Media Release
April 18, 2019

Idorsia announces financial results for the first quarter 2019

Allschwil, Switzerland – April 18, 2019
Idorsia Ltd (SIX: IDIA) today announced its financial results for the first quarter of 2019.

Key figures

- US GAAP operating expenses in Q1 2019 at CHF 125 million
- Non-GAAP operating expenses in Q1 2019 at CHF 117 million
- Unchanged guidance for 2019: US GAAP operating expenses of around CHF 570 million and non-GAAP operating expenses of around CHF 530 million (both measures exclude any potential milestone payments)

Jean-Paul Clozel, MD and Chief Executive Officer, commented:
"Our focus in 2019 must be on delivering on our strategic priorities by advancing at full steam with our key clinical activities. This will enable us to begin reading out late stage clinical trials next year. Keep in mind that for every Phase 3 program, there are activities ongoing across the whole company to prepare the comprehensive dossier required by the health authorities. I'm very fortunate that at Idorsia, we have the right professionals who know exactly what it takes to register a drug and to market it successfully."

Financial results

US GAAP results **in CHF millions, except EPS (CHF) and number of shares (millions)**	**First Quarter** **2019**	 **2018**
Revenues	7	7
Operating expenses	(125)	(81)
Operating income (loss)	(119)	(74)
Net income (loss)	(106)	(79)
Basic EPS	(0.81)	(0.66)
Basic weighted average number of shares	131.1	119.1
Diluted EPS	(0.81)	(0.66)
Diluted weighted average number of shares	131.1	119.1

For the first quarter 2019, US GAAP net loss amounted to CHF 106 million compared to CHF 79 million for the period ending March 31, 2018. The increase of the net loss was mainly driven by higher operating costs.

US GAAP revenue of CHF 7 million in the first quarter 2019 as well as 2018 related to deferred contract revenue recognized in connection to the collaboration agreements with Janssen (CHF 5.3 million) and Roche (CHF 1.3 million).

US GAAP operating expenses in the first quarter 2019 amounted to CHF 125 million (of which CHF 110 million R&D and CHF 16 million SG&A expenses) whilst operating expenses in the first quarter 2018 amounted to CHF 81 million (of which CHF 67 million R&D and CHF 14 million SG&A expenses).

The US GAAP net loss resulted in a net loss per share of CHF 0.81 (basic and diluted) for the first quarter 2019 compared to a net loss per share of CHF 0.66 (basic and diluted) for the period ending March 31, 2018.

Non-GAAP* measures **in CHF millions, except EPS (CHF) and number of shares (millions)**	**First Quarter** **2019**	 **2018**
Revenues	7	7
Operating expenses	(117)	(73)
Operating income (loss)	(110)	(67)
Net income (loss)	(108)	(69)
Basic EPS	(0.82)	(0.58)
Basic weighted average number of shares	131.1	119.1
Diluted EPS	(0.82)	(0.58)
Diluted weighted average number of shares	131.1	119.1

** 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.*

For the first quarter 2019, non-GAAP net loss amounted to CHF 108 million: the difference versus US GAAP net loss was mainly due to depreciation and amortization (CHF 5 million), share-based compensation (CHF 3 million) and non-cash financial gain (CHF 9 million).

Non-GAAP net loss per share amounted to CHF 0.82 (basic and diluted) for the first quarter 2019 compared to a net loss per share of CHF 0.58 (basic and diluted) for the period ending March 31, 2018.

André C. Muller, Chief Financial Officer, commented:
"We are diligently advancing our diversified pipeline, focusing our efforts on recruiting patients for our four Phase 3 assets. Since projects are on track, expenses are in line with expectations. Therefore, the financial guidance for 2019 remains unchanged, excluding unforeseen events and potential milestone payments, we expect non-GAAP operating expenses for 2019 to be around CHF 530 million."

Liquidity and indebtedness

At the end of the first quarter 2019, Idorsia's liquidity (including cash, cash equivalents, short- and long-term deposits) amounted to CHF 1,111 million.

(in CHF millions)	**Mar 31, 2019**	**Dec 31, 2018**	**Mar 31, 2018**
Liquidity			
Cash and cash equivalents	718	799	549
Short-term deposits	94	123	217
Long-term deposits	300	298	250
Total liquidity*	**1,111**	**1,220**	**1,016**
Indebtedness			
Convertible loan	374	372	367
Convertible bond	199	198	-
Other financial debt	-	-	-
Total indebtedness	**573**	**571**	**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.

The late-stage pipeline advanced significantly in 2018, with four compounds moving into Phase 3 clinical development. All late-stage trials are now recruiting patients, with data expected to be reported in 2020 and 2021.

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

Progress was also made with our early-stage compounds by accumulating information on clinical pharmacology in healthy volunteers or conducting Phase 2 profiling in patients.

In addition, we made progress in the first quarter of 2019 with our early development pipeline and advanced ACT-1004-1239, a new cancer immunotherapy / immunology compound, into Phase 1.

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	Phase 3
Lucerastat	Glucosylceramide synthase inhibitor	Fabry disease	Phase 3
ACT-541468	Dual orexin receptor antagonist	Insomnia	Phase 3
Cenerimod	$S1P_1$ receptor modulator	Systemic lupus erythematosus	Phase 2
Selatogrel	P2Y12 receptor antagonist	Acute coronary syndrome	Phase 2
ACT-774312	CRTH2 receptor antagonist	Nasal polyposis	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
ACT-1004-1239	-	Cancer Immunotherapy / Immunology	Phase 1

** In collaboration with Janssen Biotech Inc. to jointly develop and solely commercialize aprocitentan worldwide*
*** Market registration trials are also being conducted in Japan*

Idorsia has the option to license vamorolone from ReveraGen Inc. and has granted to Santhera Holding Ltd. the option to sub-license vamorolone worldwide for all indications.

Note to Shareholders

The Annual General Meeting (AGM) of Shareholders to approve the Business Report of the year ending December 31, 2018 will be held on Friday May 3, 2019.

The invitation was published in the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt) and distributed to Shareholders by post on April 10, 2019, and is available, together with the Company's Annual Report and Compensation Report, on www.idorsia.com/agm.

In order to attend and vote at the Annual General Meeting, shareholders must be registered in the company's shareholder register by April 24, 2019 at the latest.

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

- Annual General Meeting of Shareholders on May 3, 2019
- Half-Year 2019 Financial Results reporting on July 23, 2019
- Nine-months 2019 Financial Results reporting on October 22, 2019
- Full-Year 2019 Financial Results reporting on February 6, 2020

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 750 highly qualified specialists dedicated to realizing our ambitious targets.

For further information, please contact

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