basilea
Half-Year report
2026

Our mission:

People are at the heart of everything we do.

Our purpose:

We strive towards making a difference to patients. With expertise, foresight and persistence.

Highlights

Letter to shareholders	7
“Agenda 2030”	12
At a glance	16
Our business model	17
Our markets & products	18
Established strong partnerships	19
Our portfolio	20
Financial highlights	22
Company highlights 2026	24
Capital Markets Day 2026	27

Our portfolio

Key points	30
Antifungals	32
Antibacterials	36

Financial report

Key financials	42
Condensed consolidated interim financial statements	43
Notes to the condensed consolidated interim financial statements	47

Letter to shareholders

“We aim to improve patient outcomes by providing more effective, safer and more convenient treatment options than those currently available.”

Dear readers

We are pleased to report a strong start to the year. Our half-year results demonstrate successful execution of our strategy and the progress across our portfolio, providing a solid foundation for delivering on our medium- and long-term ambitions.

This positive momentum is clearly reflected in our financial performance. We are well on track to meet our 2026 financial guidance. Our revenue mix is continuing to evolve toward higher-margin revenue streams such as royalty income, further strengthening our earnings profile. Our increasing cash position and our visibility on future cash flows enable us to continue investing in growth initiatives while maintaining a solid balance sheet structure.

At Basilea, our purpose is clear: to develop innovative therapies for patients suffering from severe, often life-threatening infections, which are associated with a high unmet medical need. Our treatments are designed to make a meaningful difference and save lives. We aim to improve patient outcomes by providing more effective, safer and more convenient treatment options than those currently available. This purpose is not only fundamental to who we are, but it also directly guides our strategy and priorities. Bacterial and fungal infections remain among the most pressing global health challenges, reinforcing the need for continued innovation. At the same time, the commercial environment, i.e. generating sufficient financial returns, has historically been challenging for anti-infective companies. Policymakers are increasingly recognizing the gap between public health need and commercial returns, with new reimbursement frameworks and incentive mechanisms being introduced or else under consideration. While these initiatives are important for the broader ecosystem, Basilea already operates from a position of strength in the current environment, meaning that any potential policy changes would represent an additional upside rather than a prerequisite for our continued growth.

In this context, our “Agenda 2030” sets out how we intend to sustain profitability over the medium term while advancing our late-stage clinical assets and continuing to build our pipeline. It reflects our ambition to grow and diversify our revenue base with fosmanogepix and ceftibuten-ledaborbactam, while advancing our earlier-stage clinical pipeline and increasing the number of assets in our portfolio. By 2030, we expect Basilea to be in a stronger financial position than it is today, with more commercial products contributing to our revenue, a broader R&D pipeline, and enhanced long-term growth prospects.

Building on the strong foundation we have established in recent years, Basilea has evolved into a sustainably profitable company. Our business model remains a key differentiator in the anti-infectives landscape. We combine commercial partnerships with non-dilutive funding for development, thereby sharing risk, allocating capital efficiently, and remaining agile. This also allows us to stay one step ahead in a complex and evolving market environment.

The commercial performance of our marketed products continues to reflect the strength of our business model and global partnerships. Cresemba continues to perform very well, with global in-market sales reaching USD 782 million in the twelve months from April 2025 to March 2026, representing 27% year-on-year growth. Looking ahead, our phase 3 programs alone have the potential to double today's in-market sales.

"Building on a strong foundation we have established in recent years, Basilea has evolved into a sustainably profitable company. Our business model remains a key differentiator in the anti-infectives landscape."

David Veitch, CEO

Video message from the CEO, David Veitch, about the first half of 2026

We are continuing to strengthen our organization and capabilities to support future growth. This includes expanding our innovation approach through targeted partnerships in early-stage discovery and drug design, leveraging external expertise and employing advanced technologies such as generative artificial intelligence. These efforts complement our internal capabilities and create new opportunities as we build the next generation of pipeline assets.

Within our governance structure, we welcomed two new board members this year, following the election of a new chairman last year. Their valuable expertise and strategic input will help support the company's next phase of growth.

Our priorities remain clear: to advance and grow our pipeline, to strengthen our leadership position in anti-infectives, and to deliver long-term value for our shareholders. We look forward to continuing our dialogue with you throughout the year, as well as providing further insights into our markets, strategy, and growth opportunities – including at our Capital Markets Day in October – as we continue to ensure Basilea remains one step ahead in the years to come.

Thank you for your continued trust and support.

Allschwil, August 2026

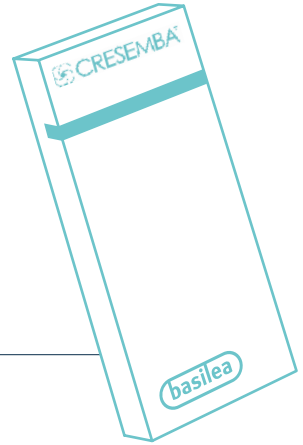
David Veitch
Chief Executive Officer

basilea

“Agenda 2030”

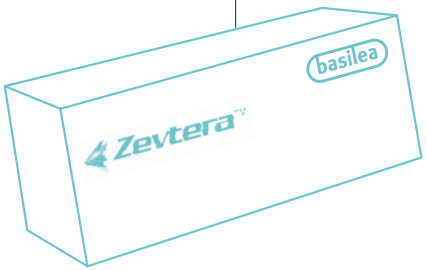
“Agenda 2030” is Basilea’s roadmap for its next chapter of development and value creation. Building on our financial strength and substantial expected cash flows from our commercial products Cresemba and Zevtera over the coming years, we have the resources and flexibility to execute on our growth strategy. “Agenda 2030” outlines the expansion of our commercial portfolio and our research and development pipeline. This strengthens our leadership position in anti-infectives and creates a broad, sustainable foundation for long-term value creation. It supports the successful transition to future growth drivers, with the two phase 3 assets alone, having the potential to generate global in-market sales equivalent to about twice those of our current commercial products.

“Agenda 2030” will also be a key part of the program at our upcoming Capital Markets Day.



~CHF **600** million
expected cumulative cash flow

from Cresemba and Zevtera (2026–2030)



plus more than USD **350** million in potential additional
non-dilutive R&D funding (2026–2030)

Strong financial position

- CHF 160 million cash as of end-2025

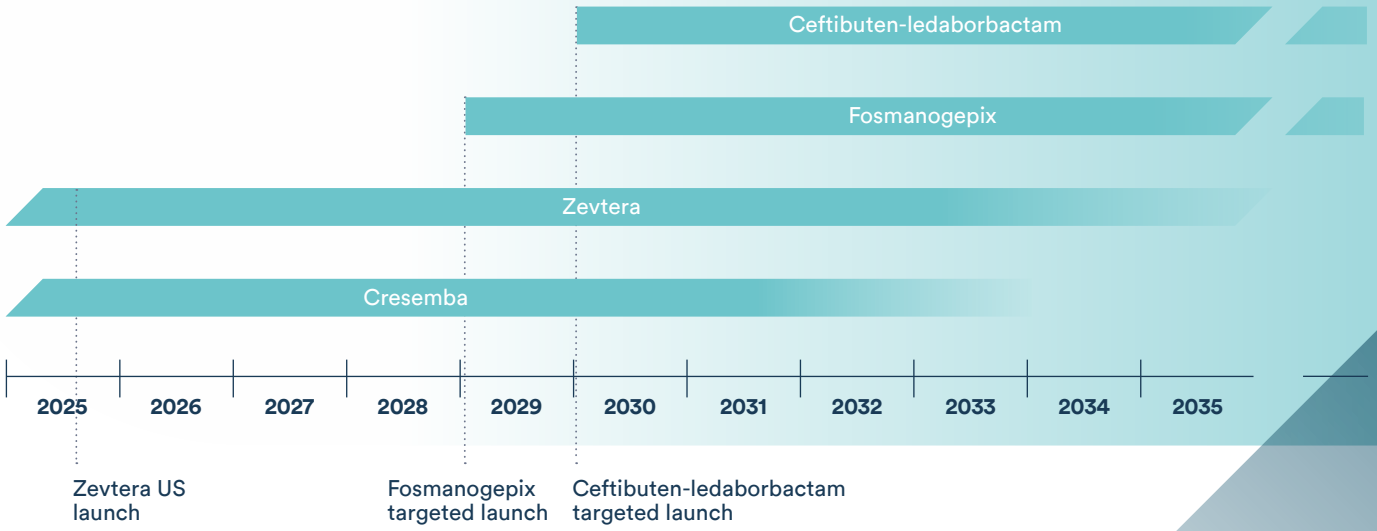
2026–2030
- ~CHF 600 million expected cumulative cash flow from Cresemba and Zevtera
- More than USD 350 million in potential additional non-dilutive R&D funding from existing agreements

Clear value creation focus

- Bring phase 3 programs to market
- Advance the early-stage pipeline
- Selectively expand the portfolio by in-licensing or acquiring exciting new assets

Commercial portfolio outlook

Current phase 3 pipeline has the potential to double the 2025 in-market sales



More information on the upcoming Capital Markets Day on 28 October 2026: basilea-cmd.com

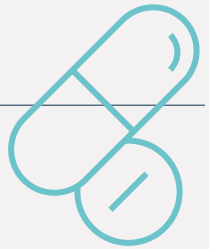
Highlights

At a glance	16
Our business model	17
Our markets & products	18
Established strong partnerships	19
Our portfolio	20
Financial highlights	22
Company highlights 2026	24
Capital Markets Day 2026	27

At a glance

We focus on developing treatments for severe

bacterial & fungal infections



Founded in

2000

~200 employees

from 28 different countries

SIX Swiss Exchange stock symbol

BSLN

Profitable Swiss commercial-stage

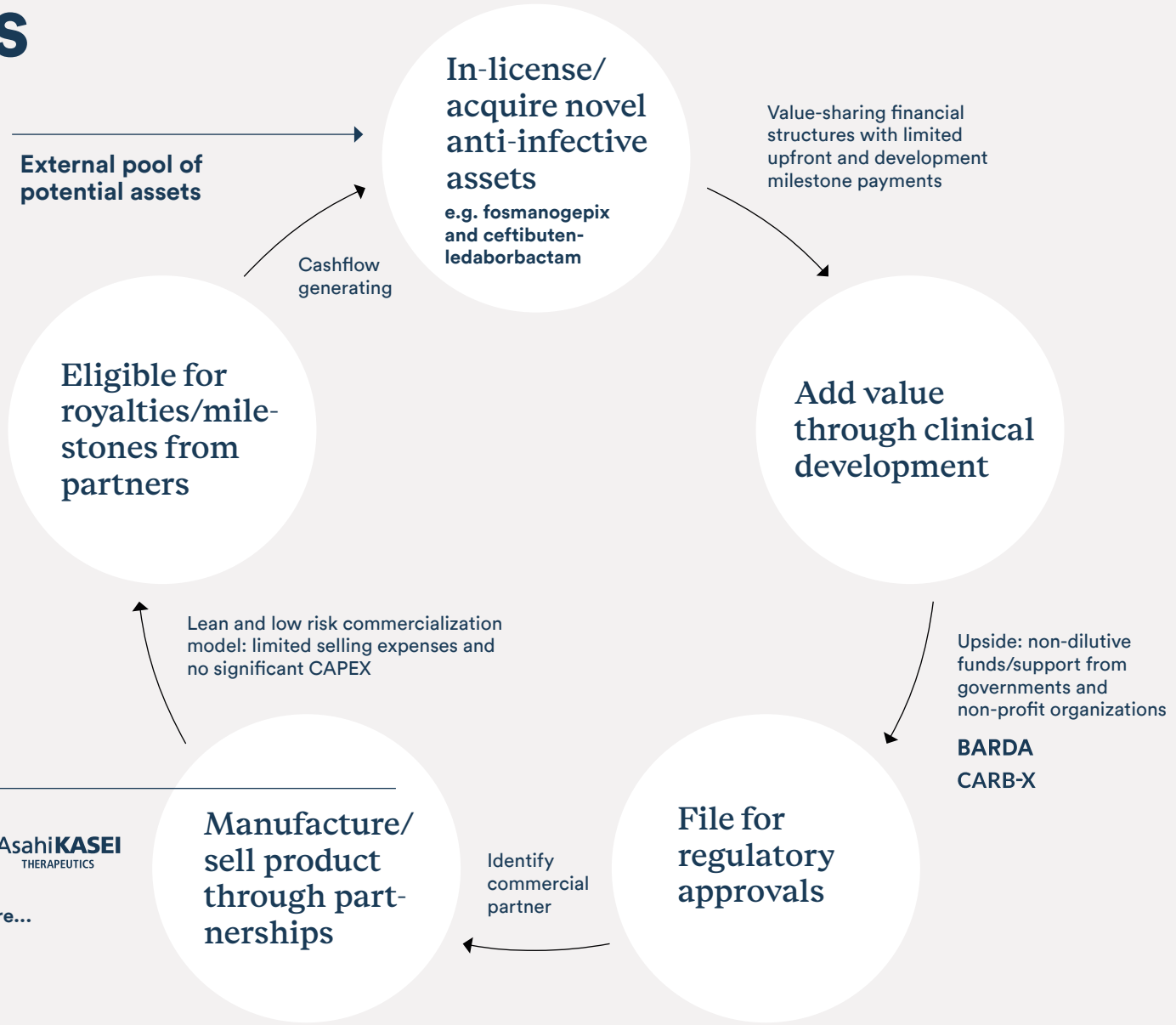
biopharmaceutical company

Located in Allschwil, near

Basel

Our business model

Our successful business model leverages our unique research and development capabilities, capitalizes on inherently low upfront acquisition costs and limited development investments, and utilizes commercialization partnerships to amplify marketing reach and drive profitability.



