

Basilea Pharmaceutica

BAL2420 clinical entry expands antibiotic pipeline

Clinical update

Healthcare

27 March 2026

Basilea Pharmaceutica's clinical pipeline expands further with the Phase I initiation for **BAL2420**, a novel antibiotic targeting Gram-negative bacterial infections such as caused by *Enterobacteriaceae*, including multidrug-resistant (MDR) strains such as *E. coli* and *K. pneumoniae* (50–70% of all *Enterobacteriaceae* isolates). BAL2420 represents a novel mechanism of action versus existing antibiotics and works by disrupting the LptA-mediated lipopolysaccharide transport bridge, an essential structural component in Gram-negative bacteria. With carbapenem-resistant *Enterobacteriaceae* a high-priority target for global health authorities such as the World Health Organization (WHO) and Centers for Disease Control and Prevention (CDC), we view BAL2420's clinical entry as materially boosting Basilea's pipeline. BAL2420 represents the third antibiotic in Basilea's portfolio after Zevtera and ceftibuten-ledaborbactam (CTB-LEDA), with the latter also targeting MDR *Enterobacterales* with focus on oral treatment of complicated urinary tract infections (cUTIs). We will present updated estimates for BAL2420's inclusion in due course.

Year end	Revenue (CHFm)	EBITDA (CHFm)	PBT (CHFm)	EPS (CHF)	DPS (CHF)	EV/EBITDA (x)	P/E (x)
12/24	208.5	62.9	60.6	6.44	0.00	9.6	8.1
12/25	232.4	53.4	46.2	3.31	0.00	11.3	15.9

Note: PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

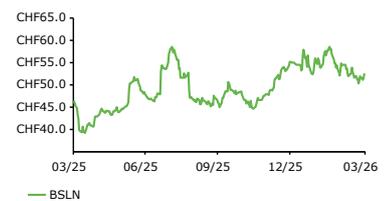
The Phase I study (first patient dosed) is a randomised, double-blind, placebo-controlled, dose-escalation trial assessing safety, tolerability and pharmacokinetics of BAL2420 via single and multiple-ascending dose cohorts. BAL2420 originates from the LptA inhibitor antibiotic programme acquired by Basilea from Spexis AG in January 2024, targeting the lipopolysaccharide transport bridge, an essential structure in gram-negative bacteria. By disrupting outer membrane integrity and inducing intracellular lipopolysaccharide accumulation, it exerts a bactericidal effect. Preclinical studies (*in vitro* and *in vivo*) have demonstrated activity against *Enterobacteriaceae*, including *E. coli* and *K. pneumoniae*, notably in strains resistant to beta-lactams and colistin. Preclinical development has been supported by CARB-X, with commitment for \$8.2m in non-dilutive funding to date (including \$0.9m in April 2024 and \$7.3m in December 2024 following clinical candidate nomination).

From a portfolio perspective, BAL2420 broadens Basilea's antibiotic franchise alongside Zevtera (commercial-stage, IV, targeting methicillin-resistant *Staphylococcus aureus*) and CTB-LEDA (oral beta-lactam/beta-lactamase inhibitor, Phase III-ready in cUTIs). From a competitive standpoint, the gram-negative space is dominated by IV beta-lactam/beta-lactamase inhibitors and newer agents such as cefiderocol (brand name: Fetroja). However, growing antimicrobial resistance highlights continued unmet need, and noted by the WHO as high priority requiring new and effective antibiotic treatments. BAL2420's novel, first-in-class mechanism could offer a differentiated approach and meaningful commercial potential, contingent on clinical validation against existing gram-negative therapies.

While target indications for BAL2420 remain to be defined, we believe its differentiated profile and focus on critical-priority MDR pathogens position it favourably within an evolving but still underserved competitive landscape. Clinical validation will be key, but successful development could support meaningful commercial potential.

Price	CHF52.50
Market cap	CHF689m
Net cash/(debt) at 31 December 2025	CHF86.9m
Shares in issue	13.3m
Code	BSLN
Primary exchange	SWX
Secondary exchange	N/A

Share price performance



Business description

Basilea Pharmaceutica is focused on treating severe bacterial and fungal infections. Its marketed products are Cresemba (an antifungal) and Zevtera (an anti-MRSA broad-spectrum antibiotic). It also has a broad development pipeline that includes two antifungals: Phase III novel broad-spectrum treatment fosmanogepix (two Phase III trials ongoing) and Phase II asset BAL2062; and two antibacterials: LptA inhibitor BAL2420 (Phase I) and Phase III-ready oral combination treatment CTB-LEDA.

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