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Alligator carries out a 100 percent secured rights issue of approximately SEK 257 million

The Board of Directors of Alligator Bioscience AB (publ) ("Alligator" or "the Company") has today, subject to approval by the Extraordinary General Meeting on 8 November 2021, resolved to carry out a rights issue of shares with preferential rights for the Company's existing shareholders of approximately SEK 257 million (the "Rights Issue"). The Company has received subscription commitments from a selection of the Company's larger existing shareholders, including the AP4, Roxette Photo NV and Omentum S.A., amounting to approximately SEK 43 million, corresponding to approximately 17 percent of the Rights Issue. Furthermore, the Company has entered into agreements on guarantee commitments of approximately SEK 214 million, which secures the Rights Issue up to 100 percent. In addition, Öhman Fonder and all members of the Company's board and management with shareholdings in the Company have expressed their intention to subscribe for their respective pro rata share in the Rights Issue. Alligator will use the proceeds from the Rights Issue to conduct phase II studies for mitazalimab, preparations for and initiation of phase II studies for ATOR-1017 and further development of other pipeline candidates. The Rights Issue is subject to approval by the Extraordinary General Meeting on 8 November 2021, and the notice of the Extraordinary General Meeting will be announced in a separate press release.

Summary

- One (1) existing share in the Company entitles to three (3) subscription rights. Two (2) subscription rights entitle to subscription of one (1) new share, i.e., a subscription ratio of 3:2.
- The subscription price is SEK 2 per new share, which, assuming the Rights Issue is fully subscribed, results in the Company receiving issue proceeds of approximately SEK 257 million before deduction of transaction costs.
- The record date for the Rights Issue is 10 November 2021 and the subscription period runs from and including 12 November 2021 up to and including 26 November 2021.
- The last day of trading in the Alligator share including the right to participate in the Rights Issue is 8 November 2021.
- The board's resolution on the Rights Issue is subject to approval by the Extraordinary General Meeting on 8 November 2021. Major shareholders, who together represent approximately 17 percent of the shares and votes in the Company, have undertaken to vote for the Rights Issue at the Extraordinary General Meeting.
- Major shareholders have expressed their support for the Rights Issue through subscription commitments amounting to approximately SEK 43 million, corresponding to approximately 17 percent of the Rights Issue. Furthermore, the Company has entered into agreements on guarantee commitments of approximately SEK 214

million, corresponding to approximately 83 percent of the Rights Issue, which secures the Rights Issue up to 100 percent. The guarantee commitments consist partly of a so-called top guarantee and partly of a bottom guarantee. In addition, Öhman Fonder and all members of the Company's board and management have expressed their intention to subscribe for their respective pro rata share in the Rights Issue.

- The Company intends to publish a prospectus regarding the Rights Issue on 9 November 2021.

Background and reason for 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, the development and optimization of new drug candidates, evaluation of preclinical efficacy and safety, and finally confirmatory clinical studies on cancer patients.

Alligator has shown strong Proof of Mechanism data in Phase I studies for mitazalimab, Alligator's most advanced immuno-oncology candidate. In 2021, the Company's focus has been on preparations for the inclusion of the first patient in the clinical phase II study OPTIMIZE-1. The first patient was successfully included in September 2021 and interim efficacy data are estimated for the end of the fourth quarter of 2022. In order to balance the risk in the Company's development portfolio and to increase the likelihood of clinical success, Alligator is planning a second phase II study with mitazalimab, OPTIMIZE-2. In the study, mitazalimab is planned to be combined with current standard of care in renal cell carcinoma, bladder cancer or hepatocellular carcinoma. OPTIMIZE-2 is expected to start in the second half of 2022.

In June 2021, new promising data from the Phase I study with ATOR-1017 were presented, confirming the therapeutic potential and demonstrating clear signals of proof of mechanism in combination with a favorable safety profile. Previous interim data, presented in the fall of 2020, from the ongoing Phase I study in patients with advanced cancer showed a promising safety profile for ATOR-1017, with only a few drug-related side effects all being mild or moderate (grade 1 or 2). Preparations are ongoing to start clinical Phase II studies, which is expected to take place during the third quarter of 2022.

To ensure continued successful development in accordance with the Company's business plan and strategy, Alligator has resolved to carry out the Rights Issue. The Rights Issue is estimated to provide Alligator with approximately SEK 257 million before transaction costs. The board assesses that the working capital requirement for the coming twelve-month period is met by available cash and the net proceeds from the Rights Issue.

