

Ad hoc announcement pursuant to Art. 53 LR

## Basilea reports strong revenue and profit growth in first half-year 2023

- Increase in Cresemba<sup>®</sup> and Zevtera<sup>®</sup> related revenue to CHF 80.5 million (+57% year-on-year)
- Increase in operating profit to CHF 36.9 million and net profit to CHF 31.9 million
- Increase in cash and restricted cash to CHF 112.9 million
- Full-year 2023 revenue and profit guidance increased
- Submitted US NDA for ceftobiprole in August

### Allschwil, Switzerland, August 15, 2023

Basilea Pharmaceutica Ltd, Allschwil (SIX: BSLN), a commercial-stage biopharmaceutical company committed to meeting the needs of patients with severe bacterial or fungal infections, announced today its financial results for the first half-year ended June 30, 2023.

David Veitch, Chief Executive Officer, stated: “We made very good progress on the implementation of our growth strategy, which is reflected in our strong financial performance, with a 57 percent growth year-on-year in Cresemba and Zevtera related revenue. In early August, we submitted the New Drug Application for ceftobiprole to the US Food and Drug Administration, a key milestone to access the important US market. We are also in discussions with regard to the in-licensing or acquisition of a number of novel, differentiated anti-infective assets, to complement our pipeline and support long-term growth. This makes us confident that we are well on track to become a leading anti-infectives company.”

Adesh Kaul, Chief Financial Officer, said: “The first half-year reflected the continued commercial success of our antifungal Cresemba around the world. We reported CHF 30.6 million in milestone payments based on the in-market sales performance from established markets, as well as the start of commercialization in Japan. Royalty income, which more directly reflects the underlying global demand for Cresemba, increased by 27 percent, year-on-year, to CHF 36.7 million. We started to pay back our senior secured loan as planned in the first of half of 2023 and at the same time, also increased our mid-year cash position to CHF 112.9 million. Our financial strength provides us with the ability to add new products to our portfolio, in addition to continuing to grow our business from our existing products.”

### Financial summary

Basilea recorded total revenue in the first half-year (H1) 2023 of CHF 84.9 million (H1 2022: CHF 57.6 million), which is an increase of 47% year-on-year. Thereof, Cresemba and Zevtera related revenue increased 57% to CHF 80.5 million (H1 2022: CHF 51.2 million). This included royalty income from Cresemba, which increased by 27% to CHF 36.7 million (H1 2022: CHF 28.9 million), and milestone payments of CHF 30.6 million (H1 2022: CHF 2.2 million).



Other revenue, amounted to CHF 4.4 million (H1 2022: CHF 6.5 million) and included CHF 2.0 million (H1 2022: CHF 5.0 million) reimbursements from BARDA for the ceftobiprole phase 3 program. The decrease in BARDA reimbursements reflects that the program is ending, as also indicated by our NDA submission.

In H1 2023, research and development expenses decreased by 42% to CHF 21.5 million (H1 2022: CHF 37.1 million). This reflects that we partnered our previous oncology programs by the end of last year, as well as the fact that the ceftobiprole phase 3 program is nearing completion. Selling, general and administrative expenses amounted to CHF 16.5 million (H1 2022: CHF 15.6 million). Cost of products sold amounted to CHF 10.0 million (H1 2022: CHF 14.9 million).

In H1 2023, an operating profit of CHF 36.9 million was recorded (H1 2022: operating loss of CHF 10.0 million) as well as a net profit of CHF 31.8 million (H1 2022: net loss of CHF 12.2 million). This resulted in a basic and diluted earnings per share of CHF 2.66 and 2.42, respectively (H1 2022: loss per share of CHF 1.03).

The progress in commercialization led to a significantly improved positive net cash flow provided by operating activities of CHF 21.9 million (H1 2022: CHF 0.15 million). This also resulted in cash and cash equivalents and restricted cash of CHF 112.9 million as of June 30, 2023, hence increased compared to CHF 108.6 million as of December 31, 2022.

### Key financial figures

(In CHF million, except per share data)	<b>H1 2023</b>	<b>H1 2022</b>
Product revenue	13.2	19.4
Contract revenue	67.3	31.8
Other revenue	4.4	6.5
<b>Total revenue</b>	<b>84.9</b>	<b>57.6</b>
Cost of products sold	(10.0)	(14.9)
Research & development expenses, net	(21.5)	(37.1)
Selling, general & administrative expenses	(16.5)	(15.6)
<b>Total cost and operating expenses</b>	<b>(48.0)</b>	<b>(67.7)</b>
<b>Operating profit/loss</b>	<b>36.9</b>	<b>(10.0)</b>
<b>Net profit/loss</b>	<b>31.8</b>	<b>(12.2)</b>
Net cash provided by operating activities	21.9	0.15
Basic earnings/loss per share, in CHF	2.66	(1.03)
Diluted earnings/loss per share, in CHF	2.42	(1.03)
(in CHF million)	<b>June 30, 2023</b>	<b>Dec 31, 2022</b>
Cash and cash equivalents and restricted cash	112.9	108.6

Note: Consolidated figures in conformity with US GAAP; rounding was applied consistently.

