



24TH

Annual General Meeting

April 16, 2025 | Basel

Allschwil, March 26, 2025

Dear shareholders,

We are very pleased to invite you to this year's annual general meeting.

2024 was a remarkable year for Basilea. Our commercialized product Cresemba® (isavuconazole), for the treatment of severe mold infections, continued to be very successful on a global scale. With global in-market sales by our partners amounting to USD 560 million, Cresemba is the largest branded antifungal for invasive fungal infections worldwide. We are also pleased with the success of Zevtera® (ceftobiprole), our second marketed brand, which received regulatory approval by the US Food and Drug Administration (FDA) for the treatment of adult patients with *Staphylococcus aureus* bacteremia (SAB) and two other indications. In December, we announced our commercial partnership with Innoviva Specialty Therapeutics (IST) for the commercialization of Zevtera in the US. We are now working closely together with IST preparing for the launch, in order to bring this important medicine to patients in the US. While Cresemba remains our most successful commercial brand, we expect increasing growth contributions from Zevtera, as the US represents 80–90% of its global commercial opportunity.

Driving innovation and creating value

We create value for our stakeholders by leveraging our unique capabilities and business model to deliver pioneering healthcare solutions in areas of high unmet medical needs. We have one of the most exciting anti-infective research and development (R&D) pipelines in the industry. This holds specifically true for our most advanced clinical asset, the antifungal fosmanogepix, which we believe could over time replace Cresemba as our key revenue driver. It has shown potent, broad-spectrum activity against both yeasts and molds, including species that can be highly resistant to currently available antifungal therapies. When we acquired fosmanogepix in November 2023, it had completed phase 2 clinical development. Since then, we initiated a phase 3 study in invasive yeast infections in September 2024 and are planning to initiate another phase 3 study, in invasive mold infections, in the second quarter of 2025.

Moreover, we have secured an "Other Transaction Agreement" (OTA) contract with the Biomedical Advanced Research and Development Authority (BARDA) of the US Department of Health and Human Services. The total value of the agreement for the development of our anti-infectives portfolio is up to USD 268 million, without any dilution for our shareholders. The OTA is expected to provide us with up to 60% reimbursement of our development costs for the next 12 years. An initial funding of USD 29 million has already been granted for fosmanogepix and BAL2062, our second clinical-stage antifungal asset in our pipeline.

Strong balance sheet as success factor

2024 also marked the third consecutive year of reporting a net profit. Our total revenue grew by 32%, to CHF 209 million, particularly driven by the strong sales performance of Cresemba, that generated royalties of CHF 97 million, which is an increase of more than 20% year-on-year. Total revenue from our commercial brands amounted to almost CHF 195 million. We continue to generate positive operating cash flows and reported a net cash position of CHF 29 million at year-end 2024. This brought us closer to our goal to become a leading anti-infectives company serving patients around the world.

In these times of increased volatility and macroeconomic uncertainty, we see our strong balance sheet as an important strategic advantage in the biotech sector in general and in particular in our focus area of antifungals and antibacterials. We are prioritizing using our cash flows to both advance our existing pipeline and take advantage of growth opportunities through in-licensing and acquisitions. We will also look to continue to manage our debt in a non-dilutive manner. Therefore, the board of directors does not currently consider the payment of a dividend to be in the long-term interest of the company and its shareholders.

Making a difference to patients, our employees and the society in which we are embedded

Developing novel anti-infectives for patients in need is at the core of Basilea's corporate strategy. We are committed to discovering, developing and commercializing innovative drugs for the treatment of severe bacterial and fungal infections, which are often caused by pathogens which are resistant to currently available drugs.

Although we currently have no legal obligation to compile and publish a report on environmental, social and governance (ESG) topics, Basilea is transparently reporting, since 2019, on its activities and progress in ESG. In 2023, we established an ESG strategy, which was further refined in 2024. For 2025, the board of directors has determined specific goals to be achieved. These goals are an integral part of Basilea's performance management system, and the achievement of these goals will have a direct impact on management's variable compensation.

For 2025, Basilea's board of directors has decided to extend the company's ESG activities to additional environmental topics and has given management the task to establish baselines for both direct and indirect greenhouse gas emissions. In addition, we will strive to assess emissions up and down our value chain that are neither directly owned, nor controlled by us, estimate those and determine how these could be monitored and reduced as well.

We strive towards making a difference in our focus area, and that starts with a commitment to our own people: our employees. We see our employees as our greatest strength, and we are committed to creating a work environment in which everyone can make an impact and is recognized for their achievements. As a modern company, we also prioritize pay equality across genders. Basilea has committed to conducting an equal pay analysis every year and publishing its results. Since the first analysis in 2020, the results have always been below the 5% difference threshold defined by the Swiss authorities and our 2024 result is even below 2.5%. In addition to a fair and competitive remuneration, our 164 employees, representing 21 nationalities, receive a variety of benefits ranging from an attractive pension plan to personalized training courses.

An exciting future lies ahead of us

We are convinced that the market for antibacterials and antifungals offers significant commercial opportunities, as the medical need for novel, effective and safe anti-infectives continues to grow, particularly as new or resistant pathogens emerge.

Our successful, partner-centric business model leverages our unique research and development capabilities, capitalizes on inherently low upfront acquisition costs and limited development investments, offset by non-dilutive funding and utilizes commercialization partnerships to amplify marketing reach and drive profitability. The promising drug candidates in our pipeline ensure that an exciting future lies ahead of us. Our ability to consistently access non-dilutive funding provides external validation of the value of our R&D pipeline. With the help of our medicines, doctors have more opportunities to treat severe infections and save more lives.

In 2025, we will focus on further advancing our portfolio, first by starting the second phase 3 study with our potential next lead product, fosmanogepix, in mold infections. In addition, we are continuing the preclinical work with the antifungal BAL2062 and the LptA inhibitor antibiotic, BAL2420, in preparation for the subsequent clinical studies, planned to start in 2026. We remain committed to improving the lives of patients worldwide and to creating value for our shareholders.

Personal message by the chairman

After having served on the board of directors since 2011, and the last nine years as chairman, I decided to not seek re-election at the annual general meeting. In recent years, Basilea has transformed into a focused organization and is recognized as a leading anti-infectives company. It has an innovative pipeline, robust financials and a highly committed and talented leadership team. With Basilea being in such a strong position, I feel it is the right time to step down as board member and chairman, and I would like to express my gratitude for your strong support for me and Basilea over these many years. The board of directors has nominated Stephan Schindler for election as a new board member and chairman. He is a highly accomplished executive in the life sciences industry with over 30 years of experience across finance, operations, corporate governance, and board leadership. I am convinced that Basilea will continue to flourish under his leadership.

We hope that you find the above summary of our achievements in 2024 helpful and would be pleased if you voted in favor of the resolutions proposed by the board at the upcoming annual general meeting.

Sincerely,



Domenico Scala
Chairman of the board



David Veitch
Chief Executive Officer