
Cantargia
2024
Annual Report
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Cantargia in brief

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

Cantargia was founded in 2009-2010 based on research at Lund University that showed that the molecule interleukin-1 receptor accessory protein (IL1RAP) is present on cancer cells from a large number of tumor types. IL1RAP is therefore a suitable target for potential cancer therapies. In addition to cancer, IL1RAP has a central role in autoimmune and inflammatory diseases.

Cantargia has two candidate products in clinical development: Nadunolimab (CAN04) and CAN10.

The oncology project, nadunolimab (CAN04), is an antibody that can bind IL1RAP with the potential to provide strong efficacy with fewer side effects and can serve as a complement to established treatment options.

The continued clinical development of nadunolimab focuses on pancreatic cancer and triple-negative breast cancer. For these and many other cancers, chemotherapy is an established standard treatment.

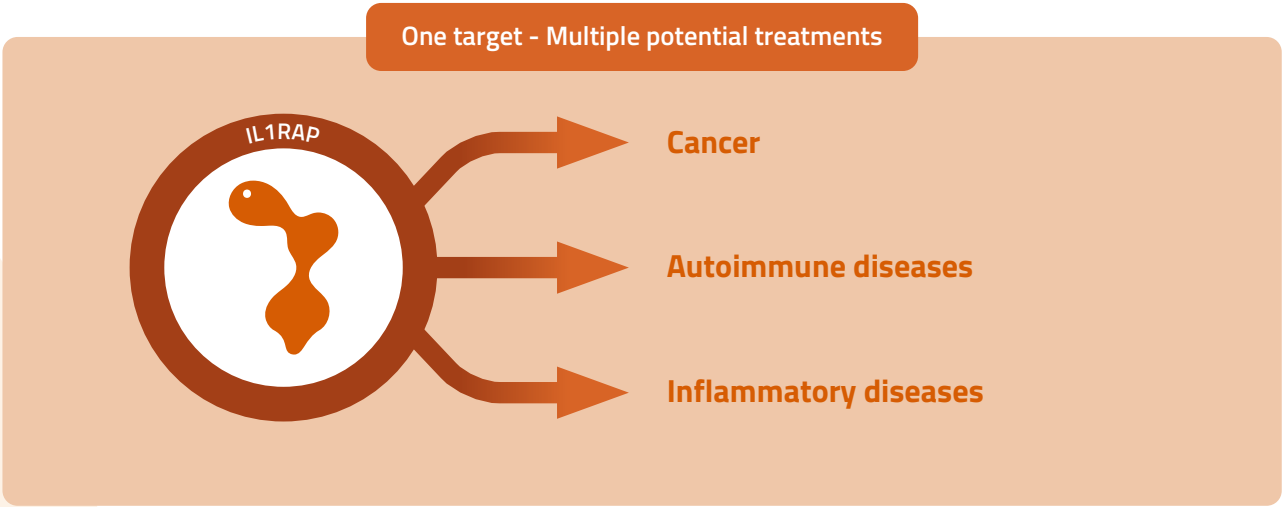
Nadunolimab is primarily evaluated in combination with chemotherapy as its mechanism of action enables synergy with other cancer therapies. This is a consequence of IL1RAP affecting various resistance mechanisms that these therapies can induce in tumors. The project is in phase 2 clinical development.

In parallel with nadunolimab, Cantargia is developing another IL1RAP-binding antibody, CAN10, with a potential to be become a new treatment option for inflammatory and auto-immune diseases. The initial focus is hidradenitis suppurativa (HS). CAN10 is in clinical phase 1 development.

IL1RAP - An Attractive Therapeutic Target

The molecule IL1RAP, the target of Cantargia's two clinical candidates, is present in most types of cancer, including pancreatic cancer, non-small cell lung cancer, breast cancer and leukemia.

Due to its presence on certain types of immune cells, targeting of IL1RAP is also of interest for treatment of various inflammatory and autoimmune diseases.



Our vision, business model and strategy

"We contribute to the development of safer and more effective treatments for life-threatening diseases"

Cantargia's vision is to develop a new generation of targeted antibody-based treatments for IL1RAP with the potential to become an important part of future, more effective and safe treatments for life-threatening diseases.

Cantargia's business model is based on partnerships and long-term collaborations. Cantargia has therefore signed agreements with several different companies, hospitals and academic research groups. Currently about 50 international and local organizations are working on research and development of Cantargia's oncology project nadunolimab, as well as the development of CAN10.

Cantargia's strategy is based on advancing the development of each drug candidate in-house until the stage where a development or commercialization agreement is reached.

"We see considerable interest in our programs, especially CAN10, and we will do all we can to capitalize on that interest to the benefit of all our stakeholders. My aim personally is to use all my experience to accelerate the creation of value from our programs and platform."

Chief executive's review

Cantargia is built on a foundation of world-leading knowledge of the function and structure of the IL1 Receptor Accessory Protein (IL1RAP) and antibodies that block its activity. IL1RAP controls the binding of the key inflammatory cytokines of the IL1 family, IL-1, IL-33 and IL-36 to their receptors. Blocking IL1RAP offers the possibility to develop new treatments for a wide number of immune-inflammatory diseases and cancers in which the IL1 family is implicated. This knowledge has led to Cantargia today having two highly promising candidate drugs in clinical development: CAN10 in immune-inflammatory diseases and nadunolimab in pancreatic cancer and other tumors. Both projects offer the possibility to transform the treatment and the lives of patients with debilitating and life-threatening illnesses.

Immune-inflammatory diseases have become a major focus for the biopharmaceutical and investors in recent years, driven by a transformation in the understanding of the immune pathways driving the pathology of these disorders. Dysregulation of the IL1 family is particularly involved in diseases of barrier tissues (skin, lung and gut). This leads to potential for CAN10 to treat a wide range of disease of the skin, respiratory tract, joins, intestine and other systemic and acute disorders.

We have chosen Hidradenitis Suppurativa (HS), a debilitating, disfiguring and very painful skin condition, with clear involvement of the IL1 family, as our lead indication for CAN10. Currently over 50% of patients have an inadequate response to standard of care, including new anti-IL-17antibodies. Key Opinion Leaders (KOLs) and analysts expect targeting the Il1 family may offer new and better options for HS patients. The HS market is expected to grow from $1Bn - $2Bn in 2025 to $10Bn in 2031, driven by new products.

To show that CAN10 has potential to treat HS and other immune-inflammatory disorders we are currently undertaking a first phase 1 study in human volunteers. The aim is to demonstrate that CAN10 is well tolerated and can prevent the activity of the IL1 family cytokines implicated. The first part of the study, in which single doses of CAN10 at different dose levels, was completed in 2024. We were able to show that both on the day of dosing and 8 days later, CAN10 potently blocked IL-1 and IL-36 activity in immune cells in the blood and was very well tolerated. The multiple dosing part of the study is currently ongoing. Early data shows that dosing every four weeks in treatment of HS patients is feasible. This alone can be an important commercial advantage compared to existing treatments. We will communicate more mature data in the second quarter of this year on the biological activity and pharmacokinetics of CAN10 in healthy volunteers and, later in the year, in volunteers with psoriasis. In this second group with psoriasis, we will be looking at mechanistic effects of CAN10 in diseased skin.

Confidence that CAN10 can be a promising new treatment for HS is substantiated further by the activity of antibodies targeting individual parts of the IL1 family in HS: lutikizumab, an anti-IL-1alfa and beta antibody has shown good activity in HS, though still leaving a large number of non-responders, and spesolimab, an anti-IL-36 antibody activity, has shown activity in certain defined aspects of HS, notably what are called draining tunnels. Since CAN10 blocks both these cytokines and also Il-33, we are confident CAN10 can be a promising new treatment for HS.

The next phase of development in HS will be a phase 2 study to demonstrate clinical proof of concept and identify the best dose level and dose regimen for regulatory approval studies. We plan to start this study late 2025, subject to financing. As part of the preparations, we held a pre-IND meeting with FDA regarding our program and the design of an HS-study. The feedback was positive, with agreement on key endpoints and design of the study and the adequacy of our pre-clinical and manufacturing data and plans. A KOL Advisory Board, with participants from the USA and Europe, confirmed that CAN10's mechanism of action and our data to date strongly support development in HS and other conditions.

CAN10 has shown promising preclinical results in various inflammatory and immune (I&I) disease models, including myocardial inflammation, atherosclerosis, and systemic sclerosis. During the year, several scientific articles were published highlighting its ability to reduce atherosclerotic plaques, lung and skin fibrosis, and block multiple inflammatory cytokines (IL-1, IL-33, IL-36). The published results underscore CAN10's potential as a potent treatment for these conditions.

During 2025, we will publish the design of our HS phase 2 study and the second indication we intend to select for development for CAN10. Both will help with our discussions with industry and investors, where there is strong interest in the CAN 10 project, not just for HS but also for other diseases amenable to IL1-family blockade.

Regarding our oncology programs with nadunolimab, we are building on the results we have published in influential journals during 2024 that show that the pancreatic patients we treat with chemotherapy have a better outcome if they have high levels of IL1RAP in their tumors at the start of nadunolimab treatment. Hence, we began the development of a companion diagnostic to identify these patients as they will be the patients we include in the next stage of clinical development in pancreatic cancer. This companion diagnostic will use another IL1RAP antibody specifically designed and chosen for use in the diagnostic test. This development is very important because it increases our chances of success clinically and commercially, which is important because this gives additional visibility to the project, which is central to ongoing external discussions.

Our ongoing, large, controlled clinical study with nadunolimab in around 100 patients with triple-negative breast cancer has recruited well during 2024 and the recruitment is now complete. Half of the patients will receive treatment with nadunolimab and chemotherapy while the other half will receive chemotherapy alone. We look forward with anticipation to the first results in mid-2025. These results will be based on objective response, while longer term data will be reported later this year when the results have matured.

Our final clinical study is an investigator-led clinical study with nadunolimab for the treatment of leukemia is in the start-up phase. The study is funded by a grant from the US Department of Defense to MD Anderson Cancer Center, which is also responsible for conducting the study. This study has now started with the first patient included in the first quarter of 2025.

Cantargia's world class IL1RAP knowledge has led to the development of a platform of over 200 antibodies against ILRAP, including, of course, CAN10 and nadunolimab. These antibodies offer the possibility to develop second generation products and products for different indications. They can also be used to develop new bispecific antibodies for immune-inflammatory disease or cancer and antibody-drug conjugates (ADCs). We have just recently announced an abstract that will be presented at the American Association for Cancer Research with exciting data on a novel IL1RAP-targeted ADC using one of our antibodies. This platform offers another opportunity to Cantargia for collaborations with biopharma companies looking to develop new ADCs.

I cannot finish this review without mentioning the very strong headwinds that the biotech industry globally, and particularly in Europe, continues to face, driven by macroeconomic factors and uncertainty. In this situation, we have been applying strong cost control but developing drugs is an investment-intensive, long-term business. So, we were grateful to all those who participated in our right issue in December. This has given us a vital runway, which allows us to drive commercial and clinical discussions forward, with a clear focus on aiming to close at least one transaction during 2025.

2025 is a critical year for Cantargia. We see considerable interest in our programs, especially CAN10, and we will do all we can to capitalize on that interest to the benefit of all our stakeholders. My aim personally is to use all my experience to accelerate the creation of value from our programs and platform. We have a number of potential opportunities in front of us and these will be my principal focus in the next weeks and months.

I would like to finish by sincerely thanking all our stakeholders; shareholders, employees, patients, academics and clinicians for their continued support. Without you, we would not be able to develop our pipeline products that we all want to bring to the benefit of patients with serious and underserved disease.

Damian Marron
Interim CEO

BUSINESS DESCRIPTION

Background to Cantargia's projects

Modern drug development is based on identifying unique molecules against which new potential drug substances can be targeted. Cantargia's research has shown that IL1RAP is a promising target for treatment of cancer as well as autoimmune and inflammatory diseases.

Nadunolimab (CAN04)

Cantargia's oncology project, nadunolimab, is an IL1RAP-binding antibody that has shown promising clinical and preclinical results in the treatment of various types of cancer.

In addition to locating cancer cells and stimulating our natural immune system to kill these cells, nadunolimab can also block signals that favor the development and growth of the tumor. In a large number of cancer types, tumor growth is promoted by the interleukin-1 (IL-1) system, which contributes to an environment favorable for tumors. The IL-1 system is dependent on IL1RAP for transferring signals to cells, and blocking IL1RAP with nadunolimab prevents this signaling.

Nadunolimab has been studied clinically primarily in pancreatic cancer, triple-negative breast cancer and non-small cell lung cancer. Promising data from patients receiving nadunolimab in combination with chemotherapy that indicate a stronger efficacy than would be expected from chemotherapy alone have been presented.

In parallel with the clinical development, studies are also being conducted on different types of 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.

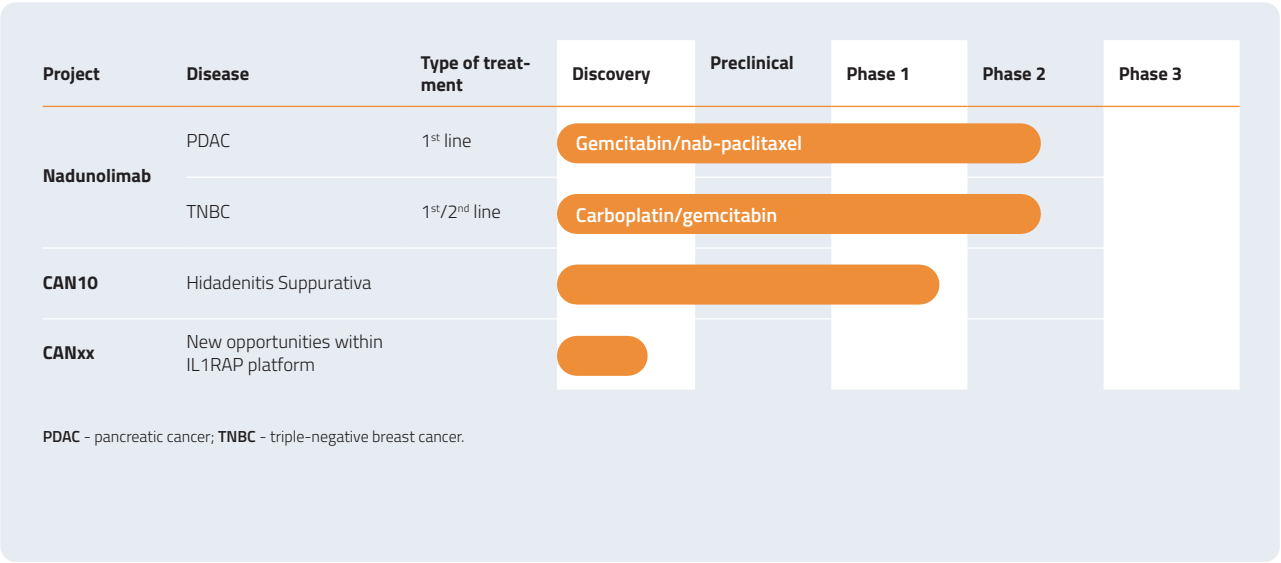
CAN10

In the CAN10 project, Cantargia is developing a new antibody against IL1RAP that has a unique ability to prevent signaling not only via IL-1, but also interleukin-33 (IL-33) and interleukin-36 (IL-36). Blocking of these three signaling molecules has great potential in the treatment of autoimmune and inflammatory diseases.

The first clinical study with CAN10 is currently ongoing, and Cantargia has reported that no safety concerns had been observed at the studied dose levels as well as promising biomarker results.

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.



PDAC - pancreatic cancer; **TNBC** - triple-negative breast cancer.

Nadunolimab
– Cantargia's oncology project

Cantargia has performed extensive research on IL1RAP and results have shown that this molecule is present on tumor cells from a large number of tumors. Antibodies targeting IL1RAP thus have the potential to treat several different types of cancer.

Nadunolimab's dual mechanism of action

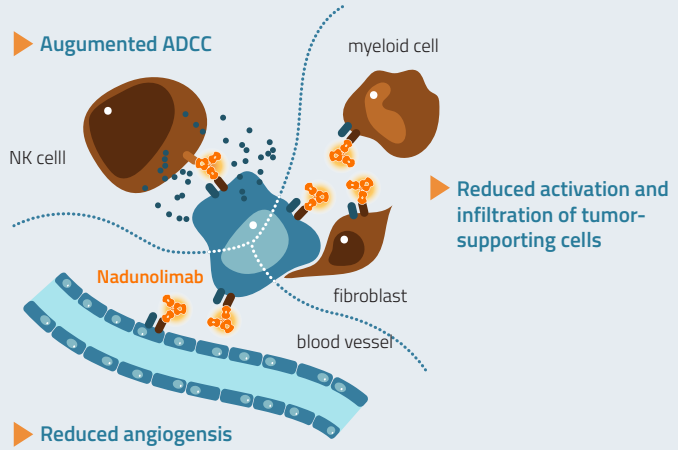
Nadunolimab is unique in that it has a dual mechanism of action. Nadunolimab can effectively kill cancer cells as well as block signals that favor the development and growth of the tumor.

In the human body, nadunolimab acts as a guided missile that seeks out and binds its target IL1RAP, which is highly present on cancer cells. By binding IL1RAP, nadunolimab stimulates the body's killer cells, known as natural killer (NK) cells, to seek out and eradicate the cancer cells. Nadunolimab has also been optimized to possess an improved ability to stimulate these killer cells.

IL1RAP is present not only on cancer cells, but also on other cell types in the tumor that contribute to its growth. IL1RAP conveys signals between these cells from the two forms of the molecule IL-1, alpha and beta, that provide support to the tumor in its development and survival. These signals can, for example, strengthen the tumor's defenses against various immune cells capable of killing the tumor, but also stimulate blood vessel formation in the tumor. Nadunolimab blocks the signaling of both IL-1 alpha and beta and can thus impact the development and growth of the tumor.

Nadunolimab's Dual Mechanism

Nadunolimab stimulates NK cells to kill cancer cells, an effect known as ADCC, and blocks signals that promote tumor development and survival. This signal blockade leads to, for example, reduced blood vessel formation and reduced accumulation of immunosuppressive cells in the tumor.



Nadunolimab synergizes with chemotherapy

Another important function of nadunolimab is its ability to enhance the effect of chemotherapy drugs which are established standard treatments in a number of cancers.

Cantargia has in preclinical studies shown that nadunolimab has a potent antitumor effect in combination with chemotherapy. When nadunolimab was combined with platinum-based chemotherapy, antitumor effects were achieved that were much stronger than the effect of the individual treatments. Clinical data from Cantargia's studies point to similar effects in cancer patients.

When nadunolimab was combined with the chemotherapy docetaxel in preclinical studies, a stronger antitumor effect was achieved compared to docetaxel alone, or docetaxel in combination with an antibody that only blocks the beta form of IL-1. This shows that nadunolimab's interaction with IL1RAP produces a broader effect on the IL-1 system compared to blockade of only one form of IL-1, and is necessary to counteract the tumor's resistance to chemotherapy.

Nadunolimab counteracts serious side effects of chemotherapy

Neuropathy is a serious medical condition and a side effect of several classes of chemotherapy. The main symptoms are weakness, pain and numbness in the hands and feet. Neuropathy often leads to treatment discontinuation in patients despite effective anti-tumor activity. The mechanisms behind chemotherapy-induced neuropathy relate to damaged neurons and neuro-inflammation, in which the IL-1 system has been indicated as a key factor.

In-depth analyses from the 73 patients with pancreatic cancer treated with nadunolimab and chemotherapy show, among other things, that higher dose levels of nadunolimab correlated to a lower incidence of chemotherapy-induced neuropathy.

Clinical studies with active treatment

TRIFOUR

In the clinical phase 1b/2 trial TRIFOUR, patients with triple-negative breast cancer are treated with nadunolimab in combination with carboplatin/gemcitabine. The dose escalation phase of TRIFOUR, where 15 patients had been treated, was completed at the beginning of 2023. The safety of the combination was considered favourable. Interim analysis of these 15 patients shows one confirmed complete response (CR) and eight confirmed partial responses (PR), bringing a preliminary total response rate to 60 percent. This compares favourably to the historical response rate of approximately 30 percent reported for carboplatin/gemcitabine alone. In March 2025, the last of the 102 patients was enrolled into the study, and initial results are expected mid-2025.

Completed clinical studies

CANFOUR

Cantargia's first clinical trial, CANFOUR, was a phase 1/2a trial focusing on pancreatic cancer and non-small cell lung cancer. In the phase 1 part, the safety and dosage of nadunolimab were primarily evaluated. The results were very encouraging and indicated good safety as well as effects on important biomarkers. Positive results from the phase 2a part also showed clear signals of efficacy for nadunolimab in combination with chemotherapy as stronger effects were observed in both pancreatic and lung cancer patients compared to what is expected for chemotherapy alone.

In a total of 73 patients with pancreatic cancer, median progression-free survival of 7.1 months and median overall survival of 13.2 months were reported, an improvement over historical control data for gemcitabine and nab-paclitaxel alone. Even stronger efficacy was observed in patients with high tumor levels of IL1RAP, the target of nadunolimab, including significantly prolonged median overall survival compared to patients with low IL1RAP levels (14.2 vs 10.6 months; p=0.012). Nadunolimab's target protein plays a significant role in the treatment effect, which strongly indicates that nadunolimab works in the intended way and that the treatment is effective.