The unaudited, condensed consolidated interim financial statements of Basilea Pharmaceutica Ltd, Allschwil for the first half-year 2023 can be found on the company's website at <https://www.basilea.com/financial-reports>.

### Increased full-year 2023 financial guidance

The company increases its financial guidance for the full-year (FY) 2023, excluding the potential impact from any in-licensing or acquisitions:

- Cresemba & Zevtera related revenue is expected to grow by 20% - 23% to CHF 147 – 150 million (FY 2022: CHF 122.3 million), reflecting the continued commercial success of Basilea's marketed products.
- Operating profit is expected to increase to CHF 50 – 55 million (FY 2022: CHF 18.5 million) and net profit to CHF 41 – 46 million (FY 2022: CHF 12.1 million).
- The company is planning to continue reducing its debt level through the partial repayment of the senior secured loan in the amount of approximately CHF 37 million.

(in CHF million)	<b>FY 2023e (new)</b>	<b>FY 2023e (previous)</b>	<b>FY 2022</b>
Cresemba & Zevtera related revenue	147 to 150	145 to 148	122.3
Royalty income	~76	~74	65.0
Total revenue	157 to 160	155 to 158	147.8
Cost of products sold	25 to 27	25 to 28	24.6
Operating expenses	~80	~80	104.6
Operating profit	50 to 55	45 to 50	18.5
Net profit	41 to 46	36 to 41	12.1

### Conference call and webcast

Basilea Pharmaceutica Ltd, Allschwil will host a conference call and webcast today, Tuesday, August 15, 2023, at 4 p.m. (CEST), to discuss the company's financial and operating results and to provide an outlook.

#### [Via audio webcast with presentation](#)

The live audio webcast of the results presentation can be followed here:

<https://media.choruscall.eu/mediaframe/webcast.html?webcastid=W6AYMggN>. Please note that there is no function to ask questions via webcast. For questions, please additionally dial-in via phone (see below).

#### [Via phone](#)

To listen by phone and ask questions, please use the dial-in details below. To ensure prompt access, please call approximately five minutes prior to the scheduled start of the call.

+41 (0) 58 310 5000 (Europe and RoW)

+1 (1) 866 291 4166 (USA)

+44 (0) 207 107 0613 (U.K.)



### Replay

The webcast, along with the presentation will be available [online](#) (same link as live audio webcast above) shortly after the event and accessible for three months.

### **About Basilea**

Basilea is a commercial-stage biopharmaceutical company founded in 2000 and headquartered in Switzerland. We are committed to discovering, developing and commercializing innovative drugs to meet the needs of patients with severe bacterial or fungal infections. We have successfully launched two hospital brands, Cresemba for the treatment of invasive fungal infections and Zevtera for the treatment of bacterial infections. In addition, we have preclinical anti-infective assets in our portfolio. Basilea is listed on the SIX Swiss Exchange (SIX: BSLN). Please visit [basilea.com](http://basilea.com).

### **Disclaimer**

This communication expressly or implicitly contains certain forward-looking statements, such as "believe", "assume", "expect", "forecast", "project", "may", "could", "might", "will" or similar expressions concerning Basilea Pharmaceutica Ltd, Allschwil and its business, including with respect to the progress, timing and completion of research, development and clinical studies for product candidates. Such statements involve certain known and unknown risks, uncertainties and other factors, which could cause the actual results, financial condition, performance or achievements of Basilea Pharmaceutica Ltd, Allschwil to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Basilea Pharmaceutica Ltd, Allschwil is providing this communication as of this date and does not undertake to update any forward-looking statements contained herein as a result of new information, future events or otherwise.

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This ad hoc announcement can be downloaded from [www.basilea.com](http://www.basilea.com).



## References

1. IQVIA Analytics Link, March 2023. In-market sales reported as moving annual total (MAT) in US dollars.
2. Basilea's ceftobiprole phase 3 program is funded in part with federal funds from the US Department of Health and Human Services (HHS); Administration for Strategic Preparedness and Response (ASPR); Biomedical Advanced Research and Development Authority (BARDA), under contract number HHSO100201600002C. Basilea has been awarded approximately USD 112 million, or approximately 75 percent of the costs related to the SAB and ABSSSI phase 3 studies, regulatory activities and non-clinical work.