

## PRESS RELEASE

Lyon, August 24<sup>th</sup>, 2022



**ADOCIA**

innovative medicine  
for everyone, everywhere

# ADOCIA Reports Cash and Revenue for the Second Quarter and Provides Corporate Update

- Reinforced cash position of €23.9m at the end of June 2022 due to a \$5m milestone payment from our partner Tonghua Dongbao (THDB) received in May 2022
- Increase of first half revenues with €7.3m (vs. €0.4m in first semester 2021) due to major milestone achievements in the second quarter:
  - \$5m milestone payment triggered by the first patient dosed in the pivotal Phase 3 clinical study conducted in China with Ultra-Rapid Insulin BC Lispro<sup>1</sup>
  - €2.2m revenues from collaboration for 3 clinical trials conducted in Europe with BC Combo, a combination of basal and prandial insulins<sup>2</sup>

6pm CEST - Adocia (Euronext Paris: FR0011184241 - ADOC), a clinical-stage biopharmaceutical company focused on the research and development of innovative therapeutic solutions for the treatment of diabetes and other metabolic diseases, reports cash and revenue for the second quarter and first half 2022 and provides a corporate update.

## Revenue & Net Cash Position

The main financial figures for the quarter are as follows:

### DETAIL OF THE REVENUE

<i>In thousands of euros, IFRS standards (unaudited)</i>	<b>06/30/2022 (3 months)</b>	06/30/2021 (3 months)	<b>06/30/2022 (6 months)</b>	06/30/2021 (6 months)
Licensing revenues	4 811	112	4 896	227
Research and collaboration agreements	1 959	175	2 453	175
<b>REVENUE</b>	<b>6 769</b>	<b>287</b>	<b>7 349</b>	<b>402</b>

<sup>1</sup> See the press release dated May 9, 2022

<sup>2</sup> See the press release dated May 18, 2022

The Company's revenue primarily stems from the licensing and collaboration agreements with Tonghua Dongbao (THDB) for the development, manufacturing, and commercialization of BioChaperone® Lispro and BioChaperone® Combo in China and other territories in Asia.

For the second quarter of 2022, the revenue is mainly driven by licensing revenues of USD 5 million, triggered by the first patient dosed in the pivotal Phase 3 clinical study conducted by THDB in China with Ultra-Rapid Insulin BC Lispro.

Revenue of the first semester also includes EUR 2.2 million from collaboration signed with THDB for services provided by Adocia's teams on the BioChaperone® Combo project to conduct of three clinical studies in Europe.

Finally, licensing revenues include the impact of the application of IFRS 15 on the treatment of the upfront payment received from THDB in 2018, upon signature of the license agreements. This payment has been recognized over the initial expected development period with an impact of EUR 159,086 in 2022, compared to EUR 226,506 in 2021.

Thanks to these elements, total revenue for the second quarter shows a positive increase to EUR 6.8 million compared to EUR 0.3 million in the same period last year. Thus, total revenue for the first half of 2022 reaches EUR 7.4 million compared to EUR 0.4 million for the first half of 2021.

## NET CASH POSITION

The Company has a cash position of EUR 23.9 million as of June 30, 2022, compared to EUR 15.2 million as of December 31, 2021. The increase in cash is explained by two significant events: on the one hand, the sale of the building in March 2022, which resulted in a net cash inflow of EUR 18.9 million<sup>3</sup>, and, on the other hand, the EUR 4.2 million milestone payment received from THDB.

Cash consumption from operations for the first six months of the year amounted to EUR 10.2 million, higher than last year (EUR 7.4 million) on a comparable basis (excluding financing transactions). This increase is mainly due to the impact of the repayment of the IPF Partner debt.

Net financial debt (excluding IFRS 16 impacts and derivative debts) amounted to EUR 23.1 million as of June 30, 2022, compared with EUR 33.3 million as of December 31, 2021. The decrease is mainly due to (i) the early repayment of loans (EUR -4.2 million) linked to the building sale, (ii) the conversion of the "OCA 1023" bonds at the end of June 2022 (EUR -3.8 million) and (iii) the repayment of the IPF loan (EUR -1.9 million).

