United States
Healthcare

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NRx Pharmaceuticals, Inc.

Q2 about inline. Phase 3 trial positive data. Major opportunities in IV ketamine and NRX-101. Raising P/T to $44.

COMPANY UPDATE

Rating: BUY

Ticker: NRXP

Price: $1.69

Target: $44
(from $43)

Q2 inline: NRx recently (on August 14) reported its Q2 2024 (ending June) results. Net loss was $7.9 million or EPS of $(0.75) compared with our and consensus estimates of $(0.58). There was no company guidance. NRx is a clinical stage drug development company so it generates no revenue.

Operating expenses: Operating expenses were $7.1 million, up from Q1's $6.0 million on higher R&D costs.

No guidance: Management did not provide forward guidance.

Adjusting estimate: We are adjusting our 2024 EPS estimate to $(2.84) from $(2.42).

Focused on Bipolar Disorder: Its main drug is NRX-101 (D-cylcoserine/Lurasidone) for the treatment of bipolar depression in patients with suicidality (the risk of suicide). NRX-101 aims to be the first oral therapeutic for the treatment of Bipolar Depression in patients with Acute Suicidal Ideation and Behavior ("ASIB") and Sub-Acute Suicidal Ideation and Behavior ("SSIB").

NRX-101: NRX-101 is a dual-targeted therapy regimen consisting of an initial treatment with NRX-100 (intravenous ketamine) followed by 6-week treatment with NRX-101 (combined DCS and lurasidone). Ketamine is a generic drug and has been widely used for a long time as an antidepressant, although its effect does not last long (usually about a week). NRX-101 is designed to extend ketamine's proven anti-suicidal and antidepressant benefits without its drawbacks.

Large market potential: There is no medicine approved to treat patients with bipolar depression suffering suicidal ideation. According to the NIH, an estimated 2.8% of the U.S. adult population had bipolar disorder in the past 12 months, and the lifetime prevalence is 4.4% of adults in the U.S. Lifetime suicide behavior occurs in 25% to 56% of people with bipolar depression.

Positive clinical trials data: In May, the company announced final positive clinical trials data in its Phase 2b/3 Clinical Trial of NRX-101 vs. Lurasidone for Treatment of Suicidal Bipolar Depression. The company believes that the findings when combined with the prior STABIL-B trial, demonstrate a basis for seeking accelerated drug approval of NRX-101 based on improved safety related to akathisia and suicidality in the setting of comparable antidepressant efficacy. This includes reductions in symptoms of akathisia – a side effect of antidepressants that is closely linked to suicide and considered a medical emergency.

HOPE Therapeutics spinoff: The company is developing NRX-100 (intravenous ketamine) as a labeled drug to treat acute depression and suicidality. The company plans to file a NDA for NRX-100 in 2024, with potential for revenue in 2025. The company plans to partially spin off HOPE Therapeutics to shareholders.

NRX-100: NRX-100 is Intravenous (IV) ketamine which has now become a standard of care for acute treatment of suicidal depression, in the absence of an FDA-labeled product.

Chronic Pain data readout soon: NRx plans to investigate NRX-101 in Chronic Pain and UTI as additional indications. The company has filed an Investigational New Drug (IND) Application with the FDA for these new indications and has received approvals. Data readout for its Chronic Pain clinical trial is expected soon (current Q3).

Balance sheet: As of Q2, the company has $2 million in cash and $9 million in debt. The company is currently finalizing a $30 million capital raise. The company also recently announced a financing of up to ~$16 million in debt (~$5 million of which has already closed).

Reverse stock split: In April 2024, the company effected a 1:10 reverse stock split.

New CEO search: In August, Stephen Willard, the company's CEO, has recommended the company find a new CEO with commercial pharmaceutical experience, particularly drug launch experience. Mr. Willard will stay as CEO during the search.

Current valuation attractive: We are maintaining our BUY rating, but raising our 12-month price target to $44 from $43 based on a NPV analysis. This represents significant upside from the current share price and we believe this valuation appropriately balances out the high risks with large upside opportunities.

Company Description

NRx Pharmaceuticals, based in Wilmington, DE, is a clinical stage biopharmaceutical company developing drugs to treat mental health disorders.

Stock Data

Exchange:	NasdaqGM
52-week Range:	1.59 – 7.33
Shares Outstanding (million):	11
Market cap ($million):	$19
EV ($million):	$26
Debt ($million):	$9
Cash ($million):	$2
Avg. Daily Trading Vol. ($million):	$0.2
Float (million shares):	8
Short Interest (million shares):	0.5
Dividend, annual (yield):	$0 (NA%)

Revenues (US$ million)

	2024E (Cur.)	2024E (Old)	2025E (Cur.)	2025E (Old)
Q1 Mar	0A		0E	
Q2 Jun	0A	0E	0E	
Q3 Sep	0E		0E	
Q4 Dec	0E		0E	
Total	**0E**		**0E**	
EV/Revs	N/A		N/A	

Earnings per Share (pro forma)

	2024E (Cur.)	2024E (Old)	2025E (Cur.)	2025E (Old)
Q1 Mar	(0.74)A		(0.60)E	(0.47)E
Q2 Jun	(0.75)A	(0.58)E	(0.60)E	(0.46)E
Q3 Sep	(0.66)E	(0.57)E	(0.59)E	(0.46)E
Q4 Dec	(0.69)E	(0.56)E	(0.59)E	(0.46)E
Total	**(2.84)E**	**(2.42)E**	**(2.39)E**	**(1.85)E**
P/E	N/A		N/A	

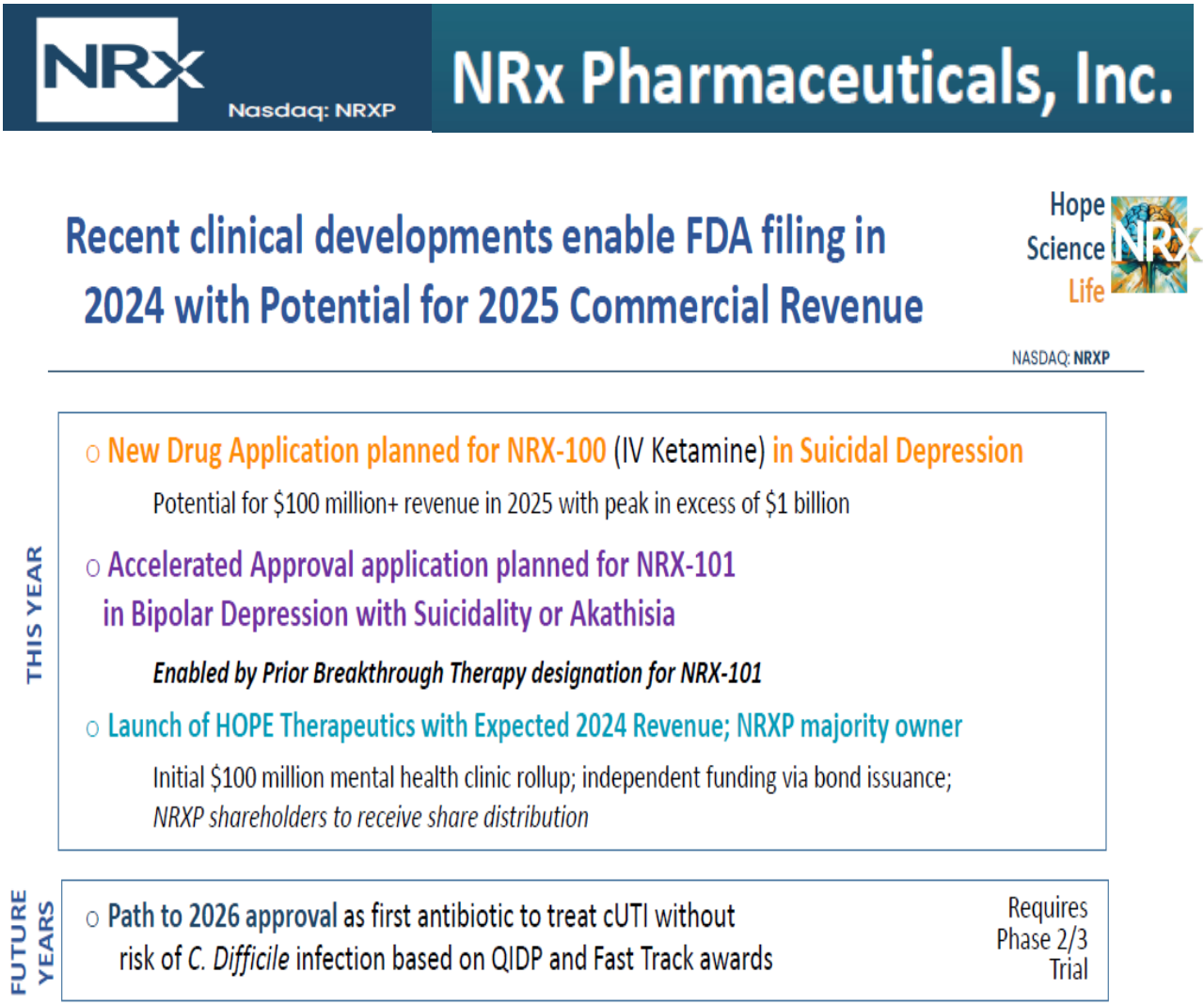
**Reflects a 1:10 reverse stock split in April 2024.*

Important Disclosures

Ascendiant Capital Markets LLC seeks to do business with companies covered by its research team. Consequently, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making an investment decision.

