NEWS RELEASE

Inovio Pharmaceuticals Reports 2017 Fourth Quarter and Year End Financial Results

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PLYMOUTH MEETING, Pa., March 14, 2018 (GLOBE NEWSWIRE) -- Inovio Pharmaceuticals, Inc. (NASDAQ:INO) today reported financial results for the fourth quarter and year ended December 31, 2017.

Total revenue was $8.8 million and $42.2 million for the quarter and year ended December 31, 2017, respectively, as compared to $8.5 million and $35.4 million for the same periods in 2016.

Total operating expenses for the quarter and year ended December 31, 2017 were $31.7 million and $125.9 million, respectively, as compared to $30.9 million and $111.6 million for the same periods in 2016.

The net loss attributable to common stockholders for the quarter and year ended December 31, 2017 was $21.5 million, or $0.24 per basic share, and $88.2 million, or $1.08 per basic share, respectively, as compared to a net loss attributable to common stockholders of $26.2 million, or $0.35 per basic share, and $73.7 million, or $1.01 per basic share, for the same periods in 2016.

Revenue

The increase in revenue for 2017 compared to 2016 was primarily due to higher revenues recognized under our collaborative research and development agreement with MedImmune. The previously deferred portion of an up-front payment received in September 2015, and other deferred amounts, totaling $13.8 million in the aggregate, were recognized in June 2017 upon MedImmune's selection of the first cancer research collaboration product candidate. We also received a $7.0 million milestone payment in December 2017 for the initiation of the Phase 2 portion of an ongoing MEDI0457 clinical trial, which amount was fully recognized as revenue upon receipt. We also recognized an additional $1.2 million of revenue under our prior collaboration with Roche, as all remaining deferred revenue was recognized upon termination of that collaboration agreement in 2017. These increases in revenue under collaborative research and development arrangements were offset in part by lower revenues recognized from our DARPA Ebola grant and DARPA sub-contract for the treatment of infectious diseases.

Operating Expenses

Research and development expenses for the quarter and year ended December 31, 2017 were $24.6 million and $98.6 million, respectively, as compared to $23.9 million and $88.7 million for the same periods in 2016. The year over year increase in R&D expenses was primarily related to an increase in employee headcount to support our R&D and clinical trial activities. General and administrative expenses for the quarter and year ended December 31, 2017 were $8.0 million and $28.3 million, respectively, compared to $7.0 million and $23.9 million for the same periods in 2016. The increase in G&A expenses for the year was primarily related to an increase in employee headcount and non-cash stock based compensation.

Capital Resources

As of December 31, 2017, cash and cash equivalents and short-term investments were $127.4 million compared with $104.8 million as of December 31, 2016. As of December 31, 2017, the Company had 90.4 million common shares outstanding and 99.6 million common shares outstanding on a fully diluted basis, after giving effect to outstanding options, warrants, restricted stock units and convertible preferred stock.

Inovio's balance sheet and statement of operations are provided below. Inovio's Annual Report on Form 10-K providing the complete 2017 annual financial report can be found at: **http://ir.inovio.com/investors/financial-reports/default.aspx**.

Corporate Update

VGX-3100: Cervical Precancer (Phase 3)

Since last June when Inovio commenced its pivotal Phase 3 clinical program to evaluate the efficacy of VGX-3100, Inovio's DNA-based immunotherapy lead product candidate designed to treat cervical dysplasia (a precancerous condition) caused by human papillomavirus, the Company has already opened more than 50 U.S. trial sites and initiated nearly 10 trial sites internationally – to recruit patients.

In November 2017, Inovio provided post-hoc analysis of data generated from its Phase 2b trial of VGX-3100 in which the Company identified biomarker signatures which predicted success of VGX-3100 treatment as early as two weeks after the completion of treatment at week 14, which was a full 22 weeks prior to the formal efficacy assessment. These biomarkers could aid physicians in guiding patient care during treatment using VGX-3100.

In December 2017, Inovio entered into an Amended and Restated License and Collaboration Agreement with ApolloBio Corporation, which is expected to become effective in the first quarter of 2018 upon approval by ApolloBio's stockholders and receipt of other regulatory approvals. Under the terms of the agreement, Inovio granted to ApolloBio the exclusive right to develop and commercialize VGX-3100 in Greater China, including Hong Kong, Macao and Taiwan. The territory may be expanded to include Korea

in the event that no patent covering VGX-3100 issues in China within the three years following the effective date of the agreement. Under the agreement, ApolloBio will pay Inovio an upfront payment of $23.0 million. In addition to the upfront payment, Inovio is entitled to receive up to an aggregate of $20.0 million upon the achievement of specified milestones related to the regulatory approval of VGX-3100 in the United States, China and Korea as well as tiered double-digit royalties on product sales.

