United States
Healthcare

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NRx Pharmaceuticals, Inc.

Q2 inline. Phase 3 trial progressing well and major new partnership. We believe expected positive clinical data in Q4 2023 to be strong catalyst for stock. Raising P/T to $5.25.

COMPANY UPDATE

Rating: BUY

Ticker: NRXP

Price: $0.27

Target: $5.25
(from $5.00)

Q2 inline: NRx recently (on August 14) reported its Q2 2023 (ending June) results. Net loss was $8.7 million or EPS of $(0.12) compared with our and consensus estimates of $(0.13) - (0.14). There was no guidance. NRx is a clinical stage drug development company so it generates no revenue.

Operating expenses: Operating expenses were $8.2 million, down slightly from Q1's $9.4 million on continued clinical trial activities.

No guidance: Management did not provide forward guidance.

Adjusting estimate: We are adjusting our 2023 EPS estimate to $(0.52) from $(0.56).

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.

Clinical trials data expected in Q4 2023: In Q2 2022, enrollment was initiated in its Phase 2 trial of NRX-101 in patients with Bipolar Depression and Sub-Acute Suicidal Ideation & Behavior (SSIB) (not requiring hospitalization). In January 2023, a registration trial (Phase 3) was initiated for NRX-101 in patients with Bipolar Depression and acute suicidal ideation and behavior (ASIB) (requiring hospitalization). In March 2023, the DSMB (Data and Safety Monitoring Board) examined unblinded study data to assess the study for safety and potential futility and recommended continuation of patient enrollment as planned. This trial has been upgraded to a Phase 2b/3 study that may be used for a registrational filing. Top-line data from this trial is expected in Q4 2023. If the trials are successful, the company may be able to file a new drug application (NDA) with the FDA for NRX-101 by late 2023 or early 2024, with commercialization starting in 2024.

Major partnership deal: In June, the company announced a major partnership with Alvogen Pharmaceuticals and Lotus Pharmaceuticals for global development and commercialization of NRX-101 in suicidal bipolar depression with the potential for up to $330 million in milestones and double-digit royalties.

Chronic Pain IND filed: NRx plans to investigate NRX-101 in PTSD and Chronic Pain as additional indications. The company has recently (in August) filed an Investigational New Drug (IND) Application with the FDA for NRX-101 in the Treatment of Chronic Pain.

Balance sheet: As of Q2, the company has $15 million in cash and $13 million in debt. We believe NRx has enough cash into 2024 or longer due to its Alvogen deal.

Current valuation attractive: We are maintaining our BUY rating, but raising our 12-month price target to $5.25 from $5.00 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:	0.26 – 1.54
Shares Outstanding (million):	82
Market cap ($million):	$22
EV ($million):	$20
Debt ($million):	$13
Cash ($million):	$15
Avg. Daily Trading Vol. ($million):	$0.4
Float (million shares):	46
Short Interest (million shares):	1
Dividend, annual (yield):	$0 (NA%)

Revenues (US$ million)

	2023E (Cur.)	2023E (Old)	2024E (Cur.)	2024E (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)

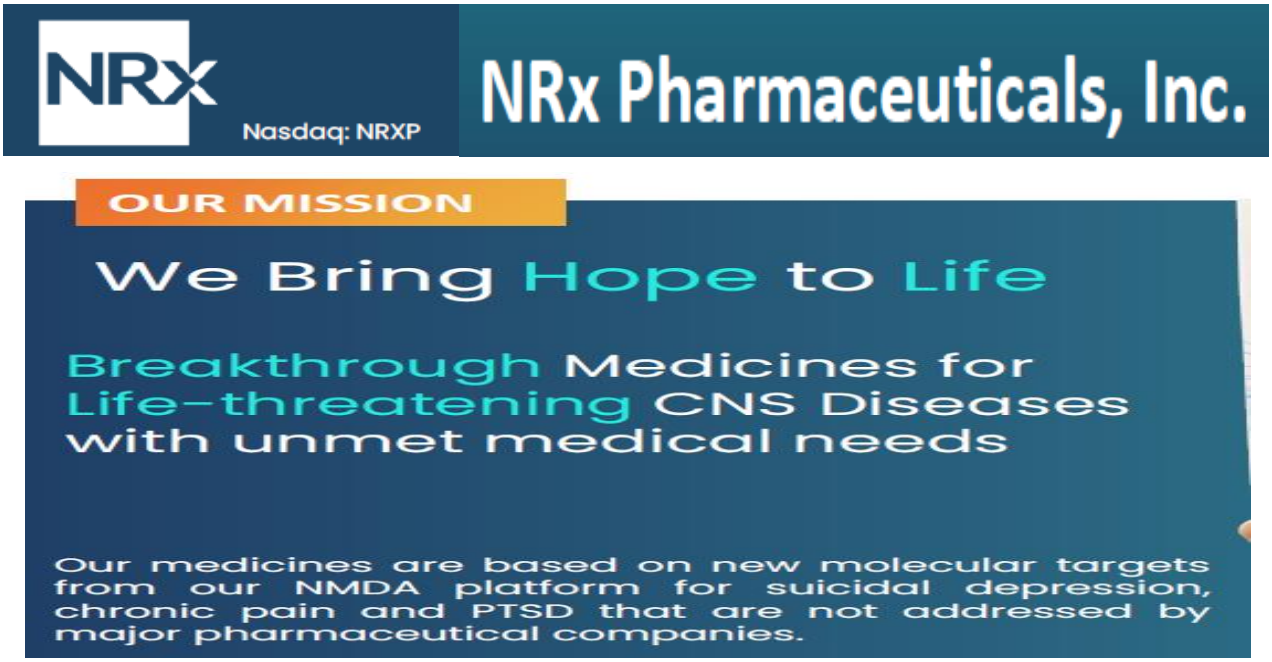
	2023E (Cur.)	2023E (Old)	2024E (Cur.)	2024E (Old)
Q1 Mar	(0.16)A		(0.12)E	(0.13)E
Q2 Jun	(0.12)A	(0.13)E	(0.12)E	(0.13)E
Q3 Sep	(0.12)E	(0.13)E	(0.12)E	(0.13)E
Q4 Dec	(0.12)E	(0.13)E	(0.11)E	(0.13)E
Total	**(0.52)E**	**(0.56)E**	**(0.46)E**	**(0.53)E**
P/E	N/A		N/A	

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 18.

