A CLEVER Approach to
Fight Cancer

Faron Pharmaceuticals

Corporate Deck

January 2024

London AIM: FARN

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Investment Highlights

A CLEVER Approach to Fight Cancer via Re-programming Macrophages and Myeloid Cells

Bexmarilimab (Bex) is a humanized anti-Clever-1 antibody, which by a novel mode of action primes the immune system to attack tumors

Bex is potentially applicable to a wide range of hematologic diseases and solid tumors in combination with traditional therapies, or as maintenance therapy

Bex has shown clinical benefit as a single agent in ~200 patients with advanced solid tumors refractory to PD-1 blockade (MATINS study) and 33 difficult-to-treat patients with myeloid malignancies (BEXMAB study)

Significant ORR achieved (100%) in patients with HR-MDS (5/5) and HMA-failed MDS (5/5), including patients with TP53 mutation (ASH 2023)
Phase 2 focuses on MDS patients who have failed prior HMA therapy, with readouts in 2Q and 4Q 2024

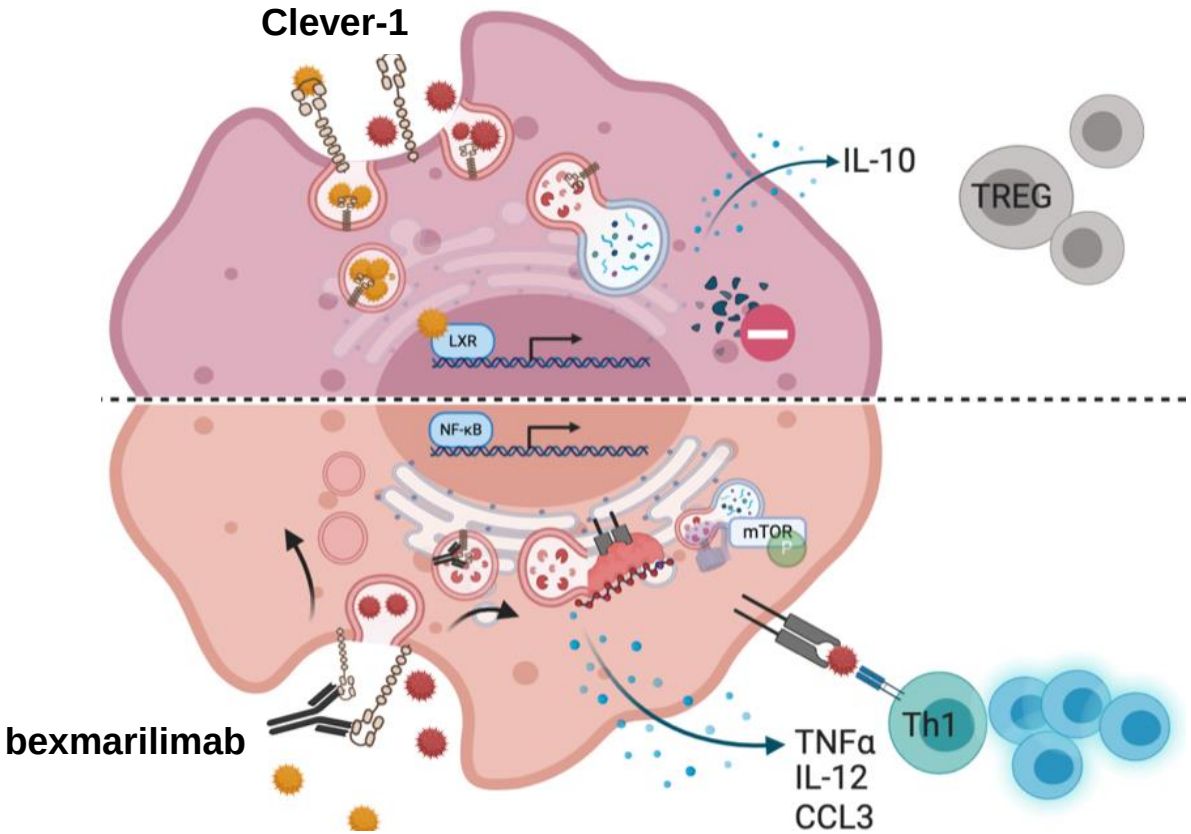
MDS alone represents a large and growing indication with projected sales in 8 major markets of over $2 billion by 2028*
Patent protection to 2037

*Global Data (2020)

ORR: Overall Response Rate

Bexmarilimab anti-Clever-1 mechanism of action

An innovative approach to hematological malignancies and solid tumors



Clever-1⁺ macrophages
"Do not show me"

After Clever-1 blocking
"Show me"

Clever-1 is an immunosuppressive receptor on macrophages that helps cancer evade the immune system.
Bex blocks Clever-1 and primes immune system to attack tumors to enhance clinical benefit of concomitant therapies

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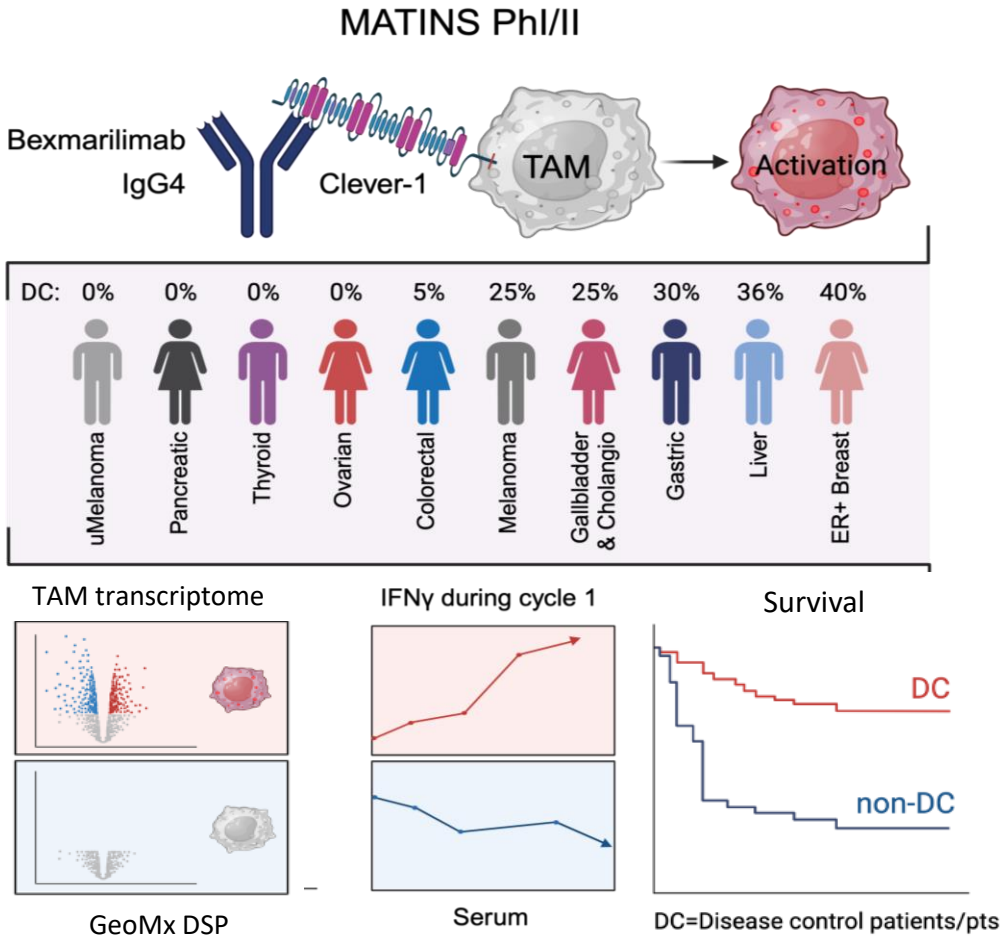
Proof of Principle for Modulating Tumor Microenvironment (TME)

