ACADIA Pharmaceuticals Inc. (NASDAQ: ACAD) experienced varied stock performance throughout 2023. Despite facing significant challenges, the company demonstrated resilience through strategic developments and financial management.

Stock Performance Overview

Throughout 2023, ACADIA's shares remained range-bound with a late-year trading value just above $18.00 and a market capitalization of approximately $3 billion. Analysts' opinions were mixed, with upgrades to Buy/Outperform ratings from some and downgrades to Hold/Sell from others.

The historical stock performance of Acadia Pharmaceuticals (ACAD) from August 9, 2023, to December 29, 2023, can be summarized as follows:

- August 9, 2023: The stock opened at $26.72, reached a high of $26.72, a low of $26.11, and closed at $26.59.
- September 13, 2023: The stock opened at $26.08, reached a high of $26.38, a low of $25.64, and closed at $25.89.
- October 20, 2023: The stock opened at $23.06, reached a high of $23.29, a low of $21.97, and closed at $22.16.
- November 20, 2023: The stock opened at $22.64, reached a high of $22.94, a low of $22.54, and closed at $22.92.
- December 29, 2023: The stock opened at $31.70, reached a high of $31.80, a low of $31.15, and closed at $31.31.

Financial Highlights

Q3 2023 Financial Results: ACADIA reported a GAAP loss of 17 cents per share, slightly better than consensus expectations. The revenues for Q3 stood at $130.7 million, a slight decrease from the previous year. Nuplazid sales for the first nine months of FY2022 were $380.7 million, an 8% increase from 2021.

Cash Position: As of the third quarter of 2023, ACADIA had over $435 million in cash and marketable securities. Insider activities included small sales of stock, with 7% of the outstanding float held short.

Key Developments and Challenges

FDA Rejection of Nuplazid for Alzheimer's: A major setback occurred in 2022 when Nuplazid's label expansion for Alzheimer's disease psychosis was rejected by the FDA.

FDA Acceptance of Trofinetide Application: In mid-September 2023, the FDA accepted the company's application for Trofinetide for Rett syndrome treatment on a priority review status.

Challenges: Nuplazid's market potential faced constraints due to reduced in-person office visits, pricing constraints, and limited expansion opportunities following the FDA rejection.

Analyst Projections: Analysts forecast the company to lose $1.32 per share in FY2022 with a predicted revenue rise of over 6% to $515 million. Sales growth is expected to double in FY2023, with losses potentially decreasing.

Strategic Developments: Approval of Trofinetide and Nuplazid's potential in treating schizophrenia symptoms may contribute marginally to ACADIA's value.

ACADIA Pharmaceuticals Inc.'s stock performance in 2023 was shaped by a mix of strategic initiatives, financial outcomes, and market challenges. The company's focus on developing treatments for central nervous system disorders continues to be a pivotal element in its future trajectory.

Acadia Pharmaceuticals Reports First Quarter 2023 Financial Results and Operating Overview

May 8, 2023

- 1Q23 NUPLAZID® net sales of $118.5 million

- Announced the U.S. FDA Approval of DAYBUE™ (trofinetide) for the Treatment of Rett Syndrome in Adult and Pediatric Patients Two Years of Age and Older on March 10, 2023

- Announced DAYBUE Availability on April 17, 2023

SAN DIEGO--(BUSINESS WIRE)--May 8, 2023-- Acadia Pharmaceuticals Inc. (Nasdaq: ACAD) today announced its financial results for the first quarter ended March 31, 2023.

“We are excited with the recent approval and subsequent launch of DAYBUE, the first and only FDA-approved medicine for the treatment of Rett syndrome. We are executing on our launch strategy to bring this important new treatment to the Rett patient community, while remaining focused on delivering increasing profitability from our NUPLAZID franchise for Parkinson’s disease psychosis,” said Steve Davis, Chief Executive Officer. “In addition to our commercial business, we’ve made important strides in our pipeline including completion of the Phase 1 development program for ACP-204. And finally, we are nearing enrollment completion of the Phase 3 program for pimavanserin as a potential treatment for the negative symptoms of schizophrenia with top-line results expected in early 2024.”

