This report has been issued for information purposes only and is not intended to constitute investment advice. It is based on estimates and forecasts of third parties regarding revenues, earnings, and business developments. Such estimates and forecasts cannot be independently verified by reason of the subjective character. Newron Pharmaceuticals S.p.A. gives no guarantee, representation, or warranty and is not responsible or liable as to its accuracy and completeness.

VALUATIONLAB
FINANCIAL ANALYSIS

NEWRON PHARMACEUTICALS

FOCUS AREA: DISEASES OF THE CENTRAL NERVOUS SYSTEM (CNS) AND ORPHAN DISEASES

KEY DATA			SIX: NWRN
MARKET CAPITALIZATION (CHF MN)	556	**PRICE ON 13 JANUARY 2026**	27.9
ENTERPRISE VALUE (CHF MN)	516	**RISK-ADJUSTED NPV PER SHARE** (CHF) **	37.6
CASH & CASH EQUIVALENTS (30 JUNE 2025) (CHF MN)	40	**UPSIDE/DOWNSIDE** (%)	35%
MONTHLY OPERATING EXPENSE (CHF MN)	2.1	**RISK PROFILE**	HIGH RISK
CASH RUNWAY (YEAR)	YEAR-END 2026	**SUCCESS PROBABILITY LEAD PIPELINE DRUG**	65%
BREAK-EVEN (YEAR)	2024*	**EMPLOYEES** (GROUP)	22
FOUNDED (YEAR)	1999	**LISTED** (YEAR)	2006
KEY PRODUCTS:	**STATUS**	**MAJOR SHAREHOLDERS:**	**(%)**
- XADAGO (PARKINSON'S DISEASE)	MARKETED	- TOBIAS SCHERER	9.9
- EVENAMIDE (NON-TREATMENT-RESISTANT SCHIZOPHRENIA - NON-TRS)	POSITIVE PHASE II/III	- EUROPEAN INVESTMENT BANK	3.7
- EVENAMIDE (TREATMENT-RESISTANT SCHIZOPHRENIA (TRS) INCL. CTRS^)	PHASE III	- MAISSEN SHAREHOLDER GROUP	3.3
		- EXECUTIVE MANAGEMENT	0.6
		- FREE FLOAT	**99.4**
		- AVERAGE TRADING VOLUME (30-DAYS)	144'398
UPCOMING CATALYSTS:	**DATE**	**ANALYST(S):**	BOB POOLER
- PUBLICATION OF ANNUAL REPORT 2025	24 MARCH 2026		BP@VALUATIONLAB.COM
- EVENAMIDE - TOPLINE RESULTS "ENIGMA-TRS: PHASE III TRIALS	Q4 2026		+41 79 652 67 68
- EVENAMIDE - PARTNERING AGREEMENTS (NON-CORE REGIONS)	DURING 2026		

* ASSUMES PARTNERING EVENAMIDE NON-CORE MARKETS IN 2026, US IN 2026/2027; ** ASSUMES 20.86 MN SHARES TO ACCOUNT FOR POTENTIAL EUR 25 MN FUND RAISE IN 2026; ^ CTRS = CLOZAPINE TREATMENT-RESISTANT SCHIZOPHRENIA
ESTIMATES AS OF 13 JANUARY 2026 SOURCE: VALUATIONLAB ESTIMATES, NEWRON PHARMACEUTICALS

A pivotal year

Evenamide off to a flying start: new patent & phase III trial

Newron Pharmaceuticals has a product pipeline targeting central nervous system (CNS) diseases and rare diseases. Key value drivers include: **1) Xadago**, a once-daily oral add-on therapy for Parkinson's disease with a unique dual mechanism of action, launched in the EU (2015), the US (2017), and Japan (2019); and **2) evenamide**, an add-on therapy for schizophrenia and treatment-resistant schizophrenia (TRS), including clozapine treatment-resistant schizophrenia (CTRS), an orphan-like indication. With cash and cash equivalents of EUR 43 mn (30 June 2025), bolstered by milestones from the EA Pharma agreement, a 10% patient contribution in the pivotal "ENIGMA-TRS" phase III trials of evenamide in TRS by Myung in Pharm, and Xadago revenues, Newron anticipates a cash runway extending into the end of 2026 or early 2027. The company is adequately funded for its planned development programs, including the "ENIGMA-TRS" phase III trials with evenamide in TRS and schizophrenia (a confirmatory trial may be needed). We derive a sum-of-parts risk-adjusted (r)NPV of CHF 37.6 per share, assuming 20.86 mn shares (4.5% dilution) to account for a potential EUR 25 mn fund raise to expand the US "ENIGMA-TRS 2" trial beyond US clinical trial centers in 2026. Newron's risk profile is classified as High Risk, as its product revenues largely depend on low royalties from Xadago in Parkinson's disease.

Key catalysts:

- **FY 2025 financial results (24 March 2026):** Release of the FY 2025 financial results, including Xadago (Parkinson's disease) revenue, progress on the "ENIGMA-TRS" phase III trials, and estimated cash run rate.
- **Topline results "ENIGMA-TRS" evenamide phase III trials (Q4 2026):** Positive 12-week topline results from the "ENIGMA-TRS" phase III trials of evenamide in TRS are expected to boost our rNPV by CHF 8.6/share.
- **Partnering evenamide with CNS players in non-core markets (during 2026):** Out-licensing evenamide to regional CNS players in non-core markets outside the US in return for substantial milestones and sales royalties, thereby extending the cash runway, which can be used to in-license new CNS compounds or sell evenamide in CTRS through a small in-house commercial team of key account managers in the US.

Flash Update

Evenamide patent extension and start of Japanese phase III trial boost our rNPV
A new composition-of-matter (COM) patent was granted in the EU for evenamide, extending patent protection through 2044, roughly 10 years beyond the current term. Moreover, the patent is highly likely to be adopted in other key territories in the next few years. Additionally, EA Pharma started a phase III trial of evenamide in patients with treatment-resistant schizophrenia in Japan, which is supplementary to the global "ENIGMA-TRS" pivotal development program and supports approval in Japan. Assuming global patent protection for evenamide through 2044, our peak sales for evenamide increase by roughly EUR 550 mn to EUR 1.5+ bn, with our rNPV jumping by more than 60% to CHF 37.6 per share, up from CHF 23.2 per share.

EA Pharma started a phase III trial of evenamide in schizophrenia patients in Japan
On January 7, 2026, EA Pharma, Newron's partner for Japan and Asia, announced that it had begun a phase III trial of evenamide in patients with treatment-resistant schizophrenia (TRS) in Japan. This marks the third phase III trial of evenamide assessing its potential in this area of high unmet medical need.

EA Pharma initiated the phase III trial of evenamide (dubbed EA8001) after the clinical site's Institutional Review Board reviewed it and after completion of other related procedures. This multicenter, randomized, double-blind, placebo-controlled clinical trial evaluates the efficacy, safety, and tolerability of evenamide as an add-on treatment in patients with treatment-resistant schizophrenia who show a poor or inadequate response to at least two different types of antipsychotics. This phase III trial, combined with the ongoing two global "ENIGMA-TRS" pivotal trials, will support approval in Japan, Asia, and other regions.

Newron now has three pivotal phase III trials in over 1,000 patients underway:

1. **"ENIGMA-TRS 1" (international):** A double-blind, placebo-controlled phase III trial will assess evenamide's efficacy, tolerability, and safety in 600+ patients (including 60 patients from Myung In) with treatment-resistant schizophrenia who are taking second-generation antipsychotics. Patients are screened for protocol adherence and TRS diagnosis, then randomized to receive low-dose 15 mg or high-dose 30 mg evenamide twice daily, or placebo. The trial runs for one year, with topline primary results at 12 weeks expected in Q4 2026.
2. **"ENIGMA-TRS 2" (US, selected countries):** An FDA-approved, double-blind, placebo-controlled phase III trial to enroll at least 400 participants to evaluate the low-dose 15 mg BID dose of evenamide versus placebo over 12 weeks. Eligibility is confirmed via an expert committee, with US centers having starting enrollment in December 2025 with topline primary results at 12 weeks expected in Q4 2026.
3. **"Phase III trial (Japan):** A double-blind, placebo-controlled phase III trial in schizophrenia patients who show a poor or inadequate response to at least two different types of antipsychotics, evaluating the efficacy, safety, and tolerability of evenamide as an add-on treatment. The trial is conducted by EA Pharma for Japanese approval.

All parties will benefit from data generated by the other parties.

"ENIGMA-TRS" clinical program underway with 12-week topline results in Q4 2026

The two phase III "ENIGMA-TRS" clinical trials, combined with the Japanese phase III trial, are part of Newron's development program for evenamide, targeting patients with schizophrenia who are experiencing a worsening of psychosis on therapeutic doses of current antipsychotics, as well as treatment-resistant patients. Together, these groups account for approximately 70% of individuals suffering from schizophrenia. Results from previous phase II "Study 014/015" and phase III "Study 008A" trials have demonstrated evenamide's significant and increasing efficacy as an add-on therapy across multiple measures of disease in patients with TRS and inadequate responders, respectively. These results also confirmed a favorable safety and tolerability profile, contributing to the growing evidence that evenamide's glutamatergic inhibition mechanism of action offers an innovative therapeutic option for schizophrenia patients who are not benefiting from current antipsychotic treatments.

EA Pharma, Myung in Pharm, and future deals fund the "ENIGMA-TRS" program

The current co-development and commercialization agreements, as well as future partnering deals in non-core territories outside the US, will fund the pivotal "ENIGMA-TRS" development program. Newron has entered into licensing agreements with EA Pharma, a subsidiary of Eisai, in Japan and other designated territories, and with Myung In Pharm in South Korea, to develop, manufacture, and commercialize evenamide in their respective regions. Under the terms of these agreements, Newron will receive a maximum total of EUR 117 mn, which included an upfront payment of EUR 44 mn, financial contributions to the pivotal "ENIGMA-TRS" program, milestone payments, and tiered royalties up to a double-digit percentage of net sales for evenamide from EA Pharma. Newron received a EUR 5.5 mn milestone payment from EA Pharma on the start of the trial in the first half and is entitled to another EUR 5.5 mn after the last patient in (LPI).

