

INVESTAI CAPITAL

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The Peptide Boom

GLP-1s proved the model. Washington just opened the door. HIMS is the retailer.



A research report by **InvestAI Capital**

November 2026

Figures as of November 20, 2026.

OUTLINE OF THE REPORT

Contents

This report opens with the proof - a peptide became the biggest drug class in history - then works through the policy shift that opened a regulated lane for six more, the market that lane creates, and the retailer positioned to sell into it. It closes with the risks, stated plainly, and the thesis in one page.

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This report does not price, value or recommend any security, fund or other asset. It sets out what the data shows, what is genuinely new, and where caution is warranted. Figures as of November 20, 2026, unless noted.

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THE REPORT IN NUMBERS

$71.9B

LLY + NVO combined GLP-1 sales, FY2025 **Section 02**

$150B to $300B

Peptide therapeutics market, 2026 to 2034, at roughly 10% a year **Section 04**

6

Peptides in the HHS enforcement-discretion lane, October 28, 2026 **Section 03**

10,000+

Peptides+ waitlist sign-ups in two weeks **Section 05**

2.79M

HIMS subscribers, at $105 a month on average **Section 05**

1x

HIMS on FY2026 revenue guidance at the November 20 close **Section 05**

THE REPORT IN BRIEF

The peptide boom, **evaluated through a distribution lens**

> *The molecules cannot be patented. The customer can be owned.*

In 2018, Novo Nordisk launched a diabetes drug called Ozempic. Eight years later, its cousins are the biggest drug class in pharmaceutical history - $71.9 billion a year between two companies, one of them the first trillion-dollar drugmaker ever. The molecule that did it is a peptide: a chain of amino acids, the same kind of molecule the body already makes to signal fullness, healing and sleep. Now the same story is starting one rung down. On October 28, 2026, the Department of Health and Human Services opened a regulated compounding lane for six more peptides - enforcement discretion, not approval. HIMS, with 2.79 million subscribers already paying $105 a month, launched Peptides+ on November 18. This report works through the proof, the policy, the market and the retailer - and states the risks plainly, because they are the reason the stock is priced where it is.

HOW THE REPORT IS ORGANIZED

01 **The proof and the opening.**
Sections 1 to 4

02 **The retailer and the risks.**
Sections 5 to 6

03 **The thesis.**
Section 7

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01

What a **Peptide Is**

The body's own messaging system - and why the line between a drug and a supplement is regulation, not chemistry.



SECTION 01

What a Peptide Is: **The Body's Own Messaging System**

A peptide is a short chain of amino acids - the building blocks of protein - linked together. Your body runs on them. Insulin is a peptide. So is GLP-1, the gut hormone that tells your brain you have eaten enough.

That is the first thing to understand: peptides are not an invention. They are the body's own messaging system. Drugmakers spent decades learning to copy those messages, stabilize them, and deliver them as medicine.

In 2018, Novo Nordisk launched a diabetes drug called Ozempic. Eight years later, its cousins are the biggest drug class in pharmaceutical history. The molecule that did it is a peptide - a chain of amino acids, the same kind of molecule your body already makes to tell itself it is full, to heal a cut, to fall asleep.

Now the same story is starting again, one rung down the ladder. The molecules this time do not treat diabetes. They promise recovery, energy, focus, sleep, skin, hair, sex drive - the whole longevity wish list. Most have never been tested in a proper human trial. And last month, the US government opened a regulated lane for selling them, carefully. This is the peptide boom. Here is the thesis, in plain English.

> ***Most investors hear "peptides" and think of biohacker forums and gym bags. That was true last year. It is the wrong frame now.***

Most investors hear "peptides" and think of biohacker forums and gym bags. That was true last year. It is the wrong frame now.

> **My take:** The right frame is: the most successful drug class in history is a peptide, and the government just moved the line for the next six.

02

The Proof: **GLP-1 Paved the Way**

Every boom needs a proof point. This one has the best proof point in modern pharma.



SECTION 02

The Proof: **GLP-1 Paved the Way**

Every boom needs a proof point. This one has the best proof point in modern pharma.

