Interim Report First Quarter 2025

January 1 – March 31, 2025

Kancera AB | Org.nr. 556806-8851

The period in brief

Significant events during the first quarter

- Kancera announced that the company has signed a letter of intent agreement with the private US biotech company, Recardio Inc. with the objective of combining both companies' assets and forming a cardiovascular-focused specialty care company.
- Kancera announced its intention to change the company name to Novakand Pharma.

Significant events after the end of the period

- Kancera has reported Last Patient Last Visit in the ongoing KANDOVA study and that top-line results are expected in the third quarter 2025.

January - March
First quarter financial summary

- Net sales amounted to SEK 0 million (SEK 0 million).
- R&D expenses amounted to SEK 11,1 million (SEK 11,4 million).
- Operating loss for the quarter amounted to SEK –13,1 million (SEK -13,4 million).
- Loss after financial items for the quarter amounted to SEK –12,9 million (SEK -13,0 million).
- Basic and diluted earnings per share for the quarter amounted to SEK –0,11 (SEK -0,13).
- Cash flow from operating activities for the quarter amounted to SEK –9,0 million (SEK -14,7 million).
- Equity on March 31, 2025 amounted to SEK 49,4 million (SEK 93,9 million) or SEK 0,41 (SEK 0,77) per share.
- The equity/assets ratio on March 31, 2025 was 87 percent (76 percent).
- Cash and cash equivalents on March 31, 2025 amounted to SEK 37,4 million (SEK 31,0 million).

CEO Statement

"The letter of intent with Recardio Inc. makes strong business sense and improves the opportunities to advance our program in acute myocardial infarction to the next clinical phase."

Peter Selin, CEO

The first three months of the year was a busy period for the Kancera team as we continued our preparations for the FRACTIVE study, a planned phase IIb study in ST-elevation myocardial infarction (STEMI). We also signed a letter of intent agreement with the US biotech company Recardio Inc. with the goal to out-license our candidate drugs KAND567 and KAND145. Both of these activities are anchored by our strategic decision to focus the company's development on cardiovascular diseases.

Our new strategic focus that we announced in the fourth quarter 2024 was based on extensive analysis, including market access research supporting our preliminary product positioning in STEMI. Based on our research we are optimistic that we can meet the expected regulatory requirements from both the FDA and the EMA and that payers will pay for our treatment. All together, we see that there is significant market potential given the promising data from our previous clinical studies.

We see an opportunity for our candidate drugs to become first-in-class and a totally new treatment option of acute myocardial infarction in high-risk patients. The treatment aims to prevent hyperinflammation and intramyocardial hemorrhage in connection with percutaneous coronary intervention (PCI), which is standard-of-care for these patients, and ultimately reduce the risk of death and heart failure. The treatment of heart failure is a significant burden to healthcare systems globally and the cost of pharmaceutical drugs is estimated to grow 15% annually, topping 16 billion USD in 2026. Hence, if we can reduce the risk of heart failure post PCI, we can contribute to a significant reduction of treatment costs for the global health care systems.

With our strategic focus on cardiovascular diseases, signing the letter of intent with Recardio makes business and scientific sense. Both Kancera and Recardio have late clinical-stage programs targeting acute myocardial infarction and joining our programs and capabilities, we have the potential to create a leading specialty care company in the field of cardiovascular diseases to the benefit of patients and that US and European investors will find attractive. With this joint pipeline and equity story, we are together in a better position to build the financial options needed to advance our programs into the next clinical phase. Together with Recardio we have had investor meetings with potential US investors aiming to secure financing of the combined business' long term business plan. This business plan includes the planned FRACTIVE study and Recardio's

planned phase III study with dutogliptin in acute myocardial infarction. Based on the investor meetings conducted so far, we see that there is an interest for the transaction, but due to the general situation on the financial markets, the targeted capital raise together with Recardio is expected to take longer time than anticipated when the letter of intent was signed.

Aside from the exciting opportunity with Recardio, during the period Kancera also announced its intention to change the name of the company to Novakand Pharma, a change that is in line with the company's decision to not conduct R&D in the field of cancer and focus on cardiovascular diseases. Subject to a decision at the Annual General Meeting, we plan to implement the new company name in September.

