Newron
Pharmaceuticals

Half-Year Report 2025

Corporate profile

Newron (SIX: NWRN, XETRA: NP5) is a biopharmaceutical company focused on developing novel therapies for patients with diseases of the central and peripheral nervous system.

Headquartered in Bresso, near Milan, Italy, Newron is advancing its lead compound, evenamide, a first-in-class glutamate modulator, which has the potential to be the first add-on therapy for treatment-resistant schizophrenia (TRS) and for poorly responding patients with schizophrenia.

Evenamide is currently in Phase III development and clinical trial results to date demonstrate the benefits of this drug candidate in the TRS patient population, with significant improvements across key efficacy measures increasing over time, as well as a favourable safety profile, which is uncommon for available antipsychotic medications.

Newron has signed development and commercialization agreements for evenamide with EA Pharma (a subsidiary of Eisai) for Japan and other Asian territories, as well as Myung In Pharm for South Korea.

Newron has a proven track record in bringing CNS therapies to market. Its Parkinson's disease treatment, Xadago® (safinamide), is approved in over 20 markets, including the USA, UK, EU, Switzerland, and Japan, and commercialized in partnerships with Zambon and Meiji Seika.

For more information, please visit www.newron.com

Half-Year 2025 Highlights

Evenamide – Schizophrenia

Clinical trials:

- In May, the Company announced regulatory approval for its pivotal Phase III ENIGMA-TRS program with evenamide as add-on therapy in patients with treatment-resistant schizophrenia (TRS). The program is made up of two pivotal studies:
  - **ENIGMA-TRS 1**, an international, one-year, double-blind, placebo-controlled Phase III study in at least 600 patients
    - Following a successful screening period, patient enrolment began post-period, in August, with 12-week study results expected in Q4 2026
  - **ENIGMA-TRS 2**, approved by the US Food and Drug Administration, performed at centers in the US and selected additional countries, 12-week, double-blind, placebo-controlled Phase III study in at least 400 patients, which is expected to start by October 2025

Strategic licensing and partnerships:

- In January, the Company announced a licensing agreement with Myung In Pharm to develop, manufacture and commercialize evenamide in South Korea
  - Under the terms of the agreement, Myung In Pharm will contribute 10% of the total patient population to be enrolled into Newron's upcoming Phase III ENIGMA-TRS 1 study and will cover the costs related to this population
- Following the execution, in December 2024, of the licensing agreement with EA Pharma, a subsidiary of Eisai, to develop, manufacture and commercialize evenamide in Japan and other designated Asian territories, the Company in the reporting period received the upfront payment of EUR 44 million and invoiced the first milestone achievement
- Newron continues to actively explore additional partnership opportunities for the global development and commercialization of evenamide in other territories

Industry engagement and scientific exchange:

- In January, evenamide's exceptional results in study 014/015 and study 008A were published in the peer-reviewed International Journal of Neuropsychopharmacology
- Post-period, in August, new preclinical data from researchers at the University of Pittsburgh was published in *Neuropsychopharmacology*. The research suggests that evenamide ameliorates schizophrenia-related dysfunction, targeting the key site of schizophrenia pathology in the hippocampus, and so could be an ideal therapeutic agent for treatment of schizophrenia

Corporate

- In April, Dr. Chris Martin was elected as the Chairman of Newron's Board of Directors, succeeding Dr. Ulrich Köstlin who served as Chairman of the Company from 2013

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Shareholder Letter

Dr. Chris Martin

Stefan Weber

Dear Shareholder,

Over the last six months, Newron has continued to make exciting progress in the development of our novel drug candidate evenamide. Most notably, we announced the approval of our pivotal ENIGMA-TRS Phase III development program evaluating evenamide as an add-on therapy in patients with treatment-resistant schizophrenia (TRS) and recently we began enrolling patients into the first study from the program, ENIGMA-TRS 1. We're delighted to have achieved this crucial milestone on evenamide's clinical development journey and continue to believe that this new chemical entity has blockbuster potential that could bring enormous benefits to patients who are insufficiently served by the treatments currently available. This achievement builds on the success of our recent licensing activities, including the agreement we signed at the beginning of the year with Myung In Pharm for evenamide in South Korea, and the licensing agreement in December 2024 with EA Pharma, a subsidiary of Eisai, covering Japan and other designated Asian territories – highlighting the strength of the compound and its commercial viability.

Evenamide – advancing schizophrenia treatment

In January, we announced our licensing agreement with Myung In Pharm to develop, manufacture and commercialize evenamide as an add-on therapy for TRS and poorly responding patients with schizophrenia in South Korea. Under the terms of the agreement, Myung In Pharm, besides usual financial terms for such agreement, will contribute 10% of the total patient population to be enrolled into Newron's upcoming pivotal ENIGMA-TRS 1 clinical trial and cover the costs related to this population.

There has also been strong progress from EA Pharma, who we have entered into a license agreement with to develop, manufacture and commercialize evenamide in Japan and other designated Asian territories. EA Pharma expects to initiate its clinical development program for evenamide in Japan. Also, the first milestone under the license agreement became due and was invoiced in the reporting period.

Following the release of the exceptional data on evenamide from study 014/015 and study 008A in 2024, the results from both studies were published in the *International Journal of Neuropsychopharmacology* in January. The data confirms evenamide's favorable safety and tolerability profile and adds to the growing evidence that the glutamatergic inhibition mechanism of action offers an innovative therapeutic option to schizophrenia patients not benefiting from existing antipsychotic treatments.

In May, we announced the regulatory approval of our pivotal Phase III ENIGMA-TRS program with evenamide as add-on therapy in patients with TRS. More than one third of schizophrenia patients suffer from TRS and are not responding to the existing second-generation antipsychotics on the market. These patients are in desperate need for the development and approval of new therapeutic treatments. If approved, evenamide would be the first medication added to existing antipsychotics that improves the symptoms of TRS. The ENIGMA-TRS Phase III development program consists of two pivotal studies, ENIGMA-TRS 1 and ENIGMA-TRS 2.

ENIGMA-TRS 1 is an international, 52-week, randomized, double-blind, placebo-controlled Phase III study evaluating the efficacy, tolerability, and safety of the 15mg BID and 30mg BID therapeutic doses of evenamide compared to placebo. Patients on second-generation antipsychotics (SGAs), including clozapine, will meet Treatment Response and Resistance Psychosis (TRRIP) international consensus criteria for TRS. The study will enroll at least 600 patients at study centers in Europe, Asia, Latin America and Canada.

The primary assessment of efficacy and safety of ENIGMA-TRS 1 will be performed 12 weeks after randomization to treatment. Following this initial period, the study will continue double-blind and placebo-controlled until the 52-week time point. The primary efficacy endpoint of the trial will be the change from baseline in the Positive and Negative Syndrome Scale (PANSS) scores at 12 weeks. Newron expects to announce 12-week results from the study in Q4 2026.

ENIGMA-TRS 1 is actively screening across all target continents and post-period, in August, we announced that the first patients have been successfully enrolled following the completion of a 42-day screening period. Our partner Myung In Pharm has also received the necessary approvals in South Korea to move towards enrolling patients in this region.

