



This is a translation of a press release in Swedish Stockholm 2017-04-03

Kancera completes acquisition of the Fractalkine project for autoimmune diseases and cancer

Kancera AB (publ) has previously announced the Board's decision to execute the company's exclusive option to acquire the Fractalkine project from Acturum Real Estate AB after transfer of results and know-how. This transfer of results and know-how has now advanced to the point where a decision has been taken to complete the acquisition of the Fractalkine project from Acturum Real Estate AB

Payment for the Fractalkine project will be made through an issue in three stages of a total of 6 million shares in Kancera AB. The installments will be made as the project is developed successfully and until the first clinical study has been conducted. The first payment of 2 million shares is due when Kancera AB apply for authorization for a clinical trial.

About the Fractalkine project

Fractalkine is an immune regulatory factor, a so-called chemokine, that sends signals via the CX3CR1 receptor, also called G-protein coupled receptor 13 (GPCR13). The level of fractalkine and its receptor, CX3CR1 has been shown to be elevated in many inflammatory diseases, cancer and in chronic pain conditions. Kancera's drug candidate KAND567 is the furthest developed drug candidate against CX3CR1 and has been shown to be effective against inflammation and pain in several preclinical disease models. Kancera is now preparing the project for clinical studies.

In the healthy individual, Fractalkine and its receptor, CX3CR1, regulate migration of immune cells from the blood capillary wall into areas where the immune system is needed. Animal studies show that Fractalkine's receptor is not essential for survival and that important immune functions remain intact despite the lack of receptor. The body of research supports the overall hypothesis that CX3CR1 is more crucial to developing disease than to keeping the individual healthy. The basis for successful development of KAND567 lies in effectively addressing local inflammation while maintaining a healthy immune system.

In clinical trials, blocking of the Fractalkine system has been shown to have the desired effect against auto-immune diseases such as Crohn's disease and rheumatoid arthritis in refractory patients. These positive studies have been conducted by the pharmaceutical company Eisai using a monoclonal antibody. The results of these studies means that the probability increases for the Kancera AB drug candidate KAND567 to achieve clinical and commercial success as the first small-molecule drug that works through the Fractalkine system to combat many common diseases.

About Kancera AB (publ)

Kancera develops the basis for new therapeutics, starting with new treatment concepts and ending with the sale of a drug candidate to international pharmaceutical companies. Kancera is currently developing drugs for the treatment of leukemia and solid tumors, based on blocking survival signals in the cancer cell and on addressing cancer metabolism. Kancera's operations are based in the Karolinska Institutet Science Park in Stockholm and the company employs around 15 people. Kancera shares are traded on NASDAQ First North and the number of shareholders were more than 7700 as of January 13th, 2017. FNCA is Kancera's Certified Adviser. Professor Carl-Henrik Heldin, Professor Håkan Mellstedt, and MD PhD Charlotte Edenius are board members and Kancera's scientific advisers.

For further information contact,

Thomas Olin, CEO: +46-735-20 40 01

Address:
Kancera AB (publ)
Karolinska Institutet Science Park
Banvaktsvägen 22
SE 171 48 Solna

Visit our home page at: <http://www.kancera.com>