LEADING THE WAY IN
**BREAKTHROUGH**
**IMMUNE THERAPIES**

# Proactive One2One Investor Forum

27 January 2022

Faron CEO Markku Jalkanen

FARON

# Faron at a Glance

| Faron Pharmaceuticals Ltd. | |
|---|---|
| **Exchanges** | Helsinki's Nasdaq First North Growth Market (FARON)<br>London's Alternative Investment Market (AIM) (FARN) |
| UK Analysts | Miles Dixon (Peel Hunt): BUY with target price 524p<br>Julie Simmonds (Panmure Gordon): BUY with target price 489p |
| Money Raised | Over €100 M since 2015 London AIM IPO<br>Currently total of 53.2 million ordinary shares |
| Faron Locations | Headquarters, Turku, Finland<br>Faron Europe, Zürich, Switzerland<br>Faron US, Boston, MA |
| # of Employees | 40+<br>Head count expected to grow in US |
| Year Founded | 2006 |

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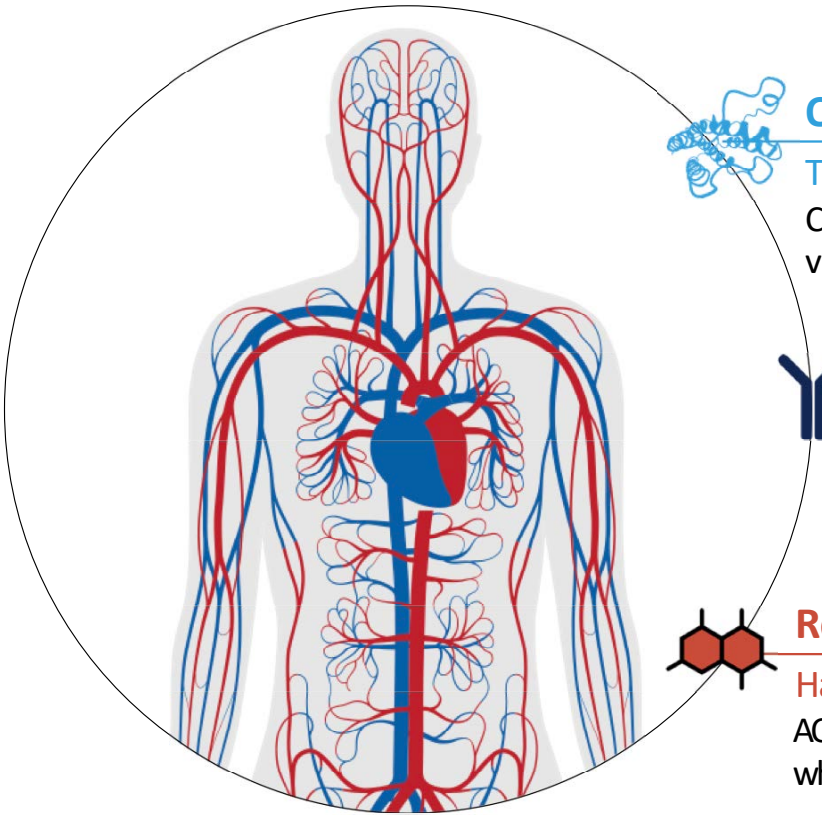
# Harnessing the Power of Our Immune System

## Faron's approach is focused on activating, suppressing and maintaining the immune system



### Organ Protection

Traumakine® (*interferon-beta*)

CD73 controls capillary leakage and escalation of inflammation via local induction of anti-inflammatory adenosine

### Immuno-Oncology

Clevegen® *(bexmarilimab)*

*Bexmarilmab* reprograms immunosuppressive M2 macrophages converting them to immune stimulating M1 macrophages

