EXTENDED CONSOLIDATED QUARTERLY REPORT OF THE GROUP FOR THE PERIOD 01.01.2024 - 31.03.2024

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1. FINANCIAL DATA

Below please find selected financial data of Captor Therapeutics S.A. and Captor Therapeutics capital group from the consolidated and separate financial statements. The consolidated and separate financial statements of Captor Therapeutics S.A. have been prepared in accordance with the historical cost principle, except for financial instruments that are measured at fair value. The consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as adopted by the EU. The going concern assumptions are described in note 12 in the additional information and notes section of this report.

1.1. Selected financial data of the Capital Group of Captor Therapeutics S.A.

— INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE AND OTHER COMPREHENSIVE INCOME

	Data in PLN'000		*Data in EUR'000*	
	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023	01.01.2024 - 31.03.2024	01.01.2023- 31.03.2023
Research and development income	4 505	1 543	1 043	328
Cost of services sold	1 521	433	352	92
Gross profit (loss) on sales	2 984	1 111	691	236
Operating profit (loss)	-9 721	-15 457	-2 250	-3 288
Profit (loss) before tax	-9 439	-14 230	-2 184	-3 027
Net profit (loss)	-9 439	-14 230	-2 184	-3 027
Number of shares	4 645 712	4 209 149	4 645 712	4 209 149
Net profit (loss) per share (in PLN/EUR)	-2,03	-3,38	-0,47	-0,72

— INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31.03.2024	31.12.2023	31.03.2024	31.12.2023
Non-current assets	7 307	8 646	1 699	1 989
Current assets	76 161	88 648	17 708	20 388
Equity	59 722	69 220	13 886	15 920
Non-current liabilities	918	1 343	213	309
Current liabilities	22 828	26 731	5 308	6 148

— INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023
Net cash flows from operating activities	-10 252	-7 313	-2 373	-1 556
Net cash flows from investing activities	416	4 300	96	915
Net cash flow from financing activities	-969	-1 752	-224	-373

Conversion into EURO was made on the basis of the following principles:

- items of the statement of financial position according to the average exchange rate of the National Bank of Poland as at the balance sheet date, i.e., as of 31 March 2024 the exchange rate of EUR 1 = PLN 4.3009, and as of 31 December 2023 the exchange rate of EUR 1 = PLN 4.3480;
- items of the statement of financial performance and other comprehensive income and the cash flow statement - according to the average exchange rate being the arithmetic mean of the average exchange rates announced by the National Bank of Poland as at the end of each calendar month in a given period, i.e. for the period from 1 January 2024 to 31 March 2024, the exchange rate of EUR 1 = PLN 4.3211, for the period from 1 January 2023 to 31 March 2023, the exchange rate of EUR 1 = PLN 4.7005.

1.2. Selected financial data of Captor Therapeutics S.A.

— INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL PERFORMANCE AND OTHER COMPREHENSIVE INCOME

	Data in PLN'000		*Data in EUR'000*	
	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023
Research and development income	4 505	1 543	1 043	328
Cost of services sold	1 521	433	352	92
Gross profit (loss) on sales	2 984	1 111	691	236
Operating profit (loss)	-9 774	-15 467	-2 262	-3 291
Profit (loss) before tax	-9 488	-14 221	-2 196	-3 025
Net profit (loss)	-9 488	-14 221	-2 196	-3 025
Number of shares	4 645 712	4 209 149	4 645 712	4 209 149
Net profit (loss) per share (in PLN/EUR)	-2,04	-3,38	-0,47	-0,72

— INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION

	31.03.2024	31.12.2023	31.03.2024	31.12.2023
Non-current assets	6 936	8 646	1 613	1 989
Current assets	75 929	88 648	17 654	20 388
Equity	59 679	69 220	13 876	15 920
Non-current liabilities	617	1 343	143	309
Current liabilities	22 569	26 731	5 248	6 148

— INTERIM CONDENSED SEPARATE CASH FLOW STATEMENT

	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023
Net cash flows from operating activities	-10 452	-7 416	-2 419	-1 578
Net cash flows from investment activities	416	4 300	96	915
Net cash flow from financing activities	-936	-1 621	-217	-345

Conversion into EURO was made on the basis of the following principles:

- items of the statement of financial position according to the average exchange rate of the National Bank of Poland as at the balance sheet date, i.e., as of 31 March 2024 the exchange

rate of EUR 1 = PLN 4.3009, and as of 31 December 2023 the exchange rate of EUR 1 = PLN 4.3480

- items of the statement of financial performance and other comprehensive income and the cash flow statement - according to the average exchange rate being the arithmetic mean of the average exchange rates announced by the National Bank of Poland as at the end of each calendar month in a given period, i.e. for the period from 1 July 2024 to 31 March 2024, the exchange rate of EUR 1 = PLN 4.3211, for the period from 1 January 2023 to 31 March 2023 the exchange rate of EUR 1 = PLN 4.7005.

1.3. Management Board comments on the financial results

Captor Therapeutics Group total research and development revenue of PLN 4,505 thousand in the first of quarter 2024 constitutes an increase, compared to the corresponding period in 2023, of PLN 2,962 thousand. This was primarily due to an increase in revenue from the collaboration with Ono Pharmaceutical which more than offset a reduction in grant subsidies of PLN 1,253 thousand.

Given the nature of the Group's operations and the early stage of development of the Company's drug candidates, the Group is currently incurring losses from operations as it invests in advancing its lead candidates to the optimum stage of development for commercialisation. The Captor Therapeutics Group net loss narrowed from to PLN 14,221 thousand in Q1 2023 to PLN 9,488 thousand in Q1 2024, reflecting a focus of expenditure on the priority lead projects, lower outsourcing costs due to projects advancing through development, anticipation of the start of clinical trials, and lower costs associated with the employee incentive scheme.

2. INFORMATION ON CAPTOR THERAPEUTICS S.A. AND THE CAPITAL GROUP

2.1 Basic information on Captor Therapeutics S.A. and the Capital Group

Captor Therapeutics is an innovative biopharmaceutical group specializing in the development of drugs based on Targeted Protein Degradation ("**TPD"**) and a European leader of this young technology. The Group's strategy is based on building a competitive advantage by completely focusing on the development of the TPD drug discovery platform and the continuous maintenance and commercialization of a high value pipeline composed of drug candidates with the potential to treat severe diseases where there is no satisfactory treatment. On 19 April 2021 Captor Therapeutics S.A. debuted on the Warsaw Stock Exchange, becoming the first European public company fully dedicated to the TPD technology.

The Parent Company was formed as a result of the transformation of Captor Therapeutics spółka z ograniczoną odpowiedzialnością (limited liability company) pursuant to a resolution of the Extraordinary Shareholders Meeting of Captor Therapeutics sp. z o.o. dated 28 August 2018.

On 7 November 2018, the Company was registered in the National Court Register kept by the District Court for Wrocław-Fabryczna in Wrocław, 6th Commercial Division of the National Register under number KRS 0000756383. The Company's registered office is located in Wrocław. The parent company was incorporated for an indefinite period of time and operates under the laws of Poland.

Table 1: Basic data

Company	**Captor Therapeutics Spółka Akcyjna**
Registered office address	54-427 Wrocław, Duńska 11
Telephone	+48 537 869 089
Website	www.captortherapeutics.com
e-mail	info@captortherapeutics.com
Regon	363381765
NIP	8943071259
KRS	0000756383

2.2 Structure of the Group

The Captor Therapeutics Group consists of the parent company: **Captor Therapeutics Spółka Akcyjna ("Parent Company", "Company", "Captor Therapeutics")** and the subsidiary: **Captor Therapeutics GMBH ("Subsidiary"** hereafter also collectively with the Company as **the "Group" or "Capital Group", and "Captor Therapeutics Group").**

As of 31 March 2024, and as of the date of publication this report, the Captor Therapeutics Group comprised, in addition to the Company, Captor Therapeutics GmbH with its registered office in Switzerland. The object of the Subsidiary's activity consists of drug research and development, implementation of related projects, creation of intellectual property and cooperation with pharmaceutical companies in this field. The Parent Company holds 100% of shares in the share capital of the Subsidiary.

2.3 Changes in the structure of the Captor Therapeutics Group

There were no changes in the structure of the Captor Therapeutics Group during the reporting period.

