

Allarity Therapeutics Reports First Quarter 2026 Results and Continued Stenoparib Development in Multiple Cancers

- *Stenoparib clinical development continues in relapsed small cell lung cancer and, under FDA Fast Track designation, in advanced ovarian cancer*
- *Allarity has received a Notice of Allowance for new intellectual property covering its stenoparib-specific DRP[®] companion diagnostic*
- *Strong financial position maintained with approximately \$29.8 million in cash and restricted cash as of March 31, 2026*

TARPON SPRINGS, Fla., MAY 15, 2026 – Allarity Therapeutics, Inc. (“Allarity” or the “Company”) (NASDAQ: ALLR), a Phase 2 clinical-stage pharmaceutical company dedicated to developing stenoparib (2X-121)—a differentiated, dual PARP and WNT pathway inhibitor—today reported financial results and provided an update on operational highlights for the first quarter ended March 31, 2026.

“Q1 2026 was an especially exciting period for Allarity. While we continue to accelerate stenoparib clinical development in advanced ovarian cancer, we have also begun to expand the reach for stenoparib into new cancer indications. Indeed, in Q1, we started enrolling relapsed small cell lung cancer patients onto the VA-funded trial combining stenoparib with temozolomide. This trial may help establish stenoparib as the combination agent of choice in the PARP inhibitor class. Moreover, we reported new preclinical data suggesting that stenoparib’s unique mechanism of action may make it an attractive therapy. And, we continued to strengthen the DRP[®] companion diagnostic strategy to help identify the patients most likely to benefit from stenoparib. Critically important, we were also notified that one of our critical U.S. patent applications has been allowed, expanding the time horizon for stenoparib’s exclusivity,” said Thomas Jensen, Chief Executive Officer of Allarity Therapeutics.

“Financially, we also excelled, ending the quarter with a significant cash position and a P&L profile consistent with the prior-year period. Net loss per share was lower compared with the prior-year period, and separately, we reduced our outstanding share count during the quarter through our repurchase program. We believe this combination of clinical and preclinical progress, a Notice of Allowance for new intellectual property and financial discipline solidifies the strongest position Allarity has ever had,” Mr. Jensen continued.

Clinical and Drug Development Progress

- Stenoparib Phase 3-ready drug production campaign is on track for third-quarter completion. Subsequent to quarter-end, Allarity announced that its active pharmaceutical ingredient manufacturing (API) campaign for stenoparib is progressing in line with the planned timeline for completion in the third quarter of 2026. No additional cash outlays for this API manufacturing campaign are anticipated.
- Stenoparib DRP® companion diagnostic received USPTO Notice of Allowance: Subsequent to quarter-end, the United States Patent and Trademark Office (USPTO) issued a Notice of Allowance for Allarity's patent application covering the Company's DRP® companion diagnostic specific to stenoparib. The allowed application, if issued as a patent, is expected to extend exclusivity at least another 11 years for stenoparib when used in concert with the DRP® as a companion diagnostic.
- AACR 2026 data on DRP® findings in ovarian cancer: Subsequent to quarter-end, Allarity presented clinical data at the American Association for Cancer Research Annual Meeting 2026 (AACR 2026) demonstrating that the highest stenoparib DRP® scores were associated with the greatest overall survival in patients treated with stenoparib, reinforcing the potential value of DRP-based patient selection.
- AACR 2026 data indicated stenoparib's potential in colorectal cancer: Allarity also presented new findings demonstrating stenoparib's ability to modulate the WNT/ β -catenin signaling pathway and inhibit the growth of human colorectal cancer cell lines at clinically relevant concentrations.
- VA-funded Phase 2 lung cancer trial opened for enrollment and initiated patient dosing: During the first quarter, Allarity announced that enrollment had opened and the first patients had been dosed in its collaborative investigator-initiated Phase 2 trial with the U.S. Department of Veterans Affairs (VA) evaluating stenoparib in combination with temozolomide for relapsed small cell lung cancer. The trial, which represents the first clinical evaluation of stenoparib in combination with another anti-cancer agent, is fully funded through the VA's Special Emphasis Panel on Precision Oncology and is open for enrollment across 11 VA medical centers throughout the United States.
- Ovarian cancer program continued under FDA Fast Track designation: Allarity continued enrollment in its Phase 2 clinical trial protocol evaluating stenoparib in advanced, recurrent, platinum-resistant or platinum-ineligible ovarian cancer. The



amended protocol is designed expressly to capitalize on the emerging clinical experience with stenoparib in platinum-resistant patients and to accelerate the clinical development of stenoparib toward FDA approval.

Corporate and Strategic Developments

- Closed \$20 million promissory note financing to strengthen the Company's financial position. During the first quarter, Allarity also secured a \$6 million equity line of credit to support the continued advancement of stenoparib.
- Reduced outstanding share count during the quarter while decreasing the net loss per share, reflecting the Company's continued financial discipline and operational execution.

First Quarter 2026 Financial Highlights

Results of Operations for the Three Months Ended March 31, 2026

Cash Position: As of March 31, 2026, cash and restricted cash totaled \$29.8 million, compared to total cash and restricted cash of \$27.7 million at March 31, 2025.

