LadRx Announces Review of Strategic Alternatives and Provides Corporate Updates

LOS ANGELES--(BUSINESS WIRE)--LadRx Corporation (OTCQB: LADX) ("LadRx" or the "Company"), a biopharmaceutical innovator focused on research and development of life-saving cancer therapeutics, today announced today that it has initiated a process to explore a range of strategic and financing alternatives, and provided updates.

Review of Strategic Alternatives

LadRx has initiated a process to explore a range of strategic and financing alternatives focused on maximizing stockholder value. Potential alternatives that may be explored or evaluated include a strategic sale, a merger or reverse merger, implementing a reverse stock split for the purposes of up-listing to NASDAQ, seeking additional financing, or some combination of the aforementioned scenarios.

Stephen Snowdy, PhD, the Company's Chief Executive Officer stated:

"We believe that LadRx has great potential if arimoclomol and aldoxorubicin successfully navigate clinical trials and regulatory approvals, and we have additional next-generation oncology drugs in the pipeline. We do not feel that our current market capitalization reflects the value of our partnerships and assets, so we are embarking on efforts to maximize value for our shareholders."

As part of the strategic review process, the Company has engaged Roth Capital Partners, LLC to act as strategic advisor to assist the Company in evaluating certain alternatives. There can be no assurance that this strategic review process will result in the Company pursuing any transaction or that any transaction, if pursued, will be completed. The Company has not established a schedule for completion of this strategic review process, nor has it made any definitive decisions related to strategic alternative transactions. If the Company is unable to complete a transaction, it may be required to seek alternatives for restricting and resolving its liabilities. The Company does not expect to disclose or provide an update concerning developments related to this process until the Company enters definitive agreements or arrangements with respect to a transaction or otherwise determines that additional disclosure is necessary or appropriate.

Arimoclomol

The Company sold the rights to arimoclomol to Orphazyme A/S in exchange for milestones and royalties; arimoclomol is being developed for the treatment of Nieman-Pick Type C, a neurological disease, and if certain regulatory and commercial milestones are achieved, arimoclomol could bring up to $120M to LadRx, and additional royalties on sales. In May of 2022, after receiving a Complete Response Letter (CRL) from the FDA, Orphazyme's assets were purchased by KemPharm Denmark A/S, a wholly-owned subsidiary of KemPharm, Inc. KemPharm recently rebranded as Zevra, Inc. Zevra has announced that it plans on resubmitting the NDA for Arimoclomol to the FDA as early as the third quarter of 2023, and Zevra has expressed confidence that the company will be able to address deficiencies that led to the prior CRL from FDA.

Aldoxorubicin

The Company's first-generation cancer therapeutic, aldoxorubicin, was licensed to Immunity Bio, Inc. for up to $343 million in milestones, in addition to royalties on sales. Immunity Bio has reported positive data

in a Phase 2 non-randomized clinical trial in pancreatic cancer, and recently initiated enrolment in a randomized clinical trial in response to guidance from the FDA provided in a Type B meeting held in 4Q22.

Next-generation Cancer Drugs Based on LADR ("Linker Activated Drug Release")

The next-generation LADR-based drugs employ an improved linker and highly potent chemotherapeutic agents. The Company's pre-clinical drug candidates are based on this next-gen LADR design, namely LADR7-10. LADR7 and 8 employ the highly potent chemotoxin Auristatin E, while LADR9 and 10 employ another highly potent chemotoxin called Maytansine. LADRs7-10 have demonstrated powerful anti-cancer activity in pre-clinical animal models in several different types of solid tumors, and have shown acceptable toxicity profiles. These compounds are positioned to move into IND-enabling activities, and could be IND-ready and into Phase 1 clinical trials in as little as 18 months from funding of the LADR program.

Forward-Looking Statements

This press release may contain certain statements relating to future results which are forward-looking statements. These statements are not historical facts, but instead represent only LadRx's belief regarding future events, many of which, by their nature, are inherently uncertain and outside of LadRx's control. 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; and other risks and uncertainties described in the most recent annual and quarterly reports filed by LadRx with the SEC, including disclosures under the heading "Risk Factors", and current reports filed since the date of the LadRx's most recent annual report. All forward-looking statements are based upon information available to LadRx on the date the statements are first published. LadRx undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

About LadRx

LadRx Corporation (OTCQB: LADX) is a biopharmaceutical company with expertise in discovering and developing new therapeutics principally to treat patients with cancer. LadRx's most recent advanced drug conjugate, aldoxorubicin, is an improved version of the widely used anti-cancer drug doxorubicin and has been out-licensed to ImmunityBio, Inc. In addition, LadRx's drug candidate, arimoclomol, was sold to Orphazyme A/S (now Zevra Therapeutics) in exchange for milestone payments and royalties. Zevra is developing arimoclomol and is currently focused on Niemann-Pick disease Type C (NPC). LadRx Corporation's website is www.ladrxcorp.com.