2.4 Information about the parent company Captor Therapeutics S.A.

2.4.1 The Company's governing bodies

2.4.1.1 The Management Board of Captor Therapeutics S.A.

As of 31 March 2024, and as of the date of publication of this report, the Management Board of Captor Therapeutics consisted of the following persons:

— **Table 2: Composition of the Management Board of Captor Therapeutics S.A. as of 31 March 2024 and as of the date of publication of this report**

Composition of the Management Board of Captor Therapeutics S.A.		
1.	Thomas Shepherd	- President of the Management Board
2.	Michał Walczak	- Member of the Management Board, Chief Scientific Officer of the Company

Change in the composition of the Company's Management Board

On 6 February 2024, Radosław Krawczyk resigned from his position as Member of the Company's Management Board - Chief Financial Officer (the information was communicated in current report no. 5/2024 on 6 February 2024).

2.4.1.2 Supervisory Board of Captor Therapeutics S.A.

As of 31 March 2024, and as of the date of publication of this report, the Supervisory Board of Captor Therapeutics consisted of the following persons:

— **Table 3: Composition of the Supervisory Board of Captor Therapeutics S.A. as of 31 March 2024 and as of the date of publication of this report**

Composition of the Supervisory Board of Captor Therapeutics S.A.		
1.	Paweł Holstinghausen Holsten	- Chairman of the Supervisory Board
2.	Robert Florczykowski	- Member of the Supervisory Board
3.	Charles Kunsch	- Member of the Supervisory Board
4.	Krzysztof Samotij	- Member of the Supervisory Board
5.	Maciej Wróblewski	- Member of the Supervisory Board

Change in the composition of the Supervisory Board

On 4 January 2024, the Extraordinary General Meeting of the Company dismissed Florent Gros from the Supervisory Board of the Company and appointed Charles Kunsch to the Supervisory Board of the Company (the information was communicated in current report no. 1/2024 on 4 January 2024).

2.4.2 Share capital of the Company

As of 31 March 2024, and as of the date of publication of this report, the Company's share capital amounts to PLN 464.571,20 and is divided into 4 645 712shares with a nominal value of PLN 0.10 each. The total number of votes attached to all shares in the Company is 5 793 105.

The share capital structure as of 31 March 2024 and as of the date of publication of this report:

— **Table 4: Share capital of Captor Therapeutics as of 31 March 2024 and as of the date of publication of this report**

Share series	Number of shares	Nominal value of shares	Preference rights	Number of votes
A	799,750	0.10	yes	1,599,500
B	1,757,075	0.10	no	1,757,075
C	82,449	0.10	no	82,449
D	97,051	0.10	no	97,051
E	347,643	0.10	yes	695,286
F	26,925	0.10	no	26,925
G	871,500	0.10	no	871,500
H	52,354	0.10	no	52,354
I	9,082	0.10	no	9,082
J	84,143	0.10	no	84,143
K	30,738	0.10	no	30,738
L	9,420	0.10	no	9,420
M	41,019	0,10	no	41,019
N	11,292	0,10	no	11,292
O	25,271	0,10	no	25,271
P	400,000	0,10	no	400,000
Total	**4,645,712**			**5,793,105**

Changes in the share capital of Captor Therapeutics:

Changes in the Company's share capital which took place during the reporting period:

- On 19 January 2024, the Management Board of the Company adopted a resolution to issue 17,134 series R ordinary bearer shares, within the limits of the Company's authorised capital, excluding, in full, the pre-emptive rights of the Company's existing shareholders. The share issue is related to the implementation of a share-based incentive programme for employees and members of the Company's bodies. As at the date of publication of the report, the shares have not yet been issued and the increase has not been registered.

2.4.3 Shareholders with significant shareholdings

As of 31 March 2024 the Company's shareholding structure is as follows:

Table 5: Captor Therapeutics' shareholding structure, indicating the shareholders with at least 5% of the votes at the General Meeting as of 31 March 2024 and as of the date of publication of this report

No.	Shareholder	Total number of shares	Total number of votes	Percentage of share capital	Percentage of total votes at the GSM
1.	Michał Walczak	930 128	1 47 1 145	20,02%	25,39%
2.	Paweł Holstinghausen Holsten	596 187	956 262	12,83%	16,51%
3.	Sylvain Cottens	340 897	526 730	7,34%	9,09%
4.	Funds Managed by TFI Allianz Polska S.A.	343 483	343 483	7,39%	5,93%
5.	Funds Managed by Nationale-Nederlanden Powszechne Towarzystwo Emerytalne S.A.*	303 075	303 075	6,52%	5,23%
6.	Others	2 131 942	2 192 410	45,89%	37,85%
Total		**4,645,712**	**5,793,105**	**100.0%**	**100.0%**

* *Of which Nationale-Nederlanden Otwarty Fundusz Emerytalny individually holds 271 564 of the Company's shares, which constitutes 4,69% of the total number of votes and 5,85% of the share capital.*

2.4.4 Shares in the Company held by managing and supervising persons

The table below presents the shareholdings of the Company's management and supervisory staff as of 31 March 2024.

Table 6: Shares in the Company held by managing and supervising persons as of 31 March 2024

Shareholder	Number of shares	Number of votes	Percentage of share capital	Percentage of total votes at the GSM
Management Board				
Thomas Shepherd	58 329	58 329	1,26%	1,01%
Michał Walczak	930 128	1 471 145	20,02%	25,39%
Supervisory Board				
Paweł Holstinghausen Holsten	596 187	956 262	12,83%	16,51%
Krzysztof Samotij	6 221	6 221	0,13%	0,11%
Maciej Wróblewski	6 221	6 221	0,13%	0,11%

In the period from the date of submission of the previous interim report, i.e., the annual report for 2023 published on 8 April 2024, until the date of submission of this report, the following change in the ownership of the Company's shares by management and supervisory personnel took place:

- on 16 April 2024, the Company received from Thomas Shepherd, President of the Management Board, a notification of a transaction in the Company's shares (acquisition of

940 ordinary shares), as referred to in Article 19(1) of the MAR Regulation. The information was provided in current report no. 10/2024 of 16 April 2024;

— **Table 7: Shares in the Company held by managing and supervising persons as of the date of publication of this report**

Shareholder	Number of shares	Number of votes	Percentage of share capital	Percentage of total votes at the GSM
Management Board				
Thomas Shepherd	59 269	59 269	1,28%	1,02%
Michał Walczak	930 128	1 471 145	20,02%	25,39%
Supervisory Board				
Paweł Holstinghausen Holsten	596 187	956 262	12,83%	16,51%
Krzysztof Samotij	6 221	6 221	0,13%	0,11%
Maciej Wróblewski	6 221	6 221	0,13%	0,11%

3. ACTIVITIES OF THE COMPANY AND THE CAPTOR THERAPEUTICS GROUP

The Company is an innovative biopharmaceutical company specializing in targeted protein degradation ("**TPD**") technology to discover and develop new drugs that treat severe diseases where satisfactory treatments do not exist. The Company focuses its operations on development of therapeutic molecules for treating certain oncological and autoimmune diseases. The drug candidates being developed are characterized by high efficacy and the ability to remove disease causing proteins that are either beyond the reach of classical inhibitors or blocking drugs or are inadequately treated.

The TPD approach of the Company using the proprietary Optigrade™ drug discovery platform overcomes the limitations of classical inhibitors and antibody drugs by destroying disease causing proteins which are resistant to available therapeutics. Thanks to TPD technology the Company has much wider possibilities of discovering drug candidates than traditional biotechnology companies.

TPD drugs have the potential to address a potentially unlimited numbers of new molecular targets that are currently beyond the reach of classical drugs (known as undruggable targets), which translates into tremendous potential for the development of new therapies. Because of the vast pool of available targets, the Company has a lot of room to work on targets where there is little or no competition.

The commercial strategy of Captor is to take the most promising and appropriate pipeline programmes into early clinical trials, one of the key value inflection points in development, to ensure that the Company captures optimum value for shareholders in any future transactions. At the same time, this does not exclude potential collaboration on individual projects at an earlier stage of drug development should a pharmaceutical company be interested.

Partnerships of this nature normally involve a license for technology and related patents and know-how, with a typical structure comprising the following payment phases: up-front payment, multiple milestone payments and royalties on sales.

