PRESS RELEASE

Lyon, September 07, 2021

ADOCIA

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Adocia Announces First Half 2021 Financial Results and Provides an Update on Activities

- Cash position approximately €20.7 million as of June 30, 2021
- Phase 3 submissions in China for Ultra-Rapid Insulin BioChaperone® Lispro
- Launch of two clinical trials on combinations of insulin and amylin analogs: Phase 2 for M1Pram and proof-of-concept for BioChaperone® LisPram
- Promising results and patent filings on cell therapy and obesity programs

6:00pm CEST– Adocia (Euronext Paris: FR0011184241 – ADOC), the clinical-stage biopharmaceutical company focused on the treatment of diabetes and other metabolic diseases with innovative formulations of proteins and peptides, announces today its financial results for the six months ended June 30th, 2021.

Half-year consolidated financial statements, expressed according to IFRS guidelines, underwent limited review by the statutory auditors and subsequently have been approved at the Board of Director's meeting held today.

"Our strategy is based on the late-stage development of our ultra-rapid insulin in China and the studies launched on our insulin and amylin combinations, whose expected performance could significantly improve the treatment of diabetic patients." Gérard Soula, CEO of Adocia, commented, *"In parallel, the first results obtained in the fields of cell therapy and obesity are really promising."*

Key financial results

The table below compares the condensed consolidated financial statements prepared for the six-month periods ended June 30, 2021, and June 30, 2020, respectively:

In (€) thousands	06/30/2021 6 months	06/30/2020 6 months
Revenue	402	622
Grants, research tax credits and others	2 126	2 950
Operating revenue	**2 528**	**3 572**
Operating expenses	**(12 168)**	**(14 713)**
CURRENT OPERATING INCOME (LOSS)	**(9 639)**	**(11 140)**
OPERATING INCOME (LOSS)	**(9 639)**	**(11 140)**
FINANCIAL INCOME (LOSS)	**(965)**	**(773)**
Tax expenses	0	(23)
NET INCOME (LOSS)	**(10 604)**	**(11 936)**

The financial results of the Company as of June 30, 2021, are characterized by:

- **Revenue** of €0.4 million, mostly deriving from the licensing agreements with Tonghua Dongbao Pharmaceuticals Co. Ltd (THDB). It reflects the contractual services provided for the transfer and development of licensed products (BioChaperone® Lispro and BioChaperone® Combo) as well as additional R&D services requested by the partner.

- **Other operating revenues** of €2.2 million, mainly from the research and development tax credit ("*Crédit d'Impôt Recherche*"), generated from expenses from the 2021 fiscal year.

- **Operating expenses** totaling €12.2 million for the first six months of 2021, a decrease of €2.5 million compared to the first six months of 2020. This was due to, on the one hand, a decrease in preclinical and clinical expenses, and on the other hand, a decrease in internal expenses, in particular payroll expenses due to the decrease in FTE[1] over the period.

- **Financial expenses** of almost €1 million, related to interest accruing from loans.

- **Net loss** before tax, taking into consideration all the previous elements, that amounts to €10.6 million compared with €11.9 million over the same period the previous year.

- **Cash position** of €20.7 million as of June 30, 2021, compared to €28.1 million as of December 31, 2020. Cash consumption for the first six months of 2021 was €7.4 million, slightly below last year's level (€7.8 million).

[1] *FTE: Full Time Equivalent*

- **Financial debts** amounted to €28.1 million at the end of June 2021, compared to €28.2 million on December 31, 2020. This is primarily due to a bond debt of €15 million subscribed with IPF Fund II in 2019, State Guaranteed Loans (PGE) for a total of €7 million, and the bank loan contracted in 2016 to finance the acquisition and renovation of the Company's research center and corporate headquarters. Adocia recently opted for an additional one-year deferral of its PGE, with first repayments scheduled for August 2022 and an unchanged maturity (August 2026).

"*Adocia is pursuing an intense clinical program on prandial combinations while preparing a new wave of innovation on cell therapy and obesity. The cash position is sufficient to fund these programs but it pushes the company to maintain a strict budget management and to prioritize our expenses*", comments Valérie Danaguezian, Adocia's Chief Financial Officer.

Half-year key events and perspectives for 2021

The first half of 2021 was marked by significant advances in our insulin pipeline, and by the initiation of new projects in cell therapy and obesity treatment.

Significant progress was made at every maturity level of our pipeline.

- **BioChaperone® Lispro to enter Phase 3 in China**

The Phase 3 application for the ultra-rapid insulin BC Lispro has been filed with the Chinese regulatory authorities by our partner Tonghua Dongbao. The response is expected in the third quarter of 2021. The start of the Phase 3 in China would trigger a milestone payment to Adocia. In parallel, the preparatory work for the Phase 3 studies in the United States and Europe has been successfully completed and our commercial activities are aimed at finding a partner capable of financing the pivotal program through marketing authorization for these territories.