### Regenerative Medicine

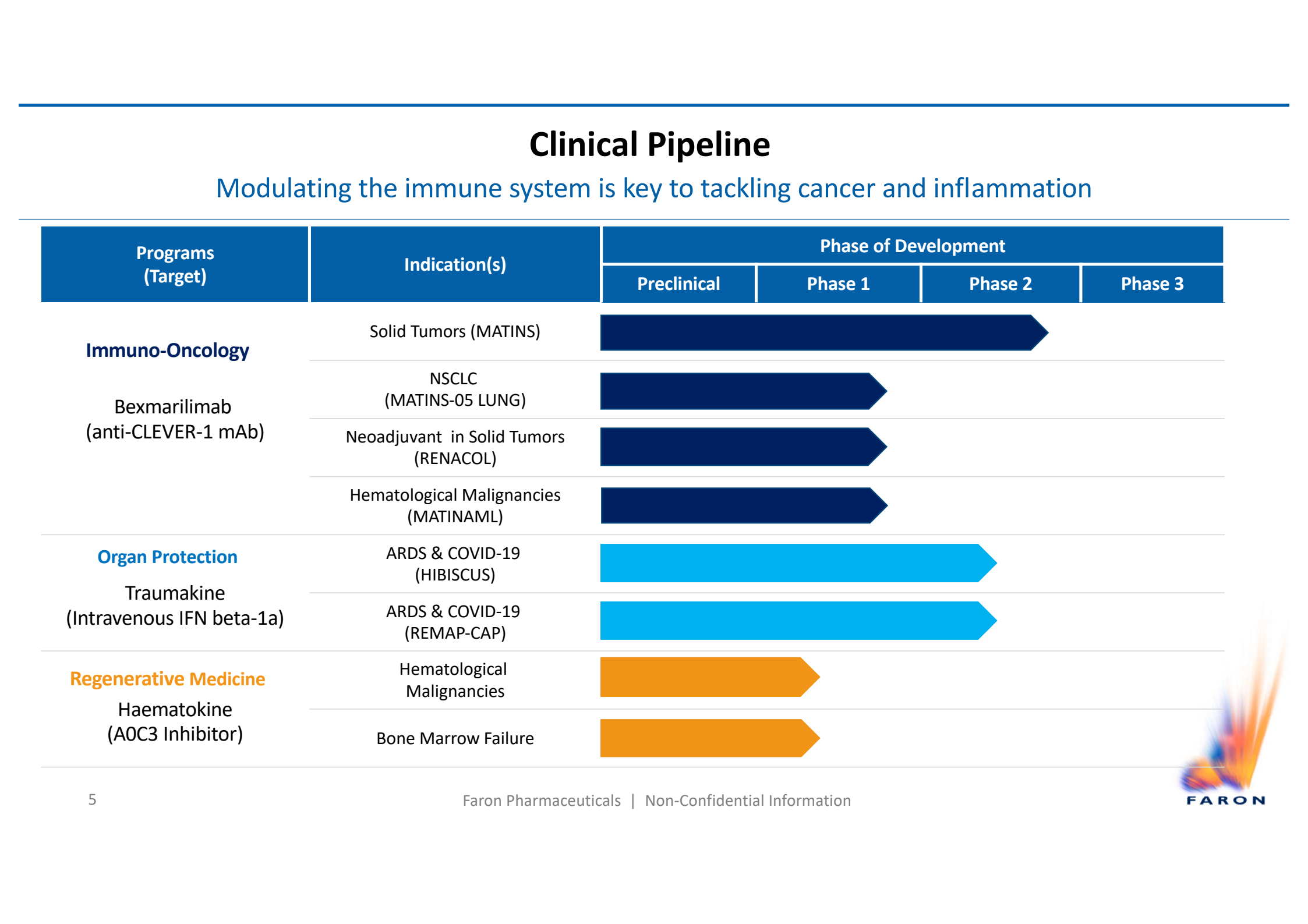
Haematokine®

AOC3 inhibition enables the expansion of hematopoietic stem cells, which are essential to the formation of new cells within blood

# Clinical Pipeline

## Modulating the immune system is key to tackling cancer and inflammation

| Programs (Target) | Indication(s) | Phase of Development |
|---|---|---|
| | | Preclinical / Phase 1 / Phase 2 / Phase 3 |
| **Immuno-Oncology**<br>Bexmarilimab (anti-CLEVER-1 mAb) | Solid Tumors (MATINS) | |
| | NSCLC (MATINS-05 LUNG) | |
| | Neoadjuvant in Solid Tumors (RENACOL) | |
| | Hematological Malignancies (MATINAML) | |
| **Organ Protection**<br>Traumakine (Intravenous IFN beta-1a) | ARDS & COVID-19 (HIBISCUS) | |
| | ARDS & COVID-19 (REMAP-CAP) | |
| **Regenerative Medicine**<br>Haematokine (A0C3 Inhibitor) | Hematological Malignancies | |
| | Bone Marrow Failure | |




*Bexmarilimab*
(anti-CLEVER-1 mAb)

# Top Science Combined with Clinical Oncology Experts

## Scientific Founders and Leadership

**Academician***
**Sirpa Jalkanen; MD PhD**
Founder & Member of the SAB

**Adjunct Professor Maija Hollmén; PhD**
Founder & Head of Discovery Laboratory

**Marie-Louise Fjaellskog; MD, PhD**
Chief Medical Officer

## Scientific Advisory Board

**Professor Jonathan Knowles; PhD**

**Pr Christophe Massard; MD, PhD**

**Professor David Adams; MD**

**Professor Tyler Curiel; MD, M.P.H.**

## Bexmarilimab Specific Advisors

**Professor Naval G. Daver; MD**
**Supportin Hem Development**

*An Academician is the highest scientific award in Finland which is granted by the President. Only 12 scientific Academicians can be in place at once and throughout all scientific disciplines. Professor Sirpa Jalkanen was awarded this title in 2015.

# *Bexmarilimab* Opportunity

## Benefiting those who are resistant to checkpoint inhibition

The NEW ENGLAND JOURNAL of MEDICINE

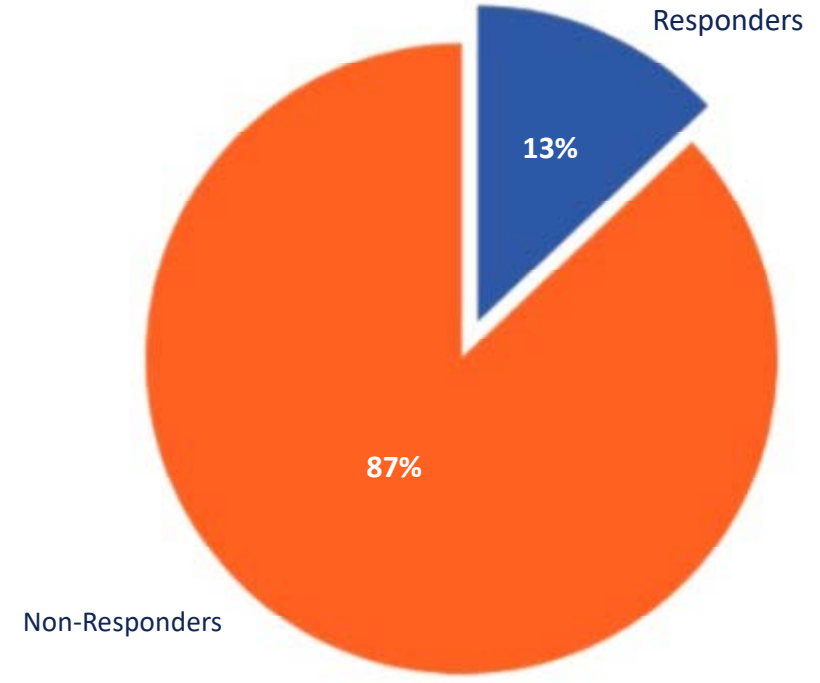
***The Wild West of Checkpoint Inhibitor Development***