Phase 1/2 First-in-Human MATINS Trial



Highlights

In the MATINS Phase 1/2 trial bexmarilimab as a single agent demonstrated proof of principle for anti-Clever-1 inhibition in 10 different cancer types and over 200 patients

Targeting Clever-1 with bex is well tolerated

Bex converts intratumoral macrophages to support adaptive immune responses and IFNg signaling

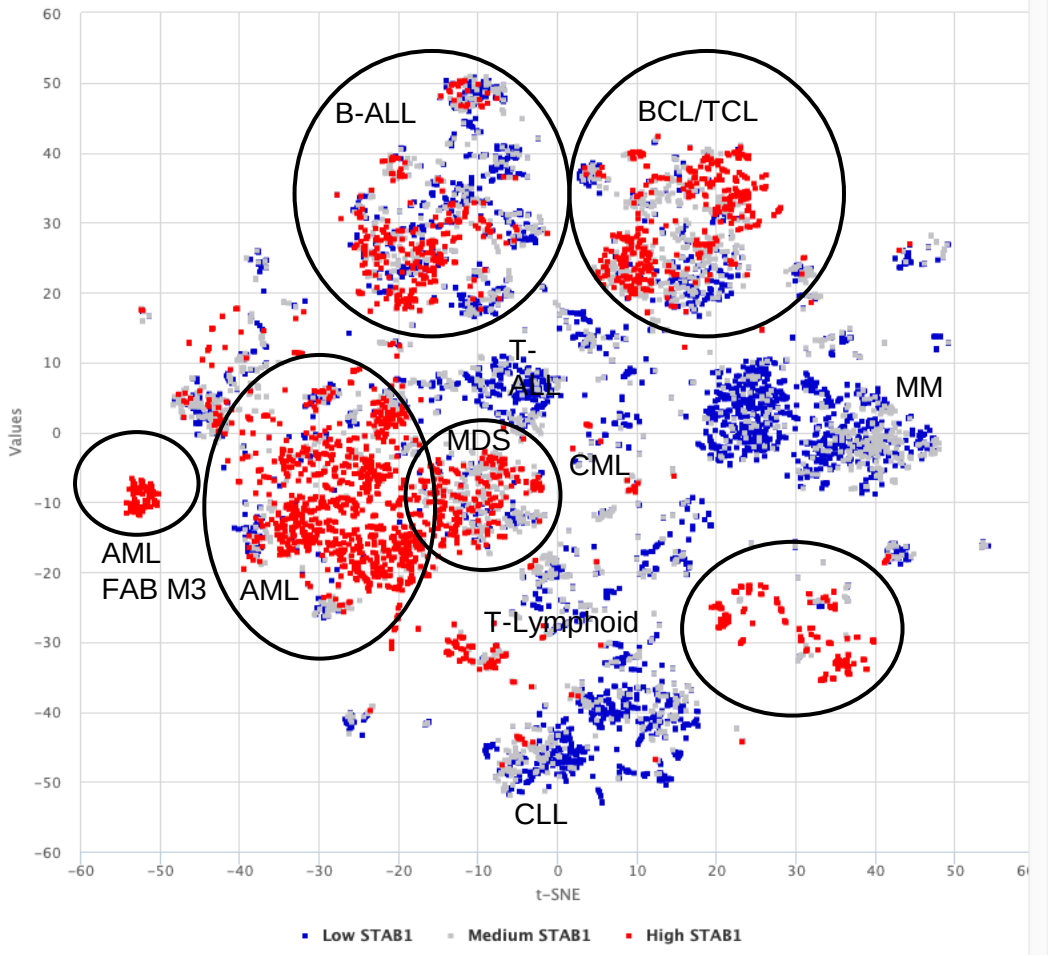
Bex monotherapy changed the TME, which led to increased survival in late-stage cancer patients

Low baseline immune activation associates with bex benefit

MoA: Mechanism of Action, TME: Tumor Microenvironment

Rannikko et al. (2023a) **Cell Reports Medicine, 4, 101307,** available in open access. See Faron release on December 7th, 2023
See also the other *Rannikko et al. (2023b)* **Cancer Immunol. Res. 12, 48-59**

Clever-1 is highly expressed by malignant blast cells in AML and MDS



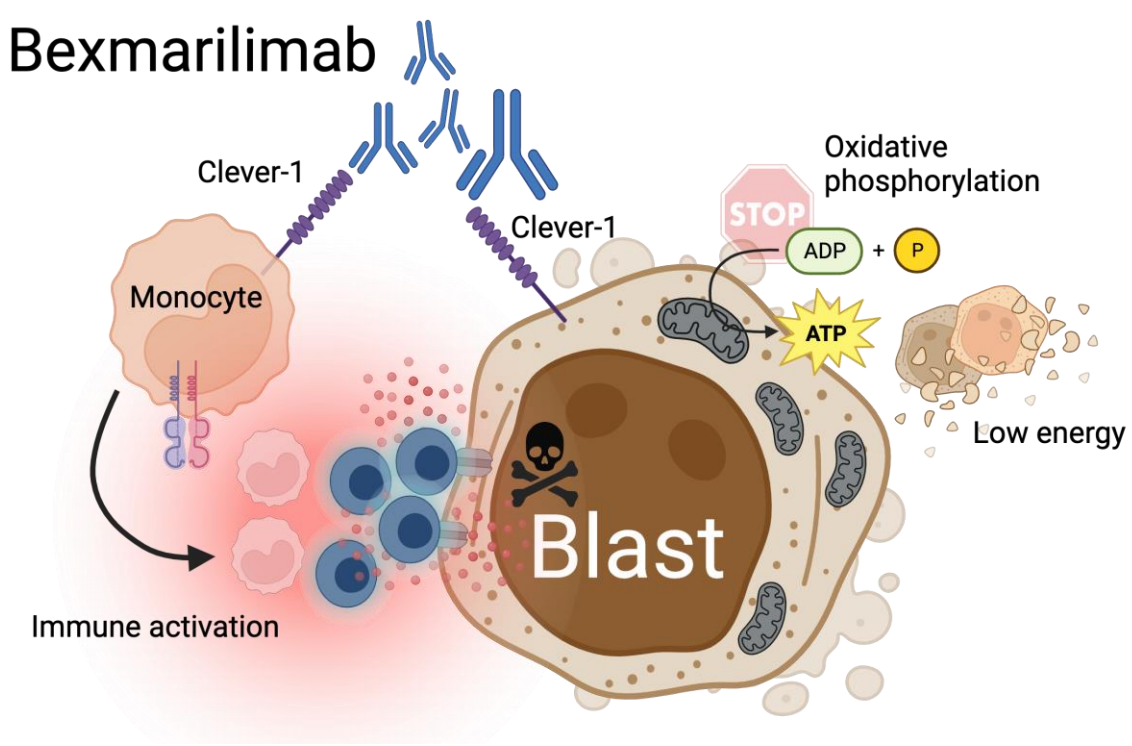
HEMAP dataset: Microarray data of 9,544 samples (Pölönen et al. Cancer Research 2019) http://hemap.uta.fi
MDS: myelodysplastic syndrome
Clin Lymphoma Myeloma Leuk. 2013 Dec;13(6):711-5. doi: 10.1016/j.clml.2013.07.007. Epub 2013 Sep 17.

