



Interim Condensed Consolidated Financial Statements of

Medicenna Therapeutics Corp.

(Expressed in Canadian Dollars)

For the three months ended June 30, 2025

Medicenna Therapeutics Corp.

Interim Condensed Consolidated Statements of Financial Position

(Expressed in thousands of Canadian Dollars, except for share and per share amounts)

	June 30, 2025	March 31, 2025
	\$	\$
Assets		
Current assets		
Cash and cash equivalents (Note 3)	20,459	24,837
Prepays and deposits	947	639
Other receivables (Note 4)	1,172	2,695
	<u>22,578</u>	<u>28,171</u>
Right of use asset (Note 6)	128	141
Property and equipment	14	18
Intangible assets	50	52
	<u>22,770</u>	<u>28,382</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (Note 5,12)	4,514	4,386
Current portion of lease liability (Note 6)	58	49
	<u>4,572</u>	<u>4,435</u>
Lease liability (Note 6)	104	119
Warrant derivative (Note 10)	3,453	4,733
	<u>8,129</u>	<u>9,287</u>
Shareholders' Equity		
Common shares (Note 7)	126,228	116,297
Pre-funded warrants (Note 7)	-	9,831
Contributed surplus (Note 8,9)	11,558	11,216
Accumulated other comprehensive income	35	3
Deficit	(123,180)	(118,252)
	<u>14,641</u>	<u>19,095</u>
	<u>22,770</u>	<u>28,382</u>

Commitments (Note 11)

Approved by the Board

/s/ Albert Beraldo Director
/s/ Karen Dawes Director

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Medicenna Therapeutics Corp.

Interim Condensed Consolidated Statements of Loss and Comprehensive Loss
(Expressed in thousands of Canadian Dollars, except for share and per share amounts)

	Three months ended June 30, 2025	Three months ended June 30, 2024
	\$	\$
Operating expenses		
General and administration (Note 13)	1,302	1,258
Research and development (Note 13)	4,207	2,782
Total operating expenses	5,509	4,040
Finance income	(204)	(330)
Change in fair value of warrant derivative (Note 10)	(1,280)	40
Foreign exchange (gain) loss	903	(113)
	(581)	(403)
Net loss for the period	(4,928)	(3,637)
Cumulative translation adjustment	32	(3)
Comprehensive loss for the period	(4,896)	(3,640)
Basic and diluted loss per share	(0.06)	(0.05)
Weighted average shares outstanding (Note 7)	82,524,834	73,622,725

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Medicenna Therapeutics Corp.

Interim Condensed Consolidated Statements of Cash Flows
(Expressed in thousands of Canadian Dollars)

	Three months ended June 30, 2025	Three months ended June 30, 2024
	\$	\$
Operating activities		
Net loss for the period	(4,928)	(3,637)
Items not involving cash		
Depreciation	19	5
Interest expense	7	-
Stock based compensation	390	433
Unrealized foreign exchange	903	(112)
Change in fair value of warrant derivative (Note 10)	(1,280)	40
Changes in non-cash working capital		
Other receivables and deposits	1,215	(218)
Accounts payable and accrued liabilities	128	1,161
	(3,546)	(2,328)
Investing activities		
Purchase of property and equipment	-	(31)
	-	(31)
Financing activities		
Principal repayment - long term lease	(13)	-
Issuance of share capital and prefunded warrants, net of issuance costs (Note 7)	-	19,714
Warrant and option exercises (Note 8,9)	52	1,183
	39	20,897
Effect of foreign exchange on cash and cash equivalents	(871)	109
Net increase (decrease) in cash and cash equivalents	(4,378)	18,647
Cash and cash equivalents, beginning of period	24,837	16,982
Cash and cash equivalents, end of period	20,459	35,629

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Medicenna Therapeutics Corp.

Interim Condensed Consolidated Statements of Changes in Shareholders' Equity
(Expressed in thousands of Canadian Dollars, except for share and per share amounts)

