

NOT FOR RELEASE, DISTRIBUTION OR PUBLICATION, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA, JAPAN OR ANY OTHER JURISDICTION IN WHICH THE RELEASE, DISTRIBUTION OR PUBLICATION WOULD BE UNLAWFUL OR REQUIRE REGISTRATION OR ANY OTHER MEASURE.

Press release, December 16, 2016

Notice of stabilisation measures

Carnegie Investment Bank AB ("Carnegie") has notified that stabilisation measures have been effected in Alligator Bioscience AB's (publ) ("Alligator" or the "Company") shares traded on Nasdaq Stockholm.

As announced in connection with the offer to acquire newly issued and existing shares in the Company and the listing of the Company's shares on Nasdaq Stockholm (the "Offering"), Carnegie may, acting as stabilisation manager, effect transactions aimed at supporting the market price of the shares at levels above those which otherwise might prevail in the market.

Stabilisation transactions may be effected on Nasdaq Stockholm, the OTC market, or otherwise, at any time during the period starting on the date of commencement of trading in the shares on Nasdaq Stockholm and ending no later than 30 calendar days thereafter. Carnegie is, however, not required to undertake any stabilisation, and there is no assurance that stabilisation will be undertaken. Stabilisation, if undertaken, may furthermore be discontinued at any time without prior notice. In no event will transactions be effected to support the market price of the shares at levels above the price in the Offering.

Sunstone Life Science Ventures Fund II K/S and Duba AB has also, in capacity as selling shareholders, granted Carnegie an option, which may be exercised in whole or in part, during 30 days from the first day of trading in the Company's shares on Nasdaq Stockholm, to purchase up to additionally 1 938 462 shares in the Company, corresponding to a maximum of 15 per cent of the total number of shares in the Offering, at a price corresponding to the price in the Offering, i.e. 32.50 SEK, in order to cover any over-allotment in connection with the Offering.

Carnegie has, in its capacity as stabilisation manager, notified that stabilisation measures have been undertaken, in accordance with article 5(4) in the Market Abuse Regulation 596/2014, on Nasdaq Stockholm as specified below. The contact person at Carnegie is Tony Elofsson (tel: +46 (0) 8 58 86 88 00).

Stabilisation information:	
Issuer:	Alligator Bioscience AB (publ)
Securities:	Shares (ISIN SE0000767188)
Offering size:	12 923 077 shares
Offer price:	SEK 32.50 per share
Ticker:	ATORX
Stabilisation manager:	Carnegie Investment Bank AB (publ)

Stabilisation transactions:						
Date	Quantity	Price (highest)	Price (lowest)	Price (volume weighted average)	Currency	Trading venue
2016-12-09	1,000	32.50	32.50	32.50	SEK	Nasdaq Stockholm

This information is information that Alligator Bioscience AB (publ) is obliged to disclose pursuant to the EU Market Abuse Regulation 596/2014. The information was released for public disclosure, through the agency of the contact person below, on 16 December 2016, at 17:45 p.m. (CET).

For more information, please contact:

Per Norlén, CEO

E-mail: pen@alligatorbioscience.com

Telephone: +46 46 286 42 80 (switchboard)

Rein Piir, VP Investor Relations

E-mail: rpr@alligatorbioscience.com

Telephone: +46 708 537292

About Alligator

Alligator is a research-based biotechnology company that develops innovative immune activating antibody drugs for tumor-directed immunotherapy. The Company is headquartered in Lund, Sweden, and had 35 employees per September 30, 2016. The Company is primarily active in the early stages of drug development, from the idea stage to clinical phase IIa studies, and Alligator's product portfolio primarily consist of the product candidates ADC-1013, ATOR-1015 and ATOR-1016. In August 2015, ADC-1013 was out-licensed to Janssen Biotech, Inc., one of the Janssen Pharmaceutical Companies of Johnson & Johnson, for further development and commercialization. The company's shares are listed on Nasdaq Stockholm under the ticker "ATORX". For more information, visit <http://www.alligatorbioscience.com>.

Important information

This announcement is not and does not form a part of any offer for sale of securities.

Copies of this announcement are not being made and may not be distributed or sent into the United States, Australia, Canada, Japan or any other jurisdiction in which such distribution would be unlawful or would require registration or other measures. The securities referred to in this announcement have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and accordingly may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the Securities Act and in accordance with applicable U.S. state securities laws. The Company does not intend to register any offering in the United States or to conduct a public offering of securities in the United States.

An offering of the securities referred to in this announcement is made by means of the prospectus previously published by the Company. This announcement is not a prospectus for the purposes of Directive 2003/71/EC (together with any applicable implementing measures in any Member State, the

“Prospectus Directive”). Investors should not invest in any securities referred to in this announcement except on the basis of information contained in the aforementioned prospectus.

In any EEA Member State other than Sweden, Norway, Denmark and Finland, that has implemented the Prospectus Directive, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Directive, i.e., only to investors who can receive the offer without an approved prospectus in such EEA Member State.

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.

Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as “believe,” “expect,” “anticipate,” “intends,” “estimate,” “will,” “may,” “continue,” “should” and similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice.