Q1

ALLIGATOR bioscience

INTERIM REPORT JANUARY-MARCH 2018

Positive preclinical data for ATOR-1015

Significant events January-March 2018

- Alligator Bioscience recorded a revenue of USD 6 million from Janssen, coupled to a decision to start combination study with ADC-1013/JNJ-7107.
- Theradex Oncology contracted as clinical CRO (Clinical Research Organization) for the upcoming clinical study with ATOR-1015.
- Anudharan Balendran appointed VP Business Development starting 1 May 2018.
- Janssen clinical Phase I study with ADC-1013 ongoing.

Events after the end of the period

- Positive preclinical data presented that confirm the intended ATOR-1015 mechanism of action.

Financial summary

January-March

- Net Sales, SEK 0.8 million (2.5).
- Operating result, SEK -44.0 million (-19.1).
- Result for the period, SEK -42.2 million (-19.5).
- Result per share, SEK -0.59 (-0.27).
- Cash, cash equivalents and bonds, SEK 549 million (547).
- Cash flow for the period SEK 0,8 million (-18,8)

"Data provide strong support for our claims that ATOR-1015 is a next generation bispecific CTLA-4 antibody with tumor-directed properties."

See CEO Per Norlén's comments on page 2.

Financial summary (Group)

	2018 Jan-Mar	2017 Jan-Mar	2017 Jan-Dec
Net sales, TSEK (SEK thousand)	776	2,523	56,875
Operating profit/loss	-43,994	-19,121	-62,299
Profit/loss for the period, TSEK	-42,209	-19,502	-63,758
Cash flow for the period, TSEK	773	-18,849	-183,173
Cash, cash equivalents and bonds, TSEK	548,652	639,739	547,041
Equity ratio, %	96%	98%	96%
R&D costs as % of operating costs excluding impairments	87.7%	68%	73%
Earnings per share before dilution, SEK	-0.59	-0.27	-0.89
Earnings per share after dilution, SEK	-0.59	-0.27	-0.89
Average number of employees	48	38	42

For further information, please contact:
Per Norlén, CEO, per.norlen@alligatorbioscience.com, +46 46 286 42 80.
Per-Olof Schrewelius, CFO, per-olof.schrewelius@alligatorbioscience.com, +46 46 286 42 85.
Cecilia Hofvander, Director IR & Communications, cecilia.hofvander@alligatorbioscience.com, +46 46 286 44 95.

Alligator Bioscience AB (publ) 556597-8201
Medicon Village, Scheelevägen 2, 223 81 Lund, Sweden
Phone +46 46 286 42 80. www.alligatorbioscience.com

The information was submitted for publication, through the agency of the contact persons set out above, on 26 April at 3:00 p.m. CEST.

Comments from the CEO

Alligator had a busy start to the year, with a development milestone received for ADC-1013/JNJ-7107, triggered by the decision to initiate a clinical combination trial of ADC-1013 with one of our partner Janssen's proprietary PD-1 inhibitors. In addition, we welcomed new members to the management team and presented the company in San Francisco at the Annual Biotech Showcase conference, all within the first 10 days of the first quarter.

In January, we received a USD 6 million milestone payment for ADC-1013/JNJ-7107 as part of our collaboration with Janssen which encompasses milestone payments up to a potential total value of USD 695 million plus tiered royalties on future world-wide net sales. The milestone received in January is the first out of a number of pre-defined milestones related to the start of combination or phase II studies with an aggregated potential value of USD 35 million.

We are very enthusiastic about the upcoming combination trial with PD-1, particularly as CD40 is the only well-defined immuno-oncology target that selectively activates antigen presenting cells. ADC-1013/JNJ-7107 is therefore expected to act synergistically with T-cell activating agents like PD-1 blockers. The potential for synergy is also strongly supported by pre-clinical data. If this translates to the clinic, it could create new treatment opportunities for many cancer patients.

A broadening clinical pipeline

Later in January we appointed Theradex Oncology, a global clinical oncology CRO, to conduct the planned phase I study of ATOR-1015, a key step in bringing this promising compound to patients. We have a long-standing and successful collaboration with Theradex on ADC-1013. Based on its robust delivery and extensive expertise in clinical oncology research, we are confident that it will support us in executing a high quality clinical trial for ATOR-1015.

New preclinical data for ATOR-1015 was presented at AACR on April 17. These data provide strong support for our claims that ATOR-1015 is a next generation bispecific CTLA-4 antibody with tumor-directed properties. The latter means that ATOR-1015 has the ability to localize CTLA-4 dependent immune activation to the tumor area and reduce the side effects of CTLA-4 in the rest of the system. This will be critical for combination regimens with PD-1 blockers, which are currently limited by severe systemic toxicity.

The total sales of immuno-oncology checkpoint inhibitors in 2017 amounted to more than USD 10 billion. ATOR-1015 is the first bispecific tumor-directed CTLA-4 antibody developed, and has been designed to selectively activate the relevant part of the immune system and to add CTLA-4 activity without toxicity. With these unique properties, ATOR-1015 has a great potential to gain a significant market share.

Enhancing our capabilities

We have continued to expand our R&D operations and management team. In January we welcomed our new Chief Medical Officer, Charlotte Russell, and new Head of Discovery, Dr Peter Ellmark. Dr Russell brings extensive experience in the clinical development of immuno-oncology antibodies, most recently at Genmab, and now leads our clinical unit in the preparations for bringing ATOR-1015 to patients. Dr Ellmark is responsible for Alligator´s emerging pipeline of next generation immuno-oncology agents. We also appointed Anu Balendran, PhD, as Vice President Business Development, who will join from AstraZeneca in May 2018.

With this experienced team in place, and our internal capacity for CMC (chemistry, manufacturing and control) and cell line development expanded, we are well on the way to establishing Alligator as an industry leader in the development of tumor-directed immunotherapies. We now look forward to a very exciting second quarter when we will present data for all three preclinical projects; ATOR-1015, ATOR-1017 and ALG.APV-527.

We are delighted to announce that we will hold our first Capital Markets Day on May 29 in Stockholm for investors, analysts and media. The event will provide a detailed update on Alligator's project pipeline, including a future outlook on the development of immuno-oncology antibodies. This will be an exciting opportunity for us to showcase Alligator's achievements and future potential. The event and presentations will be available to all those interested through a webcast available on our website.

Per Norlén
CEO Alligator Bioscience AB (publ)

26 April 2018

Operations

Alligator Bioscience AB is a public Swedish biotech company specialized in the development of novel immuno-oncology drugs for tumor-targeted immunotherapy, with the aim of providing effective treatment for seriously ill cancer patients with fewer side effects. The strategy is to develop drug candidates that selectively stimulate the immune system in the region of the tumor, rather than the whole body. There is a major unmet medical need in this area for novel and improved therapies.

The drugs are developed in Alligator's laboratory, by the company's own personnel. All of the expertise required for running successful projects is represented. To make the process as competitive and time-efficient as possible, some of this work is also carried out in collaboration with other biotech companies, leading international immuno-oncology research institutions and specialists with resources in, for example, drug manufacturing.

