Transcript
Webcast – Medincell annual results 2025-26 – June 16, 2026

David Heuzé
Head of Financial and Corporate Communications

Hello everyone. Thank you for joining Medincell's annual results call for the fiscal year ending March 31, 2026. Our press release and presentation are available on our website. Before we start, I invite you to refer to slide 2 for important information regarding forward-looking statements.

Joining me today are Christophe Douat, our CEO, and Stéphane Postic, our CFO.

And with that, I will now live the floor to you, Christophe to start the presentation.

Christophe Douat
Chief Executive Officer

Thank you, David. Let me start with Medincell's trajectory.
Our 'Shift to Growth' strategy is built around three engines of growth, all powered by Medincell's innovation.
The first is risperidone LAI with UZEDY, successfully marketed in the U.S. since 2023 by our partner Teva.
The second is olanzapine LAI, and the third is AbbVie #1, together with our broader pipeline and innovation platform.
What is important here is that these are not isolated assets — they are three complementary engines supporting both near-term execution and long-term value creation.

As you may recall, one year ago, when I introduced our Shift to Growth strategy, I said that the coming two years would be the most transformative in Medincell's history.
One year later, I can confirm that we are exactly in the middle of that transformation.
In fiscal year 2025–26, we delivered strong execution across all of our growth engines.
We saw continued ramp-up of UZEDY, which is driving royalty growth.
Olanzapine LAI progressed toward its expected U.S. launch in the fourth quarter of 2026.

And on the third engine, we advanced our first AbbVie program toward the clinic, while continuing to expand our pipeline and further strengthen our innovation platform.
So this was a year of broad execution — not just progress on one product, but progress across the company.

Starting with UZEDY, momentum continued to build during the year. Net sales by Teva reached $215 million, compared with $141 million in the prior fiscal year, while royalties increased to $7,1 million from $10,9 million. At the same time, prescriptions in the U.S. continued to trend upward, and the product benefited from an FDA label expansion into Bipolar I Disorder for the one-month formulation in October 2025.
So, the key message is simple: UZEDY is gaining traction, and that traction is translating into growing revenues for Medincell.
Beyond the pure numbers, UZEDY provides an important proof point for our business model. It combines innovation from Medincell — enabling differentiated products — with strong commercial execution from our partner. These differentiating features, such as ease of use, flexible dosing and rapid onset, are directly driven by our technology.

At the same time, our partner demonstrates strong commercial execution. Teva's initial 2026 guidance is $250 to $280 million, with $63 million already delivered in the first quarter.

So, what UZEDY shows is that differentiated long-acting products, combined with strong commercial execution, can deliver meaningful market adoption. And this gives us confidence as we prepare for the upcoming olanzapine LAI launch, which is built on the same combination: innovation and execution.

Turning now to olanzapine LAI, the regulatory path is clearly defined. In the U.S., the New Drug Application was submitted in December 2025 and accepted by the FDA in February 2026.
In Europe, the Market Authorization Application has been submitted this year.
We are expecting U.S. launch in the fourth quarter of 2026, subject of course to regulatory approval.
So, we are now entering the final phase before what could be a major inflection point for the company.

The opportunity of Olanzapine LAI is driven by a clear unmet medical need.
Olanzapine is one of the most widely used oral antipsychotics, both in the U.S. and in Europe. It is often prescribed for the most severe and refractory patients — typically those who would benefit the most from a long-acting treatment option.
And yet today, there is no practical LAI options available.

Let me show you this slide again. On the left you have Johnson and Johnson and risperidone, on the right Eli Lilly and Olanzapine. Both followed the same lifecycle strategy with LAIs - Johnson and Johnson was highly successful building a 4.8 billion $ franchise, Eli Lilly failed commercially. UZEDY is targeting Johnson and Johnson franchise. Look on the right: no large multi-billion green box. Eli Lilly failed commercially. FDA imposed a 3 hour wait after injection.

