Cantargia

Interim Report

January – March 2024

Cantargia is a Swedish biotech company that develops targeted antibody-based drugs for cancer as well as autoimmune and inflammatory diseases.

Cantargia's drug candidates have the potential to provide strong efficacy with fewer side effects and can serve as a complement to established treatment.

Content

Key Figures

First quarter

- Net Sales: SEK 0.0 M (0.0)
- Operating loss: SEK -41.7 M (-77.6)
- Loss after tax: SEK -37.0 M (-75.9)
- Loss per share, before and after dilution: SEK -0.20 (-0.45)
- Equity/Asset ratio: 78 (77) per cent
- Cash and cash equivalents: SEK 107.6 M (155.4)
- Short-term investments: SEK 35.0 M (197.4)

Significant events
in the first quarter

- The first results from the ongoing clinical phase 1 study of CAN10 show that the antibody binds to the target IL1RAP and shows good safety. The study is progressing according to plan.
- New clinical and preclinical results show that nadunolimab can reduce neuropathy, which is a serious side effect of chemotherapy and antibody drug conjugates (ADCs).
- Regulatory approval was received in the US for the initiation of the phase 2b study with nadunolimab in pancreatic cancer.

Significant events
after the period

- In April, three scientific articles were published on CAN10 in atherosclerosis, systemic sclerosis, as well as the antibody's mechanism of action.
- Third party withdrew appeal related to Cantargia patent.

Chief Executive's Review

The year has started very well for Cantargia and our clinical project, CAN10, has come into the spotlight. CAN10 has great potential for the treatment of various inflammatory diseases, and new results from our own and competitors' studies reinforce this view. Additionally, our other project, nadunolimab, has made important progress during the period.

CAN10 has a broad mechanism of action and blocks the activity of three different disease-driving systems: IL-1, IL-33, and IL-36. This creates possibilities across a wide range of diseases, and we are focusing on conditions with significant medical needs. During the period, we published new results from several different disease models of systemic sclerosis in highly influential scientific journals, confirming the external interest in CAN10 unique mechanism of action. These results highlight the potential for CAN10 to offer an effective treatment for this very serious disease, and provide strong rationale for the upcoming clinical trials.

In the first quarter, hidradenitis suppurativa (HS) also emerged as a potential area of development for CAN10. This is a serious systemic condition affecting approximatley 2% of the population, with few treatment options available today. During the period, lutikizumab, AbbVie's antibody targeting IL-1α and IL-1β, showed promising results in a phase 2 study. Shortly thereafter, a transaction took place where reputable specialist investors contributed up to 185 million USD to the company Avalo, to develop another antibody targeting IL-β. Finally, interesting efficacy data were also published with yet another antibody against IL-36, spesolimab, in the treatment of HS. Considering that CAN10 blocks both IL-1 and IL-36, it is not unreasonable to expect that CAN10 could demonstrate even stronger effects. This clearly highlights the significant potential of CAN10 in HS, in addition to a wide range of other diseases. Currently, we are evaluating this in consultation with leading experts as a possible phase 2 indication.

CAN10 is currently in clinical phase 1 development in healthy volunteers to study safety, pharmacokinetics, and biomarkers. The initial results were presented in January and showed good safety. We were also able to demonstrate that CAN10 - not unlike a guided missile - finds and binds to its target molecule IL1RAP on immune cells from study participants. The study has since continued to investigate higher doses of CAN10, and in Q3, we plan to initiate treatment of the first patients. In this study, we recruit patients with psoriasis to be able to take biopsies and study effects in disease tissue. As we generate tangible results, the aim is to prestent these in parallel with the progress of the study. The next planned step is to initiate phase 2 development next year. Following our ongoing discussions with key opinion leaders in different disease areas, we should be able to communicate indication and design.

The nadunolimab project has also made progress. For the PANFOUR study, where we obtained regulatory approval in the US to initiate the study, preparations continue towards being able to start it later this year. We are also planning for the upcoming study in leukemia patients in the US, which is estimated to commence during the summer. Furthermore, we presented new findings at the major cancer conference AACR. The new data highlight the unique effects of nadunolimab in counteracting fibrosis, which is of significant importance in the treatment of pancreatic cancer. Currently, patient recruitment continues for the TRIFOUR study, and we anticipate that the study will be fully recruited during the second half of the year to enable initial results by the end of 2024.

We are also analyzing data from the numerous studies we have conducted, where we now have information on biomarkers and long-term effects. We expect to be able to present results from these studies as they become available throughout the year. The most imminent is that at the important ASCO conference we will present new results showing that nadunolimab counteracts neuropathy in connection with chemotherapy treatment. Neuropathy is a major problem in many cancer treatments and we look forward to presenting these important results.

We have generated many significant results during the beginning of the year, and there are many exciting developments in our projects. Therefore, I look forward to a continued exciting 2024.

Göran Forsberg
CEO, Cantargia AB

About Cantargia

Cantargia is a Swedish biotech company that develops antibody-based treatments for cancer and other life-threatening diseases. Cantargia's research and development were born out of an important discovery at Lund University where research on leukemic stem cells showed that the IL1RAP molecule is present on the cell surface of immature cancer cells. Further studies demonstrated that this molecule is also found on cancer cells from a large number of solid tumor types. Antibodies targeting IL1RAP can thus potentially be used for the treatment of several types of cancer. Aside from cancer, the IL-1 system plays a central role in the development of a number of severe life-threatening diseases, such as inflammatory and autoimmune diseases.

Nadunolimab (CAN04)

The development of Cantargia's first drug candidate, the IL1RAP-binding antibody nadunolimab, has progressed quickly and has demonstrated promising clinical and pre-clinical data in the treatment of cancer.

In addition to targeting cancer cells and stimulating our natural immune system to destroy such cells, nadunolimab also blocks signals which contribute to tumor development and growth. In a large number of cancer diseases, tumor growth benefits from the so-called interleukin-1 system, which contributes to a pro-tumor environment. The interleukin-1 system is dependent on IL1RAP for transferring signals to cells and blockade of IL1RAP by nadunolimab prevents this signaling.

Cantargia has rapidly advanced nadunolimab to the clinical phase 2 stage in pancreatic cancer, triple-negative breast cancer and non-small cell lung cancer. Promising interim data from patients receiving nadunolimab in combination with chemo¬therapy have been presented and indicate a stronger efficacy than would be expected from chemotherapy alone.

In parallel with the clinical development, studies are conducted on various biomarkers to obtain more information regarding which patients respond best to treatment and how nadunolimab can be combined with additional established cancer therapies for optimal effect.

CAN10

IL1RAP is also an interesting target in many diseases outside the field of cancer. In the CAN10 project, Cantargia is developing an IL1RAP-targeting antibody which has a unique capability of blocking signaling not only by interleukin-1, but also interleukin-33 and interleukin-36. Simultaneous blockade of all three of these cytokines has great potential for treatment of several autoimmune and inflammatory diseases.

