



Building Competitive Tension through Drug Development

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Bioshares Biotech Summit 2018

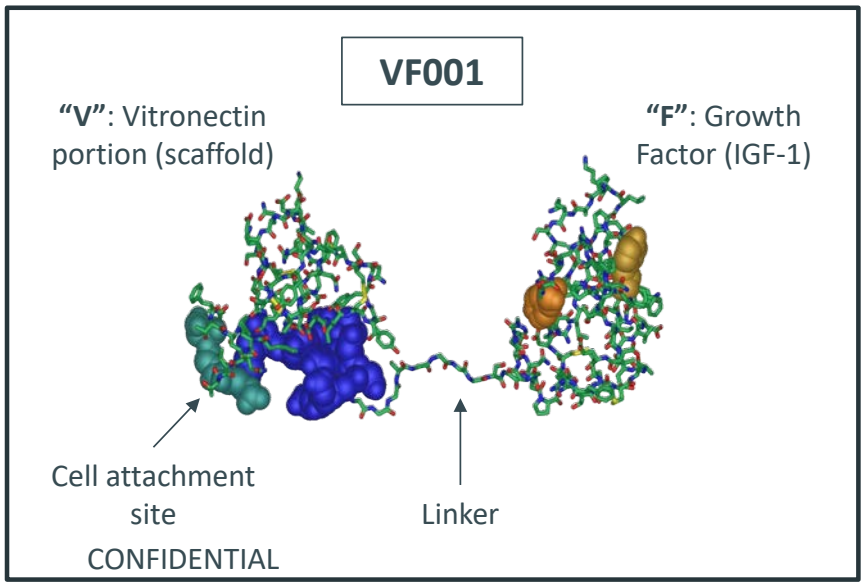
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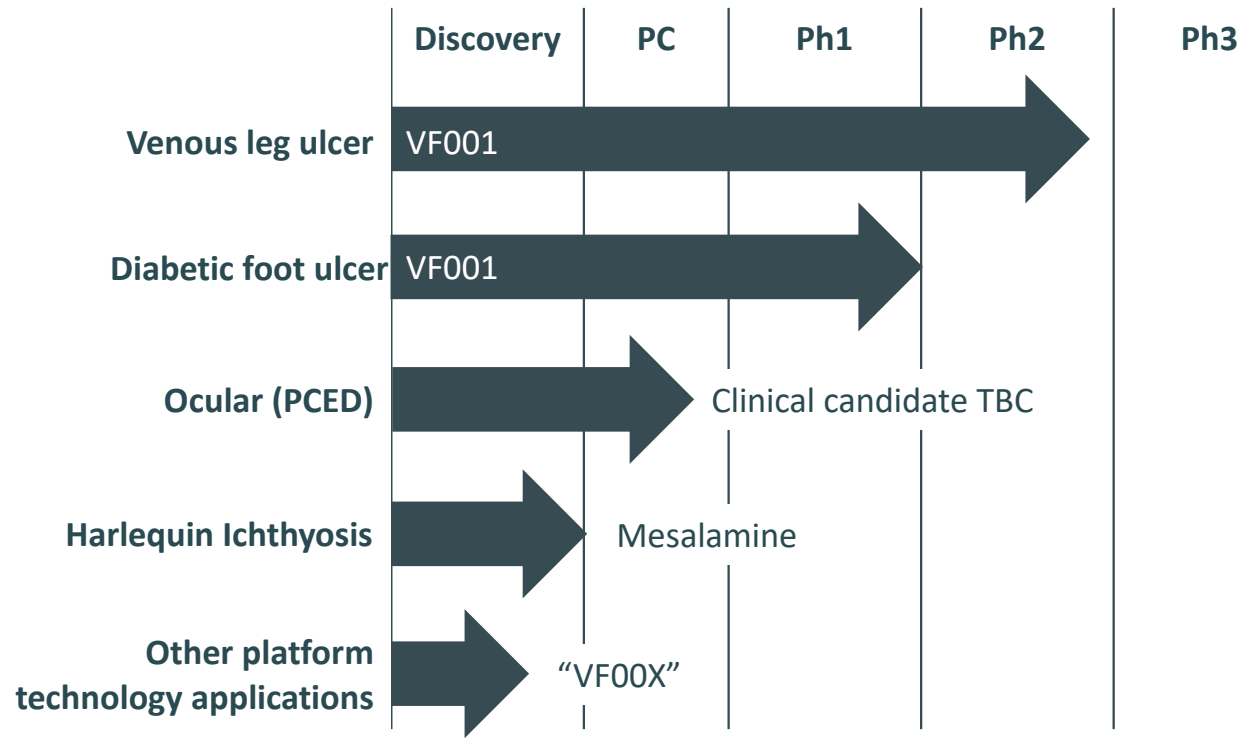
Game-changing technology and strong pipeline

