



Allosteric Modulators for Human Health

Half-Year Interim Report 2026

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Unaudited Interim Condensed Consolidated Balance Sheets

as of June 30, 2026, and December 31, 2025

	Notes	June 30, 2026	December 31, 2025
Amounts in Swiss francs			
ASSETS			
Current assets			
Cash and cash equivalents.....	6	767,328	1,638,612
Other financial assets.....	7/13	3,984	5,130
Trade and other receivables.....	7	29,746	20,087
Prepayments	7	237,449	16,295
Total current assets.....		1,038,507	1,680,124
Non-current assets			
Right-of-use assets.....	8	75,721	33,530
Intangible assets.....	10	-	-
Equipment.....	9	495	707
Non-current financial assets.....	11	54,543	7,086
Investment accounted for using the equity method.....	22	1,517,007	3,847,796
Financial assets at fair value through Other Comprehensive Income.....	23	285,962	285,962
Derivative financial instruments.....	24	509,067	509,067
Total non-current assets.....		2,442,795	4,684,148
Total assets.....		3,481,302	6,364,272
LIABILITIES AND EQUITY			
Current liabilities			
Current lease liabilities.....		54,472	7,680
Payables and accruals.....	12	1,262,941	1,191,284
Other current liabilities.....	12	47,461	-
Total current liabilities.....		1,364,874	1,198,964
Non-current liabilities			
Non-current lease liabilities.....		23,023	27,008
Retirement benefits obligations.....	15	184,847	371,608
Total non-current liabilities.....		207,870	398,616
Equity			
Share capital.....	13	2,186,545	2,186,545
Share premium.....	13	267,620,796	267,308,174
Other equity.....	13	64,620,223	64,620,223
Treasury shares reserve.....	13	(921,768)	(1,014,980)
Other reserves.....		31,949,881	31,757,431
Accumulated deficit.....		(363,547,119)	(360,090,701)
Total equity.....		1,908,558	4,766,692
Total liabilities and equity.....		3,481,302	6,364,272

The accompanying notes form an integral part of these consolidated financial statements.

Unaudited Interim Condensed Consolidated Statements of Comprehensive Loss

for the three-month and six-month periods ended June 30, 2026 and 2025

		For the three months ended June 30,		For the six months ended June 30,	
	Notes	2026	2025	2026	2025
		Amounts in Swiss Francs			
Revenue from contract with customer.....	16	-	-	-	-
Other income.....	17	9,948	36,375	17,639	107,430
Operating costs					
Research and development.....		(37,986)	(234,454)	(74,115)	(390,520)
General and administration.....		(617,314)	(534,819)	(1,068,703)	(1,056,070)
Total operating costs.....	18	(655,300)	(769,273)	(1,142,818)	(1,446,590)
Operating loss.....		(645,352)	(732,898)	(1,125,179)	(1,339,160)
Finance income.....		3,382	-	1,681	-
Finance expense.....		(1,175)	5,831	(2,131)	(13,319)
Finance result.....	20	2,207	5,831	(450)	(13,319)
Share of net loss of investments accounted for using the equity method.....	22	(1,101,534)	(1,231,845)	(2,330,789)	(2,079,296)
Net loss before tax from continuing operations....		(1,744,679)	(1,958,912)	(3,456,418)	(3,431,775)
Income tax expense.....		-	-	-	-
Net loss from continuing operations.....		(1,744,679)	(1,958,912)	(3,456,418)	(3,431,775)
Net profit from discontinued operations (attributable to equity holders of the Group).....	21	-	117,747	-	117,747
Net loss for the period.....		(1,744,679)	(1,841,165)	(3,456,418)	(3,314,028)
Basic and diluted loss per share for loss attributable to the ordinary equity holders of the Company.....					
	25	(0.01)	(0.02)	(0.03)	(0.03)
From continuing operations.....		(0.01)	(0.02)	(0.03)	(0.03)
From discontinued operations.....		-	-	-	-
Other comprehensive income / (loss)					
Items that will never be reclassified to profit or loss : Remeasurements of retirement benefits obligation related to continuing operations.....		36,918	(11,585)	178,060	54,307
Items that may be classified subsequently to profit or loss: Exchange difference on translation of foreign operations.....		312	(1,218)	358	(1,088)
Other comprehensive income / (loss) for the period, net of tax.....		37,230	(12,803)	178,418	53,219
Total comprehensive loss for the period.....		(1,707,449)	(1,853,968)	(3,278,000)	(3,260,809)
From continuing operations.....		(1,707,449)	(1,971,715)	(3,278,000)	(3,378,556)
From discontinued operations.....		-	117,747	-	117,747

The accompanying notes form an integral part of these consolidated financial statements.

Addex Therapeutics | Unaudited Interim Condensed Consolidated Financial Statements

Unaudited Interim Condensed Consolidated Statements of Changes in Equity

for the six-month periods ended June 30, 2026 and 2025

	Notes	Share Capital	Share Premium	Other Equity	Treasury Shares Reserve	Foreign Currency Translation Reserve	Other Reserves	Accumulated Deficit	Total
				Amounts in Swiss francs					
Balance as of January 1, 2025.....		1,843,545	266,382,670	64,620,223	(869,708)	(658,885)	31,721,881	(353,362,455)	9,677,271
Net loss for the period.....		-	-	-	-	-	-	(3,314,028)	(3,314,028)
Other comprehensive (loss) / Income for the period.....		-	-	-	-	(1,088)	54,307	-	53,219
Total comprehensive loss for the period..		-	-	-	-	(1,088)	54,307	(3,314,028)	(3,260,809)
Value of share-based services.....	14	-	-	-	-	-	44,098	-	44,098
Movement in treasury shares:	13								
Sale of Treasury shares.....		-	648,558	-	128,988	-	-	-	777,546
Value of Warrants granted.....		-	(65,609)	-	-	-	65,609	-	-
Costs related to the sale of treasury shares.		-	(25,897)	-	-	-	-	-	(25,897)
Net sale under liquidity agreement....		-	(1,714)	-	2,231	-	-	-	517
Balance as of June 30, 2025.....		1,843,545	266,938,008	64,620,223	(738,489)	(659,973)	31,885,895	(356,676,483)	7,212,726

	Notes	Share Capital	Share Premium	Other Equity	Treasury Shares Reserve	Foreign Currency Translation Reserve	Other Reserves	Accumulated Deficit	Total
				Amounts in Swiss francs					
Balance as of January 1, 2026.....		2,186,545	267,308,174	64,620,223	(1,014,980)	(659,399)	32,416,830	(360,090,701)	4,766,692
Net loss for the period.....		-	-	-	-	-	-	(3,456,418)	(3,456,418)
Income for the period.		-	-	-	-	358	178,060	-	178,418
Total comprehensive loss for the period....		-	-	-	-	358	178,060	(3,456,418)	(3,278,000)
Value of share-based services.....	14	-	-	-	-	-	14,032	-	14,032
Movement in treasury shares:	13								
Sale of treasury ADSs and shares.....		-	331,698	-	95,122	-	-	-	426,820
Costs related to the sale of treasury ADSs and shares.....		-	(19,729)	-	-	-	-	-	(19,729)
Net purchase under liquidity agreement....		-	653	-	(1,910)	-	-	-	(1,257)
Balance as of June 30, 2026.....		2,186,545	267,620,796	64,620,223	(921,768)	(659,041)	32,608,922	(363,547,119)	1,908,558

The accompanying notes form an integral part of these consolidated financial statements.

Addex Therapeutics | Unaudited Interim Condensed Consolidated Financial Statements

Unaudited Interim Condensed Consolidated Statements of Changes in Equity

for the three-month period ended June 30, 2025

	Notes	Share Capital	Share Premium	Other Equity	Treasury Shares Reserve	Foreign Currency Translation Reserve	Other Reserves	Accumulated Deficit	Total
				Amounts in Swiss francs					
Balance as of									
January 1, 2025.....		1,843,545	266,382,670	64,620,223	(869,708)	(658,885)	31,721,881	(353,362,455)	9,677,271
Net loss for the period.....		-	-	-	-	-	-	(1,472,863)	(1,472,863)
Other comprehensive									
Income for the period.		-	-	-	-	130	65,892	-	66,022
Total comprehensive									
loss for the period....		-	-	-	-	130	65,892	(1,472,863)	(1,406,841)
Value of share-based									
services.....	14	-	-	-	-	-	24,917	-	24,917
Net sale under									
liquidity agreement...	13	-	(75)	-	406	-	-	-	331
Balance as of									
March 31, 2025.....		1,843,545	266,382,595	64,620,223	(869,302)	(658,755)	31,812,690	(354,835,318)	8,295,678
Net loss for the period.....		-	-	-	-	-	-	(1,841,165)	(1,841,165)
Other comprehensive									
loss for the period..		-	-	-	-	(1,218)	(11,585)	-	(12,803)
Total comprehensive									
profit for the period..		-	-	-	-	(1,218)	(11,585)	(1,841,165)	(1,853,968)
Value of share-based									
services.....		-	-	-	-	-	19,181	-	19,181
Movement in treasury									
shares:	13								
Sale of treasury									
shares.....		-	648,558	-	128,988	-	-	-	777,546
Value of Warrants									
granted.....		-	(65,609)	-	-	-	65,609	-	-
Costs related to the									
sale of treasury shares.		-	(25,897)	-	-	-	-	-	(25,897)
Net sale under									
liquidity agreement....		-	(1,639)	-	1,825	-	-	-	186
Balance as of June									
30, 2025		1,843,545	266,938,008	64,620,223	(738,489)	(659,973)	31,885,895	(356,676,483)	7,212,726

The accompanying notes form an integral part of these consolidated financial statements.

