

May 13, 2019



# Rexahn Pharmaceuticals Reports First Quarter 2019 Financial Results

ROCKVILLE, Md., May 13, 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 the first quarter ended March 31, 2019.

## First Quarter 2019 and Recent Highlights:

- Completed enrollment in the Phase 2a clinical trial of RX-3117 in combination with ABRAXANE<sup>®</sup> (paclitaxel protein-bound particles for injectable suspension) in first-line metastatic pancreatic cancer patients in February. 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.
- Announced a collaboration and license agreement with BioSense Global LLC, a New Jersey- and Suzhou, China-based biopharmaceutical company, to advance the development and commercialization of RX-3117 for pancreatic and other cancers in Greater China. Under the agreement, Rexahn will receive an upfront payment and will be eligible to receive additional development, regulatory and commercial milestones up to a total of \$226 million contingent on achieving development, regulatory and commercial goals.
- Strengthened our board of directors with the addition of Lara Sullivan, M.D. in February 2019.
- Enhanced our balance sheet through a financing resulting in aggregate gross proceeds of \$8.6 million in January.
- As of May 10, 2019, had \$18.3 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 had a strong start to 2019, including the completion of enrollment in our Phase 2a study of RX-3117 in combination with ABRAXANE in newly diagnosed metastatic pancreatic cancer patients. Our recent efforts to primarily focus our near-term efforts on this study and to restructure our operations, along with the proceeds from the January financing and the BioSense Global collaboration, have greatly enhanced our cash position and runway as we continue to evaluate the development paths for our programs," said Douglas J. Swirsky president and chief executive officer of Rexahn. "We look forward to presenting additional safety and efficacy data on RX-3117 later this year or early next year."

## 2019 Financial Results:

**R&D Expenses:** Research and development expenses were \$2.2 million for the three months ended March 31, 2019, compared to \$4.1 million for the three months ended March 31, 2018. The decrease in research and development expenses is primarily attributable to decreases in drug manufacturing and clinical trial costs and a reduction in preclinical programs and headcount.

**G&A Expenses:** General and administrative expenses were \$1.7 million for the three months ended March 31, 2019 compared to \$1.8 million for the three months ended March 31, 2018. The decrease is primarily attributable to a decrease in personnel expenses, offset by increases in professional fees.

**Net Loss:** Rexahn's loss from operations was \$3.9 million and \$5.9 million for the three months ended March 31, 2019 and 2018, respectively. Rexahn's net loss was \$2.3 million, or \$0.62 per share, for the three months ended March 31, 2019, compared to a net loss of \$2.1 million, or \$0.79 per share, for the three months ended March 31, 2018. The net loss for the three months ended March 31, 2019 and 2018 includes unrealized gains on the fair value of warrants of \$1.5 million and \$3.4 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](http://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, the sufficiency of the Company's cash, cash equivalents, and marketable securities as of May 10, 2019, 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. Additional information and disclosures would be required for a more complete understanding of the Company's financial position and results of operations as of May 10, 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 and subsequent quarterly report 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 March 31,	
	2019	2018
Revenues:	\$ -	\$ -
Expenses:		
General and administrative	1,695,523	1,827,322
Research and development	2,242,229	4,058,533
Total Expenses	<u>3,937,752</u>	<u>5,885,855</u>
Loss from Operations	<u>(3,937,752 )</u>	<u>(5,885,855 )</u>
Other Income		
Interest income	81,385	75,736
Other income	-	368,750
Unrealized gain on fair value of warrants	1,513,371	3,366,496
Total Other Income	<u>1,594,756</u>	<u>3,810,982</u>
Net Loss Before Provision for Income Taxes	<u>(2,342,996 )</u>	<u>(2,074,873 )</u>

Provision for income taxes	-	-
Net Loss	<u>\$ (2,342,996 )</u>	<u>\$ (2,074,873 )</u>
Net loss per share, basic and diluted	<u>\$ (0.62 )</u>	<u>\$ (0.79 )</u>
Weighted average number of shares outstanding, basic and diluted	<u>3,779,953</u>	<u>2,639,849</u>

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

	March 31, 2019	December 31, 2018
Cash, Cash Equivalents and Marketable Securities	\$ 18,015,606	\$ 14,725,821
Working Capital <sup>(1)</sup>	\$ 16,482,753	\$ 12,747,118
Total Assets	\$ 19,425,392	\$ 16,042,926
Total Liabilities	\$ 3,485,436	\$ 5,480,036
Stockholders' Equity	\$ 15,939,956	\$ 10,562,890

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



Source: Rexahn Pharmaceuticals, Inc.