Technology

- Our technology platform targets delivery of a biological scaffold and linked growth factors
- VF001 contains the growth factor IGF-1



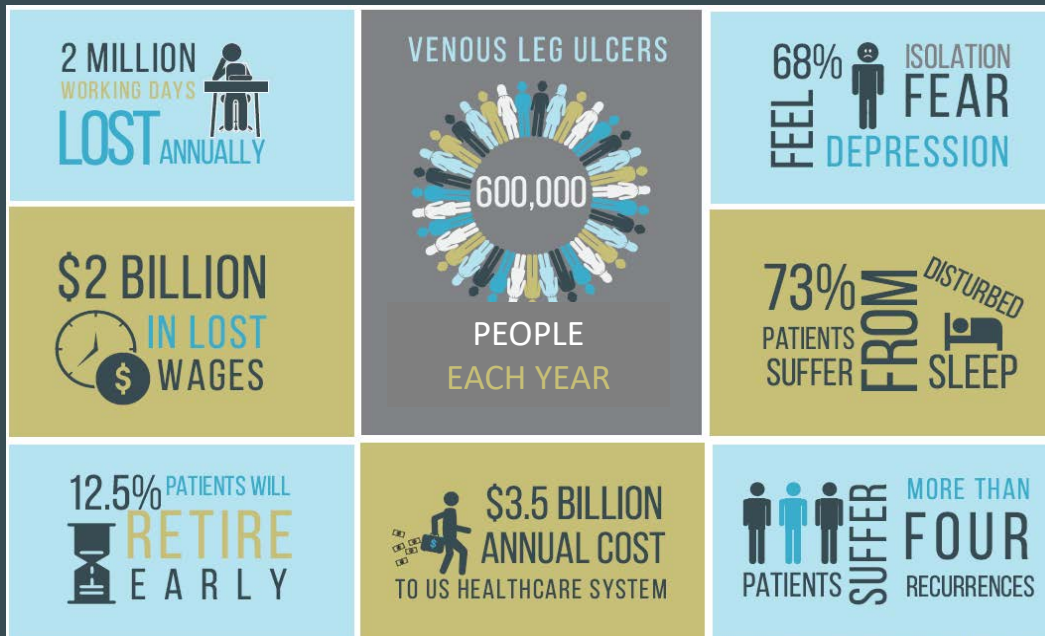
Pipeline



Building Competitive Tension Through Drug Development

- Begin at the end – clear, patient-led focus
- Take a broad view – consider the wider perspective, needs of multiple stakeholders
- Execute well – ensure delivery of the plan

The Silent Epidemic of Venous Leg Ulcers



- Common and increasing – ageing population
- Vast majority of care – and cost – in the community setting
- Long healing times and high recurrence rate
- Significant impact on individual health and well-being
- High direct and indirect costs

US data. Sen et al *Wound Repair Regen* 2009

~20 years since the last FDA-approved wound care *medicine* (Regranex)



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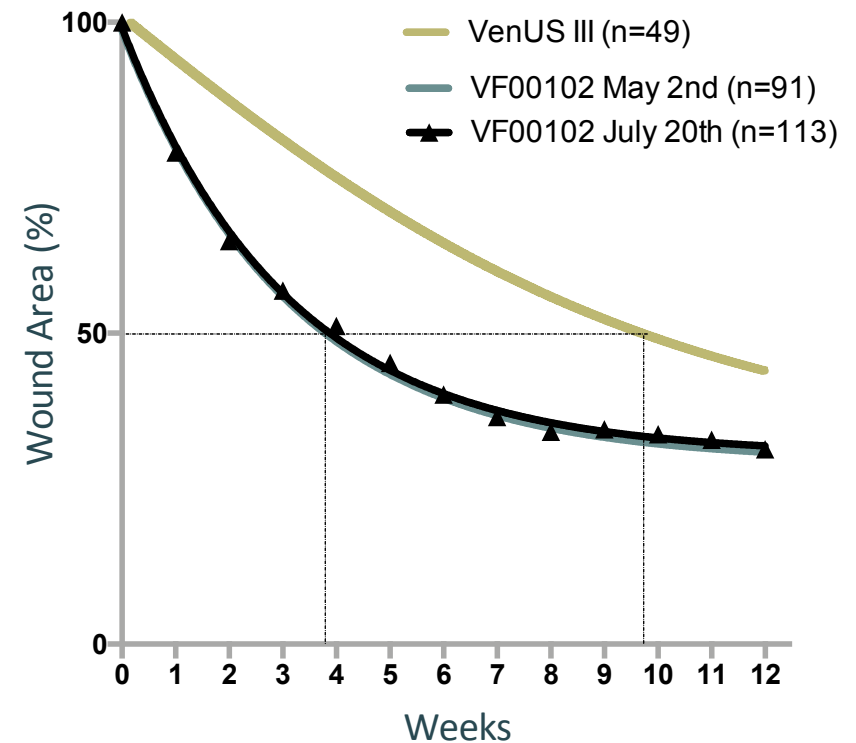
Creating a “Blue Ocean”

