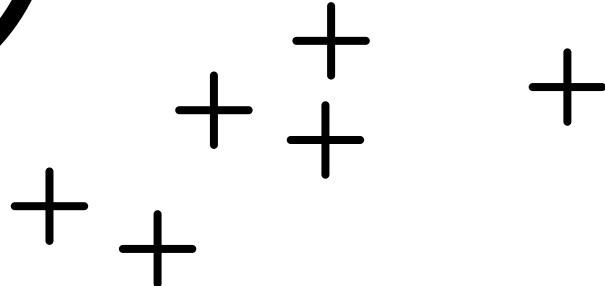
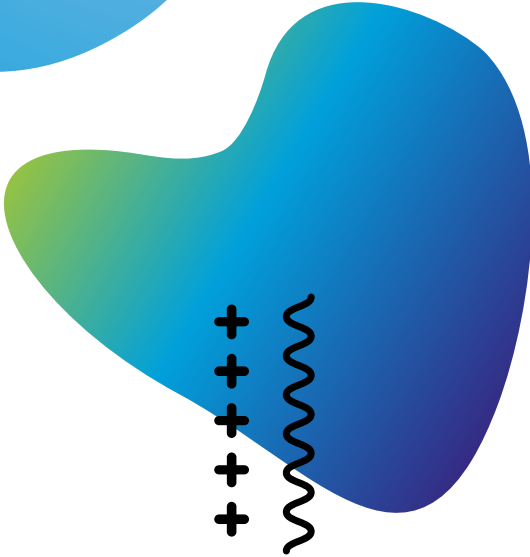
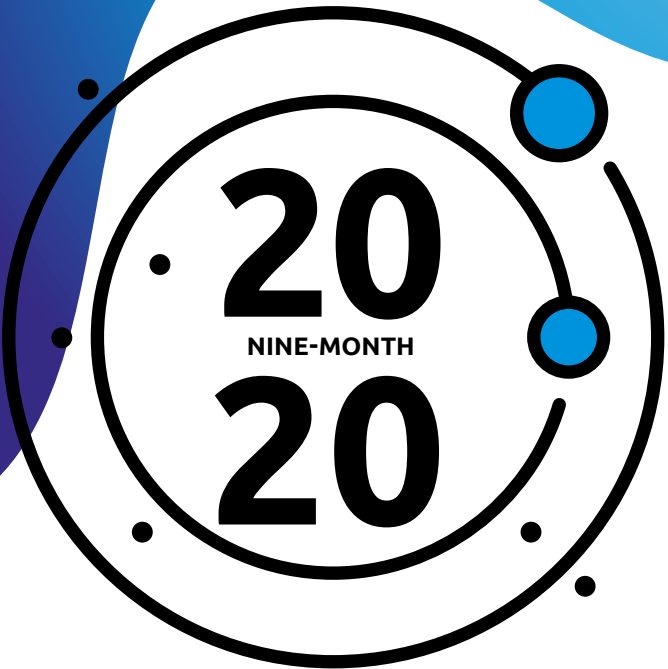
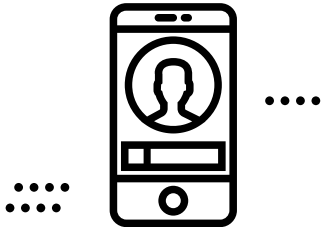


Financial Report



The purpose of Idorsia is to discover, develop and bring more, innovative medicines to patients.

We have more ideas, we see more opportunities and we want to help more patients.

Contents

4 **Financial Review**

16 **Unaudited Interim
Consolidated Financial Statements**

Contents **navigation**

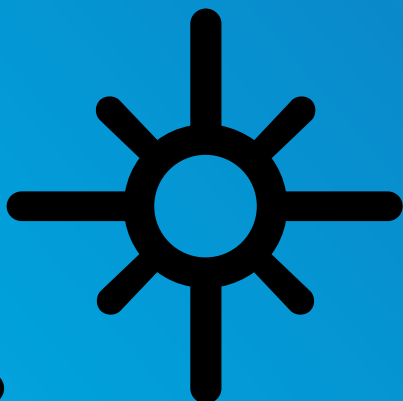
> **Contents**



Financial Review

Unaudited Interim
Consolidated
Financial Statements

Financial Review



Idorsia measures and reports its non-GAAP operating performance, which management believes more accurately reflects the underlying business performance. The Group believes that these non-GAAP financial measurements provide useful supplementary information to investors. These non-GAAP measures are reported in addition to, not as a substitute for, US GAAP financial performance.