December 15, 2021
Julia A. Beaver, M.D., Deputy Director, US FDA Office of Oncologic Diseases
Richard Pazdur, M.D., Director, US FDA Office of Oncologic Diseases

"Unbridled and rapid growth of checkpoint inhibitors has led to a Wild West of drug development, featuring a stampede of commercial sponsors, clinical trials, and redundant development plans."

"Efforts to corral this enthusiasm should focus on increased international partnerships between sponsors of approved checkpoint inhibitors and those developing novel agents to be used with anti–PD-1 and anti–PD-L1 antibodies rather than developing 'me too' drugs"

The adoption of CPIs has occurred very quickly due to their success in improving overall survival, despite poor response rates[1]




1) O'Connor et al. (2018) JAMA Oncol.;4(8):e180798.
Pie Chart adapted from: Haslam and Prasad (2019) JAMA Netw Open. 2019 May; 2(5): e192535.

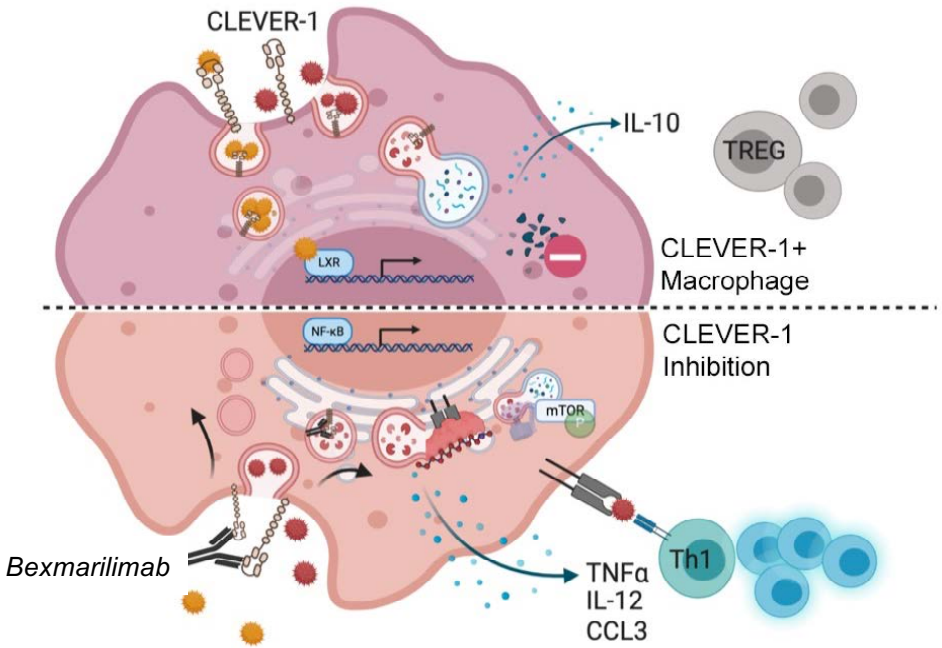
# The Most Promising Macrophage Strategy: Reprogramming [1]

## Novel and diverse antibody with broad applicability

### CLEVER-1

- A Large glycoprotein receptor that is expressed on the surface of immunosuppressive macrophages [2]
- Scavenger receptor known to bind to wide range of ligands, central to tissue homoeostasis and tolerance [2]
- CLEVER-1 positive macrophages are highly immunosuppressive; high expression levels are seen, e.g. in cancer and pregnancy [3]
- Shown to be central to treatment resistance in both solid and liquid tumors [4,5,6,7]
- Multifaceted molecule with major impact on tumor immune response [2]

### Removes "Hide-Me" Signal





1) Li et al (2021) JITC. 9: e001341
2) Hollmen et al., (2020) BJC. 123. 501-509
3) Palani et al., (2011) Eur. J. Immunol. 41 2052-2063
4) Kwon et al., (2019) Head Neck. 41 2058-2064
5) Yin et al., (2020) Oncol. Lett. 19(3)2404-2412
6) Dong et al (2019) BJC. 121 22-33
7) Lin et al (2019) Mol. Ther. Nuc. Acids. **18** 476-484

