Media Release
October 23, 2018

Idorsia financial results for the first nine months of 2018

Allschwil, Switzerland – 23 October 2018
Idorsia Ltd (SIX: IDIA) today announced its financial results for the first nine months of 2018.

Jean-Paul Clozel, MD and Chief Executive Officer, commented:
"Idorsia continues to move full steam ahead, following the key strategic priorities we set out on 'day 1'. We have moved our assets forward into Phase 3 and now, as announced this morning, with the addition of Simon Jose to our team, we are building our commercial capabilities to maximize the value of those assets. This progress, together with the advances I can see with our drug discovery efforts and the early stage pipeline, make me more confident than ever that Idorsia is on the path to success."

Key figures

- US GAAP operating results in 9M 2018: loss of CHF 271 million
- Non-GAAP* operating results 9M 2018: loss of CHF 247 million
- US GAAP operating expenses 9M 2018: CHF 290 million
- Non-GAAP operating expenses 9M 2018: CHF 266 million
- CHF 505 million raised in July 2018 through issuance of new registered shares and senior unsecured convertible bonds
- Unchanged guidance for 2018: Non-GAAP operating expenses of around CHF 390 million

At the end of the September 2018, Idorsia's liquidity (including cash, cash equivalents, short- and long-term deposits) amounted to CHF 1,351 million.

	Nine months 2018		Third Quarter 2018	
(in CHF millions, except EPS)	**US GAAP**	**Non-GAAP**	**US GAAP**	**Non-GAAP**
Revenues	20	20	7	7
Operating expenses	(290)	(266)	(122)	(114)
Operating income (loss)	(271)	(247)	(115)	(107)
Net income (loss)	(278)	(249)	(119)	(109)
Basic EPS	(2.27)	(2.03)	(0.92)	(0.84)
Basic number of shares (weighted average)	122.7	122.7	129.6	129.6
Diluted EPS	(2.27)	(2.03)	(0.92)	(0.84)
Diluted number of shares (weighted average)	122.7	122.7	129.6	129.6

**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 first nine months of 2018, US GAAP operating loss amounted to CHF 271 million and non-GAAP operating loss amounted to CHF 247 million. US GAAP operating loss was based on revenues of CHF 20 million, non-GAAP R&D expenses of CHF 227 million, non-GAAP G&A expenses of

CHF 39 million, depreciation and amortization of CHF 14 million, and share-based compensation of CHF 10 million.

The US GAAP net loss amounted to CHF 278 million resulting in a net loss per share of CHF 2.27.

Issuance of new registered shares

In July 2018, Idorsia placed 11,912,000 new registered shares of CHF 0.05 par value each at CHF 25.62 per new share (the "Offer Shares") with gross proceeds of CHF 305 million. The Offer Shares, corresponding to approximately 10% of Idorsia's currently issued share capital, were issued from Idorsia's existing authorized share capital and ranked pari passu with the existing shares. The listing and the admission to trading of the Offer Shares according to the International Reporting Standard of the SIX Swiss Exchange was effective on July 13, 2018.

Issuance of senior unsecured convertible bonds

In July 2018, Idorsia placed CHF 200 million of senior unsecured convertible bonds (the "Bonds"), due 2024. The Bonds have a maturity of 6 years and are convertible into 5.9 million registered shares of Idorsia, sourced from existing listed conditional share capital, on or after August 27, 2018. The Bonds have a coupon of 0.75%, subject to Swiss withholding tax, and a conversion price of CHF 33.95, corresponding to a conversion premium of 32.5% above the book-building price of the Offer Shares. Holders of the Bonds who convert their Bonds will receive Idorsia shares with a par value of CHF 0.05 per Idorsia share. Idorsia will be entitled to redeem the Bonds at their principal amount (plus accrued interest) in accordance with the terms and conditions of the Bonds at any time (i) on or after August 7, 2022, if the price of an Idorsia share is equal to or exceeds 150% of the then prevailing conversion price over a certain period or (ii) if less than 15% of the aggregate principal amount of the Bonds remains outstanding. The Bonds, unless previously converted or repurchased and cancelled, will be redeemed at 100% of their principal amount.