In the reporting period the Group's business area did not change. The Group does not conduct traditional manufacturing, service, or trade activities and plans to commercialize its products and technology through partnerships and licensing.

3.1 Report on Company's and the Group's Activities

At the end of the reporting period, the Company's portfolio included four proprietary drug development projects in the area of autoimmune and oncological diseases with unmet medical needs, as well as a research, development and commercialisation collaboration with Ono Pharmaceutical Co, Ltd. („**Ono**"), the object of which is to cooperate on the development of small molecules capable of degrading a molecular target agreed by both parties, which may have applications primarily in the field of neurodegenerative diseases.. This will provide the Company with additional funding as work progresses and success based payments upon reaching jointly agreed milestones.

In early discovery phase, the Company has identified several molecular targets that may lead to attractive drug candidates in the areas of autoimmunity or oncology, which the Company believes will be of interest to pharmaceutical companies. If some of the current pipeline drug candidates reach the commercialization stage or are partnered, the Company can therefore add new pipeline projects based on these molecular targets already selected and validated.

One such project involving a. new target was recently the subject of a new grant funding agreement with Agencja Badań Medycznych (Eng. *Medical Research Agency)*, ("ABM"), CT-09 project, which aims to develop an oral molecular glue drug candidate for the treatment of colorectal cancer and, in the longer term, potentially other types of cancer. The proposed small-molecule drug will induce degradation of proteins that negatively regulate immune T-cell activity, stimulating these cells to activate and infiltrate cancer tumours, thereby resulting in the desired therapeutic response.

The major focus of the company is on its most advanced projects CT-01 and CT-03 which are advancing towards the clinic, however innovative work continues in new research areas, such as ADC conjugates and the evolution of the Optigrade™ platform. Details are presented in section 3.1.2 of this report.

Please note that the following statements and projections are based on estimates that are subject to change depending on circumstances, including those beyond the Company's control. They should not be relied upon as a basis for making definitive estimates or projections with respect to any of the projects.

3.1.1 Company pipeline projects

Below please find a brief description of the objectives of each project and their level of progress at the time of publication of this report.

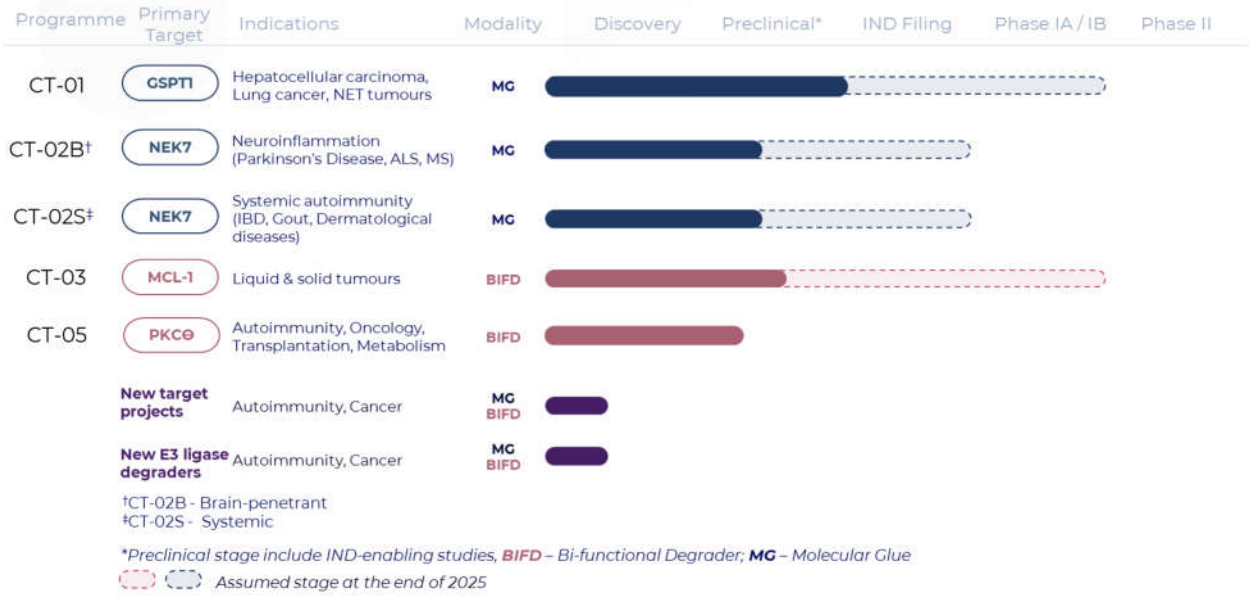

Figure 1: Progress of works with respect to discovery and development of drugs constitute projects carried out by the Issuer and in collaboration with an external entity

3.1.2 Most advanced pipeline projects of the Company

3.1.2.1 Project CT-01: *Discovery and development of a new clinical drug candidate for the eradication of cancer stem cells in the treatment of hepatocellular carcinoma, through degradation of oncofetal transcription factor*

The purpose of the CT-01 project is to develop a drug candidate based on targeted protein degradation technology that can improve the treatment of hepatocellular carcinoma and offer significant clinical benefit for patients.

Primary Liver cancer is the 6th most common cancer and the 4th leading cause of cancer-related deaths worldwide. The majority (80-90%) of liver cancers are hepatocellular carcinoma (HCC) and arise in the setting of chronic liver disease. In 2022, there were estimated over 900,000 new HCC cases globally, which is expected to rise to over 1 million by 2025. The major risk factors for HCC currently include chronic alcohol consumption and viral infectious hepatitis B or C, but these factors are increasingly being overtaken by metabolic diseases e.g., obesity, Type 2 diabetes and non-alcoholic fatty liver disease.

While surgery or transplants are the preferred treatment to obtain potential cure only 30-45% of patients have surgically resectable disease or are suited for liver transplant (*Ding J, Wen Z. Survival improvement and prognosis for hepatocellular carcinoma: analysis of the SEER database. BMC Cancer. 2021 Oct 29;21(1):1157. doi: 10.1186/s12885-021-08904-3.*). Approximately 50% of patients at diagnosis have locally advanced or metastatic disease (spread outside the liver to other organs) that is not amenable to surgery and are candidates to receive systemic drug therapies.

Current US FDA-approved treatment regimens include (in first line) atezolizumab and bevacizumab or durvalumab and tremelimumab, followed by sorafenib or lenvatinib in second line. Third line therapies include cabozantinib, regorafenib, ramcirumab, pembrolizumab and nivolumab. The current market estimates for systemic therapies are in the range of $2.5-3 billion but are expected to grow to $10-13 billion by 2030 as HCC incidence grows and new therapies are developed (Polaris Market Research, 2022; Research and Markets, 2023; Skyquest, 2024; SNS Insider, 2023; Vision Research Reports, 2024).

The average (median) 5-year survival of patients with localised disease (confined to the liver), regional disease (spread locally outside the liver e.g. to lymph nodes) and distant (metastatic) disease (spread to other organs such as lung and bone) is 37, 14 and 4%, respectively.

The survival of the majority of patients who have regional or distant disease is therefore dismal, despite current and recently approved treatments. The average survival of patients with distant disease is approximately 20 months. Thus, there remains a huge need for better treatment in advanced metastatic HCC in particular.

In Q1 2024, clinical formulation development was continued. Currently, technical batches of capsules are being manufactured and will be placed on GMP stability study to generate data required for the IMPD completion. During the process, Master Batch Records are being prepared, that will provide a detailed guideline for GMP production of capsules that will be used in the clinical trial. In parallel, analytical methods to be used for the release of the bulk drug product are being validated. The Company is also working on assays for pharmacokinetic and pharmacodynamic analysis of patient-derived samples and arrangement with the central lab that will be receiving samples from hospitals.

In parallel, reports and documentation necessary for the Clinical Trial Application submission are being prepared in close collaboration with ICON Clinical Research Limited. Clinical protocol is completed, and Investigator's Brochure undergoes final formatting. Investigational Medicinal Product Dossier will be completed when drug product formulation process development is completed and upscaled.

