Salarius Pharmaceuticals Reports Business Highlights with Fourth Quarter and Full-Year 2020 Financial Results

Conference Call and Live Audio Webcast Scheduled for Today, Thursday, March 18, 2021, 4:30 p.m. ET

HOUSTON, March 18, 2021 (GLOBE NEWSWIRE) – Salarius Pharmaceuticals, Inc. (Nasdaq: SLRX), a clinical-stage biopharmaceutical company developing potential new medicines for patients with pediatric cancers, solid tumors, and other cancers, today reported important corporate events and its financial results for the full year and the fourth quarter ended December 31, 2020.

"In 2021, we continue to develop our differentiated LSD1 inhibitor, seclidemstat, for the treatment of cancers with high unmet need. During the fourth quarter of 2020 and through early 2021, Salarius achieved two key objectives that are important for the future of the Company: the completion of the dose-escalation stage of the Phase 1/2 Ewing sarcoma trial and the strengthening of our finances," said David Arthur, President and CEO of Salarius. "As a result, Salarius now is well-capitalized and has the resources to advance our current clinical trials for seclidemstat in Ewing sarcoma, Ewing-related sarcomas, and Advanced Solid Tumors (AST) while providing the ability to develop seclidemstat in larger market indications including solid tumors and hematologic cancers."

Financial Highlights:

- A recent public offering and other transactions provided Salarius with approximately $37 million in currently available cash, which will be used to fund the current clinical trials for its lead drug candidate, seclidemstat
- Three-month period ended December 31, 2020 net loss per common share – basic and diluted - of $0.10, compared to $0.46 for the same period ended December 31, 2019
- Twelve-month period ended December 31, 2020 net loss per common share – basic and diluted - for continuing operations of $0.50, compared to $2.12 for the same period ended December 31, 2019

Recent Business and Corporate Events:

- Completed dose escalation in Ewing sarcoma Phase 1/2 clinical trial
    - Seclidemstat safety profile affirmed; Recommended Phase 2 Dose (RP2D) established
    - Treatment with seclidemstat at the RP2D achieves plasma concentrations above levels where seclidemstat demonstrated activity in preclinical studies
- Clinical data from the Ewing sarcoma and Advanced Solid Tumor (AST) trials support continued development of seclidemstat in both Ewing and Ewing-related sarcomas
    - An Ewing sarcoma patient treated with single-agent seclidemstat for six cycles demonstrated signals of drug activity; Additional patients in dose-escalation phase also demonstrated signals of drug activity

- Among a small subset of Ewing-related sarcoma patients enrolled in the AST clinical trial, encouraging signs of seclidemstat activity were demonstrated by an increased time to tumor progression (TTP) when compared to a commonly accepted benchmark used to assess active agents in the advanced soft tissue sarcoma setting

- Initiated dose expansion in three patient groups across Ewing and Ewing-related sarcoma patients with each patient group representing a potential path to regulatory approval and commercial opportunity
    - Ewing sarcoma patients to receive seclidemstat in combination with chemotherapy agents as a second- or third-line therapy
    - Ewing-related sarcoma patients (also referred to as FET-translocated sarcomas) including patients with myxoid liposarcoma and other FET-translocated sarcomas to receive single-agent therapy

Mr. Arthur continued, "Completion of the dose-escalation stage of the Phase 1/2 Ewing sarcoma trial was a key milestone in the ongoing development of seclidemstat as it allowed us to establish the recommended Phase 2 dose for the dose-expansion stage of the trial. Additionally, we were able to glean important data insights that enabled us to expand the dose-expansion trial protocol to two treatment arms - the first exploring seclidemstat in combination with the common second- or third-line chemotherapy regimen, topotecan and cyclophosphamide, for the treatment of Ewing sarcoma and the second arm studying seclidemstat as a single-agent therapy for the treatment of Ewing-related sarcomas. In doing so, we have expanded the potential addressable patient population for seclidemstat while potentially enabling the use of seclidemstat earlier in the treatment continuum. We have submitted results from our ongoing clinical trials for presentation at an upcoming medical conference and look forward to providing data readouts from the dose-expansion trial towards the end of 2021 and into 2022."

Mr. Arthur concluded, "In terms of our financial and cash position, Salarius has never been on stronger footing. The $23 million public offering we closed last week, in addition to other recent financings, have provided Salarius with $37 million of currently available cash, which we believe is sufficient funding for the advancement of seclidemstat in the current clinical trials and beyond."

