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Alligator carries out a fully guaranteed rights issue of approximately SEK 86m

The Board of Directors of Alligator Bioscience AB (publ) ("Alligator" or the "Company") has today, based on the authorization from the Annual General Meeting on May 5, 2020, resolved to carry out a rights issue of shares with preferential rights for the Company's existing shareholders of approximately SEK 86 million (the "Rights Issue"). The Company has received subscription undertakings from existing shareholders, including Stena AB, AP4, board members and Per Norlén, CEO. In total, subscription undertakings amount to approximately SEK 12.6 million, corresponding to approximately 15 percent of the Rights Issue. In addition, the Company has procured guarantee commitments of approximately SEK 73 million, which secures the Rights Issue to 100 percent. The guarantee commitments consist of a so-called top guarantee and a bottom guarantee. In addition to its subscription undertaking, the existing shareholder Roxette Photo NV will guarantee SEK 8.2 million of the top guarantee free of charge. Alligator will use the issue proceeds from the Rights Issue to start and run Phase II studies for mitazalimab as well as complete Phase I studies and begin work on Phase II studies for ATOR-1017. Due to the Rights Issue, the Board has resolved that the Company's Year-End Report for 2020 will be published on February 26, 2021 instead of February 11, 2021.

Background for and purpose of the Rights Issue

Alligator is active in the phases of drug development that range from idea and early research to clinical phase II studies in patients. This includes, among other things, identifying new points of attack for drugs, developing and optimizing new drug candidates, evaluating preclinical efficacy and safety, and finally confirming clinical studies on cancer patients.

Alligator's clinical development portfolio consists of the drug candidates ATOR-1015, ATOR-1017, ALG.APV-527 and mitazalimab as well as the drug concept Neo-X-Prime, all intended for the treatment of disseminated cancer. During 2020, the Company has generated important data that will move the Company forward in the continued development of the clinical project portfolio.

The Phase I study with ATOR-1017 advanced faster than the Company expected and already in August 2020, interim data were presented that showed a good safety profile at clinically relevant dose levels. Dose evaluation will continue at higher dose levels and the Company expects to be able to present safety data and possible efficacy data in the spring of 2021, with the planned start of clinical phase II in the second half of 2021. Alligator has also shown strong Proof of Mechanism data for mitazalimab, Alligator's most advanced

immunology candidate. With a solid data package from two Phase I clinical trials with over 100 patients, the next step is to start a Phase II clinical trial.

Alligator is now focusing its resources on ATOR-1017 and mitazalimab and believes that both programs have first-in-class potential and can begin Phase II studies in 2021.

To ensure continued successful development in accordance with the Company's business plan and strategy, Alligator has decided to carry out the Rights Issue of approximately SEK 86 million before issue costs, which are expected to amount to approximately SEK 10 million (of which costs for guarantee commitments amount to approximately SEK 4 million). Thus, the net proceeds from the Rights Issue are expected to amount to approximately SEK 76 million. The expected net proceeds from the Rights Issue will, in the following order of priority and with an approximate proportion indicated in parentheses, be used for:

1. Initiate and conduct phase II studies of mitazalimab (50%)
2. Complete phase I study and start work on phase II study for ATOR-1017 (50%)

Comment from Alligator's CEO, Per Norlén

"The upcoming capital injection enables us to initiate both the mitazalimab Phase II study in pancreatic cancer as well as to advance ATOR-1017 into the planned Phase II study, with gastric cancer as a prioritized indication. The five-year survival rate for pancreatic cancer is today below ten percent. We have good faith in that mitazalimab can alter this, given the data at hand and the external validation of CD40 in patient studies. The ongoing safety study with ATOR-1017 confirms the drug candidate's favorable properties and we have reached the expected therapeutic dose levels. We are now preparing to bring this candidate into the next phase of development, i. e. clinical efficacy studies." - Per Norlén, CEO

The Rights Issue in summary

The Board has today, with the support of the authorization from the Annual General Meeting on May 5, 2020, resolved to carry out a Rights Issue. The Rights Issue shall be carried out on the following main terms:

Issue volume: The Rights Issue will amount to a maximum of 14,277,723 shares. Through the Rights Issue Alligator will initially receive approximately SEK 86 million before deductions of costs related to the Rights Issue.

