Nektar Therapeutics Presents New Clinical and Preclinical Data from its Immuno-Oncology Pipeline at the 2019 Society for Immunotherapy of Cancer (SITC) Annual Meeting

November 9, 2019

New Data Presented for Previously Untreated Metastatic Melanoma Patients in PIVOT-02 Study of Bempegaldesleukin with Nivolumab

Additional Preclinical Data Presentations Showcase Nektar's Immuno-Oncology (I-O) Pipeline Programs

SAN FRANCISCO, Nov. 9, 2019 /PRNewswire/ -- Nektar Therapeutics (Nasdaq: NKTR) today announced the presentation of five clinical and preclinical data abstracts focused on its immuno-oncology portfolio at the 2019 Society for Immunotherapy of Cancer (SITC) Annual Meeting.

New clinical results from the PIVOT-02 Phase 1/2 study were shared in an oral presentation titled, "*Clinical activity of BEMPEG plus NIVO in previously untreated patients with metastatic melanoma: updated results from the Phase 1/2 PIVOT-02 Study*" by Adi Diab, MD, Associate Professor, Department of Melanoma Medical Oncology, Division of Cancer Medicine, University of Texas MD Anderson Cancer Center during the Combination Phase 1-2 Clinical Trials Session on Saturday, November 9th.

Additional preclinical data presented at the annual meeting highlighted NKTR-255, an IL-15 agonist discovered by Nektar. The presentations demonstrated that NKTR-255 enhanced activity of antibody-dependent cellular cytotoxicity (ADCC) against tumor cells *in vitro,* and that it also enhanced *in vivo* efficacy of ADCC-inducing antibodies in models of human solid tumors. NKTR-255 is designed to engage the IL-15 pathway to stimulate and expand natural killer (NK) cells and promote the survival and expansion of memory CD8+ T cells without inducing suppressive regulatory T cells. NKTR-255 is currently being evaluated in a Phase 1/2 clinical trial in patients with either relapsed or refractory Non-Hodgkin's lymphoma or multiple myeloma.

"The data presented at this year's SITC meeting continue to showcase the potential of our I-O portfolio, most notably our key IL-2 pathway program, bempeg, and our new IL-15 pathway program, NKTR-255," said Jonathan Zalevsky, Ph.D., Senior Vice President and Chief Research & Development Officer at Nektar. "The 18-month follow-up data presentation for the Stage IV melanoma patients in our PIVOT-02 study reinforces the promise of BEMPEG and NIVO to work synergistically to achieve a deepening of response over time, while maintaining a favorable safety and tolerability profile. We're pleased that at this 18 month timepoint, 85% of patients who achieved responses have ongoing responses and median PFS has not yet been reached."

Highlights from Dr. Diab's oral presentation include:

18.6 Month Median Follow-Up for First-Line Stage IV Melanoma Cohort in PIVOT-02:
(Response measured by RECIST v1.1 by blinded independent central radiology (BICR) review for 38 efficacy-evaluable patients per protocol, which were treated at the recommended Phase 2 dose in PIVOT-02 and with >1 on treatment scan. Data cut as of September 25, 2019):

- At a median time of follow-up of 18.6 months, confirmed objective response rate (ORR) was 53% (20/38) in efficacy-evaluable patients, with 34% (13/38) of patients achieving confirmed complete responses (CR). 42% (16/38) of patients achieved a maximum reduction of 100% in target lesions. DCR, also known as disease control rate (CR+ Partial Response + Stable Disease), was 74% (28/38).
- Median time to response was 2.0 months and median time to complete response was 7.9 months.
- Median percent reduction of target lesions from baseline was 61.5%.
- At a median time of follow-up of 18.6 months, median duration of response has not been reached and 85% (17/20) of patients with responses had ongoing responses.
- Among the 35 patients with known baseline PD-L1 status, ORR in PD-L1 negative patients was 5/13 (39%) and in PD-L1 positive patients was 14/22 (64%).
- At a median time of follow-up of 18.6 months, the Kaplan-Meier estimate of median progression-free survival (PFS) was not reached (95% CI: 5.3, NE).
- BEMPEG plus NIVO is well tolerated, and treatment-related adverse events are predictable and transient, similar to what was previously reported at ASCO 2019.