At the same time, the Company, together with ICON, carried out an intensive process of selecting centers specializing in conducting early-phase clinical trials for oncological indications, in particular hepatocellular carcinoma, in renowned clinical centers in Germany, Spain and France. These countries were selected due to their high potential for recruiting an appropriate number of HCC patients in addition to a well-established comprehensive treatment system for patients diagnosed with primary liver cancer. Following to thorough evaluation, clinical sites have been selected, which allows Company to initiate contract and budget arrangements. The proposed clinical trial was very positively received by clinical centers

treating patients with hepatocellular carcinoma due to the innovative nature of the proposed experimental treatment.

The next milestone in CT-01 project is Clinical Trial Application submission, planned in Q3 2024.

The work progress of the CT-01 project is illustrated below:

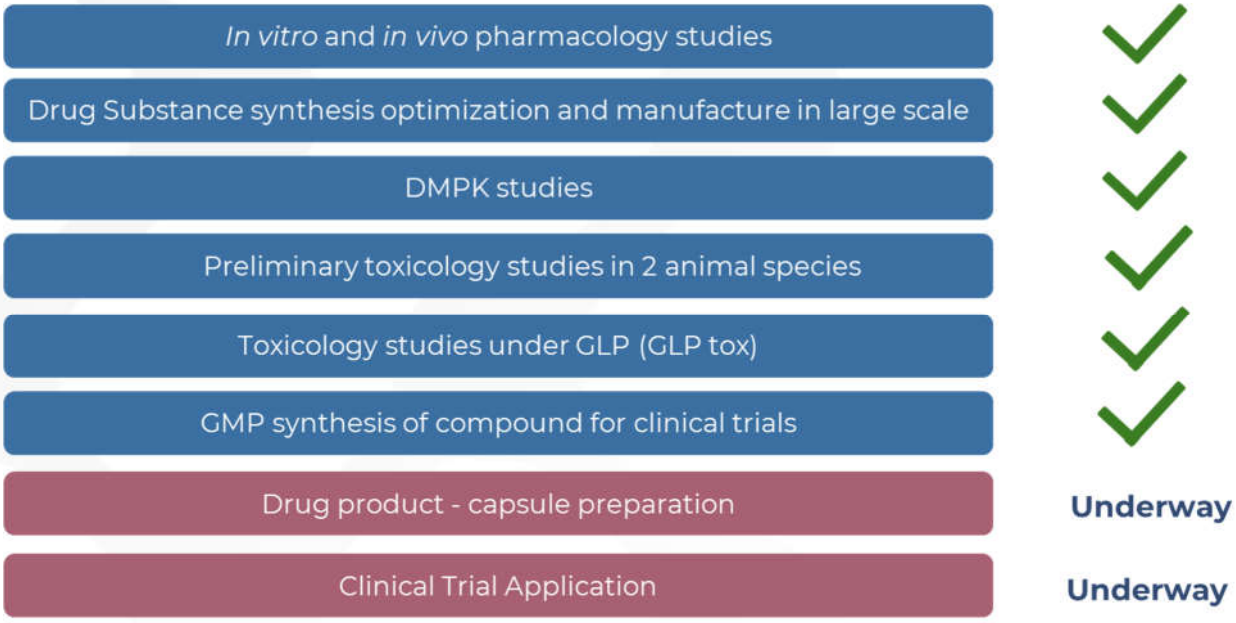

Figure 2. Status of ongoing studies to allow drug candidate to enter clinical trials.

The CT-01 trial is a phase 1 study that will evaluate CPT-6281 as a single agent (monotherapy) and in combination with Everolimus, a targeted therapy that is approved in certain cancer indications, but is not approved for use in HCC. In preclinical experiments (cells and animals) combination of CPT-6281 with everolimus has demonstrated increased killing of HCC tumour cells compared to either CPT-6281 or Everolimus alone.

The trial will primarily assess the optimal dose of CPT-6281 both as monotherapy and in combination with Everolimus. The primary determinant of the optimal dose will be based on the safety or side-effects observed at different doses of CPT-6281 monotherapy, or in combination with Everolimus. In addition, the trial will assess the effect of CPT-6281 and CPT-6281 + Everolimus on the tumour. This will be assessed by x-ray scans (CT-Scans) and by blood tests.

Several different and increasing doses of CPT-6281 as monotherapy and in combination with Everolimus will be assessed. For each dose a minimum number of patients will be treated, this will typically be approximately 3-6 patients for each dose.

As combination treatment (giving more than one drug) is standard practice for many patients with metastatic HCC, it is expected that CPT-6281 + Everolimus will be more effective at shrinking a broader range of HCC tumours than CPT-6281 alone. Once the phase 1 trial is complete, further clinical development will compare CPT-6281 or CPT-6281 + Everolimus with a standard of care approved treatment in patients with advanced/metastatic HCC who have received at least 1 prior systemic treatment. This trial will primarily assess whether CPT-6281 (alone or in combination) results in greater benefit (tumour shrinkage) than standard of care treatment.

GSPT1 degradation holds immense promise as a treatment strategy, thanks to its powerful ability to kill cancer cells. However, this same activity raises potential concerns of safety due to side-effects. Captor has therefore deliberately chosen a drug candidate, CPT-6281, that is given in the form of an inactive pro-drug. This compound, when taken by mouth, allows for absorption

of the inactive compound in the gut and for its transport to the liver via the liver portal vein (which carries blood from the intestines directly to the liver). There the inactive form enters liver cancer cells where it is converted intracellularly to the highly active GSPT1 degrader, that potently kills these cells. This conversion is mediated by a specific enzyme highly elevated in hepatocellular carcinoma, that is also elevated in lung cancer.
Importantly, in laboratory testing this active compound proved to have minimal toxicity on healthy liver cells, hepatocytes, at doses higher than are planned to be used in patients. In addition, it is worth mentioning that the active compound crosses intact cell membranes very poorly, so if the dying cancer cells release the active compound, it cannot easily enter new cells, especially in the systemic circulation, where it could cause potential off-target side effects. We therefore believe that such a pro-drug based approach strongly differentiates our compound from other GSPT1 degraders. To summarize:

- CPT-6281 is an orally administered prodrug that passes directly to the liver and is activated within liver cancer cells
- The active compound selectively kills cancer cells in which it has been activated
- The active compound released by dead cancer cells has great difficulty to enter other cells and therefore has the potential to provide an increased therapeutic window
- CPT-6281, when administered by injection rather than orally, may also have potential in the treatment of lung cancer in the future, due to the presence of the same activating enzyme in these tumours.

3.1.2.2 MCL-1 (CT-03) Project: *Apoptosis induction using low molecular weight chemical compounds as a therapeutic intervention in neoplastic diseases*

The purpose of the CT-03 project is to develop a MCL-1 protein bi-functional degrader. MCL-1 is the major survival signal for many cancers. It is also responsible for the mechanism of resistance to treatment with e.g., BCL-2 inhibitors. MCL-1 degradation is an attractive treatment strategy for many cancers, including hematologic malignancies, small cell lung cancer (SCLC), non-small cell lung cancer (NSCLC), and triple-negative breast cancer (TNBC)-cancers with very high unmet medical needs due to the limited possibility of effective treatment-as well as acute myeloid leukemia (AML), which is the most common type of leukemia in adults, affecting more than 5 per 100,000 people (2013 data). The drug candidate being developed under the CT -03 project may be considered "*first-in-class*" because, to the Company's knowledge, it is the only MCL-1 degrader currently being developed by a pharmaceutical company.

The lead compound – CPT-908 – was tested in a panel of over 930 cancer cell lines (in collaboration with the Broad Institute). The results indicate that the compound has the strongest activity in myeloid and lymphoid cancers, primarily acute myeloid leukemia (AML), B-cell lymphoma (BLL) and plasma cell myeloma (PCM). Soft tissue and breast cancer cell lines were also relatively sensitive to CPT-908. The results indicate that CPT-908 is highly selective for the type of tumor (i.e., the tissue from which it developed).

In the first quarter of 2024, exploratory PK/PD studies was conducted on cynomolgus monkeys of various doses of known MCL-1 inhibitor, which was withdrawn from clinical trials due to its cardiotoxic effects. Based on the results obtained, the next stage of the study was designed, allowing for comparison of the effect of the MCL-1 inhibitor and the bifunctional CPX degrader on the troponin level in the animal model.

These studies aim to investigate changes in troponin concentrations at various time points after administration of both compounds and will be useful when choosing a dosage regimen in the clinic.

Due to the identification of an additional drug candidate with very high activity, in the first quarter of 2024, extensive optimization of its production was carried out and work began on the crystallization conditions of the final product. This will avoid delays once the drug candidate is selected.

