

Ad hoc announcement pursuant to Art. 53 LR

Basilea reports strong 2023 full-year results with profitability significantly above guidance, whilst substantially expanding the R&D portfolio

- Increased Cresemba[®] and Zevtera[®]-related revenue of CHF 150.3 million (+22.9% year-on-year) at upper end of guidance
- Operating profit of CHF 19.2 million and net profit of CHF 10.5 million, significantly above guidance
- Addition of three new anti-infective assets to clinical portfolio, including phase-3-ready antifungal fosmanogepix
- Strong cash and restricted cash position of CHF 64.3 million, after fully absorbing investments into portfolio expansion and accelerated debt reduction
- FY 2024 guidance: 20% increase in Cresemba and Zevtera-related revenue and more than doubling of net profit

Allschwil, Switzerland, February 13, 2024

Basilea Pharmaceutica Ltd, Allschwil (SIX: BSLN), a commercial-stage biopharmaceutical company committed to meeting the needs of patients with severe bacterial and fungal infections, announced today its results for the financial year ended December 31, 2023.

David Veitch, Chief Executive Officer, stated: “With three clinical and one preclinical stage compounds added to our portfolio in 2023 and a further preclinical program early in 2024, we have laid the foundation for future growth and are establishing Basilea as the leading anti-infectives company. In addition, we are looking forward to the regulatory decision for our antibiotic ceftobiprole, for which the US FDA has set April 3 as the PDUFA target date, and we aim to enter into a commercial partnership for the US before this date. With our global network of commercial partners, combined with our proven capabilities in developing compounds, we have built a successful and profitable business model for the development and commercialization of anti-infectives.”

Adesh Kaul, Chief Financial Officer, said: “We reported strong financial results for 2023 driven by more than CHF 150 million of Cresemba and Zevtera-related revenue, which is a 23% growth year-on-year and at the upper end of our financial guidance. The strong top line performance has enabled us to fully absorb the approximately CHF 36 million investment for the expansion of our portfolio and to report better than expected operating and net profit of CHF 19.2 million and CHF 10.5 million, respectively. The continued positive cash flow generation from our operating activities has also allowed us to reduce our debt level through the acceleration of the repayment of the senior secured loan. Our strong financial prospects are reflected in our guidance for 2024, which assumes continued significant top line and bottom line



growth. Our financial strength enables us to continue the implementation of our strategy: progressing our current assets and selectively expanding our pipeline, as exemplified by the recently closed acquisition of novel preclinical antibiotics from Spexis.”

Financial summary

For the full year (FY) 2023, Basilea recognized total revenue of CHF 157.6 million (FY 2022: CHF 147.8 million). This included CHF 150.3 million (FY 2022: CHF 122.3 million) revenue contributions from its two commercialized products, Cresemba and Zevtera, thereof royalty income of CHF 78.9 million (FY 2022: CHF 65.0 million), which is an increase of 21.4% year-on-year, and milestone payments of CHF 32.2 million (FY 2022: CHF 23.5 million). Other revenue amounted to CHF 7.4 million (FY 2022: CHF 25.4 million, including CHF 15.0 million proceeds from oncology divestments). This included CHF 4.2 million BARDA reimbursements (FY 2022: CHF 8.4 million), which have been offsetting a substantial portion of the ceftobiprole phase 3 development expenses and are now significantly lower than in the previous year as the program is almost completed.¹

In 2023, Basilea invested CHF 77.9 million (FY 2022: CHF 73.8 million) in research and development, driven by the upfront and milestone payments and initial development activities for the newly acquired and licensed clinical compounds (fosmanogepix, BAL2062 and tonabacase), the phase 3 ceftobiprole program, including regulatory activities, the pediatric development programs for ceftobiprole and isavuconazole, as well as for activities for compounds in the Company’s research portfolio. Compared to FY 2022, the upfront and milestone payments for the three new compounds were largely offset by lower remaining oncology costs and decreased costs for the phase 3 ceftobiprole program in 2023.

Selling, general and administrative expenses, including costs for the commercialization of Cresemba and Zevtera, amounted to CHF 33.8 million (FY 2022: CHF 30.8 million) and cost of products sold increased to CHF 26.8 million (FY 2022: CHF 24.6 million).

