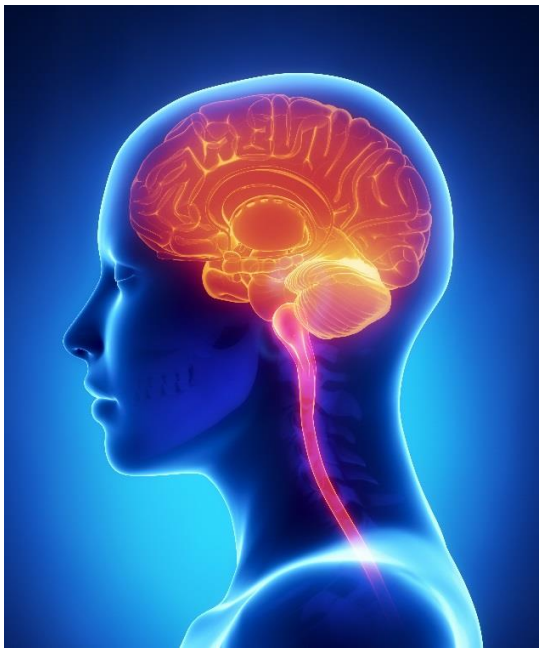
Interim Report January – September 2018



Content

Financial Calendar

Full Year Report 2018, Feb 14, 2019
Annual Report 2018, week commencing April 15, 2019
Interim Report Jan – Mar, May 9, 2019
Annual General Meeting, May 9, 2019
Interim Report Jan – Jun, Jul 11, 2019
Interim Report Jan – Sep, Oct 24, 2019

Unless otherwise stated in this report, all data refers to the Group. Figures in parentheses relate to the corresponding period in 2017.

BioArctic reports strong BAN2401 Phase 2b results for Alzheimer patients. AbbVie exercises its option to a license for Parkinson's projects

July – September 2018

- Net revenues for the period amounted to SEK 94.0 million (31.5)
- Operating profit amounted to SEK 33.1 million (0.6)
- Profit for the period amounted to SEK 25.9 million (-0.1)
- Earnings per share were SEK 0.29 (0.00)
- Cash flow from operating activities amounted to SEK -31.5 million (-23.6)

January – September 2018

- Net revenues for the period amounted to SEK 198.6 million (89.7)
- Operating profit amounted to SEK 58.5 million (4.6)
- Profit for the period amounted to SEK 46.4 million (3.3)
- Earnings per share were SEK 0.53 (0.05)
- Cash flow from operating activities amounted to SEK -110.8 million (-89.6)

Key events during the period July – September 2018

- BioArctic signed a research agreement with Brain Biomarker Solutions in Gothenburg AB to develop new diagnostics for Alzheimer's disease
- BioArctic received approvals from regulatory authorities in Finland for the clinical study of SC0806 in patients with Complete Spinal Cord Injury
- Positive 18 months results in the Phase 2b study of BAN2401 in 856 early Alzheimer patients were announced on July 6
- BAN2401 Phase 2b detailed results at 18 months were presented at the 2018 Alzheimer's Association International Conference (AAIC) on July 25 in Chicago, in the U.S.
- BioArctic obtained exclusive rights to develop antibody treatments for Alzheimer's disease from a research project jointly owned with Eisai
- BioArctic expanded the research collaboration with Uppsala University concerning antibody-based diagnostic imaging of the brain in Alzheimer patients

Key events after the period

- BioArctic's partner Eisai presented additional positive results from BAN2401 Phase 2b clinical study at Clinical Trials on Alzheimer's Disease 2018 (CTAD) conference on October 25. The results further support a potential treatment for the broad studied population of early Alzheimer's disease patients
- AbbVie exercised its option to license BioArctic's portfolio of antibodies targeting alpha-synuclein for Parkinson's disease. Pending clearance under the U.S. antitrust legislation, a milestone payment of USD 50 million will be received
- BioArctic was granted a concept patent in Europe for the company's strategy for disease-modifying treatment of Parkinson's disease
- BioArctic received European patent protection for a medical device for treatment of patients with Complete Spinal Cord Injury

Financial summary

SEKm	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Jan-Dec 2017
Net revenues	94.0	31.5	198.6	89.7	140.7
Other operating income	0.6	2.8	15.6	8.7	19.0
Operating profit	33.1	0.6	58.5	4.6	19.3
Profit for the period	25.9	-0.1	46.4	3.3	15.2
Operating margin, %	35.2%	2.0%	29.4%	5.1%	13.7%
Earnings per share, SEK [1, 2]	0.29	0.00	0.53	0.05	0.22
Equity per share, SEK [1, 2]	7.75	1.02	7.75	1.02	7.22
Cash flow from operating activities	-31.5	-23.6	-110.8	-89.6	-135.3
Cash flow from operating activities per share, SEK [1, 2]	-0.36	-0.37	-1.26	-1.42	-1.99
Equity/assets ratio, %	66.1%	10.5%	66.1%	10.5%	55.8%
Return on equity, %	3.9%	-0.2%	7.0%	5.3%	4.3%
Share price end of the period [3]	118.90	-	118.90	-	26.00
Number of shares	88,059,985	63,059,985	88,059,985	63,059,985	88,059,985

[1] There are no potential shares, thus there is no dilutive effect

[2] The comparative figures have been recalculated as a result of the 15:1 split executed on August 1, 2017

[3] The company was listed in October 2017, so no observable share price exists before the listing

Contacts

For further information, please contact:
Gunilla Osswald, CEO, gunilla.osswald@bioarctic.se, telephone + 46 (0)8 695 69 30
Jan Mattsson, CFO, jan.mattsson@bioarctic.se, telephone + 46 (0)703 52 27 72

Presentation

BioArctic invites to an audiocast with teleconference (in English) for investors, analysts and media today, November 8, at 09:30 – 10:30 a.m. CET. CEO Gunilla Osswald and CFO Jan Mattsson present BioArctic, comment on the Interim Report for the period January – September 2018 and answer questions.

Webcast: https://tv.streamfabriken.com/bioarctic-q3-2018

Sweden: + 46 850 639 549
Denmark: + 45 354 455 75
Germany: + 49 692 222 290 46
The Netherlands: + 31 207 168 416
Switzerland: + 41 225 675 548
UK: + 44 203 008 9815
US: + 1 855 831 5947

About BioArctic

BioArctic AB (publ) is a research-based biopharmaceutical company focusing on disease modifying treatments and diagnostics for neurodegenerative diseases, such as Alzheimer's disease and Parkinson's disease. The company also develops a treatment for complete spinal cord injury. The company focuses on new types of treatments in areas with great unmet medical needs. BioArctic was founded in 2003 based on innovative research from Uppsala University, Sweden.

