Updated RINGSIDE Phase 2 Results Featured in Poster Discussion Session at 2023 American Society of Clinical Oncology (ASCO) Annual Meeting

June 5, 2023

Data show enhanced anti-tumor activity of AL102 over time

Registration-enabling Phase 3 segment of RINGSIDE is enrolling patients globally

Company to host conference call and webcast to discuss updated Phase 2 results on Wednesday, June 7

REHOVOT, Israel and MONMOUTH JUNCTION, N.J., June 05, 2023 (GLOBE NEWSWIRE) -- Ayala Pharmaceuticals, Inc. (OTCQX: ADXS), a clinical-stage oncology company, today announced further results from the Phase 2 (Part A) segment of the RINGSIDE study evaluating AL102 in desmoid tumors. The results were presented in a Poster Discussion Session at the 2023 American Society of Clinical Oncology (ASCO) Annual Meeting on Saturday, June 3. AL102 is a once-daily, potent, selective, oral gamma-secretase inhibitor (GSI).

“Gamma secretase inhibitors are emerging as a promising new drug class for the management of desmoid tumors with the potential for tumor regression, good tolerability, and symptomatic improvement,” said Dr. Mrinal M. Gounder, Medical Oncologist at Memorial Sloan Kettering Cancer Center in New York. “These latest data from the Phase 2 segment of RINGSIDE demonstrate that AL102 is active in desmoid tumors. Responses to treatment were seen in all dose groups, with a higher and more rapid response in the 1.2 mg once-daily dosing group. Most responses were maintained and deepened with time across all the parameters measured, including centrally determined volume, T2 and RECIST-criteria, with a manageable safety profile that is typical for the class. AL102 has potential to be a valuable addition to our treatment armamentarium for desmoid tumor patients,” he concluded.

RINGSIDE Poster Highlights

The ongoing Phase 2/3 RINGSIDE clinical trial is a randomized, global multi-center study evaluating AL102 in patients with progressing desmoid tumors. The study consists of two parts: Phase 2 (Part A) is an open-label, dose regimen-finding study; Phase 3 (Part B) is a double blind, placebo-controlled study utilizing the 1.2 mg once daily dose regimen selected based on data from Phase 2. The study also includes an open label extension enrolling patients who were on active drug at the end of Phase 2, as well as crossover patients from Phase 3.

In the Phase 2 segment of RINGSIDE, Patients were randomized to one of three dose regimens of AL102 (n=14 each): either 1.2 mg once-daily (QD), 4 mg twice a week (BIW) or 2 mg BIW. Enrollment of all 42 patients into Phase 2 was completed as of March 2022. As of January 3, 2023, median time on study was 10.3 months (range 0.8 – 14.7) and 30 patients were still on study,10 of whom rolled over to the open label extension.

Efficacy Results

Best overall responses for the three dose arms, as determined by per blinded independent central review (BICR), are summarized in the table below:

Evaluable population	**1.2 mg QD**	**4 mg BIW**	**2 mg BIW**
	(n= 12)	(n=13)	(n=11)
ORR (CR + PR), n (%)	**6 (50)**	**3 (23.1)**	**5 (45.5)**
Complete Response (CR)	0	0	0
Partial Response (PR)	**6 (50)**	**3 (23.1)**	**5 (45.5)**
Stable Disease (SD)	6 (50)	10 (76.9)	4 (36.4)
Progressive Disease (PD)	0	0	2 (18.1)
Disease Control Rate	100%	100%	81.90%
Time to objective response (months), median (range)	6.7	9.8	9.2
	(3.8-9.4)	(9.0-12.3)	(6.4-9.2)

In the intention-to-treat (ITT) population, partial responses were observed in 43% of patients (i.e., 6/14) in the 1.2 mg QD group, 21.4% of patients (3/14) in the 4 mg BIW group, and 36% (5/14) in the 2 mg BIW group.

As shown in the next table, there was a consistent pattern of deeper, more rapid and persistent tumor responses as measured by volume reduction, T2W signal intensity and RECIST with AL102 1.2 mg daily than with intermittent doses. The decrease in T2W, as measured by MRI, reflects a decrease in tumor cellularity and is considered a strong indicator of anti-tumor activity in desmoid tumors. Tumor volume shrinkage consistently deepens over time and some patients who may not have had PRs by RECIST early in treatment may evolve to PRs with longer follow-up.