Myung In Pharm will contribute 10% of the total patient population enrolled in the "ENIGMA-TRS" phase III trials and will cover the costs associated with this population. Newron remains actively engaged in seeking additional partnerships for the worldwide development and commercialization of evenamide outside of the US. Thanks to the agreements with EA Pharma and Myung in Pharm, along with upcoming partnering agreements in non-core territories outside the US, Newron has secured sufficient funds to finance two pivotal phase III trials with significantly more patients.

New evenamide EU patent extends patent life by roughly 10 years through 2044

On January 6, 2026, the European Patent Office (EPO) announced that it had issued a decision granting an additional patent covering evenamide. This new composition-of-matter (COM) patent, EP4615820, claims crystalline forms of evenamide, processes for their preparation, and their uses, with a scheduled term of 2044. Newron has completed the entry into the national phases for counterpart patent applications to EP4615820 in all key countries.

The new COM patent adds to the extensive IP protection already surrounding evenamide:

- **European Union (EU):** Newron's evenamide enjoys robust IP protection in the EU following the EPO grant of the new COM patent (EP4615820) covering crystalline forms of evenamide, their preparation, and uses. This patent extends exclusivity through 2044, adding roughly 10 years to the previous protection period. Newron has

also completed entry into national phases for counterpart applications in all key European countries, further strengthening its IP position.

United States (US): Evenamide's patent protection currently runs until 2028, with the possibility of a 5-year extension. Beyond patent life, regulatory exclusivities apply: as a new chemical entity (NCE), evenamide is eligible for five years of exclusivity, and as an orphan drug (for clozapine treatment-resistant schizophrenia, CTRS), it would receive seven years of market exclusivity upon approval. These layers of protection are designed to safeguard commercial interests and incentivise innovation. Adoption of the new COM patent EP4615820 would extend protection through 2044 with the possibility of a 5-year extension.

As a result, evenamide's IP position is strong in the EU (patent to 2044), solid in the US (patent to 2028, plus possible extensions and regulatory exclusivities), and actively expanding in other key markets through national filings and strategic partnerships. This comprehensive approach aims to maximize exclusivity and commercial potential worldwide.

Peak sales increase to EUR 1.5+ bn, and rNPV increases >60% to CHF 37.6/share

Given the high likelihood that other key markets, such as the US, will adopt the new COM patent EP4615820 in the next few years, we now assume global patent protection through 2044, roughly 10 years longer than previously assumed. This substantially extends evenamide's time on the market and its commercial potential. We assume higher peak market penetration rates, up to ~20% and ~18% in schizophrenia in the US and Europe, respectively, and up to ~60% and ~40% in clozapine treatment-resistant schizophrenia (CTRS) in the US and Europe, respectively. Consequently, our global peak sales of evenamide are now expected to reach EUR 1.5+ bn, an increase of more than EUR 550 mn, with our rNPV jumping by more than 60% to CHF 37.6 per share, up from CHF 23.2 per share previously.

Schizophrenia - Inadequate responders (non-TRS) and TRS (excl. CTRS)

EVENAMIDE - FINANCIAL FORECASTS FOR SCHIZOPHRENIA

INDICATION	ADD-ON THERAPY TO ANTIPSYCHOTICS FOR REDUCING POSITIVE SYPMTOMS AND PSYCHOTIC WORSENING IN PATIENTS WITH SCHIZOPHRENIA
DOSAGE	30 MG TWICE DAILY (TBD)
PRICE	USA: USD 15/DAY, EU/ROW: EUR 10/DAY; PRICING MAY PROVE CONSERVATIVE IF EVENAMIDE BECOMES A NEW TREATMENT PARADIGM IN SCHIZOPHRENIA
STANDARD OF CARE	ATYPICAL (2ND GENERATION) ANTIPSYCHOTICS SUCH AS ZYPREXA, SEROQUEL, RISPERDAL, GEODON, ABILIFY
UNIQUE SELLING POINT	FIRST ADD-ON TO MAINSTAY ANTIPSYCHOTICS FOR SCHIZOPHRENIA WITH THE POTENTIAL TO PROLONG RESPONSE RATES AND REDUCE FREQUENT SWITCHING

7Ps ANALYSIS

PATENT	EU: NEW EP4615820 COMPOSITION OF MATTER (COM) PATENT 2044, 10-YEAR DATA EXCLUSIVITY; US: COM PATENT 2034, ADOPTION OF EP4615820 PATENT EXTENDS INTO 2044
PHASE	FAST-TO-MARKET: PHASE III "ENIGMA-TRS" TRIALS STARTED in AUG 2025, 12-WEEK TOPLINE RESULTS IN Q4 2026; LAUNCH IN 2027/2028 (ACCELERATED/CONDITIONAL APPROVAL)
PATHWAY	TWO PHASE III TRIALS IN TREATMENT-RESISTANT SCHIZOPHRENIA (INCL. CTRS); A CONFIRMATORY PHASE III TRIAL MAY BE NEEDED FOR INADEQUATE RESPONDERS
PATIENT	POORLY RESPONDING PATIENTS CAN POTENTIALLY REGAIN A NORMAL SOCIAL AND PRODUCTIVE LIFE WITH A HIGHER LIFE EXPECTANCY
PHYSICIAN	POTENTIAL TO ADDRESS POORLY RESPONDING PATIENTS OR PATIENTS WITH BREAKTHROUGH SYMPTOMS ON CURRENT ANTIPSYCHOTIC TREATMENT
PAYER	SUBSTANTIAL REDUCTION OF ASSOCIATED COSTS SUCH AS UNEMPLOYMENT, LONG-TERM CARE, HOSPITALIZATION, SUICIDE RISK
PARTNER	US (CORE MARKET): ON POSITIVE PHASE III "ENIGMA-TRS" TRIALS; NON-CORE MARKETS: JAPAN & ASIA: EA PHARMA (2024); S. KOREA: MYUN (2025); EU/ROW PARTNERS IN 2025E

REVENUE MODEL

EUROPE (EXCL. CEE COUNTRIES) - PARTNER TBD	**2024E**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**	**2032E**	**2033E**	**2034E**
NUMBER OF PATIENTS (MN)	3.6	3.6	3.7	3.8	3.8	3.9	3.9	4.0	4.0	4.1	4.2
PATIENTS WITH POSITIVE SYMPTOMS (~70%) (MN)	2.5	2.6	2.6	2.6	2.7	2.7	2.7	2.8	2.8	2.9	2.9
PATIENTS TREATED (~25% COMPLIANCE RATE)	628'394	637'820	647'387	657'098	666'955	676'959	687'113	697'420	707'881	718'500	729'277
-/- PATIENTS WITH CTRS (SEE EVANAMIDE CTRS MODEL)	-23'819	-24'176	-24'539	-24'907	-25'280	-25'659	-26'044	-26'435	-26'832	-27'234	-27'643
PATIENTS TREATED (EXCLUDING CTRS PATIENTS)	604'575	613'644	622'849	632'191	641'674	651'299	661'069	670'985	681'050	691'266	701'634
TREATMENT RESISTANT SCHIZOPHRENIA (TRS) PATIENTS (~43%)	259'967	263'867	267'825	271'842	275'920	280'059	284'260	288'524	292'851	297'244	301'703
PENETRATION (%)	0%	0%	0%	0%	5%	8%	10%	11%	12%	13%	13%
NUMBER OF TREATED TRS PATIENTS	0	0	0	0	13'796	22'405	28'426	31'738	35'142	37'156	39'221
INADEQUATE RESPONDERS (~57%)	344'608	349'777	355'024	360'349	365'754	371'241	376'809	382'461	388'198	394'021	399'932
PENETRATION (%)	0%	0%	0%	0%	0%	5%	8%	10%	11%	12%	13%
NUMBER OF TREATED INADEQUATE RESPONDER SCHIZOPHRENIA PATIENTS	0	0	0	0	0	18'562	30'145	38'246	42'702	47'283	49'991
COST OF THERAPY PER YEAR (EUR)	3'650	3'650	3'650	3'650	3'650	3'650	3'650	3'650	3'650	3'650	3'650
SALES (EUR MN) - BOOKED BY PARTNER	**0**	**0**	**0**	**0**	**50**	**150**	**214**	**255**	**284**	**308**	**326**
CHANGE (%)						197%	43%	19%	11%	8%	6%
ROYALTIES (EUR MN) (~10%)	0	0	0	0	5	15	21	26	28	31	33
UPFRONT & MILESTONE PAYMENTS (EUR MN)		15	20	30	15	20			30		
R&D COSTS	-2	-10	-20	-10	0	0	0	0	0	0	0
PROFIT BEFORE TAX (EUR MN)	**-2**	**5**	**0**	**20**	**20**	**35**	**21**	**26**	**58**	**31**	**33**
TAXES (EUR MN)	0	0	0	-3	-6	-11	-7	-8	-18	-10	-10
PROFIT (EUR MN)	**-2**	**5**	**0**	**17**	**14**	**24**	**15**	**18**	**40**	**21**	**22**