This is where differentiation becomes critical. Existing olanzapine LAIs are constrained by PDSS-related monitoring requirements. PDDS is overdose-like reaction that can happen at each administration if the injection is made in the vein by mistake.
With Medincell's subcut formulation, more than 4,000 injections have been performed across clinical studies, with no PDSS observed. This is supported by in vitro data showing a controlled release profile even in plasma, in contrast to the rapid release observed with intramuscular existing formulations. Plus, there is only 10-10 microns wide blood vessels subcut, when they can reach 1-2 cm in the muscle.
And this could significantly expand the use of olanzapine in long-acting injectable form.

Beyond UZEDY and olanzapine, we are building our third growth engine.
This includes developing a portfolio of long-acting injectables, many with blockbuster potential. We are continuing to expand our technology platform. And leveraging partnerships to scale development and commercialization.

So we are not just building around two products — we are building a broader engine for sustainable growth.

And this third engine is already supported by concrete progress. With AbbVie, our first program is progressing toward clinical development, with CMC work expected to complete this year, supporting a clinical start in 2027 by our partner. For mdc-CWM in post-TKR pain, Phase 3 preparation is ongoing, with initiation still expected in 2026.
More broadly, we now have 15 active programs at formulation stage, across internal and partnered assets, and increasingly focused on high-value indications.

This is a pipeline that is both broad and actively advancing.

Underlying all of this is the continued expansion of our innovation platform. As highlighted during our recent R&D Day, our capabilities now extend across a broader range of molecules — from small molecules to increasingly complex peptides. This expansion enables us to address more opportunities and supports the growth of our pipeline and future partnerships.

The platform is not just a scientific asset — it is a core driver of long-term value creation.

Overall, we have strong execution on UZEDY, a clear path toward olanzapine launch, and a growing third engine driven by our pipeline and platform.

With that, let me now turn to the financials.

Stéphane Postic
Chief Financial Officer

Thank you, Christophe.

As already mentioned by Christophe, Medincell has really entered a new era. And that's specifically true in terms of business model as we are now scaling a portfolio of innovating products generating royalties.

Let me highlight three key messages here, that illustrate this change:

First, we are generating strong and regular revenues which include a massive growth in UZEDY royalties. This will continue to drive the expansion of our recurring revenue base and to support our path to operating profitability.

Second, we see a strategic voluntary increase in the operating expenses to support future growth and value creation.

And third, we have a much stronger balance sheet with 85M€ of cash available that provides clear long-term financial visibility.

Starting with UZEDY: we all see that UZEDY trends are really exciting. We continue to see strong commercial momentum, reflected in sustained growth in net sales reported by Teva. They reached $215 million during our fiscal year, from April 1st 25 to March 31st 26. This translated into a very significant increase in royalties, up 54% in U.S. dollars and slightly lower once converted in euros, but still a very nice increase of 42%, reaching €9.3 million.&

I would like also to remind everyone that we really see a regular acceleration in UZEDY sales. Q1 26 net sales reached $63 million, up 62% compared to last year. Q1 26 was the strongest quarter ever for UZEDY, confirming strong underlying demand and continued adoption by doctors and patients.

Ahead of Olanzapine's launch, UZEDY remains the short-term key driver of our expanding royalty base.

Moving now to revenue dynamics.
Total income for the period was €24.3 million, slightly lower compared to €27.7 million last year. Why is that?

There is some variability coming mainly from milestone payments. In FY25-26, we did not get any milestone versus €4.8 million linked to Olanzapine Phase 3 results the year before. Milestones are triggered by one-off events, that happen in certain years and not in others. Of course, they are valuable when they occur, but they are not the best way to read the underlying trajectory of the business.

What is most important and relevant is illustrated on this slide. We are clearly switching to a royalty-driven revenue model. Royalty income continues to increase as a share of total revenue, reaching 38% this year versus 22% last year. Excluding this milestone effect, underlying revenue increased from €22.9 million to €24.3 million, reflecting continued progress in our core business. And even more striking, when you look at the revenue evolution over a longer period, you can see that our revenues excluding milestone have been multiplied by 3 over the last 2 years.

