

Significant clinical and financial milestones achieved in first half of 2025

Faron Pharmaceuticals

Half-Year Report, January–June 2025

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H1 Results Agenda and Presenters



Positive clinical and financial milestones mark strong first half

Dr. Juho Jalkanen, CEO, Faron



Clinical & regulatory update

Dr. Petri Bono, CMO, Faron



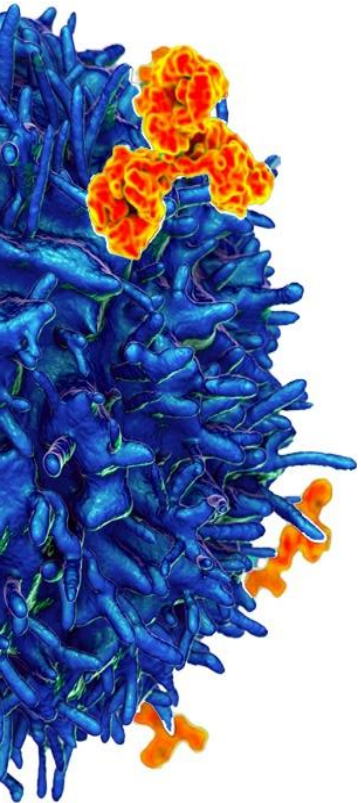
Financial Results, 1 January to 30 June 2025

Yrjö Wichmann, CFO, Faron

Outlook and Q&A session



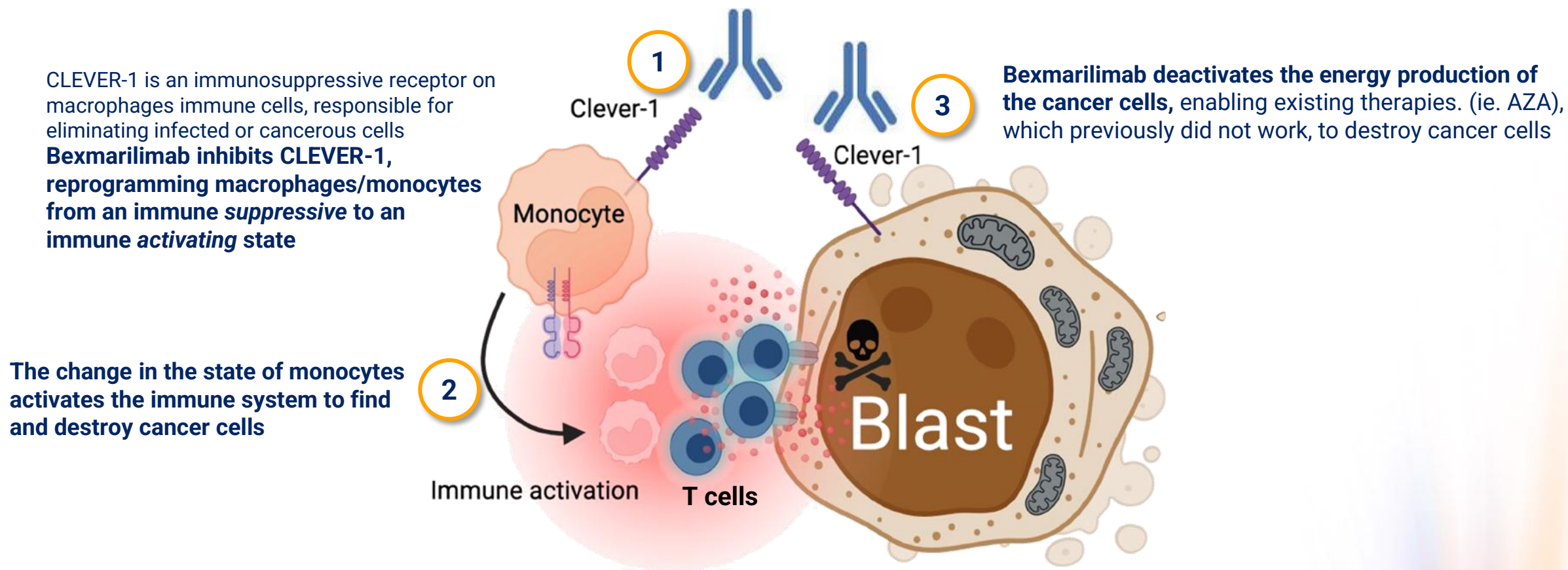
First drug to tackle the core biology of high-risk myelodysplastic syndrome



