscal year 2025 (January 1, 2025 – June 30, 2025) for the income statement.

The interim consolidated financial statements are presented in euros. The fiscal year for the AG and the Group is the calendar year. The reporting date for the interim consolidated financial statements is June 30, 2026.

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.

Consolidated Entities

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

Associates

On November 19, 2025, Pyrum Innovations AG acquired 49% of the capital and voting rights in SUAS reTIRE s.r.o., Czech Republic. This was followed on January 8, 2026, by the acquisition of an additional 49% of the capital and voting rights in UniPyrum GmbH, Emleben. The business purpose of these companies is the construction and operation of a thermolysis plant. The companies are consolidated into the consolidated financial statements using the equity method.

III. Principles of Consolidation

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

Initial consolidation is performed using the purchase method. Assets and liabilities are recognized at fair value as of the date the company became a subsidiary; however, provisions and deferred taxes are measured in accordance with the applicable commercial code provisions. A positive difference arising from initial consolidation is recognized as goodwill; a negative difference is reported as a capital consolidation adjustment under equity. This procedure is also applied to asset deals and contribution transactions.

Liability consolidation is performed by eliminating receivables and the corresponding liabilities between the companies included in the consolidated financial statements.

Consolidation of income and expenses is carried out by offsetting intra-group revenues against the corresponding expenses. Intercompany profits and losses arising from transactions between the consolidated companies are eliminated.

In accordance with Section 306 of the German Commercial Code (HGB), deferred tax assets and liabilities arising from differences between the carrying amounts of assets and liabilities in the consolidated balance sheet and their tax bases—which are expected to reverse 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 control but exercises significant influence are included in the consolidated financial statements as investments in associates using the equity method in accordance with Sections 311 et seq. of the German Commercial Code (HGB). In this context, the investment is initially recognized at its cost under financial assets. Any difference between the cost and Pyrum Innovations AG's proportionate share of the associate's carrying amount of equity is allocated to hidden reserves and liabilities and carried forward; any remaining difference is carried forward in accordance with the principles applicable to goodwill. If necessary, additional write-downs to the fair value of the investment are recognized. The proportionate share of the associate's earnings attributable to Pyrum Innovations AG is recognized in the consolidated statement of income, together with the expenses and income resulting from the amortization of the difference and, if applicable, the write-downs.

IV. Accounting and Valuation Principles

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

Acquired intangible assets are recognized at cost and, to the extent they are subject to depreciation, are reduced by scheduled depreciation.

Internally generated intangible fixed assets are recognized in accordance with the option provided under Section 248(2) of the German Commercial Code (HGB) and measured at their production costs. They are reduced by scheduled amortization over their useful lives beginning on the date of completion. The capitalization phase begins as soon as the development phase has started for an intangible asset that can be utilized individually after completion, completion is highly probable, and the development costs can be reliably allocated.

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

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

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

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

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

	Years
Buildings and other structures	14–35
Patents, licenses, know-how	10.6
Technical equipment and machinery	5–20
Equipment and furnishings	4–11
Internally Developed Intangible Assets	5
Computer Software	5
Computer hardware	3–5

Unscheduled depreciation of intangible and tangible assets is recognized in the event of an expected permanent economic or technical impairment.

Low-value fixed assets with acquisition costs of up to EUR 800.00 are fully depreciated in the year of their acquisition.

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

Raw materials, supplies, and consumables are stated at their acquisition cost. Work in progress, as well as finished and unfinished products, are stated at their production cost, subject to the value ceiling under commercial law. Inventory write-downs are made to fair value as of the balance sheet date.

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

Other provisions are established for all contingent liabilities and—where necessary—for anticipated losses from pending transactions. All identifiable risks are taken into account. Provisions are recognized in the amount deemed necessary, based on sound business judgment, to settle the underlying obligation. In doing so, costs are considered as of the expected date of utilization.

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 regarding the probable future utilization, in particular the medium-term planning forecast for plant construction. For discounting, the term-dependent average market interest rates for the past seven years, as

determined by the Deutsche Bundesbank in accordance with the Provision Discounting Regulation, are used. The income from discounting, as well as interest effects resulting from changes in interest rates and revised term assumptions, are recognized in their entirety as interest income or interest expense.

