Interim Report Second Quarter 2025

April 1 – June 30, 2025

Kancera AB | Org.nr. 556806-8851

The period in brief

Significant events during the second quarter

- Kancera reported that the last patient has completed the last visit in the phase Ib/IIa study KANDOVA evaluating the candidate drug KAND567 in ovarian cancer.
- Kancera reported that the company has completed a successful pre-IND meeting with the FDA and received positive feedback on the planned clinical development program for KAND567 in ST-elevation myocardial infarction.
- Kancera reported positive top-line results from the KANDOVA study and that the study's primary and secondary objectives were met.
- Kancera announced that the World Health Organization has granted rugocrixan and fosrugocrixan as the International Non-proprietary Names for the company's candidate drugs KAND567 and KAND145.

Significant events after the end of the period

- Kancera has reported that it has terminated the letter of intent with Recardio Inc. concerning an out-licensing of the candidate drugs rugocrixan and fosrugocrixan.

April - June
Second quarter financial summary

- Net sales amounted to SEK 0 million (SEK 0 million).
- R&D expenses amounted to SEK 4,8 million (SEK 9,7 million).
- Operating loss for the quarter amounted to SEK –6,3 million (SEK -11,4 million).
- Loss after financial items for the quarter amounted to SEK –6,3 million (SEK -10,9 million).
- Basic and diluted earnings per share for the quarter amounted to SEK –0,05 (SEK -0,09).
- Cash flow from operating activities for the quarter amounted to SEK –9,8 million (SEK -14,4 million).
- Equity on June 30, 2025 amounted to SEK 43,1 million (SEK 83,0 million) or SEK 0,36 (SEK 0,68) per share.
- The equity/assets ratio on June 30, 2025 was 92 percent (87 percent).
- Cash and cash equivalents on June 30, 2025 amounted to SEK 27,6 million (SEK 75,7 million).

January - June
Financial summary for the full period

- Net sales amounted to SEK 0 million (SEK 0 million).
- R&D expenses amounted to SEK 15,8 million (SEK 21,2 million).
- Operating loss for the quarter amounted to SEK –19,5 million (SEK -24,7 million).
- Loss after financial items for the quarter amounted to SEK –19,2 million (SEK -23,9 million).
- Basic and diluted earnings per share for the period amounted to SEK –0,16 (SEK -0,22).
- Cash flow from operating activities for the period amounted to SEK –18,8 million (SEK -29,7 million).
- Equity on June 30, 2025 amounted to SEK 43,1 million (SEK 83,0 million) or SEK 0,36 (SEK 0,68) per share.
- The equity/assets ratio on June 30, 2025 was 92 percent (87 percent).
- Cash and cash equivalents on June 30, 2025 amounted to SEK 27,6 million (SEK 75,7 million).

CEO Statement

"Even though we see a strong business rationale for the transaction, we have decided to terminate the letter of intent with Recardio to be able to explore other options."

Peter Selin, CEO

During the second quarter 2025, Kancera has made several important steps forward in the clinical development of our fractalkine program, during which we have:

- **received positive feedback from the FDA on the planned clinical development program for KAND567 in acute myocardial infarction,**
- **reported positive top-line results in the KANDOVA study with KAND567 in ovarian cancer, and**
- **publicly announced the International Non-proprietary Names for our candidate drugs KAND567 and KAND145.**

During the period, the annual general meeting also made the decision to change the company name to Novakand Pharma, planned to be implemented during September. However, the highest priority during the period has been to, within the framework of the letter of intent entered into in March, together with Recardio Inc. identify and meet potential investors with the objective to secure financing of a joint business plan that would advance both companies' clinical programs to the next development phase. The very challenging capital markets environment has however made external financing not possible and after the reporting period the decision was made to terminate the letter of intent.

In the beginning of June, we reported that we had conducted a successful pre-IND meeting with the US FDA and received positive feedback on our planned clinical development program for KAND567 in acute myocardial infarction. FDA stated that our planned clinical development plan, which e.g. includes the planned phase IIb study FRACTIVE, can support a future market approval and Fast Track Designation. The positive feedback from the FDA is a quality stamp on our clinical development work.