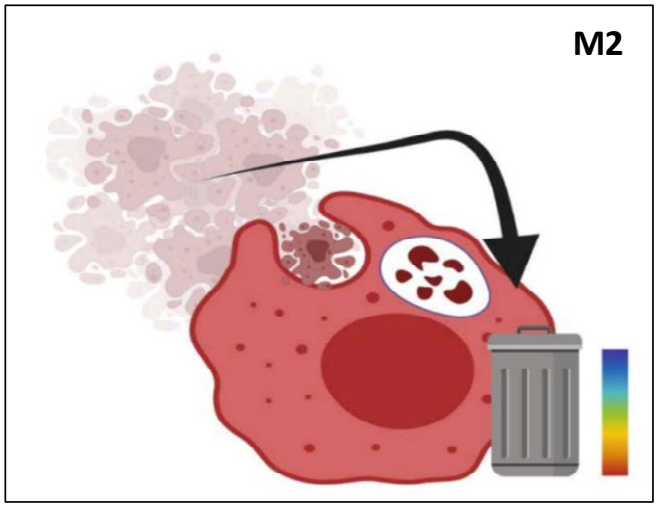
# Differentiating from other Reprogramming Strategies

## Impairing Endosomal Acidification allows for Antigen Presentation[1]

### A Novel Solution to Removing the "Hide Me" Signal on Tumor Associated Macrophages

By targeting CLEVER-1, a scavenger receptor on M1 Macrophages, they convert to M2 Macrophages and begin antigen presentation. This is likely why high CLEVER-1 has lead to treatment resistance in solid and liquid tumors [3,4,5,6].

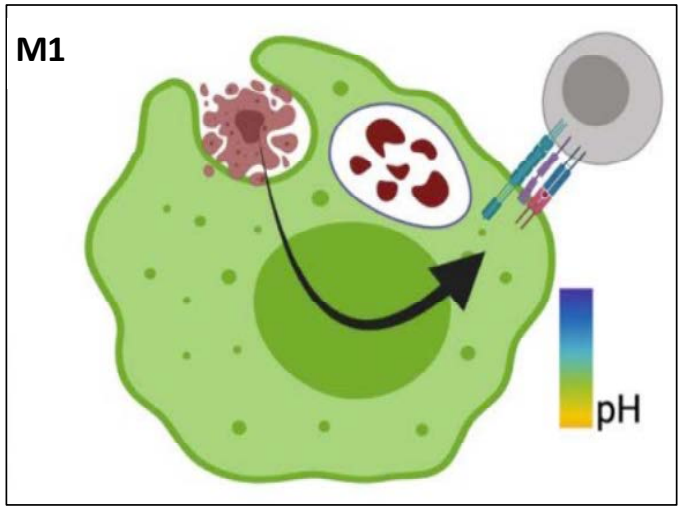
Current T Cells therapies **need antigen presentation** to engage the immune system. *Bexmarilimab* **provides this** opportunity.




**No *Bexmarilimab:* TAMs Hide Tumour**

**Immune suppressive TAM (M2)**

| Conversion demonstrated[1] | |
|---|---|
| M2 Markers | ↓ |
| Inflammatory Cytokines | ↑ |
| Antigen Presentation | ↑ |