Our markets & products

Antifungals

The antifungals
market is estimated at USD

4.5 billion

Global systemic antifungal market*

6.5

million people
are affected by invasive fungal infections every year**

Cresemba launched in

70+ countries

26%

Cresemba market share
USD 782 million in-market sales*

USD **3.0** billion

Global sales*
of newest generation antifungals#

Antibiotics

The antibiotics
market is estimated at USD

15.6 billion

Global systemic hospital antibiotics market*

7.7

million people
die every year due to bacterial infections***

Zevtera launched in

20+ countries

For more information on our products, please visit **page 29.** ↗

Newest generation antifungals: Cresemba (isavuconazole), posaconazole, voriconazole, liposomal amphotericin B, anidulafungin, caspofungin, micafungin, rezafungin

* Cumulative in-market sales between April 2025 and March 2026, IQVIA Analytics Link March 2026

** The Lancet Infectious Diseases 2024 https://doi.org/10.1016/S1473-3099(23)00692-8

*** The Lancet 2022 https://doi.org/10.1016/S0140-6736(22)02185-7

Established strong partnerships

Commercialization

through partnerships with global, regional and local specialized pharmaceutical partners

License Partners

Pfizer · astellas · AsahiKASEI THERAPEUTICS · CR Gosun · INNOVIVA Specialty Therapeutics

Distribution Partners

ADVANZ PHARMA · hikma. · Knight · UNIMEDIC PHARMA · AVIR PHARMA · LANCET

Offsetting R&D investments

by accessing non-dilutive funding

CARB-X · BARDA

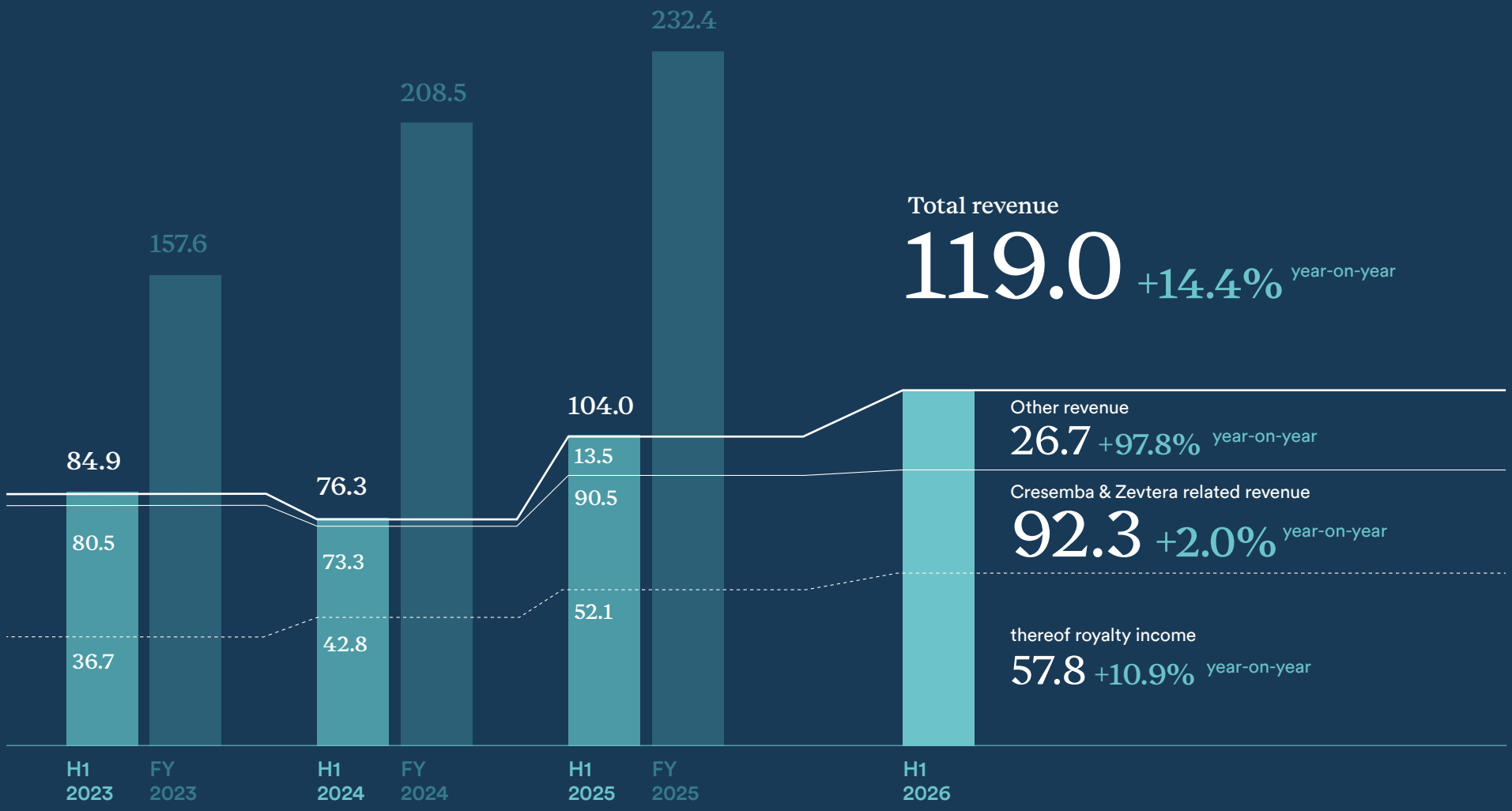
Our portfolio

For more information on our portfolio, please visit **page 29.** ↗

1 The registration status and approved indications may vary from country to country.

Financial highlights

in CHF million, rounding consistently applied

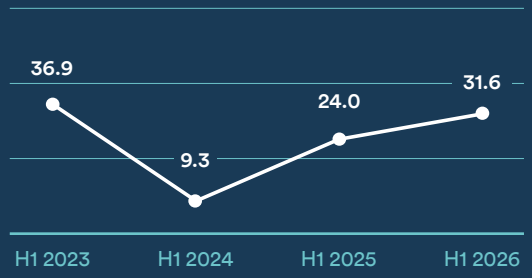


In CHF million, rounding consistently applied

For more information on the financial results, please see **page 41** onwards. ↗

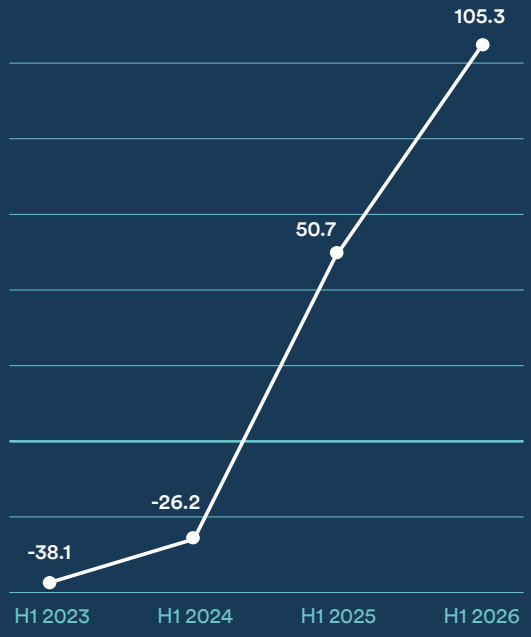
Operating profit

31.6 **+31.7%** year-on-year



Net cash / net debt

105.3 **+107.7%** year-on-year



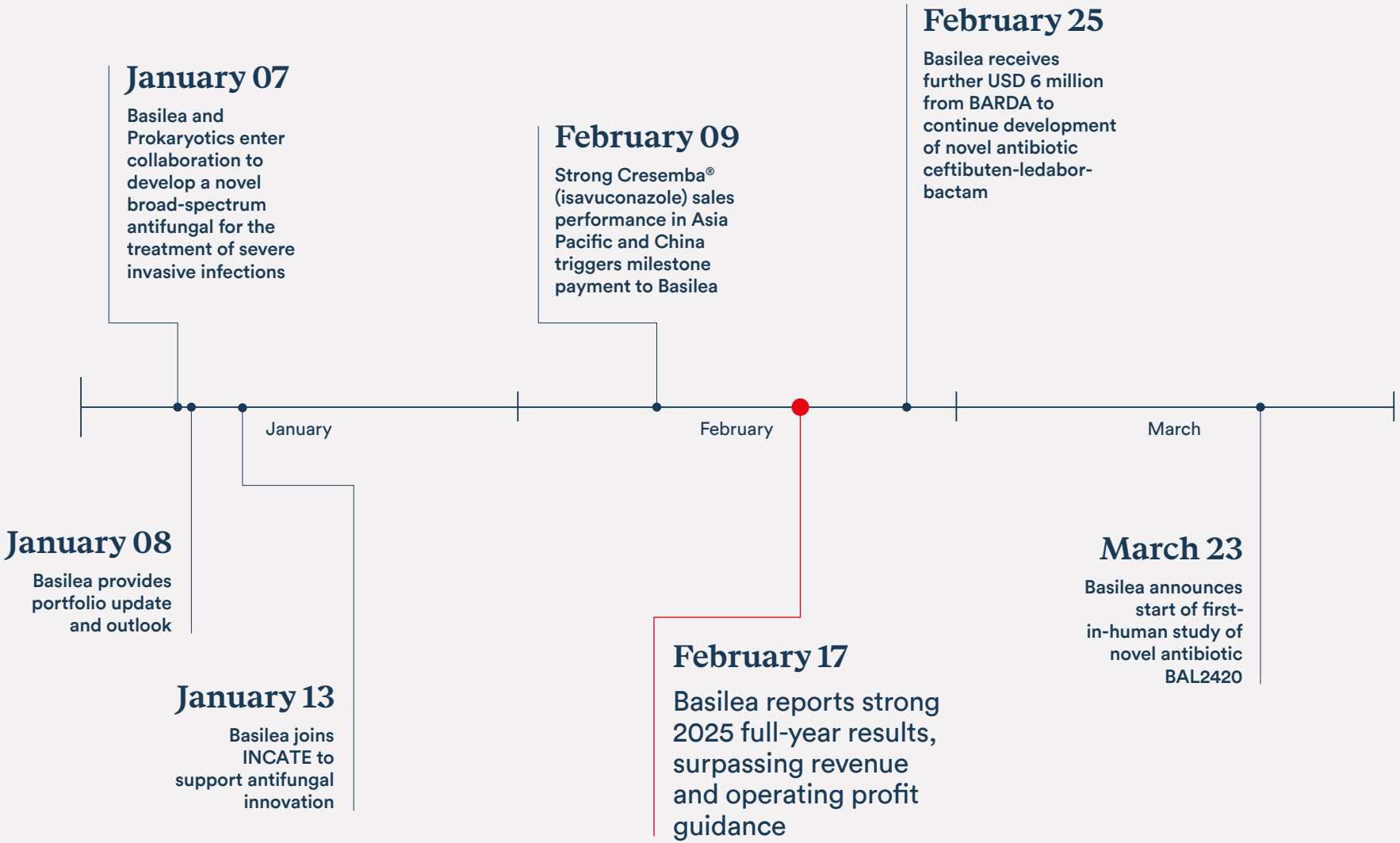
Cash flow from operating activities

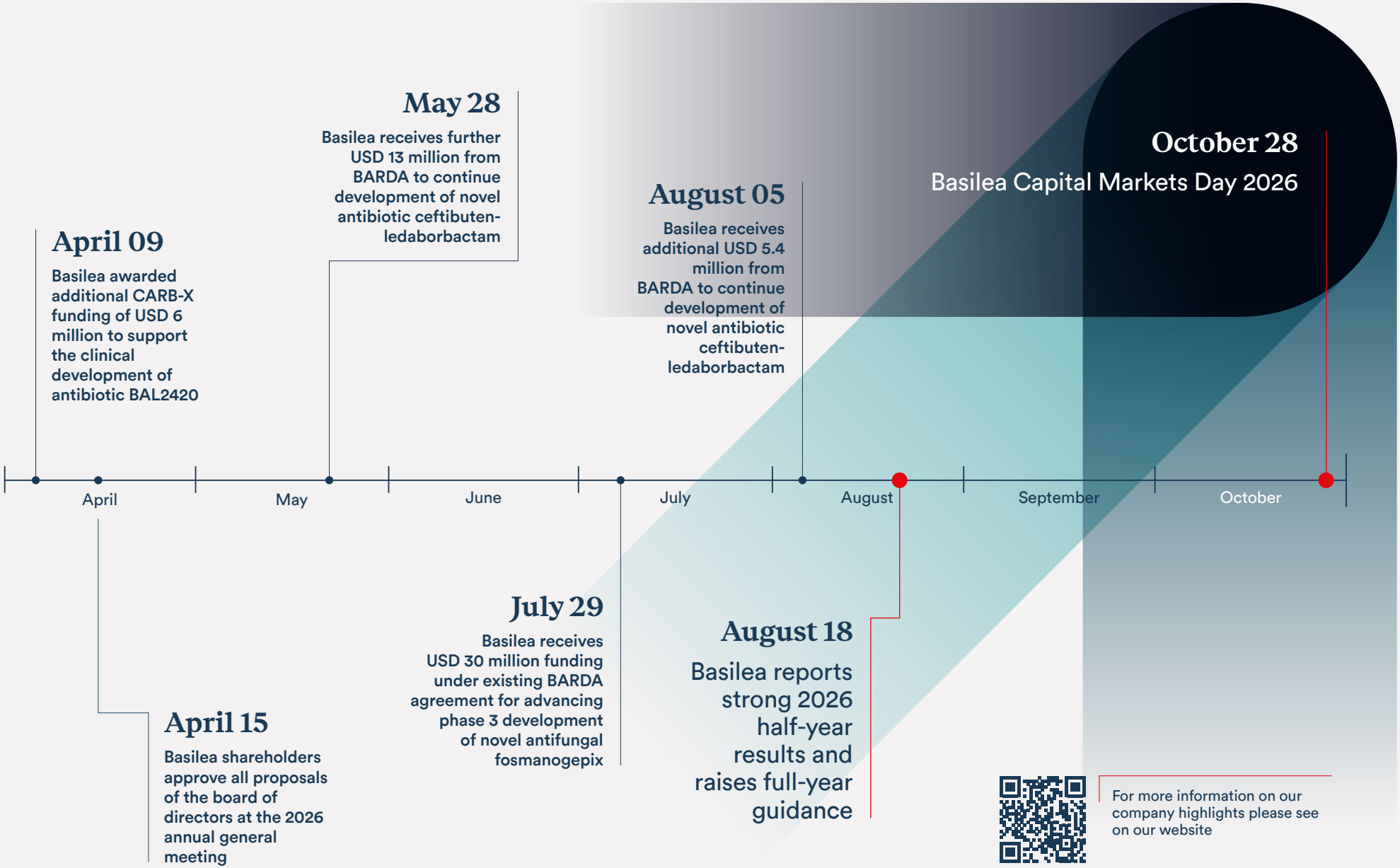
19.0 **–17.7%** year-on-year

Cash and cash equivalents and restricted cash

176.0 **+32.6%** year-on-year

Company highlights 2026





For more information on our company highlights please see on our website

one step ahead

Writing the next chapter of growth

Capital Markets Day 2026

On 28 October 2026, Basilea will host its Capital Markets Day to provide investors and analysts with an update on the company's strategic priorities, growth outlook and long-term value creation opportunities. Management will share perspectives on the next phase of Basilea's development and the key drivers supporting sustainable future growth. In addition, two renowned key opinion leaders will provide independent insights into the medical need and the evolving clinical landscape underpinning Basilea's development programs.