André C. Muller, Chief Financial Officer, commented:
"We already reported the cash raise of half a billion Swiss francs with the mid-year review, and now we see how the additional cash has strengthened our balance sheet. With the current liquidity, I am confident that we can develop our late-stage pipeline through to completion, and together with Simon Jose we will make strategic decisions on how to commercialize them."

Liquidity and indebtedness

(in CHF millions)	Sept 30, 2018	Jun 30, 2018	Mar 31, 2018
Liquidity			
Cash and cash equivalents	671	615	549
Short-term deposits	132	85	217
Long-term deposits	548	250	250
Total liquidity*	**1,351**	**949**	**1,016**
Indebtedness			
Convertible loan	370	368	367
Convertible bond	198	-	-
Other financial debt	-	-	-
Total indebtedness	**569**	**368**	**367**

*rounding differences may occur

Clinical Development Pipeline

Idorsia has a diversified and balanced clinical development pipeline covering multiple therapeutic areas, including CNS, cardiovascular and immunological disorders, as well as orphan diseases.

Site initiation and patient enrollment continues for three of Idorsia's Phase 3 clinical programs: aprocitentan for resistant hypertension management, nemorexant for the treatment of insomnia, and lucerastat for the treatment of Fabry disease. Preparation for the Phase 3 study with clazosentan for the prevention of clinical deterioration due to vasospasm-related delayed cerebral ischemia following subarachnoid hemorrhage is on-track for enrollment to commence before the end of 2018.

For the market registration studies with clazosentan in Japan, 160 patients have been enrolled into each of two Japanese studies. Based on a lower than anticipated number of events, Idorsia has decided to increase the number of patients recruited into each study. Recruitment is now expected to last into 2019. The company will provide further information with the Full Year financial reporting in February 2019.

Details of the Phase 3 programs can be found in a series of investor webcasts published on the corporate website.

Compound	Mechanism of Action	Target Indication	Status
Aprocitentan*	Dual endothelin receptor antagonist	Resistant hypertension management	Phase 3
Clazosentan**	Endothelin receptor antagonist	Vasospasm associated with aneurysmal subarachnoid hemorrhage (aSAH)	Advancing to Phase 3
Lucerastat	Glucosylceramide synthase inhibitor	Fabry disease	Phase 3
Nemorexant	Dual orexin receptor antagonist	Insomnia	Phase 3
Cenerimod	$S1P_1$ receptor modulator	Systemic lupus erythematosus	Phase 2
Vamorolone***	Dissociative steroid	Duchenne muscular dystrophy	Phase 2
ACT-246475	P2Y12 receptor antagonist	Acute coronary syndrome (ACS)	Phase 2
ACT-774312	CRTH2 receptor antagonist	Nasal polyposis	Advancing to Phase 2
ACT-519276	GBA2/GCS inhibitor	Orphan CNS diseases	Phase 1
ACT-539313	Selective orexin 1 receptor antagonist	Anxiety	Phase 1
ACT-709478	T-type calcium channel blocker	Epilepsy	Phase 1

** In collaboration with Janssen Biotech to jointly develop and solely commercialize aprocitentan worldwide*
*** Market registration trials are being conducted in Japan*
**** 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 2018 Financial Results reporting on February 7, 2019
- First Quarter 2019 Financial Results reporting on April 18, 2019
- Annual General Meeting of Shareholders on May 3, 2019
- Half-Year 2019 Financial Results reporting on July 23, 2019

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 will develop Idorsia into one of Europe's leading biopharmaceutical companies, with a strong scientific core.

Headquartered in Switzerland - a biotech-hub of Europe - 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 the SIX Swiss Exchange (ticker symbol: IDIA) in June 2017 and has over 700 highly qualified specialists dedicated to realizing our ambitious targets.

For further information, please contact

Andrew C. Weiss
Senior Vice President, Head of Investor Relations & Corporate Communications
Idorsia Pharmaceuticals Ltd, Hegenheimermattweg 91, CH-4123 Allschwil
+41 (0) 58 844 10 10
www.idorsia.com