BIOATLA ANNOUNCES SECOND QUARTER 2021 FINANCIAL RESULTS AND PROVIDES CLINICAL UPDATE

August 13, 2021

$207.6 million cash balance expected to provide funding for operations into 2023
Continue to advance potentially registration enabling Phase 2 studies for mecbotamab vedotin (BA3011) and ozuriftamab vedotin (BA3021) in several indications in the U.S. and in Asia with first patient dosed in Taiwan
Advancing several CAB bispecific and antibody drug conjugate ("ADC") product candidates in preclinical development

SAN DIEGO, Aug. 13, 2021 /PRNewswire/ -- BioAtla, Inc. (Nasdaq: BCAB), a global clinical-stage biotechnology company focused on the development of Conditionally Active Biologic (CAB) antibody therapeutics, today announced financial results for the second quarter of 2021 and provided an update on its business.

"BioAtla is advancing potentially registration-enabling Phase 2 clinical trials for our two lead CAB product candidates. With strong financial resources, we are also broadening our development pipeline to include several additional ADC and bispecific CAB candidates," stated Jay M. Short, Ph.D., Chairman, Chief Executive Officer and co-founder of BioAtla, Inc. "Our clinical objectives in 2021 include providing Phase 2 interim data readouts by year-end for CAB-AXL-ADC and CAB-ROR2-ADC. Our Phase 1 trials for these product candidates demonstrated encouraging results in difficult to treat cancer indications, particularly in patients with late-stage disease refractory to other lines of therapy," added Scott Smith, President of BioAtla.

Advancing clinical trials for lead candidates

BA3011 (Mecbotamab Vedotin)
We are developing BA3011, CAB-AXL-ADC, a conditionally activated antibody drug conjugate targeting the receptor tyrosine kinase AXL, as a potential therapeutic for multiple solid tumor types, including soft tissue and bone sarcoma, non-small cell lung cancer (NSCLC) and ovarian cancer, with other potential indications in the future. On March 1, 2021 the Office of Orphan Drug Products (OODP) at FDA granted Orphan Drug Designation to BA3011 for the treatment of soft tissue sarcoma. Phase 1 results in sarcoma patients have been submitted for presentation at the Connective Tissue Oncology Society (CTOS) 2021 Annual Meeting in November. As previously indicated, we have initiated a potentially registration-enabling Phase 2 clinical trial (BA3011-001) of BA3011 given as monotherapy or in combination with a PD-1 inhibitor in soft tissue and primary bone sarcoma patients 12 years and older that are high AXL tumor membrane expressors (AXL high), and a Phase 2 study (BA3011-002) in AXL high NSCLC patients that have previously progressed on PD-1/L1, EGFR or ALK inhibitor therapy. Enrollment continues in our sarcoma Phase 2 trial in the U.S. and initiated in Asia this quarter with first patient dosing in Taiwan. A pre-planned Independent Data Monitoring Committee (IDMC) was held and the IDMC recommended BioAtla continue the BA3011-001 study without modifications. Additional Interim analyses in the sarcoma and NSCLC trials are anticipated this year and early 2022. In addition, the commencement of a multi-center investigator-initiated Phase 2 clinical trial for BA3011 in platinum-resistant ovarian cancer in combination with a PD-1 inhibitor has been approved by Health Canada and is expected to begin enrollment in the second half of this year in Canada and the United States.

BA3021 (Ozuriftamab Vedotin)
BA3021, CAB-ROR2-ADC, is a CAB antibody drug conjugate directed against ROR2, a receptor tyrosine kinase that is overexpressed across many different solid tumors including lung, head and neck, melanoma and breast. We are developing BA3021 as a potential therapeutic for multiple solid tumor types, including NSCLC, melanoma, squamous cell cancer of the head and neck (SSCHN) and ovarian cancer. Based on phase 1 data we believe BA3021 has broad potential as a cancer therapy for patients with advanced solid tumors that have previously progressed on a PD-1 inhibitor. We are enrolling a Phase 2 trial of BA3021 monotherapy or in combination with a PD-1 inhibitor in ROR2 high melanoma patients that have previously progressed on PD-1/L1 inhibitor and ROR2 high NSCLC patients that have previously on PD-1/L1, EGFR or ALK inhibitor therapy. A Phase 2 study in ROR2 high SSCHN patients is anticipated to initiate in second half of 2021. A BA3021 in combination with a PD-1 inhibitor Phase 2 clinical trial for platinum-resistant ovarian cancer has been approved by Health Canada and is expected to begin enrollment in the second half of this year in Canada and the United States.