NORTH AMERICA (US & CANADA) - PARTNER TBD	**2024E**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**	**2032E**	**2033E**	**2034E**
NUMBER OF PATIENTS (MN)	3.0	3.1	3.1	3.1	3.2	3.2	3.3	3.3	3.4	3.4	3.5
PATIENTS TREATED (EXCLUDING CTRS PATIENTS)	503'740	511'296	518'966	526'750	534'652	542'671	550'811	559'074	567'460	575'972	584'611
TREATMENT RESISTANT SCHIZOPHRENIA (TRS) PATIENTS (~43%)	216'608	219'857	223'155	226'503	229'900	233'349	236'849	240'402	244'008	247'668	251'383
PENETRATION (%)	0%	0%	0%	0%	6%	10%	12%	13%	14%	15%	16%
NUMBER OF TREATED TRS PATIENTS	0	0	0	0	13'794	23'335	28'422	31'252	34'161	37'150	40'221
INADEQUATE RESPONDERS (~57%)	287'132	291'439	295'810	300'248	304'751	309'323	313'962	318'672	323'452	328'304	333'228
PENETRATION (%)	0%	0%	0%	0%	0%	6%	10%	12%	13%	14%	15%
NUMBER OF TREATED INADEQUATE RESPONDER SCHIZOPHRENIA PATIENTS	0	0	0	0	0	18'559	31'396	38'241	42'049	45'963	49'984
COST OF THERAPY PER YEAR (EUR)	5'122	4'925	4'925	4'925	4'925	4'925	4'925	4'925	4'925	4'925	4'925
SALES (EUR MN) - BOOKED BY PARTNER	**0**	**0**	**0**	**0**	**68**	**206**	**295**	**342**	**375**	**409**	**444**
CHANGE (%)						204%	43%	16%	10%	9%	9%
ROYALTIES (EUR MN) (~20%)	0	0	0	0	14	41	59	68	75	82	89
UPFRONT & MILESTONE PAYMENTS (EUR MN)	0	0	72	27	45	27	0	36	0	45	0
PROFIT BEFORE TAX (USD MN)	**0**	**0**	**80**	**30**	**65**	**76**	**66**	**116**	**83**	**141**	**99**
TAXES (EUR MN)	0	0	-9	-4	-18	-21	-19	-33	-24	-40	-28
PROFIT (EUR MN)	**0**	**0**	**63**	**23**	**40**	**47**	**40**	**72**	**51**	**87**	**61**

JAPAN / ASIA (EXCL. CHINA, S. KOREA) - EA PHARMA	**2024E**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**	**2032E**	**2033E**	**2034E**
NUMBER OF PATIENTS (MN)	1.3	1.3	1.3	1.3	1.4	1.4	1.4	1.4	1.4	1.5	1.5
PATIENTS TREATED (EXCLUDING CTRS PATIENTS)	200'768	203'779	206'836	209'938	213'087	216'284	219'528	222'821	226'163	229'556	232'999
TREATMENT RESISTANT SCHIZOPHRENIA (TRS) PATIENTS (~43%)	86'330	87'625	88'939	90'273	91'628	93'002	94'397	95'813	97'250	98'709	100'190
PENETRATION (%)	0%	0%	0%	0%	5%	8%	10%	11%	12%	13%	13%
NUMBER OF TREATED TRS PATIENTS	0	0	0	0	4'581	7'440	9'440	10'539	11'670	12'339	13'025
INADEQUATE RESPONDERS (~57%)	114'438	116'154	117'896	119'665	121'460	123'282	125'131	127'008	128'913	130'847	132'809
PENETRATION (%)	0%	0%	0%	0%	0%	5%	8%	10%	11%	12%	13%
NUMBER OF TREATED INADEQUATE RESPONDER SCHIZOPHRENIA PATIENTS	0	0	0	0	0	6'164	10'010	12'701	14'180	15'702	16'601
COST OF THERAPY PER YEAR (EUR)	3'650	3'650	3'650	3'650	3'650	3'650	3'650	3'650	3'650	3'650	3'650
SALES (EUR MN) - BOOKED BY EA PHARMA	**0**	**0**	**0**	**0**	**17**	**50**	**71**	**85**	**94**	**102**	**108**
CHANGE (%)						197%	43%	19%	11%	8%	6%
ROYALTIES (EUR MN) (TIERED 6 -10%)	0	0	0	0	3	12	17	20	28	31	33
UPFRONT & MILESTONE PAYMENTS (EUR MN)	44	11		15	5		7		10		
PROFIT BEFORE TAX (EUR MN)	**44**	**11**	**0**	**15**	**8**	**12**	**24**	**20**	**38**	**31**	**33**
TAXES (EUR MN)	0	0	0	-3	-6	-11	-7	-8	-18	-10	-10
PROFIT (EUR MN)	**44**	**11**	**0**	**12**	**2**	**1**	**17**	**12**	**20**	**21**	**22**

	2024E	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**	**2032E**	**2033E**	**2034E**
GLOBAL SALES (EUR MN)	**0**	**0**	**0**	**0**	**135**	**406**	**579**	**683**	**754**	**820**	**878**
CHANGE (%)						200%	43%	18%	10%	9%	7%
GLOBAL PROFIT (EUR MN)	**42**	**16**	**63**	**51**	**56**	**72**	**72**	**102**	**112**	**129**	**106**
CHANGE (%)	-454%	-62%	293%	-18%	8%	29%	1%	40%	10%	16%	-18%
WACC (%)	10%										
NPV TOTAL PROFIT (CHF MN)	**924**										
NUMBER OF SHARES (MN)	20.9										
NPV PER SHARE (CHF)	44										
SUCCESS PROBABILITY	65%	(PIVOTAL PHASE III TRIAL)									
RISK ADJUSTED NPV PER SHARE (CHF)	**28.8**										

SENSITIVITY ANALYSIS

		WACC (%)				
	CHF/SHARE	8	9	10	11	12
	100%	52.5	48.2	44.3	40.9	37.9
	90%	47.3	43.4	39.9	36.8	34.1
	80%	42.0	38.5	35.5	32.7	30.3
SUCCESS PROBABILITY	70%	36.8	33.7	31.0	28.6	26.5
	65%	34.1	31.3	**28.8**	26.6	24.6
	50%	26.3	24.1	22.2	20.5	18.9
	40%	21.0	19.3	17.7	16.4	15.2

ESTIMATES AS OF 13 JANUARY 2026

SOURCE: VALUATIONLAB ESTIMATES

Clozapine treatment-resistant schizophrenia (orphan-like indication)

EVENAMIDE - FINANCIAL FORECASTS FOR CLOZAPINE TREATMENT-RESISTANT SCHIZOPHRENIA (CTRS)

INDICATION	ADD-ON THERAPY TO ANTIPSYCHOTICS FOR REDUCING POSITIVE SYPMTOMS & PSYCHOTIC WORSENING IN CLOZAPINE TREATMENT-RESISTANT SCHIZOPHRENIA (CTRS)
DOSAGE	15 OR 30 MG TWICE DAILY (TBD)
PRICE	USA: USD 15/DAY, EU/ROW: EUR 10/DAY; PRICING MAY PROVE CONSERVATIVE IF EVENAMIDE BECOMES A NEW TREATMENT PARADIGM IN SCHIZOPHRENIA
STANDARD OF CARE	CLOZAPINE AND OTHER ATYPICAL (2ND GENERATION) ANTIPSYCHOTICS SUCH AS ZYPREXA (OLANZAPINE), SEROQUEL (QUETIAPINE), RISPERDAL (RISPERIDONE)
UNIQUE SELLING POINT	POTENTIALLY FIRST ADD-ON THERAPY TO ANTIPSYCHOTICS IN PATIENTS WITH CLOZAPINE TREATMENT-RESISTANT SCHIZOPHRENIA (ORHPAN INDICATION)

7Ps ANALYSIS

PATENT	EU: NEW EP4615820 COMPOSITION OF MATTER (COM) PATENT 2044, 10-YEAR DATA EXCLUSIVITY; US: COM PATENT 2034, ADOPTION OF EP4615820 PATENT EXTENDS INTO 2044
PHASE	FAST-TO-MARKET: PHASE III "ENIGMA-TRS" TRIALS STARTED in AUG 2025, 12-WEEK TOPLINE RESULTS IN Q4 2026; LAUNCH IN 2027/2028 (ACCELERATED/CONDITIONAL APPROVAL)
PATHWAY	TWO PHASE III TRIALS IN TREATMENT-RESISTANT SCHIZOPHRENIA (INCL. CTRS); A CONFIRMATORY PHASE III TRIAL MAY BE NEEDED FOR INADEQUATE RESPONDERS
PATIENT	CLOZAPINE TREATMENT-RESISTANT SCHIZOPHRENIA PATIENTS CAN POTENTIALLY REGAIN A NORMAL SOCIAL AND PRODUCTIVE LIFE WITH A HIGHER LIFE EXPECTANCY
PHYSICIAN	POTENTIAL TO ADDRESS TREATMENT-RESISTANT PATIENTS WHERE CLOZAPINE NO LONGER WORKS OR OTHER ATYPICAL ANTIPSYCHOTICS
PAYER	TREATMENT-RESISTANT SCHIZOPHRENIA IS ASSOCIATED WITH SOME OF THE HIGHEST HOSPITALIZATION COSTS, COSTS TO SOCIETY AND RISK OF SUICIDE
PARTNER	US (CORE MARKET): ON POSITIVE PHASE III "ENIGMA-TRS" TRIALS; NON-CORE MARKETS: JAPAN & ASIA: EA PHARMA (2024); S. KOREA: MYUN (2025); EU & ROW PARTNERING IN 2025E

REVENUE MODEL

EUROPE (EXCL. CEE COUNTRIES) - PARTNER TBD	**2024E**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**	**2032E**	**2033E**	**2034E**
NUMBER OF PATIENTS (MN)	3.6	3.6	3.7	3.8	3.8	3.9	3.9	4.0	4.0	4.1	4.2
GROWTH (%)	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
PERCENTAGE WITH POSITIVE SYMPTOMS (%)	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%
PATIENTS WITH POSITIVE SYMPTOMS (MN)	2.5	2.6	2.6	2.6	2.7	2.7	2.7	2.8	2.8	2.9	2.9
TREATMENT-RESISTANT SCHIZOPHRENIA (%)	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
TREATMENT-RESISTANT SCHIZOPHRENIA PATIENTS	754'073	765'384	776'865	788'518	800'346	812'351	824'536	836'904	849'458	862'199	875'132
PATIENTS ON CLOZAPINE (%)	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%
PATIENTS ON CLOZAPINE	79'396	80'587	81'795	83'022	84'268	85'532	86'815	88'117	89'439	90'780	92'142
CLOZAPINE-RESISTANT SCHIZOPHRENIA (%)	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
CLOZAPINE-RESISTANT SCHIZOPHRENIA PATIENTS	23'819	24'176	24'539	24'907	25'280	25'659	26'044	26'435	26'832	27'234	27'643
PENETRATION (%)	0%	0%	0%	0%	12%	20%	26%	30%	32%	33%	34%
NUMBER OF TREATED CTRS PATIENTS	0	0	0	0	3'034	5'132	6'772	7'931	8'586	8'987	9'398
COST OF THERAPY PER YEAR (EUR)	3'650	3'650	3'650	3'650	3'650	3'650	3'650	3'650	3'650	3'650	3'650
SALES (EUR MN) - BOOKED BY PARTNER	**0**	**0**	**0**	**0**	**11**	**19**	**25**	**29**	**31**	**33**	**34**
CHANGE (%)						69%	32%	17%	8%	5%	5%
ROYALTY (%)	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
ROYALTIES (EUR MN)	0	0	0	0	1	2	2	3	3	3	3
UPFRONT & MILESTONE PAYMENTS (EUR MN)		20	5				5				
R&D COSTS	0	0	0	0	0	0	0	0	0	0	0
PROFIT BEFORE TAX (EUR MN)	**0**	**20**	**5**	**0**	**1**	**2**	**7**	**3**	**3**	**3**	**3**
TAXES (EUR MN)	0	0	-1	0	0	-1	-2	-1	-1	-1	-1
PROFIT (EUR MN)	**0**	**20**	**4**	**0**	**1**	**1**	**5**	**2**	**2**	**2**	**2**