	Common shares issued and outstanding		Pre-funded warrants		Contributed surplus	Accumulated other comprehensive (loss) income	Deficit	Total shareholders' equity
	Number	Amount	Number	Amount				
	#	\$	#	\$				
Balance, March 31, 2024	69,637,469	100,924	-	-	10,695	19	(106,447)	5,191
Stock based compensation	-	-	-	-	433	-	-	433
Issuance of common stock, net of issuance costs	5,141,388	9,883	-	-	-	-	-	9,883
Issuance of pre-funded warrants, net of issuance costs	-	-	5,141,388	9,831	-	-	-	9,831
Warrant and option exercises	1,653,929	1,871	-	-	(688)	-	-	1,183
Cumulative translation adjustment	-	-	-	-	-	(3)	-	(3)
Net loss for the period	-	-	-	-	-	-	(3,637)	(3,637)
Balance, June 30, 2024	76,432,786	112,678	5,141,388	9,831	10,440	16	(110,084)	22,881
Balance, March 31, 2025	78,215,735	116,297	5,141,388	9,831	11,216	3	(118,252)	19,095
Stock based compensation	-	-	-	-	390	-	-	390
Exercise of pre-funded warrants	5,141,388	9,883	(5,141,388)	(9,831)	-	-	-	52
Warrant and option exercises	23,597	48	-	-	(48)	-	-	-
Cumulative translation adjustment	-	-	-	-	-	32	-	32
Net loss for the period	-	-	-	-	-	-	(4,928)	(4,928)
Balance, June 30, 2025	83,380,720	126,228	-	-	11,558	35	(123,180)	14,641

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Medicenna Therapeutics Corp.

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended June 30, 2025 and 2024

(Tabular amounts expressed in thousands of Canadian Dollars, except for share and per share amounts)

1. Nature of business and liquidity

The Company's principal business activity is the development and commercialization of IL-2, IL-4 and IL-13 Superkines and Empowered Superkines for the treatment of cancer, inflammation and immune-mediated diseases. Medicenna has four wholly owned subsidiaries, Medicenna Therapeutics Inc. ("MTI") (British Columbia), Medicenna Biopharma Inc. ("MBI") (Delaware), Medicenna Biopharma Inc. ("MBIBC") (British Columbia) and Medicenna Australia PTY Ltd ("MAL") (Australia). Medicenna is traded on the Toronto Stock Exchange under the symbol "MDNA".

As at June 30, 2025, the head and registered office is located at Suite 903, 2 Bloor St W, Toronto, Ontario, Canada.

Since inception, the Company has devoted its resources to funding research and development ("R&D") programs, including securing intellectual property rights and licenses, conducting discovery research, manufacturing drug supplies, initiating preclinical and clinical studies, submitting regulatory dossiers and providing administrative support to R&D activities, which has resulted in an accumulated deficit of \$123.2 million as of June 30, 2025. With current finance income only consisting of interest earned on excess cash, cash equivalents and marketable securities, losses are expected to continue while the Company's R&D programs are advanced.

At present, the Company does not earn any revenues from product candidates and is therefore considered to be in the development stage. The Company will continue to secure funding for its operations through the issuance of equity or the pursuit of non-dilutive financing sources, as necessary. The continuation of the Company's research and development activities for bizaxofusp (formerly MDNA55), MDNA11 and the BiSKITs™ platform and the commercialization of bizaxofusp is dependent upon the ability to successfully finance and complete research and development programs through a combination of equity financing and revenues from strategic partners. There is no guarantee of future financing or that research and development activities associated with bizaxofusp, MDNA11 and the BiSKITs platform will be successful, which may require a change in plans of the Company.

Management has forecasted that the Company's current level of cash will be sufficient to execute its current planned expenditures through mid-2026.

2. Basis of presentation and material accounting policies

a) *Statement of compliance*

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34 'Interim Financial Reporting' (IAS 34) using accounting policies consistent with IFRS® Accounting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"). The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited financial statements for the year ended March 31, 2025.

The interim condensed consolidated financial statements were approved by the Company's Board of Directors and authorized for issue on July 31, 2025.

b) *Principles of Consolidation*

These consolidated interim condensed financial statements include the accounts of the Company and its wholly owned Subsidiaries MTI, MBI, MAL, and MBIBC (British Columbia, Inactive). Subsidiaries are fully consolidated from the date at which control is determined to have occurred and are deconsolidated from the date that the Company no longer controls the entity. The financial statements of the subsidiaries are prepared for the same reporting period as the Company using consistent accounting policies. Intercompany transactions, balances, and gains and losses on transactions between subsidiaries are eliminated.

c) *Functional and presentation currency*

The functional currency of an entity and its subsidiary is the currency of the primary economic environment in which the entity operates. The functional currency of the parent company is the Canadian dollar and the functional currency of MBI is the US dollar, the functional currency of MTI and MBI BC is the Canadian

Medicenna Therapeutics Corp.

