



Media Release

July 21, 2023

Ad hoc announcement pursuant to Art. 53 LR

Idorsia announces a cost reduction initiative to be implemented by the end of 2023

- In order to give Idorsia the necessary time to realize commercial success – any funds that are raised must be prioritized on activities to maximize their return in the near-term.
- The cost reduction initiative is dependent on a full portfolio review, potential out-licensing deals, and an employee representative consultation in Switzerland.
- The company is launching the initiative with the target of a reduction in cash-burn at headquarters by approximately 50% to become fully effective in early 2024.
- Up to 500 positions at Idorsia Pharmaceuticals Ltd, mainly in Research & Development and the associated support functions, could become redundant.

Allschwil, Switzerland – July 21, 2023

Idorsia Ltd (SIX: IDIA) today announced that it has launched a cost reduction initiative with the target to reduce cash-burn at headquarters by approximately 50%. Due to Idorsia's challenging financial situation, which is the result of lower than anticipated product sales and a difficult global financial environment, the company must substantially reduce investment in research and development and focus on activities crucial to the company's immediate objective, which is to maximize the time the company has to deliver commercial success with its products.

The company will review the research and development pipeline and product portfolio with the objective to prioritize assets that can be advanced rapidly and with reasonable financial investment. Following the portfolio review, those projects not aligned to the company priorities will be either paused or prepared for partnership or out-licensing.

Up to 500 positions could become redundant, mainly in Research & Development and the associated support functions. Idorsia's key global functions will continue to be headquartered in Allschwil, Switzerland. The company is committed to minimizing the number of potential redundancies through natural attrition, retirements, and other such measures. A consultation process with employee representatives at headquarters has been initiated. Upon completion of the consultation process, Idorsia intends to conclude the initiative before the end of 2023 with the reduction of costs becoming fully effective early in 2024.

Jean-Paul Clozel, Chief Executive Officer of Idorsia, commented:

"I continue to believe that QUVIVIQ can be the success we hope for, but unfortunately it will take longer than originally planned. Idorsia's immediate objective is therefore to maximize the time the company has to deliver commercial success with its products. This means making any funds that are raised last as long as possible by significantly reducing our global cash-burn. The cost reduction initiative together with potential collaborations will give the company the time it needs to realize the value we have created. I deeply regret having to launch such an initiative, but we simply cannot sustain current investment levels."

The company will provide a business update at the half year reporting, scheduled for Tuesday July 25, 2023.

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 a leading biopharmaceutical company, with a strong scientific core.

Headquartered near Basel, Switzerland – a European biotech-hub – Idorsia is specialized in the discovery, development and commercialization of small molecules to transform the horizon of therapeutic options. Idorsia has a 20-year heritage of drug discovery, a broad portfolio of innovative drugs in the pipeline, an experienced team of professionals covering all disciplines from bench to bedside, and commercial operations in Europe and North America – the ideal constellation for bringing innovative medicines to patients.

Idorsia was listed on the SIX Swiss Exchange (ticker symbol: IDIA) in June 2017 and has over 1,200 highly qualified specialists dedicated to realizing our ambitious targets.

For further information, please contact

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