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. Conduction of phase II studies with mitazalimab (65 percent)
2. Preparations for and initiation of phase II study for ATOR-1017 (15 percent)
3. Development of other pipeline candidates (20 percent)

Terms of the Rights Issue

Those who are registered as shareholders on the record date, 10 November 2021, have the preferential right to subscribe for new shares in the Rights Issue in relation to the number of shares held on the record date. One (1) existing share in the Company entitles to three (3)

subscription rights. Two (2) subscription rights entitle to subscription of one (1) new share, i.e., a subscription ratio of 3:2. In addition, investors are offered the possibility to subscribe for shares without subscription rights.

If not all newly issued shares are subscribed for by exercise of subscription rights, allotment of the remaining shares shall be made within the highest amount of the Rights Issue: firstly, to those who have subscribed for shares by exercise of subscription rights (regardless of whether they were shareholders on the record date or not) and who have applied for subscription of shares without exercise of subscription rights and if allotment to these cannot be made in full, allotment shall be made pro rata in relation to the number of subscription rights that each and every one of those, who have applied for subscription of shares without exercise of subscription rights, have exercised for subscription of shares; secondly, to those who have applied for subscription of shares without exercise of subscription rights and if allotment to these cannot be made in full, allotment shall be made pro rata in relation to the number of shares the subscriber in total has applied for subscription of shares; and thirdly, to those who have provided underwriting commitments with regard to subscription of shares, in proportion to such underwriting commitments. To the extent that allotment in any section above cannot be done pro rata, allotment shall be determined by drawing of lots.

The subscription price is SEK 2 per new share. Provided that the Rights Issue is fully subscribed, the share capital will increase by a maximum of SEK 51,399,802.80 by a new issue of a maximum of 128,499,507 new shares. In the event of full subscription, the Rights Issue will provide Alligator with approximately SEK 257 million before deduction of issue costs. Shareholders who choose not to participate in the Rights Issue will, provided that the Rights Issue is fully subscribed, have their ownership diluted by approximately 60 percent, but are able to financially compensate for this dilution by selling their subscription rights.

Subscription of shares shall take place during the period from and including 12 November 2021 to and including 26 November 2021. The board has the right to extend the subscription and payment period. A possible extension of the subscription period shall be announced by press release no later than the last subscription day in the Rights Issue, i.e. 26 November 2021. Trading in subscription rights takes place on Nasdaq Stockholm during the period from and including 12 November 2021 to and including 23 November 2021 and trading in paid subscribed shares (Sw. *Betalda tecknade aktier*) during the period from and including 12 November 2021 until the Rights Issue has been registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*).

Subscription commitments, guarantee commitments and declarations of intent

Alligator has received subscription commitments from a selection of the Company's larger existing shareholders, including the AP4, Roxette Photo NV and Omentum S.A., amounting to approximately SEK 43 million, corresponding to approximately 17 percent of the Rights Issue. Furthermore, the Company has entered into agreements on guarantee commitments in the form of a so-called bottom guarantee of approximately SEK 188 million, corresponding to approximately 73 percent of the Rights Issue, and a so-called top guarantee of approximately SEK 26 million, corresponding to approximately 10 percent of the Rights Issue. In addition, Öhman Fonder and all members of the Company's board and management with shareholdings in the Company, including Søren Bregenholt (CEO), Anders Ekblom (Chairman of the board), Marie Svensson (CFO), Peter Ellmark (CSO), Veronica Wallin (board member) and Hans-Peter Ostler (board member), have expressed their intentions to subscribe for their respective pro

rata share in the Rights Issue. The bottom guarantee ensures, provided that subscription corresponds to at least the subscription commitments, that approximately 90 percent of the Rights Issue is subscribed and paid for. Through the top guarantee, provided that subscription corresponds to at least the subscription commitments and the bottom guarantee, that 100 percent of the Rights Issue is subscribed and paid for.