After the end of the quarter, the company also reported the last patient had completed the last visit in the ongoing phase Ib/IIa KANDOVA study evaluating KAND567 in ovarian cancer. In total, 18 patients were recruited to the study, of which 15 patients are fully evaluable, and the top-line results are expected to be presented in the third quarter 2025.

The first quarter was certainly busy, preparing for the planned FRACTIVE study and the extensive work with Recardio to secure financing of the joint business plan and the planned clinical studies. The general macro environment implies that the targeted capital raise may take time, but we are convinced that a transaction with Recardio enables creating a leading specialty care company in the field of cardiovascular diseases, of value to both patients and shareholders.

Peter Selin, CEO
Solna May 23, 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 and KAND145, 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 recepter, 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.

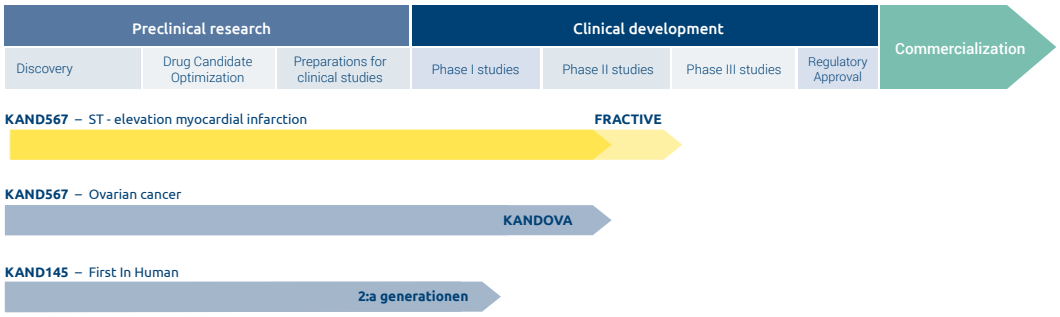
Financial partnering means that life science-focused specialist investors partner with Kancera to become long-term investors in the company and assume a larger ownership share, in many cases as active owners.

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



KAND567 of myocardial infarction

In December 2023, Kancera reported positive overall results from the FRACTAL study, an exploratory phase IIa study in patients with acute myocardial infarction (ST-elevation myocardial infarction) undergoing percutaneous coronary intervention (PCI) and reported that:

- the primary objective was met - to demonstrate safety and tolerability, and also that
- the secondary objective was met - to show signals of cardio- protective effect.

The results demonstrated a reduced incidence of intramyocardial hemorrhage in the group treated with KAND567. Intramyocardial hemorrhage has in several independent clinical studies proved to be associated with a significant increased risk of death and heart failure.

In the study, patients in the active arm were treated with KAND567 by an initial intravenous bolus dose before the PCI was initiated. After PCI, the patient continued to receive an intravenous infusion of KAND567 for approximately 6 hours, after which treatment switched to peroral dosing for up to 72 hours. Patients in the control arm received placebo instead of KAND567. After completion of treatment, follow-up by MRI was performed on two occasions: Day 3 and Day 90. A total of 71 patients were recruited to the study and all were included in the basis for evaluation of safety and tolerability. 61 patients underwent MRI on day 3 and were included in the basis for evaluation of cardioprotective effect.

Kancera now intends to advance the project towards pivotal studies and is currently working on preparations for an upcoming planned phase IIb study. The phase IIb study will have a similar study design as in the FRACTAL study, but with a larger number of patients in order to demonstrate efficacy with statistical power.

KAND567 in ovarian cancer

The KANDOVA study is an ongoing single-arm, open-label, multi-center combined Phase Ib/IIa study with KAND567 in combination with carboplatin (platinum-based chemotherapy) in ovarian cancer patients with relapse after carboplatin therapy. The study is being conducted at five university hospitals in Sweden, Norway and Denmark.

Treatment with KAND567 takes place for two weeks in conjunction with each infusion of carboplatin, which occurs every three weeks. The first part of the KANDOVA study, phase Ib, has a dose escalation design aimed to define the recommended phase II dose.

