BioAtla Announces Third Quarter 2021 Financial Results And Provides Clinical And Business Update

November 15, 2021

- Mecbotamab vedotin (BA3011) sarcoma Phase 2 interim data read-out on-schedule for year end. Phase 1 sarcoma data presented at recent CTOS 2021 annual meeting

- Mecbotamab vedotin (BA3011) and ozuriftamab vedotin (BA3021) continue to advance through Phase 2 in multiple indications

- CAB-CTLA-4 Phase 1/2 clinical trial planned to be initiated by year end

- Advancing several CAB bispecific and antibody drug conjugate ("ADC") product candidates in preclinical development

- Sheri Lydick, Celgene/BMS veteran, joins BioAtla to lead commercial strategy

- $75 million institutional private placement of common equity brings quarter ended cash balance to $270 million; expected to provide funding for operations into first half of 2024

SAN DIEGO, Nov. 15, 2021 /PRNewswire/ -- BioAtla, Inc. (Nasdaq: BCAB), a global clinical-stage biotechnology company focused on the development of Conditionally Active Biologic (CAB) antibody therapeutics, today announced financial results for the third quarter of 2021 and provided an update on its clinical progress and business.

"BioAtla continues to advance the progress of the potentially registration-enabling Phase 2 clinical trials for our two lead CAB product candidates as well as our other preclinical and pipeline programs. The increase in our financial resources in the third quarter through our equity placement provides the funding into the first half of 2024 to develop these key assets and the several additional ADC and bispecific CAB candidates in our development pipeline," stated Jay M. Short, Ph.D., Chairman, Chief Executive Officer and co-founder of BioAtla, Inc. "We are aggressively advancing all of our clinical programs and are on track for a sarcoma Phase 2 interim data read out by year-end for BA3011, CAB-AXL-ADC. Additionally, a clinical trial for CAB-CTLA-4 is expected to be initiated by the end of the year," added Scott Smith, President of BioAtla.

Advancing clinical trials for lead candidates

Mecbotamab Vedotin (BA3011)

We are developing BA3011, CAB-AXL-ADC, a conditionally and reversibly active antibody drug conjugate targeting the receptor tyrosine kinase AXL, as a potential therapeutic for multiple solid tumor types, including soft tissue and bone sarcoma, non-small cell lung cancer (NSCLC) and ovarian cancer, with other potential indications in the future. The Office of Orphan Drug Products (OODP) at FDA granted Orphan Drug Designation to BA3011 for the treatment of soft tissue sarcoma, and Phase 1 results in sarcoma patients were presented at the recent Connective Tissue Oncology Society (CTOS) 2021 Annual Meeting. BA3011 was generally well tolerated in this refractory sarcoma population. Few patients discontinued due to an adverse event (2 patients out of 26 or 7.7%). No clinically meaningful on-target toxicity to normal AXL-expressing tissue was observed. Dose-limiting toxicities were limited to monomethyl auristatin E (MMAE) conjugate-associated toxicity at the highest dose tested, including reversible neutropenia.The degree of AXL tumor membrane expression correlated with response to treatment. Of the seven sarcoma patients who had an AXL tumor membrane percent score of greater than or equal to 70, four of these obtained a confirmed partial response, including patients with leiomyosarcoma, undifferentiated pleomorphic sarcoma, and Ewing sarcoma. Prolonged response to therapy was observed in this ongoing study with the duration of response ranging from 33 to more than 60 weeks. Overall, mecbotamab vedotin may have a favorable benefit-risk profile, and importantly this is one of the few studies with a putative biomarker which is not only highly expressed in sarcomas, but also may help select patients across multiple sarcoma subtypes who may benefit from therapy. In the ongoing potentially registration-enabling sarcoma Phase 2 study, patients are enrolled for therapy by prescreening for AXL expression. We also are conducting a Phase 2 study (BA3011-002) in AXL high NSCLC patients who have previously progressed on PD-1/L1, EGFR, or ALK inhibitor therapy. We currently expect to have enrolled more than 70 patients by year end in our sarcoma Phase 2 trial in the U.S. Interim analyses in the sarcoma and NSCLC trials are anticipated this year and in early 2022, respectively. In addition, a multi-center investigator-initiated Phase 2 clinical trial of BA3011 in combination with a PD-1 inhibitor in patients with platinum-resistant ovarian cancer is expected to begin enrollment by year end.

BA3021 (Ozuriftamab Vedotin)

BA3021, CAB-ROR2-ADC, is a conditionally and reversibly active antibody drug conjugate directed against ROR2, a receptor tyrosine kinase that is overexpressed across many different solid tumors including lung, head and neck, melanoma and breast. We are developing BA3021 as a potential therapeutic for multiple solid tumor types, including NSCLC, melanoma, squamous cell cancer of the head and neck (SCCHN) and ovarian cancer. Based on Phase 1 data we believe BA3021 has broad potential as a cancer therapy for patients with advanced solid tumors that have previously progressed on a PD-1 inhibitor. We are enrolling a Phase 2 trial of BA3021 monotherapy or in combination with a PD-1 inhibitor in patients with ROR2 high melanoma who have previously progressed on PD-1/L1 inhibitor and patients with ROR2 high NSCLC who have previously progressed on PD-1/L1, EGFR or ALK inhibitor therapy. A Phase 2 study in patients with ROR2 high SCCHN is anticipated to enroll in early 2022. In addition, a multi-center investigator-initiated Phase 2 clinical trial of BA3021 in combination with a PD-1 inhibitor in patients with platinum-resistant ovarian cancer is expected to begin enrollment by year end.

