



# Media Release

## December 20, 2024

Ad hoc announcement pursuant to Art. 53 LR

### Idorsia provides update on the exclusive negotiations for the global rights to aprocitentan

- Company announces delay to the targeted timeline for signing a binding agreement
- Company in discussions with bondholders to restructure the company's outstanding debt and extend the operational cash runway

#### Allschwil, Switzerland – December 20, 2024

Idorsia Ltd (SIX: IDIA) today provided an update on the ongoing exclusive negotiations for the global rights to aprocitentan. On November 27, 2024, the company announced that it had entered exclusive negotiations with an undisclosed party for global rights to aprocitentan that resulted in an exclusivity fee of USD 35 million paid in early December. At that time, the company was targeting signing an agreement before the end of 2024 and closing in early 2025, with more details to be shared should a final agreement be signed. In addition, the company announced plans to streamline its business to reduce costs and restructure its outstanding debt.

Idorsia believes signing will not be achieved in 2024. Negotiations with the undisclosed party continue, however the company cannot guarantee that an agreement can be reached. As a result, the company is considering options to extend the company's operational cash runway to bridge to a potential binding offer, as well as all strategic options.

**André C. Muller, CEO of Idorsia, commented:** "Signing the agreement for aprocitentan is a crucial first step to ensure the future of Idorsia. Based on our current liquidity forecasts, there are additional prerequisites to allow the company to continue to operate, which include the completion of the recently announced company restructuring; the restructuring of the company's outstanding debt, including the 2025 and 2028 convertible bonds; and raising additional funding. As a result of these constraints and the delay to the completion of the aprocitentan agreement, we are also considering all strategic options beyond a deal for aprocitentan."

#### Convertible Bond restructuring

The company has issued two convertible bonds which rank pari-passu, the first with a nominal value of CHF 200 million and a conversion price of CHF 6.00 per Idorsia share, maturing on January 17, 2025 (CB 2025), the second with a nominal value of CHF 600 million and a conversion price of CHF 31.54, maturing on August 4, 2028, although investors may request redemption of the bonds as of August 4, 2026 (CB 2028).

Given the near-term maturity and the inability of the company to repay the bonds at this time, an extension to the CB 2025 is required whatever the outcome of the ongoing negotiation regarding the rights to aprocitentan. The company is in discussions with certain holders of the CB 2025 and the CB 2028 to amend the terms of both instruments following an extension of the CB 2025.

### Company restructuring

Following a consultation process with employee representatives at headquarters a reduction of approximately 250 positions globally is anticipated. The company has already begun the implementation of the restructuring and expects the cost reduction to be largely effective by Q2 2025.

### Additional funding

Idorsia expects to close 2024 with cash of at least CHF 70 million including the USD 35 million exclusivity fee. The company could end 2024 with cash of around CHF 100 million, should an additional deal close in the coming days.

Should the potential agreement for the rights to aprocitentan conclude in a timely manner, in-line with the upfront payment anticipated in the non-binding offer, and subject to the CB 2025 restructuring, Idorsia would be funded until mid-2025.

The company is diligently seeking additional funding of at least CHF 200 million to extend its operational cash runway into at least 2026.

### Updated guidance for 2024

For 2024 – excluding unforeseen events and broadly in-line with previously issued guidance – the company expects QUVIVIQ net sales of around CHF 55 million, SG&A expenses of around CHF 265 million, R&D expense of around CHF 130 million for Idorsia-led pipeline assets, leading to non-GAAP operating expenses around CHF 400 million. This performance would result in an Idorsia-led business non-GAAP operating loss of around CHF 350 million. The company expects a US GAAP operating loss for 2024 of around CHF 260 million which includes a one-off benefit of CHF 125 million from the agreement with Viartis on selatogrel and cenerimod and an estimated restructuring charge of CHF 10 million.

<b>Guidance for 2024 in CHF million*</b>	Idorsia-led business	Partner-led business	Global Business
REVENUE	55	50	105
COGS	-10	-30	-40
SG&A OPEX	-265	–	-265
R&D OPEX	-130	0	-130
<b>Non-GAAP EBIT</b>	<b>-350</b>	<b>20</b>	<b>-330</b>
D&A	-30	–	-30
SBC	-15	–	-15
Other	-10	125	115
<b>US-GAAP EBIT</b>	<b>-405</b>	<b>145</b>	<b>-260</b>

\*Excluding unforeseen events

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### Notes to the editor



#### About the 2025 convertible bond

On July 17, 2018, Idorsia raised CHF 200 million through the issuance of convertible bonds to fund the Phase 3 development of apocritentan, clazosentan, lucerastat and daridorexant, as well as the early-stage and preclinical pipeline. The bonds initially had a term of six years, maturing on July 17, 2024. On May 6, 2024, a bondholders' meeting approved modifications to the terms of the convertible bonds to, among others, amend the conversion price to CHF 6.00 per Idorsia share (from CHF 33.95) and extend the maturity date by six months to January 17, 2025.

#### About the 2028 convertible bond

On August 4, 2021, Idorsia raised CHF 600 million through the issuance of convertible bonds to support the commercial product launches in several key markets and to fund the further development of the late-stage pipeline. The bonds have a conversion price of CHF 31.54 and a term of seven years, maturing on August 4, 2028. Investors may request redemption of the bonds as of the 5th anniversary of the settlement date.

#### About Idorsia

Idorsia Ltd is reaching out for more – we have more passion for science, we see more opportunities, and we want to help more patients.

The purpose of Idorsia is to challenge accepted medical paradigms, answering the questions that matter most. To achieve this, we will discover, develop, and commercialize transformative medicines – either with in-house capabilities or together with partners – and evolve Idorsia into a leading biopharmaceutical company, with a strong scientific core.

Headquartered near Basel, Switzerland – a European biotech hub – Idorsia has a highly experienced team of dedicated professionals, covering all disciplines from bench to bedside; QUVIVIQ™ (daridorexant), a different kind of insomnia treatment with the potential to revolutionize this mounting public health concern; strong partners to maximize the value of our portfolio; a promising in-house development pipeline; and a specialized drug discovery engine focused on small-molecule drugs that can change the treatment paradigm for many patients.

Idorsia is listed on the SIX Swiss Exchange (ticker symbol: IDIA).

#### For further information, please contact

Andrew C. Weiss

Senior Vice President, Head of Investor Relations & Corporate Communications

Idorsia Pharmaceuticals Ltd, Hegenheimerweg 91, CH-4123 Allschwil

+41 (0)58 844 10 10

[investor.relations@idorsia.com](mailto:investor.relations@idorsia.com)

[media.relations@idorsia.com](mailto:media.relations@idorsia.com)

[www.idorsia.com](http://www.idorsia.com)

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