Now, a couple of additional words on the other revenue items:

- AbbVie collaboration is progressing well and as planned. We are now getting closer to the IND. The revenue recognition based on the received upfront reflects the activities performed during the fiscal year and it represented €6.4 million last year.
- Among the R&D Partnerships, you find the early-stage collaboration revenues. They nearly doubled last year to €1.6 million. They cover 8 partner-funded programs. That is very promising because it means as many potential future opportunities for licensing deals with pharma or large biotech companies.
- And finally, one comment on the Research Tax Credit contribution which also doubled. This is actually a nice transition to the next slide and the continued R&D effort that I will comment on in a minute.

Total operating expenses increased to €45.0 million, compared to €38.5 million last year.
This reflects a deliberate and disciplined increase in expenses to support our future growth.

So we will start with R&D. A first comment on R&D, instead of talking of operating expenses, I would rather call them investment because a big portion of them is there to create value in the long term. R&D remains the largest component of our expenses, representing around 60% of the total.
We shared more on our innovation strategy during the recent R&D Day. Accelerating innovation is at the heart of Medincell strategy. We have two core priorities in terms of R&D: product pipeline and technological platforms.

Advancing our pipeline to generate high-value data is really key to our business model. It enables us to engage with partners under highly attractive economic conditions. We currently have 15 programs, 7 internal and 8 already partner-funded. For all of them, we are aiming at generating high-value data to support future licensing discussions like we did in the past with AbbVie, where we started to work on an asset which was in the AbbVie portfolio before the deal execution.

And secondly, we are continuously investing to strengthen our technology platforms (through BEPO, BEPO Star and other future generations). This is mandatory if we want to expand our capabilities to formulate more and more molecules

Beyond R&D, Business development expenses have also increased. It is reflecting our willingness to intensify partnership activity and to expand globally.

And, finally, G&A are increasing to support the scaling of the company, mainly with personnel-related costs, and also expenses relating to IT and cybersecurity infrastructure.

On the next slide, you have the income statement.
Medincell is really today at an inflection point. Christophe has been repeatedly telling our investors that the current years are the most transformative ones.

We anticipated that FY25-26 would be a transition year from a financial perspective because of the absence of any milestone and some variability in the R&D revenues.
We end up with an operating loss representing €20.8 million.
Below this line, financial result is a loss of €10.6 million, including a €5.4 million of non-cash impact related to EIB warrants revaluation.

We have successfully negotiated with the EIB the waiver of the put option in March 26. This non-cash impact should disappear in September 26 once we get the approval at the General Meeting of the revised warrants terms. This will definitely ease our accounts reading when it will be gone.

Total annual net loss was €31.3 million.

Again, as a conclusion, I would say that this loss reflects a deliberate acceleration. We are building scientific, technological and partnership assets that will drive future revenue growth and value creation.

I guess this slide on the balance sheet speaks by itself. We continue strengthening our balance sheet to support our growth strategy. We ended the period with €84.8 million in cash and financial deposits. Our cash position net of debt is positive for the second year at €15.3 million. This highlights the fact that we are gaining the financial flexibility needed to support our growth strategy.

Let me conclude now with our growth outlook.
We are building a clear multi-engine model:

- First, UZEDY is already generating and scaling royalties. The current sales expectations for 26 are close to $300M. If you compare these sales figures to other existing products on the market, UZEDY is already on track to become a blockbuster by the beginning of 2030s, meaning tens of millions in royalties for Medincell by then
- Second, Olanzapine LAI should be approved in the coming months in the US and then, in the EU. This will trigger nice milestone payments, and even more important, first royalties expected as early as Q4 2026. Given the strong expected demand and the current competitive landscape, we anticipate that revenues could become meaningful from the second half of 2027, with a faster ramp-up than for UZEDY.
- And third, we are building a broader pipeline and more partnerships, including AbbVie and others.

So, all exciting things ahead.
That's it for me. Back to you Christophe, for a word of conclusion.