In 40 patients with non-small cell lung cancer, a 55 percent response rate was achieved resulting in median progression-free survival of 7.2 months. This is an improvement over historical controls, which show a 22-28 percent response rate and median progression-free survival of 5.1 months. Even stronger effects were achieved in second-line treatment (post-pembrolizumab) compared with first-line patients, with the most pronounced results in the subgroup with second-line, non-squamous, non-small cell lung cancer. For this subgroup, a response rate of 91 percent and median survival of 26.7 months was achieved, including two complete responders.

CIRIFOUR, CAPAFOUR, and CESTAFOUR

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 was safety. The patients had previously been treated with checkpoint inhibitors. A total of 15 patients with non-small cell lung cancer, head and neck cancer, or malignant melanoma were treated with nadunolimab in combination with pembrolizumab. The results show that nadunolimab in combination with pembrolizumab is well-tolerated. A median survival of 19.7 months, and disease control rate of 60 percent was achieved. The strongest effects were observed in a group of patients with a specific profile of immune- and immunosuppressive cells in the tumor micro environment.

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. The results showed an acceptable safety profile for the combinations as well as signs of efficacy in patients with non-small cell lung cancer and gastro intestinal cancer. In addition, nadunolimab appears to reduce the peripheral neuropathy induced by oxaliplatin.

Effects of nadunolimab and chemotherapy in CANFOUR

55%
Response rate of patients with **non-small cell lung cancer**

14.2 months
Median survival of **pancreatic cancer patients with high tumor level of IL1RAO**

Continued clinical development of nadunolimab

A clinical phase 1b/2a study, designed to test nadunolimab in patients with AML/MDS, was initiated in Q1, 2025. The study is financed through a grant from the US Department of Defence (DOD) to University of Texas MD Anderson Cancer Centre, which is conducting the study.

Cantargia has made significant progress in the development of a diagnostic method for detection of the expression of IL1RAP on tumor biopsies from patients with, among other things, pancreatic cancer. These advances combined with the clear positive difference in treatment results of patients with high expression of IL1RAP mean that the next development step in pancreatic cancer is planned to be a phase 2 or 3 study in patients with high IL1RAP expression. As a result, the assessment is that the project progresses more cost effectively and with a lower development risk than with studies in non-selected patients.

Future development steps in triple-negative breast cancer will be guided by the results achieved in the ongoing TRIFOUR study.

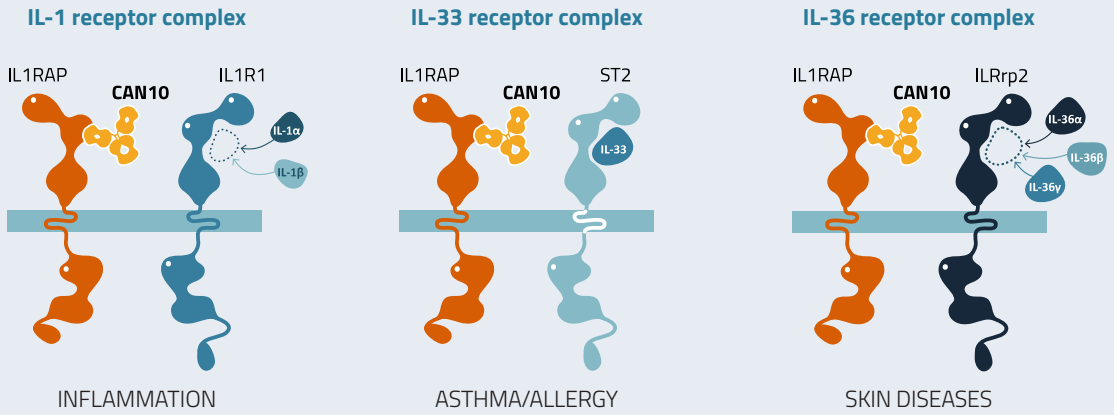
CAN10
– Cantargia's project in autoimmunity and inflammation

The CAN10 project was initiated with the goal of developing an anti-IL1RAP antibody for the treatment of autoimmune or inflammatory diseases. CAN10 thus covers a disease segment that complements nadunolimab and diversifies Cantargia's project portfolio.

IL1RAP conveys signals from the molecule IL-1, but also IL-33 and IL-36. These three signaling molecules are pro-inflammatory and play a central role in several severe diseases. Cantargia has developed the antibody CAN10 which, by binding IL1RAP, can block all these signaling pathways simultaneously without inducing cell death.

With these characteristics, CAN10 has the potential to be a potent anti-inflammatory treatment for several diseases where single drug therapy is not entirely effective.

The pathways blocked by CAN10 have been described to be involved in diseases in barrier tissues such as skin, lungs, and intestines, as well as in cardiovascular pathology, indicating significant potential for CAN10 in multiple diseases. Following an extensive review of potential target diseases, Cantargia decided to initially focus on the development of CAN10 for the treatment of hidradenitis suppurativa (HS), a serious disease with high medical need where IL1RAP blockade with CAN10 may offer significant benefits.



In the CAN10 project, an antibody is being developed that blocks interleukin-1, -33 and -36, all of which are proinflammatory molecules.

Hidradenitis Suppurativa (HS)

Hidradenitis suppurativa (HS) is a skin disease in which the signalling systems using IL1RAP are activated. CAN10 has shown clear effects in two different psoriasis models, indicating that CAN10 has a potential to reduce skin inflammation. Psoriasis is a relatively well-treated disease, while there is a great medical need in HS, which is a relatively common disease which, in the most severe forms, is very difficult to control and involves great suffering for the patients. There are few preclinical models of HS, but new clinical data suggest that antibodies that block both IL-1alfa/beta (lutikizumab) and IL-36 (spesolimab) are effective in the disease, suggesting that blockade of both systems by CAN10 could be an effective treatment in this disease.

Other potential indications

In addition to HS, CAN10 has properties with potential of becoming a very relevant treatment option in a large number of diseases. Specifically, diseases of barrier tissue such as skin, respiratory and the gastrointestinal system, where the IL-1 family cytokines drive the disease. After extensive analysis, Canargia has identified over 20 potential indications, which could be suitable as a second indication in addition to HS.

CAN10 Clinical Phase 1

CAN10 started its first clinical study in the fall of 2023. The first part involves treating healthy volunteers with single, increasing doses of CAN10 to primarily study safety. During the fall of 2024, the first ten dose groups were completed, with promising results. No safety related problems have been observed. A laboratory analysis of the number of IL1RAP molecules that bound CAN10 (Receptor Occupancy study)

showed that CAN10 binds in a dose-dependent manner. This is in line with the prediction from preclinical studies. Furthermore, CAN10 inhibits the ability for specific immune cells to respond when stimulated with IL-1 or IL-36. Two of the cytokines that the antibody is designed to block.

The second part of the study, where multiple doses of CAN10 will be given to healthy volunteers as well as subjects with psoriasis, started at the end of the third quarter 2024. Even there, the main aim is to study safety, but the study will also follow changes in skin inflammation in these individuals and look at changes in gene expression in the skin. Overall, the phase 1 study will ensure CAN10's safety for future studies but also provide clues about effects that can be followed up in future stages of clinical development.

CAN10 preparations for phase 2 development

For the CAN10 project, the strategy is to start phase 2 development with two clinical studies as soon as possible. In parallel with the important completion of the phase 1 clinical trial, the main preparations can be summarized below:

- The project is already supported by solid pre-clinical material but the documentation needs to be amended with further toxicity studies to enable treatment in humans for a longer period of time.
- Within CMC, the project is well prepared in that trial substance to be able to start phase 2 has already been produced. But further development and production are needed to be able to complete the phase 2 program and complete additional documentation before the start of phase 3.
- Regulatory preparations for and submission of an application for IND in the USA and clinical trial authorization in Europe.

Overall, the preparations above aim to prepare the CAN10 project to be able to start one or two phase 2 studies in the second half of 2025.

CANxx
– Cantargia's IL1RAP-based platform

Cantargia was the first company to develop drugs targeting IL1RAP and has since built extensive expertise in this area. This expertise, along with our CANxx anti-IL1RAP antibody library and custom research tools, forms the CANxx platform, which enables Cantargia to drive both therapeutic and diagnostic advancements.

The CANxx library contains a collection of around 200 IL1RAP-targeting antibodies, including candidates for therapeutic development, as well as those designed for diagnostics, in vitro analysis, and preclinical studies. With its diverse range of antibodies featuring unique binding, targeting, and inhibitory properties, the CANxx library allows Cantargia to rapidly advance the development of new drug candidates for various diseases. A key example of this is the CAN10 antibody, which was developed through the platform.

The CANxx platform also opens possibilities for the development of Antibody-Drug Conjugates (ADCs), which recently was supported by data from a pilot project. Preclinical results showed that anti-IL1RAP ADCs have the ability to effectively target IL1RAP expressing tumor cells and inhibit tumor growth in a dose-dependent way, while systemically being well tolerated. Notably, in models with both high and low IL1RAP expression, a single dose of the ADC leads to lasting tumor growth suppression.

Additionally, the platform has the potential to bring forward bispecific antibodies that target both IL1RAP and additional biological markers, expanding its utility.

Beyond therapeutic development, the CANxx library is also an invaluable resource for diagnostics. Antibodies derived from the CANxx library are used in the development of a diagnostic tool for measuring the level of IL1RAP in tumor biopsies.

In summary, the CANxx platform is an essential asset that combines Cantargia's vast IL1RAP expertise and antibody resources, enabling the development of innovative therapies and diagnostics while reinforcing the company's strong position for future success.

Drug development
– From discovery to launch

Preclinical phase
The preclinical phase is characterized by activities conducted by chemists, biologists and pharmacologists who study and develop various substances in laboratories. With the help of effective disease models, researchers can study how various pharmaceutical substances behave and interact. Individual substances are then selected for further studies in the laboratory and in animal models. Some questions that are commonly addressed include: "Does the substance have any treatment efficacy?", "What dose of the substance is appropriate?" and "Does the substance cause serious side effects?" The purpose of the preclinical phase is to select a candidate drug (CD) for which an application for clinical trials in humans is submitted.

Before a candidate drug is allowed for testing in humans, a large amount of work is required to ensure that the candidate drug is sufficiently safe and stable, and to establish how it behaves in and how it leaves the human body. An application to conduct clinical studies in humans is submitted to the relevant drug regulator, which in Sweden is the Medical Products Agency. In the United States, the clinical trial application is called Investigational New Drug (IND) Application and in the EU, Clinical Trial Application (CTA). Applications are filed in countries where the clinical trial will be conducted and are then evaluated by independent medical experts who assess whether the trial can be initiated or whether further documentation is required. Apart from obtaining permission from the drug regulators, the company must also apply for and receive permission from each country's local and/or national ethics committee. The approval of an application is followed by a long and complex process involving several years of clinical studies before the company can apply to have the product approved for general use.

Clinical phase
In the clinical phase, studies in humans are performed. These studies are normally conducted at hospitals or health centers and are formally divided into four phases – phase I, II, III and IV – although the differences between the phases are not always obvious in practice. To ensure that the studies can be interpreted objectively, endpoints for the evaluation of the studies are defined in advance. The design of the study program for a particular drug should be continually evaluated and regulatory approval is required for each sub-study.

Phase I

Phase I is the first stage where a new substance is administered to a human. The trial subjects are normally healthy volunteers and are subject to constant medical monitoring. In clinical studies in cancer, however, it is common for patients to be included already at this stage. Phase I studies normally involve 20-100 individuals. The purpose of the trial is to determine whether the trial subjects tolerate the drug and whether its behavior in the body is the same as indicated in the earlier animal studies and other research. The purpose is also to identify safe dose levels and any potential side effects. The initial dose is kept as low as possible but should be sufficiently high to provide answers to the questions that the trial is designed to answer. If the procedure progresses as planned, the dose can then gradually be increased to the clinical use level. Phase I studies normally take six months to a year to complete.

Phase II

Phase II is normally the first stage at which the new substance is administered to patients with the relevant disease. At this stage, the test group is also larger and normally consists of 100-500 subjects. The objective of this phase is to show 'proof of concept', i.e., that the drug actually achieves a treatment effect. Other objectives include studying how the drug affects the disease or its symptoms and determining the dose to be used in large-scale trials. Phase II studies can take between six months and two years to complete.

Registration phase

If the drug appears to be promising and is well-tolerated by patients, further trials are conducted to verify the results. An application for approval is subsequently filed with the relevant drug control authorities, which in Europe is the European Medicines Agency (EMA). The application must include all documentation describing the quality, safety and effect of the drug and is generally very extensive. Examination of an application takes one year on average. The examination can result in the drug being approved or rejected, or the regulator may demand that further studies be conducted. An approval can also involve the regulator approving a more limited indication than was originally intended. Once regulatory approval has been obtained, the drug can be marketed.

Research and development costs for drug development are high, in the range of billions of SEK, and mainly comprise costs for research, development, production and clinical studies of a drug. Of 10-15 products that are studied in phase I, on average, only one will normally advance to regulatory approval. Approximately 35 new medical products are introduced on the Swedish market every year.

Phase III

Phase III is initiated only if the results from phase II are sufficiently encouraging to justify further studies. In this phase, the candidate drug is given to even larger groups, often 1,000-5,000 subjects. The new substance is tested against an ineffective placebo or against another already approved drug for the same disease condition. Patients are distributed randomly between treatment groups and neither the physician nor the patients are informed of which substance has been administered. This type of trial is known as a 'doubleblind and randomized' trial and is considered to be the method that produces the best and most objective evaluation. Once the trial has been completed, the treatment of each patient is revealed. It is then possible to determine and evaluate what effect the candidate drug had compared to the placebo. The studies provide a statistical basis, which means that the difference between the two products must be statistically significant. Phase III studies can take between one to four years to complete depending on the disease, the length of time during which the patients are studied, and the number of patients included.

Phase IV

In phase IV, the therapeutic use of the drug is studied. After the phase I-III studies have been completed and the drug has been approved by the drug regulator and received market authorization, further clinical studies are often conducted in the area of use for which the product has already been approved. These are known as phase IV studies and are aimed at studying and monitoring the dose and effect relation, the impact on additional simultaneous drug treatments, and any side effects which may occur after the market launch. The overall objective is to optimize the use of the drug.

Patent protection

Cantargia's strategy is to obtain broad patent protection for its current and future product candidates in markets deemed to be of clinical and commercial relevance to its projects.

Cantargia's patent protection can be divided into two layers. The first layer consists of patents whose primary purpose is to protect Cantargia's drug candidates, nadunolimab and CAN10. The second layer consists of patents that mainly serve to extend Cantargia's protection to anti-IL1RAP antibodies with broader functional or structural properties, or for the treatment or diagnosis of a particular type of disease. One purpose of this second layer of protection is to limit the ability of potential competitors to develop drug candidates targeting IL1RAP. During the year, Cantargia has filed patent applications and obtained approved patents in selected territories.

PATENT FAMILY	PROCESSINGS	APPROVED	VALIDITY
Nadunolimab (Product)	US	Australia, Brazil, Europe (Belgium, Denmark, Estonia, France, Ireland, Italy, Latvia, Lithuania, Netherlands, Poland, Portugal, Switzerland, Spain, UK, Sweden, Czech Republic, Turkey, Germany, Austria), India, Israel, Japan, China, Mexico, Singapore, South Africa, South Korea, US	2035
CAN10 (Product)	Australia, Brazil, Europe, India, Israel, Japan, Canada, China, Mexico, Singapore, South Africa, South Korea, US	US	2041
Leukemias (Treatment)	-	US	2029
Hematological cancers (Treatment/Diagnosis)	China	Australia, Europe (France, Italy, Netherlands, Switzerland, Spain, UK, Germany), Israel, Japan, Canada, China, Mexico, South Africa, US	2030
Solid tumors (Treatment/Diagnosis)	Europe, China	Australia, Brazil, Japan, Canada, China, Mexico, South Korea, US	2032
CAN03 (Product)	-	Europe (France, UK, Germany), Japan, China, US	2035
Anti-IL1RAP antibodies (Product)	Europe	Japan, China, US	2037
Biepitopic antibody (Product)	-	Europe, US	2039
Anti-IL1RAP antibodies (Product)	PCT	-	2044

Sustainability

Company overview, strategy, and commitment

Cantargia is a Swedish biotechnology company that specializes in the discovery and development of pharmaceuticals for treatment of cancer as well as inflammatory and autoimmune diseases. Our vision is to improve global health by contributing to the treatment of unmet medical needs for severe diseases and to improve the quality of life for these patients. To accomplish this, Cantargia is committed to discovering, developing and launching future products on the market in a sustainable way, taking Environmental, Social, and Governance (ESG) aspects into consideration.

Cantargia's Board of Directors has adopted a Sustainability Policy. The policy outlines Cantargia's commitment to minimizing our environmental impact, preserving resources, and contributing to a more sustainable future. Cantargia recognizes that all 17 of the United Nations Sustainable Development Goals (SDGs) are important, but our internal policy specifically aligns with and supports SDGs 3, 5, 8, 9, and 13, summarized below. The policy further acknowledges the importance of and compliance with the European Union's Corporate Sustainability Reporting Directive (CSRD).

In the following sections, information about how the company works with sustainability will be outlined.

Our vision is to improve global health by contributing to the treatment of unmet medical needs for severe diseases and to improve the quality of life for these patients.

Environmental responsibility

While trying to improve the life of patients with the drug candidates under development, we focus on climate impact mitigation actions throughout the process. We are committed to reducing our environmental impact as much as possible, by for example tracking and reducing our energy use, water consumption, waste management, and greenhouse gas emission.

Rented Premises

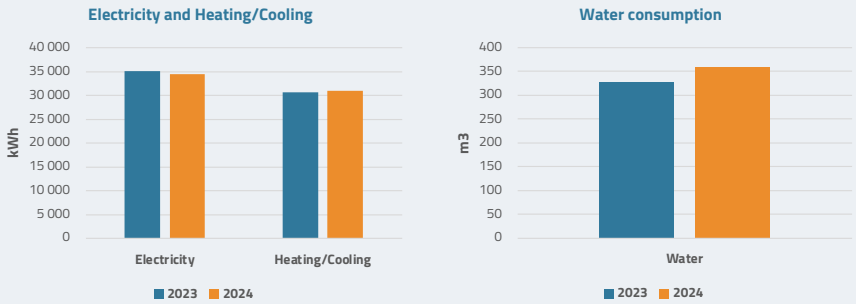
Cantargia rents premises from Wihlborgs at Ideon Gateway Scheelevägen 27 in Lund. Ideon Gateway is certified according to Miljöbyggnad (Sweden Green Building Council) and LEED (Leadership in Energy and Environmental Design) BD+C (Building Design and Construction) with a Platinum rating , which is the highest rating[1]. The building harnesses heat and cooling from the ground, and a portion of the electricity comes from solar panels integrated into the building facade. In order for Cantargia to reduce the environmental impact we have started to measure our energy consumption from the premises.

Sustainable travels

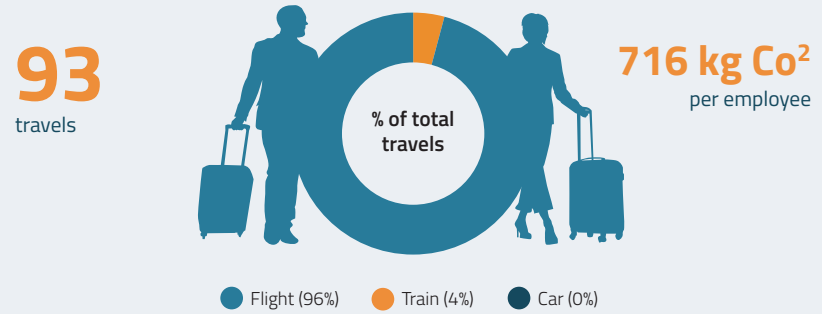
Another aspect of the company's environmental impact stems from emissions of greenhouse gases from travels. Cantargia's travel policy recommends travels by train whenever possible, both from an environmental and cost perspective. However, there are for example some conferences where air travel is necessary. During the year, the company continued measuring the annual carbon emissions from travels.

In 2024, the number of business trips decreased to a total of 93 (137), corresponding to CO^2 emissions of 15,760 (19,739) kg CO^2. The share of air travel increased to 96% (90%), while train travel accounted for 4% (9%) and car travel for 0% (1%). The average amount of CO^2 emissions per employee decreased to 716 (822) kg, corresponding to a decrease of 12.9% compared to the previous year.

Usage of electricity, heating & cooling, and water



Travels during 2024

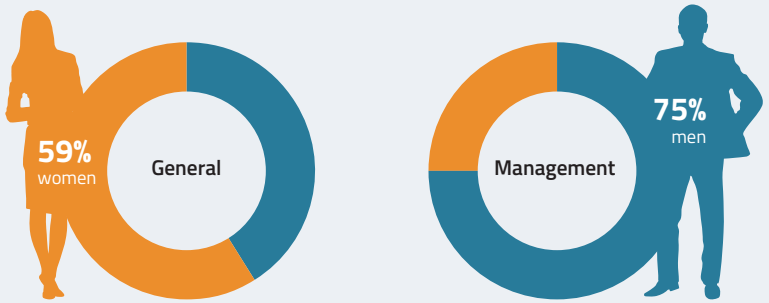


1. Möblerad arbetsplats i stilfulla Gateway – Wihlborgs

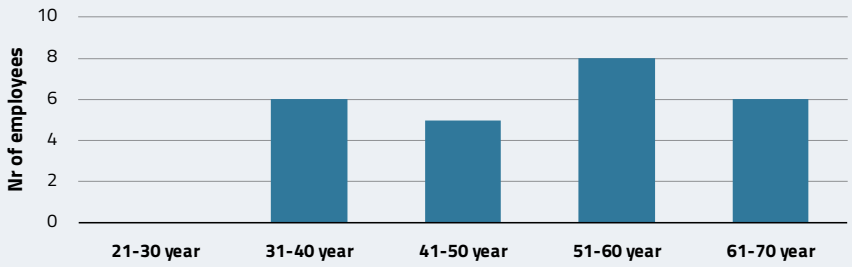
Social Responsibility

Moreover, Cantargia is committed to social responsibility. The company provides fair wages and an inclusive work environment, as well as promotes a work culture that values diversity. Employee well-being is highly prioritized, and the company has a collective agreement with IKEM (Innovations- och Kemiindustrierna).