In August of 2019, Bristol-Myers Squibb and Nektar Therapeutics announced that the U.S. Food and Drug Administration has granted Breakthrough Therapy Designation for investigational agent bempegaldesleukin in combination with nivolumab for the treatment of patients with previously untreated unresectable or metastatic melanoma. A Phase 3 trial evaluating bempegaldesleukin in combination with nivolumab, versus nivolumab in first-line advanced melanoma patients, is currently recruiting patients (NCT03635983).

A copy of Dr. Diab's presentation of PIVOT-02 data is available on Nektar's corporate website at https://www.nektar.com/download_file/723/0.

Analyst Call with Melanoma Specialist:

Date and Time: Sunday, November 10, 2019 at 9:00 a.m. Eastern Standard Time

Dial-in: 877-881-2183 (toll-free) or 970-315-0453 (international), enter conference ID code 9059428
Investors and analysts can also view slides and listen to the live audio webcast of the presentation at https://edge.media-server.com/mmc/p/jirxdbd4. The event will also be available for replay for two weeks on the company's website, www.nektar.com.

Details of the preclinical poster presentations at SITC are as follows and each will be available for download at the time of presentation at http://www.nektar.com/science/scientific-posters:

Abstract P619: *"NKTR-255, a polymer-conjugated IL-15 receptor agonist, enhances efficacy of therapeutic monoclonal antibodies with ADCC activity in solid tumor models"*, Kivimäe, S., et al.

- NKTR-255 treatment of NK cells enhanced activity of antibody-dependent cellular cytotoxicity (ADCC) against tumor cells *in vitro,* and *in vivo* efficacy of ADCC-inducing antibodies in human solid tumor xenograft models.
- In tumor models resistant to single agent treatment (cetuximab or trastuzumab), combination treatment with NKTR-255 showed tumor growth inhibition, suggesting potential for increased response rates of ADCC targeted therapies.

Abstract P622: *"Characterization and comparison of NKTR-255, a polymer-conjugated IL-15 versus IL-15 superagonist"*, Miyazaki, T., et al.

- NKTR-255, a novel IL-15R alpha-dependent cytokine, demonstrated enhanced pharmacokinetic and pharmacodynamic properties relative to the native IL-15 cytokine, and may have the potential to capture the full spectrum of native IL-15 biology.
- NK cells treated with NKTR-255 showed more rounds of division than those treated with the IL-15 superagonist at the highest concentration.

Abstract P623: *"Bempegaldesleukin in combination with local radiation and systemic checkpoint blockade induces a robust systemic anti-tumor immunity"*, Pieper, A., et al.

- Bempeg in combination with low-dose radiation therapy (RT) and checkpoint blockade with anti-CTLA-4 caused primary tumor regression and resulted in greater overall survival than pairing bempeg with anti-CTLA-4 or RT, or combining bempeg, RT and anti-CTLA-4 with T cell depleting antibodies.
- Bempeg with RT and anti-CTLA-4 could mount a T cell-dependent anti-tumor response capable of regressing large, unresectable tumors and disseminated, heterogenous metastatic disease in murine melanoma models.

Details of the Trials in Progress poster presentation are as follows:
Abstract P387: *"A Multicenter, Open-Label, Exploratory Platform Study to Evaluate Biomarkers and Immunotherapy Combinations for the Treatment of Patients with Metastatic Castration-resistant Prostate Cancer (PORTER)"*, Nissola, L., et al.

- PORTER is an open-label, non-randomized, exploratory platform study designed to assess the safety and antitumor activity of multiple immunotherapy combinations of bempeg plus NIVO vs. CDX-301 (Flt3L), poly-ICLC (PAMP-adjuvant), NIVO and stereotactic body radiation therapy in participants with metastatic castration-resistant prostate cancer who have received prior secondary androgen inhibition.
- The primary endpoint will be safety, as assessed by the incidence and severity of adverse events. The secondary endpoint will be a composite efficacy endpoint. Exploratory endpoints will be responses associated with tissue, blood, and stool biomarkers.

