

BACHEM

FULL YEAR RESULTS 2020

Date | March 12, 2021
Location | Bubendorf
Name | Thomas Meier / Alain Schaffter

SPEAKERS



Thomas Meier
CEO

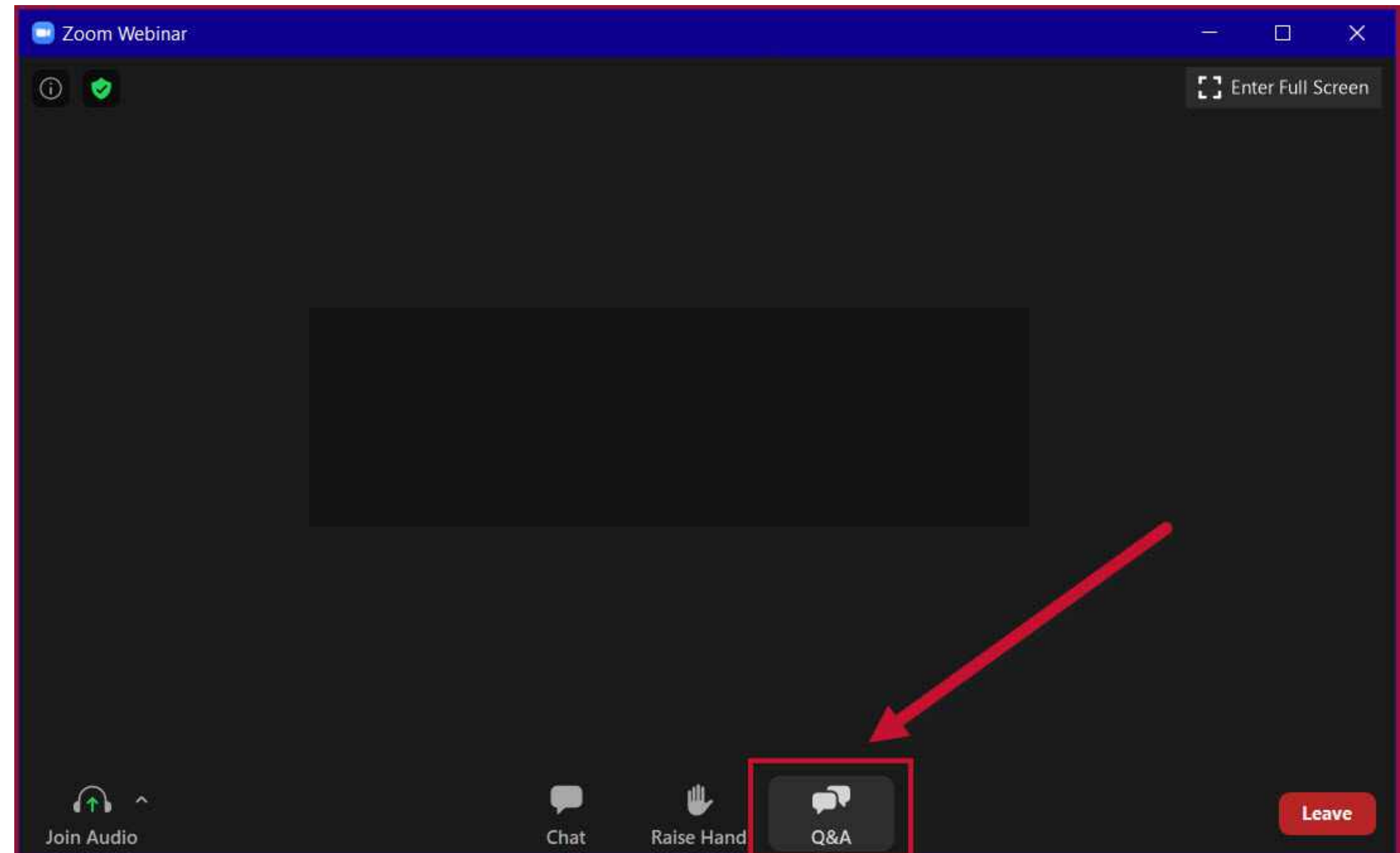


Alain Schaffter
CFO

HOUSEKEEPING

Write to us in the **Q&A** section anytime.

At the end of the presentation we will have time for questions.