The first clinical study with CAN10 is currently ongoing, and earlier this year, the initial positive results from the study were reported. No safety concerns have been observed at the initial dose levels.

CANxx

In the CANxx project, Cantargia is expanding its knowledge of IL1RAP and develops new antibodies that complement nadunolimab and CAN10. The goal is to identify new antibody-based IL1RAP-targeting drugs with properties that differ from those of nadunolimab and CAN10 and are thus specifically designed for the treatment of new diseases.

Cantargia's project portfolio

Project	Disease	Type of treatment	Discovery phase	Preclinical phase	Clinical phase 1	Clinical phase 2	Clinical phase 3
Nadunolimab	PDAC	1st line	Gemcitabin/nab-paclitaxel				
	TNBC	1st/2nd line	Carboplatin/gemcitabin				
	NSCLS/non-squamous NSCLC	1st/2nd line	Platinum doublets				
CAN10	Systemic Sclerosis Myocarditis HS						
CANxx	New opportunities within IL1RAP platform						

PDAC - pancreatic cancer; **TNBC** - triple-negative breast cancer; **NSCLC** - non-small cell lung cancer

Cantargia's clinical studies

In Cantargia's first clinical trial, the phase 1/2a trial CANFOUR, nadunolimab is evaluated for treatment of pancreatic cancer and non-small cell lung cancer. While phase 1 primarily evaluated safety and dosage of monotherapy, phase 2a focuses on combination therapy with standard therapies for pancreatic cancer and non-small cell lung cancer. The phase 1 results were very encouraging and indicated good safety, as well as effects on key biomarkers.

Moreover, positive interim results from phase 2a show clear signals on the efficacy of combination therapy as stronger effects are observed in both pancreatic cancer and lung cancer patients compared to what would be expected from chemotherapy alone. In a total of 73 patients with pancreatic cancer, median progression-free survival of 7.2 months and median overall survival of 13.2 months was observed, which is an improvement over historical control data for chemotherapy alone. Even stronger efficacy was observed in patients with high tumor levels of IL1RAP, including significantly prolonged median overall survival compared to patients with low IL1RAP levels (14.2 vs 10.6 months; p=0.026). In 30 non-small cell lung cancer patients, a response of 53 per cent was achieved, resulting in median progression-free survival of 7.0 months. This is an improvement over historical controls for chemotherapy only, which show a 22-28 per cent response rate and median progression-free survival of 5.1 months. Moreover, an even higher response was achieved in a subgroup of patients with non-squamous non-small cell lung cancer.

In the clinical phase 1b/2 trial TRIFOUR, patients with triple-negative breast cancer are treated with nadunolimab in combination with chemotherapy. In this trial, an initial dose escalation phase in 15 patients was completed during 2023. This showed acceptable safety and promising efficacy of the combination, including a response rate of 60 per cent, which is well above historical control data. Patients are now enrolled to a second, randomized phase of TRIFOUR where the anti-tumor efficacy of nadunolimab in combination with chemotherapy will be evaluated and compared to a control group with chemotherapy only.

Nadunolimab has been investigated in three additional clinical trials. In the phase 1b trial CIRIFOUR, nadunolimab was evaluated in combination with the checkpoint inhibitor pembrolizumab (Keytruda®) where the main objective concerns safety. For CIRIFOUR, patient recruitment ended in October 2022 and a total of 15 patients with non-small cell lung cancer, head and neck cancer, or malignant melanoma have been treated with nadunolimab in combination with pembrolizumab. One patient has been treated with nadunolimab and pembrolizumab in combination with chemotherapy. The results show that nadunolimab in combination with pembrolizumab is well-tolerated and that a median survival of 19.7 months was achieved for patients treated with nadunolimab and pembrolizumab.

In the phase 1b trial CAPAFOUR, patients with pancreatic cancer were treated with nadunolimab in combination with the chemotherapy regimen FOLFIRINOX, and in the phase 1/2 trial CESTAFOUR, nadunolimab was evaluated in combination with chemotherapy for the treatment of three types of solid cancers.

In October 2022, patient recruitment to both CAPAFOUR and CESTAFOUR was ended. Preliminary results showed an acceptable safety profile for the combinations as well as signs of efficacy in patients with non-small cell lung cancer treated with nadunolimab and cisplatin/gemcitabine in CESTAFOUR, in line with the observations in CANFOUR. Data from these studies are currently being analysed and Cantargia intend to present final results during 2024.

In addition to the clinical trials for nadunolimab, Cantargia is conducting a phase 1 clinical study with CAN10, where the primary objective is to evaluate safety and tolerability. Initially, escalating single doses are being studied intravenously in up to 64 healthy volunteers. A second part involves up to 16 psoriasis patients who will receive repeated subcutaneous treatments at two dose levels, with the aim of demonstrating early proof-of-concept.

Cantargia's clinical studies

	Study	Disease	Combination therapy	Nr of patients	Status	NCT-number
Nadunolimab	CANFOUR	PDAC	Gemcitabin/nab-paclitaxel	76	Recruitment completed	NCT03267316
		NSCLC/non-squamous NSCLC	Platinum doublets	33 + 10	Recruitment completed	
	CIRIFOUR	Solid tumors	Pembrolizumab	16	Recruitment completed	NCT04452214
	CAPAFOUR	PDAC	FOLFIRINOX	18	Recruitment completed	NCT04990037
	CESTAFOUR	Solid tumors	Docetaxel, cisplatin/gemcitabin or FOLFOX	36	Recruitment completed	NCT05116891
	TRIFOUR	TNBC	Carboplatin/gemcitabin	Up to 117	Recruiting	NCT05181462
	PANFOUR	PDAC	Gemcitabin/nab-paclitaxel	Up to 150-200	Under preparation	-
CAN10	Phase I study	Healthy volunteers/ psoriasis	-	64+16	Recruiting	NCT06143371

PDAC - pancreatic cancer; **TNBC** - tripple-negative cancer; **NSCLC** - non-small cell lung cancer

Market

Cancer is one of the leading causes of death in the world, accounting for about 20 percent of deaths in the Western world. Globally, more than 18 million people are diagnosed with cancer annually and nearly 10 million die of cancer-related diseases[1]. Despite significant advances in treatment and diagnostics, there is a great need for new therapies. Cantargia is focusing the development of nadunolimab on pancreatic cancer, triple-negative breast cancer and non-small cell lung cancer.

In parallel with nadunolimab, Cantargia is also developing the project CAN10 which is aimed at harnessing the full potential of IL1RAP as a molecular target. CAN10 has properties suitable for development in autoimmune and inflammatory diseases, an area of disease with significant medical needs. For CAN10, the goal is to initiate studies in patients (phase 2) in 2025 for one or more of the indications hidradenitis supportiva (HS), systemic sclerosis, myocarditis (inflammtion of the heartmuscle) or pericarditis (inflammation of the pericardium).