BA3071
BA3071, is a CAB anti-CTLA-4 antibody that is being developed as an immuno-oncology agent with the goal of delivering efficacy comparable to the approved anti-CTLA-4 antibody, ipilimumab, but with lower toxicities due to the CAB's tumor microenvironment-restricted activation. Like BA3011,

BA3021 and our other CAB candidates, BA3071 is designed to be conditionally and reversibly activated in the tumor microenvironment via the Protein-associated Chemical Switch™ or PaCS™ mechanism discovered by BioAtla scientists. This proprietary system enables reduction of systemic toxicity and potentially enables safer combination therapies, such as with anti-PD-1 antibody checkpoint inhibitors in the case of BA3071. We are currently in a global collaboration with BeiGene, and are developing BA3071 as a potential therapeutic for multiple solid tumor indications, including renal cell carcinoma, NSCLC, small cell lung cancer, hepatocellular carcinoma, melanoma, bladder cancer, gastric cancer and cervical cancer. Our goal is to initiate a Phase 1/2 study for BA3071 in 2021.

Plans to advance development of several bispecific CAB candidates
We have also leveraged our CAB technology to develop bispecific antibodies, which bind both a tumor-specific antigen and a T cell receptor (CD3) using CAB antigen-binding domains. With this design, bispecific antibodies can induce potent T cell responses against tumors expressing the tumor target antigen. We have shown in preclinical experiments that our CAB bispecific molecules meet or exceed the activity of conventional bispecifics and reduce systemic activation of potentially fatal immune responses. We advanced two CAB bispecific antibody product candidates, EpCAM/CD3 and B7-H3/CD3, into IND-enabling studies in the second half of 2020. We also are evaluating additional candidates including EGFR and Nectin-4 for CAB CD3 bispecific modalities. Nectin-4 is also progressing as a CAB ADC candidate. Overall, we are advancing multiple pre-clinical assets with the potential to submit up to four US INDs by the end of 2022 for our CAB bispecific or ADC molecules.

Second quarter 2021 financial results
Cash and cash equivalents as of June 30, 2021 were $207.6 million. We expect current cash and cash equivalents will be sufficient to fund planned operations into 2023.

Research and development (R&D) expenses were $14.9 million for the quarter ended June 30, 2021 compared to $2.9 million for the same quarter in 2020. We expect our R&D expenses to increase substantially for the foreseeable future as we continue to invest in R&D activities to advance our product candidates, and our clinical programs and expand our product candidate pipeline.

General and administrative (G&A) expenses were $15.9 million for the quarter ended June 30, 2021 compared to $1.8 million for the same quarter in 2020. We expect our G&A expenses to increase as a result of operating as a public company. In addition, we expect our intellectual property expenses to increase as we expand our intellectual property portfolio.

Net loss for the second quarter ended June 30, 2021 was $30.4 million compared to a net loss of $6.2 million for the same quarter in 2020. Net cash used in operating activities for the first six months of 2021 was $28.5 million compared to net cash used in operating activities of $6.9 million for the same period in 2020.

About BioAtla, Inc.
BioAtla is a global clinical-stage biotechnology company with operations in San Diego, California, and in Beijing, China through our contractual relationship with BioDuro, a provider of preclinical development services. Utilizing its proprietary Conditionally Active Biologics (CAB) technology, BioAtla develops novel, reversibly active monoclonal antibody and other protein therapeutic product candidates. CAB product candidates are designed to have more selective targeting, greater efficacy with lower toxicity, and more cost-efficient and predictable manufacturing than traditional antibodies. BioAtla has extensive and worldwide patent coverage for its CAB technology and products with more than 500 patents, more than 250 of which are issued. Broad patent coverage in all major markets include methods of making, screening and manufacturing CAB product candidates in a wide range of formats and composition of matter coverage for specific products. BioAtla has two first-in-class CAB programs currently in Phase 2 clinical testing in the United States, mecbotamab vedotin, BA3011, a novel conditionally active AXL-targeted antibody-drug conjugate (CAB-AXL-ADC), and ozuriftamab vedotin, BA3021, a novel conditionally active ROR2-targeted antibody-drug conjugate (CAB-ROR2-ADC). BioAtla's investigational CAB CTLA-4 antibody, BA3071, is a novel CTLA-4 inhibitor designed to reduce systemic toxicity and potentially enable safer combination therapies with checkpoint inhibitors such as anti-PD-1 antibody. To learn more about BioAtla, Inc. visit www.bioatla.com.