AGENDA

- Welcome and Introduction Thomas Meier
- Results and Business Review 2020 Thomas Meier
- Financial Review 2020 Alain Schaffter
- Outlook 2021 Thomas Meier
- Q&A All

RESULTS AND BUSINESS REVIEW 2020

Thomas Meier

BACHEM REPORTS EXCELLENT RESULTS IN 2020

Strong Revenue Growth

- 1st time > 400 million CHF
- 28.1% sales growth (34.0% in local currencies)
- Growth in all product categories and geographical segments
- Strong pipeline development: 14 drug substances in phase III clinical trials or under review

Significantly Improved Profitability

- EBITDA 122.6 million CHF (+40.5%)
- EBITDA margin 30.5% (2019: 27.8%)
- EBIT 96.7 million CHF (+55.0%)
- EBIT margin 24.0% (2019: 19.9%)
- Net income 78.1 million CHF (+ 44.1%)

Created Long-Term Value

- System-relevant drug substance production secured during the pandemic
- 76.4 million CHF Capex investments realized
- 272 new jobs created, 201 in Switzerland

KEY FIGURES 2020

	2020	2019	Change CHF	Change LC
Sales (in MCHF)	402.0	313.7	+ 28.1%	+ 34.0%
EBITDA (in MCHF) <i>in relation to sales</i>	122.6 30.5%	87.2 27.8%	+ 40.5%	+ 55.3%
EBIT (in MCHF) <i>in relation to sales</i>	96.7 24.0%	62.4 19.9%	+ 55.0%	+ 75.3%
Net income (in MCHF) <i>in relation to sales</i>	78.1 19.4%	54.2 17.3%	+ 44.1%	
Earnings per share (EPS – in CHF)	5.58	3.91	+ 42.5%	
Cash flow from operating activities (in MCHF)	115.0	64.3	+ 79.0%	
Number of employees (full-time equivalents)	1 475	1 209		

GROWTH IN ALL PRODUCT CATEGORIES

in million CHF	2020	Change in local currency	Change in CHF	Sales share
Active Pharmaceutical Ingredients (APIs)	360.4	+ 36.4%	+ 30.3%	89.6%
Research Chemicals	41.6	+ 16.5%	+ 12.2%	10.4%
Total sales	402.0	+ 34.0%	+ 28.1%	100.0%

Excellent growth in all product categories.

- API growth was driven by selected products & projects
- Research Chemicals growth was mainly driven by bulk sales of catalog products and by API-related Customs Synthesis

GEOGRAPHICALLY BALANCED

in million CHF	2020	Change in local currency	Change in CHF	Sales share
Europe/Asia	185.0	+ 19.4%	+ 16.7%	46.0%
North America	217.0	+ 48.9%	+ 39.9%	54.0%
Total sales	402.0	+ 34.0%	+ 28.1%	100.0%

All regions contributed to the growth:

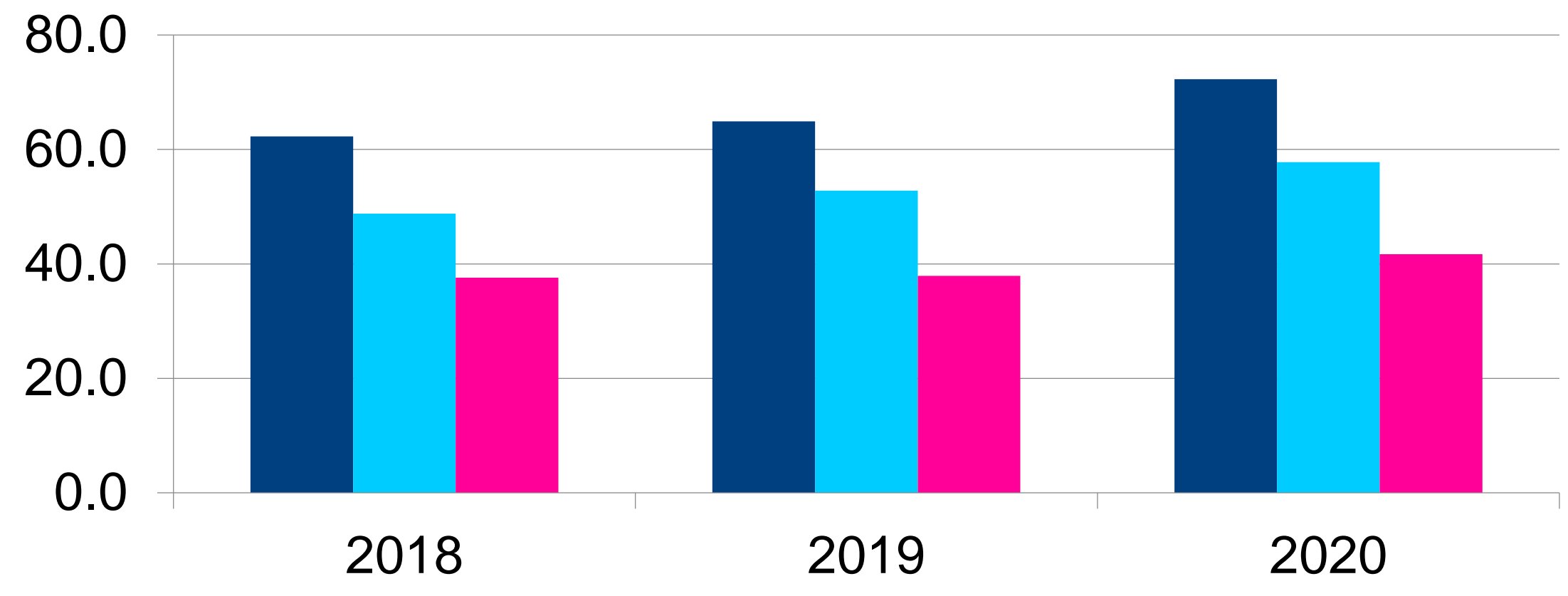
Europe increased by 15%.