Rounding differences may occur
nm = not meaningful

Idorsia's key numbers

Profit and loss

(in CHF millions, except EPS)	Nine months ended Sep 30,				Third quarter			
	US GAAP		Non-GAAP		US GAAP		Non-GAAP	
	2020	2019	2020	2019	2020	2019	2020	2019
Net revenue								
Product sales	-	-	-	-	-	-	-	-
Contract revenue – royalties	-	-	-	-	-	-	-	-
Contract revenue – milestones	66	20	66	20	8	7	8	7
Contract revenue – others	-	-	-	-	-	-	-	-
Operating expenses								
Research and development	(290)	(327)	(246)	(307)	(93)	(107)	(87)	(100)
Selling, general and administrative	(64)	(48)	(56)	(41)	(25)	(15)	(22)	(13)
Net results								
Operating income (loss)	(288)	(355)	(236)	(328)	(110)	(116)	(102)	(107)
Net income (loss)	(308)	(352)	(245)	(326)	(118)	(120)	(107)	(104)
Basic EPS	(2.25)	(2.68)	(1.79)	(2.49)	(0.83)	(0.91)	(0.75)	(0.79)
Diluted EPS	(2.25)	(2.68)	(1.79)	(2.49)	(0.83)	(0.91)	(0.75)	(0.79)

Cash flow

(in CHF millions)	Nine months ended Sep 30,		Third quarter	
	2020	2019	2020	2019
Cash flow				
Operating cash flow	(241)	(336)	(92)	(124)
Cash raise	323	-	(0)	-
Capital expenditure	(6)	(13)	(2)	(7)

Shares

(in millions)	Sep 30,	Jun 30,	Dec 31,
	2020	2020	2019
Share count			
Issued common shares	142.7	142.4	131.2
Equity derivatives	44.6	44.6	44.6
Equity instruments	7.8	8.1	7.1
Total potential issued shares	195.1	195.0	183.0

Liquidity and indebtedness

(in CHF millions)	Sep 30,	Jun 30,	Dec 31,
	2020	2020	2019
Liquidity			
Cash and cash equivalents	148	381	263
Short-term deposits	668	348	476
Long-term deposits	-	180	-
Total liquidity	816	908	739
Indebtedness			
Convertible loan	386	384	380
Convertible bonds	199	199	199
Other financial debt	-	-	-
Total indebtedness	585	583	579

Contents navigation

Contents

> Financial Review

Unaudited Interim
Consolidated
Financial Statements

Revenue

Revenue

(in CHF millions)	Nine months ended Sep 30,		Third quarter	
	2020	2019	2020	2019
Revenue				
Product sales	-	-	-	-
Contract revenue - royalties	-	-	-	-
Contract revenue - milestones	66	20	8	7
Contract revenue - others	-	-	-	-
US GAAP revenue	66	20	8	7

Revenue of CHF 66 m consisted of contract revenue recognized in connection with the collaboration agreements with Neurocrine (license and research & development collaboration: CHF 48.6 m), Janssen (aprocitentan: CHF 8.1 m), Roche (research collaboration: CHF 4.2 m), Mochida (daridorexant Japan: CHF 2.6 m) and Santhera (assignment of license agreement with ReveraGen: CHF 2.4 million).

Operating expenses

Operating expenses

(in CHF millions)	Nine months ended Sep 30,		Third quarter	
	2020	2019	2020	2019
Operating expenses				
Research	75	86	26	30
Development	162	221	61	70
Selling	13	5	6	1
General and administrative	42	35	16	12
Milestones paid	9	-	0	-
Non-GAAP operating expenses	302	347	109	113
Depreciation and amortization	14	15	5	5
Share-based compensation	15	13	4	4
Other	23	-	(0)	-
Other operating expenses	52	27	8	9
US GAAP operating expenses	354	375	118	123

US GAAP operating expenses of CHF 354 m comprised non-operating expenses of CHF 302 m, depreciation and amortization of CHF 14 m, share-based compensation of CHF 15 m and an accrual of CHF 23 million that may or may not cover the potential award granted by arbitration panel to the Claimants from the arbitration with some former Axovan shareholders.