- Higher-risk myelodysplastic syndrome (HR MDS) is one of the deadliest of all cancers with no new treatments for 20 years
- *Bexmarilimab* is a first-in-class anti-CLEVER-1, a master immunosuppressive receptor on myeloid cells and leukemic blasts
- *Bexmarilimab* has completed Phase I/II with robust data from both last and 1st line HR MDS reported at ASCO & EHA 2025
- *Bexmarilimab* has received orphan drug designation in both the US and EU, as well as fast track status in the US
- Strong efficacy and survival outcomes with *bexmarilimab* in last line MDS support advancement into a registrational frontline Phase 2/3 trial by the FDA
- ***Bexmarilimab* is highly applicable in multiple indications and settings**

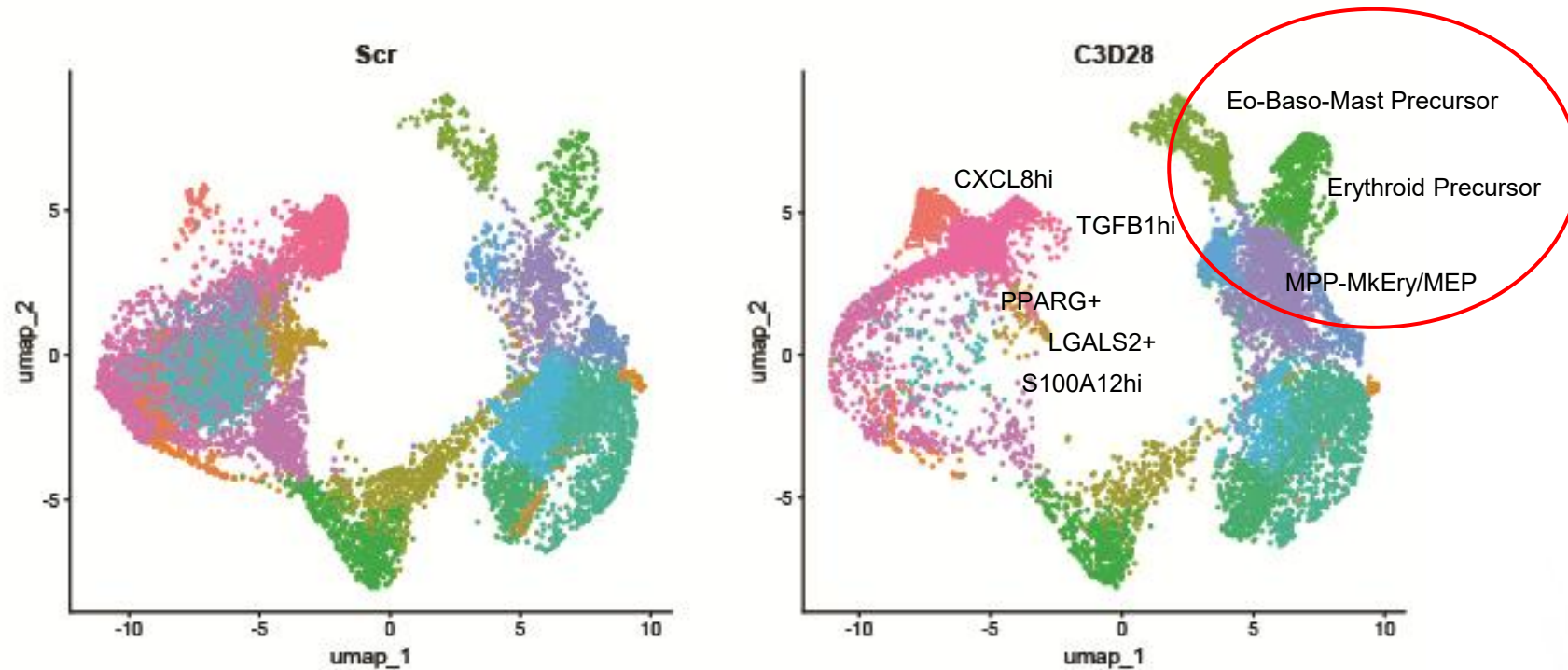
Bexmarilimab – Mode of Action

The first drug to tackle the core biology of HR MDS



Source: Hirayama, Iida & Nakase 2017 *The Phagocytic Function of Macrophage-Enforcing Innate Immunity and Tissue Homeostasis*; Gonzalez, Hagerling & Werb 