Alligator's organization

With a growing project portfolio and an ever-increasing organization, in January 2018 Alligator reached a point for re-organization of the research organization. The re-organization is aimed at maintaining the highest possible rate of development and quality across the entire drug development chain.

The new research units are Discovery, Preclinical and Clinical. The Discovery Unit is responsible for early-stage research projects through to the identification of a drug candidate. This usually involves the preparation and evaluation of treatment concepts, the evaluation of potential drug candidates and early-stage efficacy testing. The Preclinical Unit is responsible for the final optimization, manufacture of clinical trial materials and compilation of a sufficient data package to submit a clinical trial application. The Clinical Unit assumes responsibility when the drug candidate has advanced to Phase I study and for the subsequent clinical development until out-licensing.

The Management Team has been expanded to reflect the new units. Dr. Peter Ellmark (VP Discovery) is Head of the Discovery Unit, Dr. Christina Furebring (SVP Research) Head of the Preclinical Unit and Dr. Charlotte Russell (Chief Medical Officer) Head of the Clinical Unit. In addition, Alligator has appointed Dr. Anu Balendran as VP Business Development to take Alligator's preclinical projects through to out-licensing. Dr. Balendran will assume his position on May 1, 2018.

The Alligator project portfolio

ADC-1013	ATOR-1015	ATOR-1017	ALG.APV-527	Discovery
				
Outlicensed to Janssen	**Run by Alligator**	**Run by Alligator**	**Co-development Aptevo**	**Run by Alligator**
ADC-1013 is an immunostimulating antibody (CD40), developed for the treatment of metastatic cancer. The drug candidate has been out-licensed to Janssen (a pharmaceutical company within the Johnson & Johnson Group), which is responsible for all continued clinical development.	ATOR-1015 is a bispecific (CTLA-4 and OX40) antibody developed for tumor-targeted treatment of metastatic cancer. The antibody has been created with Alligator's unique bispecific fusion format.	ATOR-1017 is an immunostimulating antibody (IgG4) that binds to the costimulatory receptor 4-1BB (CD137) in tumor-specific T cells. 4-1BB has the capacity to support the immune cells involved in tumor control, making 4-1BB a particularly attractive target for cancer immunotherapy.	ALG.APV-527 is a bispecific antibody (4-1BB and 5T4) developed for the treatment of metastatic cancer. In July, Aptevo Therapeutics and Alligator Bioscience signed an agreement on the co-development of ALG.APV-527. Under the agreement, the companies will equally own and finance the development of the drug candidate through the Phase II clinical study.	Alligator's early-phase research projects include a bispecific immunostimulating antibody that binds to a protein in the TNFR superfamily and another interesting immunostimulating target protein.

Discovery | Preclinical | Clinical Phase I | Clinical Phase II

See page 6 for information regarding the different phases.

Business model that generates value across the development chain

The company's business model is based on proprietary drug development – from early-stage research and preclinical development to Phase II clinical studies, when the treatment concept is confirmed in humans. The plan is to subsequently out-license the drug candidate to a licensee for further development and market launch. This business model enables the company to generate revenue even before the drug reaches the market, such as revenue when agreements are signed and milestone payments during the development process. The business model was validated in 2015 when a license agreement was signed with Janssen Biotech, Inc., one of the Janssen Pharmaceutical Companies of Johnson & Johnson. Under the agreement, Alligator is entitled to up to USD 695 million (almost SEK 6 billion) in milestone payments during the development process as well as royalties from future global sales of the drug.

Three unique technologies create advantages

The development of novel drug candidates is based on Alligator's patented technology platforms FIND® (protein optimization technology) and ALLIGATOR-GOLD® (antibody library). These platforms enable efficient generation of novel drug candidates with high potential. In addition, a unique bispecific fusion format has been produced for the development of novel dual-action antibodies. Access to these technologies has given Alligator an advantage over potential competitors in the development of bispecific, tumor-targeted drug candidates.

Competitive and broad project portfolio

Alligator's project portfolio includes the clinical and preclinical drug candidates ADC-1013, ATOR-1015, ATOR-1017, and ALG. APV-527, plus a number of early-stage research projects.

All drug candidates are developed for tumor-directed immunotherapy, are directed to immunostimulatory receptors and can provide long-lasting protection against cancer. Future cancer therapies will probably involve a combination of multiple drugs. Although the combination therapies used to date have increased clinical efficacy, they have also led to a higher risk of developing severe immune-related adverse events. Alligator's tumor-directed immunotherapy concept creates opportunities for solving this problem and to provide new cancer therapies with high efficacy without increasing the risk of severe side effects.

ADC-1013 (JNJ-64457107)

ADC-1013 is an immunostimulating antibody (CD40), developed for the treatment of metastatic cancer. Since 2015, the drug candidate has been out-licensed to Janssen Research & Development, LLC ("Janssen", a pharmaceutical company within the Johnson & Johnson Group), which is responsible for all continued clinical development. The license agreement with Janssen comprises potential milestone payments of up to SEK 6 billion (USD 695 million). If the launch and commercialization are successful, Alligator will also be entitled to incremental royalty rates on global net sales of ADC-1013.

ADC-1013 is an agonistic – or activating – antibody that targets CD40, which is a receptor in antigen-presenting dendritic cells in the immune system. Dendritic cells are the cells that recognize internal and external enemies, such as bacteria or cancer cells. CD40 stimulation with ADC-1013 enables dendritic cells to activate the immune system's weapons more effectively, which in this case are T cells. This allows the immune system to selectively target and destroy the cancer cells.

ADC-1013 has been optimized using the FIND® technology with the aim of improving the binding affinity. This enables efficacy at very low doses. In experimental models, ADC-1013 has been shown to induce a potent tumor-directed immune response and provide long-lasting tumor immunity. In addition, preclinical data have demonstrated how ADC-1013 can be used against multiple types of cancer.

The clinical program has included two Phase I studies to date. The first study was conducted by Alligator, and focused on intratumoral administration. The results presented in November 2017 showed that ADC-1013 is well-tolerated in cancer patients at clinically relevant doses. The second Phase I study is still ongoing, performed by Janssen, and focuses on intravenous dose escalation. The main aim of both Phase I studies is to identify a safe, tolerable and biologically effective dose for ADC-1013.

Events during the first quarter

The second clinical Phase I study, performed by Janssen, is currently ongoing.

In January 2018, Alligator Bioscience received payment of SEK 50 million from Janssen linked to the decision to commence a combination study with ADC-1013 and one of Janssen's own drug candidates that inhibits the target receptor PD-1. This was the first of several predetermined milestone payments linked to the commencement of combination or Phase II studies as part of the clinical development program for ADC-1013. These milestone payments could amount to an approximate total of SEK 300 million (USD 35 million). The combination study is planned to start H2 2018.

ATOR-1015

ATOR-1015 is a bispecific (CTLA-4 and OX40) antibody developed for tumor-targeted treatment of metastatic cancer, as either a single therapy or in combination with other immunotherapies, such as PD-1 blockers. The antibody has been created using Alligator's unique bispecific fusion format.