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended June 30, 2025 and 2024

(Tabular amounts expressed in thousands of Canadian Dollars, except for share and per share amounts)

dollar, the functional currency of MAL is the Australian dollar, and the presentation currency of the parent company is the Canadian dollar.

d) Significant accounting judgments, estimates and assumptions

The preparation of these unaudited interim condensed consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities at the date of the unaudited condensed consolidated interim financial statements and reported amounts of revenues and expenses during the reporting period. Actual outcomes could differ from these estimates.

The unaudited interim condensed consolidated financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the unaudited interim condensed consolidated financial statements and may require accounting adjustments based on future occurrences. The estimates and underlying assumptions are reviewed on a regular basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The unaudited interim condensed consolidated financial statements are prepared in accordance with IFRS and follow the same accounting policies and methods of application as the audited consolidated financial statements of the Company for the year ended March 31, 2025. They do not include all of the information and disclosures required by IFRS for annual financial statements. In the opinion of management, all adjustments considered necessary for fair presentation have been included in these unaudited interim condensed consolidated financial statements. Operating results for the three months ended June 30, 2025 are not necessarily indicative of the results that may be expected for the full year ended March 31, 2026. For further information, see the Company's audited consolidated financial statements including notes thereto for the year ended March 31, 2025.

3. Cash and cash equivalents

Cash and cash equivalents consist of the following:

	June 30, 2025	March 31, 2025
	\$	\$
Cash held at banks	6,490	1,278
Short-term cashable instruments	13,969	23,559
	20,459	24,837

4. Other receivables

	June 30, 2025	March 31, 2025
	\$	\$
Investment tax credits receivable	1,030	2,006
Sales tax receivable	142	689
	1,172	2,695

Investment tax credits

During the three months ended June 30th, 2025 the Company received \$1.0 million through the Australian R&D incentive program related to costs incurred for the year ended March 31, 2024. The Company expects to receive an additional \$1.1 million related to the Australian R&D incentive program for the year ended March 31, 2025.

Medicenna Therapeutics Corp.

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended June 30, 2025 and 2024

(Tabular amounts expressed in thousands of Canadian Dollars, except for share and per share amounts)

5. Accounts payable and accrued liabilities

	June 30, 2025	March 31, 2025
	\$	\$
Trade payables	3,187	2,701
Accrued liabilities	1,327	1,685
	4,514	4,386

6. Right of use asset and lease liability

The Company entered into an operating lease agreement for office space in Toronto. The lease had a commencement date of September 1, 2024, and expires on November 30, 2027. The lease included a fixturing period until November 30, 2024 and two months of free rent.

Right of use asset	(\$)
Cost	
Balance, March 31, 2025	141
Additions	-
Depreciation expense	(13)
Balance, June 30, 2025	128
Net carrying value	
At March 31, 2025	141
At June 30, 2025	128

When measuring the lease liability, the Company discounted the lease payments using its incremental borrowing rate. The lease liability was valued as at the commencement date with lease payments discounted with a 15% interest rate.

At June 30, 2025, the Company's lease obligation related to its right of use assets is as follows:

Lease obligation	(\$)
Balance, March 31, 2025	168
Lease Additions	-
Repayments	(13)
Interest Expense	7
Balance, June 30, 2025	162
Current portion	58
Non-current	104
	162

At June 30, 2025 the Company is committed to minimum lease payments as follows:

Maturity analysis	(\$)
Less than one year	78
One to five years	116
Total undiscounted lease liabilities	194

7. Share capital and pre-funded warrants

Authorized

The authorized share capital of the Company consists of an unlimited number of common shares.

Medicenna Therapeutics Corp.

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended June 30, 2025 and 2024

(Tabular amounts expressed in thousands of Canadian Dollars, except for share and per share amounts)

Equity Issuances

Three months ended June 30, 2025

On April 14, 2025 the Company issued 5,141,388 common shares for the exercise of pre-funded warrants issued to RA Capital for proceeds of \$51,414.

Year ended March 31, 2025

On April 30, 2024, the Company closed a \$20 million financing through a private placement with RA Capital Management (“RA”), a multi-stage investment manager based in Boston, MA, by way of a non-brokered private placement (the “Offering”). Pursuant to the terms of the Offering, RA subscribed for 5,141,388 common shares in the capital of the Company (the “Shares”) at a price of CA\$1.95 per share and 5,141,388 pre-funded common share purchase warrants (the “Pre-funded Warrants”) to purchase 5,141,388 common shares at a purchase price of CA\$1.94 per pre-funded warrant with no expiry date, for gross proceeds of \$20 million. The costs associated with the Offering were \$0.3 million which consisted of legal and regulatory costs and were allocated to share capital and prefunded warrants based on the relative investment amounts.