The company has cutting-edge scientific competence and experience in developing drugs from idea to market. Collaborations with universities are of great importance to the company together with the strategically important global partners in the Alzheimer and Parkinson projects. BioArctic conducts its own clinical development in the field of complete spinal cord injury. Through long-term collaboration agreements with global pharmaceutical companies, BioArctic has demonstrated high skills and great ability to deliver innovative pharmaceutical projects.

In Alzheimer's disease, BioArctic has collaborated with Eisai since 2005. The company has entered into three research agreements and two license agreements relating to the antibodies BAN2401 and BAN2401 back-up. The total aggregated value of these agreements may amount to EUR 218 million and, in addition, payments of royalty. So far, EUR 47 million has been received. In Parkinson's disease, BioArctic has collaborated with AbbVie since 2016, when a research collaboration agreement was entered including i.a. the antibody BAN0805. The total aggregated value of the agreement may amount to USD 755 million and, in addition, payments of royalty. So far, USD 80 million has been received.

The project portfolio consists of fully funded projects run in partnership with global pharmaceutical companies and innovative in-house projects with significant market and out-licensing potential. For information about the projects, see the section Project portfolio.
BioArctic's B-share is listed on Nasdaq Stockholm Mid Cap (ticker: BIOA B).

CEO comments

In early July BioArctic reported positive topline 18 months results of the BAN2401 Phase 2b study in 856 early Alzheimer's disease patients. More detailed results were presented later in July by our partner Eisai. BAN2401 demonstrated a dose-dependent effect on clinical and biomarker endpoints. The highest BAN2401 dose showed clinically meaningful effect compared to placebo. All doses of BAN2401 strongly reduced amyloid in the brain as measured by PET techniques. 81% of patients, in the highest BAN2401 dose group, converted from Alzheimer positive to Alzheimer negative status. That is, an improvement in which the former disease-related degree of amyloid has disappeared. BAN2401 was well tolerated across the dose-range.

In October, Eisai presented additional results that further support the positive effects of BAN2401 in all sub-groups of early Alzheimer patients. A correlation was shown between the dose-dependent amyloid reduction in the brain and the clinical effects of BAN2401, and the clinical effects were shown to increase over time. The positive clinical results were further supported by consistent biomarker data indicating that BAN2401 reduces neurodegenerative processes in Alzheimer's disease.

Eisai is currently discussing the next steps for BAN2401 with regulatory authorities and preparing for further clinical studies. The patients who participated in the Phase 2b study are offered continued treatment with BAN2401. The results mark an important advancement in the future treatment of Alzheimer's disease and give new hope for the patients and their families.

I am also very pleased with how well BioArctic's research collaboration with AbbVie has developed. During the period, the work has been intense delivering the projects and preparing for an IND-application to start the first clinical study with BAN0805 in the US next year. It is; therefore, very exciting that AbbVie earlier than expected announced that they exercise their option to license our alpha-synuclein antibody portfolio, pending clearance under the U.S. antitrust legislation.

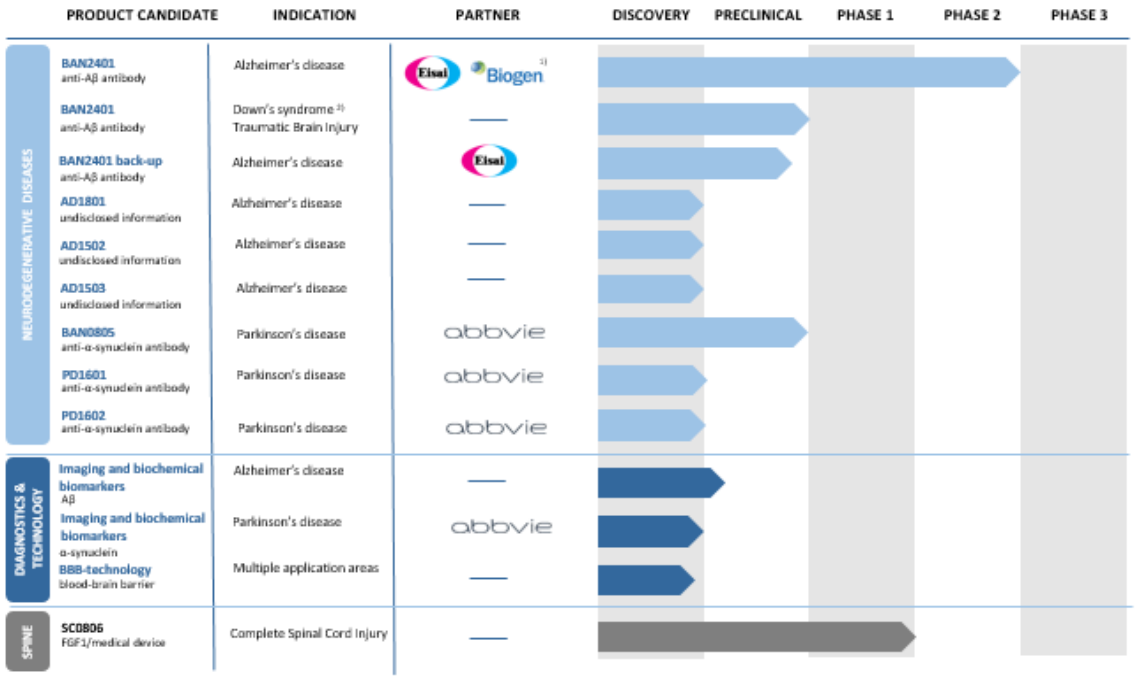
In the project for treatment of complete spinal cord injury, the inclusion of patients in the first of three panels in the company's ongoing Phase 1/2 study has been completed. BioArctic has regulatory approvals to include patients from Sweden, Estonia, Norway and Finland. The first patients from Estonia are currently in screening phase. An interim analysis of the first panel is planned for Q4 2019/Q1 2020.

BioArctic's ambition is to improve the quality of life for patients with disorders in the central nervous system. Our project portfolio is progressing well, and I am pleased to notice yet another period with a positive financial result. The company is well positioned to advance the projects towards our goals and new potential collaborations, in line with the company's strategy. I am looking forward to continue to progress our innovative projects in our three disease areas each with high unmet medical need.

Gunilla Osswald
CEO, BioArctic AB

Project portfolio

Preclinical and clinical research:



[1] Partner with Eisai on BAN2401 for treatment of Alzheimer's disease. Eisai partnered with Biogen on BAN2401 in 2014
[2] Dementia and cognitive impairment associated with Down's syndrome and Traumatic Brain Injury

BioArctic's project portfolio at September 30, 2018:
Two projects in the clinical phase: BAN2401 for Alzheimer's disease and SC0806 for patients with Complete Spinal Cord Injury.
Three drug projects in preclinical phase: BAN2401 for Down's Syndrome with dementia and Traumatic Brain Injury, BAN2401 back-up for Alzheimer's disease; and BAN0805 for Parkinson's disease and biomarker and diagnostics projects for Alzheimer's disease.
Three projects in the research phase for Alzheimer's disease (AD1801, AD1502, AD1503) and two projects for Parkinson's disease (PD1601, PD1602) and biomarker and diagnostics projects for Parkinson's disease, as well as a blood-brain barrier technology project.