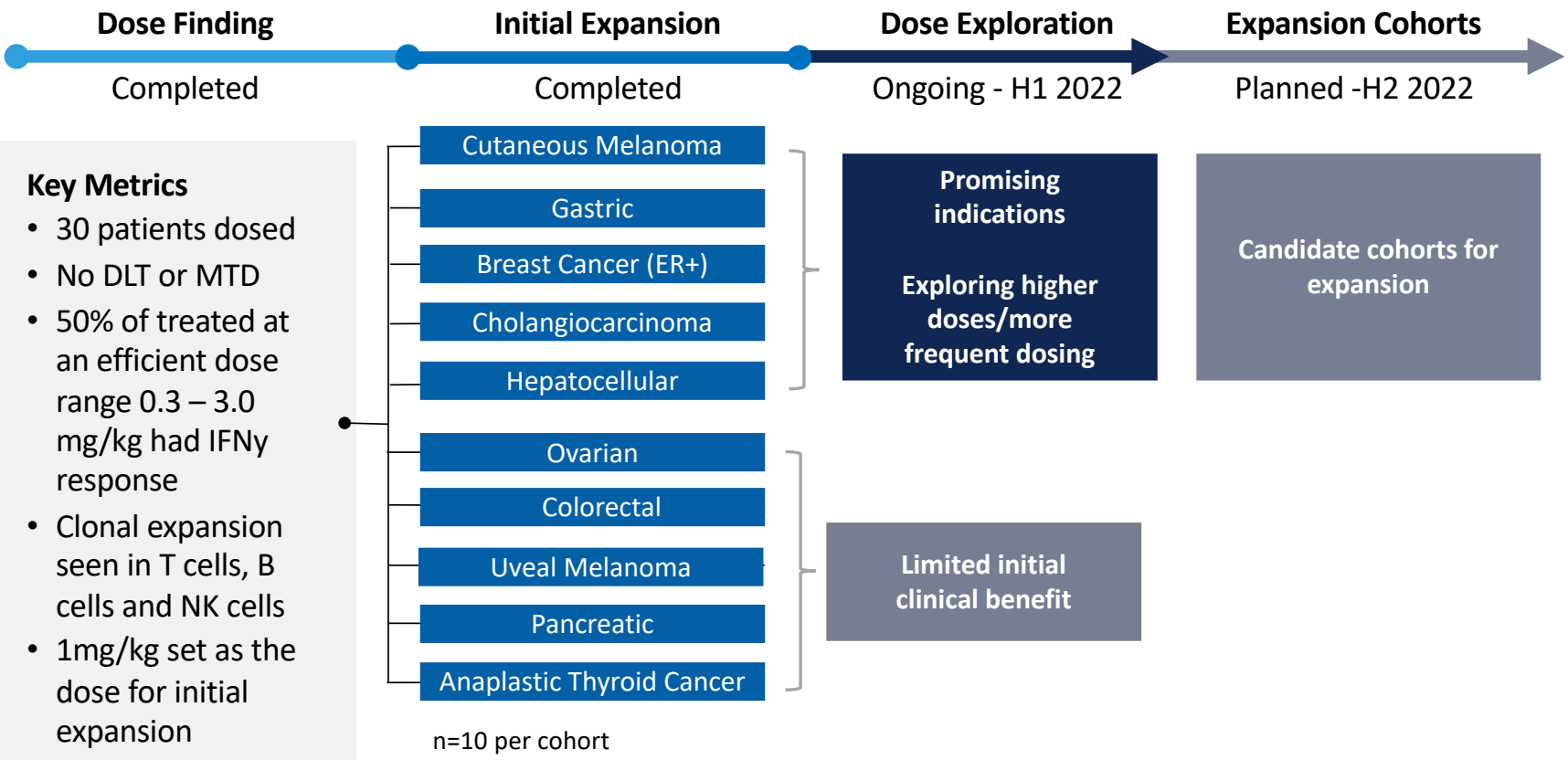

**With *Bexmarilimab:* TAMs Show Tumour**

**Immune activating TAM (M1)**


1) Virtakoivu et al (2021) CCR. 27. 4205-20
2) Hollmen et al., (2020) BJC. 123. 501-509
3) Kwon et al., (2019) Head Neck. 41 2058-2064
4) Yin et al., (2020) Oncol. Lett. 19(3)2404-2412
5) Dong et al (2019) BJC. 121 22-33
6) Lin et al (2019) Mol. Ther. Nuc. Acids. **18** 476-484

# MATINS; Phase 1/2 Trial Design and Timelines (NCT03733990)

## Adaptive design enabling pivotal data generation



# MATINS Phase I/II Top Line Data

## Good safety, tolerability and efficacy in heavily pre-treated patient population

Presented at ESMO GOOD SCIENCE BETTER MEDICINE BEST PRACTICE 2021

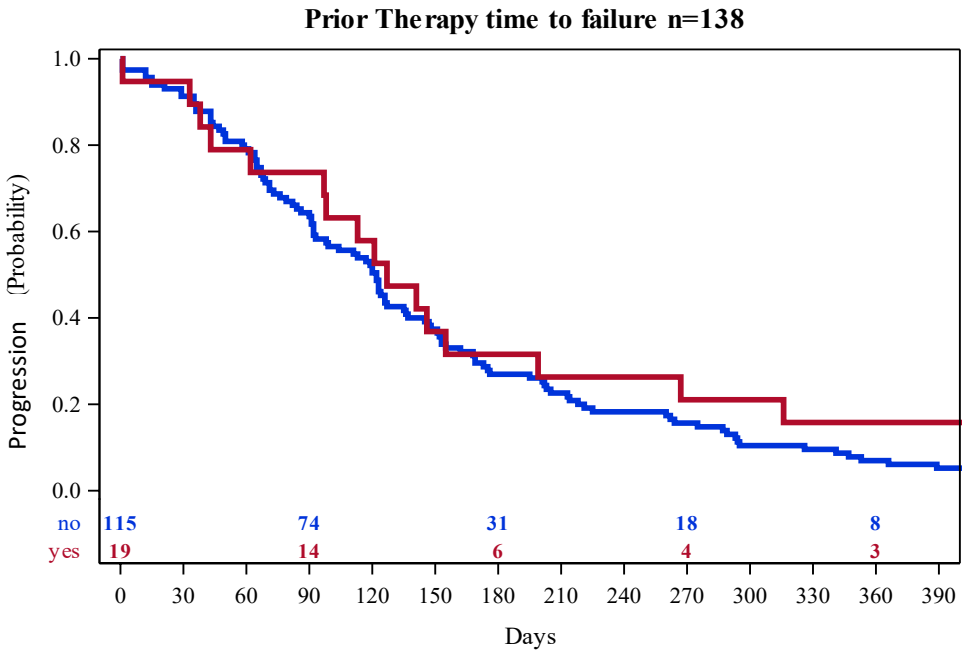
| Treatment Related Adverse Events | n (%) |
|---|---|
| Any grade | 178 (25) |
| Grade 3-4 | 13 (2) |
| Grade 5 | 0 (0) |