Christophe Douat
Chief Executive Officer

To conclude, I will repeat what I said earlier.
One year ago, when I introduced our "Shift to Growth" strategy, I said that the coming two years would be the most transformative of Medincell's history.
One year later, I confirm that we are exactly in the middle of that transformation.

David Heuzé
Head of Financial and Corporate Communications

Thank your Christophe, and thank you Stéphane. We can now open the call for questions, with the first question coming from Ram Selvaraju from Wainwright.

Ram Selvaraju
H.C. Wainwright & Co.

Firstly, I wanted to know if it would be possible for you to comment on the guidance that Teva has historically been providing regarding UZEDY, which clearly appears very conservative. And if you expect this pattern to continue not just with UZEDY in the future, but also once Olanzapine LAI arrives on the market? And also if you could give us any granularity regarding how rapidly you expect Teva to be able to make Olanzapine LAI available in the United States?
Secondly, I was wondering if you could clarify the business development expenses delineated in one of the slides that Stéphane showed. What do these consist of precisely?
And then lastly, I was wondering if you could comment on the level of exposure to foreign exchange fluctuations and the degree to which you might be able to hedge against these in the future, especially given the possibility of future depreciation in the value of the US dollar versus the euro and or if there are any specific provisions made in the agreement between Medincell and Teva to take account of this potential eventuality? Thank you.

Christophe Douat
Chief Executive Officer

So maybe I'll answer the first two questions and then Stéphane you you can answer the others.

So it is Teva's policy to be very conservative on guidances. The first year of UZEDY, the initial guidance was 80 million. They ended up at 120. On year two, It was initial guidance of 160, they ended up at 191. So we expect them to keep being conservative. That's Richard Francis strategy. On the next question, when do we expect Olanzapine LAI to be available. Teva said clearly that they would launch right away upon approval.

And to answer your question on the BD expenses, they cover personal cost for our business development and market inside people.

Stéphane Postic
Chief Financial Officer

Right. And to answer your question on the BD expenses, they cover personnel cost for our business development and market insights people.

So we've, we've build up a very nice team and as I say, the will of the company is to expand globally. So we have now people all around the world looking for additional partnerships and opportunities.

And the, and on the second question regarding the exposure to USD fluctuation, it's only versus USD that we have a small difficulty, no other currency at the moment. So, indeed, all the royalties are labeled in USD. The the best way to to edge against that is to repay as much as we can in USD. So, I'm trying hard to sign agreements with suppliers that are also issued in USD.
And apart from that, it's a bit difficult because indeed a good portion of our expenses are in euro.

David Heuzé
Head of Financial and Corporate Communications

Thank you. Next question comes from Shan Hama of Jeffries. Hi Shan.

Shan Ama
Jefferies

Thank you so much for taking my questions. I've got three if I may.

So firstly, I know in the press release it states that for the AbbVie first candidate the initiation of clinical development will be in 2027. So to be clear, we'll know the candidate in 2027, not in 2026. And then secondly, I saw a bit on the potential delayed initiation of the six-month contraceptive program due to changes in the regulatory pathway. Could you expand on what those changes are please? And then finally, of course, it's very sad to hear that Richard has retired. Obviously, we we wish him the best. Obviously, he was very valuable to the company in his role given he'd previously been at Teva within the psychiatry team.

So just wondering, what sort of candidates are you looking for and are you looking internally and externally?

Thanks so much.

Christophe Douat
Chief Executive Officer

Thanks a lot Shan.
So yes, the AbbVie number 1 program should start clinical in 27 and we expect AbbVie to disclose the name of the underlying drug at that time.
So, as we said, there is a change in the expected regulatory path for WWM and we do not comment on that.
On the Third Point, you know as as you notice Richard, which has been my “companion de route” as I say in French, for many years, is retiring but still consulting for us especially in the psychiatry field.

And we are getting very close to get a new CMO on board, actually, it should be a woman, who will be adding a lot of value to Medincell with all the core competencies that we need in, especially, in preclinical and opportunity identification.

David Heuzé
Head of Financial and Corporate Communications

Thank you.