Neurodegenerative diseases

The key molecular event in Alzheimer's disease and Parkinson's disease is believed to be protein misfolding and aggregation. The spreading of soluble aggregates leads to neuronal dysfunction, cell death, brain damage and symptoms of disease. Each neurodegenerative disease is characterized by its unique aggregated protein. The hallmark of Alzheimer's disease is amyloid-beta (Aβ), whereas alpha-synuclein (α-synuclein) is the signature protein of Parkinson's disease.

BioArctic's disease modifying treatment strategy is to eliminate toxic aggregated forms (oligomers/protofibrils) in the brain by means of the company's selective antibodies.

BAN2401

Alzheimer's disease: The antibody BAN2401 selectively binds to neutralize and eliminate soluble, toxic amyloid-beta (Aβ) aggregates that are thought to contribute to the neurodegenerative process in Alzheimer's disease. BAN2401 is highly selective for Aβ oligomers/protofibrils and binds more than 1,000 times stronger to Aβoligomers/protofibrils than to Aβ

monomers and 10 - 15 times stronger than to Aβ fibrils.

Eisai presented the 18 months analysis of BAN2401 Phase 2b study with 856 patients with early Alzheimer's disease at the Alzheimer's Association International Conference® 2018 (AAIC®) 2018 in Chicago, in the U.S., on July 25. The results demonstrated consistent dose-dependent, clinically meaningful and statistically significant effects of BAN2401 on several clinical endpoints as well as dose-dependent and significant effects on PET and other biomarkers with a good tolerability profile. At the final readout after 18 months of treatment a dose-dependent slowing of cognitive decline from baseline on the main parameter ADCOMS was demonstrated. The highest BAN2401 dose of 10 mg/kg twice a month demonstrated a significant slowing of clinical decline of 30% compared to placebo at 18 months (p=0.034). A statistically significant slowing of decline on ADCOMS was observed as early as 6 months ($p < 0.05$) as well as at 12 months ($p < 0.05$). Dose-dependent slowing of cognitive decline from baseline measured by the well-established cognition scale ADAS-Cog was also observed for BAN2401, with the highest treatment dose demonstrating a significant slowing of clinical decline compared to placebo at 18 months (47% slower decline, p=0.017). On CDR-SB a slowing of clinical decline at the highest treatment dose, compared to placebo, also surpassed 25%. This level was pre-specified as clinically relevant. Compared to placebo at 18 months the difference was 26% ($p = 0.125$).

The early effect of BAN2401 in the two highest dose-groups resulted in more patients being randomized to these doses according to the Bayesian randomization study design. The highest BAN2401 dose 10 mg/kg twice a month was demonstrated to be the best dose.

Highly statistically significant and dose-dependent biomarker effects of all dose groups were observed with amyloid PET. BAN2401 demonstrated a dose- dependent reduction in amyloid in the brain at 18 months, and this reduction was significant at all doses. At the highest dose of BAN2401 (10 mg/kg twice a month), using standardized PET as measured at the Centiloid scale, the mean reduction in accumulated amyloid in the brain was approximately 70 units at 18 months ($p < 0.0001$). The observed baseline mean was 74.5 units, observed 18-month mean was 5.5 units. In amyloid PET image visual read BAN2401 demonstrated a dose-dependent improvement with 81% of patients converting from amyloid positive to amyloid negative status at 18 months ($p < 0.0001$) at the highest dose.

This is the first late stage clinical study demonstrating potential disease-modifying effects on cognition as well as reduction in accumulated amyloid-beta in the brain.

At the CTAD conference (Clinical Trials on Alzheimer's Disease) on October 25 in Barcelona, Spain, Eisai presented additional results from sub-group and biomarkers analyses. Consistent and pronounced effects on BAN2401 with significantly reduced amyloid-burden on PET were demonstrated in the broad early AD population as well as across all subgroups; ApoE carriers and non-carriers, mild cognitive impairment due to AD (MCI) or mild AD and with or without concomitant symptomatic AD medication. Clinical effect variables also demonstrated support for treatment with BAN2401 in these sub-groups. A correlation was further shown between the dose-dependent amyloid reduction in the brain and the clinical effects and the clinical effects were shown to increase over time. Additional biomarker effects in CSF were shown indicating that BAN2401 reduces neurodegenerative processes in AD.

As presented at both conferences BAN2401 was well tolerated during the 18 months of study drug administration. The incidence rate of treatment-related adverse events was 26.5% for the placebo arm, 53.4% for the 10

mg/kg monthly treatment arm and 47.2% for the 10 mg/kg twice a month treatment arm. The most common treatment emergent adverse events were infusion-related reactions and Amyloid Related Imaging Abnormalities (ARIA). Infusion related reactions were mostly mild to moderate in severity. Incidence of ARIA-E (edema) was not more than 10% in any of the treatment arms and the vast majority of the observed ARIA-E cases in the study were asymptomatic (43 of 48 subjects, 90%). Incidence of ARIA-E (edema) was 9.9% at the highest treatment dose and the incidence of ARIA-E in APOE4 carriers (who may be more sensitive to this adverse event) was 14.6% at this dose in the study. Per protocol, all patients presenting with ARIA-E on Magnetic Resonance Imaging (MRI) were discontinued in the study.

The study will be completed in the fourth quarter of 2018 and includes a further 3 months follow-up (at 21 months) after completion of the 18 months treatment. As reported in December 2017 there was a primary endpoint analysis on ADCOMS after 12 months treatment, which aimed to enable a faster start of phase 3, the high hurdle set for early stop of the phase 2b study was not met.

Eisai is currently discussing the next steps for BAN2401 with regulatory authorities and preparing for further clinical studies. An open-label extension study for the participating patients in the Phase 2b clinical study is being initiated later this year.

Eisai is responsible for the Phase 2b study and the development of BAN2401 in Alzheimer's disease. The project is based on research at Uppsala University, Sweden.

Down's syndrome with dementia: BAN2401, which is now being clinically evaluated for the treatment of Alzheimer's disease, can potentially also be used for other indications, such as Down's syndrome with dementia, as these patients develop dementia at around 40 years of age.

Traumatic brain injury (TBI): BioArctic has submitted a patent application for the antibodies BAN2401/BAN2401 back-up for the treatment of Traumatic Brain Injury. Some of these patients develop dementia after the injury.

