



Sunesis Pharmaceuticals Provides Corporate Update

July 7, 2020

Company reduces workforce to focus on development of PDK1 inhibitor, SNS-510

SOUTH SAN FRANCISCO, Calif., July 07, 2020 (GLOBE NEWSWIRE) -- Sunesis Pharmaceuticals, Inc. (Nasdaq: SNSS) today announced a reduction in workforce of approximately 30% of its head count to focus on development of its first-in-class PDK1 inhibitor SNS-510.

The reduction in workforce is to right size the Company to achieve its objectives and preserve cash resources. The reduction in workforce is expected to be completed during the current quarter and will provide the Company sufficient cash to fund its operations into the second quarter of 2021.

"The changes we are undertaking will extend our cash runway and provide us with the necessary resources to execute on our PDK1 program, while also allowing the flexibility to explore opportunities for additional value creation," said Dayton Misfeldt, Interim Chief Executive Officer of Sunesis. "We thank our affected employees for their contributions and wish them success in their future endeavors."

The Company also plans to review strategic alternatives to maximize shareholder value that can include asset in-licensing, partnering, acquisitions and mergers. There can be no assurance that the strategic review will result in any transaction or other outcome. The Company does not currently intend to publicly discuss or disclose further developments of the strategic review unless and until its Board of Directors has approved a transaction or otherwise determined that further disclosure is appropriate.

"We are committed to evaluating strategic alternatives that enhance value for shareholders as the development organization is focused on advancing SNS-510 to an IND. We are also continuing to explore a path forward for vecabrutinib," said Mr. Misfeldt.

About SNS-510

SNS-510 is a PDK1 inhibitor licensed from Millennium Pharmaceuticals, Inc. ("Takeda Oncology"), a wholly-owned subsidiary of Takeda Pharmaceutical Company Limited. SNS-510 interaction with PDK1 inhibits both PI3K signaling and PIP3-independent pathways integral to many malignancies, and PDK1 can also be overexpressed in breast, lung, prostate, hematologic and other cancers. Evaluation of SNS-510 in the Eurofins Oncopanel™, a panel of >300 genomically profiled cancer cell lines from diverse tissue origins, indicated that CDKN2A-mutated tumors are particularly sensitive to SNS-510. CDKN2A alterations are common in human cancers and may prove to be useful biomarkers for broad investigation of SNS-510 as a monotherapy and in combination with other anticancer agents. Sunesis is conducting an Investigational New Drug ("IND")-enabling program for SNS-510.

About Sunesis Pharmaceuticals

Sunesis is a biopharmaceutical company developing novel targeted inhibitors for the treatment of hematologic and solid cancers. Sunesis has built an experienced drug development organization committed to improving the lives of people with cancer. The Company is focused on advancing its novel kinase inhibitor pipeline, including first-in-class PDK1 inhibitor SNS-510 and its oral non-covalent BTK inhibitor vecabrutinib. SNS-510 is in IND-enabling studies and vecabrutinib is completing a Phase 1b trial in patients with advanced B cell malignancies.

For additional information on Sunesis, please visit www.sunesis.com.

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Forward-Looking Statements

This press release contains forward-looking statements, including statements related to Sunesis' continued development and potential of its kinase inhibitor pipeline, including the timing of the additional preclinical findings related to SNS-510; the timing of the potential IND filing for SNS-510; completion of the Phase 1b trial of vecabrutinib and the therapeutic potential of vecabrutinib; and the sufficiency of Sunesis' cash resources and financial position. Words such as "expect," "will," "look forward," and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based upon Sunesis' current expectations. Forward-looking statements involve risks and uncertainties. Sunesis' actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of these risks and uncertainties. These and other risk factors are discussed under "Risk Factors" in Sunesis' Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 and Sunesis' other filings with the Securities and Exchange Commission. Sunesis expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Sunesis' expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based.

Investor and Media Par Hyare
Inquiries: Sunesis Pharmaceuticals Inc.
Maeve Conneighton 650-266-3784
Argot Partners
212-600-1902



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