Record date: The record date at Euroclear Sweden AB for determining which shareholders have the right to receive subscription rights falls on January 5, 2021. The last day for trading in the Company's share, including the right to receive subscription rights, falls on December 30, 2020. First day for trading in the Company's share excluding the right to receive subscription rights falls on January 4, 2021.

Subscription rights: The Rights Issue shall take place with priority for those who are registered as shareholders in the Company on the record date. One (1) existing share in the Company entitles to one (1) subscription right. Five (5) subscription rights entitle to subscribe for one (1) share. Subscription rights which are not exercised in the subscription period will be invalid and have no value

Trading in subscription rights: Trading in subscription rights takes place on Nasdaq Stockholm during the period from January 11 to January 25, 2021.

Subscription period: Subscription of shares shall take place during the period from and including January 11, 2021 to and including January 25, 2021. The Board has the right to extend the subscription period.

Subscription price: SEK 6.0 per share. No commission will be charged.

Trading in BTA: Trading in a paid subscription share (Sw. "BTA") takes place on Nasdaq Stockholm from January 11, 2021 until the Rights Issue is registered with the Swedish Companies Registration Office.

Allocation: If not all shares are subscribed for on the basis of subscription rights, the remaining shares shall be allotted within the framework of the maximum amount of the Rights Issue: firstly, to those who have subscribed for shares on the basis of subscription rights (regardless of whether they were shareholders on the record date or not) and who have registered an interest in subscribing for shares without the support of subscription rights and in the event that allotment cannot be made in full, allotment takes place pro rata in relation to the number of subscription rights that each of those who have expressed an interest in subscribing for shares without the support of subscription rights used for subscription of shares; secondly, to those who has subscribed for subscription of shares without the support of subscription rights and in the event that allotment to these cannot take place in full, allotment shall be made pro rata in relation to the number of shares that the subscriber has fully subscribed for; and thirdly, to those who have provided issue guarantees regarding subscription of shares, in proportion to such guarantee commitments. To the extent that allotment at any stage according to the above cannot take place pro rata, allotment shall be made by drawing lots.

Subscription undertakings and guarantee commitments

Alligator has received subscription undertakings from the Company's existing shareholders, including Stena AB, Fjärde AP-fonden, board members and Per Norlén, CEO. In total, received subscription undertakings amount to approximately SEK 12.6 million, corresponding to approximately 15 percent of the Rights Issue. In addition, the Company has procured guarantee commitments in the form of a so-called bottom guarantee of approximately SEK 60.2 million, corresponding to approximately 70 percent of the Rights Issue, and a so-called top guarantee of approximately SEK 12.8 million, corresponding to approximately 15 percent of the Rights Issue. In addition to its subscription undertaking, the existing shareholder Roxette Photo NV will guarantee SEK 8.2 million of the top guarantee free of charge. The bottom-up guarantee ensures, provided that at least the corresponding subscription undertakings are subscribed for, that approximately 85 percent of the Rights Issue is subscribed for and paid for. The top guarantee ensures, provided that the subscription takes place at least corresponding to the subscription undertakings and the bottom guarantee, that 100 percent of the Rights Issue is covered by subscription undertakings and guarantee commitments.

Preliminary timeline

- December 30, 2020 – Last day of trading incl. preferential rights
- January 4, 2021 – First day of trading excl. preferential rights
- January 4, 2021 – Estimated publication of prospectus
- January 5, 2021 – Record date
- January 11 – January 21, 2021 – Trading in rights
- January 11 – January 25, 2021 – Subscription period
- January 11, 2021 – Until the Rights Issue is registered at the Swedish Companies Registration Office – Trading in paid subscription share (Sw. "BTA")
- January 28, 2021 – Estimated publication of outcome of Rights Issue

Number of shares and share capital

Upon full subscription in the Rights Issue, the number of shares in the Company will increase by 14,277,723 shares, from 71,388,615 to 85,666,338 and the share capital will increase by a maximum of SEK 5,711,089.20, from SEK 28,555,446 to SEK 34,266,535.20. The dilution effect for shareholders who chooses not to participate in the Rights issue will amounts to a maximum of approximately 16.67 percent of the share capital and votes, based on the number of shares and votes in the Company upon full subscription in the Rights Issue.

Prospectus

Full terms and conditions for the Rights Issue, as well as other information on the Company and information about subscription undertakings and guarantee commitments will be presented in the prospectus which the Company expects to publish on or about January 4, 2021 (the "Prospectus").

Investor meetings

Invitation to investor meetings will be sent out separately and will also be presented on Alligator and Redeye's respective websites.