BAN2401 back-up

The antibody is a further developed version of BAN2401 for the treatment of Alzheimer's disease. The antibody was developed by BioArctic in collaboration with Eisai, which led to a new license agreement in 2015. The project is driven by Eisai and is in late preclinical phase.

AD1801

In August 2018, BioArctic obtained exclusive rights to develop antibody treatments for Alzheimer's disease from a research project jointly owned with Eisai. The partner Eisai has the rights to develop small molecule treatment from this research project with a different target than those in the projects BAN2401 and BAN2401 back-up.

AD1502 and AD1503

At BioArctic research is in progress to develop new antibodies for the treatment of Alzheimer's disease aimed at slowing down or stopping disease progression by addressing two new targets.

BAN0805

BAN0805 is an antibody against alpha-synuclein and a drug candidate for the treatment of Parkinson's disease. The goal is to develop a disease modifying treatment that stops or slows down disease progression. A collaboration with AbbVie started in 2016 regarding the continued development of BioArctic's Parkinson program, focusing on BAN0805 and additional antibodies as well as diagnostics. BioArctic is preparing for the application to the U.S. Food and Drug Administration (FDA) for the initiation of a clinical study of BAN0805 in the U.S., an IND. The project is based on research from Uppsala University.

PD1601 and PD1602

The antibodies PD1601 and PD1602 are targeting alpha-synuclein for treatment of Parkinson's disease. The aim is to develop a disease modifying treatment that stops or slows down disease progression. The projects are also conducted in collaboration with AbbVie.

Diagnostics and technology

Alzheimer's disease diagnostics: In collaboration with Uppsala University, BioArctic is developing a new type of PET tracer for imaging of the brain in Alzheimer's disease by using BioArctic's antibodies. The goal is to create tools to better diagnose the disease, follow the disease progression and objectively measure the effect of drug treatment.

Improved biochemical methods: BioArctic develops improved biochemical methods for the identification and precise measurement of responses to treatment of Alzheimer's disease and Parkinson's disease, and for the measurement of disease progression. This is done in collaboration with the University of Gothenburg, Sweden.

Blood-brain barrier technology: Together with Uppsala University, BioArctic is developing a technology that enables better passage of antibodies into the brain across the blood-brain barrier. This technology has great technical and commercial potential and could be a general technology for improved and more effective treatment of brain diseases.

Complete Spinal Cord Injury

SC0806

SC0806 is an innovative treatment for patients with traumatic complete spinal cord injury. The product candidate is a combination of a biodegradable medical device and a drug substance (FGF1). The first patient was treated in 2016 with subsequent rehabilitation for 18 months. Since August 2017, the patients receiving SC0806 treatment in the ongoing Phase 1/2 clinical trial have been given the option of 12 months additional participation in an extension study. The inclusion of patients with complete spinal cord injury to the first of three panels of BioArctic's ongoing clinical Phase 1/2-study was completed in April 2018. An interim analysis will be performed after 18 months participation in the study. Preparations for starting the next panel is on-going. The study is approved by the regulatory authorities and ethics committees in Estonia, Norway and Finland. The product obtained orphan drug designation in 2010 in the EU and in 2011 in the U.S., which gives the company 10 and 7 years of market exclusivity in Europe and the US, respectively.

Patent

Patents are crucial to the company's future commercial opportunities. BioArctic has therefore an active patent strategy covering all major pharmaceutical markets, including the US, EU, Japan and China. BioArctic's patent portfolio consisted at the end of the period of 12 patent families with 151 granted patents.

Comments on the report

The Group is referred to unless otherwise stated in this interim report. Figures in parentheses refer to the corresponding period last year. Amounts are expressed in kSEK (SEK thousands) unless otherwise stated. All amounts stated are rounded up or down, which may lead to some totals not matching exactly.

BioArctic has decided to change from income statement by function to income statement by nature of expense starting from the previous interim report. The reason for the change is that management and the Board control the operations in this way. The comparative periods have been changed accordingly. The calculation of the key ratios has not been changed.

Revenues and results

Because of the nature of the business operations, there may be large fluctuations between revenue for different periods.

Net revenues in the third quarter amounted to SEK 94.0 million (31.5), an increase of SEK 62.6 million compared with the same period the previous year. The increase during the quarter is attributable to the increased activities in the Parkinson program in collaboration with AbbVie. Net revenues for the period January – September amounted to SEK 198.6 million (89.7), which is an increase of 109.0 MSEK. The increase is attributable to increased activities in the Parkinson program. During the quarter, a positive one-off effect of SEK 20.1 million was recognized. The effect is related to a re-assessment of the Parkinson program's total cost, based on a more positive progress of the program compared to the original plan.

Other operating income relates to research grants, operating exchange rate gains and rental income and amounted to SEK 0.6 million (2.8) for the third quarter and to SEK 15.6 million (8.7) for the period January – September. The decrease during the third quarter relates to currency effects and the increase for the period January – September is explained by the exchange rate gains due to the weakening of the Swedish krona.

Operating expenses amounted to SEK 61.5 million (33.6) for the third quarter and to SEK 155.7 million (93.8) for the period January – September. The increase for the third quarter as well as the period January – September is primarily explained by increased project expenses mainly attributable to the Parkinson program and other projects in the portfolio. Other operating expenses consisted of operating exchange rate losses.

Since BioArctic did not meet all the conditions to capitalize R&D costs, all such costs have been charged to the P&L.

Operating profit before financial items (EBIT) amounted to SEK 33.1 million (0.6) for the third quarter and to SEK 58.5 million (4.6) for the period January – September. The increase in the operating profit is attributable to the increased activity in the Parkinson program with AbbVie and to operating exchange rate gains.

Net financial items totaled SEK 0.1 million (-0.7) for the third quarter and to SEK 1.2 million (-0.2) for the period January – September. Financial income consists of financial exchange rate gains and financial expenses consists of negative interest on cash and cash equivalents.

Profit for the period amounted to SEK 25.9 million (-0.1) for the third quarter and SEK 46.4 million (3.3) for the period January – September.

Earnings per share before and after dilution amounted to SEK 0.29 (0.00) for the third quarter and to SEK 0.53 (0.05) for the period January – September.

Financial position

Equity amounted to SEK 682.5 million (64.1) at September 30, 2018. This corresponds to an equity per outstanding share of SEK 7.75 (1.02) before and after dilution.

The equity/asset ratio has increased from 10.5% at September 30, 2017 to 66.1% at September 30, 2018. The increase is due to the share issue that took place in connection with the listing of BioArctic on Nasdaq Stockholm in October 2017.

The Group's cash and cash equivalents consist of bank balances that at the end of the period amounted to SEK 1,008.5 million (590.7). There were no loans at September 30, 2018 and no loans have been taken since this date. The Group has no other credit facility or loan commitments.