Prepaid Expenses: Prepaid expenses increased to \$3.5 million at March 31, 2026, compared to \$2.1 million at December 31, 2025, primarily reflecting payments related to stenoparib API manufacturing activities supporting potential pivotal-stage development.

R&D Expenses: Research and Development (R&D) expenses were \$1.3 million for the quarter ended March 31, 2026, compared to \$1.4 million for the quarter ended March 31, 2025.

G&A Expenses: General and Administrative (G&A) expenses were \$1.4 million for the quarter ended March 31, 2026, compared to \$1.6 million for the quarter ended March 31, 2025.

Net Loss: Net loss attributable to common stockholders was \$2.75 million for the quarter ended March 31, 2026, compared to \$2.73 million for the quarter ended March 31, 2025. Net loss per common share was \$0.17 for the quarter ended March 31, 2026, compared to \$0.25 for the quarter ended March 31, 2025.

About Stenoparib/2X-121

Stenoparib is an orally available, small-molecule dual-targeted inhibitor of PARP1/2 and tankyrase 1/2. At present, tankyrases are attracting significant attention as emerging therapeutic targets for cancer, principally due to their role in regulating the WNT signaling pathway. Aberrant WNT/ β -catenin signaling has been implicated in the development and progression of numerous cancers. By inhibiting PARP and blocking WNT pathway activation, stenoparib's unique therapeutic action shows potential as a promising therapeutic for many cancer types, including ovarian cancer, small cell lung cancer and colorectal cancer. Allarity has secured exclusive global rights for the development and commercialization of stenoparib, which was originally developed by Eisai Co. Ltd. and was formerly known under the names E7449 and 2X-121. Allarity has two ongoing Phase 2 trial protocols for stenoparib in ovarian cancer patients. In the first, patients who had had 2+ lines of therapy were enrolled on stenoparib and given drug twice daily. This protocol has been closed to further enrollment but continues for the enrolled patients who are still receiving benefit from stenoparib administration. The updated data from this study were presented at the AACR special conference on advances in ovarian cancer in September 2025. Note that, as these data are from an ongoing trial, analyses may change as the study fully matures. An amended protocol designed expressly to capitalize on the emerging clinical experience with stenoparib in platinum resistant patients began enrolling patients in the summer of 2025. This amended protocol enrolls only platinum resistant or platinum-ineligible patients and is designed to accelerate the clinical development of stenoparib toward FDA approval. In parallel, a separate Phase 2 trial evaluating stenoparib in combination with temozolomide for relapsed small cell lung cancer (SCLC) began enrolling patients in early 2026 and is currently enrolling patients across multiple VA sites.

About the Drug Response Predictor – DRP[®] Companion Diagnostic

Allarity uses its drug-specific DRP[®] to select those patients who, by the gene expression signature of their cancer, may have a high likelihood of benefiting from a specific drug. By screening patients before treatment, and only treating those patients with a sufficiently high, drug-specific DRP score, the therapeutic benefit rate may be enhanced. The DRP method builds on the comparison of sensitive vs. resistant human cancer cell lines, including transcriptomic information from cell lines, combined with clinical tumor biology filters and prior clinical trial outcomes. DRP is based on messenger RNA expression profiles from patient



biopsies. The DRP® platform has shown an ability to provide a statistically significant prediction of the clinical outcome from drug treatment in cancer patients across dozens of clinical studies (both retrospective and prospective). The DRP platform, which may be useful in all cancer types and is patented for dozens of anti-cancer drugs, has been extensively published in the peer-reviewed literature.

About Allarity Therapeutics

Allarity Therapeutics, Inc. (NASDAQ: ALLR) is a clinical-stage biopharmaceutical company dedicated to developing personalized cancer treatments. The Company is focused on development of stenoparib, a novel PARP/tankyrase inhibitor for advanced ovarian cancer patients, using its DRP® technology to develop a companion diagnostic that can be used to select those patients expected to derive the greatest clinical benefit from stenoparib. Allarity's principal operations are located in Denmark and its U.S. business address is in Florida and is committed to addressing significant unmet medical needs in cancer treatment. For more information, visit www.allarity.com.

Follow Allarity on Social Media

LinkedIn: <https://www.linkedin.com/company/allaritytx/>

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements provide the Company's current expectations or forecasts of future events. The words "anticipates," "believe," "continue," "could," "estimate," "expect," "intends," "may," "might," "plan," "possible," "potential," "predicts," "project," "should," "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. These forward-looking statements include, but are not limited to, statements regarding the Company's ongoing and planned clinical development of stenoparib, including its Phase 2 clinical programs in advanced ovarian cancer and relapsed small cell lung cancer; the potential clinical relevance of stenoparib's dual inhibition of PARP and the WNT pathway; the potential utility and regulatory advancement of the Company's stenoparib DRP® companion diagnostic; the Company's ability to generate clinical data supporting regulatory advancement and potential FDA approval of stenoparib; and the Company's ability to pursue strategic, scientific, and business development opportunities; and statements regarding the expected timing and completion of the Company's stenoparib API manufacturing campaign, the anticipated absence of additional cash outlays for such