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

Deferred taxes are recognized and measured in accordance with Section 274 of the German Commercial Code (HGB). Deferred tax assets and liabilities under the same tax jurisdiction are offset—within the Group, this also includes deferred taxes arising from consolidation adjustments; a net excess of deferred tax assets is not recognized in accordance with the option provided in Section 274 (1), sentence 2, of the German Commercial Code (HGB), unless it results from a first-time consolidation. Deferred tax assets and liabilities are reported on a net basis. Deferred tax assets arising from tax loss carryforwards are recognized to the extent that they are deemed recoverable. In this context, future taxable income is taken into account only to the extent that it can be offset against the loss carryforwards within the next five years. The amount recognized is at least equal to any net liability for deferred taxes within the same tax jurisdiction.

Liabilities are recognized at their settlement amount.

Transactions in foreign currencies are translated into euros at the exchange rate on the date of the transaction. Foreign currency receivables and liabilities with a remaining term of up to one year are measured at the mid-market exchange rate on the balance sheet date. For those with a remaining term of more than one year, measurement is based on the exchange rate on the balance sheet date or the lower or higher rate on the transaction date.

The functional currency of all companies included in the consolidated financial statements is the euro; therefore, currency translation of the individual financial statements within the Group is not required.

Revenue is recognized upon delivery or upon completion of the service.

Revenue from government grants is recognized when the commitments have been made or the grant agreements have been concluded and the subsidized measures have been performed or fulfilled. Revenue from grants for assets required to be capitalized is fully recognized as revenue at the time of completion or upon the conclusion of the asset's commissioning; there is no pro-rata reversal over the asset's useful life. Revenue is reported as other operating revenue; claims to realized grants are reported as other assets; funds already received but not yet realized are reported as other liabilities.

The accounting, valuation, and presentation methods remained unchanged from the previous year.

V. Notes to the Balance Sheet

1. Non-Current Assets

The changes in the individual items of fixed assets, including depreciation for the fiscal year, are presented below in the statement of changes in fixed assets in the consolidated interim financial statements.

The intellectual property rights and similar rights and assets acquired for consideration and capitalized as part of the initial consolidation in the 2021 consolidated financial statements include, in particular, the patents owned by Pyrum Innovations International S.A. relating to the recycling of used tires, as well as the know-how regarding the application of this process acquired under a research services agreement. Amortization is calculated on a straight-line basis, taking into account the respective remaining terms of the patents.

The internally generated intangible assets capitalized under **"Intangible Assets Under Development"** relate, on the one hand, to development costs associated with the development of a higher-quality ThermoTireBlack® (TTB) under the Joint Development Agreement with Continental AG, for which patent applications have been filed. On the other hand, they relate to development costs for the recycling of carbon fiber-reinforced plastics (CFRP), for which a patent application has also been filed. In addition, development services related to the further development of the digital twin of the thermolysis plant are capitalized.

Advance payments and assets under construction totaling EUR 13,343 thousand as of June 30, 2026 (December 31, 2025: EUR 12,229 thousand). This balance primarily consists of components of the site expansion in Dillingen/Saar that have not yet been completed or transferred to property, plant, and equipment, as well as Pyrum's second facility in Perl-Besch, which is being constructed by Pyrum GreenFactory II GmbH.

in thousands of euros		Jun. 30, 2026	Dec. 31, 2025
Plant expansion at the Dillingen facility	Project start: 2020	5,631	4,938
Perl-Besch Thermolysis Plant (Pyrum GreenFactory II GmbH)	Project start: 2024	7,575	7,291

The project to expand the main plant in Dillingen/Saar with the TAD2 and TAD3 thermolysis lines, including the preceding and subsequent processing stages, was initiated following the commencement of continuous industrial operation of the first thermolysis tower in 2020. Construction of the new facility began in September 2021. As of June 30, 2026, the project primarily comprises the new grinding and pelletizing plant.

Financial assets on the consolidated balance sheet include the investments in SUAS reTIRE and UniPyrum.