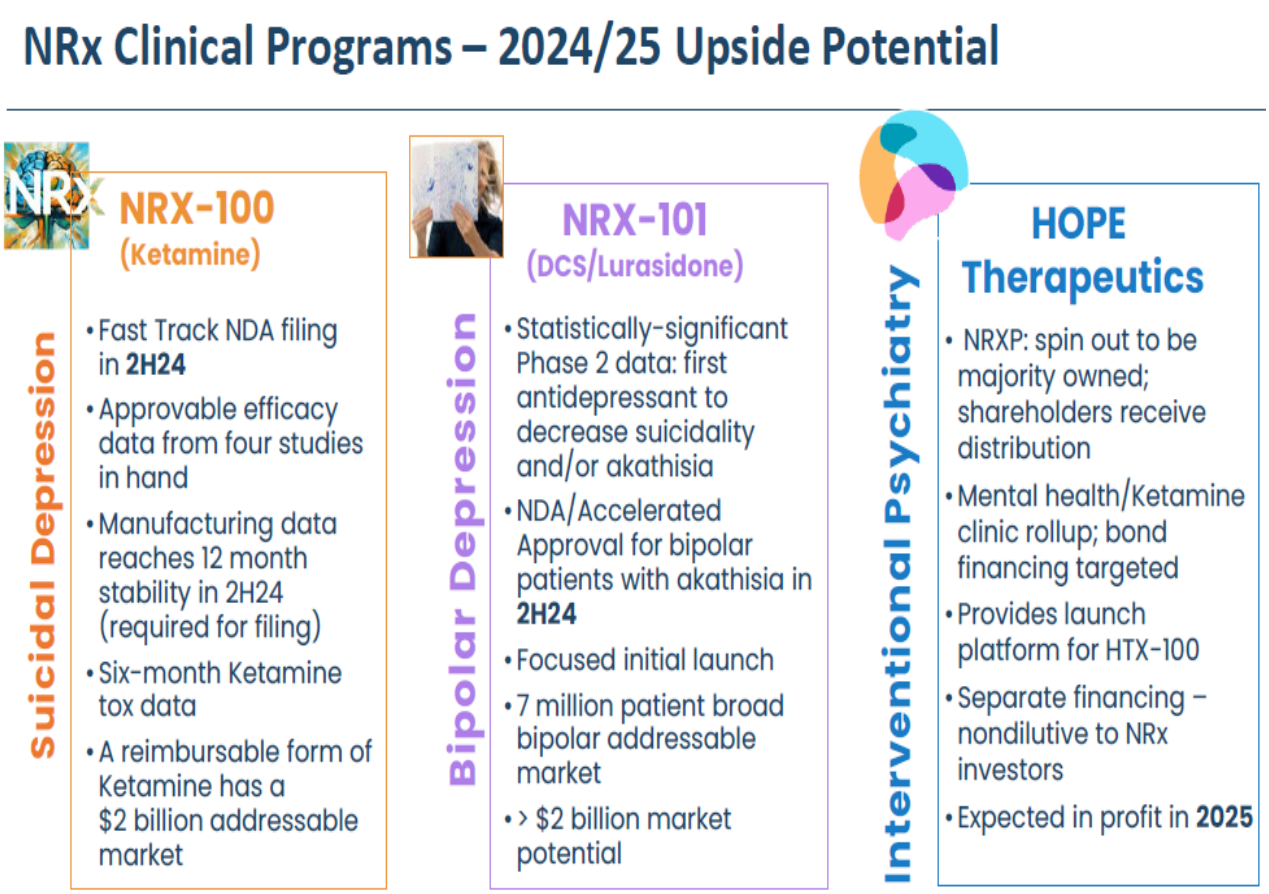
For analyst certification and other important disclosures, refer to the Disclosure Section, located at the end of this report, beginning on page 20.

Exhibit 1: NRx Pharmaceuticals, Inc. Corporate Overview



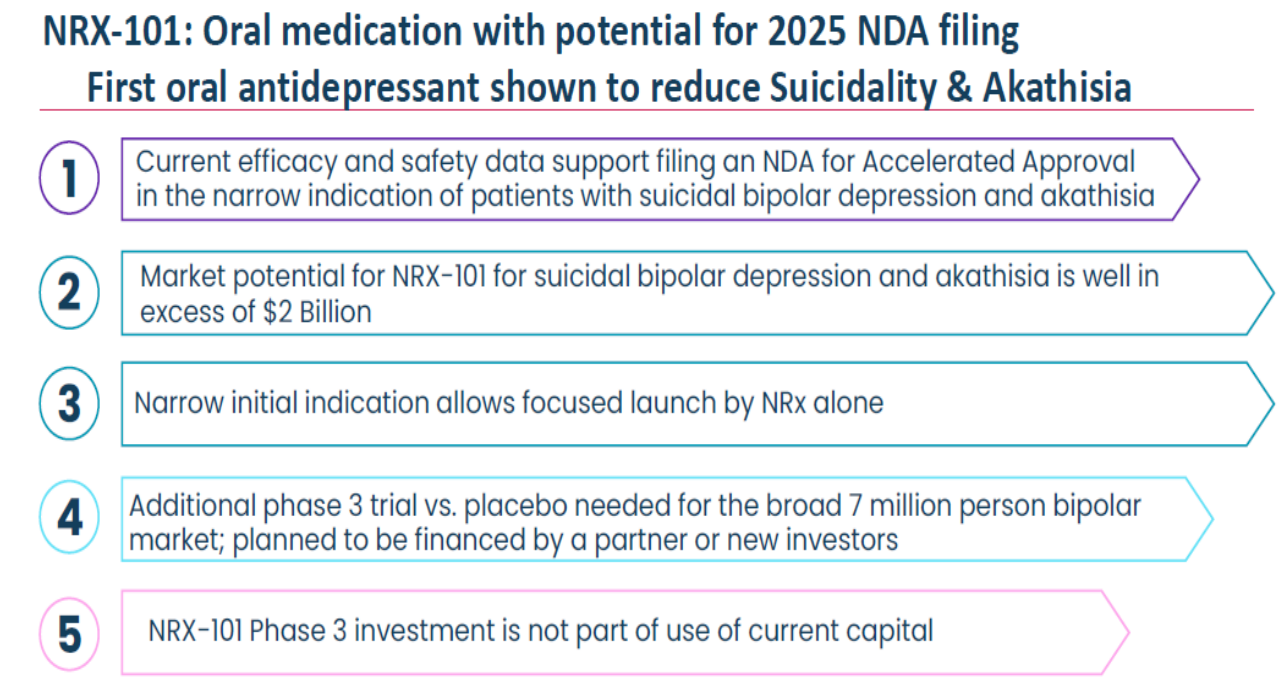
Source: Company reports.

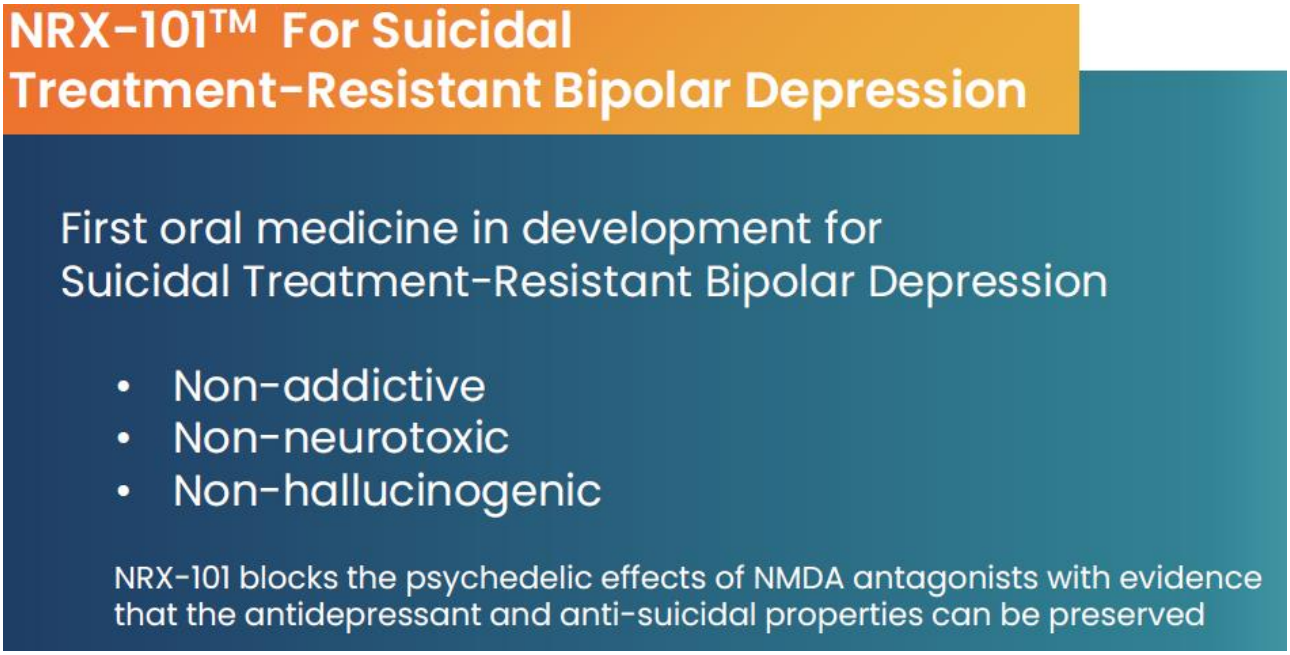
Exhibit 2: NRx's Investment Summary



Source: Company reports.