ENIGMA-TRS 2, the second study in our pivotal Phase III development program, has been approved by the US Food and Drug Administration (FDA), and will be performed at centers in the US and selected additional countries. ENIGMA-TRS 2 will include at least 400 patients in a 12-week, randomized, double-blind, placebo-controlled Phase III study, designed to evaluate the efficacy, tolerability, and safety of the 15mg BID dose of evenamide.

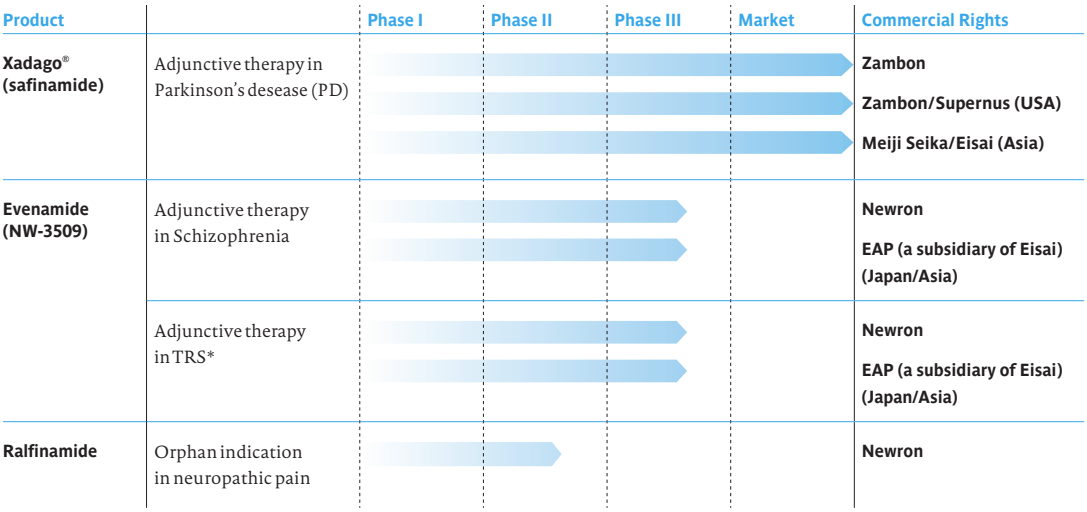
Patients will undergo the same screening as the ENIGMA-TRS 1 trial. The efficacy and safety analysis will be performed at the 12-week point following successful completion of the study. US investigational centers are expected to initiate the study by October 2025.

Shortly after the reporting period, in August, new preclinical data from Dr. Anthony Grace and other researchers at the University of Pittsburgh was published in the peer-reviewed journal, *Neuropsychopharmacology*. The data suggest that evenamide ameliorates schizophrenia-related dysfunction, and for the first time demonstrate that evenamide targets the key site of schizophrenia pathology in the hippocampus. Using the neurodevelopmental MAM model of schizophrenia, researchers demonstrated that evenamide could offer a novel therapeutic strategy capable of addressing the positive, cognitive, and negative symptoms of schizophrenia, a key advantage over existing antipsychotic drugs which only target positive symptoms. Importantly, time-course analysis indicates effects of a single dose of evenamide last long after elimination of drug, suggesting effect on neuronal plasticity. These findings help explain the robust and sustained symptom improvements observed in Newron's Phase II and Phase III studies in patients with chronic schizophrenia, reinforcing evenamide's potential as a transformative therapy for treatment-resistant and poorly responding patients, and offering a promising alternative to traditional dopamine D2-based antipsychotics.

In addition to our licencing agreements with Myung In Pharm and EA Pharma, we continue to be supported by one of world's leading full-service investment banking and capital markets firms in a structured process to secure the most attractive, value creating transactions for Newron's shareholders. The Board and Management are pursuing additional global development and commercial opportunities for evenamide and will prioritize and negotiate the offers according to their potential to increase shareholder value.

In order to comprehensively protect the future value of evenamide for shareholders and new investors, we are currently in the process of filing additional patent applications to further extend the IP protection around evenamide as a novel treatment for schizophrenia. Additionally, our existing patent applications pertaining to evenamide continue to be granted within the European Union and the US.

Newron's current Pipeline



*Treatment-Resistant Schizophrenia

Xadago®/safinamide – Parkinson's disease

In partnership with Zambon and Supernus, Newron continues to further develop and market its product, Xadago®/safinamide.

Corporate

At the AGM in April, Dr. Chris Martin was elected as the new Chairman of the Board following his nomination by the Company. Dr. Martin took over from Dr. Ulrich Köstlin, who served as Chairman of Newron's Board since 2013. Dr. Martin is a recognized leader in the biopharma industry who has taken therapeutic technology from the lab bench through to regulatory approval and global market sales. He co-founded ADC Therapeutics in 2012 and served as its CEO from its inception until 2022, growing the company from a private biotech start-up to a New York Stock Exchange listed leader in the field of antibody-drug conjugates with products marketed worldwide. Dr. Martin also co-founded and was the CEO of Spirogen, an innovator of antibody-drug conjugate payload technology, which was subsequently sold to AstraZeneca for a total of up to $440 million.

Financials

For the first six months of 2025, Newron reported revenues of EUR 11.9 million, compared to EUR 3.4 million in the same period of 2024. The increase is mostly due to the achievement of the first milestone under the license agreement with EA Pharma, a subsidiary of Eisai, and the upfront payment received from Myung In. Also, Xadago® royalties from Zambon increased by about 11% to EUR 3.8m, in the reporting period. Newron's R&D expenses decreased to EUR 6.1 million from EUR 6.5 million in H1 2024. G&A expenses decreased from EUR 4.6 million in first six months of 2024 to EUR 4.4 million in the reporting period. This resulted in a net loss of EUR 0.1 million, compared to EUR 9.6 million in the same period in 2024. Operating activities generated EUR 33.4 million of cash while as of June 2024, operating activities absorbed EUR 8.8 million. Cash and Other current financial assets as at June 30, 2025, were at EUR 43.2 million, compared to EUR 9.8 million as at December 31, 2024. Newron's total available cash resources are expected to fund the Company's planned development programs and operations well towards the end of the year 2026.

Outlook

Following the approval of our pivotal Phase III ENIGMA-TRS program for evenamide and the subsequent initiation of the ENIGMA-TRS 1 study, Newron's key focus for the coming months is on progressing this study and initiating ENIGMA-TRS 2, initially in the US study centers. We are very excited about our continued achievements and we are one step closer to potentially bringing enormous benefits to schizophrenia patients who are insufficiently served by the treatments currently available.

We are also continuing to actively explore additional global partnership and licensing opportunities to create value for shareholders and enable the further development and commercialization of evenamide.

Our Company's financial position remains strong and we would like to thank our shareholders for their continued support which has enabled us to achieve our milestones to date. We look forward to sharing our progress and achievements with you as we advance evenamide through its Phase III clinical development.

Yours sincerely,

Dr. Chris Martin
Chairman

Stefan Weber
Chief Executive Officer

Interim Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

Auditor Report

Newron Pharmaceuticals S.p.A.

