

PRESS RELEASE

Basilea announces license agreement with Pfizer for antifungal Cresemba® (isavuconazole) for Europe, Russia, Turkey and Israel

- **Basilea receives a CHF 70 million upfront payment and is eligible for additional milestones of up to USD 427 million and double-digit royalties on sales**
- **Basilea continues to focus on establishing further partnerships for the commercialization of its anti-infectives Cresemba and Zevtera in key markets around the world**
- **Basilea explores partnering opportunities to further strengthen its anti-infectives and oncology R&D portfolio**

Basel, Switzerland, June 14, 2017 – Basilea Pharmaceutica Ltd. (SIX: BSLN) announced today that Basilea Pharmaceutica International Ltd. has entered into a license agreement with Pfizer Inc. (NYSE: PFE) for Basilea's marketed antifungal Cresemba (isavuconazole) for the treatment of life-threatening invasive mold infections. Pfizer will have the right to manufacture isavuconazole and to exclusively commercialize the drug in Europe (excluding the Nordics), Russia, Turkey and Israel.

Under the terms of the agreement, Basilea will receive an upfront payment of CHF 70 million and will be eligible to receive up to USD 427 million in additional payments upon achievement of pre-specified regulatory and sales milestones. In addition, Basilea will also receive royalties in the mid-teen range on Pfizer's sales in the territory.

“Cresemba is a well differentiated drug that addresses a critical medical need in patients with invasive mold infections. This is reflected in its strong launch in the US as well as its solid performance in key European markets where Basilea launched and is currently commercializing the product,” said Ronald Scott, Chief Executive Officer of Basilea. “Pfizer is a world leading pharmaceutical company in the anti-infective space with a long and successful track record of commercializing antifungals. This collaboration will allow us to further optimize the value of this key asset in an important region of the world. The transaction will provide Basilea with additional financial flexibility to pursue targeted transactions to strengthen our two portfolio pillars focused on overcoming resistance: anti-infectives and oncology. Basilea continues to demonstrate its ability to complete innovative transactions that optimize the value of our company for shareholders.”

“The addition of Cresemba to Pfizer's broad anti-fungal portfolio, reaffirms our commitment to provide innovative treatments to patients who are increasingly susceptible to life-threatening fungal infections,” said Richard Blackburn, Global President of Pfizer Europe, Africa/Middle East and Biosimilars. “We believe our well established global presence together with our deep knowledge of infectious diseases will enable us to meaningfully address a major unmet medical need.”

David Veitch, Chief Commercial Officer of Basilea, added: “We have now established partnerships for Cresemba in most of the key markets around the world. We continue to work toward concluding agreements for the few remaining key markets. With regards to our antibiotic

Zevtera, we will focus on exploring partnering opportunities in Europe and on initiating within the next few months the phase 3 clinical studies required for a registration in the U.S., which is the most relevant commercial opportunity for branded hospital antibiotics in the world.”

The agreement is subject to customary regulatory approval. Subject to the transaction closing, Basilea anticipates its financial guidance for 2017 to improve with total operating expenses reduced to approximately CHF 9-10 million on average per month (net of anticipated BARDA reimbursements) and an operating loss of approximately CHF 2-3 million on average per month. Cresemba sales after closing will be booked by Pfizer. Considering the collaboration with Pfizer, Basilea's total product sales are expected at approximately CHF 11 million for the year. The contribution from the transaction in 2017 is estimated at approximately CHF 6 million through revenue recognition and royalty payments. Estimates are subject to adjustment depending on the timing of regulatory approval for the transaction.

About Cresemba (isavuconazole)

Isavuconazole is an intravenous (i.v.) and oral azole antifungal and the active agent of the prodrug isavuconazonium sulfate. It received marketing authorization in Europe for the treatment of adult patients with invasive aspergillosis and for the treatment of adult patients with mucormycosis for whom amphotericin B is inappropriate.¹ It is approved in the United States for patients 18 years of age and older in the treatment of invasive aspergillosis and invasive mucormycosis.² Isavuconazole has orphan drug designation for the approved indications in Europe and the US. Isavuconazole is being marketed as Cresemba in Germany, Italy, the UK, France and Austria. In the US, the drug is marketed by Basilea's license partner Astellas Pharma US. Outside the US and the EU, isavuconazole is currently not approved for commercial use. The European marketing authorization is valid in all 28 European Union (EU) member states, as well as in Iceland, Liechtenstein and Norway.

Conference call

Basilea Pharmaceutica Ltd. invites you to participate in a conference call on Thursday, June 15, 2017, 4 p.m. (CEST), during which the company will discuss today's press release.

Dial-in numbers are:

+41 (0) 58 310 5000 (Europe and RoW)
+1 (1) 631 570 5613 (USA)
+44 (0) 203 059 5862 (UK)

A playback will be available 1 hour after the conference call until Monday, June 19, 2017, 6 p.m. (CEST). Participants requesting a digital playback may dial:

+41 (0) 91 612 4330 (Europe and RoW)
+1 (1) 866 416 2558 (USA)
+44 (0) 207 108 6233 (UK)

and will be asked to enter the ID 18624 followed by the # sign.

About Basilea

Basilea Pharmaceutica Ltd. is a biopharmaceutical company developing products that address the medical challenge of increasing resistance and non-response to current treatment options in the therapeutic areas of bacterial infections, fungal infections and cancer. The company uses the integrated research, development and commercial operations of its subsidiary Basilea Pharmaceutica International Ltd. to discover, develop and commercialize innovative pharmaceutical products to meet the medical needs of patients with serious and life-threatening conditions. Basilea Pharmaceutica Ltd. is headquartered in Basel, Switzerland and listed on the SIX Swiss Exchange (SIX: BSLN). Additional information can be found at Basilea's website www.basilea.com.

About Pfizer / Pfizer Anti-Infectives

Working together for a healthier world®

At Pfizer, we apply science and our global resources to bring therapies to people that extend and significantly improve their lives. We strive to set the standard for quality, safety and value in the discovery, development and manufacture of health care products. Our global portfolio includes medicines and vaccines as well as many of the world's best-known consumer health care products. Every day, Pfizer colleagues work across developed and emerging markets to advance wellness, prevention, treatments and cures that challenge the most feared diseases of our time. Consistent with our responsibility as one of the world's premier innovative biopharmaceutical companies, we collaborate with health care providers, governments and local communities to support and expand access to reliable, affordable health care around the world. For more than 150 years, we have worked to make a difference for all who rely on us. We routinely post information that may be important to investors on our website at www.pfizer.com. In addition, to learn more, please visit us on www.pfizer.com and follow us on Twitter at @Pfizer and @PfizerNews, [LinkedIn](#), [YouTube](#) and like us on Facebook at [Facebook.com/Pfizer](https://www.facebook.com/Pfizer).

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For further information, please contact:

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This press release can be downloaded from www.basilea.com.

References

- 1 European Public Assessment Report (EPAR) Cresemba: <http://www.ema.europa.eu>
[Accessed: June 13, 2017]
- 2 Cresemba [US prescribing information](#) [Accessed: June 13, 2017]