NORTH AMERICA (NEWRON SPECIALIST SALES FORCE)	**2024E**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**	**2032E**	**2033E**	**2034E**
NUMBER OF PATIENTS (MN)	3.0	3.1	3.1	3.1	3.2	3.2	3.3	3.3	3.4	3.4	3.5
PATIENTS WITH POSITIVE SYMPTOMS (~70%) (MN)	2.1	2.1	2.2	2.2	2.2	2.3	2.3	2.3	2.4	2.4	2.4
TREATMENT-RESISTANT SCHIZOPHRENIA (~35%)	737'866	748'934	760'168	771'570	783'144	794'891	806'814	818'917	831'200	843'668	856'323
PATIENTS ON CLOZAPINE (~11%)	77'689	78'854	80'037	81'238	82'456	83'693	84'949	86'223	87'516	88'829	90'161
CLOZAPINE-RESISTANT SCHIZOPRENIA PATIENTS (~30%)	23'307	23'656	24'011	24'371	24'737	25'108	25'485	25'867	26'255	26'649	27'048
PENETRATION (%)	0%	0%	0%	0%	20%	32%	42%	50%	56%	60%	60%
NUMBER OF TREATED CTRS PATIENTS	0	0	0	0	4'947	8'035	10'704	12'933	14'703	15'989	16'229
COST OF THERAPY PER YEAR (EUR)	5'122	4'925	4'925	4'925	4'925	4'925	4'925	4'925	4'925	4'925	4'925
SALES (EUR MN) - BOOKED BY NEWRON	**0**	**0**	**0**	**0**	**24**	**40**	**53**	**64**	**72**	**79**	**80**
CHANGE (%)						62%	33%	21%	14%	9%	1%
COGS (%)	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
COGS (EUR MN)	0	0	0	0	-4	-6	-8	-10	-11	-12	-12
S,G&A (EUR MN)	0	0	0	0	-5	-7	-9	-11	-12	-13	-14
PROFIT BEFORE TAX (EUR MN)	**0**	**0**	**0**	**0**	**16**	**27**	**36**	**43**	**49**	**54**	**54**
TAXES (EUR MN)	0	0	0	0	-5	-8	-11	-14	-15	-17	-17
PROFIT (EUR MN)	**0**	**0**	**0**	**0**	**11**	**18**	**25**	**30**	**34**	**37**	**37**

JAPAN / ASIA (EXCL. CHINA, S. KOREA) - EA PHARMA	**2024E**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**	**2032E**	**2033E**	**2034E**
NUMBER OF PATIENTS (MN)	1.3	1.3	1.3	1.3	1.4	1.4	1.4	1.4	1.4	1.5	1.5
PATIENTS WITH POSITIVE SYMPTOMS (~70%) (MN)	0.9	0.9	0.9	0.9	1.0	1.0	1.0	1.0	1.0	1.0	1.0
TREATMENT-RESISTANT SCHIZOPHRENIA PATIENTS (~30%)	269'504	273'546	277'649	281'814	286'041	290'332	294'687	299'107	303'594	308'148	312'770
PATIENTS ON CLOZAPINE (~11%)	29'645	30'090	30'541	31'000	31'465	31'936	32'416	32'902	33'395	33'896	34'405
CLOZAPINE-RESISTANT SCHIZOPHRENIA PATIENTS (~30%)	8'894	9'027	9'162	9'300	9'439	9'581	9'725	9'871	10'019	10'169	10'321
PENETRATION (%)	0%	0%	0%	0%	12%	20%	26%	30%	32%	33%	34%
NUMBER OF TREATED CTRS PATIENTS	0	0	0	0	1'133	1'916	2'528	2'961	3'206	3'356	3'509
COST OF THERAPY PER YEAR (EUR)	3'650	3'650	3'650	3'650	3'650	3'650	3'650	3'650	3'650	3'650	3'650
SALES (EUR MN) - BOOKED BY EA PHARMA	**0**	**0**	**0**	**0**	**4**	**7**	**9**	**11**	**12**	**12**	**13**
CHANGE (%)						69%	32%	17%	8%	5%	5%
ROYALTY (%)	6%	6%	6%	6%	6%	8%	8%	8%	10%	10%	10%
ROYALTIES (EUR MN)	0	0	0	0	1	1	2	2	3	3	3
UPFRONT & MILESTONE PAYMENTS (EUR MN)			5				5				
PROFIT BEFORE TAX (EUR MN)	**0**	**0**	**5**	**0**	**1**	**1**	**7**	**2**	**3**	**3**	**3**
TAXES (EUR MN)	0	0	-1	0	0	-1	-2	-1	-1	-1	-1
PROFIT (EUR MN)	**0**	**0**	**4**	**0**	**0**	**1**	**5**	**1**	**2**	**2**	**2**

	2024E	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**	**2032E**	**2033E**	**2034E**
GLOBAL SALES (EUR MN)	**0**	**0**	**0**	**0**	**40**	**65**	**87**	**103**	**115**	**124**	**127**
CHANGE (%)											
GLOBAL PROFIT (EUR MN)	**0**	**20**	**9**	**0**	**12**	**21**	**34**	**33**	**38**	**41**	**42**
CHANGE (%)	-100%		-56%	-100%		73%	66%	-4%	15%	8%	2%
WACC (%)	10%										
NPV TOTAL PROFIT (CHF MN)	**281**										
NUMBER OF SHARES (MN)	20.9										
NPV PER SHARE (CHF)	13										
SUCCESS PROBABILITY	65%	(PIVOTAL PHASE III TRIAL)									
RISK ADJUSTED NPV PER SHARE (CHF)	**8.8**										

SENSITIVITY ANALYSIS

		WACC (%)				
	CHF/SHARE	8	9	10	11	12
	100%	15.9	14.6	13.5	12.5	11.5
	90%	14.3	13.2	12.1	11.2	10.4
	80%	12.8	11.7	10.8	10.0	9.2
SUCCESS PROBABILITY	70%	11.2	10.2	9.4	8.7	8.1
	65%	10.4	9.5	**8.8**	8.1	7.5
	50%	8.0	7.3	6.7	6.2	5.8
	40%	6.4	5.9	5.4	5.0	4.6

ESTIMATES AS OF 13 JANUARY 2026

SOURCE: VALUATIONLAB ESTIMATES

Investment case, strategy & cash

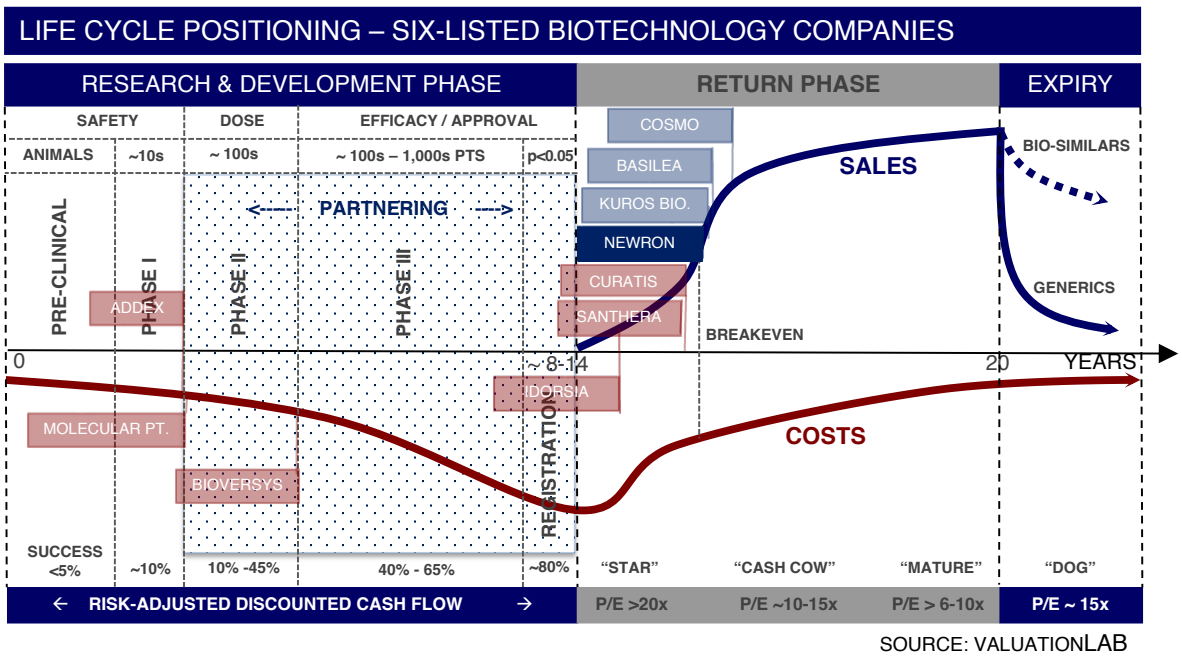
Investment case in a nutshell

Building on the compelling trial results from "Study 008A" and the unprecedented findings from "Study 014/015" of evenamide in schizophrenia, Newron has started two parallel phase III trials of evenamide in TRS patients, including the "ENIGMA-TRS 1" international trial and the "ENIGMA-TRS 2" US trial, and EA Pharma has started a separate phase III trial in Japan. The pivotal "ENIGMA-TRS" development program is being funded by attractive co-development and commercialization agreements for evenamide in non-core territories outside the US. These include EA Pharma for Japan and specific Asian markets, and Myung in Pharm for South Korea, marking the first partner validation of evenamide's sales potential in schizophrenia. To maximize evenamide's value, Newron will seek a US commercialization partner at substantially higher terms, following positive phase III "ENIGMA-TRS" 12-week topline results in Q4 2026. Extensive equity upside is expected to be unlocked upon positive pivotal trial results and the signing of a US sales partner.