campaign, the expected issuance, scope, and potential exclusivity benefits of intellectual property covering the stenoparib DRP® companion diagnostic, and the Company's ability to advance stenoparib clinically and through regulatory pathways using its DRP®-guided development strategy. Any forward-looking statements in this press release are based on management's current expectations of future events and are subject to multiple risks and uncertainties that could cause actual results to differ materially and adversely from those set forth in or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, risks related to clinical development and regulatory review of stenoparib; the possibility that ongoing or future clinical trials may not support safety, efficacy, durability, overall survival, or biomarker-related claims; risks related to patient enrollment, clinical trial execution, and timing of data readouts; the predictive accuracy, validation, regulatory acceptance, and clinical utility of the Company's stenoparib DRP® companion diagnostic; and the Company's ability to secure sufficient funding, partnerships, or other strategic resources to support its development plans; risks related to delays, increased costs, supply constraints, or other challenges in completing the stenoparib API manufacturing campaign; and risks that anticipated patent issuance, patent scope, enforceability, or exclusivity benefits for the stenoparib DRP® companion diagnostic may not be realized. For a discussion of other risks and uncertainties, and other important factors, any of which could cause our actual results to differ from those contained in the forward-looking statements, see the section entitled "Risk Factors" in our Form 10-K annual report filed with the Securities and Exchange Commission (the "SEC") on March 30, 2026, available at the SEC's website at www.sec.gov, as well as discussions of potential risks, uncertainties and other important factors in the Company's subsequent filings with the SEC. All information in this press release is as of the date of the release, and the Company undertakes no duty to update this information unless required by law.

###

Company Contact:

investorrelations@allarity.com

Media Contact:

Thomas Pedersen

Carrotize PR & Communications

+45 6062 9390

tsp@carrotize.com



ALLARITY THERAPEUTICS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except for share and per share data)

	March 31, 2026	December 31, 2025
	(Unaudited)	
ASSETS		
Current assets		
Cash and cash equivalents	\$ 19,812	\$ 14,687
Restricted cash	10,000	—
Other current assets	108	265
Prepaid expenses	3,501	2,110
Tax credit receivable	1,082	866
Total current assets	34,503	17,928
Non-current assets:		
Property, plant and equipment, net	420	330
Total assets	\$ 34,923	\$ 18,258
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 4,235	\$ 4,282
Accrued expenses and other current liabilities	2,191	2,667
Income taxes payable	81	81
Promissory note - short term, net of discounts	20,080	—
Convertible promissory notes and accrued interest	1,416	1,400
Total current liabilities	28,003	8,430
Total liabilities	28,003	8,430
Commitments and contingencies (Note 8)		
Stockholders' equity		
Common stock, \$0.0001 par value (250,000,000 shares authorized); 19,032,619 and 19,030,619 shares issued and 15,818,980 and 16,080,980 outstanding at March 31, 2026, and December 31, 2025, respectively	3	3
Additional paid-in capital	144,395	144,233
Accumulated other comprehensive loss	(1,079)	(1,021)
Accumulated deficit	(132,947)	(130,197)
Treasury stock, at cost; 3,213,639 and 2,949,639 shares at March 31, 2026, and December 31, 2025, respectively	(3,452)	(3,190)
Total stockholders' equity	6,920	9,828
Total liabilities and stockholders' equity	\$ 34,923	\$ 18,258



ALLARITY THERAPEUTICS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(UNAUDITED)

(in thousands, except for share and per share data)

	Three Months Ended	
	March 31,	
	<u>2026</u>	<u>2025</u>
Revenue:		
License Revenue	\$ 25	\$ —
Total revenue	<u>25</u>	<u>—</u>
Operating expenses:		
Research and development	1,297	1,403
General and administrative	1,416	1,633
Total operating expenses	<u>2,713</u>	<u>3,036</u>
Loss from operations	<u>(2,688)</u>	<u>(3,036)</u>
Other income (expense):		
Interest income	163	222
Interest expense	(229)	(57)
Foreign exchange gains	4	138
Change in fair value of derivative and warrant liabilities	—	1
Total other income (expense), net	<u>(62)</u>	<u>304</u>
Loss before income tax benefit	<u>(2,750)</u>	<u>(2,732)</u>
Income tax benefit	<u>—</u>	<u>—</u>
Net loss	<u>(2,750)</u>	<u>(2,732)</u>
Net loss attributable to common stockholders	<u>\$ (2,750)</u>	<u>\$ (2,732)</u>
Net loss per common share, basic and diluted	<u>\$ (0.17)</u>	<u>\$ (0.25)</u>
Weighted average common shares outstanding, basic and diluted	<u>15,968,591</u>	<u>11,146,922</u>
Other comprehensive loss		
Net loss	(2,750)	(2,732)
Change in cumulative translation adjustment	(58)	(276)
Total comprehensive loss	<u>\$ (2,808)</u>	<u>\$ (3,008)</u>