Review report on the interim condensed consolidated financial statements

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Review report on the interim condensed consolidated financial statements

To the Board of Directors of
Newron Pharmaceuticals S.p.A.

Introduction

We have reviewed the interim condensed consolidated financial statements, comprising the interim condensed consolidated statement of financial position as of June 30, 2025, the interim condensed consolidated statement of profit or loss, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement cash flows for the six-months period then ended and the related explanatory notes of Newron Pharmaceuticals S.p.A. and its subsidiaries (the "Newron Group"). The Directors of Newron Pharmaceuticals S.p.A. are responsible for the preparation and presentation of the interim condensed consolidated financial statements in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the interim condensed consolidated financial statements.

Basis for Disclaimer of Conclusion

We draw attention to Note "2. Basis of presentation and changes to the Group's accounting policies" of the Interim condensed consolidated financial statements of Newron Pharmaceuticals S.p.A. as of June 30, 2025 and for the six months then ended that discloses the Directors' assessment on the Group's ability to continue as a going concern. The Note states that, considering the Group's current cash, equity and balance sheet position and the level of spending planned in Group's budgets, to date there are no signed binding out-licencing agreements and/or alternative financial arrangements that would enable the Group to meet its obligations as they fall due for a period of at least 12 months from the date of the approval by the Board of the half year financial statements 2025 as requested by IFRS. Nevertheless, Board and Management are confident that one or more of the above-mentioned opportunities will be concretized in the coming months and consequently the half year consolidated financial statements have been prepared on going concern basis.
Based on the above, we were unable to carry out appropriate limited review procedures to conclude as to appropriateness of the use of the going concern assumption in the preparation of the interim condensed consolidated financial statements by the Board of Directors.

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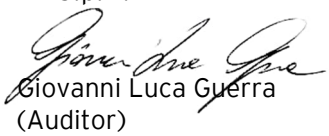
Disclaimer of Conclusion

Based on the significance of the matter discussed in the Basis for Disclaimer of Conclusion paragraph, we are unable to conclude on the compliance of the interim condensed financial statements of Newron Group as of June 30, 2025 with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Milan, September 12, 2025

EY S.p.A.



Giovanni Luca Guerra
(Auditor)

Interim Condensed Consolidated Statement of Profit or Loss

(In thousand Euro, except per share information)	Note	For the six months ended June 30 2025 (unaudited)	2024 (unaudited)
Licence income from contracts with customers	6	7,772	0
Royalties from contracts with customers	7	3,780	3,407
Other income from contracts with customers		346	0
Revenue		11,898	3,407
Research and development expenses	8	(6,081)	(6,453)
Marketing and advertising expenses		(49)	(58)
General and administrative expenses	9	(4,423)	(4,579)
Operating result		1,345	(7,683)
Financial income	10	882	870
Financial expenses	10	(2,284)	(2,731)
Result before tax		(57)	(9,544)
Income tax		(16)	(13)
Net loss		**(73)**	**(9,557)**
Loss per share			
Basic and Diluted loss per share	11	(0.00)	(0.51)
Weighted average number of shares (thousands)		19,960	18,563

Interim Condensed Consolidated Statement of Comprehensive Income

(In thousand Euro)	Note	For the six months ended June 30 2025 (unaudited)	2024 (unaudited)
Net loss for the period		(73)	(9,557)
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Net gain on other current assets		116	14
Exchange differences on translation of foreign operations		(53)	(22)
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods		63	(8)
Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods:			
Remeasurements on defined benefit plans		(27)	6
Net other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods		(27)	6
Other comprehensive income/(loss) for the year, net of tax		36	(2)
Total comprehensive loss for the period, net of tax		**(37)**	**(9,559)**

(The accompanying notes are an integral part of these financial statements)

Interim Condensed Consolidated Statement of Financial Position

(In thousand Euro)	Note	As of June 30, 2025 (unaudited)	As of December 31, 2024 (audited)
Assets			
Non-current assets			
Property, plant and equipment		64	43
Right-of-use assets		716	791
Intangible assets		1	0
Non-current receivables	12	145	1,970
		926	2,804
Current assets			
Receivables and prepayments	13	17,273	51,278
Other current financial assets	14	16,556	2,893
Cash and cash equivalents	15	26,639	6,933
		60,468	61,104
Total assets		**61,394**	**63,908**
Shareholders, equity			
Share capital	16	3,992	3,992
Share premium and other reserves	17	(12,669)	(28,519)
Share option reserve	18	16,276	16,123
Retained earnings		(5,141)	10,685
Translation differences		(876)	(823)
Total shareholders' equity		**1,582**	**1,458**
Liabilities			
Non-current liabilities			
Interest-bearing loan	19	18,055	36,243
Non-current lease liabilities		614	673
Cash-settled share-based liabilities	20	580	1,568
Employee severance indemnity		482	460
		19,731	38,944
Current liabilities			
Interest-bearing loan	19	33,777	13,414
Current lease liabilities		120	139
Cash-settled share-based liabilities	20	965	523
Trade and other payables	21	5,219	9,430
		40,081	23,506
Total liabilities		59,812	62,450
Shareholders' equity and liabilities		**61,394**	**63,908**

(The accompanying notes are an integral part of these financial statements)

Interim Condensed Consolidated Statement of Changes in Equity

(In thousand Euro)	Note	Share capital	Share premium and other reserves	Share option reserve	Foreign currency translation reserve	Retained earnings	Total
Balance at January 1, 2024 (audited)		3,569	(27,293)	16,044	(832)	(21,396)	(29,908)
Net loss		0	0	0	0	(9,557)	(9,557)
Other comprehensive income		0	0	0	(22)	20	(2)
Total comprehensive income for the year		0	0	0	(22)	(9,537)	(9,559)
Previous year loss allocation	17	0	(16,224)	0	0	16,224	0
Issuance of shares		230	8,177	0	0	0	8,407
New shares issuing costs		0	(170)	0	0	0	(170)
Exercise of options	16/17	10	228	0	0	0	239
Share option scheme	18	0	0	170	0	0	170
Exercise of options - reclassification of reserves	18	0	177	(177)	0	0	0
Fair value reserve release		0	0	0	0	(10)	(10)
Balance at June 30, 2024 (unaudited)		3,809	(35,105)	16,037	(854)	(14,719)	(30,832)
Balance at January 1, 2025 (audited)		3,992	(28,519)	16,123	(823)	10,685	1,458
Net loss		0	0	0	0	(73)	(73)
Other comprehensive income		0	0	0	(53)	89	36
Total comprehensive income for the year		0	0	0	(53)	16	(37)
Previous year profit allocation	17	0	15,843	0	0	(15,843)	0
Exercise of options	16/17	0	4	0	0	0	4
Share option scheme	18	0	0	156	0	0	156
Exercise of options – reclassification of reserves	18	0	3	(3)	0	0	0
Fair value reserve release		0	0	0	0	1	1
Balance at June 30, 2025 (unaudited)		**3,992**	**(12,669)**	**16,276**	**(876)**	**(5,141)**	**1,582**

(The accompanying notes are an integral part of these financial statements)