Pancreatic cancer

Globally, approximately 511,000 new cases of pancreatic cancer were diagnosed in 2022. In the same year, 467,000 people died from the disease[1]. In the US, the number of people diagnosed with the disease has increased by nearly 72 per cent over the last 17 years and pancreatic cancer is today the third most common cause of cancer-related deaths in the US[2]. Since pancreatic cancer is difficult to diagnose, it is also difficult to treat as it is often well-advanced at the time of diagnosis.

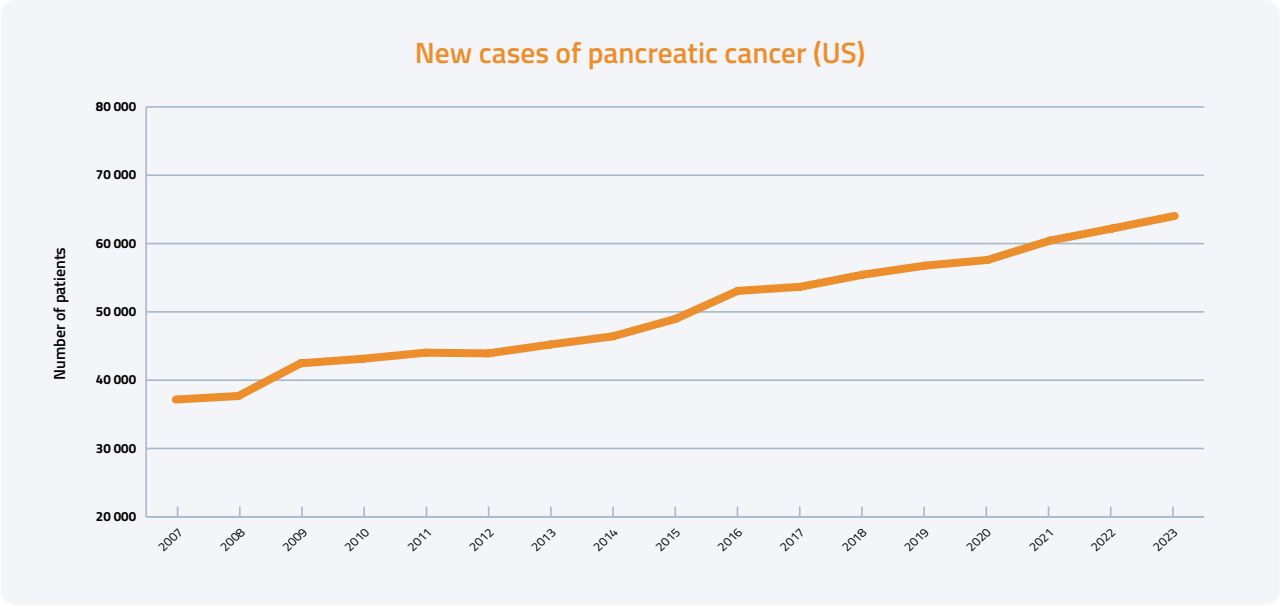
Pancreatic cancer treatment was valued at approximately USD 2.4 billion in the eight largest markets in 2021 and is expected to grow to approximately USD 4.2 billion by 2026[3]. This corresponds to an annual growth rate of just over 12 per cent during these years. The growth in this market is mainly due to an increasing number of cancer cases. The number of people diagnosed with pancreatic cancer is estimated to increase by 60 per cent by 2040[1]. The increase in the number of cases is in turn caused by an aging population and an increasing incidence of diabetes, which are both risk factors for developing pancreatic cancer. Improved diagnostics also contribute to the expected market growth as they increase the likelihood of discovering pancreatic cancer at an earlier stage, thus enabling treatment.

Breast cancer

Breast cancer is currently the most common form of cancer. In 2022, approximately 2.3 million new cases were reported, and approximately 665,000 women died from the disease[1]. In 2040, around 3 million women are expected to be diagnosed with the disease and just over one million will die as a consequence of the disease[1]. The risk of developing breast cancer increases with age up to the age of 70. In the US, the median age for developing breast cancer is 62 years[4]. According to a study conducted on American women, increases in BMI and the fact that women on average give birth to fewer children, likely contribute to the increase in cases in the US between 1980 and 2018[5].

The global market for breast cancer treatment amounted to approximately USD 17.9 billion in 2021 and is expected to increase to USD 20 billion by 2025, corresponding to an annual growth rate of approximately 8 per cent[6]. The market growth is primarily caused by an increased incidence of the disease, but also the need for preventive measures and early treatment. The market growth is also expected to be driven by the launch of new therapies.

Approximately 10-15 per cent of breast cancer cases are triple-negative breast cancer[4]. The market for the treatment of triple-negative breast cancer is expected to be worth over USD 820 million by 2027 following an annual growth rate of approximately 4.5 per cent between 2020 and 2027[7].



Source: SEER Cancer Statistics Review

Lung cancer

In 2022, approximately 2.5 million cases of lung cancer were diagnosed globally and more than 1.8 million people died from the disease[1]. Around 85 per cent of all lung cancers are non-small cell lung cancer[4], which is subdivided into the squamous and non-squamous subgroups, where the latter is the largest and corresponds to 70-80 per cent of all cases[8]. I In the US, the number of people diagnosed with lung cancer has decreased by approximately 27 per cent over the last 20 years, while the number of people diagnosed with this disease is increasing in countries such as China and India, and in European countries such as Hungary, Denmark and Serbia.

Sales of drugs for non-small cell lung cancer totaled USD 20 billion in 2020 and are projected to increase to USD 45 billion by 2027[9]. Sales are mainly driven by increasing use of various antibodybased immunotherapies. Another important factor contributing to the growth of the global market is the increasing incidence of lung cancer in many countries,

The market for inflammatory diseases

By blocking IL1RAP, CAN10 creates many opportunities to influence conditions within the inflammation and immunology field, an area that has grown enormously over the past two years. More than half of all diseases are considered to have an inflammatory or immunological component, and drugs in immunology that address a fundamental physiological cause of autoimmunity, such as CAN10, can therefore be applied to many indications, a phenomenon known as "pipeline in a pill". The latest forecasts indicate that costs within the inflammation and immunology segment are expected to increase from 108 billion dollars this year to over 260 billion dollars over the next eight years[10].

The number of potential indications where CAN10 could be developed is significant, but the main options for the initial phase 2 studies are systemic sclerosis, myocarditis, and hidradenitis suppurativa (HS), areas with significant medical needs and a strong rationale for treatment with the CAN10 antibody.

Systemic Sclerosis

Systemic sclerosis is a chronic autoimmune disease that is mainly characterized by inflammation and fibrosis of the skin and subcutaneous tissue, as well as blood vessels and internal organs such as the lungs, heart, and kidneys. Systemic sclerosis is a complex, heterogeneous disease that can occur with a variety of clinical manifestations ranging from minor to life-threatening. The estimated annual incidence of systemic sclerosis is pproximately 1.4-5.6 per 100,000[11]. The main cause of death in patients with systemic sclerosis is interstitial lung disease and the medical need is particularly high in these patients. The worth of the pharmaceutical market for systemic sclerosis was estimated to approximately USD 500 million in 2020 and is expected to grow to USD 1.8 billion by 2030 on the seven major markets[12]. This corresponds to an average annual growth rate of 14 per cent.