Calculation of loss per share

Loss per common share is calculated using the weighted average number of common shares outstanding. For the three months ended June 30, 2025, and 2024, the calculation was as follows:

	Three months ended June 30,	
	2025	2024
Common shares issued and outstanding, beginning of period	78,215,735	69,637,469
Common shares issued from private placement	-	3,446,425
Exercise of Prefunded warrants	4,293,906	-
Exercise of Options and Warrants	15,193	538,831
Weighted average common shares issued and outstanding, end of period	82,524,834	73,622,725

The effect of any potential exercise of the Company’s stock options, pre-funded warrants and warrants outstanding during the period has been excluded from the calculation of diluted loss per common share as it would be anti-dilutive.

8. Warrants

Warrants have been issued as part of equity financing transactions. The pre-funded warrants are defined in Note 11 above and are listed separately on the Statements of Financial Position and on the Statements of Changes in Shareholders Equity and are excluded from the tables below.

The following is a summary of changes in warrants:

	Number of Warrants	Weighted average exercise price
	#	\$
Warrants outstanding at March 31, 2024	15,985,386	2.25
Warrants exercised during the period	(2,495,917)	1.52
Warrants expired during the period	(156,135)	1.38
Warrants outstanding at March 31, 2025 and June 30, 2025	13,333,334	2.66

During the year ended March 31, 2025, there were 2,495,917 warrants exercised for proceeds of \$3.8 million and 156,135 warrants that expired unexercised.

Medicenna Therapeutics Corp.

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended June 30, 2025 and 2024

(Tabular amounts expressed in thousands of Canadian Dollars, except for share and per share amounts)

At June 30, 2025, the following warrants were outstanding and exercisable:

Number of Warrants #	Exercise Price \$	Expiry Date	Remaining Average Life (years)
13,333,334	US 1.85	August 9, 2027	2.1

9. Stock options

Changes to the stock option balance are summarized as follows:

	Number of options #	Weighted average exercise price \$
Balance outstanding at March 31, 2024	8,221,890	1.28
Granted	1,734,000	1.74
Exercised	(1,457,371)	0.85
Expired	(92,725)	2.86
Forfeited	(185,000)	0.92
Balance outstanding at March 31, 2025	8,220,794	1.47
Exercised	(70,000)	0.79
Forfeited	(12,500)	0.96
Balance outstanding at June 30, 2025	8,138,294	1.47

There were no stock options granted during the three months ended June 30, 2025.

During the three months ended June 30, 2025, 70,000 options with a weighted average exercise price of \$0.79 were exercised on a cashless basis which resulted in the issuance of 23,597 common shares. Pursuant to the Company's stock option plan, optionees can elect to exercise stock options on a cashless basis which results in a net number of shares issued to account for the exercise price of the options.

The following table summarizes information about stock options outstanding at June 30, 2025:

Exercise Price \$	Options Outstanding			Options Exercisable	
	Options #	Weighted average remaining contractual life (years)	Weighted average exercise price \$	Options #	Weighted average exercise price \$
0.38-1.99	6,189,980	6.4	1.13	4,481,730	1.02
2.00-2.99	1,329,000	2.4	2.03	1,329,000	2.03
3.00-5.19	619,314	5.2	3.73	619,314	3.73
	8,138,294	5.7	1.47	6,430,044	1.49

10. Warrant Derivative

On August 11, 2022, pursuant to an underwritten public offering, 13,333,334 units were sold at a purchase price of US\$1.50 per unit for gross proceeds of US\$20.0 million (\$25.6 million). Each unit included one common share and one common share purchase warrant. Each common share purchase warrant entitles the holder to purchase one common share at an exercise price of US\$1.85 until August 9, 2027. The Company incurred transaction costs of \$2.2 million (US\$1.7 million) of which \$1.6 million (US\$1.2 million) were allocated to share issue costs and \$0.6 million (US\$0.5 million) were allocated to operating expenses, based on their relative fair values.

Under IFRS 9 Financial Instruments and IAS 32 Financial Instruments: Presentation, warrants with an exercise price denominated in a currency that differs from an entity's functional currency are treated as a derivative measured at fair value with subsequent changes in fair value accounted for through the consolidated statements of loss and comprehensive loss. The \$US denominated warrants issued by the Company meet this

Medicenna Therapeutics Corp.