## Portfolio news in second quarter

### BIOCHAPERONE® LISPRO

Adocia's partner in China, Tonghua Dongbao, is currently conducting its pivotal Phase III program with BioChaperone Lispro. The clinical program, fully funded by Tonghua Dongbao, enrolls more than 1,300 people with Type 1 and T2 diabetes recruited in more than 100 centers across China. The first patient was enrolled and dosed in May 2022, which resulted in Adocia receiving a milestone payment of \$5 million. The studies are on schedule. A total \$30 million additional milestone payments could be triggered by future development

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<sup>3</sup> See the press release dated March 28, 2022.

achievements of BC Lispro until product registration. License agreement with Tonghua Dongbao also includes double-digit royalties on future sales.

## **BIOCHAPERONE® COMBO**

Tonghua Dongbao and Adocia have initiated 3 clinical trials in Europe (CT046 - 47 and 48) with BioChaperone Combo in May 2022. Studies are on schedule and results are expected in the first quarter 2023. This ongoing clinical program aims to qualify Tonghua Dongbao's insulins and should allow the latter to file BC Combo dossier to the Chinese Drug Agency (CDE) to obtain authorization to start a pivotal phase 3 program in China.

## **M1PRAM**

Phase 2 clinical study (CT041) sponsored by Adocia, comparing M1Pram (a combination of insulin analog M1 and amylin analog Pramlintide) to insulin lispro (Humalog®, Eli Lilly) in people with type 1 diabetes was completed at the end of the second quarter 2022. On June 21<sup>st</sup>, 2022, Adocia announced positive topline results: the phase 2 trial has met the primary objective by reducing weight in overweight people with type 1 diabetes. Injections of M1Pram demonstrated weight loss vs. Humalog (-2.13kg) over 4 months with progressive and continuous weight loss still ongoing at the end of study period. Both treatments were well tolerated, and overall good glycemic control was maintained with each treatment. Better control of appetite was also expressed in patient satisfaction surveys after 16 weeks of treatment (82.4% with M1Pram vs. 43.2% with Humalog). M1Pram is the only insulin to date being developed for people with type 1 diabetes that lowers weight and improves control of appetite. These results have been selected to be presented at the upcoming European Diabetes Congress, EASD, in September 2022.

**A more complete review of portfolio activities will be published with first semester financial results press release (September 19<sup>th</sup>, 2022).**

## Governance

At the General Meeting of June 28, 2022, Mr. Olivier Martinez was appointed representative of BPI France to replace Mr. Laurent Arthaud.

## About Adocia

Adocia is a biotechnology company specializing in the discovery and development of therapeutic solutions in the field of metabolic diseases, primarily diabetes and obesity. The company has a broad portfolio of drug candidates based on three proprietary technology platforms:

1) The BioChaperone® technology for the development of new generation insulins and products combining insulins with other classes of hormones; 2) *AdOral*®, an oral peptide delivery technology; 3) *AdoShell*®, an immunoprotective biomaterial for cell transplantation with a first application in pancreatic cells transplantation for patients with "brittle" diabetes.

Adocia holds more than 25 patent families.

Based in Lyon, the company has approximately 115 employees. Adocia is listed on the Euronext™ Paris market (Euronext: ADOC; ISIN: FR0011184241).

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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 as being reasonable. However, there can be no guarantee that the estimates contained in such forward-looking statements will be achieved, as such estimates are subject to numerous risks including those which are set forth in the "Risk Factors" section of the universal registration document that was filed with the French Autorit  des march s financiers on April 21, 2022 (a copy of which is available at [www.adocia.com](http://www.adocia.com)), in particular uncertainties that are linked to research and development, future clinical data, analyses, and the evolution of the economic

context, the 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 considered as material by Adocia as of this day. The occurrence of all or part of such risks could cause that actual results, financial conditions, performances, or achievements of Adocia be materially different from those mentioned in the forward-looking statements.