Myocarditis

Myocarditis is characterized by inflammation of the muscular tissues of the heart (myocardium) arising from, for example, autoimmunity or various types of infections. Regardless of its etiology, myocarditis is characterized by initial acute inflammation that can progress to subacute and chronic stages, resulting in tissue remodeling, fibrosis, and loss of contractile function. The incidence of myocarditis is approximately 22 per 100,000[13] and globally the disease accounts for about 0.6 deaths per 100,000 annually[14]. The medical need is high for subgroups of patients with fulminant myocarditis (acute disease) and dilated cardiomyopathy (chronic disease), where mortality is very high in certain subtypes. For these patients, heart transplantation is currently the only definitive treatment.

Hidradenitis suppurativa

Hidradenitis suppurativa (HS) is a painful, chronic inflammation of hair follicles in areas with numerous sweat glands, such as the armpits and groin. Previously considered a skin disease, HS is now regarded as a systemic condition requiring multidisciplinary treatment.

It is estimated that nearly 1% of the population in Europe is affected, although the numbers vary slightly between different countries and between men and women. In total, approximately 1.9 million patients are diagnosed annually with severe and moderate disease in Europe and the USA. According to estimates, the pharmaceutical market for HS was valued at nearly USD 1.1 billion in 2023 and is expected to grow to USD 1.8 billion by 2028 across the seven major markets[15].

REFERENCES

1. Globocan, CA Cancer J Clin 2024;1-35
2. SEER Cancer Stat Facts
3. Reportlinker.com, Pancreatic Cancer Treatment Market Research Report - Global Forecast to 2026
4. American Cancer Society
5. Pfeiffer RM et al, Cancer Epidemiol Biomarkers Prev. 2018;1:1
6. Research and Markets, Breast Cancer Drugs Global Market Report 2024
7. FutureWise, Triple Negative Breast Cancer Treatment Market By Drug Type, 2020-2027
8. Paz-Ares et al, N Engl J Med 2018; 379:2040-2051
9. Reportlinker, Global Non-Small Cell Lung Cancer (NSCLC) Therapeutics Industry
10. Precedence Research 2023, Report Code: 3867
11. Clin Epidemiol. 2019; 11:257-273
12. GlobalData, Systemic Sclerosis: Global Drug Forecast and Market Analysis to 2030
13. J Am Coll Cardiol. 2016 Nov 29;68(21):2348-2364
14. Lancet. 2018;392:1736-88
15. GlobalData, Hidradenitis Supperativa: Global Drug Forecast and Market Analysis to 2028

FINANCIAL INFORMATION

Financial Information

All financial amounts are in Swedish kronor ("SEK") unless otherwise stated. "TSEK" indicates SEK thousand and "MSEK" indicates SEK million. Certain financial and other information presented may have been rounded off to make the information more easily accessible to the reader.

Revenue

The company's revenue amounted to SEK 0.0 M (0.0) in the first quarter.

Operating expenses/operating loss

Research and development costs totaled SEK 38.4 M (73.0) in the first quarter, which corresponds to a decrease of 47%. This follows the plan and is due to that there are only two clinical trials (TRIFOUR and CAN10 phase 1) actively recruiting, as well as no major investments have been made in production, which was the case during the first quarter last year.

Administrative expenses amounted to SEK 2.8 M (4.1) in the first quarter.

Other operating expenses, consisting of currency differences in trade payables, mainly related to the exchange rate changes in the value of the Swedish krona against EUR and USD, amounted to SEK 0.4 M (0.5) during the first quarter. The negative outcome during the first quarter is a result of the weakened Swedish Krona against the main currencies EUR and USD.

The operating loss was SEK 41.7 M (77.6) during the first quarter.

Net financial income/expense

Net financial income/expense substantially consists of foreign exchange differences in the company's currency accounts and interest earned on short-term investments in fixed-rate accounts. The net financial income was SEK 4.7 M (1.6) for the first quarter.

Earnings

Cantargia's loss before tax, which is the same as the loss for the period, was SEK -37.0 M (-75.9) during the first quarter.

Cashflow and investments

Cash flow from operating activities was SEK -54.9 M (-74.6) in the first quarter. As part of cash flow from operating activities, changes in working capital were SEK -17.2 M (-0.3) in the first quarter.

Cash flow from investing activities was SEK 20.0 M (39.7) during the first quarter. Cash flow from investing activities essentially refers to reallocation of other short-term investments in fixed-rate accounts and fixed income funds. Cash flow from financing activities was 0.0 M (0.0) during the first quarter.

The total change in cash and cash equivalents was SEK -34.9 M (-34.9) for the first quarter.

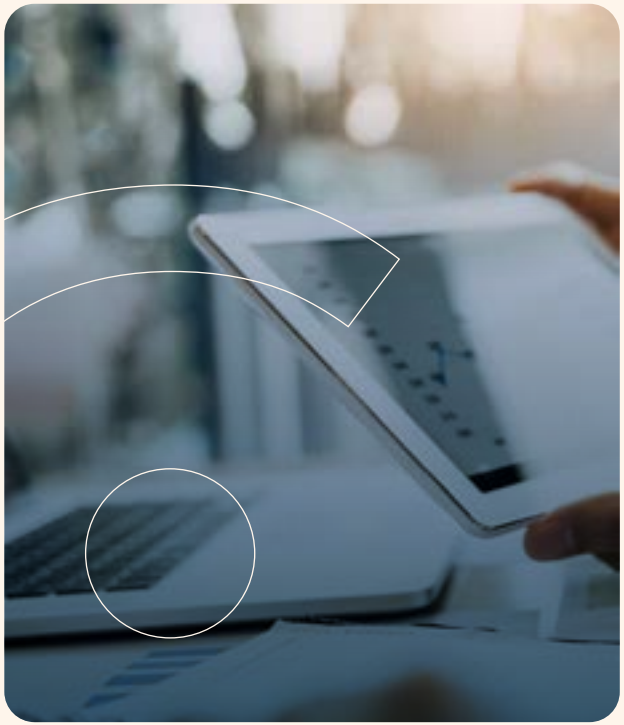
Financial position and going concern

The company's cash and cash equivalents, which consist of cash and demand deposits with banks and other credit institutions, were SEK 107.6 M (155.4) at the balance sheet date. In addition to cash and cash equivalents, the company had short-term investments with banks and in fixed income funds of SEK 35.0 M (197.4). At the balance sheet date, total available funds, bank deposits and short-term investments, amounted to SEK 142.6 M (352.8).

Cantargia's equity/assets ratio on 31 March 2024 was 78 (77) per cent and equity was SEK 133.0 M (315.0).

At the end of the period, total assets amounted to SEK 171.4 M (408.6).

