



PRESS RELEASE

Adocia announces its revenue and cash position for 2016

- **Revenue of EUR 22.4 million, compared to EUR 36.9 million in 2015**
- **Solid cash position of EUR 58 million at December 31, 2016**

Lyon, France, February 14, 2017- 6pm CET - ADOCIA (Euronext Paris: FR0011184241 – ADOC) a clinical stage biopharmaceutical company focused on diabetes treatment with innovative formulations of approved proteins, announced today its revenue and cash position for the full year 2016.

Our strong cash position of 58 million euros at the beginning of the year enables us to pursue the development of our products as planned" commented Gérard Soula, Chairman and CEO. "Adocia has one of the most complete portfolio of innovative products dedicated to diabetes treatment. Our objective is to license these products to players in this field. Hence BioChaperone Lispro which is our most advanced program is currently our priority in order to pursue its development into phase 3 clinical trial."

- **Cash position and indebtedness**

At December 31, 2016, cash and cash equivalents amounted to EUR 58 million compared to EUR 72.1 million on December 31, 2015.

Over the full year 2016, the net amount of cash needed to finance operations amounted to EUR 14 million, compared to EUR 15.3 million over the same period in 2015.

Financial debts at the end of December 2016 totaled EUR 6.3 million. They consisted essentially of the loan contracted to finance the acquisition of the building in which the headquarters and the research center of the Company are located. This acquisition is cash neutral for the Company, the reimbursement of the debts replacing the payment of the previous rent.

- **Annual revenue details for 2016**

<i>In millions of euros – IFRS rules</i>	2016	2015	Var. value
Licensing revenue	10.7	19.9	(9.2)
Research and collaborative development contracts	11.7	17.0	(5.3)
Revenue (a)	22.4	36.9	(14.5)
Grants, tax credit research and other income (b)	8,0	7.8	+0.2
Operating income (a) + (b)	30.4	44.7	(14.3)

Revenues for 2016 were primarily derived from the licensing agreement signed in 2014 with Eli Lilly and relating to the development of the ultra-rapid insulin analog, BioChaperone® Lispro. In January 2017, Adocia announced the decision of Eli Lilly to terminate the collaboration on BioChaperone Lispro. The end of contract will be effective after a 4-month period, during which data and produced materials will be transferred back to Adocia.

2016 revenue amounted to EUR 22.4 million compared to EUR 36.9 million in 2015.

Specifically, revenues included EUR 10.7 million in **licensing revenue** from Eli Lilly, reflecting the up-front payment received upon signing the deal. Under IFRS rules, the total up-front amount of EUR 40.8 million (USD 50 million) is recognized as revenue linearly over the expected duration of the program at the time of the signature of the agreement.

Following the announcement in January 2017 of Lilly's decision to terminate the agreement, the remaining non-amortized part of the up-front payment, for a total of EUR 18.8 million, will be fully recognized in 2017.

In 2015, on the top of the amortization of EUR 10.7 million, the licensing revenue included a milestone payment of USD 10 million (EUR 9.2 million) received from Lilly following positive results of a pilot bioequivalence study.

Additionally, as per the agreement, the company invoiced Eli Lilly EUR 11.7 million for all internal and external expenses related to the co-development of the project. These expenses are accounted for as **research and collaborative agreements** revenue. This amount decreased by EUR 5.3 million compared to 2015, as a result of transferring part of the activities from Adocia to Lilly over the fourth quarter, as scheduled in the development plan of the project.

Other operating income totaling EUR 8 million were stable compared to 2015 and mainly consisted of a Research Tax Credit ("*Crédit Impôt Recherche*") for EUR 7.8 million in 2016.

- **Detail of revenue per quarter**

<i>In millions of euros - IFRS</i>	2016				2015			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Licensing revenue	2.7	2.7	2.7	2.7	11.8	2.7	2.7	2.7
Research and collaborative development contracts	1.3	3.8	2.5	4.1	6.2	3.5	4.1	3.2
Revenue	4.0	6.5	5.2	6.8	18.0	6.2	6.8	5.9

About ADOCIA

Adocia is a clinical-stage biotechnology company that specializes in the development of innovative formulations of already-approved therapeutic proteins. Adocia's portfolio of therapeutic proteins for the treatment of diabetes, featuring four clinical-stage products and six preclinical products, is among the largest and most differentiated in the industry.

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 in order to address specific patient needs.

Adocia's clinical pipeline includes four novel insulin formulations for the treatment of diabetes: two ultra-rapid formulations of insulin analogs (BioChaperone Lispro U100 and U200), a rapid-acting formulation of human insulin (HinsBet U100) and a combination of basal insulin glargine and rapid-acting insulin lispro (BioChaperone Combo). Adocia is also developing an aqueous formulation of human glucagon (BioChaperone Human Glucagon), two combinations of insulin glargine with GLP-1s (BioChaperone Glargine Dulaglutide and BioChaperone Glargine Liraglutide), two combinations of insulin lispro with synergistic prandial hormones (BioChaperone Lispro Pramlintide and BioChaperone Lispro Exenatide), and a concentrated, rapid-acting formulation of human insulin (HinsBet U500), all of which are in preclinical development.

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 Autorité des marchés financiers on April 8, 2016 (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.