Patients with higher-risk MDS, in whom azacitidine (HMA-agent) treatment has failed, have a poor prognosis and low probability of response to salvage treatments

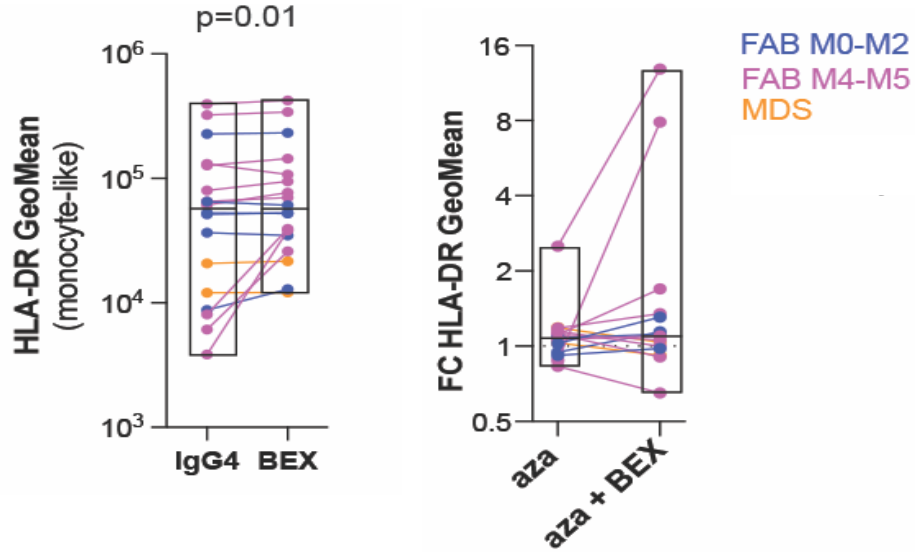
Clin Lymphoma Myeloma Leuk. 2013 Dec;13(6):711-5. doi: 10.1016/j.clml.2013.07.007. Epub 2013 Sep 17.

Proof of Concept for Targeting Clever-1 in Myeloid Malignacies

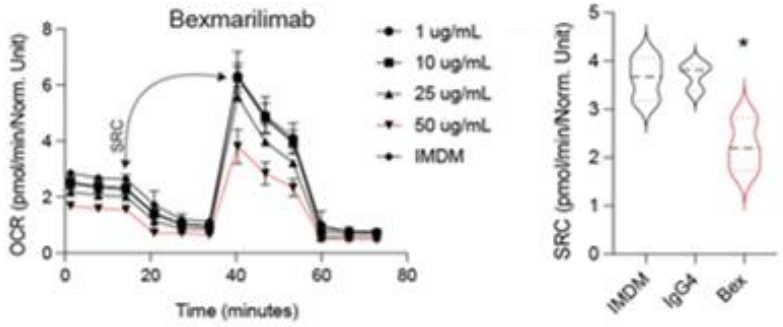
Bex in combination with SOC in hematological malignancies – HR MDS and r/r AML



In AML, Clever-1 is expressed by blast cells and adjacent myeloid immune cells. The antibody can activate the immune system in the bone marrow and simultaneously reduce the fitness of AML blasts through impairing cells' energy production.



Bexmarilimab increases HLA-DR expression by monocyte-like cells and improves azacytidine-induced HLA-DR in a subset od patient samples. Data from AML bone marrow ex vivo cultures (n = 18). Aakko et al., submitted.

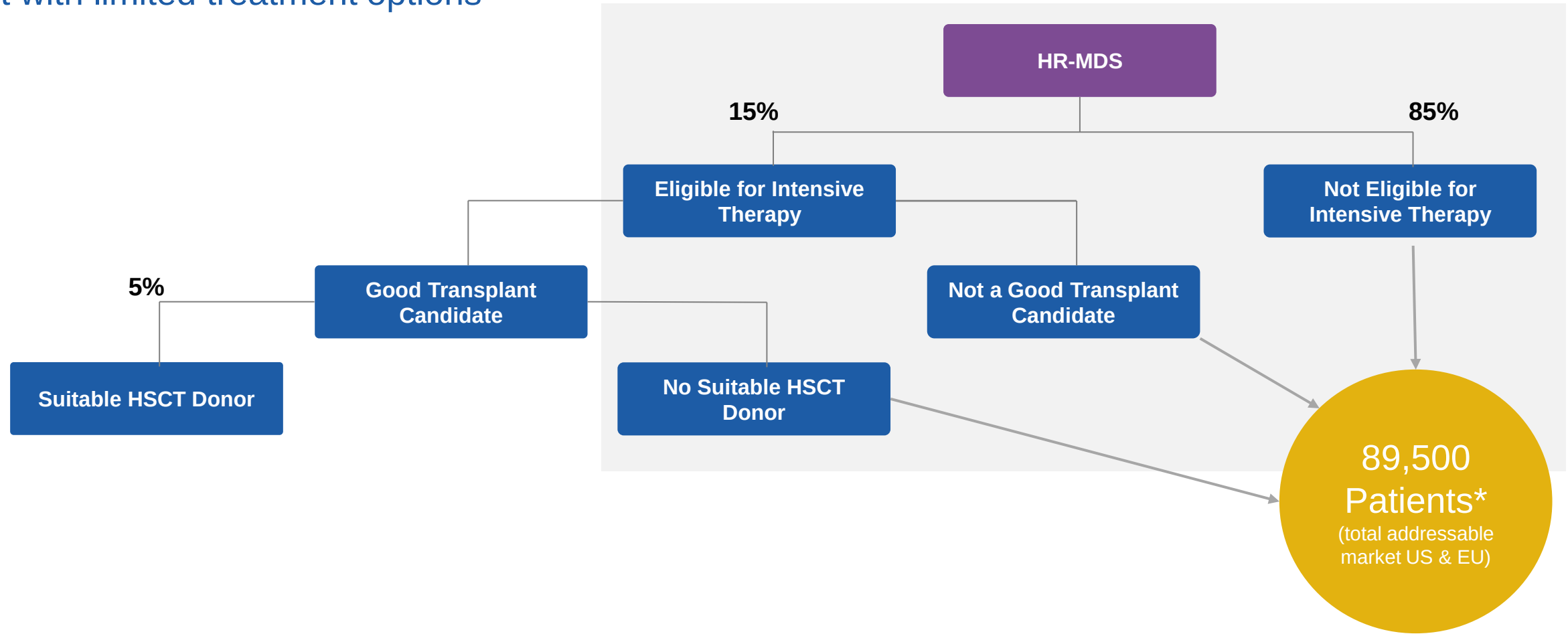


Seahorse Mito stress test kit was used for measuring mitochondrial function after 48h treatment on KG1 cells.