Postponing the Year-End Report for 2020

Due to the Rights Issue, the Board has resolved that the Company's Year-End Report for 2020 will be published on February 26, 2021 instead of February 11, 2021.

Advisers

Redeye AB acts as financial adviser, Setterwalls Advokatbyrå AB acts as legal adviser and Aktieinvest FK AB acts as the issuing agent in the Rights Issue.

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This information is information that Alligator Bioscience AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 08:00 a.m. CET on December 15, 2020.

About Alligator Bioscience AB

Alligator Bioscience AB is a clinical-stage biotechnology company developing tumor-directed immuno-oncology antibody drugs. Alligator's pipeline includes the two key assets ATOR-1017 and mitazalimab. Furthermore, there are two partnered assets: ALG.APV-527 in co-development with Aptevo Therapeutics Inc. and AC101 in clinical development by Shanghai Henlius Biotech Inc. In addition, the company has developed a novel concept for more patient-specific immunotherapy: Neo-X-Prime. Alligator's shares are listed on Nasdaq Stockholm (ATORX). The Company is headquartered in Lund, Sweden. For more information, please visit <http://www.alligatorbioscience.com>.

IMPORTANT INFORMATION

The information in this press release does not contain or constitute an offer to acquire, subscribe or otherwise trade in shares or other securities in Alligator. No action has been taken and measures will not be taken to permit a public offering in any jurisdictions other than Sweden. Any invitation to the persons concerned to subscribe for shares in Alligator will only be made through the Prospectus that Alligator estimates to publish on January 4, 2021 on www.alligatorbioscience.com. The upcoming approval of the Prospectus by the Swedish Financial Supervisory Authority shall not be regarded as an approval of the shares or any other securities. This release is however not a Prospectus in accordance to the definition in the Prospectus Regulation (EU) 2017/1129 ("**Prospectus Regulation**") and this announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in shares or other securities in Alligator. In order for investors to fully understand the potential risks and benefits associated with a decision to participate in the Rights Issue, any investment decision should only be made based on the information in the Prospectus. Thus, investors are encouraged to review the Prospectus in its entirety. In accordance with article 2 k of the Prospectus Regulation this press release constitutes an **advertisement**.

The information in this press release may not be released, distributed or published, directly or indirectly, in or into the United States of America, Canada, New Zealand, South Africa, Japan, Australia, South Korea, Hong Kong, Switzerland, Singapore or any other jurisdiction in which such action would be unlawful or would require registration or any other measures than those required by Swedish law. Actions in violation of these restrictions may constitute a violation of applicable securities laws. No shares or other securities in Alligator have been registered, and no shares or other securities will be registered, under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the securities legislation of any state or other jurisdiction in the United States and no shares or other securities may be offered, sold or otherwise transferred, directly or indirectly, in or into the United States, except under an available exemption from, or in a transaction not subject to, the registration requirements under the Securities Act and in compliance with the securities legislation in the relevant state or any other jurisdiction of the United States.

Within the European Economic Area ("**EEA**"), no public offering of Securities is made in other countries than Sweden. In other member states of the EU, such an offering of Securities may only be made in accordance with the Prospectus Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). In other member states of the EEA which have implemented the Prospectus Regulation in its national legislation, any offer of Securities may only be made in accordance with an applicable exemption in the Prospectus Regulation and/or in accordance with an applicable exemption under a relevant national implementation measure. In other member states of the EEA which have not implemented the Prospectus Regulation in its national legislation, any offer of Securities may only be made in accordance with an applicable exemption under national law.

This communication is only being distributed to and is only directed at persons in the United Kingdom that are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**") or (ii) high net worth entities, and other persons to whom this announcement may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "**Relevant Persons**"). This

communication must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this communication relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Persons distributing this communication must satisfy themselves that it is lawful to do so.

This press release may contain forward-looking statements which reflect the Company's current view on future events and financial and operational development. Words such as "intend", "expect", "anticipate", "may", "believe", "plan", "estimate" and other expressions which imply indications or predictions of future development or trends, and which are not based on historical facts, are intended to identify forward-looking statements. Forward-looking statements inherently involve both known and unknown risks and uncertainties as they depend on future events and circumstances. Forward-looking statements do not guarantee future results or development and the actual outcome could differ materially from the forward-looking statements.

The English text is an unofficial translation of the original Swedish text. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.