More information on the upcoming Capital Markets Day on 28 October 2026: basilea-cmd.com

Our portfolio

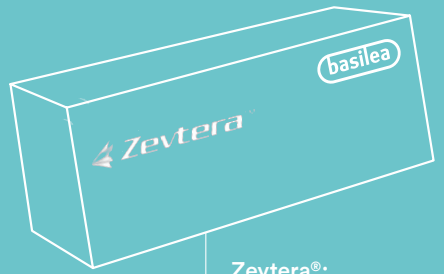
Key points	30
Antifungals	32
Antibacterials	36

Countries
with commercial partnerships in place

Key points

- Cresemba®: USD 782 million global in-market sales (April 2025 – March 2026)
- Cresemba remains the leading branded antifungal for invasive fungal infections worldwide
- Fosmanogepix: phase 3 studies in mold and yeast infections progressing

  BAL2420: first-in-human phase 1 study initiated



Zevtera®: market exclusivity until 2034 in the **US**

100+
countries covered by licence and distribution partners for Cresemba and Zevtera

Antifungals

Cresemba®
(isavuconazole)

Status: on the market

Global market leader by **value**

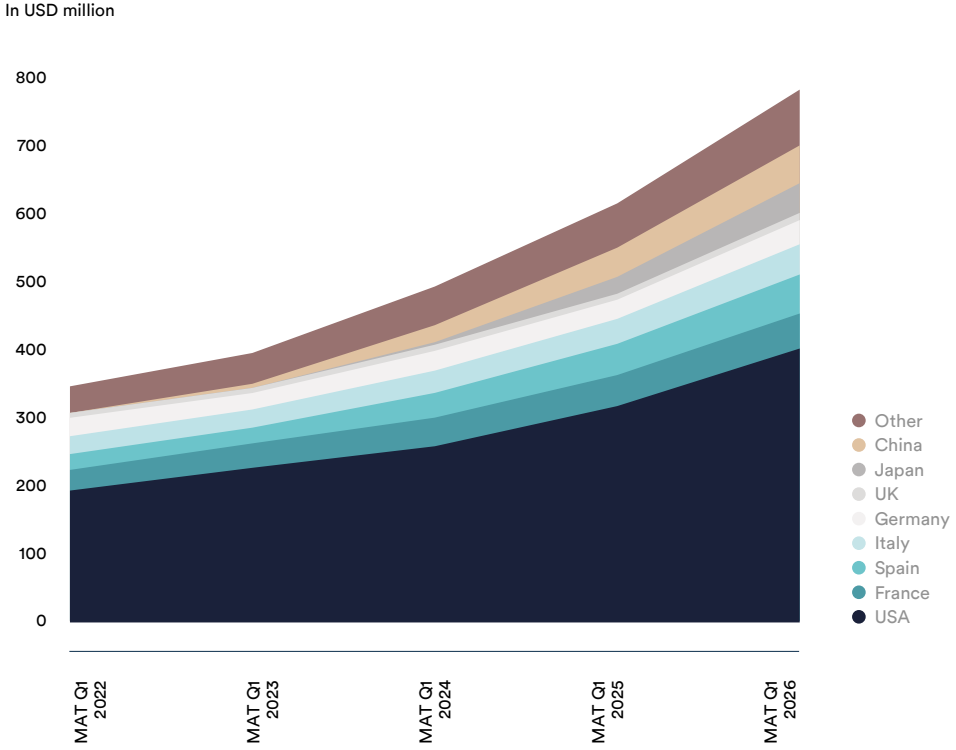
Launched in **70+ countries**

Next milestone: continued sales growth to cement Cresemba's position as the global market leader by value

Cresemba is our antifungal drug for the treatment of invasive aspergillosis and mucormycosis, two of the most common invasive mold infections.[1] Since its launch in 2015, it has established itself as the market leader by value, both in the US and globally, and is available in more than 70 countries.[2, 3]

In addition to its use in adults, Cresemba is approved for pediatric patients in the United States (US), Canada, and the European Union (EU). We expect global in-market sales to peak in 2027. In the US, generic entry is anticipated shortly after the expiry of market exclusivity. In Europe, generics are expected to enter the market only from the second half of 2028. In other markets, such as Japan and the MENA region, sales of the drug are expected to keep growing beyond 2028.

Strong 27% Cresemba year-on-year global in-market sales increase (MAT Q1 2026 vs MAT Q1 2025)[4]



Our partners continue to deliver strong commercial performance, with global in-market sales reaching USD 782 million in the 12 months through to March 2026 (+27% year on year).[4] This sustained momentum is also reflected in royalty income of CHF 57.8 million in the first half of 2026, representing an 11% increase year-on-year, underlining Cresemba's sustained strong commercial performance.

1 In the US, Cresemba (intravenous administration and capsules for oral administration) is indicated for use in the treatment of invasive aspergillosis and invasive mucormycosis in adults and pediatric patients from 1 year of age.

In Canada, Cresemba is also approved for the treatment of invasive aspergillosis and invasive mucormycosis. Cresemba for intravenous administration is indicated for use in adults and pediatric patients aged 1–18 years, while Cresemba capsules are approved for use in adults (100 mg capsules) and in pediatric patients aged 6–18 years (40 mg capsules).

In Europe (EU/European Economic Area (EEA)/ Switzerland/UK), Cresemba for intravenous administration is approved for use in patients from 1 year of age for the treatment of invasive aspergillosis and for the treatment of mucormycosis in patients for whom amphotericin B is inappropriate. Cresemba capsules for oral administration (100 mg) are approved for use in adults and in pediatric patients from 6 years of age; Cresemba capsules for oral administration (40 mg) are approved for use in pediatric patients only.

In China, intravenous isavuconazole is approved for use in patients from 1 year of age for the treatment of invasive aspergillosis and invasive mucormycosis in patients for whom amphotericin B is inappropriate. Cresemba capsules for oral administration (100 mg) are approved for use in adults and in pediatric patients aged 6–18 years (body weight ≥32 kg). Cresemba capsules for oral administration (40 mg) are approved for use in pediatric patients (body weight ≥16 kg) from 6–18 years for the treatment of invasive aspergillosis and invasive mucormycosis.

In Japan, orally and intravenously administered isavuconazole is approved for use in adults for the treatment of aspergillosis (invasive aspergillosis, chronic progressive pulmonary aspergillosis, simple pulmonary aspergilloma), mucormycosis, and cryptococcosis (pulmonary cryptococcosis and disseminated cryptococcosis, including cryptococcal meningitis).

2 Newest -generation antifungals: Cresemba, posaconazole, voriconazole, liposomal amphotericin B, anidulafungin, caspofungin, micafungin, and rezafungin.

3 Market share based on cumulative in-market sales between April 2025 and March 2026; IQVIA Analytics Link, March 2026.

4 IQVIA Analytics Link, March 2026; MAT: Moving annual total.

Fosmanogepix

Status: phase 3

Next milestones: phase 3 data readout and regulatory submission in 2028

Fosmanogepix is the most advanced antifungal candidate in our clinical pipeline and is currently being evaluated in two phase 3 studies targeting invasive yeast and mold infections.[5,6] It is also available to patients who have exhausted existing treatment options through a global expanded access program, under which nearly 600 patients across 22 countries have already been treated.[7] This underscores the urgent need for novel antifungal treatment options.

Fosmanogepix belongs to the novel "gepix" class of antifungals and is rapidly converted into its active form, manogepix, which is widely distributed to key infection sites, including the lungs and brain. By inhibiting the fungal-specific enzyme Gwt1, it disrupts cell wall integrity, leading to fungal cell death. This mechanism is distinct from that of existing antifungal therapies.

The compound demonstrates potent broad-spectrum activity against yeasts and molds, including multidrug-resistant pathogens such as *Candida auris* and *Candida glabrata*, as well as against challenging molds like *Aspergillus* and *Fusarium* species.[8] Available in both intravenous and oral formulations, the compound enables a seamless transition from hospital to outpatient care.

Fosmanogepix has received Qualified Infectious Disease Product (QIDP,) Orphan Drug, and Fast Track designations from the US Food and Drug Administration (FDA), supporting accelerated development and extended market exclusivity. With its differentiated profile, it is well positioned to address significant unmet medical needs and, pending successful clinical outcomes, has the potential to become a key future growth driver for Basilea.

5 FAST-IC (invasive candidiasis, candidemia), ClinicalTrials.gov identifier: NCT05421858

6 FORWARD-IM (invasive mold infections), ClinicalTrials.gov identifier: NCT06925321

7 ClinicalTrials.gov identifier: NCT06433128

8 K. J. Shaw, A. S. Ibrahim. Fosmanogepix: A Review of the First-in-Class Broad Spectrum Agent for the Treatment of Invasive Fungal Infections. Journal of Fungi (Basel) 2020 (6), 239.

BAL2062

Status: phase 2-ready

Next milestone: finalize discussions with regulatory authorities on the optimal phase 2 and phase 3 development path

The second clinical-stage antifungal in our pipeline is BAL2062, which is available as an intravenous formulation. Derived from a naturally occurring compound, it leverages a fungus-specific iron transporter to enter and rapidly kill fungal cells.[9] BAL2062 belongs to a novel class of antifungals and could become the first approved drug in this class. It has demonstrated activity against Aspergillus species, including azole-resistant strains, Fusarium and selected Candida species, among others. The FDA has granted BAL2062 QIDP, Orphan Drug, and Fast Track designations for the treatment of invasive aspergillosis. In 2026, our focus is on aligning with regulatory authorities on the optimal development path and the design of upcoming clinical studies.

9 K. J. Shaw. GR–2397: Review of the Novel Siderophore-like Antifungal Agent for the Treatment of Invasive Aspergillosis. Journal of Fungi (Basel) 2022 (8), 909.

Non-dilutive R&D funding for novel antifungals

In September 2024, Basilea entered an Other Transaction Agreement (OTA) with the Biomedical Advanced Research and Development Authority (BARDA), part of the Administration for Strategic Preparedness and Response (ASPR) within the US Department of Health and Human Services (HHS). The OTA provides Basilea with up to approximately USD 268 million in non-dilutive funding over a period of up to 12 years for the development of novel antifungals and antibacterials.[10]

Under this agreement, USD 123 million has already been awarded in four tranches to support the development of fosmanogepix and BAL2062. BARDA's financial contribution is expected to be approximately 60% of the total cost of the supported programs over the term of the OTA. Moreover, under the OTA, BARDA and Basilea can jointly decide on the inclusion or removal of programs from the supported portfolio, based on product performance, technical risk, and medical need. This flexibility should result in significant efficiency in terms of time, effort, and cost for both partners.

10 BARDA OTA number: 75A50124C00033

Insights into the fosmanogepix clinical development program

Fosmanogepix, Basilea's most advanced antifungal candidate, is being developed as a potential new treatment option for patients with serious invasive fungal infections, including infections where current treatment options are limited.

The ongoing pivotal phase 3 program comprises two global studies designed to generate a robust clinical data package across both yeast and mold infections.

FAST-IC is evaluating intravenous fosmanogepix, with an optional oral step-down, compared with standard-of-care treatment in adult patients with candidemia and/or invasive candidiasis. The study enrolled its first patient in December 2024. By 30 June 2026, FAST-IC had almost 150 sites activated across 20 countries. Earlier in 2026, study sites were also activated in China, further strengthening the global reach of the program.

Investigator's meeting for FAST-IC study in Shanghai

FORWARD-IM is evaluating fosmanogepix in adult patients with invasive mold infections caused by *Aspergillus* spp., *Fusarium* spp., *Lomentospora prolificans,* Mucorales fungi or other multidrug-resistant molds. The study includes primary-therapy and salvage-therapy cohorts, reflecting the significant unmet medical need in these difficult-to-treat infections, which are associated with high morbidity and mortality. The first patient was enrolled in August 2025. As of 30 June 2026, more than 70 study sites had been activated in 15 countries.

The progress across both studies reflects the continued execution of Basilea's global clinical development strategy for fosmanogepix and close collaboration among Basilea, its clinical trial partners, investigators, study teams and other stakeholders. Together, these efforts support the advancement of a differentiated antifungal candidate with the potential to address important unmet needs in the treatment of invasive fungal infections.

Antibacterials

Zevtera®
(ceftobiprole)

Status: on the market

Next milestone: establish Zevtera as a novel treatment option for *Staphylococcus aureus* bacteremia (SAB) in the US

Zevtera is our antibiotic for the treatment of severe bacterial infections, with strong efficacy against methicillin-resistant *Staphylococcus aureus* (MRSA), a major cause of difficult-to-treat infections with high mortality.

Starting in 2014, Zevtera has been approved and launched in key European countries along with several countries outside Europe, initially for the treatment of bacterial lung infections (pneumonia).[11] In 2024, the FDA approved Zevtera in the US for the treatment of *Staphylococcus aureus* bacteremia (SAB), acute bacterial skin and skin structure infections (ABSSSI), and community-acquired bacterial pneumonia (CABP). SAB represents the highest unmet medical need, with mortality rates of around 20%,[12] and we believe Zevtera is well positioned given the limited treatment options, particularly for MRSA.

First cephalosporin antibiotic for SAB approved in the

US

Launched in

20+ countries

11 Ceftobiprole is approved in several countries for the treatment of adult patients with hospital-acquired pneumonia (HAP, excluding ventilator-associated pneumonia, VAP) and community-acquired pneumonia (CAP). In European countries, as well as in Lebanon, Qatar and Saudi Arabia, ceftobiprole is also approved for pediatric use in patients from birth to less than 18 years of age. In China, pediatric use is approved for patients aged three months to less than 18 years.

