



Tumor antigen 5T4 associated with many forms of solid tumors identified as the second target for ALG.APV-527 – A novel bispecific antibody candidate being developed by Alligator Bioscience and Aptevo Therapeutics

ALG.APV-527 Engineered to Engage the Immune System for the Potential Treatment of Multiple Solid Tumor Indications

Lund, Sweden and Seattle, WA – 24 October, 2017 – 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 immunoncology and hematology therapeutics, today announced further details of the companies' collaboration on ALG.APV-527, a bispecific antibody targeting 4-1BB and a tumor antigen, now identified as 5T4, which is found on various types of cancer cells.

5T4 is a protein predominantly expressed on tumor cells. It is present at very low levels or not at all in normal tissue. This enables the immune-activating effect of ALG.APV-527 to be targeted specifically to the tumor and not against normal tissue, the goal being effective tumor-directed immune activation with minimal side effects. The 5T4 tumor antigen is present on a number of different solid tumors, including breast, cervical, non-small-cell-lung, prostate, renal, gastric, colorectal and bladder cancers, indicating that ALG.APV-527 may be used for the treatment of several different types of cancer.

"The fact that 5T4 is selectively expressed on tumor cells in many different cancer indications, but in very low levels in normal tissue, makes it a very attractive target for tumor-directed immunotherapy," said Professor Peter Stern, Manchester University, UK.

By combining a tumor-binding and an immunomodulatory antibody in one molecule, Alligator and Aptevo have created a drug candidate whose effect is localized to the tumor area, activating the tumor-specific immune cells present there.

About Dr. Peter Stern

Professor Peter Stern, University of Manchester, United Kingdom, advisor to the joint venture, discovered the 5T4 antigen in 1988. He is an expert in tumor-associated antigens and virus-associated tumors. Professor Stern's research has contributed substantially to the development of both cancer vaccines and antibody-based drugs for cancer treatment.

About ALG.APV-527

ALG.APV-527 is a bispecific antibody (4-1BB x 5T4) intended for tumor-directed treatment of solid cancers. The ALG.APV-527 antibody consists of two parts, one part activating tumor-specific T cells through the co-stimulatory receptor 4-1BB (CD137), the other part binding to the 5T4 protein expressed on the surface of tumor cells.

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®, 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.

About Alligator Bioscience

Alligator Bioscience AB is a clinical-stage biotechnology company developing tumor-directed immuno-oncology antibody drugs. Alligator's growing pipeline includes lead clinical and pre-clinical drug candidates (ADC-1013, ATOR-1015, ATOR-1017, and ALG.APV-527) and novel research candidates. ADC-1013 (JNJ-64457107) 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 45 employees. For more information, please visit www.alligatorbioscience.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, 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 possible negative effects on our business operations, assets or financial results as a result of the closing of the transaction;; a deterioration in Aptevo's business or prospects; the parties may be unable to achieve the anticipated benefits of the transaction; 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 31, 2017, 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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