AquaBounty Technologies, Inc. Results for the quarter and six months ended June 30, 2018

August 7, 2018

MAYNARD, Mass., Aug. 07, 2018 (GLOBE NEWSWIRE) -- AquaBounty Technologies, Inc. (NASDAQ:AQB) ("AquaBounty" or the "Company"), a biotechnology company focused on enhancing productivity in the aquaculture market and a majority-owned subsidiary of Intrexon Corporation (NYSE: XON), announces the Company's financial results for the second quarter and six months ended June 30, 2018.

Financial and Operational Summary:

- Completed the second sale of AquAdvantage Salmon from our farm in Panama;
- stocked our Indiana farm with traditional Atlantic salmon eggs while waiting for approval from the U.S. Food and Drug Administration ("FDA") to import AquAdvantage Salmon eggs;
- net loss for the six-month period ended June 30, 2018, increased to $5.2 million from $4.1 million in the corresponding period of the previous year, reflecting pre-production costs at the Indiana farm and R&D activities at the Rollo Bay hatchery; and
- cash and cash equivalents at June 30, 2018, were $3.5 million (December 31, 2017: $0.5 million).

Commencement of Operations in Indiana with Traditional Atlantic Salmon:

AquaBounty previously announced that it had received FDA approval to raise AquAdvantage Salmon at its land-based contained facility near Albany, Indiana. However, the Company is currently prevented from importing its AquAdvantage Salmon eggs from Canada due to the existence of an "Import Alert" pending the FDA's issuance of final labelling guidance for the product. The Company has indicated that it is fully prepared to comply with labelling requirements for its product in order for this process to conclude in the near term. In the interim, the Company has stocked the Indiana farm with traditional Atlantic salmon eggs and has commenced grow-out activities.

Ronald Stotish, Chief Executive Officer of AquaBounty, stated: "In this quarter, we completed our second sale of AquAdvantage Salmon harvested from our Panama farm and stocked our Indiana farm with traditional Atlantic salmon eggs. This stocking has allowed us to start operations at the facility, while we wait for the lifting of the import alert on AquAdvantage Salmon, which we anticipate in the second half of the year."

Dr. Stotish to Present at Investor Conference:

Ronald Stotish will be presenting at the 20th Annual Global Investment Conference in New York City, sponsored by H. C. Wainwright on September 4-6, 2018. A live webcast of the presentation will be available on the "Investor-Events" page of the Company's website (www.aquabounty.com).

About AquAdvantage Salmon – AquAdvantage Salmon is an Atlantic salmon that has been bioengineered to grow to market size in about half the time of a traditional farmed Atlantic salmon. It improves the economics of producing salmon in land-based contained facilities. AquAdvantage Salmon is a healthy, environmentally sustainable alternative to imported farmed Atlantic salmon.

For further information, please contact:

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Forward-Looking Statements:

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact contained in this press release are forward-looking statements, including statements regarding the potential for and possible timing of the FDA's issuance of final labeling guidance, the lifting of the Import Alert, the import of AquAdvantage Salmon eggs into the United States, and the raising of traditional Atlantic salmon and AquAdvantage Salmon at the Indiana farm site facility, and the potential for developments resulting from R&D activities. Forward-looking statements may be identified with words such as "will," "may," "expect," "plan," "anticipate," "upcoming," "believe," "estimate," or similar terminology, and the negative of these terms. Forward-looking statements are not promises or guarantees of future performance and are subject to a variety of risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from those contemplated in these forward-looking statements. Forward-looking statements speak only as of the date hereof, and, except as required by law, we undertake no obligation to update or revise these forward-looking statements. For additional information regarding these and other risks faced by us, please refer to our public filings with the Securities and Exchange Commission ("SEC"), available on the Investors section of our website at www.aquabounty.com and on the SEC's website at www.sec.gov.

AquaBounty Technologies, Inc.
Consolidated Balance Sheets
(Unaudited)

	As of	
	June 30, 2018	December 31, 2017
Assets		
Current assets:		
Cash and cash equivalents	**$ 3,518,806**	$ 492,861
Certificate of deposit	**12,820**	13,422
Other receivables	**101,328**	183,926
Inventory	**82,429**	172,363
Prepaid expenses and other current assets	**394,594**	527,322
Total current assets	**4,109,977**	1,389,894
Property, plant and equipment, net	**23,617,701**	21,802,976
Definite-lived intangible assets, net	**178,143**	184,995
Indefinite-lived intangible assets	**191,800**	191,800
Other assets	**162,093**	162,093
Total assets	**$ 28,259,714**	$ 23,731,758
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and accrued liabilities	**$ 1,168,875**	$ 2,666,855
Current debt	**58,377**	49,794
Total current liabilities	**1,227,252**	2,716,649
Long-term debt	**2,932,573**	3,034,420
Total liabilities	**4,159,825**	5,751,069
Commitments and contingencies		
Stockholders' equity:		
Common stock, $0.001 par value, 50,000,000 shares authorized; 12,848,376 (2017: 8,895,094) shares outstanding	**12,848**	8,895
Additional paid-in capital	**138,262,298**	126,718,186
Accumulated other comprehensive loss	**(411,813)**	(213,884)
Accumulated deficit	**(113,763,444)**	(108,532,508)
Total stockholders' equity	**24,099,889**	17,980,689
Total liabilities and stockholders' equity	**$ 28,259,714**	$ 23,731,758

AquaBounty Technologies, Inc.
Consolidated Statements of Operations and Comprehensive Loss
(Unaudited)

	Three Months Ended June 30,		**Six Months Ended June 30,**	
	2018	2017	**2018**	2017
Revenues				
Product revenues	**$ 47,898**	$ 53,278	**$ 66,995**	$ 53,278

Costs and expenses				
Product costs	**47,287**	50,777	**63,519**	50,777
Sales and marketing	**76,381**	202,910	**158,028**	411,198
Research and development	**880,822**	936,317	**1,858,639**	1,656,339
General and administrative	**1,827,991**	950,348	**3,214,864**	2,071,136
Total costs and expenses	**2,832,481**	2,140,352	**5,295,050**	4,189,450
Operating loss	**(2,784,583)**	(2,087,074)	**(5,228,055)**	(4,136,172)
Other income (expense)				
Gain on disposal of equipment	**10,585**	-	**11,745**	-
Interest expense	**(5,283)**	(5,253)	**(10,685)**	(10,533)
Other income (expense), net	**(1,868)**	(1,109)	**(3,941)**	(2,474)
Total other income (expense)	**3,434**	(6,362)	**(2,881)**	(13,007)
Net loss	**$ (2,781,149)**	$ (2,093,436)	**$ (5,230,936)**	$ (4,149,179)
Other comprehensive income (loss):				
Foreign currency translation gain (loss)	**(85,811)**	22,437	**(197,929)**	8,151
Total other comprehensive income (loss)	**(85,811)**	22,437	**(197,929)**	8,151
Comprehensive loss	**$ (2,866,960)**	$ (2,070,999)	**$ (5,428,865)**	$ (4,141,028)
Basic and diluted net loss per share	**$ (0.22)**	$ (0.24)	**$ (0.42)**	$ (0.48)
Weighted average number of common shares - basic and diluted	**12,787,761**	8,892,213	**12,366,657**	8,647,861

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Source: AquaBounty Technologies, Inc.