

Press release

Basilea announces divestment of its Chinese R&D subsidiary to PHT International

Basel, Switzerland, February 15, 2021

Basilea Pharmaceutica Ltd. (SIX: BSLN) announced today that it has entered into an agreement to divest its Chinese research and development (R&D) subsidiary Basilea Pharmaceutica China Ltd. ("BPC"), by selling BPC's parent company BPh Investitionen Ltd. to the U.S.-based custom manufacturing organization PHT International Inc. ("PHT"). This will increase flexibility in sourcing R&D services in the future. All 72 employees and the facilities will be transferred to PHT. The initial payment is USD 2.5 million, which will be due upon closing of the transaction, which is expected in the second quarter of 2021 subject to customary closing conditions. Basilea is entitled to additional payments of USD 3.8 million over the course of the next three years, for a total purchase price of USD 6.3 million.

David Veitch, Chief Executive Officer of Basilea, said: "We are very pleased with this transaction, which will increase our flexibility in sourcing external R&D services for our growing portfolio, while optimizing our future cost structure. Importantly, PHT has committed to maintaining R&D services through the existing site in China to Basilea. This ensures continued seamless support for our ongoing R&D projects and allows us to continue to benefit from the expertise that we have built in our Chinese organization over the course of the last two decades."

Dr. Laurenz Kellenberger, Basilea's Chief Scientific Officer and Chairman of BPC, added: "Since we founded BPC in 2002, our Chinese colleagues have been a great support for our R&D projects and I would like to thank them for their valuable contributions. We are convinced that their expertise will be even better leveraged within a structure that is entirely focused on providing contract research, development and manufacturing services such as PHT. We wish them all the best for the future and are looking forward to continue working with them on our projects."

PHT International Inc. is a privately owned custom manufacturing organization for chemicals for the pharmaceutical industry and other sectors. PHT was founded in 1993 and is headquartered in Charlotte, North Carolina, USA. PHT has five locations in China.

About Basilea

Basilea Pharmaceutica Ltd. is a commercial-stage biopharmaceutical company, focused on the development of products that address the medical challenges in the therapeutic areas of oncology and infectious diseases. With two commercialized drugs, the company is committed to

discovering, developing and commercializing innovative pharmaceutical products to meet the medical needs of patients with serious and life-threatening conditions. Basilea Pharmaceutica Ltd. is headquartered in Basel, Switzerland and listed on the SIX Swiss Exchange (SIX: BSLN). Additional information can be found at Basilea's website www.basilea.com.

About Basilea Pharmaceutica China

Basilea Pharmaceutica China Ltd. (BPC) was founded in 2002 and is located in the Haimen Economic-Technological Development Zone of Nantong city, Jiangsu, a ninety minutes' drive from Shanghai. Operating in an innovative R&D environment, the company builds on its highly qualified, well-trained and experienced professionals as well as a state-of-the-art scientific and technical infrastructure. BPC focuses on the chemical synthesis and analysis of complex molecules, analytical development and process research and development, so as to provide R&D services to worldwide customers.

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