Based on our detailed bottom-up forecasts for Newron's key drivers, which have ample patent life and market exclusivity and target blockbuster markets, we calculate a sum-of-the-parts risk-adjusted NPV of CHF 751 mn or CHF 37.6 per share, assuming a 4.5% share dilution to account for a potential EUR 25 mn fund raise to expand the US "ENIGMA-TRS 2" trial beyond US clinical trial centers in 2026.

Life Cycle Positioning – High Risk

We classify Newron's risk profile as High Risk because its product revenues depend entirely on low sales royalties from Xadago for Parkinson's disease. If evenamide successfully completes clinical development in TRS and schizophrenia, and the company secures a significant commercialization agreement in the US with substantial milestones and sales royalties that provide sustainable revenues and profits, Newron's risk profile should be reclassified to Medium Risk. (See Important Disclosures for our Risk Qualification.)



SOURCE: VALUATIONLAB

Italian biopharmaceutical company specializing in CNS and rare diseases

Newron Pharmaceuticals S.p.A. is an Italian biopharmaceutical company that specializes in prescription drugs for treating central nervous system (CNS) disorders and rare, often referred to as orphan diseases, with a focus on ion channel blockers, a vital class of CNS drugs. Newron is headquartered in Bresso, near Milan, Italy, and was founded in December 1998 as a spin-off from Pharmacia & Upjohn (now part of Pfizer). In 2014, the company established a US office in Morristown, New Jersey, USA. Currently, the group employs 22 people. Newron was listed on the SIX Swiss Stock Exchange in 2006 under the ticker code "NWRN". In addition to its primary listing in Switzerland, Newron started trading in Germany on the Düsseldorf Stock Exchange and XETRA (ticker code "NP5") to enhance access for EU-based investors via local brokers in 2019. It is considering to uplist to NASDAQ in 2026.

Strategy to develop CNS drug to an optimal value, then out-license major indications and preferably market orphan indications by an own small specialist salesforce

Newron's strategy involves developing drugs derived from prior discovery capabilities, acquiring or in-licensing CNS disease drugs, and advancing them to their optimal value. In rare diseases, such as evenamide for clozapine treatment-resistant schizophrenia (CTRS), the company aims to commercialize them whenever possible to enhance long-term value. When advantageous, Newron seeks co-development and commercialization agreements to minimize research and development costs while generating revenue through R&D funding, upfront, regulatory, and sales milestone payments, and royalties on future sales.

Newron's pipeline consists of a nice mix of major and rare disease indications

Newron's pipeline features a strong combination of major indications, including Xadago, which generates revenue through its partners for treating Parkinson's disease, and evenamide as an add-on to antipsychotics in schizophrenia. Additionally, there's an orphan-like indication for evenamide in clozapine treatment-resistant schizophrenia (CTRS), which shows a high unmet medical need. Significant value will be realized with the approval and launch of evenamide in schizophrenia, given its blockbuster sales potential. Newron's products include:

- **Evenamide – A new paradigm in schizophrenia, transformational potential**
  Evenamide is Newron's pipeline project with the highest peak sales potential, targeting a USD 12 bn schizophrenia market. Upon approval, it will be transformational for Newron. The compound is being developed as an add-on treatment for 1) treatment-resistant schizophrenia (TRS) patients who do not respond adequately to any second-generation antipsychotics, including the orphan-like indication of clozapine treatment-resistant schizophrenia (CTRS), and 2) non-treatment-resistant schizophrenia (non-TRS) patients who experience inadequate responses to current atypical antipsychotic monotherapy, covering roughly 70% of schizophrenia patients. Approximately 30% of schizophrenia patients respond well to monotherapy. Based on compelling clinical data from the open-label phase II trial "Study 014/015" in TRS patients and the potentially pivotal phase II/III trial "Study 008A", Newron started two parallel phase III trials in TRS and CTRS patients in 2025, including the "ENIGMA-TRS 1" international trial involving at least 600 patients and the "ENIGMA-TRS 2" US trial with at least 400 patients. A third phase III trial in Japan was started by EA Pharma in January 2026. Sufficient funding has been secured through agreements with EA Pharma, Myung in Pharm, and future partners in non-core territories outside the US. A confirmatory phase III trial in chronic schizophrenia patients may be needed for full approval to treat all schizophrenia patients. Evenamide will be commercialized through a series of partnerships worldwide, resulting

in substantial upfront, regulatory, and sales milestones and sales royalties, including EA Pharma for Japan and specific Asian markets, and Myung in Pharm in South Korea.

- **Xadago – First product to reach market – sales uptake hampered by generics**
  Xadago (safinamide) is Newron's first approved drug for treating patients with mid-to-late-stage Parkinson's disease. It was launched by its partners in the EU in 2015, in the US in 2017, and in Canada (branded Onstryv) and Japan (branded Equfina) in 2019. Xadago stems from Newron's earlier ion channel discovery capabilities and is the first New Chemical Entity (NCE) approved and launched for treating Parkinson's disease in over a decade. The company receives sales royalties and milestone payments from its development and commercialization partners, Zambon (worldwide rights excluding Meiji Seika territories) and Meiji Seika (Japan and Asia). Uptake in the US market, marketed by Supernus Pharma, is hampered by widespread, inexpensive generic versions of Teva's Azilect (rasagiline), which belongs to the same drug class as Xadago. In 2021, several generic manufacturers filed Paragraph IV ANDAs for Xadago in the US. Newron and its partners, Zambon and Supernus, have reached a settlement agreement with the generic manufacturers, permitting them to enter the US market no earlier than December 1, 2027. Supplementary Protection Certificates (SPCs) have been approved in most major markets, and Newron is confident that these will be granted in all key territories, providing protection until 2029.

Newron funded into end 2026/early 2027 beyond key value inflection points.
Newron anticipates a cash runway toward the end of 2026 or the beginning of 2027 to complete the ongoing clinical trial work for the current "ENIGMA-TRS 1" international trial and the "ENIGMA-TRS 2" US trial, using total available cash resources that include EUR 43 mn in cash and cash equivalents (30 June 2025), proceeds from the EA Pharma and Myung in Pharm agreements, royalty revenues from Xadago sales, and a deferral of the EUR 40 mn EIB loan repayment by roughly 1 ½ years, which began in November 2025. To expand the US "ENIGMA-TRS 2" trial beyond US clinical trial centers, the company is seeking to raise a further EUR 25 mn in 2026, which we have accounted for.

Newron's key priorities in the next 12-18 months include:
- Complete the "ENIGMA-TRS 1" international, 1-year, phase III trial in at least 600 patients, which started in August 2025, with 12-week topline results anticipated in Q4 2026.
- Complete the "ENIGMA-TRS 2" US, 12-week, phase III trial in at least 400 patients, which started in December 2025, with 12-week topline results anticipated in Q4 2026.
- Support partner EA Pharma with the recently started phase III trial in Japan.
- Pursue further partnership agreements for evenamide in non-core territories outside the US.
- Find an attractive US commercialization partner after positive 12-week topline results of the "ENIGMA-TRS" phase III trials.
- The ongoing rollout of Xadago in Parkinson's disease by its partners in new countries and regions, along with the establishment of new commercialization and distribution partnerships for Xadago beyond the EU, US, Japan, and Asia.
- EUR 25 mn potential fund raise to expand the current US "ENIGMA-TRS 2" trial beyond US clinical trial centers.
- Pursue new CNS development projects to expand the company's development pipeline.

Valuation Overview

Sum-of-parts risk-adjusted (r)NPV points to a fair value of CHF 37.6 per share
We derive a sum-of-parts rNPV of CHF 37.6 per share, with cash and cash equivalents of CHF 1.9 per share (30 June 2025), a potential fund raise in 2026 of EUR 1.1 mn per share, overhead of CHF 4.4 per share (including the repayment of the EUR 40 mn EIB loan starting in November 2025), with a WACC of 10% (consisting of a market risk premium of 6%, a beta of 1.5, and a risk-free rate (10-year Swiss bond yield) of 1%).