Consolidated Gross Statement of Changes in Non-Current Assets

(in euros)	Acquisition and production costs					Cumulative depreciation and amortisation				Book value	
	Jan. 1, 2026	Additions	Disposals	Reclassifications	Jun. 30, 2026	Jan. 1, 2026	Additions	Disposals	Jun. 30, 2026	Jun. 30, 2026	Dec. 31, 2025
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	81,566.19	9,988.00	0.00	91,554.19	8,321.00	18,309.00
2. Acquired rights and licences in such rights	7,532,174.76	0.00	0.00	0.00	7,532,174.76	3,766,341.97	435,615.00	0.00	4,201,956.97	3,330,217.79	3,765,832.79
3. Intangible assets under development	356,112.04	8,047.06	0.00	0.00	364,159.10	0.00	0.00	0.00	0.00	364,159.10	356,112.04
	7,988,161.99	8,047.06	0.00	0.00	7,996,209.05	3,847,908.16	445,603.00	0.00	4,293,511.16	3,702,697.89	4,140,253.83
II. Property, plant, and equipment											
1. Land and buildings	6,890,389.05	47,349.97	0.00	137.00	6,937,876.02	458,762.21	93,702.47	0.00	552,464.68	6,385,411.34	6,431,626.84
2. Technical equipment and machinery	42,111,647.34	30,396.30	0.00	0.00	42,142,043.64	11,020,176.34	1,264,723.30	0.00	12,284,899.64	29,857,144.00	31,091,471.00
3. Other equipment, operating and office equipment	2,525,005.01	165,800.70	0.00	0.00	2,690,805.71	1,566,139.01	134,471.70	0.00	1,700,610.71	990,195.00	958,866.00
4. Advances paid and assets under construction	12,229,455.38	1,114,096.42	0.00	-137.00	13,343,414.80	0.00	0.00	0.00	0.00	13,343,414.80	12,229,455.38
	63,756,496.78	1,357,643.39	0.00	0.00	65,114,140.17	13,045,077.56	1,492,897.47	0.00	14,537,975.03	50,576,165.14	50,711,419.22
III. Non-current financial assets											
Shares in associates	4,079.40	1,210,614.70	0.00	0.00	1,214,694.10	0.00	0.00	0.00	0.00	1,214,694.10	4,079.40
	71,748,738.17	2,576,305.15	0.00	0.00	74,325,043.32	16,892,985.72	1,938,500.47	0.00	18,831,486.19	55,493,557.13	54,855,752.45

2. Current Assets, Prepaid Expenses

Inventories consist primarily of customer orders in progress, as well as work-in-progress and finished goods from the operation of the recycling plant at the Dillingen/Saar site.

There were no **trade receivables** with a remaining term of more than one year as of the balance sheet date. Receivables were valued at their nominal value, taking into account all identifiable risks. Impairments are accounted for through individual write-downs.

3. Equity

The changes in **consolidated equity** are shown in the **consolidated statement of changes in equity**.

4. Share Capital, Authorized Capital

As of June 30, 2026, the share capital remained unchanged at 4,292,664.00 euros, divided into 4,292,664 shares.

By resolution of the Annual Shareholders' Meeting on July 14, 2026, the Executive Board, with the approval of the Supervisory Board, was authorized to increase the authorized capital by July 13, 2031, up to a total amount of no more than EUR 2,146,332.00, either in a single installment or in installments, in exchange for cash or non-cash contributions. Shareholders' subscription rights may be excluded under certain conditions. The previously authorized capital has been revoked.

5. Capital Reserve

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

The **capital reserve pursuant to Section 272(2)(1) of the German Commercial Code (HGB)** amounted to EUR 71,447,506.56 as of June 30, 2026, unchanged from December 31, 2025.

The **capital reserve pursuant to Section 272 (2) No. 4 of the German Commercial Code (HGB)** as of June 30, 2026, remained unchanged from December 31, 2025, at EUR 8,242,976.00.

In total, the **capital reserve** as of June 30, 2026, thus remained unchanged from December 31, 2025, at EUR 79,690,482.56

6. Conditional Capital, Convertible Loans

Conditional capital and convertible loans of BASF Antwerpen NV from 2020

By resolution of the Annual General Meeting on September 9, 2020, the Executive Board 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' direct subscription rights were excluded. BASF Antwerpen NV is authorized to subscribe to the convertible bonds.

The Annual General Meeting held on September 9, 2020, further resolved to conditionally increase the AG's share capital by EUR 199,576 (**Conditional Capital 2020/I**). The conditional capital increase will be carried out only to the extent that the holder of the convertible bonds is permitted to exercise and does exercise its conversion right.