BA3071

BA3071, is a CAB anti-CTLA-4 antibody that is being developed as an immuno-oncology agent with the goal of delivering efficacy comparable to the approved anti-CTLA-4 antibody, ipilimumab, but with lower toxicities due to the CAB's tumor microenvironment-restricted activation. The development of BA3071 is the subject of a 2019 Global Co-Development and Collaboration Agreement between BioAtla and BeiGene, Ltd. Like BA3011, BA3021 and our other CAB candidates, BA3071 is designed to be conditionally and reversibly activated in the tumor microenvironment via the Protein-associated Chemical Switch ™or PaCS ™mechanism discovered by BioAtla scientists. This proprietary system enables reduction of systemic toxicity and potentially enables safer combination therapies, such as with anti-PD-1 antibody checkpoint inhibitors in the case of BA3071. BA3071 is being developed as a potential therapeutic for multiple solid tumor indications, including renal cell carcinoma, NSCLC, small cell lung cancer, hepatocellular carcinoma, melanoma, bladder cancer, gastric cancer and cervical cancer. We are currently in advanced discussions with BeiGene regarding the

allocation of roles and responsibilities for global development and commercialization of BA3071 under our Global Co-Development and Collaboration Agreement with BeiGene. As part of these ongoing discussions, BeiGene is planning to initiate the transfer of the IND for BA3071 to BioAtla and BioAtla anticipates initiating the Phase I trial for BA3071 during 2021, with dosing commencing in the first half of 2022.

Plans to advance development of several bispecific CAB candidates

We have also leveraged our CAB technology to develop bispecific antibodies, which bind both a tumor-specific antigen and a T cell receptor (CD3) using CAB antigen-binding domains. With this design, bispecific antibodies can induce potent T cell responses against tumors expressing the tumor target antigen. We have shown in preclinical experiments that our CAB bispecific molecules meet or exceed the activity of conventional bispecifics and reduce systemic activation of potentially severe immune responses. We are conducting IND-enabling studies for two CAB bispecific antibody product candidates, EpCAM/CD3 and B7-H3/CD3, and presently plan to file INDs in mid-2022 and by year end 2022, respectively. We also are evaluating additional candidates including EGFR and Nectin-4 for CAB CD3 bispecific modalities. Nectin-4 is also progressing as a CAB ADC candidate. Overall, we are advancing multiple pre-clinical assets with the potential to submit up to four US INDs over the next 18 months for our CAB bispecific or ADC molecules.

Sheri Lydick joins to lead commercial strategy

BioAtla is building its capabilities to plan for and execute the commercial launches of its CAB portfolio of product candidates. A key element of this strategy is the recent hiring of Sheri Lydick as the company's Senior Vice President, Commercial Strategy. Ms. Lydick will be leading commercial strategy, which includes long-range portfolio planning, assessing strategic business opportunities and delivering on these plans. Ms. Lydick has more than 20 years of leadership and commercialization experience in the biotechnology and pharmaceutical industry. In her most recent role at Bristol-Meyers Squibb Company, Ms. Lydick was responsible for building the sales and marketing teams and leading the commercial launch of Zeposia® across multiple therapeutic areas (multiple sclerosis and ulcerative colitis). In her twelve years (2007-2019) at Celgene her leadership role expanded from Director of Global Marketing for the Inflammation and Immunology (I&I) Franchise to Executive Director, US Rheumatology Lead, to Vice President, US Commercial Lead for Zeposia®. Among her accomplishments, she was instrumental in building Celgene's Inflammation and Immunology franchise and led the planning and launch of the multi-billion dollar drug Otezla®. BioAtla president Scott Smith commented, "Sheri has deep experience and success in global commercial marketing and sales and in building and leading multidisciplinary teams. We are excited for her to bring that expertise to BioAtla."

Third quarter 2021 financial results

Cash and cash equivalents as of September 30, 2021 were $269.9 million. We expect current cash and cash equivalents will be sufficient to fund planned operations into the first half of 2024. In September 2021, we executed a private placement of common stock yielding gross proceeds of $75.0 million before deducting placement agent fees and other offering expenses. The investors included both current and new institutional investors.

Research and development (R&D) expenses were $16.6 million for the quarter ended September 30, 2021 compared to $4.9 million for the same quarter in 2020. We expect our R&D expenses to increase substantially for the foreseeable future as we continue to invest in R&D activities to advance our product candidates, and our clinical programs and expand our product candidate pipeline.

General and administrative (G&A) expenses were $7.1 million for the quarter ended September 30, 2021 compared to $3.3 million for the same quarter in 2020. We expect our G&A expenses to increase as a result of operating as a public company. In addition, we expect our intellectual property expenses to increase as we expand our intellectual property portfolio.