Asia increased by 28%.

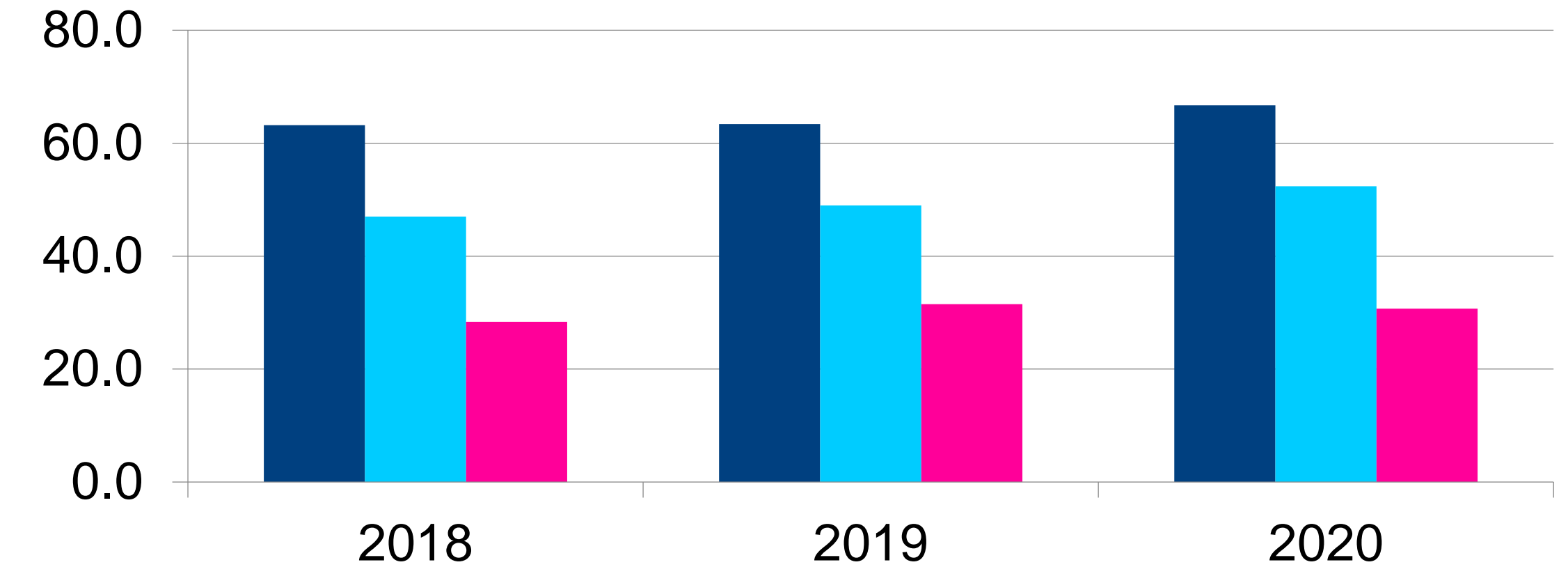
North America increased by almost 50% (in USD).