Exhibit 1: NRx Pharmaceuticals, Inc. Corporate Overview

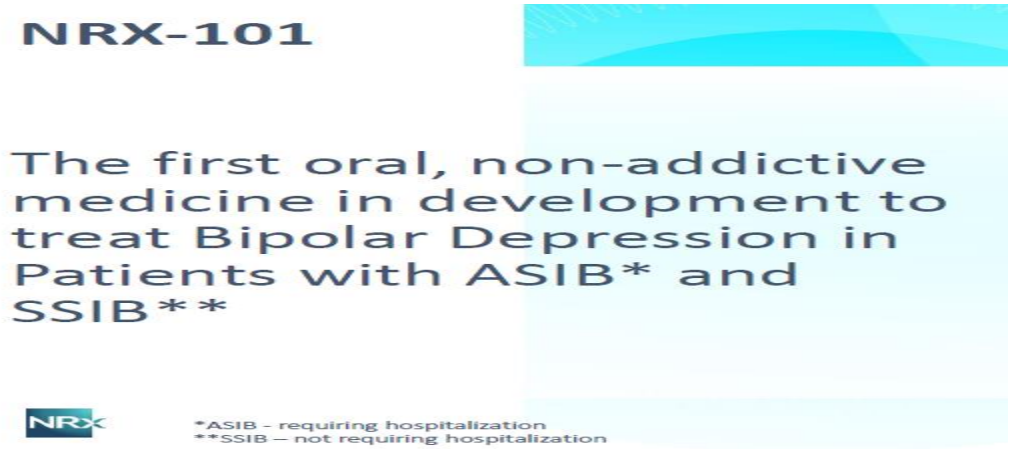


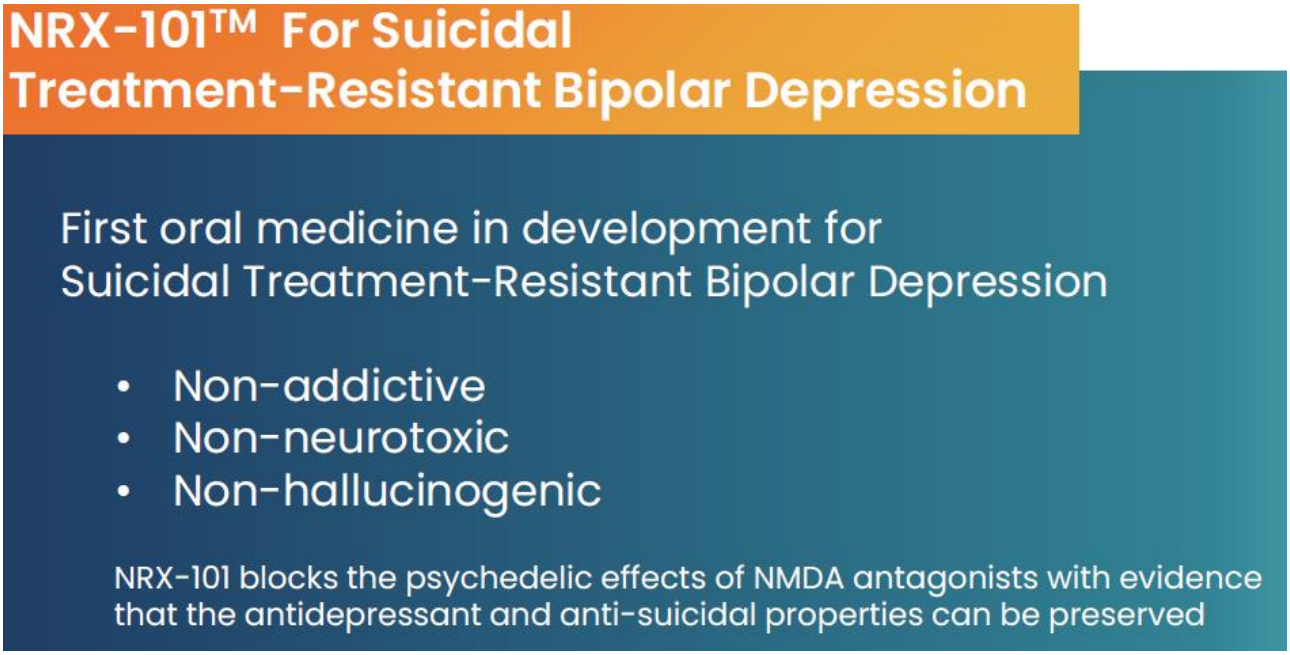
Source: Company reports.

Exhibit 2: NRx's Investment Summary

Source: Company reports.

Exhibit 3: NRX-101



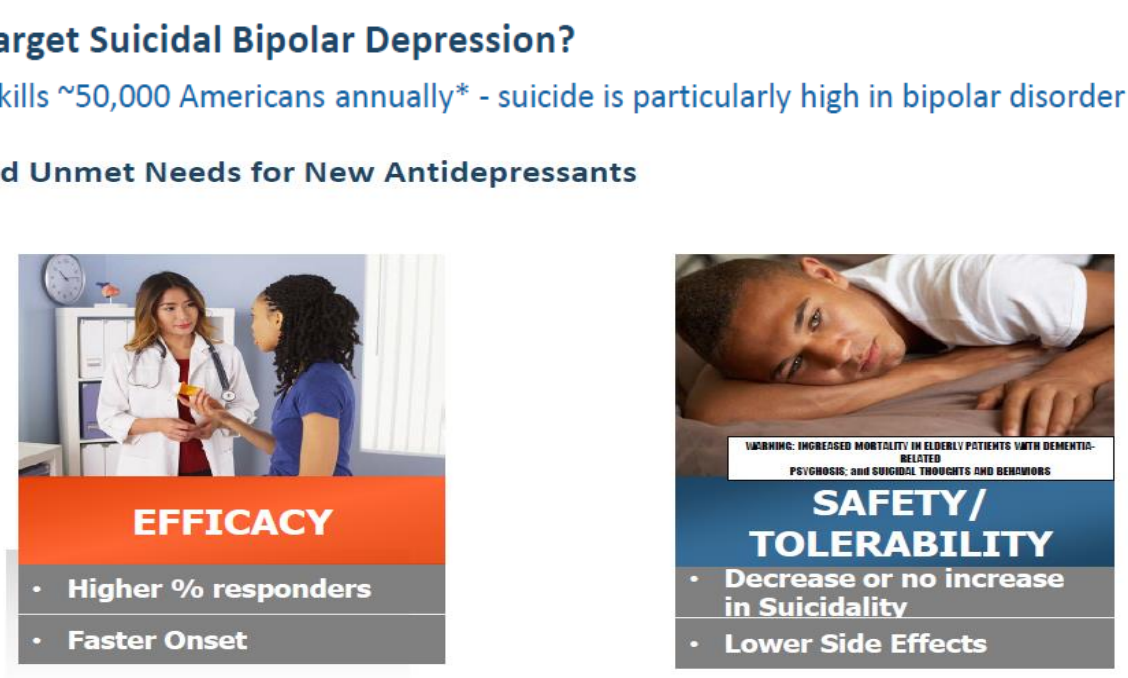


Source: Company reports.

Exhibit 4: NRx's Product Pipeline

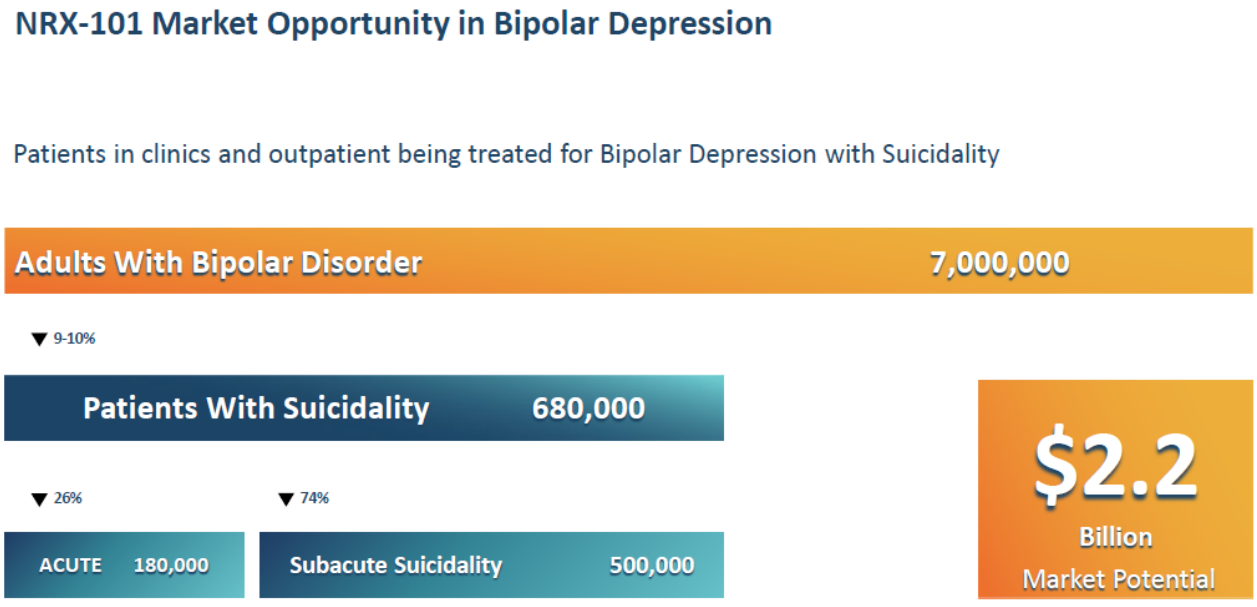
Source: Company reports.