For the guarantee commitments, compensation is paid either in cash or in the form of newly issued shares in the Company. The subscription price for any shares issued to guarantors shall correspond to 90 percent of the volume-weighted average share price (VWAP) for the Company's share on Nasdaq Stockholm during the subscription period in the Rights Issue (i.e. during the period 12 – 26 November 2021), however no lower than the subscription price in the Rights Issue. In order to enable new issues of shares as guarantee compensation to the guarantors who choose to receive guarantee compensation in newly issued shares, the board has proposed that the Extraordinary General Meeting on 8 November 2021, which is proposed to resolve on the approval of the Rights Issue, also resolves on authorization for the board to resolve on new issues of such shares to guarantors.¹

Preliminary timeline for the Rights Issue

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| 8 November 2021 | Extraordinary General Meeting |
| 8 November 2021 | Last day of trading incl. preferential rights |
| 9 November 2021 | First day of trading excl. preferential rights |
| 9 November 2021 | Estimated publication of prospectus |
| 10 November 2021 | Record date |
| 12 November – 23 November 2021 | Trading in subscription rights |
| 12 November – 26 November 2021 | Subscription period |
| 12 November 2021 – Until the Rights Issue is registered at the Swedish Companies Registration Office | Trading in paid subscription shares (Sw. "BTA") |
| 1 December 2021 | Estimated publication of outcome in the Rights Issue |

Lock-up agreements

In connection with the Rights Issue, the Company has undertaken towards the Joint Global Coordinators, subject to customary exceptions, not to issue additional shares or other share-related instruments for a period of 180 days after the end of the subscription period in the event of an issue with preferential rights for existing shareholders, and 90 days after the end of the subscription period in the event of an issue without preferential rights for existing shareholders. In addition, the Company's board members and senior executives who own shares in Alligator, subject to customary exceptions, have undertaken, towards the Joint Global Coordinators, not to transfer or otherwise sell their shares for a period of 180 days after the end of the subscription period.

¹ In case all guarantors would choose to receive guarantee compensation in shares, in the aggregate a maximum of 11,193,800 new shares would be issued (assuming that the subscription price would correspond to the subscription price in the Rights Issue).

Extraordinary General Meeting

The board's resolution on the Rights Issue is subject to approval by the Extraordinary General Meeting on 8 November 2021. Notice of the Extraordinary General Meeting will be announced in a separate press release.

Prospectus

Full terms and conditions for the Rights Issue, as well as other information about the Company and information about subscription commitments, guarantee commitments and lock-up commitments will be presented in the prospectus that the Company is expected to publish around 9 November 2021 (the "**Prospectus**").

Advisers

DNB Markets, a part of DNB Bank ASA, Sweden Branch and Redeye AB act as Joint Global Coordinators in connection with the Rights Issue. Setterwalls Advokatbyrå AB acts as legal adviser to Alligator and Baker & McKenzie Advokatbyrå KB acts as legal adviser to the Joint Global Coordinators in connection with the Rights Issue. Aktieinvest FK AB acts as the issuing agent in the Rights Issue.

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This information is such information as 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. CEST on 7 October 2021.

About Alligator Bioscience

Alligator Bioscience AB is a clinical-stage biotechnology company developing tumor-directed immuno-oncology antibody drugs. The pipeline includes two clinical assets: mitazalimab, a CD40 agonist, and ATOR-1017, a 4-1BB agonist. Alligator Bioscience is co-developing ALG.APV-527 with Aptevo Therapeutics Inc. and an undisclosed molecule based on its proprietary Neo-X-Prime™ technology platform with MacroGenics Inc. Outlicensed programs include AC101 in clinical development by Shanghai Henlius Biotech Inc. and an undisclosed target to Biotheus Inc. Alligator Bioscience's shares are listed on Nasdaq Stockholm (ATORX). Alligator 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.

This release is not a prospectus in accordance to the definition in the Prospectus Regulation (EU) 2017/1129 ("**Prospectus Regulation**") and has not been approved by any regulatory authority in any jurisdiction. 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. A prospectus will be prepared and in connection with the Rights Issue and be reviewed and approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) which is the national competent authority in Sweden with regard to the Prospectus Regulation. 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, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa, South Korea, Switzerland 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 of America and no shares or other securities may be offered, sold or otherwise transferred, directly or indirectly, in or into the United States of America, 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 of America.

Within the European Economic Area ("**EEA**"), no public offering of shares or other securities ("**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. 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.

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "qualified investors" (within the meaning of the United Kingdom version of the EU Prospectus Regulation (2017/1129/ EU) which is part of United Kingdom law by virtue of the European Union (Withdrawal) Act 2018) who are (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) high net worth entities etc. falling within Article 49(2)(a) to (d) of the Order; or (iii) such other persons to whom such investment or investment activity may lawfully be made available under the Order (all such persons together being referred to as "relevant persons"). In the United Kingdom, any investment or investment activity to which this

communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this press release and should not act or rely on it.

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.