Company Operational, Scientific, and Regulatory Updates

- On March 10, 2023, DAYBUE™ (trofinetide) was approved by the U.S. Food and Drug Administration (FDA) for the treatment of Rett syndrome in adult and pediatric patients two years of age and older.
- In connection with the FDA approval of DAYBUE, Acadia received a Rare Pediatric Disease Priority Review Voucher.
- Announced DAYBUE availability on April 17, 2023.
- The Company expects to complete enrollment in ADVANCE-2, a Phase 3 study evaluating pimavanserin for the treatment of the negative symptoms of schizophrenia, around mid-year with top-line results expected in early 2024.
- ACP-204 has completed Phase 1 development. ACP-204 demonstrated a favorable safety and tolerability profile and we identified the doses we plan to evaluate in Phase 2. The Phase 1 data supports ACP-204’s target product profile as a potential treatment for Alzheimer’s disease psychosis. Acadia plans to meet with the FDA to discuss the clinical development plan.

Financial Results

Revenue

Net sales of NUPLAZID® were $118.5 million for the three months ended March 31, 2023, an increase of 3% as compared to $115.5 million reported for the three months ended March 31, 2022. Year over year demand growth was up approximately 2% in the quarter, driven by an increase in new patient starts across both specialty pharmacy and specialty distribution channels. Overall sell-in volume declined approximately 2% year over year as in-channel inventory declined in the first quarter of 2023 compared to an increase in in-channel inventory in the first quarter of 2022.

Research and Development

Research and development expenses for the three months ended March 31, 2023 were $69.1 million, compared to $128.9 million for the same period of 2022. The decrease was primarily due to a $60 million upfront payment made to Stoke Therapeutics for a license and collaboration agreement in the first quarter of 2022.

Selling, General and Administrative

Selling, general and administrative expenses for the three months ended March 31, 2023 were $101.2 million, compared to $96.7 million for the same period of 2022. Selling, general and administrative expense remained relatively steady year over year as a result of a reduction in spend in the PDP commercial franchise which was offset by investments in the DAYBUE launch.

Net Loss

For the three months ended March 31, 2023, Acadia reported a net loss of $43.0 million, or $0.27 per common share, compared to a net loss of $113.1 million, or $0.70 per common share, for the same period in 2022. The difference was primarily due to the $60 million upfront payment made to Stoke Therapeutics for a license and collaboration agreement. The net losses for the three months ended March 31, 2023 and 2022 included $14.7 million and $15.0 million, respectively, of non-cash stock-based compensation expense.

Cash and Investments

At March 31, 2023, Acadia's cash, cash equivalents, and investment securities totaled $402.9 million, compared to $416.8 million at December 31, 2022.

2023 Financial Guidance

Acadia is reiterating all of its 2023 guidance provided on February 27, 2023.

- NUPLAZID net sales in the range of $520 to $550 million.
- R&D expense in the range of $235 to $255 million, which includes approximately $20 million of stock-based compensation expense.
- SG&A expense in the range of $360 to $380 million, which includes approximately $45 million of stock-based compensation expense.

Conference Call and Webcast Information

The conference call will be available on Acadia's website, www.acadia.com under the investors section and will be archived there until June 7, 2023. The conference call may also be accessed by registering for the call here. Once registered, participants will receive an email with the dial-in number and unique PIN number to use for accessing the call.

About NUPLAZID® (pimavanserin)

Pimavanserin is a selective serotonin inverse agonist and antagonist preferentially targeting 5-HT_{2A} receptors. These receptors are thought to play an important role in neuropsychiatric disorders. In vitro, pimavanserin demonstrated no appreciable binding affinity for dopamine (including D2), histamine, muscarinic, or adrenergic receptors. Pimavanserin was approved for the treatment of hallucinations and delusions associated with Parkinson's disease psychosis by the U.S. Food and Drug Administration in April 2016 under the trade name NUPLAZID. In addition, Acadia is developing pimavanserin as a potential treatment for the negative symptoms of schizophrenia.

About DAYBUE™ (trofinetide)

Trofinetide is a synthetic version of a naturally occurring molecule known as the tripeptide glycine-proline-glutamate (GPE). The mechanism by which trofinetide exerts therapeutic effects in patients with Rett syndrome is unknown. In animal studies, trofinetide has been shown to increase branching of dendrites and synaptic plasticity signals. [1,2] More information can be found at DAYBUE.com.

About Acadia Pharmaceuticals

Acadia is advancing breakthroughs in neuroscience to elevate life. For almost 30 years we have been working at the forefront of healthcare to bring vital solutions to people who need them most. We developed and commercialized the first and only approved therapies for hallucinations and delusions associated with Parkinson's disease psychosis and for the treatment of Rett syndrome. Our clinical-stage development efforts are focused on treating the negative symptoms of schizophrenia, Alzheimer's disease psychosis and neuropsychiatric symptoms in central nervous system disorders. For more information, visit us at www.acadia.com and follow us on LinkedIn and Twitter.