2018 *Roles of the immune system in cancer: from tumor initiation to metastatic progression*; Kim & Cho 2022 *The Evasion Mechanisms of Cancer Immunity and Drug Intervention in the Tumor Microenvironment*; Mantovani & Bonecchi 2019 *One Clever Macrophage Checkpoint*; Hollmen et al. 2022 *Nonclinical Characterization of Bexmarilimab, a Clever-1-Targeting Antibody for Supporting Immune Defense Against Cancers*. *Molecular cancer therapeutics*

Induction of hematopoiesis in the bone marrow of BEXMAB trial patients

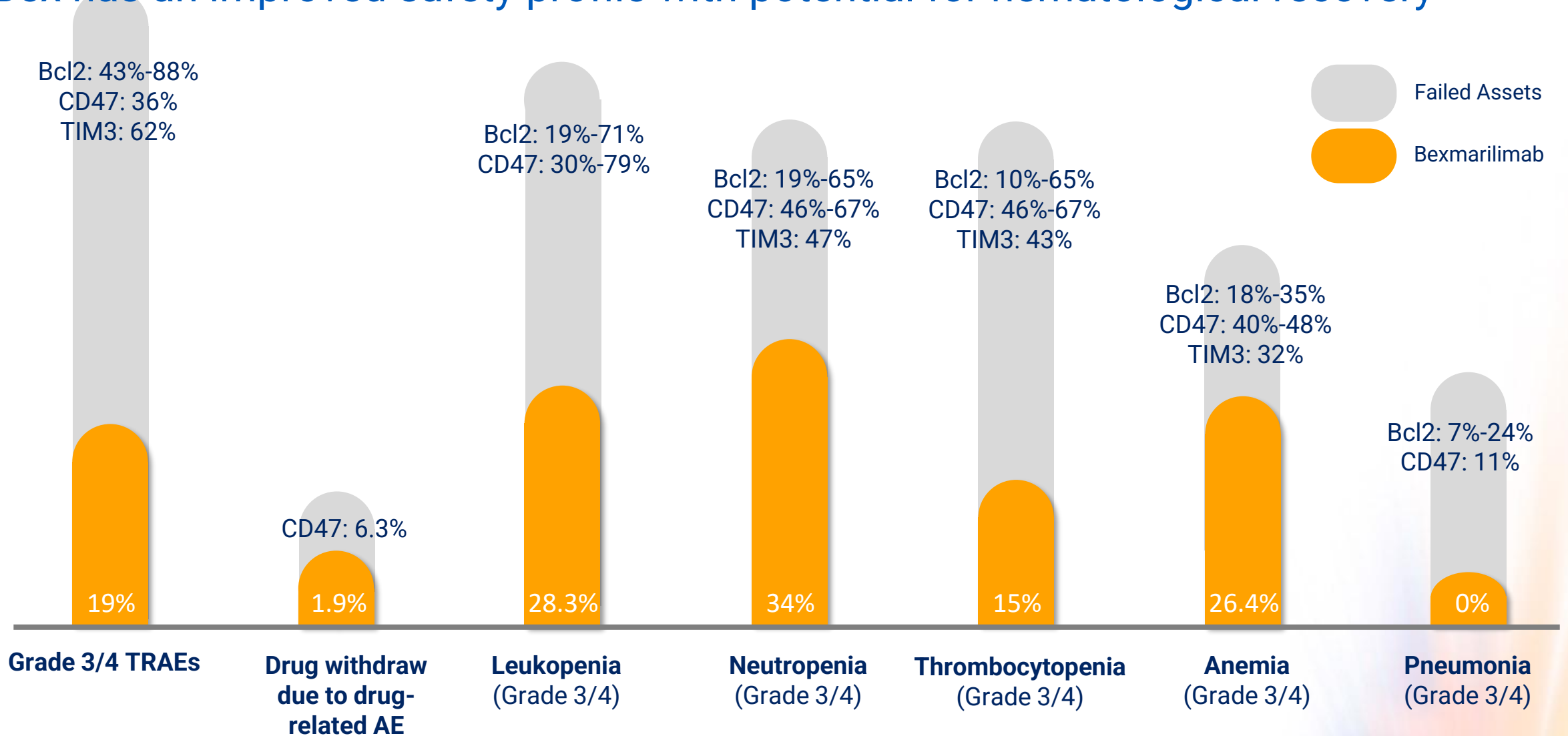


Benefits of targeting Clever-1 in myeloid malignancies

1. Immune activation via monocytes/macrophages – antigen presentation and T cell activation
2. Apoptotic priming of blasts via impaired mitochondrial metabolism – blast cell sensitization to SoC
3. **Increased hematopoiesis by targeting progenitor cell activity - hematological recovery**

Why give another myelosuppressive and toxic drug to already frail and deeply cytopenic patients?