On September 9, 2020, the Executive 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 with BASF Antwerpen NV in the amount of EUR 7,000,000. The convertible loan agreement relates to Pyrum Innovations 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% per annum. Disbursement took place in tranches upon the achievement of certain milestones. The term of each tranche is ten years; repayment begins at the start of the third year following the respective 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 applies exclusively in the event of termination for good cause. The par value of the shares received upon conversion must be paid in cash. The conversion agreement includes a dilution protection clause. The loan obligations 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 since the remaining loan terms were in line with market conditions at the time of issuance, no separable economic value can be attributed to this conversion right that would have had to be allocated to the **capital reserve** upon issuance **pursuant to Section 272(2)(3) of the German Commercial Code (HGB)**.

The Annual General Meeting held on July 13, 2023, resolved to conditionally increase the AG's share capital by EUR 74,335 (**Conditional Capital 2023/I**) to provide protection against dilution. The conditional capital increase will be carried out only to the extent that the holder of the convertible bonds is permitted to exercise and does exercise her conversion right.

The convertible loan, totaling EUR 7.0 million, has been paid out in full. EUR 1.7 million of this loan was repaid as scheduled as of June 30, 2026.

Conditional Capital 2024 I

The Annual General Meeting held on July 18, 2024, resolved to conditionally increase the share capital of Pyrum Innovations AG by EUR 39,000 (Conditional Capital 2024 I).

The conditional capital increase is intended exclusively for the granting of subscription rights to shares (stock options) to employees of the Company and its affiliated companies in accordance with the resolution of the Annual General Meeting held on July 18, 2024 (Agenda Item 7). The increase will be implemented only to the extent that subscription rights are exercised and the company neither provides a cash settlement nor uses treasury shares or other forms of fulfillment to satisfy the rights.

As of June 30, 2026, the **2024 I conditional capital** remained unchanged at EUR 39,000, corresponding to 39,000 shares.

As of June 30, 2026, 9,804 subscription rights, corresponding to 9,804 shares, had been issued to employees.

Conditional Capital WSV 2025/2026

As of June 30, 2026, the **WSV 2025 conditional capital** still amounted to EUR 1,446,948, corresponding to 1,446,948 shares.

At the Annual General Meeting on July 14, 2026, it was resolved to cancel the existing conditional capital. At the same Annual General Meeting, it was resolved to increase the share capital of Pyrum Innovations AG by a further EUR 1,872,421 on a conditional basis (**Conditional Capital WSV 2026**).

The conditional capital increase may be carried out only in the event of the issuance of bonds that are accompanied by conversion or option rights or obligations, in accordance with the authorization resolution of the Annual Shareholders' Meeting of July 14, 2026 (through July 13, 2031) 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 of the Company, in whole or in part, in lieu of payment of the amount due, and to the extent that, in each case, no cash settlement is provided or the Company's treasury shares or other forms of satisfaction are used to service the obligation.

7. Distribution Restriction Pursuant to Section 268(8) of the German Commercial Code (HGB)

The total amount subject to the distribution restriction pursuant to **Section 268(8) of the German Commercial Code (HGB)** amounts to EUR 372,480.10 as of June 30, 2026, and relates to the capitalization of internally generated intangible fixed assets.

8. Provisions

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

in euros	Jun. 30, 2026	Dec. 31, 2025
Obligations under cooperation agreements	1,370,643	1,616,460
Inventor's compensation (Pyrum S.A.)	939,561	933,439
Provisions related to personnel	472,000	436,145
Financial statement preparation, audit, legal, and consulting fees	208,577	198,178
Outstanding invoices, other	79,600	124,400
	3,070,382	3,308,622

Long-term obligations arising from cooperation agreements exist in connection with the construction of the first plant in Dillingen. Several cooperation partners have deferred their claims for compensation until further follow-up projects are completed.

An agreement was reached with the inventor of the tire thermolysis process that guarantees him performance-based compensation in the amount of EUR 1,000,000. The payment is linked to the profits of Pyrum Innovation International S.A. The resulting liability is recognized in the consolidated financial statements at its discounted present value, taking into account the probable timing of its occurrence.