Additionally, non-GLP studies have been initiated in non-human primates to determine the maximum tolerated dose (MTD) and to better understand the toxicological profile of the second lead compound. These studies are crucial for the nomination of drug candidates, as well as for the selection of dosage regimens in subsequent toxicological studies on animal models and clinical trials.

3.1.2.3 Project NEK7 (CT-02S & CT-02B): *Preparation and development of non-toxic ligase ligands and their use in the treatment of autoimmune diseases and hematologic malignancies*

In the 2023 the Company disclosed NEK7 protein as the molecular target of the CT-02 project. The selective degradation of NEK7 protein in the CT-02 project is of significant value for the treatment of numerous inflammatory diseases by balancing the therapeutic role of reducing the level of the autoimmunity response, but still preserving the immune function of the IL-1b-dependent pathway.

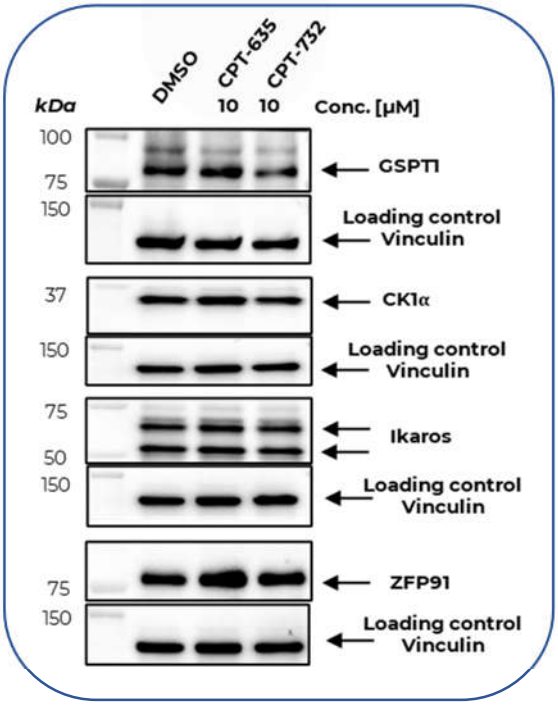

Figure 3: The results of the Western blot analysis of the levels of individual proteins in human PBMCs. Both tested compounds exhibit a high degree of selectivity and do not lead to the degradation of the tested proteins.

NEK7 protein is involved in modulating the activity of the inflammasome complex, which plays a key role in triggering the inflammatory response. Activation of the inflammasome complex is not entirely dependent on the kinase activity of NEK7 protein - its structural (scaffolding) function plays a key role. Therefore, classical inhibition of NEK7 enzyme function, as opposed to its degradation, will not provide therapeutic benefit.

Last year, the Company developed two lead compounds strongly degrading the NEK7 protein, with different properties of penetrating the blood-brain barrier. Regarding this, the Company decided to split the CT-02 project into two separate projects: CT-02S and CT-02B. In the CT-02S project, the lead compound is CPT-513 with excellent pharmacokinetic and pharmacodynamic properties. The main therapeutic area in this project includes systemic inflammatory diseases, including autoimmune diseases, disorders related to metabolic diseases/obesity, and cardiovascular diseases. In the CT-02B project, the lead compound is CPT-101 capable of crossing the blood-brain barrier, and the main therapeutic area focuses on diseases related to the central nervous system, characterized by neuroinflammation, such as Parkinson's disease, Alzheimer's disease, or Amyotrophic Lateral Sclerosis.

In the first quarter of 2024, work was continued to investigate the cross-species reactivity of both lead compounds. It was shown that CPT-513 and CPT-101 exhibit several-fold lower activity in PBMCs isolated from rats compared to human, monkey, and mouse PBMCs. Further studies

were also conducted on the biological activity of active isomers identified in the previous year for the lead compounds: CPT-635 (racemate CPT-513) and CPT-732 (racemate CPT-101). In the assay measuring the degradation of the NEK7 protein conducted on human PBMCs, it was noted that CPT-635 and CPT-732 degrade the NEK7 protein in a dose-dependent manner (Figure 4) and are approximately 4 times more active than their racemates, CPT-513 and CPT-101. It was also demonstrated that the compounds exhibit high selectivity towards the tested molecular targets in Western blot analysis (Figure 3). Further studies on the compounds' selectivity, including markers related to potential teratogenicity, are planned in the coming weeks. Safety studies will also be outsourced to assess the impact of CPT-635 and CPT-732 on the viability of human hepatocytes. In studies conducted on racemates, no impact of the compounds CPT-513 and CPT-101 on the inhibition of key drug metabolism cytochrome P450 enzymes or mutagenic potential in the mini Ames test was observed. In the coming weeks, further characterization of the ADME properties for active stereoisomers will be carried out, including assessment of microsomal and serum stability, evaluation of plasma protein binding, the influence of compounds on hERG ion channel inhibition and cytochrome P450 enzymes, as well as mutagenic potential in the mini AMES test.

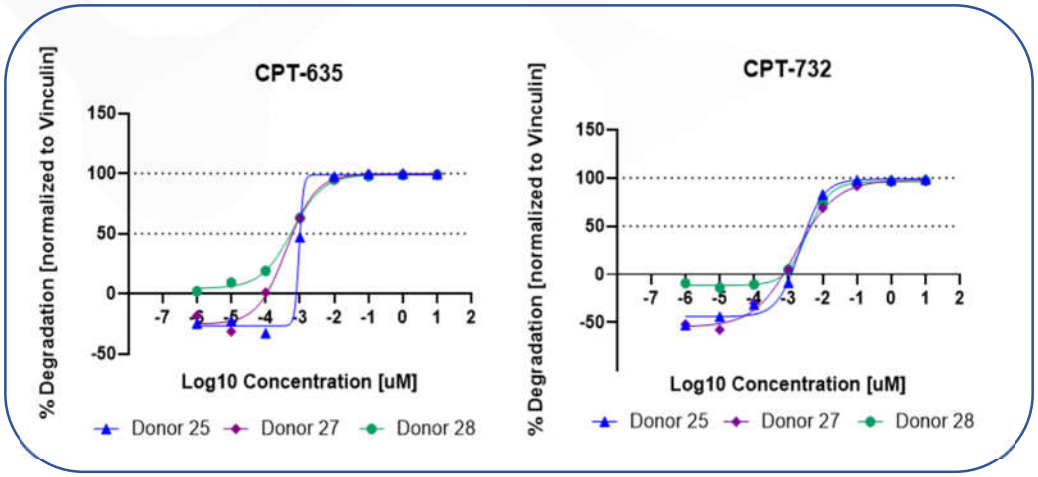

Figure 4: Results of Western blot analysis of NEK7 protein degradation levels in human PBMCs isolated from three healthy donors. Both tested compounds lead to strong, dose-dependent degradation of NEK7.

In the first quarter of 2024, an in vivo study was conducted in collaboration with subcontractor on C57BL/6 wild-type mice to evaluate the pharmacokinetic and pharmacodynamic properties of compound CPT-513. In the first stage of the study, time-dependent degradation of NEK7 in PBMCs isolated from mice at various time points after a single administration of CPT-513 at a dose of 100 mg/kg body weight was demonstrated, with a strong degradation effect persisting up to 24 hours post-administration. In the second stage of the study, the degradation effect of NEK7 was compared for different doses of CPT-513 - 30, 10, and 3 mg/kg of body weight - administered once daily (QD) for five consecutive days. Protein NEK7 degradation was observed for all tested doses, with the strongest effect noted for the dose of 30 mg/kg (Figure 5). Furthermore, both after a single high dose administration of CPT-513 and for lower doses administered over several days, no side effects indicating compound toxicity were observed, indicating a high safety potential with maintained pharmacodynamic effect.

The conducted *in vivo* study confirmed the possibility of investigating the therapeutic efficacy of the compounds in mouse models of chronic diseases. In the first quarter of 2024, discussions were held with CROs regarding the possibility of conducting such studies. As a result, a subcontractor was selected to conduct the *in vivo* study in two disease models: CIA (Collagen

Induced Arthritis) as an animal model of rheumatoid arthritis and EAE (Experimental Autoimmune Encephalomyelitis) representing a mouse model of multiple sclerosis. The initiation of the studies is scheduled for the Q2 of 2024, while obtaining results on therapeutic efficacy is expected at the Q2/Q3.