Bex has an improved safety profile with potential for hematological recovery



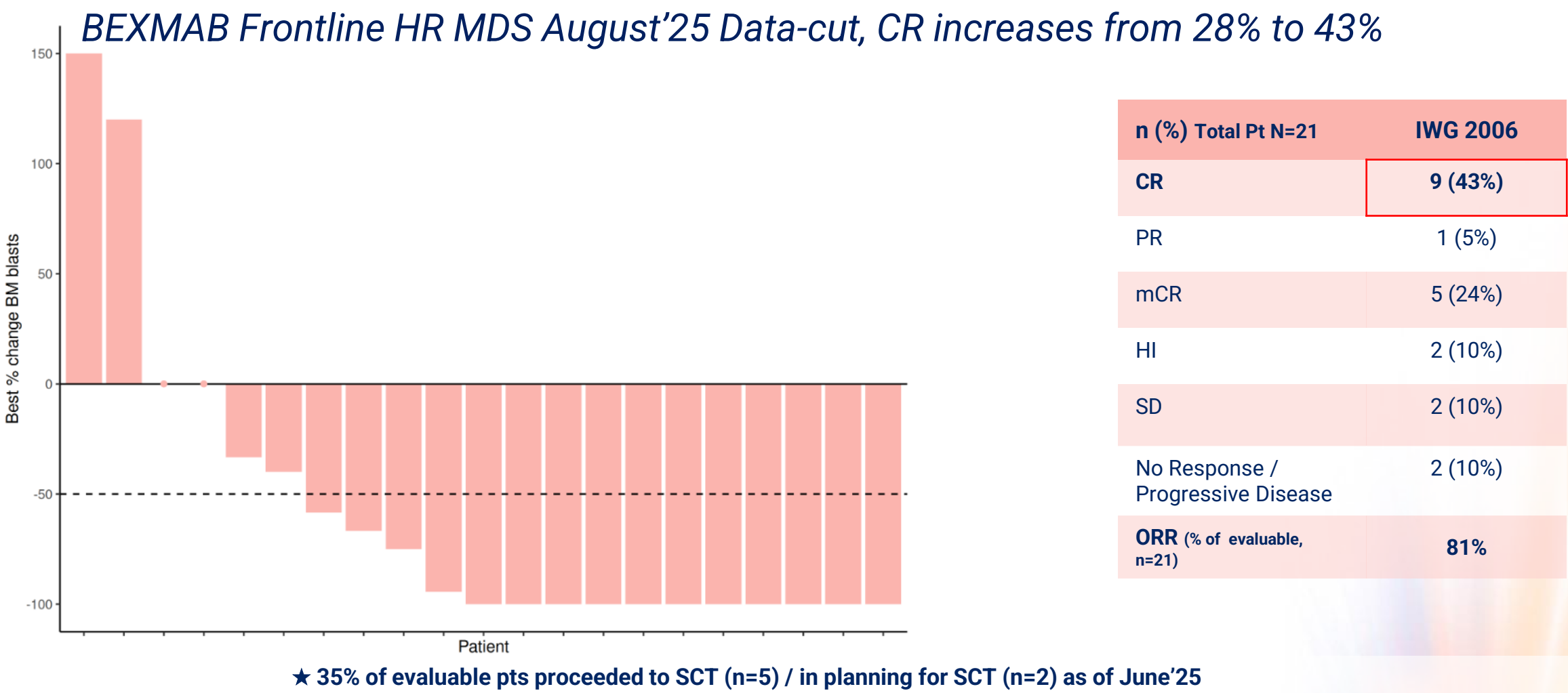
In the azacitidine registrational study (AZA-001) $\geq$ G3 neutropenia rate was 61% compared to 34% in the BEXMAB trial



Dr. Petri Bono
CMO, Faron

Faron's H1 2025 Clinical & regulatory update

Responses continue to deepen as the bone marrow recovers in frontline HR MDS



Positive BEXMAB end of Phase II meeting with FDA

1. Clear Path to Registration

FDA supports moving into a seamless Phase 2/3 trial design, enabling dose optimization (comparing 1 & 3 mg/kg to placebo) and registrational study start in frontline HR MDS in Q2 2026.