Exhibit 3: NRX-101



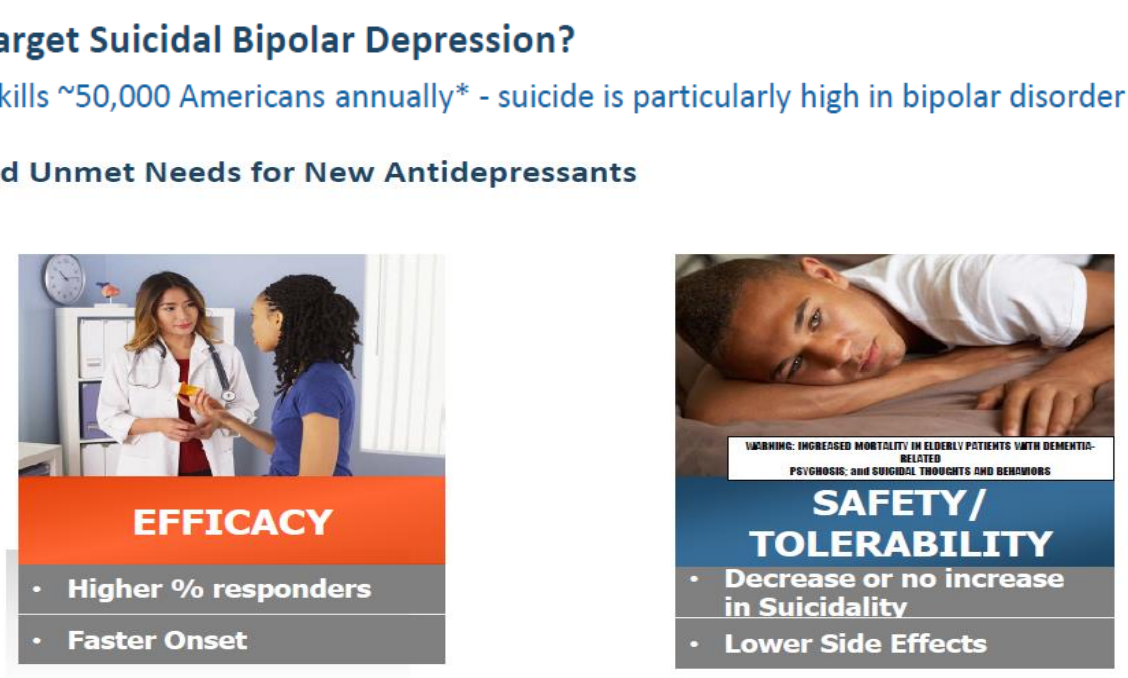


Source: Company reports.

Exhibit 4: NRx's Product Pipeline (as of July 2024)

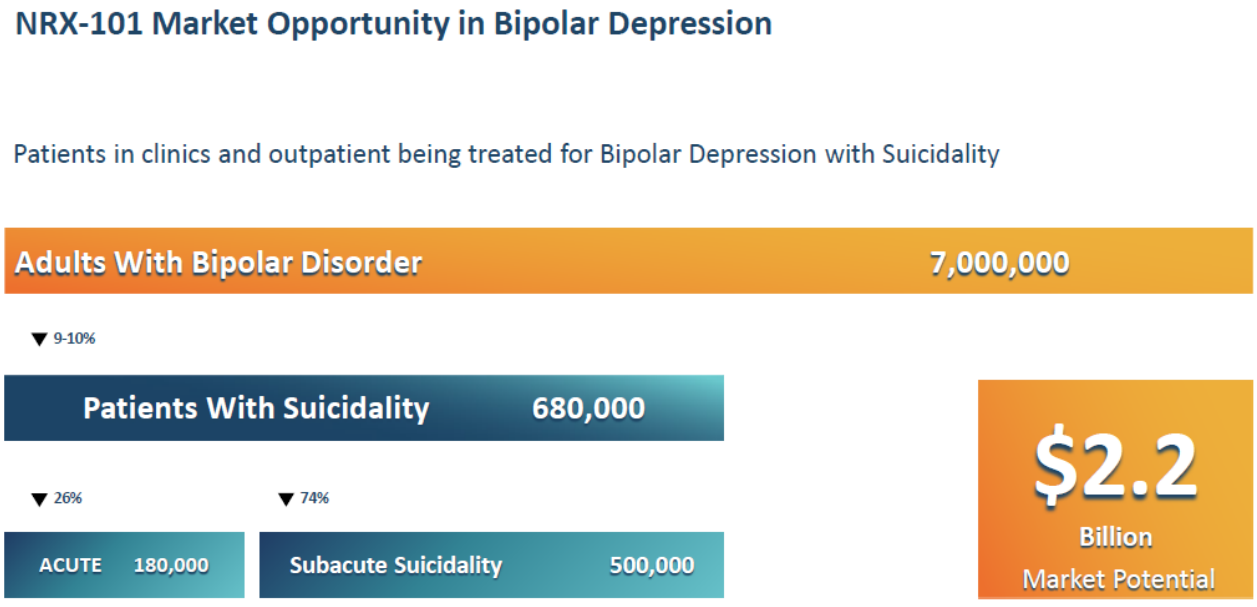
Source: Company reports.

Exhibit 5: Targeting Suicidal Bipolar Depression Risks



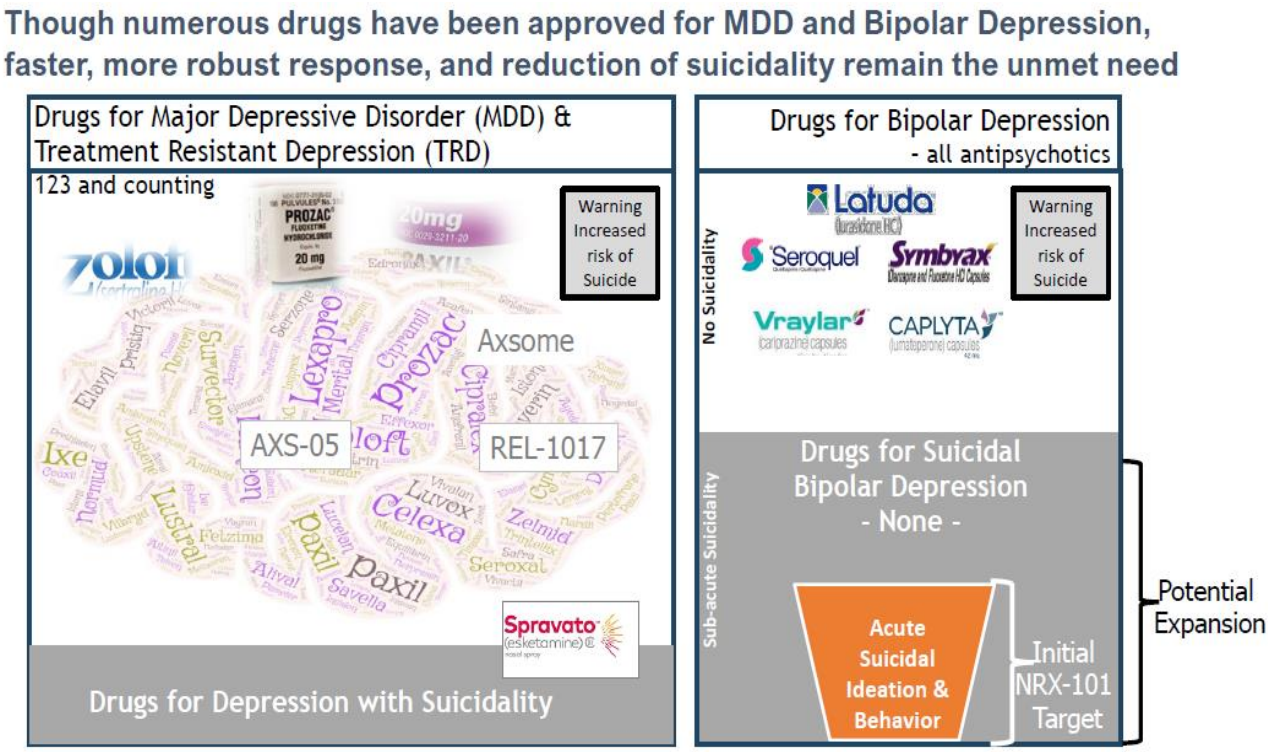
Source: Company reports.

Exhibit 6: Bipolar Depression Suicide Market Opportunities



Source: Company reports.

Exhibit 7: Unmet Need for Bipolar Depression Suicidality



Source: Company reports.

Exhibit 8: Science of Depression and Suicidality

The Emerging Science of Depression and Suicidality

Depression and Suicidality – though overlapping is not the same

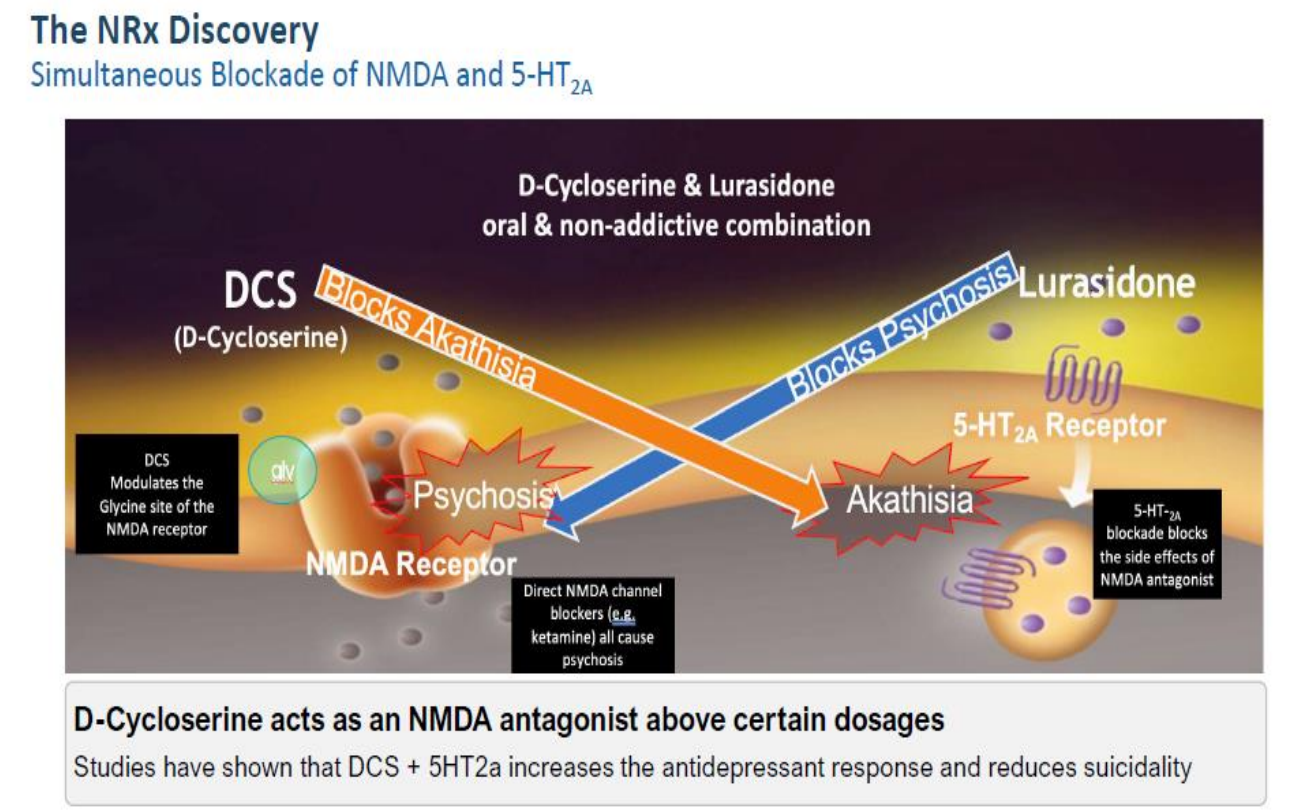
Depression with Suicidality	Implications for Bipolar Depression with Suicidality