Net loss for the third quarter ended September 30, 2021 was $22.9 million compared to a net loss of $11.6 million for the same quarter in 2020. Net cash used in operating activities for the first nine months of 2021 was $41.3 million compared to net cash used in operating activities of $22.3 million for the same period in 2020.

About BioAtla, Inc.

BioAtla is a global clinical-stage biotechnology company with operations in San Diego, California, and in Beijing, China through our contractual relationship with BioDuro-Sundia, a provider of preclinical development services. Utilizing its proprietary Conditionally Active Biologics (CAB) technology, BioAtla develops novel, reversibly active monoclonal antibody and other protein therapeutic product candidates. CAB product candidates are designed to have more selective targeting, greater efficacy with lower toxicity, and more cost-efficient and predictable manufacturing than traditional antibodies. BioAtla has extensive and worldwide patent coverage for its CAB technology and products with more than 500 patents, more than 250 of which are issued. Broad patent coverage in all major markets include methods of making, screening and manufacturing CAB product candidates in a wide range of formats and composition of matter coverage for specific products. BioAtla has two first-in-class CAB programs currently in Phase 2 clinical testing in the United States, mecbotamab vedotin, BA3011, a novel conditionally active AXL-targeted antibody-drug conjugate (CAB-AXL-ADC), and ozuriftamab vedotin, BA3021, a novel conditionally active ROR2-targeted antibody-drug conjugate (CAB-ROR2-ADC). The investigational CAB-CTLA-4 antibody, BA3071, is a novel CTLA-4 inhibitor designed to reduce systemic toxicity and potentially enable safer combination therapies with checkpoint inhibitors such as anti-PD-1 antibody. To learn more about BioAtla, Inc. visit www.bioatla.com.

Forward-looking statements

Statements in this press release contain "forward-looking statements" that are subject to substantial risks and uncertainties. Forward-looking statements contained in this press release may be identified by the use of words such as "anticipate," "expect," "believe," "will," "may," "should," "estimate," "project," "outlook," "forecast" or other similar words. Examples of forward-looking statements include, among others, statements we make regarding our business plans and prospects, expectations about the sufficiency of our cash and cash equivalents, expected R&D and G&A expenses, the timing and success of our clinical trials and related data, and plans to advance development of several bispecific CAB candidates, including the timing of potential IND submissions. Forward-looking statements are based on BioAtla's current expectations and are subject to inherent uncertainties, risks and assumptions, many of which are beyond our control, difficult to predict and could cause actual results to differ materially from what we expect. Further, certain forward-looking statements are based on assumptions as to future events that may not prove to be accurate. Factors that could cause actual results to differ include, among others: potential delays in clinical and pre-clinical trials due to the global COVID-19 pandemic; other potential adverse impacts due to the global COVID-19 pandemic such as delays in regulatory review, manufacturing and supply chain interruptions, adverse effects on healthcare systems and disruption of the global economy; our dependence on the success of our CAB technology platform; our ability to enroll patients in our ongoing and future clinical trials; the success of our current and future collaborations with third parties; our reliance on third parties for the manufacture and supply our product candidates for clinical trials; our reliance on third parties to conduct our clinical trials and some aspects of our research and preclinical testing; and those other risks and uncertainties described in the section titled "Risk Factors" in our Annual Report on Form 10-K filed with the Securities and Exchange Commission (SEC) on March 24, 2021 and in our Quarterly Reports on Form 10-Q filed

with the SEC on May 12, 2021, August 13, 2021, and November 15, 2021 and other reports as filed with the SEC. Forward-looking statements contained in this press release are made as of this date, and BioAtla undertakes no duty to update such information except as required under applicable law.

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BioAtla, Inc.
Unaudited Condensed Consolidated Statements of Operations and Comprehensive Loss
(in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Collaboration and other revenue	$ —	$ 150	$ 250	$ 429
Operating expenses:				
Research and development expense	16,553	4,864	41,826	9,448
General and administrative expense	7,142	3,301	31,376	4,625
Total operating expenses	23,695	8,165	73,202	14,073
Loss from operations	(23,695)	(8,015)	(72,952)	(13,644)
Other income (expense):				
Interest income	76	31	254	37
Interest expense	—	(86)	(3)	(1,387)
Change in fair value of derivative liability	—	(853)	—	(1,581)
Gain (loss) on extinguishment of long-term debt	690	(2,709)	690	(2,883)
Other income (expense)	(1)	—	(1)	—
Total other income (expense)	765	(3,617)	940	(5,814)
Consolidated net loss and comprehensive loss	$ (22,930)	$ (11,632)	$ (72,012)	$ (19,458)

BioAtla, Inc.
Condensed Consolidated Balance Sheets Data
(in thousands)

	September 30, 2021	December 31, 2020
	(unaudited)	
Cash and cash equivalents	$ 269,925	$ 238,605
Total assets	277,579	244,937
Total current liabilities	45,227	32,261
Total liabilities	49,926	34,963
Total stockholders' equity	230,653	209,974
Total liabilities and stockholders' equity	277,579	244,937

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