WELL BALANCED CUSTOMER & PRODUCT MIX IN % OF SALES

Customers



Products



Top 20
 Top 10
 Top 5

COVID-19: OVERALL NO SIGNIFICANT IMPACT ON RESULT

Operations	Positive Effects	Negative Effects
<ul style="list-style-type: none">• Business Contingency Plan in place from day 1• Successful protection concept for employees at all sites• Approx. 400 employees in home office• Operations up and running at all times• Supply of active ingredients was secured and increased in critical areas	<ul style="list-style-type: none">• The systemic relevance of our business as a manufacturer of active pharmaceutical ingredients is clearly recognized• Additional sales through COVID-19 projects < 5%	<ul style="list-style-type: none">• Delayed clinical trials• Delayed drug approvals• Slower time to market for new products• Reduced demand for drugs

WORLDWIDE PRESENCE / 1529 EMPLOYEES

TORRANCE (CA)

Acquired in 1996
269 employees

VISTA (CA)

Acquired in 2015
132 employees

ST.HELENS (UK)

Acquired in 1999
44 employees

BUBENDORF (CH)

Founded in 1971
964 employees

TOKYO (JP)

Established in 2018
4 employees

VIONNAZ (CH)

Acquired in 2001
116 employees



■ GMP Sites

LEADING PARTNER IN TIDES

- Our business is peptides and now also oligonucleotides.
- Oligonucleotides and peptides are complex biomolecules that open up so far undruggable therapeutic targets.