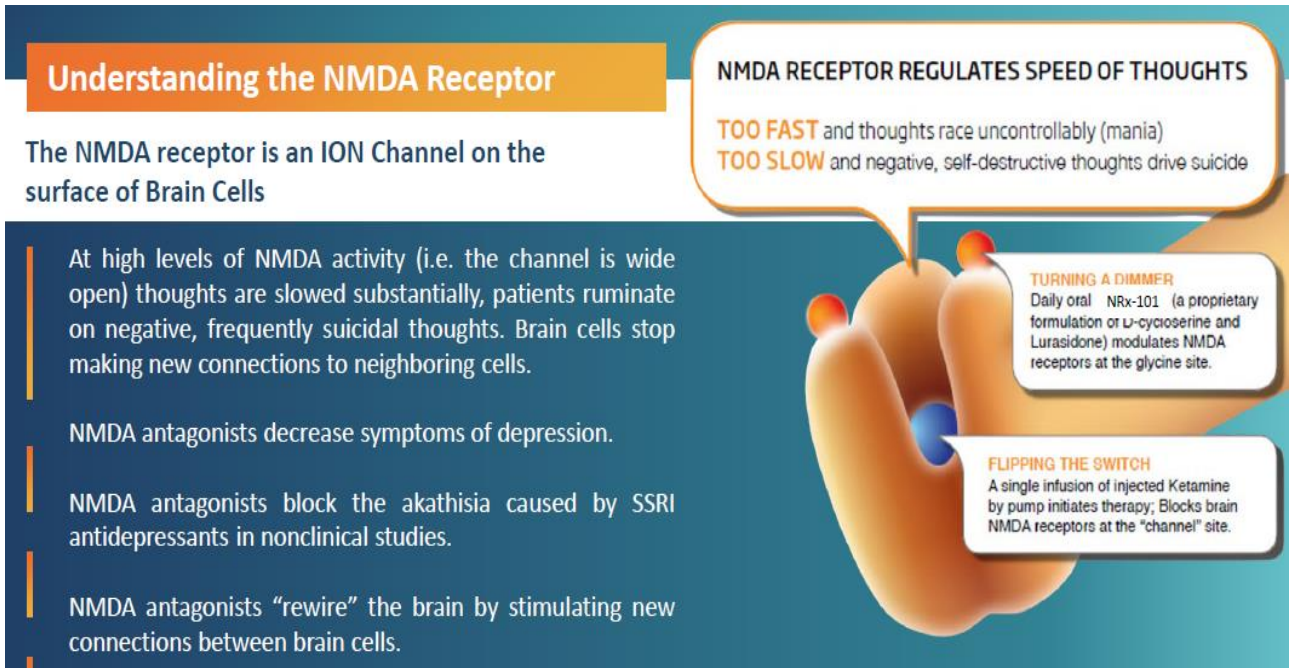
• Antidepressants (5HT2a / SSRIs) can increase suicidality - suicidality routinely an exclusion in depression studies
• NMDA antagonists (ketamine) can stabilize depression and suicidality –
  ◦ Suicidality improvement not strictly a function of improvements in depression
  ◦ Ketamine can create hallucinations, may be highly addictive, requires supervised administration
	• Highest suicidality of depressive disorders ~ 50% attempt suicide
	• Available drugs improve depression but can increase suicidality
	• Drug abuse and overdose of great concern – addictive agents may require REMS

Development of Depression drugs has mostly avoided addressing Suicidality

Source: Company reports.

Exhibit 9: NRx Discovery





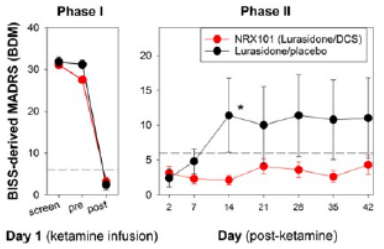
Source: Company reports.

Exhibit 10: Phase 2 Study of D-Cycloserine in Depression / Suicidality Conclusions

Phase 2 Success: STABIL-B trial Showed Superiority of NRX-101 vs Lurasidone in Reducing Depression (primary endpoint) *after Ketamine Pre-treatment*

Patients received one infusion of IV ketamine vs. placebo. Responders were randomized to NRX-101 vs lurasidone, a Standard of Care

- Mean 7.7 point benefit on MADRS (Primary Endpoint, P=.03) through day 42 vs. lurasidone.
- 40% relapse in control group, no relapse in NRX-101 group (P=.07)
- 1.5 point advantage vs SoC on Columbia Suicide Severity Rating Scale (C-SSRS) (P=.02)
- Decreased akathisia in the NRX-101 group on the BARS akathisia scale (P=.14)



	Efficacy Measures: Repeated Measures Mixed Model LS Mean Differences							
	Through Day 28				Through Day 42			
	LOCF No		LOCF yes		LOCF No		LOCF yes	
MADRS Depression	LS Mean Δ	p-value	LS Mean Δ	p-value	LS Mean Δ	p-value	LS Mean Δ	p-value
Score	-4.0	0.09	-7.7	0.03	-3.7	0.04	-7.7	0.04
Suicidality Rating	LS Mean Δ	p-value	LS Mean Δ	p-value	LS Mean Δ	p-value	LS Mean Δ	p-value
Scale C-SSRS	-0.5	NS	-1.3	0.04	-0.6	NS	-1.5	0.02
Clinical Global	LS Mean Δ	p-value	LS Mean Δ	p-value	LS Mean Δ	p-value	LS Mean Δ	p-value
Impression CGI-SS	-0.4	NS	-2.9	0.05	-0.6	NS	-2.9	0.02

Source: Company reports.

Exhibit 11: NRX-101 Phase 2b/3 Clinical Trial Program (SSIB & ASIB) Conclusions

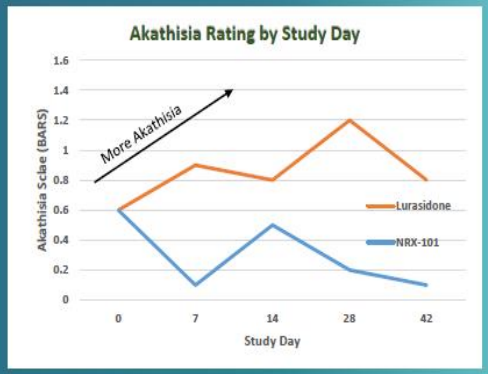
NRX-101 demonstrates reduced Akathisia and Time to Suicidality Remission in Suicidal Bipolar Depression: *No Ketamine Pre-treatment*

Phase 2b/3, randomized, double blind trial on NRX-101 vs Standard of Care (SoC) (lurasidone) in Suicidal Treatment Resistant Bipolar Depression (S-TRBD), n=74

- *Similar (50% reduction) in depression vs. SoC*
- *Significant reduction in akathisia vs. SoC, p=0.03*
- *Time to Sustained Remission from Suicidality (C-SSRS ≤3) vs. SoC, p=0.05*

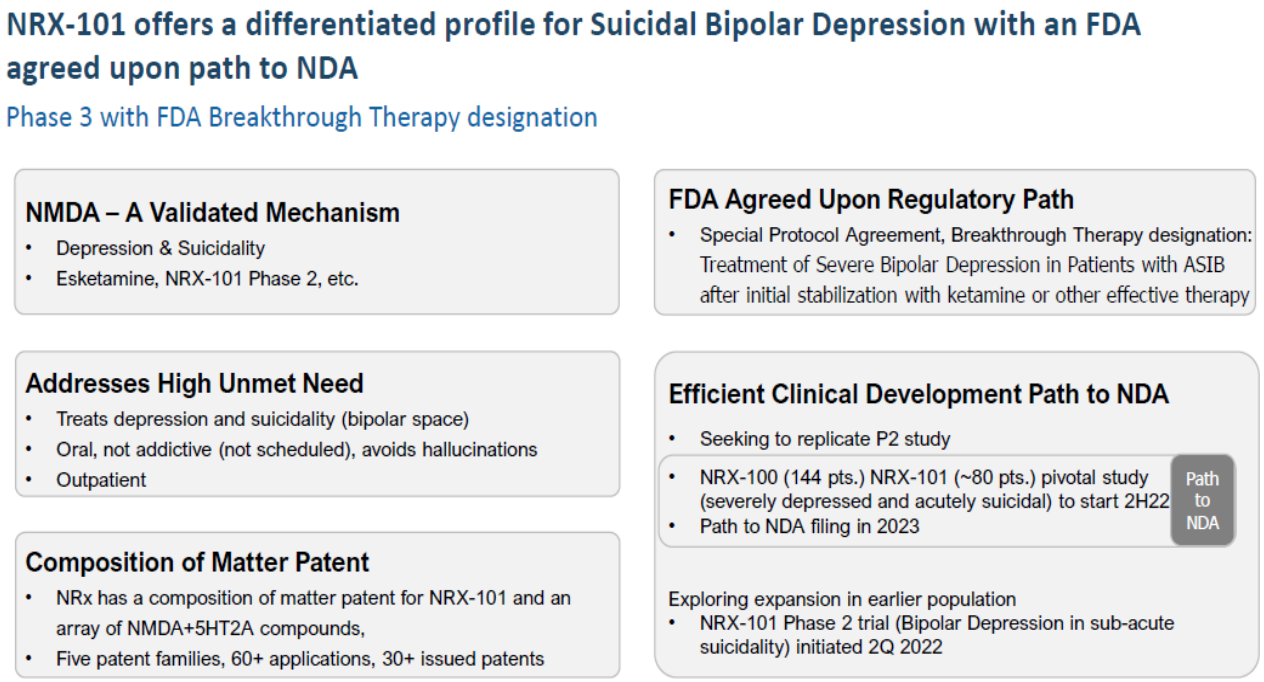
➢ *We believe an antidepressant with Standard of Care level efficacy and a significant reduction in akathisia / suicidality vs SoC will become the new standard in bipolar depression*