AML: Acute Myeloid Leukemia, HLA-DR: Human Leukocyte Antigen – DR isotype, aza: azacitidine
Ylitalo et al (2023) Presented AACR AML

Higher-Risk MDS Patient Journey

”HMA or nothing” – significant unmet need with 85% of patients not eligible for intensive therapy and left with limited treatment options



*Source: GlobalData; adapted from Montalban-Bravo and Garcia-Manero, 2018, Steensma, 2018, NCCN, PharmaVentures market assessment
MDS: myelodysplastic syndrome, HSCT: Hematopoietic stem-cell transplantation

BEXMAB Phase 1/2 Study Evaluating Bex with SoC in Myeloid Malignancies

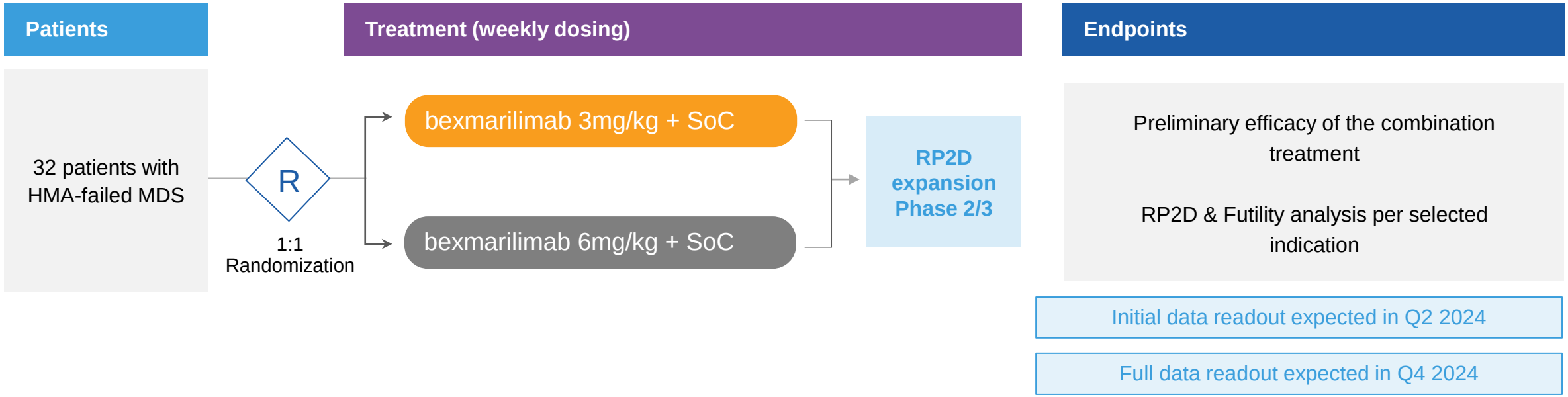
First patient dosed for Phase 2 (total of 32) in January 2024

Phase 1 Findings

36 patients treated in doublet/triplet with 3 dose levels have been evaluated

- Highest immune activation, as observed in the accumulation of activated immune cells in patient bone marrow, was observed in both 3 mg/kg and 6mg/kg cohorts
- Significant overall response rate observed in HMA-failed (5 out of 5) and higher-risk MDS patients (5 out of 5)
- Both dose levels (3 mg/kg and 6mg/kg) have been safe and well tolerated to date

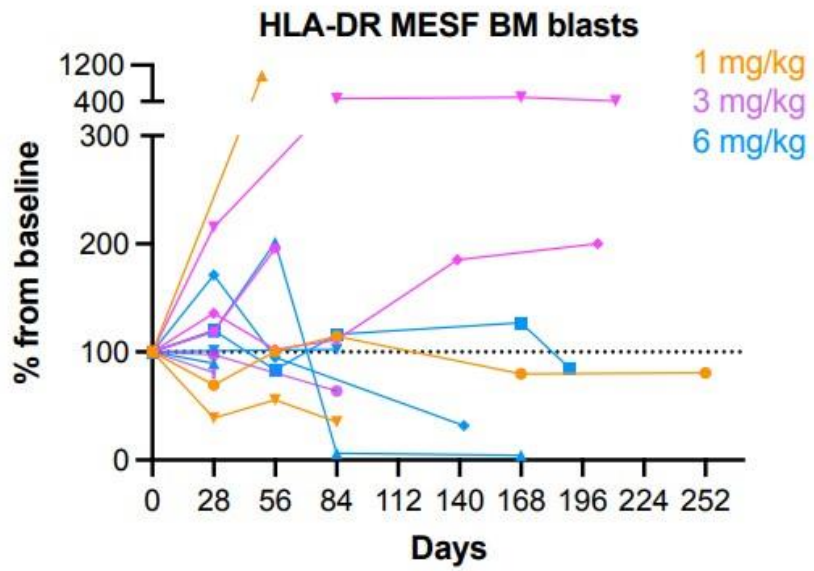
Phase 2

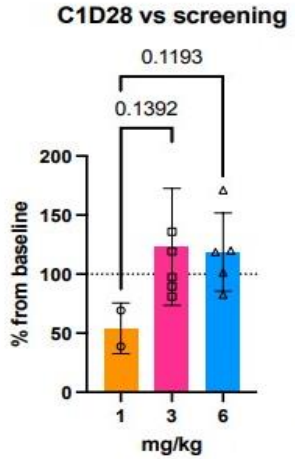


SoC: Standard of Care, MDS: myelodysplastic syndrome, RP2D: Recommended Phase 2 Dose

Bex Increases Bone Marrow Immune Activation

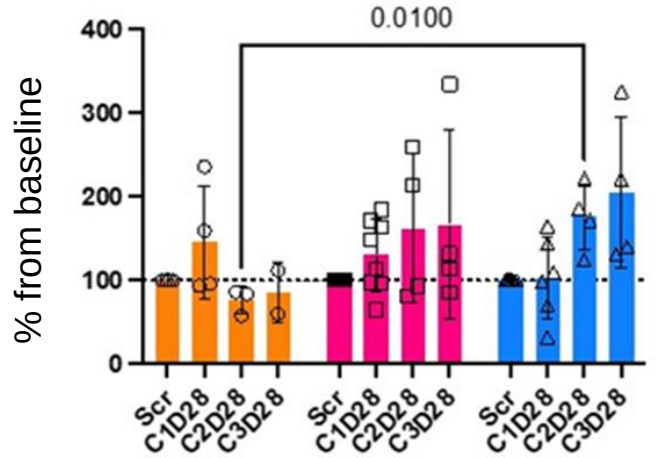
CD8 T and NK cell numbers increase from screening to end-Cycle 3 in Bex-Aza patients