Exhibit 5: Targeting Suicidal Bipolar Depression Risks



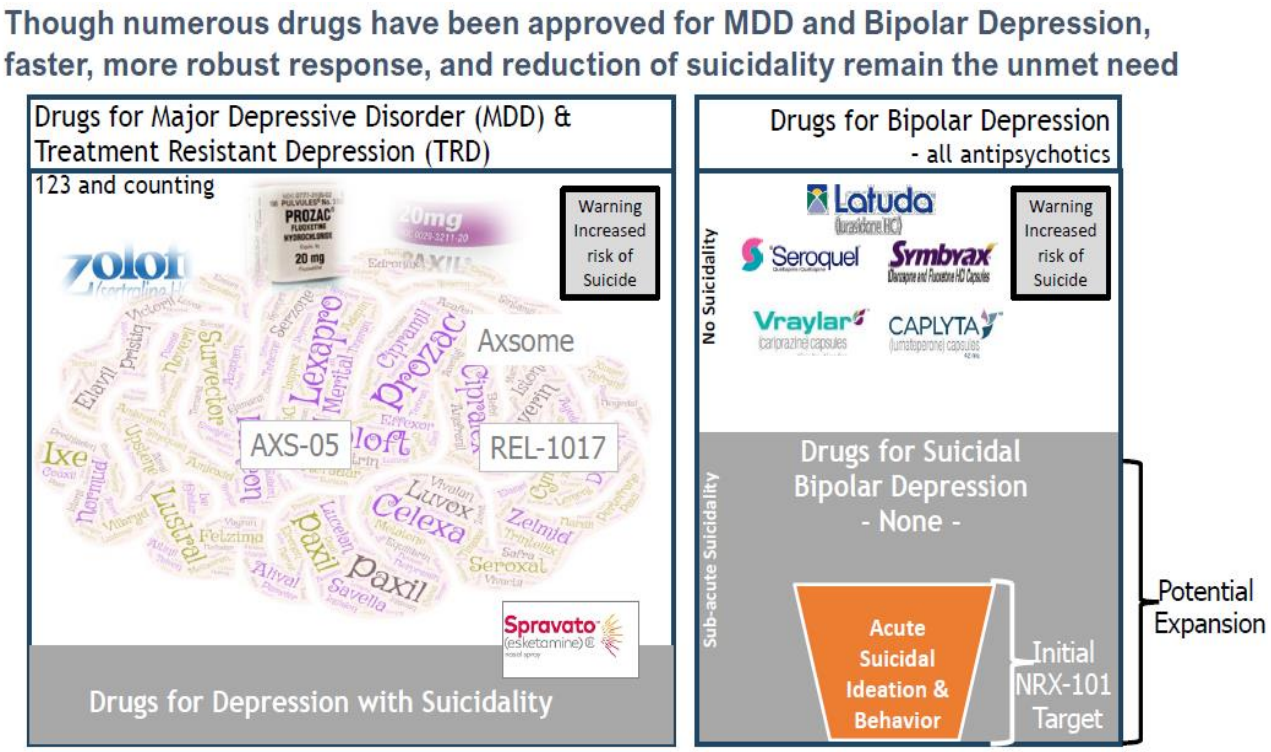
Source: Company reports.

Exhibit 6: Bipolar Depression Suicide Market Opportunities



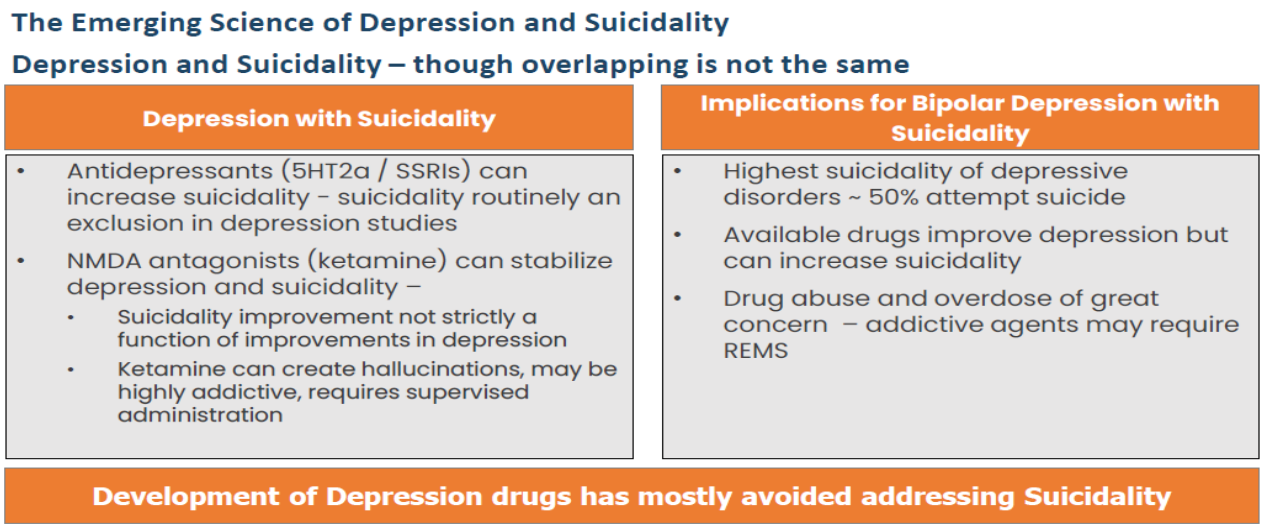
Source: Company reports.

