Half-year results 2021

August 17, 2021

Webcast presentation

David Veitch

Chief Executive Officer

Introduction

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Participants

David Veitch
CEO

Adesh Kaul
CFO

Dr. Marc Engelhardt
CMO

Key achievements

Fully operational despite
COVID-19

Clinical studies
progressing well

Commercial progress
- USD 266 mn “in-market” Cresemba sales in the12 months to March
- 27% y-o-y increase of royalty income from Cresemba
- 26% y-o-y increase in non-deferred Cresemba and Zevtera revenue

Pipeline expansion
potential first-in-class kinase inhibitor, to enter clinical development in early 2022

Strategic transactions
- divestment of Chinese R&D subsidiary
- CHF 46 mn gross proceeds from private placement

USD 2.7 mn
awarded CARB-X research grant for novel anitbiotic

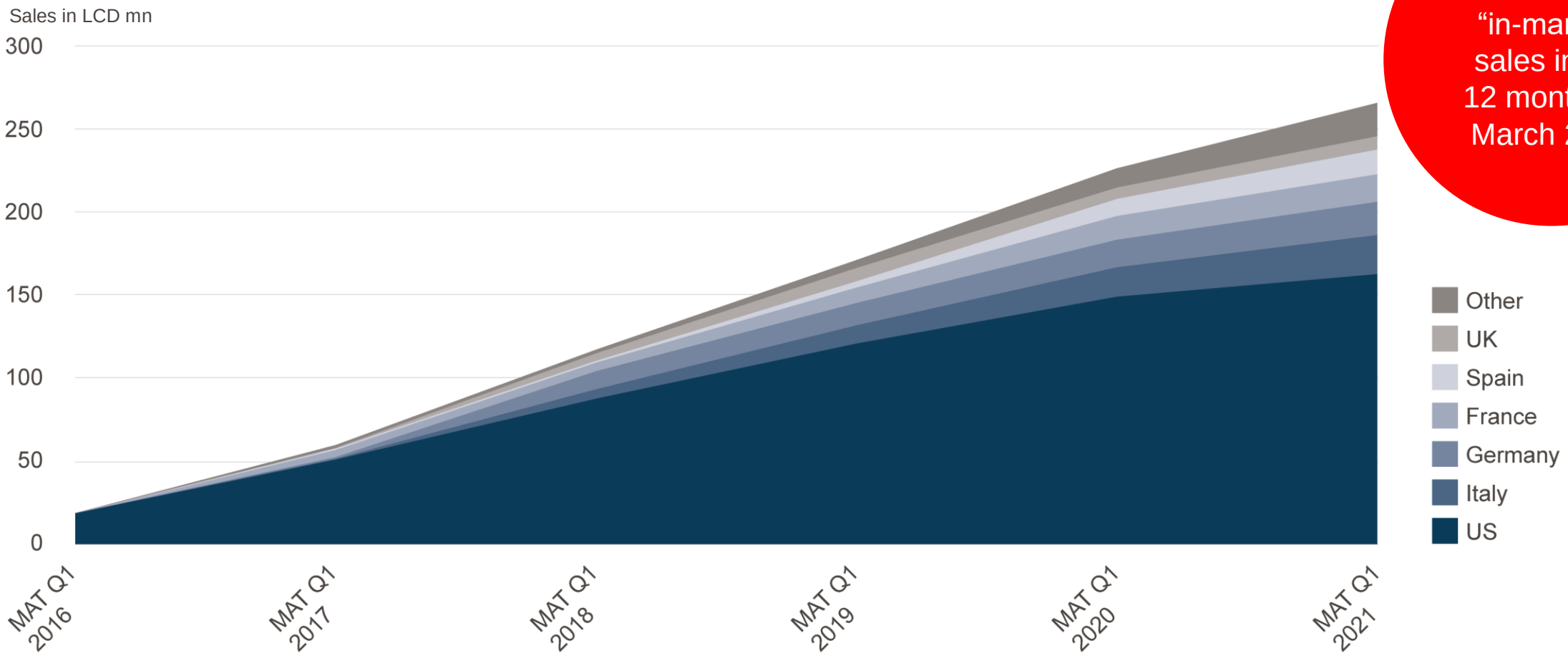
Adesh Kaul

Chief Financial Officer

Commercial & financial update

Cresemba continues strong in-market sales uptake

USD 266 mn "in-market" sales in the 12 months to March 2021



LCD: USD corrected for currency fluctuations; MAT: Moving annual total; Source: IQVIA, March 2021

The company we keep — established strong partnerships

License partners

Pfizer
Europe (excl. Nordics), China Asia-Pacific, Russia, Turkey and Israel (Cresemba®)

astellas
U.S. (Cresemba®)

AsahiKASEI
Japan (Cresemba®)

CR Gosun
China (Zevtera®)

Distribution partners

ADVANZ PHARMA
Europe (excl. Nordics), Israel (Zevtera®)

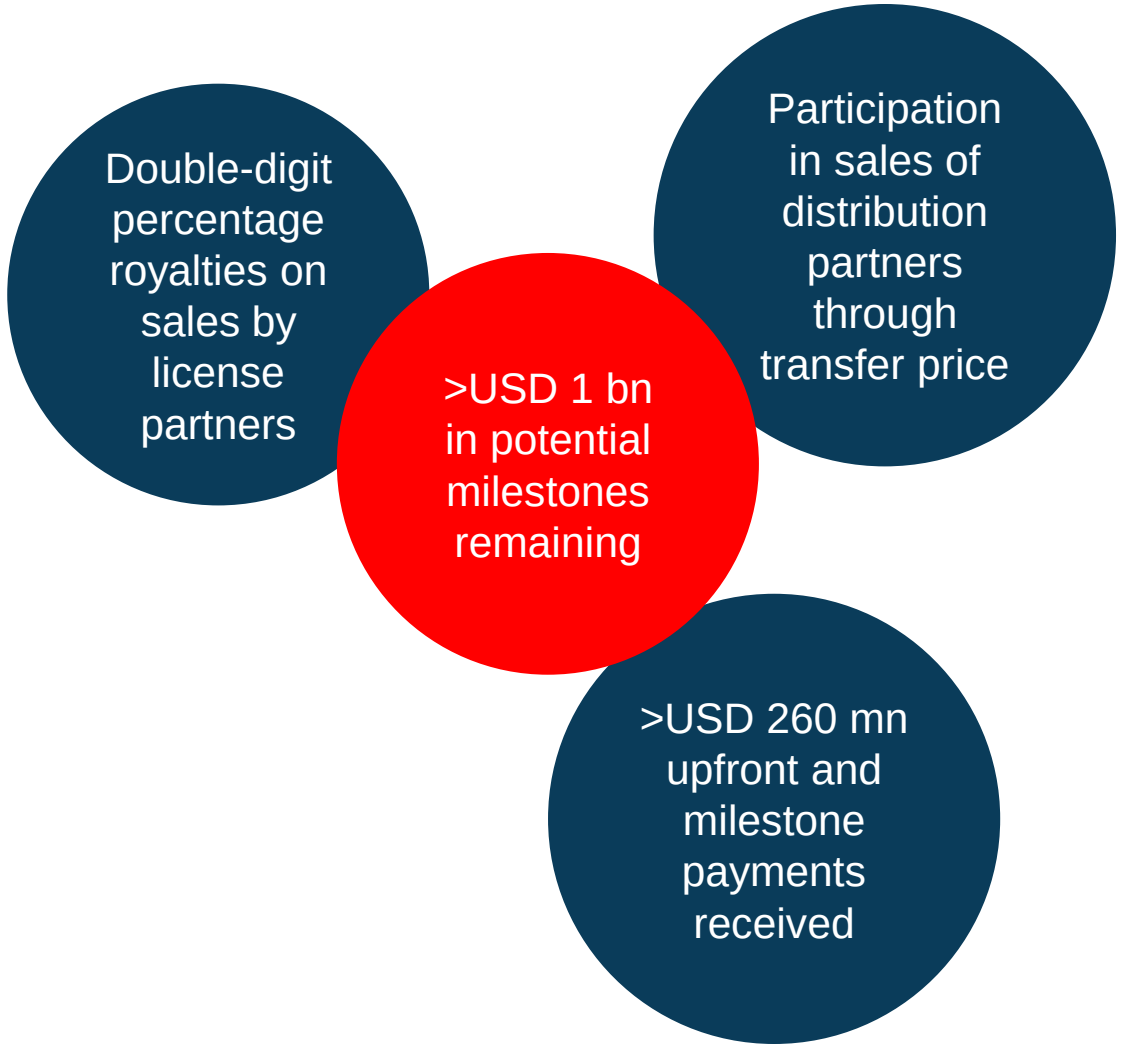
hikma.
MENA region (Cresemba® and Zevtera®)