Novo Nordisk launched Ozempic in 2018 for diabetes. Eli Lilly answered with Mounjaro, then Zepbound for obesity. The results, in the filings:

- Combined, LLY and NVO sold **$71.9 billion** of GLP-1 drugs in fiscal 2025.
- LLY's two drugs alone - Mounjaro $23.0 billion (+99%) and Zepbound $13.5 billion (+175%) - are 56% of Lilly's entire revenue.
- Tirzepatide, Lilly's molecule, delivers about 22.5% average weight loss. Semaglutide, Novo's, about 15%.

At the November 20, 2026 close, LLY was worth about $1.20 trillion — the first drugmaker ever to cross a trillion market cap. NVO, the company that started it, was worth about $169 billion, down sharply from its 2024 peak. The market is giving LLY a premium valuation for its growth against NVO (though both had revenues not far from each other in 2025). NVO had revenue of $48 billion while LLY had revenue of $65 billion.

And the market is still growing. The GLP-1 class did about $15 billion in 2020 and more than $50 billion in 2025. Goldman Sachs puts anti-obesity drugs at $114 billion by 2030. Morgan Stanley puts the whole GLP-1 class - diabetes plus obesity - at $190 billion by 2035. J.P. Morgan's incretin forecast goes as high as $200 billion by 2030.

Three things GLP-1s proved, and each one matters for what comes next:

- **People will inject themselves weekly, for years, and pay cash for it.** The stigma of the needle is gone. The subscription model for medicine works.
- **The infrastructure exists.** Cold-chain shipping, telehealth prescribing, cash-pay checkout - all built, all proven at scale.
- **The demand is for the magic result that these drugs ensure.** Weight loss, energy, sleep, appearance. GLP-1s sold a result. Peptides will sell for results too.

> ***GLP-1s de-risked the entire category. Every peptide that follows starts from a warm market.***

GLP-1 scoreboard, FY2025	Figure
LLY + NVO GLP-1 sales	$71.9 billion combined
Mounjaro (LLY)	$23.0 billion, +99%
Zepbound (LLY)	$13.5 billion, +175%
Share of LLY revenue	56% from the two drugs
Average weight loss	Tirzepatide ~22.5%; semaglutide 15%
Street forecasts	Goldman Sachs $114B by 2030; Morgan Stanley $190B by 2035; J.P. Morgan up to $200B by 2030

Read the scoreboard the way an underwriter would. A single peptide franchise now carries more than half the revenue of one of the largest drugmakers on earth, and it got there in just 8 years (Novo Nordisk itself is over 100 years old), sold substantially for cash, through a needle patients were once assumed to fear.

None of that had to be true. Each element - weekly self-injection, subscription billing, telehealth prescribing, cold-chain delivery to a home address - was an open question in 2018. Each one is a settled fact in 2026.

That is why the timing of this boom is not an accident. A new peptide category does not need to build a market, educate a customer, or prove a channel. It inherits all three.

The next proof point: three targets, one molecule, four injections a year

On November 23, 2026, Ascletis (HKEX: 1672) started a U.S. Phase I trial of ASC37i, a GLP-1/GIP/glucagon triple agonist designed to be injected once a month, or even once a quarter. The molecule was discovered with the company's AI-assisted structure-based drug discovery platform. In mice, it cut body weight up to 41.5% in 12 days at the top dose — 88% more than tirzepatide at the same dose. In monkeys, its half-life ran about 17 days against 2.5 days for retatrutide, roughly 7 times longer.

Read it with a pinch of salt though: as a proof point about direction, not a result. No human has taken this drug for weight loss yet. The 41.5% is mice at the top dose; the half-life is monkeys, three per group, and the comparison pits a depot formulation against an aqueous one. Phase I measures safety, not weight loss. But the direction is the story: the category is moving from one target to three, from weekly to quarterly, and from chemists' notebooks to AI-designed molecules — and the winner of that race will be whoever owns the dosing interval patients actually stick to.

One more wrinkle, and it matters for this report's thesis: ASC37i has 41 amino acids, which makes it a biologic. It will go through the FDA as a BLA — longer exclusivity, and, in Ascletis' own words, protection from compounding by third-party pharmacies. The HHS lane this report is built on is for compounded peptides. The next generation may not be compoundable at all. The distribution advantage HIMS is building is real, but it is just a window.