The Group's liquid funds are intended to be used mainly for agreed commitments and for progressing the internal projects in the portfolio. In order to reduce foreign exchange

exposure some liquid funds are invested in foreign currency. This has reporting effects in connection with the recalculation of currency to the current rate. These effects are recognized in the operating profit and in financial income and expenses.

Investments and cash flow

Investments in the third quarter amounted to SEK 0.5 million (2.8) and SEK 1.4 million (3.3) for the period January – September. The investments are mainly related to laboratory equipment.

Cash flow from operating activities for the second quarter amounted to SEK -31.5million (-23.6) and SEK -110.8 million (-89.6) for the period January – September.

Other information

Employees

At the end of the period, the number of employees in the Group was 30 (26) of which 12 (10) are men and 18 (16) women. Approximately 90 percent are active in R&D and approximately 80 percent are PhDs; of these, one is Associate Professor and two are Professors.

Consultants

A cost efficient organization at BioArctic is achieved by hiring key consultants for specific assignments and for tasks in competence areas that the company lacks or only has a need for periodically. As of September 30, 2018, these amounted to a total corresponding to 13 (12) full-time positions.

Risks and uncertainty factors

The management makes assumptions, judgments and estimates that affect the content of the financial statements. Actual results may differ from these assumptions and estimates, as is also stated in the accounting principles. The objective of the Group's risk management is to identify, measure, control and limit the risks of the business. Significant risks are the same for the Parent Company and the Group. The risks can be divided into financial risks on the one hand and operational and external risks on the other. BioArctic's operational and external risks mainly consist of risks related to research and development, clinical trials and dependence on key employees.

A detailed description of exposure and risk management is presented in the Annual Report for 2017, pp 41-42.

Parent Company

All the Group's business operations are conducted in the Parent Company.

Consolidated income statement[1]

kSEK	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Jan-Dec 2017
Net revenues (note 4)	94,045	31,493	198,650	89,685	140,706
Other operating income	556	2,764	15,552	8,678	19,044
Total operating income	**94,602**	**34,257**	**214,202**	**98,363**	**159,750**
Operating expenses					
Project related expenses	-42,738	-12,667	-97,327	-36,556	-63,641
Other external expenses	-6,675	-8,959	-21,907	-22,869	-36,197
Personnel expenses	-11,039	-7,408	-33,410	-23,651	-32,936
Depreciations of tangible assets	-624	-507	-1,392	-1,399	-1,993
Other operating expenses	-402	-4,097	-1,692	-9,326	-5,689
Operating profit	**33,125**	**619**	**58,474**	**4,563**	**19,294**
Financial income	453	-401	2,283	138	1,043
Financial expenses	-342	-295	-1,067	-307	-647
Profit before tax	**33,236**	**-77**	**59,689**	**4,394**	**19,690**
Tax	-7,379	-39	-13,292	-1,073	-4,534
Profit for the period	**25,856**	**-116**	**46,397**	**3,321**	**15,157**
Earnings per share					
Earnings per share, SEK [2, 3]	0.29	0.00	0.53	0.05	0.22

[1] BioArctic has decided to change to income statement by nature of expense and the comparative periods have been changed accordingly

[2] There are no potential shares. Thus; there is no dilutive effect

[3] The comparative figures have been recalculated as a result of the 15:1 split executed on August 1, 2017

Consolidated statement of comprehensive income

kSEK	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Jan-Dec 2017
Profit for the period	25,856	-116	46,397	3,321	15,157
Other comprehensive income	-	-	-	-	-
Comprehensive income for the period	**25,856**	**-116**	**46,397**	**3,321**	**15,157**

Consolidated balance sheet – summary

kSEK	Sep 30, 2018	Sep 30, 2017	Dec 31, 2017
ASSETS			
Tangible fixed assets	7,065	7,580	7,093
Deferred tax assets	180	215	230
Other financial assets	2,675	2,675	2,675
Current assets excluding cash and cash equivalents	13,824	9,774	20,119
Cash and cash equivalents	1,008,522	590,677	1,110,367
TOTAL ASSETS	**1,032,266**	**610,921**	**1,140,483**
EQUITY AND LIABILITIES			
Equity	682,531	64,080	636,134
Deferred tax liabilities	5,487	4,136	5,487
Other current liabilities	18,538	9,837	12,160
Accrued expenses and deferred income	325,710	532,868	486,702
EQUITY AND LIABILITIES	**1,032,266**	**610,921**	**1,140,483**

Consolidated statement of changes in equity – summary

kSEK	Sep 30, 2018	Sep 30, 2017	Dec 31, 2017
Opening balance at 1 January	**636,134**	**60,760**	**60,760**
Comprehensive income for the period	46,397	3,321	15,157
Transactions with shareholders:			
Share issue	-	-	600,000
Expenses for share issue	-	-	-39,782
Closing balance	**682,531**	**64,080**	**636,134**

Consolidated statement of cash flow

kSEK	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Jan-Dec 2017
Operating profit	**33,125**	**619**	**58,474**	**4,563**	**19,294**
Adjustment for non-cash items	-93,925	-27,911	-211,526	-80,273	-143,453
Interest received/paid	-342	-305	-1,067	-307	-582
Income tax paid	-2,067	-163	-8,822	-7,353	-7,739
Cash flow from operating activities before changes in working capital	**-63,209**	**-27,761**	**-162,942**	**-83,371**	**-132,481**
Change in working capital	31,752	4,150	52,139	-6,257	-2,846
Cash flow from operating activities after changes in working capital	**-31,456**	**-23,611**	**-110,803**	**-89,628**	**-135,327**
Cash flow from investing activities	**-498**	**-2,781**	**-1,364**	**-3,334**	**-2,813**
Cash flow from financing activities	**-**	**-**	**-**	**-**	**560,218**
Cash flow for the period	**-31,954**	**-26,392**	**-112,168**	**-92,962**	**422,078**
Cash and cash equivalents at beginning of period	1,041,740	622,063	1,110,367	692,530	692,530
Exchange rate differences in cash and cash equivalents	-1,264	-4,994	10,323	-8,891	-4,241
Cash and cash equivalents at end of period	**1,008,522**	**590,677**	**1,008,522**	**590,678**	**1,110,367**

Parent Company income statement[1]

kSEK	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Jan-Dec 2017
Net revenues	94,045	31,493	198,650	89,685	140,706
Other operating income	556	2,764	15,552	8,678	19,044
Total operating income	**94,602**	**34,257**	**214,202**	**98,363**	**159,750**
Operating expenses					
Project related expenses	-42,738	-12,667	-97,327	-36,556	-63,641
Other external expenses	-6,675	-8,959	-21,907	-22,868	-36,196
Personnel expenses	-11,039	-7,408	-33,410	-23,651	-32,936
Depreciations of tangible assets	-624	-507	-1,392	-1,399	-1,993
Other operating expenses	-402	-4,097	-1,692	-9,326	-5,689
Operating profit	**33,125**	**619**	**58,474**	**4,564**	**19,295**
Financial income	453	-401	2,283	138	1,043
Financial expenses	-342	-295	-1,067	-307	-647
Profit after financial items	**33,236**	**-77**	**59,689**	**4,395**	**19,691**
Change in tax allocation reserves	-	-	-	-	-6,141
Profit before tax	**33,236**	**-77**	**59,689**	**4,395**	**13,550**
Tax	-7,379	-39	-13,292	-1,073	-3,183
Profit for the period	**25,856**	**-116**	**46,397**	**3,322**	**10,367**

[1] BioArctic has decided to change to income statement by nature of expense and the comparative periods have been changed accordingly

There are no items in the parent company recognized as other comprehensive income, thus comprehensive income conforms to the result for the year.