Knight GBT Grupo Biotoscana
LatAm (Cresemba® and Zevtera®)

UNIMEDIC® PHARMA
Nordics (Cresemba® and Zevtera®)

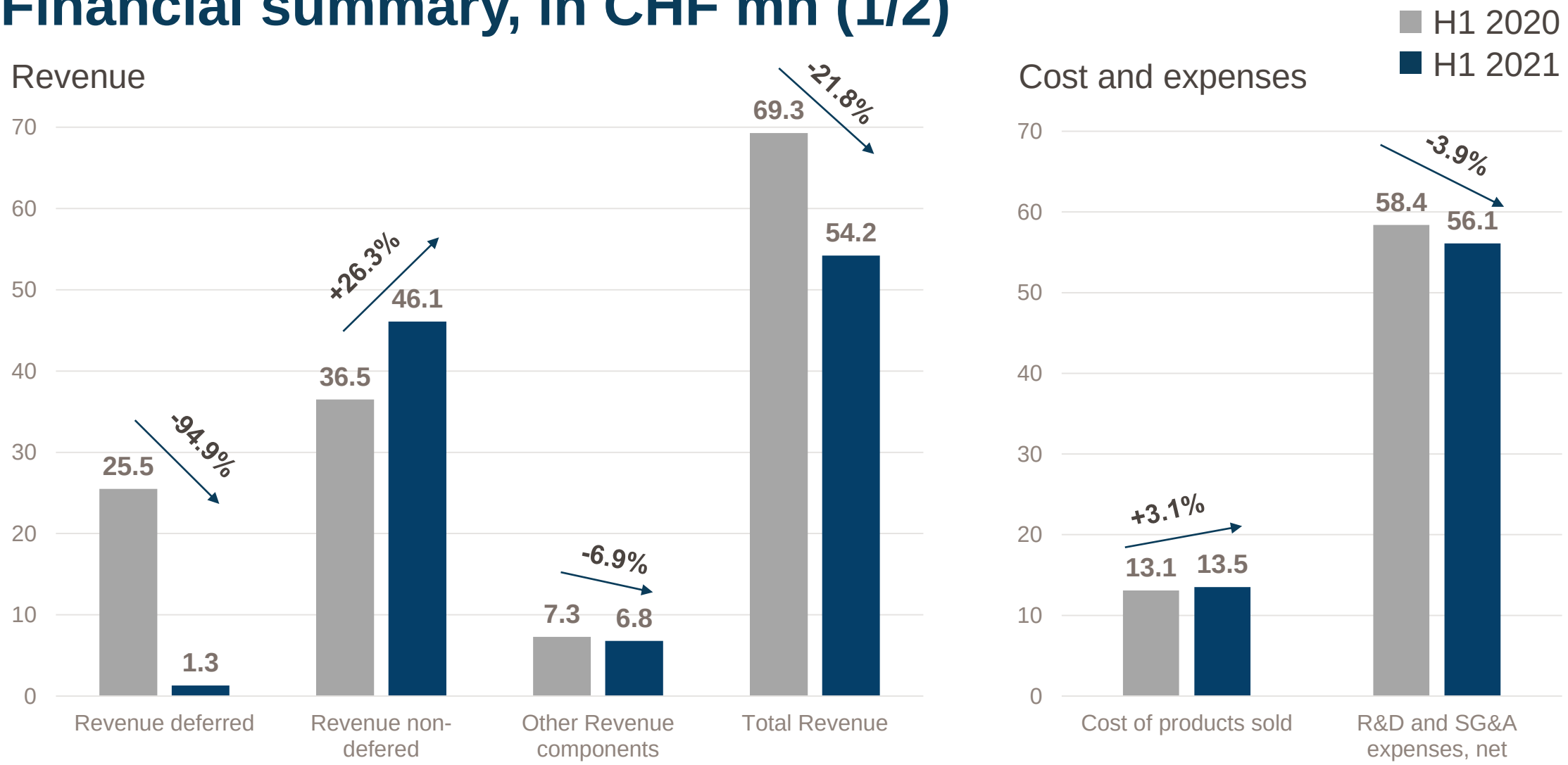
AVIR PHARMA
Canada (Cresemba® and Zevtera®)

LANCET
Russia and the Eurasian Economic Union (Zevtera®)



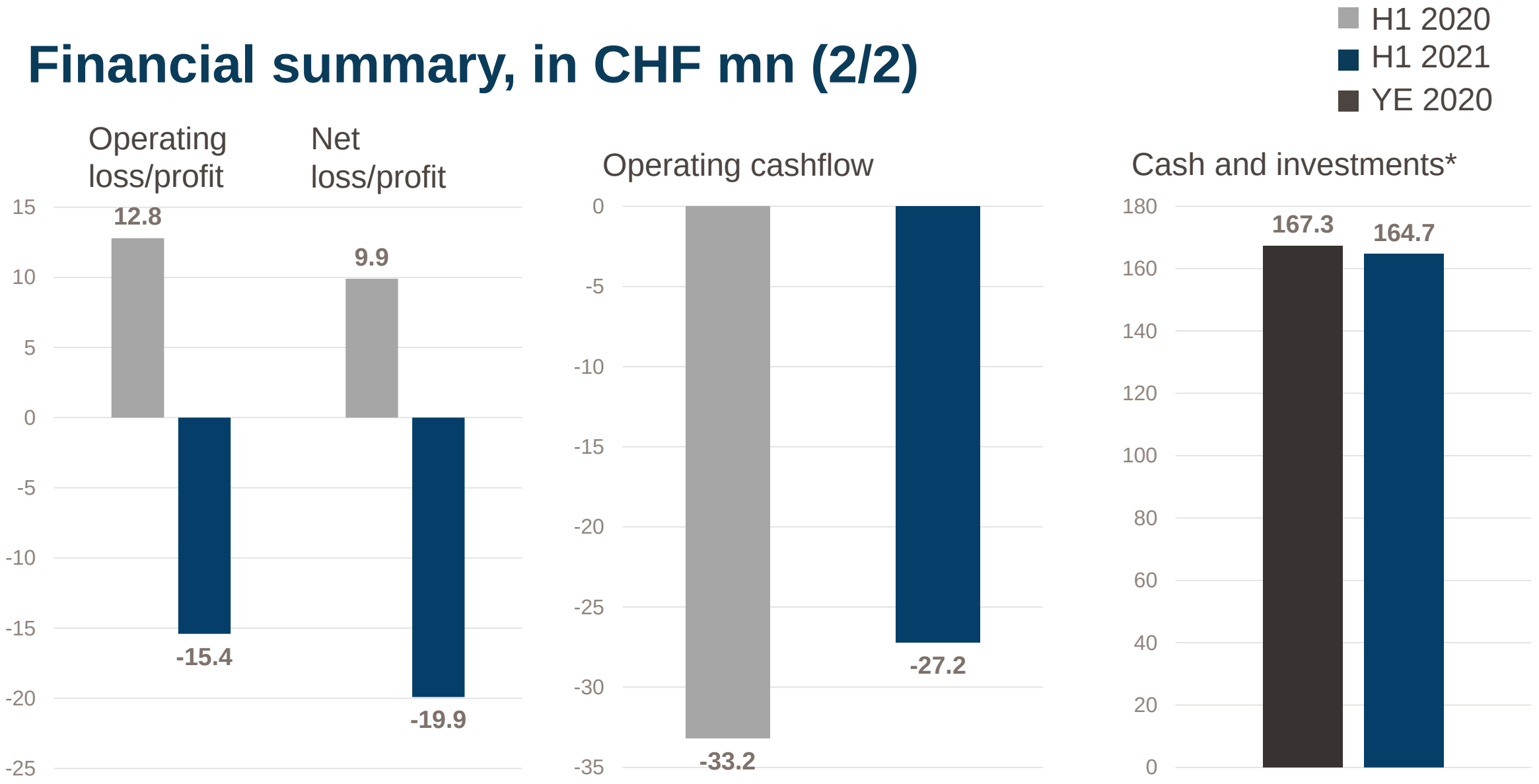
Financials

Financial summary, in CHF mn (1/2)



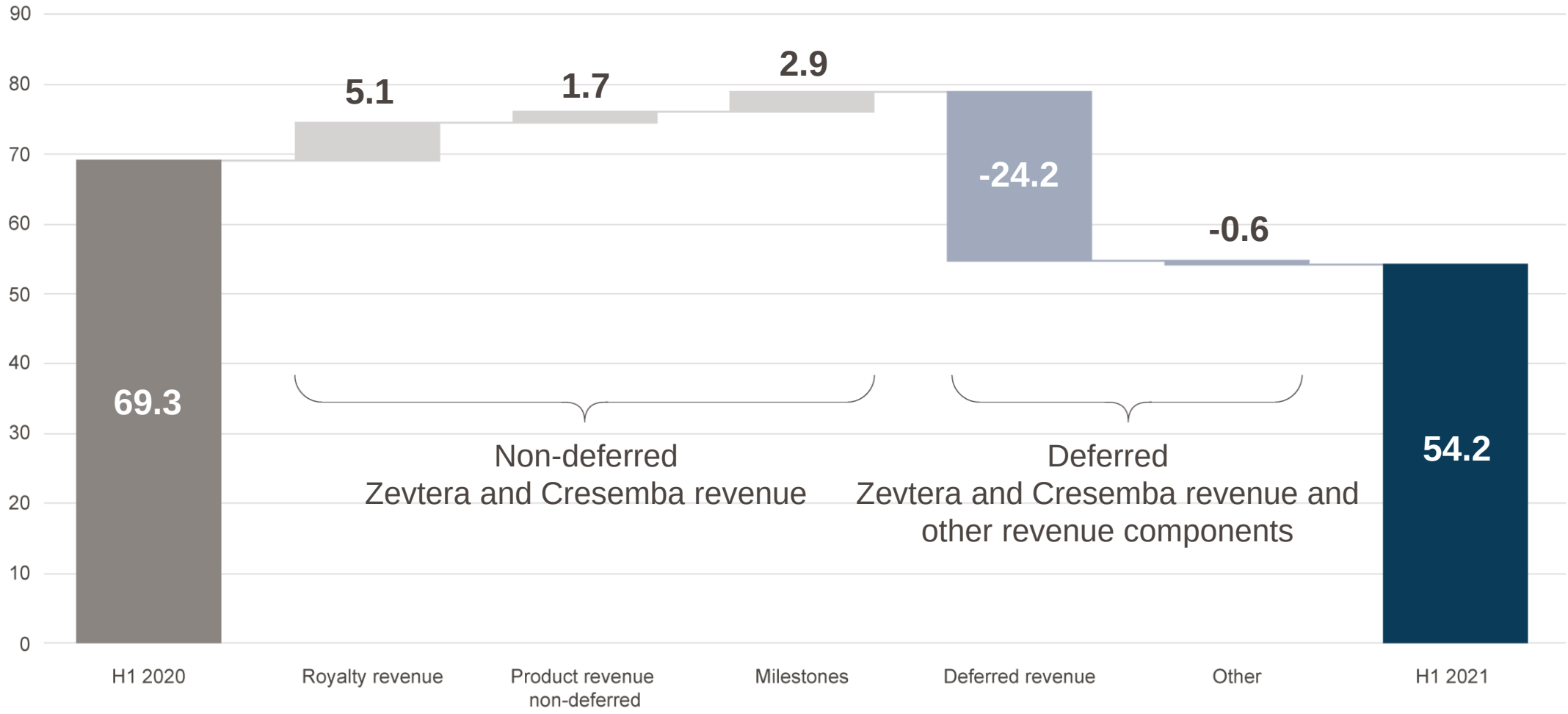
Note: Consolidated figures in conformity with U.S. GAAP; rounding applied consistently

Financial summary, in CHF mn (2/2)