> ***The next generation may not be compoundable at all. The distribution advantage is real, but it is just a window.***

SECTION 02 · THE PROOF

THE DOSING RACE

From 52 shots a year to four — the next generation competes on the calendar, not just the scale.

TIRZEPATIDE

APPROVED

LLY · Dual agonist — GIP / GLP-1

INJECTIONS PER YEAR	WEIGHT LOSS	HALF-LIFE
52	22.5%	~5 days
	weight loss · 72 weeks · Phase 3	half-life · human

RETATRUTIDE

PHASE 3

LLY · Triple agonist — GLP-1 / GIP / glucagon

INJECTIONS PER YEAR	WEIGHT LOSS	HALF-LIFE
52	24.2%	~6 days
	weight loss · 48 weeks · Phase 2	half-life · human

ASC37i

PHASE 1

Ascletis (HKEX: 1672) · Triple agonist — GLP-1 / GIP / glucagon

INJECTIONS PER YEAR	WEIGHT LOSS	HALF-LIFE
4–12	41.5%	~17 days
	weight loss · mice · 12 days · top dose	half-life · monkeys

Weight-loss figures come from different trials — and ASC37i's is mice only. Not head-to-head.

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The company behind the molecule

Ascletis Pharma (HKEX: 1672) is a Hong Kong-listed biotech from Hangzhou, started in 2011 as a U.S.–China venture by Jinzi Jason, who ran HIV drug discovery at GSK. About 220 people, a market value near $0.6 billion. It is pre-revenue and loss-making — a RMB 320 million loss in the first half of 2026 on RMB 342 million of research spending — with about RMB 2.3 billion of cash, which the company says funds it into 2029.

ASC37i is the peptide. ASC30 is the company. ASC30 is a once-daily oral GLP-1 pill, now in a global Phase III program of about 4,600 patients (AURORA-1 and AURORA-2), with a readout expected in the third quarter of 2028. Its 13-week Phase II hit 7.7% placebo-adjusted weight loss at the top dose, with no plateau — company-reported, not yet peer-reviewed. ASC37i is one of nine Phase I starts Ascletis put into the clinic this year.

Shares rose 7.2% on November 23.

What it does not inherit is evidence. The GLP-1s earned their market through large, rigorous trials. The six peptides in the next section have not - and this report does not pretend otherwise. The proof in this section is a proof about behavior and infrastructure, not about whether the next molecules work. Section 06 returns to that distinction.

03

The Policy Shift: **Washington Moved the Line**

Enforcement discretion - interim, non-binding, reversible, and not an approval.



SECTION 03

The Policy Shift: **Washington Moved the Line**

On October 28, 2026, the Department of Health and Human Services did something no one in this industry expected: it leapfrogged the FDA.

HHS filed an "Enforcement Discretion Policy" - in plain English, a formal statement that it will not take enforcement action against pharmacies that compound six specific peptides, provided they follow the conditions. It was published in the Federal Register on October 30. The 6 of them are set out in the table on the next page.

The conditions are the fine print that decides whether this is real: a prescription written for one specific patient; one peptide per product (no blends); ingredients from FDA-registered makers with a certificate proving identity and purity; and serious side effects must be reported.

Three things the policy is not:

- **Not an approval.** None of the six has been reviewed by the FDA for safety or effectiveness. The policy says so in plain language.
- **Not permanent.** It is interim and explicitly non-binding. HHS can change it or drop it if a safety problem shows up. It lasts only until the FDA finishes formal rulemaking on each peptide.
- **Not for everyone.** It covers 503A compounding - a licensed pharmacy making a drug for one patient on a prescription. It does not cover big 503B outsourcing facilities, and it does not cover research-chemical sellers.

Peptide	Known for	Allowed form
BPC-157	Injury healing, recovery	Injection, oral, topical
TB-500	Tissue repair	Injection only
KPV	Anti-inflammatory	Oral, topical
MOTS-c	"Exercise mimetic" - energy, metabolism	Injection only
Semax	Memory, focus	Nasal spray only
Epitalon	Anti-aging, longevity	Injection, intermittent courses

Source: HHS Enforcement Discretion Policy, Federal Register, October 30, 2026 (91 FR 68526).