Three-Month Financial Results:
For the three-month period ended December 31, 2020, Salarius' reported net loss was $1.8 million, or $0.10 per basic and diluted share, compared to a net loss of $1.9 million, or $0.46 per basic and diluted share for the same period in 2019. The loss before other income for the three-month period ended December 31, 2020 decreased by $0.3 million compared to the loss before other income for the same time span last year, which was primarily due to increased grant revenue and lower general and administrative costs that more than offset increased research and development expenses.

Twelve-Month Financial Results:
For the 12-month period ended December 31, 2020, Salarius' reported net loss was $7.4 million, or $0.50 per basic and diluted share, compared to a net loss of $6.9 million, or $2.12 per basic and diluted share for the same period in 2019. The loss from operations before other income for the twelve-month span ended December 31, 2020 decreased by $0.5 million compared to the loss from operations for the same time span last year, which was primarily due to an increase in grant revenue resulting from an increase in

the amounts reimbursable under the Cancer Prevention and Research Institute of Texas (CPRIT) grant and lower general and administrative costs that more than offset increased research and development costs.

As of December 31, 2020, total cash, cash equivalents and restricted cash were $11.1 million, compared to $3.7 million at year-end 2019. Increases in cash balances resulted from the Company's public offerings of stock in the first quarter and third quarter of 2020, warrant exercises including the announcement in December 2020 and the receipt of a $0.8 million payment under the company's contract with CPRIT.

Conference Call Information:
Salarius Pharmaceuticals will host a conference call and live audio webcast on Thursday, March 18, 2021, at 4:30 p.m. ET, to discuss its corporate and financial results for the fourth quarter 2020. Interested participants and investors may access the conference call by dialing either:

- (833) 423-0481 (U.S.)
- (918) 922-2375 (international)
- Conference ID: 8997199

An audio webcast will be accessible via the Investors Events and Presentations section of the Company's website http://investors.salariuspharma.com/. An archive of the webcast will remain available for 90 days beginning at approximately 5:30 p.m. ET, on March 18, 2021.

About Salarius Pharmaceuticals
Salarius Pharmaceuticals, Inc. is a clinical-stage biopharmaceutical company developing cancer therapies for patients in need of new treatment options. Salarius' lead candidate, seclidemstat, is being studied as a potential treatment for pediatric cancers, solid tumors and other cancers with limited treatment options. Seclidemstat is currently in a Phase 1/2 clinical trial for relapsed/refractory Ewing sarcoma and Ewing-related sarcomas, also called FET-translocated sarcomas. Ewing sarcoma has received Fast Track Designation, Orphan Drug Designation and Rare Pediatric Disease Designation from the U.S. Food and Drug Administration. Salarius is also developing seclidemstat for several cancers with high unmet medical need, with a second Phase 1/2 clinical study in advanced solid tumors, including prostate, breast, and ovarian cancers. Salarius has received financial support from the National Pediatric Cancer Foundation to advance the Ewing sarcoma clinical program and was also a recipient of a Product Development Award from the Cancer Prevention and Research Institute of Texas (CPRIT). For more information, please visit salariuspharma.com or follow Salarius on Twitter and LinkedIn.

Forward-Looking Statements
This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, included in this press release are forward-looking statements. These forward-looking statements may be identified by terms such as "anticipate," "potential," "progress," "design," "estimate," "continue," "will," "aim," "can," "believe," "plan," "allow," "expect," "intend," "goal," "provide," "able to," "position," "project," "developing," and similar terms or expressions or the negative thereof. Examples of such statements