Exhibit 7: Unmet Need for Bipolar Depression Suicidality



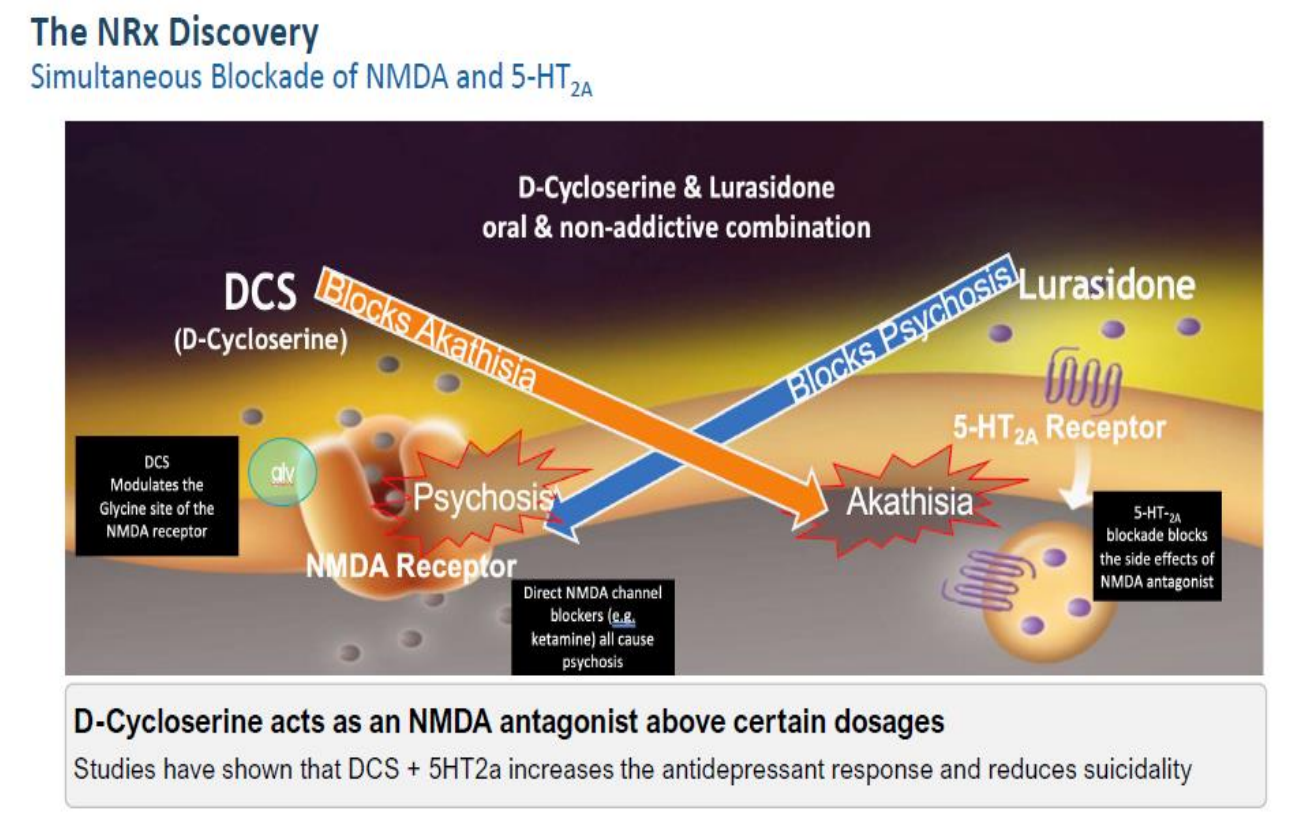
Source: Company reports.

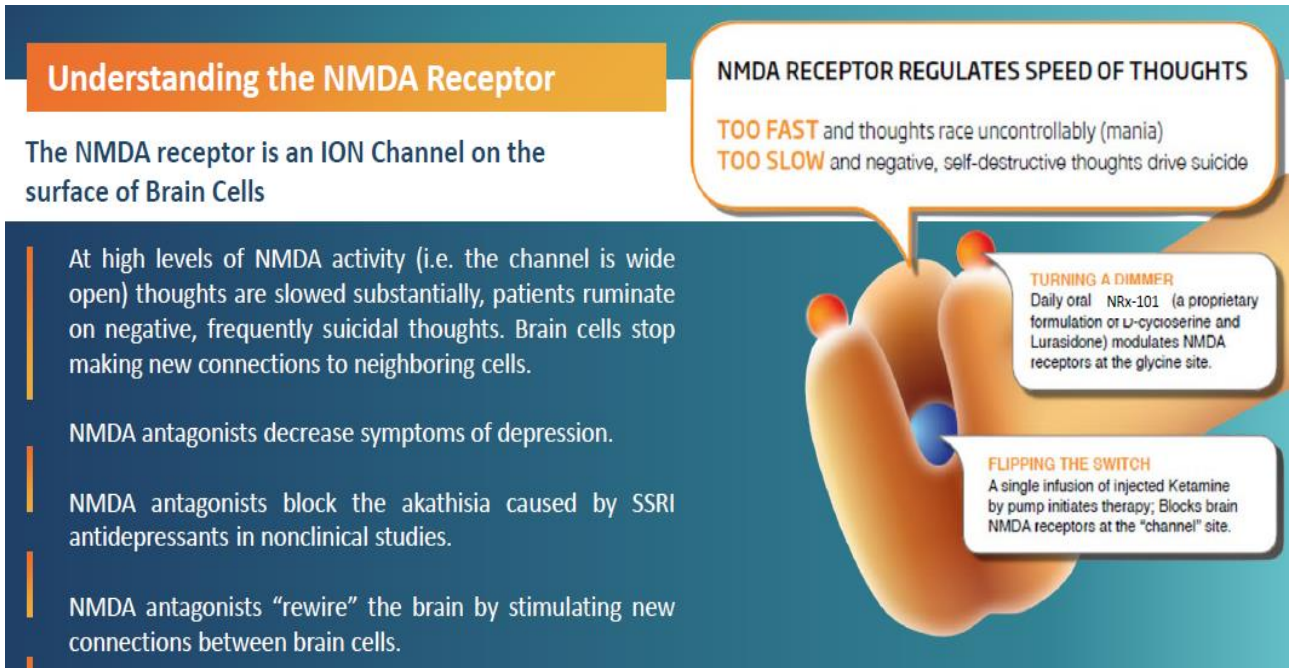
Exhibit 8: Science of Depression and Suicidality



Source: Company reports.

Exhibit 9: NRx Discovery





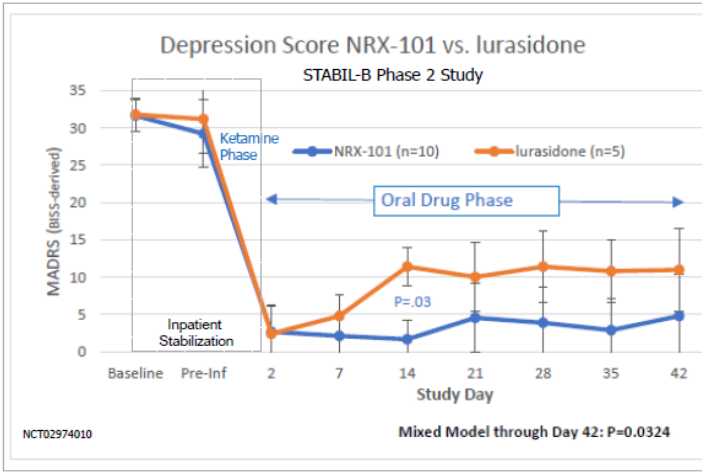
Source: Company reports.

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

Phase 2 Study showed effect of D-Cycloserine in Depression / Suicidality

If Phase 2 results are replicated in Phase 3, this will meet criteria for FDA approval

- Primary endpoint is mean MADRS score over 42 days
- A clinically and statistically significant difference (p=.03) was seen on the mixed model through day 42. The mean 7.7 point difference on MADRS is similar to or larger than that seen with Esketamine
- 40% relapse in control group, no relapse in NRX-101 group
- Patients who would otherwise have been in the hospital for 1 week plus were discharged after 1-2 days



Source: Company reports.