The backstory matters. The FDA's advisory committee reviewed seven peptides in July 2026 and recommended six. The seventh - emideltide, also called DSIP, a sleep peptide - was rejected and is not covered. The public comment window closed November 13. The next committee meeting will weigh five more peptides.

Two years ago the FDA was moving to restrict these compounds. Now HHS has opened a regulated lane for them, with testing and reporting conditions attached. That reversal - from restriction toward conditioned access - is the event this entire report is built on.

04

The TAM: **$150 Billion, and the Number That Matters More**

The counted market is the floor

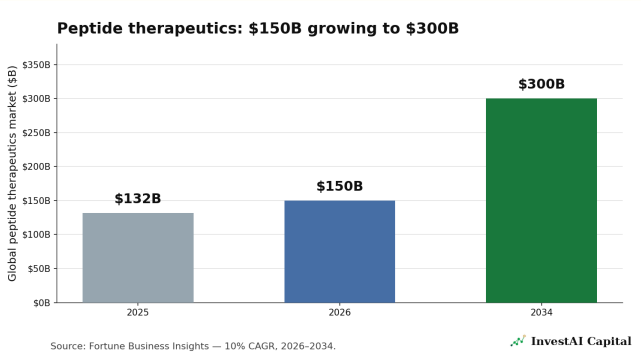


SECTION 04

The TAM: **$150 Billion, and the Number That Matters More**

Analysts puts the global peptide therapeutics market at **$150 billion in 2026, growing to $300 billion by 2034** - about 10% a year. North America is 38% of it. Metabolic disorders - diabetes and obesity, the GLP-1 lane - are the biggest slice at 32%.

But we need to call out that it is not the number that really matters. Here is why: the $150 billion mostly counts approved drugs. Insulin. GLP-1s. Cancer and hormone peptides that already went through trials. The wellness lane - recovery, longevity, energy, the six peptides HHS just opened - is barely in that number at all, because until last month it had no legal lane.



How big is wellness lane (new peptide)? The only public estimate comes from Karsten Eastman, chief executive of peptide drug developer Sethera Therapeutics. He told Investor's Business Daily the HHS decision alone could add **$2 billion to $3 billion in sales for compounders**, and then added: "I think that's actually quite a low number. The GLP-1s themselves are more than 10-fold that, just by themselves. Insulin is more than 10-fold that just by itself."

He is right about the calculus. If the wellness lane captures even a tenth of the GLP-1 market's scale, it is a multi-billion-dollar cash-pay market. And cash-pay matters: no insurance approvals, no pharmacy benefit managers taking a cut, no reimbursement delays. The customer pays and the product is shipped.

The demand is already showing up — and it is net new demand. In November, HIMS launched Peptides+ and said more than 10,000 people had already signed up for early access in the two weeks since the waitlist opened.

At Superpower, a rival longevity platform that began taking peptide pre-orders two days after the HHS decision, orders came in bigger than expected - and mostly from people who had never taken a peptide before. Its chief executive, Max Marchione, said the surprise was how many people had heard about peptides but refused to buy from the grey market - Telegram groups and sketchy websites, no doctor, no testing - and were waiting for a trusted brand.

BPC-157 is the most popular by far, and the BPC-157-plus-TB-500 combination the most requested. The buyers skew male, mostly middle-aged men recovering from injuries. Superpower charges $149 a month for BPC-157 or TB-500 - an actual market price, sitting right where this report's illustrative math assumed $150.

Marchione expects prices to fall toward about $70 a month by 2030 as compounding gets cheaper, which would widen the buyer pool further. He calls the moment "more hype than substance" so far - and says the substance is coming.

The launch menu is sold the same way - on training and performance, energy and focus, longevity and repair. Jesse Morse, a longevity doctor, noted he has been prescribing these compounds for seven years - the demand was already there in clinics; the launch just makes it mainstream.

> ***The $300 billion is the floor for pricing. It counts the drugs that already exist. It does not count the market that just got a regulated lane.***

The other lane: beauty

The same molecules are sold for skin — a second demand vector, and a different lane. Peptide skincare is a roughly $3.5–3.9 billion market in 2026, growing roughly 8–10% a year. But the evidence grades very differently from the GLP-1 story, and one name on the list does not belong to the HHS lane at all.