Interim Condensed Consolidated Statement of Cash Flows

(In thousand Euro)	Note	For the six months ended June 30 2025 (unaudited)	2024 (unaudited)
Result before taxes		(57)	(9,544)
Interest received		180	33
Interest paid		0	(859)
Adjustments for:			
Depreciation and amortisation		85	96
R&D tax credit and other non monetary income/expense		1,874	2,250
Share option expenses	18	156	170
Employee severance indemnity expense		162	99
Changes in working capital:			
Current receivables and prepayments and deferred cost		34,006	(826)
Trade and other payables and deferred income		(4,848)	(1,541)
Pension fund paid		(30)	0
Change in non-current receivables	12	1,825	1,294
Cash used in operating activities		**33,353**	**(8,828)**
Cash flows from investing activities			
Purchase of financial assets		(17,712)	(443)
Disposal of financial assets		4,191	2,459
Purchase of property, plant and equipment		(31)	(7)
Purchase of intangible assets		(1)	0
Net cash flows from/(used in) investing activities		**(13,553)**	**2,009**
Cash flows from financing activities			
Proceeds from issue of shares	16/17	4	8,645
New shares issuing costs		0	(170)
Lease liabilities		(98)	(97)
Net cash flows from/(used in) financing activities		**(94)**	**8,378**
Net increase/(decrease) in cash and cash equivalents		**19,706**	**1,559**
Cash and cash equivalents at January 1,		6,933	6,338
Cash and cash equivalents at the end of the period		**26,639**	**7,897**

(The accompanying notes are an integral part of these financial statements)

Notes to the Interim Condensed Consolidated Financial Statements

(In thousand Euro unless otherwise stated)

1 Corporate information

Newron Group ("the Group") is composed of the following entities:

- Newron Pharmaceuticals S.p.A. ("Newron" or "the Company"), a clinical stage biopharmaceutical company focused on the discovery and development of drugs for the treatment of central nervous system (CNS) disorders and pain – the parent Company;
- Newron Pharmaceuticals US Inc., a fully owned clinical development subsidiary, incorporated under the Delaware rules, based in Morristown, New Jersey (USA);
- Newron Sweden AB, a fully owned biotechnology company based in Stockholm (Sweden) developing new medicines to treat illnesses caused by necrosis of the Central Nervous System (CNS), currently inactive;
- Hunter-Fleming Limited, a fully owned biopharmaceutical company based in Brixham (United Kingdom) and focused on neurodegenerative and inflammatory disorders, currently inactive;
- Newron Suisse SA, a fully owned clinical development subsidiary based in Zurich (Switzerland), currently inactive.

The Company is incorporated and domiciled in Milan, Italy. The Company is listed on the International Reporting Standard segment of the SIX Swiss Exchange, Zurich, Switzerland, under the trade name NWRN, and it is also traded - on an electronic trading platform called XETRA (at the Dusseldorf Stock Exchange) - under the trade name NP5.

The Group is principally engaged in development and commercialization of novel drugs to treat diseases of the Central and peripheral Nervous System (CNS).

The interim condensed consolidated financial statements of Newron Group for the six months ended June 30, 2025, were authorised for issuance by the Board of Directors ("the Board") on September 9, 2025.

2 Basis of presentation and changes to the Group's accounting policies

The interim condensed consolidated financial statements of the Group for the six-month period ended June 30, 2025, have been prepared in accordance with IAS 34 "Interim Financial Reporting".

The presentation currency is Euro. All figures included in the interim condensed consolidated financial statements and notes thereto are rounded to the nearest Euro thousands, except where otherwise indicated.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's consolidated financial statements for the year ended December 31, 2024.

As of June 30, 2025, the consolidated loss amounted to EUR 73 and the shareholders' equity was equal to EUR 1,582. Since its inception, the Group has incurred significant costs for the funding of its research and development activities without generating enough revenues to sustain them. The Group's liquidity requirements arise primarily from the need to fund its ongoing research and development activities. Historically, Newron has primarily used capital contributions from shareholders, limited government grants mainly in the form of Research and Development contributions, proceeds from contracts with customers (for additional information, please refer to Note 7) and loans (for additional information, please refer to Note 19) to finance the cash needs of its continuing development activities.

As of June 30, 2025, the Net financial position is negative by EUR 10,916 (EUR 42,734 as of December 31, 2024), although the Total current financial asset is positive by EUR 43.195 as of June 30, 2025 (EUR 9,826 as of December 31, 2024) and the Net current financial position is positive and equal to EUR 8,333 (negative by EUR 4,250 as of December 31, 2024). For additional information, refer to Note 22.

The ability of the Group to maintain adequate cash reserves to sustain its corporate activities and to perform the clinical studies required to progress its compounds, most of all evenamide, towards regulatory approval and commercialization, is highly dependent, in the short and medium term, on the Group's ability to raise further liquidity from partnering its development stage compound, to issue new shares and to conclude other financing transactions.

Importantly, the positive results from evenamide' open-label one-year study 014/015 in treatment resistant schizophrenia patients as well as the positive results from evenamide potentially pivotal study 008A in poorly responding schizophrenia patients have triggered, in December 2024 and January 2025, the signature of two licence agreements which, up to June 30, 2025, allowed the Company to a) recognize about EUR 52 million of revenues (for additional information, refer to Note 6 and 13) entirely cashed in before the issuance of this report and b) reduce the future development expenses for evenamide as partners are contractually committed to either develop the compound in their territories and/or reimburse a determined amount of Newron development costs. Moreover, the start of the ENIGMA TRS project, the news related to the first patient enrolled into the TRS 1 study and the publication of a new preclinical research in the journal Neuropsychopharmacology on the unique mechanism and site of action of evenamide as a potential treatment for schizophrenia – performed by researchers at the University of Pittsburgh – (for additional information, refer to Note 27), have sparked increased interest in the market regarding evenamide. At the time of this report, several indications of interest have been received: Board and Management, supported by its banking advisor, will rank the offers by their potential to increase shareholders' value. Additionally, management is currently exploring other liquidity opportunities, including the issuance of new shares and other financing transactions, aimed at raising further funds to maintain cash reserves required to sustain the Group's activities in the short and medium terms.

Considering the Group's current cash, equity and balance sheet position and the level of spending planned in Company's budgets, Management confirms that to date has not signed binding out-licencing agreements and/or alternative financial arrangements that would enable the Group to meet its obligations as they fall due for a period of at least 12 months from the date of the approval by the Board of the half year financial statements 2025 as requested by IFRS. The Board of Directors and Management have therefore concluded that the combination of the above conditions and circumstances indicates the existence of a material uncertainty with respect to the Company's ability to continue as a going concern. Nevertheless Board and Management are confident that one or more of the above mentioned opportunities will be concretized in the coming months and consequently the half year consolidated financial statements have been prepared on going concern basis.

Macroeconomic and geopolitical uncertainty

With reference to the economic and financial consequences on the Group's assets and liabilities of the ongoing conflicts between Russia and Ukraine together with the one between Israel and Palestina, Group Management constantly monitors the evolution of the conflicts as the geopolitical tensions represent a further element of instability. Despite the fact that Newron Group's business is not exposed in the areas of conflicts, the increasing geopolitical tension and the sanctions imposed by the governments of the United States, the European Union, Japan and other jurisdictions, as well as any potential counterresponses by the governments of Russia or other jurisdictions, could adversely affect, directly or indirectly, the supply chain of our suppliers, as well as the global financial markets.