Forward-Looking Statements

Statements in this press release that are not strictly historical in nature are forward-looking statements. These statements include but are not limited to statements regarding the timing of future events. These statements are only predictions based on current information and expectations and involve a number of risks and uncertainties. Actual events or results may differ materially from those projected in any of such statements due to various factors, including the risks and uncertainties inherent in drug development, approval and commercialization. For a discussion of these and other factors, please refer to Acadia's annual report on Form 10-K for the year ended December 31, 2022 as well as Acadia's subsequent filings with the Securities and Exchange Commission. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. This caution is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All forward-looking statements are qualified in their entirety by this cautionary statement and Acadia undertakes no obligation to revise or update this press release to reflect events or circumstances after the date hereof, except as required by law.

References

[1] Tropea D, Giacometti E, Wilson NR, et al. Partial reversal of Rett Syndrome-like symptoms in MeCP2 mutant mice. *Proc Natl Acad Sci USA*. 2009;106(6):2029-2034.

[2] Acadia Pharmaceuticals Inc., Data on file. Study Report 2566-026. 2010.

ACADIA PHARMACEUTICALS INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per share amounts)

(Unaudited)

	Three Months Ended March 31,	
	2023	2022
Revenues		
Product sales, net	$ 118,462	$ 115,468
Total revenues	118,462	115,468
Operating expenses		
Cost of product sales, license fees and royalties [1]	1,667	2,950
Research and development [1]	69,144	128,855
Selling, general and administrative [1]	101,235	96,679
Total operating expenses	172,046	228,484
Loss from operations	(53,584)	(113,016)
Interest income, net	3,800	105
Other income	4,845	340
Loss before income taxes	(44,939)	(112,571)
Income tax (benefit) expense	(1,918)	485
Net loss	$ (43,021)	$ (113,056)
Net loss per common share, basic and diluted	$ (0.27)	$ (0.70)
Weighted average common shares outstanding, basic and diluted	162,263	161,231

[1] Includes the following stock-based compensation expense

Cost of product sales, license fees and royalties	$ 168	$ 323
Research and development	$ 3,972	$ 5,464
Selling, general and administrative	$ 10,565	$ 9,176

ACADIA PHARMACEUTICALS INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands)

	March 31, 2023	December 31, 2022
	(unaudited)	
Assets		
Cash, cash equivalents and investment securities	$ 402,873	$ 416,823
Accounts receivable, net	65,915	62,195
Interest and other receivables	4,335	885
Inventory	6,095	6,636
Prepaid expenses	23,632	21,398
Total current assets	502,850	507,937
Property and equipment, net	5,595	6,021
Operating lease right-of-use assets	54,151	55,573
Intangible assets, net	69,583	—
Restricted cash	5,770	5,770
Long-term inventory	4,924	4,924
Other assets	12,432	7,587
Total assets	$ 655,305	$ 587,812
Liabilities and stockholders' equity		
Accounts payable	$ 17,422	$ 12,746
Accrued liabilities	206,879	112,884
Total current liabilities	224,301	125,630
Operating lease liabilities	51,441	52,695
Other long-term liabilities	5,305	9,074
Total liabilities	281,047	187,399
Total stockholders' equity	374,258	400,413
Total liabilities and stockholders' equity	$ 655,305	$ 587,812

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Source: Acadia Pharmaceuticals Inc.

Acadia Pharmaceuticals Reports Third Quarter 2023 Financial Results and Operating Overview

November 2, 2023

- Company reports record revenues resulting from strong DAYBUE launch and growth in NUPLAZID franchise

- 3Q23 DAYBUE ™ (trofinetide) net product sales of $66.9 million

- 3Q23 NUPLAZID® (pimavanserin) net product sales of $144.8 million

SAN DIEGO--(BUSINESS WIRE)--Nov. 2, 2023-- Acadia Pharmaceuticals Inc. (Nasdaq: ACAD) today announced its financial results for the third quarter ended September 30, 2023.