Unaudited Interim Condensed Consolidated Statements of Changes in Equity

for the three-month period ended June 30, 2026

	Notes	Share Capital	Share Premium	Other Equity	Treasury Shares Reserve	Foreign Currency Translation Reserve	Other Reserves	Accumulated Deficit	Total
				Amounts in Swiss francs					
Balance as of									
January 1, 2026.....		2,186,545	267,308,174	64,620,223	(1,014,980)	(659,399)	32,416,830	(360,090,701)	4,766,692
Net loss for the period.....		-	-	-	-	-	-	(1,711,739)	(1,711,739)
Other comprehensive Income for the period.		-	-	-	-	46	141,142	-	141,188
Total comprehensive loss for the period....		-	-	-	-	46	141,142	(1,711,739)	(1,570,551)
Value of share-based services.....	14	-	-	-	-	-	22,907	-	22,907
Sale of treasury ADSs/shares.....	13	-	59,058	-	14,452	-	-	-	73,510
Cost related to the sale of treasury ADSs and shares.....		-	(3,181)	-	-	-	-	-	(3,181)
Net purchase under liquidity agreement....		-	(925)	-	(1,790)	-	-	-	(2,715)
Balance as of March 31, 2026.....		2,186,545	267,363,126	64,620,223	(1,002,318)	(659,353)	32,580,879	(361,802,440)	3,286,662
Net loss for the period.....		-	-	-	-	-	-	(1,744,679)	(1,744,679)
Other comprehensive income for the period..		-	-	-	-	312	36,918	-	37,230
Total comprehensive loss for the period....		-	-	-	-	312	36,918	(1,744,679)	(1,707,449)
Value of share-based services.....		-	-	-	-	-	(8,875)	-	(8,875)
Sale of treasury ADSs and shares.....	13	-	272,640	-	80,670	-	-	-	353,310
Cost related to the sale of treasury ADSs and shares.....		-	(16,548)	-	-	-	-	-	(16,548)
Net purchase under liquidity agreement....		-	1,578	-	(120)	-	-	-	1,458
Balance as of June 30, 2026		2,186,545	267,620,796	64,620,223	(921,768)	(659,041)	32,608,922	(363,547,119)	1,908,558

The accompanying notes form an integral part of these consolidated financial statements.

Unaudited Interim Condensed Consolidated Statements of Cash Flows

for the six-month periods ended June 30, 2026 and 2025

		For the six months ended June 30,	
	Notes	2026	2025
		Amounts in Swiss francs	
Net loss for the period.....		(3,456,418)	(3,314,028)
Adjustments for:			
Net gain on Neurosterix Transaction.....	21	-	(117,747)
Fair value of services received at zero cost recorded as income.....	10/17	(17,639)	(105,660)
Fair value of services received at zero cost recorded as other operating costs.....	10/18	17,639	105,660
Value of share-based services.....	14	14,032	44,098
Post-employment benefits.....	15	(8,701)	2,003
Share of the net loss of associates.....	22	2,330,789	2,079,296
Depreciation.....	8/9	35,046	4,236
Finance cost net.....		(5,555)	33,399
Decrease / (increase) in other financial assets.....	7	1,146	(498)
Decrease / (increase) in trade and other receivables.....	7	4,682	(22,926)
Increase in prepayments.....	7	(221,154)	(81,430)
Decrease in other current assets.....		-	7,967
Increase in payables and accruals.....	12	24,570	347,082
Increase in other liabilities.....	12	47,461	-
Net cash used in operating activities.....		(1,234,102)	(1,018,548)
Cash flows used in investing activities			
Consideration from Neurosterix Transaction.....	21	-	57,673
Investment in Stalicia Ltd - preferred shares.....	23	-	(285,962)
Investment in Stalicia Ltd – derivative financial instruments.....	24	-	(509,067)
Net cash used in investing activities.....		-	(737,356)
Cash flows from financing activities			
Sale of treasury ADSs and shares.....	13	411,588	777,545
Cost paid on sale of treasury ADSs and shares.....	13	(18,860)	(25,897)
Movements under liquidity agreement.....	13	(1,257)	517
Principal element of lease payment.....		(34,208)	(3,607)
Interest paid.....	20	(2,131)	(1,374)
Net cash from financing activities.....		355,132	747,185
Decrease in cash and cash equivalents.....		(878,970)	(1,008,719)
Cash and cash equivalents at the beginning of the period.....	6	1,638,612	3,341,738
Exchange difference on cash and cash equivalents.....		7,686	(32,025)
Cash and cash equivalents at the end of the period.....	6	767,328	2,300,994

During the six-month periods ended June 30, 2025 and 2026 the non-cash item transactions reported by the Group primarily related to the share of net loss of associates amounting to CHF 2.1 million and CHF 2.3 million, respectively.

The accompanying notes form an integral part of these consolidated financial statements.

Unaudited Notes to the Interim Condensed Consolidated Financial Statements

for the six-month period ended June 30, 2026

(Amounts in Swiss francs)

1. General information

Addex Therapeutics Ltd (the “Company”) and its subsidiaries (together, the “Group”) are a clinical stage biopharmaceutical company focused on developing a portfolio of novel small molecule allosteric modulators for neurological disorders.

The Company is a Swiss stockholding corporation domiciled c/o Addex Pharma SA, Chemin des Aulx 12, CH 1228 Plan-les-Ouates, Geneva, Switzerland and the parent company of Addex Pharma SA, Addex Pharmaceuticals France SAS and Addex Pharmaceuticals Inc. Addex Therapeutics also owns a 20% equity interest in Neurosterix US Holdings LLC, USA. Neurosterix US Holdings LLC fully owns directly Neurosterix Swiss Holdings AG, Switzerland and indirectly Neurosterix Pharma Sàrl whose principal place of business is Chemin des Mines 9, CH 1202 Geneva, Switzerland.

The Group’s principal place of business is Chemin des Mines 9, CH 1202 Geneva, Switzerland. Its registered shares are traded at the SIX Swiss Exchange, under the ticker symbol ADXN and its American Depositary Shares (ADSs) on the Nasdaq Stock Market under the symbol “ADXN”. ADSs represents shares that continue to be admitted to trading on SIX Swiss Exchange.

These interim condensed consolidated financial statements have been approved for issuance by the Board of Directors on September 25, 2026.

2. Basis of preparation

These interim condensed consolidated financial statements for the six-month period ended June 30, 2026, have been prepared under the historic cost convention and in accordance with IAS 34 “Interim Financial Reporting” and are presented in a format consistent with the consolidated financial statements under IAS 1 “Presentation of Financial Statements”. However, they do not include all the notes that would be required in a complete set of financial statements. Thus, this interim financial report should be read in conjunction with the consolidated financial statements for the year ended December 31, 2025.

Interim financial results are not necessarily indicative of results anticipated for the full year. The preparation of these unaudited interim condensed consolidated financial statements made in accordance with IAS 34 requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management’s best knowledge of current events and actions, actual results ultimately may differ from those estimates. The areas involving a higher degree of judgment which are significant to the interim condensed consolidated financial statements are disclosed in note 4 to the consolidated financial statements for the year ended December 31, 2025.

A number of new or amended standards and interpretations became applicable for financial reporting periods beginning on or after January 1, 2026. The Group noted that IFRS 18 *-Presentation and Disclosure in Financial Statements-*, will replace IAS 1 - *Presentation of Financial Statements* - from January 1, 2027. The Group concluded that no material impact is expected on its consolidated financial statements. Based on the initial assessment, the Group also expects that no Management defined Performance Measures or MPM’s will be required to be reported.

Due to rounding, numbers presented throughout these interim condensed consolidated financial statements may not add up precisely to the totals provided. All ratios and variances are calculated using the underlying amounts rather than the presented rounded amounts.

Where necessary, comparative figures have been revised to conform with the current presentation.

3. Material accounting estimates and judgments

The Group makes estimates and assumptions concerning the future. These estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities or may have had a significant impact on the reported results are disclosed below:

Going concern

The Group's accounts are prepared on a going concern basis. Since inception, the Group has financed its cash requirements primarily from share issuances, licensing certain of its research and development stage products and selling its allosteric modulator drug discovery technology platform with a portfolio of preclinical programs. The Group is a development-stage enterprise and is exposed to all the risks inherent in establishing a business. The Group expects that its existing cash and cash equivalents at the issuance date of these unaudited interim condensed consolidated financial statements will be sufficient to fund its operations and meet all of its obligations as they fall due through the fourth quarter of 2027. These factors individually and collectively indicate that a material uncertainty exists that raises substantial doubt about the Group's ability to continue as a going concern for one year from the issuance date of these unaudited interim condensed consolidated financial statements. The future viability of the Group is dependent on its ability to raise additional capital through public or private financing or collaboration agreements to finance its future operations, which may be delayed due to reasons outside of the Group's control including health pandemics and geopolitical risks. The sale of additional equity may dilute existing shareholders. The inability to obtain funding, as and when needed, would have a negative impact on the Group's financial condition and ability to pursue its business strategies. If the Group is unable to obtain the required funding to run its operations and to develop and commercialize its product candidates, the Group could be forced to delay, reduce or stop some or all of its research and development programs to ensure it remains solvent. Management continues to explore options to obtain additional funding, including through collaborations with third parties related to the future potential development and/or commercialization of its product candidates, as well as through the monetization of the Group's intellectual property portfolio or financial assets. However, there is no assurance that the Group will be successful in raising funds, closing collaboration agreements, obtaining sufficient funding on terms acceptable to the Group, or if at all, which could have a material adverse effect on the Group's business, results of operations and financial condition.

The Business of the Group could be adversely affected by geopolitical risks

The business of the Group could be adversely affected by geopolitical risks in regions where the Group or partners have concentrations of business operations and could cause significant disruption in the operations of third-party manufacturers and CROs upon whom the Group or partners rely. Geopolitical risks such as Russia-Ukraine war or Middle East conflict may create global security concerns including the possibility of an expanded regional or global conflict and potential ramifications such as disruption of the supply chain including research and development activities being conducted by the Group and its strategic partners. Delays in research and development activities of the Group and its partners could increase associated costs and, depending upon the duration of any delays, require the Group and its partners to find alternative suppliers at additional expense. In addition, Russia-Ukraine war and Middle East conflict have had significant ramifications on global financial markets, which may adversely impact the ability of the Group to raise capital on favorable terms or at all.

