

Bubendorf, April 26, 2022

Ad hoc announcement pursuant to Art. 53 LR of the Swiss stock exchange SIX

Bachem enters strategic collaboration with Lilly to manufacture oligonucleotide-based drug substances

- Strategic collaboration with Lilly to develop innovative and efficient processing solutions for the manufacture of oligonucleotide-based drug substances.
- The annual order volume has the potential to achieve around CHF 100 million, depending on Bachem reaching certain milestones and definite volumes ordered by Lilly.
- The collaboration is an important step to further expand current technology platforms, innovate and grow oligonucleotide processes, and add to global manufacturing capacity for oligonucleotide-based medicines for patients.

Bachem (SIX: BANB) announced today that it has entered a strategic collaboration with Eli Lilly and Company to develop and manufacture active pharmaceutical ingredients based on oligonucleotides, a rising new class of complex molecules.

Under the terms of the agreement, Bachem will provide the appropriate engineering infrastructure and expertise to implement Lilly's novel oligonucleotide manufacturing technology. Furthermore, Bachem will provide R&D and production personnel at its facilities in Bubendorf, Switzerland, for the development and manufacture of GMP-grade material for Lilly's oligonucleotide-based investigational medicines using Lilly's technology.

Lilly commits to placing manufacturing projects with Bachem over the next seven years with increasing material supply demands following successful implementation of Lilly's oligonucleotide manufacturing technology. The annual order volume has the potential to achieve around CHF 100 million, depending on Bachem reaching certain milestones and definite volumes ordered by Lilly.

Thomas Meier, CEO of Bachem: "We are excited about the prospects that our strategic collaboration with Lilly has for innovating how oligonucleotides are manufactured. Investigational medicines based on synthetically accessible oligonucleotides hold great promise for patients suffering from a variety of diseases and we are proud to collaborate with Lilly in unlocking the potential of this new modality.

This collaboration between Bachem and Lilly is an example of how the biopharma and CDMO industries can work together on innovative medicines that are developed and manufactured at scale and of high quality for patients in need. Our aim with this collaboration is to jointly develop tailored engineering and equipment solutions for oligonucleotides, thus improving quality and reducing manufacturing cost and time to market."

Therapeutic oligonucleotides are short single or double-stranded fragments of DNA or RNA. Because of their unique properties, oligonucleotides as therapeutics open access to previously "undruggable" targets not accessible with small molecule drugs or biologics. Initially used within orphan diseases with small patient populations, scientific progress has led to a broad expansion of drug development projects on oligonucleotide-based therapeutics in the biopharma industry. This increasing demand and the promise of addressing larger patient groups require the production of oligonucleotide-based active pharmaceutical ingredients (API) at a larger scale and with new processing solutions.

About Bachem

Bachem is a leading, innovation-driven company specializing in the development and manufacture of peptides and oligonucleotides. The company, which has 50 years of experience and expertise, provides products for research, clinical development, and commercial application to pharmaceutical and biotechnology companies worldwide and offers a comprehensive range of services. Bachem operates internationally with headquarters in Switzerland and locations in Europe, the US and Asia. The company is listed on the SIX Swiss Exchange. For further information, see www.bachem.com.

About Bachem in oligonucleotides

Bachem is investing in new capabilities to manufacture oligonucleotides at large scale, tapping into the experience it has built in shaping the large-scale production technology for peptides. In partnership with customers, Bachem has been exploring new ways to develop and manufacture oligonucleotide API at larger scales and overcome industry throughput limitations. Bachem has a continued commitment to patients and customers to realize the full potential of this new drug modality.

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