“In the third quarter, Acadia delivered record product revenue, underscoring the continued strong launch of DAYBUE for the treatment of Rett syndrome, and market share growth for the very successful NUPLAZID franchise,” said Steve Davis, President and Chief Executive Officer. “In addition to our strong commercial performance, we continue to add to our late stage pipeline with the planned initiations in the fourth quarter of a Phase 3 study of ACP-101 for Prader-Willi syndrome and a Phase 2 / Phase 3 program of ACP-204 for the treatment of Alzheimer’s disease psychosis.”

Company Highlights

- Acquired global rights to trofinetide (DAYBUE) through an expanded agreement with Neuren Pharmaceuticals.
- The Company expects to report top-line results from ADVANCE-2, a Phase 3 study evaluating pimavanserin for the treatment of the negative symptoms of schizophrenia in the first quarter of 2024.
- The Company plans to initiate a Phase 3 placebo-controlled study of ACP-101 for the treatment of hyperphagia in Prader-Willi syndrome in the fourth quarter of 2023.
- The Company plans to initiate a Phase 2 study of ACP-204 as a potential treatment for Alzheimer’s disease psychosis in the fourth quarter of 2023.
- Appointed Albert Kildani as Senior Vice President, Investor Relations and Corporate Communications, and Stephanie Kim as Senior Vice President, Regulatory Affairs. Albert and Stephanie both join Acadia’s Executive Management Committee.

Financial Results

Revenues

Total revenues, comprised of net product sales from NUPLAZID and DAYBUE were $211.7 million for the three months ended September 30, 2023, and were $495.4 million for the nine months ended September 30, 2023.

Net product sales of NUPLAZID were $144.8 million and $130.7 million for the three months ended September 30, 2023 and 2022, respectively. The approximately $14 million dollar increase year over year is comprised of a $7 million in-channel inventory reduction in the prior year that did not recur this year, $4 million attributable to lower 340B volumes, and $3 million as a result of 2% demand bottle growth. Net product sales of NUPLAZID were $405.3 million and $380.7 million for the nine months ended September 30, 2023 and 2022, respectively.

Net product sales of DAYBUE were $66.9 million for the quarter ended September 30, 2023, the first full quarter of commercialization of DAYBUE following the April 17, 2023 launch.

Research and Development

Research and development expenses for the three months ended September 30, 2023 were $157.0 million, compared to $81.3 million for the same period of 2022. The increase in research and development expenses was mainly due to the July 2023 agreement with Neuren to expand Acadia’s license to trofinetide (DAYBUE) from North American to worldwide rights, offset in part by other reductions in research and development. For the nine months ended September 30, 2023 and 2022, research and development expenses were $284.9 million and $285.8 million, respectively.

Selling, General and Administrative

Selling, general and administrative expenses for the three months ended September 30, 2023 were $97.9 million, compared to $78.1 million for the same period of 2022. For the nine months ended September 30, 2023 and 2022, selling, general and administrative expenses were $295.1 million and $264.7 million, respectively. The increase in selling, general and administrative expenses in both periods was primarily due to increased commercial costs associated with the DAYBUE launch, partially offset by reductions in expenses associated with NUPLAZID.

Net Loss

For the three months ended September 30, 2023, Acadia reported a net loss of $65.2 million, or $0.40 per common share, compared to a net loss of $27.2 million, or $0.17 per common share, for the same period in 2022. Net loss for the three months ended September 30, 2023 included the $100 million upfront payment to expand Acadia's license to trofinetide (DAYBUE) from North American to worldwide rights. Net loss for the three months ended September 30, 2023 and 2022 included $18.5 million and $18.3 million, respectively, of non-cash stock-based compensation expense. For the nine months ended September 30, 2023, Acadia reported a net loss of $107.1 million, or $0.65 per common share, compared to a net loss of $174.3

million, or $1.08 per common share, for the same period in 2022. The net losses for the nine months ended September 30, 2023 and 2022 included $48.4 million and $53.8 million, respectively, of non-cash stock-based compensation expense.

Cash and Investments

At September 30, 2023, Acadia's cash, cash equivalents and investment securities totaled $345.9 million, compared to $416.8 million at December 31, 2022. The change in these balances is primarily due to the July 2023 $100 million upfront payment for worldwide rights to trofinetide (DAYBUE) referenced above.

Financial Guidance

Fourth Quarter 2023

- DAYBUE net sales in the range of $80 to $87.5 million.

Full Year 2023

- NUPLAZID net sales in the range of $537.5 to $545 million.
- R&D expense in the range of $340 to $350 million.
- SG&A expense in the range of $390 to $400 million.