Recently, the US legislator has introduced a) a 15% tariff on European pharmaceuticals product and b) in May 2025, an executive order directing federal agencies to implement policies that would tie prescription drug prices in the United States to prices in other developed countries specifically targeting a "most-favored-nation" (MFN) pricing approach. Management will constantly monitor the evolution of such rules and the relevant

implications that might arise as these could become a further element to be considered when evaluating partnership' opportunities.

New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2024, except for the adoption of new standards and interpretations effective as of January 1, 2025.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Lack of exchangeability - Amendments to IAS 21
The amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates" specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information. The amendments did not have a material impact on the Group's financial statements.

Significant accounting judgements, estimates and assumptions
The preparation of the interim condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, and disclosure of contingent liabilities at the reporting date. As estimates, these may differ from the actual results attained in the future. Group management based the estimates on historical experience and on various other assumptions assessed as reasonable, the results of which form the basis for making judgments about the carrying value of assets, liabilities and equity and the amount of revenues and expenses. While making estimates and assumptions, Group management has taken into account the actual and potential effects of the macroeconomic and geopolitical uncertainty.

3 Segment reporting

The Group operates in a single business segment, which is research and development of pharmaceutical drugs. Geographically, the research and development activities are performed in Italy and in USA. The Group does not consider the geographies to be separate segments.

4 Seasonality

The Group's activities are not subject to seasonal fluctuations.

5 Exchange rates of principal currencies

Functional currency

The Group's interim condensed consolidated financial statements are presented in Euro, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity that/which are measured using that functional currency. The Group uses the direct method of consolidation; on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and balances

Foreign currency transactions are translated into the functional currency (Euro), using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. There are no translation differences on non-monetary items.

Group exchange rates

The exchange rates used are detailed in the following table:

	Income statements in Euro (average rates) as of June 30,		Balance sheets in Euro rate as of	
	2025	2024	June 30, 2025	December 31, 2024
CHF 1	1.06225	1.04004	1.06986	1.06247
GBP 1	1.18723	1.17014	1.16891	1.20601
SEK 1	0.09012	0.08779	0.08971	0.08727
USD 1	0.91516	0.92481	0.85324	0.96256

6 Licence income from contract with customers

Licence income from contracts with customers amounted to EUR 7,772 (on June 30, 2024, EUR 0) as a result of i) the achievement of a development milestone related to the agreement signed with EA Pharma Co. Ltd. in late December 2024 and ii) the non-refundable upfront fee due under the agreement signed with Myung In Pharm Co. Ltd. in January 2025.

7 Royalties and other income from contracts with customers

On June 30, 2025, Royalties from contracts with customers (royalties) increased by about 11% and were equal to EUR 3,780 (on June 30, 2024, EUR 3,407): royalties that were payable to Newron according to the agreement in place with Zambon have been communicated to Newron by its partner.

8 Research and development expenses net of grants and other reimbursements

(In thousand Euro)	For the six months ended June 30,	
	2025 (unaudited)	2024 (unaudited)
Services received from subcontractors	3,404	3,985
Staff costs	1,698	1,618
Consultancy fees	148	313
Material and consumable used	377	174
Travel expenses	237	170
Depreciation, amortisation and impairment expense	30	35
Other research and development costs	187	158
	6,081	**6,453**

The decrease of Services received from subcontractors was due to the fact that in first half 2024 there were more studies running compared to the corresponding period of 2025: in-fact the phase III, double blind, placebo controlled ENIGMA TRS I study in patients with treatment resistant schizophrenia started in second quarter of 2025 and related costs are expected to increase during the second half of the year.

In accordance with the Italian Law Decree n. 73/2021 – converted into Law n. 106/2021 – companies investing in research and development activities are allowed to recognize an R&D tax credit that will be equal to 20% of certain R&D expenses incurred in the year. The R&D tax credit does not provide for a direct reimbursement of incurred expenses, as such expenses are only used to calculate the amount that each company can recognize as a receivable. Such receivable can be used to offset the payment of certain taxes and contributions (e.g. social contributions, VAT payables, registration fees, income and withholding taxes and all other tax-related items that companies pay on a monthly basis) with the aim of relieving the actual monthly cash-out.

As of June 30, 2025, the Group did not recognize any tax credit regarding the R&D expenses incurred in the six-month period ending on June 30, 2025, following the assessment of its recoverability. Management of the Group will assess the opportunity to recognize the R&D tax credit during the preparation of the Annual Report 2025. The tax credit related to the R&D expenses of the six-month period ending on June 30, 2025, will not be lost as the Group became entitled to the right to obtain and use a tax credit in return of past compliance with certain conditions relating to the operating activities of the entity.

Since May 14, 2012, all safinamide/Xadago®-related research, development and certain Intellectual Properties expenses borne by the Group are reimbursed by Zambon; moreover, since January 9, 2025, a portion of evenamide development cost is reimbursed by Myung-In. Accordingly, research and development expenses are presented net of the reimbursement by partners, amounting to EUR 121 as of June 30, 2025 (June 30, 2024: EUR 53).

Gross Research and development expenses amounted to EUR 6,202 and EUR 6,506 as detailed in the following table.

(In thousand Euro)	For the six months ended June 30,	
	2025 (unaudited)	2024 (unaudited)
Research and development expenses, gross	6,202	6,506
Reimbursed by partners	(121)	(53)
	6,081	**6,453**

Since inception, no development costs have been capitalised.

9 General and administrative expenses

(In thousand Euro)	For the six months ended June 30,	
	2025 (unaudited)	2024 (unaudited)
Staff costs	1,810	1,777
Consultancy and other professional services	1,846	1,804
Intellectual properties	435	613
Travel expenses	91	135
Operating lease cost	49	18
Depreciation and amortisation expense	54	61
Other expenses	138	171
	4,423	**4,579**

The increase in Staff costs is mainly related to an employee hired in first half 2025.

10 Financial results

The following table summarizes the financial income of the period:

(In thousand Euro)	For the six months ended June 30,	
	2025 (unaudited)	2024 (unaudited)
Interest income	298	38
Foreign exchange gains	10	52
Other income	574	780
	882	**870**

Other income comprised the effect, equal to EUR 546 (as of June 30, 2024, it was a loss equal to EUR 454) of the evaluation of warrants (for additional information, refer to Note 20) issued by the Company in accordance with the contracts in place with the European Investment Bank; as of June 30, 2024, the caption mainly included the effect, equal to EUR 753, resulting from the derecognition of the original Tranches 1, 2 and 3 of the European Investment Bank (EIB) loan (for additional information, refer to Note 19) following the signature, occurred in March 2024, of the amendment to the original agreement.