We have also, earlier than forecasted, reported positive top-line results from the KANDOVA study, a phase Ib/IIa study of KAND567 in combination with standard of care carboplatin therapy in ovarian cancer, in patients with relapse from carboplatin therapy. The study met its primary objective – to define the recommended dose and evaluate safety and tolerability – without clinically significant side effects. We also assess that the secondary objective was met – to show signals of anti-tumor effect when administering KAND567 in combination with carboplatin.

In addition to once more having demonstrated that administration of KAND567 in patients is safe and tolerable, we find it promising that the secondary and exploratory endpoints indicate that KAND567 may have an additive effect to standard of care in patients having high levels of CX3CR1 (the fractalkine receptor) in their cancer cells. If this signal can be re-confirmed in a larger and placebo controlled clinical trial, there is a potential for KAND567 to improve outcomes in a very hard-to-treat patient population. We now have extensive PK, safety and biomarker associations data, that are very valuable for upcoming regulatory interactions and clinical study design.

During the reporting period we also announced the International Non-proprietary Names (INN) rugocrixan and fosrugocrixan that our candidate drugs KAND567 and KAND145 have been granted by the WHO. The INNs granted are the first made by the WHO for small molecule CX3CR1 antagonists, which demonstrates that we are a leading pioneer in this new class of drugs.

During the first quarter 2025, Kancera announced that the company had signed a letter of intent with the private US biotech company, Recardio Inc. with the objective of combining both companies' assets and resources through a transaction in which Recardio would in-license Kancera's candidate drugs KAND567 and KAND145. The collaboration aimed at forming a cardiovascular-focused specialty care company and jointly seek external capital to finance the joint business plan, including a phase IIb study with Kancera's rugocrixan and a phase III study with Recardio's, both in acute myocardial infarction (STEMI).

The transaction with Recardio was already from the beginning subject to securing new external financing, which was the reason for why we decided to enter into a letter of intent and not a complete license agreement. The challenging capital markets environment has however caused us to believe that it will not be possible to raise the targeted amount of capital near-term, in order to close the transaction. Based on this, and despite that we continue to see a strong business rationale for the transaction, we decided to terminate the letter of intent with Recardio, in order to be able to explore other options. These options, which we now are able to fully explore without being restricted by the letter of intent, include other licensing and business development opportunities.

We are convinced that our program can make a difference for many patients in a number of disease conditions and we are now conducting a comprehensive review of the strategy and business plan, including considering structural transactions. In this review we are considering both the data we have generated in our pre-clinical and clinical studies and the global business development trends we see – with specific attention to in which areas licensing deals are being made. We are currently working intensively with this review and our aim to be as transparent as possible and we will announce updates when appropriate and possible.

Peter Selin, CEO
Solna August 28, 2025
Kancera AB

About **Kancera**

Leader in the development of a new class of drugs for life-threatening diseases that lack effective treatment

Kancera develops drugs for life-threatening diseases that currently lack effective treatments. The company conducts its operations within Karolinska Institutet Science Park in Solna. The company is developing a new class of small molecule drug candidates for the treatment of severe inflammatory conditions. This new class of drugs includes the drug candidates KAND567 (rugocrixan) and KAND145 (fosrugocrixan), which control disease-promoting immune cells, by blocking the so-called fractalkine axis. The fractalkine axis is characterized by the unique ligand-receptor pair CX3CL1-CX3CR1. Kancera's candidate drugs' mode of-action is to block the fractalkine receptor, and are so called CX3CR1 antagonists.

Kancera sees significant business opportunities for its candidate drugs in several therapeutic areas, but is focusing its development on the treatment of inflammatory conditions in the field of cardiovascular diseases. The company's lead program is aiming to prevent hyper-inflammation that may occur in connection with percutaneous coronary intervention in acute myocardial infarction, which may cause intramyocardial hemorrhage.

Intramyocardial hemorrhage significantly increases the risk of death and heart failure. As there currently is a lack of drugs that are addressing the risk of intramyocardial hemorrhage, the unmet medical need is high, which creates significant market opportunities for a new drug that can contribute to more effective treatment.

Kancera's management has extensive expertise and experience in translating discoveries of new disease mechanisms into drug candidates and developing these through clinical studies until market approval. Since its foundation, Kancera has researched and patented several new disease mechanisms and preclinical drug candidates. The company has subsequently demonstrated the ability to advance these preclinical projects into clinical development and demonstrated efficacy in humans.