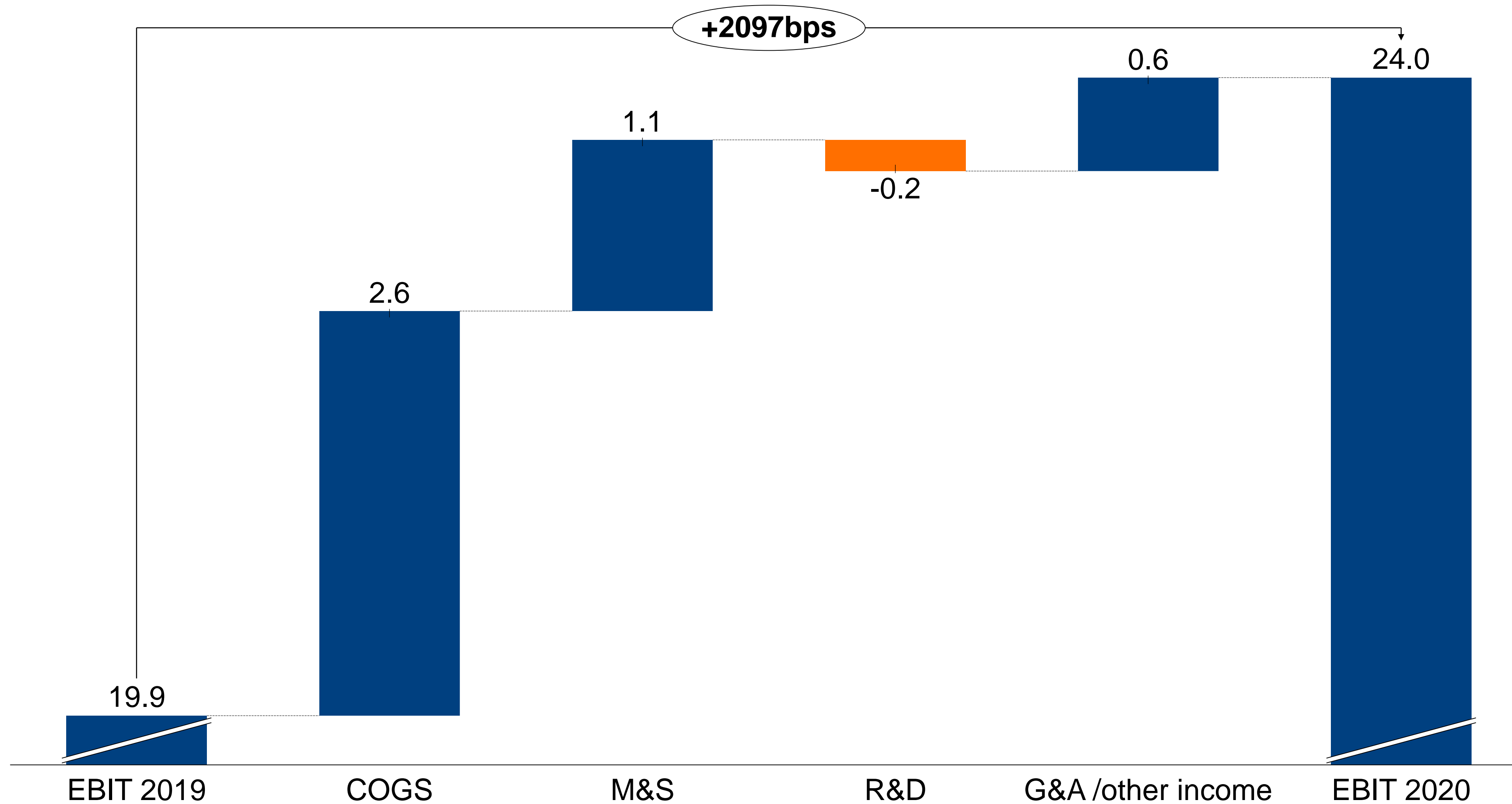
FINANCIAL REVIEW 2020

Alain Schaffter

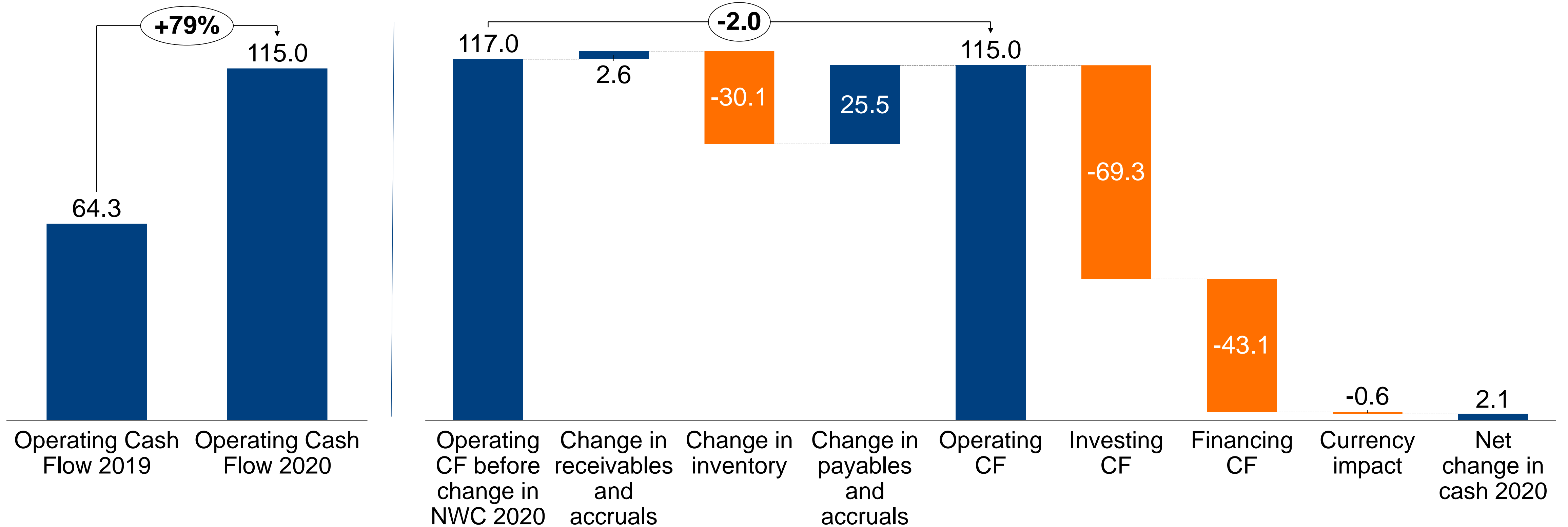
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