GHK-Cu — the copper peptide — is the only one of the five with human skin data: a small randomized trial (40 women, 8 weeks) cut wrinkle volume by about a third against a rival peptide cream and 12-week cream studies showed firmer, denser skin. Small, short, mostly one research group — promising, not proven. And it is not one of the HHS six: it is a cosmetic ingredient, sold over the counter in serums. Injectable GHK-Cu is a different product — the FDA flags a possible immune-reaction risk, and its compounding nomination was withdrawn in April 2026.

The other four are in the HHS six — and their skin claims run ahead of their evidence. BPC-157's skin case is animal wound healing; its three small human studies covered knee pain, interstitial cystitis and IV safety, none of them skin, none controlled. KPV has no published human study at all — its anti-inflammatory case is mice with colitis. TB-500 has no published human trial of its own; the human wound data people cite is for full-length thymosin beta-4, a different molecule. MOTS-c has no human data of any kind; "anti-glycation" and "brighter skin" are extrapolations from mouse metabolism studies.

My take: beauty is real demand — roughly $3.9 billion of it, growing near 10% a year — but it is a cosmetics market, not a compounding lane. The buyer is a serum shopper, not a patient(like wellness lane peptide buyers) and the claim that sells the serum is the one with the weakest evidence behind it.

How the market packages it: stacks

The market does not sell single molecules. It sells protocols — stacks, each with a job to do. Six stacks, eighteen names, one pattern: take a real mechanism, add a real drug or two, and sell the combination as if the combination had been tested. It has not been. No human trial has tested any of these stacks as a stack.

Fat Loss pairs a GLP-1 (tirzepatide or retatrutide — the part that works, proven) with tesamorelin and ipamorelin. Tesamorelin is a real FDA-approved drug

Energy pairs SS-31 with MOTS-c. SS-31 won FDA accelerated approval in September 2025 — for Barth syndrome, an ultra-rare disease and nothing else. MOTS-c has no human data at all.

Immune pairs LL-37 with thymosin alpha-1. Thymosin alpha-1 is approved in 35+ countries for hepatitis and immune support — not in the United States. LL-37 is approved nowhere.

Recovery is the stack this report already covers: glutathione, BPC-157, TB-500, KPV. Four names, three of them in the HHS six — and still no human trial of the combination, and the wound and skin claims are animal data.

Sexual Function pairs kisspeptin with PT-141. PT-141 is bremelanotide, FDA-approved as Vyleesi in 2019 — for low sexual desire in premenopausal women

Cognitive pairs semax with selank. Semax is in the HHS six and approved in Russia. Selank is a Russian prescription anxiolytic.

My take: a stack is a packaging innovation, not a science innovation. The buyer thinks they are buying a protocol; they are buying a bundle of single-molecule bets, most of them unproven, priced as if the combination had been tested. Four of the eighteen names carry an FDA approval — tirzepatide, tesamorelin, elamipretide and bremelanotide — each for one use, and only the GLP-1 is approved for the job its stack claims. An independent September 2026 evidence index of the 34 most commonly sold peptides found only 6 rest on replicated human trials — and all 6 are FDA-approved drugs.

05

The Retailer: **HIMS, Two Tailwinds**

The molecules cannot be patented. So the value sits with whoever owns the customer, the prescriber, the distribution and the pharmacy.



SECTION 05

The Retailer: **HIMS, Two Tailwinds**

There are two kinds of companies in a boom: the ones that make the molecules, and the ones that sell them. The molecules here cannot be patented - BPC-157 and TB-500 are fragments of human proteins. Nobody owns them. So the value sits with whoever owns the customer, the prescriber, and the pharmacy. And most important — one who owns the distribution!

That is HIMS AND HERS. And it has two tailwinds blowing at once.

Tailwind one: the GLP-1 retailer. HIMS spent 2026 becoming the place Americans and to a great extent international patients buy branded GLP-1s without insurance. NVO's Wegovy and Ozempic have been on the platform since March, after the two companies settled Novo's lawsuit. LLY joined on November 6 - Zepbound at $299 a month, and Foundayo, Lilly's new daily weight-loss pill, at $149 a month, both at Lilly's own self-pay prices.