2. Frontline accelerated approval possibility at interim readout

FDA confirmed openness to accelerated approval in the **frontline** setting, contingent on interim efficacy and OS data, with CR and CR equivalent (IWG2023) as agreed endpoints.

3. Larger immediate label potential with entire HR MDS population

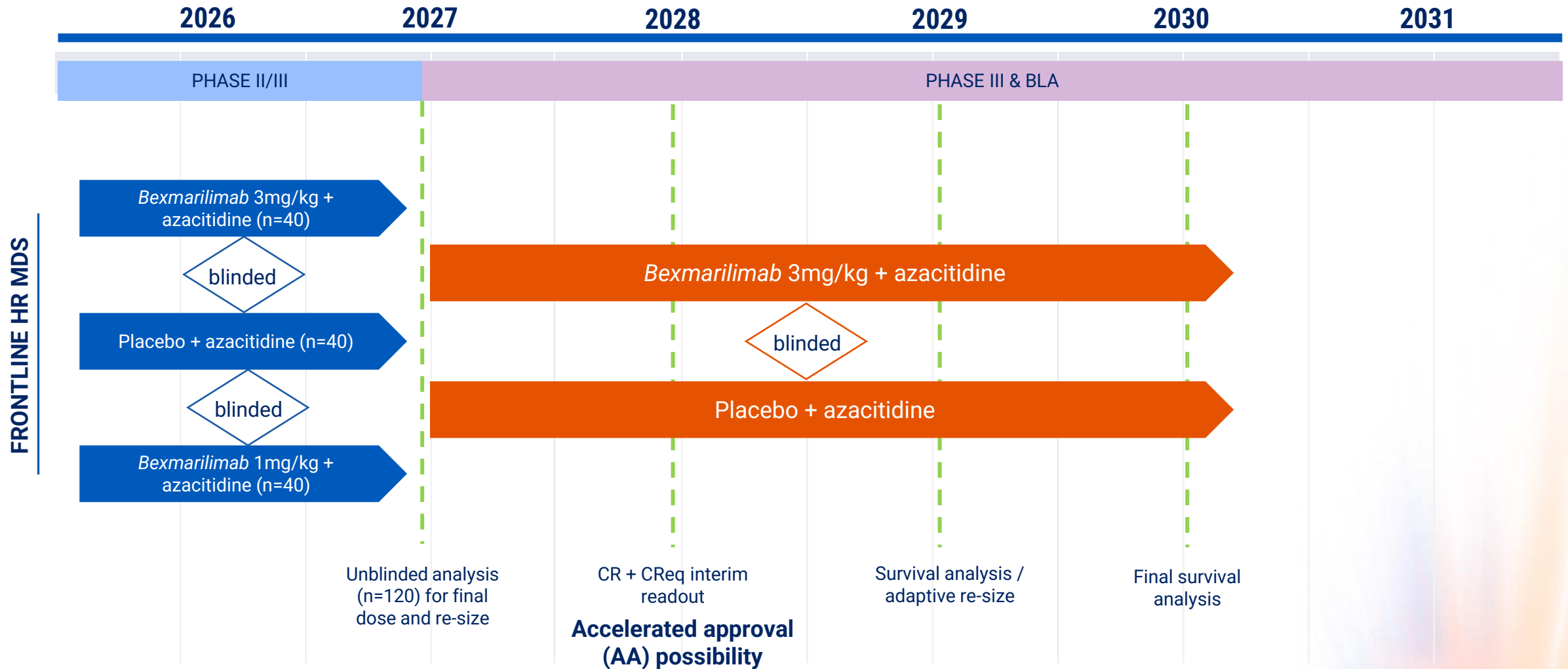
The agency advised focusing on frontline development with no expectation for a separate r/r MDS program.