Conference Call and Webcast Information

The conference call will be available on Acadia's website, www.acadia.com, under the investors section and will be archived there until December 4, 2023. The conference call may also be accessed by registering for the call here. Once registered, participants will receive an email with the dial-in number and unique PIN number to use for accessing the call.

About NUPLAZID® (pimavanserin)

Pimavanserin is a selective serotonin inverse agonist and antagonist preferentially targeting 5-HT2A receptors. These receptors are thought to play an important role in neuropsychiatric disorders. In vitro, pimavanserin demonstrated no appreciable binding affinity for dopamine (including D2), histamine, muscarinic, or adrenergic receptors. Pimavanserin was approved for the treatment of hallucinations and delusions associated with Parkinson's disease psychosis by the U.S. Food and Drug Administration in April 2016 under the trade name NUPLAZID. In addition, Acadia is developing pimavanserin as a potential treatment for the negative symptoms of schizophrenia.

About DAYBUE ™ (trofinetide)

Trofinetide is a synthetic version of a naturally occurring molecule known as the tripeptide glycine-proline-glutamate (GPE). The mechanism by which trofinetide exerts therapeutic effects in patients with Rett syndrome is unknown. In animal studies, trofinetide has been shown to increase branching of dendrites and synaptic plasticity signals.[1,2]

About Acadia Pharmaceuticals

Acadia is advancing breakthroughs in neuroscience to elevate life. For 30 years we have been working at the forefront of healthcare to bring vital solutions to people who need them most. We developed and commercialized the first and only approved therapies for hallucinations and delusions associated with Parkinson's disease psychosis and for the treatment of Rett syndrome. Our clinical-stage development efforts are focused on treating the negative symptoms of schizophrenia, Prader-Willi syndrome, Alzheimer's disease psychosis and neuropsychiatric symptoms in central nervous system disorders. For more information, visit us at www.acadia.com and follow us on LinkedIn and Twitter.

Forward-Looking Statements

Statements in this press release that are not strictly historical in nature are forward-looking statements. These statements include but are not limited to statements regarding the timing of future events. These statements are only predictions based on current information and expectations and involve a number of risks and uncertainties. Actual events or results may differ materially from those projected in any of such statements due to various factors, including the risks and uncertainties inherent in drug development, approval and commercialization. For a discussion of these and other factors, please refer to Acadia's annual report on Form 10-K for the year ended December 31, 2022, as well as Acadia's subsequent filings with the Securities and Exchange Commission. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. This caution is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All forward-looking statements are qualified in their entirety by this cautionary statement and Acadia undertakes no obligation to revise or update this press release to reflect events or circumstances after the date hereof, except as required by law.

References

[1]Tropea D, Giacometti E, Wilson NR, et al. Partial reversal of Rett Syndrome-like symptoms in MeCP2 mutant mice. *Proc Natl Acad Sci USA*. 2009;106(6):2029-2034.

[2]Acadia Pharmaceuticals Inc., Data on file. Study Report 2566-026. 2010.

ACADIA PHARMACEUTICALS INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per share amounts)

(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenues				
Product sales, net	$ 211,699	$ 130,714	$ 495,396	$ 380,745
Total revenues	211,699	130,714	495,396	380,745
Operating expenses				
Cost of product sales [1][2]	14,622	2,136	23,747	7,753
Research and development [2]	156,963	81,336	284,878	285,837
Selling, general and administrative [2]	97,890	78,108	295,094	264,688
Total operating expenses	269,475	161,580	603,719	558,278
Loss from operations	(57,776)	(30,866)	(108,323)	(177,533)
Interest income, net	4,125	2,295	12,475	2,980
Other income	1,508	2,156	5,109	1,999
Loss before income taxes	(52,143)	(26,415)	(90,739)	(172,554)
Income tax expense	13,033	768	16,344	1,696
Net loss	$ (65,176)	$ (27,183)	$ (107,083)	$ (174,250)
Net loss per common share, basic and diluted	$ (0.40)	$ (0.17)	$ (0.65)	$ (1.08)
Weighted average common shares outstanding, basic and diluted	164,234	161,852	163,488	161,580

[1] Includes license fees and royalties

[2] Includes the following stock-based compensation expense

Cost of product sales, license fees and royalties	$ 276	$ 344	$ 644	$ 1,013
Research and development	$ 5,063	$ 6,452	$ 12,701	$ 19,148
Selling, general and administrative	$ 13,200	$ 11,516	$ 35,053	$ 33,626

