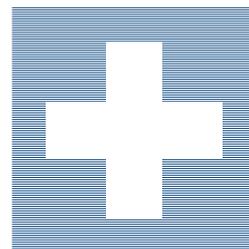


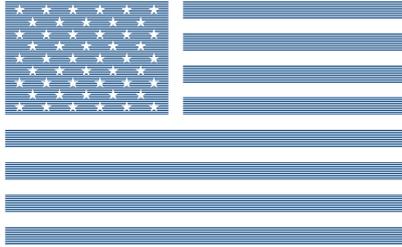


PROGRESS REPORTS



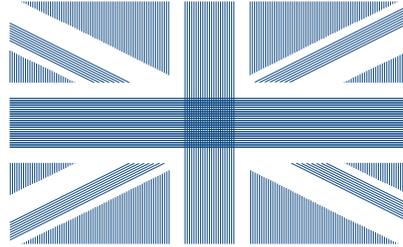
SYSTEM RELEVANT SUPPLY

Both Swiss sites in Bubendorf and Vionnaz have shown an outstanding performance throughout the year and further increased the utilization and output significantly. An impressive number of capacity and technology-related investment projects were accomplished and demonstrate Bachem's commitment to further growth. The highly skilled employees, their flexibility, efficiency, and great attitude combined with Switzerland's dual education system are the backbone to excel throughout operations. Despite the global pandemic's challenges and uncertainties, the Swiss sites set new benchmarks in the efficient development and production of highly complex peptides, including the new Molecular Hiving Technology, new oligonucleotides, and the large scale production of selected small molecules.



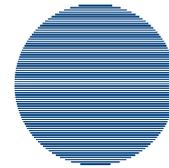
RECORD MANUFACTURING OUTPUT

2020 was a year of notable growth in manufacturing output for both US sites in Torrance and Vista, benefiting from added capacity and automation, and enabled by Operational Excellence initiatives that have provided optimized production planning and utilization of resources. The product portfolio has been further expanded, providing the foundation for future growth opportunities. This portfolio includes several products that are now manufactured as investigational therapeutics in the fight against COVID-19. At both sites, investments have been initiated to achieve debottlenecking, increase automation, and to further expand manufacturing capacity, which will be available in 2021.



SUPPORTING THE CUSTOMERS THROUGH THE COVID-19 PANDEMIC

The year brought many challenges due to the COVID-19 pandemic. Thanks to the agility, hard work and dedication of the entire UK team the site remained operational throughout the year to support the customers' requirements for research chemicals, including almost 100 peptides related to COVID-19. Continued focus on lean manufacturing principles resulted in numerous efficiencies, enabling the rapid manufacture required for such critical projects with strong potential for future commercialization. Successful ISO13485 re-certification, along with expanded service offering, further supports the customers in the IVD sector. The construction of new office space ensured adherence to social distancing requirements to protect staff, and continued investment in manufacturing equipment supported a fast and efficient production process.



EXPANSION OF THE ASIAN MARKET

There were many challenges throughout the year; however the Bachem Japan team humbly served its customers and gained more traction in Asia. Bachem is now starting to see the positive effects from the opening of the Tokyo office in April 2018. The NCE pipeline is growing nicely and so is the Generics business in Japan, South Korea, Taiwan, and China. Based on this new business, Bachem expects the growth seen in 2020 to continue also in the next years. Progress could also be achieved on the regulatory side of the business. Despite the challenging regulatory situation in some Asian countries, Bachem has seen breakthrough approvals as a result of its continuous efforts. In view of these encouraging developments in 2020, Bachem in Asia is looking positively to the future.