Shan Ama
Jefferies

Thank you

David Heuzé
Head of Financial and Corporate Communications

Thank you. Next question comes from Michael DiFiore from Evercore. Hi Michael

Michael DiFiore
Evercore

Thanks so much for taking my question, guys, and Congrats on the continued progress.

Two questions for me. Number 1, now you've spoken about becoming more selective and generating more data internally before partnering. So today, is the challenge primarily finding technically feasible opportunities or finding opportunities that are large enough to justify the level of investment in economics you are now targeting?

That's question number 1. Number 2 is that at the R&D Day, you showed progress with larger peptides, GLP-1 type molecules and highly soluble compounds. So as you look at the platform today, what remains the biggest technical challenge you're still trying to solve? And what would solving it unlock in terms of new partnership opportunities or addressable markets?

Thank you.

Christophe Douat
Chief Executive Officer

Thanks a lot, Mike. So, on the first question, yes, so about half of our formulation early stage pipeline is made out by internal programs that we have identified like with AbbVie number 1.
We look at the pipelines of big pharma, large biotechs and then we evaluate the potential as LAI, and look at technical feasibility on the paper. And if we think it's positive as we explained during the R&D day, then we move into early formulation and you know with the objective to trigger licensing and and some of those programs are quite exciting and have significant potential as long acting injectables.
On the second question, the biggest challenge in the formulation.

I should remind that BEPO and BEPO Star, their sweet spot is small hydrophilic molecules. And we definitely have the best technology in the world for those molecules, which are mostly, you know, all of the molecules in psychiatry are small hydrophobic molecules. We are making some very nice inroads into more hydrophilic molecules. And the large hydrophilic is definitely one objective that we have. Obviously, GLP-1s fall into that category.

And the second direction in which we want to expand our technology is higher doses.
When you inject a depot under the skin, you are limited by the volume. Usually, we inject at most 1.5 mil and then, you have to take out the volume by the pharmaceutical solvent, the polymers. And so, what is left is the volume for the API. In some cases, we are limited by the dose as well.
So, as we said, there is innovation in the lab ongoing as I speak, innovation which is, I think, generating the most excitement I've seen at Medincell in the last 15 years.

There's things we need to confirm in the next few months, but we definitely, you know, we'll use that as the next generation.

We just need to define the scope, confirm the scope.

Michael DiFiore
Evercore

Excellent.

David Heuzé
Head of Financial and Corporate Communications

Thank you. Next question comes from Mark Goodman of Leerink. Hi Marc.

Marc Goodman
Leerink Partners

Thank you.
So with olanzapine Lai coming into the franchise alongside UZEDY, can you help us think about how you'd segment the two products commercially?
Specifically what patient profiles you expect new-to LAI patients to opt for an Olanzapine LAI versus risperidone based like UZEDY?
And then to what degree do you expect switches from UZEDY to Olanzapine LAI?
And then secondly on the AbbVie collaboration, should we think about the 2027 clinical start as a single lead candidate moving forward 1st and then the rest of the collaboration programs progressing stepwise behind, it or multiple candidates moving forward and parallel today?
Thank you.

Christophe Douat
Chief Executive Officer

Yeah, the first question is, is a very good question. Both compounds risperidone and olanzapine are not in competition. They are complementary. Risperidone is a standard treatment in first intention. Olanzapine is for the most severe and refractory patients.
And there is no overlap or very little overlap between both, which made Teva say that with both products, they could cover 80% of patients. On the second question.

So, AbbVie #1 should start its phase one in 2027. As a reminder, the agreement with AbbVie allows AbbVie to do 5 more programs with the same financial metrics.
But I cannot comment on the status of discussions with AbbVie on the other programs.

David Heuzé
Head of Financial and Corporate Communications

Thank you. And now next question with Nicolas Pauilliac from Kepler Chevreux. Hi Nicolas.

Nicolas Pauillac
Kepler Chevreux

Hi guys. Hopefully you can hear me. Maybe just three questions on my end.