Basilea recorded an operating profit of CHF 19.2 million (FY 2022: CHF 18.5 million), which is 28% above guidance. In addition, a net profit of CHF 10.5 million (FY 2022: CHF 12.1 million) was recorded, which is 75% above guidance, resulting in a basic and diluted earnings per share of CHF 0.87 and CHF 0.86, respectively (FY 2022: basic and diluted earnings per share CHF1.02).

In 2023, a positive net cash flow of CHF 14.2 million was provided by operating activities, twice as much as in the previous year (FY 2022: CHF 7.1 million). Cash used in 2023 was primarily related to the repayment of CHF 59.4 million of a CHF 75.0 million senior secured loan entered into for the partial refinancing of the 2022 convertible bonds, paid in December 2022, as well as to the acquisition of rights for the new compounds. As a result, net financial debt decreased to CHF 46.6 million (December 31, 2022: CHF 60.3 million) and cash and cash equivalents, and



restricted cash to CHF 64.3 million (December 31, 2022: CHF 108.6 million) as of December 31, 2023.

Key financial figures

(In CHF million, except per share data)	FY 2023	FY 2022
Product revenue	37.9	32.7
Contract revenue	112.4	89.6
Other revenue	7.4	25.4
Total revenue	157.6	147.8
Cost of products sold	(26.8)	(24.6)
Research & development expenses, net	(77.9)	(73.8)
Selling, general & administrative expenses	(33.8)	(30.8)
Total cost and operating expenses	(138.4)	(129.2)
Operating profit	19.2	18.5
Net profit	10.5	12.1
Net cash provided by operating activities	14.2	7.1
Basic earnings per share, in CHF	0.87	1.02
Diluted earnings per share, in CHF	0.86	1.02
(in CHF million)	Dec 31, 2023	Dec 31, 2022
Cash and cash equivalents and restricted cash	64.3	108.6

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

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

2024 financial guidance

Basilea expects to remain profitable based on further increasing revenue from Cresemba and Zevtera and provides the following guidance for FY 2024:

- Cresemba and Zevtera-related revenue is expected to grow by ~20% to CHF ~180 million (FY 2023: CHF 150.3 million), reflecting the continued commercial success of Basilea's commercialized products.
- Operating profit is expected to increase by ~55% to CHF ~30 million (FY 2023: CHF 19.2 million) and net profit is expected to increase by ~140% to CHF ~25 million (FY 2023: CHF 10.5 million).
- Debt level is expected to be further reduced through the full repayment of the senior secured loan by the end of Q1 2024.



(in CHF million)	FY 2024e	FY 2023
Cresemba and Zevtera-related revenue	~180	150.3
<i>of which royalty income</i>	~89	78.9
Total revenue	~183	157.6
Cost of products sold	~33	26.8
Operating expenses	~120	111.7
Operating profit	~30	19.2
Net profit	~25	10.5

Conference call and webcast

Basilea Pharmaceutica Ltd, Allschwil will host a conference call and webcast today, Tuesday, February 13, 2024, at 4 p.m. (CET), 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://event.choruscall.com/mediaframe/webcast.html?webcastid=laJRSqrT>. 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 (Switzerland, Europe and RoW)

+1 (1) 866 291 4166 (USA)

+44 (0) 207 107 0613 (UK)

[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 and 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 and clinical anti-infective assets in our portfolio. Basilea is listed on the SIX Swiss Exchange (SIX: BSLN). Please visit 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.

For further information, please contact:

Peer Nils Schröder, PhD

Head of Corporate Communications & Investor Relations
Basilea Pharmaceutica International Ltd, Allschwil
Hegenheimermattweg 167b
4123 Allschwil
Switzerland

Phone +41 61 606 1102

E-mail media_relations@basilea.com
investor_relations@basilea.com

This ad hoc announcement can be downloaded from www.basilea.com.

References

1. 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 *Staphylococcus aureus* bacteremia (SAB) and acute bacterial skin and skin structure infections (ABSSSI) phase 3 studies, regulatory activities and non-clinical work.