Gender Distribution



Employee age structure 2024



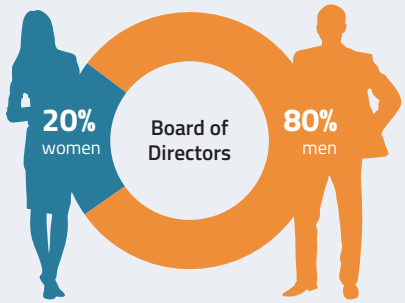
Governance

Cantargia is actively working with governance as a cornerstone of its operations, ensuring transparency, ethical conduct, and accountability at every level of the organization. There is a well-established Code of Conduct that governs all employees, emphasizing integrity and adherence to the highest ethical standards in research, development, and business practices.

The company's leadership plays a crucial role in governance responsibility. They are committed to transparency reporting in decision making and financial reporting, regularly engaging with shareholders and other stakeholders to provide insight into the company's strategic direction. Moreover, the Board of Directors include independent board members fostering impartiality and strong oversight.

For more information about the Governance in Cantargia, please see the Corporate Governance Reporton on page 71-76.

Gender Distribution



MARKET OVERVIEW

Cantargia's market focus

Since IL1RAP, the target of nadunolimab, is present on a large number of solid tumors, there is potential to utilize Cantargia's immuno-oncology platform for treatment of several additional forms of cancer.

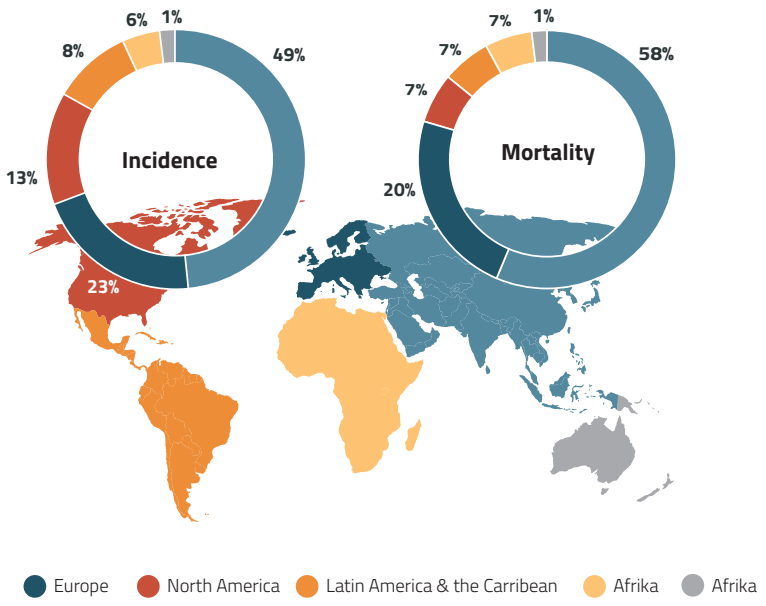
Cantargia is focusing the further development of nadunolimab on pancreatic cancer and triple-negative breast cancer. PDAC is very difficult to treat, and only a few effective therapies have been developed to date. TNBC is a very aggressive type of breast cancer with limited therapeutic options.

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. In CAN10, the objective is to develop a novel antibody for treatment of hidradenitis suppurativa and systemic sclerosis. The medical need for both diseases is high, with few approved drugs currently available. Other inflammatory diseases will also be evaluated in the longer term to be included in Cantargia's portfolio.

Cancer – A global challenge

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.

There are approximately 200 different types of cancer, all of which have in common that cells begin to divide and grow uncontrollably somewhere in the human body. Research suggests that two independent events are required for cancer to develop: damaging of normal cells resulting in rapid and uncontrolled cell growth, and location of these cells in a microenvironment that provides the right conditions to grow and protects against attacks from the immune system. The chart below shows the distribution of cancer incidence and mortality in the world by type of cancer and major region in 2020.



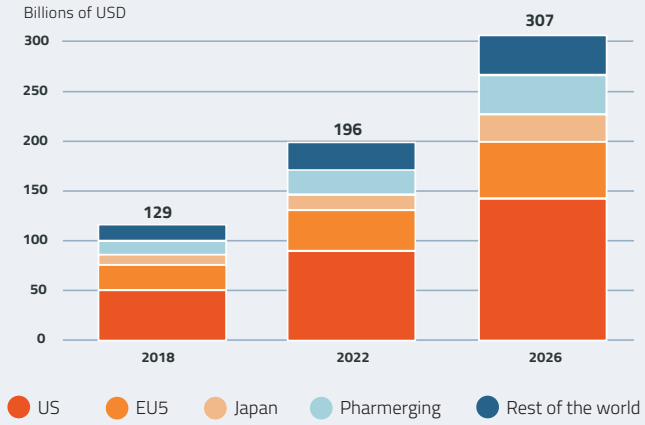
1. Globocan, CA Cancer J Clin 2024;1-35.

Source: WHO, The Global Cancer Observatory 2023

The number of cancer cases is expected to increase continuously, and the forecast by the WHO is that, by 2040, over 29 million new cases will be diagnosed annually[1]. A significant factor behind the growing incidence of cancer is the aging population. By 2040, people above the age of 60 are expected to account for more than 75 per cent of all cancer cases[1]. Our Western lifestyle is considered another contributing factor as smoking, alcohol consumption, unhealthy diets, low physical activity, obesity and unhealthy sun habits become more widespread.

As more people are diagnosed with cancer and as additional new drugs are approved, the total costs of cancer drugs have risen significantly, reaching USD 196 billion by 2022[2]. An important factor behind the rising costs is that more innovative, and thus costly, treatments are made available, with a larger number of patients having access to these treatments. In addition, there is a strong focus on early diagnosing and thus treating patients at earlier stages. Half of the ten best-selling drugs globally in 2021 were drugs for treatment of cancer, accounting for about half of the total turnover for the ten best-selling pharmaceuticals[3].

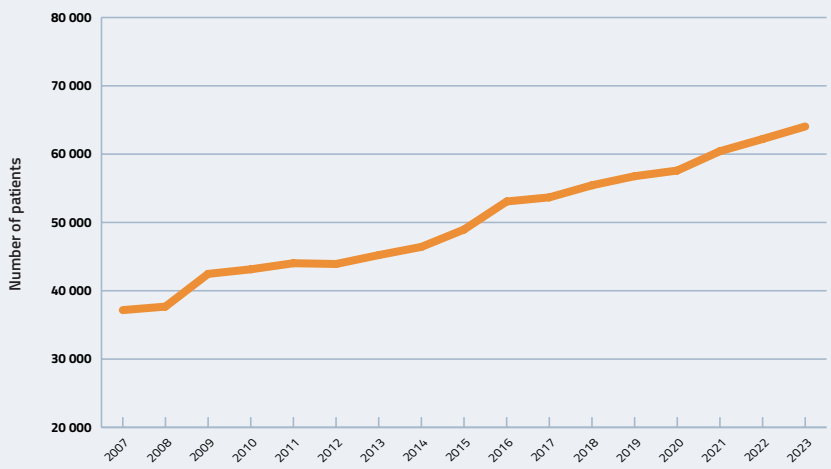
The cost of cancer drugs 2018 - 2026



EU5 (France, Germany, Italy, Spain, UK). Pharmerging (China, Brazil, India, Russia, Poland, Argentina, Turkey, Mexico, Venezuela, Romania, Saudi Arabia, Colombia, Vietnam, South Africa, Algeria, Thailand, Indonesia, Egypt, Pakistan, Nigeria, Ukraine).

Source: Iqvia Institute, Global Oncology Trends 2022, Outlook to 2026

New cases of pancreatic cancer (US)



Source: SEER Cancer Statistics Review

2. Iqvia Institute, Global Oncology Trends 2022, Outlook to 2026
3. TTNews, Top 10 Blockbuster Drugs In 2021

The market for pancreatic cancer treatment

Globally, approximately 511,000 new cases of pancreatic cancer were diagnosed in 2022. In the same year, 466,000 people died from the disease[1]. In the US, the number of people diagnosed with the disease has increased by nearly 70 per cent over the last 20 years and PDAC is today the third most common cause of cancer-related deaths in the US[4]. Since pancreatic cancer is difficult to diagnose, it is also difficult to treat as it is often well-advanced at the time of diagnosis.

PDAC 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[5]. 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 PDAC 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.

The market for breast cancer treatment

In 2022, approximately 2.3 million new cases were reported, and approximately 665,000 women died from the disease. 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[7]. 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[6].

The global market for breast cancer treatment amounted to approximately USD 36.4 billion in 2023 and is expected to increase to USD 54.7 billion by 2028, corresponding to an annual growth rate of approximately 8 per cent[7]. 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. Triple-negative breast cancer tends to be more common in women under the age of 40, African-American women and women with a BRCA1 mutation. Approximately 10-15 per cent of breast cancer cases are TNBC[8]. 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[9].

Inflammatory diseases

The treatment of inflammatory diseases often aims at reducing inflammation and relieving symptoms. Immunology agents or drugs modify the immune response by suppressing or enhancing the immune system. They are developed to treat infections and prevent or treat certain immunological or autoimmune disorders. These development areas come with very large medical needs and thereby present a strong rationale for treatment. By blocking IL1RAP, CAN10 treatment aims to influence conditions within the inflammation and immunology field, an area that has grown substantially over the past years. The number of potential indications where CAN10 could be developed is therefore significant. More than half of all diseases are considered to have an inflammatory or immunological component, and drugs in immunology that address fundamental causes of autoimmunity, such as CAN10, can therefore be applied to many indications, a phenomenon known as "pipeline in a product". 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 market for hidradenitis suppurativa (HS)

Hidradenitis suppurativa (HS) is a painful, chronic inflammation of hair follicles in areas with many sweat glands, for example in the armpits and groin. In the past, HS was considered a skin disease but is now considered a systemic disease that requires multidisciplinary treatment.

It is estimated that about 1-2 percent[11] of the population in Europe is affected but the figures vary somewhat between different countries, and between men and women. In total, an estimated 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 worth nearly USD 1.1 billion in 2023[12] and is expected to grow to USD 10 billion by 2030[13] in the seven major markets. Key drivers for growth in HS are the following[13]:

- Improved diagnosis and more patients seek treatment
- Clinicians are planning to treat them earlier and more aggressively
- Drug pricing and reimbursement are highly favorable
- Increased use of biological drugs in HS may create a market opportunity that is significantly larger.

4. SEER Cancer Stat Facts
5. Reportlinker.com, Pancreatic Cancer Treatment Market Research Report - Global Forecast to 2026
6. Pfeiffer RM, Webb-Vargas Y, Wheeler W, Gail MH. Proportion of U.S. Trends in Breast Cancer Incidence Attributable to Long-term Changes in Risk Factor Distributions. Cancer Epidemiol Biomarkers Prev. 2018;1:1.
7. Research and Markets, Breast Cancer Drugs Global Market Report 2021.
8. American Cancer Society.
9. FutureWise, Triple Negative Breast Cancer Treatment Market By Drug Type, 2020-2027
10. Immunology Market Size, Share, and Trends 2025 to 2034, Precedence Research 2023
11. James G. Krueger et..al, Br J Dermatol 2024; 190:149–162
12. GlobalData, Hiddradenitis Supperativa: Global Drug Forecast and Market Analysis to 2028.
13. The nascent hidradenitis suppurativa treatment landscape, November 25, 2024, TD Cowen

DIRECTORS' REPORT

The Board of Directors and Chief Executive Officer of Cantargia AB (publ), corporate ID no. 556791-6019, hereby present the annual report for the financial year 1 January – 31 December 2024. The company has its registered office in Lund, Sweden. Amounts in the annual report are expressed in thousands of Swedish kronor (kSEK) unless otherwise indicated.

Operations

Cantargia is a biotechnology company that develops antibody-based treatments for life-threatening diseases and has established a platform based on the protein IL1RAP, involved in a number of cancer forms and inflammatory diseases. Cantargia has two candidate drugs in clinical development: nadunolimab (CAN04) and CAN10.

The antibody nadunolimab (CAN04), is studied clinically primarily in combination with chemotherapy, focusing on PDAC and TNBC. Positive data from the combination treatment with nadunolimab and chemotherapy indicate stronger efficacy than would be expected from chemotherapy alone.

Cantargia's second development project, the antibody CAN10, is developed for the treatment of serious auto-immune and inflammatory diseases, with initial focus on hidradenitis suppurativa and systemic sclerosis.

Definitions

- **Cash and bank balances and liquid investments** - Cash and available deposits with banks and other credit institutions
- **Equity/assets ratio** - Adjusted equity as a percentage of total assets
- **Quick ratio** - Current assets as a percentage of current liabilities
- **R&D costs** - Total project costs plus allocated portion of personnel expenses and other external expenses
- **Project Costs** - The sum of external costs in Preclinical, Clinical, CMC, Regulatory and Patents
- **Earnings per share** - Profit over number of outstanding shares during the period.
- **Equity per share** - Equity over number of shares at end of period

Five-year comparision

Amounts in mSEK	2024	2023	2022	2021	2020
Net sales	-	-	-	-	-
Loss after net financial income/expense	-161.7	-280.0	-371.8	-366.5	-173.1
Cash and bank balances and liquid investments	33.0	139.7	189.6	247.3	693.4
Short-tem investments	-	55.0	237.1	312.1	210.0
Equity	116.3	168.7	389.7	532.7	891.9
Total assets	170.4	223.7	474.8	600.2	925.5
Equity/assets ratio (%)	68%	75%	82%	89%	96%
Quick ratio (%)	304%	391%	543%	887%	2996%
R&D costs	-153.8	-272.9	-364.7	-352.7	-158.4
Project costs[1]	-104.0	-220.5	-306.7	-304.2	-121.9
Total operating expenses	-168.6	-290.0	-381.5	-370.3	-173.9
R&D costs as a percentage of total operating expenses (%)	91%	94%	96%	95%	91%
Project costs as a percentage of total operating expenses (%)	62%	76%	80%	82%	70%
Number of outstanding shares at 31 Dec	183,686,684	183,686,684	166,987,895	100,192,737	100,192,737
Number of outstanding warrants 31 Dec	-	-	-	-	-
Number of outstanding employee options at 31 Dec[2]	5,806,333	4,097,333	3,069,333	3,170,333	1,740,000
Earnings per share before and after dilution (SEK)[3]	-0.88	-1.65	-2.90	-3.66	-1.94
Equity per share (SEK)	0.63	0.92	2.33	5.32	8.90
Dividend (SEK)	-	-	-	-	-

1. See also Note 24
2. See also Note 19
3. Cantargia has and had potential ordinary shares in the form of warrants during the period. These do not have a dilutive effect, however, as a conversion of warrants into ordinary shares would result in a lower loss

Significant events during the year

January
- The clinical phase I study in CAN10 continued progressing as planned. Initial results showed that CAN10 binds to the target IL1RAP, without any safety issues.

February
- New clinical results were presented, demonstrating that nadunolimab has additional effects that may be highly valuable in combination with standard chemotherapy or ADCs by reducing neuropathy and counteracting tumor-promoting signals.
- Cantargia received regulatory approval in the US to initiate a phase 2b study with nadunolimab in pancreatic cancer.

March
- New human data providing further support for CAN10 in the treatment of systemic sclerosis were presented at the Systemic Sclerosis World Congress. Both the target of CAN10, IL1RAP, and the IL1RAP-dependent signaling molecules IL1, IL33, and IL36 are upregulated in the skin of patients with systemic sclerosis and that the signaling molecules drive the development of fibrosis, which CAN10 was shown to be able to counteract.

May
- The appeal concerning one of Cantargia's patents related to the treatment of solid tumors with IL1RAP-binding antibody was withdrawn by a third party. The patent therefore remains valid with claims in accordance with the original decision of the EPO Opposition Division.
- New clinical data indicating that nadunolimab can counteract chemotherapy-induced neuropathy were presented at the ASCO Annual Meeting. The new results are based on 73 patients with pancreatic cancer treated with nadunolimab and chemotherapy. The results showed a statistically significant correlation between the dose of nadunolimab and the incidence of neuropathy, as well as a low rate of grade 3 neuropathy, which together support the protective effect of nadunolimab.

June
- The organization was strengthened through the recruitment of Ton Berkien as Chief Business Officer.
- The CAN10 project continued to pass important milestones and in June progress was reported in the phase 1 clinical trial, with seven dose groups treated without any safety concerns. Analyses confirmed full receptor binding of CAN10 to the IL1RAP target on immune cells from the subjects.

July
- Cantargia announced that the company's Chief Operating Officer will leave their role in mid-October 2024.

August
- In the phase 1 clinical trial with CAN10, further progress was reported as eight single-dose groups were treated and positive biomarker data were obtained. An independent data monitoring committee had analyzed unblinded data from the single-dose part and recommended continuation to the next part of the study, with repeated dosing.
- MD Anderson Cancer Center received FDA approval (IND) to initiate the new leukemia study with nadunolimab, which is funded by a grant from the US Department of Defense.

September
- Cantargia presented positive results at the ESMO Congress regarding the benefits of nadunolimab combination therapy after relapse on PD1 inhibitor treatment.
- New results showing the potential of CAN10 in skin diseases were presented at EADV 2024.
- The first subject in the repeated-dose part of the CAN10 phase 1 study was dosed.

October
- Cantargia reported new positive biomarker and safety results from the ongoing phase 1 clinical trial with CAN10.
- New results from the CESTAFOUR and CAPAFOUR clinical trials, where nadunolimab was studied in combination with chemotherapy in several cancers, were announced. Positive efficacy signals were documented in non-small cell lung cancer and gastrointestinal cancers.

November
- CAN10's phase 1 clinical program was expanded to study higher dose levels of the antibody based on positive results.

December
- Cantargia carried out a rights issue that will raise approximately SEK 120 million before deduction for issue costs.

Significant events after the end of the period

February 2025
- Göran Forsberg resigned as CEO and Damian Marron was appointed as interim CEO.

March 2025
- Cantargia presented promising phase 1 results from CAN10's first multiple-dose cohort, as well as feedback from the FDA and clinical experts.
- The randomized phase 2 TRIFOUR study in triple-negative breastcancer was fully recruited.
- The first patient was enrolled in Cantargia's leukemia study with nadunolimab.
- Two abstracts on IL1RAP-ADC and nadunolimab's potential role in reducing chemotherapy induced neuropathy respectively will be presented at the AACR 2025.

April 2025
- Cantargia appointed Morten Lind Jensen as Chief Medical Officer.

Revenues
Cantargia's net sales in 2024 was SEK 0 (0) million.

Operating expenses and operating loss
Research and development costs totaled SEK 153.8 (272.9) million during the year. This corresponds to a decrease of 44% compared to the previous year, driven by fewer clinical studies (TRIFOUR and CAN10 phase 1) actively recruiting and that no major investments in production were made, which was the case in 2023.

Administrative costs were essentially unchanged and amounted to SEK 14.7 (14.9) million during the year.

Exchange rate differences on accounts payable, mainly related to the change in the exchange rate of the Swedish krona against EUR and USD, are reported as other operating expenses regardless of whether the outcome is positive or negative. During the year these amounted to SEK -0.1 (-2.3) million.

This resulted in an operating loss of SEK -168.6 (-290.0) million.

Net financial items
Net financial income consists essentially of currency differences on the company's foreign currency accounts as well as interest income from bank balances and short-term investments in fixed-rate accounts. The net financial items amounted to SEK 6.9 (10.0) million for the year.

Earnings
Cantargia's results before tax, which corresponds to the year's loss, amounted to SEK -161.7 (-280.0) million.

Cash flow and investments
Cash flow from operating activities amounted to SEK -162.8 (-286.7) million for the year. As part of cash flow from operating activities, changes in working capital amounted to SEK -5.5 (-14.5) million. The issue proceeds reported under other receivables have not affected the cash flow statement.

Cash flow from investing activities amounted to SEK 55.0 (182.1) million. Cash flow from investing activities is related to divestments of short-term investments in fixed-rate accounts and interest funds.

Cash flow from financing activities amounted to SEK -1.1 (54.7) million. The negative cash flow from financing activities relates to issue expenses attributable to the rights issue carried out in December.

Total change in cash and cash equivalents amounted to SEK -108.8 (-49.9).

Financial position
The company's liquid funds, consisting of cash and available balances with banks and other credit institutions, amounted to SEK 33.0 (139.7) million on the balance sheet date. In addition to liquid funds, the company had short-term investments with banks and in fixed income funds totaling SEK 0.0 (55.0) million. Total available funds, including bank balances and short-term investments, amounted to SEK 33.0 (194.7) million as of December 31, 2024.

Together with the net proceeds from the rights issue, registered in January 2025, of SEK 107 million, the company had approximately SEK 140 million at the beginning of the year. On the date of the annual report, this is not considered sufficient to finance the company's operations throughout 2025.

The board is actively working on the issue and believes that the company has promising prospects to secure financing, e.g. through a business development transaction with an upfront payment upon conclusion of an agreement or other financing alternatives, including the issuance of shares. Any deviations from these plans may increase the risk to the operational activities and going concern.

The equity ratio amounted to 68 (75) percent on December 31, 2024 and equity to SEK 116.3 (168.7) million.