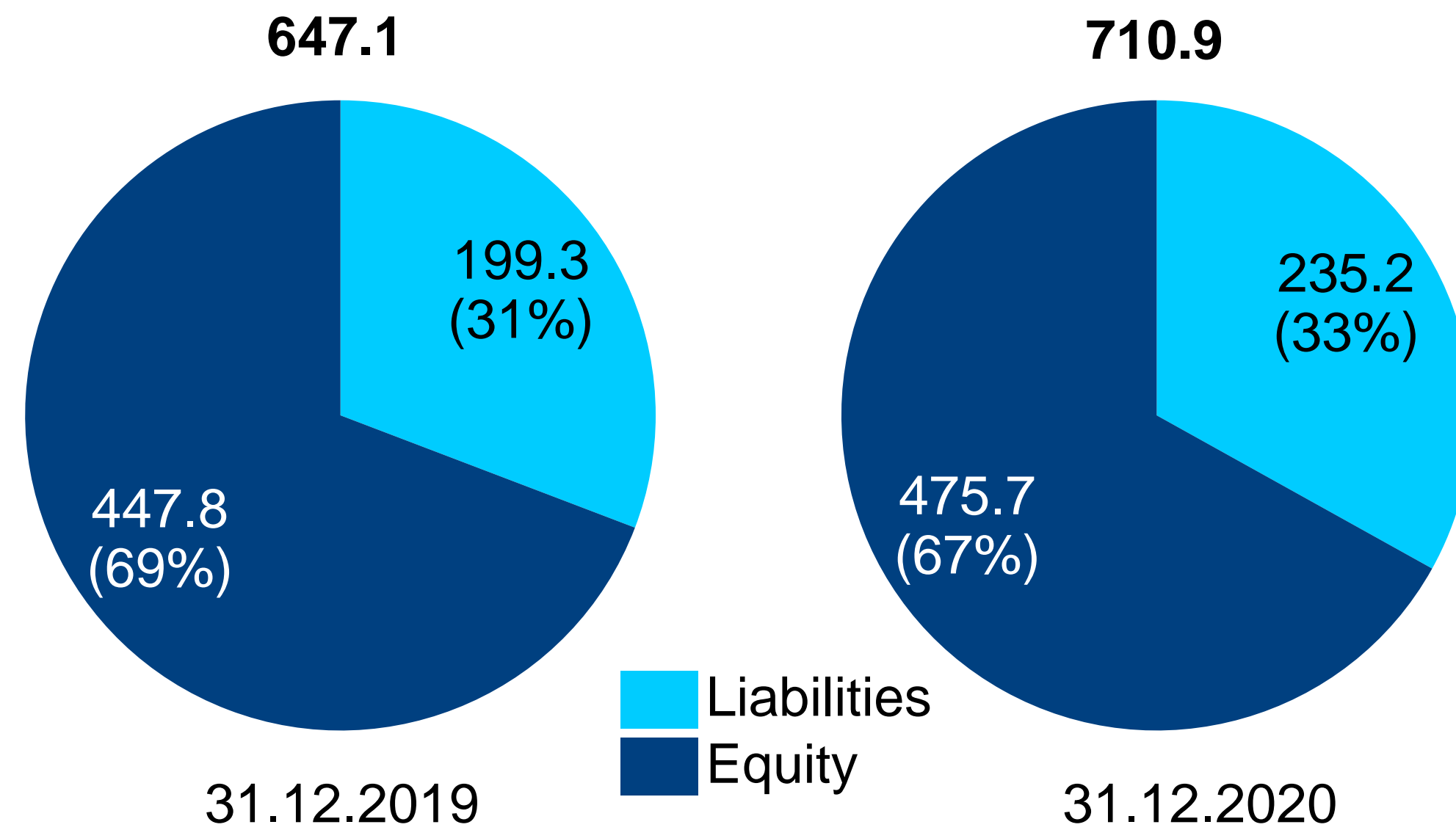
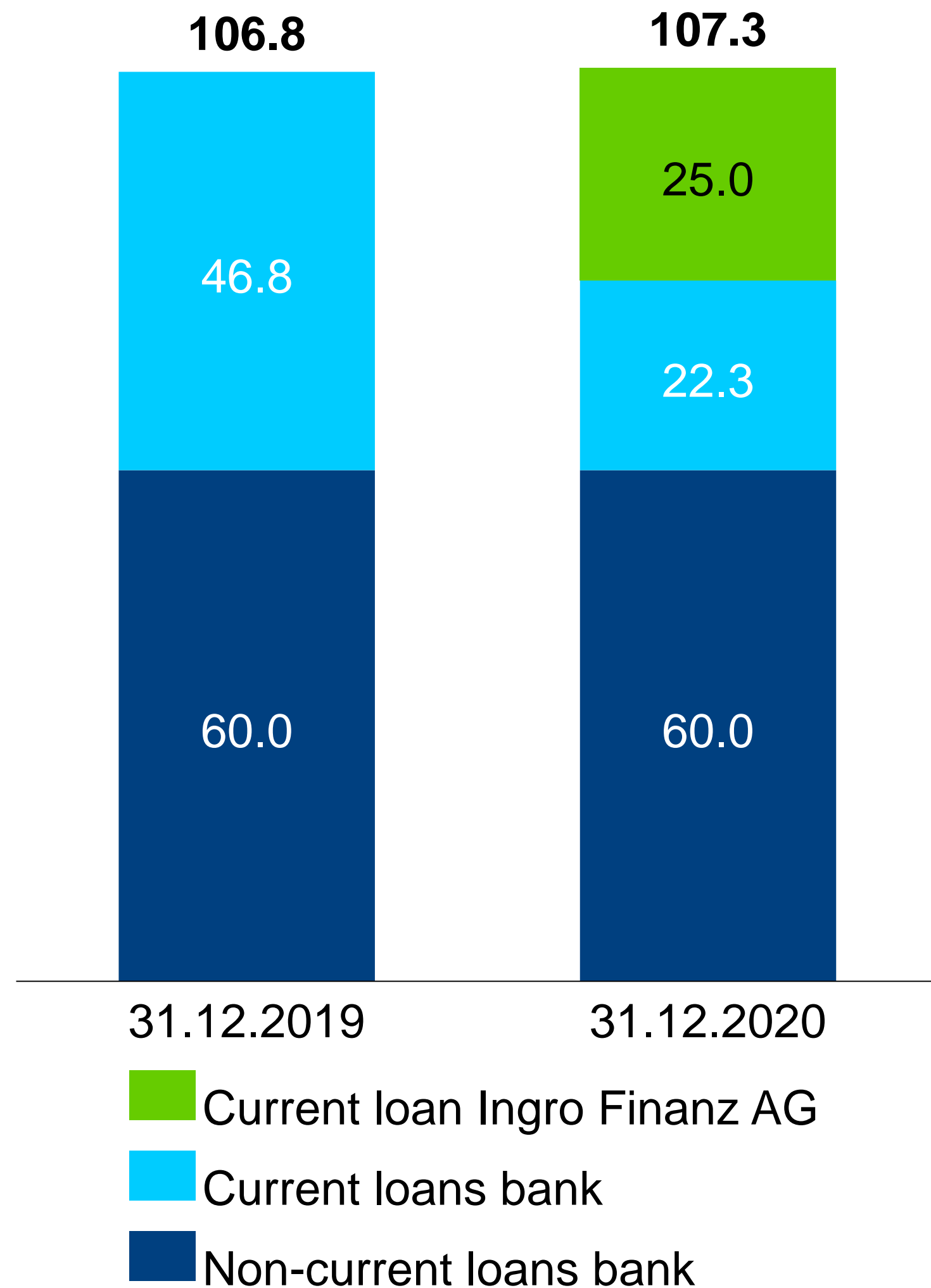
DRIVERS OF EBIT MARGIN INCREASE FROM 19.9% TO 24.0% IN %