Discontinued operations related to the Neurosterix Transaction

On April 2, 2024, the Group sold a part of its business constituting its allosteric modulator drug discovery technology platform and a portfolio of preclinical programs (note 21). As a consequence, the Group recognized discontinued operations in the statements of profit or loss under "net profit or loss from discontinued operations" and identified cash flow from discontinued operations in accordance with IFRS 5. The Group has not identified any discontinued transactions for the six-month period ended June 30, 2026. The identification of discontinued operations may require some degree of judgement.

Fair value measurement of financial instruments

The Group measures its financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell its financial asset in an orderly transaction between market participants at the measurement date, in the principal or most advantageous market, under current market conditions. Fair value measurements are categorized into three levels based on the degree to which inputs to the valuation techniques are observable:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets;
- Level 2: Inputs other than quoted prices included within Level 1 that are all observable, either directly or indirectly used to measure the fair value;
- Level 3: One or more of the significant inputs used to measure fair value is not based on observable market data. This is the case for unlisted equity securities or financial instruments where climate risk gives rise to a significant unobservable adjustment. The Group uses appropriate valuation techniques in the circumstances and maximizes the use of relevant observable inputs. The transfers between levels are assessed at the end of each reporting period.

Investments accounted for using the equity method

The Group received an equity interest of 20% in Neurosterix US Holdings LLC as part of the Neurosterix Transaction. The initial recognition of the investment has been accounted at a fair value based on a financial valuation of Neurosterix's Group. This carrying amount has been decreased to recognize the share of loss of Neurosterix's Group.

Impairment of the investments accounted for using the equity method

The Group assesses its investment in Neurosterix US Holdings LLC, which is accounted for using the equity method whenever events, factors or changes in circumstances indicate that it may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount of the investment accounted for using the equity method is based on its fair value. No impairment loss was recognized in respect of the Group's investment in Neurosterix US Holdings LLC for the three-month and six-month periods ended June 30, 2025 and 2026.

Financial assets at fair value through Other Comprehensive Income (OCI)

The financial assets at fair value through OCI relate to strategic investments made by the Group into early-stage R&D companies. The Group made the irrevocable election to classify these strategic investments, that are not held for trading, at fair value through OCI. The valuation at fair value is based on prices paid by investors during recent fundings (note 23). At each closing, the investments are tested by the Group to reflect any change in value due to events, factors or changes in circumstances.

Derivative financial instruments

Derivative financial instruments relate to phantom shares and warrants received as part of the purchase of strategic investment. Derivative financial instruments are accounted at fair value through the statements of loss in accordance with IFRS 9, because they are considered as held for trading. The fair value is measured using the Black-Scholes and binomial valuation models (note 24). A number of assumptions related to the volatility of the underlying shares and to the risk-free rate are made in this model. Should the assumptions and estimates underlying the fair value of these instruments vary significantly from management's estimates, then the fair value of the derivative financial instruments would be materially different from the amounts recognized. At each closing, the investments are tested by the Group to reflect any change in value due to events, factors or changes in circumstances.

Revenue recognition

Revenue is primarily from fees related to licenses, milestones and research services. Given the complexity of the relevant agreements, judgements are required to identify distinct performance obligations, allocate the transaction price to these performance obligations and determine when the performance obligations are met. In particular, the Group's judgement over the estimated stand-alone selling price which is used to allocate the transaction price to the performance obligations is disclosed in note 16.

Accrued research and development costs

The Group records accrued expenses for estimated costs of research and development activities conducted by third party service providers. The Group records accrued expenses for estimated costs of research and development activities based upon the estimated amount of services provided, but not yet invoiced, and these costs are included in accrued expenses on the balance sheets and within research and development expenses in the statements of profit or loss. These costs are a significant component of research and development expenses. Accrued expenses for these costs are recorded based on the estimated amount of work completed in accordance with agreements established with these third parties. Due to the nature of estimates, the Group may be required to make changes to the estimates after a reporting period as it becomes aware of additional information about the status or conduct of its research activities.

Share-based compensation

The Group recognizes an expense for share-based compensation based on the valuation of equity incentive units using the Black-Scholes valuation model. A number of assumptions related to the volatility of the underlying shares and to the risk-free rate are made in this model. Should the assumptions and estimates underlying the fair value of these instruments vary significantly from management's estimates, then the share-based compensation expense would be materially different from the amounts recognized.

Equity instruments

The Group records in equity the pre-funded warrants sold to investors and the warrants granted to investors at a fair value calculated using Black-Scholes model. A number of assumptions related to the volatility of the underlying shares and to the risk-free rate are made in this model. Should the assumptions and estimates underlying the fair value of these instruments vary significantly from management's estimates, then the fair value of the equity instruments would be materially different from the amounts recorded in equity at the grant date.

Pension obligations

The present value of the pension obligations is calculated by an independent actuary and depends on a number of assumptions that are determined on an actuarial basis such as discount rates, future salary and pension increases, and mortality rates. Any changes in these assumptions will impact the carrying amount of pension obligations. The Group determines the appropriate discount rate at the end of each period. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability. Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in note 15.

4. Interim measurement note

Seasonality of the business: The business is not subject to any seasonality, but expenses and corresponding revenue are largely determined by the phase of the respective projects, particularly with regard to external research and development expenditures.

Costs: Costs that incur unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

5. Segment reporting

Management has identified one single operating segment, related to the discovery, development and commercialization of small-molecule pharmaceutical products.

Information about products, services and major customers

External income of the Group is derived from the business of discovery, development and commercialization of pharmaceutical products. Income primarily relates to research services provided to a pharmaceutical company and the fair value of services received from Neurosterix's Group at zero cost.

Information about geographical areas

External income is exclusively recorded in the Swiss operating company.

Analysis of revenue from contract with customer and other income by nature is detailed as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Fair value of services received at zero cost from Neurosterix Group.....	9,948	34,505	17,639	105,560
Other service income.....	-	1,870	-	1,870
Total.....	9,948	36,375	17,639	107,430

Analysis of other income by major counterparties is detailed as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Neurosterix Group.....	9,948	34,505	17,639	105,560
Other counterparties.....	-	1,870	-	1,870
Total.....	9,948	36,375	17,639	107,430

For more detail, refer to note 17 "Other income".

The geographical allocation of long-lived assets is detailed as follows:

	June 30, 2026	December 31, 2025
Switzerland.....	2,442,463	4,683,813
France.....	332	335
Total.....	2,442,795	4,684,148

The geographical analysis of operating costs is as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Switzerland.....	650,988	765,310	1,135,332	1,439,158
United States of America.....	3,206	2,840	5,199	5,155
France.....	1,106	1,123	2,287	2,277
Total operating costs (note 18).....	655,300	769,273	1,142,818	1,446,590

The capital expenditure during the three-month and six-month periods ended June 30, 2025 and 2026 is nil.

6. Cash and cash equivalents

	June 30, 2026	December 31, 2025
Cash at bank and on hand.....	767,328	1,638,612
Total cash and cash equivalents.....	767,328	1,638,612

Split by currency:

	June 30, 2026	December 31, 2025
CHF.....	23.05%	88.80%
USD.....	65.09%	4.09%
EUR.....	8.75%	4.45%
GBP.....	3.10%	2.67%
Total	100.00%	100.00%

The Group invests its cash balances into a variety of current accounts mainly with two Swiss banks whose external credit rating is P-1/A-1.

All cash and cash equivalents were held either at banks or on hand as of June 30, 2026 and December 31, 2025.

7. Other current assets

	June 30, 2026	December 31, 2025
Other financial assets.....	3,984	5,130
Trade and other receivables.....	29,746	20,087
Prepayments.....	237,449	16,295
Total other current assets.....	271,179	41,512

Total other current assets increased by CHF 0.2 million as of June 30, 2026 compared to December 31, 2025, primarily due to increased prepayments driven by the retirement benefit contributions and D&O insurance paid annually at the beginning of the year. The Group applies the IFRS 9 simplified approach to measuring expected credit losses ("ECL"), which uses a lifetime expected loss allowance for all trade receivables and other receivables. The Group has considered that the trade receivables and other receivables have a low risk of default based on historic loss rates and forward-looking information on macroeconomic factors affecting the ability of the third parties to settle invoices. As a result, expected loss allowance has been deemed as nil as of June 30, 2026 and December 31, 2025.

8. Right-of-use assets**Year ended December 31, 2025**

	Properties
Opening net book amount.....	41,578
Depreciation charge.....	(8,048)
Closing net book amount.....	33,530

As of December 31, 2025

	Properties
Cost.....	111,642
Accumulated depreciation.....	(78,112)
Net book value.....	33,530

Period ended June 30, 2026

	Properties
Opening net book amount.....	33,530
Additions.....	77,024
Depreciation charge.....	(34,833)
Closing net book amount.....	75,721

As of June 30, 2026

	Properties
Cost.....	188,666
Accumulated depreciation.....	(112,945)
Net book value.....	75,721

9. Equipment**Year ended December 31, 2025**

	Equipment
Opening net book amount.....	1,131
Depreciation charge.....	(424)
Closing net book amount.....	707

As of December 31, 2025

	Equipment
Cost.....	84,775
Accumulated depreciation.....	(84,068)
Net book value.....	707

Period ended June 30, 2026

	Equipment
Opening net book amount.....	707
Depreciation charge.....	(212)
Closing net book amount.....	495

As of June 30, 2026

	Equipment
Cost.....	84,775
Accumulated depreciation.....	(84,280)
Net book value.....	495

10. Intangible assets

As of December 31, 2025 and June 30, 2026	Service agreement
Cost.....	182,348
Accumulated depreciation.....	(182,348)
Net book value.....	-

The service agreement relates to staff and infrastructure provided by Neurosterix Pharma Sàrl at zero cost in accordance with the Neurosterix Transaction and initially valued at CHF 182,348 (note 21). The depreciation charge was recognized at the rate at which these services were provided during the closing period ended December 31, 2024. As of January 1, 2025, the agreement was not formally renewed. However, Neurosterix agreed to provide the Group with access to certain employees and infrastructure at zero cost. The fair value of the services received at zero cost recognized as other income and other operating expenses for the three-month and six-month periods ended June 30, 2026, amounted to CHF 9,948 and 17,639 respectively (CHF 34,505 and CHF 105,560, respectively for the three-month and six-month periods ended June 30, 2025).