The following table summarizes the financial losses of the period:

(In thousand Euro)	For the six months ended June 30,	
	2025 (unaudited)	2024 (unaudited)
Interest expense	2'198	2,173
Lease and other interest expenses	27	7
Foreign exchange losses	56	81
Other costs	3	470
	2'284	**2,731**

Interest expenses are mainly related to EIB facility which are recognized at amortized cost (IFRS 9): the variation is mainly due to the increased interest rate (from 9.25% to 9.75%) that the Company is paying to EIB with reference to amended Tranche 2 and 3 from March 2024.

As of June 30, 2025, the fluctuation of the exchange rates caused net losses equal to EUR 46 of which EUR 36 were losses incurred in the first half of the year while EUR 10 were losses accrued at the end of the period.

As of June 30, 2024 Other costs mainly included the effect, equal to EUR 454, of the evaluation of warrants (for additional information, refer to Note 20) issued by the Company in accordance with the contracts in place with the European Investment Bank while in 2025 it included the cost related to the decrease in the fair value of certain financial assets held by the Company.

11 Loss per share

The basic loss per share is calculated dividing the net result attributable to shareholders by the weighted average number of ordinary shares outstanding during the period.

(In thousand Euro)	For the six months ended June 30,	
	2025 (unaudited)	2024 (unaudited)
Net loss attributable to shareholders	(73)	(9,557)
Weighted average number of shares (thousands)	19,960	18,563
Loss per share – basic and diluted (in Euro)	(0.00)	(0.51)

The categories of potential ordinary shares that have dilutive effect are stock options and warrants. At the end of the six-month reporting period, Newron has granted a total of n. 833,774 (for additional information, refer to Note 18) stock options to certain employees, directors and consultants, and a total of n. 855,089 warrants to EIB (for additional information, refer to Note 20). As of June 30, 2025, these were anti-dilutive as their issuance would have decreased the loss per share. Thus, the value of basic and diluted loss per share as of June 30, 2025, coincided.

12 Non-current receivables

(In thousand Euro)	As of	
	June 30, 2025 (unaudited)	December 31, 2024 (audited)
Guarantee deposits for leases	67	67
R&D tax credit	78	1,903
	145	**1,970**

As of June 30, 2025, the Group was entitled to receive a total R&D tax credit equal to EUR 2,728 (as of December 31, 2024: EUR 5,703), out of which EUR 78 classified among the Non-current asset (2024: EUR 1,903) and

EUR 2,650 classified among the Current asset (2024: EUR 3,800). During the six-month period ended June 30, 2025, the total net decrease of the R&D tax credit is equal to EUR 2,975 (in first half 2024 was EUR 1,295) and represents the amount used to offset the payments of certain taxes and contributions incurred in the period among which EUR 1,279 refers to the Local Income Tax (IRAP). According to the Group's business plan, the total amount of R&D tax credit receivable recognized as of June 30, 2025, will be recovered through the offset of the payments of certain social contributions and other tax expenses of the upcoming year.

13 Receivables and prepayments

(In thousand Euro)	As of	
	June 30, 2025 (unaudited)	December 31, 2024 (audited)
Receivables	8,240	42,117
Prepayments	4,353	4,219
VAT receivable	1,033	836
R&D tax credit	2,650	3,800
Other receivables	997	306
	17,273	**51,278**

Receivables included the invoices and accruals related to the royalties on net sales generated by Zambon Group and its commercial partners together with an invoice, issued to an evenamide licensee, as a contractual milestone has been reached. Almost all receivables have been cashed in before September 2025. Receivables as of December 31, 2024, included the invoice issued to EA Pharma related to the license agreement signed on December 12, 2024.

Prepayments reflects the comparison between the invoices received from Clinical Research Organizations (CRO) involved in long-lasting clinical trials and the assessment regarding the percentage of completion of their ongoing development activities.

According to existing fiscal laws, the Company has asked the reimbursement of the VAT receivable for about EUR 834; the amount has been cashed-in in August.

The R&D tax credit receivable reflects the amount that Management expects to use within the next twelve months to offset the payments of certain social contributions and other tax expenses.

14 Other current financial assets

(In thousand Euro)	As of	
	June 30, 2025 (unaudited)	December 31, 2024 (audited)
Listed bonds	8,225	1,691
Government bonds	6,077	382
Investment funds	2,254	820
	16,556	**2,893**

Gain and losses arising from the adjustment to the fair value of bonds and funds were recognized respectively in the comprehensive income and in the income statement. All acquired securities are in line with the Group's investment policy.

15 Cash and cash equivalents

As of June 30, 2025, Cash and cash equivalent were equal to EUR 26,639 (EUR 6,933 as of December 31, 2024).

Management monitors the Group's cash position on rolling forecasts based on expected cash flows in order to ensure the Group's ability to finance research and development activities and its ability to act as a going concern.

As of June 30, 2025, group liquidity (Other current financial assets plus Cash and cash equivalents) amounts to approximately EUR 43 million (approximately EUR 10 million as of December 31, 2024). Expenses of the period have been partially financed by royalties and by the cash in of the EA Pharma and Myung-In non-refundable down payments occurred in January 2025.

16 Share capital

As of December 31, 2024, the subscribed share capital was equal to EUR 3,991,771.80 divided into 19,958,859 ordinary shares with par value equal to EUR 0.20 each. There was no authorised share capital.

A summary of the changes occurred during the last 18 months in Newron' share capital is as follows (amounts are shown in Euro):

(In Euro)	Total
As of December 31, 2023 – Newron Group	**3,569,069.00**
Issuance of ordinary shares (Capital increase)	410,000.00
Issuance of ordinary shares (Stock options exercise)	12,702.80
As of December 31, 2024 – Newron Group	**3,991,771.80**
Issuance of ordinary shares (Stock options exercise)	427.00
As of June 30, 2025 – Newron Group	**3,992,198.80**

During the six-months period ending on June 30, 2025, an option holder has subscribed a total of n. 2,135 shares. For additional information, please refer to Note 18.

Accordingly, as of June 30, 2025, the subscribed share capital was equal to EUR 3,992,198.80, divided into 19,960,994 ordinary shares with par value equal to EUR 0.20 each.

17 Share premium and other reserves

(In thousand Euro)	As of	
	June 30, 2025 (unaudited)	December 31, 2024 (audited)
At the beginning of the year	**(28,519)**	**(27,293)**
Profit/(loss) allocation	15,843	(16,224)
Issuance of shares and options	4	14,991
New shares issuing costs	0	(170)
Exercise of options – reclassification from Share option reserve	3	177
At the end of the period	**(12,669)**	**(28,519)**

The variance of the Share premium and other reserves is mainly explained by to the allocation of last year profit.

18 Share option reserve

(In thousand Euro)	As of	
	June 30, 2025 (unaudited)	December 31, 2024 (audited)
At the beginning of the year	**16,123**	**16,044**
Share option scheme	156	256
Reclassification of reserves to Share premium and other reserves	(3)	(177)
At the end of the period	**16,276**	**16,123**

To incentivise the efforts of employees, directors and certain consultants directed at the growth of the Company and its subsidiaries in the medium term, the Group has approved during its existence various Share Option Plans, among which ESOP 2017, ESOP 2018, ESOP March 2020, ESOP December 2020 and ESOP 2023 are still valid. All options have been awarded free of charge.

