



PolyPeptide Group AG (SIX: PPGN)

Market update 2 December 2022

Raymond De Vré, CEO, Jan Fuhr Miller, CFO

Baar, 2 December 2022

GLOBAL SUPPORT FOR A QUALITY SOLUTION

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Alternative Financial Performance Measures (APM)

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Unaudited Financial Results

The financial information contained in this Presentation is unaudited.

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Agenda

1 Manufacturing issues

2 Mitigating measures

3 Financial impact

4 Q&A

Trading update 2 December 2022

Several operational issues having an adverse impact

Ambitious manufacturing and delivery schedule for Q4 2022

Technical equipment

- Malfunctioning equipment leading to the temporary suspension of two manufacturing lines

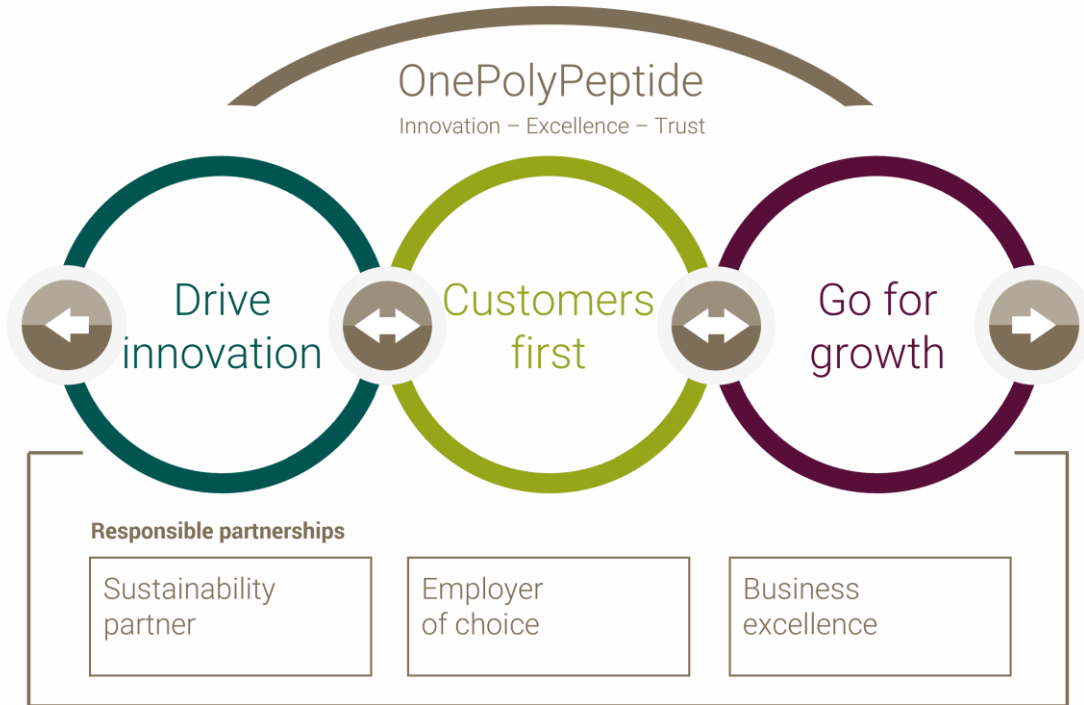
Manufacturing processes

- Issues affecting yields and output for a limited number of products

Rescheduled deliveries in coordination with customers

Measures to restore performance

Delivery performance as key performance indicator

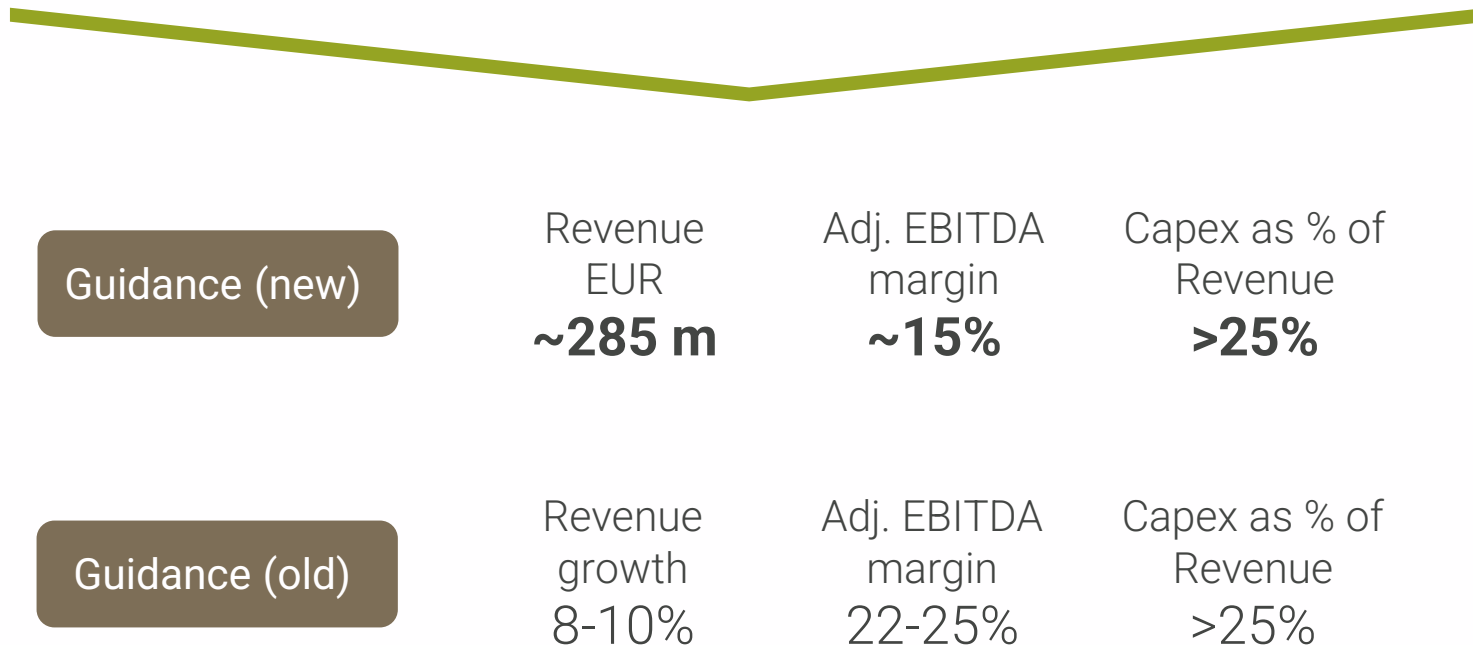


- 1 Close engagement with the small number of affected customers to meet their requirements that shifted to 2023
- 2 Series of specific measures taken to ensure high operational reliability and on-time-in-full delivery performance
- 3 Accelerate efforts to harmonize processes and systems across the Group, consistent with the Group's integrated strategy
- 4 Appointment of Jens Fricke as Global Director Operations and member of the Executive Committee

Financial implications

Updated guidance for 2022

Material impact on financial result for 2022, with revenue loss of around EUR 20 m and adverse adj. EBITDA impact of around EUR 25 m



Structural growth opportunities ahead

The Group remains confident about its growth potential in peptides and oligonucleotides

Pipeline-driven growth expectation

- Customer R&D activities at elevated level for peptide and oligonucleotides
- Consistent progress in the Group's pipeline of active custom projects
- Expected growth for PolyPeptide driven by its 30 phase III projects¹



Committed to deliver profitable growth

- Operational process improvements and pricing measures ongoing
- Growth and higher profitability expected in 2023, with growth of peptide business expected to more than offset previously announced drop in pandemic-related sales
- New large-scale solid phase synthesis infrastructure in Braine-l'Alleud planned to be in full operation in 2024

¹ As of 30 June 2022.

Q&A

Please ask your question

- **through the telephone by pressing * and 1**
(please register on the website to receive the personal dial-in details)
In need of assistance, please press * and 0
- **through the webcast in writing**

THANK YOU

