Idorsia launches the offering of new shares in combination with the offering of convertible bonds to fund the development of its advancing pipeline

- Idorsia launches the offering of up to 11,912,000 new shares through an accelerated bookbuilding process
- Idorsia launches the offering of CHF 200 million convertible bonds

Allschwil, Switzerland – July 10, 2018

Idorsia Ltd (SIX: IDIA, “Idorsia”) today announced the launch of concurrent offerings of a maximum of 11,912,000 new registered shares (the “Offer Shares”) with a par value of CHF 0.05 per share and a maximum of CHF 200 million senior unsecured convertible bonds (the “Bonds”) due 2024. The net proceeds from the concurrent offerings will allow Idorsia to fund the Phase 3 development of Idorsia’s promising late-stage pipeline comprising aprocitentan, clazosentan, lucerastat and nemorexant, as well as its diverse early-stage and preclinical pipeline. Following the recent initiation of the Phase 3 studies for Idorsia’s lead compounds, this capital raise allows Idorsia to develop and bring more innovative medicines to patients.

Idorsia’s main shareholders, Jean-Paul and Martine Clozel, are fully committed to Idorsia over the long-term and as such commit to purchase both the Offer Shares and the Bonds at the bookbuilding price pro rata to their current shareholding of 28.4% in Idorsia.

Idorsia as well as Jean-Paul and Martine Clozel have agreed to a 180-day lock-up period after the listing of the Offer Shares and the issuance of the Bonds, subject to customary exceptions.

Jean-Paul Clozel, MD and Chief Executive Officer, commented:
“Launching these concurrent offerings will secure the funding for the development of our pipeline and keep us on track to deliver on our strategic priorities. We are in the very fortunate position to have a unique and compelling pipeline with many exciting compounds that have the potential to transform treatment in their target indications and have substantial commercial potential.”

Issuance of new registered shares
The Offer Shares, corresponding to a maximum of 10% of Idorsia’s currently issued share capital, will be issued from Idorsia’s existing authorized share capital excluding subscription rights of existing shareholders. The transaction will be executed by way of a primary placement of shares offered exclusively to pre-selected institutional investors in Switzerland (private placement) and qualified investors outside Switzerland and the United States of America (the “United States” or “US”) and to qualified institutional buyers in the US (in reliance on Regulation S and Rule 144A of the US Securities Act of 1933 as amended). The offer price will be determined in an accelerated bookbuilding.
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The offer price of the Offer Shares as well as the number of Offer Shares to be issued will be announced upon completion of the bookbuilding procedure which is expected prior to market opening on July 11, 2018.

The Offer Shares are expected to be listed and admitted to trading according to the International Reporting Standard on SIX Swiss Exchange as per July 13, 2018. Payment and settlement is expected to take place on the same date. The Offer Shares will rank pari passu with the existing shares.

**Issuance of senior unsecured convertible bonds**

The Bonds will have a maturity of 6 years and will be convertible into newly issued registered shares of Idorsia, sourced from the existing listed conditional share capital, on or after 27 August 2018. The Bonds will be offered with a coupon between 0.50% and 1.00%, payable annually in arrears, and a conversion premium between 30% and 35% above the bookbuilding price of the Offer Shares. The Bonds will be issued and, unless previously converted or repurchased and cancelled, redeemed at 100% of their principal amount with a denomination of CHF 200,000 per Bond. Idorsia will be entitled to redeem the Bonds at their principal amount (plus accrued interest) in accordance with the terms and conditions of the Bonds at any time (i) on or after 7 August 2022, if the price of an Idorsia share is equal to or exceeds 150% of the then prevailing conversion price over a certain period or (ii) if less than 15% of the aggregate principal amount of the Bonds remains outstanding. Holders of the Bonds who convert their Bonds will receive Idorsia shares with a par value of CHF 0.05 per share.

The interest on the Bonds will be subject to Swiss withholding tax (which is currently at a rate of 35%).

The offering of the Bonds will be conducted as a private placement in and outside of Switzerland. The Bonds will be offered to investors outside the US in reliance on Regulation S under the US Securities Act of 1933, as amended, and in compliance with the laws and regulations applicable in every country where the offering takes place. Manufacturer target market (MiFID II product governance) for the Bonds is eligible counterparties and professional clients only (all distribution channels). No Packaged Retail and Insurance-based Investment Products Regulations (PRIIP) key information document (KID) has been prepared as the offering is not available to retail in the European Economic Area (EEA).

The Bonds are expected to price prior to market opening on July 11, 2018. The settlement date of the Bonds is expected to be on or around 17 July 2018. Application for the listing and trading of the Bonds according to the Standard for Bonds of SIX Swiss Exchange will be made at a later stage.

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**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 650 highly qualified specialists dedicated to realizing our ambitious targets.
The above information contains certain "forward-looking statements", relating to the company's business, which can be identified by the use of forward-looking terminology such as "estimates", "believes", "expects", "may", "are expected to", "will", "will continue", "should", "would be", "seeks", "pending" or "anticipates" or similar expressions, or by discussions of strategy, plans or intentions. Such statements include descriptions of the company's investment and research and development programs and anticipated expenditures in connection therewith, descriptions of new products expected to be introduced by the company and anticipated customer demand for such products and products in the company's existing portfolio. Such statements reflect the current views of the company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward-looking statements. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected.

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