eFFECTOR Therapeutics Announces Reverse Stock Split

January 9, 2024

EFTR common stock expected to begin trading on a split-adjusted basis on January 12, 2024

SOLANA BEACH, Calif. and REDWOOD CITY, Calif., Jan. 09, 2024 (GLOBE NEWSWIRE) -- eFFECTOR Therapeutics, Inc. (NASDAQ: EFTR), a leader in the development of selective translation regulator inhibitors ("STRIs") for the treatment of cancer, today announced that its Board of Directors (the "Board") has approved a 1-for-25 reverse stock split of the Company's common stock. The reverse stock split will become effective at 12:01 A.M. Eastern Time, on January 12, 2024**.** The Company's common stock will continue to be traded on the Nasdaq Capital Market under the existing symbol "EFTR" with the new CUSIP number 28202V207 and will begin trading on a split-adjusted basis when the market opens on January 12, 2024. The CUSIP number for eFFECTOR's publicly traded warrants will not change.

The reverse stock split is intended to regain compliance with the minimum bid price requirement of $1.00 per share of the Company's common stock for continued listing on The Nasdaq Capital Market.

The reverse split will affect all issued and outstanding shares of eFFECTOR's common stock. At the effective time of the reverse stock split the number of shares of common stock issued and outstanding will be reduced from approximately 74.9 million shares to approximately 3.0 million shares. The total authorized number of shares of common stock will be proportionally reduced from 1,000,000,000 to 40,000,000 shares. Proportional adjustments will be made to the number of shares of common stock issuable upon exercise of the Company's outstanding stock options and warrants, as well as the applicable exercise price.

No fractional shares will be issued in connection with the reverse stock split and stockholders who would otherwise be entitled to a fractional share of common stock will instead be entitled to receive a proportional cash payment. The reverse stock split will affect all stockholders uniformly and will not alter any stockholder's percentage interest in the Company's equity (other than as a result of rounding down any fractional shares, which shall be paid cash in lieu of such fractional shares).

About eFFECTOR Therapeutics

eFFECTOR is a clinical-stage biopharmaceutical company pioneering the development of a new class of oncology drugs referred to as STRIs. eFFECTOR's STRI product candidates target the eIF4F complex and its activating kinase, mitogen-activated protein kinase interacting kinase (MNK). The eIF4F complex is a central node where two of the most frequently mutated signaling pathways in cancer, the PI3K-AKT-mTOR and RAS-MEK-ERK pathways, converge to activate the translation of select mRNA into proteins that are frequent culprits in key disease-driving processes. Each of eFFECTOR's product candidates is designed to act on a single protein that drives the expression of a network of functionally related proteins, including oncoproteins and immunosuppressive proteins in T cells, that together control tumor growth, survival and immune evasion. eFFECTOR's lead product candidate, tomivosertib, is a MNK inhibitor currently being evaluated in KICKSTART, a randomized, double-blind, placebo-controlled Phase 2b trial of tomivosertib in combination with pembrolizumab in patients with metastatic non-small cell lung cancer (NSCLC). Zotatifin, eFFECTOR's inhibitor of eIF4A, is currently being evaluated in Phase 2a expansion cohorts in certain biomarker-positive solid tumors, including ER+ breast cancer and KRAS-mutant NSCLC. eFFECTOR has a global collaboration with Pfizer to develop inhibitors of a third target, eIF4E.

Forward-Looking Statements

eFFECTOR cautions you that statements contained in this press release regarding matters that are not historical facts are forward-looking statements. The forward-looking statements are based on our current beliefs and expectations and include, but are not limited to: statements regarding the timing of the reverse stock split; and our ability to regain compliance with the Nasdaq minimum bid price requirement. Actual results may differ from those set forth in this press release due to the risks and uncertainties including our ability to regain compliance with the minimum bid price requirement and maintain our listing on Nasdaq, the trading price of our common stock may be volatile, and other risks inherent in our business, including, without limitation: interim results of a clinical trial are not necessarily indicative of final results and one or more of the clinical outcomes may materially change as patient enrollment continues, following more comprehensive reviews of the data and more patient data become available; potential delays in the commencement, enrollment, data readouts and completion of clinical trials; our dependence on third parties in connection with product manufacturing, research and preclinical and clinical testing; the results of preclinical studies and early clinical trials are not necessarily predictive of future results; the success of our clinical trials and preclinical studies for our product candidates is uncertain; we may use our capital resources sooner than expected and they may be insufficient to allow clinical trial readouts; and other risks described in our prior filings with the Securities and Exchange Commission. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof, and we undertake no obligation to update such statements to reflect events that occur or circumstances that exist after the date hereof. All forward-looking statements are qualified in their entirety by this cautionary statement, which is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

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