



STRENGTH AND DEPENDABILITY ON A GROWTH TRAJECTORY

HEALTHCARE DELIVERY ROLE DURING THE PANDEMIC

In a period dominated by the COVID-19 pandemic, Bachem again displayed strength and dependability in fiscal year 2020. Without interruption, every production unit worked tirelessly under difficult circumstances to manufacture urgently needed pharmaceutical ingredients and deliver them to customers. Working in shifts, facing personal restrictions in their private lives and with enormous dedication, everyone involved played an extremely important part in supplying patients with lifesaving drugs. This performance was supported by a well-organized and resilient supply chain management team responsible for planning, procurement of materials, and distribution. Work at construction sites on projects needed to expand capacity also continued uninterrupted. Further, by working from home, over 300 employees helped prevent potential infections at production centers and the work stoppages and supply failures these might have caused. With the dedication of every employee and in compliance with strict protective measures, the Group fully lived up to its responsibilities as a supplier of essential goods. Bachem reaffirmed its position as “Leading

Partner in Tides”; in fact it expanded this leadership in an extremely challenging environment. With excellent results, the company held steady on its growth trajectory.

OLIGONUCLEOTIDES ON THE PATH TO SUCCESS

In 2020 Bachem successfully launched the planned addition of oligonucleotides to its portfolio. Initial facilities for small and medium-scale production were installed, qualified and brought online. Together with non-GMP quantities, Bachem also successfully produced a first GMP batch for a clinical study. With a growing project portfolio, highly motivated specialists and commercial-scale production facilities scheduled to come online in 2021,

Bachem is clearly on the road to success and growth.

NORTH AMERICA WITH NEW RECORD

In North America, sales again saw substantial gains in 2020, following on from 30% growth the previous year. In local currencies, the prior-year result was surpassed by 48.9%. Even with the strongly negative impact of USD/CHF exchange rate movements, the region recorded a 40% gain in the reporting currency. This gratifying development underscores the increasing importance of the US market to corporate results. With sales up some 62 million CHF for a full-year total of 217 million CHF, the North America region turned in its best performance in the company's history. The main reason for these excellent sales figures was once again very good progress in key NCE and generics projects. Bachem was able to successfully support the submission or approval of various projects, and approval of others is expected in the near future. Innovative new dosage forms, such as oral and nasal applications of existing generics, are buoying continuing high demand for peptide-based pharmaceutical ingredients. Concurrently, Bachem also increased sales of existing products that are experiencing heightened demand due to market expansions, demographic changes or direct effects of the COVID-19 pandemic.

217 million CHF

new record sales
for North America



STRIDING AHEAD AS LEADING PARTNER IN TIDES

The continued strong demand for our products and innovations in the peptides business, as well as the successful development of our oligonucleotides business, make us confident that Bachem will remain on its current profitable growth trajectory. Our goal is to further expand our market leadership in peptides based on innovation and quality, while also assuming a leading position in oligonucleotides.

PEP-TIDES

The pace of growth in the established peptides business, driven by market approval of new compounds and dosage forms and by a broad-based project portfolio, continues to accelerate. As the market leader, Bachem has the ability to capture a strong portion of this growth while also serving as a dependable partner for outsourcing projects.

OLIGONUCLEO-TIDES

Bachem has expanded its product range by consistently entering the development and production of small interfering RNA (siRNA) and antisense oligonucleotides (ASO). Production according to GMP conditions was already achieved in the first year and business development in this product line continues to be better than expected. In the medium term, Bachem is aiming for annual sales of over 100 million CHF in the oligonucleotides business and thus a leading market position among oligonucleotide contract developers and manufacturers (CDMOs).

OUTLOOK

Bachem is targeting sales of over 500 million CHF in 2022. For profit, a percentage growth above that of sales is targeted. In order to enable consistent and profitable growth of the Group, the company is planning a global investment volume of over CHF 400 million over the next 5 years.

500
million CHF
sales in
2022