Kancera currently has three clinical projects:

- FRACTIVE: a planned phase IIb study of KAND567 in acute myocardial infarction patients undergoing percutaneous coronary intervention. The project is based on the positive top-line results demonstrated in the FRACTAL study, a phase IIa study of KAND567 in acute myocardial infarction.
- KANDOVA: a combined phase Ib/II study of KAND567 in ovarian cancer patients with relapse from platinum therapy.
- KAND145: the company's second generation CX3CR1 antagonist. KAND145 is a so called pro-drug, meaning that it is converted into KAND567 in vivo and has the same mode-of-action. KAND145 has completed a successful phase I study, in which its pro-drug properties were confirmed.

These clinical projects are further described in the "Pipeline" section.

Business model

Kancera's business model is to develop innovative drug candidates with strong intellectual property protection, demonstrate efficacy in patients and, by virtue of these results, enter into financial or industrial partnerships to develop the candidate drugs up until market approvals.

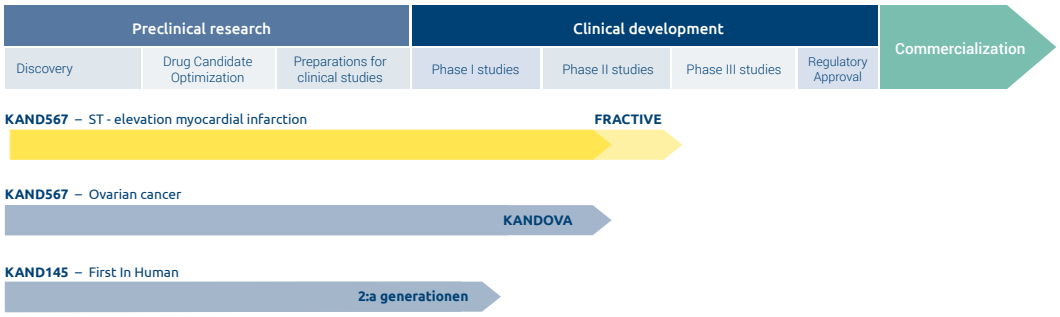
Financial partnering means that life science-focused specialist investors partner with Kancera to become long-term investors in the company and assume a larger ownership share, in many cases as active owners.

Industrial partnering means that Kancera out-licenses rights to development and commercialization in defined territories, in exchange for revenue in the form of payment upon signing the agreement, milestone payments and royalty revenue on partners' sales.

Pipeline

Kancera is developing a new class of drugs for life-threatening diseases that lack effective treatment

Kancera's pipeline



FRACTIVE – a planned phase IIb study with KAND567 in acute myocardial infarction

FRACTIVE is a planned phase IIb study in acute myocardial infarction that is building on the positive results from the FRACTAL study. FRACTAL, a clinical phase IIa study with KAND567 (rugocrixan) in patients with acute myocardial infarction undergoing percutaneous coronary intervention (PCI), was a randomized, two-armed, placebo-controlled and double-blinded study, that was conducted in collaboration with the University of Newcastle. In December, 2023, Kancera reported positive top-line results from the study and reported that the primary objective – to demonstrate safety and tolerability, was met, and that the secondary objective – to demonstrate signals of cardio-protective effect, was also met.

The most dominant signal of cardio-protective effect was a reduced incidence of intramyocardial hemorrhage in the patient group treated with KAND567. Kancera views this signal to be of high clinical relevance, as the incidence of intramyocardial hemorrhage is strongly associated with an increased risk of mortality or heart failure, which are established primary endpoints in pivotal studies.

In addition, a substantial reduction of the incidence of left ventricular thrombosis (LVT) was demonstrated. LVT is associated with an increased risk of systemic embolism, such as stroke, but in addition this clinical finding has contributed to an increased understanding of KAND567's mode of action.

The FRACTIVE study is planned to have a similar study design as FRACTAL, but will be conducted with more patients, approximately 250 patients, and at a large number of sites. The company aims to start the FRACTIVE study in 2026 and report top-line results in 2028. However, conducting the FRACTIVE study is subject to a capital injection, as described in the "Financial position and cash flow" section.

KAND567 in ovarian cancer

The KANDOVA study is a one-arm, open-label, multi-centre, combined phase Ib/IIa study of Kancera's candidate drug KAND567 in combination with standard of care carboplatin therapy in ovarian cancer patients with relapse from earlier carboplatin therapy. All study subjects received active drug, i.e. no study subjects received placebo, in combination with carboplatin. In total, 18 patients were recruited in the study. Study subjects were followed for up to six carboplatin treatment cycles in combination with KAND567.