Contents navigation

Contents

> [Financial Review](#)

Unaudited Interim
Consolidated
Financial Statements

Research and development ("R&D") expenses

(in CHF millions)	Nine months ended Sep 30,		Third quarter	
	2020	2019	2020	2019
R&D expenses				
Research	75	86	26	30
Development	162	221	61	70
Milestones paid	9	-	0	-
Non-GAAP R&D expenses	246	307	87	100
Depreciation and amortization	12	12	4	4
Share-based compensation	9	8	2	3
Other	23	-	(0)	-
US GAAP R&D expenses	290	327	93	107

Non-GAAP research expenses amounted to CHF 75 m, comprising biology (CHF 19 m), chemistry (CHF 24 m), preclinical activities (CHF 32 m).

Non-GAAP development expenses amounted to CHF 162 m, comprising CHF 98 m for clinical activities (including CHF 60 m study costs, mainly driven by Phase 2 and 3 studies for cenerimod, daridorexant, apocritentan, clazosentan and lucerastat) and CHF 64 m for pharmaceutical development activities (including CHF 27 m for drug substance and CHF 13 m for drug product).

Non-GAAP milestones amounted to CHF 9 m for a payment to certain Axovan vendors who assigned their potential milestones relating to Clazosentan.

Selling, general and administrative ("SG&A") expenses

(in CHF millions)	Nine months ended Sep 30,		Third quarter	
	2020	2019	2020	2019
SG&A expenses				
Selling	13	5	6	1
General and administrative	42	35	16	12
Non-GAAP SG&A expenses	56	41	22	13
Depreciation and amortization	3	2	1	1
Share-based compensation	6	5	2	2
Other	-	-	-	-
US GAAP SG&A expenses	64	47	25	15

Non-GAAP SG&A expenses amounted to CHF 56 m, comprising CHF 13 m for commercial activities, CHF 21 m for Global Information Systems and CHF 21 m for other support functions. The increase of SG&A expenses mainly relates to the preparation for commercial launch of potential products.

Contents navigation

Contents

> Financial Review

Unaudited Interim
Consolidated
Financial Statements

Operating results

Non-GAAP and US GAAP operating results

(in CHF millions)	Nine months ended Sep 30,		Third quarter	
	2020	2019	2020	2019
Operating results				
Contract revenues	66	20	8	7
Operating expenses	(302)	(347)	(109)	(113)
Non-GAAP operating income (loss)	(236)	(328)	(102)	(107)
Operating results				
Contract revenues	66	20	8	7
Operating expenses	(354)	(375)	(118)	(123)
US GAAP operating income (loss)	(288)	(355)	(110)	(116)

The CHF 52 m difference between the non-GAAP and the US GAAP operating loss related to depreciation and amortization of CHF 14 m, share-based compensation of CHF 15 m and an accrual of CHF 23 million related to the Axovan arbitration.

Financial results

Financial results

(in CHF millions)	Nine months ended Sep 30,		Third quarter	
	2020	2019	2020	2019
Financial results				
Interest income (expense), net	(1)	0	(0)	0
Other financial income (expense), net	(6)	3	(4)	3
Non-GAAP financial income (expense)	(7)	3	(5)	3
Accretion expense	(6)	(6)	(2)	(2)
Gain (loss) on marketable securities	(7)	9	(3)	(3)
US GAAP financial income (expense)	(20)	6	(10)	(2)

US GAAP financial expense comprised of non-cash accretion expense of CHF 6 m relating to the convertible debt and an unrealized loss of CHF 7 m on marketable securities.

Contents navigation

Contents

> Financial Review

Unaudited Interim
Consolidated
Financial Statements

Income tax

Income tax

(in CHF millions)	Nine months ended Sep 30,		Third quarter	
	2020	2019	2020	2019
Income tax				
Income tax benefit (expense)	(2)	(2)	(1)	(1)
Non-GAAP tax benefit (expense)	(2)	(2)	(1)	(1)
Other tax benefit (expense)	1	(1)	2	(1)
US GAAP income tax benefit (expense)	(0)	(4)	1	(2)

The reconciliation between non-GAAP and US GAAP income tax expense results from the tax effect on share-based compensation (CHF 1 m) which is offset by other items (CHF 2 m).

Both US- and non-GAAP tax expense included an increase of the valuation allowance of CHF 38 m, mainly related to deferred tax assets arising from operating losses which can be carried forward and utilized for up to 7 years.

