Rein Therapeutics Reports Fourth Quarter and Full Year 2024 Financial Results and Provides Business Update

April 7, 2025

Rein advanced the clinical development of its lead asset, LTI-03, and aims to initiate a Phase 2 trial for the treatment of idiopathic pulmonary fibrosis (IPF) in the first half of 2025

Positive topline results from Cohort 2 (5 mg BID) of the Phase 1b clinical trial of LTI-03 in IPF patients demonstrated dose dependent effects in five biomarkers evaluated, with four biomarkers achieving statistical significance in the combined Cohort 1 and Cohort 2 data set

AUSTIN, Texas, April 7, 2025 /PRNewswire/ -- Rein Therapeutics, Inc. (NASDAQ: RNTX), a biopharmaceutical company advancing a novel pipeline of first-in-class medicines to address significant unmet medical needs in orphan pulmonary and fibrosis indications, today reported financial results for the fourth quarter and full year ended December 31, 2024 and provided a business update.

"We've made significant clinical progress during 2024, culminating in promising safety and positive topline data from our Phase 1b trial of LTI-03 in IPF patients, which demonstrated early signs of therapeutic effect. LTI-03 has shown potential to improve lung function and potentially reverse the course of IPF, with its dual mechanism of action on both epithelial cells and fibroblasts gaining increasing support within the medical community," said Brian Windsor, Ph.D., President and Chief Executive Officer of Rein Therapeutics. "With our recent rebranding and renewed mission to combat fibrosis, we are excited to advance our pipeline. We are planning to initiate a Phase 2 study for LTI-03 in IPF in the first half of this year, where we will continue to evaluate the safety, tolerability and efficacy of this promising asset."

Recent Clinical and Corporate Highlights and Upcoming Milestones

Clinical Updates

- In November 2024, Rein announced positive topline data from Cohort 2 of the Phase 1b clinical trial evaluating the safety and tolerability of high dose LTI-03 (5 mg BID) and a set of exploratory biomarkers in patients diagnosed with IPF.
    - Four biomarkers showed statistical significance in the combined Cohort 1 and Cohort 2 data set, and five demonstrated dose dependence, indicative of active pharmacodynamics.
    - High dose LTI-03 continued to exhibit a favorable safety profile.
    - A Phase 2 trial of LTI-03 for the treatment of IPF is anticipated to be initiated in the first half of this year, subject to funding.
- In October 2024, at the 22nd International Colloquium on Lung and Airway Fibrosis (ICLAF), Rein presented two abstracts highlighting preclinical and Phase 1b data for low dose LTI-03 (2.5 mg BID), reinforcing the potential of LTI-03 to improve lung function and reverse the course of IPF.
    - Following inhaled administration of low dose LTI-03 in 12 patients over the course of 14 days, a positive trend was observed in biomarkers with evidence of reduced expression among multiple profibrotic proteins produced by basal-like cells and fibroblasts that contribute to the progression of IPF, including data from three biomarkers (collagen synthesis, inflammation, and fibrogenesis) that were statistically significant.

    - Pre-clinical data further supported the potential therapeutic effectiveness of LTI-03 for IPF through precision cut lung slices (PCLS) performed ex-vivo. The studies demonstrated molecular activity in IPF PCLS explants indicative of fibrosis during five days in culture and LTI-03 broadly attenuated profibrotic proteins and pathways.
- Also in October 2024, the Company announced entry into an exclusive option agreement with Advancium Health Network for the acquisition of ALRN-6924, a clinical-stage oncology agent for retinoblastoma developed by the Company prior to its 2023 merger with Lung Therapeutics, Inc. Under the terms of the agreement, Rein received an upfront payment from Advancium for the exclusive option to acquire ALRN-6924 and related assets and could receive additional payments for development, regulatory and commercial milestones as well as sales royalties.

Corporate Updates

- In January 2025, the Company rebranded to Rein Therapeutics, Inc. from Aileron Therapeutics, Inc. The new name, logo, website, and branding elements strategically aligns with the Company's sole focus to develop therapies in orphan pulmonary and fibrosis indications, including two Phase 2-ready clinical assets. The Company's common stock began trading under the Nasdaq ticker symbol "RNTX" effective January 13, 2025.