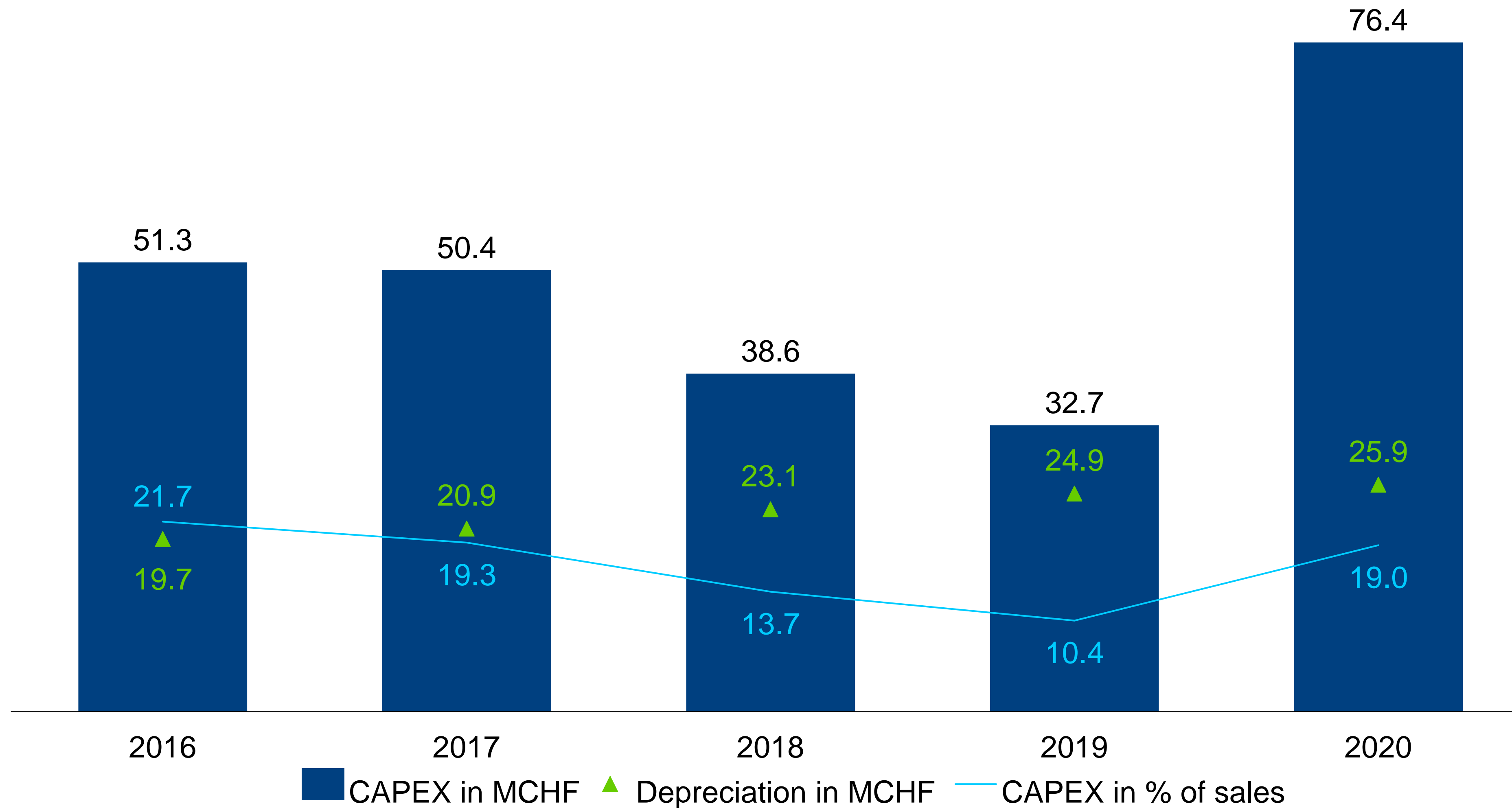
INCREASED OPERATING CASH FLOW BY 79% TO 115 MILLION CHF IN MCHF