include, but are not limited to, statements relating to the following: the company's growth strategy; the value of seclidemstat as a potential treatment for Ewing sarcoma, Ewing-related sarcomas and other cancers; the status and anticipated progress and milestones of the company's clinical trials in Advanced Solid Tumors and Ewing sarcoma; the expansion of the company's clinical trials to include Ewing-related sarcomas; the company's belief as to being well-capitalized through the completion of its clinical trials for seclidemstat and beyond; Salarius' goal to maximize the potential of seclidemstat; and Salarius developing seclidemstat for several cancers with high unmet medical need. Salarius may not actually achieve the plans, carry out the intentions or meet the expectations or objectives disclosed in the forward-looking statements. You should not place undue reliance on these forward-looking statements. These statements are subject to risks and uncertainties which could cause actual results and performance to differ materially from those discussed in the forward-looking statements. These risks and uncertainties include, but are not limited to, the following: the sufficiency of the company's capital resources; the ability of, and need for, the company to raise additional capital to meet the company's business operational needs and to achieve its business objectives and strategy; the company's ability to project future capital needs and cash utilization and timing and accuracy thereof; the ability of the company to access the remaining funding available under the CPRIT grant; future clinical trial results and impact of results on the company; that the results of studies and clinical trials may not be predictive of future clinical trial results; the sufficiency of Salarius' intellectual property protection; risks related to the drug development and the regulatory approval process; the competitive landscape and other industry-related risks; market conditions and regulatory or contractual restrictions which may impact the ability of Salarius to raise additional capital; the possibility of unexpected expenses or other uses of Salarius' cash resources; risks related to the COVID-19 outbreak; and other risks described in Salarius' filings with the Securities and Exchange Commission, including those discussed in the company's quarterly report on Form 10-Q for the quarter ended September 30, 2020 and in the company's annual report on Form 10-K for the year ended December 31, 2020. The forward-looking statements contained in this press release speak only as of the date of this press release and are based on management's assumptions and estimates as of such date. Salarius disclaims any intent or obligation to update these forward- looking statements to reflect events or circumstances that exist after the date on which they were made.

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SALARIUS PHARMACEUTICALS, INC.
CONSOLIDATED BALANCE SHEETS

	December 31, 2020	December 31, 2019
Assets		
Current assets:		
Cash and cash equivalents	$ 11,118,614	$ 3,738,900
Grants receivable from CPRIT	3,855,996	—
Prepaid expenses and other current assets	822,050	955,899
Total current assets	15,796,660	4,694,799
Property and equipment, net	22,639	25,016
Goodwill	8,865,909	8,865,909
Other assets	247,113	308,674
Total assets	$ 24,932,321	$ 13,894,398
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 1,853,756	$ 1,790,966
Accrued expenses and other current liabilities	383,138	160,783
Note payable	477,028	502,332
Deferred revenue	—	541,701
Warrant liability	59,211	317,762
Total liabilities	$ 2,773,133	$ 3,313,544
Commitments and contingencies (Note 5)		
Stockholders' equity:		
Common stock, $0.0001 par value; 100,000,000 shares authorized; 23,810,541 and 4,519,533 shares issued at December 31, 2020 and December 31, 2019, and 23,808,546 and 4,511,174 shares outstanding at December 31, 2020 and December 31, 2019, respectively	$ 2,381	$ 451
Additional paid-in capital	41,585,761	22,657,103
Accumulated deficit	(19,428,954)	(12,076,700)
Total stockholders' equity	$ 22,159,188	$ 10,580,854
Total liabilities and stockholders' equity	$ 24,932,321	$ 13,894,398

SALARIUS PHARMACEUTICALS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended December 31		Twelve Months Ended December 31	
	2020	**2019**	**2020**	**2019**
Revenue:				
Grant revenue	$ 1,478,922	$ 1,038,693	$ 5,233,301	$ 3,465,055
Operating expenses:				
Research and development	2,023,478	1,337,969	6,913,853	4,018,951
General and administrative	1,212,772	1,760,750	6,105,793	7,711,181
Total operating expenses	3,236,250	3,098,750	13,019,646	11,730,132
Loss before other income (expense)	(1,757,328)	(2,060,026)	(7,786,345)	(8,265,077)
Change in fair value of warrant liability	(6,987)	180,485	258,551	1,311,333
Government grants and other income	(440)	(515)	178,587	1,833
Interest income (expense), net	(2,793)	(2,765)	(3,047)	15,648
Net loss	**$ (1,767,548)**	**$ (1,882,821)**	**$ (7,352,254)**	**$ (6,936,263)**
Fair value increase related to warrants modification	(396,407)	—	(396,407)	—
Loss from continuing operations attributable to common stockholders	$ (2,163,955)	$ (1,882,821)	(7,748,661)	(6,936,263)
Loss per common share — basic and diluted	**$ (0.10)**	**$ (0.46)**	**$ (0.50)**	**$ (2.12)**
Weighted-average number of common shares outstanding — basic and diluted	20,784,788	4,060,761	15,578,611	3,268,637