Total assets at the end of the period amounted to SEK 170.4 (223.7) million.

Share-based incentive schemes
The purpose of share-based incentive programs is to promote the company's long-term interests by motivating and rewarding the company's senior executives and other employees. At the end of the reporting period, Cantargia had three active employee stock option programs covering the company's management, other personnel and consultants. The active programs are the employee stock option program 2020/2023 decided at the 2020 Annual General Meeting, the employee stock option program 2021/2024 decided at the 2021 Annual General Meeting and the employee stock option program 2023/2026 decided at the 2023 Annual General Meeting. For more information about these programs, see Note 19.

During 2024, 2,215,000 employee stock options were granted, and 506,000 employee stock options were revoked. Allocated options as of December 31, 2024, amounted to 5,806,333 options and corresponded to a total of 7,355,600 potential shares. Recalculation of employee stock option programs

after the rights issue in 2022 means that each option in the employee stock option programs 2020/2023 and 2021/2024 entitles the holder to subscribe for 1.2 shares.

The cost of the share-based incentive programs amounted to SEK 3.1 (4.5) million, of which SEK 0.0 (0.1) million constitutes provisions for social security contributions and SEK 3.1 (4.4) million constitutes costs for share-based compensation. The cost has not affected cash flow. The company has issued warrants to enable the company to deliver shares in a simple and cost-effective manner in connection with the exercise of the issued employee stock options.

Risks and risk management

Several risk factors can have a negative impact on the operations of Cantargia. It is therefore very important to take account of relevant risks in addition to assessing the company's growth prospects. A description of risk factors, not in order of importance and not exhaustive, is given below. For natural reasons it is not possible to assess all risk factors without making a general assessment of the company's operations and external factors. See also Note 3, Financial risk management.

Research and development and dependence on candidate drugs

The development of candidate drugs is associated with significant risks of failure and/or that the results are such that continued research and development are required. These risks include that the Company's antibodies prove to be ineffective, toxic or otherwise fail to meet applicable requirements or that a drug candidate proves to be difficult to develop into a commercially viable product that generates revenue for the Company. Furthermore, delays and unexpected difficulties in development (for example, production or clinical studies) risk incurring additional costs for the Company. If the development of any of the antibodies fails, Cantargia's operations, financial position and results of operations will be materially adversely affected and there is a risk that Cantargia will not be able to continue its operations in its current form.

Implementation of preclinical and clinical studies

Results from early clinical studies are not always consistent with the results of more comprehensive clinical studies. There is a risk that the planned studies will not indicate levels of safety and efficacy that are sufficient to obtain the required regulatory permits or to enable the company to license, establish partnerships for or sell its potential product.

Regulatory permits and registrations

To obtain the right to market and sell a drug, all candidate drugs under development need to go through a comprehensive registration process and be approved by the relevant regulator in an individual market.

There is also a risk that the rules which currently apply for registration, or interpretations of these rules, will be amended in a way that is to the disadvantage of Cantargia. In the event that Cantargia does not obtain the required product approvals or in the event that any future approvals are withdrawn or limited, this could have significant negative effects on Cantargia's operations, financial position and results.

Changes in economic activity and the pricing of drugs

The pricing and demand for pharmaceutical drugs could be adversely affected by a general economic decline in major pharmaceuticals markets. In certain countries, the pricing of drugs is determined at the regulatory level and, in case of the launch of drugs, the pricing could thus be regulated by authorities in several countries. A deterioration in general economic conditions and/or regulatory decisions could therefore result in a lower pricing of the drug projects than expected by Cantargia, which could have a significant negative impact on the company's operations, financial position, and results.

Partnerships, licensing and marketing

Cantargia is and will in future be dependent on partnerships in connection with the development of candidate drugs, preclinical and clinical studies, and licensing/partnerships for any future sale of drugs. In the event that these or future partnerships were to be terminated, there is a risk that the company would be unable, on short notice, to conclude contracts with suitable new business partners, which could have a significant negative impact on the company's operations, financial position and results.

In the future, Cantargia could also be dependent on external parties for marketing and sales. If the company is not successful in its attempts to conclude future or maintain existing partnership agreements for its product candidate, this could have a significant negative impact on Cantargia's operations, financial position, and results.

Financing and capital requirements

Since starting its operations, Cantargia has been reporting an operating loss and cash flow is expected to remain mainly negative until Cantargia succeeds in generating revenue from a launched product. Cantargia will also continue to need significant capital for research and development in order to conduct preclinical and clinical studies. If Cantargia, wholly or partly, were to fail to acquire sufficient capital, or succeed in doing so only on unfavourable terms, this could have a significant negative impact on the company's operations, financial position and going concern.

Competition
If a competitor succeeds in developing and launching an effective cancer drug, this could have a negative impact on the company's ability to generate revenue. Furthermore, technology that is controlled by outside parties and that could be of use for the company's operations could be acquired or licensed by Cantargia's competitors, and thereby prevent Cantargia from obtaining such technology on commercially acceptable terms, or at all. Competitors with greater resources could also successfully market a similar or even an inferior drug and obtain wider recognition in healthcare in general for such a drug, which could have a negative impact on the company's operations, financial position, and results.

Dependence on key individuals and employees
Cantargia is dependent on a number of key individuals for the continued development of the company's operations and preclinical and clinical projects. There is, however, a risk that one or several of the company's employees will terminate their employment with the company or that the company will fail to recruit new individuals with relevant knowledge, which could delay the company's development and commercialization of its candidate drug.

Patents and other intellectual property rights
There is a risk that it will not be possible to obtain patent protection for drugs and production methods developed by Cantargia, that Cantargia will be unable to register and complete all necessary or desirable patent applications at a reasonable cost or that a future patent portfolio and other intellectual property rights held by the company will not provide adequate commercial protection. There is also a risk that a patent will not create a competitive advantage for the company's drugs and/or methods or that competitors will succeed in circumventing the company's patents.
If Cantargia is forced to defend its patent rights against a competitor, this could entail significant costs, especially in any disputes with competitors with significantly greater resources than Cantargia. If Cantargia in its own operations uses or is alleged to be using products or methods which are protected by patents or will be patented by another party, the holder of these patents could accuse Cantargia of patent infringement.

The failure to maintain its own, and/or any infringement of other parties' intellectual property rights could have a significant negative impact on Cantargia's operations, financial position and results.

Product liability
Cantargia's operations are subject to various liability risks that are common for companies engaged in drug research and development. This includes the risk of product liability that can arise in connection with production and clinical studies where the participating patients can experience side effects or fall ill during treatment. There is a risk that product liability claims could have a significant negative impact on Cantargia's operations, financial position, and results.

Insurance cover
Cantargia believes that the insurance cover for its current operations is appropriate. There is, however, a risk that such cover will prove insufficient for claims that could arise in relation to product liability and other damage. There is therefore a risk that insufficient or excessively expensive insurance cover could have a significant negative impact on the company's operations, financial position, and results.

Currency risk
Assets, liabilities, income and expenses in foreign currency give rise to currency exposures. The company is exposed to currency risks, as some the company's costs are paid in EUR, USD and other international currencies and because a part of the company's future sales revenue may be received in international currencies. A material change in such exchange rates could have a negative impact on the company's financial statements, which in turn could have negative effects on Cantargia's financial position and results. See also Note 3 for information about how Cantargia handles this risk.

Employees
One of Cantargia's key success factors is the company's employees. The average number of employees of the company during the year was 22 (24), of whom 12 (14) are women. The number of employees at year-end was 22 (22) fulltime equivalents, of whom 12 (13) are women. The level of education among the employees is generally high. Nearly all employees hold a PhD in medicine or natural sciences or have higher university degrees. In addition to its employees, Cantargia engages a number of consultants who are tied to the business on a continuous basis. The large network with which Cantargia works ensures access to top-level expertise, flexibility, and cost effectiveness.

Research and development
The majority of the company's resources, 91 (94) percent, are used for research and development.

Environmental impact
Cantargia AB does not engage in activities requiring a permit under the Swedish Environmental Code, as the company does not engage in the production of pharmaceuticals or pharmaceutical substances and does not handle solvents and chemicals.

Guidelines for remuneration and other terms of employment for senior executives

Under the Swedish Companies Act, guidelines for remuneration of the CEO and other senior executives must be adopted by the shareholders' meeting. A set of guidelines were adopted at the Annual General Meeting on May 23, 2024. No deviations from these guidelines have been made.

The guidelines do not cover remuneration or share-based incentive schemes adopted or approved by the shareholders' meeting.
The guidelines essentially correspond to the guidelines adopted by the AGM 2020. The guidelines valid for 2024 are presented below. For more information, see also Note 18.

How the guidelines promote Cantargia's business strategy, long-term interests and sustainability

Cantargia's business model and scientific strategy are based on partnerships, and Cantargia has entered agreements with a number of companies, hospitals and academic groups. A large number of international and local organizations are currently engaged in research and development related to Cantargia's nadunolimab and CAN10 antibodies. The strategy is to advance the development of these drug candidates in-house until the stage where a development or commercialization agreement is reached with companies within Cantargia's business area. For further information about Cantargia's business strategy, see www.cantargia.com.

To successfully implement its business strategy and safeguard its long-term interests, including its sustainability, it is essential that Cantargia is able to recruit and retain competent employees who work to achieve maximum shareholder and customer value. To do so, Cantargia must be able to offer competitive remuneration. These guidelines enable senior executives to be offered competitive total remuneration.

Long-term incentive schemes have been established in Cantargia. The schemes have been approved by the shareholders' meeting and are therefore not covered by these guidelines. For the same reason, the share-based incentive scheme and employee stock option scheme approved by the AGMs are also not covered.

Forms of remuneration

The remuneration paid to senior executives shall be market based and may consist of the following components: a fixed cash salary, variable cash remuneration, pension benefits and other benefits. The total remuneration paid to senior executives shall comprise a balanced mix of the above components. The Board shall annually evaluate whether long-term incentive schemes should be proposed to the shareholders' meeting.

The fixed cash salary shall be individual and based on the senior executive's areas of responsibility, role, competence and position.

For the CEO, the variable cash remuneration shall not exceed 30 percent of the fixed annual cash salary. For other senior executives, the corresponding remuneration shall not exceed 20 percent of the executive's fixed annual cash salary. Variable cash remuneration can be pensionable if this is provided for under mandatory provisions of a collective bargaining agreement.

Pension benefits shall be defined contribution benefits unless the executive is covered by a defined benefit plan under mandatory provisions of a collective bargaining agreement. Pension premiums for defined contribution pensions shall not exceed 35 percent of the fixed annual cash salary. Notwithstanding the above, the Board shall have the right to instead offer other solutions that are equivalent from a cost perspective for the company.

Other benefits may include benefits such as health insurance and occupational health care. Such benefits must be of limited value in relation to other remuneration and be consistent with normal market practice in each geographical market. The combined value of other benefits shall not exceed 10 percent of the fixed annual cash salary.
With regard to employment relationships that are subject to other rules than Swedish rules, appropriate adjustments may be made in respect of pension benefits and other benefits in order to comply with mandatory rules or established local practice, in which case the general purpose of these guidelines shall be adhered to as far as possible.

Termination of employment

If employment is terminated by Cantargia, the notice period shall not exceed six months. If employment is terminated by the executive, the notice period shall not exceed six months for the CEO and three months for other senior executives.

For the CEO, severance pay of up to twelve months' fixed cash salary and employment benefits may be paid, in addition to a fixed basic salary during the notice period. For other senior executives, the sum of the fixed basic salary during the notice period and severance pay shall not exceed the amount of the executive's annual fixed cash salary.

Criteria for payment of variable cash remuneration, etc.

Variable cash remuneration must be linked to predetermined and measurable criteria, which may be financial or non-financial and must be designed to promote the company's long-term value creation. The criteria must relate to development activities in the development projects in which the company is engaged and the partnerships the company enters into to accelerate the clinical development process and advance towards commercialization as well as the

remuneration resulting therefrom (e.g. one-time payments at the time of entering into agreements, milestone compensation or royalties). The criteria must also be designed to promote Cantargia's business strategy and longterm interests, including its sustainability.

Fulfilment of criteria for payment of variable cash remuneration shall be measured over a period of one year. When the measurement period for meeting the criteria for payment of variable cash remuneration has ended, it shall be determined to what extent the criteria have been met. The assessment regarding variable cash remuneration of senior executives shall be made by the Remuneration Committee. With regard to financial targets, the assessment shall be based on the company's most recently published financial information.

Salary and terms of employment for employees
In preparing these proposed remuneration guidelines, the Board has taken account of salaries and employment terms for the company's employees by including information on employees' total remuneration, the components of the remuneration and the increase and rate of increase of the remuneration over time in the decision basis used by the Board to assess the reasonableness of the guidelines and the limitations arising therefrom.

The decision-making process for determining, reviewing and implementing the guidelines
The Board has established a Remuneration Committee. The committee's duties include preparing the Board's resolution on the proposed guidelines for remuneration of senior executives. The Board shall prepare proposed new guidelines at least every fourth year and submit its proposal for adoption by the AGM. The guidelines shall apply until new guidelines have been adopted by the shareholders' meeting. The Remuneration Committee shall also monitor and evaluate programmes for variable remuneration for management, the application of guidelines for remuneration of senior executives, and applicable remuneration structures and remuneration levels in the company. The members of the Remuneration Committee are independent of the company and management. During the Board's deliberations and when resolutions on remuneration-related matters are made, the CEO or other members of management shall not be present, insofar as they are affected by the matters concerned.

Deviation from the guidelines
The Board may decide temporarily to deviate, wholly or partially, from the guidelines if in an individual case there are special reasons therefor and such deviation is necessary to safeguard Cantargia's long-term interests, including its sustainability, or to ensure Cantargia's financial viability. As stated above, it is part of the duties of the Remuneration Committee to prepare the Board's resolutions on remuneration matters, which includes resolutions on deviations from the guidelines.

Outlook for 2025

Cantargia's overall goal is to develop drug candidates for the treatment of life-threatening diseases with a focus on cancer as well as autoimmune and inflammatory diseases. The strategy is to drive the development of these drug candidates in-house until development or commercialization agreements with companies within Cantargia's area of operation.

For nadunolimab, the goal is to confirm the promising phase 1/2 results in randomized studies. The TRIFOUR study is such a controlled randomized study. Here, combination treatment with nadunolimab and chemotherapy is tested against a control group that only receives chemotherapy in women with triple-negative breast cancer. The study is now fully recruited and initial top-line results are expected mid-2025. A further ambition is to build on the promising results showing that pancreatic cancer patients with high levels of IL1RAP respond best to treatment with nadunolimab and chemotherapy.

For CAN10, the goal is to complete the ongoing phase 1 clinical study and prepare the project to advance into phase 2 by the end of the year.

Appropriation of retained earnings

Proposed appropriation of retained earnings (see also Note 21). The Annual General Meeting is asked to resolve on the appropriation of the following (SEK thousands):

Share premium account	1,777,402
Loss brought forward	-1,519,333
Loss for the year	-161,654
	96,415

The Board of Directors proposes that: SEK 96,415 thousands are carried forward.

For more information on the company's results and financial position, see the following income statement and balance sheet and the additional disclosures.

SHAREHOLDER INFORMATION

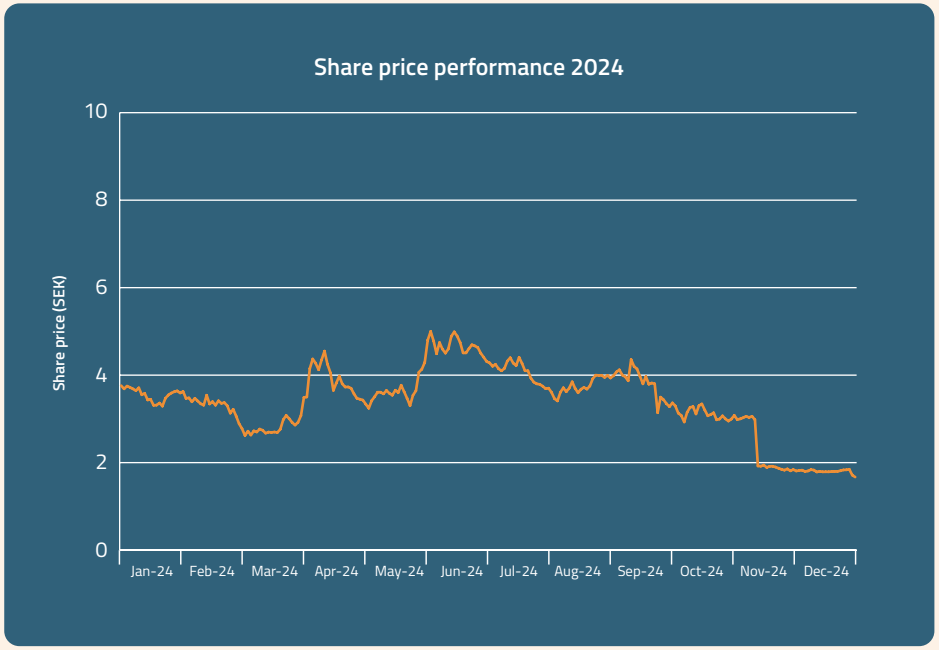
Shareholder information

The share

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 year was SEK 1.69 (3.74). On December 31, 2024, the number of shares amouted to 183,686,684 (183,686,684).

At the balance sheet date, the total outstanding option scheme including not assigned options comprised 6,591,333 employee stock options, entitling the holders to subscribe for 7,355,600 shares, which would have a potential dilutive effect of approximately 3.9 per cent and increase the share capital by SEK 588,448.



Ownership distribution

Cantargia's ten largest owners as of December 31, 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	8,474,922	4.6%
Försäkringsaktiebolaget, Avanza Pension	8,451,152	4.6%
Golman Sachs International	6,353,905	3.5%
Handelsbanken fonder	4,658,416	2.5%
Swedbank Robur Fonder	3,692,995	2.0%
Nordnet Pensionsförsäkring	2,812,241	1.5%
Brushamn Invest Aktiebolag	2,261,160	1.2%
Other	102,991,930	56.1%
Total	**183,686,684**	**100.0%**

* Based on the number of shares at the end of the year, excluding the non-registered rights issue.

Ownership distribution size classes as of December 31, 2024

Holding	Number of shareholders	Number of shares	Capital/ Votes (%)	Market Cap (KSEK)
1 - 500	6,907	1,027,359	0.6%	1,736
501 - 1,000	1,744	1,387,611	0.8%	2,345
1,001 - 5,000	3,701	9,330,276	5.1%	15,768
5,001 - 10,000	1,108	8,309,827	4.5%	14,044
10,001 - 15,000	436	5,447,832	3.0%	9,207
15,001 - 20,000	290	5,167,568	2.8%	8,733
20,001 -	863	141,939,805	77.3%	239,878
Unknown ownership size	0	11,076,406	6.0%	18,719
Summa	**15,049**	**183,686,684**	**100.0%**	**310,430**

Share capital history

Year	Event	Quotient value	Increase in no. of shares	Increase in share capital	Total no. of shares	Total share capital
2009	Incorporation	1.00	100,000	100,000.00	100,000	100,000.00
2010	Issue of new shares	1.00	10,870	10,870.00	110,870	110,870.00
2011	Issue of new shares	1.00	14,130	14,130.00	125,000	125,000.00
2012	Issue of new shares	1.00	3,571	3,571.00	128,571	128,571.00
2012	Issue of new shares	1.00	7,143	7,143.00	135,714	135,714.00
2012	Issue of new shares	1.00	7,143	7,143.00	142,857	142,857.00
2013	Issue of new shares	1.00	3,572	3,572.00	146,429	146,429.00
2013	Issue of new shares	1.00	25,001	25,001.00	171,430	171,430.00
2014	Issue of new shares	1.00	12,500	12,500.00	183,930	183,930.00
2014	Bonus issue	2.96	-	360,502.80	183,930	544,432.80
2014	37:1 share split	0.08	6,621,480	-	6,805,410	544,432.80
2014	Debt-for-equity swap	0.08	789,464	63,157.12	7,594.874	607,589.92
2015	Issue	0.08	5,800,000	464,000.00	13,394,874	1,071,589.92
2015	Issue of new shares TO 2010:1	0.08	111,000	8,880.00	13,505,874	1,080,469.92
2016	Issue of new shares TO1/TO3	0.08	4,127,260	330,180.80	17,633,134	1,410,650.72
2016	Issue of new shares 2011/2016	0.08	46,250	3,700.00	17,679,384	1,414,350.72
2016	Issue of new shares TO2/TO4	0.08	3,237,816	259,025.28	20,917,200	1,673,376.00
2017	Issue of new shares	0.08	11,158,308	892,664.64	32,075,508	2,566,040.64
2017	Issue of new shares	0.08	14,865,000	1,189,200.00	46,940,508	3,755,240.64
2018	Issue of new shares	0.08	19,245,303	1,539,624.24	66,185,811	5,294,864.88
2019	Issue of new shares	0.08	6,618,581	529,486.48	72,804,392	5,824,351.36
2020	Issue of new shares	0.08	18,201,097	1,456,087.76	91,005,489	7,280,439.12
2020	Issue of new shares TO 2017/2020	0.08	86,700	6,936.00	91,092,189	7,287,375.12
2020	Issue of new shares	0.08	9,100,548	728,043.84	100,192,737	8,015,418.96
2022	Issue of new shares	0.08	66,795,158	5,343,612.64	166,987,895	13,359,031.60
2023	Issue of new shares	0.08	16,698,789	1,335,903.12	183,686,684	14,694,934.72

*) The, at the end of 2024, ongoing rights issue, which was registered in 2025, will increase the share capital by SEK 5,193,997.68 and the number of shares by 64,924,971.