In the United States, the drug is approved for the treatment of adult patients with bloodstream infections (bacteremia) caused by *Staphylococcus* aureus (SAB), including right-sided infective endocarditis, and adult patients with acute bacterial skin and skin structure infections (ABSSSI), and for adult and pediatric patients (three months to less than 18 years old) with community-acquired bacterial pneumonia (CABP).

12 T. L. Holland, S. E. Cosgrove, S. B. Doernberg et al. Ceftobiprole for Treatment of Complicated Staphylococcus aureus Bacteremia. New England Journal of Medicine 2023 Oct 12; 389 (15): 1390-1401.

Zevtera was launched in the US in July 2025 in partnership with Innoviva Specialty Therapeutics. The initial launch phase is marked by enabling market access, including through New Technology Add-On Payment (NTAP) designation, Medicaid Drug Rebate Program and 340B pricing eligibility, as well as J-code availability. Repeat orders from major hospitals indicate a positive initial clinical experience. Zevtera benefits from exclusivity in the US until April 2034, supporting long-term value creation.

Ceftibuten-ledaborbactam etzadroxil

Status: phase 3-ready

Next milestone: initiation of a global phase 3 program in mid-2027

In August 2025, we further strengthened our late-stage pipeline by acquiring the global rights to ceftibuten-ledaborbactam, an oral beta-lactam/beta-lactamase inhibitor (BL/BLI) combination for the treatment of complicated urinary tract infections (cUTI), including certain kidney infections (pyelonephritis).

The combination pairs ceftibuten, an oral cephalosporin antibiotic, with ledaborbactam etzadroxil, a novel beta-lactamase inhibitor prodrug designed to restore ceftibuten activity against resistant pathogens. It demonstrates potent bactericidal activity against Enterobacterales, including multidrug-resistant strains such as producers of extended-spectrum beta-lactamases (ESBL) and carbapenem-resistant Enterobacterales (CRE).[13, 14, 15]

cUTIs are among the most common bacterial infections and are often treated with intravenous antibiotics, frequently requiring hospitalization. In the US alone, they account for more than 600,000 hospital admissions annually,[16] highlighting the need for effective oral treatment options that could reduce or prevent hospital stays.

The candidate has shown a favorable safety and tolerability profile in preclinical and phase 1 studies[17] and has received QIDP and Fast Track designations from the FDA. Preparations for a global phase 3 program are underway, with initiation planned for mid-2027 and topline results expected in the first half of 2029.

13 Ledaborbactam restores ceftibuten activity against Enterobacterales producing Ambler Class A, C and D ESBLs and carbapenemases (including pathogens designated as critical threats in the WHO Priority Pathogen List, 2024).

14 J. A. Karlowsky, M. G. Wise, M. A. Hackel et al. Ceftibuten-Ledaborbactam Activity against Multidrug-Resistant and Extended-Spectrum-β-Lactamase-Positive Clinical Isolates of Enterobacterales from a 2018–2020 Global Surveillance Collection. Antimicrobial Agents and Chemotherapy 2022, Nov 15;66(11):e0093422.

15 T. P. Lodise, T. Chopra, B. H. Nathanson et al. Epidemiology of Complicated Urinary Tract Infections due to Enterobacterales Among Adult Patients Presenting in Emergency Departments Across the United States. Open Forum Infectious Diseases 2022, Jun 24;9(7):ofac315.

16 M. D. Zilberberg, B. H. Nathanson, K. Sulham et al. Descriptive Epidemiology and Outcomes of Hospitalizations With Complicated Urinary Tract Infections in the United States, 2018. Open Forum Infectious Diseases 2022, Jan 10;9(1):ofab591.

17 C. F. de Oliveira, M. B. Dorr, K. Lowe et al. Evaluation of Single and Multiple Dose Safety and Pharmacokinetics of Ledaborbactam Etzadroxil and Ceftibuten-Ledaborbactam Etzadroxil in Healthy Volunteers. Open Forum Infectious Diseases 2025, Jan 29;12(Suppl 1):ofae631.1425.

4R-7
4R-8
4R-6
4R-9
4R-5
4R-10
4R-2

BAL2420

Status: phase 1

Next milestone: phase 1 study completion

Belonging to one of the few truly novel antibiotic classes in development, BAL2420 targets LptA, a key component of the lipopolysaccharide (LPS) transport system that is essential for Gram-negative bacteria. Inhibition of LptA disrupts the integrity of the outer cell membrane, leading to bacterial cell death. LptA inhibitors have demonstrated potent and rapid bactericidal activity both *in vitro* and *in vivo* against Enterobacterales such as *E. coli* and *K. pneumoniae*, including strains resistant to beta-lactams and colistin, an antibiotic considered a last-resort therapy.[18]

In March 2026, BAL2420 entered a first-in-human phase 1 study evaluating its safety, tolerability, and pharmacokinetics.[19]

18 M. Schuster, E. Brabet, K. K. Oi et al. Peptidomimetic antibiotics disrupt the lipopolysaccharide transport bridge of drug-resistant Enterobacteriaceae. Science Advances 2023 (9), eadg3683.

19 ClinicalTrials.gov identifier: NCT07500181

Non-dilutive R&D funding for novel antibacterials

Basilea's ceftobiprole phase 3 program, which supported FDA approval of Zevtera in 2024, was partly funded by BARDA,[20] which awarded approximately USD 111 million to Basilea. This funding covered around 75% of the costs associated with the phase 3 studies in SAB and acute bacterial skin and skin structure infections (ABSSSI) as well as regulatory and nonclinical activities.

Additionally, in September 2025 BARDA transferred a contract from Venatorx to Basilea to support the phase 3 development of ceftibuten-ledaborbactam.[21] Under this agreement, USD 30.8 million has already been awarded to Basilea.

The development of BAL2420 has been supported by Combating Antibiotic-Resistant Bacteria Biopharmaceutical Accelerator (CARB-X) since 2020. Since 2024, Basilea has been awarded approximately USD 14 million in non-dilutive funding from CARB-X for this project.[22]

20 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.

21 BARDA contract number: 75A50123C00050.

22 CARB-X is funded in part with federal funds from the US Department of Health and Human Services (HHS); Administration for Strategic Preparedness and Response; Biomedical Advanced Research and Development Authority (BARDA) under agreement number 75A50122C00028 and by awards from Wellcome (WT224842), the UK Department of Health and Social Care's Global Antimicrobial Resistance Innovation Fund (GAMRIF), the Gates Foundation, Germany's Federal Ministry of Research, Technology and Space (BMFTR), the Novo Nordisk Foundation, Italy's Ministry of Economy and Finance (MEF), Japan's Ministry of Health, the European Commission's DG Health Emergency Preparedness and Response Authority (DG HERA), and KfW Development Bank. The U.S. National Institute of Allergy and Infectious Diseases (NIAID), part of the National Institutes of Health (NIH) in HHS, provides support in the form of in-kind services through access to a suite of preclinical services for product development.

Together, we make a difference

Financial report

Key financials	42
Condensed consolidated interim financial statements	43
Notes to the condensed consolidated interim financial statements	47

Key financials H1 2026

Numbers in CHF million, rounding consistently applied

Total revenue

119.0 +14.4% year-on-year

Cresemba & Zevtera related revenue

92.3 +2.0% year-on-year

of which royalty income

57.8 +10.9% year-on-year

Operating profit

31.6 +31.7% year-on-year

Profit before taxes

32.1 +66.3% year-on-year

Net profit

27.9 +76.6% year-on-year

Total cost and operating expenses

87.4 +9.4% year-on-year

Cash flow from operating activities

19.0 –17.7% year-on-year

Net cash

105.3 +107.7% year-on-year

Cash and cash equivalents and restricted cash

176.0 +32.6% year-on-year

Condensed consolidated interim financial statements Basilea Pharmaceutica Ltd, Allschwil & subsidiaries

Condensed consolidated balance sheets

as of June 30, 2026 (unaudited) and December 31, 2025 (audited)

in CHF thousands	Footnote	2026	2025
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		**173 052**	159 796
Restricted cash	1	**2 926**	2 541
Accounts receivable	4	**13 879**	13 491
Other receivables	5	**54 291**	49 790
Inventories, net	6	**26 038**	21 558
Other assets		**3 620**	4 555
Total current assets		**273 806**	251 731
NON-CURRENT ASSETS			
Property, plant and equipment, net	2	**4 647**	5 053
Intangible assets, net		**228**	371
Operating lease, right-of-use assets, net	13	**12 145**	13 097
Other assets		**43**	51
Deferred tax assets		**7 167**	11 696
Total non-current assets		**24 230**	30 268
TOTAL ASSETS		**298 036**	281 999

in CHF thousands	Footnote	2026	2025
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable		**13 976**	15 058
Deferred revenue	3	**1 579**	1 573
Operating lease liabilities	13	**2 062**	2 062
Accruals and other current liabilities	8	**23 896**	30 523
Total current liabilities		**41 513**	49 216
NON-CURRENT LIABILITIES			
Convertible senior unsecured bonds	7	**70 644**	75 440
Deferred revenue	3	**8 718**	9 458
Operating lease liabilities	13	**10 737**	11 715
Pension liability	12	**4 072**	8 229
Total non-current liabilities		**94 171**	104 842
Total liabilities		**135 684**	154 058
SHAREHOLDERS' EQUITY			
Share capital[1]	10	**13 425**	13 319
Treasury shares[2]	10	**(50 991)**	(51 277)
Additional paid-in capital		**1 055 098**	1 052 368
Accumulated other comprehensive loss	10	**(562)**	(3 904)
Accumulated deficit:			
Loss carried forward		**(882 565)**	(922 805)
Net profit		**27 946**	40 240
Total shareholders' equity		**162 352**	127 941
TOTAL LIABILITIES AND EQUITY		**298 036**	281 999

These financial statements should be read in conjunction with the footnotes.

[1] As of June 30, 2026, 13,425,260 shares (December 31, 2025: 13,318,976) were issued and 12,403,033 shares (December 31, 2025: 12,291,580) were outstanding with a par value of CHF 1.00 per share.

[2] As of June 30, 2026, 1,022,227 shares (December 31, 2025: 1,027,396) were held as treasury shares with a par value of CHF 1.00 per share.

Basilea Pharmaceutica Ltd, Allschwil & subsidiaries

Condensed consolidated statements of operations

for the six months ending June 30, 2026 and June 30, 2025 (unaudited)

in CHF thousands, except per share amounts	Footnote	2026	2025
Product revenue	3	**29 907**	31 513
Contract revenue	3	**62 409**	58 990
Other revenue	3	**26 680**	13 457
Total revenue		**118 996**	103 960
Cost of products sold		**(15 429)**	(24 230)
Research & development expenses		**(54 022)**	(38 294)
Selling, general & administrative expenses		**(17 965)**	(17 404)
Total cost and operating expenses		**(87 417)**	(79 928)
Operating profit		**31 580**	24 032
Interest income		**617**	555
Interest expense	7	**(1 408)**	(1 924)
Other income		**3 926**	1 354
Other expense		**(2 997)**	(5 023)
Other components of net periodic pension cost		**429**	351
Profit before taxes		**32 146**	19 345
Income taxes		**(4 200)**	(3 543)
Net profit		**27 946**	15 802
Earnings per share	11		
Basic earnings per share, in CHF		**2.26**	1.29
Diluted earnings per share, in CHF		**2.13**	1.26

Condensed consolidated statements of comprehensive income

for the six months ending June 30, 2026 and June 30, 2025 (unaudited)

in CHF thousands	Footnote	2026	2025
Net profit		**27 946**	15 802
Currency translation adjustments		**(7)**	(1)
Actuarial gain		**3 349**	3 073
Other comprehensive income, net of tax	10	**3 342**	3 072
Comprehensive income		**31 288**	18 874

These financial statements should be read in conjunction with the footnotes.

Basilea Pharmaceutica Ltd, Allschwil & subsidiaries

Condensed consolidated statements of cash flows

for the six months ending June 30, 2026 and June 30, 2025 (unaudited)

in CHF thousands	Footnote	2026	2025
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit		**27 946**	15 802
Non-cash adjustments to reconcile net profit to net cash provided by operating activities:			
Pension changes		**(808)**	(454)
Deferred tax		**4 529**	3 543
Depreciation and amortization		**997**	968
Share-based compensation		**2 789**	2 829
Amortization of debt issuance cost	7	**194**	366
Debt extinguishment loss	7	**214**	623
Change in operating assets/liabilities:			
Accounts receivable		**(385)**	(7 764)
Other receivables		**(4 498)**	8 615
Inventories		**(4 480)**	8 984
Accounts payable		**(1 084)**	(1 561)
Deferred revenue		**(733)**	(1 170)
Accruals and other current liabilities		**(6 651)**	(9 583)
Other operating cash flow items		**943**	1 858
Net cash provided by operating activities		**18 973**	23 056
CASH FLOW FROM INVESTING ACTIVITIES			
Investments in property, plant and equipment	2	**(409)**	(321)
Investments in intangible assets		**(36)**	(93)
Net cash used in investing activities		**(445)**	(414)

in CHF thousands	Footnote	2026	2025
CASH FLOW FROM FINANCING ACTIVITIES			
Net proceeds from share-based compensation		**(56)**	(59)
Net proceeds from treasury shares		**385**	507
Debt extinguishment	7	**(5 204)**	(14 918)
Net cash used in financing activities		**(4 875)**	(14 470)
Effect of exchange rate changes		**(11)**	(11)
Net change in cash, cash equivalents and restricted cash		**13 642**	8 161
Beginning of period		**162 336**	124 560
End of period		**175 978**	132 721
SUPPLEMENTAL INFORMATION			
Cash paid for interest	7	**1 284**	1 669
Cash paid for income taxes		**63**	–

The following table shows the components of cash, cash equivalents and restricted cash as of June 30, 2026 and June 30, 2025:

in CHF thousands	2026	2025
Cash and cash equivalents	**173 052**	128 365
Restricted cash	**2 926**	4 356
Total cash, cash equivalents and restricted cash	**175 978**	132 721

These financial statements should be read in conjunction with the footnotes.