SUM OF PARTS

PRODUCT NAME	INDICATION	PEAK SALES (EUR MN)	LAUNCH YEAR	UNADJUSTED NPV/SHARE	SUCCESS PROBABILITY	RISK-ADJUSTED NPV/SHARE (CHF) **	PERCENTAGE OF TOTAL
XADAGO (SAFINAMIDE)	PARKINSON'S DISEASE	76	2015 (EU) I 2017 (US)	1.4	100%	1.4	3%
EVENAMIDE	SCHIZOPHRENIA (INADEQUATE RESPONDERS, TRS*)	1'398	2027/2028	44.3	65%	28.8	69%
EVENAMIDE	CLOZAPINE TREATMENT-RESISTANT SCHIZOPHRENIA (CTRS)	152	2027	13.5	65%	8.8	21%
RALFINAMIDE	NEUROPATHIC PAIN	NON CORE					
CASH & CASH EQUIVALENTS (30 JUNE 2025)		43		1.9		1.9	5%
EUR 25 MN FUND RAISE IN 2026E		25		1.1		1.1	3%
TOTAL ASSETS				**62.2**		**42.0**	**100%**
OVERHEAD EXPENSES (INCLUDING REPAYMENT OF THE EUR 40 MN EIB LOAN)				-4.4		-4.4	
**NPV/SHARE (CHF) ** **				**57.8**		**37.6**	
PRICE ON 13 JANUARY 2026						**27.9**	
PERCENTAGE UPSIDE / (DOWNSIDE)						35%	

* TRS = TREATMENT RESISTANT SCHIZOPHRENIA; ** ASSUMES 20.86 MN SHARES TO ACCOUNT FOR EUR 25 MN FUND RAISE IN 2026

ESTIMATES AS OF 13 JANUARY 2026 SOURCE: VALUATIONLAB ESTIMATES

Newron's key value drivers include:

Xadago (Parkinson's disease) - NPV of CHF 1.4 per share
Xadago is Newron's first drug to be marketed, marking the first new chemical entity (NCE) for Parkinson's disease in over a decade. The drug was launched in the EU (2015), in the US (2017), and in Japan (2019) to treat mid-to-late-stage Parkinson's disease. In the US market, sales uptake continues to be hindered by inexpensive generic versions of Teva's Azilect (rasagiline), which belongs to the same drug class as Xadago. Following an agreement with generic manufacturers, we anticipate that generic versions of Xadago will enter the US market as early as December 2027 (previously expected for 2031). We expect Newron to receive royalties on sales from its partners Zambon (and sub-licensors) and Meiji Seika (and partner Eisai), ranging between 10-12% in the EU/ROW, 7% in the US, and 2.5% in Japan. We calculate an NPV of CHF 1.4 per share with peak sales of around EUR 75 mn for Xadago in Parkinson's disease.

Evenamide (schizophrenia) – risk-adjusted NPV of CHF 28.8 per share
Evenamide targets a global antipsychotic market worth USD 17 bn. It could become the first add-on antipsychotic approved for patients with poorly responding and treatment-resistant schizophrenia (TRS), as well as the first drug for TRS since clozapine's approval in 1989. Based on compelling phase III "Study 008A" results in chronic schizophrenia and exciting open-label phase II "Study 014/015" results in TRS, Newron started the pivotal "ENIGMA-TRS" clinical development program of evenamide in TRS and CTRS patients. 12-week topline results from the first "ENIGMA-TRS 1" international, one-year, phase III trial with at least 600 patients and the second "ENIGMA-TRS 2" US phase III trial with at least 400 patients are due in Q4 2026. In January 2026, EA Pharma started a phase III trial in Japan to support its approval there. The "ENIGMA-TRS" program is funded by proceeds from partnering agreements with EA Pharma and Myung in Pharm, as well as the current cash balance. Newron will continue to seek partners in non-core territories outside the US. To maximize the value of evenamide, it will seek an attractive US commercialization partner on much better terms following positive "ENIGMA-TRS" topline results. We project peak sales

for evenamide to reach approximately EUR 1.4 bn in schizophrenia and TRS (excluding CTRS), with the first launches anticipated in 2028. We estimate an rNPV of CHF 28.8 per share, with a 65% (pivotal phase III) success rate, and expect Newron to receive up to EUR 659 mn in global upfront payments, development costs, regulatory milestones, and sales milestones, as well as around 15% royalties on global sales.

Evenamide (CTRS) – risk-adjusted NPV of CHF 8.8 per share

Newron's development plans for evenamide include clozapine treatment-resistant schizophrenia (CTRS) and non- and poorly-responding schizophrenia, driven by the significant unmet medical need for new therapies, studies indicating the glutamate system's role in CTRS, and a US orphan disease designation that provides seven years of market exclusivity in the US. CTRS presents a fast-to-market opportunity, with an anticipated US launch in 2027/2028, based on accelerated approval in the US and conditional approval in the EU, following positive "ENIGMA-TRS" phase III trial results. We assume that Newron will commercialize evenamide for CTRS in the US through a small in-house commercial team of key account managers, while seeking partners outside the US in exchange for EUR 39 mn milestone payments, plus around 15% royalties on net sales. We forecast peak sales of approximately EUR 150 mn. Our rNPV is CHF 8.8 per share, factoring in a 65% (pivotal phase III) success rate.

NOTE: An additional upside to our forecasts may come from higher pricing if the phase III program results suggest a new treatment paradigm in which evenamide enhances quality of life and significantly alleviates the social burden. Patients with CTRS use the most resources among all schizophrenia patients, thereby warranting higher pricing if evenamide proves effective.

Sensitivities that can influence our valuation

Development risk: With Xadago approved in major markets, Newron's primary risk is the development of evenamide as an add-on therapy for schizophrenia. We have a 65% (phase III) success rate for evenamide in TRS and CTRS, based on the pivotal "ENIGMA-TRS" clinical development program. The successful development and approval of evenamide in schizophrenia will be transformational for Newron. The company has secured the necessary funds to develop evenamide for schizophrenia. Additional funding is expected from a US partnering deal for evenamide and an uplisting to NASDAQ.

Pricing and reimbursement: Following EMA and FDA approval, evenamide must be priced and reimbursed by local healthcare providers. In the EU, pricing and reimbursement occur on a country-by-country basis, leading to different pricing and reimbursement and potential market launch delays. Pricing and reimbursement have been established in the US.

Partnering: In 2012, Newron out-licensed Xadago to Zambon, which obtained worldwide rights except in Japan and Asia, where rights are held by Meiji Seika. Although Zambon lacks a strong CNS presence in all markets, it has secured robust commercialization partners in certain regions, with Supernus Pharmaceuticals managing the crucial US market. For evenamide, Newron has established exclusive development and commercialization agreements with EA Pharma (Japan and select Asian countries) and Myung in Pharm (South Korea), underscoring evenamide's potential. Following positive 12-week topline results from the "ENIGMA-TRS" phase III trials (Q4 2026), Newron intends to select a partner for the lucrative US market to maximize its value. Partnering will reduce development risk and cash burn while enhancing Newron's financial flexibility to acquire external CNS clinical compounds and strengthen its pipeline. Timing and terms may differ from our forecasts.

Commercialization: Newron's revenues and earnings from Xadago depend entirely on its commercialization partners to effectively position and market the drug against existing Parkinson's treatments, including Teva's Azilect (rasagiline) and generic versions of rasagiline. Newron requires major CNS players to successfully commercialize evenamide for schizophrenia and other antipsychotic indications. Revenues and earnings from evenamide will rely solely on its commercialization partner's ability to position and market it against both existing and new treatments. Newron intends to sell evenamide in CTRS in the US using a small in-house commercial team of key account managers, which may require additional funding.

Patent and market exclusivity: Xadago's composition-of-matter (COM) patent expired in 2010. Beyond that, patent protection and market exclusivity depend largely on the combination patent with levodopa, which runs until 2024 (EU) and 2026 (US, with possible extensions of up to 5 years). A synthesis patent provides additional protection until 2027. We assume patent protection for Xadago in the EU/ROW until 2029, following an agreement with several generic manufacturers that filed a Paragraph IV ANDA for Xadago in the US, which lasts until December 2027. Evenamide's US patent protection runs until 2028, with additional five-year extensions. NCE (new chemical entity) exclusivity grants 5 years in the US, while orphan disease exclusivity adds 7 years upon US approval, and data protection ensures 10-year exclusivity in the EU. A new EU COM patent extends patent protection through 2044, with a high likelihood of adoption in all key markets in the next few years.

Catalysts

CATALYST TIMELINES

TIME LINE	PRODUCT	INDICATION	MILESTONE	COMMENT	IMPACT ON RNPV/SHARE
6 JAN	EVENAMIDE	SCHIZOPHRENIA	NEW EU COM PATENT GRANTED	NEW EU COMPOSITION OF MATTER PATENT (COM), EP4615820, GRANTED BY THE EUROPEAN PATENT OFFICE (EPO) COVERING NEW CRYSTALLINE FORMS OF EVENAMIDE, PROCESSES FOR THEIR PREPARATION, AND THEIR USES, PROVIDES PROTECTION UNTIL 2044; NATIONAL PHASES FOR COUNTERPART APPLICATIONS TO EP4615820 IN ALL KEY COUNTRIES HAVE BEEN COMPLETED EXTENDING PATENT PROTECTION BY ROUGHLY 10 YEARS	
7 JAN	EVENAMIDE	SCHIZOPHRENIA	START PHASE III TRIAL IN JAPAN	EA PHARMA STARTED A PHASE III TRIAL FOR EVENAMIDE IN TRS PATIENTS IN JAPAN, WHICH WILL COMPLEMENT THE TWO GLOBAL PIVOTAL "ENIGMA-TRS" TRIALS FOR JAPANESE APPROVAL	
24 MAR			FY 2025 RESULTS	UPDATE ON PROGRESS IN FY 2025 AND CASH POSITION & REACH	
22 SEP			H1 2026 RESULTS	UPDATE ON PROGRESS IN H1 2026 AND CASH POSITION & REACH	
Q4	EVENAMIDE	SCHIZOPHRENIA	TOPLINE RESULTS PHASE III "ENIGMA-TRS" TRIALS	12-WEEK TOPLINE RESULTS OF BOTH "ENIGMA-TRS" TRIALS WITH EVENAMIDE AS AN ADD-ON TO EXISTING ANTIPSYCHOTIC THERAPY ENROLLING AT LEAST 1,000 SCHIZOPHRENIA PATIENTS WHO DO NOT ADEQUATELY OR ARE RESISTANT TO CURRENT THERAPY;	+CHF 8.6
DURING 2026	EVENAMIDE	SCHIZOPHRENIA	POTENTIAL PARTNERING AGREEMENT(S)	NEWRON EXPECTS MORE AGREEMENTS WITH MAJOR CNS PLAYERS FOR EVENAMIDE OUTSIDE THE US (NON-CORE TERRITORIES) SUCH AS EUROPE, OTHER ASIAN COUNTRIES, OR LATIN AMERICA, TO ENHANCE ITS DEVELOPMENT AND COMMERCIAL REACH, REDUCE ITS CASH BURN AND STRENGTHEN ITS CASH POSITION	TBD
DURNG 2026			FUND RAISE	POTENTIAL EUR 25 MN FUND RAISE TO EXPAND THE EVENAMIDE "ENIGMA-TRS 2" PHASE III TRIAL BEYOND US CLINICAL TRIAL CENTERS	
DURING 2026			EXTERNAL CNS PIPELINE PRODUCTS	ONGOING SEARCH FOR STRATEGICALLY RELEVANT ASSETS TO ADD TO NEWRON'S CNS PIPELINE	TBD