Net results, EPS and shares

Net results

(in CHF millions)	Nine months ended Sep 30,		Third quarter	
	2020	2019	2020	2019
Non-GAAP operating income (loss)	(236)	(328)	(102)	(107)
Financial income (expense)	(7)	3	(5)	3
Income tax benefit (expense)	(2)	(2)	(1)	(1)
Non-GAAP net income (loss)	(245)	(326)	(107)	(104)
US GAAP operating income (loss)	(288)	(355)	(110)	(116)
Financial income (expense)	(20)	6	(10)	(2)
Income tax benefit (expense)	(0)	(4)	1	(2)
US GAAP net income (loss)	(308)	(353)	(118)	(120)
Net loss attributable to noncontrolling interests	0	1	-	0
US GAAP net income (loss) attributable to Idorsia's shareholders	(308)	(352)	(118)	(120)

The CHF 63 m difference between the non-GAAP and the US GAAP net loss was mainly due to depreciation and amortization of CHF 14 m, share-based compensation of CHF 15 m, an accrual of CHF 23 m related to the Axovan arbitration, the financial accretion expense of CHF 6 m relating to the convertible debt, and an unrealized loss of CHF 7 m on marketable securities.

Contents navigation

Contents

> Financial Review

Unaudited Interim
Consolidated
Financial Statements

Shares

(in millions)	Issued	Potentially dilutive equity instruments		Total potential issued shares
		Derivatives	Awards	
Dec 31, 2019	131.2	44.6	7.1	183.0
Issuance	0.1	-	1.1	1.2
Exercised	0.4	-	(0.4)	-
Forfeitures	-	-	(0.1)	(0.1)
Capital increase	11.0	-	-	11.0
Sep 30, 2020	142.7	44.6	7.8	195.1

Issued shares of 142.7 million as of September 30, 2020 included 11 million issued in connection with the equity raise in May 2020. Cilag, an affiliate of J&J, held 11.8 million shares that were sold in a secondary offering on July 8, 2020. Cilag no longer holds any equity but the full conversion, which is subject to some limitations, of its convertible loan would entitle Cilag to hold 20% equity on a fully diluted basis.

Equity derivatives of 44.6 million as at September 30, 2020 comprised of 38.7 million assigned to Cilag in connection with the convertible loan and 5.9 million in connection with the convertible bonds.

Equity awards of 7.8 million as at September 30, 2020 consisted of 6.8 million share options with an average strike price of 19.56 granted to eligible employees and non-executive directors of the Board and 1.0 million restricted share units granted to eligible employees.

Contents navigation

Contents

> Financial Review

Unaudited Interim
Consolidated
Financial Statements

Earnings per share (EPS)

(in CHF millions, unless otherwise indicated)	Nine months ended Sep 30,		Third quarter	
	2020	2019	2020	2019
Non-GAAP net income (loss)	(245)	(326)	(107)	(104)
Weighted-average number of basic shares (in millions)	136.8	131.2	142.6	131.2
Non-GAAP basic EPS (in CHF)	(1.79)	(2.49)	(0.75)	(0.79)
Weighted-average number of dilutive shares (in millions)	136.8	131.2	142.6	131.2
Non-GAAP diluted EPS (in CHF)	(1.79)	(2.49)	(0.75)	(0.79)
US GAAP net income (loss)	(308)	(352)	(118)	(120)
Weighted-average number of basic shares (in millions)	136.8	131.2	142.6	131.2
US GAAP basic EPS (in CHF)	(2.25)	(2.68)	(0.83)	(0.91)
Weighted-average number of dilutive shares (in millions)	136.8	131.2	142.6	131.2
US GAAP diluted EPS (in CHF)	(2.25)	(2.68)	(0.83)	(0.91)

There is no difference between basic and diluted EPS since no shares were considered dilutive due to the net loss.

Cash flow and liquidity

Operating cash flow

(in CHF millions)	Nine months ended Sep 30,		Third quarter	
	2020	2019	2020	2019
Operating cash flow				
US GAAP net income (loss)	(308)	(353)	(118)	(120)
Deferred contract revenue	(2)	(15)	(4)	(7)
Deferred taxes	(1)	2	(2)	2
Depreciation and amortization	14	15	5	5
Accretion of convertible debt discount	6	6	2	2
Share-based compensation	15	13	4	4
Other non cash items	7	(9)	3	3
Funds from operations	(270)	(341)	(110)	(111)
	-	-		
Net change in receivables	2	(8)	6	(8)
Net change in trade and other payables	2	5	4	(6)
Net change in other operating assets and liabilities	24	8	8	1
Change in working capital	29	5	18	(14)
Operating cash flow	(241)	(336)	(92)	(124)

Operating cash flow for the nine months ended September 30, 2020 was negative at CHF 241 m, mainly driven by the non-GAAP operating expenses of CHF 302 m, an decrease of CHF 29 m in net working capital requirements, cash inflow of CHF 61 m from milestones received, an increase in the accrual in relation with the arbitration of CHF 23 m and cash outflow of CHF 6 m from other items.