ATOR-1015 binds to two different immunostimulatory receptors – to the checkpoint receptor CTLA-4, and to a costimulatory receptor OX40.

In preclinical studies, the biospecificity has been shown to cause a significant increase in the immunostimulatory effect and is expected be achieved mainly in environments where both target molecules are expressed at elevated levels, such as in a tumor.

Events during the first quarter

In January 2018, the company announced its selection of a partner, Theradex Oncology (a global Contract Research Organization), for the forthcoming Phase I clinical study scheduled to commence in the second half of 2018.

Events after the end of the period

At the American Academy of Cancer Research (AACR) conference in the US in April 2018, the company presented preclinical data that further confirm the intended ATOR-1015 mechanism of action, i.e. that it causes immunostimulation in the tumor environment but not in the rest of the body, with the goal to reduce side effects while maintaining efficacy.

Results indicate that ATOR-1015 is localized to the tumor, which increases the CTLA-4-mediated immunostimulation in the tumor compared with the rest of the body. The drug candidate ATOR-1015 is primarily designed for combination therapies and the preclinical results presented at the conference include data indicating an amplified anti-tumor effect in combination therapy with a PD-1-blocking antibody.

The production of clinical trial materials has been completed.

The final documentation for submission of a Clinical Trial Authorization (CTA) application is planned to be completed in the first half of 2018.

ATOR-1017

ATOR-1017 is an immunostimulating antibody (IgG4) that binds to the costimulatory receptor 4-1BB in tumor-specific T cells. 4-1BB has the capacity to support the immune cells involved in tumor control, making 4-1BB a particularly attractive target for cancer immunotherapy.

ATOR-1017 is differentiated from other 4-1BB antibodies, partly because of its unique binding profile, but also because its immunostimulating function is dependent on crosslinking to Fc gamma receptors in immune cells. This localizes the immunostimulation to the tumor region where both 4-1BB and Fc gamma receptors are expressed at elevated levels – totally in line with the treatment strategy for Alligator's drug candidates. The aim is to achieve effective tumor-targeted immune stimulation with minimum side effects.

Events during the first quarter

Cell line development at Sartorius Stedim Cellca GmbH is progressing according to plan. Preparations were conducted for manufacturing of clinical trial materials at Celonic GmbH.

During the year, compilation of a preclinical data package is planned, with the aim of commencing clinical development in 2019.

ALG.APV-527

ALG.APV-527 is a bispecific antibody (4-1BB and 5T4) developed for the treatment of metastatic cancer. The ALG.APV-527 antibody has two functions: to stimulate tumor-specific T cells via the costimulatory receptor 4-1BB, and to bind to the 5T4 protein on the surface of tumor cells and thereby localize the immunostimulation to the tumor environment.

In July 2017, Aptevo Therapeutics and Alligator Bioscience signed an agreement regarding the co-development of ALG.APV-527. The antibody is based on Alligator's original bispecific drug candidate ATOR-1016. Under the agreement, the companies will equally own and finance the development of the drug candidate through Phase II studies.

As described above, 4-1BB has the capacity to stimulate the immune cells involved in tumor killing, making 4-1BB a particularly promising target for cancer immunotherapy. The tumor-binding function of ALG.APV-527 targets the 5T4 tumor-associated antigen. 5T4 is a protein expressed on multiple tumor types, as well as certain types of aggressive immune cells (tumor-initiating cells), but at low levels or not at all in normal tissue, making 5T4 an attractive target molecule for cancer therapy.

The original molecules involved in the tumor-binding function and immunomodulatory function of ALG.APV-527 were developed using Alligator's patented antibody library, ALLIGATOR-GOLD. The bispecific molecule was then further developed and improved jointly with Aptevo Therapeutics, using their technology platform ADAPTIR™. A drug candidate was created by combining a tumor-binding function with an immunomodulatory function in the same molecule that can localize its effect to the tumor region and stimulate the tumor-specific immune cells that are found there.

Events during the first quarter

During the period, proof of concept studies were performed in experimental models.

The production of clinical trial materials was initiated.

During the year, compilation of a preclinical data package is planned, with the aim of commencing clinical development in 2019.

Other research projects

Alligator's early-stage research projects include a bispecific immunostimulating antibody that binds to a protein in the TNFR superfamily and another interesting immunostimulating target protein. The product's components were created with ALLIGATOR-GOLD and FIND, and then assembled using Alligator's unique bispecific fusion format.

Through its subsidiary Atlas Therapeutics AB, the Group owns a participating interest in a research project, *Biosynergy*, run by the South Korean company AbClon Inc. Alligator incurs no overheads for this project, but is entitled to a share of any future returns. Two milestone payments totaling SEK 2.1 million have been received to date in conjunction with the regional out-licensing of one of AbClon's products, the HER2 antibody AC101.

Drug development at Alligator – the different phases

Discovery

In the discovery phase, Alligator develops novel monospecific and bispecific antibodies using its ALLIGATOR-GOLD® and FIND® technology platforms.

Preparation and evaluation of treatment concepts, the identification and optimization of potential drug candidates and early-stage efficacy testing.

The antibodies are optimized to achieve set targets in relation to function, binding affinity and stability, after which a drug candidate is selected for continued development.

Preclinical development

In the preclinical phase, final optimization and evaluation of the drug candidate are conducted, as well as its clinical potential. These studies are conducted both internally on Alligator's premises, and externally with Alligator's partners.

Alongside of the preclinical activities for a certain drug candidate, research activities continue to acquire a deeper understanding of the candidate's biological function. This phase also includes activities for the production of materials for future clinical studies.

Phase I clinical study

The first studies in humans are normally performed on a small group of 20–80 patients with advanced cancer. The main goal of these studies is to determine whether the substance is safe.

How the drug is absorbed, distributed and metabolized is also studied.

Phase II clinical study

The main goal of Phase II studies is to show whether the substance has the intended clinical efficacy, and to determine the optimal dose. 100-300 patients are normally tested.

By the end of Phase II, the drug's efficacy, likely dose range and side-effect profile should have been established.

Phase III clinical study

In Phase III studies, the substance is normally tested on a larger group of 1,000-3,000 patients.

The main goal of Phase III studies is to demonstrate that the novel substance is equally as good or better than previously approved treatments.

By the end of the Phase III program, the drug's properties and common side effects have been established, and the documentation needed to register the drug has been compiled.

Alligator's business strategy is to conduct clinical studies until Phase II, and then out-license the drug candidate to large biotech or big pharma companies for the further development.

Market. Major potential for Alligator's unique technology

Around 14 million people are diagnosed with cancer every year, and the number of new cases is expected to rise by about 70% over the next two decades. (WHO World Cancer Report 2014 and WHO Cancer Fact Sheet, February 2018), bringing a major need for advanced cancer care. One reason why cancer rates are increasing is increased longevity. Another is improved diagnostics. This means that more cancers are being detected, more often at an early stage, which improves the chances of successful treatment.

