Information about subscription of shares

Alligator Bioscience AB (publ)

In this folder "Alligator" or the "Company"

TUMOR-DIRECTED IMMUNOTHERAPY

IMPORTANT INFORMATION

This information folder is an introduction to the rights issue in Alligator (the "Rights Issue") and should be regarded as marketing material. The information folder is not and shall not be considered to constitute a prospectus in accordance with applicable laws and regulations. Invitation to shareholders and the public to subscribe for shares in the Rights Issue takes place only through the prospectus that has been approved and registered by the Swedish Financial Supervisory Authority (the "Prospectus"), and which has been published on www.alligatorbioscience.se/en/investors/rightsissue/. The Swedish Financial Supervisory Authority's approval of the Prospectus shall not be construed as an approval of the new shares. Any investment decision, in order for an investor to fully understand the potential risks and benefits associated with the decision to participate in the Rights Issue, should only be made based on the information in the Prospectus. Investors are advised to read the full Prospectus.

INTRODUCTION

Alligator is a research-based biotechnology company that develops innovative antibody-based drugs för tumor-directed immunotherapies, the field of cancer research that focuses on activating the immune system to treat and even cure cancer. Alligator is active in the drug development phases ranging from concept and early drug discovery up to clinical phase II studies involving patients. This includes, among other things, the identifications of new points of attack for drugs, the development and optimizations of novel drug candidates, the evaluation of preclinical efficacy and safety, and finally confirmatory clinical studies on cancer patients.

Alligator Bioscience (ATORX) is listed on Nasdaq Stockholm.

IMMUNOTHERAPY

No single function in the immune system can cure all cancer. The company therefore has developed an array of antibodies with different target molecules that can stimulate different parts of the immune system. This means that Alligator's various drug candidates can be developed for the treatment of specific types of cancer. The Company's drug candidates can also be combined with other cancer therapies to further strengthen the immunological effect. By working with multiple target molecules, Alligator is also reducing its overall product portfolio risk.

Immunotherapy has revolutionized cancer therapy in recent years, and is showing positive effects in a high percentage of patients and for a longer period of time compared with standard therapies. Future cancer treatment is likely to involve several different combinations of drugs.

Standard-of-care combination therapies may have boosted the clinical effect, but they have also entailed an elevated risk of developing severe immune-related adverse effects. Alligator's concept of tumor-directed immunotherapy provides an opportunity to solve this and provide new cancer treatments with high effect without increasing the risk of severe adverse effects.

PRODUCT PORTFOLIO

Alligator has four drug candidates in clinical phase; mitazalimab, ATOR-1017, ATOR-1015 and AC101. In addition to these projects, the bispecific antibody ALG.APV-527, which is being developed in partnership with Aptevo Therapeutics Inc., has completed preclinical development. At the same time, Alligator is conducting continuous research to identify new antibodies with the potential to develop powerful tumor-directed immunotherapeutic drugs, and in September 2020, Alligator's new proprietary immuno-oncology concept Neo-X-Prime™ was presented, which is being developed for personalized cancer therapy.

Alligator now focuses its clinical investments on ATOR-1017 and mitazalimab and believes that both programs have first-in-class potential and can start Phase II studies in 2021.

Mitazalimab

Drug candidate ready for clinical Phase II in pancreatic cancer

Mitazalimab is Alligator's most advanced candidate for immunotherapy, intended for the treatment of metastatic cancer, such as pancreatic cancer. It activates CD40, a receptor on dendritic cells that allows the immune system to selectively attack tumors. Activation of the CD40 receptor on the immune system's dendritic cells enhances their ability to attack the cancer cells. Two Phase I studies with mitazalimab have generated competitive safety data and shown early signs of clinical efficacy. Phase II combination studies are scheduled to commence in 2021.

The clinical development plan presented in August 2020 contained a more detailed description of the upcoming Phase II OPTIMIZE-1 clinical study. The study is an open-label, multicenter study to assess the clinical efficacy of mitazalimab combined with chemotherapy (mFOLFIRINOX) in patients with metastatic pancreatic cancer. The OPTIMIZE-1 study will be conducted at several European medical centers and inclusion of the first patient is planned for the first half of 2021. A CTA, an application to initiate a Phase II clinical study, was submitted in December 2020. In December 2020, Alligator also announced that the Company's Investigational New Drug (IND) application for mitazalimab had been approved, which is a prerequisite for initiating clinical studies in the US.

ATOR-1017

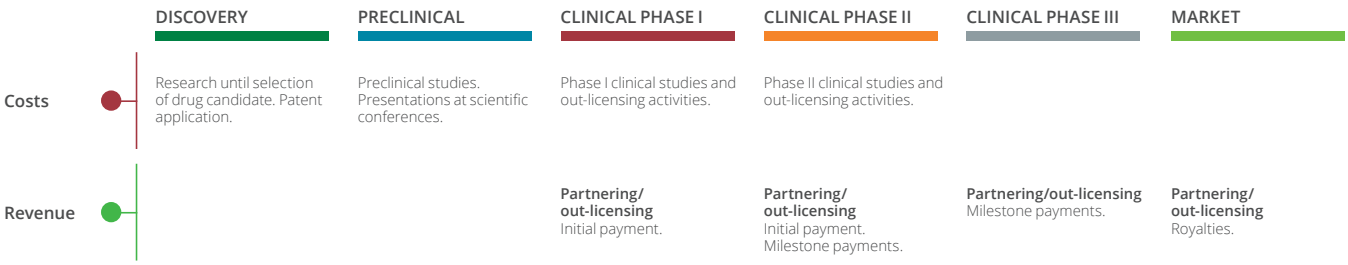
Encouraging interim data in clinical Phase I

ATOR-1017 is a monoclonal antibody that stimulates the 4-1BB receptor on tumor-directed T and NK cells in the tumor region and has been developed for the treatment of metastatic cancer. 4-1BB has an ability to stimulate the immune cells involved in tumor control, making this receptor a highly interesting target for cancer therapy.