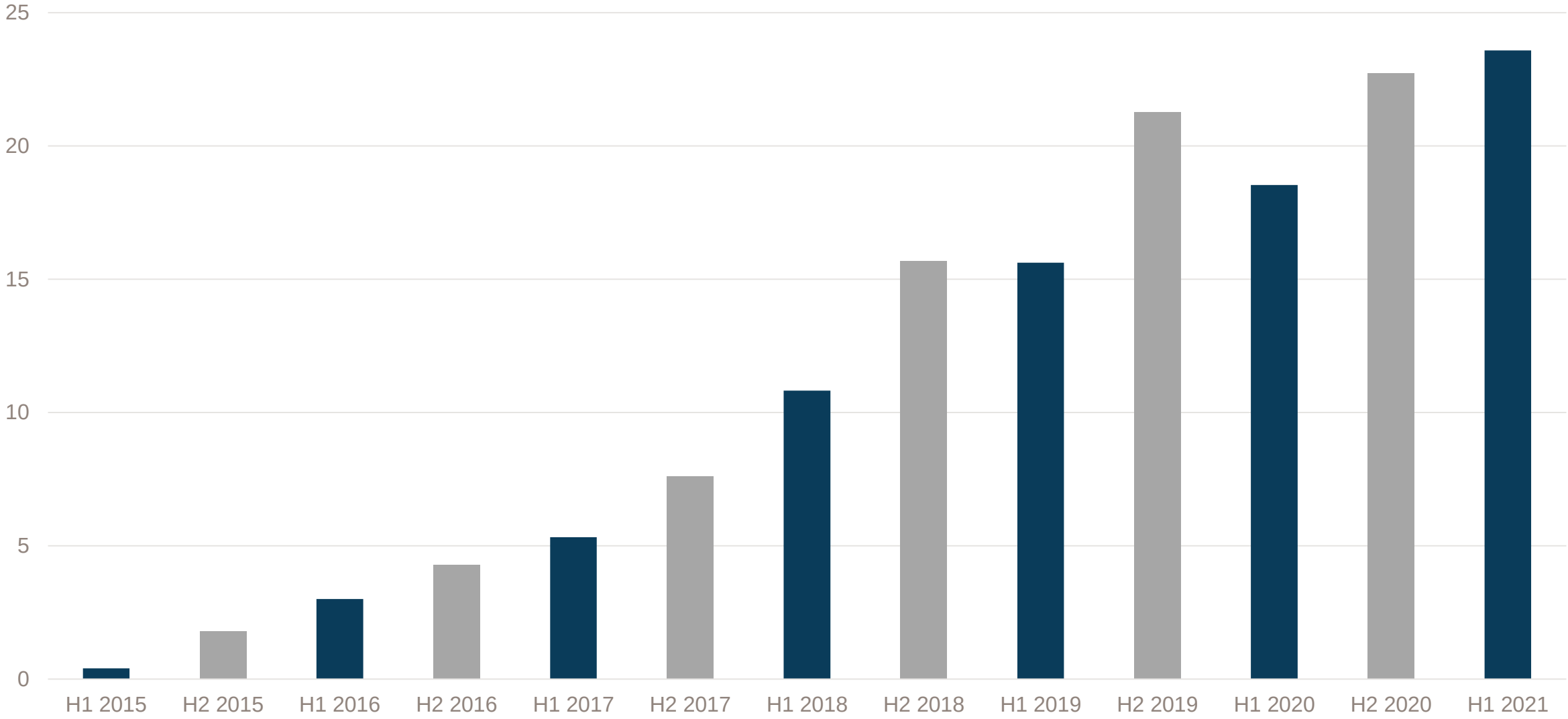
Note: Consolidated figures in conformity with U.S. GAAP; rounding applied consistently, *Cash, cash equivalents, restricted cash and investments

Significant growth in non-deferred revenues based on higher royalties, product revenue and milestones (in CHF mn)



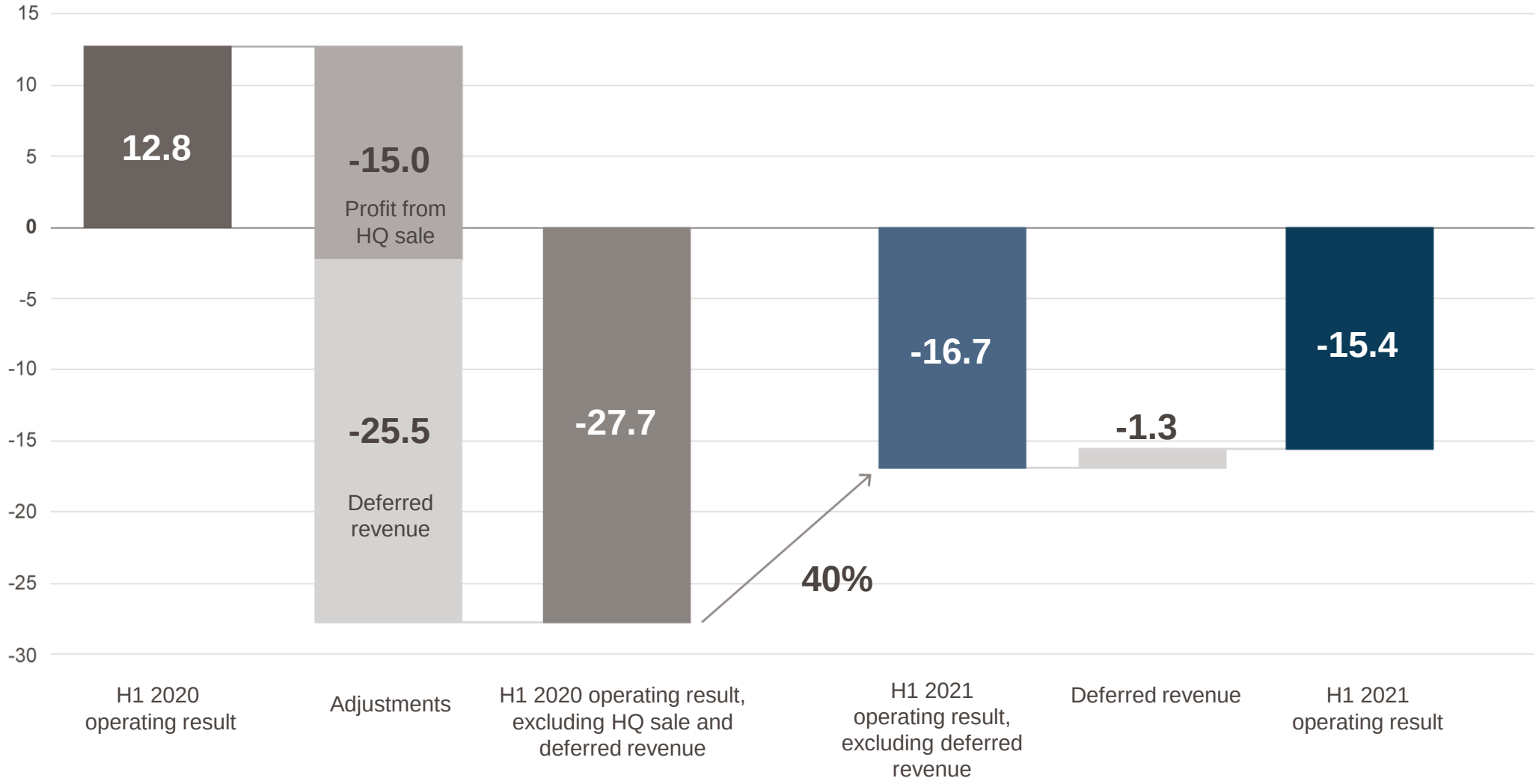
Note: Consolidated figures in conformity with U.S. GAAP; rounding applied consistently

Cresemba royalty revenue growth reflects continued commercial success in key territories (in CHF mn)



Note: Consolidated figures in conformity with U.S. GAAP; rounding applied consistently

Significant improvement in underlying operating performance (CHF mn)

