APTEVO THERAPEUTICS AND ALLIGATOR BIOSCIENCE PRESENT NEW PRECLINICAL DATA FOR ALG.APV-527 AT THE PEGS VIRTUAL INTERACTIVE GLOBAL SUMMIT

New Preclinical Data Show That ALG.APV-527 has Potential for a Favorable Safety Profile

Does Not Induce Systemic T-cell Activation at High Doses Which Were Observed in a Urelumab Analogue in a Side-by-Side Comparison

ALG.APV-527 is a Novel Immunotherapeutic Bispecific Candidate Designed to Treat Multiple Solid Tumors Expressing 5T4, a Tumor-Restricted Antigen

Seattle, WA and Lund, Sweden – June 10, 2020 – Aptevo Therapeutics Inc. (Nasdaq: APVO), a biotechnology company focused on developing novel immuno-oncology therapeutics based on its proprietary ADAPTIR™ bispecific technology platform, and Alligator Bioscience AB (Nasdaq Stockholm: ATORX), a biotechnology company developing antibody-based pharmaceuticals for tumor-directed immunotherapy, today announced that new preclinical data for ALG.APV-527 are being presented at the PEGS Virtual Interactive Global Summit, on June 10, 2020 in an oral presentation entitled, *"ALG.APV-527: Tumor-directed T-cell stimulation, in vivo tumor regression, and safety studies of a 4-1BB x 5T4 ADAPTIR™ bispecific antibody."*

"Our latest preclinical data for ALG.APV-527 looks very encouraging and shows that ALG.APV-527 may overcome many of the limitations observed with other 4-1BB monoclonal antibody therapeutics by improving the biodistribution, efficacy and potential safety of this novel class of immunotherapies," said Jane Gross, Ph.D., Chief Scientific Officer for Aptevo. "Since ALG.APV-527 localizes at the tumor site, immune activation depends on binding with 5T4 tumor antigen to activate via 4-1BB, therefore limiting systemic activation seen with other 4-1BB agonists. Most interestingly, our latest preclinical data show the potential for a favorable safety profile for ALG.-APV-527. In a head-to-head comparison with a urelumab analogue in preclinical studies, ALG.APV-527 did not induce systemic T-cell activity at high doses, a key differentiator from other 4-1BB therapies."

ALG.APV-527 is a novel immunotherapeutic bispecific candidate intended for the treatment of multiple solid tumors expressing 5T4, a tumor-restricted antigen. 5T4 is an antigen that is highly expressed in a large percentage of solid tumors, including, non-small cell lung cancer (NSCLC), head and neck cancer and mesothelioma. ALG.APV-527 is designed to activate anti-tumor responses by inducing signaling through the co-stimulatory receptor 4-1BB (CD137), which is an immune receptor that is upregulated on activated T cells and natural killer (NK) cells.

The preclinical data presented at the PEGS Virtual Interactive Global Summit show that ALG.APV-527 may overcome many of the limitations of competitor 4-1BB antibodies as it

selectively enhances the function of activated T cells and NK cells in the presence of the tumor antigen 5T4, as shown *in vitro*, and potently rejects tumors in an *in vivo* animal model.

In a high-dose toxicity human 4-1BB knock-in murine study comparing ALG.APV-527 with a urelumab analogue, ALG.APV-527 was well tolerated at high doses with no evidence of systemic T-cell activation and no impact on body or spleen weight, whereas the urelumab analogue induced weight loss, systemic activation of T cells, and signs of ulcerative dermatitis.

In summary, the data presented at PEGS demonstrate that ALG.APV-527:

- Enhances $CD8^+$ T cell and NK function and proliferation upon 5T4-mediated engagement
- Accumulates at 5T4-positive tumors in preclinical models
- In an *in vivo* human 4-1BB knock-in model:
    - Induces rejection of established bladder cancer cells at low doses
    - Induces anti-tumor immunological memory responses
    - Does not induce systemic T-cell activation at high doses, which were observed in a side-by side comparison with a urelumab analogue
- Is well tolerated after repeated dosing in a GLP toxicology study and displays an antibody-like half-life with a mean half-life of 8 days

"Our data supports that ALG.APV-527 has the potential to induce a strong anti-tumor immune response without systemic toxicity, which is exactly what we hoped to see," commented Christina Furebring, Ph.D., Vice President Projects at Alligator.

About ALG.APV-527

ALG.APV-527 is a bispecific antibody (4-1BB x 5T4) intended for tumor-directed treatment of solid cancers. ALG.APV-527 was built using Aptevo's ADAPTIR™ bispecific platform and combines binding domains sourced from the ALLIGATOR-GOLD® human scFv library. The ALG.APV-527 bispecific antibody consists of two moieties, one moiety activating tumor-specific T cells through the co-stimulatory receptor 4-1BB, the other moiety binding to the 5T4 protein displayed on the surface of tumor cells. This enables the immune-activating effect of ALG.APV-527 to be directed specifically to the tumor and not against normal tissue.

About Aptevo Therapeutics Inc.

Aptevo Therapeutics Inc. is a clinical-stage biotechnology company focused on developing novel immunotherapies for the treatment of cancer. The Company's lead clinical candidate, APVO436, and preclinical candidates, ALG.APV-527 and APVO603 were developed based on the Company's versatile and robust ADAPTIR™ modular protein technology platform. The ADAPTIR platform is capable of generating highly differentiated bispecific antibodies with unique mechanisms of action for the treatment of different types of cancer. For more information, please visit www.aptevotherapeutics.com

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This press release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements, other than statements of historical fact, including, without limitation, statements regarding potential milestone payments, Aptevo's outlook, financial performance or financial condition, estimated cash burn, Aptevo's technology and related pipeline, collaboration and partnership opportunities, milestones, and any other statements containing the words "believes," "expects," "anticipates," "intends," "plans," "forecasts," "estimates," "will" and similar expressions are forward-looking statements. These forward-looking statements are based on Aptevo's current intentions, beliefs and expectations regarding future events. Aptevo cannot guarantee that any forward-looking statement will be accurate. Investors should realize that if underlying assumptions prove inaccurate or unknown risks or uncertainties materialize, actual results could differ materially from Aptevo's expectations. Investors are, therefore, cautioned not to place undue reliance on any forward-looking statement. Any forward-looking statement speaks only as of the date of this press release, and, except as required by law, Aptevo does not undertake to update any forward-looking statement to reflect new information, events or circumstances.

There are a number of important factors that could cause Aptevo's actual results to differ materially from those indicated by such forward-looking statements, including a deterioration in Aptevo's business or prospects; adverse developments in research and development; adverse developments in the U.S. or global capital markets, credit markets or economies generally; and changes in regulatory, social and political conditions. Additional risks and factors that may affect results are set forth in Aptevo's filings with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K, as filed on March 25, 2020 and its subsequent reports on Form 10-Q and current reports on Form 8-K. The foregoing sets forth many, but not all, of the factors that could cause actual results to differ from Aptevo's expectations in any forward-looking statement.

Source:

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About Alligator Bioscience

Alligator Bioscience AB is a clinical-stage biotechnology company developing tumor-directed immuno-oncology antibody drugs. Alligator's pipeline includes five lead clinical and preclinical drug candidates: Mitazalimab, ATOR-1015, ATOR-1017, ALG.APV-527 (co-developed with Aptevo Therapeutics Inc.) and AC101 (in clinical development by Shanghai Henlius Biotech Inc.). Alligator's shares are listed on Nasdaq Stockholm (ATORX). The Company is headquartered in Lund, Sweden. For more information, please visit www.alligatorbioscience.com.

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