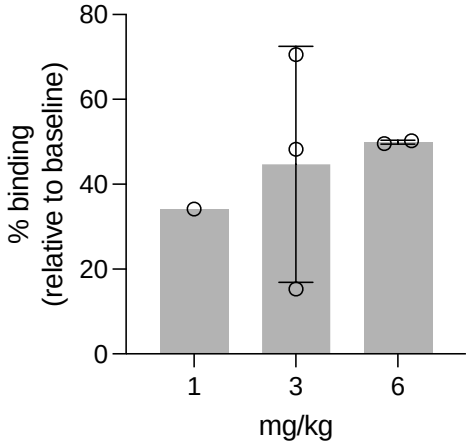


Upregulation of antigen presentation molecules on blasts during treatment across dose levels

CD8 T cells



Target engagement in the bone marrow of HR MDS patients



* MESF = Molecules of Equivalent Soluble Fluorochrome, normalized fluorescence for comparison across timepoints

Adding Bexmarilimab to SoC is Well Tolerated

No DLTs have been reported and most AEs are of Grade 1/2

	All (n=28) %	1.0mg/kg (n=7) %	3.0mg/kg (n=11) %	6.0mg/kg (n=10) %
Any TRAE	12 (43)	3 (43)	4 (36)	5 (50)
Pyrexia	3 (11)	1 (14)	0	2 (20)
Blood TSH increased	2 (8)	0	0	2 (20)
Constipation	2 (8)	2 (29)	0	0
Nausea	2 (8)	0	1 (9)	1 (10)
Worsening of neutropenia	2 (8)	0	2 (18)	0
ALT increases	1 (4)	0	1 (9)	0
CLS (capillary leak syndrome)	1 (4)	0	1 (9)	0
HLH (hemophagocytic lymphohistocytosis)	1 (4)	0	1 (9)	0
Cryptic organizing pneumonia	1 (4)	0	0	1 (10)
Pain	1 (4)	0	0	1 (10)
Post-procedural bleeding	1 (4)	0	0	1 (10)
Rash	1 (4)	0	0	1 (10)
Vomiting	1 (4)	1 (14)	0	0

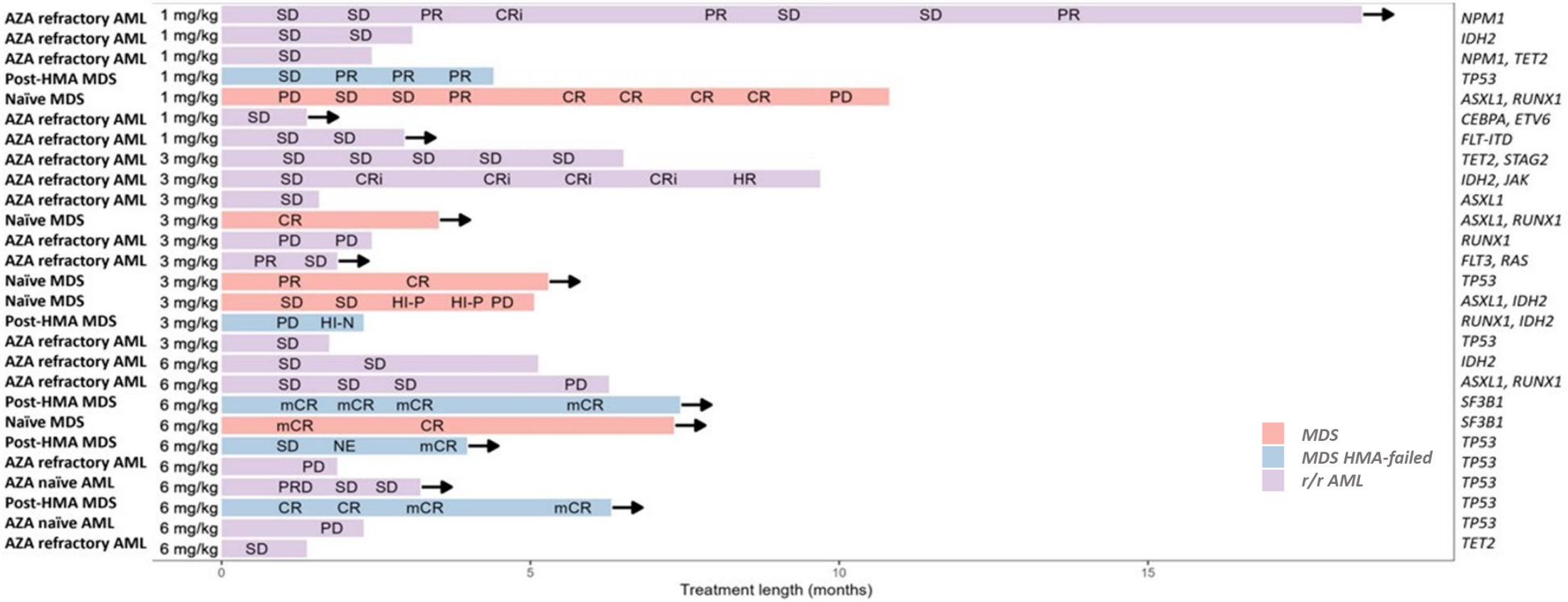
	AEs n
Any Grade	244
≥ Grade 3	81
SAEs	37
Related AEs	
Any Grade	24
≥ Grade 3	9

- No dose-limiting toxicities (DLT)
- SAEs related to Bex:
  - n=2 at 3mg/kg: Capillary leak syndrome (Gr 3); Hemophagocytic lymphohistiocytosis (Gr 5);
  - 6mg/kg Cryptogenic organizing pneumonia (Gr 3)
- Discontinuation in 2 patients due to BEX-related AEs
- Immune-related AEs reported at 3.0 and 6.0mg/kg across indications

DLTs: Dose-Limiting Toxicities, AEs: Adverse Events, TRAE: Treatment Related Adverse Event