Contents navigation

Contents

> Financial Review

Unaudited Interim
Consolidated
Financial Statements

Cash flow

(in CHF millions)	Nine months ended Sep 30,		Third quarter	
	2020	2019	2020	2019
Cash flow				
Operating cash flow	(241)	(336)	(92)	(124)
Acquisition of tangible, intangible and other assets	(6)	(13)	(2)	(7)
Free cash flow	(247)	(349)	(93)	(132)
Cash raise	323	-	(0)	-
Other items	0	4	1	3
Cash flow¹	77	(345)	(93)	(129)

¹Cash flow is reconciled with the liquidity movements shown below.

Free cash flow is reconciled with liquidity of CHF 816 m as at September 30, 2020. Liquidity in the nine months ended September 30, 2020 increased by CHF 77 m mainly driven by the cash raise of net CHF 323 m and a negative operating cash flow of CHF 246 m.

Liquidity

(in CHF millions)	Liquidity
Liquidity Dec 31, 2019	739
Liquidity movements Q1	(108)
Liquidity Mar 31, 2020	632
Liquidity movements Q2	277
Liquidity Jun 30, 2020	908
Liquidity movements Q3	(93)
Liquidity Sep 30, 2020	816

As of September 30, 2020, liquidity consisted of cash and cash equivalents of CHF 148 m and short-term deposits of CHF 668 m.

Liquidity of CHF 816 m as of September 30, 2020 was mainly held in Swiss francs (CHF 628 m) and in US dollars (equivalent of CHF 179 m).

Balance sheet

Balance sheet

(in CHF millions)	Sep 30, 2020	Jun 30, 2020	Dec 31, 2019
Assets			
Liquidity ¹	816	908	739
Tangible assets	194	198	207
Other assets	39	52	58
Total assets	1,049	1,159	1,004
Liabilities and equity			
Financial debt	585	583	579
Deferred revenue	37	40	39
Other liabilities	217	215	222
Total liabilities	839	839	840
Total equity	210	320	164
Total liabilities and equity	1,049	1,159	1,004

¹ Liquidity includes cash, cash equivalents, short- and long-term deposits

Tangible assets (CHF 194 m) mainly consisted of real-estate, R&D equipment and right-of-use assets.

Other assets (CHF 39 m) comprised prepayments of CHF 4 m, receivables of CHF 14 m, marketable securities of CHF 11 m (long-term CHF 6 m, short-term CHF 4 m) and other assets of CHF 10 m.

Financial debt (CHF 585 m) comprised the debt component (CHF 386 m) of the outstanding convertible loan (nominal amount of CHF 445 m) and CHF 199 m relating to the convertible bonds (nominal amount of CHF 200 m).

Deferred revenue (CHF 37 m) related to the collaborations with Janssen (CHF 21 m), Roche (CHF 3 m) and Mochida (CHF 6 m) and Neurocrine Biosciences (CHF 7 m).

Other liabilities (CHF 217 m) included current and noncurrent liabilities of CHF 108 m and CHF 109 m respectively. Current liabilities mainly comprised accrued expenses of CHF 65 m, provisions of CHF 23 m, payables of CHF 13 m and a short-term lease liability of CHF 7 m. Noncurrent liabilities mainly comprised a lease liability of CHF 42 m, pension obligations of CHF 48 m, deferred tax liabilities of CHF 11 m and other noncurrent liabilities of CHF 7 m.

Contents navigation

Contents

> Financial Review

Unaudited Interim
Consolidated
Financial Statements

Cash raise post September 30, 2020

On October 23, 2020 the Group issued 23.8 m new registered shares of CHF 0.05 par value from existing authorized capital at CHF 22.50 per new share receiving gross proceeds of CHF 535.5 m through an at market rights offering. The newly issued shares corresponded to 16.7% of the Group's currently issued share capital.

The proceeds from the offering will be used to support the regulatory filing and, if approved, commercial launch of daridorexant and to fund the further development of its diversified pipeline.