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended June 30, 2025 and 2024

(Tabular amounts expressed in thousands of Canadian Dollars, except for share and per share amounts)

requirement and have therefore been presented as a non-current liability on the consolidated statements of financial position. Upon exercise, the recorded liability will be included in share capital along with the proceeds from the exercise. If these warrants expire, the related liability is reversed through the consolidated statements of loss. There is no cash flow impact as a result of the accounting treatment for changes in the fair value of the warrant derivative or when warrants expire unexercised.

Estimating the fair value of the warrant derivative requires determining the most appropriate valuation model which is dependent on the terms and conditions of the issuance. This estimate also requires determining the most appropriate inputs to the valuation model, including the expected life of the warrant derivative, expected share price volatility and expected dividend yield and making assumptions about them.

A reconciliation of the change in fair value of the warrant derivative is as follows:

	Fair value of Warrant Derivatives
	\$
Balance, March 31, 2024	11,080
Change in fair value of warrant derivative	(6,725)
Foreign exchange gain	378
Balance, March 31, 2025	4,733
Change in fair value of warrant derivative	(1,227)
Foreign exchange gain	(53)
Balance, June 30, 2025	3,453

Historical data is used to estimate the expected dividend yield and expected volatility of the Company's stock in determining the fair value of the warrants. The risk-free interest rate is based on U.S. Department of Treasury benchmark treasury yield rates in effect at the time of valuation and the expected life of the warrants represents the estimated length of time the warrants are expected to remain outstanding.

The following table summarizes the key assumptions used in the Black-Scholes valuation of the warrant derivative at June 30, 2025 and March 31, 2025.

	June 30, 2025	March 31, 2025
Exercise price of warrants (US \$1.85)	\$2.52	\$2.66
Underlying share price	\$0.85	\$0.98
Risk free interest rate	2.59%	2.46%
Expected hold period to exercise	2.1 years	2.35 years
Expected share price volatility	102%	103%
Expected dividend yield	Nil	Nil

The following table summarizes the outstanding warrant derivative for the three months ended June 30, 2025:

Exercise Price	Outstanding Beginning of the period	Granted during the period	Outstanding, End of the period	Weighted Average Remaining Contractual Life (years)
US\$1.85	13,333,334	-	13,333,334	2.1

11. Commitments

Intellectual property

On August 21, 2015, the Company exercised its right to enter into two license agreements (the "Stanford License Agreements") with the Board of Trustees of the Leland Stanford Junior University ("Stanford"). In connection with this licensing agreement, the Company issued 649,999 common shares with a value of \$0.1 million to Stanford and affiliated inventors. The value of these shares has been recorded as an intangible asset that is being amortized over the life of the underlying patents. As at June 30, 2025, the Company's intangible assets have a remaining capitalized net book value of \$50 (March 31, 2025 - \$52).

Medicenna Therapeutics Corp.

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended June 30, 2025 and 2024

(Tabular amounts expressed in thousands of Canadian Dollars, except for share and per share amounts)

The Company has entered into various license agreements with respect to accessing patented technology. To maintain these agreements, the Company is obligated to pay certain costs based on timing or certain milestones within the agreements, the timing of which is uncertain. These costs include ongoing license fees, patent prosecution and maintenance costs, royalty and other milestone payments.

As at June 30, 2025, the Company is obligated to pay the following:

Contractual obligations	Less than			Total
	1 year	1-3 years	3-5 years	
	\$	\$	\$	\$
Patent licensing and milestone costs	245	559	477	1,281

12. Related party disclosures

(a) Key management personnel

Key management personnel, which consists of the Company's officers (President and Chief Executive Officer, Chief Financial Officer, and Chief Development Officer), and directors, earned the following compensation for the following periods:

	Three months ended June 30,	
	2025	2024
	\$	\$
Salaries and wages	228	227
Board fees	77	76
Stock option expense	329	258
	634	561

(b) Amounts payable to related parties

As at June 30, 2025, the Company had trade and other payables in the normal course of business owing to directors and officers of \$0.1 million, (March 31, 2025 - \$0.1 million) related to board fees.

13. Components of expenses

	Three months ended June 30,	
	2025	2024
	\$	\$
General and Administration Expenses		
Public company expenses	585	560
Salaries and benefits	338	289
Stock based compensation	215	288
Facilities and operations	145	116
Depreciation expense	19	5
	1,302	1,258

	Three months ended June 30,	
	2025	2024
	\$	\$
Research and Development Expenses		
Clinical	2,883	1,040
Salaries and benefits	502	616
Discovery and pre-clinical	284	597
Licensing, patent, legal fees and royalties	160	209
Chemistry, manufacturing, and controls	19	108
Stock based compensation	175	145
Regulatory	132	10
Other research and development expenses	52	57
	4,207	2,782