ACADIA PHARMACEUTICALS INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands)

	September 30, 2023	December 31, 2022
	(unaudited)	
Assets		
Cash, cash equivalents and investment securities	$ 345,920	$ 416,823
Accounts receivable, net	92,802	62,195
Interest and other receivables	1,730	885
Inventory	20,768	6,636
Prepaid expenses	37,950	21,398
Total current assets	499,170	507,937
Property and equipment, net	4,884	6,021
Operating lease right-of-use assets	50,758	55,573
Intangible assets, net	66,855	—
Restricted cash	5,770	5,770
Long-term inventory	4,628	4,924
Other assets	475	7,587
Total assets	$ 632,540	$ 587,812
Liabilities and stockholders' equity		
Accounts payable	$ 12,310	$ 12,746
Accrued liabilities	197,293	112,884
Total current liabilities	209,603	125,630
Operating lease liabilities	48,103	52,695
Other long-term liabilities	12,660	9,074
Total liabilities	270,366	187,399

Total stockholders' equity	362,174	400,413
Total liabilities and stockholders' equity	$ 632,540	$ 587,812

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Source: Acadia Pharmaceuticals Inc.

Acadia Pharmaceuticals Reports Second Quarter 2023 Financial Results and Operating Overview

August 2, 2023

- 2Q23 DAYBUE ™ (trofinetide) net product sales of $23.2 million

- 2Q23 NUPLAZID® (pimavanserin) net product sales of $142.0 million

- Expanded licensing agreement for trofinetide includes ex-North American rights

SAN DIEGO--(BUSINESS WIRE)--Aug. 2, 2023-- Acadia Pharmaceuticals Inc. (Nasdaq: ACAD) today announced its financial results for the second quarter ended June 30, 2023.

“Our second quarter 2023 results reflect strong performances from both commercial franchises. The DAYBUE launch is off to a highly successful start as evidenced by broad demand across the entire Rett community, and our NUPLAZID franchise is increasingly profitable while continuing to gain market share,” said Steve Davis, President and Chief Executive Officer. “In our late-stage portfolio, we have completed enrollment in our Phase 3 negative symptoms of schizophrenia clinical trial, with results on track for the first quarter of next year. In the fourth quarter of this year, we will initiate a Phase 3 trial of ACP-101 for Prader-Willi syndrome, and commence a seamless Phase 2 and 3 program to study ACP-204 in Alzheimer’s disease psychosis.”

Company Updates

- Acquired global rights to trofinetide (DAYBUE) through an expanded agreement with Neuren Pharmaceuticals. The expanded agreement follows the company’s April 2023 U.S. launch of DAYBUE as the first and only drug approved for the treatment of Rett syndrome.
- Completed enrollment in ADVANCE-2, a Phase 3 study evaluating pimavanserin for the treatment of the negative symptoms of schizophrenia, with top-line results expected in the first quarter of 2024.
- Announced the addition of ACP-101, a Phase 3 development candidate to its rare disease portfolio for the treatment of hyperphagia in Prader-Willi syndrome (PWS). The Company recently aligned on plans with the FDA to initiate a Phase 3 study in the fourth quarter of 2023.
- Completed Phase 1 development of ACP-204 which demonstrated a favorable safety and tolerability profile, and supports Acadia's target product profile as a potential treatment for Alzheimer’s disease psychosis. Acadia met with the FDA and aligned on dosing and plans to initiate a Phase 2/3 program in the fourth quarter of 2023.
- Pivotal results from the Phase 3 LAVENDER ™ study evaluating DAYBUE (trofinetide) efficacy and safety in patients with Rett syndrome were published in *Nature Medicine*, demonstrating DAYBUE’s ability to modify the core symptoms of Rett syndrome, which provided the basis for its FDA approval.
- Initiated patient enrollment in the real world evidence Lotus study, a two-year, prospective, online observational study of participants prescribed DAYBUE.
- Announced the appointment of Dr. Kevin R. Oliver as Senior Vice President, Chief Business Officer to oversee all business development functions and partnering activities.

Financial Results

Revenue

Total net product sales, comprised of NUPLAZID and DAYBUE were $165.2 million for the three months ended June 30, 2023, and were $283.7 million for the six months ended June 30, 2023.