Objective Responses Observed in ~50% of Patients Across Indications

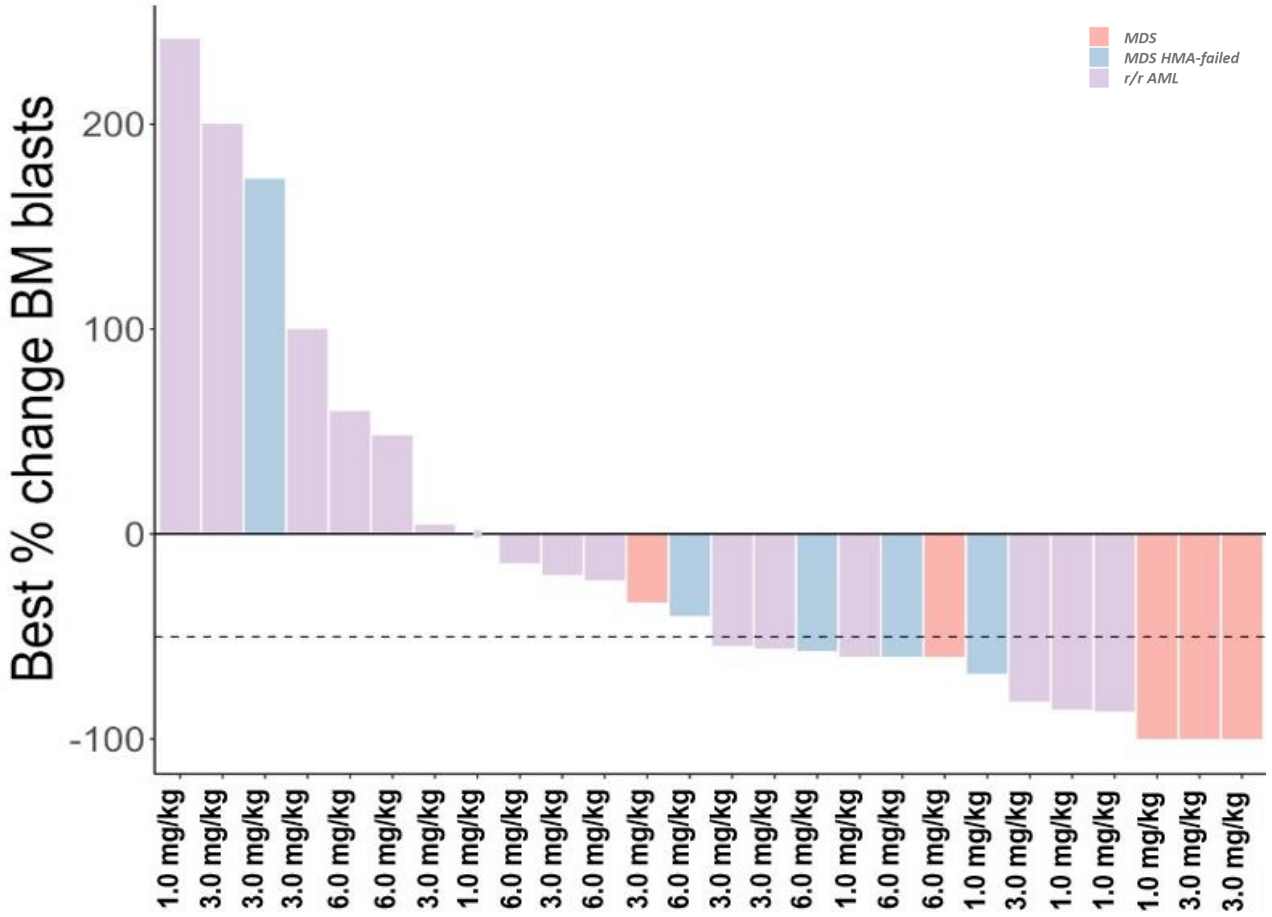
Swimmer plot of doublet patients at 1.0, 3.0, and 6.0 mg/kg bexmarilimab combined with azacitidine (n=27). Readout November 06, 2023. Data released December 11, 2023 at ASH



Responses are deep and durable with 7/10 MDS patients achieving CR/mCR and one additional patient progressing to bone marrow transplant, majority of them being TP53 mutated

Efficacy Read-out (II)

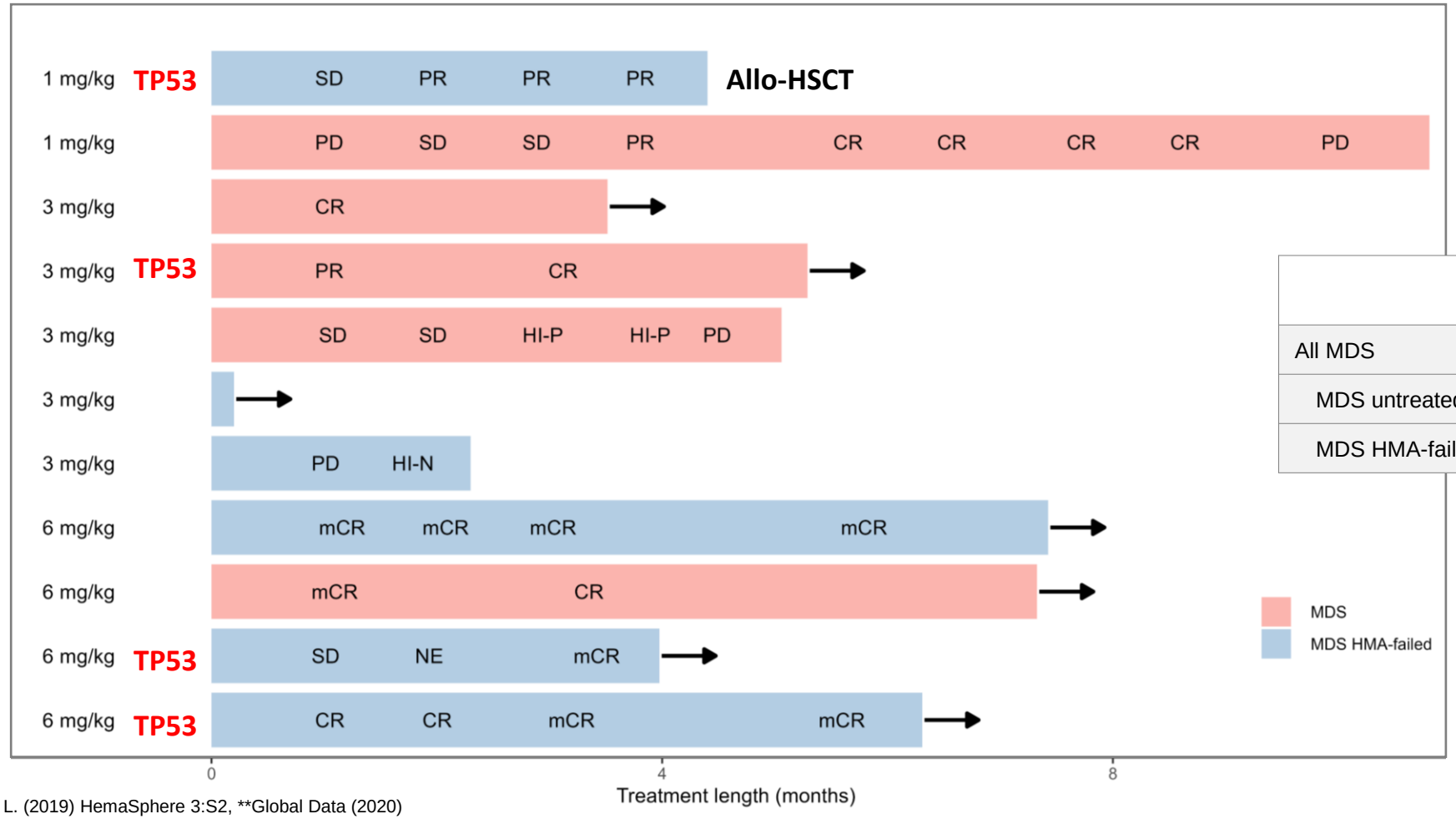
Reduction of BM blasts in >50% of Doublet patients



Waterfall plot of doublet patients at 1.0, 3.0 and 6.0 mg/kg bexmarilimab combined with azacitidine

High ORR achieved in both frontline HR MDS and HMA-failed MDS patients

With a median overall survival in refractory MDS of just 4-6 months and no viable treatment options*, patients now surpassing anticipated survival rates and maintaining remission