11. Non-current financial assets

	June 30, 2026	December 31, 2025
Security rental deposits	54,543	7,086
Total non-current financial assets	54,543	7,086

Security rental deposits relate to office space. The applicable interest rate to such deposits is immaterial, and therefore, the value approximates amortized cost.

12. Payables, accruals and other current liabilities

	June 30, 2026	December 31, 2025
Trade payables.....	776,028	602,901
Social security and other taxes.....	-	43,792
Accrued expenses.....	486,913	544,591
Other current liabilities.....	47,461	-
Total.....	1,310,402	1,191,284

All payables mature within 3 months. Accrued expenses and trade payables primarily relate to R&D services from contract research organizations, consultants and professional fees. The total amount of payables, accruals and other current liabilities increased by CHF 0.1 million as of June 30, 2026 compared to December 31, 2025, primarily due to increased trade payables. The carrying amounts of payables do not materially differ from their fair values, due to their short-term nature.

13. Share capital

	Number of shares		
	Common shares	Treasury shares	Total
Balance as of January 1, 2025.....	184,354,496	(56,061,527)	128,292,969
Sale of treasury shares.....	-	12,898,903	12,898,903
Movement of shares under liquidity agreement.....	-	6,268	6,268
Acquisition of shares forfeited from DSPPP.....	-	(5,848)	(5,848)
Balance as of June 30, 2025.....	184,354,496	(43,162,204)	141,192,292
Shares reclassified as treasury shares under IFRS 2.....	-	(29,944,420)	(29,944,420)
Balance as of June 30, 2025 IFRS 2.....	184,354,496	(73,106,624)	111,247,872

	Number of shares		
	Common shares	Treasury shares	Total
Balance as of January 1, 2026	218,654,496	(70,822,682)	147,831,814
Sale of treasury ADS's and shares.....	-	9,512,234	9,512,234
Movement of shares under liquidity agreement.....	-	(28,524)	(28,524)
Balance as of June 30, 2026	218,654,496	(61,338,972)	157,315,524
Shares reclassified as treasury shares under IFRS 2.....	-	(29,904,690)	(29,904,690)
Balance as of June 30, 2026 IFRS 2	218,654,496	(91,243,662)	127,410,834

As of June 30, 2026, 157,315,524 shares were outstanding excluding 61,338,972 treasury shares directly held by Addex Pharma SA and including 29,904,690 outstanding shares benefiting from our DSPPP, considered as treasury shares under IFRS 2 (note 14). Of the treasury shares, 21,133,320 were held on the form of ADSs as of June 30, 2026.

As of June 30, 2025, 141,192,292 shares were outstanding excluding 43,162,204 treasury shares directly held by Addex Pharma SA and including 29,944,420 outstanding shares benefiting from our DSPPP, considered as treasury shares under IFRS 2 (note 14).

The Group maintains a liquidity agreement with Kepler Cheuvreux ("Kepler"). Under the agreement, the Group has provided Kepler with cash and shares to enable them to buy and sell the Company's shares. As of June 30, 2026, 173,475 (December 31, 2025: 144,951) treasury shares are recorded under this agreement in the treasury share reserve and CHF 3,984 (December 31, 2025: CHF 5,130) is recorded in other financial assets.

During the six-month period ended June 30, 2026, the Group sold 9,512,234 treasury shares at an average price of CHF 0.045 per share for total gross proceeds of CHF 426,820 (during the six-month period ended June 30, 2025, the Group sold 12,898,903 treasury shares at an average price of CHF 0.06 per share for total gross proceeds of CHF 777,546). Of these treasury shares 8,866,680 were sold under the form of ADSs through the At The Market Agreement with H.C. Wainwright at an average price of USD 6.75 per ADS (equivalent to CHF 0.045 per share) for gross proceeds of USD 498,536 (CHF 394,148). The remaining 645,554 treasury shares have been sold under the sale agency agreement with Kepler Cheuvreux at an average price of CHF 0.051 per share for gross proceeds of CHF 32,672.

14. Share-based compensation

The total share-based compensation expense related to equity incentive units recognized in the statements of loss amounted to CHF 44,098 and CHF 14,032 for the six-month periods ended June 30, 2025 and 2026, respectively.

As of December 31, 2025 and June 30, 2026, 7,956,764 options and 29,904,690 shares benefiting from our Deferred Strike Price Payment Plan (DSPPP) were outstanding. All the shares benefiting from our DSPPP have been recorded as treasury shares in accordance with IFRS 2 (note 13).

15. Retirement benefits obligations

The amounts recognized in the statements of profit or loss are as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Current service cost.....	(17,268)	(7,521)	(34,536)	(15,043)
Interest cost.....	(16,659)	(5,399)	(33,319)	(10,799)
Interest income.....	15,452	4,861	30,904	9,721
Company pension amount (note 19)...	(18,475)	(8,059)	(36,951)	(16,121)

The Group's pension costs recognized in the statement of loss for the three-month and the six-month period ended June 30, 2026, amounted to CHF 18,475 and CHF 36,951, respectively (CHF 8,059 and CHF 16,121 for the three-month and the six-month period ended June 30, 2025).

The amounts recognized in the balance sheet are determined as follows:

	June 30, 2026	December 31, 2025
Defined benefit obligation.....	(5,096,588)	(5,126,017)
Fair value of plan assets.....	4,911,741	4,754,409
Retirement benefit obligation.....	(184,847)	(371,608)

Retirement benefit obligation decreased by CHF 0.2 million as of June 30, 2026 compared to December 31, 2025, primarily due to an actuarial gain arising from experience adjustments recorded in Other Comprehensive Income.

16. Revenue from contract with customer

License & research agreement with Indivior PLC

On January 2, 2018, the Group entered into an agreement with Indivior for the discovery, development and commercialization of novel GABAB PAM compounds for the treatment of addiction and other CNS diseases. On August 27, 2024, Indivior selected a compound for future development in substance use disorder and the Group also exercised its right to select a compound to advance its own independent GABAB PAM program for the treatment of chronic cough. On May 12, 2025, Indivior successfully completed IND enabling studies with their selected compound. On September 25, 2026, Indivior terminated our license agreement, following their announced merger with Supernus, returning to us the program including all related intellectual property.

No amount has been recognized by the Group under this agreement for the three-month and six-month periods ended June 30, 2025, and 2026.

Janssen Pharmaceuticals Inc. (formerly Ortho-McNeil-Janssen Pharmaceuticals Inc)

On December 31, 2004, the Group entered into a research collaboration and license agreement with Janssen Pharmaceuticals Inc. (JPI). In accordance with this agreement, JPI has acquired an exclusive worldwide license to develop mGlu2 PAM compounds for the treatment of human health.

In 2024, Janssen completed a Phase 2a proof of concept clinical trial of ADX71149 in epilepsy patients that did not achieve statistical significance for the primary endpoint of time for patients to reach baseline seizure count when ADX71149 was added to standard of care and decided to terminate the development of ADX71149. On April 17, 2025, the Group announced that the license agreement had been terminated and the program and all related intellectual property has been returned to the Group.

No amounts have been recognized under this agreement for the three-month and six-month periods ended June 30, 2026 and 2025.

17. Other income

During the three-month and the six-month periods ended June 30, 2026, the Group recognized CHF 9,948 and CHF 17,639, respectively (CHF 34,505 and CHF 105,560 for the three-month and six-month periods ended June 30, 2025) related to the fair value of services received from Neurosterix's Group at zero cost (note 10).

18. Operating costs

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Staff costs (note 19).....	221,601	44,496	441,014	145,538
Depreciation (notes 8/9).....	25,226	2,118	35,046	4,236
External research and development cost..	11,587	68,492	20,981	101,075
Patent maintenance and registration costs	15,540	53,865	29,580	97,119
Professional fees.....	237,532	320,253	355,873	622,635
D&O insurance.....	37,027	47,207	74,056	91,857
Fair value services received at zero costs.	9,948	34,505	17,639	105,560
Other operating costs.....	96,839	198,337	168,629	278,570
Total operating costs.....	655,300	769,273	1,142,818	1,446,590

The evolution of the total operating costs is mainly driven by staff costs and professional fees.

During the six-month period ended June 30, 2026, total operating costs decreased by CHF 0.3 million compared to the same period ended June 30, 2025, primarily due to lower professional fees of CHF 0.3 million, reduced external research and development and patent costs of CHF 0.2 million, decreased services received at zero costs valued at CHF 0.1 million, partially offset by higher staff costs of CHF 0.3 million.

During the three-month period ended June 30, 2026, total operating costs decreased by CHF 0.1 million compared to the same period ended June 30, 2025, primarily due to lower professional fees of CHF 0.1 million, reduced external research and development and patent costs of CHF 0.1 million, partially offset by higher staff costs of CHF 0.2 million.