The ATOR-1017 drug candidate is being developed to improve combination therapy for metastatic cancer. A Phase I dose-ranging study in patients with metastatic cancer is ongoing, with plans to include up to 50 patients. The study is conducted at three medical centers in Sweden with the primary endpoint of assessing the safety and tolerability of ATOR-1017 and determining a recommended dose for subsequent Phase II studies.

In August 2020, interim data from the ongoing Phase I study were presented for the first time. The results to date show a promising safety profile for ATOR-1017 with only a few drug-related side effects, most of them mild or moderate (grade 1 or 2).

Drug devopment at Alligator



OBJECTIVE AND STRATEGY

Objective

Alligator's overall objective is to establish the Company as one of the world's leading innovators in immuno-oncology by effectively developing tumor-directed immunotherapies that save lives, and with unique properties that make them attractive to Big Pharma for in-licensing.

Strategy

The Company believes that economic value is mainly created by out-licensing drug candidates at clinical study stage, but there are also interesting opportunities for other types of out-licensing and partnerships. Final Phase II/III clinical development as well as marketing and sales will be performed by the Company's partners in each project.

PURPOSE OF THE RIGHTS ISSUE

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 possibly 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, The company's most advanced immuno-oncology drug candidate. With a solid data package from two Phase I clinical studies with over 100 patients, the next step will be to start a Phase II clinical study.

Use of proceeds

To ensure continued successful development in accordance with the Company's business plan and strategy, Alligator has decided to carry out the Rights Issue. The Rights Issue is expected to provide Alligator with approximately SEK 86 million before deduction of issue costs, which are estimated to amount to approximately SEK 10 million (of which costs for guarantee commitments amount to approximately SEK 4 million). Thus, the net proceeds in the Rights Issue are estimated to amount to SEK 76 million. The board of directors' assessment is that the working capital requirement for the coming twelve-month period will be met by available cash and the net proceeds from the Rights Issue.

The expected net proceeds from the Rights Issue will, in the following priority order and with an approximate percentage indicated in brackets, be used for:

1. Initiate and conduct Phase II studies for mitazalimab (50 per cent of the issue proceeds)
2. Complete Phase I study and start work before Phase II study for ATOR-1017 (50 per cent of the issue proceeds)

In connection with the Rights Issue, Alligator has received subscription commitments from existing shareholders and entered into agreements on guarantee commitments with a number of existing shareholders and a number of external investors. In total, subscriptions and guarantee commitments correspond to 100 per cent of the Rights Issue.

THE RIGHTS ISSUE IN SUMMARY

Rights Issue:	The Rights Issue comprises a maximum of 14,277,723 new shares with a subscription price of SEK 6.00 per share, amounting to a capital raise, if fully subscribed, of approximately SEK 86 million before deduction of issue costs. Shareholders in Alligator are entitled to one (1) subscription right for each existing share. Five (5) subscription rights entitle to subscription of one (1) share.
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.
Trading in BTA (Sw. "betald tecknad aktie"):	Trading in BTA takes place on Nasdaq Stockholm from January 11, 2021 until the Rights Issue is registered with the Swedish Companies Registration Office.
Subscription price:	SEK 6.00 per share. Brokerage is not paid.
Issue volume:	The Rights Issue will amount to a maximum of 14,277,723 shares. Through the Rights Issue, Alligator will receive approximately SEK 86 million before deduction of issue costs.
Number of shares before the Rights Issue:	71,388,615
Ticker:	ATORX
ISIN code:	SE0000767188
Subscription commitments:	Approximately SEK 12.6 million, corresponding to approximately 15 per cent of the Rights Issue.
Guarantee commitments:	Approximately SEK 73 million, corresponding to approximately 85 per cent of the Rights Issue.

INVESTOR PRESENTATIONS

Event	Date	Time	Place
Redeye Fight Cancer Seminar	2021-01-21	13:00	www.redeye.se

Additional investor meetings may be arranged during the subscription period. Invitation to these will be presented on Alligator's and Redeye AB's respective websites.

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No action has been taken, or will be taken, by the Company to allow a public offering in any country other than Sweden. Neither the subscription rights in the Rights Issue (the "Subscription Rights"), paid-up subscribed shares ("BTA") nor new shares subscribed for in the Rights Issue ("Shares") (altogether the "Securities") have been, or will be, registered under the United States Securities Act of 1933, as amended (the "Securities Act"). Securities may not be offered or sold, directly or indirectly, in or into the United States or to persons residing there. Moreover, the Offering is not made to persons resident in Canada, New Zealand, South Africa, Japan, Australia, South Korea, Hong Kong, Switzerland, Singapore, or to persons whose participation would require additional prospectuses, registration or other measures than those imposed by Swedish law. The Prospectus may not be distributed in any country or any jurisdiction where the distribution or the Rights Issue would require such measures or would be in conflict with the applicable regulation of such jurisdiction. Application for subscription of shares in violation of the restrictions above may be considered void. Persons who receive copies of the Prospectus are required to inform themselves about, and comply with, such restrictions. Any failure to comply with the restrictions described may result in a violation of securities regulations.

RISK FACTORS

An investment in securities involves certain risks, see the section "Risk factors" in the Prospectus. When investors make an investment decision, they must rely on their own assessment of the Company and the securities, including the present facts and risks, and investors may not rely on information other than that stated in the Prospectus and any additions to the Prospectus. Before making an investment decision, potential investors should hire their own professional advisers as well as carefully evaluate and consider the investment decision.

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