➢ *We believe NRX-101 can be that medication*



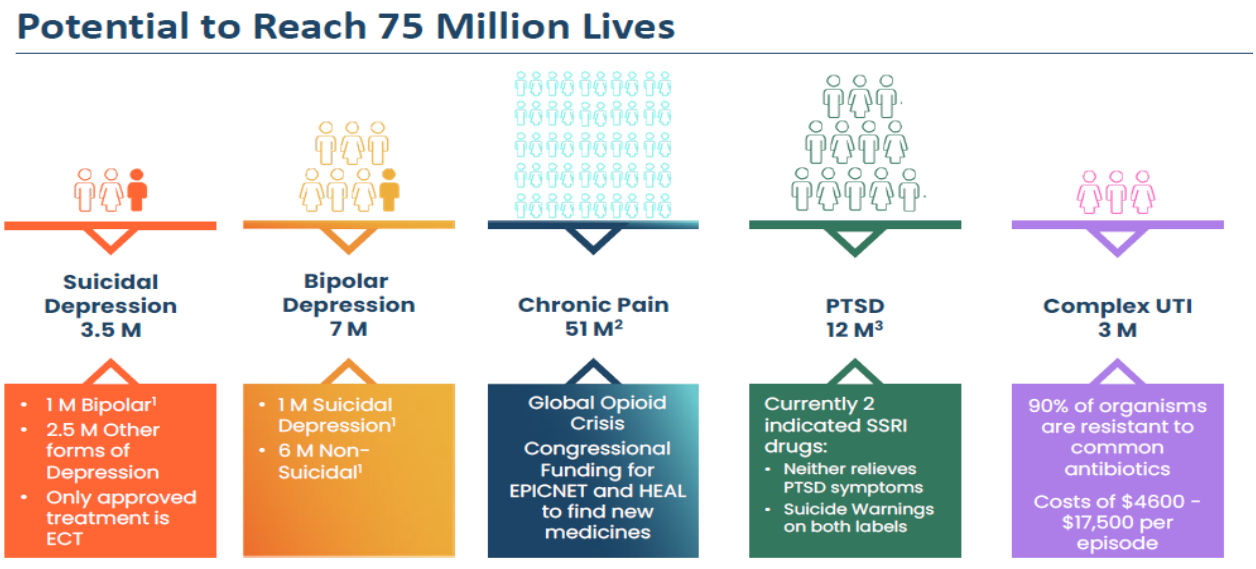
Source: Company reports.

Exhibit 12: NRX-101 Advantages and Objectives



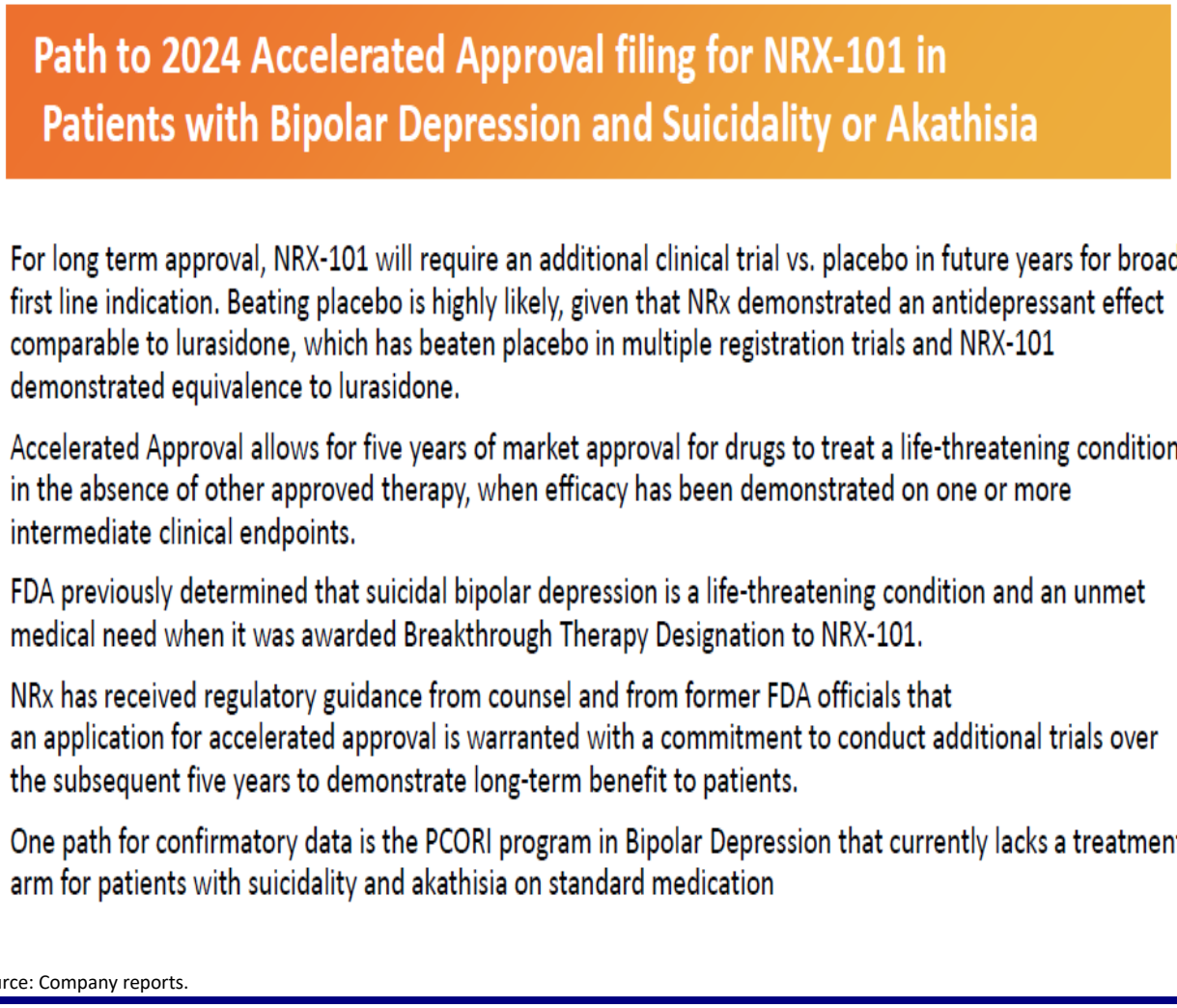
Source: Company reports.

Exhibit 13: NRX-101 Market Opportunities



Source: Company reports.

Exhibit 14: Path to 2024 Accelerated Approval filing for NRX-101



Source: Company reports.

Exhibit 15: HOPE Therapeutics

HOPE Therapeutics: Why Spin Out a Separate Company?
Expected 2025 profitability

1. NRx is a Biotechnology company focused on Research and Development
   HOPE is a Care Delivery company focused on Ketamine and digital therapeutics
2. **Acquisition** of revenue generating Ketamine/interventional psychiatry clinics
3. **Insurance-reimbursable** Ketamine transforms a "cash and carry" market
4. **Immediate sales** of Ketamine under 503b pharmacy license by mid-2024
   Development of HTX-100 (pH neutral Ketamine) – improved formulation
5. **Financing independent of NRXP:** equity and bond issuance

No FDA-Approved Medication today for Acute Suicidality

Only FDA-approved therapy is Electro-Convulsive Therapy (ECT)

IV Ketamine is used off-label
But not FDA-approved
Not reimbursed by Payers
Inconsistent in quality

Hope Therapeutics Near-Term Benefits to NRXP

- **NRXP to be majority shareholder after distribution additional investors would dilute HOPE, but not NRXP**
  - Target $45 million/yr run-rate
  - Opportunity Zone (tax-advantaged investment) focus
- **HOPE is an asset – adds to the NRXP Balance Sheet**
  - Increases NRXP Shareholder Equity
- **Potential dividends in 2025, if HOPE generates positive Cashflow**
  - Projected profitability in 2025

Source: Company reports.

