PRESS RELEASE

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

Luxembourg and Milan – October 30, 2018 – 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.

Background information

About Newron Pharmaceuticals
Newron (SIX: NWRN) is a biopharmaceutical company focused on the development of novel therapies for patients with diseases of the central and peripheral nervous system. The company is headquartered in Bresso near Milan, Italy. Xadago®/safinamide has received marketing authorization for the treatment of Parkinson's disease in the European Union, Switzerland and the USA, and is commercialized by Newron's Partner Zambon. US WorldMeds holds the commercialization rights in the USA. Meiji Seika has the rights to develop and commercialize the compound in Japan and other key Asian territories. In addition to Xadago®/safinamide for Parkinson's disease, Newron has a strong pipeline of promising treatments for rare disease patients at various stages of clinical development, including Sarizotan for patients with Rett syndrome and ralfinamide for patients with specific rare pain indications. Newron is also developing Evenamide as the potential first add-on therapy for the treatment of patients with positive symptoms of schizophrenia. For more information, please visit: www.newron.com.

About the EIB
The EIB is the long-term lending institution of the EU. It is owned by and represents the interests of the European Union countries. The Bank makes long-term finance available for sound investment in order to contribute towards EU policy goals. The EIB works closely with other EU institutions to implement EU policy.

The Investment Plan for Europe
The Investment Plan for Europe, the so-called Juncker Plan, is one of European Commission President Jean-Claude Juncker's top priorities. It focuses on boosting European investments to create jobs and growth by making smarter use of new and existing financial resources, removing obstacles to investment and providing visibility and technical assistance to investment projects.

The European Fund for Strategic Investments (EFSI) is the central pillar of the Investment Plan. It allows the EIB to invest in more, often riskier, projects. EFSI is already showing concrete results. The projects and agreements approved for financing until October 2018, three years after EFSI came being, will mobilise EUR 344.4 bn in total investments and support some 793 000 SMEs across all 28 Member States.

The latest EFSI figures by sector and by country are available here.

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Important Notices

This document contains forward-looking statements, including (without limitation) about (1) Newron's ability to develop and expand its business, successfully complete development of its current product candidates and current and future collaborations for the development and commercialisation of its product candidates and reduce costs (including staff costs), (2) the market for drugs to treat CNS diseases and pain conditions, (3) Newron's anticipated future revenues, capital expenditures and financial resources, and (4) assumptions underlying any such statements. In some cases, these statements and assumptions can be identified by the fact that they use words such as "will," "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "target," and other words and terms of similar meaning. All statements, other than historical facts, contained herein regarding Newron's strategy, goals, plans, future financial position, projected revenues and costs and prospects are forward-looking statements. By their very nature, such statements and assumptions involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other outcomes described, assumed or implied therein will not be achieved. Future events and actual results could differ materially from those set out in, contemplated by or underlying the forward-looking statements due to a number of important factors. These factors include (without limitation) (1) uncertainties in the discovery, development or marketing of products, including without limitation negative results of clinical trials or research projects or unexpected side effects, (2) delay or inability in obtaining regulatory approvals or bringing products to market, (3) future market acceptance of products, (4) loss of or inability to obtain adequate protection for intellectual property rights, (5) inability to raise additional funds, (6) success of existing and entry into future collaborations and licensing agreements, (7) litigation, (8) loss of key executive or other employees, (9) adverse publicity and news coverage, and (10) competition, regulatory, legislative and judicial developments or changes in market and/or overall economic conditions. Newron may not actually achieve the plans, intentions or expectations disclosed in forward-looking statements, and assumptions underlying any such statements may prove wrong. Investors should therefore not place undue reliance on them. There can be no assurance that actual results of Newron's research programmes, development activities, commercialisation plans, collaborations and operations will not differ materially from the expectations set out in such forward-looking statements or underlying assumptions. Newron does not undertake any obligation to publicly update or revise forward-looking statements except as may be required by applicable regulations of the SIX Swiss Exchange, where the shares of Newron are listed. This announcement is not an offer for sale of securities in the United States, Canada, Australia or Japan or any other jurisdiction where such an offer or solicitation would otherwise be unlawful. The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Newron does not intend to register any of its securities in the United States or to conduct a public offering of its securities in the United States. This document does not contain or constitute an offer or invitation to purchase or subscribe for any securities of Newron and no part of this document shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.