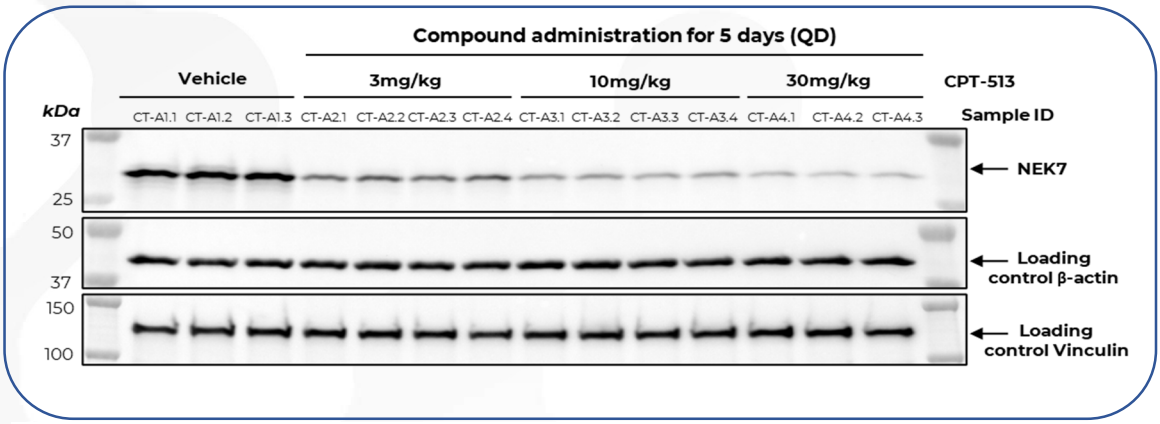

Figure 5: The results of the Western blot analysis of NEK7 protein degradation levels in mouse PBMCs isolated from mice dosed with different doses of compound CPT-513 for five consecutive days. PBMCs were isolated 6 hours after the last administration of the compound. The NEK7 degradation effect is evident for all doses of CPT-513, with the strongest effect observed for 30 mg/kg of body weight.

The expected major milestones for the CT-02 project are as follows:

- Obtaining in vivo proof-of-concept drug efficacy results in an animal model in 2024 for at least one of the compound series;
- Identification of at least one drug candidate with potential application in autoimmune diseases;
- The partnering strategy involves out-licensing of the entire programme, or separate licenses based on two different molecules, brain-penetrant and non-brain-penetrant, in different therapeutic areas. Discussions with potential partners are underway and the generation of in-vivo proof of efficacy data in disease models will be an important factor to advance discussions;
- At the same time, the Company assumes that once the results of the aforementioned in vivo studies are available, the Company will not incur any further significant expenses in connection with this project, including during the course of discussions regarding its commercialisation.

3.1.3 Other projects

The project implemented in cooperation with Ono Pharmaceutical Co, Ltd., is proceeding on the basis of the Agreement of 14 November 2022. The subject matter of the Agreement is to cooperate on the development of novel small molecule degrader drugs against a currently undrugged target of interest in neurodegenerative diseases. The terms of the Collaboration Agreement cover any human disease indication covered by the above molecular target and the unlimited territorial scope of the collaboration.

As of the publication date of this report, the research and development work are proceeding on schedule. Meetings were held in January and April to analyze ongoing research and to plan out the work for the upcoming months. Additionally, for the meeting in April 2024, representatives of Ono Pharmaceutical visited Captor Therapeutics to discuss the current cooperation and learn more about Captor's capabilities. Both parties are satisfied with the

progress of the project. Captor is reimbursed for the costs of the research and development tasks performed.

P3 project aims at developing a cutting-edge technological platform that identifies novel ligands of E3 ligases and provides proof of concept for bispecific degraders based on the developed ligands.

In the first quarter of 2024, the Company focused on achieving proof-of-concept degradation for two ligases from the N-degron pathway. Initially, we synthesized a range of analogs with diverse exit vectors to pinpoint the optimal attachment site for the linker. The most promising ligands demonstrated affinities of KD = 7.2 nM and KD = 250 nM for each respective ligase. Subsequently, leveraging computational modeling and crystallographic structures of ligases in complex with ligands, we developed a series of bispecific degraders targeting the multi-domain BRD4 protein. The prepared degraders are currently under investigation in a panel of biophysical and biological assays to confirm in vitro ternary complex formation and the degradation of the molecular target in cell lines.

Besides, our Company pursued a second initiative involving the validation of hits acquired for a ligase recognizing C-terminal degrons, distinct from KLHDC2. We developed a fluorescent polarization displacement assay, which confirmed the binding of eight small-molecule ligands (MW<300 Da). Subsequently, we conducted co-crystallization of E3 ligase with the most potent compound exhibiting an affinity of KD = 31 μM. We are delighted to announce that Captor Therapeutics obtained the first-in-class crystal structure of a novel E3 ligase in a complex with a small-molecule compound. The identification of the binding pocket and the ultimate confirmation of specific binding marks a significant milestone in the Project. This pivotal discovery has enriched Captor Therapeutics' E3 ligase portfolio and substantially accelerated the design of analogs with increased affinity.

In parallel, efforts persisted in obtaining a recombinant protein of another compelling E3 ligase, which elevated expression has been observed across various cancers. Literature reports suggest that increased levels of this ligase promote the development and progression of non-small-cell lung cancer and ovarian cancer, rendering it a valid candidate for targeted protein degradation technology. A recent achievement includes obtaining a protein preparation of the designated E3 ligase compatible with biophysi

al assays. This milestone facilitated screening assays with small-molecule compounds, leading to preliminary hit identification. Presently, the Company pursues activities aiming at hit validation to confirm the specific binding to the E3 ligase.iWe believe that further activities in the frame of the P3 project will lead to obtaining ligands and bispecific degraders and proof-of-concept degradation for further unprecedented E3 ligases. These results will have a positive impact on expanding the therapeutic possibilities of targeted protein degradation by increasing the number of possible molecular targets, introducing compartment and tissue specificity, and minimizing the risk of drug resistance and side effects. The company is pursuing a new research project, funded by the **Medical Research Agency**, to develop an anti-cancer therapy for the treatment of patients with colorectal cancer and other types of cancer. The molecular target of the project is an unnamed protein that is poorly structured and has a validated role in certain resistant haematological cancers and in immune-oncology. This protein, due to its spatial organization, is considered hard-to-reach by classical methods of pharmacological intervention. Working with such complex molecular targets for drugs fits well with the tenets of TPD, but our OptigradeTM platform has been further extended, including protein constructs with increased surface area of interaction with E3 ligase, to meet this important goal.

Analogues of compounds selected on the basis of their activity in a cellular, screening assay for target protein degradation were profiled on an ongoing basis using available biophysical and

cellular assays. These assays were used to confirm the recruitment of E3 ligase by the test compounds, to measure the strength of ternary complex formation with the target protein and with possible off-target proteins, and to assess the selectivity of the test compounds in the cellular system. Crystallographic and proteomic analyses, as well as preliminary ADME profiling, of selected compounds supported the development of the most promising series of active compounds. The studies conducted have allowed the identification of compounds with DC50 (concentration leading to degradation of 50% of the target protein) in the range below 10 nM, which at the current stage of the project are being optimized on the basis of SAR model analysis and molecular docking results. At the same time, additional genetically modified cell lines are being generated that will enable both monitoring of the degradation of additional potential off-targets of the test compounds and their activity against the target protein in cells derived from mice - a species that will be used as a test model for the efficacy of the lead compounds in vivo. The screening cascade has been supplemented with a functional assay using cancer cells of T cells background, which will serve as an additional filter for compounds subjected to tests in normal T cell. Development of some of the T cell bioassays has been completed (including the use of an immunoassay to assess the level of cytokines production), while others, concerning the evaluation of the effects of test compounds in different T cell populations, are still being developed. The first results, obtained for the most active compounds, indicate the induction of the desired phenotypic effect in cancer cells, as well as strong degradation of the target protein in normal T cells.