FINANCIAL REPORTS

STATEMENT OF COMPREHENSIVE INCOME

SEK thousand	Note	1 Jan 2024 31 Dec 2024	1 Jan 2023 31 Dec 2023
Net sales		-	-
Other operating income		-	-
Operating income		**-**	**-**
Research and development costs	7, 18	-153,783	-272,882
Administrative costs	6, 7, 18	-14,685	-14,883
Other operating expenses	9	-115	-2,252
Operating expenses	24	**-168,583**	**-290,017**
Operating result		**-168,583**	**-290,017**
Interest income and similar items	10, 12	11,155	16,362
Interest expense and similar items	10, 12	-4,226	-6,372
Net financial items		**6,929**	**9,990**
Result after financial items		**-161,654**	**-280,027**
Income tax	11	-	-
Result for the period*		**-161,654**	**-280,027**
Earnings per share before dilution (SEK)**	20	-0,88	-1.65
Earnings per share after dilution (SEK)**	20	-0,88	-1.65

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

STATEMENT OF FINANCIAL POSITION

SEK thousand	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Fixed assets			
Intangible assets			
Patent		3,755	4,657
Total intangible assets	27	**3,755**	**4,657**
Tangible assets			
Machinery and equipment		2,307	4,845
Total tangible assets	26	**2,307**	**4,845**
Total fixed assets		**6,062**	**9,502**
Currents assets			
Short-term receivables			
Other receivables		121,791	2,194
Prepaid expenses and accrued income		9,538	17,269
Total short-term receivables		**131,329**	**19,463**
Short-term investments			
Other short-term investments	14	-	55,000
Total short-term investments		**-**	**55,000**
Cash and bank balances			
Cash and bank balances	15	33,036	139,747
Total cash and bank balances		**33,036**	**139,747**
Total current assets		**164,365**	**214,210**
TOTAL ASSETS		**170,427**	**223,712**

SEK thousand	Note	31 Dec 2024	31 Dec 2023
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	16	14,695	14,695
Non-registered share issue		5,194	-
Total restricted equity		**19,889**	**14,695**
Non-restricted equity			
Share premium account		1,777,402	1,676,530
Retained earnings		-1,519,333	-1,242,456
Loss for the year		-161,654	-280,027
Total non-restricted equity	21	**96,415**	**154,047**
Total equity		**116,304**	**168,742**
Long-term liabilities			
Provision for social security contributions, incentive program	13, 19	84	119
Total long-term liabilities		**84**	**119**
Short-term liabilities			
Trade payables		10,984	23,173
Other liabilities		878	802
Accrued expenses and deferred income	17	42,177	30,877
Total short-term liabilities		**54,039**	**54,851**
TOTAL EQUITY AND LIABILITIES		**170,427**	**223,712**

STATEMENT OF CHANGES IN EQUITY

SEK thousand		Restriced equity	Non-restricted equity		Total
1 Jan 2024 - 31 Dec 2024	**Note**	**Share capital**	**Share premium account**	**Ret. earnings incl. profit/loss for the year**	**Total equity**
Opening balance, 1 January 2024		**14,695**	**1,676,530**	**-1 ,522,482**	**168,742**
Result for the period		-	-	-161,654	-161,654
Transactions with shareholders					
Issue of new shares for the year	16	-	114,917	-	114,917
Non-registered share issue	16	5,194	-	-	5,194
Issuing expenses		-	-14,045	-	-14,045
Employee stock option program	19	-	-	3,149	3,149
Total transactions with shareholders		5,194	100,872	3,149	109,215
Closing balance, 31 December 2024		**19,889**	**1,777,402**	**-1,680,987**	**116,304**
1 Jan 2023 - 31 Dec 2023					
Opening balance, 1 January 2023		**13,359**	**1,623,185**	**-1,246,860**	**389,684**
Result for the period		-	-	-280,027	-280,027
Transactions with shareholders					
Issue of new shares for the year		1,336	57,945	-	59,281
Issuing expenses		-	-4,600	-	-4,600
Employee stock option program	19	-	-	4,405	4,405
Total transactions with shareholders		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 FLOWS

SEK thousand	Note	1 Jan 2024 31 Dec 2024	1 Jan 2023 31 Dec 2023
Cash flow from operating activities			
Operating result		-168,583	-290,017
Adjustments for non-cash items	23	6,552	7,951
Interest received etc.	10	4,824	9,929
Interest paid etc.	10	-	-1
Cash flow from operating activities before changes in working capital		**-157,207**	**-272,138**
Changes in working capital			
Changes in receivables		8,245	15,713
Changes in trade payables		-12,189	-14,737
Changes in other current liabilities		-1,601	-15,501
Cash flow from changes in working capital		**-5,545**	**-14 525**
Cash flow from operating activities		**-162,752**	**-286,663**
Investing activities			
Acquisition of tangible assets	26	-	-
Increase in other short-term investments	14	-	-55,000
Decrease in other short-term investments	14	55,000	237,095
Cash flow from investing activities		**55,000**	**182,095**
Financing activities			
New share issue		-	59,281
Issuing expenses		-1,066	-4,600
Cash flow from financing activities		**-1,066**	**54,681**
Change in cash and cash equivalents		-108,818	-49,888
Cash and cash equivalents at beginning of period		139,747	189,573
Exchange rate difference in cash equivalents	10	2,107	62
Cash and cash equivalents at end of period *	15	**33,036**	**139,747**

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

Notes

NOTE 1 - General information

Cantargia AB (publ), org. nr 556791–6019, is a biotechnology company that develops antibody-based treatments for life-threatening diseases and has established a platform based on the protein IL1RAP, involved in a number of cancer forms and inflammatory diseases. Cantargia has two candidate products in clinical development: nadunolimab (CAN04) and CAN10.

The antibody nadunolimab (CAN04) is studied clinically, primarily in combination with chemotherapy, focusing on pancreatic cancer, triple-negative breast cancer, and non-small cell lung cancer. Positive results from combination with chemotherapy indicate stronger efficacy than would be expected with chemotherapy alone.

Cantarga's second project, the antibody CAN10, blocks signaling via IL1RAP in a different manner than nadunolimab and addresses treatment of serious autoimmune diseases, with initial focus on myocarditis and systemic sclerosis. CAN10 initiated clinical development in 2023.

Cantargia consists of one legal entity, Cantargia AB, corporate ID number 556791-6019.

Cantargia is listed on Nasdaq Stockholm (ticker: CANTA) since September 2018.

NOTE 2 - Accounting policies and valuation principles

Significant accounting policies applied in preparing this annual report are described in the following. Unless otherwise stated, these policies have been applied consistently for all the annual periods presented. This annual report was adopted by the Board of Directors on April 10, 2025.

2.1 - Basis of preparation of financial statements

Cantargia AB has prepared its annual accounts in accordance with the Swedish Annual Accounts Act and Recommendation RFR 2 Financial Reporting for Legal Entities of the Swedish Financial Reporting Board (RFR 2). RFR 2 states that a legal entity is required to apply the International Financial Reporting Standards (IFRS), as adopted by the EU, insofar as this is possible under the Swedish Annual Accounts Act and Pension Obligations Vesting Act and with regard to the relationship between accounting and taxation. The recommendation specifies the exemptions from and the additional disclosures that are required in relation to IFRS.

The preparation of financial statements in compliance with the applied regulations requires the use of critical accounting estimates. Management is also required to make certain judgements in applying the company's accounting policies. Areas which involve a high degree of judgement, are complex or where assumptions and estimates have a material impact are described in Note 4.

2.1.1 - Changes to accounting policies and disclosures

Standards, amendments, and interpretations of existing standards that have entered into force during the financial year.

During the financial year, amendments to IAS 1 (classification of liabilities and liabilities with covenants), IFRS 16 (sale and leaseback), as well as IAS 7 and IFRS 7 (supplier finance arrangements), came into effect. However, no new IFRS standards or IFRIC interpretations have had a material impact on Cantargia's financial reporting.

IFRS 18, which will come into effect on January 1, 2027, and has not yet been adopted by the EU, will replace IAS 1 and introduce new requirements regarding the presentation and disclosure in financial statements. Management is currently evaluating the specific implications of applying the new standard to the financial statements.

2.1.2 - Formats

The format prescribed in the Swedish Annual Accounts Act is used for the income statement and balance sheet. The statement of changes in equity is presented in the format prescribed in IAS 1 Presentation of Financial Statements but must contain the columns indicated in the Annual Accounts Act.

2.2 - Segment reporting

Cantargia's chief operating decision maker is the company's Chief Executive Officer (CEO), as it is primarily he who is responsible for the allocation of resources and evaluation of results. The CEO receives reports containing financial information for Cantargia as a whole. Cantargia has not yet commercialized any part of the development projects in which it is engaged and therefore is not yet generating any income. All activities of Cantargia are considered to constitute a single operating segment.

2.3 - Intangible assets

(i) Research and development costs

Cantargia is a research-based biotech company that is engaged in research and development of antibody-based therapy for severe diseases. All expenditure directly attributable to the development and testing of identifiable and unique products which are controlled by Cantargia is accounted for as an intangible asset when the following criteria are met:

- it is technically feasible to complete the product so that it will be available for use,
- Cantargia intends to complete the product for use or sale,
- there is reason to expect that the company will be able to use or sell the product,
- it can be shown that the product will generate probable future economic benefits
- adequate technical, economic and other resources are available to complete the development of and use or sell the product, and
- the costs attributable to the product during its development can be reliably measure

The overall risk in ongoing development projects is high. The risk includes safety and efficacy risks that can arise in clinical studies, regulatory risks related to applications and approval for clinical studies and marketing authorization, as well as IP risks related to approval of patent applications and the maintenance of patents. All development work is therefore deemed to be research, as the work does not meet the criteria listed below. As of 31 December 2024 no development costs had been recognized as intangible assets in the balance sheet, as it was not considered that all of the above criteria for capitalization had been met for any of the development projects in which the company is engaged.

Research expenditure is expensed as incurred.

Capitalized development costs are recognized as intangible assets and amortized from the date when the asset is ready for use.

(ii) Patents, licenses, and similar assets

Intangible assets also include patents, licenses, and other similar rights. Acquired such assets are reported at acquisition value and amortized on a straight-line basis over the expected period of utilization, which normally coincides with, for example, the patent's validity period.

2.4 - Impairment of intangible assets

Intangible assets which are not ready for use (capitalized development costs) are not amortized but are tested annually for impairment. However, no capitalized development costs are currently recognized in Cantargia's balance sheet.

2.5 - Leases

Cantargia is a lessee only under operating leases, of which rental of office premises is the most significant. Leases in which a significant share of the risks and benefits of ownership are retained by the lessor are classified as operating leases. Payments made during the lease term (after deducting for any incentives from the lessor) are recognized as an expense in the statement of comprehensive income on a straight-line basis over the lease term

2.6 - Foreign currency

Transactions in foreign currencies are translated into the functional currency based on the exchange rate at the date of the transaction or at the time of the revaluation. Foreign exchange gains and losses are recognized in the statement of comprehensive income, with exchange differences related to accounts payable being recognized in other operating expenses and exchange differences related to foreign currency accounts being recognized in net financial items.

2.7 - Financial assets and liabilities

Recognition and derecognition in the balance sheet

A financial asset or financial liability is recognized in the balance sheet when the company becomes a party to the contractual terms and conditions of the instrument. A financial asset is derecognized in the balance sheet when the contractual right to the cash flow from the asset expires or is settled. The same applies when the risks and benefits of ownership of the asset have essentially been transferred to another party and the company no longer has control over the financial asset. A financial liability is derecognized in the balance sheet when the contractual obligation is fulfilled or extinguished.

Measurement of financial instruments

Cantargia applies the exemption in RFR 2 under which IFRS 9 Financial Instruments is not applied. Instead, cost is applied in accordance with the Annual Accounts Act.

Financial assets are initially measured at cost including any transaction costs directly attributable to the acquisition of the asset. After initial recognition, current financial assets are measured at the lower of cost and net realizable value at the balance sheet date.

Trade receivables and other receivables classified as current assets are measured individually at the amounts expected to be paid.

Interest-bearing financial assets are measured at amortized cost using the effective interest method.

Measurement of financial liabilities

Short-term trade payables are recognized at cost.

2.8 - Employee benefits

Retirement benefit obligations

Cantargia has both defined contribution and defined benefit pension plans. Defined contribution pension plans are postemployment benefit plans under which the company pays fixed contributions into a separate legal entity. Cantargia has no legal or constructive obligations to pay further contributions if this legal entity does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions are recognized as personnel expenses when they fall due.

Cantargia's defined benefit pension plans consist of the ITP 2 plan's defined benefit pension obligations. The ITP 2 plan's defined benefit pension obligations for retirement and family pensions are secured through an insurance policy with Alecta. According to a statement from the Swedish Financial Reporting Board, UFR 10 Recognition of the ITP 2 Plan that is funded through an insurance policy with Alecta, this is a defined benefit plan covering several employers. For the financial year 2024, Cantargia has not had access to information that would enable it to account for its proportionate share of the plan's obligations, assets, and expenses. It has therefore not been possible to recognize the plan as a defined benefit plan. The ITP 2 pension plan secured through an insurance policy with Alecta is therefore accounted for as a defined contribution plan. The contribution for defined benefit retirement and family pensions is calculated individually and depends on factors such as salary, previously earned pension and expected remaining period of service.

The collective funding ratio is defined as the market value of Alecta's assets as a percentage of its commitments to policyholders calculated using Alecta's actuarial methods and assumptions, which do not comply with IAS 19. The collective funding ratio should normally be permitted to vary within a range of 125 and 175 per cent. If Alecta's collective funding ratio were to fall below 125 per cent or exceed 175 per cent, it would be necessary to take measures that will enable the ratio return to the normal range. In case of a low funding ratio, one measure that can be taken is to raise the agreed price for new policies and the expansion of existing benefits. If the funding ratio is high, contributions can be reduced. At the end of the financial year 2024, Alecta's surplus, as defined by the collective funding ratio, was 162 per cent (2023: 158 per cent).

Short-term benefits

Short-term benefits are employee benefits which are payable within twelve months of the balance sheet date in the year in which the employee earned the benefit, with the exception of post-employment benefits and termination benefits.

Short-term benefits include

1. salaries, social security contributions and other payroll costs,
2. paid short-term leave such as paid holiday and paid sick leave,
3. bonuses, and
4. non-monetary benefits such as health care for current employees

Accounting treatment - paid short-term leave

Short-term benefits for paid leave that can be saved should be accounted for as an expense and current liability when the employees have performed the services which entitle them to future paid leave. Short-term benefits for paid leave that are not saved should be recognized as an expense when the leave is taken

Accounting treatment - bonus plans

The expected expense for profit sharing and bonuses should be recognized only if

1. the company has a legal or constructive obligation as a result of past events, and
2. the amount of the obligation can be reliably estimated.

Termination benefits

Termination benefits are paid when an employee's employment has been terminated by the company before the normal time of retirement or when an employee accepts voluntary redundancy in exchange for such compensation. Cantargia recognizes termination benefits at the earliest of the following: (a) when the company can no longer withdraw the offer of such benefits; and (b) when the company recognizes restructuring costs provided for under IAS 37 which involve the payment of severance pay. If the company has made an offer to encourage voluntary redundancy, termination benefits are calculated based on the number of employees that are expected to accept the offer. Benefits expiring more than 12 months after the end of the reporting period are discounted to present value.

2.9 - Tax

The tax on the profit for the year in the income statement consists of current tax and deferred tax. Current tax is calculated on the taxable profit for the period at the applicable tax rate. The actual tax expense is calculated based on the tax rules that have been enacted or substantively enacted by the balance sheet date.

Deferred tax liabilities are recognized for all taxable temporary differences. However, deferred tax attributable to untaxed reserves is accounted for separately, as untaxed reserves are

recognized as a separate item in the balance sheet. Deferred tax liabilities are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be wholly or partially offset.

Deferred tax is calculated using tax rates (and laws) which have been adopted or announced at the balance sheet date and are expected to apply when the deferred tax asset is realized or the deferred tax liability is settled. As the company is not generating any profit, the deferred tax asset on tax losses arising from tax losses presented in Note 11 has not been assigned any value.

2.10 - Revenue

Interest income

Interest income is recognized using the effective interest method.

2.11 - Cash and cash equivalents and statement of cash flows

The statement of cash flows is prepared using the indirect method. The reported cash flow only includes transactions involving incoming or outgoing payments. The company classifies cash, available deposits with banks and other credit institutions as cash and cash equivalents.

2.12 - Share capital

Ordinary shares are classified as equity.

Transaction costs which are directly attributable to the issuance of new shares or options are recognized, net of tax, in equity less a deduction from the proceeds of the issue.

2.13 - Earnings per share

(i) Earnings before dilution

Earnings per share before dilution are calculated by dividing:

- Profit/loss for the year
- with a weighted average number of outstanding ordinary shares during the period

(ii) Earnings per share after dilution

To calculate earnings per share after dilution, the amounts used in calculating earnings per share before dilution are adjusted by taking into account:

- the weighted average of those additional ordinary shares that would have been outstanding on the conversion of all potential ordinary shares. .

2.14 - Tangible Assets

Tangible assets consist of furniture, work machinery and production equipment. These are reported at historical cost minus cumulative depreciation and any impairments. The historical cost includes the purchase price and any expenses directly attributable to the asset for putting it in place and making it fit for its intended purpose.

Depreciation of tangible assets is posted to expenses in such a way that the value of the asset minus its estimated residual value at the end of its service life is written down on a linear basis over its expected service life, estimated at:

- Machinery and other technical facilities, 3-5 years
- Fixtures, tools and installations, 3-5 years

Estimated service lives, residual values and depreciation methods are reviewed at least at the end of each accounting period, and the effects of any changes in estimates are reported in advance.

The reported value of a tangible asset is removed from the statement of financial position when it is scrapped or sold, or when no future economic benefits are expected from using or scrapping/disposing of the asset. The gain or loss made from scrapping or disposing of the asset is the difference between any net income from the disposal and its reported value, posted to the income statement in the period in which the asset is removed from the statement of financial position.

2.15 - Employee stock option program

The fair value of the service entitling an employee to an allotment of options under Cantargia's employee stock option scheme is recognized as a personnel expense with a corresponding increase in equity. The total amount expensed is based on the fair value of the allocated options:

- including all market-related terms (e.g., target share price),
- excluding any effect of service and non-market vesting conditions (e.g., profitability and that the employee remain an employee of the company for a specified period),
- including the effect of non-vesting conditions (e.g., a requirement that the employee save or hold the shares for a specified period).

The total expense is recognized over the vesting period, which is the period during which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the company reviews its assessments of how many shares are expected to be vested based on the non-market vesting conditions and service vesting conditions. Any deviations from the original assessments resulting from the review are recognized in the income statement with corresponding adjustments in equity.

As a basis for provisions for social security contributions, the fair value of vested employee stock options is remeasured at the end of each reporting period. Social security contributions are accounted for as personnel expenses and a corresponding provision is made in non-current or current liabilities depending on the remaining term of each scheme.

NOTE 3 - Financial risk management

Through its activities, Cantargia is exposed to a wide range of financial risks: market risk (mainly currency risk), credit risk and liquidity risk. Cantargia's overall risk management policy focuses on the unpredictability of financial markets and strives to minimize potential adverse effects on Cantargia's financial results

(a) Market risk

(i) Currency risk

Cantargia is primarily exposed to EUR and USD currency risk. Currency risks arise when future business transactions or recognized assets or liabilities are expressed in a currency that is not the functional currency of the unit. In Cantargia, these transactions mainly comprise purchases and trade payables in EUR and USD. Cantargia's policy is to hedge 50% of the anticipated cash flow in EUR and USD.

At the end of the reporting period, Cantargia had an exposure to EUR of kEUR 592 (1,404) and kUSD 23 (33) in the form of outstanding trade payables. If the Swedish krona had weakened/strengthened by 10 per cent against the EUR and USD with all other variables held constant, the effect on profit/loss for the year and equity on 31 December 2024 would have been approximately SEK -8.1 million and SEK 8.1 million (-19.3 and 19.3, respectively) lower/higher.

In addition to trade payables in EUR and USD, the company have EUR and USD currency accounts which on 31 December 2024 had a balance of kEUR 1,989 (6,304) and kUSD 12 (692). If the Swedish krona had weakende/strenghened by 10 per cent against the EUR and USD with all other variable held constant, the effect on profit/loss for the year and equity on 31 December 2024 would have been approximately SEK -2.3 million and SEK 2.3 million (-8.0 and 8.0 respectively) lower/higher.

(ii) Cash flow interest rate risk and fair value

The interest rate risk is considered to be limited as there is no borrowing and the interest-bearing investments only include low-risk funds. Cantargia did not have any investments in funds during 2023 and 2024.

(iii) Price risk

Cantargia is not exposed to any significant price risk.

(b) Credit risk

Credit risk in Cantargia arises through deposits and investments with banks and financial institutions. All bank deposits and investments are held with counterparties with low credit risk. Cantargia is not exposed to any significant credit risk, as all counterparties are large, well-known banks.

(c) Liquidity risk

Since starting its operations, Cantargia has been reporting an operating loss and cash flow is expected to remain mainly negative until Cantargia succeeds in generating revenue from a launched product. The company's planned preclinical and clinical studies will require significant costs and the company's development of its product candidate could prove to be more time- and cost-consuming than planned. Cantargia will also continue to need significant capital for research and development in order to conduct preclinical and clinical studies with nadunolimab and CAN10 and for its continued research and development of CANxx. Access to and the terms and conditions for further financing are affected by several factors, such as the possibility of concluding partnership agreements and general access to risk capital. If Cantargia, wholly or partly, were to fail to acquire sufficient capital, or succeed in doing so only on unfavorable terms, this could have a significant negative impact on the company's operations, financial position and going concern.

