CytRx Corporation Reports Second Quarter 2019 Financial Results

Licensee Orphazyme A/S Rapidly Completes Enrollment in Clinical Trials for Multiple Indications and Prepares for Regulatory Submissions

LOS ANGELES – August 9, 2019 -- CytRx Corporation (OTCQB: CYTR), a biopharmaceutical research and development company specializing in oncology and rare diseases, today announced financial results for the second quarter ended June 30, 2019, and provided an overview of recent accomplishments.

"The first half of 2019 has been marked by significant achievements from our licensees, who continue to make progress in bringing CytRx's technology closer to patients who are in need of novel and innovative therapies," said Eric Curtis, CytRx's President and Chief Operating Officer. "As these partners continue to work diligently, CytRx stands to receive milestone payments and royalties, which may strengthen our balance sheet."

Second Quarter 2019 and Recent Highlights

CytRx Corporation

- **Orphazyme Prepares Regulatory Submission in United States and Europe for Niemann-Pick Disease Type C.** In July 2019, CytRx highlighted that arimoclomol licensee Orphazyme announced that following a positive meeting with the U.S. Food and Drug Administration (FDA), the Company remains on track to submit a New Drug Application (NDA) for arimoclomol in NPC in the first half of 2020. Orphazyme also updated the anticipated timing for submission of its Marketing Authorization Application (MAA) to the European Medicines Agency (EMA) seeking approval for arimoclomol in Niemann-Pick disease Type C (NPC). Based on advice received from the EMA's Scientific Advice Working Group, Orphazyme expects to submit the arimoclomol MAA in the first half of 2020. CytRx is eligible to receive up to $120 million in future milestones, plus royalties, from its arimoclomol licensing agreement with Orphazyme. Specifically, CytRx is eligible to receive $6 million in the U.S. and $4 million in Europe upon approval of arimoclomol in Orphazyme's first non-ALS indication, plus royalties.

- **Licensee Orphazyme Completed Enrollment in Phase 3 Trial of Arimoclomol in Amyotrophic Lateral Sclerosis.** In July 2019, CytRx highlighted that arimoclomol licensee Orphazyme A/S (ORPH.CO) has completed enrollment in its Phase 3 trial evaluating arimoclomol for the treatment of amyotrophic lateral sclerosis (ALS) ahead of schedule. Orphazyme anticipates announcing top-line results from the Phase 3 trial in the first half of 2021.

- **New Patent Issued for Aldoxorubicin Formulation.** In June 2019, CytRx highlighted that it has been issued a patent from the U.S. Patent and Trademark Office (USPTO) covering the formulation, storage,

delivery and administration of aldoxorubicin at room temperature. The new patent, which issued on June 25, 2019 as U.S. Patent No. 10,328,093 and is titled "Anthracycline Formulations," covers a reconstituted formula of aldoxorubicin that stabilizes the compound, solubilizes it in ethanol and water, and eliminates the need for cold handling, allowing it to be administered to patients in all potential disease indications at room temperature.

- **CytRx Commences Trading on OTCQB Venture Market.** In May 2019, CytRx announced that it commenced trading on the OTCQB Venture Market. The Company continues to trade under ticker symbol "CYTR". Investors can find current financial disclosure and real-time Level 2 quotes for the Company on www.otcmarkets.com/stock/CYTR/quote.

- **Patent Issued for the Use of Aldoxorubicin in the Treatment of Brain Cancer.** In May 2019, CytRx announced that it had been issued a patent the USPTO covering the use of aldoxorubicin intravenously, intra-arterially or intramuscularly for the treatment of brain cancer. The new patent issued on May 7, 2019 as U.S. Patent No. 10,278,981, is titled "Cytotoxic Agents for The Treatment of Cancer." This patent was exclusively licensed by CytRx to NantCell in July 2017.

- **Orphazyme Completed Enrollment in its Phase 2/3 Clinical Trial in Systemic Inclusion Body Myositis.** In April 2019, CytRx highlighted that arimoclomol licensee Orphazyme had completed enrollment in its Phase 2/3 clinical trial in Systemic Inclusion Body Myositis (sIBM). The Phase 2/3 trial is a 150-patient, 20-month, randomized, double-blind, placebo-controlled trial in 11 centers in the United States and one in the United Kingdom. Orphazyme expects to conduct an interim analysis in the first half of 2020 and to complete the study by the end of 2020, with results anticipated in the first half of 2021.

Second Quarter 2019 Financial Results

CytRx reported cash, cash equivalents and short-term investments of $19.4 million as of June 30, 2019.

Net loss for the quarter ended June 30, 2019 was $1.3 million, or $(0.04) per share, compared with a net loss of $ 3.0 million, or $(0.10) per share, for the quarter ended June 30, 2018, a reduction of $1.7 million.

General and administrative (G&A) expenses were $1.5 million for the second quarter of 2019, compared with $ 1.7 million for the second quarter of 2018, including non-cash stock-compensation expense of $0.2 million for the second quarter of 2019 as compared to $ 0.4 million for the second quarter of 2018. G&A expenses decreased by approximately $0.2 million, or 9.4%, primarily due to a decrease in legal fees and a reduction in head count.

Based on our currently projected expenditures for the next 13 months, our monthly cash burn rate is estimated at approximately $400,000 per month.

About CytRx Corporation

CytRx Corporation (OTCQB: CYTR) is a biopharmaceutical company with expertise in discovering and developing new therapeutics to treat patients with high unmet needs. CytRx's most advanced drug conjugate, aldoxorubicin, is an improved version of the widely used anti-cancer drug doxorubicin and has been out-licensed to NantCell, Inc. In addition, CytRx's other drug candidate, arimoclomol, has been out-licensed to Orphazyme A/S (Nasdaq Copenhagen exchange: ORPHA). Orphazyme is testing arimoclomol in four indications including amyotrophic lateral sclerosis (ALS), Niemann-Pick disease Type C (NPC), Gaucher disease and sporadic Inclusion Body Myositis (sIBM). CytRx Corporation's website is www.cytrx.com.