The board continuously evaluates the financial status of the Company and performs continous liquidity simulations for the coming 12 months. There is a risk that the coverage of cash and cash equivalents may fall below the liquidity needed to pursue operations for the coming 12 months and that a capital contribution may be needed. The Board assesses that the company has good prospects of securing future financing, e.g. through a licensing deal, based on ongoing discussions or a new share issue. It is the Board's opinion that the conditions for going concern upon issuing of financial statements are met.

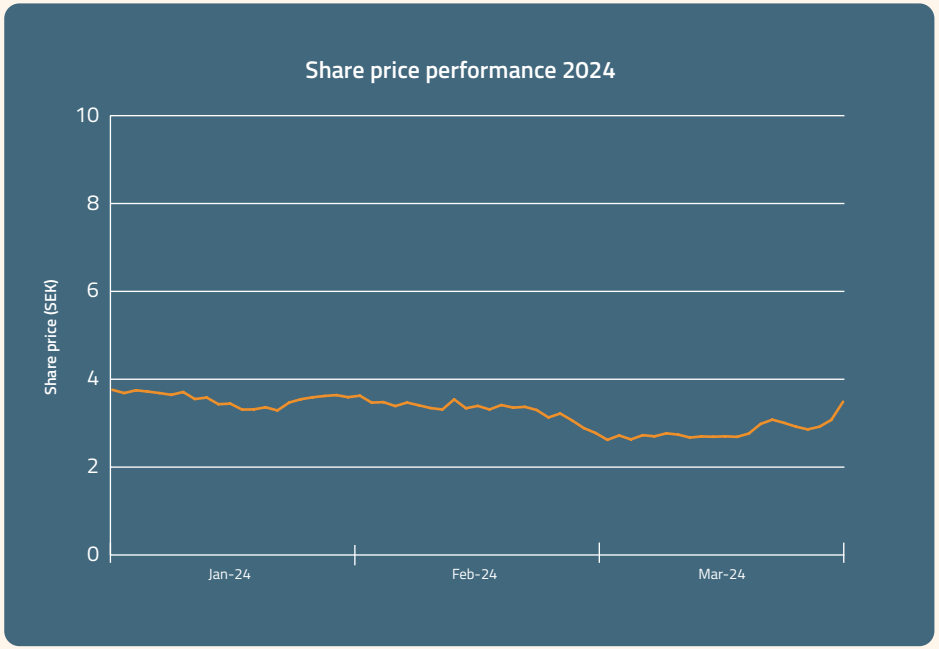


Shareholder information

Share information

As of 25 September 2018, Cantargia's shares have been listed on the main list of Nasdaq Stockholm, under the stock symbol "CANTA".

The closing price on the last trading day of the period was SEK 3,49 (6,775). On 31 March 2024, the number of shares was 183,686,684 (166,987,895). The change from previous year is due to the directed share issue decided on October 30, 2023, which implied that 16,698,789 shares were issued at a price of SEK 3.55. The issue resulted in gross proceeds of approximately SEK 59 million before deduction of transaction costs.



Ownership distribution

Cantargia's ten largest owners on 31 March 2024.

Owner	Number of shares	Capital/votes (%)
Fjärde AP-fonden	18,124,193	9.9%
Första AP-fonden	13,000,000	7.1%
Alecta Tjänstepension, Ömsesidigt	12,865,770	7.0%
Six Sis AG	8,716,044	4.7%
Försäkringsaktiebolaget, Avanza Pension	8,061,080	4.4%
Golman Sachs International	6,345,306	3.5%
Handelsbanken fonder	4,822,119	2.6%
Swedbank Robur Fonder	3,692,995	2.0%
Nordnet Pensionsförsäkring	2,552,300	1.4%
Brushamn Invest Aktiebolag	2,261,160	1.2%
Other	103,245,717	56.2%
Total	**183,686,684**	**100.0%**

Ownership distribution by size class 31 March 2024

Holding	Number of shareholders	Number of shares	Capital/ votes (%)	Market Cap (kSEK)
1 - 500	7,778	1,160,439	0.6%	4,393
501 - 1,000	1,951	1,548,623	0.8%	5,845
1,001 - 5,000	3,982	9,946,102	5.4%	36,915
5,001 - 10,000	1,170	8,774,292	4.8%	32,160
10,001 - 15,000	447	5,550,303	3.0%	18,555
15,001 - 20,000	276	4,932,887	2.7%	17,803
20,001 -	792	138,885,577	75.7%	478,427
Unknown holding size	-	12,888,461	7.0%	46,970
Total	**16,396**	**183,686,684**	**100.0%**	**641,068**

Other information

Employees
The average number of employees during the first quarter was 22 (25), of whom 13 (15) were women. Cantargia operates to a large extent through external partners.

Financial calendar
- Interim report April-June 2024, 28 August 2024
- Interim report July-September 2024, 15 November 2024
- Year-end report 2024, 21 February 2025

Annual General Meeting 2024
The Annual General Meeting will be held at Ideon Gateway, Scheelevägen 27 in Lund, on Thursday 23 May, at 15.00 CET. The notice of the Annual General Meeting has been announced via Post- and Domestic Newspaper as well as on the Company's website.

Nomination Committee
In accordance with the decision made at the Annual General Meeting in 2023, the nomination committee for the Annual General Meeting in 2024 has been appointed and announced. The nomination committee consists of: Jan Särlvik Chairman (Fjärde AP-fonden), Daniel Kristiansson, (Alecta Tjänstepension), Mats Larsson (Första AP-fonden) and Magnus Persson (Chariman of the Board).

Dividend
The Board of Directors proposes that no dividend shall be paid for the financial year 2023.

Review by auditors
The interim report has not been reviewed by Cantargia's auditors.

Presentation of the Interim Report
Cantargia invites investors, analysts, and media to an audiocast with teleconference on 21 May 2024, at 15:00 (CET), where Cantargia's CEO Göran Forsberg and CFO, Patrik Renblad, will present Cantargia and comment on the interim report for 2024, followed by a Q&A-session.

Webcast: https://ir.financialhearings.com/cantargia-q1-report-2024.

Contact
Göran Forsberg – CEO at Cantargia AB
Telephone: +46 (0)46-275 62 60
E-mail: goran.forsberg@cantargia.com

Interim reports and the annual reports are available at www.cantargia.com.

CEO's Assurance

The CEO assures that this interim report provides a true and fair view of the company's operations, financial position, and results, as well as outlines significant risks and uncertainties the company is facing.