In June 2025, Kancera reported positive top-line results from the study and reported that both the primary and secondary objectives were met:

- The primary objective was met by demonstrating that an expected effective concentration of KAND567 in the blood was achieved with a safe and tolerable dose, and that this dose was administered without clinically relevant adverse events.

- The secondary study objective concerning anti-tumor effect was considered to be met as the results showed that KAND567 may have additive effect to standard therapy with carboplatin in patients with high levels of CX3CR1 in the cancer cells.

KAND145 in healthy subjects

The study, which is the first clinical study with KAND145, was a randomized, double-blind, placebo-controlled phase I study of KAND145 in healthy subjects with the objective to evaluate safety, tolerability, pharmacokinetics, food efficacy during single and multiple ascending dosing, and interaction with CYP3A4 metabolizing drugs in connection with multiple ascending dosing of KAND145. The study has been conducted at two sites in Finland.

In May 2024, Kancera reported positive top-line results from the study that showed that:

- KAND145 is rapidly and effectively converted into KAND567 in human and after conversion the pharmacokinetics are similar to when dosing with KAND567.

- KAND145 is safe and tolerable at a dose level that significantly exceeds the level expected to be therapeutically active against inflammatory conditions in cardiovascular diseases.

- Safety, tolerability and pharmacokinetics are not affected by food and KAND145/KAND567 is a weak inhibitor with low risk of interference with CYP3A4 metabolizing drugs.

The results constitute an important milestone with the demonstration in human that the mechanism of action of KAND145 corresponds to that of KAND567. This validates Kancera's strategy of evaluating the treatment concept with fractalkine blockers through KAND567, in parallel with the first clinical studies with KAND145 being conducted.

Kancera now intends to conduct further formulation development of KAND145, from the simple liquid solution that was used in the first-in-human study in healthy subjects, to an oral formulation that is suitable for treatment of patients.

International Non-proprietary Names

An International Non-proprietary Name (INN) is a unique, globally recognized name for a pharmaceutical drug or active ingredient. Each active substance that is to be marketed as a pharmaceutical product must be granted a unique name of worldwide acceptability to ensure the clear identification, safe prescription and dispensing of medicines to patients. INNs are intended for wide use ranging from labelling and product information to drug regulation and scientific literature.

The World Health Organization (WHO) has granted rugocrixan as the INN for KAND567 and fosrugocrixan as the INN for KAND145, in accordance with the WHO's procedure for the selection of recommended INNs for pharmaceutical substances.

The declaration of the new and unique suffix stem "-crixan" identifies a new class of drugs that are small molecule CX3CR1 antagonists. The prefix stem "fos-" is identified for use for phosphoro-derivatives and used to indicate pro-drugs.

Financial development in summary

Kancera Group	Apr 1 - Jun 30		Jan 1 - Jun 30		Jan 1 - Dec 31
KSEK (unless otherwise specified)	2025	2024	2025	2024	2024
Net sales					
Other operating revenues					14
Operating expenses	-6 348	-11 354	-19 453	-24 749	-46 175
R&D expenses	-4 765	-9 740	-15 760	-21 281	-39 952
Operating Income	-6 348	-11 354	-19 453	-24 749	-46 161
Income after financial items	-6 252	-10 904	-19 178	-23 865	-44 566
Net income	-6 252	-10 904	-19 178	-23 865	-44 566
Cash flow from operations	-9 799	-14 403	-18 764	-29 082	-58 531
Cash	27 598	75 701	27 598	75 701	46 362
Equity	43 122	83 001	43 122	83 001	62 300
Key ratios					
R&D costs as share of total costs	75%	86%	81%	86%	87%
Earnings per share, before and after dilution (SEI	-0,05	-0,09	-0,16	-0,22	-0,39
Cash flow per share (SEK)	-0,08	-0,12	-0,15	-0,24	-0,48
Equity per share (SEK)	0,36	0,68	0,36	0,68	0,51
Total assets	46 700	95 638	46 700	95 638	66 911
Equity ratio	92%	87%	92%	87%	93%
No. of employees	5	5	5	5	5

Comments on financial development

As described in the section “About Kancera”, the company’s business model is to develop drug candidates, demonstrate efficacy in patients in clinical studies and, by virtue of these results, enter into financial and industrial partnerships. In the event of industrial partnerships, i.e. when out-licensing development and commercialization rights to other pharmaceutical companies, Kancera may earn revenues in the form of milestone payments and royalty revenues.

