



Aptevo Therapeutics and Alligator Bioscience commence IND-enabling development activities for new bispecific immunotherapy candidate ALG.APV-527

Novel Bispecific Antibody Targeting Biological Pathway Implicated in Multiple Solid Tumor Indications

Seattle, WA, and Lund, Sweden – August 17, 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, announced today that the companies have initiated CMC activities for the manufacturing of clinical material in preparation for a future investigational new drug (IND) submission for the bispecific immuno-oncology antibody ALG.APV-527.

ALG.APV-527 was the subject of a collaboration agreement announced by the companies in July 2017. It targets the co-stimulatory receptor 4-1BB and an undisclosed tumor antigen that directs the immune activation to the tumor area. 4-1BB is known to enhance the immune response to cancer through activation of tumor-specific T cells and is believed to be a promising target for new immunotherapeutic approaches. The bispecific antibody candidate could potentially have utility in the treatment of a broad spectrum of cancers over-expressing the tumor antigen, including breast, cervical, non-small-cell-lung, prostate, renal, gastric, colorectal and bladder cancers.

“With CMC and IND enabling activities underway, our partnership with Aptevo is moving ahead rapidly”, said **Per Norlén, Chief Executive Officer of Alligator Bioscience**. “Having worked collaboratively to design and engineer ALG.APV-527, we are pleased to now announce its advancement into preclinical development. This bispecific antibody brings tumor directed immunotherapy to the next level. By making the immune activation dependent on binding to a tumor antigen we have created a candidate drug with potential for improved efficacy and fewer side effects.”

“The timely progress we are making underscores our respective companies’ expertise in bispecific antibody engineering and we are very excited to begin the next phase of development of ALG.APV-527 and further demonstrate the elegance of our ADAPTIR technology platform”, said **Marvin L. White, President and Chief Executive Officer of Aptevo**. “The robust and flexible nature of our ADAPTIR platform permits the development of bispecific antibodies with different mechanisms of immune system engagement. Because ADAPTIR bispecifics are based on an IgG backbone, they have excellent stability and manufacturing characteristics, with traditional monoclonal antibody-like manufacturing properties – a key differentiator from other bispecific constructs. As an emerging class of new therapeutics, bispecific antibodies may offer important technological advancements over traditional monoclonal antibodies, including the potential for more precise targeted therapy through enhanced functionality, potency and

efficacy. We look forward to advancing ALG.APV-527 towards IND submission and to further validating the utility of our ADAPTIR protein therapeutic platform.”

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This information is information that Alligator Bioscience AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 01:00 p.m. CET on 17 August 2017.

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. The Company has four commercial products – IXINITY®, WinRho®, HepaGam B® and VARIZIG® and a versatile core technology – the ADAPTIR™ modular protein technology platform capable of generating highly-differentiated, bispecific antibodies with unique mechanisms of action. Aptevo’s primary focus is immuno-oncology, with two ADAPTIR candidates currently in clinical development and a broad portfolio of bispecific immunotherapies in preclinical development. 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 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.com.

Safe Harbor Statement

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 Aptevo’s outlook, financial performance or financial condition, our technology and related pipeline, collaboration and partnership opportunities, commercial portfolio, Aptevo’s future growth rates, Aptevo’s ability to timely manufacture its products, 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 our 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 separation; a deterioration in our business or prospects; the ability of our contractors and suppliers to supply product and materials; our ability and the ability of our contractors and suppliers to maintain compliance with cGMP and other regulatory obligations; the results of regulatory inspections; adverse developments in our customer-base or markets and our ability to retain patients; 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 our filings with the Securities and Exchange Commission, including Aptevo's most recent Annual Report on Form 10-K, as filed on March 15, 2017, and our 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 our expectations in any forward-looking statement.