The table below shows a summary of the granted options:

	Employee Share Option Plans							
	2015	2017	2018	Mar 2020	Dec 2020	2022	2023	Total
At December 31, 2023	**202,143**	**113,137**	**228,028**	**351,980**	**26,683**	**71,469**	**179,606**	**1,173,046**
Expired	0	0	0	0	(26,683)	(71,469)	0	(98,152)
Granted	0	0	0	0	26,672	0	0	26,672
Exercised	0	0	0	(58,956)	(4,558)	0	0	(63,514)
At December 31, 2024	**202,143**	**113,137**	**228,028**	**293,024**	**22,114**	**0**	**179,606**	**1,038,052**
Expired	(202,143)	0	0	0	0	0	0	(202,143)
Exercised	0	0	0	(2,135)	0	0	0	(2,135)
At June 30, 2025	**0**	**113,137**	**228,028**	**290,889**	**22,114**	**0**	**179,606**	**833,774**

All options have been awarded free of charge and are recognised as personnel expenses over the vesting period. The increase of share option reserve is equal to EUR 153 (in the whole 2024: EUR 79) and it's related to the following combined effects: a) recognition of cost of the year equal to EUR 156 (of which EUR 113 refers to G&A employees and the remaining EUR 43 to R&D employees) and b) reclassification of EUR 3 to Share premium and other reserves that represent the costs accrued in previous years and that have been exercised in the six months period ended June 30, 2025.

The following table shows additional information regarding options granted as of June 30, 2025:

Plan's name	Exercise price (in Euro)	Number of out-standing options	Weighted-average remaining contractual life (years)	Number of exercisable options
ESOP 2017	15.97	93,524	2.16	93,524
	6.10	8,683	2.16	8,683
	5.43	10,930	2.16	0
ESOP 2018	10.06	135,223	3.01	135,223
	7.27	22,764	3.01	22,764
	4.40	26,321	3.01	26,321
	5.87	43,720	3.01	0
ESOP 2020M	4.40	278,218	3.01	278,218
	1.93	2,134	3.01	0
	1.83	6,269	3.01	4,134
	1.32	4,268	3.01	2,134
ESOP 2020D	1.97	22,114	1.16	22,114
ESOP 2023	5.87	179,606	3.01	0
		833,774		**593,115**

As of June 30, 2025, n. 593,115 options were exercisable; additional n. 123,532 options will be exercisable within June 30, 2026, of which 89,804 only if certain condition has been met.

19 Interest-bearing loan

The facility has a five-year term from the date of drawdown for each tranche. Group's obligations under the European Investment Bank agreement are secured by a security interest in certain cash accounts for the benefit of EIB.

Following Newron' requests EIB approved to transfer five tranches (identified as Tranche 1, Tranche 2, Tranche 3, Tranche 4 and Tranche 5) amounting respectively to EUR 10 million (cashed-in on July 1, 2019), EUR 7.5 million (cashed-in on November 25, 2019), EUR 7.5 million (cashed-in on April 14, 2020) EUR 7.5 million (cashed-in on September 6, 2021) and EUR 7.5 million (cashed-in on October 18, 2021). There are no un-used tranches. The tranches have an interest rate of 3% to be paid on an annual basis in arrears. A further, annual fixed rate is payable together with the outstanding principal amount on expiry of the relevant facility: Tranche 1 fixed rate is equal to 6.75%; Tranche 2 and 3 fixed rate is equal to 6.25% while Tranche 4 and 5 fixed rate is equal to 5.25%.

On March 14, 2024, the Company signed an agreement with the EIB on an amendment to certain terms of its 2018 financing agreement. Under the amendment, repayment of tranches one, two and three (out of a total of five) of the financing agreement - with due dates from June 2024 to April 2025 - have been shifted substantially, with Tranche 1 now scheduled for November 25, 2025, Tranche 2 for April 2026 and Tranche 3 for June 2026.

Other terms have been amended as follows:

- from the effective date (March 13, 2024), the yearly interest rate of all amended tranches have been modified to 9.75% while the annual fixed rate has been reduced to zero;
- it has been added the Performance Participation Interest (PPI) that has to be paid to EIB, upon its request but not before the maturity date of the relevant tranche, and it is equal to 1% for Tranche 1 and 0.75% for all other tranches of the Fair value of the company on the date of the request. The total PPI is capped at EUR 7.5 million.

The abovementioned changes, have triggered during the fiscal year 2024, the derecognition of the original Tranche 1, 2 and 3 and the booking of the new ones reflecting the different conditions, such as expiration dates, future cash-flows and interest costs.

As of June 30, 2025, the Interest-bearing loan is equal to EUR 51,832 (December 2024: EUR 49,657) recognized at amortized cost. As of June 30, 2025, EUR 33,777 were reclassified among the Current liabilities (December 2024: EUR 13,414).

20 Cash-settled share-based liability

(In thousand Euro)	As of	
	June 30, 2025 (unaudited)	December 31, 2024 (audited)
At the beginning of the period	**2,091**	**841**
Period-end adjustment	(546)	1,250
At the end of the period	**1,545**	**2,091**

As a consideration for the five tranches cashed-in from EIB, the Company awarded EIB, free of charge, with n. 807,169 warrants, representing n. 807,169 Newron' shares i.e. 4% of the fully-diluted share capital as of the granting date, calculated taking into consideration not only the issued share capital but also the outstanding stock options. Under the agreement, warrants will expire on November 28, 2028, and until then, EIB will be entitled to receive one newly issued Newron' share per each warrant at an exercise price equal to EUR 9.25. If no triggering events as defined in the contract with EIB will occur, n. 201,793 of the issued warrants couldn't be exercised before March 15, 2024; n. 302,688 issued warrants can't be exercised before September 15, 2025, while the remaining n. 302,688 issued warrants can't be exercised before September 15, 2026. The agreement includes a cash-settlement option.

The financing agreement stated also that, if the Company issue newly issued shares below a certain Company' evaluation, EIB would have the right to a non-dilutive clause through an increase of the "conversion ratio" (originally fixed at 1:1). Considering that, in the period from March to December 2024, the Company issued newly shares at a value that was below such threshold, the "conversion ratio" increased from 1:1 to 1:1.1058 thus allowing EIB to subscribe up to n. 892,589 shares (out of which n. 223,148 related to Tranche 1 and n. 167,361 per each of the Tranche 2, 3, 4 and 5).

Warrant's Fair Value has been calculated at the issuance of each tranche (June 28, 2019, November 25, 2019; April 14, 2020, September 6, 2021, and October 18, 2021) and is determined at each reporting date. The fair value of each tranche of issued warrants, has been calculated by an external appraiser who applied the binomial model assuming no arbitrage, a risk-neutral framework, a volatility equal to 80.92% (as of December 31, 2024, was 78.64%) and no issuance of dividends.

As of June 30, 2025, warrants' fair value, calculated using the EUR Interest Rate Swap curve, was equal to EUR 1,545 (December 2024: EUR 2,091) of which EUR 965 (December 2024: EUR 523) were reclassified among the Current liabilities.