Cantargia uses rolling forecasts to ensure that the company has sufficient cash assets to meet its operational requirements. This monitoring takes the form of reporting to the Board, whereby outcomes and forecasts are compared with the three-year business plan that is produced and approved by the Board each year.

Surplus liquidity in Cantargia, in excess of what is required to manage working capital requirements, is invested in interest-bearing current accounts. At the balance sheet date, Cantargia had short-term investments in twelve month fixed-rate accounts of kSEK 0 (55,000). In addition to this, Cantargia had bank deposits of kSEK 33,036 (139,747) at the balance sheet date.

The following table shows an analysis of Cantargia's financial liabilities by remaining maturity from the balance sheet date. The amounts indicated in the table are the contractual, undiscounted cash flows.

31 December 2024	Less than 2 months	More than 2 months	Total
Trade payables	10,984	-	10,984
Other liabilities	878	-	878
Total	**11,862**	**-**	**11,862**

31 December 2023	Less than 2 months	More than 2 months	Total
Trade payables	23,173	-	23,173
Other liabilities	802	-	802
Total	**23,975**	**-**	**23,975**

(d) Management of capital

To maintain or adjust its capital structure, Cantargia can choose to return capital to the shareholders, issue new shares or sell assets to reduce its liabilities.

In 2024, Cantargia's strategy, which remained unchanged from 2023, was to secure the company's ability to continue as a going concern by running the company's research projects in an optimal manner and thereby generate returns for its shareholders and benefits for other stakeholders. Cantargia also aims to maintain an optimal capital structure in order to keep its capital costs down with a low to minimal risk. Cantargia is mainly engaged in research and development. Prior to the listing of the company's shares on the main list of Nasdaq Stockholm on 25 September 2018, the company's activities were financed through a number of share offerings. Equity is therefore regarded as the company's capital.

NOTE 4 - Critical accounting estimates and judgements

The preparation of financial statements and application of accounting policies are often based on judgements, estimates and assumptions made by management that 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.

Capitalization of development costs

The most critical judgement in Cantargia's financial reporting refers to the date of capitalization of development costs. Based on the accounting policies that are presented in Note 2, all development activities in which Cantargia is engaged are currently classified as research, for which costs should not be capitalized. The achievement of positive results in phase III clinical trials is the earliest point at which the criteria for capitalization can be considered to be met.

Tax losses

There is no expiration date which limits the use of the company's tax losses. It is, however, uncertain at what point in time it will be possible to use these tax losses to offset taxable profits, as the company has not yet generated any profits. The deferred tax asset arising from the tax loss has therefore not been assigned any value. Changes in ownership and historical and potential future capital acquisitions may limit the amount of tax losses that can be used in future.

Incentive program (employee stock option program)

The company has an incentive program in the form of an employee stock option program. The accounting principles for this are described in Note 2. The cost of remuneration reported in a period depends on the original valuation made at the time of the agreement with the option holder, the number of months the participant must serve to be entitled to his options (accrual over this time), the number of options expected to be earned by the participants according

to the terms of the plans and a continuous revaluation of the value of the tax benefit for the participants in the plans (as a basis for allocation for social costs). The estimates that affect the cost in a period and the corresponding increase in equity are primarily input data in the valuations of the options. The models used for this purpose are the Black & Scholes model and Monte Carlo simulation. Important assumptions in these valuations are set out in Note 19. In addition to the valuations, the cost is affected for a period by an estimate of the number of people who are expected to earn their options. Through mainly the history of staff turnover, the company management has a very good basis for estimating the number of participants who will complete the program.

NOTE 5 - Segment information

Cantargia's chief operating decision maker is the company's Chief Executive Officer (CEO), as it is primarily he who is responsible for the allocation of resources and the evaluation of results. The CEO receives reports containing financial information for Cantargia as a whole. Cantargia has not yet commercialised any part of the development projects in which it is engaged and therefore is not yet generating any income. All activities of Cantargia are considered to constitute a single operating segment.

NOTE 6 - Auditors' fees and expenses

Expensed audit fees for the financial year and expensed fees for other services provided by the company's auditors are presented in the following.

	2024	2023
PwC		
Audit engagement*	375	375
Audit services in addition to audit engagement	-	-
Tax advisory services	16	97
Other services	-	121
Total	**391**	**593**

* Audit engagement refers to fees for the statutory audit, i.e. work that has been necessary to produce the auditor's report.

NOTE 7 - Employee benefits, etc.

Salaries and other benefits and social security contributions (employees)	**2024**	**2023**
Salaries and other benefits*	25,730	26,257
Social security contributions **	4,823	4,825
Retirement benefit costs, defined contribution	5,722	5,898
Other personnel expenses	1,136	576
Total employee benefits	**37,412**	**37,557**

* Whereof share-based incentives 3,149 (4,404)
** Whereof share-based incentives -35 (95)

2024	Salaries and other benefits (of which bonuses)	Retirement benefit costs
Directors, CEO and other senior executives	18,975	3,568
Other employees	13,000	2,100
Total	**31,975**	**5,668**
	(2,799)	

2023	Salaries and other benefits (of which bonuses)	Retirement benefit costs
Directors, CEO and other senior executives	19,114	3,481
Other employees	13,316	2,417
Total	**32,430**	**5,898**
	(2,964)	

Average number of employees	**2024**		**2023**	
	Number of employees	Of which men	Number of employees	Of which men
Sweden	22	10	24	10
Total	**22**	**10**	**24**	**10**

Gender distribution for Directors and other senior executives	**2024**		**2023**	
	Number at balance sheet day	Of which men	Number at balance sheet day	Of which men
Directors	5	4	5	4
CEO and other senior executives	7	6	7	5
Total	**12**	**10**	**12**	**9**

NOTE 8 - Operating leases

	2024	2023
Lease payments expensed during the financial year	2,529	2,429

The distribution of the nominal value of future minimum lease payments under non-cancellable leases is as follows:

	2024	2023
Due within one year	2,600	3,467
Due after more than one year but within five years	2,625	3,099
Due after more than five years	-	-
Total	**5,224**	**6,566**

Lease expenses refer to rent for premises and office equipment.

NOTE 9 - Other operating expenses

	2024	2023
Foreign exchange losses, trade payable	-115	-2,252
Total	**-115**	**-2,252**

NOTE 10 - Financial income and expense

	2024	2023
Interest income and similar income		
Interest income	4,824	4,265
Profit on sale of short-term investments	-	5,664
Foreign exchange gains, currency accounts	6,331	6 433
Total	**11,155**	**16,362**

	2024	2023
Interest expense and similar charges		
Other interest expense	0	-1
Currency exchange losses, currency accounts	-4,226	-6,372
Total	**-4,227**	**-6 ,372**

NOTE 11 - Income tax

	2024	2023
Current tax		
Current tax on profit for the year	-	-
Adjustments relating to prior year	-	-
Total current tax/income tax	**-**	**-**

The difference between the reported tax expense and the applicable tax rate is explained by the following table.

	2024	2023
Reconciliation of reported tax for the year		
Loss before tax	-161,654	-280,027
Reported tax for the year		
Tax at applicable tax rate 20,6%	33,301	57,686
Tax effect of non-deductible expenses	-151	-178
Tax effect of non-taxable income	-	-
Tax effect of deductible expenses recognised directly in equity	2,893	948
Tax losses for which no deferred tax asset has been recognised	-36,043	-58,455
Reported tax for the year	**0**	**0**

	2024	2023
Tax losses		
Unused tax losses for which no deferred tax asset has been recognised	1,838,972	1,664,031
Potential tax benefit, 20,6%	378,828	342,790

There is no expiration date which limits the use of the tax losses. It is, however, uncertain at what point in time it will be possible to use these tax losses to offset taxable profits. The deferred tax asset arising from the tax loss has therefore not been assigned any value.

NOTE 12 - Net foreign exchange difference

Foreign exchange differences have been recognised in the statement of comprehensive income as follows:	2024	2023
Other operating expenses (Note 9)	-115	-2,252
Interest expense and similar charges (Note 10)	6,331	62
Total	**6,216**	**-2,190**

NOTE 13 - Long-term liabilities

	31 Dec 2024	31 Dec 2023
Provision for social security contributions, incentive program	84	119
Total		**119**

NOTE 14 - Short-term investments

	31 Dec 2024	31 Dec 2023
Fixed-rate account, Sparbanken Skåne & SBAB	-	55,000
Total	**-**	**55,000**

Fixed rate account Sparbanken Skåne, 31 Dec 2023, 40 MSEK fixed 6 months, 3.65% interest.
Fixed rate accounts SBAB, 31 Dec 2023, 15 MSEK fixed 6 månader, 4.20% interest.

NOTE 15 - Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows include the following:	31 Dec 2024	31 Dec 2023
Available bank deposits		
SEK	9,597	60,604
EUR	22,639	69,951
USD	135	6,948
GBP	278	1,616
CHF	36	2
NOK	11	24
DKK	338	601
Total	**33,036**	**139,747**

NOTE 16 - Share capital

Ordinary shares	Number of shares (thousands)	Share capital
1 January 2023	166,988	13,359
Issue of new shares	16,699	1,336
31 December 2023	**183,687**	**14,695**
1 January 2024	183,687	14,695
Issue of new shares	-	-
Non-registered share issue	-	5,194
31 December 2024	**183,687**	**19,889**

All outstanding shares have a quotient value of SEK 0.08 per share, and each share carries one vote, unchanged from 2023. All shares issued are fully paid.

NOTE 17 - Accrued expenses and deferred income

	31 Dec 2024	31 Dec 2023
Accrued salaries and social security contributions*	4,176	1,811
Project expenses	22,812	24,129
Other accrued expenses**	15,188	4,936
Total	**42,177**	**30,877**

* Accrued variable salary and share-based incentive program have previously been reported under Other accrued expenses, but are reported from and including 2024 under salaries and social security contributions.
** Of which 12,979 thousand SEK refers to accrued issue expenses related to the ongoing new share issue.

NOTE 18 - Remuneration to senior executives and other related party disclosure

Remuneration of senior executives	2024	2023
Salaries and other short-term benefits*	16,735	16,894
Post-employment benefits	3,568	3,481
Other long-term benefits	-	-
Termination benefits	-	-
Total	**20,303**	**20,374**

* Whereof share-based incentives 2,514 (3,432)

Guidelines for executive remuneration

Fees are paid to the Chairman and members of the Board of Directors in accordance with the resolution of the Annual General Meeting. A separate fee is paid for committee work. In essence, the guidelines for remuneration and other terms of employment for management, which are adopted by the shareholders' meeting, stipulate that the company shall offer its senior executives a normal market remuneration, that resolutions on remuneration shall be prepared by a special Remuneration Committee of the Board and that the applicable criteria shall comprise the senior executive's responsibilities, role, expertise and position. Decisions on remuneration of senior executives are made by the Board excluding any Directors who are in a dependent position in relation to the company and management. The guidelines must be applied to new contracts, or to changes to existing contracts that are entered into with senior executives after the adoption of the guidelines and until new or revised guidelines are adopted. Complete guidelines for 2024 are described in the Director's report.

Salaries and remuneration for the year

Salaries, remuneration, social security contributions and retirement benefit costs have been paid in the following amounts. Please note that under the heading "Variable remuneration" are in addition to variable remuneration, incentive programs decided by the Annual General Meeting also included (see Note 19). The outcome for AGM-decided incentive programs regarding the CEO and senior executives for the year 2024 amounted to SEK 520 (519) thousand.

Directors' fees

The Directors' fees approved at the Annual General Meeting on 23 May 2024 are SEK 595,000 to the Chairman of the Board and SEK 270,000 to each of the other Directors. For the Remuneration Committee, a fee of SEK 50,000 is paid to the committee chairman and SEK 25,000 to each of the other members, for the Audit Committee SEK 100,000 is paid to the committee chairman and SEK 50,000 to each of the other members and for the Drug Development Committee SEK 250,000 is paid to the committee chairman and SEK 50,000 to each of the other members. It was also resolved that, for each physical Board meeting (up to a maximum of six meetings) that is held in Sweden and attended by the Director, a meeting fee of SEK 20,000 be paid to each Director living outside the Nordic region. The full amount of Directors' fees has been charged to earnings in 2024 and is specified on the next page.

2024	Fee	Basic salary	Variable remuneration	Retirement benefit cost	Other benefits	Share-based incentives	Social sec contributions*	**Total**
Magnus Persson, Chairman	670						211	**881**
Anders Martin-Löf, Director	370						116	**486**
Flavia Borellini, Director	540						-	**540**
Damian Marron, Director	340						-	**340**
Magnus Nilsson, Director	320						33	**353**
Göran Forsberg, CEO	-	2,454	618	966	51	872	352	**5,314**
Total, Board and CEO	**2,240**	**2,454**	**618**	**966**	**51**	**872**	**712**	**7,914**
Other senior executives*	-	9,736	1,413	2,602	263	1,642	1,397	**17,053**
Total	**2,240**	**12,190**	**2,031**	**3,568**	**314**	**2,514**	**2,109**	**24,967**

*Contains invoiced compensation for a senior executive.

2023	Fee	Basic salary	Variable remuneration	Retirement benefit cost	Other benefits	Share-based incentives	Social sec contributions*	**Total**
Magnus Persson, Chairman	650	-	-	-	-	-	204	**854**
Anders Martin-Löf, Director	360	-	-	-	-	-	113	**473**
Flavia Borellini, Director	550	-	-	-	-	-	-	**550**
Damian Marron, Director	350	-	-	-	-	-	-	**350**
Magnus Nilsson, Director	310	-	-	-	-	-	32	**342**
Göran Forsberg, CEO	-	2,378	635	972	24	1,017	378	**5,403**
Total, Board and CEO	**2,220**	**2,378**	**635**	**972**	**24**	**1,017**	**727**	**7,972**
Other senior executives*	-	9,076	1,373	2,509	127	2,415	1,114	**16,614**
Total	**2,220**	**11,454**	**2,008**	**3,481**	**151**	**3,432**	**1,841**	**24,586**

*Contains invoiced compensation for a senior executive.

Pensions
The retirement age for the CEO is 65 years.

The pension contribution for the CEO is 35 per cent of the pensionable salary. Pensionable salary refers to the fixed monthly salary multiplied by 12.2.

For other employed senior executives, the retirement age is currently 65 years, in accordance with the applicable ITP Agreement. The pension contribution is calculated in accordance with Section 2 of the ITP Agreement and its contribution tariffs, which are determined by Alecta.

Term of notice and severance pay
The term of notice in case of termination by Cantargia shall be no more than six months for the Chief Executive Officer and no more than six months for other senior executives. The term of notice in case of termination by the employee shall be at least six months for the CEO and at least three months for other senior executives. In addition to the term of notice, severance pay may be paid to the CEO up to a maximum of twelve months' salary and employment benefits.

Related party disclosures
Related parties comprise senior executives of the company, i.e. the Board of Directors and management team and their family members.

Cantargia has been co-financing a postdoctoral position as part of Lund University's CANFASTER programme where Professor Karin Leandersson is Head of Research. Karin Leandersson was a member of Cantargia's Board of Directors until the AGM in 2023 and was therefore considered as an insider at Cantargia. During 2024, the agreement has incurred costs amounting to kSEK 0.0 (519.9) .

Cantargia has an agreement with Walter Koch, who provides Cantargia with consulting services related to biomarkers. Walter Koch is related to board member Flavia Borellini. In 2024, the cost was kSEK 16.0 (0.0).

Cantargia has entered into a consulting agreement with former board member Thoas Fioretos. During 2024, the company has incurred a cost of kSEK 200 (0.0).

The above-mentioned agreement has, according to the company's board of directors' assessment, been entered into on commercial terms.

The following transactions have been made with related parties:

Sale of services	**2024**	**2023**
Lunds Universitet (Karin Leandersson)	-	519
Walter Koch Consulting, LLC (Walter Koch)	16	-
Neodos AB (Thoas Fioretos)	200	-
Total	**216**	**519**

NOTE 19 - Share-based incentive programs

Cantargia's incentive program aims to create a long-term commitment to the company, create opportunities to attract and retain expertise and deliver long-term shareholder value.

Incentive scheme
At the Annual General Meeting of the Company on May 23, 2024, the shareholders decided to introduce a variable share-based incentive scheme for 2024 to senior executives and key employees of the Company. The scheme is based on the incentive scheme adopted at the 2019 Annual General Meeting which has been designed to promote investment in and ownership of the Company's shares. The scheme is designed as a variable long-term remuneration scheme under which participants commit to use distributed variable cash remuneration to acquire shares of the Company. The scheme is based on that or those annual bonus targets which are defined by the board for the Company and which refer to the Company's activities, financial key performance indicators and internal processes. Target achievement will be assessed by the Company's board of directors in connection with the adoption of the annual report for each year. When the target achievement has been determined by the Company's board of directors, the amount due to each participant in the scheme is distributed, whereupon acquisition of shares by the participants should be made as soon as possible. Participants are required to use their whole remuneration under the scheme, net of tax, to acquire shares of Cantargia on the stock market.

The maximum payout to each participant in the scheme for 2024 is capped at 10 per cent of his or her fixed annual salary. The total size of the scheme for 2024 is capped at SEK 2,500,000 excluding social security contributions. In case of partial target achievement, a portion of the maximum payout will be distributed. The outcome for incentive programs decided by the AGM regarding the CEO and senior executives for the year 2024 amounted to SEK 520 (519) thousand and the total outcome for all employees amounted to SEK 1,219 (718) thousand.

Employee Stock Option Scheme 2020/2023

At the Annual General Meeting on 27 May 2020, the shareholders approved the introduction of Employee Stock Option Scheme 2020/2023. The options will be offered to employees of or consultants to the company and will be allocated to the participants free of charge. The options have a three-year vesting period (1/3 per year) from the date of allocation, provided, with the usual exceptions, that the participant remains an employee of or continues to provide services to Cantargia. Once vested, the options can be exercised during a two-year period. Each vested option gives the holder the right to purchase 1.2 shares of the company at a pre-defined price. The price per share will be determined as 150 percent of the volume weighted average price of the company's shares traded on Nasdaq Stockholm during the ten trading days preceding the allocation date. If fully exercised, the warrants would dilute the Company's share capital and voting rights by approximately 1.1 per cent.

Employee Stock Option Scheme 2021/2024

At the Annual General Meeting on 26 May 2021, the shareholders approved the introduction of Employee Stock Option Scheme 2021/2024. The options will be offered to employees of or consultants to the company and will be allocated to the participants free of charge. The options have a three-year vesting period from the date of allocation, provided, with the usual exceptions, that the participant remains an employee of or continues to provide services to Cantargia. Once vested, the options can be exercised during a two-year period. Each vested option gives the holder the right to purchase 1.2 shares of the company at a pre-defined price. The price per share will be determined as 150 percent of the volume weighted average price of the company's shares traded on Nasdaq Stockholm during the ten trading days preceding the allocation date. If fully exercised, the warrants would dilute the Company's share capital and voting rights by approximately 1.3 per cent.

Employee Stock Option Scheme 2023/2026

At the Annual General Meeting on 23 May 2023, the shareholders approved the introduction of Employee Stock Option Scheme 2023/2026. The options will be offered to employees of or consultants to the company and will be allocated to the participants free of charge. The options have a three-year vesting period from the date of allocation, provided, with the usual exceptions, that the participant remains an employee of or continues to provide services to Cantargia. Once vested, the options can be exercised during a two-year period. Each vested option gives the holder the right to purchase 1 shares of the company at a pre-defined price. The price per share will be determined as 130 percent of the volume weighted average price of the company's shares traded on Nasdaq Stockholm during the ten trading days preceding the allocation date. If fully exercised, the warrants would dilute the Company's share capital and voting rights by approximately 1.5 per cent.

Summary of total cost for incentive programs

	2024	2023
Share-based remuneration	-3,419	-4,405
Provision for social security contributions, incentive programs	35	-95
Total	**-3,114**	**-4,499**

Summary of provisions for social security contributions for share-based remuneration*

Long-term liabilities	**2024**	**2023**
Amount at the start of the year	119	24
Provisions for the year	-35	95
Total long-term liabilities	**84**	**119**

* All provisions have a term of more than 1 year, which is why all provisions are long-term.

Changes in existing incentive programs (number of options)	2024	2023
1 January	**4,097,333**	**3,069,333**
Granted instruments		
Employee stock option program 2020/2023	-	-
Employee stock option program 2021/2024	-	1,406,000
Employee stock option program 2023/2026	2,215,000	-
Lapsed instruments		
Employee stock option program 2020/2023	-	-369,000
Employee stock option program 2021/2024	-276,000	-9,000
Employee stock option program 2023/2026	-230,000	-
Total change	**1,709,000**	**1,028,000**
31 December	**5,806,333**	**4,097,333**
Number of shares granted instruments may entitle to*	**2024-12-31**	**2023-12-31**
Employee stock option program 2020/2023	2,089,600	2,827,200
Employee stock option program 2021/2024	2,496,000	2,089,600
Employee stock option program 2023/2026	1,985,000	-
Total number of shares granted instruments may entitle to	**6,570,600**	**4,916,800**

* Recalculation of employee stock option programs after the rights issue in 2022 means that each option in employee option program 2021/2023 and 2021/2024 entitles to 1.2 share. Each option in employee option program 2023/2026 entitles to 1.0 share.