INO-5401: Bladder Cancer (Phase 1b/2)

INO-5401 is Inovio's T cell activating immunotherapy encoding for WT1, hTERT and PSMA, three of the top cancer antigens as determined by the National Cancer Institute.

In November 2017, Inovio published the results of preclinical studies in which researchers observed a synergistic effect in combining our TERT (telomerase reverse transcriptase) cancer immunotherapy with a checkpoint inhibitor. In a mouse tumor model, the combination resulted in robust anti-tumor effects and significant improvement in survival compared to either therapy alone. These results were detailed in a paper published in Molecular Therapy entitled, "Synergy of Immune Checkpoint Blockade with a Novel Synthetic Consensus DNA Vaccine Targeting TERT". This published paper highlights the potential benefits of DNA immunotherapy/immune checkpoint blockade combinations using PD-1 or CTLA4 checkpoint inhibitors in patients that respond poorly to immune checkpoint blockade alone, allowing for improved rational design of potential combination therapies. These preclinical results also suggest that the synergistic anti-tumor effect is due to the effect of immune checkpoint blockade on expanding effector T cells generated from the TERT therapy in the tumor microenvironment.

In October 2017, Inovio initiated a Phase 1b/2 immuno-oncology trial to evaluate Genentech/Roche's PD-L1 checkpoint inhibitor atezolizumab (TECENTRIQ®) in combination with INO-5401 and another of Inovio's product candidates, INO-9012, an immune activator encoding IL-12. The multi-center, open-label trial is evaluating safety, immune response and clinical efficacy in approximately 80 patients with advanced bladder cancer, specifically advanced unresectable or metastatic urothelial carcinoma. The majority of the patients to be enrolled in the trial will have previously received and failed to demonstrate meaningful response to an anti-PD-1 or PD-L1 checkpoint inhibitor alone.

INO-5401: Glioblastoma (Phase 1b/2a)

In November 2017, Inovio initiated a Phase 1b/2a immuno-oncology trial to evaluate Regeneron's PD-1 checkpoint inhibitor cemiplimab (REGN2810) in combination with INO-5401 and INO-9012. The open-label trial is evaluating safety, immune response and clinical efficacy in approximately 50 patients with newly diagnosed glioblastoma multiforme (GBM), an aggressive brain cancer.

MEDI0457: Head & Neck Cancer (Phase 1/2)

In December 2017, Inovio received a $7.0 million milestone payment from MedImmune as MEDI0457 (formerly called INO-3112, which MedImmune in-licensed from Inovio) in combination with durvalumab (MEDI4736) completed the Phase 1 safety review

portion of the study and has advanced to the Phase 2 efficacy stage of the trial. As part of a $700 million 2015 license and collaboration agreement, MedImmune, the global biologics research and development arm of AstraZeneca, is evaluating MEDI0457 in combination with durvalumab, its PD-L1 checkpoint inhibitor, in patients with recurrent/metastatic HPV-associated head and neck squamous cancer (HNSCC) in a clinical trial with an estimated enrollment of 50 patients.

Parker Institute for Cancer Immunotherapy Collaboration

In January 2018, Inovio and the Parker Institute for Cancer Immunotherapy (PICI) entered into a clinical collaboration agreement to undertake clinical evaluation of novel combination regimens within the field of immuno-oncology. Under the agreement, PICI will have responsibility for clinical study execution, working in collaboration with its established network of clinical academic and industry cancer centers. Based on PICI's novel approach to accelerating studies of cancer immunotherapies, the initial studies will also be funded by PICI. Inovio, in turn, would provide financial contributions back to PICI if any of Inovio's product candidates studied under the collaboration reaches the initiation of a Phase 3 clinical trial. The collaboration with Inovio represents PICI's first agreement within the field of DNA-based Immunotherapeutics.

Infectious Disease Vaccines

In January 2018, Inovio announced results from a preclinical study in which the Company's synthetic vaccine approach, using a collection of synthetic DNA antigens, generated broad protective antibody responses against all major deadly strains of H1N1 influenza viruses from the last 100 years, including the virus that caused "Spanish Flu" in 1918, in multiple animal models, including mice, guinea pigs and non-human primates. These preclinical study results were detailed in a paper published in the journal Vaccine entitled, "Broad cross-protective anti-hemagglutination responses elicited by influenza microconsensus DNA vaccine". In addition to the universal H1N1 flu vaccine program, Inovio is also developing similar universal flu vaccine approaches to cover all H3N2 and Type B flu viruses.