	Median % Change from Baseline		
Study Visit	**1.2 mg QD**	**4 mg BIW**	**2 mg BIW**
	(n= 12)	(n=13)	(n=11)
Tumor Volume			

Week 16	**-51.9**	-9.5	-15.2
Week 28	**-76.4**	-35.5	-51.2
Week 40	**-75.9**	-63.4	-61.2
T2W Signal Intensity (cellularity)			
Week 16	**-58.4**	-37.9	-28.2
Week 28	**-77.8**	-42.1	-50.2
Week 40	**-85.2**	-56.6	-54.9
RECIST (sum of diameters)			
Week 16	**-13.3**	1.7	-7.2
Week 28	**-29.4**	-9.6	-7
Week 40	**-22.8**	-16.7	-22

Safety

AL102 was generally well tolerated with a manageable safety profile across all dose arms. The safety profile was consistent with the GSI class of drugs. Regardless of dose regimen, adverse events (AEs) were predominantly Grade 1 (~70%) or Grade 2 (~20%). There were no Grade 4 or Grade 5 related AEs. Serious AEs were reported in 6 of 42 patients (14%) and assessed as unrelated to AL102 by investigators. There were no new safety signals.

Discontinuation due to AEs occurred in 6 of 42 (14%) patients. These were due to Grade 2 rash, keratitis, stomatitis, diarrhea, ALT elevation. All occurred within 3 months of treatment initiation.

Ovarian dysfunction was reported in 11 of 23 (48%) women of childbearing potential across all dose arms, but in only 3 of 9 (33%) women who received the 1.2 mg once-daily dose.

The registration-enabling Phase 3 segment is enrolling patients globally. For more information on RINGSIDE, please visit ClinicalTrials.gov and reference Identifier NCT04871282 (RINGSIDE).

A copy of the poster can be found on the Ayala corporate website here.

Conference Call and Webcast

There will be a conference call and webcast with slides at 10:00 a.m. Eastern Time on Wednesday, June 7, during which Ayala management will discuss the latest RINGSIDE data presented at ASCO and respond to questions.

Investors Dial:	1-877-407-9039
Int'l Investors Dial:	1-201-689-8470
Investors in Israel Dial:	1-809-406-247
Conference ID:	13739267

Participants can use Guest dial-in numbers above and be answered by an operator OR click the Call me™ link for instant telephone access to the event. The Call me™ link will be made active 15 minutes prior to scheduled start time.

Webcast: https://viavid.webcasts.com/starthere.jsp?ei=1619679&tp_key=d058de57b1

The webcast will also be archived for a period of 90 days on the Investor Relations web pages of Ayala (https://ir.ayalapharma.com/news-events/events-presentations).

MSK Disclosure: Dr. Gounder has financial interests related to Ayala Pharmaceuticals

About Desmoid Tumors

Desmoid tumors, also called aggressive fibromatosis or desmoid-type fibromatosis, are rare connective tissue tumors that typically arise in the upper and lower extremities, abdominal wall, head and neck area, mesenteric root, and chest wall, or other parts of the body. Desmoid tumors do not metastasize, but often aggressively infiltrate neurovascular structures and vital organs. People living with desmoid tumors are often limited in their daily life due to chronic pain, functional deficits, general decrease in their quality of life and organ dysfunction. Desmoid tumors have an annual incidence of approximately 1,700 patients in the United States and typically occur in patients between the ages of 15 and 60 years. They are most commonly diagnosed in young adults between 30-40 years of age and are more prevalent in females. Today, surgery is no longer regarded as the cornerstone treatment of desmoid tumors due to surgical morbidity and a high rate of recurrence post-surgery. There are currently no FDA-approved systemic therapies for the treatment of unresectable, recurrent or progressive desmoid tumors.

About AL102

AL102 is an investigational small molecule gamma secretase inhibitor (GSI) that is designed to potently and selectively inhibit Notch 1, 2, 3 and 4, and is currently being evaluated in the Phase 2/3 RINGSIDE clinical studies in patients with progressing desmoid tumors. AL102 is designed to inhibit the expression of Notch gene targets by blocking the final cleavage step by the gamma secretase required for Notch activation. Ayala obtained an exclusive, worldwide license to develop and commercialize AL102 from Bristol-Myers Squibb Company in November 2017. AL102 was granted U.S. FDA Fast Track Designation for the treatment of DT.