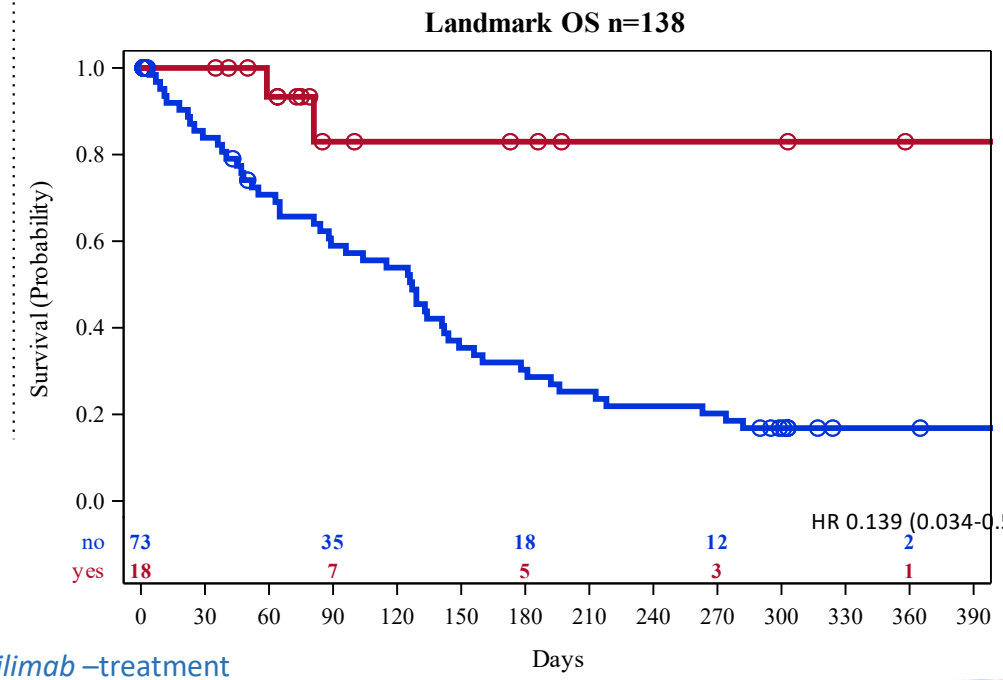
| Treatment Related Adverse Event | Grade 1-2 | Grade 3 | Grade 4 | Grade 5 |
|---|---|---|---|---|
| Fatigue | 41 | 2 | 0 | 0 |
| Anemia | 25 | 6 | 0 | 0 |
| Abdominal pain | 24 | 3 | 0 | 0 |
| Decreased appetite | 24 | 0 | 0 | 0 |
| Constipation | 18 | 1 | 0 | 0 |
| Nausea | 18 | 1 | 0 | 0 |
| Pyrexia | 19 | 0 | 0 | 0 |

| Investigator Assessed Confirmed Response per RECIST | | n (%) |
|---|---|---|
| **ORR** | | |
| | CR | 0 (0) |
| | PR | 1 (1) |
| | SD | 19 (17) |
| | PD | 90 (82) |
| **Part II by cohorts - CBR** | | 19 (17) |
| | Cutaneous melanoma | 3 (30) |
| | Gastric cancer | 3 (30) |
| | Breast cancer (ER+) | 4 (40) |
| | Cholangiocarcinoma | 3 (30) |
| | Hepatocellular | 4 (40) |
| | Ovarian cancer | 0 (0) |
| | Colorectal cancer | 2 (7) |
| | Uveal Melanoma | 0 (0) |
| | Pancreatic | 0 (0) |

# A Dramatic Turnaround for Last Line Patients

In allcomers, last line, unoptimized setting, the strongest clinical benefit rate, CBR (30% — 40%) was observed in cutaneous melanoma, gastric cancer, breast cancer, cholangiocarcinoma, and hepatocellular carcinoma patients. [1]