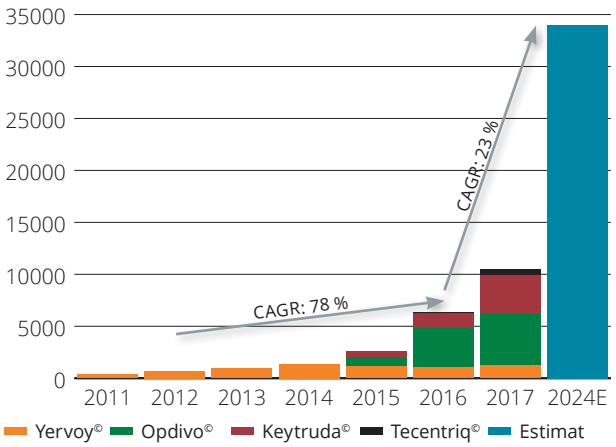
The emerging role of immunotherapies

Immuno-oncology is one of the fastest growing areas of drug research. The global market for cancer immunotherapies alone is expected to grow to almost $76 billion by 2022 from just under $17 billion in 2015, according to the research company GlobalData.

Since the first immunotherapeutic drug, Yervoy® (Bristol-Myers Squibb), was approved in 2011, the four cancer immunotherapies shown in the graph to the right have all generated billion-dollar-plus sales, generating a combined $10.4 in revenues in 2017 compared with $6.4 billion in 2016. Antibody-based immunotherapies have the potential to be used in the treatment of virtually all forms of cancer, and are currently used for malignant melanoma, kidney, head and neck, lung and bladder cancer, as well as lymphoma. The number of cancers treated with immunotherapy is expected to continue to increase.

Immunotherapy has revolutionized the treatment of cancer in recent years, showing positive effects in a greater proportion of patients and over a longer period compared with previous therapies. The US Food & Drug Administration's Oncology Center of Excellence predicts that the "development of novel drugs, biologics, and devices will likely lead to more effective therapies tailored to the unique immune biology within each cancer patient to stimulate, and orchestrate the body's natural defenses as a treatment for their cancer while minimizing toxicities".

Sales of immuno-oncology drugs, MUSD



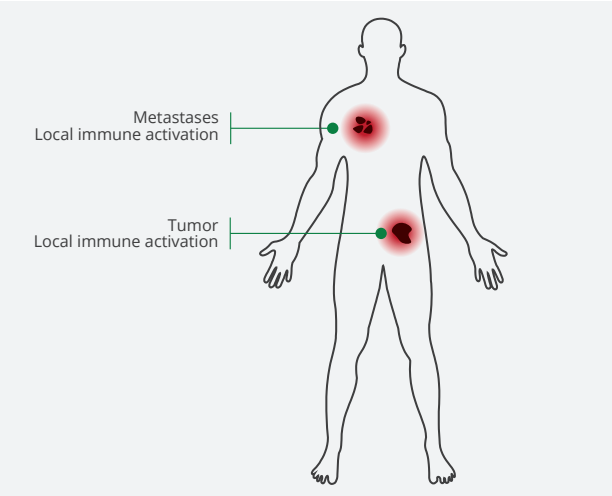
Source: Annual reports Bristol-Myers Squibb, Merck & co and Roche, Global Data Immuno-Oncology Strategic Insight 2016 and Cowen Therapeutics Categories Outlook 2018.

It is now the focus of intense interest among pharmaceutical and biotechnology companies, offering major development and commercial collaboration opportunities for small biotechnology companies including Alligator.

Targeted attack against cancer tumors

The immune system protects the body from attacks by disease-causing microorganisms (such as viruses and bacteria) and cancer cells. Growing tumors often contain large numbers of immune cells with an innate ability to attack the cancer cells. However, the cancer often develops its own protection against the immune system, including the build-up of immunosuppressants. Immunotherapy can boost the body's natural ability to fight cancer effectively by blocking or weakening the tumor's defense. The immune cells that damage the cancer cells can then survive in the body and give an immunological memory. This "vaccination effect" is unique to immunotherapy.

Using advanced molecular biology techniques and the company's patented technology platforms, Alligator's drug candidates are designed to selectively stimulate the immune system in the region of the tumor rather than the whole body – which is expected to provide greater efficacy with fewer adverse effects.



Comments on the report

Unless otherwise stated, this interim report refers to the Group. Due to the nature of the business operations, there may be significant fluctuations in revenue between periods. These are not seasonal or otherwise recurring in nature, but rather are primarily related to the achievement of milestones that trigger remuneration in outlicensed research projects.

Like revenue, expenses can also fluctuate between periods. Among other factors, this fluctuation in expenses is influenced by the current phase of the various projects since certain phases generate higher costs.

Figures in parentheses refer to the outcome for the corresponding period in the preceding year for figures related to the income statement and cash flow and to December 31, 2017 for figures related to the financial position and employees.

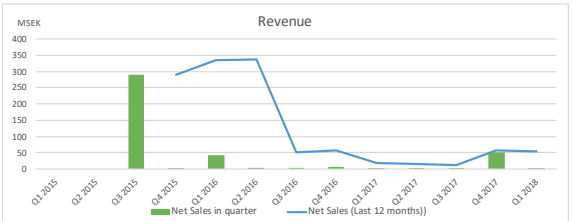
Unless otherwise stated, amounts are presented in SEK thousand.

All amounts stated are rounded, which may mean that some totals do not tally exactly.

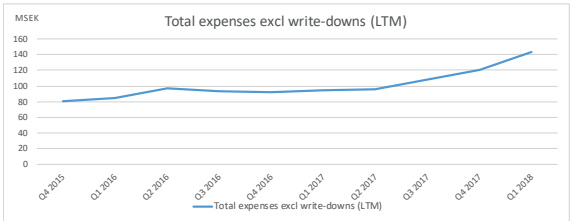
Revenue, expenses and earnings

	January - March 2018
Sales	**SEK 776 thousand (2,523)**
	Sales for the period primarily pertain to revenue from collaboration concerning ADC-1013. Sales in last year was mainly related to revenue from the licensing agreement for ADC-1013 and from the licensing agreement regarding Project Biosynergy.
Other operating income	**SEK 205 thousand (95)**
	Revenue for the year comprises exchange gains in the company's operations. Revenue for the preceding year comprised exchange gains in the company's operations.
Operating expenses	**SEK -44,975 thousand (-21,740)**
	The company has expanded its operations compared with the preceding year and its research projects now generate higher costs. Personell costs have increased as a result of additional people being employed within R&D.
Operating result	**SEK -43,994 thousand (-19,121)**
Total financial items	**SEK 1,785 thousand (-381)**
	Pertains to returns on liquidity and financial assets as well as exchange losses as a result of significant liquidity positions, primarily in USD, EUR and GBP.
Result before and after tax	**SEK -42,209 thousand (-19,502)**
Earnings per share before and after dilution	**SEK -0.59 (-0.27)**

Revenue



Expenses



Financial position

	31 March 2018
Cash and cash equivalents	**SEK 474,684 thousand (472,919)**
	Consolidated cash and cash equivalents, which consist of bank balances and short-term, highly liquid investments, totaled SEK 474,684 thousand (472,919). Bank balances amounted to 198,463 (197,097). A portion of the Group's liquidity has during 2017 been invested in a short-term, fixed-income fund and recognized as cash and cash equivalents. This investment can easily be converted to cash and is subject to an immaterial risk of changes in value. The investment in this fund amounts to SEK 275,000 thousand (275,000) and the value at the end of the first quarter was SEK 276,221 thousand (275,822).
Cash and financial assets	**SEK 548,652 thousand (547,041)**
	A part of the Group's liquidity is invested in corporate bonds, which are deemed to be easily convertible to cash. The corporate bonds was valued SEK 73,968 thousand (74,122). The Group had no borrowings as of March 31, 2018 and no loans have been raised since this date. The Group has no loans or loan commitments.

