March 8, 2019

Rexahn Pharmaceuticals Reports 2018 Financial Results

ROCKVILLE, Md., March 08, 2019 (GLOBE NEWSWIRE) -- Rexahn Pharmaceuticals, Inc. (NYSE American: RNN), a clinical stage biopharmaceutical company developing innovative therapies to improve patient outcomes in cancers that are difficult to treat, today announced financial results for year ended December 31, 2018.

2018 and Recent Corporate Highlights:

RX-3117 – Orally administered targeted nucleoside analogue

- Completed enrollment in the Phase 2a clinical trial of RX-3117 in combination with ABRAXANE® (paclitaxel protein-bound particles for injectable suspension) in first-line metastatic pancreatic cancer patients in February 2019. Interim data from the trial presented at the 2019 American Society of Clinical Oncology (ASCO) Gastrointestinal Cancers Symposium showed an overall response rate of 38% in the first 24 patients who had at least one scan on treatment.
- Presented updated interim data from the Phase 2a clinical trial of RX-3117 in advanced bladder cancer at the 2019 ASCO Genitourinary Cancers Symposium. Encouraging preliminary signs of efficacy, including one complete response, were observed in patients with advanced bladder cancer who have progressed on multiple prior treatments including immunotherapy and gemcitabine.

RX-5902 – Potential first-in-class orally administered modulator of the β-catenin pathway

- Announced a clinical collaboration with Merck in August 2018 to evaluate RX-5902 in combination with KEYTRUDA® (pembrolizumab) for triple negative breast cancer (TNBC). Rexahn is currently evaluating the development strategy for RX-5902 and may or may not proceed with this trial.
- Presented preliminary data from a Phase 2a clinical trial of RX-5902 in metastatic TNBC at the ASCO 2018 annual meeting in June 2018. An interim analysis of the first 10 evaluable patients in a Phase 2a trial of RX-5902 in TNBC showed five patients exhibited a clinical response including one patient who had an 18% reduction in tumor size and two patients experiencing progression free survival greater than 200 days. These patients had at least two prior treatments for refractory TNBC.

RX-0301 – Highly specific Akt-1 inhibitor

- Entered into a research and development collaboration with Zhejiang Haichang Biotechnology Co., Ltd. (Haichang) for the development of RX-0301. Under the agreement, Haichang will develop RX-0301, a nano-liposomal formulation of RX-0201, using its proprietary QTsome™ technology and will conduct certain preclinical and

clinical activities through completion of a Phase 2a clinical trial for the treatment of hepatocellular carcinoma (HCC). Haichang is funding development activities through completion of the Phase 2a clinical trial up to an aggregate amount of $10,000,000. Rexahn and Haichang will share in an agreed ratio downstream licensing fees and royalties paid by third parties in connection with the further development and commercialization of RX-0301 for the treatment of HCC.

Corporate

- Strengthened our board of directors with the addition of Gil Price, M.D. in November 2018 and Lara Sullivan, M.D. in February 2019.
- Strengthened our balance sheet through two financings resulting in aggregate gross proceeds of $16.1 million in October 2018 and January 2019.
- In November 2018, Douglas J. Swirsky was named President and CEO and appointed to the board of directors following the departure of Peter D. Suzdak, Ph.D.
- In December 2018, announced an operational restructuring to enable more efficient development of our clinical stage oncology pipeline. In connection with the restructuring, Rexahn's workforce was reduced to 10 and certain preclinical activities were eliminated.
- As of March 8, 2019, had $19.8 million in cash, cash equivalents, and marketable securities (unaudited). Rexahn expects that its cash, cash equivalents and marketable securities will be sufficient to fund the company's currently expected cash flow requirements for its activities for at least the next 12 months.

"Rexahn undertook several optimization initiatives in 2018 and early 2019, including streamlining our operations and enhancing the management team and board in order focus our efforts on our highest value opportunities. Our priorities in 2019 will be the continued evaluation of our programs with the goal of building long-term value for our shareholders," said Douglas J. Swirsky, president and executive officer of Rexahn. "Having completed the enrollment of the Phase 2a combination trial of RX-3117 with ABRAXANE in newly diagnosed metastatic pancreatic cancer patients, we look forward to reporting additional safety and efficacy data later this year."

2018 Financial Results:

R&D Expenses: Research and development expenses were $13.1 million for the year ended December 31, 2018, compared to $10.7 million for the year ended December 31, 2017. The increase in research and development expenses is primarily attributable to increases in clinical trial costs and patient enrollment costs from the advancement of our RX-3117 and RX-5902 clinical trials, as well as drug manufacturing costs for manufacturing campaigns.

G&A Expenses: General and administrative expenses were $7.4 million for the year ended December 31, 2018 compared to $6.6 million for the year ended December 31, 2017. The increase is primarily attributable to an increase in personnel expenses and severance payments.