The table below shows the impact of this cash raise on the share count:

	Sep 30, 2020	Cash raise	Total
(in millions)			
Share count			
Issued common shares	142.7	23.8	166.5
Equity derivatives	44.6	-	44.6
Equity instruments	7.8	-	7.8
Total potential issued shares	195.1	23.8	218.9

Contents navigation

Contents

> **Financial Review**

Unaudited Interim
Consolidated
Financial Statements

Reconciliation of US GAAP to non-GAAP results

Reconciliation of US GAAP to non-GAAP results for the nine months ended September 30, 2020

(in CHF millions, unless otherwise indicated)	US GAAP results	Depreciation, amortization, impairment	Share-based compensation	Other items	Non-GAAP results
Net revenue					
Product sales	-	-	-	-	-
Contract revenue – royalties	-	-	-	-	-
Contract revenue – milestones	66	-	-	-	66
Contract revenue – others	-	-	-	-	-
Total net revenue	66	-	-	-	66
Operating expenses					
Cost of sales	-	-	-	-	-
Research and development	(290)	12	9	23	(246)
Selling, general and administrative	(63)	2	6	-	(56)
Amortization of intangible assets	(1)	1	-	-	-
Total operating expenses	(354)	14	15	23	(302)
Operating results	(288)	14	15	23	(236)
Total financial income (expense)	(20)	-	-	13	(7)
Income before income tax benefit (expense)	(308)	14	15	36	(243)
Income tax benefit (expense)	(0)	(0)	1	(2)	(2)
Noncontrolling interest	0	-	-	(0)	-
Net income (loss)	(308)	14	16	34	(245)
Basic net income (loss) per share (CHF)	(2.25)	0.10	0.11	0.25	(1.79)
Weighted-average number of basic shares (in millions)	136.8	-	-	-	136.8
Diluted net income (loss) per share (CHF)	(2.25)	0.10	0.11	0.25	(1.79)
Weighted-average number of dilutive shares (in millions)	136.8	-	-	-	136.8

Contents navigation

Contents

> Financial Review

Unaudited Interim
Consolidated
Financial Statements

Reconciliation of US GAAP to non-GAAP results for the third quarter 2020

(in CHF millions, unless otherwise indicated)	US GAAP results	Depreciation, amortization, impairment	Share-based compensation	Other items	Non-GAAP results
Net revenue					
Product sales	-	-	-	-	-
Contract revenue – royalties	-	-	-	-	-
Contract revenue – milestones	8	-	-	-	8
Contract revenue – others	-	-	-	-	-
Total net revenue	8	-	-	-	8
Operating expenses					
Cost of sales	-	-	-	-	-
Research and development	(93)	4	2	(0)	(87)
Selling, general and administrative	(24)	1	2	-	(22)
Amortization of intangible assets	(0)	0	-	-	-
Total operating expenses	(118)	5	4	(0)	(109)
Operating results	(110)	5	4	(0)	(102)
Total financial income (expense)	(10)	-	-	5	(5)
Income before income tax benefit (expense)	(119)	5	4	5	(106)
Income tax benefit (expense)	1	(0)	(1)	(0)	(1)
Noncontrolling interest	-	-	-	-	-
Net income (loss)	(118)	5	3	4	(107)
Basic net income (loss) per share (CHF)	(0.83)	0.03	0.02	0.03	(0.75)
Weighted-average number of basic shares (in millions)	142.6	-	-	-	142.6
Diluted net income (loss) per share (CHF)	(0.83)	0.03	0.02	0.03	(0.75)
Weighted-average number of dilutive shares (in millions)	142.6	-	-	-	142.6

[Contents navigation](#)

Contents

[> Financial Review](#)

Unaudited Interim
Consolidated
Financial Statements

The non-GAAP metrics are reported in addition to, not as a substitute for, US GAAP financial performance, as management believes that they provide useful supplementary information to investors and more accurately reflect the underlying business performance.