Exhibit 11: Current NRX-101 Clinical Trial Program (SSIB & ASIB)

Clinical Trial Progress: NRX-101 in Bipolar Depression

- **NRX-101 vs. Lurasidone in Suicidal Bipolar Depression**
  - Enrollment expanding; 20 additional patients needed for data read-out
    - Enrollment broadened to national platform via 1-N-Health & Science 37
  - **Compliance** with assigned medication is tracking above 90%, as reported by our Contract Research Organization, which exceeds expectation for a CNS study
  - **Concordance** of site administered depression ratings (MADRS) evaluations with our internal "master raters" are tracking above 94%; exceeds that reported in the peer-reviewed literature
  - DSMB meeting demonstrated non-futility in March 2023
  - *Following a successful readout, Alvogen will assume further development costs*

Source: Company reports.

Exhibit 12: NRX-101 Advantages and Objectives

NRX-101 offers a differentiated profile for Suicidal Bipolar Depression with an FDA agreed upon path to NDA

Phase 3 with FDA Breakthrough Therapy designation

NMDA – A Validated Mechanism
- Depression & Suicidality
- Esketamine, NRX-101 Phase 2, etc.

FDA Agreed Upon Regulatory Path
- Special Protocol Agreement, Breakthrough Therapy designation: Treatment of Severe Bipolar Depression in Patients with ASIB after initial stabilization with ketamine or other effective therapy

Addresses High Unmet Need
- Treats depression and suicidality (bipolar space)
- Oral, not addictive (not scheduled), avoids hallucinations
- Outpatient

Efficient Clinical Development Path to NDA
- Seeking to replicate P2 study
- NRX-100 (144 pts.) NRX-101 (~80 pts.) pivotal study (severely depressed and acutely suicidal) to start 2H22
- Path to NDA filing in 2023

Path to NDA

Exploring expansion in earlier population
- NRX-101 Phase 2 trial (Bipolar Depression in sub-acute suicidality) initiated 2Q 2022

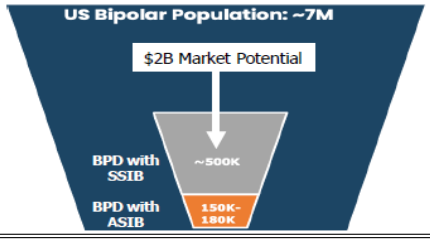
Composition of Matter Patent
- NRx has a composition of matter patent for NRX-101 and an array of NMDA+5HT2A compounds,
- Five patent families, 60+ applications, 30+ issued patents

Source: Company reports.

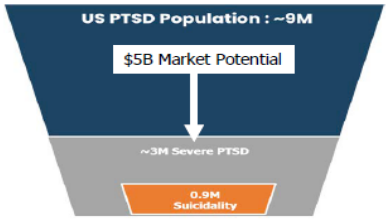
Exhibit 13: NRX-101 Market Opportunities

NRX-101 could be a potential Paradigm Shift in the Treatment of High Unmet Psychiatric Conditions – especially those with Suicidality

Bipolar Depression with Suicidality:
- ASIB: Rapid stabilization with ketamine and discharge after 1-2 days with oral, non-addictive drug
- SSIB: Periodic use when suicidality present



PTSD with and without Suicidality:
- ~9M (3.6%) of US adult population had PTSD in the last year, of which 1/3 had severe PTSD
- Up to 10% may attempt suicide / have suicidality
- Only 2 drugs indicated for PTSD, limited efficacy and carry warning for increased risk of suicide



Source: Company reports.

Exhibit 14: Commercial Partnership with Alvogen

Source: Company reports.

Exhibit 15: NRX-101 DSMB and FDA recommendations (as of April 2023)

Source: Company reports.

Exhibit 16: Q2 2023 and Recent Business Highlights (as of August 14, 2023)

Two near-term data catalysts expected in 2023

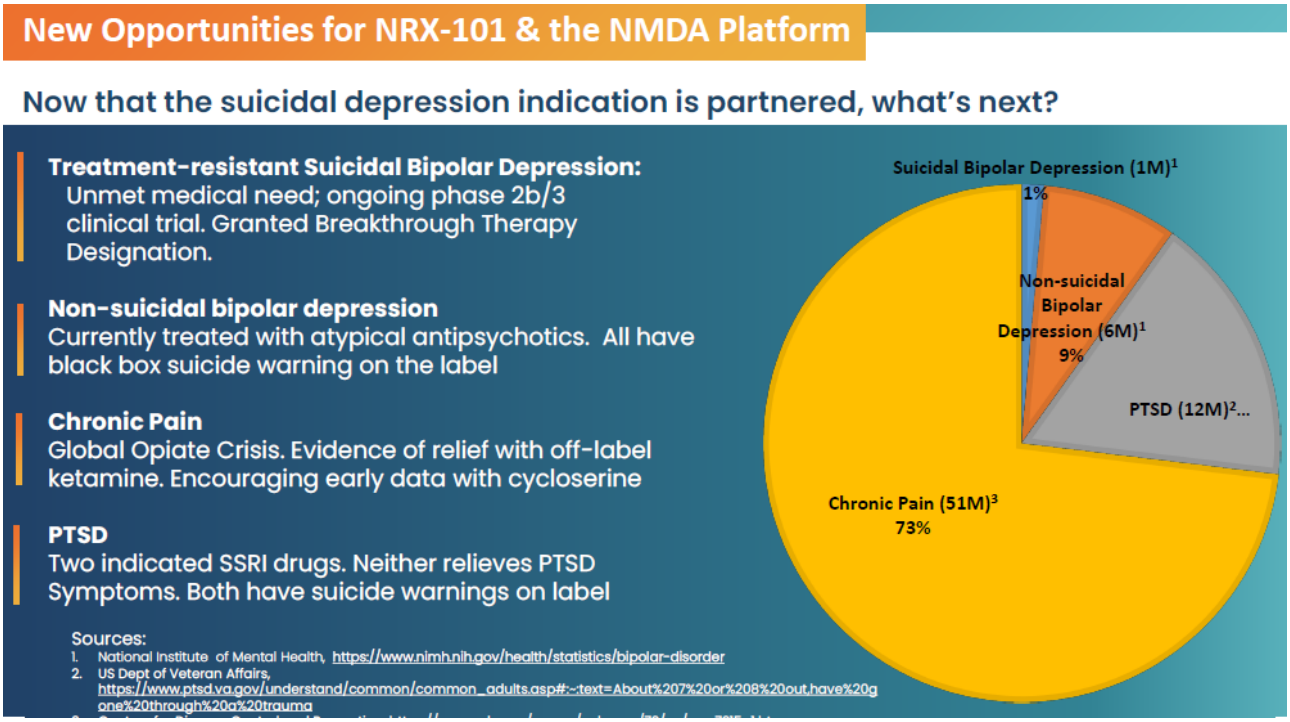
- *Entered active collaboration with Alvogen Pharmaceuticals and Lotus Pharmaceuticals for global development and commercialization of NRX-101 in suicidal bipolar depression; potential for up to $330 million in milestones and double-digit royalties*
- *Publication of STABIL-B trial in the International Journal of Bipolar Disorders: first oral antidepressant to demonstrate reduction in suicidality with significant improvement in depression scores compared to standard of care medication*
- *Ongoing Phase 2b/3 trial of NRX-101 in suicidal bipolar depression is within 20 patients of data readout. Data expected in Q4 2023*
- *Newly released data demonstrate high levels of compliance and inter-rater reliability*
- *Licensed US Patent for use of D-Cycloserine (DCS) to treat chronic pain*
- *Announced plan to develop NRX-101™ for chronic pain indications, awaiting results of 200 person DOD-funded trial in treatment of chronic pain with DCS in coming months*
- *Filing Investigational New Drug application with FDA to treat chronic pain with NRX-101*