In early 2018, Inovio announced it will collaborate with The Wistar Institute to advance two novel SynCon® vaccine programs against tuberculosis (TB) and malaria, fully funded by more than $4.6 million in total grants from the Bill & Melinda Gates Foundation and the National Institutes of Health (NIH). Grants from the Gates Foundation (for malaria) and from the National Institute of Allergy & Infectious Diseases (for TB) will support Inovio's efforts to develop new DNA vaccines employing its novel and versatile ASPIRE (Antigen SPecific Immune REsponses) platform that is leading the way forward for activation immunotherapy. The ASPIRE platform delivers optimized synthetic antigenic genes into cells, where they are translated into protein antigens that activate an individual's immune system to generate robust targeted T cell and antibody responses.

Conference Call / Webcast Information

Inovio's management will host a live conference call and webcast at 4:30 p.m. Eastern Time today to discuss Inovio's financial results and provide a general business update.

The live webcast and a replay may be accessed by visiting the Company's website at **http://ir.inovio.com/investors/events/default.aspx**. Please connect to the Company's website at least 15 minutes prior to the live webcast to ensure adequate time for any software download that may be needed to access the webcast. Telephone replay will be available approximately two hours after the call at 877-481-4010 (domestic) or 919-882-2331 (international) using replay ID 26416.

About Inovio Pharmaceuticals, Inc.

Inovio is taking immunotherapy to the next level in the fight against cancer and infectious diseases. We are the only immunotherapy company that has reported generating T cells in vivo in high quantity that are fully functional and whose killing capacity correlates with relevant clinical outcomes with a favorable safety profile. With an expanding portfolio of immunotherapies, the Company is advancing a growing preclinical and clinical stage product pipeline. Partners and collaborators include MedImmune, Regeneron, Genentech, The Wistar Institute, University of Pennsylvania, DARPA, GeneOne Life Science, Plumbline Life Sciences, ApolloBio Corporation, Drexel University, National Microbiology Laboratory of the Public Health Agency of Canada, NIH, HIV Vaccines Trial Network, NIAID, U.S. Army Medical Research Institute of Infectious Diseases and U.S. Military HIV Research Program. For more information, visit **www.inovio.com**.

This press release contains certain forward-looking statements relating to our business, including our plans to develop electroporation-based drug and gene delivery technologies and DNA vaccines, our expectations regarding our research and development programs, including the planned initiation and conduct of clinical trials and the availability and timing of data from those trials, our expectations regarding the closing of the agreement with ApolloBio and the sufficiency of our capital resources. Actual events or results may differ from the expectations set forth herein as a result of a number of factors, including uncertainties inherent in pre-clinical studies, clinical trials and product development programs, the availability of funding to support continuing research and studies in an effort to prove safety and efficacy of electroporation technology as a delivery mechanism or develop viable DNA vaccines, our ability to support our pipeline of SynCon® active immunotherapy and vaccine products, the ability of our collaborators to attain development and commercial milestones for products we license and product sales that will enable us to receive future payments and royalties, the adequacy of our capital resources, the availability or potential availability of alternative therapies or treatments for the conditions targeted by us or our collaborators, including alternatives that may be more efficacious or cost effective than any therapy or treatment that we and our collaborators hope to develop, issues involving product liability, issues involving patents and whether they or licenses to them will provide us with meaningful protection from others using the covered technologies, whether such proprietary rights are enforceable or defensible or infringe or allegedly infringe on rights of others or can withstand claims of invalidity and whether we can finance or devote other significant resources that may be necessary to prosecute, protect or defend them, the level of corporate expenditures, assessments of our technology by potential corporate or other partners or collaborators, capital market

conditions, the impact of government healthcare proposals and other factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2017, and other regulatory filings we make from time to time. There can be no assurance that any product candidate in our pipeline will be successfully developed, manufactured or commercialized, that final results of clinical trials will be supportive of regulatory approvals required to market licensed products, or that any of the forward-looking information provided herein will be proven accurate. Forward-looking statements speak only as of the date of this release, and we undertake no obligation to update or revise these statements, except as may be required by law.