Unaudited Interim Consolidated Financial Statements



Interim Consolidated Income Statement

	Nine months ended September 30,	
	2020	2019
(in CHF thousands, except per share amounts)	(unaudited)	(unaudited)
Net revenue		
Product sales	-	-
Contract revenue	65,935	19,674
Total net revenue	65,935	19,674
Operating (expenses)¹		
Research and development	(289,591)	(326,840)
Selling, general and administrative	(63,455)	(47,230)
Amortization of intangible assets	(917)	(956)
Total operating (expenses)	(353,963)	(375,026)
Operating income (loss)	(288,029)	(355,352)
Interest income (expense), net	(1,039)	313
Accretion of convertible debt	(6,235)	(6,088)
Other financial income (expense), net	(12,454)	12,035
Total financial income (expense)	(19,729)	6,260
Income (loss) before income tax benefit (expense)	(307,757)	(349,092)
Income tax benefit (expense)	(400)	(3,511)
Net income (loss)	(308,158)	(352,603)
Less: Net (gain) loss attributable to the noncontrolling interests	328	754
Net income (loss) attributable to Idorsia's shareholders	(307,829)	(351,849)
Basic net income (loss) per share attributable to Idorsia's shareholders	(2.25)	(2.68)
Weighted-average number of common shares (in thousands)	136,777	131,170
Diluted net income (loss) per share attributable to Idorsia's shareholders	(2.25)	(2.68)
Weighted-average number of common shares (in thousands)	136,777	131,170
¹ Includes share-based compensation as follows:		
Research and development	8,841	7,756
Selling, general and administrative	5,801	5,066
Total share-based compensation	14,642	12,822

Contents navigation

Contents

Financial Review

> **Unaudited Interim Consolidated Financial Statements**

Interim Consolidated Statement of Comprehensive Income

(in CHF thousands)	Nine months ended September 30,	
	2020	2019
	(unaudited)	(unaudited)
Net income (loss)	(308,158)	(352,603)
Other comprehensive income (loss), net of tax:		
Foreign currency translation adjustments	(351)	355
Change of unrecognized components of net periodic benefit costs	(158)	(158)
Other comprehensive income (loss), net of tax	(509)	197
Comprehensive income (loss)	(308,666)	(352,406)
Less: Comprehensive (gain) loss attributable to noncontrolling interests	328	754
Comprehensive income (loss) attributable to Idorsia's shareholders	(308,338)	(351,652)

Contents navigation

Contents

Financial Review

**> Unaudited Interim
Consolidated
Financial Statements**

Interim Consolidated Balance Sheet (1/2)

	Sep 30,	Dec 31,
	2020	2019
	(unaudited)	(audited)
<i>(in CHF thousands, except number of shares)</i>		
ASSETS		
Current assets		
Cash and cash equivalents	148,210	263,007
Short-term deposits	667,646	476,279
Receivables from related parties	6,640	5,951
Other current assets	15,738	30,164
Total current assets	838,234	775,401
Noncurrent assets		
Long-term deposits	-	-
Marketable securities	6,355	11,396
Property, plant and equipment, net	142,446	150,663
Right-of-use assets	51,805	56,063
Intangible assets, net	776	1,694
Other noncurrent assets	9,269	8,983
Total noncurrent assets	210,651	228,799
TOTAL ASSETS	1,048,885	1,004,200
LIABILITIES		
Current liabilities		
Trade and other payables	11,987	8,760
Payables and accrued payables to related parties	612	1,207
Deferred revenue	20,502	17,206
Lease liability	6,995	8,739
Accrued expenses	65,468	74,967
Provisions	23,156	-
Total current liabilities	128,722	110,879
Noncurrent liabilities		
Convertible loan	386,304	380,279
Convertible bonds	198,933	198,723
Deferred revenue	16,031	21,779
Lease liability	41,799	43,583
Pension liability	48,202	52,923
Deferred tax liability	11,494	13,661
Other noncurrent liabilities	7,401	18,027
Total noncurrent liabilities	710,165	728,975
Total liabilities	838,887	839,854

Contents navigation

Contents

Financial Review

> **Unaudited Interim
Consolidated
Financial Statements**

Interim Consolidated Balance Sheet (2/2)

	Sep 30,	Dec 31,
	2020	2019
	(unaudited)	(audited)
<i>(in CHF thousands, except number of shares)</i>		
EQUITY		
Idorsia's shareholders' equity		
Common shares (par value CHF 0.05 per share, issued and outstanding 142,654,724 and 131,241,148 in 2020 and 2019 respectively; total number of authorized shares, including issued, authorized and conditional, 261,241,430 and 237,035,430 in 2020 and 2019 respectively)	7,133	6,562
Additional paid-in capital	1,437,422	1,083,677
Accumulated profit (loss)	(1,210,523)	(894,268)
Accumulated other comprehensive income (loss)	(24,034)	(23,527)
Total Idorsia's shareholders' equity	209,998	172,444
Equity attributable to noncontrolling interests	-	(8,098)
Total equity	209,998	164,346
TOTAL LIABILITIES AND EQUITY	1,048,885	1,004,200