The primary objective of the study is to evaluate safety and tolerability. The secondary objective is to evaluate the signal of anti-tumor effect from treatment with KAND567 in combination with carboplatin.

In line with Kancera's strategic decision to focus on cardiovascular diseases, a decision that was announced in November 2024, the company will stop its research and development in the field of cancer following the completion of the KANDOVA study. In

total, 18 patients have been recruited to the study and the last patient has completed the last visit. In total, 15 patients are fully evaluable and work is ongoing to compile all study data for statistical analysis. The top-line results are expected to be presented in the third quarter 2025.

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.

Kancera has reported positive top line results from the study that show 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.

For additional information about projects and market outlooks, see Annual Report 2024 on Kancera's website www.kancera.com

International Non-proprietary Names

KAND567 and KAND145 are Kancera's internal project names for its candidate drugs. International Non-proprietary Names (INN) are granted by WHO (globally ex-US) and USAN (US).

In May 2024, the International Non-proprietary Names for KAND567 and KAND145 were decided by the WHO. In this decision, the company's candidate drugs were granted a new name suffix, reflecting the view of WHO that they represent a new class of drugs with a new mode of action.

Granting of INNs from USAN is expected during the fourth quarter of 2025. Up until the application process has been completed, which includes formal procedures for other companies to object to WHO's and USAN's decisions, Kancera will not publicly use the INNs.

Financial development in summary

Kancera group	Jan 1 - Mar 31		Jan 1 - Dec 31
KSEK (unless otherwise specified)	2025	2024	2024
Net sales			
Other operating revenues			14
Operating expenses	-13 105	-13 396	-46 174
R&D expenses	-11 075	-11 441	-39 952
Operating Income	-13 105	-13 396	-46 161
Income after financial items	-12 927	-12 961	-44 566
Net income	-12 927	-12 961	-44 566
Cash flow from operations	-8 965	-14 679	-58 531
Cash	37 397	31 013	46 362
Equity	49 374	93 905	62 300
Key ratios			
R&D costs as share of total costs	85%	85%	87%
Earnings per share, before and after dilution (SEK)	-0,11	-0,13	-0,39
Cash flow per share (SEK)	-0,07	-0,12	-0,48
Equity per share (SEK)	0,41	0,77	0,51
Total assets	56 601	123 330	66 364
Equity ratio	87%	76%	94%
No. of employees	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
First quarter, January - March 2025

- Net sales for the quarter amounted to SEK 0 million (SEK 0 million).
- Costs during the quarter amounted to SEK 13,1 million (SEK 13,4 million).
- R&D costs amounted to SEK 11,1 million (SEK 11,4 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.
- The remaining costs are related to sales, general & administration expenses that amounted to SEK 2,0 million (SEK 2,0 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 -13,1 million (SEK -13,4 million).
- Loss after financial items for the quarter amounted to SEK –12,9 million (SEK -13,0 million).
- Earnings per share for the quarter, based on a weighted average of the number of outstanding shares, amounted to SEK –0,11 (SEK -0,13).

Consolidated statement of comprehensive income

Consolidated statement of comprehensive Income			
Kancera group	**Jan 1 - Mar 31**		**Jan 1 - Dec 31**
KSEK	**2025**	**2024**	**2024**
Operating revenues			
Net sales			
Other operating revenues			14
Total revenues	**0**	**0**	**14**
Operating expenses			
G&A expenses	-1 645	-1 526	-5 150
M&S expenses	-384	-428	-1 073
R&D expenses	-11 075	-11 441	-39 952
Total operating expenses	**-13 105**	**-13 396**	**-46 174**
Operating income	**-13 105**	**-13 396**	**-46 161**
Income before financial items			
Financial net	178	435	1 595
Income after financial items	**-12 927**	**-12 961**	**-44 566**
Tax			
Net income	**-12 927**	**-12 961**	**-44 566**
Average number of shares (thousands), before and after dilution	121 186	97 464	115 332
Number of shares at closing date (thousands)	121 186	121 186	121 186
Earnings per share, before and after dilution	-0,11	-0,13	-0,39