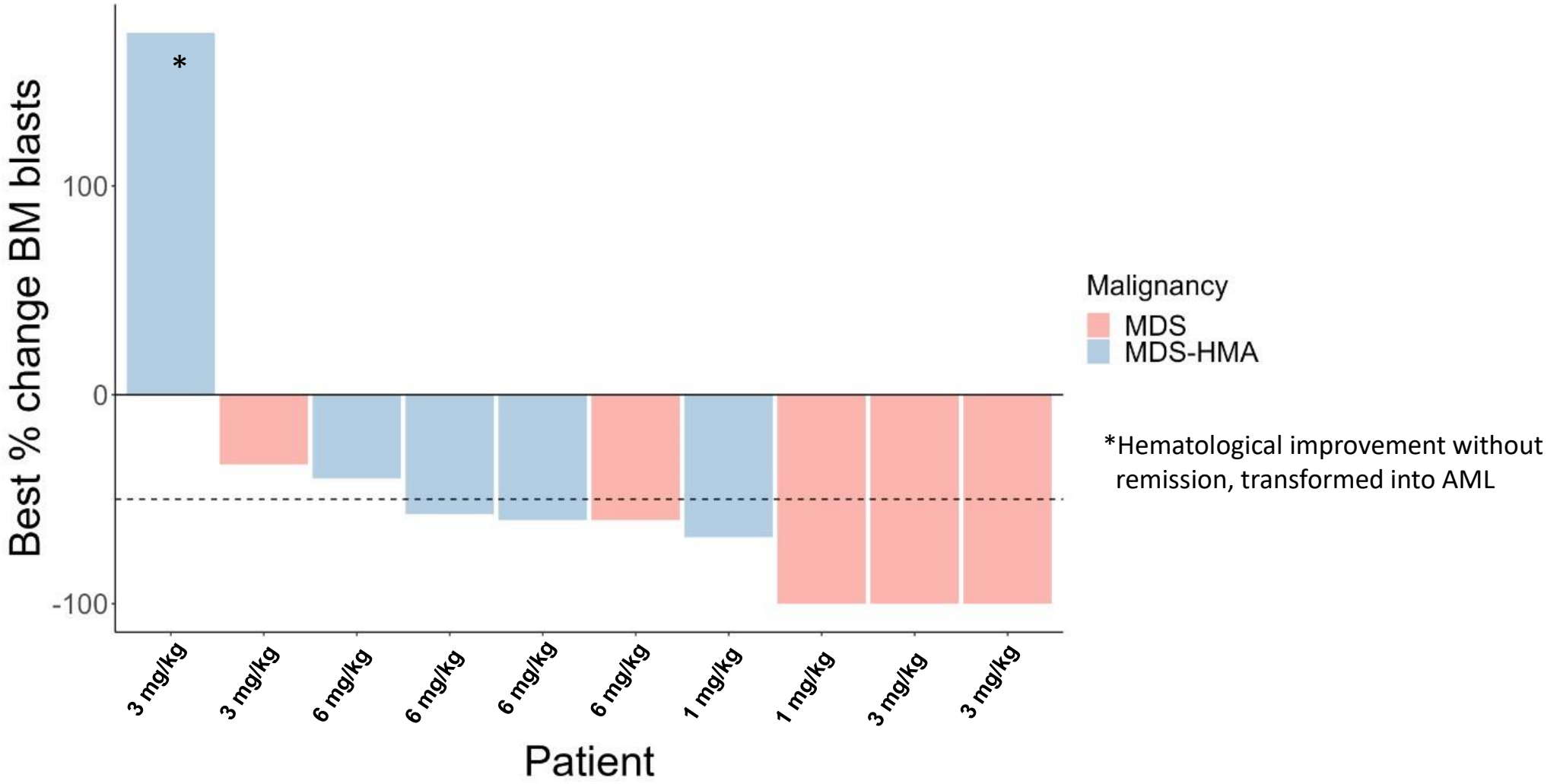
	Number n	CR	mCR	PR/HI-P
All MDS	10	5 (50%)	2 (20%)	3 (30%)
MDS untreated	5	4 (80%)		1 (20%)
MDS HMA-failed	5	1 (20%)	2 (40%)	2 (40%)

Mutations in TP53 are detected in ~20% of MDS patients and stand out as one of the most significant adverse prognostic factors in the disease.**

*Ades L. (2019) HemaSphere 3:S2, **Global Data (2020)

Significant Bone Marrow Blast Reduction in HR MDS Patients Treated with Bex + Aza

Durable cancer blast eradication



*Hematological improvement without remission, transformed into AML

MDS HMA-failed

Summary of efficacy: 100% of patients responded to Bex+Aza

5/5 patients in the HMA-failed HR MDS cohort have responded to Bex+Aza treatment

- 3/5 patients were refractory to previous HMA-therapy, best responses being PD or SD
- 2/5 had relapsed after azacitidine (or azacitidine combined with venetoclax) therapy

Patient profile	Prior therapy				Type	BEXMAB study	
	HMA	No of cycles	Timeline	Best response		Study start	Response
Patient #1	Aza	6 cycles	Jan 2022 – Jul 2022	PD	Refractory	Sep 2022	**PR (allo-HSCT)**
Patient #2	Aza	4 cycles	Jul 2022 – Dec 2022	PD	Refractory	May 2023	**HI-N**
Patient #3	Aza + Magro Decitabine + Ven	4 cycles 1 cycle	Aug 2022 – Dec 2022 Jan 2023	PD SD	Relapsed / refractory	Apr 2023	**CR**
Patient #4	Aza ± sabatolimab	28 cycles	Sep 2020 – Sep 2022	mCR	Relapsed	Mar 2023	**mCR**
Patient #5	Aza + Ven Aza	3 cycles 13 cycles	Jan 2022 – Apr2022 May2022 – May 2023	CR CR	Relapsed	Jul 2023	**mCR**