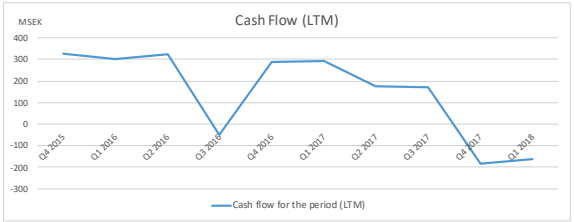
The Group plans to used its liquid funds to finance its operating activities. According to the Group's Financial Policy, the Group is to have sufficient bank balances to cover its expected liquidity requirements for a minimum of 18 months. Excess liquidity may be invested with a low risk and an average fixed period of not more than 18 months. A portion of the Group's liquidity is invested in USD, EUR and GBP foreign currency accounts. In accordance with the Group's Financial Policy, inflows of foreign currencies exceeding the expected requirements for the coming 18 months are converted to SEK at the time of payment. Besides this, no further hedging has taken place.

Equity	**SEK 575,916 thousand (617,956)**
	Equity amounted to SEK 576 millions, which corresponds to a equity ratio of 96% (96%).
Earnings per share before and after dilution	**SEK 8.07 (8,66)**
	At the end of the period, equity per outstanding share amounted to SEK 8,07 (8,66) before and after dilution. When the subscription price for issued options is not reached, these are not taken into account (not "in-the-money").

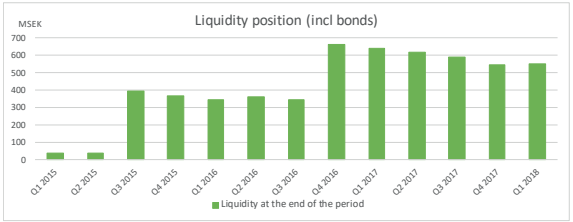
Investments and cash flow

	January - March 2018
Investments	**SEK 5,395 thousand (1,649)**
	Investments for the first quarter amounted to SEK 5,395 thousand (1,649). These investments primarily comprised of laboratory equipment SEK 4,822 thousand (1,612) and investments in leased premises SEK 573 thousand (0). In the period was not any capitalization of patents relating to the company's technology platforms done, SEK 0 thousand (37).
Cash flow for the period	**SEK 733 thousand (-18 849)**
	Cash flow for the year amounted to SEK 773 thousand (-18 849). During the quarter, payment was received regarding the milestone revenue which was recorded in the fourth quarter of 2017.

Cash flow



Liquidity position (incl bonds)

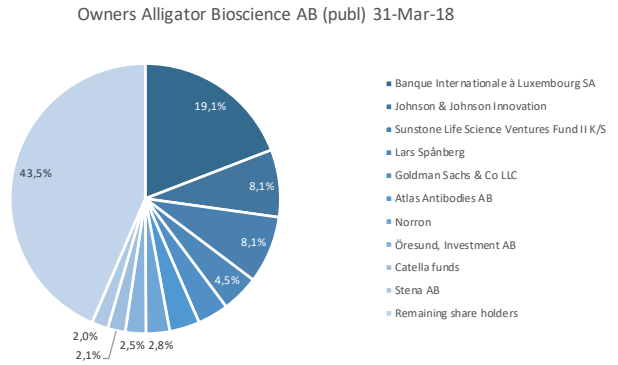


The Alligator Share

The Alligator share in brief (31 March 2018)

- Listed on: Nasdaq Stockholm Mid Cap
- Number of shares: 71,388,615
- Number of shareholders: Approximately 4,300
- Market capitalization: SEK 1,756 million
- Ticker: ATORX
- ISIN: SE0000767188

Largest shareholders:



Changes during the quarter

At the end of 2017, Duba AB, previously fourth largest owner in Alligator, had approximately 855 555 (1,2%) of the Company's shares, all of which were divested during 2018.

The largest increase in Alligator shares during the quarter can be noted in an account registered with Clearstream Banking with approximately 706,000 shares and the Fourth AP Fund with approximately 241,000 shares.

The company's owner structure is updated monthly on the company's website: https://alligatorbioscience.se/en/

Number of shares and stock option program

The total number of outstanding shares in the Company at the end of the quarter amounted to 71,388,615 (71,388,615).

At the AGM held in 2016, a resolution was passed regarding two incentive programs: an employee stock option program and a warrant program.

Under the employee stock option program were 900,000 warrants allotted to employees free of charge. The warrants are being earned with 1/3 on May 1 2017, 1/3 May 1 2018 and 1/3 May 1 2019. To be entitled to the warrants the employee must still be employed on these dates and not have given notice to terminate the employment. Of the allotted options, 294,992 have been vested, 556,674 may still be vested. 48,334 have lapsed since the individuals to whom they were allotted have since left the company. To secure delivery under the employee stock option program, and to cover ancillary costs, primarily social security contributions, a total of 1,182,780 warrants were issued to a subsidiary of which 900,000 were allotted to employees free of charge and 282,780 were issued to cover ancillary costs. As a consequence of the warrants having lapsed can a total of maximum 1,119,259 warrants be exercised in the program.

A total of 1,000,000 warrants were issued under the warrant program, of which a total of 857,000 warrants had been transferred to the participants in the program at market value at the end of the quarter. Further transfers will not take place and as a consequence can a total maximum of 857,000 warrants be exercised in the program.

Each option in these programs entitles the holder to subscribe for one share at a price of SEK 75. The warrants can be exercised in either of the periods from June 1 2019 to August 31 2019 or from March 1 2020 to May 31 2020.

Upon full exercise of all warrants issued in respect of the share subscription incentive programs, a total of 1,976,259 shares will be issued, thereby increasing the number of shares to a maximum of 73,364,874 which corresponds to a dilution of 2.69%.

Other information

Review
This report has not been reviewed by the company's auditors.

Employees
The number of employees in the Group at the end of the quarter was 49 (47). Of these, 12 (12) were men and 37 (35) were women.

Of the total number of employees, 42 (41) were employed within Research and Development (R&D).