Lund, May 21 2024

Göran Forsberg
CEO

Statement of Comprehensive Income

SEK thousand	Note	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Operating income				
Net sales		-	-	-
Other operating income		-	-	-
Operating expenses	5,6			
Research and development		-38,419	-72,984	-272,882
Administrative costs		-2,801	-4,112	-14,883
Other operating expenses		-437	-458	-2,252
		-41,657	**-77,554**	**-290,017**
Operating loss		**-41,657**	**-77,554**	**-290,017**
Financial income and expense				
Interest income and similar items		5,008	1,639	16,362
Interest expense and similar items		-308	-	-6,372
		4,699	**1,639**	**9,990**
Loss before taxes		**-36,957**	**-75,915**	**-280,027**
Taxes		-	-	-
Loss for the period*		**-36,957**	**-75,915**	**-280,027**
Earnings per share before dilution (SEK)**		-0.20	-0.45	-1.65
Earnings per share after dilution (SEK)**		-0.20	-0.45	-1.65

* No items are reported in other comprehensive income, meaning total comprehensive income is consistent with the loss for the period.
**Based on average number of shares.

Statement of Financial Position

SEK thousand	Note	2024-03-31	2023-03-31	2023-12-31
ASSETS				
Intangible assets				
Patent		4,431	5,333	4,657
		4,431	**5,333**	**4,657**
Tangible assets				
Machinery and equipment		4,208	6,758	4,845
		4,208	**6,758**	**4,845**
Total fixed assets		**8,639**	**12,090**	**9,502**
Current assets				
Other receivables		2,978	1,200	2,194
Prepaid expenses and accrued income		17,150	42,468	17,269
		20,128	**43,668**	**19,463**
Short-term investments				
Other short-term investments		35,000	197,370	55,000
		35,000	**197,370**	**55,000**
Cash and bank balances				
Cash and bank balances		107,604	155,440	139,747
		107,604	**155,440**	**139,747**
Total current assets		**162,732**	**396,478**	**214,210**
TOTAL ASSETS		**171,371**	**408,568**	**223,712**

SEK thousand	Note	2024-03-31	2023-03-31	2023-12-31
EQUITY AND LIABILITIES				
Equity				
Restricted equity				
Share capital		14,695	13,359	14,695
		14,695	**13,359**	**14,695**
Non-restricted equity				
Share premium account		1,676,530	1,623,185	1,676,530
Retained earnings		-1,521,302	-1,245,594	-1,242,456
Loss for the period		-36,957	-75,915	-280,027
		118,271	**301,676**	**154,047**
Total equity		**132,966**	**315,035**	**168,742**
Long-term liabilities				
Provision for social security contributions, incentive program	8	130	293	119
		130	**293**	**119**
Short-term liabilities				
Trade payables		19,800	55,707	23,173
Tax liabilities		-	95	-
Other liabilities		785	904	802
Accrued expenses and deferred income		17,689	36,535	30,877
		38,275	**93,240**	**54,851**
TOTAL EQUITY AND LIABILITIES		**171,371**	**408,568**	**223,712**

Statement of Changes in Equity

SEK thousand		Restricted equity	Non-restricted equity		Total
2024-01-01 - 2024-03-31	**Note**	**Share capital**	**Share premium account**	**Retained earnings incl. loss for the period**	**Total equity**
Openning balance 1 January 2024		**14,695**	**1,676,530**	**-1,522,482**	**168,742**
Loss for the period		-	-	-36,957	-36,957
Transaction with shareholders					
Issue of new shares		-	-	-	-
Capital acquisition cost		-	-	-	-
Employee stock option program	8	-	-	1,181	1,181
		-	**-**	**1,181**	**1,181**
Closing balance 31 March 2024		**14,695**	**1,676,530**	**-1,558,258**	**132,966**
2023-01-01 - 2023-03-31					
Opening balance 1 January 2023		**13,359**	**1,623,185**	**-1,246,860**	**389,684**
Loss for the period		-	-	-75,915	**75,915**
Transaction with shareholders					
Issue of new shares		-	-	-	-
Capital acquisition costs		-	-	-	-
Employee stock option program	8	-	-	1,265	**1,265**
		-	**-**	**1,265**	**1,265**
Closing balance 31 March 2023		**13,359**	**1,623,185**	**-1,321,510**	**315,035**
2023-01-01 - 2023-12-31					
Opening balance 1 January 2023		**13,359**	**1,623,185**	**-1,246,860**	**389,684**
Loss for the period		-	-	-280,027	-280,027
Transaction with shareholders					
Issue of new shares		1,336	57,945	-	59,281
Capital acquisition costs		-	-4,600	-	-4,600
Employee stock option program	8	-	-	4,405	4,405
		1,336	**53,345**	**4,405**	**59,085**
Closing balance 31 December 2023		**14,695**	**1,676,530**	**-1,522,482**	**168,742**

Statement of Cash Flow

SEK thousand	Note	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Operating activities				
Operating loss	6	-41,657	-77,554	-290,017
Adjustments for non-cash items	7	2,054	2,397	7,951
Interest received etc.		1,964	920	9,929
Interest paid etc.		-	-	-1
Cash flow from operating activities before changes in working capital		**-37,638**	**-74,238**	**-272,138**
Changes in working capital				
Change in receivables		-665	-8,491	15,713
Change in trade payables		-3,372	17,797	-14,737
Changes in other current liabilities		-13,204	-9,646	-15,501
		-17,241	**-340**	**-14,525**
Cash flow from operating activities		**-54,879**	**-74,577**	**-286,663**
Investing activities				
Acquisition of tangible assets		-	-	-
Increase in other short-term investments		-20,000	-80,000	-55,000
Decrease in other short-term investments		40,000	119,726	237,095
Cash flow from investing activities		**20,000**	**39,726**	**182,095**
Financing activitites				
Issue of new shares for the year		-	-	59,281
Capital acquisition cost		-	-	-4,600
Cash flow from financing activities		**-**	**-**	**54,681**
Change in cash and cash equivalents		**-34,878**	**-34,851**	**-49,888**
Cash and cash equivalents at beginning of period		139,747	189,573	189,573
Exchange rate difference in cash equivalents		2,735	720	62
Cash and cash equivalents at end of period*		**107,604**	**155,440**	**139,747**

* The company's cash and cash equivalents consist of cash and disposable balances with banks and other credit institutions.

Key Figures

SEK thousand	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Net sales	-	-	-
Operating loss	-41,657	-77,554	-290,017
Loss for the period	-36,957	-75,915	-280,027
Average number of shares	183,686,684	166,987,895	169,771,027
Earnings per share before and after dilution based on average number of shares (SEK)	-0.20	-0.45	-1.65
Change in cash and cash equivalents	**-34,878**	**-34,851**	**-49,888**
Cash and cash equivalents	107,604	155,440	139,747
Short-term investments	35,000	197,370	55,000
Total available funds	142,604	352,810	194,747
Equity end of period	**132,966**	**315,035**	**168,742**
Equity/assets ratio, %	78%	77%	75%
Average number of employees	22	25	24
Number of employees at end of period	23	24	22
R&D costs as percentage of operating expenses	92%	94%	94%

Key performance indicators, definitions

Operating profit/loss, SEK thousand	Net sales less total operating expenses
Earnings per share, SEK	Profit/loss for the period divided by average number of shares for the period
Total available funds, SEK thousand	Cash and cash equivalents plus short term investments
Equity/asset ratio, %	Equity divided by total capital
R&D costs as a percentage of operating expenses, %	Research and development costs divided by operating expenses

Notes

Note 1 - General information

This interim report refers to Cantargia AB (publ) ("Cantargia"), corporate ID number 556791-6019. Cantargia has no subsidiaries.