4. Alignment on non-clinical

FDA confirmed no changes are needed to CMC or non-clinical plans, indicating solid foundational readiness. These items were not discussed at the meeting as preliminary responses were adequate

Registrational study plan for HR MDS per FDA

Seamless adaptive phase II/III with accelerated approval and re-sizing improves likelihood of success



Newly revised 2023 MDS response criteria will be used in *bexmarilimab* Phase III trial improving likelihood of success

IWG 2006		
	CR	CReq
Screening - BM Blasts	Not specified	-
Response – BM Blasts	≤ 5% blasts	-
Haemoglobin	≥ 11 g/dL	-
Platelet count	≥ 100 × 10 ⁹ /L	-
Neutrophil count	≥ 1.0 × 10 ⁹ /L	-

Stringent threshold less reflective of long term meaningful clinical outcomes

IWG 2023		
	CR	CReq
Screening - BM Blasts	≥ 5%	< 5%
Response – BM Blasts	< 5% blasts	< 5% and complete cytogenetic response
Haemoglobin	≥ 10 g/dL	≥ 10 g/dL
Platelet count	≥ 100 × 10 ⁹ /L	≥ 100 × 10 ⁹ /L
Neutrophil count	≥ 1.0 × 10 ⁹ /L	≥ 1.0 × 10 ⁹ /L

Lower Hb threshold improves real-world relevance. Further clarification is provided via CReq for patients with <5% blasts at baseline.

The IWG 2023 criteria also recognizes CR with limited count recovery

Will help to improve ability to identify the most promising treatments



Yrjö Wichmann
CFO, Faron

Financial Results 1 January to 30 June 2025

Financial Results H1 2025

Overview

- **Cash balance** was EUR 13.5 million on June 30, 2025 (2024: EUR 30.0 million).
- **Operating loss for the period** was EUR -11.9 million (EUR -11.3 million).
- **Loss per share** was EUR 0.18 (EUR 0.20)
- **Net assets** were EUR -16.7 million on June 30, 2025 (EUR 1.4 million).
- **R&D expenses** were EUR 7.1 (6.7) million

Cost efficient
delivery
continued in H1
2025

Financial Results H1 2025

Financing arrangements

- On 5 February, Faron conducted a private placement directed to a limited number of institutional and other investors raising EUR 12.0 million. The placement was oversubscribed 1.8 times.
- On 3 April, Faron entered into an up to EUR 35 million convertible bond arrangement to repay its secured loan to IPF Partners and strengthen its financial position and issued first tranche of bonds with a principal amount of EUR 15 million.
 - EUR 10 + 10 million of the facility is still undrawn
- On June 30, 2025, Faron had 111.9 million shares outstanding
- A total of 25,000,000 shares of the authorisation granted by the AGM 2025 remains available until June 30, 2026.

Faron's
financial
position
continued to be
strong during
the first half of
2025



Dr. Juho Jalkanen
CEO, Faron

Faron's H1 2025 Positive clinical and financial milestones mark strong first half

New blood to Faron in H1/2025

MARCH 2025

Mr. Colin Bond joined the Faron Board, bringing extensive international experience from finance, CDMO and biopharma industries.

Juho Jalkanen joined the Faron Board.



Colin Bond
Board Member



Dr. Juho Jalkanen
CEO & Board Member

MAY 2025

Mr. Ralph Hughes joined our Management Team to strengthen Faron's Commercial Strategy, Business Development and Market Assessment functions.



Ralph Hughes
CBO

Well-equipped
to navigate the
complexities of
our sector and
to reach our
strategic
objectives

Significant progress with *bexmarilimab*'s clinical trials in H1/2025

FEBRUARY–MARCH 2025

Faron received a **positive opinion on orphan drug designation** for *bexmarilimab* for the treatment of MDS by EMA and FDA

APRIL 2025

Faron announced **positive phase II results in HR-MDS**

JUNE 2025

Faron presented the **updated phase II data from the BEXMAB study**, showing strong efficacy and survival outcomes with *bexmarilimab* in HR-MDS supporting the advancement to Phase III

Strong data in clinical trials & positive interaction with the FDA and EMA

Unique achievements in prestigious scientific forums

MAY 2025

The 18th International Congress on Myelodysplastic Syndromes (**MDS 2025**)

Full phase I BEXMAB study data published in one of the top medical journals—the **Lancet Haematology**

MAY-JUNE 2025

The 2025 American Society of Clinical Oncology (**ASCO**) Annual Meeting

JUNE 2025

The 30th European Hematology Association's (**EHA 2025**) Congress

Invitations to present our data in oral sessions in all three international MDS world's leading oncology conferences

Strong start for H2/2025

Events after the reporting period 1/2

JULY 2025

Announcing the acceptance of two *bexmarilimab* studies for presentation at the 19th IUIS International Congress of Immunology in Vienna, Austria, from August 17-22, 2025.

