



New Preclinical Data for Novel Immunotherapy Bispecific Candidate ALG.APV-527 presented by Alligator Bioscience and Aptevo Therapeutics

***ALG.APV-527 is Designed to Strategically Target and Engage the Immune System
for the Potential Treatment of Multiple Solid Tumor Indications***

Lund, Sweden and Seattle, WA – May 8, 2018 – Alligator Bioscience (Nasdaq Stockholm: ATORX), a biotechnology company developing antibody-based pharmaceuticals for tumor-directed immunotherapy, and **Aptevo Therapeutics Inc. (Nasdaq: APVO)**, a biotechnology company focused on developing novel immuno-oncology and hematology therapeutics, today announced the presentation of new preclinical data supporting ALG.APV-527 as a promising new immunotherapeutic candidate for the treatment of a variety of 5T4-expressing solid tumors.

ALG.APV-527 is designed to simultaneously target 5T4 and the co-stimulatory receptor 4-1BB (CD137) to promote potent, tumor-directed immune T-cell activation. 5T4 is a well-defined tumor antigen expressed on many different types of malignancies including, non-small cell lung, renal, pancreas, prostate, breast, colorectal, gastric, ovarian and cervical cancers. Conversely, 5T4 has limited expression on normal tissues, making it an attractive target for cancer immunotherapy.

New ALG.APV-527 preclinical data show that ALG.APV-527 has the potential to selectively activate and enhance tumor specific T cell responses at the tumor site without triggering systemic immune activation. Notably, the preclinical *in vitro* and *in vivo* data show that ALG.APV-527:

- Stimulates increased T cell activation in the presence of 5T4-expressing cells
- Localizes to the site of 5T4 positive tumors in an *in vivo* melanoma tumor model
- Inhibits tumor growth in a 5T4 expressing *in vivo* human colon carcinoma model
- Has an extended, antibody-like serum half-life of 9 days in an experimental model

The data were recently presented at the PEGS Summit 2018 and American Association of Immunologists (AAI) annual meeting and will be presented next week at the Annual Meeting of Cancer Immunotherapy (CIMT).

“Taken together, the accumulating preclinical data package for ALG.APV-527 support its potential to provide effective tumor-directed immune activation with reduced systemic side effects. We are continuing to advance this candidate and look forward to commencing clinical development in 2019,” said Christina Furebring, Senior Vice President Research at Alligator.

“Our collaboration with Alligator Bioscience continues to yield encouraging data supporting the advantages of this novel pathway for targeted immunotherapy of cancer,” said Jane Gross, Ph.D., Chief Scientific Officer for Aptevo. “As a first-in-class molecule, ALG.APV-527 showcases the versatility of our ADAPTIR platform in generating bispecific antibodies with unique mechanisms of action and a therapeutic profile that is more consistent with traditional antibodies, including an extended half-life, desirable antibody-like manufacturing characteristics and increased potency and stability.”

Aptevo and Alligator believe that the precise targeting of 4-1BB within the tumor microenvironment can overcome some of the limitations seen with other 4-1BB therapies. ALG.APV-527 employs a novel mechanism of action, 4-1BB x 5T4 binding, to direct the therapeutic immune response towards the tumor, thereby potentially reducing the harmful side effects of systemic immune stimulation while providing a strong tumor directed immune activation.

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 parts, one part activating tumor-specific T cells through the co-stimulatory receptor 4-1BB, the other part binding to the 5T4 protein expressed 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 Alligator Bioscience

Alligator Bioscience AB is a clinical-stage biotechnology company developing tumor-directed immuno-oncology antibody drugs. Alligator’s growing pipeline includes four lead clinical and pre-clinical drug candidates (ADC-1013, ATOR-1015, ATOR-1017 and ALG.APV-527).

ADC-1013 (JNJ-7107) is licensed to Janssen Biotech, Inc., part of J&J, for global development and commercialization. Alligator’s shares are listed on Nasdaq Stockholm (ATORX). The Company is headquartered in Lund, Sweden, and has approximately 50 employees. For more information, please visit www.alligatorbioscience.com.

About Aptevo Therapeutics Inc.

Aptevo Therapeutics Inc. is a clinical-stage biotechnology company focused on novel oncology and hematology therapeutics to meaningfully improve patients’ lives. Aptevo has a commercial product, IXINITY® coagulation factor IX (recombinant), approved and marketed

in the United States for the treatment of Hemophilia B, and a versatile core technology – the ADAPTIR™ modular protein technology platform capable of generating highly-differentiated bispecific antibodies with unique mechanisms of action to treat cancer or autoimmune diseases. Aptevo has two ADAPTIR antibody candidates currently in clinical development and a broad pipeline of novel investigational-stage bispecific antibody candidates focused in immuno-oncology and autoimmune disease and inflammation. For more information, please visit www.aptevotherapeutics.com.

Safe Harbor Statement for Aptevo

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, Aptevo's technology and related pipeline, collaboration and partnership opportunities, commercial portfolio, 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 13, 2018 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.

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Aptevo Therapeutics

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