3.2 Significant events and factors affecting operations and results in the first quarter of 2024

During the reporting period, certain events took place in the Company and the Group which affected the Parent Company's operations and results in particular, the progress of the projects carried out by the Company described in section 3.1 of this report. Below please find the most important ones:

Change in the composition of the Supervisory Board

On 4 January 2024, the Extraordinary General Meeting of the Company dismissed Mr. Florent Gros from the Supervisory Board of the Company and appointed Mr. Charles Kunsch to the Supervisory Board of the Company. The Company informed about the change in current report no. 1/2024 of 4 January 2024.

Change in the composition of the Company's Management Board

On 6 February 2024, Mr. Radosław Krawczyk resigned from his position as Member of the Company's Management Board - Chief Financial Officer. The information was communicated in current report no. 5/2024 on 6 February 2024).

Resolution of the Management Board of the Company on a share issue within the limits of the authorized share capital

On 19 January 2024, the Company's Management Board adopted a resolution to issue 17.134 Series R common bearer shares within the limits of the Company's authorized capital, while fully excluding the pre-emptive rights of the Company's existing shareholders which the Company announced in current report no. 4/2024. The share issue is related to the implementation of the Company's share-based incentive program for employees and members of its corporate bodies. At the date of publication of the report, shares had not yet been issued

Application to the National Centre for Research and Development regarding the CT-01 project extension to a second phase.

On 6 March 2024, Company received a letter from the National Centre for Research and Development ("NCBiR") informing that Project CT-01 (Discovery and development of a drug candidate for the treatment of hepatocellular carcinoma to eliminate cancer stem cells by induced degradation of an oncogenic transcription factor) (the "Project") has not been selected for funding for the second phase of this Project.

The information was provided in connection with the Company's application for funding of the second phase of the Project from 1 January 2024 (during the extended Project period until 31 March 2026) in the amount of PLN 6,766,157.95.

The Company reviewed the information from NCBIR and did not agree with the grounds for refusal of funding and submitted an appeal against the decision.

Positive recommendation of the National Centre for Research and Development for the CT-03 project extension to a second phase.

On 1 March 2024, the NCBiR published a positive recommendation regarding the CT-03 project phasing application to extend the project into a second phase until 31 July 2026, the amount of funding to be used from 1 January 2024 (i.e. during the extended project period) - PLN 4,976,940.75. The contract regarding the funding of the second phase of the project was concluded on May 7, 2024 (see current report 11/2024 published on May 7, 2024)

Adoption by the General Meeting of the Company of resolutions to amend the Articles of Association of the Company

The Extraordinary General Meeting of the Company held on 20 March 2024 adopted resolutions, inter alia, on amending the resolution introducing the authorised capital and on amending the Articles of Association of the Company. The main amendment concerns the exclusion of the application of the provision of §6b (6) of the Articles of Association (the provision introducing the minimum price requirement) in the event that the issue of shares within the framework of the authorised capital takes place in compliance with the pre-emptive right or the statutory pre-emptive right. The introduced amendment aims to provide the Management Board with greater flexibility in the use of the authorised capital. The full content of the adopted resolutions was published by the Company in current report No. 8/2024 of 20 March 2024. The amendments to the Articles of Association will enter into force as soon as registered by the registry court.

3.3 Events after the balance sheet date

The following events took place in the Company and the Group after the end of the balance sheet date.

Conclusion of the contract for the phasing of the CT-03 project

The Company has concluded an agreement with the NCBIR for the funding of Phase II of the CT-03 project under the European Funds for the Modern Economy (FENG) programme (the "Agreement").

In accordance with the Agreement, the implementation of Phase II of the CT-03 project should be completed by 31.07.2026 at the maximum, while the amount of funding to be used from 1 January 2024, i.e. during the extended duration of the project, is PLN 4,976,940.75. The above deadline and amount are in line with the motion filed by the Company, which the Company informed about in current report No. 55/2023 of 13 November 2023. Information about the conclusion of the agreement has been reported int the current report no 11/2024 dated 7 May 2024.

Successful appeal and selection for funding extension by NCBR of the CT-01 phasing application.

Following a successful appeal by the Company against the original decision by NCBR to not select for funding the CT-01 phase 2 extension application, the NCBR confirmed that the appeal had been upheld and recommended approval of the CT-01 phasing application in the amount of PLN 6 766 157,95, (communicated in current report 12/2024 on May 23, 2024).

Adoption of a resolution by the Company's Management Board on the issue of shares within the framework of a target share capital increase

On 28 May 2024, the Company's Management Board adopted a resolution on the issue of 10.258 series S ordinary bearer shares, within the limits of the Company's authorized capital, excluding, in full, the pre-emptive rights of the Company's existing shareholders.

The share issue is related to the implementation of a share-based incentive programme for employees and members of the Company's bodies.

3.4 Related party transactions

In the reporting period, transactions between related parties took place on terms equivalent to those prevailing in transactions concluded at arm's length. Information about transactions concluded with related parties has been included in:

- the interim condensed consolidated financial statements for the 3 months ended 31 March 2024 in Note 32; and
- the interim condensed separate financial statements for the 3 months ended 31 March 2024 in Note 48.

3.5 Guarantees and surety bonds for loans or borrowings

In the period covered by this report, the Group did not grant any surety bonds for any loans or borrowings, or any guarantees.

4 ANALYSIS OF THE COMPANY'S AND THE GROUP'S FINANCIAL AND ECONOMIC SITUATION

4.1 Principles of preparation of quarterly separate and consolidated financial statements of the Company and the Group

The interim condensed consolidated and separate financial statements for the 3 months ended 31 March 2024 have been prepared in accordance with the International Financial Reporting Standards (**IFRS**) endorsed by the EU, including primarily International Accounting Standard no. 34 "*Interim Financial Reporting*", based on the assumption that the Group and the Company will continue as a going concern in the foreseeable future, for at least 24 months after the balance sheet date.

The consolidated and separate financial statements for the first quarter of 2024 cover the period from 1 January 2024 to 31 March 2023 and have been prepared in thousands of PLN.

4.2 Basic economic and financial data

Sales revenues

In the first quarter of 2024, the Company's collaboration with Ono Pharmaceutical, focused on creating degrader drug candidates of an undisclosed target applicable to neurodegenerative disease, continued to advance and grow. In the first quarter of 2024, the Group received PLN 4,505 thousand in revenue from R&D reimbursement from commercial R&D collaborations, an almost threefold increase compared to the first quarter 2023.

Operating costs

The value of the Group's total operating expenses in the first three quarters of 2024 amounted to PLN 15,641 thousand and represents the aggregate costs of operations, i.e. costs of own services sold, research work costs, project overheads and management costs.

The largest item in operating expenses is costs related to research work, i.e. costs of research work and overheads of projects, which amounted to PLN 11,512 thousand and accounted for 73,6% of the Group's operating expenses. Compared to the same period of the previous year, when they amounted to PLN 15,068 thousand and accounted for 76.1% of operating expenses, this is a decrease in value of 24%. This decrease is related to the transition of some projects to the stages that do not currently require significant costs and the anticipation of the start of clinical trials. .

A significant item of the Group's operating expenses is general and administrative expenses, which amounted to 16,7% in the period under review, compared to 21,7% in the same period of the previous year. In the first quarter of 2024, management costs amounted to PLN 2,608 thousand, down by PLN 1,696 thousand from the first quarter of 2023, when this figure was PLN 4,304 thousand. In Q1 2023, a significant cost item in general and administrative expenses in addition to salaries was the cost of valuation of the incentive programme. In the current quarter, the Company did not incur employee benefit costs related to the incentive programme.

During the period under review, however, the cost of services sold increased. This is related to the growth in the cooperation agreement with Ono Pharmaceutical.

In the structure of the Group's costs by type, the largest item is third-party out-sourced services, which amounted to PLN 8,226 thousand in the first quarter of 2024 and were lower by PLN 1,226 thousand than in the same period last year. The decrease in the cost of third-party services is due to the further advancement of certain research and development projects,

which require less outsourcing of certain services, studies or analyses to third parties, and waiting for clinical trials to commence in the Group's most advanced projects.

Another significant item in the structure of costs by type is the cost of employee benefits, which in the first quarter of 2024 amounted to PLN 4,944 thousand and were lower by PLN 1,501 thousand than in the same period of 2023. At that time, employee benefit costs stood at PLN 6,445 thousand, of which 79,6% were salaries, insurance and other employee benefits, while 20.4% of these costs were costs of the incentive programme. In the current quarter, the Company did not incur employee benefit costs related to the incentive programme. In accordance with the Group's assumptions, the valuation of the incentive programme is based on an actuarial valuation and does not represent a real (i.e. cash) cost for the Group.