JULY 2025

Announcing the oral presentation of new clinical and translational data from the phase I/II BEXMAB study evaluating *bexmarilimab* in combination with azacitidine in HR-MDS at the 2025 European Society for Medical Oncology (ESMO) Congress, in October 17-21, 2025, in Berlin, Germany.

AUGUST 2025

Faron announced an increase in the complete remission (CR) rate in patients with frontline or treatment-naïve HR-MDS, based on updated efficacy data from its phase I/II BEXMAB trial.

- According to the investigator-assessed response using IWG 2006 criteria, as per protocol, the CR rate (as explained below) has increased to 43% (9 out of 21 patients), a substantial improvement from the 28% rate, seen in the earlier data cut.
- This data built on the phase II early results featured in recent oral presentation at the 2025 American Society of Clinical Oncology (ASCO) congress.

Recognition in scientific forums & clinical data achievements continued

Strong start for H2/2025

Events after the reporting period 2/2

AUGUST 2025

On 8 August, Faron announced extension to its key patent family around bexmarilimab and targeting Clever-1 in cancers with a new US patent granted. This extends key patent rights around bexmarilimab from an initial 2037 to **2040** in the USA.

On 18 August, Faron announced the 13 August held **positive Type B End-of-Phase 2 (EOP2) meeting results with the FDA (Food and Drug Administration)** in the U.S., confirming the accelerated approval pathway for frontline patients with CR + CReq and Overall Survival as primary endpoints.

“H1 has been a time for strong
and steady development.
H2 it’s time for business”

Very positive
meeting with
the FDA

Outlook into H2/2025

Progress towards phase II/III, partnering options, and business transactions

—● Different partnering options under consideration

- Ensuring the maximizing of Faron's shareholder value while progressing the development of *bexmarilimab* in both solid tumors and hematological malignancies
 - Enhanced management team and collaboration with a leading investment bank

—● Progressing towards the initiation of the phase II/III registrational trial for HR MDS EMA, MHRA and other global regulatory guidance

—● Solid tumor research progressing as planned

- Ethical approval gained for the BLAZE trial for the treatment of checkpoint inhibitor refractory metastatic lung cancer and melanoma.
- Agreement with the Helsinki University Hospital to join the national FINPROVE Study to investigate *bexmarilimab* in combination with standard chemotherapy for the treatment of metastatic breast cancer
 - the first ever *bexmarilimab* trial using prospective patient selection for Clever-1 positivity.

Faron's oncology pipeline

Indication(s)	Regimen	Phase of clinical development			Anticipated Key Milestones
		Phase I	Phase II	Phase III	
Advanced solid tumors FARON SPONSORED	Bexmarilimab	MATINS			▪ Completed
r/r + 1 st line MDS and AML FARON SPONSORED	Bexmarilimab + SoC	BEXMAB			▪ End of phase II meeting held with the FDA
1 st Line MDS FARON SPONSORED	Bexmarilimab + AZA	BEXMAB-02			▪ Phase II/III preparations according to FDA's guidance
PD-1 resistant NSCLC and Melanoma INVESTIGATOR INITIATED	Bexmarilimab + anti PD-1	BLAZE			▪ First-patient-in expected in H2 '25
Soft Tissue Sarcomas INVESTIGATOR INITIATED	Bexmarilimab + doxorubicin	BEXAR			▪ First-patient-in expected in H1 '26
Clever-1 positive breast cancer INVESTIGATOR INITIATED	Bexmarilimab + Nab-paclitaxel	FINPROVE			▪ First-patient-in expected in H1'26
PD-1 Blockade Basket Trial in Solid Tumors Faron Sponsored	Bexmarilimab + anti PD-1	MATINS-02			▪ In planning, awaiting initial efficacy readouts from solid tumor IITs.

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Dr. Juho Jalkanen
CEO, Faron



Yrjö Wichmann
CFO, Faron



Dr. Petri Bono
CMO, Faron

Q&A

FARON

THANK YOU