STABLE EQUITY RATIO IN MCHF



CAPEX OVERVIEW 2016-2020



OUTLOOK 2021

Thomas Meier

OUTLOOK 2021 – CELEBRATING THE FIRST 50 YEARS

50
YEARS
BACHEM

Bachem celebrates fifty years of company history. From Peter Grogg's business idea in the 1970s to the world's leading company in the development and production of peptides and oligonucleotides. A success story based on courage, innovation, quality, partnership and unique people.

DYNAMICS & GROWTH DRIVERS

Internal factors

- NCE pipeline with 150 projects
- Focused oligonucleotide product extension
- Increasing demand of synthetic vs. recombinant manufacturing
- Capacity investments in all GMP locations for future growth

External factors

- Aging population
- Outsourcing trend in Pharma and Biotech
- Market expansion for peptide therapeutics
- New applications
- New formulations

OUTLOOK 2021: COMMITMENT TO PROFITABLE GROWTH

- Sales: Above 500 million CHF in 2022.
- Profit: A percentage growth above that of sales.
- Capacity: Global investment volume of over 400 million CHF in the next 5 years.

QUESTIONS

Write your questions in the Q&A section

THANK YOU FOR YOUR ATTENDANCE!

Question? Send an e-mail to...

ir@bachem.com



DISCLAIMER

This presentation contains certain forward-looking statements. These forward-looking statements may be identified by words such as 'believes', 'expects', 'anticipates', 'projects', 'intends', 'should', 'seeks', 'estimates', 'future' or similar expressions or by discussion of, among other things, strategy, goals, plans or intentions. Various factors may cause actual results to differ materially in the future from those reflected in forward-looking statements contained in this presentation, among others:

- 1 pricing and product initiatives of competitors;
- 2 legislative and regulatory developments and economic conditions;
- 3 delay or inability in obtaining regulatory approvals or bringing products to market;
- 4 fluctuations in currency exchange rates and general financial market conditions;
- 5 uncertainties in the discovery, development or marketing of new products or new uses of existing products, including without limitation negative results of clinical trials or research projects, unexpected side-effects of pipeline or marketed products;
- 6 interruptions in production;
- 7 loss of or inability to obtain adequate protection for intellectual property rights;
- 8 litigation;
- 9 loss of key executives or other employees; and
- 10 adverse publicity and news coverage.

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PARTNER
IN TIDES
BACHEM**