



Minerva Neurosciences Reports Fourth Quarter and Fiscal Year 2024 Financial Results and Business Updates

February 25, 2025

BURLINGTON, Mass., Feb. 25, 2025 (GLOBE NEWSWIRE) -- [Minerva Neurosciences, Inc.](https://www.minervaneurosciences.com/) (Nasdaq: NERV), a clinical-stage biopharmaceutical company focused on the development of therapies to treat central nervous system disorders, today reported business updates and financial results for the fourth quarter and year ended December 31, 2024.

Corporate Update

As previously [disclosed](#) in the first quarter of 2024, the U.S. Food and Drug Administration (FDA) issued a Complete Response Letter (CRL) to our New Drug Application (NDA) for roluperidone for the treatment of negative symptoms in patients with schizophrenia. The company continues to have interactions with the FDA with the goal of addressing questions raised in the CRL.

Fourth Quarter and Year End Financial Results

Research and development (R&D) expense: For the three months ended December 31, 2024 and 2023, R&D expense was \$2.0 million and \$ 4.7 million, respectively. R&D expense was lower versus the prior year period primarily due to costs associated with the FDA's review of our NDA for roluperidone, costs for the C18 study, and lower compensation expenses. For the years ended December 31, 2024 and 2023, R&D expense was \$ 11.9 million and \$12.7 million, respectively. R&D expense was lower versus the prior year period primarily due to costs associated with the C18 study and lower compensation expenses, partially offset by higher costs associated with our drug substance validation campaign.

General and administrative (G&A) expense: For both of the three months ended December 31, 2024 and 2023, G&A expense was \$2.5 million. For the years ended December 31, 2024 and 2023, G&A expense was \$9.9 million and \$10.4 million, respectively. G&A expense was lower versus the prior year period primarily due to lower compensation expenses, partially offset by higher professional service fees.

Non-cash interest expense: For the three months and year ended December 31, 2024, non-cash interest expense for the sale of future royalties was \$0 and \$4.6 million, respectively, as compared to \$2.2 million and \$8.3 million for the three months and year ended December 31, 2023, respectively. Non-cash interest expense was lower versus the prior year periods as a result of the Company revising its estimates for the timing and amount of future royalty payments to be received under the royalty arrangement. During the third quarter of 2024, the Company adjusted the carrying amount of its Liability related to the sale of future royalties to the initial payment of \$60 million. This adjustment resulted in the recognition of \$26.6 million in Other Income during the third quarter of 2024, representing the amount of non-cash interest expense amortized through June 30, 2024.

Other income: For both the three months ended December 31, 2024 and 2023, other income was \$0. For the years ended December 31, 2024 and 2023, other income was \$26.6 million and \$0, respectively. The Company recognized Other Income in the third quarter of 2024 as a result of the adjustment to the carrying amount of the Liability related to the sale of future royalties.

Net income (loss): Net loss was \$4.3 million for the three months ended December 31, 2024, or net loss per share of \$0.56 basic and diluted, as compared to net loss of \$9.0 million, or net loss per share of \$1.19 basic and diluted, for the three months ended December 31, 2023. Net income was \$1.4 million for the year ended December 31, 2024, or net income per share of \$0.19 basic and diluted, as compared to net loss of \$30.0 million, or net loss per share of \$4.61 basic and diluted for the year ended December 31, 2023. As noted above, the adjustment to the carrying amount of the Liability related to the sale of future royalties during the third quarter of 2024 resulted in net income for the year ended December 31, 2024.

Cash Position: Cash, cash equivalents and restricted cash at December 31, 2024, were approximately \$21.5 million, as compared to \$41.0 million at December 31, 2023.

About Minerva Neurosciences

Minerva Neurosciences, Inc. is a clinical-stage biopharmaceutical company focused on developing product candidates to treat CNS diseases. Minerva's goal is to transform the lives of patients with improved therapeutic options, including roluperidone for negative symptoms of schizophrenia and MIN-301 for Parkinson's disease. For more information, please visit the Company's [website](https://www.minervaneurosciences.com/).

Forward-Looking Safe Harbor Statement

This press release contains forward-looking statements which are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements are statements that are not historical facts, reflect management's expectations as of the date of this press release, and involve certain risks and uncertainties. Forward-looking statements include, but are not limited to, statements herein with respect to Minerva's ability to remediate or otherwise resolve issues and deficiencies identified in the CRL and the outcome of its interactions with the FDA. These forward-looking statements are based on our current expectations and may differ materially from actual results due to a variety of factors including, without limitation, Minerva's ability to address FDA's feedback and timing thereof; uncertainties associated with regulatory processes, including the content and timing of decisions by the FDA; general risks associated with developing biopharmaceutical product candidates; management's ability to successfully achieve its goals; our ability to raise additional capital to fund its clinical development plans, operations and corporate objectives on terms acceptable to Minerva; general economic conditions; and other factors that are described under the caption "Risk Factors" in Minerva's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2024, filed with the Securities and Exchange Commission on February 25, 2025. Copies of reports filed with the SEC are posted on Minerva's website at <http://ir.minervaneurosciences.com/>. The forward-looking statements in this press release are based on information available to the Company as of the date hereof, and the Company disclaims any obligation to update any forward-looking statements, except as required by law.

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CONDENSED CONSOLIDATED BALANCE SHEET DATA
(Unaudited)

	December 31, 2024		December 31, 2023	
	(in thousands)			
ASSETS				
Current assets:				
Cash and cash equivalents	\$	21,362	\$	40,913
Restricted cash		100		100
Prepaid expenses and other current assets		807		989
Total current assets		22,269		42,002
Equipment and capitalized software, net		6		29
Goodwill		14,869		14,869
Total assets	\$	37,144	\$	56,900
LIABILITIES AND STOCKHOLDERS' DEFICIT				
Current liabilities:				
Accounts payable	\$	1,608	\$	1,805
Accrued expenses and other current liabilities		1,229		1,535
Total current liabilities		2,837		3,340
Long-term liabilities:				
Liability related to the sale of future royalties		60,000		82,017
Total liabilities		62,837		85,357
Stockholders' deficit:				
Common stock		1		1
Additional paid-in capital		369,683		368,357
Accumulated deficit		(395,377)		(396,815)
Total stockholders' deficit		(25,693)		(28,457)
Total liabilities and stockholders' deficit	\$	37,144	\$	56,900

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	(in thousands, except per share amounts)		(in thousands, except per share amounts)	
	2024	2023	2024	2023
Operating expenses:				
Research and development	\$	1,983	\$	4,721
General and administrative		2,539		9,949
Total operating expenses		4,522		21,848
Loss from operations		(4,522)		(23,119)
Foreign exchange gains (losses)		10		(2)
Investment income		240		1,272
Non-cash interest expense for the sale of future royalties		-		(4,562)
Other income		-		26,579
Net income (loss)	\$	(4,272)	\$	(9,022)
		\$	(9,022)	\$
			\$	1,439
			\$	(30,005)

Net income (loss) per share, basic	<u>\$</u>	<u>(0.56)</u>	<u>\$</u>	<u>(1.19)</u>	<u>\$</u>	<u>0.19</u>	<u>\$</u>	<u>(4.61)</u>
Weighted average shares outstanding, basic		7,569		7,569		7,569		6,506
Net income (loss) per share, diluted	<u>\$</u>	<u>(0.56)</u>	<u>\$</u>	<u>(1.19)</u>	<u>\$</u>	<u>0.19</u>	<u>\$</u>	<u>(4.61)</u>
Weighted average shares outstanding, diluted		7,569		7,569		7,574		6,506