AquaBounty Technologies, Inc. Results for the quarter and nine months ended September 30, 2018

November 2, 2018

MAYNARD, Mass., Nov. 02, 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 (NASDAQ: XON), announces the Company's financial results for the third quarter and nine months ended September 30, 2018.

Financial and Operational Summary:

- Commenced production operations at 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 nine-month period ended September 30, 2018, increased to $7.96 million from $6.60 million in the corresponding period of the previous year, reflecting pre-production and production costs at the Indiana farm and R&D activities at the Rollo Bay hatchery; and
- cash and cash equivalents at September 30, 2018, were $1.0 million (December 31, 2017: $0.5 million).

Post Period Transactions:

- Completed a warrant exercise transaction with certain warrant holders for 2,250,461 shares of common stock for a reduced exercise price equal to $2.00 per share, with net proceeds of approximately $4.3 million; and
- finalized a construction loan in the amount of CA$2.0 million (US$1.6 million) from the Department of Economic Development of the Province of Prince Edward Island to be used to complete construction of the Company's 250-metric-ton production facility on its Rollo Bay site.

Ronald Stotish, Chief Executive Officer of AquaBounty, stated: "In this quarter, we commenced grow-out of non-transgenic Atlantic salmon at our site in Albany, Indiana, which will allow us to begin utilizing this facility and to make any necessary adjustments to our processes or standard operating procedures while we wait for the FDA import alert on AquAdvantage Salmon to be lifted."

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 the lifting of the Import Alert, the importation of AquAdvantage Salmon eggs into the United States, and the completion of the construction of the Rollo Bay production facility. 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	
	September 30, 2018	December 31, 2017
Assets		
Current assets:		
Cash and cash equivalents	**$ 1,030,671**	$ 492,861

Certificate of deposit		**13,040**		13,422
Other receivables		**81,822**		183,926
Inventory		**72,640**		172,363
Prepaid expenses and other current assets		**315,383**		527,322
Total current assets		**1,513,556**		1,389,894
Property, plant and equipment, net		**24,001,108**		21,802,976
Definite-lived intangible assets, net		**174,717**		184,995
Indefinite-lived intangible assets		**191,800**		191,800
Other assets		**162,093**		162,093
Total assets	**$**	**26,043,274**	$	23,731,758
Liabilities and stockholders' equity				
Current liabilities:				
Accounts payable and accrued liabilities	**$**	**1,483,657**	$	2,666,855
Current debt		**59,636**		49,794
Total current liabilities		**1,543,293**		2,716,649
Long-term debt		**2,970,816**		3,034,420
Total liabilities		**4,514,109**		5,751,069
Commitments and contingencies				
Stockholders' equity:				
Common stock, $0.001 par value, 50,000,000 shares authorized;				
12,848,376 (2017: 8,895,094) shares outstanding		**12,848**		8,895
Additional paid-in capital		**138,333,891**		126,718,186
Accumulated other comprehensive loss		**(327,102)**		(213,884)
Accumulated deficit		**(116,490,472)**		(108,532,508)
Total stockholders' equity		**21,529,165**		17,980,689
Total liabilities and stockholders' equity	**$**	**26,043,274**	$	23,731,758

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

	Three Months Ended September 30,		**Nine Months Ended September 30,**	
	2018	2017	**2018**	2017
Revenues				
Product revenues	**$ 10,938**	$ -	**$ 77,933**	$ 53,278
Costs and expenses				
Product costs	**8,874**	-	**72,393**	50,777
Sales and marketing	**64,971**	195,947	**222,999**	607,145
Research and development	**804,758**	860,903	**2,663,397**	2,517,242
General and administrative	**1,852,362**	1,382,380	**5,067,226**	3,453,516
Total costs and expenses	**2,730,965**	2,439,230	**8,026,015**	6,628,680

Operating loss	**(2,720,027)**	(2,439,230)	**(7,948,082)**	(6,575,402)
Other income (expense)				
Gain on disposal of equipment	**-**	-	**11,745**	-
Interest expense	**(5,169)**	(5,597)	**(15,854)**	(16,130)
Other income (expense), net	**(1,832)**	(1,392)	**(5,773)**	(3,866)
Total other income (expense)	**(7,001)**	(6,989)	**(9,882)**	(19,996)
Net loss	**$ (2,727,028)**	$ (2,446,219)	**$ (7,957,964)**	$ (6,595,398)
Other comprehensive income (loss):				
Foreign currency translation gain (loss)	**84,711**	34,933	**(113,218)**	43,084
Total other comprehensive income (loss)	**84,711**	34,933	**(113,218)**	43,084
Comprehensive loss	**$ (2,642,317)**	$ (2,411,286)	**$ (8,071,182)**	$ (6,552,314)
Basic and diluted net loss per share	**$ (0.21)**	$ (0.28)	**$ (0.64)**	$ (0.76)
Weighted average number of common shares - basic and diluted	**12,848,376**	8,895,094	**12,528,995**	8,731,178

Source: AquaBounty Technologies, Inc.