That makes HIMS a storefront carrying both drugmakers' full branded shelf. It is a real achievement. And that too settling for now, a low-margin one. Branded GLP-1s are someone else's drug resold at someone else's price - single-digit to low-teens gross margin.

The third quarter showed the bill: revenue $890 million, up 49%, but gross margin fell to 57% from 74% a year earlier, and the company lost $33 million. The market cap fell about 15% on the print and kept sliding — from about $5.9 billion the week before to about $4.3 billion on November 13. By the November 20 close it had fallen further, to about $3.3 billion. Read the GLP-1 business correctly: it only buys traffic, not margins. It brings millions of weight-loss customers onto the platform. What HIMS does with them next is the thesis.

Tailwind two: the peptide platform. The day after the HHS announcement - October 29 - HIMS previewed Peptides+, a new specialty, and opened a waitlist.

Every plan starts with a comprehensive intake and a licensed provider, with at-home blood collection and twice-a-year lab testing on the Care+ plan. The launch menu, as posted on launch day, prices the five at $99-$149 a month - sermorelin $149, NAD+ $149, L-carnitine $129, glutathione $99, B12 $99.

BPC-157 and TB-500 follow when the rulemaking lands - the chief executive, Andrew Dudum, said on the earnings call that explicit rulemaking is expected "within weeks" and will settle testing and facility standards first. Those two will be made in the United States, with some peptide ingredients produced at HIMS's own Menlo Park facility.

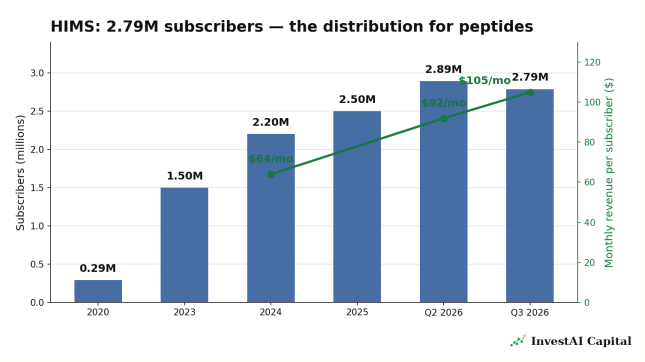
Note what Dudum said, because it is unusually honest for a product launch: "We're focused on entering this specialty the right way, not the fastest. Most of what we know about these compounds is still early - with limited published studies, we draw primarily from clinical experience from the last decade."

But are they all peptides?

Worth asking, because the launch menu mixes categories. Of the five Peptides+ launch treatments, sermorelin is a peptide and glutathione is a tripeptide - but NAD+ is a coenzyme, L-carnitine is an amino-acid derivative, and B12 is a vitamin. None of those three is a peptide. The HHS six - BPC-157, TB-500, KPV, MOTS-c, Semax, Epitalon - are all peptides.

> ***Tailwind one and tailwind two are the same customer. HIMS does not need to find that customer. She is already on the platform.***

The flywheel - why the user base is the moat. HIMS has **2.79 million subscribers paying $105 a month on average** - $890 million of quarterly revenue, about $3.5 billion annualized. The subscriber count has grown from 290,000 at the end of 2020 to 2.79 million today. About 65% are on personalized treatments, the format that resists churn.



HIMS subscribers and monthly revenue per subscriber. Source: company filings and Q3 2026 results.

Now do the cross-sell math - illustrative, not a forecast. Say 10% of subscribers eventually take one peptide at $150 a month. That is 279,000 people x $150 x 12 months - about **$500 million a year** of new revenue, on a base of $3.5 billion. And unlike branded GLP-1s, compounded peptides are HIMS's own supply chain - the margin is theirs, not Lilly's or Novo's. The cost of acquiring those 279,000 customers is close to zero: no advertising, no new prescriber network, no new pharmacy.

My take: this is the exact playbook that built the GLP-1 business, running a second time on higher-margin products. The GLP-1s were the customer-acquisition cost. The peptides are the monetization. If the cross-sell works at even a fraction of the illustrative math, the margin story that crushed the stock in November reverses - and the stock, at 1x 2026 revenue guidance at the November 20 close ($3.3B market cap on 226M shares, against a $3.13–3.15B guide), is priced for the margin story to stay broken. Plus HIMS and HERS are expanding to international markets with many additional products and services at rapid pace through inorganic acquisitions. This will add few more millions of customers that can accelerate subscriber growth from here on. For example, today it launched testosterone care in the UK — at-home testing and personalised treatment, one of its fastest-growing U.S. specialties, now sold abroad — and international revenue more than quadrupled year over year in Q3, to about £174 million.