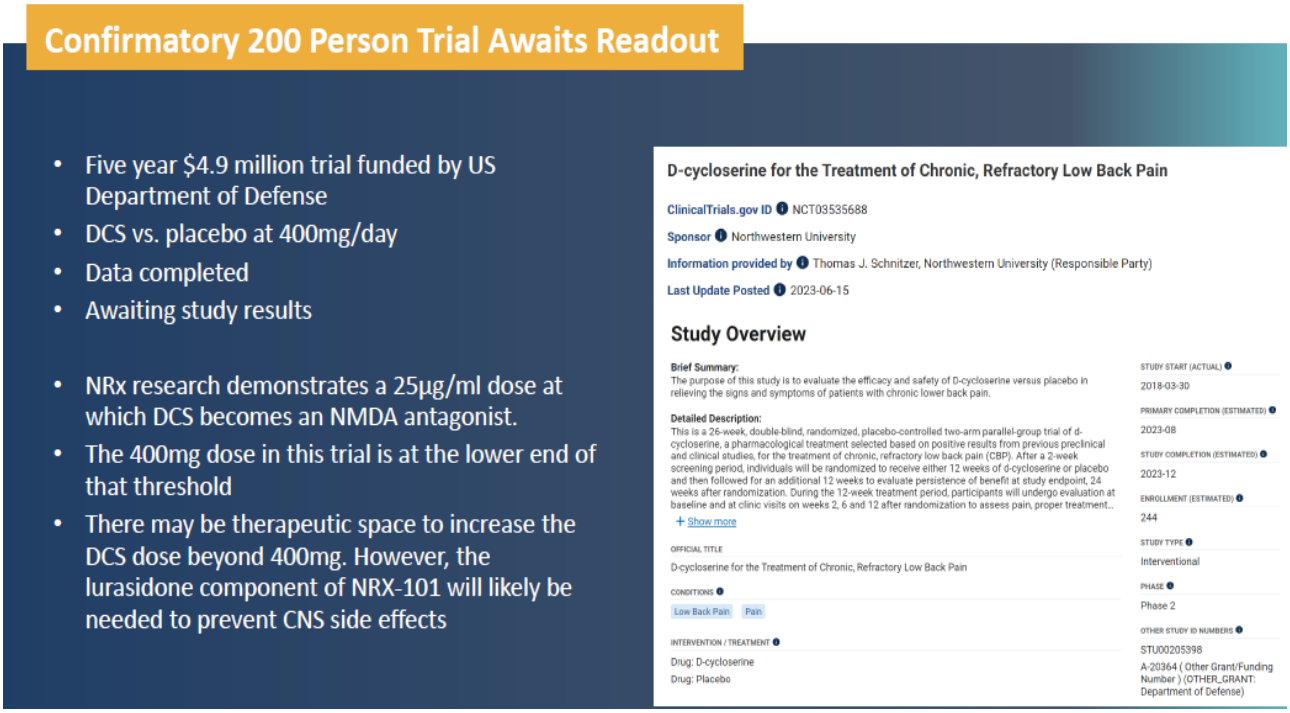
Second Quarter Corporate Updates

- On June 5, 2023, the Company announced it had entered a strategic partnership with Lotus Pharmaceuticals and Alvogen Pharmaceuticals to further work towards the development and commercialization of NRX-101 for suicidal treatment-resistant bipolar depression for global markets. Under the terms of the agreement, NRx is entitled to receive $10 million upon a successful Phase 2b/3 data readout and completion of an FDA Type B meeting. NRx is eligible to receive payment of $5 million upon receipt of FDA approval for NRX-101 as well as bonus milestone payments of up to $315 million based on reaching certain net sales targets. Further, NRx will receive royalty payments on net sales, which escalate to the mid-teens. Additionally, Lotus Pharmaceuticals will be responsible for commercialization of NRX-101 in markets outside of the U.S., while Alvogen will work with their CNS branded subsidiary, Almatica, to commercialize NRX-101 in the U.S. market.
- In June 2023, the Company closed a $6.28 million registered direct offering with H.C. Wainwright. NRx intends to use the net proceeds from the offering for working capital and general corporate purposes and may use the net proceeds to initiate research into the use of NRX-101 for the treatment of chronic pain and PTSD.
- In June 2023, the Company negotiated a payment arrangement with Streeterville Capital to reduce cash monthly redemptions of its loan to no more than $400,000 per month through year end 2023.

Source: Company reports.

Exhibit 17: New Opportunities for NRX-101 & the NMDA Platform





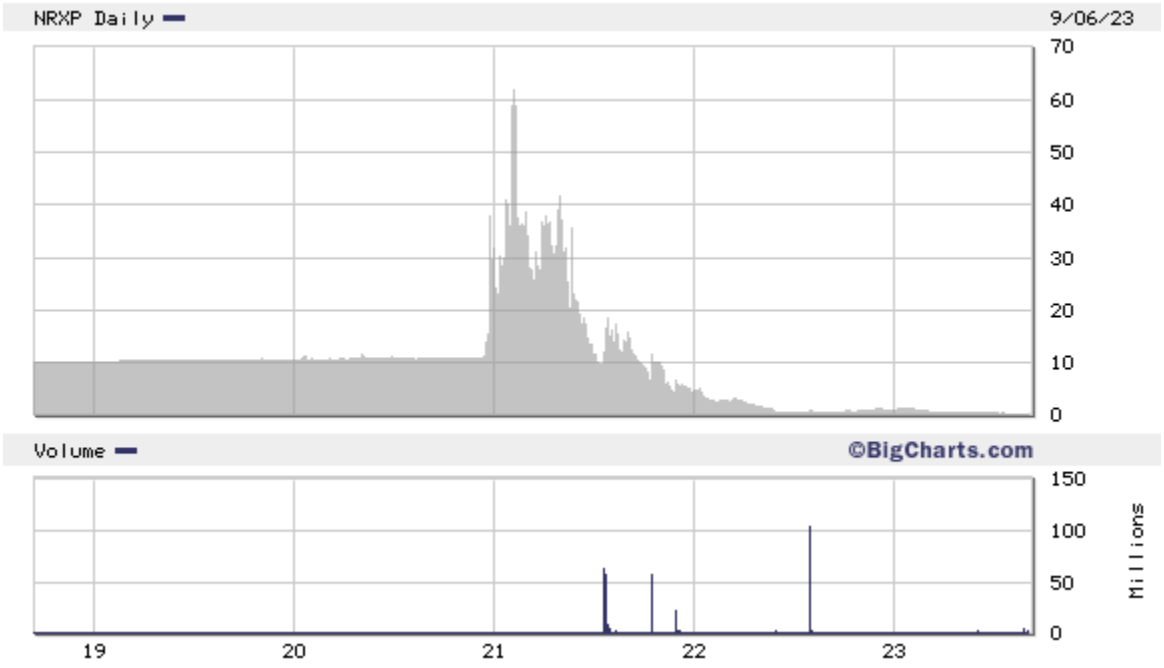
Source: Company reports.