Net Loss: Rexahn's loss from operations was $20.5 million and $17.4 million for the years ended December 31, 2018 and 2017, respectively. Rexahn's net loss was $14.4 million, or $0.44 per share, for the year ended December 31, 2018, compared to a net loss of $25.3

million, or $0.92 per share, for the year ended December 31, 2017. The net loss for the years ended December 31, 2018 and 2017 includes an unrealized gain (loss) on the fair value of warrants of $5.5 million and ($7.6 million), respectively. The fair value adjustments are non-cash charges and are primarily a result of changes in stock price between reporting periods.

About Rexahn Pharmaceuticals, Inc.

Rexahn Pharmaceuticals Inc. (NYSE American: RNN) is a clinical stage biopharmaceutical company developing innovative therapies to improve patient outcomes in cancers that are difficult to treat. The Company's mission is to improve the lives of cancer patients by developing next-generation cancer therapies that are designed to maximize efficacy while minimizing the toxicity and side effects traditionally associated with cancer treatment. Rexahn's product candidates work by targeting and neutralizing specific proteins believed to be involved in the complex biological cascade that leads to cancer cell growth. Preclinical studies show that several of Rexahn's product candidates may be effective against multiple types of cancer, including drug resistant cancers, and difficult-to-treat cancers and others may augment the effectiveness of current FDA-approved cancer treatments. The Company has two oncology product candidates, RX-3117 and RX-5902, in Phase 2 clinical development and additional compounds in preclinical development, including RX-0301. For more information about the Company and its oncology programs, please visit www.rexahn.com.

Safe Harbor

To the extent any statements made in this press release deal with information that is not historical, these are forward-looking statements under the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, future operations and products, the path of clinical trials and development activities, expected cash flow requirements, and other statements identified by words such as "will," "potential," "could," "can," "believe," "intends," "continue," "plans," "expects," "anticipates," "estimates," "may," other words of similar meaning or the use of future dates. These statements also include statements about cash, cash equivalents, and marketable securities as of March 8, 2019 and the sufficiency of those amounts; additional information and disclosures would be required for a more complete understanding of the Company's financial position and results of operations as of March 8, 2019. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. Uncertainties and risks may cause Rexahn's actual results to be materially different than those expressed in or implied by Rexahn's forward-looking statements. For Rexahn, particular uncertainties and risks include, among others, understandings and beliefs regarding the role of certain biological mechanisms and processes in cancer; drug candidates being in early stages of development, including clinical development; the ability to initially develop drug candidates for orphan indications to reduce the time-to-market and take advantage of certain incentives provided by the U.S. Food and Drug Administration; the ability to transition from our initial focus on developing drug candidates for orphan indications to candidates for more highly prevalent indications; and the expecting timing of results from our clinical trials. More detailed information on these and additional factors that could affect Rexahn's actual results are described in Rexahn's filings with the Securities and Exchange Commission, including its most recent annual report on Form 10-K. All forward-looking statements in this news

release speak only as of the date of this news release. Rexahn undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Media Contact:
DGI Comm
Susan Forman or Laura Radocaj
+1-212-825-3210
sforman@dgicomm.com
lradocaj@dgicomm.com

Investor Contact:
ir@rexahn.com

(Tables to follow)

Rexahn Pharmaceuticals, Inc.
Condensed Statement of Operations

	For the Year Ended December 31,	
	2018	2017
Revenues:	$ -	$ -
Expenses:		
General and administrative	7,428,615	6,639,421
Research and development	13,109,058	10,715,296
Total Expenses	20,537,673	17,354,717
Loss from Operations	(20,537,673)	(17,354,717)
Other Income (Expense)		
Interest income	254,344	207,003
Other income	368,750	-
Unrealized gain (loss) on fair value of warrants	5,546,049	(7,594,162)
Financing expense	-	(552,627)
Total Other Income (Expense)	6,169,143	(7,939,786)
Net Loss Before Provision for Income Taxes	(14,368,530)	(25,294,503)
Provision for income taxes	-	-
Net Loss	$ (14,368,530)	$ (25,294,503)
Net loss per share, basic and diluted	$ (0.44)	$ (0.92)
Weighted average number of shares outstanding, basic and diluted	32,915,377	27,390,527

Rexahn Pharmaceuticals, Inc.
Selected Balance Sheet Information

	December 31, 2018	December 31, 2017
Cash, Cash Equivalents and Marketable Securities	$ 14,725,821	$ 26,831,095
Working Capital[(1)]	$ 12,747,118	$ 24,901,710
Total Assets	$ 16,042,926	$ 28,287,881
Total Liabilities	$ 5,480,036	$ 11,519,285
Stockholders' Equity	$ 10,562,890	$ 16,768,596

1. Working Capital defined as current assets less current liabilities

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Source: Rexahn Pharmaceuticals