19. Staff costs

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Wages and salaries.....	188,848	28,811	373,300	113,580
Social charges and insurances.....	13,743	5,775	29,452	11,550
Value of share-based services	535	1,851	1,311	4,287
Retirement benefit (note 15).....	18,475	8,059	36,951	16,121
Total staff costs.....	221,601	44,496	441,014	145,538

During the three-month and six-month periods ended June 30, 2026, total staff costs increased by CHF 0.2 million and CHF 0.3 million, respectively, compared to the same period ended June 30, 2025, primarily due to an increase in the number of full-time employees.

20. Finance result, net

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Interest cost.....	-	(331)	(209)	(362)
Interest expense on leases.....	(1,175)	(495)	(1,922)	(1,012)
Foreign exchange gains /(losses).....	3,382	6,657	1,681	(11,945)
Finance result, net.....	2,207	5,831	(450)	(13,319)

21. Discontinued operations

On February 8, 2024, the Group signed a non-binding term sheet with Perceptive Advisors related to the divestment of part of its business. On April 2, 2024, the sale became effective. The allosteric modulator drug discovery technology platform and a portfolio of preclinical programs have been divested to a new Swiss company, Neurosterix Pharma Sàrl that has received a funding of USD 65 million from a syndicate of investors led by Perceptive Advisors (Perceptive Xontogeny Venture Fund II L.P, Perceptive Life Sciences Master Fund Ltd and Acorn Bioventures 2, L.P) (the “Neurosterix Transaction” or “Transaction”). The Group received gross proceeds of CHF 5.0 million in cash and an equity interest representing 20% of Neurosterix US Holdings LLC (note 1). The Group retained its partnerships with Janssen Pharmaceuticals, Inc. and Indivior PLC, as well as unpartnered clinical stage assets including dipraglurant for Parkinson’s disease and post-stroke/TBI recovery and its preclinical GABAB PAM program for chronic cough. The Transaction includes the transfer of the associated R&D staff and infrastructure. As part of the Transaction, the Group and Neurosterix Pharma Sàrl entered into a service agreement which provides the Group with access to certain staff and infrastructure at zero cost to ensure the operation of the Group retained business until December 31, 2024. As of January 1, 2025, the agreement was not formally renewed. However, Neurosterix agreed to provide the Group with access to certain employees and infrastructure at zero cost (note 10). Since November 1, 2025, the CEO, Tim Dyer, has been directly remunerated by the Group. On February 28, 2026, Neurosterix relocated its offices, and since that date we assumed responsibility for the rent of our administrative offices. As of the issuance date of these unaudited interim condensed consolidated financial statements, the Group continues to have access to research and development staff at zero cost.

As the allosteric modulator drug discovery technology platform and a portfolio of preclinical programs have been sold on April 2, 2024. The net gain of the sale of activities amounted to CHF 13,943,595 for the year ended December 31, 2024 including CHF 5.0 million in cash and CHF 9.4 million for the equity interest of 20% in Neurosterix US Holdings LLC, partially offset by costs related to the activities sold. During the six-month period ended June 30, 2025, the Group recognized an additional gain from discontinued operations of CHF 117,747 from the sale of activities, related to consideration receivable considered as contingent during previous periods. During the six-month periods ended June 30, 2026, the Group did not record any discontinued operations that impacted the statement of comprehensive loss or cash flow.

22. Interests in associates

On April 2, 2024, the Group received an equity interest of 20% in Neurosterix US Holdings LLC domiciliated in the US and parent company of Neurosterix Pharma Sàrl as part of Neurosterix transaction (note 21). Neurosterix's Group primarily operates in Switzerland and uses Swiss franc as functional currency and US Dollars as presentation currency. The carrying amount of the equity-accounted investment in Neurosterix's Group has changed as follow:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Beginning of the period.....	2,618,541	6,239,691	3,847,796	7,087,142
Share of the net loss for the period of Neurosterix's Group	(1,101,534)	(1,231,845)	(2,330,789)	(2,079,296)
End of period.....	1,517,007	5,007,846	1,517,007	5,007,846

The 20% equity interest in Neurosterix US Holdings LLC received by the Group on April 2, 2024 was initially valued at CHF 9.43 million using a financial valuation of the Neurosterix's Group. From April 2, 2024 to June 30, 2026, the carrying amount of the equity-accounted investment in Neurosterix's Group decreased by CHF 7.9 million primarily due to the share of net loss in accordance with IAS 28. The loss recognized primarily reflects expenditures related to research and development and general and administrative activities, which are incurred in the ordinary course of Neurosterix operations. As of June 30, 2026, the equity-accounted investment in Neurosterix's Group is not impaired.

23. Financial assets at fair value through other comprehensive income

In June 2025, the Group invested CHF 795,029 in Stalicia SA and received 23,342 preferred shares with attached derivative financial instruments (note 24). The purchase price allocation was performed on the basis of the fair value of the derivative financial instruments, with the residual amount allocated to the preferred shares, initially recognized at CHF 285,962. The Group has made the irrevocable election to classify the 23,342 preferred shares received at fair value through other comprehensive income rather than through the statements of profit or loss, as the shares are held for strategic purposes and not for trading

As of December 31, 2025, and June 30, 2026, the fair value of the unlisted securities of Stalicia SA (level 3) remained unchanged:

	June 30, 2026	December 31, 2025
Stalicia SA.....	285,962	285,962
Total.....	285,962	285,962

24. Derivative financial instruments

As part of its investment in Stalicia SA (note 23), the Group was granted several related financial instruments. These comprised an anti-dilution protection through a contingent ratchet mechanism, 23,342 phantom shares entitling the Group to proceeds equivalent to those distributable to 23,342 ordinary shares, 23,342 warrants with a ten-year exercise period at a strike price of CHF 34.05 to purchase 23,342 ordinary shares and 3,591 warrants with a five-year exercise period, a strike price of CHF 0.10 to purchase 3,591 preferred shares. These financial instruments are classified as derivatives and valued at fair value (level 3) using Black-Scholes and binomial valuation models. On initial recognition, their aggregate fair value amounted to CHF 509,067. The fair value of phantom shares was capped at the fair value of the preferred shares, as management concluded that the two values should be deemed equivalent. As a result, the amount of CHF 111,552 was not recorded as phantom shares.

As of June 30, 2026, the fair value (level 3) of these derivative financial instruments, driven by the value of Stalicia SA shares (note 23), remained unchanged:

	June 30, 2026	December 31, 2025
Phantom shares.....	285,962	285,962
Anti-dilution protection.....	102,547	102,547
Warrants.....	120,558	120,558
Total.....	509,067	509,067

The following table presents the Group's financial assets measured and recorded at fair value at June 30, 2026, and December 31, 2025:

	Levels 1 and 2		Level 3	
	June 30, 2026	December 31, 2025	June 30, 2026	December 31, 2025
Financial assets at fair value through profit and loss (FVPL)				
Phantom shares (Stalicia SA).....	-	-	285,962	285,962
Anti-dilution protection (Stalicia SA).....	-	-	102,547	102,547
Warrants (Stalicia SA).....	-	-	120,558	120,558
Financial assets at fair value through other comprehensive income (OCI)				
Preferred shares (Stalicia SA) (note 23).....	-	-	285,962	285,962
Total financial assets	-	-	795,029	795,029

Certain inputs used to measure the fair value of the financial instruments related to the investment in Stalicia SA (note 23) were not based on observable market data and have been classified at a level 3 in the fair value hierarchy.

The following table summarizes the quantitative information about the significant unobservable inputs used in level 3 fair value measurement and how a reasonable possible change in the input would affect the fair values:

Description	Fair value at		Unobservable inputs	Range of inputs		Relation of unobservable inputs to fair value
	June 30, 2026	December 31, 2025		June 30, 2026	December 31, 2025	
Preferred shares (Stalicia SA)...	285,962	285,962	(1)	CHF17-CHF30	CHF17-CHF30	(2)
Phantom shares (Stalicia SA)...	285,962	285,962	Stalicia share price used in Black-Scholes valuation model, determined by the price paid by external investors. The fair value of phantom shares is capped at the fair value of preferred shares	CHF17	CHF17	A 10% increase or decrease in Stalicia's share price would increase or decrease the fair value by CHF 39,682 and CHF 36,138, respectively. In both cases the fair value would remain capped at the fair value of preferred shares.
Anti-dilution protection (Stalicia SA)...	102,547	102,547	Sale price of Stalicia shares used in the different scenarios in binomial valuation model	CHF17-CHF30	CHF17-CHF30	A 10% increase or decrease in the sale price of Stalicia shares under the scenario used in the binomial valuation model, would increase or decrease the fair value by CHF 25,064 and CHF 18,949, respectively.
Warrants (Stalicia SA)...	60,547	60,547	Stalicia share price used in Black-Scholes valuation model, determined by the price paid by external investors	CHF17	CHF17	A 10% increase or decrease in Stalicia's share price would increase or decrease the fair value by CHF 15,673 and CHF 12,791, respectively.
Warrants (Stalicia SA)...	60,011	60,011	Stalicia share price used in Black-Scholes valuation model, determined by the price paid by external investors	CHF17	CHF17	A 10% increase or decrease in Stalicia's share price would increase or decrease the fair value by CHF 6,091 and CHF 5,538, respectively.

(1) The fair value of the preferred shares was determined as the residual amount between the subscription price of CHF 795,029 and the fair value of the derivative financial instruments measured using Black-Scholes and binomial valuation models. The fair value of the phantom shares was capped at the fair value of the preferred shares.

(2) An increase or decrease of 10% in Staliclea's share price used to calculate the fair value of the anti-dilution protection through a ratchet mechanism and warrants would result in a decrease or increase in fair value by CHF 21,697 and CHF 20,357, respectively.

25. Loss per share

Basic profit or loss per share is calculated by dividing the profit or loss attributable to equity holders of the Company by the weighted average number of shares in issue during the period excluding treasury shares. Diluted loss per share and diluted profit per share including a loss from continuing operations are calculated excluding our options and warrants as they would be antidilutive and our treasury shares.

