

Dear Selvita Investors, Business Partners, and Friends,



In 2024, we resumed our growth trajectory, reversing the negative trend of the past several quarters. As anticipated, each quarter brought steady improvements.

Revenues in the second half of the year were 20% higher than in the first, enabling us to restore EBITDA margins well above 20%. We entered 2025 with strong momentum, and despite a noticeable market slowdown in the latter half of the first quarter, March backlog data indicates a year-on-year increase of 11% in contracting. The first half of this year holds a potential to be significantly stronger than the same period last year, and we remain committed to sustaining this positive trajectory. However, we continue to navigate an environment marked by significant uncertainty.

Our growth in recent quarters has been driven primarily by organic expansion. During this period, we broadened our offerings and strengthened our sales efforts. Our strategy of increasing exposure to large pharmaceutical companies has delivered the desired results—revenues

from this customer segment have grown by more than 50% year over year. We will continue on this path, reinforcing Selvita's foundation with long-term, prospective contracts with major pharmaceutical companies, which have strong cash reserves and are steadily expanding the scope and value of subcontracted R&D to Selvita.

In terms of biotech sector financing, significantly more capital entered the market last year than in the previous two post-pandemic years. While most of these new funds were directed toward later-stage clinical projects, biotech companies benefited from the improved market sentiment and invested more confidently in the development of their early-stage R&D initiatives.

Biotech companies remain our key high-margin customer segment, contributing 49% of revenues in 2024, and we will continue to actively pursue their budgets this year. This applies to both the European and U.S. markets, as the sector's improved financing environment is evident on both sides of the Atlantic.

Sales in Europe continue to dominate our revenue structure, accounting for nearly 70% of total revenues. We are capitalizing on our growing reputation in the region while also positioning ourselves to expand our presence in the U.S.—the world's largest life sciences market.

Selvita meets its customers' needs by delivering world-class science at competitive prices. Our individualized approach, combined with our strategic geographic location, ensures optimal value for money—an advantage increasingly recognized by pharmaceutical companies seeking to optimize costs and streamline supply chains.

We are also focused on enhancing efficiency, which is why we are continuously implementing AI-driven tools to support our scientists at every stage of their work. Customers are already seeing the added value of these innovations, and we are committed to further strengthening their confidence in our capabilities.

In doing so, we are building a forward-looking business model. Industry forecasts clearly indicate that the future of drug discovery and development lies in AI-assisted laboratories—an area where contract research organizations like Selvita will play an increasingly vital role.

In 2024, we completed two acquisitions, and we expect to see increasing benefits from them this year. Through the acquisition of Pure Biologics' team and assets,



as well as Pozlab, we have extended and strengthened our value chain for customers.

In the biologic drug discovery and development space, we anticipate securing our first major contracts soon, paving the way for the planned profitability of this new business segment next year. Meanwhile, Pozlab has been generating operational synergies each month since the acquisition, enhancing the efficiency of the entire Group. We have also strengthened the new location with additional equipment and seamlessly integrated it into our Kraków-based drug development team.

At this stage, our primary focus is on driving growth within the acquired entity, and the initial results are already visible. Our goal remains clear: by the end of 2025 at the latest, Pozlab will become a meaningful contributor to the Group's operating results.

We entered 2025 with a strengthened sales structure—the key driver behind all our efforts. At the turn of the year, Dr. Paul Overton joined Selvita as Chief Commercial Officer, bringing over 25 years of business development experience. His international expertise will enhance our presence in key foreign markets and open doors to new high-value customers.

At the same time, we have reinforced our rapidly growing Drug Development segment and the newly established biologic drug discovery division, now under the direct leadership of Dr. Miłosz Gruca. This strengthened structure is designed to maximize the impact of our recent acquisitions.

Selvita continues to have strong potential for organic growth. With our existing infrastructure, access to additional space across various locations that can be adapted as needed, and opportunities for further optimization, we have the capacity to nearly double our current revenue levels without significant capital expenditures.

This year, we will primarily reap the benefits of the resources we have invested in over the past two years. As a result, we plan to allocate only around PLN 10 million for new investments. Any decisions regarding the development of our own infrastructure will be considered in the coming years, depending on market conditions and our financial performance. Given typical investment cycles, any substantial CAPEX for infrastructure is unlikely before 2027.

In 2024, funding for the broader life sciences sector—across both public and private markets—improved significantly compared to the previous two years. As we enter

2025, both pharmaceutical and biotech companies have capital allocated for R&D. However, this positive outlook is tempered by the geopolitical uncertainties that have impacted markets in recent weeks.

We have observed that, amid uncertainty in the United States, some clients in the drug discovery segment are taking a cautious approach, awaiting policy directions from the new administration in Washington and the response of investors whose confidence in the sector has strengthened over the past few quarters.

For companies like Selvita, capital market conditions will be a key driver of growth—the stronger they are, the faster new projects will be initiated. As of this report's publication date, our contracting pipeline suggests that the first half of the year can be significantly stronger than in 2024. However, sustaining this momentum in the second half will depend on market stabilization and broader macroeconomic sentiment.

I would like to express my sincere gratitude for your continued support—and to our shareholders, for their patience. Over the past quarters, we have successfully met numerous internal targets and capitalized on an improving economic environment, allowing us to enter 2025 with strong contracting momentum.

We are well-positioned to sustain our upward trajectory and strengthen our key metrics, driven by the increasing efficiency of the assets we acquired last year and our continued focus on operational leverage. Fundamentally, Selvita has all the resources needed to grow and solidify its position in the global CRO market. While we remain committed to organic growth as our primary strategy, improving profitability will surely also fuel our appetite for further acquisitions. The next stages of our journey together promise to be both exciting and rewarding.

Yours sincerely,
Bogusław Sieczkowski