Parent Company balance sheet – summary

kSEK	Sep 30, 2018	Sep 30, 2017	Dec 31, 2017
ASSETS			
Tangible fixed assets	7,065	7,580	7,093
Deferred tax assets	180	215	230
Other financial assets	2,775	2,775	2,775
Current assets excluding cash and cash equivalents	13,824	9,774	20,119
Cash and cash equivalents	1,008,424	590,578	1,110,269
TOTAL ASSETS	**1,032,268**	**610,922**	**1,140,484**
EQUITY AND LIABILITIES			
Equity	663,078	49,417	616,682
Tax allocation reserve	24,941	18,800	24,941
Other current liabilities	18,538	9,837	12,160
Accrued expenses and deferred income	325,710	532,868	486,702
EQUITY AND LIABILITIES	**1,032,268**	**610,922**	**1,140,484**

Notes

Note 1 General information

This Interim Report covers the Swedish Parent Company BioArctic AB, Swedish Corporate Identity Number 556601-2679, and the two fully owned subsidiaries SpineMedical AB, Swedish Corporate Identity Number 559003-7080, and LPB Sweden AB, Swedish Corporate Identity Number 559035-9112. All the Group's business operations are conducted in the Parent Company.

The Parent Company is a Swedish limited liability company registered in and with its registered office in Stockholm. The head office is located at Warfvinges väg 35, SE-112 51, Stockholm, Sweden.

The BioArctic Group's Interim Report for the period January – September 2018 was approved by the Board on November 8, 2018.

Note 2 Accounting principles

The consolidated financial statements for BioArctic AB have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted by the EU, the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's RFR 1 Supplementary Accounting Rules for Groups. The Parent Company's financial statements are presented in accordance with the Swedish Annual Accounts Act and RFR2, Accounting for Legal Entities.

The Interim Report for the period January – September 2018 is presented in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. Disclosures in accordance with IAS 34 are presented both in notes and elsewhere in the Interim Report.

The guidelines of the European Securities and Markets Authority (ESMA) on alternative performance measures have been applied. This involves disclosure requirements for financial measures that are not defined by IFRS. For performance measures not defined by IFRS, see the Calculations of key figures section.

IFRS 15 *Revenue from Contracts with Customers* regulates the reporting of revenues and came into force on January 1, 2018. IFRS 15 replaces IAS 18 *Revenue* and IAS11 *Construction Contracts* as well as the appropriate SIC and IFRIC. According to IFRS the company shall recognize revenue when or over time as the company meets a performance commitment by transferring the promised service to a customer, who thereby obtains control of the asset. Most of BioArctic's revenue from contracts with customers relates to research collaborations and milestone payments. The transition to IFRS 15 means that the revenue is recognized over time, which corresponds to the previous reporting based on degree of completion. In exceptional cases BioArctic also receives one-time payments from customers, which are then recognized when the right to compensation has been established. This point in time corresponds to the time when performance commitments are met according to IFRS 15. The amount recognized as revenue is the compensation the company expects to be entitled to in exchange for transferring promised services to a customer. The Group has not identified any differences in reporting at the transition to IFRS 15, neither regarding amounts, nor when in time the revenue is recognized. The transition has only meant increased disclosure requirements.

IFRS 9 *Financial instruments* replaces IAS 39 *Financial instruments: Recognition and Measurement*. IFRS 9 comes into force for financial years commencing on January 1, 2018 or later. BioArctic has elected not to apply this standard in advance. In principle BioArctic always receives payment from agreements with customers in advance. There are thus no bad debt losses. The Group has thus not identified any differences in reporting when transferring to IFRS 9.

IFRS 16 replaces IAS 17 *Leases* and the appropriate interpretations IFRIC 4, SIC-15 and SIC-27. This standard requires that assets and liabilities attributable to all leasing agreements, with a few exceptions, are recognized in the balance sheet. This reporting is based on the view that an asset is used for a specific period of time and at the same time an obligation arises to pay for this right. The standard is to be applied for financial years commencing on January 1, 2019 or later. BioArctic has elected not to apply the standard in advance. Information regarding the financial effects will be reported in the Full Year Report.

BioArctic has decided to change from income statement by function to income statement by nature of expense starting from the previous Interim Report. The reason for the change is that management and the Board control the operations in this way. The comparative periods have been changed accordingly. The calculation of the key ratios has not been changed.

The accounting principles and calculation methods applied are in all other respects in line with those described in the Annual Report for 2017.

Note 3 Segment information

An operating segment is a part of the Group that conducts operations from which it can generate income and incur costs and for which independent financial information is available. The highest executive decision-maker in the Group follows up the operations on aggregated level, which means that the operations constitute one and the same segment and thus no separate segment information is presented. The Board of Directors is identified as the highest executive decision maker in the Group.

Note 4 Net revenues

A breakdown of the Group's Net revenues is shown below:

kSEK	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Jan-Dec 2017
Geographic breakdown of net revnues					
Europe	94,045	30,298	197,169	85,667	135,494
Other	-	1,194	1,481	4,018	5,212
Total net revenues	**94,045**	**31,493**	**198,650**	**89,685**	**140,706**
Net revenues per revenue type					
Income from research collaborations	94,045	31,493	198,650	89,254	140,275
Other items	-	-	-	431	431
Total net revenues	**94,045**	**31,493**	**198,650**	**89,685**	**140,706**

BioArctic's Net revenues essentially consist of income from the research collaborations concerning Parkinson's disease with AbbVie and Alzheimer's disease with Eisai.