In the period under review, the costs of materials and energy, depreciation and amortisation and other costs by type also decreased.

Grant income and other operating income

The item revenue from grants represents revenue from grants obtained by the Group from NCBIR and amounted to PLN 1,494 thousand in the first quarters of 2024 (PLN 2,747 thousand in the same period of the previous year). The decrease in grant income in the first quarter of 2024 compared to the same period last year is due to the completion of the laboratory work phase of ongoing projects, the end of the CT-04 project, and the phasing of the outsourcing costs.

Operating profit (loss)

In the first quarter of 2024, the Group recorded an operating loss of PLN 9,722 thousand. According to the information presented in section 3.1 of this report on ongoing projects, the Group is in the research and development phase and is not yet generating significant revenue from its core business. The loss generated in the first quarter of 2024 is lower by PLN 4,790 thousand compared with the same period of the previous year (then it amounted to PLN 15,457 thousand). In the period under review, the Company incurred lower operating expenses by PLN 4 ,164 thousand and generated higher revenues from research and development services by PLN 2,962 thousand, which in turn more than compensated for lower grant revenues.

Financial income

In the first quarters of 2024, the Group earned mainly financial interest income in the amount of PLN 416 thousand, including on short-term. In connection with the investment policy adopted by the Group, free cash is invested in secure financial instruments: bank deposits or bonds secured by government or banking institutions.

Net profit (loss)

The net loss in the first quarter of 2024 amounted to PLN 9,440 thousand and was PLN 4,790 thousand lower than in the first quarter of 2023. This amount is the result of factors that reduced the loss from operations.

Assets

As at the balance sheet date of 31 March 2024, total assets amounted to PLN 83,468 thousand, of which 91,2% were current assets and 8,8% fixed assets. At the end of 2023, total assets amounted to PLN 97,294 thousand, 91,1% of which were current assets and 8,9% fixed assets.

Non-current assets

As of 31 March, 2024, non-current assets amounted to PLN 7,307 thousand, which means that compared to 31 December 2023, non-current assets decreased by PLN 1,339 thousand. The most significant non-current assets as of 31 March 2024 and 31 December 2023 were property, plant and equipment (laboratory equipment and buildings and structures leased by the Group). As of 31 March, 2024, property, plant and equipment amounted to PLN 5,893 thousand,

representing 80,6% of total non-current assets, and as of 31 December 2023 it had a value of PLN 6,948 thousand, representing 80,4% of total non-current assets.

Current assets

There was a decrease in current assets during the periods under review. As of 31 March, 2024, current assets amounted to PLN 76,161 thousand and decreased by PLN 12,487 thousand compared with 31 December 2023. The most significant components of current assets as of 31 March 2024 and 31 December 2023 were cash and cash equivalents and financial assets in the form of bonds, which accounted for 77,7% of current assets in the first quarters of 2024 and 77,8% in 2023.

Equity

The value of this balance sheet item as of 31 March 2024 amounted to PLN 59,722 thousand. The equity was mainly derived from the issue of series G placed in the Company's IPO (which took place in 2021).. The value of equity decreased by PLN 9,498 thousand compared to 31 December 2023 and was mainly related to the net loss from operations in the period under review.

Long-term liabilities

Non-current liabilities at the end of the reporting period amounted to PLN 918 thousand. In the period under review, non-current liabilities decreased by PLN 425 thousand compared to 31 December 2023. As of the balance sheet date, these liabilities represent, to a significant extent (89,5%), the long-term portion of leases for laboratory equipment and long-term leases for laboratory space.

Current liabilities

Current liabilities at the end of the reporting period amounted to PLN 22,828 thousand and are PLN 1,965 thousand lower than at 31 December 2023, when they amounted to PLN 26,731 thousand. These liabilities as at the balance sheet date largely represent to a significant extent (36,9%) trade payables and the short-term portion of leasing liabilities, as well as provisions for liabilities (38.2%) and deferred income (24.9%). The decrease in liabilities occurred mainly in the items of trade payables and deferred income.

4.3 Financial indicators of effectiveness

The Group recognized a net loss both in the first quarter of 2024 and in the corresponding period of 2021, therefore it is not possible to determine financial indicators for the Group related to profitability.

The Parent Company uses alternative performance measures (APM indicators) to describe the financial position of the Group. In the opinion of the Management Board of the Parent Company the selected APM indicators are a source of additional (apart from the data presented in the financial statements) valuable information on the financial and operating situation as well as they facilitate the analysis and assessment of the financial results achieved by the Group in particular reporting periods. The Group presents alternative performance measures as they represent standard measures and ratios commonly used in financial analysis; however, these ratios may be calculated and presented differently by different companies. Therefore, the Group provides below the precise definitions used in the reporting process. The selection of alternative performance measurements was preceded by an analysis of their usefulness in terms of providing investors with useful information about the financial situation, cash flows and financial efficiency and, in the Group 's opinion, allows for an optimal assessment of the achieved financial results. The APM indicators presented by the Group were calculated using the formulas specified below.

The following table provides a summary of debt ratios.

Table 8: Group's financial indicators

Indicator	Method of calculation	31.03.2024	31.12.2023
total debt ratio	total liabilities/total assets	28,45%	28,85%
long-term debt ratio	long-term liabilities/total liabilities	3,87%	4,78%
short-term debt ratio	short-term liabilities/total liabilities	96,13%	95,22%

As at 31 March 2024, the total debt ratio is at almost the same level as at the end of 2023. The long-term debt ratio decreased from 4.78% to 3.87%. In contrast, the short-term debt ratio increased slightly from 95.22% to 96.13%.

5 OTHER MATERIAL INFORMATION AND EVENTS

5.1 Factors and events, including those of an untypical nature, which have a significant impact on the results of the Company's and the Group's operations

Apart from the factors and events indicated in the remaining sections of this report, there were no other significant factors and events, including those of an unusual nature, affecting the interim condensed consolidated and separate financial statements in the first quarter of 2024.

5.2 Position of the Management Board on the feasibility of meeting forecasts

The Company has not published any financial forecasts for the fiscal year 2024.

5.3 Factors that may affect results over at least the next quarter

Looking ahead to at least the next quarter, results will depend primarily on the following factors:

- the pace of development of individual research projects. After verification of the dates of research, it cannot be ruled out that the adopted schedule of implementation of particular projects may change;
- the rate of receipt of funding for ongoing research projects;
- progress in activities aimed at commercialization of the most advanced development projects;
- development of cooperation with current and future industry partners;
- the level of employment in the Group and new employees being covered by the Incentive Program (circumstances affecting the increase in salaries and non-cash costs recognized in relation to the Incentive Program);
- macroeconomic situation related to the war in Ukraine, inflation, interest rates and exchange rates.

5.4 Proceedings before a court, a competent authority for arbitration proceedings or a public administration body

During the reporting period there were no material proceedings before any court, arbitration authority or public administration authority, concerning liabilities or creditors of the Company or its subsidiary.

5.5 Impact of the Subsidiary's financial data on the consolidated results and financial position of the Group

The Company's operations and assets constitute the major part of the Group's operations and assets (revenues from the Company's research and development services account for 100% of the Group's revenues, the Group's equity accounts for 99.9% of the Company's equity, the Company's assets constitute 99,3% of the Group's assets), economic and financial figures for the Company are subject to similar changes for similar reasons as the economic and financial figures for the Group.

5.6 Other information relevant to the assessment of the Captor Therapeutics Group's human resources, assets, financial standing, financial performance and their changes and the ability to meet its obligations

In the opinion of the Management Board, there will be no material changes with respect to the human resources, assets, financial standing, financial performance and their changes in the near future.

5.7 Contact for Investors

All relevant information for investors along with contact details is available on the Captor Therapeutics S.A. website at: http://www.captortherapeutics.com/

The extended consolidated quarterly report for the period from 1 January 2024 to 31 March 2024 was approved for publication on 29 May 2024.

Thomas Shepherd	Michał Walczak
Signed with an electronic signature	*Signed with an electronic signature*
President of the Management Board	Member of the Management Board Chief Scientific Officer

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