Exhibit 16: Q2 2024 Results and Recent Business Highlights (as of August 14, 2024)

NRx Pharmaceuticals (NASDAQ:NRXP) Reports Second Quarter and Year to Date 2024 Financial Results and Provides Business Update

- *Company is now funded for and focused on New Drug Applications (NDAs) for NRX-100 (ketamine) and NRX-101*
- Audit of HOPE Therapeutics is now complete, SEC filing of spinout this quarter

Key Milestones

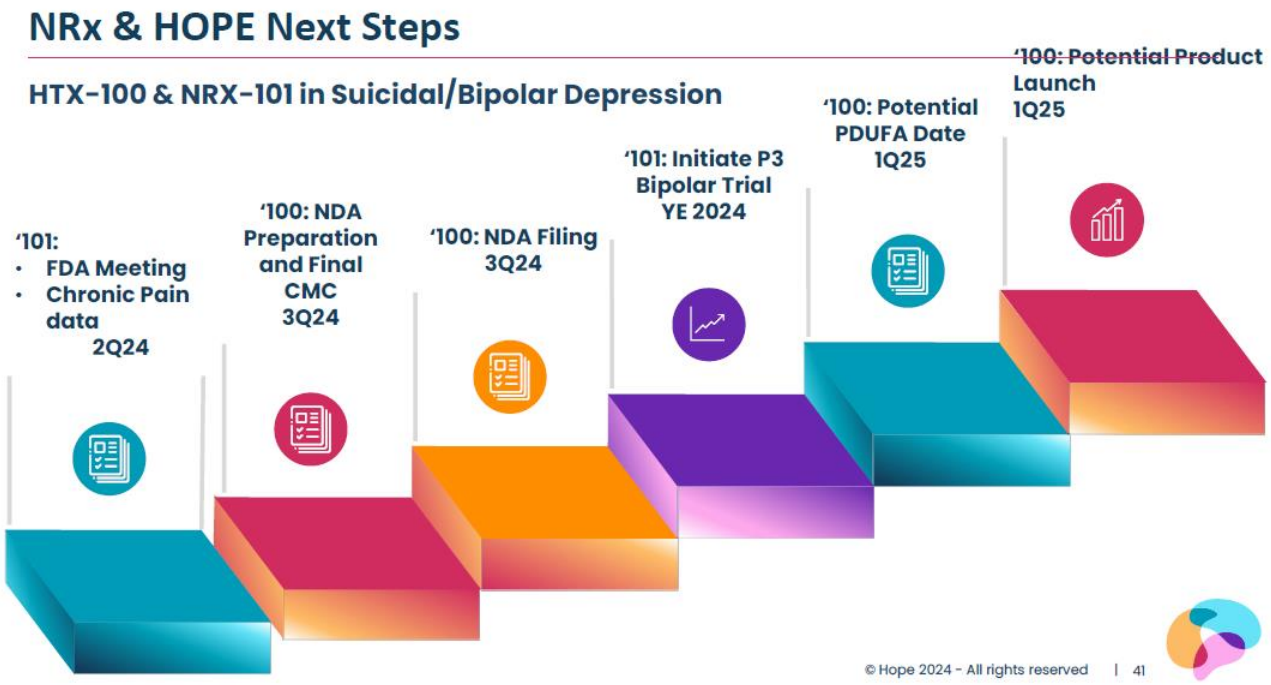
- Secured $10.8 - $16.3 million in convertible-debt funding from an institutional investor; funds targeted to support FDA New Drug Applications for NRX-100 (ketamine) and NRX-101. Replacement funding entails substantial reduction in interest rate, conversion discount, and other financial terms compared to prior debt
- Retirement of Streeterville debt and settlement of litigation at a substantial discount to litigation claims
- NRX-100 NDA for suicidal depression based on data from four clinical trials in nearly 1000 participants demonstrating highly significant efficacy compared to placebo, active comparator, and electroshock therapy
- Ketamine findings have just been confirmed in published 43,000 person cohort study[1]
- Phase 2b/3 trial of NRX-101 in suicidal patients with bipolar depression demonstrated depression efficacy comparable to standard of care and significant reduction of akathisia (P=0.025) and time to sustained remission from suicidality (P=.05). Presented at the annual meeting of the American Society of Clinical Psychopharmacology. Profile demonstrates possible best in class bipolar depression medication
- Company plans to file a New Drug Application (NDA) for Accelerated Approval under Breakthrough Therapy Designation and Priority Review of NRX-101 in treatment of bipolar depression in people akathisia or suicidality, based on the Phase 2b/3 and STABIL-B data
- Stability data continues to mature on the three manufacturing lots required for the NRX-100 (IV ketamine) NDA filing and the Company announced alignment with FDA on its Pediatric Study Plan for NRX-100, also a requirement for filing an NDA
- HOPE Therapeutics, the Company's wholly owned subsidiary, is focused on developing a best-in-class network of clinics that currently offer ketamine and other lifesaving therapies to patients with suicidal depression and related disorders. HOPE is planned to be spun out as a separate company to be owned by NRx, current NRx shareholders, and new investors. This effort will be funded apart from NRx.
- Appointed Dr. Dennis McBride, a Neuroscience, Information Technology and Medical Technology Veteran, to its Board of Directors

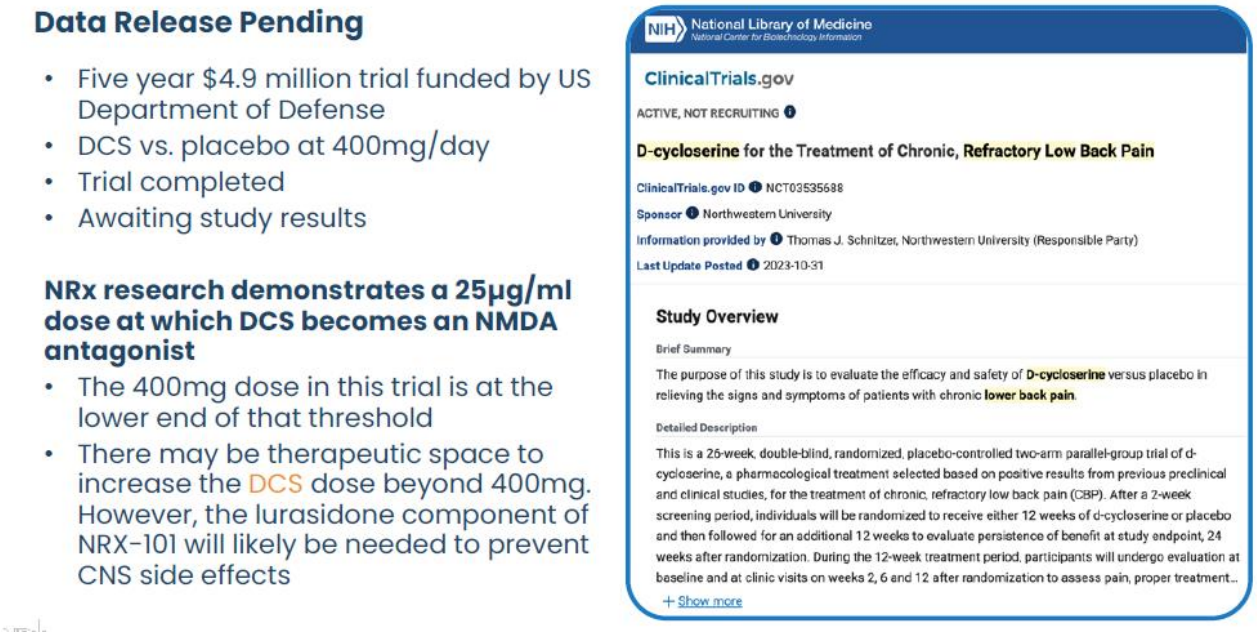
Source: Company reports.

Exhibit 17: Positive Phase 2b/3 Clinical Trial (May 6, 2024)

Source: Company reports.

Exhibit 18: Near Term Catalysts and Outlook





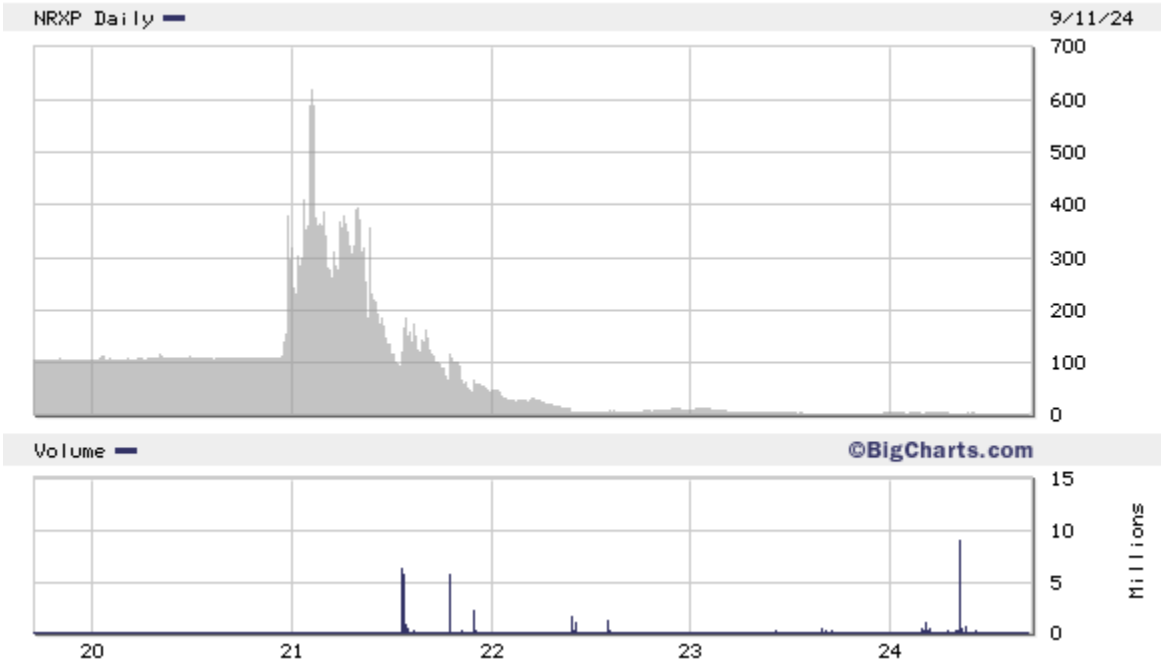
Source: Company reports.