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Net loss from continuing operations.....	(1,744,679)	(1,958,912)	(3,456,418)	(3,431,775)
Net profit from discontinued operations....	-	117,747	-	117,747
Net loss attributable to equity holders of the company.....	(1,744,679)	(1,841,165)	(3,456,418)	(3,314,028)
Weighted average number of shares in issue.....	122,592,940	100,523,234	120,977,878	99,440,314
Basic and diluted loss per share.....	(0.01)	(0.02)	(0.03)	(0.03)
From continuing operations.....	(0.01)	(0.02)	(0.03)	(0.03)
From discontinued operations.....	-	-	-	-

The Company has three categories of dilutive potential shares: treasury shares, share options and warrants which have been ignored in the calculation of the loss per share for the three-month and six-month periods ended June 30, 2026, and 2025.

26. Related party transactions

Related parties include members of the Board of Directors and the Executive Management of the Group. The following transactions were carried out with related parties:

Key management compensation

Key management compensation	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Salaries, other short-term employee benefits and post-employment benefits...	216,591	99,864	438,143	197,156
Share-based compensation.....	5,654	18,910	13,980	43,428
Total.....	222,245	118,774	452,123	240,584

Salaries, other short-term employee benefits and post-employment benefits relate to members of the Board of Directors and Executive Management who are employed by the Group. The total compensation costs for key management increased by CHF 0.1 million and CHF 0.2 million during the three-month and six-month periods ended June 30, 2026, respectively, compared to the same periods ended June 30, 2025, primarily because our CEO has been directly remunerated by the Group since November 2025 (note 21). As of June 30, 2025 and 2026, the Group had a net payable of CHF 0.1 million to the Board of Directors and Executive Management. Share-based compensation relates to the fair value of equity incentive units recognized through profit and loss following their vesting plan.

Transactions with Neurosterix's Group

On April 2, 2024, Addex Group divested a part of its business to Neurosterix Pharma Sàrl (note 22). As part of the transaction, Addex Group received gross proceeds of CHF 5.0 million in cash, an equity interest of 20% of Neurosterix US Holdings LLC whose fair value amounted to CHF 9.42 million and concluded a service agreement allowing Key Members of Addex staff transferred to Neurosterix Pharma Sàrl, including the Chief Executive Officer to support the activities of the Addex Group at zero cost until December 31, 2024. As of January 1, 2025, the agreement was not formally renewed.

However, Neurosterix agreed to provide the Group with access to certain employees and infrastructure at zero cost (note 10). The fair value of the service agreement amounted to CHF 9,948 and CHF 17,639, respectively for the three-month and six-month periods ended June 30, 2026 (CHF 34,505 and CHF 105,560 for the three-month and the six-month periods ended June 30, 2025). As of June 30, 2026, the Group owed CHF 47,461 to Neurosterix Pharma Sàrl.

27. Events after the balance sheet date

From July 1, 2026, to August 25, 2026, the Group sold 52,970,533 shares at an average price of CHF 0.043 (USD 0.053) for total gross proceeds of CHF 2.3 million (USD 2.8 million). Of these shares, 52,762,680 have been sold in a form of ADSs for total gross proceeds of USD 2.8 million (CHF 2.3 million) at an average price of USD 6.37 per ADS (equivalent to CHF 0.043 per share), through the At the Market (ATM) offering agreement with H.C. Wainwright & CO. The number of outstanding shares amounts to 203,532,333 shares at the issuance date of these unaudited interim condensed consolidated financial statements excluding 8,437,843 treasury shares directly held by Addex Pharma SA and including 29,904,690 outstanding shares benefiting from our DSPPP considered as treasury shares under IFRS 2.

On September 2, 2026, the strike price of 29,904,690 shares acquired under our Deferred Strike Price Payment Plan (DSPPP) and the strike price of 6,971,992 options were reduced to CHF 0.026. This modification to the equity incentive plans increased the fair value by CHF 0.16 million, which will be recognized as share-based compensation expense in the third quarter of 2026.

On September 25, 2026, we announced that our partner, Indivior, terminated our license agreement, following their announced merger with Supernus Pharmaceuticals, returning to us the program including all related intellectual property.

Financial Review

Overview

We are a clinical-stage pharmaceutical company focused on the development of a portfolio of novel orally available small molecule drug candidates. Our business comprises a pipeline of proprietary clinical and preclinical stage drug candidates that are being developed for diseases for which there are no approved therapies or where improved therapies are needed including post-stroke sensorimotor recovery, traumatic brain injury, or TBI, recovery, substance use disorders, or, SUD, and chronic cough. We also hold a 20% equity interest in a spin-out company, Neurosterix US Holdings LLC, a private company developing a portfolio of preclinical stage proprietary drug candidates for schizophrenia and mood disorders.

Our lead development compound is dipraglurant, a metabotropic glutamate receptor subtype 5 negative allosteric modulator, or mGlu5 NAM, currently under evaluation for future development in post-stroke/TBI recovery. On April 30, 2025, we announced entering into an option and collaboration agreement with Sinntaxis AB for an exclusive license to intellectual property covering the use of mGlu5 inhibitors for the treatment of brain injury recovery. The agreement also includes a research collaboration under which the Sinntaxis team will complete evaluation of dipraglurant for the treatment of brain injury recovery.

Our second development compound, ADX71149 is a novel orally active metabotropic glutamate receptor subtype 2 positive allosteric modulator, or mGlu2 PAM. On July 22, 2024, we announced that our partner Janssen terminated the development of drug candidate ADX71149, because the Phase 2 study did not achieve statistical significance for the primary endpoint. On April 17, 2025, we announced that our partner Janssen terminated our partnership agreement and returned to us the program including all related intellectual property. We are currently evaluating the future development of ADX71149.

Our third development program is gamma-aminobutyric acid subtype-b positive allosteric modulators, or GABAB PAM for substance use disorders. On September 25, 2026, we announced that our partner, Indivior, terminated our license agreement, following their announced merger with Supernus Pharmaceuticals, returning to us the program including all related intellectual property. The program has successfully completed IND enabling studies with a selected compound and subject to securing funding or a development partner, we plan to seek regulatory approval to enter Phase 1.

Our fourth development program is GABAB PAM for chronic cough. Under the terms of the recently terminated agreement with Indivior, we have exercised our right to select a compound to advance our own independent GABAB PAM program for the treatment of chronic cough. Our selected compound has demonstrated robust anti-tussive activity in multiple preclinical models of chronic cough compared to reference drugs. Subject to securing funding or a development partner, we plan to initiate IND enabling studies.

We cannot forecast with any degree of certainty which proprietary products or indications, if any, will be subject to future collaborative arrangements, in whole or in part, and how such arrangements would affect our development plan or capital requirements. To date, we have secured grants and other funding from government and non-governmental organizations. As we advance our clinical and preclinical programs, we will continue to apply for subsidies, grants and government or agency sponsored studies that could offset or reduce our development costs.

The development and commercialization of drugs is highly competitive. We compete with a variety of multinational pharmaceutical companies and specialized pharmaceutical companies, including products approved for marketing and/or drug candidates under development, for each of the drug candidates and each of the indications for which we are developing.

Furthermore, government authorities in the United States, at the federal, state and local levels, and in other countries, extensively regulate, among other things, the research, development, testing, manufacture, packaging, storage, recordkeeping, labeling, advertising, promotion, distribution, marketing, import and export of pharmaceutical products, such as those we are developing. The processes for obtaining regulatory approvals in the United States and in foreign countries, along with subsequent compliance with applicable statutes and regulations, require the expenditure of substantial time and financial resources.

We were founded in May 2002 and completed our initial public offering of shares on the SIX Swiss Exchange in May 2007. On January 29, 2020, we listed American Depositary Shares (ADSs) representing our shares on the Nasdaq Stock Market following the United States Securities and Exchange Commission (SEC) having declared our registration statements on Forms F-1 and F-6 effective. On October 6, 2023, we filed a post-effective amendment to the form F-6 in

Addex Therapeutics in order to change our ADS ratio from one ADS to six shares to a new ratio of one ADS to one hundred and twenty shares. The ADS ratio change has been effective since October 23, 2023, and had the same effect as a one to twenty ADS reverse split. On September 22, 2025, we filed a new registration statement on F-6 in order to appoint the Bank of New-York Mellon (BNY) as our new ADS depositary agent.

Our operations to date have included organizing and staffing our company, raising capital, out-licensing rights to our research stage programs and conducting preclinical studies and clinical trials.

As of June 30, 2026, we have generated CHF 66.8 million of revenue from the sale of license rights and conducting funded research activities for certain research programs. We have historically financed our operations mainly through the sale of equity. Through June 30, 2026, we had raised an aggregate of CHF 357.1 million of gross proceeds from the sale of equity.

We have incurred losses for a total amount of CHF 363.5 million since our inception. During the six-month period ended June 30, 2025, and 2026, we incurred a net loss of CHF 3.3 million and CHF 3.5 million respectively. We expect to continue to incur significant expenses and operating losses in the medium-to-the-long term. We anticipate that our expenses will increase significantly in connection with our ongoing and future activities as we:

- continue to invest in our portfolio of preclinical and clinical stage programs;
- hire additional research and development, and general and administrative personnel;
- maintain, expand and protect our intellectual property portfolio;
- identify and in-license or acquire additional drug candidates; and
- incur additional costs associated with operating as a public company in the United States.

We will need substantial additional funding to support our operating activities as we advance our research and drug candidates through clinical development, seek regulatory approval and prepare for commercialization, if any, of our product candidates are approved. Adequate funding may not be available to us on acceptable terms, or at all.

We have no manufacturing facilities, and all our manufacturing activities are contracted out to third parties. Additionally, we currently utilize third-party contractors to carry out a significant proportion of our research and development activities. Furthermore, we do not yet have a sales organization.