Future reporting dates
Alligator intends to publish its financial reports according to the following:

- Q2 interim report on July 12, 2018
- Q3 interim report on October 26, 2018
- Year-end report 2018 on February 14, 2019

Forward looking information
As a consequence of the company continuing to recruit new employees, although at a slower pace, full year effects of done recruitments and several projects during 2018 entering more expensive phases the Alligator management expects the costs 2018 to increase compared to 2017.

Even if the management believes the expectations in this forward looking information are justified, no warranties can be given these will be correct. As a matter of fact can actuals differ significantly from the assumptions given in this forward looking information depending on, among other matters, changes in the economy, market, legal or regulatory demands, other political decisions and changes in exchange rates.

Risks and uncertainties
During the course of its business operations, the Group is exposed to various financial risks, such as market risk (comprising foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The aim of the Group's overall risk management is to achieve minimal adverse effects in terms of earnings and financial position. The Group's business risks, risk management and financial risks are described in detail in the Annual Report for 2017. No significant events occurred during the year that impacted or changed these descriptions of the Group's risks and risk management.

Parent Company
Net sales, earnings trend, financial position and liquidity
Both Group management functions and all operating activities are carried out in the Parent Company. For additional details, refer to the information provided for the Group since the subsidiaries do not conduct their own operations.

Consolidated income statement

All amounts TSEK unless specified	Note	2018 Jan-Mar	2017 Jan-Mar	2017 Jan-Dec
Net sales	5	776	2,523	56,875
Other operating income	5	205	95	895
Total operating income		**981**	**2,619**	**57,770**
Operating costs				
Other external costs		-31,447	-12,753	-78,944
Personnel costs		-12,118	-8,298	-37,920
Depreciation and impairment of tangible assets and intangible assets	3	-1,409	-688	-3,204
Total operating costs		**-44,975**	**-21,740**	**-120,068**
Operating profit/loss		**-43,994**	**-19,121**	**-62,299**
Result from other securities and receivables		314	172	745
Interest income and similar income statement items		4,379	1,206	3,969
Interest costs and similar income statement items		-2,908	-1,759	-6,173
Net financial items		**1,785**	**-381**	**-1,460**
Profit/loss before tax		**-42,209**	**-19,502**	**-63,758**
Tax on profit for the period		0	0	0
Profit for the period attributable to Parent Company shareholders		**-42,209**	**-19,502**	**-63,758**
Earnings per share before dilution, SEK		**-0.59**	**-0.27**	**-0.89**
Earnings per share after dilution, SEK		**-0.59**	**-0.27**	**-0.89**

Consolidated statement of comprehensive income

All amounts TSEK unless specified	Note	2018 Jan-Mar	2017 Jan-Mar	2017 Jan-Dec
Profit/loss for the period		-42,209	-19,502	-63,758
Other comprehensive income		0	0	0
Comprehensive income for the period		**-42,209**	**-19,502**	**-63,758**

Consolidated statement of financial position

All amounts in TSEK	Note	2018-03-31	2017-03-31	2017-12-31
ASSETS				
Fixed assets				
Intangible assets				
Participations in development projects	**3**	17,949	17,949	17,949
Patents		1,246	2,063	1,454
Tangible assets				
Improvements in leased premises	**2**	2,890	0	2,459
Equipment, machinery and computers		17,501	5,553	13,739
Financial assets				
Other investments held as fixed assets	**2, 6**	73,968	0	74,122
Total fixed assets		**113,554**	**25,564**	**109,722**
Current assets				
Current receivables				
Accounts receivable	**6**	2,681	4,576	53,096
Other receivables	**6**	4,353	1,952	3,604
Prepayments and accrued income		3,545	4,778	3,692
Cash and cash equivalents	**6**	474,684	639,739	472,919
Total current assets		**485,262**	**651,045**	**533,311**
TOTAL ASSETS		**598,816**	**676,610**	**643,033**
EQUITY AND LIABILITIES				
Equity				
Share capital		28,555	28,555	28,555
Other capital contributions		662,614	662,614	662,614
Retained earnings and profit/loss for the period		-115,254	-29,112	-73,214
Equity attributable to Parent Company shareholders		**575,916**	**662,058**	**617,956**
Current liabilities				
Accounts payable	**6**	11,309	6,657	13,569
Other liabilities	**6**	886	497	1,193
Accrued expenses and deferred income		10,707	7,398	10,315
Total current liabilities		**22,901**	**14,552**	**25,078**
TOTAL EQUITY AND LIABILITIES		**598,816**	**676,610**	**643,033**

Consolidated statement of changes in equity, in summary

All amounts in TSEK	2018 Jan-Mar	2017 Jan-Mar	2017 Jan-Dec
Opening balance	**617,956**	**676,185**	**676,185**
New capital issue	0	5,175	5,175
Option premiums received	0	0	0
Underwriting expenses	0	0	0
Effect of share-based payments	169	200	354
Profit/loss for the period	-42,209	-19,502	-63,758
Other comprehensive income in the period	0	0	0
Closing balance	**575,916**	**662,058**	**617,956**

Consolidated statement of cash flows

All amounts in TSEK	2018 Jan-Mar	2017 Jan-Mar	2017 Jan-Dec
Operating activities			
Operating profit/loss	-43,994	-19,121	-62,299
Adjustments for items not generating cash flow			
Depreciation and impairments	1,409	688	3,204
Effect from warrant program	169	200	354
Other items, no impact on cash flow	399	172	822
Interest received	548	0	1,178
Interest paid	0	-6	-19
Tax paid	0	0	0
Cash flow from operating activities before changes in working capital	**-41,469**	**-18,066**	**-56,760**
Changes in working capital			
Change in operating receivables	49,814	5,734	-43,351
Change in operating liabilities	-2,177	-10,043	482
Cash flow from operating activities	**6,168**	**-22,375**	**-99,629**
Investing activities			
Result from participations in other companies	0	0	-74,520
Acquisition of intangible assets	0	0	0
Acquisition of tangible assets	0	-37	-174
Sales of tangible assets	-5,395	-1,612	-14,026
Cash flow from investing activities	0	0	0
Investing activities	**-5,395**	**-1,649**	**-88,720**
Financing activities			
New share issue	0	5,175	5,175
Underwriting expenses	0	0	0
Option premiums received	0	0	0
Cash flow from financing activities	**0**	**5,175**	**5,175**
Cash flow for the period	**773**	**-18,849**	**-183,173**
Cash and cash equivalents at beginning of period	**472,919**	**659,136**	**659,136**
Exchange rate differences in cash and cash equivalents	993	-548	-3,043
Cash and cash equivalents at end of period*	**474,684**	**639,739**	**472,919**

* Bonds, SEK 74 millions, which are being expected to be easy to convert to cash, are not included in cash and cash equivilants.