Basilea Pharmaceutica Ltd, Allschwil & subsidiaries

Condensed consolidated statements of changes in shareholders' equity

for the six months ending June 30, 2026 and June 30, 2025

in CHF thousands	Share Capital	Treasury Shares	Additional paid-in capital	Accumulated other comprehensive loss/ income	Accumulated deficit	**Total**
Balance at December 31, 2024 (audited)	13 170	(51 702)	1 047 567	(4 742)	(923 293)	**80 999**
Net profit	–	–	–	–	15 802	**15 802**
Other comprehensive income	–	–	–	3 072	–	**3 072**
Treasury shares transactions	–	184	329	–	–	**513**
Effects from share-based compensation	144	–	2 625	–	–	**2 769**
Balance at June 30, 2025 (unaudited)	13 314	(51 518)	1 050 521	(1 670)	(907 491)	**103 156**
Balance at December 31, 2025 (audited)	13 319	(51 277)	1 052 368	(3 904)	(882 565)	**127 941**
Net profit	–	–	–	–	27 946	**27 946**
Other comprehensive income	–	–	–	3 342	–	**3 342**
Treasury shares transactions	–	287	103	–	–	**390**
Effects from share-based compensation	106	–	2 627	–	–	**2 733**
Balance at June 30, 2026 (unaudited)	13 425	(50 991)	1 055 098	(562)	(854 619)	**162 352**

These financial statements should be read in conjunction with the footnotes.

Basilea Pharmaceutica Ltd, Allschwil & subsidiaries

Notes to the condensed consolidated interim financial statements

(unaudited, all amounts in CHF unless stated otherwise)

1 Summary of significant accounting policies and new accounting pronouncements

Business purpose and history
Basilea Pharmaceutica Ltd, Allschwil, located in Allschwil, Switzerland (Basilea), together with its subsidiaries (collectively, "the Company"), is a commercial-stage biopharmaceutical company committed to discovering, developing and commercializing innovative drugs to meet the needs of patients with severe bacterial and fungal infections.

Supporting its commercial activities, Basilea has operating subsidiaries in the United Kingdom and Germany.

Basis of presentation
The condensed consolidated interim financial statements of Basilea have been prepared in accordance with generally accepted accounting principles in the United States of America (US GAAP) for interim financial information and accordingly do not include all information and disclosures as required by US GAAP for annual financial statements. The year-end condensed consolidated balance sheet data was derived from audited financial statements and should be read in conjunction with the 2025 consolidated financial statements contained in the Annual Report 2025.

In the opinion of the management, these condensed consolidated interim financial statements reflect all adjustments necessary, which are of a normal recurring nature, to fairly state the consolidated balance sheets, statements of operations, statements of comprehensive income, cash flows and changes in shareholders' equity for the interim periods presented. Rounding differences may occur.

Principles of consolidation
Subsidiaries in which Basilea has a controlling financial interest, directly or indirectly are consolidated. The Company holds only wholly owned subsidiaries.

Use of estimates
The preparation of financial statements in accordance with US GAAP requires management to make estimates and assumptions which have an effect on the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date and on the reported amounts of revenues and expenses during the reporting period. Management evaluates these estimates on an ongoing basis, including those related to revenue recognition, accrued expenses, share-based compensation, pension accounting, measurement of right-of-use assets and lease liabilities and income taxes. These estimates are based on historical experience and management's knowledge of current events and actions the Company may undertake in the future; however, actual results ultimately may differ from those estimates.

Fair value measurements
The Company applies the Accounting Standard Codification (ASC) 820 "Fair Value Measurements and Disclosures". ASC 820 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In measuring fair value, the Company evaluates valuation approaches such as the market approach, the income approach and the cost approach. A three-level valuation hierarchy, which prioritizes the inputs to valuation approaches that are used to measure fair value, is based upon whether such inputs are observable or unobservable.

Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions made by the Company. The three-level hierarchy for the inputs to valuation approaches is briefly summarized as follows:

Level 1 Observable inputs such as quoted prices (unadjusted) for identical instruments in active markets.

Level 2 Observable inputs such as quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-derived valuations whose significant inputs are observable for substantially the full term of the assets or liabilities.

Level 3 Unobservable inputs that reflect the Company's estimate of assumptions that market participants would use in pricing the asset or liability.

The carrying amounts of cash and cash equivalents, restricted cash, accounts receivable, other receivables, accounts payable, accruals and other liabilities approximate their fair values due to their short-term nature.

Cash and cash equivalents
The Company considers all highly liquid investments purchased with original maturities of 90 days or less from the date of purchase, to be cash equivalents. Cash equivalents comprise fixed term deposits and are carried at cost.

Restricted cash
Restricted cash includes balances held in bank accounts reserved for the purchase of treasury shares.

Foreign currencies
The presentation currency of the consolidated financial statements is the Swiss Franc (CHF), which is also the functional currency of Basilea, the holding company. The functional currency, which is the currency that best reflects the economic environment in which the Company operates and conducts its transactions, is separately determined for the Company's subsidiaries and is used to measure their financial position and operating results.

Transactions in currencies other than the functional currency of a subsidiary are recorded at the rates of exchange prevailing at the date of the transaction. Monetary assets and liabilities in currencies other than the functional currencies are remeasured at the rates of exchange prevailing as of the date of the consolidated statements of financial position and the related translation gains and losses are recognized in the consolidated statements of operations in other income and other expense.

Upon consolidation, the results of operations of subsidiaries whose functional currency is other than the CHF are translated into CHF at the monthly average exchange rates and assets and liabilities are translated at the month-end exchange rates. Translation adjustments are recognized directly in other comprehensive income.

Accounts receivable and other receivables
Accounts receivable and other receivables are recorded at net realizable value after consideration of an allowance for doubtful accounts. The Company maintains allowances for estimated uncollectible receivables based on historical experience and specifically identified at-risk accounts. The adequacy of the allowance is evaluated on an ongoing and periodic basis, and adjustments are made in the period in which a change in condition occurs. Other receivables mainly include unbilled revenue, which consists of revenue earned but not yet invoiced.

Inventories
Costs related to the manufacturing of inventories are expensed as research and development expenses when incurred prior to obtaining regulatory approval or evidence being available that regulatory approval for the respective product is probable. If regulatory approval is subsequently obtained, the recorded expenses are not reversed.

Costs related to the manufacturing of inventories which occurred after the receipt of regulatory approval for the respective product or evidence being available that regulatory approval is probable, are capitalized. Inventories are valued at the lower of cost and net realizable value. Cost is determined using the standard-cost method, which approximates actual cost. If inventory costs exceed the net realizable value, a provision is recorded. In addition, provisions are recorded due to obsolescence or lack of demand.

Property, plant and equipment
Tangible assets are recorded at cost less accumulated depreciation and impairment. Depreciation is determined on a straight-line basis over the estimated useful lives of the assets of approximately twenty years for buildings, five years for research & development equipment, three years for furniture and office equipment and three years for IT hardware and equipment. Leasehold improvements are depreciated over the shorter of five to ten years or the lease term. Expenditures for major renewals and improvements that extend the asset life are capitalized, while expenditures for maintenance and repairs are charged to the statement of operations as incurred.

The cost and related accumulated depreciation of assets sold or otherwise disposed of are removed from the related accounts, and resulting gains or losses are reflected in the statement of operations in the operating result.

Intangible assets
Intangible assets with finite lives are recorded at cost less accumulated amortization and impairment. Intangible assets with finite lives mainly consist of internal-use software, which is amortized on a straight-line basis over three years.

Impairment of long-lived assets
Long-lived assets are reviewed for impairment indicators throughout the year. Whenever events or changes in circumstances indicate that the carrying amounts of long-lived assets held for use, including tangible assets as well as intangible assets, may not be recoverable, the Company assesses such long-lived assets for impairment.

If the assessment indicates that a long-lived asset is not recoverable (i.e., the carrying amount is higher than the future projected undiscounted cash flows), its carrying amount is reduced to the fair value.

Convertible senior unsecured bonds
The convertible senior unsecured bonds were initially measured at amortized cost and are presented net of issuance costs incurred. The issuance costs are amortized using the effective interest method over the life of the debt instrument resulting in the accretion of the liability of the convertible senior unsecured bonds until maturity. The Company concluded that exercise contingencies do not prevent the embedded conversion feature from being considered indexed to the entity's own stock, and the embedded conversion feature was therefore not bifurcated.

Treasury shares
Treasury shares are recognized at the acquisition costs of the shares using the first-in first-out method.

Leases
At the inception of a lease, the Company determines whether the arrangement is or contains a lease based on the unique facts and circumstances present in the arrangement. Leases with a term greater than one year are recognized on the balance sheet as operating lease, right-of-use assets (ROU) and current and non-current operating lease liabilities, as applicable.

Operating lease liabilities and their corresponding right-of-use assets are initially recorded based on the present value of lease payments over the expected remaining lease term. Certain adjustments to the right-of-use asset may be required for items such as incentives received. The interest rate implicit in lease contracts is typically not readily determinable. As a result, the Company utilizes its incremental borrowing rate to discount lease payments, which reflects the fixed rate at which the Company could borrow on a collateralized basis the amount of the lease payments in the same currency, for a similar term, in a similar economic environment. To estimate its incremental borrowing rate, a credit rating applicable to the Company is estimated using a synthetic credit rating analysis since the Company does not currently have a rating agency-based credit rating.

The Company has elected not to recognize leases with an original term of one year or less on the balance sheet. The Company typically only includes an initial lease term in its assessment of a lease arrangement. Options to renew a lease are not included in the Company’s assessment unless there is reasonable certainty that the lease will be renewed.

Assumptions made by the Company at the commencement date are re-evaluated upon occurrence of certain events, including a lease modification. A lease modification results in a separate contract when the modification grants the lessee an additional right of use not included in the original lease

and when lease payments increase commensurate with the standalone price for the additional right of use. When a lease modification results in a separate contract, it is accounted for in the same manner as a new lease.

In accordance with ASC 842, components of a lease should be split into the following categories: lease components and non-lease components. The fixed and in-substance fixed contract consideration must be allocated based on the respective relative fair values to the lease components and non-lease components.

Entities may elect not to separate lease and non-lease components. Rather, entities would account for each lease component and related non-lease component together as a single lease component. The Company has elected to account for lease and non-lease components together as a single lease component for all underlying assets and allocate all of the contract consideration to the lease component only.

ASC 842 allows for the use of judgment in determining whether the assumed lease term is for a major part of the remaining economic life of the underlying asset and whether the present value of lease payments represents substantially all of the fair value of the underlying asset. The Company applies the bright line thresholds referenced in ASC 842-10-55-2 to assist in evaluating leases for appropriate classification. The aforementioned bright lines are applied consistently to the Company's entire portfolio of leases.

Revenue recognition
Revenue is recognized when control of the promised goods or services is transferred to the customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services.

The Company derives its revenues primarily from product sales and contractual arrangements. The Company determines revenue recognition through the following steps:
- Identification of the contract, or contracts, with a customer
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of revenue when, or as, the Company satisfies a performance obligation

Contracts with customers may include multiple performance obligations. For these contracts, the Company accounts for individual performance obligations separately if they are distinct. The transaction price is allocated to the separate performance obligations on a relative standalone selling price basis. The Company determines the standalone selling prices based on its overall pricing objectives, taking into consideration market conditions and other factors, including the value of the contracts and customer geographic locations or using expected cost plus margin.

Product revenue
Product revenue is recognized net of any sales and value added taxes and sales deductions based on contractually agreed payment terms. Control passes according to contractual shipment terms. The amount of consideration the Company receives and revenue the Company recognizes varies based on estimated rebates, discounts, returns and charge backs. The Company adjusts its estimate of revenue at the earlier of when the most likely amount of consideration the Company expects to receive changes or when the consideration becomes fixed. Sales returns are generally estimated and recorded based on historical sales and returns information.

Contract revenue
To determine the proper revenue recognition method for contracts, the Company may need to evaluate whether two or more contracts should be combined and accounted for as one single contract and whether the combined or single contract should be accounted for as more than one performance obligation. For certain contracts, the Company may provide a service of combining a license and related tasks into a single performance obligation. Hence, the entire contract is accounted for as one performance obligation. The Company may, however, promise to provide a distinct license with distinct services within a contract, in which case the Company separates the contract into more than one performance obligation. If a contract is separated into more than one performance obligation, the Company allocates the total transaction price to each performance obligation in an amount based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation. Non-refundable upfront payments

and substantive development and sales milestones are recognized at a point in time, or over the remaining performance period based on the Company's progress towards satisfying its identified performance obligation. The Company may sell licenses with observable standalone selling prices. In these cases, the observable standalone sales are used to determine the standalone selling price or may sell a unique license for a specific drug, and in these cases the Company typically uses the expected cost plus a margin approach to estimate the standalone selling price of each performance obligation.

The Company accounts for a contract when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable.

Following the guidance in ASC 808 "Collaborative Arrangements", the Company presents the results of activities for which it acts as the principal on a gross basis and reports any payments received from (or made to) other collaborators based on respective applicable GAAP. The Company's accounting policy for its qualifying collaborative agreements is to evaluate amounts due from (or owed to) its collaborators based on the nature of each separate activity.

Other revenue
Other revenue includes realizable amounts under the contracts with the Biomedical Advanced Research and Development Authority (BARDA) and with the Combating Antibiotic-Resistant Bacteria Biopharmaceutical Accelerator (CARB-X). The Company considers the arrangements to be part of its ongoing major operations. Revenues from these contracts are recognized when allowable costs are incurred.

Practical expedients and exemptions
The Company excludes from the transaction price all sales taxes that are assessed by a governmental authority and that are imposed on and concurrent with a specific revenue-producing transaction and collected by the Company from a customer (e.g., sales, use, value added, and some excise taxes).

The Company applies the general variable consideration guidance to estimate the transaction price if the license to the intellectual property is not the predominant item. With regard to royalties where the license is the sole or predominant item to which the royalty relates, for example when the customer would ascribe significantly more value to the license than to other goods or services provided under an arrangement the sale- and usage-based royalty exemption applies and royalties are recognized once earned.

The Company does not disclose the value of unsatisfied performance obligations for contracts with an original expected length of one year or less and contracts for which the Company recognizes revenue at the amount for which the Company has the right to invoice for services performed.

Cost of products sold
Costs of products sold consist of manufacturing costs including manufacturing licenses and shipping and handling costs.

Research & development expenses
Research and development costs are expensed as incurred. No amount was capitalized in any period presented. Costs of research and development equipment with alternative future uses are capitalized and depreciated over the equipment's useful life.

