Agreement on development of HDAC6 inhibitors discontinued.

Kancera AB announces today that the pharmaceutical company Grünenthal GmbH has chosen to terminate the parties' research and option agreement. Since the end of 2018, Grünenthal has been responsible for the development of Kancera's series of HDAC6 inhibitors and made progress in the chemical development of the project. Kancera now takes over the rights to all results generated under the agreements, including new and further developed HDAC6 inhibitors that are protected by Kancera's two patent applications. Overall, this does not affect Kancera's operational plan or capacity to drive the company's prioritized projects forward.

"It has been a great asset for Kancera to have Grünenthal as a partner for almost two years, which has contributed to Kancera's HDAC6 inhibitors taking significant steps towards being nominated as drug candidates. At the same time, independent research groups have shown the potential for HDAC6 inhibition in both inflammatory heart disease and lung disease (1-3), two areas that are fully in line with Kancera's strategic direction", says Thomas Olin, CEO of Kancera AB.

(1) Zwinderman MRH, et al. Targeting HDAC Complexes in Asthma and COPD. *Epigenomes*. 2019; 3 (3):19.

(2) Liu L, et al. HDAC6 inhibition blocks inflammatory signaling and caspase-1 activation in LPS-induced acute lung injury. *Toxicol Appl Pharmacol*. 2019;370:178-183.

(3) Leng Y, et al. Inhibition of HDAC6 Activity Alleviates Myocardial Ischemia/Reperfusion Injury in Diabetic Rats: Potential Role of Peroxiredoxin 1 Acetylation and Redox Regulation. *Oxid Med Cell Longev*. 2018;2018:9494052. Published 2018 Jun 25.

About the HDAC6 project
HDAC6 is an enzyme involved in the control of how the internal fibres of immune cells, a type of cell skeleton, work and thereby how these cells transport proteins and in respone to stress migrate through the body to induce inflammation. Preclinical tests have shown that Kancera's substances have a high degree of selectivity and efficacy against HDAC6 within the family of HDAC enzymes. They are also well absorbed into the body following oral administration. Taken together, this makes them interesting starting points for the development of new drugs for the treatment of inflammatory conditions.

About Kancera AB (publ)
Kancera develops drugs that counteract damage from acute and chronic inflammation. Fraktalkine blocker KAND567 is developed primarily to effectively counteract hyperinflammation in various medical conditions and thus protect vital organs, e.g. in connection with heart attacks and severe viral infections. Kanceras has during the third quarter 2020 started a phase II clinical study in covid-19 patients. In the second half of 2020, a second application for authorisation is planned for a phase II clinical study in patients with myocardial infarction. Since scientific studies have shown increased activity for the fractalkine system not only in connection with myocardial infarction but also in

several other inflammatory conditions and certain forms of cancer, there are several possible development routes for Kancera's fraktalkine blockers KAND567 and KAND145. Kancera AB conducts research and development within Karolinska Institutet Science Park in Stockholm. The share is traded on NASDAQ First North Premier. FNCA Sweden AB is the company's Certified Adviser. FNCA can be reached on info@fnca.se and on 08-528 00 399. MD PhD Charlotte Edenius, MD PhD Anders Gabrielsen, Professor Carl-Henrik Heldin and Professor Håkan Mellstedt are all scientific advisors and board members of Kancera AB.

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Attachments

Agreement on development of HDAC6 inhibitors discontinued.