Exhibit 18: 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



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

Exhibit 19: Consensus Expectations (as of August 14, 2023)

	Revenue (mil)	
	2023E	2024E
Q1 Mar	$0A	
Q2 Jun	$0E	
Q3 Sep	$0E	
Q4 Dec		
Total	$0E	$2.2E

	EPS	
	2023E	2024E
Q1 Mar	$(0.16)A	
Q2 Jun	$(0.14)E	
Q3 Sep	$(0.13)E	
Q4 Dec		
Total	$(0.56)E	$(0.38)E

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

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

FINANCIAL MODEL

NRx Pharmaceuticals, Inc.

Income Statement ($ mils)	Mar-21	Jun-21	Sep-21	Dec-21	2021	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
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	2.9	4.7	6.3	6.4	20.3	5.5	3.0	4.1	4.5	17.0	3.7	3.9	4.2	4.2	15.9	4.3	4.3	4.3	4.3	17.0
General and administrative	2.1	12.5	13.8	46.6	74.9	10.2	6.6	5.0	5.5	27.4	5.8	4.1	5.2	5.2	20.3	5.0	5.0	5.0	5.0	20.0
Restructuring and other	20.6				20.6					0.0		0.3			0.3					0.0
Total operating expenses	25.6	17.1	20.1	53.0	115.8	15.7	9.6	9.1	10.0	44.4	9.4	8.2	9.4	9.4	36.4	9.3	9.3	9.3	9.3	37.0
Operating income (loss)	**(25.6)**	**(17.1)**	**(20.1)**	**(53.0)**	**(115.8)**	**(15.7)**	**(9.6)**	**(9.1)**	**(10.0)**	**(44.4)**	**(9.4)**	**(8.2)**	**(9.4)**	**(9.4)**	**(36.4)**	**(9.3)**	**(9.3)**	**(9.3)**	**(9.3)**	**(37.0)**
Interest income (expense)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	0.0	0.1	0.1	0.2	0.2	0.1	(0.4)	(0.4)	(0.6)	(0.4)	(0.4)	(0.4)	(0.4)	(1.8)
Other income (expense)	0.1	(238.8)	(0.7)	6.3	(233.1)	2.3	2.6	(0.0)	(0.5)	4.3	(1.8)	(0.7)	0.0	0.0	(2.4)	0.0	0.0	0.0	0.0	0.0
Income before income taxes	(25.5)	(255.9)	(20.8)	(46.7)	(348.9)	(13.4)	(7.0)	(9.1)	(10.3)	(39.8)	(11.0)	(8.7)	(9.8)	(9.8)	(39.4)	(9.7)	(9.7)	(9.7)	(9.7)	(38.8)
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)	(25.5)	(255.9)	(20.8)	(46.7)	(348.9)	(13.4)	(7.0)	(9.1)	(10.3)	(39.8)	(11.0)	(8.7)	(9.8)	(9.8)	(39.4)	(9.7)	(9.7)	(9.7)	(9.7)	(38.8)
Nonrecurring/noncash adjustments		(12.5)			0.0					0.0					0.0					0.0
Net income (pro forma)	**(25.5)**	**(268.4)**	**(20.8)**	**(46.7)**	**(348.9)**	**(13.4)**	**(7.0)**	**(9.1)**	**(10.3)**	**(39.8)**	**(11.0)**	**(8.7)**	**(9.8)**	**(9.8)**	**(39.4)**	**(9.7)**	**(9.7)**	**(9.7)**	**(9.7)**	**(38.8)**
EBITDA																				
Shares, Basic	35.7	41.7	51.7	58.5	46.9	63.7	65.7	66.4	67.5	65.8	67.5	73.2	82.0	82.5	76.3	83.0	83.5	84.0	84.5	83.8
Shares, Diluted	35.7	42.5	51.7	58.5	46.9	63.7	65.7	66.4	67.5	65.8	67.5	73.2	82.0	82.5	76.3	83.0	83.5	84.0	84.5	83.8
EPS Basic (pro forma)	**($0.71)**	**($6.43)**	**($0.40)**	**($0.80)**	**($7.44)**	**($0.21)**	**($0.11)**	**($0.14)**	**($0.15)**	**($0.61)**	**($0.16)**	**($0.12)**	**($0.12)**	**($0.12)**	**($0.52)**	**($0.12)**	**($0.12)**	**($0.12)**	**($0.11)**	**($0.46)**
EPS Diluted (pro forma)	($0.71)	($6.32)	($0.40)	($0.80)	($7.44)	($0.21)	($0.11)	($0.14)	($0.15)	($0.61)	($0.16)	($0.12)	($0.12)	($0.12)	($0.52)	($0.12)	($0.12)	($0.12)	($0.11)	($0.46)
Margins																				
Gross margin																				
Research & development																				
General and administrative																				
Operating margin																				
Tax rate, GAAP																				
Net margin																				
Y/Y % change																				
Total Revenue																				
Gross margin																				
Research & development					91%	88%	-37%	-34%	-31%	-16%	-33%	31%	2%	-6%	-6%	16%	10%	1%	1%	7%
General and administrative					555%	387%	-47%	-64%	-88%	-63%	-43%	-39%	4%	-5%	-26%	-14%	23%	-4%	-4%	-1%
Operating income (loss)					125%	-39%	-44%	-55%	-81%	-62%	-40%	-15%	3%	-6%	-18%	-2%	13%	-2%	-2%	2%
Net income (loss)					574%	-47%	-97%	-56%	-78%	-89%	-18%	25%	8%	-4%	-1%	-12%	11%	-2%	-2%	-2%
EPS Diluted (pro forma)					392%	-70%	-98%	-66%	-81%	-92%	-23%	12%	-12%	-22%	-15%	-29%	-2%	-4%	-4%	-10%

Source: Company reports and Ascendiant Capital Markets estimates.

NRx Pharmaceuticals, Inc.

Balance Sheet ($ mils)	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
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	13.3	13.4	38.9	27.6	40.2	24.5	18.2	20.1	16.5	15.0	8.7	11.4	2.2	(11.9)	(21.1)	(25.3)
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	0.3	5.1	6.4	5.1	3.4	7.9	6.6	5.7	5.3	4.8	1.8	1.8	1.8	1.8	1.8	1.8
Total current assets	13.6	18.5	45.2	32.7	43.6	32.4	24.8	25.8	21.8	19.8	10.5	13.2	4.0	(10.1)	(19.3)	(23.4)
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	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total assets	**13.6**	**18.5**	**45.3**	**32.7**	**43.6**	**32.4**	**24.8**	**25.8**	**21.8**	**19.8**	**10.5**	**13.2**	**4.1**	**(10.1)**	**(19.2)**	**(23.4)**
Liabilities and stockholders' equity																
Accounts payable	4.4	6.3	5.6	3.7	4.3	3.1	2.2	2.1	3.8	2.2	2.2	2.2	2.2	2.2	2.2	2.2
Accrued expenses	2.1	2.6	3.2	2.8	4.5	4.0	5.8	5.8	6.1	6.9	6.9	6.9	6.9	6.9	6.9	6.9
Deferred income tax											0.0	0.0	0.0	0.0	0.0	0.0
Warrant liabilities		0.5	0.8	0.3	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	25.9	26.3	4.6	2.5					0.8	0.8	0.8	0.8	0.8	0.8	0.8
Short term debt	0.2	0.2	0.5	0.5	0.5			8.7	12.2	12.7	12.7	12.7	12.7	12.7	12.7	12.7
Total current liabilities	**6.7**	**35.5**	**36.3**	**11.9**	**11.9**	**7.1**	**8.0**	**16.6**	**22.1**	**22.6**	**22.6**	**22.6**	**22.6**	**22.6**	**22.6**	**22.6**
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	12.0	12.0	7.0	7.0	12.0
Long term debt	0.5	0.5						1.8			0.0	0.0	0.0	0.0	0.0	0.0
Total other liabilities	**0.5**	**0.5**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**1.8**	**0.0**	**0.0**	**0.0**	**12.0**	**12.0**	**7.0**	**7.0**	**12.0**
Common stock	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.6	1.2	1.7	2.3	2.8	3.3
Additional paid-in capital	122.0	114.2	161.4	204.0	228.3	229.0	229.5	230.4	233.6	239.9	239.9	239.9	239.9	239.9	239.9	239.9
Retained earnings	(115.7)	(131.7)	(152.4)	(183.2)	(196.7)	(203.7)	(212.8)	(223.1)	(234.0)	(242.8)	(252.6)	(262.4)	(272.1)	(281.8)	(291.5)	(301.2)
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)
Total stockholders' equity	**6.4**	**(17.4)**	**9.0**	**20.8**	**31.7**	**25.4**	**16.8**	**7.4**	**(0.3)**	**(2.8)**	**(12.1)**	**(21.4)**	**(30.6)**	**(39.7)**	**(48.9)**	**(58.0)**
Total stockholders' equity and liabil	**13.6**	**18.5**	**45.3**	**32.7**	**43.6**	**32.4**	**24.8**	**25.8**	**21.8**	**19.8**	**10.5**	**13.2**	**4.1**	**(10.1)**	**(19.2)**	**(23.4)**