9. Disclosures on Liabilities

Consolidated liabilities are broken down as follows:

in euros	Remaining term of up to one year		Remaining term of more than one year	
	Jun. 30, 2026	Dec. 31, 2025	Jun. 30, 2026	Dec. 31, 2025
Liabilities				
to banks	280,765	328,956	2,276,937	2,405,254
Advance payments received	2,614,412	2,664,412	0	0
from sales and services	2,538,112	2,908,942	6,505	11,872
of which: hire-purchase liabilities	35,376	69,934	6,505	11,872
Other	6,066,691	5,695,592	24,469,339	26,041,819
of which convertible loans	835,831	823,402	4,483,281	4,904,326
of which other loans	3,681,089	3,277,794	19,986,058	21,137,493
of which from public funding	1,321,475	1,322,392	0	0
of which from taxes	94,947	81,697	0	0
of which for social security	10,875	13,186	0	0
Total	11,499,980	11,597,902	26,752,781	28,458,945

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

in euros	Remaining term greater than five years	
	Jun. 30, 2026	Dec. 31, 2025
Liabilities		
to banks	1,217,396	1,353,110
Other	10,086,618	11,824,529
of which convertible loans	1,101,335	1,433,462
of which other loans	8,985,283	10,391,067
Total	11,304,014	13,177,639

Liabilities to financial institutions in the amount of EUR 2,557,702 are secured by mortgages on fixed assets. Liabilities to financial institutions relate exclusively to the parent company.

The hire-purchase liabilities in the amount of EUR 41,881 are secured by retention of title or transfers of ownership by way of security on fixed assets.

The remaining loans reported under "Other Liabilities" as of June 30, 2026, in the amount of EUR 27,579,669 consist of loans granted by BASF NV.

These consist of the outstanding amount of the convertible loan in the amount of EUR 5.7 million, the loan granted in the second quarter of 2023 in the amount of EUR 4.0 million, and the EUR 19.3 million in loans disbursed to date under the November 2023 loan agreement for up to EUR 50.0 million.

The latter two loans, including a tranche of EUR 5.7 million that has not yet been disbursed, are secured as follows:

- Transfer of title as security for the ELDAN shredder, the new thermolysis plant with the TAD2 and TAD3 reactors, the grinding plant (each with the surrounding buildings and supporting structures), the power generation plant, the silo towers, and the control room,
- Claim to transfer of ownership of the plant components ordered for Pyrum Green Factory II GmbH,
- Assignment of Pyrum Innovations AG's claims arising from the intra-group transfer of loan funds in the amount of EUR 6.0 million to Pyrum Green Factory II GmbH

Additional loans, including interest liabilities, totaling EUR 1,406,589 (previous year EUR 1,381,178) have been granted by other shareholders of the company. They are unsecured, have terms of up to four years, and carry interest rates ranging from 2.5% to 6.0%.

10. Financial Obligations Not Recognized on the Balance Sheet

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

Obligations arising from rental and lease agreements:	Thousands of euros
Due in 2026	692
Due in 2027	436
later	347
	<u>1,475</u>

The **purchase commitments** primarily consist of purchase agreements for plant components; they total EUR 4,912,796 for the Group, of which EUR 2,500,000 is due in the long term.

Contingent liabilities arising from cooperation agreements amount to EUR 591,000. The Executive Board of Pyrum Innovations AG assesses the likelihood that the company will be held liable for these contingent obligations as low, since, from today's perspective, all relevant plant components will also be used in other plants.

In addition to the foregoing financial obligations, Pyrum Innovations AG is obligated under the convertible loan agreement with BASF Antwerpen NV to in the event of a conversion of the portion of the loan attributable to the subsidiary following termination by the lender for good cause, to permit the lender to become a minority shareholder in Pyrum Innovations International S.A. with a stake of up to 7.4%.

The Executive Board of Pyrum Innovations AG assesses the likelihood of this contingent liability being triggered as low, since its subsidiary is financially sound enough to meet its obligations under the agreement as they become due.

VI. Information on the Income Statement

Revenue is broken down as follows:

in euros	H1 2026	H1 2025
Recycling Plant Operations	1,294,947	977,578
Consulting	350,000	200,000
Research contracts	29,540	13,654
Rental income	39,545	41,437
Other revenue / revenue reductions	29,446	33,596
	1,743,478	1,266,265

Revenue in the 2026 financial year was generated almost exclusively from customers in Germany and the European Union. The transaction currency is the euro.

