Press release
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Kancera makes significant progress in pre-clinical drug development against Chronic Leukemia

Kancera AB has discovered compounds that kill Chronic Lymphocytic Leukemia (CLL) 25 times more selectively than cytostatic drugs currently used for treating the disease.

“ I have not previously seen a small molecule drug that kill CLL leukemia cells with a precision like the Kancera compound. It is with confidence we now develop a drug that significantly may improve the treatment of patients suffering from the most common chronic leukemia” says Håkan Mellstedt, professor of Oncological biotherapy, Karolinska Institutet and also a founder of Kancera AB. Mellstedt is also a Senior Physician at Radiumhemmet, Karolinska University Hospital and the former President of the European Society of Medical Oncology (ESMO).

The project aims at developing a targeted drug for the treatment of chronic lymphatic leukemia (CLL), the most common form of leukemia. When the genome of healthy cells has been damaged and cannot be repaired, a process of cellular suicide is normally initiated. This cellular suicide is made up of a sequence of predetermined events that result in the elimination of the damaged cell, without any negative effect on surrounding tissue. By contrast, cancer cells have developed a resistance to cellular suicide despite the fact that severe damage has occurred in their genome. Kancera has shown that the growth factor ROR-1 is involved in the resistance of cellular suicide of leukemic cells. This fact provides the basis for the development of Kancera's drug candidate.

MEDICAL NEED
Today, the treatment of CLL is not sufficiently effective and selective. Four years after the initial treatment, around 80 per cent of CLL patients have a recurrence of signs and symptoms of their leukemia. Once this occurs, more severe treatment is required. With increasing number of treatment cycles, the result become less satisfactory. Leukemic cells acquire resistance to cytostatic drugs and patients become more vulnerable as leukemic cells expand and side-effects associated with the treatment become severe. More selective drugs are urgently needed.

THE KANCERA METHOD
Kancera develops selective drug candidates to attack the root of the disease. The Kancera compounds exert their effectby inhibiting the signaling molecule ROR-1, causing the leukemic cells to commit cellular suicide. Pre-clinical results generated by Kancera in cooperation with Professor Mellstedt’s group at Karolinska Institutet show that Kancera compounds, specifically inhibiting ROR-1, kill CLL cells directly obtained from leukemia patients 25 times more selectively than currently used cytostatic drugs. The improved selectivity is obtained whilst maintaining potency on par with existing drugs.

“ We are still in process of further improving the active compounds. However, the highly selective killing of Leukemia cells convince us that we are on track towards developing an important drug” comments Dr. Thomas Olin, CEO of Kancera AB.

Listing on First North and the ongoing Share Issue

The Board of Directors of Kancera has applied for listing of the Company's shares on NASDAQ OMX First North. Provided the ongoing Offering is completed on January 31, it is anticipated that trading on First North will begin February 2011. Kancera is issuing 3,600,000 new shares. The issue price has been set at SEK 7 per share, which means that the issue will contribute SEK 25.2m to Kancera before issue expenses, which are estimated to total SEK 2.5m. For more information about the Offering and risc factors, please visit www.kancera.com.

About Kancera AB (publ)

Kancera AB is a biotech company originating from cancer research at the Karolinska Institute and the work of Prof. Håkan Mellstedt and Prof. Lars Ährlund-Richter. The focus is on novel and effective treatment of leukemia and solid tumors and early validation of drug candidates in relevant and predictive preclinical cancer models taking advantage of stem cell technologies. Kancera is developing in vivo models with a human cellular microenvironment mimicking the cellular heterogeneity in human tumours which is not fully transferred in xenograft models. The Kancera in vivo models should be of advantage as compared to traditional animal models. The project portfolio contains PFKFB3 inhibitors targeting glucose metabolism in solid tumors and ROR-1 inhibitors for the treatment of CLL and other hematological malignancies.

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