- **M1Pram and BioChaperone® LisPram: first-in-class combinations with high added value**

Adocia has intensified the clinical development of its two candidates, M1Pram and BC LisPram, positioned respectively for the auto-injector and pump markets. These fixed-dose combinations of insulin and amylin analogs are intended to replace rapid-acting insulins, which are essential to the survival of many patients, and which generate more than $9 billion in revenues each year. These combinations are intended to improve glycemic control, while triggering weight loss in obese diabetic

patients. In the United States, 65% of type 1 and 85% of type 2 diabetic patients are overweight or obese[2,3].

A Phase 2 study (CT041) has been initiated with M1Pram in auto-injector. This follows the establishment of the human proof of concept, the results of which were communicated in September 2020 (CT038 - part B). M1Pram had demonstrated, in just 3 weeks of treatment, an improvement in glycemic control and a very significant weight loss, compared to the reference rapid insulin aspart. The CT041 Phase 2 study, which aims to confirm these results over a 4-month period in patients with type 1 diabetes, has been designed to define all the parameters of the future Phase 3 program. Results are expected in the first half of 2022.

In parallel, a proof-of-concept study in humans has been initiated with BC LisPram. This combination has been specifically designed for Automated Insulin Delivery (pump). This study is being conducted in collaboration with Dr. Ahmad Haidar of McGill University (Canada) and results are expected in the first half of 2022.

- **Transforming islet transplantation**

In January 2021, Adocia announced the filing of patents on a hydrogel matrix designed to improve Langerhans islets transplantation techniques for cell therapy. The function of this matrix is to maintain the secretory activity of the transplanted cells, while protecting them from the immune system. Adocia's objective is to create an organoid capable of secreting insulin in response to glycemic variations, while avoiding the use of immunosuppressive drugs. An academic collaboration has been established with the Inserm team of Professor Pattou, a world specialist in islets transplantation. Animal trials are underway, prior to human implantation studies.

- **Hormone combinations for obesity treatment, a multi-billion euro market undergoing a major transformation**

Recently, Adocia initiated new projects in the field of obesity. Patient management is undergoing major transformation, due to the gradual recognition of obesity as a pandemic requiring drug treatment, and to the discovery of the efficacy of certain hormones - which are also involved in diabetes - in weight control. These treatments make it possible to avoid undergoing bariatric surgery.

Adocia has succeeded in combining hormones with synergistic effects and in formulating two hormonal combinations to address the different profiles of obese patients.
These products are intended to be administered by pump so that patients can initiate, with the support of their doctor, a personalized treatment adapted to their lifestyle.

Patents have been filed by Adocia on these hormonal combinations delivered by pump. A proof-of-concept study in humans will be initiated in 2022.

These products could also be developed in other indications such as NASH (Non-Alcoholic Steato-Hepatitis), and type 2 diabetes.

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2 Conway et al, Diabetes Med 2010 April; 27(4):398-404. BMI>25, Data for 2004-2007 period
3 Epidemiology of Obesity and Diabetes and Their Cardiovascular Complications

- **A stronger Board of Directors**

On the governance front, Adocia has strengthened its Board of Directors with the appointment of three new independent members: Dr. Claudia Mitchell, Senior Vice President of Portfolio Strategy at Astellas Pharma; Dr. Katherine Bowdish, President and CEO of PIC Therapeutics; and Stéphane Boissel, CEO of SparingVision.

About Adocia

Adocia is a clinical-stage biotechnology company that specializes in the development of innovative formulations of therapeutic proteins and peptides for the treatment of diabetes and 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 and several pre-clinical products. 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) and two combinations of a prandial insulin with amylin analog pramlintide (M1Pram and BioChaperone® LisPram). The clinical pipeline also includes an aqueous formulation of human glucagon (BioChaperone® Glucagon) for the treatment of hypoglycemia.

Adocia preclinical pipeline includes bi-hormonal combinations for diabetes treatment: a combination of rapid acting insulin analogs and pramlintide (BioChaperone® AsPram), a combination of insulin glargine with GLP-1 receptor agonists (BioChaperone® Glargine Liraglutide). In addition, there are two bi-hormonal products for the treatment of obesity: a combination of glucagon and exenatide (BioChaperone® GluExe) and a combination of pramlintide and exenatide (PramExe).

Adocia recently added a preclinical program to its pipeline with a cell therapy initiative focused on the development of a hydrogel scaffold for use in people with type 1 diabetes. The first patent application supporting this program has been filed.

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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 Autorité des marchés financiers on April 20, 2021 (a copy of which is available at 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.

This press release and the information contained herein do not constitute an offer to sell or the solicitation of an offer to buy Adocia's shares in any jurisdiction.