Under the collaboration agreement with AbbVie, BioArctic received an initial payment of SEK 701.6 million (USD 80 million). This payment is related to compensation for the preclinical development work that BioArctic will carry out under the agreement. Of the initial payment, SEK 70.4 million was reported as a one-time payment in 2016. The rest of the payment will be accrued based on the costs incurred up until the completion of the project. The project is continuously evaluated with the regard to status and remaining costs. During the third quarter, the total costs were assessed to be lower than in the previous assumptions. A positive one-off effect amounting to SEK 20.1 million has been recognized, and the future margin in the project will increase. As of September 30, 2018, SEK 425.8

million has been recognized and the remaining amount to be recognized as a revenue up until the completion of the project is SEK 275.9 million. The main part of the project is estimated to be completed by December 31, 2019 after which date up to SEK 40 million would remain to be recognized until the project assignments have been completed which is estimated to occur in 2024.

Note 5 Transactions with affiliated parties

Mikael Smedeby, who was elected to the Board of Directors at the Annual General Meeting, is active as lawyer and co-owner of Advokatfirman Lindahl KB, which provides ongoing business legal advice to BioArctic against compensation in line with market rates. During 2017, Advokatfirman Lindahl invoiced fees amounting to approximately SEK 5.2 million, which mainly consisted of costs due to the IPO in October 2017, and in the January – September 2018 period an amount of approximately SEK 0.4 million was invoiced.

In addition to the compensation to Advokatfirman Lindahl described above, as well as consulting and director fees to Lars Lannfelt and salary to Pär Gellerfors, no significant transactions have taken place between the Group and related parties. All transactions have been in line with market rates.

Consolidated quarterly data

SEKm	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4
Income statement								
Net revenues	94.0	52.3	52.3	51.0	31.5	32.0	26.2	94.4
Other operating income	0.6	3.6	11.4	10.4	2.8	5.2	0.7	32.6
Operating profit	33.1	6.4	18.9	14.7	0.6	2.5	1.5	97.3
Profit for the period	25.9	5.1	15.4	11.8	-0.1	2.3	1.1	75.0
Operating margin, %	35.2%	12.3%	36.1%	28.9%	2.0%	7.7%	5.6%	103.1%
Balance sheet								
Fixed assets	9.9	10.0	9.6	10.0	10.5	8.2	8.2	8.5
Current assets	13.8	12.0	20.3	20.1	9.8	8.6	13.2	7.0
Cash and cash equivalents	1,008.5	1,041.7	1,078.7	1,110.4	590.7	622.1	650.3	692.5
Equity	682.5	656.7	651.6	636.1	64.1	64.2	61.9	60.8
Deferred tax liabilities	5.5	5.5	5.5	5.5	4.1	4.1	4.1	4.1
Current liabilities	344.2	401.6	451.6	498.9	542.7	570.5	605.7	643.1
Cash flow								
From operating activities	-31.5	-37.3	-42.0	-45.7	-23.6	-27.6	-38.4	705.6
From investing activities	-0.5	-0.7	-0.2	0.5	-2.8	-0.4	-0.1	-1.7
From financing activities	-	-	-	560.2	-	-	-	-105.1
Cash flow for the period	-32.0	-38.0	-42.2	515.0	-26.4	-28.1	-38.5	598.8
Data per share, SEK [1, 2, 3]								
Earnings per share	0.29	0.06	0.18	0.16	0.00	0.04	0.02	1.19
Equity per share	7.75	7.46	7.40	7.22	1.02	1.02	0.98	0.96
Cash flow operating activities	-0.36	-0.42	-0.48	-0.60	-0.37	-0.44	-0.61	11.19
Share price end of the period	118.90	21.80	21.40	26.00	-	-	-	-

[1] There are no potential shares. Thus; there is no dilutive effect

[2] The comparative figures have been recalculated as a result of the 15:1 split executed on August 1, 2017

[3] The company was listed in October 2017, so no observable share price exists before the listing

Definition of key ratios

In this financial report BioArctic reports key financial ratios, some of which are not defined by IFRS. The Company's assesses that these key ratios are important additional information, since they enable investors, securities analysts, management of the company and other stakeholders to better analyze and evaluate the company's business and financial trends. These key ratios should not be analyzed separately or replace key ratios that have been calculated in accordance with IFRS. These key ratios should not be compared to other key ratios with similar names applied by other companies. This is due to the fact that key ratios cannot always be defined in the same way and other companies may calculate them in a different way than BioArctic.
The key ratios "Net revenues", "Result for the period", "Earnings per share" and "Cash flow from operating activities" are defined according to IFRS.

Key ratios	Definition
Other income	Other income than Net revenues
Operating profit	Result before financial items
Cash flow from operating activities per share, SEK	The period's cash flow from operating activities divided by the weighted number of shares
Equity/asset ratio	Adjusted equity as a percentage of the balance sheet total
Return on equity	Net income divided by equity as a percentage
Equity per share before and after dilution	Adjusted equity divided by the number of shares at the end of the period

The Board and the CEO confirm that this Interim Report provides a true and fair overview of the Company and the Group's operations, position and earnings and describes the material risks and uncertainly factors faced by the Parent Company and the companies within the Group.

This Interim Report has been subject to review reviewed by BioArctic's auditors.

Stockholm, Sweden, November 7, 2018

Wenche Rolfsen Chairman	Ivar Verner Deputy Chairman	Hans Ekelund Board member
Pär Gellerfors Board member	Lars Lannfelt Board member	Mikael Smedeby Board member
Eugen Steiner Board member	Gunilla Osswald President and CEO	

Report on Review of Interim Financial Information

Introduction
We have reviewed the accompanying balance sheet of BioArctic AB (publ) as of September 30, 2018 and the related statements of income, changes in equity and cash flows for the nine-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with IFRS. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review
We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on

Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the financial position of the entity as at September 30, 2018, and of its financial performance and its cash flows for the nine-month period then ended in accordance with IFRS.

Stockholm, November 7, 2018

Grant Thornton Sweden AB

Mia Rutenius
Authorized public accountant
Auditor in charge

Rutger Nordström
Authorized public accountant

Goal and strategy for sustainable growth

BioArctic's goal is to improve the quality of life for patients with diseases in the central nervous system. We would like to contribute to the society by developing innovative disease-modifying treatments based on antibodies (immunotherapy) for neurodegenerative diseases, i.e. disease where the nervous system atrophies.

BioArctic develops entirely new types of treatments that hopefully may halt or delay the disease progression in patients with Alzheimer's disease and Parkinson's disease, unlike today's symptomatic treatments. The company is also developing a new treatment concept for complete spinal cord injuries.

During the year, BioArctic's strategy work has been strengthened in order for the company to make full use of its opportunities and to manage future challenges. Today the company is well positioned for new successful collaborations and continued growth.

Strategic target areas

BioArctic focuses on building unique and competitive portfolio of product candidates, diagnostics and technology in the company's indication areas. This is done partly through internal research and development, partly through research collaborations with strategic partners in the form of research groups at universities, in pharma companies, and the health care sector.