Exhibit 19: NRx Pharmaceuticals, Inc. Stock Price (5-Years)

SPAC (Big Rock Partners Acquisition Corp.) IPO - 11/20/17

SPAC Merger Announcement (with NeuroRx, Inc.) - 12/14/20

SPAC Merger Completion (to form NRx Pharmaceuticals, Inc.) - 5/25/21



**Reflects a 1:10 reverse stock split in April 2024*

Source: https://bigcharts.marketwatch.com/

Exhibit 20: Consensus Expectations (as of August 14, 2024)

	Revenue (mils)	
	2024E	2025E
Q1 Mar	$0A	
Q2 Jun	$0E	
Q3 Sep	$0E	
Q4 Dec		
Total	$0E	$0E

	EPS	
	2024E	2025E
Q1 Mar	$(0.74)A	
Q2 Jun	$(0.58)E	
Q3 Sep	$(0.57)E	
Q4 Dec		
Total	$(3.21)E	$(1.85)E

**Quarterly estimates may not add to annual estimates due to variations in contributing estimates and rounding*

**Reflects a 1:10 reverse stock split in April 2024*

Source: Company report, LSEG, and Ascendiant Capital Markets estimates

FINANCIAL MODEL

NRx Pharmaceuticals, Inc.

Income Statement ($ mils)	Mar-22	Jun-22	Sep-22	Dec-22	2022	Mar-23	Jun-23	Sep-23	Dec-23	2023	Mar-24	Jun-24	Sep-24	Dec-24	2024	Mar-25	Jun-25	Sep-25	Dec-25	2025
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Total Revenue	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Cost of Revenues	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Gross Profit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Research & development	5.5	3.0	4.1	4.5	17.0	3.7	3.9	3.3	2.5	13.4	1.7	2.8	3.0	3.0	10.6	2.0	2.0	2.0	2.0	8.0
General and administrative	10.2	6.6	5.0	5.5	27.4	5.8	4.1	2.5	1.9	14.2	4.3	4.2	4.0	4.0	16.5	4.0	4.0	4.0	4.0	16.0
Restructuring and other					0.0		0.3			0.3					0.0					0.0
Total operating expenses	15.7	9.6	9.1	10.0	44.4	9.4	8.2	5.8	4.4	27.8	6.0	7.1	7.0	7.0	27.0	6.0	6.0	6.0	6.0	24.0
Operating income (loss)	**(15.7)**	**(9.6)**	**(9.1)**	**(10.0)**	**(44.4)**	**(9.4)**	**(8.2)**	**(5.8)**	**(4.4)**	**(27.8)**	**(6.0)**	**(7.1)**	**(7.0)**	**(7.0)**	**(27.0)**	**(6.0)**	**(6.0)**	**(6.0)**	**(6.0)**	**(24.0)**
Interest income (expense)	(0.0)	0.0	0.1	0.1	0.2	0.2	0.1	0.1	(0.0)	0.4	(0.2)	0.0	(0.3)	(0.7)	(1.2)	(0.8)	(0.8)	(0.8)	(0.8)	(3.1)
Other income (expense)	2.3	2.6	(0.0)	(0.5)	4.3	(1.8)	(0.7)	(0.3)	0.1	(2.7)	(0.3)	(0.9)	0.0	0.0	(1.2)	0.0	0.0	0.0	0.0	0.0
Income before income taxes	(13.4)	(7.0)	(9.1)	(10.3)	(39.8)	(11.0)	(8.7)	(6.1)	(4.3)	(30.2)	(6.5)	(7.9)	(7.3)	(7.7)	(29.4)	(6.8)	(6.8)	(6.8)	(6.8)	(27.1)
Income taxes					0.0					0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income (loss)	(13.4)	(7.0)	(9.1)	(10.3)	(39.8)	(11.0)	(8.7)	(6.1)	(4.3)	(30.2)	(6.5)	(7.9)	(7.3)	(7.7)	(29.4)	(6.8)	(6.8)	(6.8)	(6.8)	(27.1)
Nonrecurring/noncash adjustments					0.0					0.0					0.0					0.0
Net income (pro forma)	**(13.4)**	**(7.0)**	**(9.1)**	**(10.3)**	**(39.8)**	**(11.0)**	**(8.7)**	**(6.1)**	**(4.3)**	**(30.2)**	**(6.5)**	**(7.9)**	**(7.3)**	**(7.7)**	**(29.4)**	**(6.8)**	**(6.8)**	**(6.8)**	**(6.8)**	**(27.1)**
EBITDA																				
Shares, Basic	6.4	6.6	6.6	6.8	6.6	6.7	7.3	8.2	8.2	7.6	8.9	10.5	11.0	11.1	10.4	11.2	11.3	11.4	11.5	11.4
Shares, Diluted	6.4	6.6	6.6	6.8	6.6	6.7	7.3	8.2	8.2	7.6	8.9	10.5	11.0	11.1	10.4	11.2	11.3	11.4	11.5	11.4
EPS Basic (pro forma)	**($2.11)**	**($1.06)**	**($1.37)**	**($1.53)**	**($6.05)**	**($1.64)**	**($1.19)**	**($0.74)**	**($0.53)**	**($3.98)**	**($0.74)**	**($0.75)**	**($0.66)**	**($0.69)**	**($2.84)**	**($0.60)**	**($0.60)**	**($0.59)**	**($0.59)**	**($2.39)**
EPS Diluted (pro forma)	($2.11)	($1.06)	($1.37)	($1.53)	($6.05)	($1.64)	($1.19)	($0.74)	($0.53)	($3.98)	($0.74)	($0.75)	($0.66)	($0.69)	($2.84)	($0.60)	($0.60)	($0.59)	($0.59)	($2.39)
Margins																				
Gross margin																				
Research & development																				
General and administrative																				
Operating margin																				
Tax rate, GAAP																				
Net margin																				
Y/Y % change																				
Total Revenue																				
Gross margin																				
Research & development	88%	-37%	-34%	-31%	-16%	-33%	31%	-20%	-43%	-21%	-52%	-28%	-9%	18%	-21%	14%	-29%	-33%	-33%	-24%
General and administrative	387%	-47%	-64%	-88%	-63%	-43%	-39%	-50%	-66%	-48%	-27%	4%	60%	114%	16%	-6%	-6%	0%	0%	-3%
Operating income (loss)	-39%	-44%	-55%	-81%	-62%	-40%	-15%	-36%	-56%	-37%	-36%	-14%	21%	59%	-3%	0%	-15%	-14%	-14%	-11%
Net income (loss)	-47%	-97%	-56%	-78%	-89%	-18%	25%	-33%	-58%	-24%	-41%	-9%	20%	77%	-2%	4%	-14%	-7%	-12%	-8%
EPS Diluted (pro forma)	-70%	-98%	-66%	-81%	-92%	-23%	12%	-46%	-65%	-34%	-55%	-37%	-10%	31%	-29%	-18%	-20%	-11%	-15%	-16%

Source: Company reports and Ascendiant Capital Markets estimates.

**Reflects a 1-for-10 Reverse Stock Split in April 2024*

NRx Pharmaceuticals, Inc.

Balance Sheet ($ mils)	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Assets																
Cash and cash equivalents	40.2	24.5	18.2	20.1	16.5	15.0	8.9	4.6	1.3	1.9	6.1	0.5	1.2	(5.5)	(12.1)	(18.8)
Short term investments											0.0	0.0	0.0	0.0	0.0	0.0
Account receivable																
Deferred income taxes											0.0	0.0	0.0	0.0	0.0	0.0
Prepaid expenses and other	3.4	7.9	6.6	5.7	5.3	4.8	4.2	2.3	2.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Total current assets	43.6	32.4	24.8	25.8	21.8	19.8	13.1	6.9	3.3	4.9	9.1	3.5	4.2	(2.5)	(9.2)	(15.8)
Property and equipment, net											(0.0)	0.0	0.0	0.0	0.0	0.0
Intangibles, net											0.0	0.0	0.0	0.0	0.0	0.0
Deferred income tax											0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.4	0.4	0.4	0.4	0.0	0.0	0.0	0.0
Total assets	**43.6**	**32.4**	**24.8**	**25.8**	**21.8**	**19.8**	**13.1**	**7.3**	**3.8**	**5.3**	**9.5**	**3.9**	**4.2**	**(2.5)**	**(9.2)**	**(15.8)**
Liabilities and stockholders' equity																
Accounts payable	4.3	3.1	2.2	2.1	3.8	2.2	3.6	4.6	6.3	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Accrued expenses	4.5	4.0	5.8	5.8	6.1	6.9	5.3	5.2	5.8	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Deferred income tax											0.0	0.0	0.0	0.0	0.0	0.0
Warrant liabilities	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	2.5					0.8	0.3				0.0	0.0	0.0	0.0	0.0	0.0
Short term debt	0.5			8.7	12.2	12.7	10.1	9.2	6.8	8.6	20.0	22.0	22.0	22.0	22.0	22.0
Total current liabilities	**11.9**	**7.1**	**8.0**	**16.6**	**22.1**	**22.6**	**19.3**	**19.0**	**18.9**	**23.7**	**35.1**	**37.1**	**37.1**	**37.1**	**37.1**	**37.1**
Deferred income taxes											0.0	0.0	0.0	0.0	0.0	0.0
Warrant liabilities											0.0	0.0	0.0	0.0	0.0	0.0
Other long term liabilities											0.0	0.0	7.0	7.0	7.0	7.0
Long term debt				1.8							0.0	0.0	0.0	0.0	0.0	0.0
Total other liabilities	**0.0**	**0.0**	**0.0**	**1.8**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**7.0**	**7.0**	**7.0**	**7.0**
Preferred stock							0.0	0.0			0.0	0.0	0.0	0.0	0.0	0.0
Common stock	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.1	0.2	0.3	0.4	0.5	0.6
Additional paid-in capital	228.3	229.0	229.5	230.4	233.6	239.9	242.5	241.3	244.6	249.2	249.2	249.2	249.2	249.2	249.2	249.2
Retained earnings	(196.7)	(203.7)	(212.8)	(223.1)	(234.0)	(242.8)	(248.8)	(253.1)	(259.7)	(267.6)	(274.9)	(282.6)	(289.3)	(296.1)	(302.9)	(309.7)
Other											0.0	0.0	0.0	0.0	0.0	0.0
Accumulated other comprehensive income					0.1	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Total stockholders' equity	**31.7**	**25.4**	**16.8**	**7.4**	**(0.3)**	**(2.8)**	**(6.2)**	**(11.7)**	**(15.1)**	**(18.4)**	**(25.6)**	**(33.2)**	**(39.9)**	**(46.5)**	**(53.2)**	**(59.9)**
Total stockholders' equity and liabil	**43.6**	**32.4**	**24.8**	**25.8**	**21.8**	**19.8**	**13.1**	**7.3**	**3.8**	**5.3**	**9.5**	**3.9**	**4.2**	**(2.5)**	**(9.2)**	**(15.8)**

