

Investment Plan for Europe: EIB backs Italian CNS drug developer Newron Pharmaceuticals with up to EUR 40m

The European Investment Bank (EIB) and Newron Pharmaceuticals S.p.A. (“Newron”) (SIX: NWRN), a biopharmaceutical company focused on the development of novel therapies for patients with diseases of the central and peripheral nervous system (CNS), signed a financing agreement today, which will allow the Company to borrow up to EUR 40 million over the coming years, subject to achieving a set of agreed performance criteria.

This EIB loan is backed by the European Fund for Strategic Investments (EFSI), the central pillar of the Investment Plan for Europe, the Juncker Plan.

“Neurological disorders affect up to one billion people worldwide^[1]. In Europe alone, the annual economic cost of neurological diseases was estimated at about EUR 139 billion in 2004^[2]”, said Ambroise Fayolle, Vice President of the EIB responsible for operations under EFSI and Innovation. “Many patients with CNS diseases are in need of new or more efficacious therapeutics. The EU bank provides long-term and stable capital support to help drive innovation and clinical success in this field. It’s this type of support for innovative companies like Newron that is crucial to strengthening Europe’s competitiveness.”

European Commissioner for Health and Food Safety, Vytenis Andriukaitis said: “Sustained investment in research and innovation for treatment of neurological disorders is critical. This new agreement provides further evidence of the EU added value of the Investment Plan, not only for the competitiveness of the EU economy, but above all for the citizens’ wellbeing.”

Stefan Weber, Chief Executive Officer of Newron Pharmaceuticals, added: “We are very pleased that the EIB has recognized the potential of Newron’s current R&D activities. This loan will provide us with additional financial flexibility over the coming years and significantly enhance our resources. We may use it to further advance our key assets to market and beyond and help in maximizing their market potential.”

Newron aims to build a leading Central Nervous System (CNS) company that searches, develops and commercializes innovative drugs, with a special focus on rare diseases. The company’s first product developed in-house, Xadago® (safinamide), is the first New Chemical Entity in a decade approved in Europe and the U.S. for the treatment of Parkinson’s disease (PD). The product is commercialized in a number of European markets as well as in the USA and the Company’s partners Zambon and Meiji Seika Pharma are working towards global approval. Newron has two advanced product candidates in late stage clinical development: Sarizotan for the treatment of respiratory disturbances in Rett

syndrome, which is evaluated in the ongoing potentially pivotal STARS (Sarizotan Treatment of Apneas in Rett Syndrome) study, and Evenamide as an add-on therapy for the treatment of certain symptoms of schizophrenia, with the additional potential to improve the life of patients who are treatment resistant to Clozapine.

Newron plans to directly market orphan or orphan like drugs emerging of its innovative clinical pipeline, and to consider partner opportunities directed at larger markets when offering the best return to Newron's shareholders.

EIB financing is intended to boost Newron's R&D activities and will primarily be used to support the Company's pivotal and post approval stage development programs in diseases of the central nervous system.

[\[1\]](#) World Health Organization (WHO), "Neurological Disorders – public health challenges", 2006

[\[2\]](#) According to a study published in the European Journal of Neurology, June 2005.