As the company has not yet entered into any industrial partnerships, the company does not yet have any revenue in the form of milestone payments or royalty revenues. Until the company enters into such industrial partnerships, the company’s operations are financed through raising capital, primarily on the stock exchange. Since 2016, Kancera has been listed on Nasdaq First North Premier Growth Market.

The company’s costs consist mainly of operational costs for research and development. Research refers to preclinical research studies and development refers to clinical studies of the company’s drug candidates. The costs of conducting clinical studies are significantly higher than preclinical research, and as the company’s drug candidates have advanced into the clinical development phase, the company’s operational costs have increased.

Revenue and earnings
Second quarter, April - June 2025

- Net sales for the quarter amounted to SEK 0 million (SEK 0 million).
- Costs during the quarter amounted to SEK 6,3 million (SEK 11,4 million).
- R&D costs amounted to SEK 4,8 million (SEK 9,7 million), which constitute the cost of the company’s inhouse R&D personnel and external costs for outsourced R&D and manufacturing. R&D costs are primarily related to the ongoing clinical phase IIa study in ovarian cancer (KANDOVA) and preparations for an upcoming planned phase IIb study in acute myocardial infarction (FRACTIVE).
- The remaining costs are related to sales, general & administration expenses that amounted to SEK 1,6 million (SEK 1,6 million). The company has no product sales and sales expenses are primarily related to business development activities.
- The operating loss for the quarter was SEK -6,3 million (SEK -11,3 million). The decreased operating loss compared to the same period the previous year is explained by lower R&D costs.
- Loss after financial items for the quarter amounted to SEK –6,3 million (SEK -10,9 million).
- Earnings per share for the quarter, based on a weighted average of the number of outstanding shares, amounted to SEK –0,05 (SEK -0,09).

Full period, January - June 2025

- Net sales for the period amounted to SEK 0 million (SEK 0 million).
- Costs during the period amounted to SEK 19,5 million (SEK 24,7 million).
- R&D costs amounted to SEK 15,8 million (SEK 21,3 million), which constitute the cost of the company’s inhouse R&D personnel and external costs for outsourced R&D and manufacturing. R&D costs are primarily related to the ongoing clinical phase IIa study in ovarian cancer (KANDOVA) and preparations for an upcoming planned phase IIb study in acute myocardial infarction (FRACTIVE).
- The remaining costs are related to sales, general & administration expenses that amounted to SEK 3,7 million (SEK 3,5 million). The company has no product sales and sales expenses are primarily related to business development activities.
- The operating loss for the period was SEK -19,5 million (SEK -24,7 million). The decreased operating loss compared to the same period the previous year is explained by lower R&D costs.
- Loss after financial items for the period amounted to SEK –19,2 million (SEK -23,9 million).
- Earnings per share for the period, based on a weighted average of the number of outstanding shares, amounted to SEK –0,16 (SEK -0,22).

Consolidated statement of comprehensive income

Consolidated statement of comprehensive Income	Apr 1 - Jun 30		Jan 1 - Jun 30		1 jan - 31 dec
KSEK	2025	2024	2025	2024	2024
Other revenues and operating expenses					
Other revenues					14
G&A expenses	-1 224	-1 377	-2 945	-2 866	-5 150
M&S expenses	-359	-236	-748	-602	-1 073
R&D expenses	-4 765	-9 740	-15 760	-21 281	-39 952
Operating income	**-6 348**	**-10 898**	**-19 453**	**-24 157**	**-46 161**
Income before financial items					
Financial net	97	449	275	884	1 595
Income after financial items	**-6 252**	**-10 448**	**-19 178**	**-23 273**	-44 566
Tax					
Net income	**-6 252**	**-10 448**	**-19 178**	**-23 273**	**-44 566**
Average number of shares (thousands), before and after dilution	121 186	121 186	121 186	109 477	115 332
Number of shares at closing date (thousands)	121 186	121 186	121 186	121 186	121 186
Earnings per share, before and after dilution	-0,05	-0,09	-0,16	-0,22	-0,39