Research and development expenses primarily include costs for third-party services in connection with clinical studies and research projects, costs for producing substance to be used in such studies and projects, personnel expenses for the Company's research and development groups, and depreciation of equipment used for research and development activities. In addition, research and development expenses contain expenses for producing pharmaceutical material which may be used for commercialization subject to regulatory approval, and which was produced prior to obtaining regulatory approval or evidence being available that regulatory approval is probable. Research and development expenses also include costs associated with in-licensed or acquired compounds and projects, associated upfront fees and milestone payments prior to obtaining regulatory approval.

Share-based compensation
The Company applies ASC 718 “Compensation – Stock Compensation” related to its share-based compensation awards. According to ASC 718, the Company measures the cost of employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award.

The share-based compensation expenses are allocated over the vesting period of the award. For awards which consist of portions with different vesting periods, the compensation expense is recognized pro rata for each portion of the award over the respective vesting period.

Management and certain employees are eligible to receive Performance Share Units (PSUs) and Restricted Share Units (RSUs).

PSUs represent a promise to deliver shares to employees after the vesting period if certain vesting conditions on the share price performance (market-based performance condition) and in-market sales (non-market-based performance condition) of certain products are met. For the 2026 grants, the non-market-based performance condition of in-market sales was replaced by portfolio development related performance criteria. The Company estimates the fair value of its market-based performance awards using the Monte Carlo Model. The non-market-based performance awards are based on the share price at grant date, considering management's assessment of the likelihood that the performance conditions will be met.

RSUs represent a promise to deliver shares to employees after the vesting period. The fair value of the RSUs are based on the share price at grant date.

The Company records the PSUs and RSUs expense as share-based compensation using the straight-line method over the vesting period.

Income taxes
The Company applies the asset and liability method for the determination of provisions for income taxes. The income taxes for the reporting period consist of the current taxes (taxes paid and taxes payable) plus the change in the deferred taxes for the respective period. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity. Deferred taxes represent the estimated future tax consequences of temporary differences between the amounts of assets and liabilities recognized for financial reporting purposes and such amounts recognized for tax purposes. Deferred tax assets and liabilities are measured using enacted tax rates and laws expected to be in effect in the years in which those temporary differences are expected to be recovered or settled. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. Interest and penalties in connection with income taxes are recorded as income taxes.

Earnings per share
Basic earnings per share is calculated by dividing net income by the weighted-average number of shares outstanding during the period, without consideration for common stock equivalents.

Diluted earnings per share include the effect of all potentially dilutive shares, consisting of stock options, RSUs and PSUs using the treasury-stock method, as well as shares issuable upon conversion of the convertible senior unsecured bonds, determined on an “if-converted” basis according to ASC 260-10-45-40.

Pension plans
The Company applies ASC 715 “Compensation – Retirement Benefits” related to its pension plan. According to ASC 715, the projected benefit obligation for defined benefit pension plans is calculated annually by independent actuaries using the projected unit credit method. The projected benefit obligation at period end represents the actuarial present value of the estimated future payments required to settle the obligation that is attributable to employee services rendered before that date.

The Company records net gains/losses, consisting of actuarial gains/losses, curtailment gains/losses and differences between expected and actual returns on plan assets, in other comprehensive income/loss. To the extent that such cumulative net gains/losses exceed 10% of the greater of projected benefit obligations or pension assets, the excess amount is amortized to the consolidated statement of operations over the average remaining service years of plan participants.

The Company further records prior service costs/credits from plan amendments in other comprehensive income/loss in the period of the respective plan amendment and amortizes such amounts to the consolidated statement of operations over the expected future service period of the plan participants.

The Company records the service cost component of the net periodic pension costs with the other employee compensation costs within the result from operations. The other components are reported separately outside of the result of operations.

If benefits paid in a period do not exceed the sum of service cost and interest cost components of net periodic pension cost, no settlement of the pension obligation has occurred and no settlement gain or loss will be recognized in the statement of operations.

Certain risks and uncertainties
The Company is subject to risks common to companies in its industry including but not limited to: uncertainty of results of clinical trials for its compounds; ability to achieve regulatory approval for its compounds; acceptance of the Company's products by the market in case they obtained regulatory approval; ability to market its products; ability to manufacture its products at reasonable costs; protection of proprietary technology and intellectual property; development of new technological innovations by its competitors; dependence on key personnel; dependence on key suppliers; changes in foreign currency rates and compliance with governmental and other regulations.

New accounting pronouncements
No accounting standards adopted by the Company during the period ended June 30, 2026 had a material effect on the Company's financial condition, results of operations, or cash flows.

In November 2024, the FASB issued an accounting update requiring enhanced disaggregation of certain expense categories within the income statement as part of broader improvements to comprehensive income disclosures. The guidance is effective for the Company's annual reporting period ending December 31, 2027 and for interim reporting periods thereafter. The Company is evaluating the requirements of the new standard and expects to incorporate any necessary disclosure changes upon adoption.

In December 2023, the FASB issued ASU 2023-09, Improvements to Income Tax Disclosures (Topic 740), which enhances transparency in income tax disclosures by requiring more detailed information about the rate reconciliation and income taxes paid by jurisdiction. The Company adopted ASU 2023-09 effective January 1, 2025. The adoption did not have a material impact on the Company's consolidated financial statements, but resulted in enhanced income tax disclosures beginning with the annual report 2025.

2 Property, plant and equipment

in CHF million	Equipment	Leasehold improvements	**Total**
H1 2026			
COST			
January 1, 2026	14.9	2.0	**16.9**
Additions	0.4	0.0	**0.4**
Disposals	(0.2)	–	**(0.2)**
June 30, 2026	15.1	2.0	**17.1**
ACCUMULATED DEPRECIATION			
January 1, 2026	10.7	1.1	**11.8**
Additions	0.7	0.2	**0.9**
Disposals	(0.1)	–	**(0.1)**
June 30, 2026	11.2	1.3	**12.5**
Net book value as of June 30, 2026	3.9	0.7	**4.6**
H1 2025			
COST			
January 1, 2025	13.6	1.8	15.4
Additions	0.1	0.2	0.3
June 30, 2025	13.7	2.0	15.7
ACCUMULATED DEPRECIATION			
January 1, 2025	10.6	0.8	11.4
Additions	0.7	0.1	0.8
June 30, 2025	11.3	0.9	12.2
Net book value as of June 30, 2025	2.4	1.1	3.5

3 Agreements

The table below summarizes revenues from all current agreements between the Company and its partners (within contract revenue: ROY = royalties, Other = milestones and upfront payments):

Revenues from agreements:

Partner	Total Revenue		Product Revenue		Contract Revenue						Other Revenue	
in CHF million	H1 26	H1 25	H1 26	H1 25	H1 26			H1 25			H1 26	H1 25
					TOT	ROY	Other	TOT	ROY	Other		
PARTNER												
Asahi	**9.3**	12.1	**6.4**	8.1	**2.8**	**2.8**	**–**	3.9	2.1	1.8	**0.1**	0.1
Astellas	**31.5**	26.3	**–**	–	**31.5**	**31.5**	**–**	26.3	26.3	–	**0.0**	–
Pfizer	**28.6**	34.1	**0.8**	5.9	**27.1**	**23.3**	**3.9**	28.0	23.7	4.3	**0.7**	0.2
Gosun	**0.1**	4.0	**–**	4.0	**0.1**	**0.1**	**–**	–	–	–	**–**	–
Innoviva	**0.4**	1.2	**0.1**	0.9	**0.3**	**0.1**	**0.2**	0.2	0.0	0.2	**–**	–
Distributors	**23.4**	13.3	**22.7**	12.6	**0.6**	**–**	**0.6**	0.6	–	0.6	**0.1**	0.1
BARDA	**22.3**	11.1	**–**	–	**–**	**–**	**–**	–	–	–	**22.3**	11.1
CARB-X	**1.7**	1.9	**–**	–	**–**	**–**	**–**	–	–	–	**1.7**	1.9
Others	**1.8**	0.1	**–**	–	**–**	**–**	**–**	–	–	–	**1.8**	0.1
	119.0	**104.0**	**29.9**	**31.5**	**62.4**	**57.8**	**4.7**	**59.0**	**52.1**	**6.9**	**26.7**	**13.5**

For the six months ending June 30, 2026, deferred revenue recognized in contract revenue amounted to CHF 0.8 million (six months ending June 30, 2025: CHF 0.8 million).

License agreement with Pfizer related to isavuconazole
In June 2017, the Company entered into a license agreement with Pfizer Inc. for isavuconazole. The transaction was completed on July 19, 2017. Under the agreement Pfizer has the right to exclusively commercialize the drug in Europe (excluding the Nordics), Russia, Turkey and Israel (the Territory) and to manufacture isavuconazole for the Territory. In November 2017, the original Agreement was amended (the Amendment) to extend the Territory to China (including Hong Kong and Macao) and 16 countries in the Asia-Pacific region (the Extended Territory). The Amendment became effective on January 10, 2018.

Under the terms of the Agreement, the Company was eligible for a non-refundable upfront payment of CHF 70.0 million and up to USD 427.0 million in additional non-refundable milestone payments upon achievement of pre-specified regulatory and sales milestones over the term of the agreement. Under the terms of the Amendment, the Company was eligible for an additional non-refundable upfront payment of USD 3.0 million and to receive up to USD 223.0 million in additional non-refundable milestone payments upon achievement of pre-specified regulatory and commercial milestones related to the Extended Territory over the term of the Amendment. In addition, the Company will also receive royalties based on Pfizer's sales in the Territory and the Extended Territory.

As the Company acts as principal for the sale of the product during an initial supply service period (the Supply Service Term), the sale of product to Pfizer is recorded gross and recognized in product revenue upon delivery. Any milestone payments are being recognized as contract revenue over the remaining performance period based on the progress towards satisfying its identified performance obligation. Royalty revenue is recognized when earned as the license is the predominant item of the Agreement and its Amendment.

In 2020, the Supply Service Term ended and, in June 2020, the Company entered into a Supply Service Agreement with Pfizer. Under the terms of the Supply Service Agreement the Company delivered to Pfizer Active Pharmaceutical Ingredient (API) until December 2021 and certain semi-finished products until December 2024. In April 2024, an amendment under the existing Supply Service Agreement has come into force for capsules for the pediatric use ending on December 31, 2027. The Company concluded that the Supply Service Agreement is distinct from the Agreement and its Amendment and results in a separate performance obligation that is treated as a separate contract.

In March and June 2025, the Company recognized two sales milestone payments of USD 2.5 million each, related to the Extended Territory as contract revenue. In October 2025, the Company recognized a sales milestone of USD 30.0 million related to the Territory as contract revenue. In February 2026, the Company recognized a sales milestone payment of USD 5.0 million related to the Extended Territory as contract revenue.

For the six months ending June 30, 2026, the Company recognized CHF 0.8 million (six months ending June 30, 2025: CHF 5.9 million) as product revenue. For the six months ending June 30, 2026, the Company recognized royalty revenue of CHF 23.3 million (six months ending June 30, 2025: CHF 23.7 million) and milestone payments of CHF 3.9 million (six months ending June 30, 2025: CHF 4.3 million) as contract revenue.

License agreement with Astellas related to isavuconazole

In February 2010, the Company entered into a license, co-development and co-promotion agreement with Astellas Pharma Inc. (Astellas) for isavuconazole.

Under this agreement, the Company was eligible for a non-refundable upfront payment of CHF 75.0 million and non-refundable milestone payments of up to CHF 478.0 million based on the achievement of milestones related to regulatory filing, regulatory approval and commercialization of isavuconazole. In addition, the Company was also eligible for double-digit tiered royalty payments.

The agreement was amended in February 2014, providing the Company full rights to isavuconazole in all markets outside of the US and Canada in return for foregoing the Company's right to co-promote the product in the US and Canada, its right to receive payments related to co-promotion, and EU milestone payments. In addition, the amended agreement contains the Company's obligation to execute the PIP studies. Hence, the Company determined that the Amendment was a modification with an adjustment to an existing contract to be accounted for prospectively. The agreement was further amended in August 2015, providing the Company full rights to isavuconazole in all markets outside the US. The Company determined that the Amendment in August 2015 was not a significant modification. The Company and Astellas continue to coordinate their development and manufacturing activities and each company is responsible for commercial activities in its respective territory.

Under the terms of the agreement as amended, the Company continued to be entitled to receive regulatory milestone payments of total CHF 42.0 million, sales milestone payments of up to CHF 290.0 million and tiered double-digit royalty payments from Astellas relating to its territory.

For the six months ending June 30, 2026, the Company recognized royalty revenue of CHF 31.5 million (six months ending June 30, 2025: CHF 26.3 million) as contract revenue.

License agreement with Asahi Kasei Pharma Therapeutics (AKT) related to isavuconazole

In March 2016, the Company entered into a development and commercialization agreement with Asahi Kasei Pharma Therapeutics (AKT) (formerly Asahi Kasei Pharma Corporation) to develop, register and commercialize isavuconazole in Japan. AKT is responsible for conducting clinical studies necessary to apply for a marketing authorization for isavuconazole in Japan for the treatment of invasive aspergillosis and mucormycosis and for applying for such authorization. Once isavuconazole is authorized, the Company will perform commercial manufacturing services, and AKT will commercialize the product in Japan. AKT will purchase the product for commercialization from the Company.

Under the terms of the agreement, the Company granted AKT an exclusive license to develop, register and commercialize isavuconazole in Japan. The Company was eligible for a non-refundable upfront payment of CHF 7.0 million and up to approximately CHF 60 million of additional payments upon achievement of regulatory and commercial milestones. In addition, the Company will also be eligible for double-digit tiered royalty payments on sales in Japan.

In addition to the license, the agreement states that the Company has an obligation to manufacture and supply the product for clinical studies and to provide materials, documentation and support (together with the Ongoing Documentation and Information Transfer Obligation). Because the separation criterion is not met, the license and the Ongoing Documentation and Information Transfer Obligation are accounted for as one unit of account and the entire upfront payment was allocated to the unit of account. The related revenue was recognized over the period over which the Ongoing Documentation and Information Transfer Obligation was provided up to submission of the NDA in September 2021.