About Ayala Pharmaceuticals, Inc.

Ayala Pharmaceuticals, Inc. is a clinical-stage oncology company primarily focused on developing and commercializing small molecule therapeutics

for people living with rare tumors and aggressive cancers and is also developing proprietary *Lm*-based antigen delivery products for patients suffering from more common cancers. The Company's lead candidates under development are the oral gamma secretase inhibitor, AL102, for desmoid tumors; ADXS-504, a *Lm*-based therapy for early-stage prostate cancer; and the intravenous gamma secretase inhibitor, AL101, for adenoid cystic carcinoma. AL102 has received Fast Track Designation from the U.S. FDA and is currently in the Phase 3 segment of a pivotal study for patients with desmoid tumors (RINGSIDE). For more information, visit www.ayalapharma.com.

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Cautionary Statement Regarding Forward-Looking Statements

Certain statements contained in this filing may be considered forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, including statements regarding the future conduct of our studies and the potential efficacy and success of product candidates. Forward-looking statements generally include statements that are predictive in nature and depend upon or refer to future events or conditions, and include words such as "may," "will," "should," "would," "expect," "anticipate," "plan," "likely," "believe," "estimate," "project," "intend," and other similar expressions among others. Statements that are not historical facts are forward-looking statements. Forward-looking statements are based on current beliefs and assumptions that are subject to risks and uncertainties and are not guarantees of future performance. Actual results could differ materially from those contained in any forward-looking statement as a result of various factors, including, without limitation: the success and timing of our clinical trials, including subject accrual; our ability to avoid and quickly resolve any clinical holds; our ability to obtain and maintain regulatory approval and/or reimbursement of our product candidates for marketing; our ability to obtain the appropriate labeling of our products under any regulatory approval; our plans to develop and commercialize our products; the successful development and implementation of our sales and marketing campaigns; the size and growth of the potential markets for our product candidates and our ability to serve those markets; our ability to successfully compete in the potential markets for our product candidates, if commercialized; regulatory developments in the United States and other countries; the rate and degree of market acceptance of any of our product candidates; new products, product candidates or new uses for existing products or technologies introduced or announced by our competitors and the timing of these introductions or announcements; market conditions in the pharmaceutical and biotechnology sectors; our available cash, including to support current and planned clinical activities; uncertainties as to our ability to obtain a listing of our common stock on Nasdaq; our ability to integrate our various business areas successfully and to achieve anticipated synergies following our recent merger and the possibility that other anticipated benefits of the transaction will not be realized; potential litigation relating to the transaction; the accuracy of our estimates regarding expenses, future revenues, capital requirements and needs for additional financing; our ability to obtain additional funding; our ability to obtain and maintain intellectual property protection for our product candidates; the success and timing of our preclinical studies including IND-enabling studies; the timing of our IND submissions; our ability to get FDA approval for study amendments; the timing of data read-outs; the ability of our product candidates to successfully perform in clinical trials; our ability to initiate, enroll, and execute pilots and clinical trials; our ability to maintain our existing collaborations; our ability to manufacture and the performance of third-party manufacturers; the performance of our clinical research organizations, clinical trial sponsors and clinical trial investigators; our ability to successfully implement our strategy; and such other factors as are set forth in our periodic public filings with the SEC, including but not limited to those described under the heading "Risk Factors" in the Form 10-K for the fiscal year ended December 31, 2021 of Old Ayala, Inc. (f/k/a Ayala Pharmaceuticals, Inc.) and the Form 10-K for the fiscal year ended October 31, 2022 of Ayala Pharmaceuticals, Inc. (f/k/a Advaxis, Inc.) ("Ayala" or "we," "us" or "our"), and such entities' periodic public filings with the SEC, including but not limited to those described under the heading "Risk Factors" in Ayala's Form 10-K for the fiscal year ended October 31, 2022. Except as required by applicable law, we undertake no obligation to revise or update any forward-looking statement, or to make any other forward-looking statements, whether as a result of new information, future events or otherwise.