Just first, to come back on the previous question about the kind of gap there is between Teva's guidance on the potential of the two drugs and what you kind of implied, like the blockbuster potential for UZEDY.
For instance, when you look at the consensus on Teva today, I think it's sitting around like 506,000,000 of sales for UZEDY. So how, what is making you so much more confident that you can almost double what the market is seeking today of sales for this asset, and also for the world franchise?
I think Teva has been vocal about these 1.5 to 2 billion cumulated sales on that. So, I'm just trying to understand what is making you so much more confident than what Teva guided for in the past and has kind of consistently guided for?

So that's my first question. Then, much easier question, let's say on the OpEx, any guidance on how things might evolve into next year?

And then, kind of link to this AbbVie disclosure, when we think about modelling, should we put some upfront into this fiscal year so 26-27 or would it be rather, let's say, smarter to put it next year?

That would be three questions, thank you.

Christophe Douat
Chief Executive Officer

Thanks a lot Nicolas.

So on the first question on UZEDY, as I said earlier, Teva's strategy and its CEO in particular, is to always underestimate guidance, to always provide good news to the markets.

What we know now after three years of commercialization, as Stéphane said earlier today, is that it follows the same curve as some LAI in psychiatry which have reached the billion-dollar mark. And the third point I would say is I think UZEDY was underestimated by analysts, by Teva's analysts at first, because it was one product among many others.

At Teva, UZEDY has Johnson and Johnson across the street, with all its power, and not many analysts try to understand the differentiation of UZEDY, which is an amazing product, the ideal LAI.

It ticks all the boxes, and its profile combined with Teva's execution is showing that it can take a dent from the $3.5 million out of the 4.8 from the US part of the Johnson and Johnson franchise.

So there is room to grow. Olanzapine, similar scheme, although you know, Olanzapine I think was better understood by analysts because here there's no competition. It's an open road in front of Olanzapine. We think that those guidance will be updated as the ramp up goes. The initial guidance of UZEDY was extremely low at first.

Here we have a product that has no competition with the most used oral antipsychotic as the underlying drug for patients that are the most severe, that need the long acting injectable the most.

Here we also have a benchmark, we know that Johnson and Johnson is doing 4.8 billion with risperidone LAIs. We know, as we said earlier that olanzapine is used more than risperidone. So in theory, of course in theory, Teva could exceed what Johnson and Johnson is doing today on risperidone. So, time will tell.

It will depend on execution, but we know that Teva has done great execution on UZEDY in the US, that they are getting, you know, aggressively worldwide filing into Europe, and conducting some trials in China as well.

Stéphane Postic
Chief Financial Officer

So right, the second question you had Nicolas was on the on the OpEx for next year. So, I'm not going to comment or give any figure for next year.
But what I can say is that everyone must bear in mind two things: first, a good portion of our R&D expenses are covered by our partners. We have many collaborations with AbbVie, with the Gates, and with also some undisclosed partners for now that cover the R&D fees.

And the second thing I'd like to re-emphasize is the fact that we are clearly this willingness to build this portfolio of programs. It is the way that we are going to create value on the long term. So, definitely, the OpEx will reflect this strategy of going to the next stage.

And lastly, you had a question on AbbVie and if we should expect another upfront for the coming year or when it should come.

So, I'll just state again what Christophe said a couple of minutes ago, we cannot comment on the next AbbVie program.

David Heuzé
Head of Financial and Corporate Communications

Thank you, Stéphane. So, this concludes the Q&A session. Christophe, a last word?

Christophe Douat
Chief Executive Officer

Yes, you know, we are really excited at Medincell. We're in the middle of what should be the most transformative years of Medincell history. UZEDY is growing significantly. Olanzapine is about to be

approved. The countdown has started. You know, it's a matter of months, and the third engine is accelerating both on its pipeline and the technology progress.

So very, very, very exciting times for us at Medincell.

David Heuzé
Head of Financial and Corporate Communications

Thank you, Christophe. Thank you, Stéphane, and thank you all for joining us and for your continued interest in Medincell. A replay will be available shortly on our website just right after this meeting. And we look forward to speaking with you again soon. Thank you, goodbye.