

# Alligator Bioscience AB ((Nasdaq Stockholm; ATORX)

## Interim report January – June 2017

“We have advanced our project pipeline significantly during the second quarter. The immuno-oncology antibody ATOR-1017 moved into pre-clinical development, and in addition, Alligator increased its focus on the co-stimulatory receptor 4-1BB with a co-development partnership agreement with Aptevo Therapeutics Inc. on the bispecific antibody ALG.APV-527. Our pipeline is now stronger than ever with four candidates for tumor-directed immunotherapy in clinical and pre-clinical development” said Per Norlén, CEO.

### Q2 in brief

#### Business highlights

- > In May, new pre-clinical data for ADC-1013, and the wholly-owned bi-specific OX40- and CTLA-4-binding antibody ATOR-1015, was presented.
- > In June, pre-clinical development of the 4-1BB targeting immuno-oncology antibody ATOR-1017, was initiated.

#### Significant events after the reporting period

- > In July, Aptevo Therapeutics and Alligator Bioscience entered into an agreement to co-develop the bispecific antibody ALG.APV-527.
- > In July, Alligator announced that the immuno-oncology collaboration with Stanford University will be expanded. The objective is to enable prediction of clinical efficacy of Alligator's pipeline candidates through the analysis of biomarkers
- > In August, pre-clinical development and initial CMC activities for production of clinical material for ALG.APV-527 was initiated.

#### Financial summary

- > Net sales MSEK 1.3 (3.8).
- > Operating result for the period MSEK -29.5 (-47.7).
- > Profit/loss for the period MSEK -31.0 (-45.1).
- > Earnings per share SEK -0.43 (-0.76).
- > Cash and cash equivalents MSEK 541 (363).

### First half year in brief

#### Business highlights

- > First clinical phase I study with immuno-oncology CD40 agonist antibody ADC-1013 completed in March.
- > The company has increased the number of employees with 11%, all in R & D.
- > During the first quarter the second production phase was started for ATOR-1015.

#### Financial summary

- > Net sales MSEK 3.8 (47.1).
- > Operating result for the period MSEK -48.6 (-23.6).
- > Profit/loss for the period MSEK -50.5 (-21.5).
- > Earnings per share SEK -0.71 (-0.36).
- > Cash flow for the period MSEK -116.1 (-4.7) whereof MSEK 74.5 has been invested in bonds.
- > 1 275 000 (208 000) warrants have been redeemed to an equal number of shares during the first six months.

## Financial summary (Group)

	2017 Apr-Jun	2016 Apr-Jun	2017 Jan-Jun	2016 Jan-Jun	2016 Jan-Dec
Net sales, TSEK (SEK thousand)	1 283	3 787	3 806	47 147	58 240
Operating profit/losst	-29 452	-47 678	-48 573	-23 587	-56 082
Profit/loss for the period, TSEK	-31 000	-45 062	-50 502	-21 463	-48 356
Cash flow for the period, TSEK	-97 221	16 555	-116 070	-4 747	287 135
Cash and cash equivalents, TSEK	540 515	362 777	540 515	362 777	659 136
Equity ratio, %	97%	95%	97%	95%	96%
R&D costs as % of operating costs excluding impairments	71.0%	67.0%	69.6%	62.3%	64.3%
Earnings per share before dilution, SEK	-0.43	-0.76	-0.71	-0.36	-0.80
Earnings per share after dilution, SEK	-0.43	-0.76	-0.71	-0.36	-0.80
Average number of employees	41	32	39	30	31

## Invitation to teleconference

The company invites to a teleconference and webcast today 23 August at 2:00 pm CEST. To participate in the teleconference, call +46 (0)8 56642669 (Sweden), +442030089804 (UK) or +18557532235 (US).

To follow the presentation through the webcast, please visit:

<https://tv.streamfabriken.com/alligator-bioscience-q2-2017>.

## Contacts

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## 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](http://www.alligatorbioscience.com).