

Idorsia announces financial results as of 30 September 2017

Allschwil, Switzerland – 24 October 2017 – Idorsia Ltd (SIX: IDIA) today announced its financial results as of 30 September 2017, which represent the business activity in the three and a half months since the demerger from Actelion on 15 June 2017.

Jean-Paul Clozel, CEO of Idorsia, commented: “Idorsia has been fully functional since the demerger from Actelion, and separation activities continue well on track thanks to the excellent collaborative efforts of all parties, making this innovative transaction with J&J a great success. With the rich collection of compounds we brought over from Actelion, we are working hard to advance our highly innovative pipeline and further enhance our value proposition from these assets. Discussions with health authorities are progressing well, so that we should see key compounds moving into Phase 3 in the near future.”

Key figures

- US GAAP operating loss in Q3 2017: CHF 68 million / YTD* 2017: CHF 79 million
- Non-GAAP** operating loss in Q3 2017: CHF 61 million / YTD* 2017: CHF 71 million
- Guidance for Full Year 2017: non-GAAP operating expenses of CHF 160-170 million

At the end of the third quarter, Idorsia’s liquidity (including cash, cash equivalents, short- and long-term deposits) amounted to CHF 952 million.

(in CHF millions, except EPS)	Period ending Sept. 30, 2017		Third quarter 2017	
	US GAAP	Non-GAAP	US GAAP	Non-GAAP
Operating income (loss)	(79)	(71)	(68)	(61)
Net income (loss)	(82)	(73)	(71)	(62)
Basic and diluted EPS	(0.73)	(0.65)	(0.59)	(0.52)
Number of shares (weighted average)	111.8	111.8	119.1	119.1

* Year-to-date results correspond to the three and a half months operations since the demerger from Actelion.

** Idorsia measures, reports and issues guidance on non-GAAP operating performance. Idorsia believes that these non-GAAP financial measurements more accurately reflect the underlying business performance and therefore provide useful supplementary information to investors. These non-GAAP measures are reported in addition to, not as a substitute for, US GAAP financial performance.

Financial results

For the period ending 30 September, the US GAAP operating loss amounted to CHF 79 million, including a non-GAAP operating loss of CHF 71 million, driven by R&D expenses of CHF 57 million and G&A expenses of CHF 14 million, depreciation and amortization of CHF 5 million and share-based compensation of CHF 3 million.

The US GAAP net loss amounted to CHF 82 million resulting in a net loss per share of CHF 0.73.

André C. Muller, CFO of Idorsia, commented: "Idorsia is making good progress by advancing its pipeline and in separating from Actelion. This gives us more clarity on our cost base, and so we now expect our non-GAAP operating expenses to be between 160 and 170 million Swiss francs for the financial year of 2017, which fundamentally represents six and a half months of operations.

Liquidity and indebtedness

(in CHF millions)	Sept. 30, 2017	June 30, 2017
Liquidity		
Cash and cash equivalents	552	607
Short-term deposits	150	150
Long-term deposits	250	250
Total Liquidity	952	1,007
Indebtedness		
Convertible loan	363	361
Other financial debt	-	-
Total indebtedness	363	361

Pipeline Update

- The Phase 2 dose-finding study with apocritentan in essential hypertension showed positive results. The asset is progressing towards a pivotal registration program in resistant hypertension. Johnson & Johnson through its subsidiary Janssen Biotech, Inc. has the option to collaborate with Idorsia to jointly develop and solely commercialize apocritentan worldwide.
- The comprehensive Phase 2 program with the dual orexin receptor antagonist ACT-541468 (DORA) in insomnia showed positive results. The program comprised two dose-response studies evaluating the safety and efficacy of ACT-541468 in both adult and elderly patients with insomnia. The results of both studies showed the desired effect on sleep maintenance and onset and a significant dose-response relationship, supporting the decision to advance ACT-541468 into a pivotal registration program.

Status	Compound	Mechanism of Action	Target Indication
Phase 2	Aprocitentan*	Endothelin receptor antagonist	Resistant hypertension
	ACT-541468	Dual orexin receptor antagonist	Insomnia
	Clazosentan**	Endothelin receptor antagonist	Vasospasm associated with aneurysmal subarachnoid hemorrhage (aSAH)
	Cenerimod	S1P ₁ receptor modulator	Systemic lupus erythematosus
	Vamorolone***	Non-hormonal steroid modulator	Duchenne muscular dystrophy
Phase 1b	Lucerastat	Glucosylceramide synthase inhibitor	Fabry disease
Phase 1	ACT-246475	P2Y ₁₂ receptor antagonist	Acute coronary syndrome
	ACT-774312	CRTH2 receptor antagonist	Asthma and allergy disorders
	ACT-539313	Selective orexin 1 receptor antagonist	Anxiety
	ACT-709478	T-type calcium channel blocker	Epilepsy

* Johnson & Johnson has option to jointly develop and solely commercialize aprocitentan worldwide.

** In Japan, a Phase 2 study was completed earlier in 2017. Market registration trials have started.

*** Idorsia has exclusive option to worldwide rights to ReveraGen's Vamorolone.

Results Day Center

Investor community: To make your job easier, we provide all relevant documentation via the Results Day Center on our corporate website: www.idorsia.com/results-day-center.

Upcoming Financial Updates

- Full-Year 2017 Financial Results reporting on 6 February 2018
- 3 Months 2018 on 19 April 2018
- Half-Year 2018 on 24 July 2018
- 9 Months 2018 on 23 October 2018

Notes to the editor

About Idorsia

Idorsia Ltd is reaching out for more - We have more ideas, we see more opportunities and we want to help more patients. In order to achieve this we intend to develop Idorsia into Europe's leading biopharmaceutical company, with a strong scientific core.

Headquartered in Switzerland - a European biotech hub - Idorsia is specialized in the discovery and development of small molecules, to transform the horizon of therapeutic options. Idorsia has a broad portfolio of innovative drugs in the pipeline, an experienced team, a fully-functional research center, and a strong balance sheet – the ideal constellation to bringing R&D efforts to business success.

Idorsia was listed on SIX Swiss Exchange (ticker symbol: IDIA) in June 2017 and has over 600 highly qualified specialists dedicated to realizing our ambitious targets.

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