



PRESS RELEASE

Adocia Announces Third Quarter 2018 Financial Results

- **Cash position of EUR 44.2 million as of September 30, 2018**
- **Revenue of EUR 44 million for the first nine months of 2018**

Lyon, France, October 23, 2018 – 6pm CET- Adocia (Euronext Paris: FR0011184241 – ADOC), a clinical stage biopharmaceutical company focused on diabetes treatment and other metabolic diseases with innovative formulations of approved proteins, announced today third quarter revenue and net cash position as of September 30, 2018.

- **Detail of revenue for the third quarter of 2018**

<i>In K€ - IFRS rules (unaudited)</i>	3 months		9 months	
	09/30/18	09/30/17	09/30/18	09/30/17
Licensing revenue	11 096	0	43 896	18 819
Research and collaboration	0	0	0	650
Other revenue	41	43	128	130
Revenue	11 137	43	44 024	19 599

Revenue of 44 million euros was primarily comprised of 33.6 million euros from licensing agreements signed with Tonghua Dongbao (THDB) at the end of April 2018.

The non-refundable upfront payment provided for in the contract in the amount of 50 million dollars, or 41.1 million euros, is partially recognized as revenue (33.6 million euros) over the first nine months of 2018. It reflects the rights thus granted to THDB to develop, manufacture, and commercialize BioChaperone® Lispro and BioChaperone® Combo in China and other territories in Asia and the Middle-East. The remaining non-amortized amount of the initial payment will be recognized upon provision of research and development services by Adocia related to the transfer and development of the products.

As of September 2018, licensing revenue also included 11.6 million dollars (10.3 million euros) corresponding to a contractual milestone payment from Eli Lilly for which Adocia obtained a favorable arbitration judgement in August 2018. The payment is expected to be received in 2019.

Last year, revenue for the first nine months of 2017 was impacted by the end of the collaboration with Eli Lilly which resulted in the recognition of the not-yet-amortized balance of the 50 million dollars upfront payment received in 2014 (no cash impact as payment had been received upon contract signature in December 2014).

- **Net cash position**

As of 30 September 2018, including the 37.1 million euros received end of April 2018 from Tonghua Dongbao upon signing the licensing agreements, the Company has a cash position of 44.2 million euros, compared to 34.8 million euros as of January 1st 2018, representing an increase of 9.4 million euros.

Net cash flow for the first nine months of the year was 27.8 million euros. Excluding 5.6 million euros paid in legal fees, net cash flow was 22.2 million euros compared to 21.6 million euros for the same period last year.

Cash position at end of September 2018 does not include the research and tax credit (“Crédit d’Impôt Recherche”) generated from 2017 expenses in the amount of 7.6 million euros, for which payment is expected in the coming weeks. It also does not include the contractual milestone payment of 11.6 million euros from Eli Lilly, which is expected in 2019 upon conclusion of the second phase of the arbitration proceedings.

Financial debt as of 30 September 2018 amounts to 7 million euros compared to 7.5 million as of December 31, 2017. Debt mainly consists of a loan secured in 2016 to finance the acquisition and renovation of the building in which the headquarters and the research center of the Company are located.

About ADOCIA

Adocia is a clinical-stage biotechnology company that specializes in the development of innovative formulations of already-approved therapeutic proteins and peptides for the treatment of diabetes and other metabolic diseases. In the diabetes field, Adocia’s portfolio of injectable treatments is among the largest and most differentiated of the industry, featuring six clinical-stage products. Additionally, Adocia recently expanded its portfolio to include the development of treatments of obesity and short bowel syndrome.

The proprietary BioChaperone® technological platform is designed to enhance the effectiveness and/or safety of therapeutic proteins while making them easier for patients to use. Adocia customizes BioChaperone to each protein for a given application. Adocia’s clinical pipeline includes five novel insulin formulations for the treatment of diabetes: two ultra-rapid formulations of insulin analog lispro (BioChaperone® Lispro U100 and U200), a combination of basal insulin glargine and rapid-acting insulin lispro (BioChaperone® Combo), a rapid-acting formulation of human insulin (HinsBet® U100), and a prandial combination of human insulin with amylin analog pramlintide (BioChaperone® Pramlintide Insulin). It also includes an aqueous formulation of human glucagon (BioChaperone® Glucagon) for the treatment of hypoglycemia. Adocia preclinical pipeline includes combinations of insulin glargine with GLP-1 receptor agonists (BioChaperone® Glargine GLP-1) for the treatment of diabetes, a ready-to-use combination of glucagon and a GLP-1 receptor agonist BioChaperone® Glucagon GLP1) for the treatment of obesity and a ready-to-use aqueous formulation of teduglutide (BioChaperone® Teduglutide) for the treatment of short bowel syndrome.

Adocia and Chinese insulin leader Tonghua Dongbao recently entered into a strategic alliance. In April 2018, Adocia granted Tonghua Dongbao licenses to develop and commercialize BioChaperone Lispro and BioChaperone Combo in China and other Asian and Middle-Eastern territories. The agreements included a total of 50 million dollars upfront and up to 85 million dollars development milestones, plus double-digit royalties on sales. In June 2018, Tonghua Dongbao agreed to manufacture and supply active pharmaceutical ingredients insulin lispro and insulin glargine to Adocia globally, excluding China, to support Adocia’s portfolio development in these territories.

Adocia aims to deliver “Innovative medicine for everyone, everywhere.”

To learn more about Adocia, please visit us at www.adocia.com



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Disclaimer

This press release contains certain forward-looking statements concerning Adocia and its business. Such forward-looking statements are based on assumptions that Adocia considers to be reasonable. However, there can be no assurance that the estimates contained in such forward-looking statements will be verified, which estimates are subject to numerous risks including the risks set forth in the “Risk Factors” section of the Reference Document filed with the French Autorit  des march s financiers on April 19, 2018 (a copy of which is available on www.adocia.com) and to the development of economic conditions, financial markets and the markets in which Adocia operates. The forward-looking statements contained in this press release are also subject to risks not yet known to Adocia or not currently considered material by Adocia. The occurrence of all or part of such risks could cause actual results, financial conditions, performance or achievements of Adocia to be materially different from such forward-looking statements.

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