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## **Novakand Pharma provides an update on the ongoing reverse take over process**

**On September 18, 2025 Novakand Pharma AB (publ) announced that the board had decided to initiate a process to identify potential stakeholders for a reverse take over. The company now reports that discussions are initiated with Swedish un-listed growth companies, both within and outside the life science sector, and that parallel discussions concerning a potential divestment of the fractalkine program are being held. In addition, cost reduction activities have been implemented.**

### *Discussions concerning a reverse take over*

Novakand Pharma has initiated concrete discussions with potential target companies for a reverse take over. Novakand is discussing the potential reverse take over with Swedish un-listed growth companies aiming to be listed at the Nasdaq First North and are both in and outside the life science sector.

### *Divestment of the fractalkine program*

In parallel, the work with divesting or transferring the fractalkine program and the candidate drugs rugocrixan and fosrugocrixan is ongoing. Considering that the company for several years conducted extensive business development without being successful in entering into licensing agreements, and that significant investments in clinical development and manufacturing are required to advance the program, the probability of closing a transaction is perceived to be low. The board emphasizes that currently there is no guarantee that a divestment or transfer will occur, but if this happens, the assessment is that the acquirer will not be a big pharma, but rather a smaller company and that any purchase price would likely be limited.

### *Reduction of the company's operational expenses*

Cost reduction activities have been implemented in a number of areas, including the company's organization.

### *Decisions and next steps*

The board is now evaluating the ongoing discussions concerning a potential reverse take over and potential divestment of the fractalkine program, in relation to the alternative to liquidize the company. The board emphasizes that currently there is no guarantee that a transaction – either a reverse take over or a divestment of assets – will be conducted.

In the event that, after a reasonable time has passed, strategic options are missing, the board's intention is to recommend a de-listing from the Nasdaq First North Growth Market and a voluntary liquidation of the company, by which available cash will be distributed to current shareholders.

A decision to execute a potential reverse take over, de-listing or liquidation of the company will be taken by the shareholders at a future general meeting. A potential reverse take over will also be subject to a new approved listing review by Nasdaq. The board will continue to update the market concerning significant events during the process.

*"We have now started the announced process and are engaged in concrete discussions with several growth companies that see a value in Novakand Pharma's listing. Our intention is to conduct this process as efficiently as possible in order to be able to present a proposal to our shareholders soon,"* says Erik Nerpin, chairman of the board at Novakand Pharma.

**About Novakand Pharma AB**

Novakand Pharma is a clinical stage biotech developing a new class of small molecule drugs with an immune cell modulating mode-of-action. The stock is traded on the Nasdaq First North Premier Growth Market. Redeye AB is the company's Certified Adviser and can be contacted at: [certifiedadviser@redeye.se](mailto:certifiedadviser@redeye.se).

**For further information:**

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