About Centurion Corporation

CytRx's subsidiary, Centurion BioPharma Corporation, is focused on the development of personalized medicine that is designed to transform solid tumor treatment. This transformational strategy combines a portfolio of novel, anti-cancer drug candidates that employ LADR™ (Linker Activated Drug Release) technology, a discovery engine designed to leverage Centurion's expertise in albumin biology and linker technology for the development of a new class of breakthrough anti-cancer therapies with a unique albumin companion diagnostic (ACDx) that can help identify patients who are most likely to benefit from treatment with the LADR™-derived therapies. A critical element of the LADR™ platform is its ability to bind anti-cancer molecules to circulating albumin, the most ubiquitous protein in human blood plasma, and then to release the highly potent cytotoxic payload at the tumor site. This technology allows for the delivery of higher doses of drug directly to the tumor, while avoiding much of the off-target toxicity observed with the parent molecules. Centurion BioPharma Corporation's website is www.centurionbiopharma.com.

Forward-Looking Statements

This press release contains forward-looking statements. Such statements involve risks and uncertainties that could cause actual events or results to differ materially from the events or results described in the forward-looking statements, including risks and uncertainties relating to the potential for aldoxorubicin to transform cancer treatment; the appeal of the reconstituted aldoxorubicin formula for patients and physicians; the ability of NantCell, Inc., to obtain regulatory approval for its products that use aldoxorubicin; the ability of NantCell, Inc., to manufacture and commercialize products or therapies that use aldoxorubicin; the amount, if any, of future milestone and royalty payments that we may receive from NantCell, Inc.; risks and uncertainties relating to the ability of Orphazyme A/S to obtain regulatory approval for its products that use arimoclomol; the ability of Orphazyme A/S to manufacture and commercialize products or therapies that use arimoclomol; the ability of Orphazyme to obtain approval for the use of arimoclomol in treating Niemann-Pick disease; the ability of Orphazyme to enroll additional patients in future clinical trials; the amount, if any, of future milestone and royalty payments that we may receive from Orphazyme A/S; Centurion BioPharma Corporation's ability to develop and finance new ultra-high potency drug candidates based on its LADR™ technology platform; our ability to attract potential new licensees; and other risks and uncertainties described in the most recent annual and quarterly reports filed by CytRx with the Securities and Exchange Commission and current reports filed since the date of CytRx's most recent annual report.

All forward-looking statements are based upon information available to CytRx on the date the statements are first published. CytRx undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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CYTRX CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2019 (Unaudited)	December 31, 2018
ASSETS		
Current assets:		
Cash and cash equivalents	$ 19,377,824	$ 21,373,273
Receivables	9,383	148,527
Prepaid expenses and other current assets	465,019	913,162
Current assets held for sale	49,436	81,182
Total current assets	19,901,662	22,516,144
Equipment and furnishings, net	28,067	44,326
Other assets	12,649	40,642
Non-current assets held for sale	—	324,853
Total assets	$ 19,942,378	$ 22,925,965
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 895,735	$ 1,234,762
Accrued expenses and other current liabilities	937,740	726,191
Current liabilities of discontinued operations	21,879	602,713
Total liabilities	1,855,354	2,563,666
Commitments and contingencies		
Stockholders' equity:		
Preferred Stock, $0.01 par value, 833,334 shares authorized, including 4,167 shares of Series A Junior Participating Preferred Stock; no shares issued and outstanding	—	—
Preferred Stock, $1,000 stated value, 650 shares authorized, no shares issued and outstanding	—	—
Common stock, $0.001 par value, 41,666,667 shares authorized; 33,637,501 shares issued and outstanding at June 30, 2019 and December 31, 2018	33,637	33,637
Additional paid-in capital	477,617,955	477,192,747
Accumulated deficit	(459,564,568)	(456,864,085)
Total stockholders' equity	18,087,024	20,362,299
Total liabilities and stockholders' equity	$ 19,942,378	$ 22,925,965

CYTRX CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Revenue:				
Licensing revenue	$ —	$ —	$ —	$ —
Expenses:				
Research and development	580	(41,989)	1,056	614,277
General and administrative	1,531,073	1,689,553	3,268,223	4,153,112
	1,531,653	1,647,564	3,269,279	4,767,389
Loss before other income (expense)	(1,531,653)	(1,647,564)	(3,269,279)	(4,767,389)
Other income (loss):				
Interest income	104,095	92,975	192,405	175,909
Interest expense	—	(659,860)	—	(1,352,647)
Other income (loss), net	14,968	521	(2,321)	1,083
Gain on warrant derivative liabilities	—	73,613	—	527,025
Net loss from continuing operations	(1,412,590)	(2,140,315)	(3,079,195)	(5,416,019)
Gain (loss) from discontinued operations	138,095	(869,273)	378,712	(1,669,143)
Net loss	$ (1,274,495)	$ (3,009,588)	$ (2,700,483)	$ (7,085,162)
Basic and diluted loss per share				
Continuing operations	$ (0.04)	$ (0.07)	$ (0.09)	$ (0.19)
Discontinued operations	$ —	$ (0.03)	$ 0.01	$ (0.06)
Total basic and diluted loss per share	$ (0.04)	$ (0.10)	$ (0.08)	$ (0.25)
Basic and diluted weighted-average shares outstanding	33,249,904	30,283,814	33,249,904	28,845,650