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KANCERA PROVIDES AN OPERATIONAL UPDATE FOR THE ROR PROJECT

Kancera hereby reports that the company's ROR inhibitor KAN0441571 effectively eliminates ROR1-bearing leukemic cells in a mouse model of human chronic lymphocytic leukemia.

The study was conducted in mice into which leukemia cells from a patient with chronic lymphocytic leukemia were introduced. Human leukemia cells were allowed to infiltrate the lymphatic system in mice for one week, as also occurs in humans. Thereafter treatment began, consisting of two doses of KAN0441571 given every 3 days. This dose range was chosen in view of the high effect of KAN0441571 measured in laboratory studies and the long circulation time of the substance that has been measured in blood (over 10 hours).

After 13 days (and four treatment days), the number of ROR1-bearing human cancer cells in the lymphatic system (spleen sample) decreased by about 50% compared to control-treated animals. This effect is statistically significant ($P < 0.0005$) as is also the desired decrease in spleen weight ($P < 0.0002$). The results also indicate that KAN0441571 was well tolerated and gave a long-acting effect against chronic lymphocytic leukemia in this disease model that closely resembles human disease.

Kancera's KAN0441571 acts on cancer cells mainly by causing cell death by self-destruction, so called apoptosis. The research that has resulted in the production of KAN0441571 is based on an assay method that identifies ROR1 inhibitory substances. Thereafter, an optimization of the cell kill effect has been carried out using leukemic cells from patients (and corresponding cells from healthy donors). This optimization process has meant that the effect of substances like KAN0441571 has been spread to several target cells in the cancer cell. Kancera has been able to verify that the total effect of KAN0441571, in addition to an inhibition of ROR1, also includes regulation of mechanisms that control cell division and inflammation signals. This pattern of effects can help Kancera identify cancers that are particularly sensitive to the substance.

About the ROR project

ROR is a family of receptors: ROR-1 and ROR-2. The ROR receptors convey signals for growth and survival. Initially, ROR was linked to fetal development, but nowadays it is known that they also contribute to the development and spread of cancer cells. Kancera and Professor Håkan Mellstedt and his colleagues at Karolinska Institutet have shown that Kancera's ROR inhibitor is capable of killing tumor cells from tumors in the pancreas, lungs, leukemia cells and multiple myeloma cells. Researchers have also shown that ROR is active and a target in prostate, breast and ovarian cancer.

Kancera and Professor Mellstedt have shown that inhibition of ROR causes cancer cells to eliminate themselves via cellular suicide. The efficiency of eliminating cancer cells has also been optimized against cells in patient samples. Thus, the ROR inhibitors have been directed at several targets in the cancer which together add up to the desired effect. In addition to effect against ROR1, Kancera has shown that the company's ROR inhibitor also works by controlling cell division and inflammation signals. A more effective activity against cancer cells compared to healthy cells has been ensured by continuously investigating the pattern of effects in samples from patients and healthy donors. Against this background, there is reason to believe that a ROR-targeted drug is both safer and more effective than non-selective chemotherapeutic agents that are currently used to treat cancer.

About Kancera AB

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, by regulating the immune system, blocking survival signals in the cancer cell and on addressing cancer metabolism. Kancera's operations are based in the Karolinska Institute Science Park in Stockholm and the company employs around 18 people. Kancera shares are traded on NASDAQ First North and the number of shareholders was more than 7500 as of June 30th, 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.

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