Parent Company income statement

All amounts in TSEK	Note	2018 Jan-Mar	2017 Jan-Mar	2017 Jan-Dec
Net sales		776	1,363	55,715
Other operating income		205	95	895
Total operating income		**981**	**1,458**	**56,609**
Operating costs				
Other external costs		-31,445	-12,751	-78,940
Personnel costs		-12,118	-8,298	-37,920
Depreciation and impairment of tangible assets and intangible assets		-1,409	-688	-3,204
Total operating costs		**-44,972**	**-21,738**	**-120,064**
Operating profit/loss		**-43,991**	**-20,279**	**-63,454**
Results from financial items				
Impairment of investments in subsidiaries	**3**	0	0	0
Result from other securities and receivables		314	0	745
Other interest income and similar income statement items		3,980	1,206	3,147
Interest expense and similar income statement items		-2,908	-1,759	-6,173
Net financial items		**1,386**	**-553**	**-2,281**
Profit/loss after financial items		**-42,605**	**-20,833**	**-65,736**
Tax on profit for the year		0	0	0
Profit/loss for the period		**-42,605**	**-20,833**	**-65,736**

Parent Company statement of comprehensive income

All amounts in TSEK	Not	2018 Jan-Mar	2017 Jan-Mar	2017 Jan-Dec
Profit/loss for the period		-42,605	-20,833	-65,736
Other comprehensive income		0	0	0
Profit/loss for the year		**-42,605**	**-20,833**	**-65,736**

Parent Company balance sheet

All amounts in TSEK	Note	2018-03-31	2017-03-31	2017-12-31
ASSETS				
Fixed assets				
Intangible assets				
Patents		1,246	2,063	1,454
Total intangible assets		**1,246**	**2,063**	**1,454**
Tangible assets				
Improvements in leased premises	**2**	2,890	0	2,459
Equipment, machinery and computers		17,501	5,553	13,739
Total tangible assets		**20,391**	**5,553**	**16,198**
Financial assets				
Participations in Group companies	**3**	20,294	20,294	20,294
Other investments held as fixed assets	**2**	73,968	0	74,122
Total financial assets		**94,262**	**20,294**	**94,416**
Total fixed assets		**115,900**	**27,910**	**112,068**
Current assets				
Current receivables				
Accounts receivable		2,681	4,576	53,096
Other receivables		4,352	1,952	3,604
Prepayments and accrued income		3,545	4,778	3,692
Total current receivables		**10,578**	**11,306**	**60,392**
Other short-term investments		275,000	200,000	275,000
Cash and bank deposits		195,793	436,891	194,424
Total current assets		**481,371**	**648,198**	**529,816**
TOTAL ASSETS		**597,271**	**676,107**	**641,883**
EQUITY AND LIABILITIES				
Equity				
Restricted equity				
Share capital		28,555	28,555	28,555
Paid in, non-registered new share issue		0	0	0
Total restricted equity		**28,555**	**28,555**	**28,555**
Non-restricted equity				
Share premium reserve		662,741	662,741	662,741
Retained earnings		-74,322	-8,909	-8,755
Profit/loss for the period		-42,605	-20,833	-65,736
Total non-restricted equity		**545,814**	**633,000**	**588,251**
Total equity		**574,370**	**661,555**	**616,806**
Current liabilities				
Accounts payable		11,309	6,657	13,569
Other liabilities		886	497	1,193
Accrued expenses and deferred income		10,707	7,398	10,315
Total current liabilities		**22,901**	**14,552**	**25,078**
TOTAL EQUITY AND LIABILITIES		**597,271**	**676,107**	**641,883**

Performance measures, Group

	Note	2018 Jan-Mar	2017 Jan-Mar	2017 Jan-Dec
Result (TSEK)				
Net sales	5	776	2,523	56,875
Operating profit/loss		-43,994	-19,121	-62,299
Profit/loss for the period		-42,209	-19,502	-63,758
R&D costs		-39,445	-14,714	-87,982
R&D costs as a percentage of operating costs excluding impairments		87.7%	67.7%	73.3%
Capital (TSEK)				
Cash and cash equivalents at end of period		474,684	639,739	472,919
Cash flow from operating activities		6,168	-22,375	-99,629
Cash flow for the period		773	-18,849	-183,173
Equity		575,916	662,058	617,956
Equity ratio, %		96%	98%	96%
Info per share (SEK)				
Earnings per share before dilution		-0.59	-0.27	-0.89
Earnings per share after dilution*		-0.59	-0.27	-0.89
Equity per share before dilution		8.07	9.27	8.66
Equity per share after dilution*		8.07	9.27	8.66
Personnel				
Number of employees at end of period		49	40	47
Average number of employees		48	38	42
Average number of employees employed within R&D		41	34	37

For definitions and calculations, see the sections later in this report.
*Effect from dilution is not considered when result is negative and options where call rate is higher than closing rate is not considered.

Notes

Note 1 General information

This interim report covers the Swedish Parent Company Alligator Bioscience AB (publ), corporate registration number 556597-8201, and its subsidiaries Atlas Therapeutics AB, corporate registration number 556815-2424, and A Bioscience Incentive AB, corporate registration number 559056-3663. All the Group's business operations are carried out in the Parent Company.

The Parent Company is a Swedish public limited liability company registered and domiciled in the Municipality of Lund. The head office is located at Medicon Village, SE-223 81 Lund.

Note 2 Accounting policies

This interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable regulations in the Swedish Annual Accounts Act (ÅRL). The interim report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act (ÅRL) chapter 9, Interim report.

The accounting principles and calculation methods used in this report is in accordance with those described in the Annual Report for 2017 with the following exceptions.

New standards, which entered into force on January 1, 2018, IFRS 9 Financial Instruments and IFRS 15 Revenues from Contracts with Customers, have been implemented in this interim report and are deemed not to have any material effect on the Group's or Parent Company's financial statement for the period. The transition will be reported in accordance with the retroactive method, ie the comparative figures for 2017 will be presented in accordance with IFRS 15. As a result of the new standards, accounting principles will be updated in the company's annual report for 2018.

The new standard, IFRS 16 Leases, enters into force for financial years beginning January 1, 2019 or later. The standard replaces IAS 17 Leases. Management has evaluated the impact of the new standard on the Group's financial statements and considers that only one lease agreement, the lease for the company's premises extending until the end of 2022, has a material impact when the company report leasing debt and asset. Our assessment is that the amended standard does not significantly affect the Group's key ratios.

Investments held to maturity

Other long term investments held as fixed assets as of March 31, 2018 are categorized as "Investments held to maturity". These investments are deemed to pass the classification for SPPI (Solely Payment of Principal and Interest) and the company's business model for such financial instruments is deemed to be held for interest and capital and not for trading purposes. The investments is initially recognized at fair value and thereafter at amortized cost applying the effective interest method, less any provisions for impairment. Amortized cost corresponds to the amount recognized on the acquisition date after a deduction for the repayment of the nominal amount plus or minus any adjustments for the effective interest rate.

Note 3 Effects of changed estimates and judgments

Significant estimates and judgments are described in Note 3 of the Annual Report for 2017.

There have been no changes to the company's estimates and judgments since the Annual Report for 2017 was prepared.

Note 4 Segment reporting

The company conducts only one business activity, namely research and development in the field of immunotherapy, and the chief operating decision-maker is thus only responsible for regularly making decisions on and allocating resources to one entity. Accordingly, the company comprises only one operating segment, which corresponds to the Group as a whole, and no separate segment reporting is provided.