ESTIMATES AS OF 13 JANUARY 2026

SOURCE: VALUATIONLAB ESTIMATES, NEWRON PHARMACEUTICALS

Income Statement

NEWRON PHARMACEUTICALS									SHARE PRICE (CHF)		27.85
IFRS											
INCOME STATEMENT (EUR MN)	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
PRODUCT SALES (INCLUDING PARTNERS)	**67**	**71**	**73**	**76**	**241**	**524**	**696**	**801**	**877**	**949**	**1'008**
CHANGE (%)	4%	7%	3%	3%	218%	118%	33%	15%	9%	8%	6%
PRODUCT SALES (BY NEWRON)	**0**	**0**	**0**	**0**	**24**	**40**	**53**	**64**	**72**	**79**	**80**
CHANGE (%)						62%	33%	21%	14%	9%	1%
ROYALTIES	**7**	**7**	**8**	**8**	**31**	**77**	**105**	**121**	**139**	**151**	**161**
CHANGE (%)	3%	8%	3%	3%	289%	152%	36%	16%	15%	8%	7%
LICENCE, UPFRONT & MILESTONE INCOME	**44**	**26**	**97**	**72**	**65**	**47**	**12**	**36**	**40**	**45**	**6**
OTHER INCOME & GRANTS	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
REVENUES (EXCL. PARTNER SALES)	**51**	**33**	**105**	**80**	**120**	**164**	**170**	**221**	**251**	**274**	**247**
CHANGE (%)	467%	-35%	213%	-24%	50%	37%	3%	30%	14%	9%	-10%
COGS	**0**	**0**	**0**	**0**	**-4**	**-6**	**-8**	**-10**	**-11**	**-12**	**-12**
GROSS PROFIT	**51**	**33**	**105**	**80**	**116**	**158**	**162**	**211**	**240**	**262**	**235**
CHANGE (%)	467%	-35%	213%	-24%	46%	36%	2%	31%	14%	9%	-10%
MARGIN	100%	100%	100%	100%	97%	96%	95%	96%	96%	96%	95%
R&D	**-14**	**-18**	**-27**	**-19**	**-10**	**-11**	**-11**	**-12**	**-12**	**-13**	**-13**
CHANGE (%)	4%	32%	50%	-30%	-47%	5%	5%	5%	5%	5%	5%
S,G&A	**-12**	**-9**	**-10**	**-8**	**-13**	**-15**	**-17**	**-19**	**-20**	**-21**	**-22**
CHANGE (%)	54%	-22%	11%	-20%	61%	14%	15%	11%	8%	5%	1%
OPERATING EXPENSES	**-25**	**-27**	**-37**	**-27**	**-27**	**-31**	**-36**	**-40**	**-43**	**-46**	**-47**
CHANGE (%)	22%	7%	37%	-27%	-2%	17%	15%	11%	8%	6%	2%
AS % REVENUES	49%	81%	35%	34%	22%	19%	21%	18%	17%	17%	19%
EBITDA	**26**	**7**	**68**	**53**	**94**	**133**	**134**	**181**	**208**	**229**	**200**
CHANGE (%)	-331%	-75%	916%	-22%	77%	42%	1%	35%	15%	10%	-12%
MARGIN (%)	51%	20%	65%	66%	78%	81%	79%	82%	83%	83%	81%
DEPRECIATION & AMORTIZATION	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
AS % REVENUES	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%
EBIT	**26**	**6**	**68**	**53**	**94**	**133**	**134**	**181**	**208**	**228**	**200**
CHANGE (%)	-325%	-75%	944%	-22%	77%	42%	1%	35%	15%	10%	-12%
MARGIN (%)	51%	19%	65%	66%	78%	81%	79%	82%	83%	83%	81%
NET FINANCIAL INCOME/(EXPENSE)	**-5**	**-4**	**-1**	**2**	**3**	**5**	**6**	**8**	**11**	**14**	**19**
PROFIT BEFORE TAXES	**21**	**2**	**67**	**54**	**97**	**137**	**140**	**189**	**219**	**243**	**219**
MARGIN	42%	7%	64%	68%	81%	84%	83%	86%	87%	88%	89%
TAXES	**-6**	**0**	**-11**	**-12**	**-39**	**-55**	**-49**	**-65**	**-78**	**-78**	**-68**
TAX RATE (%)	26%	1%	17%	22%	40%	40%	35%	34%	36%	32%	31%
NET PROFIT/LOSS	**16**	**2**	**56**	**43**	**58**	**83**	**91**	**125**	**141**	**164**	**151**
CHANGE (%)	-198%	-84%	2160%	-24%	35%	43%	10%	37%	13%	17%	-8%
MARGIN (%)	31%	7%	53%	53%	48%	50%	54%	56%	56%	60%	61%
PROFIT/(LOSS) PER SHARE (IN EUR)	**0.85**	**0.12**	**2.79**	**2.14**	**2.89**	**4.14**	**4.57**	**6.24**	**7.07**	**8.24**	**7.58**
PROFIT/(LOSS) PER SHARE (IN CHF)	**0.82**	**0.12**	**2.63**	**2.01**	**2.72**	**3.90**	**4.30**	**5.88**	**6.66**	**7.76**	**7.13**

ESTIMATES AS OF 13 JANUARY 2026 SOURCE: VALUATIONLAB ESTIMATES

NOTE: At the end of FY 2024, Newron had a total of EUR 299 mn tax loss carryforwards, which the company can use on current and future profits.

Ratios & Balance Sheet

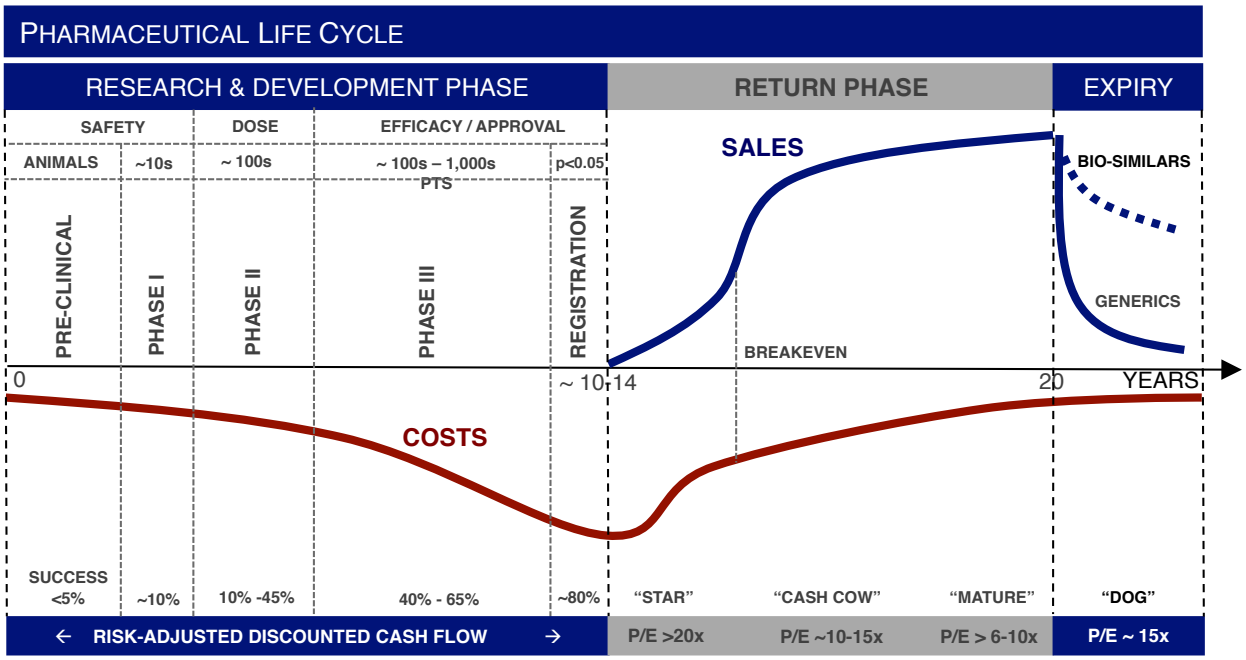
NEWRON PHARMACEUTICALS									SHARE PRICE (CHF)		27.85
RATIOS	**2024**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**	**2032E**	**2033E**	**2034E**
P/E		**239.2x**	**10.6x**	**13.8x**	**10.2x**	**7.1x**	**6.5x**	**4.7x**	**4.2x**	**3.6x**	**3.9x**
P/S		**17.6x**	**5.6x**	**7.4x**	**4.9x**	**3.6x**	**3.5x**	**2.7x**	**2.3x**	**2.2x**	**2.4x**
P/NAV		**150.4x**	**9.9x**	**5.8x**	**3.7x**	**2.4x**	**1.8x**	**1.3x**	**1.0x**	**0.8x**	**0.6x**
EV/EBITDA		**82.0x**	**8.1x**	**10.3x**	**5.8x**	**4.1x**	**4.1x**	**3.0x**	**2.6x**	**2.4x**	**2.7x**
PER SHARE DATA (CHF)	**2024**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**	**2032E**	**2033E**	**2034E**
EARNINGS	**0.82**	**0.12**	**2.63**	**2.01**	**2.72**	**3.90**	**4.30**	**5.88**	**6.66**	**7.76**	**7.13**
CHANGE (%)	-193%	-86%	2160%	-24%	35%	43%	10%	37%	13%	17%	-8%
CASH	**0.51**	**2.29**	**5.16**	**8.00**	**12.90**	**19.73**	**26.71**	**36.02**	**46.76**	**58.63**	**69.44**
CHANGE (%)	-25%	350%	125%	55%	61%	53%	35%	35%	30%	25%	18%
DIVIDENDS	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
PAYOUT RATIO (%)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
NET ASSET VALUE	**0.08**	**0.19**	**2.82**	**4.83**	**7.55**	**11.45**	**15.75**	**21.62**	**28.28**	**36.04**	**43.17**
CHANGE (%)	-105%	145%	1421%	71%	56%	52%	38%	37%	31%	27%	20%
BALANCE SHEET (EUR MN)	**2024**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**	**2032E**	**2033E**	**2034E**
NET LIQUID FUNDS	**10**	**49**	**109**	**170**	**273**	**418**	**566**	**764**	**991**	**1'243**	**1'472**
TOTAL ASSETS	**64**	**103**	**163**	**224**	**327**	**472**	**620**	**818**	**1'045**	**1'297**	**1'526**
SHAREHOLDERS' EQUITY	**1**	**4**	**60**	**102**	**160**	**243**	**334**	**458**	**600**	**764**	**915**
CHANGE (%)	-105%	169%	1421%	71%	56%	52%	38%	37%	31%	27%	20%
RETURN ON EQUITY (%)	1087%	63%	93%	42%	36%	34%	27%	27%	24%	22%	17%
FINANCIAL DEBT	**50**	**39**	**1**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
FINANCIAL DEBT AS % OF TOTAL ASSETS	78%	38%	1%	0%	0%	0%	0%	0%	0%	0%	0%
EMPLOYEES	**22**	**22**	**23**	**24**	**25**	**26**	**27**	**28**	**29**	**30**	**31**
CHANGE (%)	0%	0%	4%	4%	4%	4%	4%	4%	4%	4%	4%
CASH FLOW STATEMENT (EUR MN)	**2024**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**	**2032E**	**2033E**	**2034E**
NET PROFIT / (LOSS) BEFORE TAX	**21**	**2**	**67**	**54**	**97**	**137**	**140**	**189**	**219**	**243**	**219**
DEPRECIATION & AMORTIZATION	0	0	0	0	0	0	0	0	0	0	0
OTHER NON-CASH ITEMS	-1	0	0	0	0	0	0	0	0	0	0
CASH FLOW	**20**	**3**	**68**	**55**	**97**	**138**	**141**	**190**	**220**	**243**	**220**
NET INCREASE/(DECREASE) IN WORKING CAPITAL	-38	49	6	6	6	7	7	7	8	8	9
OPERATING FREE CASH FLOW	**-18**	**52**	**74**	**61**	**104**	**145**	**148**	**197**	**228**	**252**	**229**
NET CASH FLOWS FROM INVESTING ACTIVITIES	3	0	0	0	0	0	0	0	0	0	0
NET CASH USED IN OPERATING ACTIVITIES	**-14**	**52**	**74**	**61**	**104**	**145**	**148**	**197**	**228**	**252**	**229**
NET CASH FLOWS FROM FINANCING ACTIVITIES	15	-13	-13	-1	0	0	0	0	0	0	0
NET INCREASE/(DECREASE) CASH & CASH EQUIVALENTS	**1**	**39**	**61**	**60**	**104**	**145**	**148**	**197**	**228**	**252**	**229**