Other **own work capitalized** for the first half of 2026, totaling EUR 1,122 thousand, results primarily from expansions and optimizations of the facilities in Dillingen/Saar as well as from the construction of the new facility of Pyrum GreenFactory II GmbH in Perl. In the first half of 2026, work performed in-house in Dillingen primarily related to the construction and commissioning of the new grinding and pelletizing plant at.

Other own work capitalized comprises the total expenses for the half-year related to self-constructed property, plant, and equipment, consisting primarily of materials used in the amount of EUR 22 thousand (previous year: EUR 3,407 thousand), external services totaling EUR 129 thousand euros (previous year: EUR 987 thousand), and work performed by Pyrum personnel valued at full cost, totaling EUR 972 thousand (previous year: EUR 465 thousand).

Other operating income in the amount of EUR 496 thousand (previous year: EUR 2,303 thousand) primarily includes income from the release of provisions in the amount of EUR 243 thousand (previous year: EUR 0 thousand) and insurance compensation of EUR 15 thousand (previous year: EUR 23 thousand).

Personnel expenses include all wages and salaries for employees and the Executive Board, expenses for temporary staff and part-time workers, as well as the employer's share of social security contributions.

Pension expenses amounted to EUR 11 thousand (previous year: EUR 6 thousand).

The Group's other operating expenses break down as follows:

in euros	H1 2026	H1 2025
Recurring stock exchange (follow-up) fees	170,149	128,885
Closing, audit, legal, and consulting costs	339,387	344,292
Repairs and maintenance	591,935	332,865
Other production operating costs	304,804	451,103
Rent for land and buildings and utilities	391,567	255,953
Insurance, premiums, and taxes	358,564	158,077
Vehicle expenses	279,110	244,354
Other operating expenses	579,398	260,728
	3,014,914	2,176,256

Legal and consulting costs also include technical, economic, and tax consulting services and analyses.

Total research and development expenses amounted to EUR 279 thousand in the first half of the year (previous year: EUR 414 thousand). Of this amount, EUR 8 thousand (previous year: EUR 60 thousand) relates to internally generated intangible assets.

Other interest and similar income include interest income from the discounting of provisions in the amount of EUR 4 thousand (previous year: EUR 0).

Interest expenses were primarily used to finance fixed assets. Expenses from the compounding of long-term provisions amounted to EUR 6,122 for the Group (previous year: EUR 17,558).

Deferred Taxes

To calculate deferred taxes arising from differences between the carrying amounts of assets and liabilities under German commercial law and their tax bases, or from tax loss carryforwards, the amounts of the resulting tax liability or tax benefit are measured using the entity-specific tax rates at the time the differences are resolved and are not discounted. Differences arising from consolidation adjustments are also taken into account. The tax rates applied for Germany are 30.53% for effects that will be reversed by the end of 2027, followed by annually decreasing rates starting in 2028, down to 25.3% by 2032. For Luxembourg, the rate is set at 23.87%. Deferred tax assets arising from tax loss carryforwards of Pyrum Innovations AG and Pyrum Innovations International S.A. were recognized to the extent that, after offsetting deferred tax assets and liabilities arising from temporary differences, net tax liabilities remained for the respective company.

The corporate income tax and trade tax loss carryforwards of Pyrum Innovations AG may be offset against future taxable income indefinitely; for Pyrum Innovations International S.A., there is a time limit of 17 years following the respective year in which the loss was incurred.

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

in euros	Jun. 30, 2026	Dec. 31, 2025
Loss carryforwards	973,031	1,009,167
Long-term provisions	249,107	250,048
Intangible assets acquired for consideration	-233,664	-243,400
Intangible assets developed in-house	-96,357	-95,472
Property, plant, and equipment	-853,558	-881,169
Government grants	-38,559	-39,174
Remainder after netting	0	0

VII. Related Parties

Related parties are defined in accordance with the requirements of International Accounting Standard **IAS 24**.

The following are considered **related parties**:

- all members of **the Executive Board** and the entities under their influence,
- all members of **the Supervisory Board** and the entities under their influence,
- all members of the **first level of management** below the Executive Board and the companies over which they exercise influence, as well as—based on the level of ownership, in conjunction with other factors where applicable
- the **shareholders BASF Antwerpen NV** and **Amel Holding S.A.**

Pyrum Innovations International S.A. and **Pyrum GreenFactory II GmbH** are also related companies and, at the same time, affiliated companies.