For the six months ending June 30, 2026, the Company recognized CHF 6.4 million (six months ending June 30, 2025: CHF 8.1 million) as product revenue. For the six months ending June 30, 2026, the Company recognized royalty revenue of CHF 2.8 million (six months ending June 30, 2025: CHF 2.1 million) and no milestone payment (six months ending June 30, 2025: CHF 1.8 million) as contract revenue.

License agreement with Shenzhen China Resources Gosun Pharmaceuticals Co. Ltd. related to ceftobiprole

In September 2017, the Company entered into a development, manufacturing and commercialization agreement with Shenzhen China Resources Gosun Pharmaceuticals Co. Ltd. (Gosun) to develop, manufacture and commercialize ceftobiprole in China, Hong Kong and Macao (the Territory). Gosun is responsible for conducting clinical studies necessary to apply for a marketing authorization for ceftobiprole in the Territory and for applying for such authorization. The Company will initially supply the product to Gosun at a transfer price with the corresponding sale of product recorded as product revenue and will be eligible for tiered double-digit royalties on product sales once Gosun manufactures ceftobiprole itself, which will be recorded as contract revenue.

Under the terms of the agreement, the Company granted Gosun an exclusive license to develop, register, commercialize and manufacture ceftobiprole in the Territory. The Company was eligible for a non-refundable upfront payment of CHF 3.0 million and up to approximately CHF 145 million of additional payments upon achievement of regulatory and commercial milestones.

In addition to the license, the agreement states that the Company has an obligation to manufacture and supply the product for clinical studies and to provide materials, documentation and support (Ongoing Clinical Supply and Information Transfer Obligation). Because the separation criterion is not met, the license and the Ongoing Clinical Supply and Information Transfer Obligation are accounted for as one unit of account and the entire upfront payment was allocated to one unit of account. The related revenue is recognized as contract revenue over the performance period, being the period over which the Ongoing Clinical Supply and Information Transfer Obligation is provided up to the grant of the imported drug license (IDL) or the approval of a domestic drug application (DDA).

The Company concluded that the commercial manufacturing service is not a deliverable because the service is dependent on the clinical results and the grant of the IDL or approval of the DDA. Thus, any future milestone payments will be recognized as contract revenue upon satisfaction of the criteria associated with the specific milestone. Royalty revenue will be recognized when earned.

In 2017, the Company received a non-refundable net upfront payment of CHF 2.7 million (gross payment of CHF 3.0 million less withholding tax and stamp duty of CHF 0.3 million) from Gosun. The upfront payment was deferred and was recognized as contract revenue over the remaining service period, initially expected to be until the first quarter of 2022 in line with the period over which the Ongoing Clinical Supply and Information Transfer Obligation is provided up to grant of the IDL or approval of DDA. In November 2020, the IDL was granted in China and the service period ended. Therefore the Company recognized the remaining deferred revenue of the non-refundable net upfront payment.

For the six months ending June 30, 2026, the Company recognized no product revenue (six months ending June 30, 2025: CHF 4.0 million) and CHF 0.1 million (six months ending June 30, 2025: none) as contract revenue.

License agreement with Innoviva Specialty Therapeutics Inc. related to ceftobiprole

In December 2024, the Company entered into an exclusive distribution and license agreement with Innoviva Specialty Therapeutics Inc. (Innoviva), a wholly owned subsidiary of Innoviva Inc., for the commercialization of ceftobiprole in the US.

Under the terms of the agreement, the Company is eligible to a non-refundable upfront payment of USD 4.0 million and potential sales milestone payments of up to USD 223.0 million in contract revenue. Moreover, the Company is entitled to tiered royalty payments on net sales in the high-teens to mid-twenties percentage range that will be recorded as contract revenue. Innoviva will purchase the product for commercialization from the Company, the related revenue is recorded in product revenue.

In 2024, the Company received a non-refundable upfront payment of USD 4.0 million. Thereof, USD 4.0 million were recorded as deferred revenue on the balance sheet in 2024. The deferred revenue is recognized on a straight-line basis as contract revenue over the remaining performance period, until April 2034.

As of June 30, 2026, the Company presented deferred revenue of CHF 2.7 million (December 31, 2025: CHF 2.8 million) on its balance sheet related to the licence agreement with Innoviva.

For the six months ending June 30, 2026, the Company recognized deferred revenue of CHF 0.2 million (six months ending June 30, 2025: CHF 0.2 million) as contract revenue.

For the six months ending June 30, 2026, the Company recognized CHF 0.1 million (six months ending June 30, 2025: CHF 0.9 million) as product revenue.

For the six months ending June 30, 2026, the Company recognized royalty revenue of CHF 0.1 million (six months ending June 30, 2025: CHF 0.0 million) as contract revenue.

Distribution agreements related to isavuconazole and ceftobiprole

In 2017 and 2016, the Company entered into exclusive distribution agreements for isavuconazole and ceftobiprole with Avir Pharma Inc. for Canada, Knight Therapeutics (Knight) (formerly Grupo Biotoscana S.L.) for Latin and South America and Unimedic Pharma AB (Unimedic) for the Nordic countries, respectively. In 2017, the Company also entered into an exclusive distribution agreement for ceftobiprole with Advanz Pharma (Advanz) (formerly Correvio Pharma Corp.) for Europe (excluding the Nordic countries) and Israel. In addition, the Company entered into a distribution agreement for ceftobiprole with Hikma Pharmaceuticals LLC (Hikma) for the Middle East and North Africa in 2015. The agreement was extended to isavuconazole in 2016 and in 2022 to include ceftobiprole for Egypt. In 2021, the Company entered into an distribution agreement with JSC Lancet for ceftobiprole in Russia and in other countries of the Eurasian Economic Union.

Under these distribution agreements, the Company was eligible for non-refundable upfront payments of CHF 19.8 million and for sales and regulatory milestone payments of up to approximately CHF 144 million related to the commercialization of isavuconazole and ceftobiprole in these territories. In addition, the Company sells products to its distributors for the commercialization in the territories and recognizes the related revenue in product revenue.

In 2015, the Company received a non-refundable upfront payment of CHF 1.0 million from Hikma related to ceftobiprole. In 2017 and 2016, the Company received non-refundable upfront payments of CHF 6.3 million and CHF 12.1 million, respectively, in connection with these distribution agreements. Thereof, CHF 6.3 million and CHF 12.0 million were recorded as deferred revenue in 2017 and 2016, respectively. In 2015, CHF 1.0 million was recorded as deferred revenue. The deferred revenue is recognized as contract revenue over the remaining performance period, approximately until 2032.

As of June 30, 2026, the Company presented deferred revenue of CHF 7.6 million (December 31, 2025: CHF 8.2 million) on its balance sheet related to these distribution agreements.

For the six months ending June 30, 2026, the Company recognized CHF 22.7 million as product revenue (six months ending June 30, 2025: CHF 12.6 million), deferred revenue of CHF 0.6 million as contract revenue (six months ending June 30, 2025: CHF 0.6 million) and CHF 0.1 million as other revenue (six months ending June 30, 2025: CHF 0.1 million).

Contract with BARDA for ceftobiprole U.S. phase 3 development program
In April 2016, the Company entered into a contract with BARDA for the clinical phase 3 development of ceftobiprole aiming to gain regulatory approval for the drug in the US. As of June 30, 2026, the Company was awarded a total amount of USD 110.8 million (December 31, 2025: USD 110.8 million) under this contract to support the phase 3 development program of ceftobiprole. Following the successful approval of ceftobiprole on the US in April 2024, the contract ended in April 2026.

In the six months ending June 30, 2026, the Company collected a total of USD 1.1 million (six months ending June 30, 2025: USD 0.7 million) in payments under the contract.

For the six months ending June 30, 2026, the Company recognized CHF 0.4 million (six months ending June 30, 2025: CHF 0.6 million) as other revenue related to the contract.

Other Transaction Agreement (OTA) with BARDA for the development of antifungal and antibacterial assets
In September 2024, the Company entered into an OTA with BARDA for the development of antifungal and antibacterial assets.

The contractually agreed maximum potential BARDA funding under the OTA amounts to USD 267.6 million, of which USD 28.6 million have been awarded by BARDA to support the development of the antifungals fosmanogepix and BAL2062 as of December 31, 2024. In June 2025, the existing award by BARDA was increased by an additional USD 39.0 million. In September 2025, the existing award by BARDA was increased by an additional USD 25.0 million.

For the six months ending June 30, 2026, the Company recognized CHF 18.2 million (six months ending June 30, 2025: CHF 10.5 million) as other revenue related to the OTA contract. As of June 30, 2026, an aggregate of CHF 43.8 million (December 31, 2025: CHF 23.4 million) of funding has been received.

Contract with BARDA for ceftibuten-ledaborbactam phase 3 development program
In September 2025, BARDA transferred a contract from Venatorx to Basilea to support the development of ceftibuten-ledaborbactam. The contract has the potential to provide a total of up to USD 167 million of non-dilutive funding, of which approximately USD 14 million relate to the period prior to the transfer to Basilea. Upon transfer in September 2025, USD 6.0 million have been contractually awarded to Basilea. In February and May 2026, Basilea was additionally awarded USD 6.1 million and USD 13.3 million, respectively.

For the six months ending June 30, 2026, the Company received a total of CHF 2.0 million (six months ending June 30, 2025: none) in payments under the contract. For the six months ending June 30, 2026, the Company recognized CHF 3.7 million (six months ending June 30, 2025: none) as other revenue.

Contract with CARB-X for LptA inhibitor (BAL2420)
In April 2024, the Company was granted USD 0.9 million for initial preclinical activities on the LptA program. The funding supported the work until candidate nomination in the second half of 2024.

In December 2024, the Company was awarded up to USD 7.3 million in additional funding to support pre-clinical studies until end of March 2026. In April 2026, the Company was awarded with additional funding of USD 6.0 million to support phase 1 studies.

For the six months ending June 30, 2026, the Company recognized CHF 1.7 million (six months ending June 30, 2025: CHF 1.9 million) as other revenue related to the CARB-X contract. In the six months ending June 30, 2026, the Company received total payments of CHF 1.8 million (six months ending June 30, 2025: CHF 1.4 million) of the contractually committed amount.

4 Accounts receivable

As of June 30, 2026, the Company recorded an immaterial amount of allowance for credit losses (December 31, 2025: immaterial amount).

5 Other receivables

The following table shows the components of other receivables as of June 30, 2026 and December 31, 2025:

in CHF million	**2026**	2025
VAT receivables	**2.6**	1.7
Receivables from BARDA	**12.7**	11.5
Royalty receivables	**36.1**	34.2
Other	**2.9**	2.4
Total	**54.3**	49.8

As of June 30, 2026, and the Company recorded no allowance for credit losses (December 31, 2025: immaterial amount).

6 Inventories

The following table shows the components of inventories as of June 30, 2026 and December 31, 2025:

in CHF million	**2026**	2025
Raw materials	**2.1**	0.2
Semi-finished products	**33.2**	33.5
Finished products	**0.6**	1.4
Inventory provisions	**(9.9)**	(13.5)
Total	**26.0**	21.6

The Company owns manufacturing material valued at cost, which was partly produced prior to obtaining regulatory approval for ceftobiprole and isavuconazole, respectively. As ceftobiprole and isavuconazole obtained regulatory approval in 2013 and 2015, respectively, the ceftobiprole and isavuconazole inventory is presented gross in the inventory table above. Inventory provisions include CHF 4.7 million (December 31, 2025: CHF 8.0 million) related

to inventory produced prior to regulatory approval. The Company intends to use such material to manufacture products for commercialization.

7 Convertible senior unsecured bonds

On July 28, 2020 (payment date), the Company issued CHF 97.1 million aggregate principal amount of convertible senior unsecured bonds due July 28, 2027 (2027 Bonds). The Company received total net proceeds from the sale of the 2027 Bonds of approximately CHF 93.9 million, after deducting issuance costs of CHF 3.2 million. In 2020, in connection with the issuance of the 2027 Bonds, the Company entered into a share lending agreement for 1,000,000 registered treasury shares until 2027. The fair value of these issued shares as of June 30, 2026, amounted to CHF 53.4 million. These shares are deducted in the calculation of the weighted average shares outstanding for purposes of the earnings per share calculation.

During the six months ending June 30, 2026, the Company repurchased a portion of the 2027 Bonds in the total amount of CHF 5.0 million (six months ending June 30, 2025: CHF 14.3 million) nominal value. The loss on the repurchase amounts to CHF 0.2 million (six months ending June 30, 2025: CHF 0.6 million) recorded in other expense.

The following table shows the carrying amount of the convertible senior unsecured bonds as of June 30, 2026 and December 31, 2025:

in CHF million	Maturity date	**2026**	2025
2027 convertible senior unsecured bonds	July 28, 2027	**70.6**	75.4

For the six months ending June 30, 2026, the Company recognized interest expense of CHF 1.2 million (six months ending June 30, 2025: CHF 1.5 million) for contractual coupon interest and CHF 0.2 million (six months ending June 30, 2025: CHF 0.4 million) for accretion of the issuance costs. The remaining unamortized debt issuance costs of CHF 0.4 million will be recognized over the remaining term of the convertible senior unsecured bonds, which is approximately one year.

The table below outlines the amortization and repayment related to the convertible senior unsecured bonds as of June 30, 2026 as follows:

in CHF million	2027 bonds
Remainder 2026	1.3
2027	72.5
Total minimum payments	**73.8**
Less amount representing interest	(2.8)
Convertible senior unsecured bonds, gross	**71.0**
Unamortized issuance costs on convertible senior unsecured bonds	(0.4)
Convertible senior unsecured bonds, including unamortized issuance costs	**70.6**

The fair value was estimated based on quoted market prices as of June 30, 2026 and December 31, 2025:

in CHF million	**2026**	2025
Convertible senior unsecured bonds (Level 1)	**74.1**	81.4

The 2027 Bonds were issued bearing interest at a fixed rate of 3.25% per year (payable semi-annually in arrears on July 28 and January 28 of each year) and will mature on July 28, 2027 (maturity date), unless earlier redeemed or converted.

Holders may convert their 2027 Bonds at any time at their option into shares forty-one calendar days after the payment date (July 28, 2020) up to and including seven trading days before the maturity date.