ESTIMATES AS OF 13 JANUARY 2026 SOURCE: VALUATIONLAB ESTIMATES

NOTE: Newron anticipates a cash runway toward the end of 2026 or the beginning of 2027 to complete the ongoing clinical trial work for the current “ENIGMA-TRS 1” international trial and the “ENIGMA-TRS 2” US trial, using total available cash resources that include EUR 43 mn in cash and cash equivalents (30 June 2025), proceeds from the EA Pharma and Myung in Pharm agreements, royalty revenues from Xadago sales, and a deferral of the EUR 40 mn EIB loan repayment by roughly 1 ½ years, which began in November 2025. To expand the US “ENIGMA-TRS 2” trial beyond US clinical trial centers, the company is seeking to raise a further EUR 25 mn in 2026, which we have accounted for.

APPENDIX

Pharmaceutical life cycle



SOURCE: VALUATIONLAB

To determine the value of a prescription (bio)pharmaceutical compound, it is critical to understand its life cycle. Fortunately, all compounds follow the same life cycle. The clock starts ticking after the compound is patented, providing 20 years of protection from generic competition. Market exclusivities can extend this protection period. The average Research & Development Phase takes 10-14 years, leading to an effective Return Phase of 6-10 years. The Development Phase has 3 distinct Phases, focused on safety (Phase I), dose (Phase II) and efficacy/clinical benefit (Phase III). The compound is filed for registration/approval at the FDA (US) or EMA (EU). The Return Phase is characterized by a star, cash cow, and mature phase. After patent expiry (or loss of market exclusivity) generic manufacturers may copycat the branded prescription drug, at significantly lower costs, leading to a sales and earnings implosion of the branded drug.

Success probabilities and royalties

In our risk-adjusted NPV calculations, we use standardized success probabilities based on historical clinical success rates. The success rate increases as the project progresses through development. Sales and earnings forecasts are based on the clinical and competitive profile of the compound. The more advanced the compound is, the more accurate the forecasts become as the target market can be defined. We conservatively exclude projects that lack Phase IIa proof-of-concept data in our valuations.

SUCCESS PROBABILITIES & ROYALTIES

DEVELOPMENT STAGE	AIM	WHAT / WHO	SUCCESS PROBABILITY (%)	COSTS (USD MN)	ROYALTIES (%)
PRE-CLINICAL	SAFETY & PHARMACOLOGY DATA	LAB TESTS / ANIMALS - NO HUMANS!	< 5	3	
PHASE I	SCREENING FOR SAFETY	HEALTHY VOLUNTEERS (10'S)	5-15	3	< 5
PHASE IIA	PROOF-OF-CONCEPT	PATIENTS WITH DISEASE (10'S)	10-20		
PHASE II	ESTABLISH THE TESTING PROTOCOL	PATIENTS WITH DISEASE (100'S)	15-35	5	5-15
PHASE IIB	OPTIMAL DOSAGE	PATIENTS WITH DISEASE (100'S)	20-45	5-10	
PHASE III	EVALUATE OVERALL BENEFIT/RISK	PATIENTS WITH DISEASE (1,000'S)	40-65	> 20-1,000	10-25
REGULATORY FILING	DETERMINE PHYSICIAN LABELING	CLINICAL BENEFIT ASSESSMENT	80-90		
APPROVAL	MARKETING AUTHORIZATION	PHYSICIANS FREE TO PRESCRIBE	100		15-30

SOURCE: VALUATIONLAB, TUFTS, FDA, EMA, CLINICALTRIALS.GOV

Important Research Disclosures

valuationLAB AG is an independent life science research boutique with no securities or banking services. The company does not hold any positions in the securities mentioned in this report.

Our financial analyses are based on the "Directives on the Independence of Financial Research" issued by the Swiss Bankers Association in January 2008.

Purpose of the Research

This research report has been **commissioned by Newron Pharmaceuticals S.p.A.** and prepared and issued by valuationLAB AG for general circulation and is circulated for general information only. This document has been furnished to you solely for your information and may not be reproduced or redistributed to any other person. Information has been obtained from publicly available sources believed to be reliable but no representation or warranty, either expressed or implied, is provided in relation to the accuracy, completeness or reliability of the information contained herein. Views and estimates constitute our judgment as of the date of this report and are subject to change without notice. Past performance is not indicative of future results. This research report is not intended as an offer or solicitation for the purchase or sale of any financial instrument. Securities, financial instruments or strategies mentioned herein may not be suitable for all investors. The views and recommendations herein do not take into account individual client circumstances, objectives, or needs and are not intended as recommendations of particular securities, financial instruments or strategies to particular clients. The recipient of this research report must make his or her own independent decisions regarding any securities or financial instruments mentioned herein.

The information contained herein is directed exclusively at market professionals and institutional investors and does not apply to, and should not be relied upon by, private clients. valuationLAB AG accepts no liability for any loss or damage of any kind arising out of the use of this research report or its contents. This research report is not directed to or intended for distribution to or use by any person or entity in any jurisdiction where such distribution, publication or use would be unlawful. By accepting this document, you agree to be bound by the foregoing limitations.

Achievement of the (risk-adjusted) Fair Value

Recipients of this research report should seek financial advice regarding the appropriateness of investing in any security; financial instrument or strategy discussed in this report and should understand that future (risk-adjusted) fair values may not be realized. The (risk-adjusted) fair value estimate is based on a number of factors and assumptions. It should be noted that if any of these are inaccurate or are not achieved, it might be necessary to adjust the fair value. Investors should note that income from such securities or financial instruments or strategies, if any, may fluctuate and that each security's price or value may rise or fall. Accordingly, investors may receive back less than originally invested. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related investment mentioned in this research report. In addition, investors in securities such as ADRs, whose values are influenced by the currency of the underlying security, effectively assume currency risk. Fair values for stocks under coverage are calculated by submitting the analyst(s)' financial projections to one or more of a variety of valuation approaches. These include "absolute" methodologies such as DCF and NPV modeling, as well as relative methodologies such as peer group and market valuation multiple comparisons.

Risk Qualification

Speculative	less than 1 year cash and breakeven beyond 1 year
High Risk	profitable within 2 years and 1 approved product/key indication (patent expiry > 5 years)
Medium Risk	profitable and/or sales from at least 2 marketed products/key indications (patent expiry > 5 years)
Low Risk	profitable and sales from >2 marketed products/key indications (patent expiry > 5 years)

Analyst Certification

The research analyst(s) identified on the first page of this research report hereby attest that all of the views expressed in this report accurately reflect their personal views about any and all of the subject securities or issuers. In order to ensure the independence of our research analysts, and their immediate household, are expressly prohibited from owning any securities in the valuationLAB AG research universe, which belong to their sector(s). Neither the research analyst nor his/her immediate household serves as an Officer, Director or Advisory Board Member of Newron Pharmaceuticals S.p.A.

FELSENRAINSTRASSE 17 I 8832 WOLLERAU I SWITZERLAND I WWW.VALUATIONLAB.COM I P: +41 79 652 67 68