Cantargia is a Swedish public limited company with registered office in Lund, Sweden. The company's address is Ideon Gateway, Scheelevägen 27, SE-223 63 Lund.

The interim report was approved for publication on 21 May 2024 in accordance with a resolution of the Board of Directors.

Note 2 - Accounting policies

This interim report has been prepared in accordance with the Swedish Annual Accounts Act, Recommendation RFR 2 Financial Reporting for Legal Entities of the Swedish Financial Reporting Board and IAS 34 Interim Financial Reporting. The accounting policies applied in preparing this interim report are consistent with those used in preparing the annual report for 2023.

The interim report has been prepared using the cost method. No IFRS or IFRIC interpretations that have not yet become effective are expected to have a material impact on the company. Cantargia applies the alternative performance measures issued by the European Securities and Markets Authority (ESMA).

Note 3 - Information on risks and uncertainties

Operational risks

Research and drug development up to approved registration is subject to considerable risk and is a capital-intensive process. The majority of all initiated projects will never reach market registration due to the technological risk such as the risk for insufficiency efficacy, intolerable side effects or manufacturing problems. If competing pharmaceuticals capture market share or reach the market faster, or if competing research projects achieve better product profile, the future value of the product portfolio may be lower than expected. The operations may also be impacted negatively by regulatory decisions, such as approvals and price changes. External factors such as COVID-19 may also impact the company negatively by hampering the company's possibilities to conduct clinical trials, get necessary regulatory approvals or conduct sales related activities. A more detailed description of the company's risk exposure and risk management can be found in the section "Risks and risk management" in the Directors' report in the Annual Report for 2023.

Financial risk management

Cantargia is exposed to various types of financial risks through its operations; liquidity risk, market risks (currency risks, interest rate risk, and other price risk), and credit riskts. Cantargia's financial risk management policy has been designed by the board and forms a framework of guidelines and rules in the form of risk mandates and limits for financial operations.

Cantargia is a research and development company that does not currently have or expect to generate revenue in near term. The company's ongoing and future development of its drug candidates as well as its ongoing operations depend on the availability of financial resources. Against this background, the Board continously monitors the company's capital situation and evaluates various financing options. There is a risk that the coverage of cash and cash equivalents may fall below the liquidity needed to pursue operations for the coming 12 months. It is the Board´s assessment that the company has good prospects of securing future financing.

The company is also affected by foreign exchange risk since the main part of the development costs are paid in EUR and USD. In accordance with Cantargia's financial policy, the company exchanges cash into USD and EUR based on entered agreements in order to manage the currency exposure.

A more detailed description of the company's risk exposure and risk management can be found in the section "Risks and Risk Management" in the management report on page 36 of the 2023 annual report.

Note 4 - Critical judgements and estimates

The preparation of financial statements and application of accounting policies are often based on judgements, estimates and assumptions made by management which are deemed reasonable at the time when they are made. The estimates and assumptions applied are based on historical experience and other factors which are deemed reasonable under current circumstances. The results of these are then used to determine carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual outcomes may differ from these estimates and assessments.

Estimates and assumptions are reviewed regularly. Any changes are recognized in the period in which the change is made if the change affects only that period, or in the period in which the change is made and future periods if the change affects both the current and future periods.

The critical judgements and estimates that are of the greatest importance for Cantargia are described in Note 4 on page 53 in the Annual Report for 2023.

Note 5 - Related party transactions

Cantargia has co-funded a postdoctoral position within Lund University's CANFASTER program, where Professor Karin Leandersson is the research director. According to the agreement, Karin Leandersson is to conduct research aimed at expanding knowledge of IL1RAP's function in tumors. The CANFASTER program is aimed at collaborations between industry and university and is equally funded by both parties. Cantargia has the right to research results and IP related to the project. Karin Leandersson was a member of Cantargia's board until the Annual General Meeting in 2023 and was therefore also an insider at Cantargia. In 2024, in accordance with the agreement, the Company incurred a cost of 0 (141.0) KSEK.

Cantargia has an agreement with Walter Koch to provide consulting services related to work with biomarkers. Walter Koch is related to board member Flavia Borellini. In 2024, the Company incurred a cost of 16.0 (0) KSEK under the agreement.

Moreover, Cantargia has entered a consulting agreement with former board member Thoas Fioretos. No costs have been recorded in the first quarter.

The Board considers that the above agreement has been concluded on commercial terms.

Note 6 - Costs by nature of expense

On a "by nature" basis, the sum of expenses by function is distributed as follows

SEK thousand	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Project costs	-25,913	-59,452	-220,479
Other external expenses	-4,949	-7,698	-26,278
Personnel expenses	-9,092	-9,082	-37,557
Other operating expenses	-842	-458	-2,252
Depreciation	-861	-863	-3,451
	-41,657	**-77,554**	**-290,017**

Note 7 - Adjustments for non-cash items

SEK thousand	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Depreciation	-861	-863	-3,451
Employee stock option program	-1,193	-1,534	-4,499
	-2,054	**-2,397**	**-7,951**

Note 8 - Share based incentive programs

Employee stock option program

The purpose of share-based incentive programs is to promote the company's long-term goals and to create opportunities for the company to retain competent personnel.

Cantargia has three active programs that covers the company's management, other employees, and consultants. These programs are the Employee Stock Option Program 2020/2023 decided at the Annual General Meeting in 2020, the Employee Stock Option Program 2021/2024 decided at the Annual General Meeting in 2021, and the Employee Stock Option Program 2023/2026 decided at the Annual General Meeting in 2023. For more information about these programs, please refer to note 19 in the 2023 annual report.

Below is a summary of the total number of shares that granted options may entitle to as of March 31 2024. One warrant in Employee Stock Option Program 2020/2023 and 2021/2024 represents 1.2 potential ordinary shares. One warrant in Employee Stock Option Program 2023/2026 represents 1.0 potential ordinary share.

Full exercise of granted options as of March 31 2024, corresponding to a total of 6,801,800 shares, would result in a dilution of shareholders by 3.6 per cent. If decided, but not allotted options, a further total of 1,115,000 are fully exercised, it would result in a total dilution of shareholders of 4.1 per cent.

Changes in existing incentive programs during the year (number of warrants)	
Granted instruments	
Employee Stock Option Program 2020/2023	-
Employee Stock Option Program 2021/2024	-
Employee Stock Option Program 2023/2026	1,885,000
Exercised instruments	**-**
Lapsed instruments	
Employee Stock Option Program 2020/2023	-
Employee Stock Option Program 2021/2024	-
Employee Stock Option Program 2023/2026	-
Total change	**1,885,000**

Number of shares granted instruments may entitle to March 31 2024*	
Employee Stock Option Program 2020/2023	2,089,600
Employee Stock Option Program 2021/2024	2,827,200
Employee Stock Option Program 2023/2026	1,885,000
Number of shares granted instruments may entitle to	**6,801,800**

* Recalculation of employee stock option programs after the rights issue in 2022 means that each option in Employee Stock Option Program 2020/2023 and 2021/2024 entitles to 1.2 shares. One option in Employee Stock Option Program 2023/2026 entitles to 1.0 shares.