In the event of conversion, the Company will deliver shares of the Company's common stock. The conversion ratio is initially 80 shares per bond representing CHF 5,000, the principal amount of one bond (equivalent to an initial conversion price of CHF 62.50 per share of the Company's common stock). This remains unchanged as of June 30, 2026. For all 2027 Bonds together the current number of underlying shares is 1,136,000 shares. The conversion ratio and the corresponding conversion price are subject to customary antidilution provisions and dividend protections.

The 2027 Bonds are redeemable at the Company's option since August 12, 2025, if the volume-weighted average price of a share on each of at least 20 out of 30 consecutive trading days is at least 130% of the prevailing conversion price or at any time if less than 15% of the aggregate principal amount is outstanding.

The holder of the 2027 Bonds had the option to redeem the 2027 Bonds at the principal amount plus accrued and unpaid interest (optional put) on the fifth anniversary of the payment date. No put options were exercised on the fifth anniversary date. The put option in the event the Company's shares are delisted is still available.

Total issuance costs of CHF 3.1 million related to the 2027 Bonds include legal fees and other issuance-related costs and were deducted from the proceeds of the 2027 Bonds. The Company accretes the issuance costs as interest expense over the contractual term of the 2027 Bonds.

8 Accruals and other current liabilities

Accruals and other current liabilities as of June 30, 2026 and December 31, 2025 consisted of the following:

in CHF million	2026	2025
Accrued research & development expenses	**6.9**	11.5
Accrued personnel and compensation costs	**8.5**	10.5
Accrued payables for goods received	**1.1**	0.2
Accrued royalties	**2.2**	1.9
Other current liabilities	**5.2**	6.4
Total accruals and other current liabilities	**23.9**	30.5

As per June 30, 2026 and December 31, 2025, the other current liabilities consist mainly of interest liabilities related to the senior unsecured bonds and various accruals.

9 Share-based compensation

The Company established a stock option plan effective on December 13, 2000, to incentivize executives and certain employees and provide an opportunity to obtain stock options on registered shares of Basilea. In order to minimize a potential dilution of shareholders, stock options granted after 2015 are net settled. Any new grants under the long-term incentive plan are limited by the guiding principle that the total potential dilution at the grant date shall not exceed 10% of the total outstanding share capital on a fully diluted basis.

In April 2021, the Company replaced its stock option plan by a new long-term incentive plan (LTIP). Under this LTIP the Company granted Performance Share Units (PSUs) and Restricted Share Units (RSUs) for the first time in 2021.

As of June 30, 2026, CHF 1.3 million of conditional capital remain available for stock options, PSUs and RSUs, which were issued and outstanding as of June 30, 2026 and for future grants.

Stock option plan

Each stock option entitles the participant to the purchase of one registered share at the strike price pursuant to the terms of the stock option plan. At the end of the option term, all unexercised stock options expire without value. The last grant under this stock option plan was made in 2020.

All grants from the stock option plan have vested.

Restricted and Performance Share Units plan

Under the LTIP certain employees are entitled to receive RSUs or PSUs. Each RSU converts into one fully paid-in registered share with a par value of CHF 1.00 upon vesting. Each PSU may convert into up to two fully paid-in registered shares with a par value of CHF 1.00 upon vesting. The conversion ratio depends on the relative total shareholder return (rTSR) of the Company's share price against a Swiss share index called Swiss Performance Index Extra (SPI Extra) (market-based performance condition) and on the compounded annual growth rate (CAGR) (non-market-based performance condition) of in-market sales of Cresemba. For the 2026 grants, the non-market-based performance condition of in-market sales was replaced by portfolio development related performance criteria. PSUs and RSUs vest after three years.

Grant overview, key parameters for rTSR calculation and fair values:

Year	PSUs granted	Fair Value	Volatility		Risk-free rate	Correlation	RSUs granted	Fair Value
			BSLN	SPI Extra				
2024	53 357	45.20	31.95%	15.28%	1.08%	0.39	42 521	40.55
2025	57 030	45.55	30.70%	14.26%	0.03%	0.39	44 719	41.70
2026	**40 675**	**64.27**	**28.85%**	**11.61%**	**0.24%**	**0.32**	**39 304**	**56.80**

The expenses are distributed over the vesting period of 3 years for employees and for board members, adjusted by expected forfeitures and effective forfeitures.

For the six months ending on June 30, 2026, the Company recorded CHF 2.8 million (six months ending June 30, 2025: CHF 2.6 million) in its statement of operations related to PSU and RSU expenses.

10 Shareholders' equity

As of June 30, 2026, Basilea had 13,425,260 registered shares (Namenaktien) issued with a par value of CHF 1.00 per share. As of December 31, 2025, Basilea had 13,318,976 registered shares issued with a par value of CHF 1.00 per share.

In the six months ending June 30, 2026, 100,791 RSUs/PSUs were converted and 37,450 options exercised, which resulted in the issuance of 106,284 registered shares with a par value of CHF 1.00 per share. In the six months ending June 30, 2025, 144,277 RSUs/PSUs were converted and 1,550 options exercised, which resulted in the issuance of 144,381 registered shares with a par value of CHF 1.00 per share.

The Company had a total approved conditional capital of CHF 3,334,881 as of June 30, 2026 for the issuance of a maximum of 3,334,881 registered shares with a par value of CHF 1.00 per share. The conditional capital consisted of (i) conditional capital of CHF 1,334,881 (1,334,881 registered shares with a par value of CHF 1.00 per share) reserved for the issuance of shares under the long-term incentive plan available to directors, executives and certain employees, and (ii) conditional capital of CHF 2,000,000 (2,000,000 registered shares with a par value of CHF 1.00 per share) available for the potential conversion of the outstanding convertible senior unsecured bonds.

As of June 30, 2026, the Company held treasury shares in the total amount of CHF 51.0 million (December 31, 2025: CHF 51.3 million), comprising of 1,000,000 registered shares with a par value of CHF 1.00 per share (December 31, 2025: 1,000,000 shares with a par value of CHF 1.00 per share) held by Basilea for the potential conversion of the outstanding convertible senior unsecured bonds and further 22,227 registered shares with a par value of CHF 1.00 per share (December 31, 2025: 27,396 shares with a par value of CHF 1.00 per share).

On April 15, 2026, the general meeting has approved a capital band between CHF 12,018,976 (lower limit) and CHF 14,618,976 (upper limit). Within the range of the capital band, the board of directors is authorized to increase or reduce the share capital in any amount once or several times or to acquire or dispose of shares directly or indirectly until April 26, 2029. As of June 30, 2026, there have been no capital increases or decreases based on the capital band.

Changes in accumulated other comprehensive income for the six months ending June 30, 2026 and June 30, 2025:

in CHF million	Currency translation adjustment	Unrecognized pension cost[1]	Total
December 31, 2024	0.2	(4.9)	**(4.7)**
Change during the period	0.0	3.1	**3.1**
June 30, 2025	0.2	(1.8)	**(1.7)**
December 31, 2025	0.2	(4.1)	**(3.9)**
Change during the period	0.0	3.3	**3.3**
June 30, 2026	**0.2**	**(0.8)**	**(0.6)**

[1] Actuarial gains (losses) and prior year service costs (benefits) on the Group's defined benefit plans. The change during the six months ending June 30, 2026 includes income tax expenses of CHF 0.4 million (six months ending June 30, 2025: CHF 0.4 million).

11 Earnings per share

The weighted average number of shares outstanding and the earnings for the six months ending June 30, 2026 and June 30, 2025 were as follows:

	2026	2025
Net profit, in CHF million	**27.9**	15.8
Net profit, in CHF million (diluted EPS calculation)	**29.3**	17.5
Weighted average number of shares outstanding, basic	**12 370 195**	12 241 072
Weighted average number of shares outstanding, diluted	**13 809 964**	13 848 218
Basic earnings per share in CHF	**2.26**	1.29
Diluted earnings per share in CHF	**2.13**	1.26

As of June 30, 2026, there were 500,729 stock options outstanding with a weighted average exercise price of CHF 63.21 as well as 345,125 share units with a weighted average grant date fair value of CHF 53.40.

The calculation of the diluted earnings per share included 273,792 shares from PSU/RSU plans and 1,165,977 shares issuable upon conversion of the convertible senior unsecured bond. Under the if-converted method, incremental shares from convertible bonds are included in the earnings per share calculation only if their effect is dilutive, considering the addition of interest expense back to net income.

As of June 30, 2025, there were 693,192 stock options outstanding with a weighted average exercise price of CHF 65.46 as well as 356,173 share units with a weighted average grant date fair value of CHF 46.95.

The calculation of the diluted earnings per share included 216,835 shares from PSU/RSU plans and 1,390,311 shares issuable upon conversion of the convertible senior unsecured bond. Under the if-converted method, incremental shares from convertible bonds are included in the earnings per share calculation only if their effect is dilutive, considering the addition of interest expense back to net income.

In 2020, the Company entered into a share lending agreement for 1,000,000 registered treasury shares. These shares are deducted in the calculation of the weighted average shares outstanding.

12 Pension plan

The pension plan is a semi-autonomous collective investment scheme. The Company and the participants provide monthly contributions to the pension plan which are based on the covered salary. The savings portions of these contributions are credited to employees' accounts. In addition, interest is credited to employees' accounts at the rate provided in the plan. The pension plan provides retirement benefits as well as benefits on long-term disability and death.

The collective pension plan invests its plan assets mainly in cash and cash equivalents, equity funds, equity securities, corporate bonds, government bonds and real estate funds classified as Level 1 and Level 2 under the fair value hierarchy. The pension assets are measured at fair value.

The pension plan is classified as a defined benefit plan in accordance with US GAAP.

As of June 30, 2026, the Company recorded a pension liability of CHF 4.1 million in other non-current liabilities (December 31, 2025: CHF 8.2 million).

The following actuarial assumptions have been applied:

	01.01.2026 –30.06.2026	01.01.2025 –31.12.2025
Discount rate	**1.20%**	1.20%
Rate of increase in compensation level	**1.25%**	1.25%
Expected long-term rate of return on assets	**3.30%**	3.30%

The following table provides information on the pension expenses related to the Company's defined benefit pension plan for the six months ending June 30, 2026 and June 30, 2025:

in CHF million	**2026**	2025
Net service cost	**1.9**	1.5
Interest cost	**0.5**	0.4
Expected return on plan assets	**(1.3)**	(1.0)
Amortization of prior service cost	**0.4**	0.3
Net periodic pension cost	**1.4**	1.2

13 Leases

Operating lease contracts

The Company entered into an operating lease contract for the office space in Allschwil. The aggregate minimum operating lease payments are expensed on a straight-line basis over the term of the related lease. For the six months ending on June 30, 2026, the Company recorded total operating lease expense of CHF 1.0 million (six months ending June 30, 2025: CHF 1.1 million) in the consolidated statement of operations.

The Company is recognizing lease expense on a straight-line basis throughout the remaining term of the lease. The Company's incremental borrowing rate is 2.2%. Under the terms of the lease, non-lease components such as utilities and maintenance, are not part of the lease payments and are expensed as incurred.

For the six months ending on June 30, 2026, CHF 0.9 million of the right-of-use (ROU) asset was amortized. The lease payment resulted in a decrease of the lease liability by CHF 1.0 million. There is approximately five years of the lease term remaining.

On June 30, 2020, the Company entered into a lease agreement commencing on June 1, 2022, for office and laboratory space in Allschwil, in the canton of Basel-Landschaft. As per March 1, 2023 the office space was increased. The lease is accounted for as an operating lease, consequently a lease liability and a Right-of-Use asset were recognized at commencement date. The term of the lease is ten years and term of the additional office space is approximately nine years; the annual lease payments are approximately CHF 2.4 million. Lease incentives are approximately CHF 1.8 million, of which CHF 0.6 milion are payable to the Company over the term of the lease. The Company has the option to extend the lease two times by five years, however, the Company concluded it is not reasonably certain to exercise the option.

The table below shows the operating lease ROU assets recorded:

		Buildings
in CHF million	**H1 2026**	H1 2025
Cost		
January 01	**23.7**	23.7
June 30	**23.7**	23.7
Accumulated depreciation		
January 01	**(10.6)**	(8.7)
Additions	**(0.9)**	(1.0)
June 30	**(11.6)**	(9.7)
Total operating lease right-of-use assets	**12.1**	14.0

As of June 30, the following operating lease liabilities are recorded:

in CHF million	**H1 2026**	H1 2025
Buildings	**2.1**	2.1
Total current operating lease liabilities	**2.1**	2.1
Buildings	**10.7**	12.7
Total non-current operating lease liabilities	**10.7**	12.7

As of June 30, 2026, the future minimum commitments under ASC 842 for the operating lease were as follows:

in CHF million	
2026 (remainder of the year)	1.18
2027	2.37
2028	2.37
2029	2.37
2030	2.37
2031 and thereafter	4.54
Total lease payments	**15.20**
Less: imputed interest	(2.40)
Total operating lease liabilities	**12.80**

14 Segment and geographic information

The Company operates in one segment, which is the discovery, development and commercialization of innovative pharmaceutical products. The Company's CEO, who is the chief operating decision maker (CODM) of the Company, reviews the statement of operations of the Company on a consolidated basis and makes decisions and manages the operations of the Company as a single operating segment.

15 Concentration of risk

The Company is generally subject to credit risk related to financial instruments. The Company mitigates such credit risk by depositing and investing the funds only with counterparties, which are rated with a minimum grade of A+ (S&P) or are fully guaranteed by Swiss cantons as of June 30, 2026.

Cash and cash equivalents as of June 30, 2026, amounted to CHF 173.1 million (December 31, 2025: CHF 159.8 million), primarily held with different banks. As of June 30, 2026, the highest total amount of cash and cash equivalents held at one bank amounted to CHF 57.5 million (December 31, 2025: CHF 66.5 million).

The Company is also subject to credit risk related to accounts receivable and other receivables. The highest total amount with an individual counterparty as of June 30, 2026, was in the amount of CHF 18.4 million (December 31, 2025: CHF 19.8 million) (recorded in other receivables).

16 Commitments and contingencies

The Company entered into various purchase commitments related to long-term manufacturing and supply agreements for commercialized products in the total amount of CHF 14.1 million for 2026, CHF 2.3 million for 2027 and CHF 0.8 million for 2028. There are no material commitments thereafter.

As of June 30, 2026, there are no significant contingencies.

17 Subsequent events

There were no significant events between the balance sheet date and the approval of the report by the board of directors on August 13, 2026.

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