Press release

Interim Report for the period January – June 2020

Continued performance according to plan

Key events during the second quarter 2020

- BioArctic communicated that the mechanism of action for the AD1801 antibody project is linked to ApoE, which is the most common genetic risk factor for Alzheimer's disease

Key events after the period

- BioArctic's partner AbbVie has decided to stop recruitment for the Multiple Ascending Dose (MAD) part of the Phase 1 study of ABBV-0805 in Parkinson's disease patients. A detailed plan to accelerate ABBV-0805 into a Phase 2 Proof of Concept study in Parkinson's disease patients is currently being prepared by AbbVie

Financial summary April – June 2020

- Net revenues for the period amounted to MSEK 7.0 (171.3)
- Operating profit amounted to -37.9 MSEK (126.8)
- Profit for the period amounted to MSEK -38.2 (100.3) and earnings per share were SEK -0.43 (1.14)
- Cash flow from operating activities amounted to MSEK -19.8 MSEK (97.2)
- Cash and cash equivalents at the end of the period amounted to MSEK 1,049.9 (1,218.4)

Financial summary January – June 2020

- Net revenues for the period amounted to MSEK 43.4 (234.7)
- Operating profit amounted to -34.1 MSEK (144.1)
- Profit for the period amounted to MSEK -34.7 (113.9) and earnings per share were SEK -0.39 (1.29)
- Cash flow from operating activities amounted to MSEK -56.1 MSEK (430.8)
- Cash and cash equivalents at the end of the period amounted to MSEK 1,049.9 (1,218.4)

Comments from the CEO

"Our ambition is to develop the medicines of the future that improve life for people with disorders of the central nervous system."

Our operations have progressed according to plan over the past quarter, despite the current COVID-19 pandemic, which is causing great suffering and having a major impact on people and companies around the world. BioArctic is doing everything in its power, together with its partners, to ensure that the pandemic does not affect the important work taking place to develop better treatments for patients with neurodegenerative disorders. So far, BioArctic has been successful – and our projects are continuing to progress well.

That BioArctic is well placed to make a difference for patients is due to the innovative ability and hard work of our skilled employees as well as our successful collaborations. With cash reserves of more than SEK 1 billion, we can make meaningful investments in our fully owned, early stage research projects. At the same time, we have established

partnerships with leading global players who finance and conduct the development of our most advanced drug candidates against Alzheimer's disease and Parkinson's disease.

We have built up a broad and attractive project portfolio ranging from early research to Phase 3 projects and our documented good reputation as a partner provide excellent opportunities to attract additional global pharma companies as partners. Our business model with successful partnerships with international pharma companies, ensures high quality, effective processes and thereby an increased likelihood that disease-modifying treatments can reach all the way to patients.

Our partner AbbVie has decided to stop recruitment for the Phase 1 Multiple Ascending Dose study of ABBV-0805 in Parkinson's disease patients. A detailed plan to accelerate the project into Phase 2 in Parkinson's disease patients is currently being prepared by AbbVie. I am happy to see AbbVie's commitment to ABBV-0805, and that they are already now preparing for the possibility to enter into the next clinical phase, simultaneously reducing the risk of delays.

Eisai, our partner in the field of Alzheimer's disease, remains highly committed to our most advanced drug candidate, BAN2401, and we are pleased to report the continual broadening of the development program. During the quarter, the ongoing pivotal Phase 3 study in early Alzheimer's disease (Clarity AD) has expanded into more countries, including Sweden, which is the origin of this unique antibody. We are also approaching the start of another Phase 3 program – this time aimed at evaluating the therapeutic effects on the progression of preclinical, asymptomatic, Alzheimer's disease with BAN2401. The earlier comprehensive Phase 2b study showed that BAN2401 has a unique potential in the treatment of early Alzheimer's disease. If our drug candidate also has a therapeutic effect on preclinical stages the disease, this would significantly improve the future quality of life for patients with Alzheimer's disease around the world.

Late last year, BioArctic communicated two new projects. Together with our increased efforts in our program to develop a technology to facilitate the passage of antibody drugs into the brain, these research projects have great medical and commercial potential. We look forward to communicating more about these projects as soon as we have secured patents for our research.

For another of our early stage projects, AD1801, we recently announced that we have initiated a research collaboration with the University of Oslo. The project's mechanism of action is linked to ApoE, which is the most important genetic risk factor in the development of Alzheimer's disease. An antibody with this mechanism may represent a valuable complement to drug candidates that use other mechanisms of action.

All in all, we can conclude that we have a broad and diversified portfolio of projects that builds on solid science, successful collaborations, and a strong financial position. I am proud to lead an organization with such competent and dedicated coworkers who, despite an ongoing pandemic, continue to work vigorously to generate new treatments that can improve the lives of patients with neurodegenerative disorders and their families.

Gunilla Osswald
CEO, BioArctic AB

Invitation to presentation
BioArctic invites to an audiocast with teleconference (in English) for investors, analysts and media on July 10, at 09:30 CET, where Gunilla Osswald, CEO, and Jan Mattsson, CFO, to present BioArctic and comment on the Interim Report for the period January – June 2020 followed by a Q&A-session.

Webcast: https://tv.streamfabriken.com/bioarctic-q2-2020

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The webcast will afterwards also be available on demand at BioArctic's corporate website **https://www.bioarctic.se/en/section/investors/presentations/**

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This information is information that BioArctic AB (publ) is obligated to make public pursuant to the EU Market Abuse Regulation and the Swedish Securities Market Act (Swe. VpmL).The information was submitted for publication, though the agency of the named contact persons, at 08:00 a.m. CET on July 10, 2020.

About BioArctic AB
BioArctic AB (publ) is a Swedish research-based biopharma company focusing on disease-modifying treatments and reliable biomarkers and diagnostics for neurodegenerative diseases, such as Alzheimer's disease and Parkinson's disease. BioArctic focuses on innovative treatments in areas with high unmet medical needs. The company was founded in 2003 based on innovative research from Uppsala University, Sweden. Collaborations with universities are of great importance to the company together with its strategically important global partners in the Alzheimer (Eisai) and Parkinson (AbbVie) projects. The project portfolio is a combination of fully funded projects run in partnership with global pharmaceutical companies and innovative in-house projects with significant market- and out-licensing potential. BioArctic's B-share is listed on Nasdaq Stockholm Mid Cap (ticker: BIOA B). For more information about BioArctic, please visit www.bioarctic.com**.**