Forward-looking statements
Statements in this press release contain "forward-looking statements" that are subject to substantial risks and uncertainties. Forward-looking statements contained in this press release may be identified by the use of words such as "anticipate," "expect," "believe," "will," "may," "should," "estimate," "project," "outlook," "forecast" or other similar words. Examples of forward-looking statements include, among others, statements we make regarding our business plans and prospects, expectations about the sufficiency of our cash and cash equivalents, expected R&D and G&A expenses, the timing and success of our clinical trials and related data, and plans to advance development of several bispecific CAB candidates, including the timing of potential IND submissions. Forward-looking statements are based on BioAtla's current expectations and are subject to inherent uncertainties, risks and assumptions, many of which are beyond our control, difficult to predict and could cause actual results to differ materially from what we expect. Further, certain forward-looking statements are based on assumptions as to future events that may not prove to be accurate. Factors that could cause actual results to differ include, among others: potential delays in clinical and pre-clinical trials due to the global COVID-19 pandemic; other potential adverse impacts due to the global COVID-19 pandemic such as delays in regulatory review, manufacturing and supply chain interruptions, adverse effects on healthcare systems and disruption of the global economy; our dependence on the success of our CAB technology platform; our ability to enroll patients in our ongoing and future clinical trials; the success of our current and future collaborations with third parties; our reliance on third parties for the manufacture and supply our product candidates for clinical trials; our reliance on third parties to conduct our clinical trials and some aspects of our research and preclinical testing; and those other risks and uncertainties described in the section titled "Risk Factors" in our Annual Report on Form 10-K filed with the Securities and Exchange Commission (SEC) on March 24, 2021 and in our Quarterly Report on Form 10-Q filed with the SEC on May 12, 2021, and other reports as filed with the SEC. Forward-looking statements contained in this press release are made as of this date, and BioAtla undertakes no duty to update such information except as required under applicable law.

Contact:
Richard Waldron
Chief Financial Officer
BioAtla, Inc.
rwaldron@bioatla.com
858.356.8945

Unaudited Condensed Consolidated Statements of Operations and Comprehensive Loss
(in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Collaboration revenue	$ 250	$ 190	$ 250	$ 279
Operating expenses:				
Research and development expense	14,850	2,923	25,273	4,584
General and administrative expense	15,860	1,787	24,234	1,324
Total operating expenses	30,710	4,710	49,507	5,908
Loss from operations	(30,460)	(4,520)	(49,257)	(5,629)
Other income (expense):				
Interest income	80	1	178	6
Interest expense	(1)	(754)	(3)	(1,301)
Change in fair value of derivative liability	—	(775)	—	(728)
Extinguishment of convertible debt	—	(174)		(174)
Total other income (expense)	79	(1,702)	175	(2,197)
Consolidated net loss and comprehensive loss	$ (30,381)	$ (6,222)	$ (49,082)	$ (7,826)

BioAtla, Inc.
Condensed Consolidated Balance Sheets Data
(in thousands)

	June 30, 2021	December 31, 2020
	(unaudited)	
Cash and cash equivalents	$ 207,609	$ 238,605
Total assets	216,708	244,937
Total current liabilities	36,156	32,261
Total liabilities	38,685	34,963
Total stockholders' equity	178,023	209,974
Total liabilities and stockholders' equity	216,708	244,937

View original content to download multimedia:https://www.prnewswire.com/news-releases/bioatla-announces-second-quarter-2021-financial-results-and-provides-clinical-update-301355321.html

SOURCE BioAtla, Inc.