All business transactions with related parties were concluded and executed on arm's-length terms.

Significant business transactions and legal relationships with related parties are described below:

In November 2023, a cooperation agreement was entered into with BASF Antwerpen NV, which provides for the granting of a credit line of up to EUR 50,000 thousand. As of June 30, 2026, EUR 19,300 thousand had been drawn down from this line; an additional EUR 5,700 thousand had been firmly committed. The loan tranches bear interest at market rates, each have a term of ten years, and are secured.

Interest-bearing loan obligations continue to exist toward shareholder and Supervisory Board member Jürgen Opitz and the companies controlled by him (totaling EUR 705 thousand).

VIII. Notes to the Statement of Cash Flows

The cash and cash equivalents consist of the following:

in euros	June 30, 2026	Dec 31, 2025	June 30, 2025	Dec 31, 2024
Cash on hand and bank balances	6,101,699	17,005,803	3,087,341	11,948,783
less pledged balances	0,00	0,00	-209,027	-
	<u>6,101,699</u>	<u>17,005,803</u>	<u>2,878,314</u>	<u>11,740,070</u>
Finanial Resource Fund				

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

In accordance with accounting standard DRS 21, receipts from public and private expense grants—in particular, research grants from public funding agencies based on actual costs incurred—are reported in cash flow from operating activities. This figure also includes the majority of payments made for funded research expenses.

Investments that do not result in immediate cash outflows were made through the conclusion of hire-purchase agreements. The scheduled repayment installments are reported as cash outflows in cash flow from financing activities.

IX. Significant Events Since the End of the First Half-Year of the Group's Financial Year

In July 2026, the Tyre-to-Tyre initiative launched by Pirelli was announced. As part of the initiative, Pirelli uses ThermoTireBlack®, produced by Pyrum, directly in the manufacturing of its high-performance tires. ThermoTireOil® is also being reintroduced into the tire manufacturing production cycle. Project partners BASF and Synthos process it into synthetic rubber, which is then used by Pirelli to manufacture new tires.

In August 2026, the first external plant purchase agreement was signed with the joint venture SUAS reTire. At the same time, the joint venture successfully concluded the loan agreements with the financing bank in the Czech Republic. This secures the financing for the plant construction project. SUAS reTire has placed a binding order for the Pyrum thermolysis plant, consisting of three thermolysis reactors and the associated process technology. As the supplier of the key technology for the thermolysis process, Pyrum will also ensure the integration of the other plant components into the central control room at the site.

In September 2026, the project with GreenTech in Sweden received a grant of 24 million euros from the Environmental Protection Agency (EPA). The Swedish EPA awards annual funding for, among other things, scientific research projects, sustainable environmental initiatives, and climate protection measures. With this grant, planning can now move on to the next phase, which involves finalizing the banking documentation and the final equity structure.

X. Other Disclosures

1. Employees

The average number of employees at the company during the reporting period was 100 (as of December 31, 2025: 98). Of these, 56 are blue-collar workers and 44 are white-collar employees.

2. Corporate Bodies

Supervisory Board

Alf Schmidt

Chairman

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

Renata Bandov

Vice Chair

Executive Director (In-House Counsel) – Listing Service & Rule Enforcement of Deutsche Börse AG

Jürgen Opitz

Managing Director of Satherm GmbH

Matthias Lindner

Division Controller of the BASF Petrochemicals Division

Hans-Jürgen Maas

Certified Public Accountant and Tax Consultant, Managing Director of THS Treuhand Saar Tax Consulting GmbH, Saarbrücken.

Board of Directors

Pascal Klein

Chairman of the Board

Kai Winkelmann

Chief Financial Officer

Preparation of the Annual and Consolidated Financial Statements

Today, the Executive Board prepared the interim consolidated financial statements for the period from January 1 to June 30, 2026, and approved them for publication.

Pyrum Innovations AG

Dillingen/Saar, September 22, 2026



Pascal Klein
Chairman of the Board



Kai Winkelmann
Board of Directors

2026 Financial Calendar

October 6–7, 2026	SME Conference 2026, Paris
November 20, 2026	Quarterly Update – Q3 2026
November 23–25, 2026	Deutsches Eigenkapitalforum, Frankfurt

Investor Relations



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Legal Notice

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