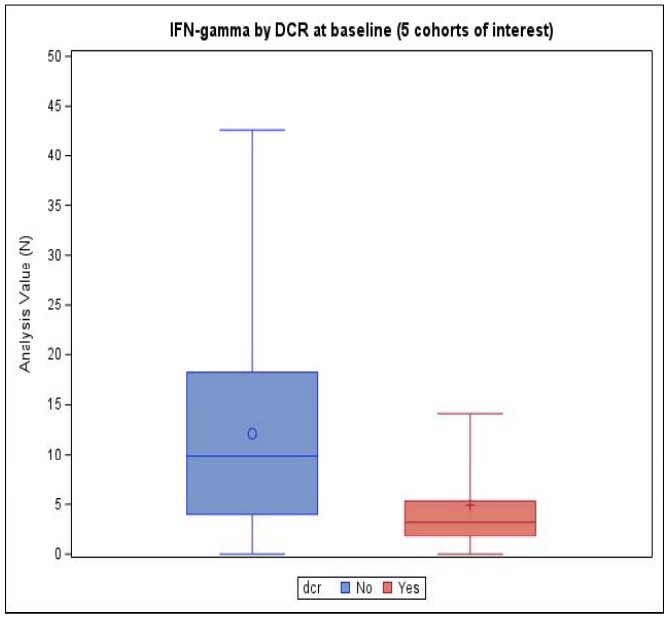

Response to *Bexmarilimab* –treatment

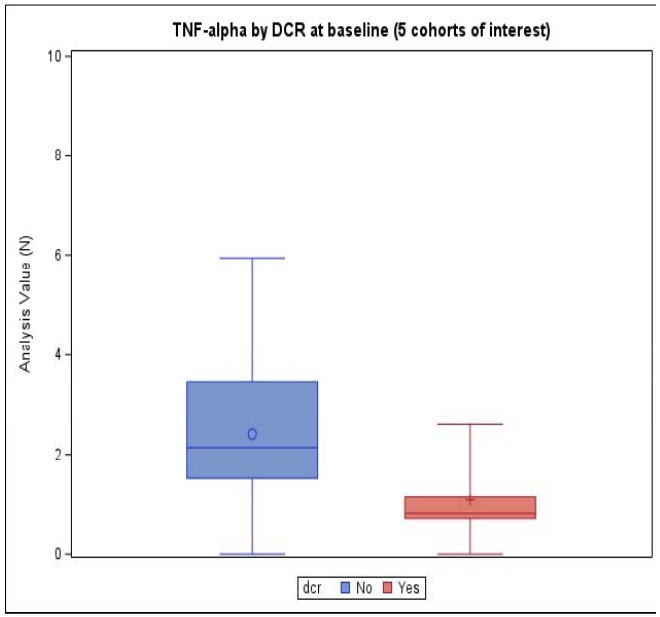
Non-responders Responders

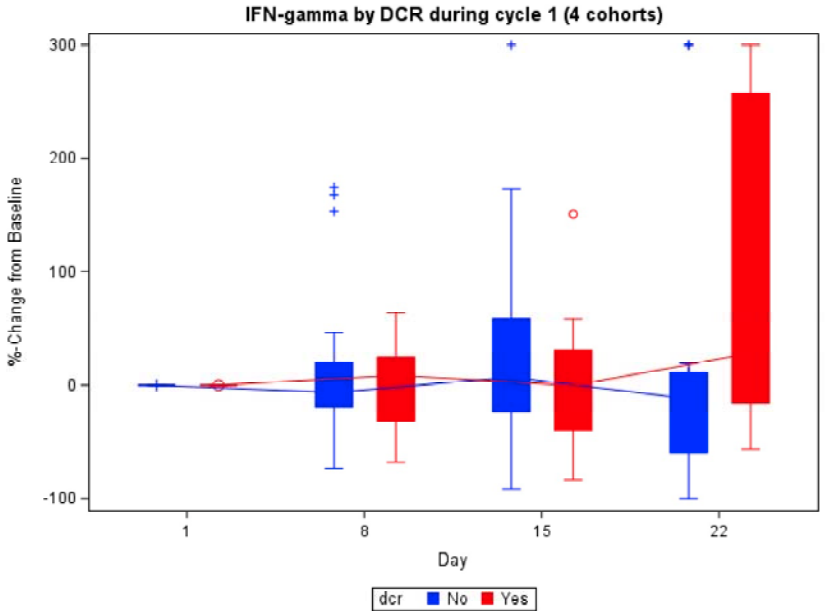
1)Faron Pharmaceuticals Ltd (2021 Aug 26th) Faron Reports Half-Year Financials, January 1 - June 30, 2021[Press release] https://www.faron.com/news-events/news-and-press-releases?rnsid=1502976&cid=2223

# Clear Biomarker Profile and Immune System Ignition Among Responders

## Presented at ESMO IO, December 2021



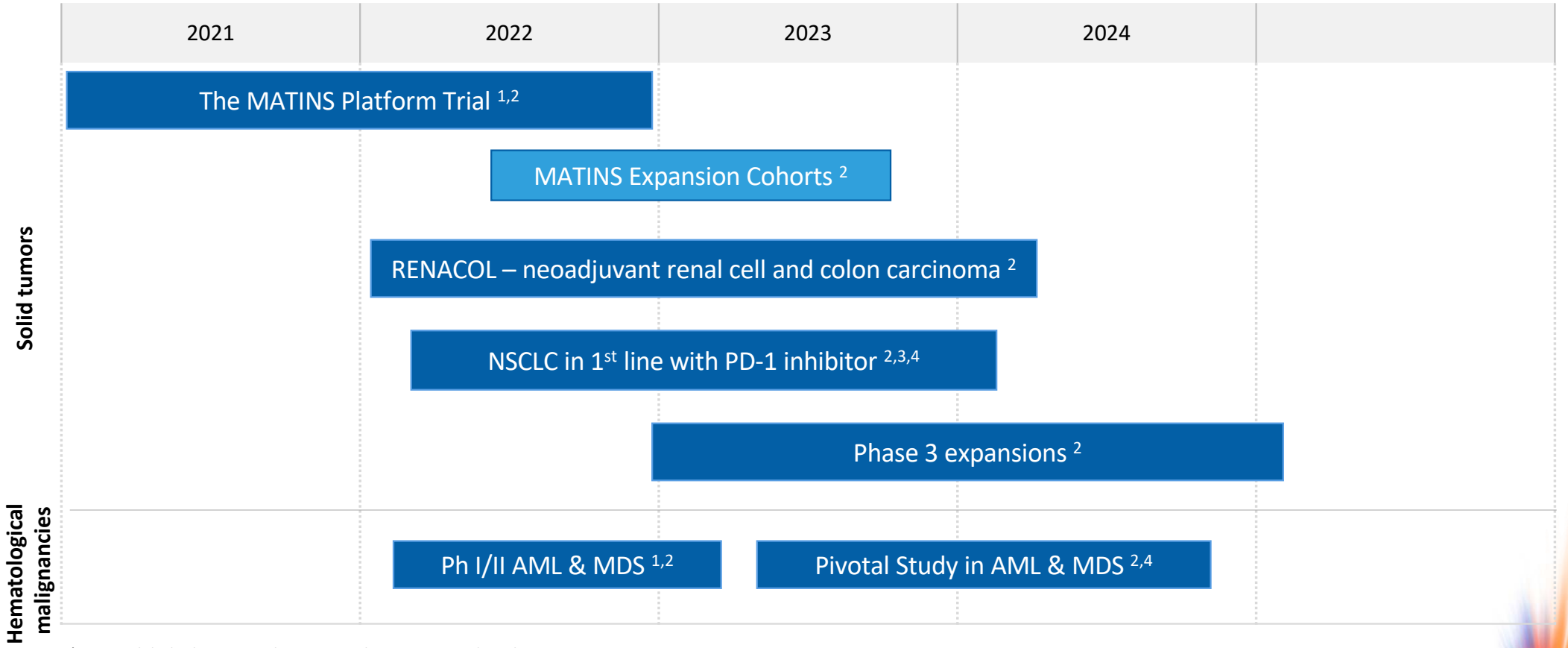




Responders had significantly lower levels of IFNg and TNFa at baseline compared to non-responders. Standard, easily accessible blood test can quickly identify levels of both biomarkers.

