

Health Care: Biotechnology

NRx Pharmaceuticals, Inc. (NRXP)

COMPANY UPDATE

March 24, 2025

HOPE Therapeutics Expands Psychiatry Network

HOPE Therapeutics, a subsidiary of NRx Pharmaceuticals, has signed a binding Letter of Intent to acquire a majority stake in Neurospa TMS Holdings, a Florida-based network of interventional psychiatry clinics. The transaction, structured as a mix of cash and equity, is expected to be accretive to HOPE's 2025 revenue projections. Neurospa operates six clinics offering advanced treatments for severe depression, PTSD, and anxiety, including Ketamine, Spravato, and Transcranial Magnetic Stimulation (TMS). The acquisition marks a significant step in HOPE's strategy to establish a leading network of interventional psychiatry clinics.

Neurospa brings a revenue-generating and EBITDA positive business into HOPE's portfolio, enhancing the company's financial outlook. The clinics offer a full continuum of psychiatric care, blending interventional therapies with traditional psychiatry. This acquisition strengthens HOPE's positioning in Florida's mental health market and aligns with its broader expansion goals. While the deal is subject to financial audits and standard closing conditions, its successful completion would provide an immediate boost to HOPE's revenue base and accelerate the company's planned nationwide expansion. The integration of Neurospa is expected to drive operational synergies and further validate HOPE's model of interventional psychiatry. The continued demand for advanced mental health treatments, particularly TMS and Ketamine-based therapies, supports a favorable growth trajectory. With this transaction, HOPE is poised to solidify its footprint in a high-growth sector, reinforcing its potential as a key player in the interventional mental health space.

Multiple Catalysts Ahead: These include potential approvals for NRX-100 and NRX-101. Continued progress within HOPE Therapeutics and potential licensing agreements provide additional upside.

NRx's business development efforts are gaining traction, with management highlighting inbound inquiries from potential partners. The company has accepted non-binding terms for an NRX-100 licensing deal potentially exceeding \$300M in milestones and tiered royalties. The planned citizen's petition to remove benzethonium chloride could further differentiate NRX-100 in the market. Successful execution of these partnerships could provide significant non-dilutive funding, bolstering commercialization and long-term pipeline expansion.

Valuation: Our \$31 PT is based on the success of NRX-100 and NRX-101, including revenues from the clinic acquisitions (Hope Therapeutics). Our valuation models include Free Cash Flow to the Firm (FCFF), disc EPS (dEPS), and Sum-of-the-Parts (SOP). We use a 30% discount rate. This is in addition to our revenue models' 30% risk cut or 70% Probability of Success POS factor. These three models' results are equalweighted, averaged, and rounded to the nearest whole number to provide a 12-month PT of \$31.00.

Risks to our thesis include: 1. Regulatory Approvals; 2. Clinical Science; 3. Intellectual Capital; and 4. Dilution

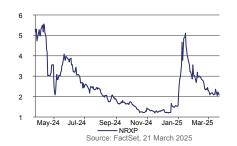
Jason Kolbert

jkolbert@dboralcapital.com

MARKET DATA	
Rating	Buy
Price Target	\$31.00
Price	\$2.08
Average Daily Volume (000)	196
52-Week Range (\$)	\$1.10-\$6.01
Market Cap (M)	\$35
Enterprise Value (M)	\$27
Book Value	(1.42)
Dividend Yield	0.0%
Cash (M)	\$2
Qrtly Burn Rate (M)	\$(3)

ESTIMATES			
	2024E	2025E	2026E
Revenue (M)	\$0.0	\$107.2	\$180.3
Total Expenses (M)	\$19	\$26	\$61
GAAP EPS	\$(1.12)	\$(0.14)	\$1.54

One Year Performance Chart



Please see analyst certification and important disclosures on page 2 of this report.



Important Disclosures

Analyst Certification

I, Jason Kolbert, certify that all of the views expressed in this research report accurately reflect my personal views about the subject security(ies) and subject company(ies). I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this research report.

Company-Specific Disclosures

- D. Boral Capital, managed or co-managed a public offering of securities for NRx Pharmaceuticals, Inc. during the past 12 months.
- D. Boral Capital, or its affiliates have received compensation from NRx Pharmaceuticals, Inc. for investment banking services within the past 12 months.
- D. Boral Capital, or its affiliates will seek compensation from NRx Pharmaceuticals, Inc. for investment banking services within three months following publication of this research report.

General Disclosures

The information contained in Research Reports or other Research products produced by D. Boral Capital LLC is for informational purposes only and does not constitute solicitation of the sale or purchase of securities or other investments. The information in such products is derived from sources that are believed to be reliable. Prices, numbers, and similar data include past results, estimates, and forecasts, all of which may differ from actual data. These prices, numbers, and similar data may also change without prior notification.

D. Boral Capital holds the copyright on this research report. Any unauthorized use or transmission of any part of this research report for any reason, whether by digital, mechanical, or any other means, is prohibited. If you have any questions, please contact your sales representative. Additional information is available upon request.

Certain company names, product and/or service names that appear in this research report are trademarks or registered trademarks of D. Boral Capital or other companies mentioned in the report.

Copyright 2025 D. Boral Capital LLC.

D. Boral Capital rating definitions are expressed as the total return relative to the expected performance of S&P 500 over a 12-month period.

BUY (B) - Total return expected to exceed S&P 500 by at least 10%

HOLD (H) - Total return expected to be in-line with S&P 500

SELL (S) - Total return expected to underperform S&P 500 by at least 10%

Distribution of Ratings/IB Services D. Boral

Rating Count Percent IB Serv./Past 12 Mos.

Count Percent Count Percent



NRx Pharmaceuticals, Inc. Rating History as of 03/21/2025