Note 9 - Significant events after the period

- In April, three scientific articles were published regarding CAN10 in atherosclerosis, systemic sclerosis, as well as the antibody's mechanism of action.
- Third party withdrew appeal related to Cantargia patent.

Definitions

AACR
Abbreviation of "American Association for Cancer Research".

ADC(C)
The abbreviation "Antibody-dependent cellular cytotoxicity", a mechanism where an effector cell, such as a Natural Killer cell, kills a target cell, such as a cancer cell, translates to ADCC.

Antibody
Antibodies are protein structures produced by the immune system in response to foreign substances in the body, such as bacteria or viruses. They play a vital role in the immune response by fighting infections and protecting the body from diseases.

ASCO
Abbreviation of "American Society of Clinical Oncology".

Autoimmune disease
A condition where the immune system, which typically protects the body against foreign substances such as bacteria and viruses, mistakenly attacks and damages the body's healthy cells, tissues, and organs.

Biepitopic antibody
An antibody that can bind to two different epitopes simultaneously.

BRCA1
The abbreviation of "Breast Cancer Gene 1", which is a gene that plays a crucial role in the regulation and maintenance of DNA in cells, is BRCA1. Mutations in the BRCA1 gene are strongly associated with breast cancer.

Checkpoint inhibitor
A type of medication that blocks or inhibits molecular pathways used by tumor cells to evade detection and attack by the immune system. A checkpoint inhibitor can activate the immune system and enhance its ability to recognize and attack cancer cells.

Cisplatin
Chemotherapy, or cytostatics, is used to treat various types of cancer.

CMC
The abbreviation of "Chemistry, Manufacturing, and Controls," a process for the manufacture and control of a drug product aimed at ensuring consistent and reproducible manufacturing as well as high product quality.

Combination therapy
Therapeutic strategy where two or more treatment methods are used simultaneously to treat a disease or condition.

CRO
The abbreviation of "Clinical Research Organization," a provider of research and development services in the pharmaceutical industry and biotechnology sector, including the conduct of clinical trials.

CTA
The abbreviation of "Clinical Trial Application".

Docetaxel
Chemotherapy, or cytostatics, is used to treat various types of cancer.

ESMO
The abbreviation "European Society for Medical Oncology".

Epitope
Specific part of a substance or particle that an antibody or a T cell receptor can bind to.

FDA
The abbreviation of "Food and Drug Administration", the American drug regulatory agency.

Fibroblast
A type of cell found in connective tissue that plays a crucial role in the structure and maintenance of tissues.

Gemcitabin
Chemotherapy, or cytostatics, is used to treat various types of cancer.

GLP
The abbreviation of "Good Laboratory Practice", an international quality standard that establishes guidelines and principles for the conduct, documentation, and reporting of non-clinical studies.

Hematological disease
A disease affecting the blood, blood-forming organs, or components involved in the function of blood.

Hidradenitis suppurativa (HS)
Hidradenitis or acne inversa is a chronic, often painful, immunological skin disease characterized by inflammation of the skin, most commonly in the armpits and groin. The inflamed areas often develop nodules, abscesses, and wounds.

Humanization process
The process by which non-human antibodies, such as those developed in mice, are modified to have a greater resemblance to human antibodies.

Immunoncology
An area within cancer treatment that focuses on using the body's own immune system to combat cancer.

In vivo models
Animal models that evaluate biological processes, diseases, and drug effects in living organisms.

IND
Abbreviation for "Investigational New Drug."

Interim results
Partial results generated during ongoing clinical trials; can provide a preliminary indication of the effectiveness of a treatment.

Interleukin-1
Proinflammatory signaling molecules that play a crucial role in the body's immune response and inflammatory processes.

Interstitial lung disease
A group of diseases affecting lung tissue; characterized by inflammation and scarring in lung tissue.

Macrophage
A type of white blood cell that is part of the body's immune system and plays a crucial role in defending against infections and tissue healing

Monoclonal antibody
Antibody originating from daughter cells of the same B-cell clone.

Myocarditis
Inflammation of the heart muscle affecting the cardiac tissue and heart function.

Nab-paclitaxel
Chemotherapy, or cytostatics, is used to treat various types of cancer.

NCT number
Abbreviation for "National Clinical Trial Number," a unique identification code assigned to clinical trials.

NK cell
Abbreviation for "Natural Killer cell," a type of cell that is part of the body's immune system and is specialized in identifying and eliminating virus-infected cells and cancer cells.

Non-small cell lung cancer (NSCLC)
The most common type of lung cancer; a collective term for the type of lung cancer that does not fall under the category of small cell lung cancer.

PDAC (Pancreatic Ductal Adenocarcinoma)
Abbreviation for pancreatic ductal adenocarcinoma, pancreatic cancer.

Pembrolizumab
A type of checkpoint inhibitor that works by blocking a signaling pathway in the immune system mediated by the molecule PD-1, thereby activating the immune system to kill cancer cells. Also known as Keytruda®.

Pemetrexed
Chemotherapy, or cytostatics, is used to treat various types of cancer.

Pericarditis
Inflammation of the pericardium. The pericardium surrounds the heart and consists of two layers, an inner and an outer layer. Pericarditis involves an accumulation of a greater amount of fluid than normal between the inner and outer layers of the pericardium. This leads to increased difficulty for the heart to pump blood effectively, negatively impacting blood circulation.

Randomized study
A clinical study where participants are randomly assigned to different groups or treatment arms to minimize bias and ensure comparability between the groups.

Squamous/non-squamous cell lung cancer
Squamous cell lung cancer develops from squamous epithelial cells that line the airways in the lungs; non-squamous cell lung cancer is a collective term for the type of lung cancer that does not fall under the category of squamous cell.

Solid tumors
A type of cancer that develops in solid tissues.

Targeted antibody
Antibody developed to recognize and bind to specific target proteins or structures in the body, such as proteins present on the surface of cancer cells.

Triple-negatvie breast cancer (TNBC)
A form of breast cancer characterized by the tumor lacking expression of three different receptors: estrogen receptor, progesterone receptor, and HER2 receptor. Since triple-negative breast cancer lacks expression of these receptors, it is not responsive to treatments targeting them.

Submission of Interim Report

This is information that Cantargia AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication through the Chief Executive Officer on 21 May 2024, at 07:00 am CET.

cantargia

Cantargia AB
Ideon Gateway
Scheelevägen 27
SE-223 63 Lund, Sweden

Telephone: +46(0)46 2756260
E-mail: info@cantargia.com