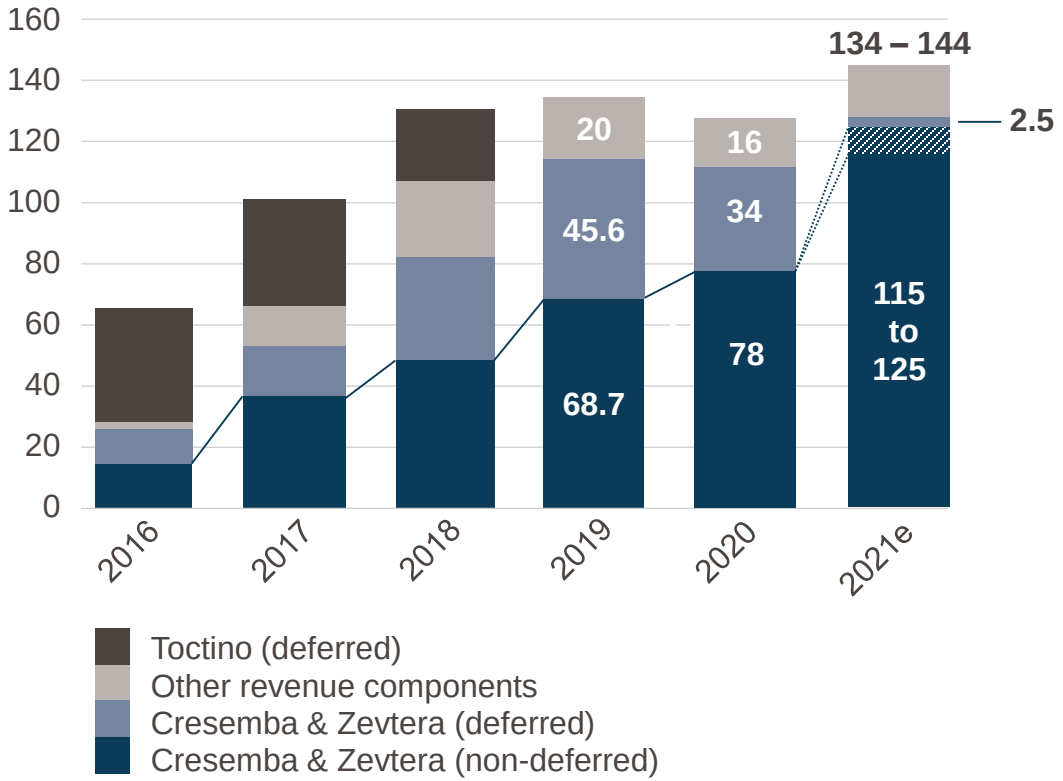


Note: Consolidated figures in conformity with U.S. GAAP; rounding applied consistently

2021 financial guidance - increased revenue and improved operating result

In CHF mn	FY 2021e (updated)	FY 2021e (previous)	FY 2020 (actual)
Total revenue	134 – 144	128 – 138	127.6
thereof: Contributions Cresemba® & Zevtera® non-deferred deferred	 115 – 125 2.5	 108–118 2.5	 78.2 33.8
Operating loss	7 – 17	13 – 23	8.2
Cash and investments*	165 – 170**	155 – 160**	167.3

Continued strong double-digit growth in Cresemba & Zevtera non-deferred revenue contributions Y-o-Y, CHF mn



*Cash, cash equivalents, restricted cash and investments / **Excluding any impact from a reduction of the outstanding convertible bonds

Dr. Marc Engelhardt

Chief Medical Officer

Clinical development update

Antibacterial

Zevtera®
(Ceftobiprole)

Severe bacterial infections

Strategy for accessing the U.S. market

- Two cross-supportive phase 3 studies under FDA Special Protocol Assessment (SPA)

1. Acute Bacterial Skin and Skin Structure Infections (ABSSSI)[1] successfully completed

TARGET
ABSSSI Study

2. *Staphylococcus aureus* bacteremia (SAB)[2] ongoing, topline results from phase 3 study expected in H1 2022

ERADICATE
SAB Study

- Phase 3 program largely funded by BARDA (~70% of total program costs; up to USD ~134 mn)

BIOMEDICAL ADVANCED RESEARCH AND DEVELOPMENT AUTHORITY
BARDA

- Qualified Infectious Disease Product (QIDP) designation extends U.S. market exclusivity to 10 years from approval

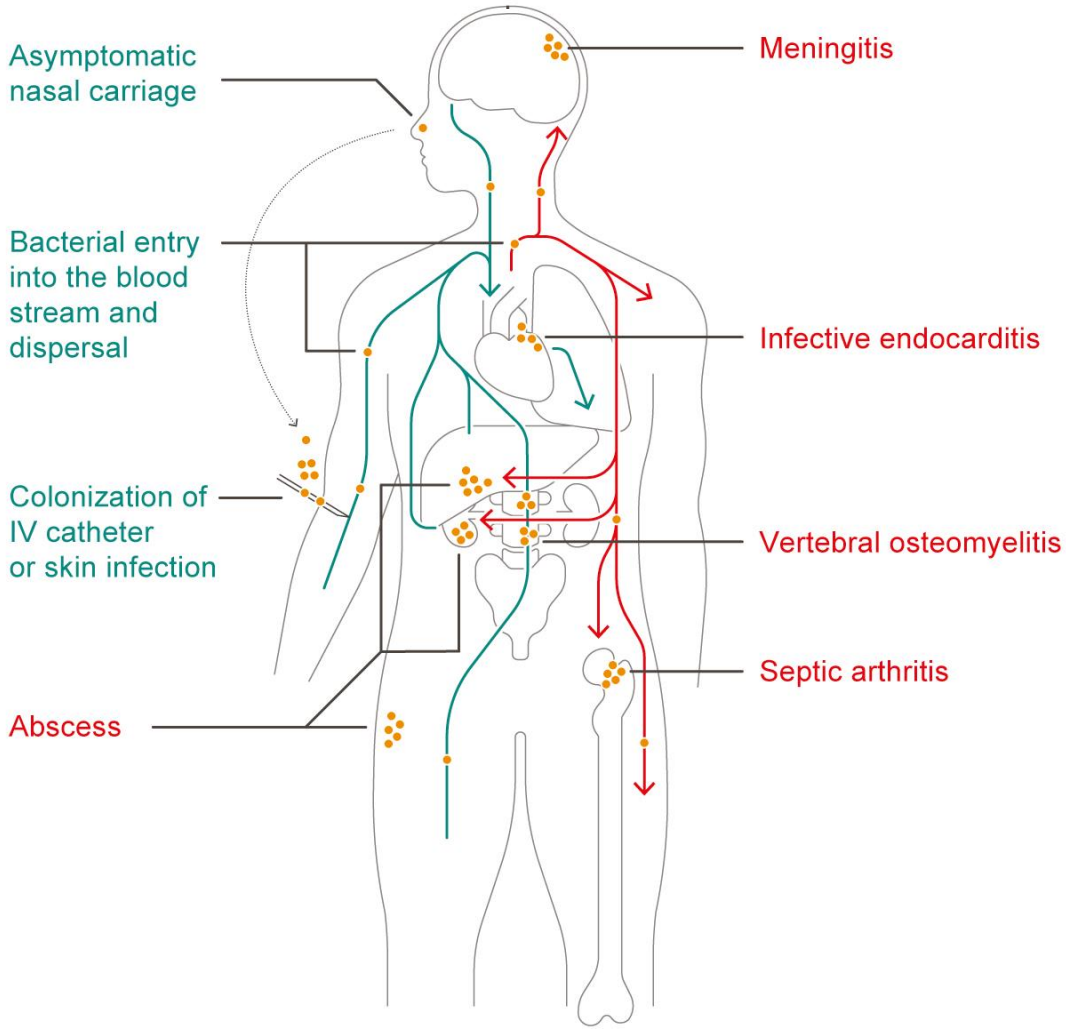
[1] Overcash JS et al. ECCMID 2020, abstract 1594. (NCT03137173)
[2] Hamed K et al. Future Microbiol. 2020;15:35-48. (NCT03138733)

SAB – an area with high medical need

- Nearly 120,000 *S. aureus* bloodstream infections in the US (in 2017)[1]
- ERADICATE targets complicated SAB, characterized by concomitant or metastatic infections such as bone, joint or heart valve infections; persistent bacteremia; or bacteremia in patients on dialysis
- Substantial morbidity and approximately 20% 30-day mortality[2]
- Limited antibiotic treatment options with only two approved treatments for SAB in the U.S. that cover both MSSA and MRSA, i.e. vancomycin and daptomycin

[1] MMWR, 2019;68:214–219.
[2] Hamed K et al. Future Microbiol. 2020;15:35-48.
MRSA: methicillin-resistant *Staphylococcus aureus*
MSSA: methicillin-susceptible *Staphylococcus aureus*

Causes and consequences of SAB



Adapted from Edwards AM et al. Trends Microbiol. 2011;19:184-190.