Calculation of fair value of employee option programs
The fair value on the allotment date was calculated using an adapted version of the Black & Scholes valuation model, which takes into consideration the exercise price, the term of the options, share price on the allotment date, expected volatility in the share price, and risk-free interest for the term of the options.

Employee option	Allotment/ start date	Maturity date	Fair value upon issue of the option program, SEK	Exercise price, SEK**	Volatility %	Number of options*	Vested
2020/2023:1	2020-06-09	2025-06-09	7.15	26.48	50%	1,583,333	100%
2020/2023:2	2020-07-10	2025-07-10	7.44	27.68	50%	60,000	100%
2020/2023:3	2021-02-04	2026-02-04	16.55	73.12	49%	71,333	99%
2020/2023:4	2021-02-24	2026-02-24	15.57	70.99	49%	26,667	100%
2021/2024:1	2021-09-17	2026-09-17	7.28	30.62	53%	975,000	76%
2021/2024:2	2021-11-10	2026-11-10	5.48	20.44	55%	30,000	71%
2021/2024:3	2022-02-09	2027-02-09	7.57	22.52	55%	70,000	63%
2021/2024:4	2022-08-29	2027-08-29	1.63	7.20	63%	0	45%
2021/2024:5	2023-02-22	2028-02-22	4.30	7.63	72%	1,256,000	28%
2021/2024:6	2023-04-24	2028-04-24	2.98	10.50	73%	25,000	23%
2023/2026:1	2024-03-03	2029-03-03	1.52	3.91	74%	1,655,000	28%
2023/2026:2	2024-11-15	2029-11-15	1.12	2.68	79%	330,000	4%

*Refers to the number of outstanding options net after deduction of revoked options.
** Recalculation of employee stock option programs after the rights issue in 2022 means that each option in employee option program 2021/2023 and 2021/2024 entitles to 1.2 share. Each option in employee option program 2023/2026 entitles to 1.0 share.

NOTE 20 - Earnings per share

Earnings per share are calculated by dividing the profit/loss for the year by a weighted average number of outstanding ordinary shares during the period.

Cantargia has potential ordinary shares in the form of warrants. These do not have a dilutive effect for 2023 or 2022, as a conversion of warrants into ordinary shares would result in a lower loss per share.

	2024	2023
Profit/loss for the period attributable to parent company shareholders	-161,654	-280,027
Total	**-161,654**	**-280,027**
Weighted average number of outstanding ordinary shares (thousands)	183,687	169,771
Earnings per ordinary share, SEK	-0,88	-1.65

NOTE 21 - Appropriation of retained earnings

The Annual General Meeting is asked to decide on the appropriation of the following earnings (SEK thousands)

Share premium account	1,777,402
Loss carried forward	-1,519,333
Loss for the year	-161,654
The Board of Directors proposes that the following sum be carried forward:	96,415

The Board of Directors proposes that no dividend be paid for the financial year 2024.

NOTE 22 - Events after the end of the reporting period

- Göran Forsberg resigned as CEO and Damian Marron was appointed as interim CEO (February).
- Cantargia announced promising phase 1 results from CAN10's first multiple-dose cohort, as well as feedback from the FDA and clinical experts (March).
- The randomized phase 2 TRIFOUR study in tripe-negative breast cancer was fully recruited (March).
- The first patient was enrolled in Cantargia's leukemia study with nadunolimab (March).
- Two abstract on IL1RAP-ADCs and nadunolimab's role in reducing chemotherapy induced neuropathy respectively will be presented at the AACR 2025 (March).
- Cantargia appointed Morten Lind Jensen as Chief Medical Officer (April).

NOTE 23 - Adjustments for non-cash items

	2024	2023
Depreciation	-3,439	-3,451
Employee option program	-3,114	-4,499
Total	**-6,552**	**-7,951**

NOTE 24 - Costs by nature of expense

	2024	2023
Project costs	-103,964	-220,479
Other external expenses	-23,654	-26,278
Personnel expenses	-37,413	-37,557
Other operating expenses	-115	-2,252
Depreciation	-3,437	-3,451
Total	**-168,583**	**-290,017**

As of the year-end report 2018, operating expenses are presented based on a classification into the functions "Research and development costs, "Administrative expenses" and "Other operating expenses". On a "by nature" basis, the sum of expenses by function is distributed as follows.

NOTE 25 - Agreements for cooperation

BioWa Inc.

Cantargia signed a licensing agreement with BioWa Inc. ("BioWa") in 2015. Under the agreement, Cantargia is granted a nonexclusive license to use the technology platform POTELLIGENT® for the manufacture of the drug candidate nadunolimab. For the license, Cantargia pays an annual fixed fee and step-by-step sales-based royalties. In addition, BioWa also has the right to milestone payments when fulfilling certain clinical, regulatory, and commercial targets.

Patheon Biologics B.V. (en del av ThermoFischer Scientific)

In May 2019, Cantargia signed an agreement with Patheon Biologics B.V. ("Patheon") on future production of the antibody CAN04 (nadunolimab). This agreement complements the earlier agreement with Celonic AG (previous Glycotope Biotechnology GmbH). This agreement secures Cantargia's additional production capacity for future clinical trials. In preparation for later phases of clinical development, an increase in production capacity is part of the development plan. Patheon has manufacturing facilities in both Europe and the US, and the process is scaled up the to 2,000 liters. Patheon is under the agreement entitled to compensation for ongoing work, but no part of future sales revenue for nadunolimab.

GEICAM

GEICAM is a non-profit organization founded in 1995 with the aim of being a driving force in the development of breast cancer research in Spain. In 2021, Cantargia initiated the clinical study TRIFOUR, which is conducted at around 20 hospitals in Spain in collaboration with GEICAM. The treatment in the phase I part commenced in early 2022 and was concluded in February 2023. Currently, the randomized pahse II part of the study is ongoing.

NOTE 26 - Tangible assets

Machinery and other technical facilities	**2024**	**2023**
Ingoing accumulated acquisition value	14,143	14,143
Investments	-	0
Outgoing accumulated acquisition value	**14,143**	**14,143**
Ingoing accumulated depreciation	-9,627	-7,269
Depreciation	-2,357	-2,357
Outgoing accumulated depreciation	**-11,985**	**-9,627**
Closing balance	**2,158**	**4,515**

Fixtures, tools and installations	**2024**	**2023**
Ingoing accumulated acquisition value	1,101	1,101
Investments	-	-
Outgoing accumulated acquisition value	**1,101**	**1,101**
Ingoing accumulated depreciation	-771	-580
Depreciation	-180	-192
Outgoing accumulated depreciation	**-952**	**-771**
Closing balance	**149**	**329**

NOTE 27 - Intangible assets

Patent	**2024**	**2023**
Ingoing accumulated acquisition value	8,111	8,111
Investments	-	-
Outgoing accumulated acquisition value	**8,111**	**8,111**
Ingoing accumulated depreciation	-3,455	-2,553
Depreciation	-901	-901
Outgoing accumulated depreciation	**-4,356**	**-3,455**
Closing balance	**3,755**	**4,657**

Signatures

The annual accounts have been prepared in accordance with generally accepted accounting standards and provide a true and fair view of the company's financial position and results. The Directors' Report for the company gives a true and fair overview of the performance, financial position and earnings of the company, and describes significant risks and uncertainties faced by the company. The income statement and balance sheet will be presented for adoption at the Annual General Meeting on May 15, 2025.

Lund, April 10, 2025

Magnus Persson
Chairman

Anders Martin-Löf
Director

Flavia Borellini
Director

Damian Marron
Director
Interim CEO

Magnus Nilsson
Director

Our audit report was submitted as per the date of our electronic signature

Öhrlings PricewaterhouseCoopers AB

Mikael Nilsson
Authorized auditor

AUDITOR'S REPORT

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Auditor's report

To the general meeting of the shareholders of Cantargia AB (publ), corporate identity number 556791-6019

Report on the annual accounts

Opinions

We have performed an audit the annual accounts of Cantargia AB (publ) for the year 2024. The annual accounts and of the company are included on pages 24-58 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Cantargia AB (publ) as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for Cantargia AB (publ).

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the company's audit committee in accordance with the Audit Regulation (537/2014/EU) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of Cantargia AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014/EU) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Material uncertainty regarding the going concern assumption

Without affecting our statements above, we wish to draw attention to the management report on page 27, which indicates that the company does not consider itself to have sufficient liquidity to finance its operations during the fiscal year 2025. This situation suggests that there is a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern.

Our audit approach

Focus and scope of the audit

Cantargia is a research-based biotechnology company that conducts research and development of antibodybased therapy against severe diseases. The most significant balance sheet items are bank funds and shortterm investments. The largest cost item in the company consists of research and development costs, which is why we have also assessed that this is a key audit matter.

We designed our audit by determining the level of materiality and assessing the risk of material misstatement of the financial statements. We particularly considered the areas where the Board of Director's and the Managing Director made subjective judgments, for example important accounting estimates that have been made based on assumptions and forecasts about future events, which are inherently uncertain.

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where the Board of Directors and the Managing Director made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of the Board of Directors and the Managing Director override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which the company operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or

Key audit matter	*How our audit considered the key audit matter*
Costs related to research and development – accrual and completeness The costs for the company's activities in research and development during the financial year 2024 amounted to a total of approx. SEK 154 million, which corresponds to approx. 91% of the company's total operating costs. The costs mainly consist of personnel-related costs and external costs for the clinical work that is carried out. In our audit, we have focused on these costs as they amount to a significant amount and that there is a risk regarding the completeness and accrual of the expenses.	***Our examination of the costs for research and development has included, but is not limited to, the following measures:*** • Obtained an understanding of the company's routines, operational follow-up and internal control. • Reviewed the internal controls for approval of payment of invoices and salaries. • Reconciled and carried out detailed testing against invoices and other closing documentation. • Based on selection, we have requested and received external confirmation from suppliers on the financial year's purchases and respective size of outgoing accounts payable per December 31, 2024. • Performed detailed testing of salaries. Analyzed costs based on our knowledge of the business and follow-up against internal reports.

in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Key audit matters
Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts as a whole, but we do not provide a separate opinion on these matters. In addition to the matter described in the section Material uncertainty regarding the going concern assumption, we have determined that the matters described below are the key audit matters that should be communicated in this report.

Other Information than the annual accounts
This document also contains other information than the annual accounts and is found on pages 1-23 and 71-77. The other information also consists of the Remuneration Report that we obtained prior to the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director
The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.
In preparing the annual accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company's ability to continue as a going concern. It

disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative to doing any of this.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

A further description of our responsibility for the audit of the annual accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor´s report.

Report on other legal and regulatory requirements

The auditor's examination of the administration of the company and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors and the Managing Director of Cantargia AB (publ) for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the Cantargia AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the management of the company's affairs. This includes among other things continuous assessment of the company's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Cantargia AB (publ) for the year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for Opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Cantargia AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts.

Öhrlings PricewaterhouseCoopers AB, 113 97 Stockholm, was appointed auditor of Cantargia AB (publ) by the general meeting of the shareholders on the 23 May 2024 and has been the company's auditor since the 13 January 2010.

Malmö the date indicated by our electronic signature

Öhrlings PricewaterhouseCoopers AB

Mikael Nilsson
Authorized Public Accountant

CORPORATE GOVERNANCE

Corporate governance report

CANTARGIA AB (publ) ("Cantargia" or "the Company") is a Swedish public limited company listed on Nasdaq Stockholm. Cantargia's corporate governance is based on Swedish law, Nasdaq Stockholm's rules for issuers and internal rules and regulations. The Company also applies the Swedish Corporate Governance Code ("the Code"). The Code is available at www.bolagsstyrning.se.

Application of the Code

The Code applies to all Swedish companies whose shares are listed on a regulated market in Sweden. The Company is not required to comply with all rules in the Code, as the Code itself allows for deviations from the rules, provided that any such deviations, and the chosen solution, are described and the reasons for the deviation are explained in the corporate governance report (in accordance with the 'comply or explain' principle). The Company has currently not identified any deviations from the Code.

Shareholders

Cantargia's shares have been listed for trading on Nasdaq Stockholm since September 25, 2018 (Small Cap). On December 31, 2024, the total number of shares and voting rights in the Company was 183,686,684, represented by 15,049 shareholders.
For further information on the Company's ownership structure and major shareholders, see page 33-34 of the annual report.

Shareholders' meeting

In accordance with the Swedish Companies Act, the shareholders' meeting is the Company's highest decision-making body. At a shareholders' meeting, the shareholders exercise their voting rights on key issues, such as the adoption of income statements and balance sheets, the appropriation of the Company's earnings, release from liability for the members of the Board and the Chief Executive Officer, the election of Directors and auditors, and remuneration of Directors and auditors' fees. Under Cantargia's Articles of Association, notice of a shareholders' meeting is given by advertisement in Post- och Inrikes Tidningar and through publication of the notice on the Company's website. When notice is given, this must be advertised simultaneously in Svenska Dagbladet.

Shareholders who wish to participate in the negotiations at a shareholders' meeting must be registered in the share register maintained by Euroclear Sweden AB six business days before the meeting and register to attend the shareholders' meeting with the Company by the date indicated in the notice of the meeting. Shareholders can attend the meeting personally or by proxy and can be assisted by up to two persons. A shareholder has the right to vote all shares held. Each share in Cantargia entitles the holder to one vote. Shareholders who wish to request that a particular issue be addressed at a shareholders' meeting must submit a written request to the Board of Directors.

Nomination committee

Under a resolution of the Annual Genereal Meeting of Cantargia on 23 May 2023, the Chariman of the Board is required, based on share holdings by the end of September 2024, convene a Nomination Committee for the Annual General Meeting 2025, consisting of one representative for each of the three largest shareholders of the Company as well as the Chairman of the Board. In accordance with these principles, the following Directors have been appointed:

- Arne Lööw, appointed by av Fjärde AP-fonden
- Daniel Kristiansson, appointed by Alecta Tjänstepension
- Mats Larsson, appointed by Första AP-fonden
- Magnus Persson, Chairman of the Board

The Nomination Committee has appointed Arne Lööw as its chairman.

The Nomination Committee is required to perform the duties assigned to it under the Code and held 8 meetings prior to the Annual General Meeting 2024. The Nomination Committee's complete proposals for the 2025 AGM will be published in connection with the notice of AGM.

Board of Directors

Under Cantargia's Articles of Association, the Board of Directors shall, insofar as it is elected by the shareholders' meeting, consist of not less than three and not more than eight Directors, with no deputies. Currently, the Company's Board of Directors consists of five ordinary Directors, including the Chairman, who have been elected by the shareholders' meeting until the period of the end of the 2025 AGM. The composition of Cantargia's Board of Directors is considered to meet the requirements of the Code in respect of independence from the Company and from the Company's major shareholders. For a detailed presentation of the Directors, see page 71-72 of the annual report.

Responsibilities and work of the Board

Under the Companies Act, the Board of Directors is responsible for the Company's administration and organisation, which means that it is responsible for adopting goals and strategies, ensuring that procedures and systems for evaluating adopted goals are put in place, monitoring the Company's results and financial position, and evaluating its operational management. Under the Code, the Chairman of the Board shall be elected by the AGM and hold a special responsibility for leading the work of the Board and ensuring that the Board operates in an organised and effective manner.

The Board of Directors operates in accordance with written rules of procedure which are reviewed and adopted annually at the inaugural Board meeting. The rules of procedure regulate Board practices, functions, and the division of responsibilities between the Board and CEO, and between the Board and its committees. In connection with the inaugural Boardmeeting after each Annual General Meeting, the Board also adopts the terms of reference for the Chief Executive Officer, which include instructions for financial reporting. The Board convenes in accordance with a schedule that is defined annually. In addition to these Board meetings, further meetings can be convened to address issues which cannot be deferred to the next regular meeting.

In 2024, the Board convened on 19 occasions, including 17 Teams meetings or meeting by correspondence. The Directors' attendance is shown in the table above. The activities of the Board in 2024 were dominated by discussions and strategic decisions on matters relating to the development of the Company's development candidates nadunolimab and CAN10 as well as the platform project CANxx. The Board also adopted resolutions regarding the rights issue, business plan with financial targets, risk management, and financial reports.

			Independence of			Attendance			Total Director's fee 2024, KSEK
Name	**Position**	**Member since**	**The Company and management**	**Major shareholders**	**Board meetings**	**Audit Committee meetings**	**Remuneration Committee meetings**	**Drug development Committee meetings**	
Magnus Persson	Chairman	2016	Yes	Yes	18/19	-	5/5	4/4	670
Anders Martin-Löf	Director	2018	Yes	Yes	19/19	5/5	-	-	370
Flavia Borellini	Director	2020	Yes	Yes	18/19	-	-	4/4	540
Damian Marron	Director	2021	Yes*	Yes	18/19	-	5/5	-	340
Magnus Nilsson	Director	2021	Yes	Yes	17/19	5/5	-	-	320

* Marron was independent in relation to the Company and Management until February 5, 2025, whereafter he is part of management.

Board committees

The Board has established an Audit Committee, a Remuneration Committee, and a Drug Development committee. The members of the committees are appointed at the inaugural Board meeting and the committees' activities and authority are regulated in the committees' terms of reference. The matters addressed at the meetings of the committees are minuted and a report is presented at the following meeting of the Board.

Audit committee

The Company's Audit Committee consisted of two members: Anders Martin-Löf (Chairman) and Magnus Nilsson. The Audit Committee shall, without prejudice to other responsibilities and duties of the Board, monitor the Company's financial reporting, monitor the effectiveness of the Company's internal control, internal auditing and risk management, keep itself informed on the audit of the annual accounts, and on the conclusions presented in the quality control report of the Swedish Inspectorate of Auditors, assess and monitor the impartiality and independence of the auditor, paying particular attention to whether the auditor provides other services than auditing to the Company, and assist in drafting proposed resolutions on the choice of auditors for adoption by the shareholders' meeting.

Remuneration Committee

The Company's Remuneration Committee consisted of two members during 2024: Damian Marron (Chairman) and Magnus Persson. The Remuneration Committee is tasked with preparing proposals for remuneration principles, and remuneration and other terms of employment for the CEO and other senior executives.

Drug development Committee

The Board has established a Drug Development Committee consisting of two members: Flavia Borellini (chairman) and Magnus Persson. The Drug Development Committee shall act as an advisor and discussion partner for the company management in scientific and strategic issues concerning the development of the company's project portfolio.

Remuneration

Fees and other remuneration of Directors, including the Chairman, are determined by the shareholders' meeting. At the Annual General Meeting on May 23, 2023, it was resolved that Directors' fees of SEK 595,000 to the Chairman of the Board and SEK 270,000 to each of the other ordinary Directors be paid for the period until the end of the Annual General Meeting 2025.

It was also resolved that the Chairman of the Audit Committee should receive SEK 100,000 and the other members of the Audit Committee SEK 50,000 each, and that the Chairman of the Remuneration Committee receive SEK 50,000 and the other members of the Remuneration Committee SEK 25,000 each and that the Chairman of the Drug development Committee should receive SEK 250,000 and the other members of the Drug development Committee SEK 50 000 each.

It was further resolved that, for each physical Board meeting (up to a maximum of six meetings) that is held in Sweden and attended by the Director, a meeting fee of SEK 20,000 be paid to each Director living outside the Nordic region.

Evaluation

The Chairman of the Board ensures that an annual evaluation of the work of the Board is carried out in which the Directors are given an opportunity to present their views on Board practices, Board meeting materials, their own and other Directors' contributions as well as the scope of the duties. The results of the evaluation have been discussed by the Board and presented by the Chairman of the Board to the Nomination Committee.

It is considered that the combined expertise of the Board is appropriate for the Company's activities and goals. The Board is considered to function very well, with all members making constructive contributions to discussions on strategy as well as the governance of the Company. The dialogue between the Board and management is also considered to be good. The Board continually evaluates the work of the Chief Executive Officer by monitoring the Company's progress towards the defined goal.

Chief executive officer and management

The Chief Executive Officer reports to the Board of Directors and is responsible for the Company's day-to-day management and the operations of the group. The division of responsibilities between the Board and CEO is defined in the rules of procedure for the Board and the terms of reference for the CEO. Under the instructions for financial reporting, the CEO is responsible for financial reporting in the Company and is therefore required to ensure that the Board receives sufficient information to enable it continuously to evaluate the Company's financial position.

The CEO shall keep the Board continuously informed about the development of the Company's business, its sales performance, earnings and financial position, its liquidity and credit situation, significant business events and any other event, and any other event, circumstance or relationship that may be of material importance to the Company's shareholders.

To assist him in his activities, the CEO has appointed a management team. During the period, the management was composed of Göran Forsberg (CEO), Patrik Renblad (CFO), David Liberg (CSO), Ton Berkien (CBO) from September 15, Morten Lind Jensen (CMO) from April 1, 2025, Lars Thorsson (VP Clinical Development), and Nedjad Losic (VP Biometrics. Liselotte Larsson served as COO until October 15, 2024, and Dominique Tersago was CMO until March 31, 2025. For a more detailed presentation of Cantargia's management team, see pages 73-75.

Remuneration
At the Annual General Meeting on May 23, 2024, it was resolved to adopt guidelines for remuneration of the CEO and other senior executives in accordance with what is stated on page 29 of the annual report.

For information on the remuneration paid to the CEO and other senior executives in the financial year 2024, see Note 18.

Auditor
The auditor is tasked with examining the Company's annual report and accounts as well as the Board of Directors' and CEO's management of the Company. Under the Company's Articles of Association, the Company may have up to two auditors with or without deputy auditors. The Company's auditors are Öhrlings PricewaterhouseCoopers AB with Mikael Nilsson as auditor-in-charge.

For information on the remuneration to the auditor during the financial year of 2024, see Note 6.