06

The Risks: **Read This Before Anything Else**

A thesis without risks is a sales pitch. Here are the four that matter.



SECTION 06

The Risks: **Read This Before Anything Else**

1. The evidence is thin.

Most of these peptides have never been tested in a placebo-controlled, randomized study - the gold standard for FDA approval. The FDA's own reviewers found no human studies of BPC-157 by the oral, injected, nasal or skin routes. The promises - svelte physiques, fuller hair, glowing skin, abundant energy, vibrant sex lives - are mostly anecdote and animal data. If a peptide does not work, the market finds out eventually.

2. The policy is revocable.

The HHS Lane is interim, non-binding, and explicitly reversible on a safety signal. The final rulemaking could exclude peptides. A new administration could reverse it. The entire peptide lane exists at the pleasure of a draft document. The $2-$3 billion compounder estimate assumes the lane stays open.

3. HIMS is in a margin hole.

Gross margin has fallen five straight quarters, from 76% to 57%. Subscribers dipped by 100,000 last quarter. The FTC sued in July over subscription and cancellation practices, with a ~$60 million accrual on the books. The DOJ referral from February is still open. At 1x 2026 revenue guidance (November 20 close), the stock is now cheap — for good reason. It was pricing a company that grew 49% and still lost money. HIMS needs to win back subscriber growth and expand into peptides and other adjunct areas.

Consensus has since widened the FY2026 loss to -$0.91/share (from -$0.56) — the margin story is still deteriorating in the tape's eyes, not just in the quarter.

4. The competition is real and bigger.

Amazon's One Medical launched its own GLP-1 program in April 2026, with a customer base roughly seventy times HIMS's subscriber count. LLY and NVO are building direct channels of their own. And any telehealth rival can compound the same peptides - there is no moat in the molecule, only in the distribution. Distribution moats are real, but they are shallow.

07

My Take: **The Thesis in One Page**

Three stages. We are at the start of stage two.



SECTION 07

My Take: **The Thesis in One Page**

The peptide boom has three stages, and we are at the start of stage two.

Stage 1 - the proof (2018-2026). GLP-1s turned a peptide into the biggest drug class in history. $72 billion a year. A trillion-dollar drugmaker exists now. The needle, the subscription, the cash-pay checkout - all proven.

Stage 2 - the opening (October 2026-). HHS moved the line. Six peptides, a regulated compounding lane, conditions attached. HIMS opened a waitlist the next day. Peptides+ launched November 18 with five treatments. Rulemaking on BPC-157 and TB-500 lands within weeks.

Stage 3 - the scale (2027-2035). The cross-sell. 2.79 million subscribers, $105 a month, a prescriber network and a pharmacy already built on HIMS platform. If peptides cross-sell at even a fraction of the illustrative math, the margin mix shifts from branded resale back toward owned, compounded products - and the margin story reverses.

What would change my mind: a safety event in any of the six peptides; the final rulemaking excluding BPC-157 or TB-500; HIMS subscribers falling for a second straight quarter; gross margin falling below 50%; or Amazon and Lilly disintermediating the platform faster than the peptide lane scales.

What to watch, in order:

Watch	When
Peptides+ launched	Nov 18, 2026 - the lane is now revenue; watch conversion of the 10,000+ waitlist
ASC37i Phase I readout	2027 - first human data on a quarterly triple agonist - safety first, weight loss later
Rulemaking on BPC-157 / TB-500	"Within weeks" - the two most wanted peptides
HIMS Q4 print	Feb 2027 - revenue guide $875-895M; margin floor
Subscriber count	Every quarter - the base is the thesis
Next PCAC meeting	2027 - five more peptides to be weighed
FTC case	Ongoing - $60M accrued; the overhang

> ***The molecules cannot be patented, so the value sits with distribution - and HIMS owns the customer, the prescriber, and the pharmacy for the category Washington just opened a lane for.***

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