Net product sales of NUPLAZID were $142.0 million and $134.6 million for the three months ended June 30, 2023 and 2022, respectively. The increase in net product sales of NUPLAZID was primarily due to an increase in volume due to demand from new patient starts of NUPLAZID and a higher average net selling price. Net product sales of NUPLAZID were $260.5 million and $250.0 million for the six months ended June 30, 2023 and 2022. The increase in net product sales of NUPLAZID was a result of similar demand and price dynamics, partially offset by a moderate reduction of in-channel inventory.

Net product sales of DAYBUE were $23.2 million for the quarter ended June 30, 2023, the first quarter of commercialization of DAYBUE following the launch of DAYBUE on April 17, 2023.

Research and Development

Research and development expenses for the three months ended June 30, 2023 were $58.8 million, compared to $75.6 million for the same period of 2022. The decrease in research and development expenses was mainly due to decreased costs in the prior year associated with pre-approval manufacturing supply expenses for trofinetide. For the six months ended June 30, 2023 and 2022, research and development expenses were $127.9 million and $204.5 million, respectively. The decrease was primarily due to a $60.0 million upfront payment made to Stoke Therapeutics for a license and collaboration agreement in the first quarter of 2022 as well as a reduction in overall program spend.

Selling, General and Administrative

Selling, general and administrative expenses for the three months ended June 30, 2023 were $96.0 million, compared to $89.9 million for the same period of 2022. For the six months ended June 30, 2023 and 2022, selling, general and administrative expenses were $197.2 million and $186.6 million, respectively. The increase in selling, general and administrative expenses in both periods was primarily due to increased commercial costs associated with the DAYBUE launch, partially offset by efficiencies in our commercial support of NUPLAZID.

Net Income

For the three months ended June 30, 2023, Acadia reported net income of $1.1 million, or $0.01 per common share, compared to a net loss of $34.0 million, or $0.21 per common share, for the same period in 2022. The net income and loss for the three months ended June 30, 2023 and 2022 included $15.2 million and $20.5 million, respectively, of non-cash stock-based compensation expense. For the six months ended June 30, 2023, Acadia reported a net loss of $41.9 million, or $0.26 per common share, compared to a net loss of $147.1 million, or $0.91 per common share, for the same period in 2022. The net losses for the six months ended June 30, 2023 and 2022 included $29.9 million and $35.5 million, respectively, of non-cash stock-based compensation expense.

Cash and Investments

At June 30, 2023, Acadia's cash, cash equivalents and investment securities totaled $375.4 million, compared to $416.8 million at December 31, 2022.

Financial Guidance

Third Quarter 2023

- DAYBUE third quarter net sales in the range of $45 to $55 million.

Full Year 2023

- NUPLAZID full year net sales in the range of $530 to $545 million.
- R&D expense in the range of $335 to $355 million, which has been adjusted for the $100.0 million upfront payment to Neuren in July for the expanded licensing agreement.
- SG&A expense range increased to $380 to $400 million due to higher operating costs as a result of favorable business performance, including employee retention costs as well as DAYBUE incentive compensation and investments in patient support services.

Conference Call and Webcast Information

The conference call will be available on Acadia's website, www.acadia.com, under the investors section and will be archived there until September 1, 2023. The conference call may also be accessed by registering for the call here. Once registered, participants will receive an email with the dial-in number and unique PIN number to use for accessing the call.

About NUPLAZID® (pimavanserin)

Pimavanserin is a selective serotonin inverse agonist and antagonist preferentially targeting 5-HT2A receptors. These receptors are thought to play an important role in neuropsychiatric disorders. In vitro, pimavanserin demonstrated no appreciable binding affinity for dopamine (including D2), histamine, muscarinic, or adrenergic receptors. Pimavanserin was approved for the treatment of hallucinations and delusions associated with Parkinson's disease psychosis by the U.S. Food and Drug Administration in April 2016 under the trade name NUPLAZID. In addition, Acadia is developing pimavanserin as a potential treatment for the negative symptoms of schizophrenia.