Fourth Quarter and Full Year 2024 Financial Results

- **Cash Position:** Cash, cash equivalents, and investments on December 31, 2024, were $12.9 million, compared to $17.3 million on December 31, 2023.
- **Research and Development (R&D) Expenses**: R&D expenses for the quarter ended December 31, 2024, were $3.3 million, compared to $2.0 million for the quarter ended December 31, 2023. R&D expenses for the full-year 2024 were $14.2 million, compared to $4.0 million for the prior year. The increase in full year R&D expenses was primarily due to the termination of ALRN-6924 in 2023 and additional clinical programs acquired as part of the 2023 merger with Lung Therapeutics, Inc.
- **General and Administrative (G&A) Expenses**: G&A expenses for the quarter ended December 31, 2024, were $2.5 million compared to $5.3 million for the quarter ended December 31, 2023. G&A expenses for the full-year 2024 were $13.9 million, compared to $11.4 million for the prior year. The increase in full year G&A expenses was primarily due to increased headcount associated with the 2023 merger of Lung Therapeutics, Inc. and severance expense following the merger closure and increased facilities and other expenses as a result of the merger, offset by a decrease in professional fees.
- **Net Loss:** Net loss for the quarter ended December 31, 2024 was $41.0 million, compared to $7.3 million for the quarter ended December 31, 2023. The basic and diluted net loss per share for the quarter ended December 31, 2024, was $1.89 compared to a net loss per share of $1.54 for the quarter ended December 31, 2023. The increase in net loss in 2024 is mainly due to a non-cash impairment charge of $37.0 million related to aligning the carrying value of LTI-01 to the fair value. Excluding the non-cash charge, net loss per share for the fourth quarter ended December 31, 2024, was a loss of $0.26. The basic and diluted net loss per share for the full-year 2024 was $3.51, or an adjusted net loss per share of $1.53 excluding the non-cash impairment charge, compared to a net loss per share of $3.42 for the full-year 2023.

About Rein Therapeutics

Rein Therapeutics is a clinical-stage biopharmaceutical company advancing a novel pipeline of first-in-class therapies to address significant unmet medical needs in orphan pulmonary and fibrosis indications. Rein's lead product candidate, LTI-03, is a novel, synthetic peptide with a dual mechanism targeting alveolar epithelial cell survival as well as inhibition of profibrotic signaling. Rein's second product candidate, LTI-01, is a proenzyme that has completed Phase 1b and Phase 2a clinical trials for the treatment of loculated pleural effusions. LTI-01 has received Orphan Drug Designation in the U.S. and E.U. and Fast Track Designation in the U.S. For more information, please visit the company's website at reintx.com, or follow them on LinkedIn and X.

Forward-Looking Statements

This press release may contain forward-looking statements of Rein Therapeutics, Inc. ("Rein", the "Company", "we", "our" or "us") within the meaning of the Private Securities Litigation Reform Act of 1995, including statements with respect to: the timing and expectation of a Phase 2 clinical trial of LTI-03; and future expectations, plans and prospects for the Company. We use words such as "anticipate," "believe," "estimate," "expect," "hope," "intend," "may," "plan," "predict," "project," "target," "potential," "would," "can," "could," "should," "continue," and other words and terms of similar meaning to help identify forward-looking statements, although not all forward-looking statements contain these identifying words. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including risks and uncertainties related to: changes in applicable laws or regulations; the possibility that the Company may be adversely affected by other economic, business, and/or competitive factors, including risks inherent in pharmaceutical research and development, such as: adverse results in the Company's drug discovery; preclinical and clinical development activities; the risk that the results of preclinical studies and early clinical trials may not be replicated in later clinical trials, including in a Phase 2 trial of LTI-03, or that partial results of a trial will be indicative of the full results of the trial; the Company's ability to enroll patients in its clinical trials; and the risk that any of its clinical trials may not commence, continue or be completed on time, or at all; decisions made by the U.S. Food and Drug Administration and other regulatory authorities; investigational review boards at clinical trial sites and publication review bodies with respect to its development candidates; the Company's ability to obtain, maintain and enforce intellectual property rights for its platform and development candidates; competition; the Company's ability to obtain additional funding and the sufficiency of the Company's cash resources, after financing, to fund its planned activities for the periods anticipated and the Company's ability to manage unplanned cash requirements; and general economic and market conditions; as well as the risks and

uncertainties discussed in the "Risk Factors" section of the Company's Annual Report on Form 10-K for the year ended December 31, 2024, which is on file with the United States Securities and Exchange Commission (the "SEC") and in subsequent filings that the Company files with the SEC. These forward-looking statements should not be relied upon as representing the Company's view as of any date subsequent to the date of this press release, and we expressly disclaim any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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REIN THERAPEUTICS, INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)