Authorisation to issue shares
At the Annual General Meeting of the Company on May 23, 2024, it was resolved to authorise the Board, during the period until the next AGM, on or one or several occasions and with or without pre-emption rights for existing shareholders, to decide to issue new shares, provided that such issuance not comprise more than ten per cent of the number of outstanding shares of the Company on the day of the AGM. It shall also be possible to stipulate that such new shares be issued for non-cash consideration or paid for by means of set-off or subject to other terms and conditions.

Per the day of publication of this Annual Report, this authorization has not been used.

Share based incentive schemes
At the end of 2024, Cantargia operated four incentive schemes for senior executives and key personnel of the Company, one share-based incentive scheme and three employee stock option programmes. The incentive schemes have been introduced to provide longerterm incentives for the Company's management and employees and to promote investments in and ownership of the Company's shares.

Incentive scheme
At the Annual General Meeting of the Company on May 23, 2024, it was decided to introduce a variable share-based incentive scheme for 2024, aimed at senior executives and key personnel of the Company.

The scheme is designed to offer the participants variable long-term remuneration in the form of a group bonus that must be used to acquire shares of the Company. The scheme is based on that or those annual bonus targets which are defined by the Board for the Company, and which refer to the Company's activities, financial key performance indicators and internal processes. Target achievement will be assessed by the Company's Board of Directors in connection with the adoption of the annual report for each year. When the target achievement has been determined by the Board of Directors, the amount due to each participant in the scheme will be paid out, and the participant will then be required to acquire shares as soon as possible. Participants must use the full amount of remuneration received under the scheme to acquire shares of the Company in the stock market. It is the intention of the Board that the scheme be a recurring annual scheme.

For further information about the scheme, see Note 19.

Employee Stock Option Scheme 2020/2023
At the Annual General Meeting on 27 May 2020, it was resolved to introduce Employee Stock Option Scheme 2020/2023 for employees of the Company, comprising not more than 1,900,000 employee stock options. The purpose of the scheme is to enable the Company to retain skilled personnel through a long-term incentive scheme.

The employee stock options will be offered to employees of or consultants to the Company and will be granted to the participants free of charge. The employee stock options have a three-year vesting period (1/3 per year) calculated from the grant date, provided, with the usual exceptions, that the participant is still employed by or otherwise engaged in the Company and that the participant has not terminated his or her employment or engagement in the Company as at the vesting date. Once vested, the employee stock options can be exercised over a two-year period.

Each vested employee stock option entitles the holder the right to purchase 1.2 share of the Company at a predetermined price. The price per share is determined as 150 per cent of the weighted average price of the Company's shares traded on Nasdaq Stockholm during the ten trading days preceding the grant date.

For further information about the scheme, see Note 19.

Employee Stock Option Scheme 2021/2024
At the Annual General Meeting on 26 May 2021, the shareholders approved the introduction of Employee Stock Option Scheme 2021/2024, compromising not more than 3,000,000 employee stock options. The purpose of the scheme is to enable the company to retain skilled personnel through a longterm incentive scheme.

The options will be offered to employees of or consultants to the company and will be allocated to the participants free of charge. The options have a three-year vesting period from the date of allocation, provided, with the usual exceptions, that the participant remains an employee of or continues to provide services to Cantargia. Once vested, the options can be exercised during a two-year period.

Each vested option gives the holder the right to purchase 1.2 share of the company at a pre-defined price. The price per share will be determined as 150 percent of the volume weighted average price of the company's shares traded on Nasdaq Stockholm during the ten trading days preceding the allocation date.

For further information about the scheme, see Note 19.

Employee Stock Option Scheme 2021/2024

At the Annual General Meeting on 23 May 2023, the shareholders approved the introduction of Employee Stock Option Scheme 2023/2026, compromising not more than 3,000,000 employee stock options. The purpose of the scheme is to enable the company to retain skilled personnel through a longterm incentive scheme.

The options will be offered to employees of or consultants to the company and will be allocated to the participants free of charge. The options have a three-year vesting period from the date of allocation, provided, with the usual exceptions, that the participant remains an employee of or continues to provide services to Cantargia. Once vested, the options can be exercised during a two-year period.

Each vested option gives the holder the right to purchase one share of the company at a pre-defined price. The price per share will be determined as 130 percent of the volume weighted average price of the company's shares traded on Nasdaq Stockholm during the ten trading days preceding the allocation date.

For further information about the scheme, see Note 19

Dilution

To enable the Company to deliver shares to participants in the Employee Stock Option Schemes in a simple and cost-effective manner, the AGM resolved to approve a directed issue of 7,900,000 warrants to the Company (i.e. Cantargia AB (publ)).

If fully exercised, the warrants would dilute the Company's share capital and voting rights by approximately 4.1 per cent.

Internal control in respect of financial reporting

The Board of Directors is responsible for ensuring that Cantargia has good internal control and adequate, formalised procedures for ensuring compliance with adopted principles for financial reporting. The general purpose of the internal control system is to obtain reasonable assurance that the Company's operational strategies and goals are monitored and that the owners' investments are protected. The internal control system should also ensure with a reasonable degree of certainty that the Company's external financial reports are reliable and correct and have been prepared in accordance with generally accepted accounting policies, applicable laws, and regulations as well as other requirements applying to companies listed on Nasdaq Stockholm.

The Company monitors, follows and manages any risks in accordance with a risk management and corporate governance policy that is evaluated on an ongoing basis and adopted annually by the Board of Directors. Cantargia has decided to adopt the COSO[1] framework, which is the most widely accepted internal control framework for financial reporting. The framework consists of five components: control environment, risk assessment, control activities, information and communication, and monitoring.

Control environment and risk assessment

The Board of Directors has adopted several policies, governing documents, and instructions with the aim of creating and maintaining a functioning control environment. This is achieved mainly through the rules of procedure for the Board of Directors, the terms of reference for the Chief Executive Officer, the rules of procedure for the Audit Committee, the instructions for financial reporting, the Company's accounting manual and the authorisation manual. The Company's policies and governing documents are evaluated on an ongoing basis and adopted annually by the Board of Directors. The Board has also established an Audit Committee, which, among other duties, is tasked with monitoring the Company's financial position and the effectiveness of the internal control as well as internal auditing and risk management. Responsibility for the day-to-day internal control activities in respect of financial reporting has been delegated to the Company's Chief Executive Officer.

Cantargia's Board of Directors is also required to carry out an annual risk assessment in respect of strategic, operational, legal, and financial risks to identify potential issues and assess the Company's risk exposure. The Audit Committee is responsible for evaluating the Company's risk situation on an ongoing basis and shall assist the Board by submitting proposals for the management of the Company's financial risk exposure and risk management.

[1] Committee of Sponsoring Organizations of the Threadway Commission.

Control environment and risk assessment

The Company's information and communication paths are aimed at ensuring the accuracy of financial reporting and enabling reporting and feedback from the business to the Board and management, for example be ensuring that governing documents in the form of internal policies, guidelines and instructions for financial reporting are made available to and are known by the employees concerned. With regard to external communications, guidelines have been prepared to ensure that the Company meets the relevant disclosure requirements. The CEO is responsible for external communication.

The Board is responsible for control and monitoring of the CEO's risk management activities. This is done through reviews and monitoring of the Company's governing documents related to risk management and, for example, through reviews and assessments by the Board of adopted decisions. The effectiveness of the control activities is evaluated annually, and the results of these evaluations are reported to the Board and Audit Committee.

Monitoring

The CEO ensures that the Board receives regular reports on the results of the risk assessment, identified financial risks and processes, and the development of the Company's business. The Board also follows up the assessment of the internal control system, partly through contacts with the Company's auditor.

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Auditor's report on the Corporate Governance Statement

To the general meeting of the shareholders in Cantargia AB (publ), corporate identity number 556791-6019.

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the year 2024 on pages 64-69 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

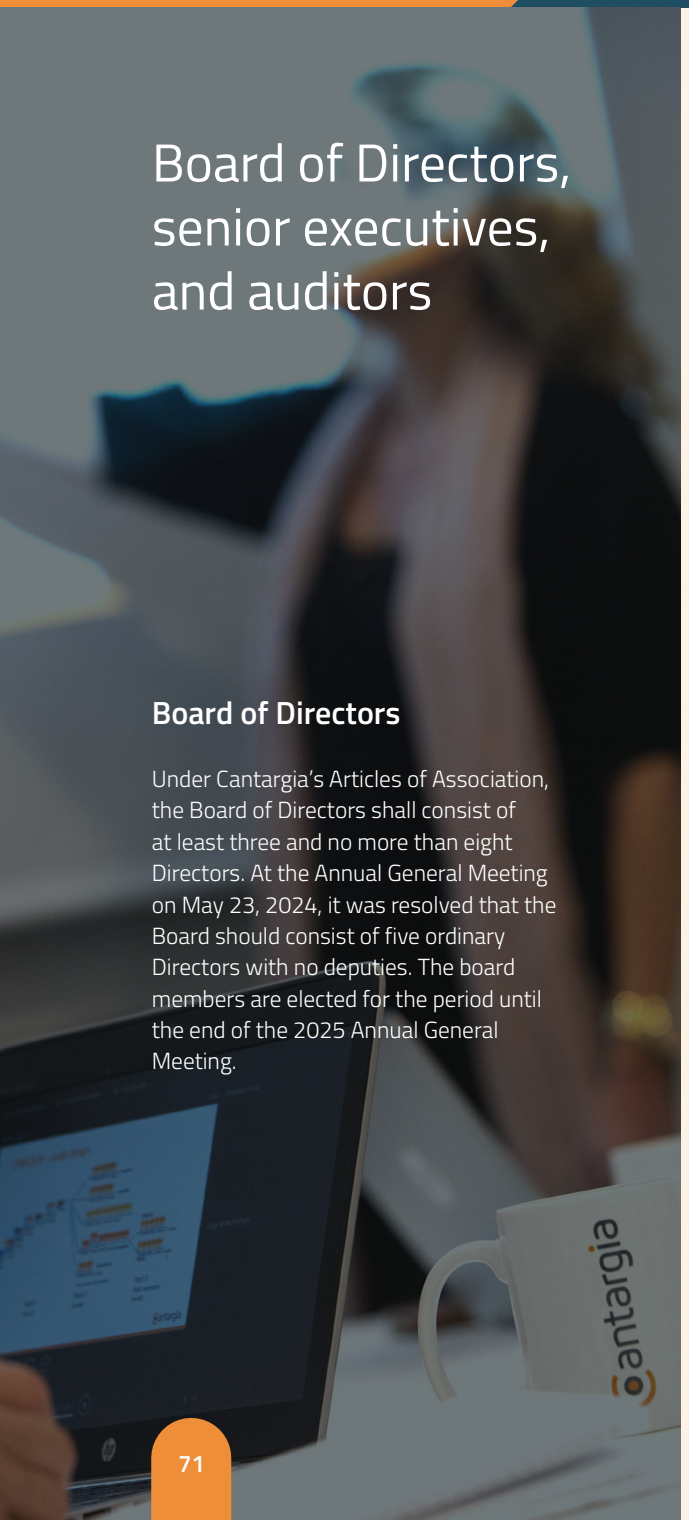
Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Malmö as of the date of our electronic signature

Öhrlings PricewaterhouseCoopers AB

Mikael Nilsson
Authorized Public Accountant



Board of Directors, senior executives, and auditors

Board of Directors

Under Cantargia's Articles of Association, the Board of Directors shall consist of at least three and no more than eight Directors. At the Annual General Meeting on May 23, 2024, it was resolved that the Board should consist of five ordinary Directors with no deputies. The board members are elected for the period until the end of the 2025 Annual General Meeting.

Board of Directors

Magnus Persson

Chairman of the Board since 2016, born 1960.
Member of the Remuneration Committee and the Drug Development Committee.

Number of shares: 277,735

Magnus Persson is MD and associate professor in physiology at the Karolinska Institute in Stockholm. Persson has extensive experience of financing within the fields of medicine, life sciences and biotech. Persson has previously led development teams in clinical phase II and phase III programmes in the pharmaceutical industry and has founded and led private as well as public biotech and medtech companies, either as Chairman or Member of the Board, in Europe and the US. Persson has also been involved in multiple IPOs.

Persson is Chairman of the Board of Eir Ventures Partners AB and associated companies, Attgeno AB, Initiator Pharma AS, and Board Member of Avalo Inc.

Independent in relation to the Company and its management and the Company's major shareholders.

Anders Martin-Löf

Board member since 2018, born 1971.
Chairman of the Audit Committee.

Number of shares: 75,000

Anders Martin-Löf is the CFO of BioArctic AB. He has extensive experience as CFO for companies listed on the Stockholm stock exchange and has served as CFO for Oncopeptides AB, Wilson Therapeutics AB and RaySearch Laboratories AB. Martin-Löf has also held the position of Head of Investor Relations and different positions within business development at Swedish Orphan Biovitrum. He holds an MSc in Engineering Physics from the Royal Institute of Technology and a BSc in Business Administration and Economics from Stockholm University.

Martin-Löf serves as a Board member of Affibody Medical AB.

Independent in relation to the Company and its management and the Companys major shareholders.

Flavia Borellini

Board member since 2020, born 1959.
Chairman of the Drug Development Committee.

Number of shares: 0

Flavia Borellini holds a PhD in Pharmaceutical Chemistry and Technology from the University of Modena in Italy. Borellini has broad experience in oncology and other therapeutic areas and has held senior positions at Astra Zeneca (Global Franchise Head, Hematology and Vice President, Global Product and Portfolio Strategy), Acerta Pharma (CEO), ONYX Pharmaceuticals (Vice President, Program Leadership), and Roche/Genetech (Lifecycle Leader).

Borellini serves as a Member of the Board of Directors of Kartos Therapeutics, and Revolution Medicines.

Independent in relation to the Company and its management and the Companys major shareholders.

Magnus Nilsson

Board member since 2021, born 1956.
Member of the Audit Committee.

Number of shares: 150,000

Magnus Nilsson is founder, previously President and CEO at XVIVO Group. Nilsson has also been President and CEO of Vitrolife and held prior to that, various positions as Project Manager for drug development projects at Pharmacia & Upjohn, Pharmacia, and Karo Bio. Nilsson holds a PhD in Medicine from Uppsala University and has published over twenty scientific articles.

Nilsson is Chairman of the Board of Directors at Mentice AB and Sanglife Solutions. He serves as a Member of the Board of Directors of Corline Biomedical AB, UGLK Science AB, UGLL Science AB, and Intelligent Implants Ltd.

Independent in relation to the Company and its management and the Company's major shareholders.

Damian Marron

Board member since 2021, born 1962.
Chairman of the Remuneration Committee (2024).
Interim CEO since February 5, 2025.

Number of shares: 63,054

Damian Marron has extensive experience as a Board Member and CEO within the life science industry, with a successful track record of leadership and value creation in public and private biotechnology companies. Marron has held positions as CEO and Executive Vice President in several biotech companies. He holds a BSc degree in Pharmacology from the University of Liverpool.

Marron is currently Chairman of the Board of Circio Holding ASA, Indegra Therapeutics Ltd, and Nicox SA. He serves as a Board Member of Onya Therapeutics Ltd. Marron is Managing Director of Castanea Management SARL and Head of Biopharma at Treehill Partners.

Marron was independent in relation to the Company and its management until February 5, 2025, whereafter he is a member of management. Independent in relation to the Company's major shareholders.

Management

Damian Marron

Interim CEO since 2025, born 1962

Please refer to previous page for a description of **Damian Marron**.

Lars Thorsson

VP Clinical Development employed since 2015, born 1961.

Holdings: 168,686 shares and 465,000 employee stock options.

Lars Thorsson graduated with a PhD in clinical pharmacology in 1998 and has extensive experience from the pharmaceutical industry, including leading roles in clinical studies and project management in a large number of development phases at AstraZeneca and Novo Nordisk A/S. Thorsson has been responsible for evaluation and documentation of new substances and has the experience of regulatory activities and interactions with health authorities.

David Liberg

CSO employed since 2015, born 1969.

Holdings: 69,087 shares and 505,000 employee stock options

David Liberg graduated with a PhD in 2001 and has over twenty-five years of research experience within immunology and tumor biology. Liberg has worked within the pharmaceutical industry for the last nineteen years, with responsibility for early research projects and activities in both tumor immunology and autoimmune/inflammatory diseases. He has extensive experience of pre-clinical and early stage clinical projects. Before joining Cantargia in 2015, he worked as Project Manager Drug Development as well as Head of Cell Biology and Biochemistry at Active Biotech AB. Liberg has also carried out research at Imperial College in the UK and at Lund University.

Nedjad Losic

VP Biometrics employed since 2021, born 1969.

Holdings: 60,000 shares and 360,000 employee stock options

Nedjad Losic holds an MSc in Mathematics and a diploma in Management of Medical Product Innovation (SIMI). Losic has over 25 years of experience in providing biostatistics expertise in clinical drug development, mostly in antibody development and oncology. Losic has been directly involved in the planning and obtaining market approvals for several biological drugs at Genmab and Y-mAbs Therapeutics. He has previously held managerial positions and worked for Ferring, Spadille, Genmab and Y-mAbs.

Morten Lind Jensen

CMO employed since 2025, born 1979.

Holdings: 0 shares and 0 employee stock options

Morten Lind Jensen is an MD, PhD, from University of Copenhagen, Denmark and holds a Diploma in Pharmaceutical Medicine from the Royal Colleges of Physicians of the United Kingdom.

Prior to joining Cantargia, Morten Lind Jensen held the position as Chief Medical Officer at UNION therapeutics A/S, where he worked 2021-2025 in clinical development within Hidradenitis Suppurativa, Atopic Dermatitis, Psoriasis, Ulcerative Colitis and viral airway infections. He also brings 10 years of experience as medical specialist, project manager and line manager from Novo Nordisk, where he worked across the internal Novo Nordisk portfolio and established external collaboration projects within new ways of doing clinical trials and using data.

Morten is currently board member of HEDIA A/S, and BIBAWO Medical A/S.

Patrik Renblad

CFO employed since 2023, born 1970.

Holdings: 141,405 shares and 350,000 employee stock options.

Patrik Renblad holds a MSc in Business Administration and Economics from Lund University. He has more than 20 years of experience from the Life Science industry. With a strong financial background and focus, he has served in various roles across the pharmaceutical value chain and across geographies for AstraZeneca, LEO Pharma and SynAct Pharma. Prior to joining Cantargia, Renblad led SynAct Pharmas listing on Nasdaq Stockholm in 2022 as CFO. Before that, he served 10 years at LEO Pharma, amongst his roles were head of Research & Development Finance unit and local CFO for the Chinese affiliate in Shanghai.

Ton Berkien

CBO employed since 2024, born 1968.

Holdings: 53,423 shares and 200,000 employee stock options.

Ton Berkien holds a BA degree in economics/business information from Saxion University of Applied Sciences in the Netherlands, as well as an LSid from SIMI and from PwC/Harvard Business School/IMD. He has more than 20 years of experience in the Life Science Industry. Berkien has previously held senior business development positions at Amgen, Nuevolution, Takeda and Nycomed. Before that he held positions at Ferring Pharmaceuticals, PwC, KPMG and Gilde Investment Management. Further, he is Chairman of the Board in Gedea Biotech AB and board member in Adjutec Pharma A/S.

Other disclosures on Directors and senior executives

There are no family connections among any Directors or senior executives. There are no conflicts of interest or potential conflicts of interest between the Directors' and senior executives' undertakings to the Company and their private interests and/or other undertakings. As shown above, some Directors and senior executives have financial interests in the Company in the form of shareholdings. None of the Directors or senior executives has in the last five years participated or been involved in any bankruptcy, liquidation or administration proceedings in the capacity of Director or senior executive of a company. None of the Directors or senior executives has in the last five years been accused of and/or been subject to any sanction from a public authority, professional association or similar body, been disqualified from engaging in business activities or otherwise been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of or from acting in the management or conduct of the affairs any company. There exist no special agreements on post-employment benefits for the current Directors or senior executives. All Directors and senior executives can be contacted at the Company's address: Scheelevägen 27, SE-223 63 Lund, Sweden.

Auditors

At the Annual General Meeting on May 23, 2024, Öhrlings PricewaterhouseCoopers AB were re-appointed as auditors for the Company for the period until the end of the Annual General Meeting 2025. Mikael Nilsson (born 1981) is auditor-in-charge. He is an Authorised Public Accountant and a member of FAR, the professional institute for accountants in Sweden.

Annual General Meeting and calendar

Cantargia's Annual General Meeting will be held on Thursday May 15, 2025. Shareholders who wish to participate in the Annual General Meeting must be registered in the share register maintained by Euroclear Sweden AB as of Wednesday May 7, 2025 and register with the company no later than Friday May 9, 2025, in accordance with the notice to the meeting.

The board has decided that shareholders may exercise their voting rights at the annual general meeting by postal voting. Shareholders may thus exercise their voting rights at the meeting through physical attendance, by proxy, or by postal voting. See more information in the notice to the meeting.

Shareholders whose shareholding is registered with a nominee must, to be entitled to participate in the AGM, ensure that their shareholding is temporarily re-registered in their own name with Euroclear Sweden AB so that the shareholder is registered in the share register as of May 7, 2025. Such registration may be temporary (registration of voting rights) and must be requested from the nominee in accordance with the nominee's procedures by the deadline specified by the nominee. Voting rights registered no later than the second business day after May 7, 2025 will be entered in the share register.

2025-05-13	Interim Report January-March 2025
2025-05-15	Annual Genereal Meeting 2025
2025-08-21	Half-year report January-June 2025
2025-11-19	Interim Report January - September 2025
2026-02-20	Year-end report for 2025

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