

October 21, 2021

NRx Files Form 8-K with the United States Securities and Exchange Commission regarding the formation of a joint venture to develop and commercialize the BriLife™ vaccine.

On October 15, 2021, NRX Pharmaceuticals, Inc. (the “*Company*”) entered into a Shareholder Agreement (the “*Agreement*”) with Shimshon Hen and David Sepiashvili, each an Israeli citizen (collectively, the “*Shareholders*”), which sets out the framework for the establishment of a new joint venture between the Company and the Shareholders (“*VaccineCo*”) that will be responsible for the development and commercialization of the BriLife™ vaccine (the “*Vaccine*”).

The Shareholders have worked with the Company in successfully bidding for and signing a Memorandum of Understanding with the Ministry of Defense of the State of Israel via the Israel Institute for Biological Research under which the Company has been granted the exclusive, worldwide right to develop the Vaccine (the “*MoU*”). In addition, the Shareholders successfully assisted the Company in obtaining the emergency use authorization for Zyesami™ in the Nation of Georgia and continues to interface with regulatory authorities in the region.

The Agreement provides that the Company will hold 60% of the equity interest in VaccineCo with the Shareholders holding the remaining 40%. VaccineCo is expected to have a four-member board of directors (the “*Board*”), and the Company and the Shareholders will each be entitled to appoint two members to the Board. All financial decisions of the Board will require the consent of 75% of its members. Under the Agreement, the Company will receive 60%, and the Shareholders will receive 40%, of all net profits derived from all related rights, title and interests in, and sales of, the Vaccine. The parties will work with the Company’s tax, regulatory and legal advisors in its selection of the appropriate jurisdiction of formation for VaccineCo.

Among others, the Agreement requires the Shareholders to:

- take any and all necessary actions to support the negotiation and execution of an exclusive license agreement to the Company and/or VaccineCo for the development and marketing of the Vaccine;
- assist in obtaining all permits, licenses and approvals from all local, regional and national governmental departments and other regulatory health authorities, including the European Medicines Agency and the World Health Organization, as applicable, which are necessary for the Company and/or VaccineCo to advance the current clinical trials of the Vaccine in Georgia and to commence clinical trials of the Vaccine in Ukraine and such other countries as the parties shall agree;
- assist the Company and/or VaccineCo in furthering, organizing and/or commencing clinical trials of the Vaccine in each of the abovementioned countries;
- market and sell the Vaccine, once approved, in all countries of the Caucasus region, Russia, Peru, and such other countries as the parties shall agree; and
- pay 40% of all costs of developing, marketing, and selling the Vaccine.

In consideration for the Shareholders’ commencement of work under the Agreement as consultants to the Company prior to the formation of VaccineCo, the Agreement provides that the Company will grant the Shareholders 4,000,000 shares of the Company’s common stock, par value \$0.001 per share (the “*Shares*”). On October 20, 2021, the Shares were issued by the Company to the Shareholders under the Company’s 2021 Omnibus Incentive Plan.

The Agreement contains standard and customary provisions relating to confidentiality, protection of the Company’s intellectual property rights and compliance with applicable laws, including the Foreign Corrupt Practices Act, and the Company’s procedures for engaging sales agents and other local representatives to assist the Shareholders in the performance of their services. The Agreement has a term contemporaneous with the Company’s involvement with the Vaccine under the MoU or any license granted pursuant thereto. Either party may terminate the Agreement with thirty (30) days’ prior written notice following a breach by the other party.

The Agreement does not purport to include all matters that will need to be addressed between the Company and the Shareholders in connection with the establishment and operation of VaccineCo but is intended to serve as a framework for commencing work and may be amended to address additional issues as the development of the Vaccine progresses.

Other Events

The Company has been granted a business charter in Luxembourg for Succursale(s) luxembourgeoise(s) de NRx Pharmaceuticals, Inc. (the Luxembourg branch of NRx Pharmaceuticals, Inc.). The registered business purpose as stated in the business charter is to develop and market pharmaceuticals and vaccines against COVID-19 and depression.