Condensed consolidated statement of financial position

Condensed Parent Company Balance Sheet

The Parent Company Kancera AB

KSEK

	Jun 30		Dec 31
Assets	2025	2024	2024
Non-current Assets			
Capitalized R&D	18 000	18 000	18 000
Financial assets			
Shares in subsidiaries	50	50	50
Financial placements	1	1	1
Total non-current assets	**18 051**	**18 051**	**18 051**
Current assets			
Intercompany receivables	2	3	0
Trade receivables and other rece	627	778	1 418
Prepaid expenses	472		1 130
Cash and cash equivalents	27 548	75 651	46 312
Total current assets	**28 649**	**76 432**	**48 860**
Total assets	**46 700**	**95 638**	**66 911**
Equity and Liabilities			
Equity	43 122	83 001	62 300
Total equity	**43 122**	83 001	**62 300**
Liabilities			
Short-term liabilities	1 837	3 084	3 334
Accrued expenses	1 741		1 276
Total liabilities	**3 578**	**3 084**	**4 611**
Total equity and liabilities	**46 700**	**95 638**	**66 911**

Statement of changes in equity

Consolidated report on changes in equity, Jan 1 - June 30 2025 Kancera group *KSEK*	Share capital	Other capital contributions	Accumulated deficit	Total equity
Second quarter				
Opening balance April 1 2024	11 778	95 088	-12 961	93 905
Net income for the period			-10 904	-10 904
Total transactions with shareholders	0	0	0	0
Closing balance June 30 2023	**11 778**	**95 088**	**-23 865**	**83 001**
The period January - June				
Opening balance Jan 1 2024	**7 921**	**44 632**	**-4 889**	**47 664**
Net income for the period			-23 865	**-23 865**
Transactions with shareholders				
Capital injections	3 857	69 155		73 012
Capital injection costs		-13 811		-13 811
Total transactions with shareholders	3 857	55 344	0	59 201
Closing balance June 30 2024	**11 778**	**99 976**	**-28 754**	**83 001**

Kancera group, April 1 - Jun 30 2025 *KSEK*	Sharecapital	Other capital contributions	Accumulated deficit	Total equity
First quarter				
Opening balance April 1 2025	11 778	50 522	-12 927	49 374
Net income for the period			-6 252	-6 252
Total transactions with shareholders	0	0	0	0
Closing balance June 30 2025	**11 778**	**50 522**	**-19 178**	**43 122**

Kancera group, Jan 1 - Jun 30 2025 *KSEK*	Sharecapital	Other capital	Accumulated deficit	Total equity
Opening balance Jan 1 2025	11 778	95 088	-44 566	62 300
Net income for the period			-19 178	-19 178
Total transactions with shareholders	0	0	0	0
Closing balance June 30 2024	**11 778**	**95 088**	**-63 744**	**43 122**

Cash flow statement

Condensed consolidated statement of cash flow

	Apr 1 - Jun 30		Jan 1 - Jun 30		Jan 1 - Dec 31
KSEK	2025	2024	2025	2024	2024
Cash flow from operations					
Operating income after financial items	-6 252	-10 904	-19 178	-23 865	-44 566
Other non-cash flow items		-165		-34	
Cash flow from operating activities before change in working capital	**-6 252**	**-11 069**	**-19 178**	**-23 899**	**-44 566**
Change in working capital	-3 547	-3 334	414	-5 183	-13 965
Operating cash flow	**-9 799**	**-14 403**	**-18 764**	**-29 082**	-58 531
Free cash flow	**-9 799**	**-14 403**	**-18 764**	**-29 082**	-58 531
Financing activities					
Change in debt referrable to financing activities		59 091			
Issue of shares/other capital infusions				59 091	59 201
Cash flow from financing activities	**0**	**59 091**	**0**	**59 091**	59 201
Total cash flow	**-9 799**	**44 688**	**-18 764**	**30 009**	**670**
Cash and cash equivalents at the beginning of the period	37 397	31 013	46 362	45 692	45 692
Cash and cash equivalents at the end of the period	27 598	75 701	27 598	75 701	46 362