About Bempegaldesleukin (BEMPEG, NKTR-214)
Bempeg is an investigational, first-in-class, CD122-preferential IL-2 pathway agonist designed to provide rapid activation and proliferation of cancer-killing immune cells, known as CD8+ effector T cells and natural killer (NK) cells, without over activating the immune system. The agent is designed to stimulate these cancer-killing immune cells in the body by targeting CD122-specific receptors found on the surface of these immune cells. CD122, which is also known as the Interleukin-2 receptor beta subunit, is a key signaling receptor that is known to increase proliferation of these effector T cells.[1] In clinical and preclinical studies, treatment with bempegaldesleukin resulted in expansion of these cells and mobilization into the tumor micro-environment.[2,3] Bempegaldesleukin has an antibody-like dosing regimen similar to the existing checkpoint inhibitor class of approved medicines.

About NKTR-255
NKTR-255 is an IL-15 receptor agonist designed to activate the IL-15 pathway and expand NK cells and promote the survival and expansion of memory CD8+ T cells without inducing suppressive regulatory T cells. Through optimal engagement of the IL-15Rα/IL-2Rβγ receptor complex, NKTR-255 enhances formation of long-term immunological memory, which may lead to sustained anti-tumor immune response. NKTR-255 is uniquely designed to overcome the challenges of recombinant IL-15, which is rapidly cleared from the body and must be administered frequently and in high doses, limiting its utility due to toxicity and convenience of use.

About Nektar
Nektar Therapeutics is a research-based, development stage biopharmaceutical company whose mission is to discover and develop innovative medicines to address the unmet medical needs of patients. Our R&D pipeline of new investigational medicines includes treatments for cancer, auto-immune disease and chronic pain. We leverage Nektar's proprietary and proven chemistry platform in the discovery and design of our new therapeutic candidates. Nektar is headquartered in San Francisco, California, with additional operations in Huntsville, Alabama and Hyderabad, India. Further information about the company and its drug development programs and capabilities may be found online at http://www.nektar.com.

Cautionary Note Regarding Forward-Looking Statements
This press release contains forward-looking statements which can be identified by words such as: "will," "design," "continue," "may" and similar references to future periods. Examples of forward-looking statements include, among others, statements we make regarding the therapeutic potential

of bempegaldesleukin ("bempeg") in combination with nivolumab, the therapeutic potential of NKTR-255, and the availability of results and outcomes from clinical and preclinical studies of our new drug candidates. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, anticipated events and trends, and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results to differ materially from those indicated in the forward-looking statements include, among others: (i) our statements regarding the therapeutic potential of bempeg and NKTR-255 are based on preclinical and clinical findings and observations; (ii) bempeg and NKTR-255 are in early stage clinical development and the risk of failure remains high and failure can unexpectedly occur at any stage for one or more of the cancer indications being studied prior to regulatory approval due to lack of sufficient efficacy, safety considerations or other factors that impact drug development; (iii) data reported from ongoing preclinical and clinical trials are necessarily interim data only and the final results will change based on continuing observations; (iv) scientific discovery of new medical breakthroughs is an inherently uncertain process and the future success of potential new drug candidates (such as bempeg and NKTR-255) is therefore very uncertain and unpredictable; (v) the timing of the commencement or end of clinical studies and the availability of clinical data may be delayed or unsuccessful due to regulatory delays, slower than anticipated patient enrollment, manufacturing challenges, changing standards of care, evolving regulatory requirements, clinical trial design, clinical outcomes, delays caused by our collaboration partners, and enrollment competition; (vi) patents may not issue from our patent applications for our drug candidates, patents that have issued may not be enforceable, or additional intellectual property licenses from third parties may be required; and (vii) certain other important risks and uncertainties set forth in Nektar's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 7, 2019. Any forward-looking statement made by us in this press release is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

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2. Charych, D., et al., Clin Can Res; 22(3) February 1, 2016
3. Diab, A., et al., Journal for ImmunoTherapy of Cancer 2016, 4(Suppl 1): P369