About DAYBUE ™ (trofinetide)

Trofinetide is a synthetic version of a naturally occurring molecule known as the tripeptide glycine-proline-glutamate (GPE). The mechanism by which trofinetide exerts therapeutic effects in patients with Rett syndrome is unknown. In animal studies, trofinetide has been shown to increase branching of dendrites and synaptic plasticity signals.[1,2]

About Acadia Pharmaceuticals

Acadia is advancing breakthroughs in neuroscience to elevate life. For 30 years we have been working at the forefront of healthcare to bring vital solutions to people who need them most. We developed and commercialized the first and only approved therapies for hallucinations and delusions associated with Parkinson's disease psychosis and for the treatment of Rett syndrome. Our clinical-stage development efforts are focused on treating the negative symptoms of schizophrenia, Prader-Willi syndrome, Alzheimer's disease psychosis and neuropsychiatric symptoms in central nervous system disorders. For more information, visit us at www.acadia.com and follow us on LinkedIn and Twitter.

Forward-Looking Statements

Statements in this press release that are not strictly historical in nature are forward-looking statements. These statements include but are not limited to statements regarding the timing of future events. These statements are only predictions based on current information and expectations and involve a number of risks and uncertainties. Actual events or results may differ materially from those projected in any of such statements due to various factors, including the risks and uncertainties inherent in drug development, approval and commercialization. For a discussion of these and other factors, please refer to Acadia's annual report on Form 10-K for the year ended December 31, 2022, as well as Acadia's subsequent filings with the Securities and Exchange Commission. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. This caution is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All forward-looking statements are qualified in their entirety by this cautionary statement and Acadia undertakes no obligation to revise or update this press release to reflect events or circumstances after the date hereof, except as required by law.

References

[1]Tropea D, Giacometti E, Wilson NR, et al. Partial reversal of Rett Syndrome-like symptoms in MeCP2 mutant mice. *Proc Natl Acad Sci USA*. 2009;106(6):2029-2034.
[2]Acadia Pharmaceuticals Inc., Data on file. Study Report 2566-026. 2010.

ACADIA PHARMACEUTICALS INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per share amounts)

(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	**2022**	**2023**	**2022**
Revenues				
Product sales, net	$ 165,235	$ 134,563	$ 283,697	$ 250,031
Total revenues	165,235	134,563	283,697	250,031
Operating expenses				
Cost of product sales [(1)(2)]	7,459	2,667	9,126	5,617
Research and development [(2)]	58,771	75,646	127,915	204,501
Selling, general and administrative [(2)]	95,968	89,901	197,203	186,580
Total operating expenses	162,198	168,214	334,244	396,698
Income (loss) from operations	3,037	(33,651)	(50,547)	(146,667)
Interest income, net	4,550	580	8,350	685
Other (loss) income	(1,244)	(497)	3,601	(157)
Income (loss) before income taxes	6,343	(33,568)	(38,596)	(146,139)
Income tax (benefit) expense	5,229	443	3,311	928
Net income (loss)	$ 1,114	$ (34,011)	$ (41,907)	$ (147,067)
Earnings (net loss) per share:				
Basic	$ 0.01	$ (0.21)	$ (0.26)	$ (0.91)
Diluted	$ 0.01	$ (0.21)	$ (0.26)	$ (0.91)
Weighted average common shares outstanding:				
Basic	163,458	161,654	163,109	161,443

Diluted	165,046	161,654	163,109	161,443

(1) Includes license fees and royalties

(2) Includes the following stock-based compensation expense

Cost of product sales, license fees and royalties	$ 200	$ 346	$ 368	$ 669
Research and development	$ 3,666	$ 7,232	$ 7,638	$ 12,696
Selling, general and administrative	$ 11,288	$ 12,934	$ 21,853	$ 22,110

ACADIA PHARMACEUTICALS INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands)

	June 30, 2023	**December 31, 2022**
	(unaudited)	
Assets		
Cash, cash equivalents and investment securities	$ 375,378	$ 416,823
Accounts receivable, net	81,852	62,195
Interest and other receivables	2,304	885
Inventory	9,199	6,636
Prepaid expenses	23,895	21,398
Total current assets	492,628	507,937
Property and equipment, net	5,193	6,021
Operating lease right-of-use assets	52,382	55,573
Intangible assets, net	68,219	—
Restricted cash	8,120	5,770
Long-term inventory	4,924	4,924

Other assets	11,303	7,587
Total assets	$ 642,769	$ 587,812
Liabilities and stockholders' equity		
Accounts payable	$ 18,811	$ 12,746
Accrued liabilities	169,131	112,884
Total current liabilities	187,942	125,630
Operating lease liabilities	49,778	52,695
Other long-term liabilities	9,256	9,074
Total liabilities	246,976	187,399
Total stockholders' equity	395,793	400,413
Total liabilities and stockholders' equity	$ 642,769	$ 587,812

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