The Neurosterix Transaction

On April 2, 2024, we divested our allosteric modulator discovery platform and a portfolio of pre-clinical programs to a new Swiss company, Neurosterix Pharma Sàrl (equivalent to an LLC), focused on the discovery and development of novel orally available allosteric modulator drug candidates, including M4 PAM for schizophrenia and mGlu7NAM for stress related disorders. In connection with the Transaction, we received gross proceeds of CHF 5.0 million and a 20% equity interest in Neurosterix US Holdings LLC, the parent company of Neurosterix Pharma Sàrl. Neurosterix US Holdings LLC received USD 65.0 million from a syndicate of investors led by Perceptive Advisors.

The divestment of our discovery platform and early-stage programs includes the transfer of the associated research and development staff, with a service agreement to allow key members of staff to support us in achieving our business strategy at zero cost for us until December 31, 2024. As of the date of the Transaction, all employees of the Group, other than our Head of Finance, became employees of Neurosterix Pharma Sàrl. Pursuant to the service agreement, certain former employees dedicate a portion of their time to us. As of January 1, 2025, the agreement was not formally renewed. However, Neurosterix agreed to provide the Group with access to certain employees and infrastructure at zero cost. Since November 1, 2025, our CEO, Tim Dyer, has been directly remunerated by us. On February 28, 2026, Neurosterix relocated its offices, and since that date we assumed responsibility for the rent of our administrative offices. As of the issuance date of these unaudited interim condensed consolidated financial statements, we continue to have access to research and development staff at zero cost.

License Agreement with Indivior

On January 2, 2018, we entered into an agreement with Indivior for the discovery, development and commercialization of novel GABAB PAM compounds for the treatment of addiction and other CNS diseases. This agreement includes the selected clinical candidate, ADX71441. In addition, Indivior agreed to fund a research program at Addex to discover novel GABAB PAM compounds.

On August 27, 2024, Indivior selected a compound for future development in substance use disorder and the Group also exercised its right to select a compound to advance its own independent GABAB PAM program for the treatment of chronic cough. On May 12, 2025, Indivior successfully completed IND enabling studies with their selected compound. On September 25, 2026, Indivior terminated our license agreement, following their announced merger with Supernus Pharmaceuticals, returning to us the program including all related intellectual property.

Components of Results of Operations

Revenue

From the beginning of January 1, 2023 through June 30, 2026, we recognized CHF 2.1 million as revenue primarily under our recently terminated license agreement with Indivior. We do not have approval to market or commercialize any of our drug candidates, we have never generated revenue from the sale of products and we do not expect to generate any revenue from product sales for the foreseeable future. Prior to approval of a drug candidate, we will seek to generate revenue from a combination of license fees, milestone payments in connection with collaborative or strategic relationships, royalties resulting from the licensing of our drug candidates and payments from sponsored research and development activities as well as grants from governmental and non-governmental organizations.

Revenue from collaborative arrangements comprises the fair value for the sale of products and services, net of value added tax, rebates and discounts. Revenue from the rendering of services is recognized in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total service to be provided. Revenue from collaborative arrangements may include the receipt of non-refundable license fees, milestone payments, and research and development payments. When we have continuing performance obligations under the terms of the arrangements, non-refundable fees and payments are recognized as revenue by reference to the completion of the performance obligation and the economic substance of the agreement.

Our revenue has varied, and we expect revenue to continue to vary, substantially from year to year, depending on the structure and timing of milestone events, as well as our development and commercialization strategies and those of our collaboration partners for our drug candidates. We, therefore, believe that historical period to period comparisons are not meaningful and should not be relied upon as an indicator of our future revenue and performance potential.

Other Income

From the beginning of January 1, 2023 through June 30, 2026, we recognized CHF 0.2 million as other income primarily related to the fair value of the service agreement with Neurosterix Group.

Operating Expenses

Research and Development Costs

From the beginning of January 1, 2023 through June 30, 2026, we incurred CHF 9.9 million in research and development costs. They consist mainly of direct research costs, which include costs associated with the use of contract research organizations, or CROs, and consultants hired to assist on our research and development activities, personnel costs, share-based compensation for our employees and consultants, costs related to regulatory affairs and intellectual property, as well as depreciation for assets used in research and development activities. Following the Neurosterix Transaction executed on April 2, 2024, research and development costs no longer include personnel costs and share-based compensation for employees. We currently use our consultants and CRO's across our research and development programs.

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The following table provides a breakdown of our outsourced research and development costs that are directly attributable to the specified programs for the three-month and six-month period ended June 30, 2026, and 2025:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
	(CHF in thousands)			
GABAB PAM.....	-	64	-	93
Dipraglurant.....	6	1	6	4
Other programs.....	6	3	15	4
Total outsourced research and development costs.....	12	68	21	101

Our research and development expenses are low due to the Neurosterix Transaction. We have no ongoing self-funded clinical studies and in the medium and long term, our expenses may increase, particularly as we continue the development of our portfolio of drug candidate, initiate further clinical trials and seek marketing approval for our drug candidates.

At this time, we cannot reasonably estimate or know the nature, timing and estimated costs of the efforts that will be necessary to complete the development of our drug candidates. We are also unable to predict when, if ever, material net cash inflows will commence from sales of our drug candidates. This is due to the numerous risks and uncertainties associated with developing such drug candidates, including:

- uncertainty related to discovering clinical candidates;
- uncertainty related to efficiently manufacturing and distributing drug products;
- competitor intellectual property restraining our freedom to operate; and
- timing of initiation, completion and outcome of further clinical trials;

In addition, the probability of success for any of our drug candidates will depend on numerous factors, including competition, manufacturing capabilities and commercial viability. A change in the outcome of any of these variables with respect to the development of any of our drug candidates would significantly change the costs, timing and viability associated with the development of that drug candidate.

General and Administrative Costs

General and administrative costs consist primarily of staff costs, including salaries, benefits and share-based compensation cost for our employees, D&O insurances and professional fees including legal fees related to corporate matters and audit fees.

Finance Result, Net

Finance result net consists mainly of currency exchange differences.

Net profit or loss from discontinued operations

The net profit or loss from discontinued operations has been recognized in the statements of comprehensive profit or loss under “net profit or loss from discontinued operations”. It primarily relates to research and development costs, general and administrative costs, finance result related to divested activities, and the consideration received from the sale to Neurosterix’s Group.

Share of net loss of investments accounted for using the equity method

We received an equity interest of 20% in Neurosterix US Holdings LLC as part of the Neurosterix Transaction. The equity interest has been recognized as an investment at fair value based on a financial valuation of Neurosterix’s Group. The carrying amount of the investment has been decreased to recognize the share of loss of Neurosterix’s Group and tested for impairment whenever events or changes in circumstances indicate that its fair value may be below its recoverable amount.

Analysis of Results of Operations

The following table presents our consolidated results of operations for the three-month and six-month periods ended June 30, 2026 and 2025:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
	(CHF in thousands)			
Other income.....	10	36	18	107
Research and development costs.....	(38)	(234)	(74)	(391)
General and administrative costs.....	(617)	(535)	(1,069)	(1,056)
Operating loss from continuing operations.....	(645)	(733)	(1,125)	(1,340)
Finance result, net.....	2	6	-	(13)
Share of net loss of investments accounted for using the equity method...	(1,102)	(1,232)	(2,331)	(2,079)
Net loss before tax.....	(1,745)	(1,959)	(3,456)	(3,432)
Income tax expense.....	-	-	-	-
Net loss from continuing operations...	(1,745)	(1,959)	(3,456)	(3,432)
Net profit from discontinued operations (attributable to equity holders of the Group).....	-	118	-	118
Net loss for the period.....	(1,745)	(1,841)	(3,456)	(3,314)

Three Months Ended June 30, 2026 Compared to Three Months Ended June 30, 2025

Other Income

The following table sets forth our other income in the three-month periods ended June 30, 2026 and 2025:

	For the three months ended June 30,	
	2026	2025
	(CHF in thousands)	
Fair value of services received at zero cost	10	34
Other service income.....	-	2
Total.....	10	36

During the three-month periods ended June 30, 2026 and 2025, other income primarily related to the fair value of the services received at zero cost from Neurosterix's Group.

Research and Development Expenses

The following table sets forth our research and development expenses in the three-month periods ended June 30, 2026 and 2025:

	For the three months ended June 30,	
	2026	2025
	(CHF in thousands)	
GABAB PAM.....	-	64
Dipraglurant.....	3	1
Other programs.....	9	3
Subtotal outsourced R&D per program.....	12	68
Patent maintenance and registration costs.....	15	54
Fair value of services received at zero costs.....	8	30
Other operating costs.....	3	82
Subtotal unallocated R&D expenses.....	26	166
Total.....	38	234

Research and development expenses decreased by CHF 0.2 million in the three-month period ended June 30, 2026, compared to the three-month ended period June 30, 2025, primarily due to decreased GABAB PAM outsourced R&D expenses and reduced services received at zero cost from Neurosterix's Group.

General and Administrative Costs

The following table sets forth our general and administrative costs in the three-month periods ended June 30, 2026 and 2025:

	For the three months ended June 30,	
	2026	2025
	(CHF in thousands)	
Staff costs.....	222	45
Professional fees.....	238	320
D&O Insurance	37	47
Listing costs.....	65	27
Depreciation.....	25	2
Fair value of services received at zero costs.....	2	4
Other operating costs.....	28	90
Total.....	617	535

General and administrative costs increased by CHF 0.1 million in the three-month period ended June 30, 2026, compared to the three-month period ended June 30, 2025, primarily due to increased staff costs of CHF 0.2 million, partially offset by lower Professional fees of CHF 0.1 million.

Share of net loss of investments accounted for using the equity method

	For the three months ended June 30,	
	2026	2025
	(CHF in thousands)	
Share of net loss for the period of Neurosterix's Group.....	1,102	1,232
Total.....	1,102	1,232

The share of the net loss of Neurosterix's Group decreased by CHF 0.1 million in the three-month period ended June 30, 2026, compared to the three-month period ended June 30, 2025.

