

PRESS RELEASE

Basilea announces license agreement for antibiotic Zevtera® (ceftobiprole) with Shenzhen China Resources Gosun Pharmaceutical Co., Ltd.

Basel, Switzerland, September 28, 2017 – Basilea Pharmaceutica Ltd. (SIX: BSLN) announced today that Basilea Pharmaceutica International Ltd. (Basilea) has entered into a license agreement with Shenzhen China Resources Gosun Pharmaceutical Co., Ltd. (CR Gosun) for Basilea's antibiotic Zevtera® (ceftobiprole) in China, Hong Kong and Macao (the Territory).

Under the terms of the agreement, CR Gosun is granted an exclusive license to develop, manufacture and to commercialize ceftobiprole in the Territory. Basilea will receive an execution payment of CHF 3 million and is eligible to receive up to approximately CHF 145 million additional payments upon achievement of pre-specified regulatory and commercial milestones.

CR Gosun will bear all costs for regulatory and development activities, including the conduct of clinical studies necessary for obtaining marketing authorization in the Territory. Basilea will initially supply CR Gosun at a transfer price and will be eligible for tiered double-digit royalties on product sales once CR Gosun manufactures ceftobiprole itself.

Ronald Scott, Basilea's Chief Executive Officer, stated: "China is one of the largest markets for antibiotics with bacterial resistance rates among the highest in the world. Zevtera's broad spectrum anti-bacterial coverage including MRSA addresses a significant medical need of patients who are suffering from severe bacterial infections. We look forward to making Zevtera available to patients in China through our partnership with CR Gosun, which is the anti-infectives platform subsidiary of the second largest pharmaceutical group in China and has a long history in the field of antibiotics."

Ceftobiprole is currently approved for sale in 13 European countries and several non-European countries for the treatment of adult patients with community-acquired pneumonia (CAP) and hospital-acquired pneumonia (HAP), excluding ventilator-associated pneumonia (VAP).¹

About ceftobiprole

Ceftobiprole is a cephalosporin antibiotic for intravenous administration with rapid bactericidal activity against a wide range of Gram-positive and Gram-negative bacteria, including methicillin-susceptible and resistant *Staphylococcus aureus* (MSSA, MRSA) and susceptible *Pseudomonas* spp.¹ Basilea is preparing a clinical phase 3 program aiming at the regulatory approval of ceftobiprole in the United States. It consists of two cross-supportive phase 3 studies, one in the treatment of *Staphylococcus aureus* bacteremia (bloodstream infections) and the second one in acute bacterial skin and skin structure infections (ABSSSI). The program receives funding from the Biomedical Advanced Research and Development Authority (BARDA), the U.S. Department of Health and Human Services, Office of the Assistant Secretary for Preparedness and Response, under contract number HHSO100201600002C.

About hospital-acquired and community-acquired pneumonia

Hospital-acquired pneumonia (HAP) is one of the most common hospital-acquired infections and has been shown to have among the highest mortality rates of all hospital-acquired infections.² Methicillin-resistant *Staphylococcus aureus* (MRSA) is one of the most frequent causes

of hospital-acquired pneumonia.³ Community-acquired pneumonia (CAP) is a common condition with up to 60% of the patients requiring hospital admission and intravenous antibiotics.⁴ Prompt empiric intervention with an appropriate broad-spectrum antibiotic treatment is considered a best medical practice. The increasing incidence of bacteria resistant to many established antibiotics is a major concern.

About Basilea

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

About Shenzhen China Resources Gosun Pharmaceutical Co., Ltd.

Established in 1991, Shenzhen China Resources Gosun Pharmaceutical Co., Ltd. is the anti-infectives platform of the second largest pharmaceutical group in China engaging in the development, manufacture and commercialization of anti-infective, respiratory, digestive, orthopedic and analgesic drugs. The company is the first pharmaceutical company in China that received EU-GMP approval for both sterile API and formulation facilities. As a leader in the domestic antibiotic industry, Shenzhen China Resources Gosun Pharmaceutical Co., Ltd. has established long-term cooperative relationships with various multinational pharmaceutical companies and oversea pharmaceutical companies. Shenzhen China Resources Gosun Pharmaceutical Co., Ltd. is headquartered in Shenzhen, China. Additional information can be found at the company's website www.999.com.cn.

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This communication expressly or implicitly contains certain forward-looking statements concerning Basilea Pharmaceutica Ltd. and its business. Such statements involve certain known and unknown risks, uncertainties and other factors, which could cause the actual results, financial condition, performance or achievements of Basilea Pharmaceutica Ltd. to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Basilea Pharmaceutica Ltd. is providing this communication as of this date and does not undertake to update any forward-looking statements contained herein as a result of new information, future events or otherwise.

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

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