Balance Sheet Drivers

	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
	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)	$0.18	($0.41)	$0.17	$0.36	$0.50	$0.39	$0.25	$0.11	($0.00)	($0.04)	($0.15)	($0.26)	($0.37)	($0.48)	($0.58)	($0.69)
Cash per Share (diluted)	$0.37	$0.32	$0.75	$0.47	$0.63	$0.37	$0.27	$0.30	$0.24	$0.20	$0.11	$0.14	$0.03	($0.14)	($0.25)	($0.30)
Net cash per Share (diluted)	$0.35	$0.30	$0.74	$0.46	$0.62	$0.37	$0.27	$0.14	$0.06	$0.03	($0.05)	($0.02)	($0.13)	($0.29)	($0.40)	($0.45)

Source: Company reports and Ascendiant Capital Markets estimates

NRx Pharmaceuticals, Inc.

Cash Flow Statement ($ mils)	Mar-21	Jun-21	Sep-21	Dec-21	2021	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
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	(25.5)	(0.1)	(36.7)	(30.8)	(93.1)	(13.4)	(7.0)	(9.1)	(10.2)	(39.8)	(11.0)	(8.7)	(9.8)	(9.8)	(39.4)	(9.7)	(9.7)	(9.7)	(9.7)	(38.8)
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
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	0.0	0.0					0.0					0.0
Stock comp	0.4	9.1	9.5	42.6	61.6	1.3	1.0	0.5	0.8	3.6	0.7	0.5	0.5	0.5	2.3	0.5	0.5	0.5	0.5	2.2
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 liability		(17.4)	16.2	(0.5)	(1.7)	(0.2)	(0.1)	0.0	0.5	0.3	1.8	0.7			2.4					0.0
Change in fair value of earnout cash liabil		0.4	0.4	(21.7)	(20.9)	(2.1)	(2.5)			(4.6)										
Writedowns and impairments					0.0					0.0					0.0					0.0
Other gains/losses	(0.1)		0.0	(0.0)	(0.1)					0.0		0.3			0.3					0.0
Other	21.4		(0.0)	0.0	21.4					0.0					0.0					0.0
Changes in operating assets and liabilities:																				
Accounts receivable	0.8		0.0	(0.0)	0.8					0.0					0.0					0.0
Prepaid expenses & other curre	(0.1)	(4.8)	(1.2)	1.2	(4.8)	1.7	(4.5)	1.3	0.8	(0.6)	0.5	0.4	3.0		3.9					0.0
Income tax					0.0					0.0					0.0					0.0
Other assets					0.0					0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	1.2	1.3	(0.7)	(1.9)	(0.0)	0.6	(1.2)	(0.9)	(0.1)	(1.6)	1.7	(1.6)			0.1					0.0
Accrued expenses	(1.2)	0.1	0.5	(0.3)	(0.9)	1.6	(0.5)	1.8	(0.0)	2.9	0.3	0.6			0.9					0.0
Other liabilities					0.0					0.0			0.0	12.0	12.0	0.0	(5.0)	0.0	5.0	0.0
Net cash (used in) provided by	**(3.0)**	**(11.4)**	**(12.0)**	**(11.3)**	**(37.7)**	**(10.4)**	**(14.8)**	**(6.3)**	**(8.3)**	**(39.8)**	**(6.1)**	**(7.8)**	**(6.3)**	**2.7**	**(17.5)**	**(9.1)**	**(14.2)**	**(9.2)**	**(4.2)**	**(36.6)**
Cash flow from investing activities																				
Purchases of property and equipment		(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)
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					0.0				10.0	10.0		0.8	0.0	0.0	0.8	0.0	0.0	0.0	0.0	0.0
Repayment of debt		(1.1)	(0.2)	0.0	(1.3)		(0.5)			(0.5)		(0.1)			(0.1)					0.0
Issuance of stock	6.9	1.6	28.5	0.0	37.0	23.0	(0.3)	(0.0)	0.1	22.7	2.5	5.6	0.0	0.0	8.1	0.0	0.0	0.0	0.0	0.0
Proceeds from stock option exe	7.5		9.2	(0.0)	16.7				0.0	0.0					0.0					0.0
Other		11.1	(0.0)	0.0	11.1					0.0					0.0					0.0
Dividends and distributions					0.0					0.0					0.0					0.0
Cash provided by (used in) fina	**14.4**	**11.5**	**37.5**	**0.0**	**63.5**	**23.0**	**(0.9)**	**(0.0)**	**10.1**	**32.2**	**2.5**	**6.3**	**0.0**	**0.0**	**8.8**	**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	**11.4**	**0.1**	**25.5**	**(11.3)**	**25.7**	**12.6**	**(15.7)**	**(6.3)**	**1.8**	**(7.6)**	**(3.5)**	**(1.5)**	**(6.3)**	**2.7**	**(8.7)**	**(9.1)**	**(14.2)**	**(9.2)**	**(4.2)**	**(36.6)**
Beginning cash and equivalents	**1.9**	**13.3**	**13.4**	**38.9**	**1.9**	**27.6**	**40.2**	**24.5**	**18.2**	**27.6**	**20.1**	**16.5**	**15.0**	**8.7**	**20.1**	**11.4**	**2.2**	**(11.9)**	**(21.1)**	**11.4**
Ending cash and equivalents	**13.3**	**13.4**	**38.9**	**27.6**	**27.6**	**40.2**	**24.5**	**18.2**	**20.1**	**20.1**	**16.5**	**15.0**	**8.7**	**11.4**	**11.4**	**2.2**	**(11.9)**	**(21.1)**	**(25.3)**	**(25.3)**

Source: Company reports and Ascendiant Capital Markets estimates

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NRx Pharmaceuticals, Inc.

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			Investment Banking Services Past 12 months	
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Total	52	100%	16	31%

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