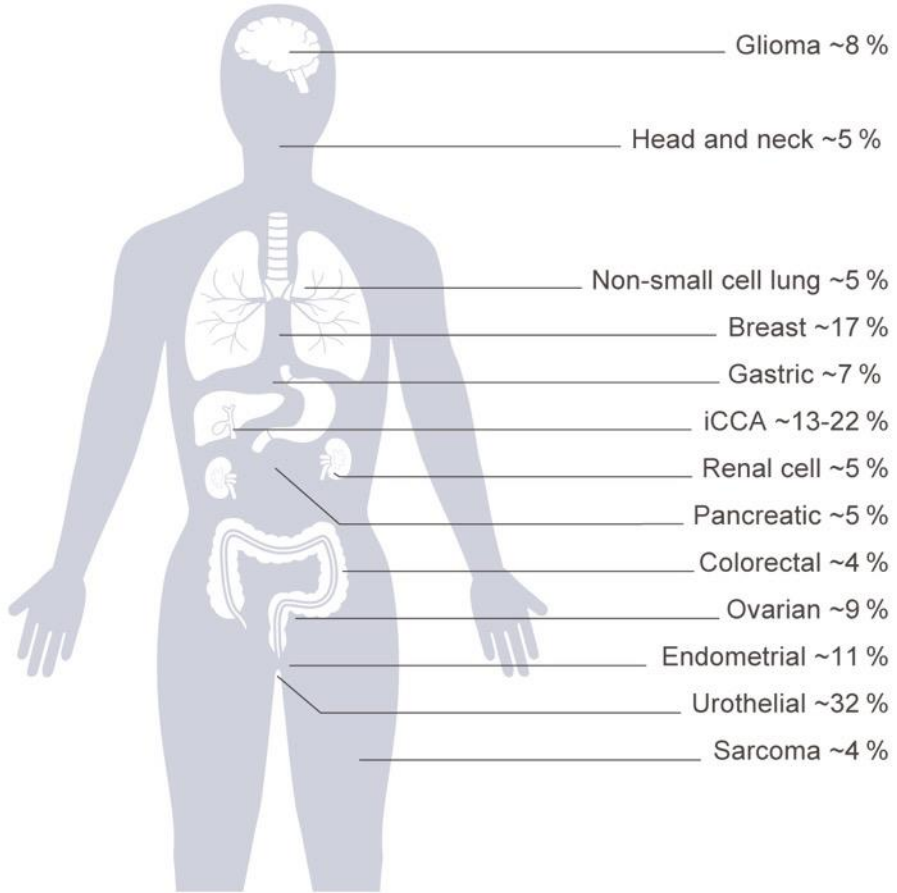
Oncology

Derazantinib

FGFR-driven tumors

Targeting FGFR-driven tumors as single agent and in combinations

- Small molecule, oral inhibitor of FGFR family of kinases
- Development strategy focused on achieving differentiation by leveraging unique properties of derazantinib
  - Kinase inhibition profile: exploring therapeutic potential of additional targets of derazantinib such as CSF1R and VEGFR2 kinase
  - Safety profile: exploring relevance for potential combination therapies
- Three clinical studies ongoing
  - FIDES-01 (Ph 2) in intrahepatic cholangiocarcinoma (iCCA)
  - FIDES-02 (Ph 1/2) in urothelial cancer
  - FIDES-03 (Ph 1/2) in gastric cancer



Sources: Helsten et al., Clin Cancer Res 2016 (22), 257-267; FGFR2 fusions in iCCA: Graham et al. Hum Pathol 2014 (45), 1630-1638; Jain et al. JCO Precis Oncol 2018 (2) 1-12

Phase 2 studies with FGFR-inhibitors in iCCA

Variable	Derazantinib[1] FIDES-01 Cohort 1	Infigratinib[2] (QED)	Pemigatinib[3] (Incyte) FIGHT-202	Futibatinib[4] (Taiho) FOENIX-CCA2	Derazantinib Pooled[5]	Pemigatinib[6] (Incyte) FIGHT-202
N	103	108	108	103	23*	20
Objective response rate	**21%**	**23%**	**37%**	**42%**	**7%***	**0%**
Disease control rate	**75 %**	**84%**	**82%**	**83%**	**79%***	**40%**
Median Progression-free survival	**7.8 months**	**7.3 months**	**7.0 months**	**9.0 months**	**7.2 months**	**2.1 months**

- Derazantinib continues to show a well-manageable safety profile, with low rates of retinal side effects, stomatitis, hand-foot syndrome and nail toxicity.
- Overall, these results underscore the favorable benefit to risk profile of derazantinib as a monotherapy in bile duct cancer

FGFR2 fusions/rearrangements

FGF/R non-fusion genetic alterations

*Objective response rate and disease control rate refer to 14 patients from studies ARQ 087-101 and FIDES-01 (Cohort 2), excluding patients from expanded access programs.

1. Basilea, data on file 2021. 2. Javle et al. J Clin Oncol 39, no. 3_suppl (January 20, 2021) 265-265. 3. Abou-Alfa et al. J Clin Oncol 39, no. 15_suppl (May 20, 2021) 4086-4086. 4. Goyal et al. Cancer Res 2021; 81, 13 Supplement, pp. CT010. 5. Droz Dit Busset et al., Annals of Oncology (2020) 31 (suppl_5): S1217-S1239. (Pooled analysis of clinical trials and early access programs). 6 Abou-Alfa et al. Lancet Oncol 2020;21(5):671-684.

Clinical program in urothelial cancer – FIDES-02

Multi-cohort phase 1b/2 study of derazantinib monotherapy or in combination with atezolizumab in patients with advanced urothelial cancer harboring FGFR genetic aberrations

- Substudies (N≈200) in various treatment settings, including:
  - Post-chemotherapy/immunotherapy recurrence (second-line and post second-line)
  - First-line platinum-ineligible
  - Resistance to prior FGFR-inhibitor treatment
- Clinical supply agreement with Roche for atezolizumab
- Interim results in monotherapy and combination therapy with atezolizumab in patients refractory to prior FGFR-inhibitor treatment expected H2 2021*
- Exploring an intensified dose regimen of derazantinib in two cohorts of the study:
  - Focus on maximizing efficacy by using an intensified dose regimen of 400 mg per day
    - as monotherapy in a second-or post second-line setting in FGFR-inhibitor naïve patients
    - as monotherapy or in combination with atezolizumab in first-line cisplatin-ineligible patients
  - Supported by the observed safety and tolerability profile of derazantinib and by pharmacology data
- Initial results from cohorts utilizing 400 mg per day dose regimen expected H1 2022

*Using a dose regimen of 300 mg per day derazantinib ± 1200 mg atezolizumab every 3 weeks

FIDES-02: NCT04045613; Chaudhry A et al. Journal of Clinical Oncology 2020; 38, no. 6_suppl. TPS590

Clinical program in gastric cancer – FIDES-03

Multi-cohort Phase 1b/2 study of derazantinib as monotherapy or in combination therapy with standard of care (ramucirumab/paclitaxel) or atezolizumab in patients with advanced HER2-negative gastric adenocarcinoma harboring FGFR genetic aberrations