Six Months Ended June 30, 2026 Compared to Six Months Ended June 30, 2025

Other Income

The following table sets forth our other income in the six-month periods ended June 30, 2026 and 2025:

	For the six months ended June 30,	
	2026	2025
	(CHF in thousands)	
Fair value of services received at zero	18	105
Other service income.....	-	2
Total.....	18	107

During the six-month periods ended June 30, 2026 and 2025, other income primarily related to the fair value of the services received at zero cost from Neurosterix's Group.

Research and Development Expenses

The following table sets forth our research and development expenses in the six-month periods ended June 30, 2026 and 2025:

	For the six months ended June 30,	
	2026	2025
	(CHF in thousands)	
GABAB PAM.....	-	93
Dipraglurant.....	6	4
Other programs.....	15	4
Subtotal outsourced R&D per program.....	21	101
Patent maintenance and registration costs.....	30	97
Fair value of services received at zero costs.....	10	93
Other operating costs.....	13	100
Subtotal unallocated R&D expenses.....	53	290
Total.....	74	391

Research and development expenses decreased by CHF 0.3 million in the six-month period ended June 30, 2026, compared to the six-month ended period June 30, 2025, primarily due to decreased GABAB PAM outsourced R&D expenses and reduced services received at zero cost from Neurosterix's Group.

General and Administrative Costs

The following table sets forth our general and administrative costs in the six-month periods ended June 30, 2026 and 2025:

	For the six months ended June 30,	
	2026	2025
	(CHF in thousands)	
Staff costs.....	441	146
Professional fees.....	356	622
D&O Insurance	74	92
Listing costs.....	106	91
Depreciation.....	35	4
Fair value of services received at zero costs.....	8	12
Other operating costs.....	49	89
Total.....	1,069	1,056

General and administrative costs, primarily driven by staff costs and professional fees, remained stable around CHF 1.1 million in the six-month period ended June 30, 2026, compared to the six-month period ended June 30, 2025.

Share of net loss of investments accounted for using the equity method

	For the six months ended June 30,	
	2026	2025
	(CHF in thousands)	
Share of net loss for the period of Neurosterix's Group.....	2,331	2,079
Total.....	2,331	2,079

The share of the net loss of Neurosterix's Group increased by CHF 0.3 million in the six-month period ended June 30, 2026, compared to the six-month period ended June 30, 2025.

Capital Resources

Since our inception through June 30, 2026, we have generated CHF 66.8 million of revenue and have incurred net losses and negative cash flows from our operations. We have funded our operations primarily through the sale of equity. From inception through June 30, 2026, we raised an aggregate of CHF 357.1 million of gross proceeds from the sale of equity. We have also raised gross proceeds of CHF 5.0 million and acquired a 20% equity interest in Neurosterix US Holdings LLC as part of the Neurosterix Transaction executed on April 2, 2024.

As at June 30, 2026, we had CHF 0.8 million in cash and cash equivalents. From July 1, 2026 to August 25, 2026, we raised gross proceeds of USD 2.8 million (CHF 2.3 million) through the sale of 52,970,533 shares of which 52,762,680 have been sold in a form of ADSs through the At the Market (ATM) offering agreement with H.C. Wainwright & Co.

Our primary uses of cash are to fund operating expenses, which consist mainly of research and development expenditures and associated general and administrative costs. Cash used to fund operating expenses is impacted by the timing of when we pay these expenses, as reflected in the changes in our outstanding accounts payable and accrued expenses. We currently have no ongoing material financing commitments, such as lines of credit or guarantees.

In the medium and long term, we expect an increase of our expenses compared to the six-month period ended June 30, 2026, as we continue the development of our GABAB PAM chronic cough drug candidate, initiate further clinical trials and seek marketing approval for our drug candidates.

In addition, if we obtain marketing approval for any of our drug candidates, we expect to incur significant commercialization expenses related to program sales, marketing, manufacturing and distribution to the extent that such sales, marketing and distribution are not the responsibility of potential collaborators. Accordingly, we will need to obtain substantial additional funding in connection with our continuing operations. If we are unable to raise capital when needed or on attractive terms, we would be forced to delay, reduce or eliminate our research and development programs or future commercialization efforts.

The Group expects that its existing cash and cash equivalents at the issuance date of these unaudited interim condensed consolidated financial statements will be sufficient to fund its operations and meet all of its obligations as they fall due through the fourth quarter of 2027. These factors individually and collectively indicate that a material uncertainty exists that raises substantial doubt about the Group's ability to continue as a going concern for one year from the issuance date of these unaudited interim condensed consolidated financial statements. Our future viability is dependent on our ability to monetize our intellectual property portfolio or financial assets and /or raise additional capital through public or private financing that may dilute existing shareholders. We have based this estimate on assumptions that may prove to be wrong, and we could utilize our available capital resources sooner than we currently expect. Our future capital requirements will depend on many factors, including:

- the scope, progress, results and costs of our ongoing and planned preclinical and clinical study for our drug candidates,
- the extent to which we out-license, in-license, sell or acquire other drug candidates and technologies;
- the number and development requirements of other drug candidates that we may pursue;
- the costs, timing and outcome of regulatory review of our drug candidates;
- cost associated with finding alternative suppliers due to geopolitical events such as the ongoing war in Ukraine and the Middle East conflict;
- the costs associated with building out our operations; and
- the costs and timing of future commercialization activities, including drug manufacturing, marketing, sales and distribution, for any of our drug candidates for which we receive marketing approval.

Identifying potential drug candidates and conducting preclinical studies and clinical trials is a time-consuming, expensive and uncertain process that takes many years to complete, and we may never generate the necessary data or results required to obtain marketing approval and achieve product sales. In addition, our drug candidates, if approved, may not achieve commercial success. Our revenue, if any, will be derived from sales of products that we do not expect to be commercially available for many years, if at all.

Until such time, if ever, as we can generate substantial product revenue, we may finance our cash needs through

a combination of equity offerings, debt financing, collaborations, strategic alliances and licensing arrangements. To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted, and the terms of any additional securities may include liquidation or other preferences that adversely affect your rights as a shareholder. Debt financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends.

If we raise funds through additional collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or drug candidates or to grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds through equity or debt financing when needed, we may be required to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to develop and market drug candidates that we would otherwise prefer to develop and market ourselves.

The following table shows a summary of our cash flows of the continuing operations for the periods indicated:

	For the six months ended June 30,	
	2026	2025
	(CHF in thousands)	
Net cash flows used in operating activities.....	(1,234)	(1,019)
Net cash flows used in investing activities.....	-	(737)
Net cash flows from financing activities.....	355	747
Net cash used in continuing activities.....	(879)	(1,009)

Operating activities of continuing activities

Net cash flows used in operating activities consist of the net loss from continuing operations adjusted for changes in net working capital (current assets less current liabilities), and for non-cash items such as the share of net loss of associates, the value of share-based services and changes in post-employment benefits.

During the six-month period ended June 30, 2026, continuing operating activities used CHF 1.2 million of cash primarily due to our continued net loss of CHF 3.5 million partially offset by non-cash items of CHF 2.4 million primarily related to the share of the net loss of Neurosterix's Group and an increased net working capital of CHF 0.1 million due to increased prepayments primarily driven by the retirement benefit contributions paid annually at the beginning of the year.

During the six-month period ended June 30, 2025, operating activities used CHF 1.0 million of cash primarily due to our net loss of CHF 3.4 million partially offset by a decreased net working capital of CHF 0.3 million and non-cash items of CHF 2.1 million primarily related to the share of the net loss of the Neurosterix's Group.

Investing activities of continuing activities

Net cash flows used in investing activities consists primarily of investments in equity interest.

During the six-month period ended June 30, 2026, cash used in continuing investing activities was nil, whilst it amounted to CHF 0.8 million for the same period ended June 30, 2025 due to the equity investment in Stalicia Ltd.

Financing activities of continuing activities

Net cash flows from financing activities, primarily consists of proceeds from the sale of equity securities.

During the six-month period ended June 30, 2026, net cash flows from financing activities amounted to CHF 0.4 million and primarily related to the net proceeds from the sale of treasury shares sold under the form of ADSs through the At the Market Agreement with H.C. Wainwright.

During the six-month period ended June 30, 2025, net cash flows from financing activities amounted to CHF 0.7 million and primarily related to the net proceeds from the sale of treasury shares.

Off-Balance Sheet Arrangements

As of the date of the discussion and analysis and during the period presented, we did not have, and we do not currently have, any off-balance sheet arrangements, as defined in the rules and regulations of the U.S. Securities and Exchange Commission.

Critical Accounting Policies and Significant Judgments and Estimates

Our management's discussion and analysis of our financial condition and results of operations is based on our unaudited interim condensed consolidated financial statements, which we have prepared in accordance with International Accounting Standard 34 Interim Financial Reporting as issued by the International Accounting Standards Board.

Recent Accounting Pronouncements

The adoption of IFRS standards as issued by the IASB and interpretations issued by the IFRS interpretations committee that are effective for the first time for the financial year beginning on or after January 1, 2026, had no material impact on our financial position or disclosures made in our unaudited interim condensed consolidated financial statements.

JOBS Act Transition Period

We were an "emerging growth company" as defined in the JOBS Act for the finance reporting published until December 31, 2025. During this period, we took advantage of exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies primarily related to the exemption from complying with the auditor attestation requirements of Section 404. Even though we are no longer an emerging growth company, we remain exempt from the auditor attestation requirements of Section 404 pursuant to the rules of the SEC because we remain a "non-accelerated filer" defined in rule 12b2-2 under the Exchange Act as a public company with an aggregate market value of its outstanding shares held by non-affiliates below \$75 million as of June 30 of each fiscal year. The other exemptions that we no longer benefit relate to reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation including golden parachute compensation.