Balance Sheet Drivers

	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Book & Cash Value (per share)																
Book Value per Share (diluted)	$4.98	$3.86	$2.53	$1.10	($0.04)	($0.38)	($0.76)	($1.43)	($1.70)	($1.75)	($2.33)	($2.99)	($3.56)	($4.12)	($4.67)	($5.21)
Cash per Share (diluted)	$6.31	$3.73	$2.75	$2.97	$2.45	$2.04	$1.09	$0.56	$0.15	$0.18	$0.55	$0.04	$0.11	($0.48)	($1.07)	($1.64)
Net cash per Share (diluted)	$6.23	$3.73	$2.75	$1.41	$0.64	$0.31	($0.14)	($0.56)	($0.62)	($0.64)	($1.26)	($1.94)	($1.86)	($2.43)	($2.99)	($3.55)

Source: Company reports and Ascendiant Capital Markets estimates

NRx Pharmaceuticals, Inc.

Cash Flow Statement ($ mils)	Mar-22	Jun-22	Sep-22	Dec-22	2022	Mar-23	Jun-23	Sep-23	Dec-23	2023	Mar-24	Jun-24	Sep-24	Dec-24	2024	Mar-25	Jun-25	Sep-25	Dec-25	2025
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Cash flow from operating activities																				
Net income	(13.4)	(7.0)	(9.1)	(10.2)	(39.8)	(11.0)	(8.7)	(6.1)	(4.3)	(30.2)	(6.5)	(7.9)	(7.3)	(7.7)	(29.4)	(6.8)	(6.8)	(6.8)	(6.8)	(27.1)
Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization					0.0					0.0					0.0					0.0
Debt related amortization expen	0.0	(0.0)	0.0	0.0	0.0					0.0					0.0					0.0
Stock comp	1.3	1.0	0.5	0.8	3.6	0.7	0.5	0.4	(1.2)	0.4	0.2	0.1	0.1	0.1	0.5	0.1	0.1	0.1	0.1	0.4
Deferred income taxes					0.0					0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Change in fair value of warrant l	(0.2)	(0.1)	0.0	0.5	0.3	1.8	0.7	0.3	(0.1)	2.7	0.3	2.2			2.5					0.0
Change in fair value of earnout c	(2.1)	(2.5)			(4.6)															
Writedowns and impairments					0.0					0.0					0.0					0.0
Other gains/losses					0.0		0.3			0.3					0.0					0.0
Other					0.0					0.0					0.0					0.0
Changes in operating assets and liabilities:																				
Accounts receivable					0.0					0.0					0.0					0.0
Prepaid expenses & other curre	1.7	(4.5)	1.3	0.8	(0.6)	0.5	0.4	0.6	1.5	3.0	0.3	(0.9)			(0.6)					0.0
Income tax					0.0					0.0					0.0					0.0
Other assets					0.0					0.0			0.0	0.0	0.0	0.4	0.0	0.0	0.0	0.4
Accounts payable	0.6	(1.2)	(0.9)	(0.1)	(1.6)	1.7	(1.6)	1.5	1.0	2.7	2.1	2.1			4.2					0.0
Accrued expenses	1.6	(0.5)	1.8	(0.0)	2.9	0.3	0.6	(1.3)	(0.1)	(0.5)	(0.1)	0.9			0.8					0.0
Other liabilities					0.0					0.0		0.9	0.0	0.0	0.9	7.0	0.0	0.0	0.0	7.0
Net cash (used in) provided by	**(10.4)**	**(14.8)**	**(6.3)**	**(8.3)**	**(39.8)**	**(6.1)**	**(7.8)**	**(4.6)**	**(3.2)**	**(21.7)**	**(3.7)**	**(2.6)**	**(7.2)**	**(7.6)**	**(21.0)**	**0.7**	**(6.7)**	**(6.7)**	**(6.7)**	**(19.3)**
Cash flow from investing activities																				
Purchases of property and equi	(0.0)	(0.0)	(0.0)	0.0	(0.0)	(0.0)	0.0	(0.0)	0.0	(0.0)			0.0	(0.0)	(0.0)	0.0	0.0	(0.0)	(0.0)	(0.0)
Purchases of short-term investments					0.0					0.0					0.0					0.0
Acquisitions					0.0					0.0					0.0					0.0
Other					0.0					0.0					0.0					0.0
Net cash used in investing acti	**(0.0)**	**(0.0)**	**(0.0)**	**0.0**	**(0.0)**	**(0.0)**	**0.0**	**(0.0)**	**0.0**	**(0.0)**	**0.0**	**0.0**	**0.0**	**(0.0)**	**(0.0)**	**0.0**	**0.0**	**(0.0)**	**(0.0)**	**(0.0)**
Cash flow from financing activities																				
Issuance of debt				10.0	10.0		0.8		0.4	1.2			11.4	2.0	13.4	0.0	0.0	0.0	0.0	0.0
Repayment of debt		(0.5)			(0.5)		(0.1)	(2.7)	(0.3)	(3.1)	(2.2)	(0.0)			(2.2)					0.0
Issuance of stock	23.0	(0.3)	(0.0)	0.1	22.7	2.5	5.6	1.2	(1.2)	8.1	2.6	3.1	0.0	0.0	5.7	0.0	0.0	0.0	0.0	0.0
Proceeds from stock option exercises				0.0	0.0					0.0					0.0					0.0
Other					0.0					0.0					0.0					0.0
Dividends and distributions					0.0					0.0					0.0					0.0
Cash provided by (used in) fina	**23.0**	**(0.9)**	**(0.0)**	**10.1**	**32.2**	**2.5**	**6.3**	**(1.5)**	**(1.1)**	**6.2**	**0.4**	**3.1**	**11.4**	**2.0**	**16.9**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Effect of exchange rate on cash					0.0					0.0					0.0					0.0
Net increase (decrease) in cash	**12.6**	**(15.7)**	**(6.3)**	**1.8**	**(7.6)**	**(3.5)**	**(1.5)**	**(6.1)**	**(4.3)**	**(15.5)**	**(3.3)**	**0.6**	**4.2**	**(5.6)**	**(4.1)**	**0.7**	**(6.7)**	**(6.7)**	**(6.7)**	**(19.3)**
Beginning cash and equivalents	**27.6**	**40.2**	**24.5**	**18.2**	**27.6**	**20.1**	**16.5**	**15.0**	**8.9**	**20.1**	**4.6**	**1.3**	**1.9**	**6.1**	**4.6**	**0.5**	**1.2**	**(5.5)**	**(12.1)**	**0.5**
Ending cash and equivalents	**40.2**	**24.5**	**18.2**	**20.1**	**20.1**	**16.5**	**15.0**	**8.9**	**4.6**	**4.6**	**1.3**	**1.9**	**6.1**	**0.5**	**0.5**	**1.2**	**(5.5)**	**(12.1)**	**(18.8)**	**(18.8)**

Source: Company reports and Ascendiant Capital Markets estimates

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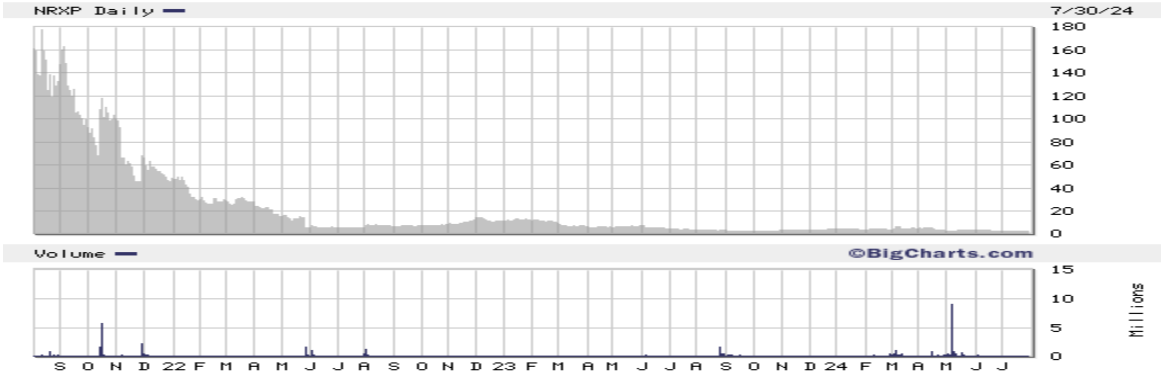
NRx Pharmaceuticals, Inc.



**Reflects a 1:10 reverse stock split in April 2024*

Source: https://bigcharts.marketwatch.com/

	Report Date		Price
Report	Date	Rating	Target
1	11/9/2022	B	40.00
2	11/18/2022	B	45.00
3	4/5/2023	B	47.50
4	5/23/2023	B	50.00
5	9/6/2023	B	52.50
6	12/22/2023	B	55.00
7	5/4/2024	B	50.00
8	6/6/2024	B	43.00

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Total return is defined as price appreciation plus dividend yield.

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			Investment Banking Services Past 12 months	
Rating	**Count**	**Percent**	**Count**	**Percent**
Buy	58	98%	21	36%
Hold	0	0%	0	0%
Sell	1	2%	0	0%
Total	59	100%	21	36%

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