- Substudies using derazantinib monotherapy or combination treatment, including:
  - Derazantinib monotherapy in various molecular subtypes
  - Combination of derazantinib with ramucirumab/paclitaxel
  - Combination of derazantinib with atezolizumab
- Clinical supply agreement with Roche for atezolizumab
- Clinical trial collaboration and supply agreement with Lilly for ramucirumab
- Exploring an intensified dose regimen of derazantinib 400 mg per day in monotherapy and in combination therapy
- Interim results in derazantinib monotherapy and recommended phase 2 dose of derazantinib in combination with ramucirumab/paclitaxel expected H1 2022

FIDES-03: NCT04604132

Oncology

Lisavanbulin (BAL101553)

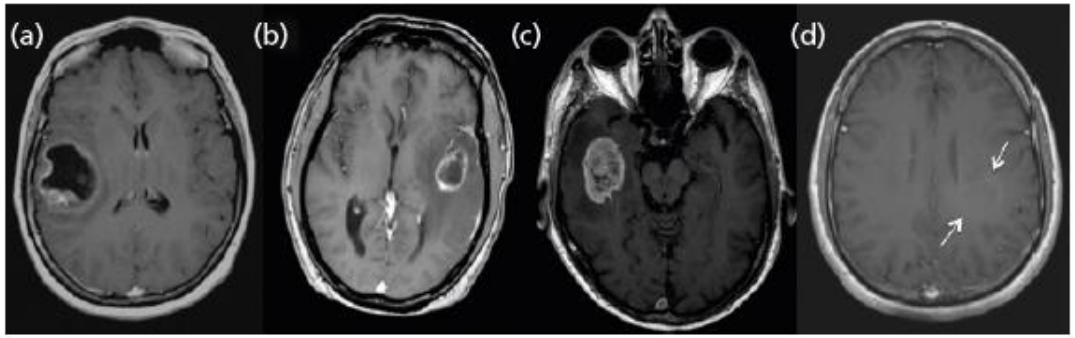
Glioblastoma
and other solid tumors

Unmet medical need in glioblastoma

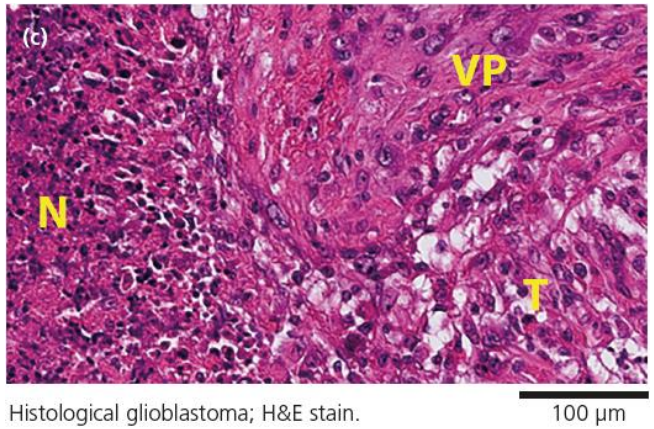
- The most common primary brain cancer in adults with an incidence of 3-4 per 100,000 people, (though geographic variation exists) and a median age at onset of > 60 years
- Associated with poor prognosis, high morbidity and healthcare burden
- 5-year survival is below 5% with current standard of care (multimodality treatment including surgery, radiotherapy, chemotherapy)[1]
- *MGMT*-promoter methylation status has been demonstrated as a predictor for the response to (radio)chemotherapy (temozolomide)[2]
- Established molecular markers used for classification include IDH mutations and/or 1p/19q codeletion[3]
- No molecular targeted therapy currently approved

[1]Poon MTC et al. 2020; Sci Rep 10, 11622; [2]Hegi et al. NEJM 2005;352:997-1003
[3]Louis DN et al. Acta Neuropathol. 2016;131:803-820

Radiological and tissue presentations of glioblastoma



Variable glioblastoma appearances on post-gadolinium T1-weighted MRI: central necrotic mass with nodular rim enhancement (a,b), predominantly solid enhancement (c), lack of contrast uptake (d)



Histological features of glioblastoma include marked hypercellularity, nuclear atypia, microvascular proliferation, and necrosis (N: necrosis, VP: vascular proliferations, T: tumor)

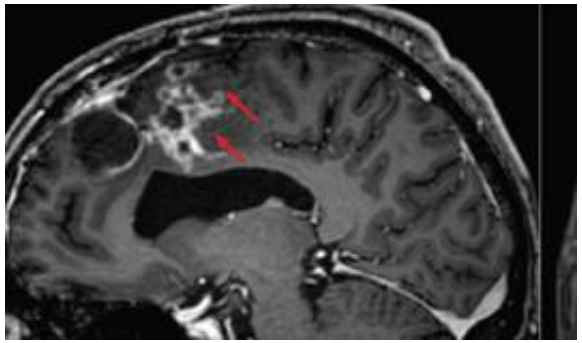
McNamara MG, Brandner S, Thust SC. Fast facts: Glioblastoma. 2020. S Karger Publishers Ltd.

Biomarker-driven phase 2 study ongoing in recurrent glioblastoma

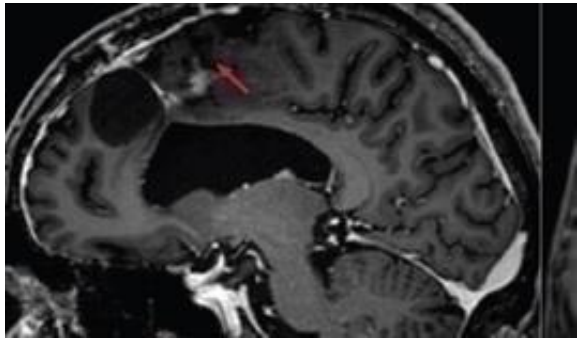
- EB1 is located on the microtubules and involved in microtubule dynamics and has been shown to be a response predictive marker for lisavanbulin in preclinical studies
- Results from phase 1 study with daily oral lisavanbulin in patients with recurrent glioblastoma (n= 20):[1, 2]
  - Three patients with EB1-positive glioblastoma
  - Two of the EB1-positive patients with long-lasting clinical benefit, ongoing for more than 2 years
    - One exceptional response with >80% reduction in glioblastoma tumor size
  - No clear clinical benefit for EB1-negative patients
- Orphan drug designation granted for the treatment of malignant glioma
- Phase 2 interim results expected H2 2021

[1] Lopez et al. JCO 2019;37,15 suppl, 2025 (NCT02490800)
[2] Tiu et al. JCO 2021;39,15 suppl, TPS2068 (NCT02490800)

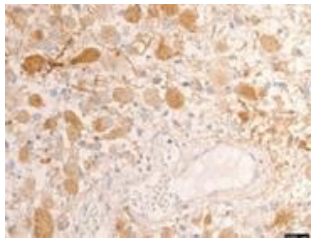
Glioblastoma tumor size reduction in an exceptional responder and EB1 staining of glioblastoma tissue compared to non-responding patients



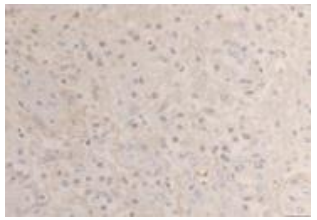
Baseline (May 2018)



Post Cycle 12 (April 2019)



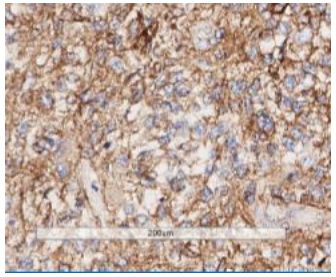
Responder



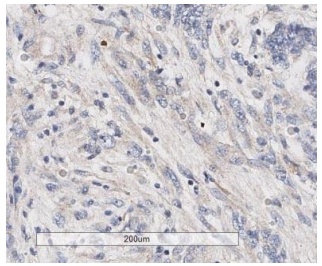
Non-responder

EB1-prevalence in glioblastoma and other cancer types

Example of an EB1-positive and EB1-negative glioblastoma tissue sample[1]