21 Trade and other payables

(In thousand Euro)	As of	
	June 30, 2025 (unaudited)	December 31, 2024 (audited)
Trade payables	1,090	2,465
Accrued expenses	3,018	4,270
Pension contribution payable	334	514
Social security	154	156
Other payables	623	2,025
	5,219	**9,430**

Accrued expenses reflects the comparison between the invoices received from CROs involved in long-lasting clinical trials, and the assessment regarding the percentage of completion of their ongoing development activities.

Other payables are mainly related to the accrual of personnel expenses such as TFR, holidays and other.

22 Net Financial Position

As of June 30, 2025, the net financial position increased by EUR 31,818. The increase was mainly due to the following combined effects: a) the cash received in accordance with the agreements with EA Pharma and Myung-In and b) the development activities performed by the Group in the six-month period ending June 30, 2025.

The following table details the net financial position as of June 30, 2025, and December 31, 2024, respectively:

(In thousand Euro)	As of	
	June 30, 2025 (unaudited)	December 31, 2024 (audited)
Other current financial assets	16,556	2,893
Cash and cash equivalent	26,639	6,933
A. Total current financial asset	**43,195**	**9,826**
Interest bearing loan	(33,777)	(13,414)
Cash-settled share-based liabilities	(965)	(523)
Current lease liabilities	(120)	(139)
B. Current financial liabilities	**(34,862)**	**(14,076)**
C. Net current financial position (A+B)	**8,333**	**(4,250)**
Interest bearing loan	(18,055)	(36,243)
Cash-settled share-based liabilities	(580)	(1,568)
Non-current lease liabilities	(614)	(673)
D. Non current financial liabilities	**(19,249)**	**(38,484)**
E. Net financial position (C+D)	**(10,916)**	**(42,734)**

23 Financial instruments by category

The following tables present the breakdown of financial assets and liabilities, evaluated at fair value, by category as of June 30, 2025, and December 31, 2024, respectively:

As of June 30, 2025	Level	Financial assets at amortized costs	Debt instruments at fair value through OCI with reclassification	Financial assets at fair value through profit and loss	Other financial liabilities at amortized cost
Assets					
Non-current receivables	1	67	–	–	–
Other current financial assets	1	–	14,302	2,254	–
Trade and other receivables	3	9,237	–	–	–
Total		**9,304**	**14,302**	**2,254**	**–**
Non-current liabilities					
Interest-bearing loan	2	–	–	–	18,055
Non-current lease liabilities		–	–	–	614
Cash-settled share-based liabilities	2	–	–	580	–
Current liabilities					
Interest-bearing loan	2	–	–	–	33,777
Cash-settled share-based liabilities	2	–	–	965	–
Trade and other payables	3	–	–	–	1,713
Current lease liabilities		–	–	–	120
Total		**–**	**–**	**1,545**	**54,279**

As of December 31, 2024	Level	Financial assets at amortized costs	Debt instruments at fair value through OCI with reclassification	Financial assets at fair value through profit and loss	Other financial liabilities at amortized cost
Assets					
Non-current receivables	1	67	–	–	–
Other current financial assets	1	–	2,073	820	–
Trade and other receivables	3	42,423	–	–	–
Total		**42,490**	**2,073**	**820**	**–**
Non-current liabilities					
Interest-bearing loan	2	–	–	–	36,243
Non-current lease liabilities		–	–	–	673
Cash-settled share-based liabilities	2	–	–	1,568	–
Current liabilities					
Interest-bearing loan	2	–	–	–	13,414
Cash-settled share-based liabilities	2	–	–	523	–
Trade and other payables	3	–	–	–	4,490
Current lease liabilities		–	–	–	139
Total		**–**	**–**	**2,091**	**54,959**

Fair Value hierarchy

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

There were no transfers between Levels during the six-month period ending on June 30, 2025, and the whole year 2024.

24 Related party transactions

The following tables provide the total amount of transactions that the Group has been entered into with related parties during the six-month period ending June 30, 2024, and June 30, 2025, as well as balances with related parties outstanding as of June 30, 2024, and June 30, 2025, respectively:

As of June 30, 2025	Sales to/Cost reimbursed by related parties	Royalties	Purchases from related parties	Amounts owed by related parties, net	Amounts owed to related parties
Zambon (whole group)	52	3,780	182	0	10
As of June 30, 2024					
Zambon (whole group)	109	3,407	124	1,835	0

25 Commitments and contingent liabilities

Other commitments

The Group has entered into contracts for clinical development with external subcontractors. The Group compensates its suppliers for the services provided on a regular basis. The expenditure contracted for at the balance sheet date, but not yet incurred, is equal to about EUR 41 million. The Group shall not incur material penalty fees for the closure of any of its contracts.

Contingent liabilities

According to the agreements signed, the achievement of future results related to the development of certain Newron' compounds will trigger milestones fees and other payments. As uncertainty remains upon the future results of the development of the compounds, the Directors concluded that the payment of the above milestone fees is not probable.

26 Deferred income taxes

Consistently with the past, the Group has not recognised in the interim condensed consolidated financial statements any deferred income tax asset due to uncertainties concerning the availability of future taxable profits against which such asset may be offset. The theoretical deferred tax asset, measured using the tax rates that are expected to apply to the taxable profit of the periods in which the temporary differences are expected to reverse and mainly composed by tax losses carry forwards, would amount to approximately EUR 82 million (as of December 31, 2024: EUR 81 million).

27 Events after the balance sheet date

On August 11, 2025, Newron notes the publication of new preclinical research in the peer-reviewed journal Neuropsychopharmacology on the unique mechanism and site of action of evenamide as a potential treatment for schizophrenia. The findings by researchers at the University of Pittsburgh, using the neurodevelopmental methylazoxymethanol acetate (MAM) animal model, indicated that evenamide, Newron's first-in-class glutamate modulator, could offer a novel therapeutic strategy capable of addressing positive, cognitive, and negative symptoms of schizophrenia.

On August 12, 2025, Newron announced that following the completion of a 42 day-screening period and the review of the patients by the Independent Eligibility Committee, it has successfully randomized the first patients in its pivotal ENIGMA-TRS 1 Phase III study. ENIGMA TRS 1 will evaluate evenamide as an add-on therapy to current antipsychotics, including clozapine, in patients with treatment-resistant schizophrenia (TRS).

Bresso, September 9, 2025

Stefan Weber
Chief Executive Officer

Information for Investors

Stock exchange information

Symbol	NWRN
Listing	SIX, XETRA
Nominal value	EUR 0.20
ISIN	IT0004147952
Swiss Security Number (Valor)	002791431

Share price data

Number of fully paid-in shares as at June 30, 2025	19,960,994
52-week high (in CHF)	11.00
52-week low (in CHF)	5.20
June 30, 2025 closing share price	6.66
Loss per share (in EUR)	(0.00)
Cash and cash equivalents, other short-term financial assets as at June 30, 2025 (in EUR 1,000)	43.2
Market capitalization as at June 30, 2025 (in CHF)	132,940,220

Major shareholders*

Tobias Scherer	9.432%
European Investment Bank	3.68%
Group of private shareholders	3.316%

* With holdings of more than 3% (to the best of the Company's knowledge)

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