



Press release, July 21, 2017

Aptevo Therapeutics and Alligator Bioscience announce plans to co-develop novel bispecific antibody for tumor-directed immunotherapy

Strategic partnership will advance development of a novel bispecific immuno-oncology antibody targeting compelling biological pathway implicated in multiple solid tumor indications.

Focuses on new mechanism of action of tumor targeting demonstrating the versatility of Alligator's antibody discovery platform ALLIGATOR-GOLD® and Aptevo's ADAPTIR™ protein therapeutic platform.

Seattle, WA, and Lund, Sweden – July 20, 2017 -- Aptevo Therapeutics Inc. (Nasdaq: APVO), a biotechnology company focused on developing novel immuno-oncology and hematology therapeutics, and Alligator Bioscience (Nasdaq Stockholm: ATORX), a biotechnology company developing antibody-based pharmaceuticals for tumor-directed immunotherapy, today announced that they have entered into an agreement to co-develop a novel immunotherapy bispecific antibody candidate, ALG.APV-527, based on Alligator's first generation bispecific antibody, ATOR-1016. The new bispecific candidate was developed using Aptevo's bispecific technology platform and includes proprietary binding elements generated by Alligator's ALLIGATOR-GOLD® antibody library. Initiation of cell line development for the manufacturing of clinical material is expected to begin shortly.

Working under a previously executed material transfer agreement, the companies have engineered and selected ALG.APV-527 as a lead bispecific antibody candidate, featuring a novel mechanism of action targeting 4-1BB, a member of the TNFR superfamily of co-stimulatory receptors found on activated T cells, and an undisclosed tumor antigen widely overexpressed in a number of different types of cancer.

Under the terms of the agreement, the parties will jointly own and share equally in the development costs associated with advancing this candidate through to the end of Phase 2 clinical development. At that time, the parties may opt to out-license the candidate or continue further development separately or in partnership. In addition, the agreement provides an option for the companies to develop a second bispecific antibody candidate based on this novel mechanism of action, which would also be jointly owned and funded by Aptevo and Alligator.

The co-stimulatory receptor 4-1BB is known to play an important role in modulating and augmenting the immune response to cancer by promoting the activation, expansion and enhanced effector function of tumor-specific T cells. It is, therefore, an especially promising target for new immunotherapeutic approaches for cancer treatment. If successfully developed, this new bispecific antibody candidate could have utility in the potential treatment of a broad spectrum of cancers including breast, cervical, non-small-cell-lung, prostate, renal, gastric,

colorectal and bladder cancers. While this tumor antigen is widely expressed in multiple types of solid tumors, it shows limited expression on normal tissues, suggesting the potential for tumor-directed immunotherapy with improved efficacy and fewer side effects.

“Our collaboration with Alligator Bioscience has unlocked tremendous synergies, enabling us to capitalize on our companies’ respective expertise in therapeutic antibody engineering,” **said Marvin L. White, President and Chief Executive Officer of Aptevo.** “The addition of a 4-1BB bispecific candidate expands and diversifies Aptevo’s portfolio while demonstrating the flexibility of our ADAPTIR platform in addressing novel mechanisms of action, in addition to redirected T-cell cytotoxicity. Also, importantly, it allows us to pursue an exciting new therapeutic opportunity with broad potential application in the treatment of non-hematological cancers. If proven successful, this new approach would be a significant advance in cancer immunotherapy. We’re extremely pleased to collaborate with Alligator Bioscience in the development of novel tumor-targeting bispecific antibody therapies.”

“With five immuno-oncology programs currently in development, each with first- or best-in-class potential, this partnership with Aptevo allows us to further build on the promise of bispecific therapeutics for tumor-directed immunotherapy,” **said Per Norlén, Chief Executive Officer of Alligator Bioscience.** “Our technology platform enables the generation of highly functional antibodies with optimal stability and manufacturing properties, merged into an exceptional bispecific antibody using Aptevo’s ADAPTIR platform. We look forward to advancing our collaboration with Aptevo on this promising new therapeutic approach.”

For further information:

Alligator Bioscience
Per Norlén, CEO
E-mail: per.norlen@alligatorbioscience.com

Rein Piir, VP, Investor Relations
Phone: +46 708 537292
E-mail: rein.piir@alligatorbioscience.com

Per-Olof Schrewelius, CFO
Phone: +46 46 286 42 85
E-mail: per-olof.schrewelius@alligatorbioscience.com

Aptevo Therapeutics
Stacey Jurchison, Sr. Director, Investor Relations and Corporate Communications
Phone: +1 206-859-6628
E-mail: JurchisonS@apvo.com

This information is such information as Alligator Bioscience AB (publ) is obligated to disclose in accordance with EU market abuse regulation. The information was submitted, through the above contact persons, for publication on 21 July 2017 at 07:00 (CET).

About Aptevo Therapeutics Inc.

Aptevo Therapeutics Inc. is a biotechnology company focused on novel oncology and hematology therapeutics to meaningfully improve patients’ lives. Our core technology is the ADAPTIR modular protein technology platform. Aptevo has four commercial products in the

areas of hematology and infectious diseases, as well as various investigational stage product candidates in immuno-oncology.

About Alligator Bioscience

Alligator Bioscience is a clinical-stage biotechnology company developing tumor-directed immuno-oncology antibody drugs. Alligator's growing pipeline includes lead clinical and pre-clinical product candidates (ADC-1013, ATOR-1015, ATOR-1017, and ALG.APV-527) and novel research candidates. ADC-1013 is licensed to Janssen Biotech, Inc., part of J&J, for development and commercialization. Alligator's shares are listed on Nasdaq Stockholm (ATORX). The Company is headquartered in Lund, Sweden, and has approximately 45 employees. For more information, please visit www.alligatorbioscience.se.