Contents navigation

Contents

Financial Review

> **Unaudited Interim
Consolidated
Financial Statements**

Interim Consolidated Statement of Cash Flows

	Nine months ended September 30,	
	2020	2019
(in CHF thousands)	(unaudited)	(unaudited)
Cash flow from operating activities		
Net income (loss)	(308,158)	(352,603)
Adjustments to reconcile net income (loss) to net cash provided from operating activities:		
Depreciation and amortization	14,305	14,640
Share-based compensation	14,642	12,822
Accretion of convertible debt	6,235	6,088
Fair value changes on marketable securities	6,775	(8,800)
Deferred revenue	(2,454)	(14,641)
Deferred taxes	(1,167)	1,696
Changes in operating assets and liabilities:		
Other receivables	2,349	(7,719)
Trade and other payables	2,191	4,590
Accrued expenses	(8,156)	(4,245)
Provisions	23,156	-
Changes in other operating cash flow items	8,994	12,302
Net cash flow provided by (used in) operating activities	(241,287)	(335,870)
Cash flow from investing activities		
Purchase of short-term deposits	(611,164)	(248,977)
Proceeds from short-term deposits	595,690	163,813
Purchase of long-term deposits	(180,000)	(20,000)
Proceeds from long-term deposits	-	39,356
Purchase of noncontrolling interests	(1,536)	-
Purchase of property, plant and equipment	(5,556)	(13,290)
Purchase of intangible assets	(70)	(41)
Net cash flow provided by (used in) investing activities	(202,637)	(79,138)
Cash flow from financing activities		
Issuance of new shares, net	323,123	-
Proceeds from exercise of share options	6,251	1,330
Net cash flow provided by (used in) financing activities	329,374	1,330
Net effect of exchange rates on cash and cash equivalents	(247)	119
Net change in cash and cash equivalents	(114,797)	(413,559)
Cash and cash equivalents at beginning of period	263,007	798,557
Cash and cash equivalents at end of period	148,210	384,998

Contents navigation

Contents

Financial Review

> **Unaudited Interim Consolidated Financial Statements**

Interim Consolidated Statement of Changes in Equity

	Idorsia's shareholders				Noncontrolling interests		Total equity
	Common shares		Additional paid-in capital	Accum. profit (loss)	Accum. other comprehensive income (loss)	Equity attrib. to noncontrolling interests	
(in CHF thousands, except number of shares)	Shares	Amount					
At January 1, 2019 (audited)	131,060,423	6,553	1,065,228	(400,659)	(6,439)	(7,058)	657,625
Comprehensive income (loss):							
Net income (loss)				(351,849)		(754)	(352,603)
Other comprehensive income (loss)					197		197
Comprehensive income (loss)							(352,406)
Exercise of share options	75,000	4	1,326				1,330
Share-based compensation expense	99,404	5	12,882				12,887
At September 30, 2019 (unaudited)	131,234,827	6,562	1,079,435	(752,508)	(6,242)	(7,813)	319,435
Comprehensive income (loss):							
Net income (loss)				(141,760)		(285)	(142,046)
Other comprehensive income (loss)					(17,285)		(17,285)
Comprehensive income (loss)							(159,331)
Exercise of share options	-	-	-				-
Share-based compensation expense	6,321	0	4,242				4,242
At December 31, 2019 (audited)	131,241,148	6,562	1,083,677	(894,268)	(23,527)	(8,098)	164,346
Comprehensive income (loss):							
Net income (loss)				(307,829)		(328)	(308,158)
Other comprehensive income (loss)					(509)		(509)
Comprehensive income (loss)							(308,667)
Exercise of share options	352,540	18	6,233				6,251
Share-based compensation expense	61,036	3	14,613				14,616
Issuance of new shares ¹	11,000,000	550	323,493				324,043
Acquisition of noncontrolling interests			9,406	(8,426)		8,426	9,406
At September 30, 2020 (unaudited)	142,654,724	7,133	1,437,422	(1,210,523)	(24,034)	-	209,998

¹Issuance value of CHF 330 m less stamp duty of CHF 3 m, costs of CHF 3 m, partially offset by tax benefit of CHF 1 m

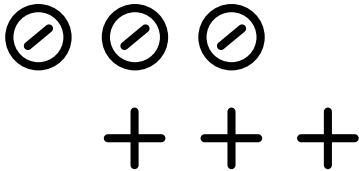
Contents navigation

Contents

Financial Review

> **Unaudited Interim Consolidated Financial Statements**

Curious to learn more?
Reach out to us.



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