Condensed income statement
parent company

Condensed Parent Company Income Statement

	Apr 1 - Jun 30		Jan 1 - Jun 30		Jan 1 - Dec 31
The Parent Company Kancera AB					
KSEK	2025	2024	2025	2024	2024
Other revenues and operating expenses					
Other revenues					14
G&A expenses	-1 224	-1 377	-2 945	-2 866	-5 150
M&S expenses	-359	-236	-748	-602	-1 073
R&D expenses	-4 765	-9 740	-15 760	-21 281	-39 952
Total operating expenses	**-6 348**	**-11 354**	**-19 453**	**-24 749**	**-46 161**
Operating income	**-6 348**	**-11 354**	**-19 453**	**-24 749**	**-46 161**
Income before financial items					
Financial net	97	449	275	884	1 595
Income after financial items	**-6 252**	**-10 904**	**-19 178**	**-23 865**	**-44 566**
Tax					
Net income	**-6 252**	**-10 904**	**-19 178**	**-23 865**	**-44 566**

Condensed balance sheet
parent company

Condensed consolidated statement of financial position

Kancera Group

KSEK	30 jun 2025	30 jun 2024	31 dec 2024
Assets			
Non-current assets			
Capitalized R&D	18 000	18 000	18 000
Financial assets			
Financial placements	1	1	1
Total non-current assets	**18 001**	**18 001**	**18 001**
Current assets			
Trade receivables and other receivables	629	781	1 418
Prepaid expenses	472	1 155	1 130
Cash and cash equivalents	27 598	75 701	46 362
Total current assets	**28 699**	**77 637**	**48 910**
Total assets	**46 700**	**95 638**	**66 911**
Equity and Liabilities			
Equity	43 122	83 001	62 300
Total equity	**43 122**	**83 001**	**62 300**
Liabilities			
Short-term liabilities	1 837	3 084	3 334
Accrued expenses	1 741	9 553	1 276
Total liabilities	**3 578**	**12 637**	**4 611**
Total equity and liabilities	**46 700**	**95 638**	**66 911**

Financial position and cash flow

Balance sheet and cash flow

- Equity on June 30, 2025 amounted to SEK 43,1 million (SEK 83,0 million).
- The equity/assets ratio on June 30, 2025 was 92 percent (87 percent).
- Equity per share was SEK 0,36 (0,68).
- Cash flow from operating activities amounted to SEK –9,8 million (SEK -14,4 million) or SEK –0,08 per share (SEK -0,12). The negative cash flow was significantly reduced compared to the first quarter in line with the company's ambition to carefully manage the cash position.
- Cash and cash equivalents on June 30, 2025 amounted to SEK 27,6 million (SEK 75,7 million).
- The company assesses that the current cash will be sufficient to finance the company's business up until Q1 2026. After the period, Kancera has reported that the company has terminated the letter of intent with Recardio Inc., based on financing considerations. Kancera is now revisiting the business plan with regards to targeted therapeutic areas and corporate structures, and continues to explore other out-licensing and business development opportunities. As part of the revision of the business plan, Kancera is evaluating the capital needs and financing options.

Employees

Kancera AB had 5 (5) permanent employees as of March 31, 2025, of which 4 (4) are men and 1 (1) are women.

Investments and depreciations

Intangible assets in the balance sheet amount to a total of SEK 18,0 million (SEK 18,0 million), which is related to the acquisition of the fractalkine program. The item is the sum of three off-set issues carried out under acquisition agreements. The valuation of intangible assets in the balance sheet is thus a result of the contractual terms at the time of the acquisition of the program and not the market valuation of KAND567 and KAND145. For a description of the market outlook for these two drug candidates, please refer to this section of the Annual Report for 2024.

The Board of Directors conducts an impairment test on an ongoing basis and at least once a year to ensure that capitalized values are justified. As of March 31, 2025, there are no further indications of a decline in value. No investments were made in intangible or fixed assets during the quarter.

The Group

The Kancera Group consists of two companies, the parent company Kancera AB (publ), in which all research and product development takes place, and the wholly-owned subsidiary Kancera Förvaltning AB. The parent company of the Group is the Swedish public limited liability company Kancera AB (publ.), whose shares are listed on Nasdaq First North, Premier Segmentet as of October 28, 2016. Kancera Förvaltning AB is a dormant company.

Share capital and share

On June 30, 2025, the share capital amounted to SEK 11 778 016 (SEK 11 778 016) divided into 121 186 228 (121 186 228) shares with a quota value of SEK 0,10 (0,10) per share. The increase in the number of shares is attributable to the new share issue that was conducted in March 2024.