Note 5 Consolidated revenue

Consolidated revenue is allocated according to the following:

All amounts in TSEK	2018 Jan-Mar	2017 Jan-Mar	2017 Jan-Dec
Licensing income	746	2,523	56,875
Swedish government grants received	0	0	0
EU grants received	0	0	0
Operational exchange rate gains	205	95	730
Other	30	0	165
Total	**981**	**2,619**	**57,770**

Revenue from outlicensing has been defined as initial license fees, milestone payments, payments for development work and future royalties on sales of pharmaceuticals. For the current period, all revenue payments pertain to development work.

Alligator's revenue consists primarily of revenue from the outlicensing of ADC-1013 to Janssen Biotech Inc.. During the first quarter of 2017, Alligator received a milestone payment in the Biosynergy project.

Alligator receives licensing revenue in USD when specific milestones in the development projects are achieved.

Note 6 Financial instruments

Cash and cash equivalents at March 31, 2018, consisted of bank balances amounting to SEK 198,463 thousand and an investment in a liquidity fund totaling SEK 276,221 thousand. Investments held to maturity refer to investments in corporate bonds. Accounting principles is described in Note 2.

For other financial assets and liabilities, the reported value as above is considered a reasonable approximation of fair value. The impairment is deemed to be immaterial.

All amounts in TSEK	2018-03-31	2017-03-31	2017-12-31
Available-for-sale financial assets			
Other investments held as fixed assets	0	0	74,122
Investments being held to maturity			
Other investments held as fixed assets	73,968	0	0
Loans and receivables			
Accounts receivable	2,681	4,576	53,096
Other receivables	0	371	0
Cash and cash equivalents	474,684	639,739	472,919
Financial assets	**551,333**	**644,685**	**600,137**
Financial liabilities			
Accounts payable	11,309	6,657	13,569
Other liabilities	7,498	497	1,193
Financial liabilities	**18,806**	**7,154**	**14,762**

Note 7 Related party transactions

The consulting agreement with Board Member Carl Borrebaeck, through the company Ocean Capital, pertains to expert assistance with the evaluation of early-phase research projects and new antibodies. Carl Borrebaeck also plays an important role in building and developing contacts with leading researchers and prominent organizations within cancer immunotherapy. Pricing has been determined on market conditions. These related party transactions corresponded to an expense of SEK 180 thousand (180) for the first quarter.

Calculation of performance measures

Alligator presents certain financial performance measures in this report, including measures that are not defined under IFRS. The Company believes that these ratios are an important complement because they allow for a better evaluation of the Company's economic trends. These financial performance measures should not be viewed in isolation or be considered to replace the performance indicators that have been prepared in accordance with IFRS. In addition, such performance measures as Alligator has defined them should not be compared with other performance measures with similar names used by other companies. This is because the above-mentioned performance measures are not always defined in the same manner, and other companies may calculate them differently to Alligator.

The table below shows the calculation of key figures, for the mandatory earnings per share according to IFRS and also for performance measures that are not defined under IFRS or where the calculation is not shown in another table in this report.

The Company's business operation is to conduct research and development which is why "R&D costs/Operating costs excluding impairment in %" is an essential indicator as a measure of efficiency, and how much of the Company's costs relate to R&D.

As mentioned earlier in this report, the Company does not have a steady flow of revenue, with revenue generated irregularly in connection with the signing of license agreements and achievement of milestones. Therefore, the Company monitors performance indicators such as equity ratio and equity per share in order to assess the Company's solvency and financial stability. These are monitored along with the cash position and the various measures of cash flows shown in the consolidated statement of cash flow.

For definitions, see the section "Definitions of performance measures" at the end of this report.

All amounts TSEK unless specified	2018 Jan-Mar	2017 Jan-Mar	2017 Jan-Dec
Profit/loss for the period	-42,209	-19,502	-63,758
Average number of shares before dilution	71,388,615	70,925,317	71,283,273
Earnings per share before dilution, SEK	**-0.59**	**-0.27**	**-0.89**
Average number of shares after dilution	71,388,615	70,925,317	71,283,273
Earnings per share after dilution, SEK	**-0.59**	**-0.27**	**-0.89**
Operating costs	-44,975	-21,740	-120,068
Impairment of tangible assets and intangible assets	0	0	0
Operating costs excluding impairments	**-44,975**	**-21,740**	**-120,068**
Administrative expenses	-4,121	-6,337	-28,883
Depreciation	-1,409	-688	-3,204
Research and development costs	**-39,445**	**-14,714**	**-87,982**
R&D costs / Operating costs excluding impairments %	**87.7%**	**67.7%**	**73.3%**
Equity	575,916	662,058	617,956
Average number of shares before dilution	71,388,615	71,388,615	71,388,615
Equity per share before dilution, SEK	**8.07**	**9.27**	**8.66**
Average number of shares after dilution	71,388,615	71,388,615	71,388,615
Equity per share after dilution, SEK	**8.07**	**9.27**	**8.66**
Equity	575,916	662,058	617,956
Total assets	598,816	676,610	643,033
Equity ratio, %	**96%**	**98%**	**96%**

The confirmation of the Board of Directors and the CEO

The Board and the CEO confirm that the interim report provides a true and fair overview of the company and the Group's operations, positions and earnings and describes the material risks and uncertainty factors faced by the Parent company and the companies within the Group.

Lund, 26 April 2018

Peter Benson
Chairman

Carl Borrebaeck
Member of the Board

Ulrika Danielsson
Member of the Board

Anders Ekblom
Member of the Board

Kenth Petersson
Member of the Board

Jonas Sjögren
Member of the Board

Laura von Schantz
Employee representative

Per Norlén
CEO

Definitions

Operating profit/loss
Profit/loss before financial items and taxes.

Earnings per share before and after dilution
Earnings divided by the weighted average number of shares during the period before and after dilution respectively.

Average number of shares before and after dilution
Average number of outstanding shares during the period before and after dilution respectively.

Operating costs excluding impairments
Other external costs, personnel costs and depreciation (excluding impairments of tangible and intangible assets).

R&D costs
The Company's direct costs for research and development. Refers to costs for personnel, materials and external services.

R&D costs as a percentage of operating costs excluding impairments
R&D costs divided by Operating costs excluding impairments

Cash and cash equivalents
Cash, bank deposits and other short-term liquid deposits that can easily be converted to cash and are subject to an insignificant risk of value changes.

Cash flow from operating activities
Cash flow before investing and financing activities

Cash flow for the period
Net change in cash and cash equivalents excluding the impact of unrealized foreign exchange gains and losses.

Equity per share before dilution
Equity divided by the number of shares at the end of the period

Equity per share before and after dilution
Equity divided by the sum of the number of shares and outstanding warrants where the current share price exceeds the exercise price of the warrant at the end of the period

Equity ratio
Equity as a percentage of total assets.

Average number of employees
Average number of employees at the beginning of the period and at the end of the period.

Average number of employees employed within R&D
Average number of employees within the Company's R&D departments at the beginning of the period and at the end of the period.