	December 31, 2024	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	$ 12,865	$ 17,313
Prepaid expenses and other current assets	792	882
Restricted cash	—	25
Operating lease, right-of-use asset, current portion	—	46
Total current assets	13,657	18,266
Property and equipment, net	1	19
Goodwill	6,330	6,330
Intangible assets	42,200	79,200
Other non-current assets	2	2,193
Total assets	$ 62,190	$ 106,008
Liabilities, Convertible Preferred Stock and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 911	$ 1,190
Accrued expenses and other current liabilities	4,838	3,147
Operating lease liabilities, current portion	—	48
Total current liabilities	5,749	4,385
Deferred tax liability	1,772	3,326
Other long-term liability	277	—
Total liabilities	7,798	7,711
Commitments and contingencies (Note 14)		
Convertible preferred stock, $0.001 par value, 5,000,000 shares authorized at December 31, 2024 and at December 31, 2023; 24,610 shares issued and 12,232 shares outstanding at December 31, 2024 and 24,610 shares issued and outstanding at December 31, 2023	45,005	91,410
Stockholders' equity:		
Common stock, $0.001 par value; 100,000,000 shares authorized at December 31, 2024 and 45,000,000 at December 31, 2023; 21,666,012 shares and 4,885,512 shares issued and outstanding at December 31, 2024 and December 31, 2023, respectively	108	91
Additional paid-in capital	360,697	295,376
Accumulated other comprehensive loss	(18)	(63)
Accumulated deficit	(351,400)	(288,517)
Total liabilities, convertible preferred stock and stockholders' equity	$ 62,190	$ 106,008

REIN THERAPEUTICS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(In thousands, except share and per share data)

	Year Ended December 31,	
	2024	2023
Revenue	$ —	$ —
Operating expenses:		
Research and development	14,248	3,991
General and administrative	13,864	11,357
Impairment loss on intangible assets	37,000	—
Restructuring and other costs	—	928
Total operating expenses	65,112	16,276
Loss from operations	(65,112)	(16,276)
Other income, net	685	544
Income tax benefit	1,544	—
Net loss	$ (62,883)	$ (15,732)
Net loss per share—basic and diluted	$ (3.51)	$ (3.42)
Weighted average common shares outstanding—basic and diluted	17,938,899	4,598,715
Comprehensive loss:		
Net loss	$ (62,883)	$ (15,732)
Other comprehensive gain (loss):		
Unrealized gain on investments, net of tax of $0	45	48
Foreign currency translation adjustments	—	(63)
Total other comprehensive gain (loss)	45	(15)
Total comprehensive loss	$ (62,838)	$ (15,747)

REIN THERAPEUTICS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Year Ended December 31,	
	2024	2023
Cash flows from operating activities:		
Net loss	$ (62,883)	$ (15,732)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization expense	63	119
Net amortization of premiums and discounts on investments	—	32
Stock-based compensation expense	1,117	1,190
Gain on sale of property and equipment	—	(42)
Impairment loss on intangible assets	37,000	—
Loss on disposition of property and equipment	—	6
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	134	51
Other assets	2,191	(3)
Accounts payable	(279)	(4,982)
Operating lease liabilities	(48)	(65)
Accrued expenses and other current liabilities	1,691	(382)
Other long-term liabilities	277	—
Deferred tax liabilities	(1,554)	—
Net cash used in operating activities	(22,291)	(19,808)
Cash flows from investing activities:		
Proceeds from sale of property and equipment	—	42
Proceeds from sales or maturities of investments	—	16,250
Acquisition, net of cash acquired	—	(96)
Net cash provided by investing activities	—	16,196
Cash flows from financing activities:		
Proceeds from issuance of common stock, net of offering costs	10,645	—
Proceeds from issuance of common stock in connection with stock option exercises	143	—

Proceeds from issuance of warrants, net of offering costs	7,030	—
Proceeds from the PIPE Financing	—	15,794
Net cash provided by financing activities	17,818	15,794
Effect of exchange rate changes on cash and cash equivalents	—	(63)
Net (decrease) increase in cash, cash equivalents and restricted cash	(4,473)	12,119
Cash, cash equivalents and restricted cash at beginning of year	17,338	5,219
Cash, cash equivalents and restricted cash at end of year	$ 12,865	$ 17,338
Cash and cash equivalents at end of year	$ 12,865	$ 17,313
Restricted cash at end of year	—	25
Cash, cash equivalents and restricted cash at end of year	$ 12,865	$ 17,338
Supplemental disclosure of non-cash investing and financing activities:		
Conversion of Series X non-voting convertible preferred stock into common stock shares	$ 46,405	$ —
Unrealized gain on short-term investments	$ —	$ 48
Fair value of common shares issued in the Lung Acquisition	$ —	$ 403
Fair value of Series X Preferred Stock issued in the Lung Acquisition	$ —	$ 74,615
Fair value of options assumed in the Lung Acquisition	$ —	$ 1,050
Fair value of warrants assumed in the Lung Acquisition	$ —	$ 627

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