Condensed consolidated statement of financial position

Condensed consolidated statement of financial position			
Kancera group	**Mar 31**	**Mar 31**	**Dec 31**
KSEK	2025	2024	2024
Assets			
Non-current assets			
Intangible 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	1 203	74 316	2 001
Cash and cash equivalents	37 397	31 013	46 362
Total current assets	**38 600**	**105 329**	**48 363**
Total assets	**56 601**	**123 330**	**66 364**
Equity and Liabilities			
Equity			
Equity	49 374	93 905	62 300
Total equity	**49 374**	**93 905**	**62 300**
Liabilities			
Short-term liabilities	7 227	29 425	4 064
Total liabilities	**7 227**	**29 425**	**4 064**
Total equity and liabilities	**56 601**	**123 330**	**66 364**

Statement of changes in equity

Consolidated report on changes in equity, Jan 1 - Dec 31 2024

Kancera group *KSEK*	Sharecapital	Other capital contributions	Accumulated deficit	Total equity
First quarter				
Opening balance Jan 1 2023	7 921	44 632	-4 888	47 665
Comprehensive income				
Net income for the period			-12 961	-12 961
Total comprehensive income			-12 961	-12 961
Transactions with shareholders				
Capital injections				
Capital injection costs		69 155		69 155
Ongoing share issue				
Total transactions with shareholders	0	69 155		69 156
Closing balance Mar 31 2023	**7 921**	**113 787**	**-17 849**	**103 861**
The period January - December				
Opening balance Jan 1 2023	**7 921**	**44 632**	**-4 888**	**47 665**
Comprehensive income				
Appropriation of last year´s net income		-4 888	4 888	
Net income for the period			-44 566	**-44 566**
Total comprehensive income	0	-4 888	-44 566	-44 566
Transactions with shareholders				
Capital injections	3 857	69 155		73 012
Capital injection costs		-13 811		-13 811
Total transactions with shareholders	3 857	55 345	0	59 201
Closing balance Dec 31 2023	**11 778**	**95 089**	**-44 566**	**62 302**

Statement of changes in equity (cont´d)

Consolidated report on changes in equity , 1 jan - 31 mar 2025

KSEK	Sharecapital	Other capital contributions	Accumulated deficit	Total equity
First quarter				
Opening balance Jan 1 2024	11 778	95 088	-44 566	62 300
Comprehensive income				
Appropriation of last year´s net income				
Net income for the period			-12 927	-12 927
Total comprehensive income			-12 927	-12 927
Transactions with shareholders				
Capital injections				
Capital injection costs				
Total transactions with shareholders	0	0	0	0
Closing balance Mar 31 2024	**11 778**	**50 522**	**-12 927**	**49 374**

Cash flow statement

Condensed consolidated statement of cash flow			
Kancera group	Jan 1 - Mar 31		Jan 1 - Dec 31
KSEK	2025	2024	2024
Cash flow from operations			
Operating income after financial items	-13 105	-13 396	-46 161
Receaived interest	178	435	1 595
Taxes paid			
Other non-cash flow items		131	
Cash flow from operating activities before change in working capital	**-12 927**	**-12 830**	**-44 566**
Change in working capital	3 962	-1 849	-13 966
Operating cash flow	**-8 965**	**-14 679**	**-58 532**
Financing activities			
Change in debt referrable to financing activities		-535	
Issue of shares/other capital infusions		-35	59 201
Repayment of loans			
Cash flow from financing activities	**0**	**-570**	**59 201**
Total cash flow	**-8 965**	**-15 249**	**670**
Cash and cash equivalents at the beginning of the period	46 362	45 692	45 692
Cash and cash equivalents at the end of the period	37 397	31 013	46 362

