August 6, 2018

Rexahn Reports Second Quarter 2018 Financial Results

ROCKVILLE, Md., Aug. 06, 2018 (GLOBE NEWSWIRE) -- Rexahn Pharmaceuticals, Inc. (NYSE American: RNN), a clinical stage biopharmaceutical company developing innovative, targeted therapeutics for the treatment of cancer, announced financial results for the second quarter ended June 30, 2018.

“We are encouraged by the data presented on our programs so far this year and we look forward to additional data readouts in the coming quarters as we drive towards key inflection points in the development of RX-3117 for metastatic pancreatic and advanced bladder cancer and RX-5902 in metastatic triple negative breast cancer (mTNBC),” said Peter D. Suzdak, Ph.D., chief executive officer of Rexahn.

Recent Highlights:

- Advanced the Phase 2a combination study of RX-3117 and Abraxane® in first-line patients with metastatic pancreatic cancer into the second stage of the study. The combination of RX-3117 and Abraxane showed preliminary signs of safety and was well tolerated at the maximum tolerated dose of RX-3117 identified in a prior study and the maximum labeled dose of Abraxane without producing an increase in severe adverse events, which we believe may lead to better clinical outcomes. This differs from current standard of care (gemcitabine/Abraxane) where the doses of both gemcitabine and Abraxane (when given in combination) must be reduced from the maximum labeled doses to avoid life threatening toxicities (which may also reduce the potential benefit to patients due to under dosing of both drugs). Up to 40 patients will be enrolled in the second stage of the study and the primary endpoints are progression free survival and rate of disease control.

- Presented data from the Phase 2a clinical trial of RX-3117 monotherapy in advanced bladder cancer at the American Society of Clinical Oncology (ASCO) 2018 Annual Meeting. Encouraging progression-free survival and evidence of tumor shrinkage (including one patient with a complete response) were observed in patients with advanced bladder cancer who had failed on multiple prior treatments including immunotherapy and chemotherapy.

- Presented an interim analysis of the first 10 evaluable patients in the Phase 2a clinical trial of RX-5902 in mTNBC at the ASCO 2018 Annual Meeting, which showed that five patients who had previously received up to nine prior cancer therapies 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.

- As of August 6, 2018, had $15.7 million in cash, cash equivalents and investments

(unaudited). Rexahn expects that its cash, cash equivalents and investments will be sufficient to fund the company's currently expected cash flow requirements for its activities for at least the next 12 months.

Q2 2018 Financial Results:

R&D Expenses: Research and development expenses were $3.4 million for the three months ended June 30, 2018, compared to $2.5 million for the three months ended June 30, 2017. Research and development expenses were $7.5 million for the six months ended June 30, 2018, compared to $4.8 million for the six months ended June 30, 2017. The increase in research and development expenses is primarily attributable to increases in drug manufacturing costs for new campaigns in the three months ended June 30, 2018 and to increases in drug manufacturing costs and clinical trial costs from the advancement of our clinical trials in the six months ended June 30, 2018.

G&A Expenses: General and administrative expenses were $1.6 million for the three months ended June 30, 2018 compared to $1.7 million for the three months ended June 30, 2017. General and administrative expenses were $3.4 million for the six months ended June 30, 2018 and 2017.

Net Income (Loss): Rexahn's loss from operations was $5.0 million and $4.3 million for the three months ended June 30, 2018 and 2017, respectively. Rexahn's net loss was $3.8 million, or $0.12 per share, for the three months ended June 30, 2018, compared to a net income of $0.9 million, or $0.04 per basic share, for the three months ended June 30, 2017. For the six-month period ended June 30, 2018, Rexahn's net loss was $5.9 million, or $0.19 per share, compared to a net loss of $20.7 million, or $0.83 per share, for the six months ended June 30, 2017. Included in the net loss for the six months ended June 30, 2018 and 2017 is an unrealized gain (loss) on the fair value of warrants of $4.5 million and ($12.2 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 dedicated to developing novel, targeted therapeutics for the treatment of cancer. 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 certain 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-0201. 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, statements about Rexahn's plans, objectives, expectations and intentions with respect to cash flow requirements, future operations and products, enrollments in clinical trials, the path of clinical trials and development activities, and other statements identified by words such as "will," "potential," "could," "can," "believe," "intends," "continue," "plans," "expects," "anticipates," "estimates," "may," and other words of similar meaning or the use of future dates. 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; the availability and access to capital; and the expected 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 and the subsequent quarterly reports on Form 10-Q. 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.

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(Tables to follow)

Rexahn Pharmaceuticals, Inc.
Condensed Statement of Operations
(unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2018	2017	2018	2017
Revenues:	$ -	$ -	$ -	$ -
Expenses:				

General and administrative	1,568,848	1,739,663	3,396,170	3,430,509
Research and development	3,432,593	2,544,262	7,491,126	4,806,657
Total Expenses	5,001,441	4,283,925	10,887,296	8,237,166
Loss from Operations	(5,001,441)	(4,283,925)	(10,887,296)	(8,237,166)
Other Income (Expense)				
Interest income	67,473	42,782	143,209	74,579
Other income	-	-	368,750	-
Unrealized gain (loss) on fair value of warrants	1,095,700	5,521,249	4,462,196	(12,168,331)
Financing expense	-	(333,050)	-	(333,050)
Total Other Income (Expense)	1,163,173	5,230,981	4,974,155	(12,426,802)
Net Income (Loss) Before Provision for Income Taxes	(3,838,268)	947,056	(5,913,141)	(20,663,968)
Provision for income taxes	-	-	-	-
Net Income (Loss)	$ (3,838,268)	$ 947,056	$ (5,913,141)	$ (20,663,968)
Net income (loss) per share, basic	$ (0.12)	$ 0.04	$ (0.19)	$ (0.83)
Net income (loss) per share, diluted	$ (0.12)	$ 0.03	$ (0.19)	$ (0.83)
Weighted average number of shares outstanding, basic	31,744,439	26,001,797	31,737,998	24,932,705
Weighted average number of shares outstanding, diluted	31,744,439	28,265,440	31,737,998	24,932,705

Rexahn Pharmaceuticals, Inc.
Selected Balance Sheet Information
(unaudited)

	June 30, 2018	December 31, 2017
Cash, Cash Equivalents and Marketable Securities	$ 16,741,643	$ 26,831,905
Working Capital[(1)]	$ 14,725,728	$ 24,901,710
Total Assets	$ 18,235,971	$ 28,287,881
Total Liabilities	$ 6,812,707	$ 11,519,285
Stockholders' Equity	$ 11,423,264	$ 16,768,596

(1) Working Capital defined as current assets less current liabilities

Source: Rexahn Pharmaceuticals