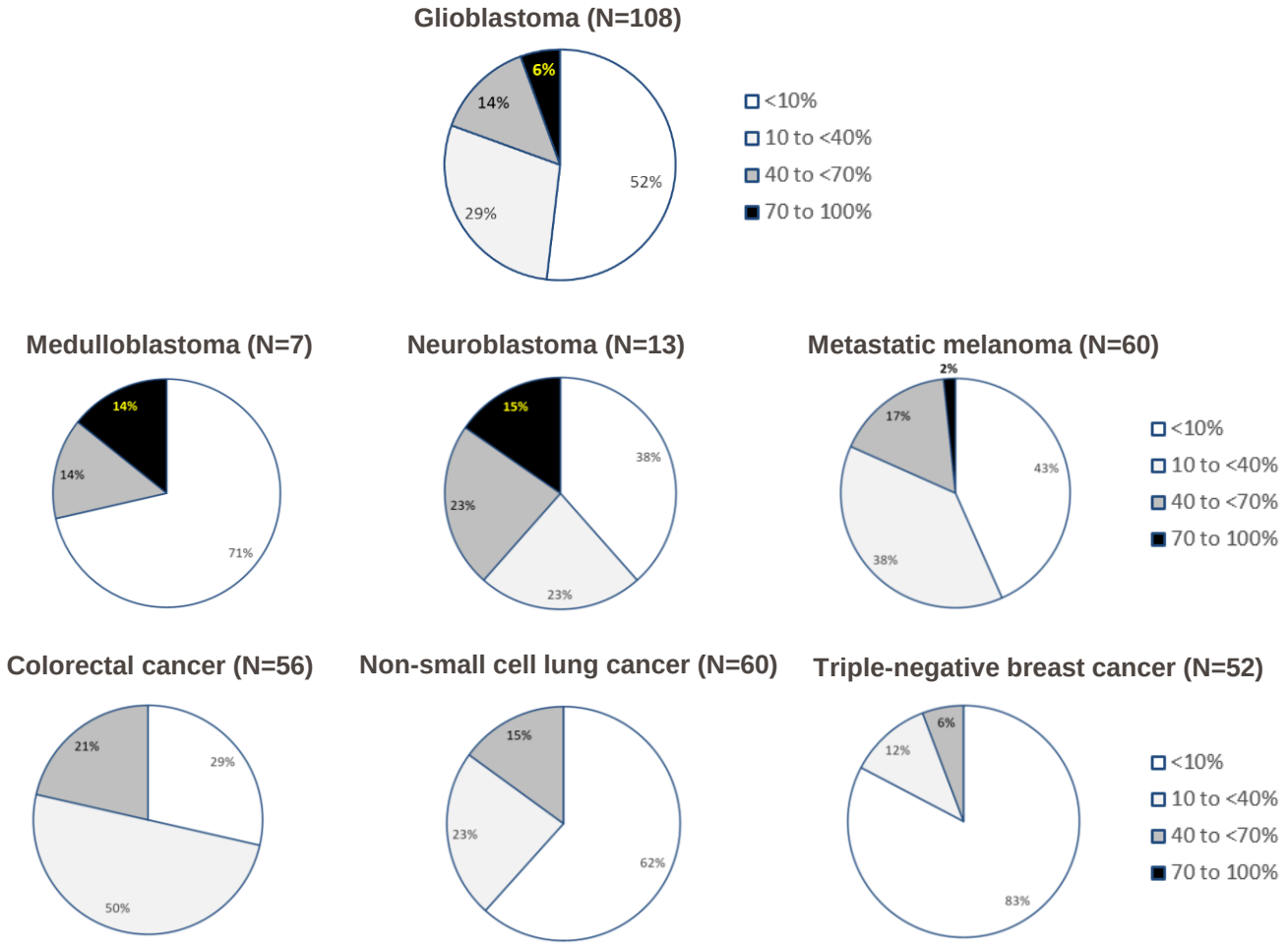


EB1-positive:
Tumor cells show moderate to strong EB1 staining



EB1-negative:
Absence of moderate to strong EB1 staining

Prevalence of moderate/strong EB1 staining in various tumor types[1]



The pie-charts depict the percentages of tissue samples with moderate or strong EB1-staining in the following categories: <10% of tumor cells, 10 to < 40% of tumor cells, 40 to < 70% of tumor cells, ≥ 70% of tumor cells.

1.Skowronska et al. J Clin Oncol 39, no. 15_suppl (May 20, 2021) 3118-3118.

David Veitch

Chief Executive Officer

Outlook

Outlook 2021 / 2022

Cresemba® & Zevtera® — Increasing cash flows
By the end of 2022, Cresemba to be on the market in ~ 70 countries

		H1 2021	H2 2021	H1 2022	H2 2022
Isavuconazole		✓ Complete patient enrolment in phase 3 study in Japan	File NDA in Japan		
Ceftobiprole			Complete patient enrolment in SAB phase 3 study	Topline results from SAB phase 3 study	
Derazantinib	**FIDES-01 (iCCA)**	✓ Topline results (FGFR2 gene fusions)			
		✓ Interim results (other FGFR2 genetic aberrations)		Topline results (other FGFR2 genetic aberrations)	
	FIDES-02 (urothelial cancer)		Interim results in monotherapy and combination therapy with atezolizumab in patients refractory to prior FGFR inhibitors	Interim results in monotherapy (400 mg/day) in 2nd-line FGFR-inhibitor naïve patients and atezolizumab combination in 1st-line cisplatin-ineligible patients	
	FIDES-03 (gastric cancer)			Interim results in monotherapy (400 mg/day) and recommended phase 2 dose with ramucirumab/paclitaxel	Interim efficacy results in combination with ramucirumab/paclitaxel
Lisavanbulin			Interim results from phase 2 biomarker-driven glioblastoma study	Topline results from phase 2 biomarker-driven glioblastoma study	
			Recommended phase 2 dose in phase 1 study in newly-diagnosed glioblastoma in combination with radiotherapy		
Novel kinase inhibitor (for cancer therapy)			File IND application	Initiate phase 1 study	

Q & A

Thank you

Glossary

- ABSSSI: **A**cute **b**acterial **s**kin and **s**kin **s**tructure **i**nfections
- CSF1R: **C**olony-**s**timulating **f**actor **1** **r**eceptor
- FGFR: **F**ibroblast **g**rowth **f**actor **r**eceptor
- FIDES: **F**ibroblast growth factor **i**nhibition with **de**razantinib in **s**olid tumors
- iCCA: **I**ntrahepatic **c**holangio**ca**rcinoma
- IND: **I**nvestigational **n**ew **d**rug
- MSSA: **M**ethicillin-**s**usceptible ***S**taphylococcus **a**ureus*
- MRSA: **M**ethicillin-**r**esistant ***S**taphylococcus **a**ureus*
- NDA: **N**ew **d**rug **a**pplication
- ORR: **O**bjective **r**esponse **r**ate
- PFS: **P**rogression-**f**ree **s**urvival
- SAB: ***S**taphylococcus **a**ureus* **b**acteremia
- VEGFR2: **V**ascular **e**ndothelial **g**rowth **f**actor **r**eceptor **2**

Focused on Growth and Innovation

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