Our strategy is to outlicense certain commercial rights to global pharma companies at an appropriate time. In line with this strategy, BioArctic's research and development work continues. Important elements of BioArctic's strategy are:

- Further develop and expand the company's portfolio of innovative product candidates in attractive indication areas with great medical needs
- Accelerate the development of diagnostic methods and technologies related to the drug development
- Evaluate opportunities for further strategic collaborations and partnerships for the development and commercialization of product candidates
- Promote an attractive environment for research and development and for our employees
- Build a sales organization in selected markets for own marketing and sales o approved products.

Collaborations and partnerships

Collaborations and license agreements with leading pharma and biopharma companies are important parts of BioArctic's strategy. In addition to financial compensation we get access to our partners' skills in drug development, manufacturing and commercialization. BioArctic has entered into a number of such agreements with the Japanese international pharma company Eisai and the American global biopharma company AbbVie. These strategic partnerships with leading global companies confirm that BioArctic's research is of very high quality.

In the future BioArctic may enter into additional agreements that can contribute further funding and research and development competence for product candidates in preclinical and clinical phase, manufacturing and marketing competence, geographic coverage and other resources.

For more information regarding BioArctic's two large collaboration partners, please the Annual Report 2017 on page 11.

Glossary

ADAS-cog
ADAS-cog (Alzheimer's Disease Assessment Scale-cognitive subscale) is a well-established cognition scale whereof parts are included in ADCOMS

ADCOMS
Alzheimer's Disease Composite Score – A cognition scale consisting of parts from three different scales (CDR-SB, ADAS-cog and MMSE) developed by Eisai. The cognition scale enables a sensitive detection of changes in clinical functions of symptoms in early Alzheimer's disease

Alpha-synuclein (α-synuclein)
A protein in the nervous system, present in Lewy bodies in some structures of the brain in Parkinson's disease

Amyloid-beta (Aβ)
A 40-42 amino acids long peptide, split from the parent protein APP, amyloid precursor protein. Aβ is the main constituent of the plaques found in the brain of Alzheimer patients

Antibody
Protein used by the body's immune system to detect and destroy foreign substances

ApoE4
Apolipoprotein E (ApoE) transports fats in the blood. Individuals expressing ApoE4 develop more Alzheimer changes in the form of plaques and amyloid-beta in the brain blood vessel walls.

ARIA
Amyloid-Related Imaging Abnormalities (ARIA) are brain-changes seen in Magnetic Resonance Imaging of Alzheimer's disease patients, which are commonly observed in clinical trials of amyloid-modifying therapies

ARIA-E
There are two types of ARIA; ARIA-E and ARIA-H. ARIA-E refers to observations of edema and the other ARIA-H to observations of small hemorrhages

Bayesian study
A study where collected data is combined with known facts for a complete conclusion. A Bayesian Adaptive Randomization Design enables automatically allocation of newly enrolled patients into the study to treatment arms showing higher probability of efficacy based on interim analyses

Biomarker
A measurable indicator of a medical condition

Blood-brain barrier
A physiological mechanism in which merged capillary walls in the brain's blood vessels regulate the transport of molecules between the blood and the brain tissue, with the function to protect the brain against viruses and other harmful agents

CDR-SB
CDR-SB (Clinical Dementia Rating Sum of Boxes) is a cognition and function scale which is part of ADCOMS

Centiloid
When integrating and assessing biomarkers of the change in Aβ accumulation measured by different tracers, it is necessary to compensate for the difference in measured values between the PET tracers. This has led to the development of a 100-point scale by the GAIIN Centiloid project, termed "Centiloid," which is an average value of zero in "high certainty" amyloid negative subjects and an average of 100 in "typical" Alzheimer's disease (AD) patients (Klunk et al., 2015)

Central nervous system
The central nervous system consists of the brain and the spinal cord

Clinical studies
Drug trials performed in human subjects

Complete Spinal Cord Injury
A complete injury means that the spinal cord is complete severed. In an incomplete injury there are still a few nerve contacts left

Disease modifying treatment
A treatment that interferes with the processes of the disease and changes it in a positive way

Dose dependent
Increased effect at higher dose

Drug candidate
A drug under development that has not yet gained marketing approval

Humanized antibody
An antibody in which the sequence has been changed to resemble a human antibody

Interim analysis
In clinical trials and other scientific studies, an interim analysis is an analysis of data that is conducted before data collection has been completed

Investigational New Drug (IND) application
Application to the U.S. Food and Drug Administration (FDA) for the initiation of a clinical study in the US.

Ligand
Molecule that binds to the desired target in the body

Medical device for implantation
A medical device that is intended to be totally or partially introduced, surgically or medically, into the human body, or through a medical procedure in a body opening, and intended to remain there after the operation

Milestone payment
Financial compensation obtained within the framework of a project or collaboration agreement when a certain specified objective has been achieved

Monoclonal antibody
An antibody that can be produced so that all copies are exactly alike

Monomer
A monomer is the starting molecule in polymerization. The monomers are joined into long molecular chains through the polymerization, resulting a in a polymer with the monomer as the repeating unit

Neurodegenerative disease
Disease in which the nervous system atrophies

Oligomer
A molecular chain consisting of several monomers aggregated

Orphan drugs
Drugs for patients with rare and serious disease

Peptide
A molecule made up of amino acids connected into a short chain

PET
Positron emission tomography, an investigation imaging method

Phase 1 studies
Studies mainly of the safety and tolerability of a drug. Performed on a limited number of healthy human volunteers or patients

Phase 2 studies
Studies of the safety and efficacy of a drug and dose finding. Performed on a limited number of patients

Phase 3 studies
Confirmatory studies of the safety and efficacy of a drug in a clinical setting. Performed on a large number of patients

Preclinical phase
Preclinical studies of drug candidates to prepare for clinical studies

Preclinical studies
Studies performed in model systems, i.e. not in humans

Product candidate
A product under development that has not yet gained marketing approval

Protofibril
A molecular chain consisting of several monomers aggregated

Research phase
Early research is focused on studying and elucidating the underlying molecular disease mechanisms and development of potential drug candidates

Statistically significant
A clinical study result is defined as statistically significant in accordance with the preset criteria for the study or in adherence to a generally recognized standard, most commonly defined as less than 5% probability of obtaining a similar or stronger result due to chance, i.e. $p<0.05$

This information is information that BioArctic AB (publ) is obliged to disclose pursuant to the EU Market Abuse Regulation. The information was released for public disclosure through the agency of Christina Astrén, Director IR & Communications, at 08:00 a.m. CET on November 8, 2018.

BioArctic AB

Swedish Corporate Identity Number 556601-2679
Warfvinges väg 35, SE-112 51, Stockholm, Sweden
Telephone + 46 (0)8 695 69 30
www.bioarctic.com

This report has been prepared in a Swedish original version and translated into English. In the event of any inconsistency between the two versions, the Swedish language version should have precedence.