Tax deficit

Kancera AB's current operations are initially expected to result in negative earnings and tax losses. At present, there are no sufficiently convincing reasons to suggest that there will be tax surpluses in the future that would justify capitalizing the value of the losses, and no deferred tax assets have been recognized. In the event of a sale of a drug candidate, it is expected that it will be possible to recognize gains that are currently considered to be offset for tax purposes against previous years' tax losses, which would entail a low tax burden for the company when a project is sold. The tax losses amounted to SEK 527,6 million as of December 31, 2024. No deferred tax assets are reported for these tax losses.

Notes

Note 1: Accounting and valuation principles

The interim report for the Group has been prepared in accordance with IAS 34 and the Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with RFR 2 and the Annual Accounts Act.

The Group's and the Parent Company's accounting and valuation principles as well as the calculation bases for the report are unchanged compared with the most recent annual report for the financial year ended December 31, 2024 and should be read in conjunction with it.

Kancera continuously expenses all costs for research and development as they arise and does not capitalize them as intangible assets. The same applies to manufacturing costs that are expensed when they are incurred and not capitalized as inventory assets.

Amounts are stated in Swedish kronor, rounded off to the nearest thousand unless otherwise stated. Rounding to thousands of kronor can mean that the amounts do not add up. Amounts and figures in parentheses refer to comparative figures for the corresponding period of the previous year.

Note 2: Related-party transactions

There were no transactions with related parties during the period.

Note 3: The Group's operations and risk factors

When assessing the Group's future development, it is important to consider risk factors in addition to potential earnings growth. The Group's operations are affected by a number of risks that may have an effect on the Group's earnings and financial position to varying degrees. For a description of the Group's risks, please refer to the section Risks and risk management in the Annual Report for 2024.

The company assesses that the current cash will be sufficient to finance the company's business up until Q1 2026, but that initiation of new activities is subject to new capital, coming from either an out-licensing deal or a capital injection from specialist investors. The company assesses that the macro environment and the general situation on the financial markets make capital raisings more difficult and creates a risk that any raising of capital needs to be carried out with a high dilution of the votes in relation to capital contributed.

Note 4: Definitions of key ratios

Alternative performance measures

In addition to the financial key ratios prepared in accordance with IFRS, Kancera AB presents financial key ratios that are not defined in accordance with IFRS. Alternative performance measures are considered to be important results and performance indicators for investors and other users of the interim report. The alternative performance measures should be seen as a complement to, but not a replacement for, the financial

information prepared in accordance with IFRS. Because not all companies calculate financial measures in the same way, they are not always comparable to measures used by other companies. Key ratios are presented on p.8, Financial development in summary.

Share of R&D in total costs
The figure provides information on the extent to which the company's costs relate to the core business. This gives a picture of cost allocation and an indication of how large a part of the total costs is related to administration.

Equity per share
Calculated by dividing Equity by the number of shares on the balance sheet date. The change in the number between the years gives an indication that changes have taken place in the company's equity, for example whether a new share issue has been carried out and how much of such a capital injection remains on the balance sheet date.

Cash flow per share from operating activities
Cash flow from operating activities divided by the average number of shares. Given the company's phase where revenues are still fictitious, the figure, together with equity per share, provides information about the company's capital raising and financing.

Equity ratio
Shareholders' equity as a percentage of total assets. The key figure shows how much of the assets have been financed through equity and thus clarifies the company's financial strength.

Note 5: Significant events after the end of the period

- Kancera has reported that it has terminated the letter of intent with Recardio Inc. concerning an out-licensing of the candidate drugs rugocrixan and fosrugocrixan.

Declaration by the Board of Directors

The Board of Directors and the CEO ensure that the interim report provides a fair overview of the company's and the Group's operations, financial position and results and describes the significant risks and uncertainties facing the company and the Group.

Stockholm, August 28, 2025

Erik Nerpin
Chairman

Thomas Olin
Board member

Anders Gabrielsen
Board member

Peter Selin
CEO

This interim report has not been subject to review by the company's financial auditor.

Upcoming events
and reporting dates

2025
21
november

Interim Report July - September 2025

2026
20
feb

Year-End-Report 2025

All financial reports are available at Kancera's website: **https://kancera.com/en/investor-relations/financial-reports/**

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