Inovio Pharmaceuticals, Inc.
CONSOLIDATED BALANCE SHEETS

	December 31,	
	2017	2016
ASSETS		
Current assets:		
Cash and cash equivalents	$ 23,786,579	$ 19,136,472
Short-term investments	103,638,844	85,629,412
Accounts receivable	6,003,205	15,821,511
Accounts receivable from affiliated entities	486,619	748,355
Prepaid expenses and other current assets	2,600,906	1,749,059
Prepaid expenses and other current assets from affiliated entities	1,846,007	1,512,424
Total current assets	138,362,160	124,597,233
Fixed assets, net	18,320,176	9,025,446
Investment in affiliated entity - GeneOne	9,069,401	16,052,065
Investment in affiliated entity - PLS	2,325,079	3,777,510
Intangible assets, net	6,009,729	7,628,394
Goodwill	10,513,371	10,513,371
Other assets	2,639,354	2,113,147
Total assets	$ 187,239,270	$ 173,707,166
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 23,278,798	$ 19,597,787
Accounts payable and accrued expenses due to affiliated entities	926,943	1,072,579
Accrued clinical trial expenses	8,611,892	6,368,389
Common stock warrants	360,795	1,167,614
Deferred revenue	1,175,353	14,762,720
Deferred revenue from affiliated entities	174,110	407,292
Deferred rent	877,535	446,646
Total current liabilities	35,405,426	43,823,027
Deferred revenue, net of current portion	215,853	317,808
Deferred revenue from affiliated entities, net of current portion	—	86,694
Deferred rent, net of current portion	9,104,416	5,926,424
Deferred tax liabilities	24,766	174,793
Total liabilities	44,750,461	50,328,746
Commitments and contingencies		
Inovio Pharmaceuticals, Inc. stockholders' equity:		
Preferred stock—par value $0.001; Authorized shares: 10,000,000, issued and outstanding shares: 23 at December 31, 2017 and December 31, 2016	—	—
Common stock—par value $0.001; Authorized shares: 600,000,000 at December 31, 2017 and December 31, 2016, issued and outstanding: 90,357,644 at December 31, 2017 and 74,062,370 at December 31, 2016	90,358	74,062
Additional paid-in capital	665,775,504	556,718,356
Accumulated deficit	(523,356,317)	(434,838,235)
Accumulated other comprehensive income (loss)	(117,005)	1,327,968

Total Inovio Pharmaceuticals, Inc. stockholders' equity	142,392,540	123,282,151
Non-controlling interest	96,269	96,269
Total stockholders' equity	142,488,809	123,378,420
Total liabilities and stockholders' equity	$ 187,239,270	$ 173,707,166

Inovio Pharmaceuticals, Inc.
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Year ended December 31,		
	2017	2016	2015
Revenues:			
Revenue under collaborative research and development arrangements	$ 28,407,388	$ 6,490,747	$ 26,876,533
Revenue under collaborative research and development arrangements with affiliated entities	765,828	1,400,594	779,167
Grants and miscellaneous revenue	10,474,539	27,136,457	12,916,411
Grants and miscellaneous revenue from affiliated entity	2,572,331	340,563	—
Total revenues	42,220,086	35,368,361	40,572,111
Operating expenses:			
Research and development	98,572,618	88,712,035	57,791,923
General and administrative	28,290,369	23,892,263	18,063,890
Gain on sale of assets	(1,000,000)	(1,000,000)	(1,000,000)
Total operating expenses	125,862,987	111,604,298	74,855,813
Loss from operations	(83,642,901)	(76,235,937)	(34,283,702)
Other income (expense):			
Interest and other income, net	1,612,974	1,257,257	305,071
Change in fair value of common stock warrants	806,819	127,554	177,561
Gain (loss) on investment in affiliated entity	(6,982,664)	1,110,787	2,600,467
Net loss before income tax benefit	(88,205,772)	(73,740,339)	(31,200,603)
Income tax benefit	—	—	2,097,766
Net loss	(88,205,772)	(73,740,339)	(29,102,837)
Net income attributable to non-controlling interest	—	—	(84,769)
Net loss attributable to Inovio Pharmaceuticals, Inc.	$ (88,205,772)	$ (73,740,339)	$ (29,187,606)
Net loss per common share attributable to Inovio Pharmaceuticals, Inc. stockholders			
Basic	$ (1.08)	$ (1.01)	$ (0.43)
Diluted	$ (1.09)	$ (1.01)	$ (0.44)
Weighted average number of common shares outstanding used in per share calculations:			
Basic	81,777,493	73,214,766	68,198,142
Diluted	81,918,022	73,214,766	68,365,265

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Source: Inovio Pharmaceuticals, Inc.