Condensed income statement
parent company

Condensed Parent Company Income Statement			
The Parent Company Kancera AB	Jan 1 - Mar 31		Jan 1 - Dec 31
KSEK	2025	2024	2024
Operating revenues			
Net sales			
Other operating revenues			14
Total revenue	0	0	14
Gross profit	**0**	**0**	**14**
Operating expenses			
G&A expenses	-1 645	-1 526	-5 150
M&S expenses	-384	-428	-1 073
R&D expenses	-11 075	-11 441	-39 952
Total operating expenses	**-13 105**	**-13 396**	**-46 174**
Operating income	**-13 105**	**-13 396**	**-46 161**
Income before financial items			
Financial net	178	435,008	1 595
Income after financial items	**-12 927**	**-12 961**	**-44 566**
Tax	0	0	0
Net income	**-12 927**	**-12 961**	**-44 566**

Condensed balance sheet
parent company

Condensed Parent Company Balance Sheet

The Parent Company Kancera AB

KSEK	Mar 31	Dec 31
Assets	2024	2023
Non-current Assets		
Intangible assets		
Capitalized R&D	18 000	18 000
Tangible assets		
Lease assets		
Financial assets		
Shares in subsidiaries	50	50
Financial placements	1	1
Total non-current assets	**18 051**	**18 051**
Current assets		
Intercompany receivables	2	2
Trade receivables and other receivat	1 203	1 999
Cash and cash equivalents	37 346	46 312
Total current assets	**38 550**	**48 313**
Total assets	**56 601**	**66 364**
Equity and Liabilities		
Equity	49 374	62 300
Total equity	**49 374**	62 300
Liabilities		
Short-term liabilities	7 227	4 064
Total liabilities	**7 227**	**4 064**
Total equity and liabilities	**56 601**	**66 364**

Financial position and cash flow

Balance sheet and cash flow

- Equity on March 31, 2025 amounted to SEK 49,4 million (SEK 93,9 million). The reduction of equity compared to the previous year is explained by that Other receivables on March 31, 2024 amounted to SEK 74,3 million, primarily derived from the rights issue conducted in March 2024, but for which the payments were recorded in April 2024.
- The equity/assets ratio on March 31, 2025 was 87 percent (76 percent).
- Equity per share was SEK 0,41 (0,77).
- Cash flow from operating activities amounted to SEK –9,0 million (SEK -14,7 million) or SEK –0,07 per share (SEK -0,15). The negative cash flow was significantly reduced compared to the third quarter (SEK -17,8 million) in line with the company's ambition to carefully manage the cash position.
- Cash and cash equivalents on March 31, 2025 amounted to SEK 37,4 million (SEK 31,0 million).
- The existing cash enables for the completion of the ongoing KANDOVA study, however not initiation of any new development or manufacturing activities. In order to conduct the FRACTIVE study, a planned phase IIb study in STEMI, a capital injection is required. Kancera has signed a letter of intent agreement with the US biotech company Recardion Inc, with the objective to combine both companies' assets. According to the terms of the letter of intent, Recardio intends to license the candidate drugs KAND567 and KAND145 from Kancera. The payment structure for such licensing agreement is not yet set and in line with the letter of intent agreement, the companies will evaluate the final contractual terms for the possible combined business, including financing options.
- The company assesses that the current cash will be sufficient to finance the company's business up until Q1 2026. The management and board assess that the announced partnership with Recardio is opening up new financing options, especially in the US, that can enable the financing of the FRACTIVE study and the company's business operations. In the event that this will not occur, the company will need a capital injection in order to secure the continued business.

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 March 31, 2025, the share capital amounted to SEK 11 778 016 (SEK 93 905 293) divided into 121 186 228 (121 186 228) shares with a quota value of SEK 0,10 (0,77) 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 macro environment and the general situation on the financial markets create a risk that the planned capital raise with Recardio will take longer time than initially planned.

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 Last Patient Last Visit in the ongoing KANDOVA study and that top-line results are expected in the third quarter 2025.

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, May 23, 2025

Erik Nerpin
Chairman

Håkan Mellstedt
Board member

Charlotte Edenius
Board member

Thomas Olin
Board member

Carl-Henrik Heldin
Board member

Anders Gabrielsen
Board member

Petter Brodin
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 **26** maj — Annual General Meeting

2025 **28** augusti — Interim Report April - June 2025

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/

For further information contact:
ir@kancera.com

Kancera AB (publ)
Nanna Svartz väg 4
171 65 Solna

Visit our website at www.kancera.com