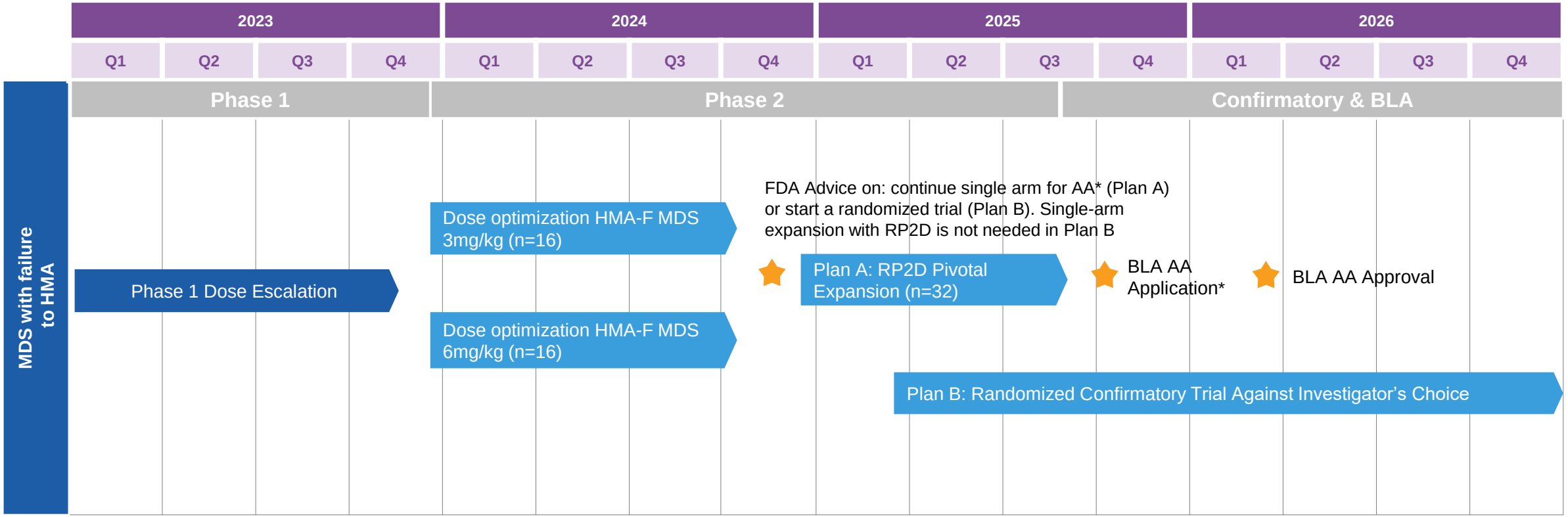
Data read-out November 6th, 2023

Take Home Message: Overcoming Resistance to HMA

- Data from AML & MDS patient cohorts, as well as our biobank patient samples, indicate that Clever-1 expression is associated with non-responsiveness to SoC and poor outcome
- Non-clinical data shows that bexmarilimab can overcome resistance to SoC in AML & MDS patient samples
- Phase 1 clinical data now shows that deep and durable responses can be achieved in AML and MDS patients that have previously been primarily refractory to an HMA or relapsed on HMA or a combination of HMA + venetoclax

Accelerated Development Plan for HMA-failed HR MDS

Frontline HR MDS and r/r AML development plans explored separately



* Accelerated Approval (AA) may be achievable with outstanding efficacy from a single arm trial with on-going confirmatory trial, e.g. in HMA-failed MDS, otherwise see below
** Per FDA's recent guidance, start producing randomized data against comparator as early as possible. AA achievable with ORR of registrational trial and full approval with OS readout

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Bexmarilimab has the Potential to Establish a New Standard of Care in Myeloid Malignancies

Mechanism of Action	Bexmarilimab is a humanized monoclonal antibody to Clever-1 which reprograms myeloid blasts and primes the immune system to attack tumor cells
Safety	Bexmarilimab is well-tolerated in combination with standard-of-care azacitidine in patients with MDS and AML
Efficacy	Durable objective responses (ORs) observed in 50% of patients across three dosing cohorts (doublet) in both frontline and r/r settings. Significant 100% overall response rates observed in both previously HMA-failed (5 out of 5) and higher-risk MDS (5 out of 5) patients
Future development	Given the encouraging and durable responses and high unmet medical need, Phase 2/3 development will focus on HMA-failed MDS as the first indication, seeking BLA filing as early as 2025

Outlook for the Next 12 Months

Clinical development plans

Bexmab

- **Q1 2024** Phase 2 initiation on HMA-failed MDS
- **Q2 2024** Initial Phase 2 data read out
- **Q2 2024** Durability analysis of Phase 1 frontline HR MDS, HMA-failed MDS patients and r/r AML
- **Q4 2024** Full Phase 2 data read out

Regulatory interactions for additional designations & advice leading to registrational study design

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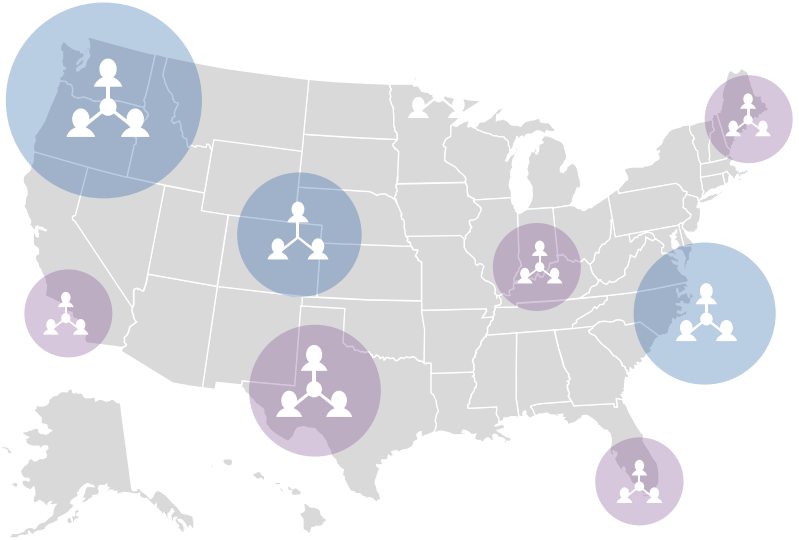

1. Continue to expand clinical network in US and Europe
2. Proceed with partnering discussions to competitive auction process
3. Potential for future expansion into a variety of haemato-oncology indications

Bexmarilimab Pipeline

Programs	Indication	Phase of Development				Next Steps/Near-Term Milestones
		Preclinical	Phase 1	Phase 2	Phase 3	
Hematological malignancies						
bexmarilimab Expect first BLA filing as early as 2025	HMA Failed MDS			BEXMAB Trial (LEUKEMIA & LYMPHOMA SOCIETY fighting blood cancers)		Phase 2 readouts in Q2 and Q4 2024
	Frontline HR MDS			SOC + BEX		Waiting for dose from project Optimus phase 2 part of study
	r/r AML			SOC + BEX		Awaiting to move to project Optimus phase 2 part of study
	CMML			SOC + BEX		Recruiting
	Frontline AML non-fit for chemo			Aza + venetoclax + BEX		Safety dose escalation
Solid Tumors						
bexmarilimab Targeting cold PD-1 refractory tumors	Solid tumors			MATINS Trial		**Completed**
	Combo with CPIs in solid tumors			BEXCOMBO Trial		IND approved and Phase 2 ready

Corporate Summary

Potential to Establish New Standard of Care in Myeloid Malignancies

Faron's Lead Asset

Proven anti-Clever-1 dual mechanism of action – immune activation and reduce viability of leukemic cells that are otherwise resistant to standard-of-care therapies

Validated Platform

- ✓ Proof of principle for anti-Clever-1 Bex monotherapy demonstrated in MATINS Ph 1/2 trial in solid tumors (~200 pts)
- ✓ PoC for Bex in combination with SOC in MDS and r/r AML patients
- ✓ Significant Overall Response Rate in HR-MDS (5/5) and HMA-failed MDS (5/5 patients including patients with TP53 mutation, reported at ASH 2023

Position

Potential for future expansion into a variety of haemato-oncology indications

Patent protection to 2037

Robust large-scale manufacturing process in place with readiness to move into registrational trials

Exceptional scientific founders & and leadership

Planned milestones

BEXMAB Phase 1/2 readouts in 2Q and 4Q 2024

Followed by FDA registrational study plan and size

Actively pursuing Fast Track, Breakthrough, Accelerated Approval, and BLA filing

AIM: FARN, First North: FARON | **Boston, MA & Turku, Finland** | **Market Capitalization: EUR ~250M**

An Overview of Faron

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Maija Hollmén, PhD
Founder & CSO

James O'Brien, MBA, CPA
CFO

Birge Berns, MD
CMO

Juho Jalkanen, MD, PhD, MSc
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Academician

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