Responders experienced significant increase in IFNg levels after first treatment cycle.

# *Bexmarilimab* Broader Clinical Development Plan

## Evidence based clinical trials to allow for registration




1) Open label adaptive trials aiming to become pivotal studies
2) These trials are Faron's future plans and therefore subject to changes depending on multiple factors
3) Investigator sponsored study design
4) RCT in combination with first line standard of care (SOC)



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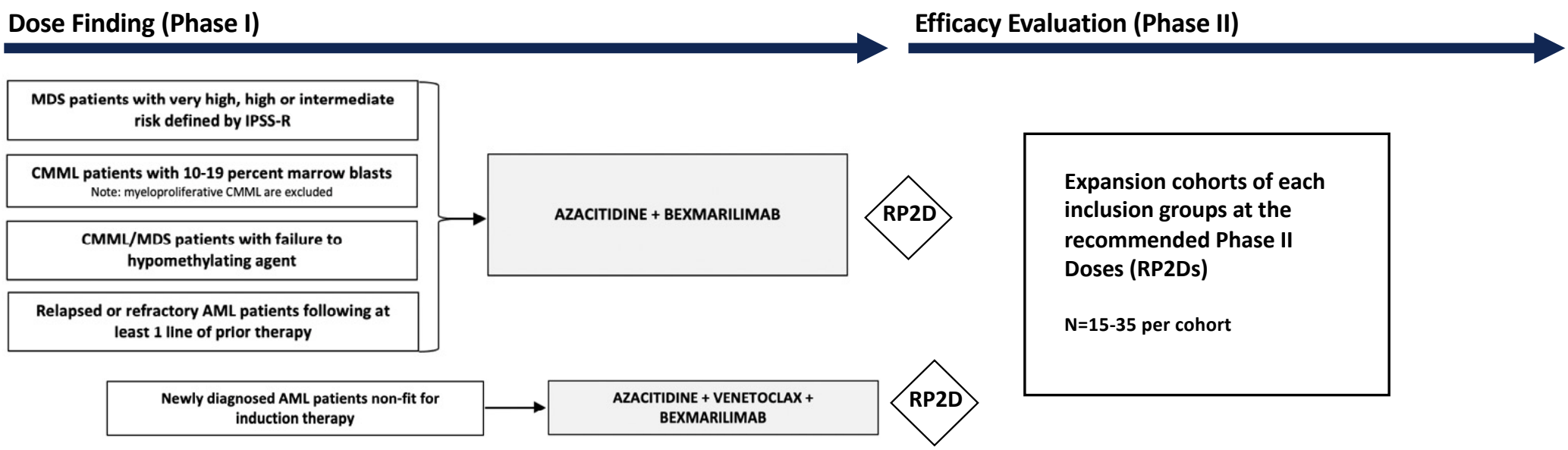
# BEXMAB

## Evaluating Bex Combos with AZA or AZA/Venetoclax in MDS and AML

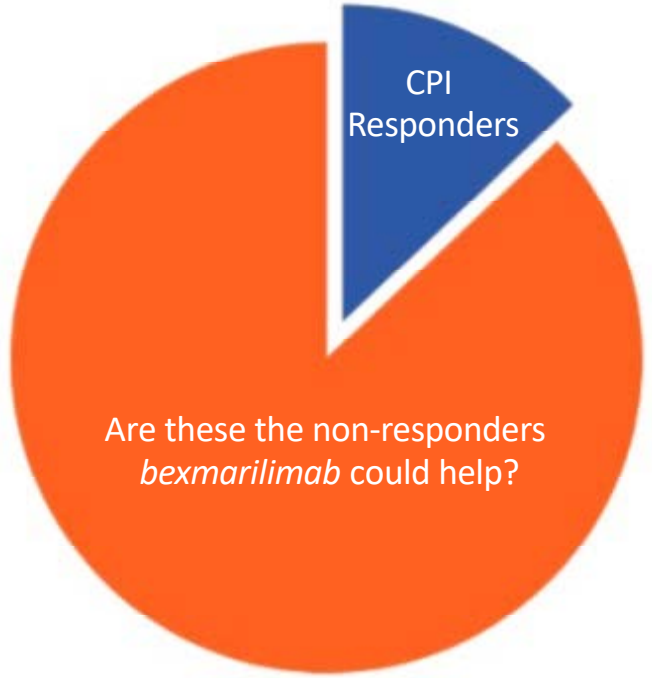



**Expected milestones in 2022**

- Study opening in Finland
- Submission of sub-IND to FDA
- First-Patient-Dosed with *bexmarilimab* in combination with standard of care (azacitidine, AZA)
- First-Patient-Dosed with *bexmarilimab* in combination with AZA and venetoclax

# *Bexmarilimab* – The Future of Immunotherapy

1. **30% - 40% clinical benefit achieved in heavily pre-treated, last-line cancer patients**
2. **Highly favorable safety profile suggesting combination therapies will be well tolerated**
3. **Clear biomarker signal identified among responders**
4. **Checkpoint inhibitor resistant patients could become responsive to PD-1 blockade**
5. **Focused development strategy explored further during Faron R&D Day in February 2022**




Thank you
FARON