Maximum treatment benefit in moderate severity, “Margolis” 1 ulcers
 A first for wound care: patient-focused, precision approach

| SEVERITY | LOW | MODERATE | | HIGH |
|----------------------------------|------------------|------------------|-----|------------------|
| Baseline Area (cm ²) | ≤ 5 | ≤ 5 | > 5 | > 5 |
| Baseline Duration (months) | ≤ 6 | > 6 | ≤ 6 | > 6 |
| % Healed in 24 weeks [95% CI] | 95% [75%-99%] | 73% [62%-83%] | | 37% [28%-45%] |
| | | | | |

Phase 2 Data Quality Remains Highly Consistent

- Observations from patients who have completed treatment in the **blinded, combined dataset**
 - i.e. 1/3 treated with placebo, 2/3 with VF001
- Analyses in May (n=91) and July (n=113)
 - Rapid wound area reduction in first 4 weeks
 - ~50% of patients fully healed
 - 50% healing at ~week 4; ~70% healing at week 12
- Compared with VenUS III dataset (**informal benchmark**)
 - Large UK study; all patients received standard care
 - Subset (n=49) with similar wound size/age to VF00102
 - 41% of patients fully healed
 - 50% healing at ~week 10; ~55% healing at week 12



Note: VF00102 is a blinded study and data shown are a composite of 1/3 patients treated with placebo and 2/3 with VF001. The benefit of adding VF001 to standard care will be determined when the study is unblinded.

Who is Serious About Factor? And Why?

- Global market value US\$10.4B – US\$13B by 2022
 - Ageing population, increase in diabetes
 - Development of innovative products
 - Adoption of evidence-based treatments

Market dynamics align with our strategy

- Fastest growing
 - Wound type (US\$3B): **ulcers**
 - Treatment segment: **active wound care**
 - Setting: **home care**
- **US and EU** comprise 65% of the market

| Advanced Wound Care Market Share (2017) | | |
|---|------|-------|
| Company | % | US\$M |
| Smith & Nephew | 15 | 1,500 |
| Mölnlycke | 14.1 | 1,410 |
| B. Braun | 13.6 | 1,360 |
| ConvaTec | 6.9 | 690 |
| Coloplast | 3.9 | 390 |
| Integra | 3 | 300 |
| 3M | 2.7 | 270 |
| Cardinal | 2.3 | 230 |

Selected Deals

| Buyer | Seller | Year | US\$M | Details |
|--|-----------------------------|------|-------|---|
| Smith & Nephew | Rotation Medical | 2017 | 210 | Company acquisition: tissue reg'n for rotator cuff repair |
| Organogenesis | NuTech Medical | 2017 | n.d. | Tissue based incl. amniotic products for wound healing |
| Allergan | KCI (Acelity) | 2017 | 2,900 | Acquisition of Lifecell business (0.9B above 2008 price) |
| Integra | Derma Sciences | 2017 | 204 | Company acquisition: portfolio including amniotic product w/ reimbursement |
| Svenska Cellulosa Aktiebolaget ("SCA") | BSN Medical GmbH | 2016 | 3,100 | Company acquisition from PE (wound care, compression therapy & orthopaedics) |
| Derma Sciences | BioD, LLC | 2016 | 78 | Four product families of allografts from placental tissue |
| Integra | TEI Biosciences/TEI Medical | 2015 | 312 | Company acquisition: PriMatrix® Dermal Repair Scaffold |
| Organogenesis | Shire | 2014 | 300 | Dermagraft |
| KCI (Acelity) | Systagenix | 2013 | 485 | Former J&J Wound Care portfolio |
| Integra | Covidien | 2013 | 265 | Confluent Surgical product lines incl. surgical sealants, adhesion barrier, DuraSeal™ |
| Smith & Nephew | HealthPoint Biotherapeutics | 2012 | 782 | Company acquisition: Santyl (debriding agent) and HP802-247 (Phase 3) |
| Shire | Advanced BioHealing | 2011 | 750 | Dermagraft |
| KCI (Acelity) | LifeCell Corporation | 2008 | 1,700 | Company acquisition: tissue based products incl. wound healing |

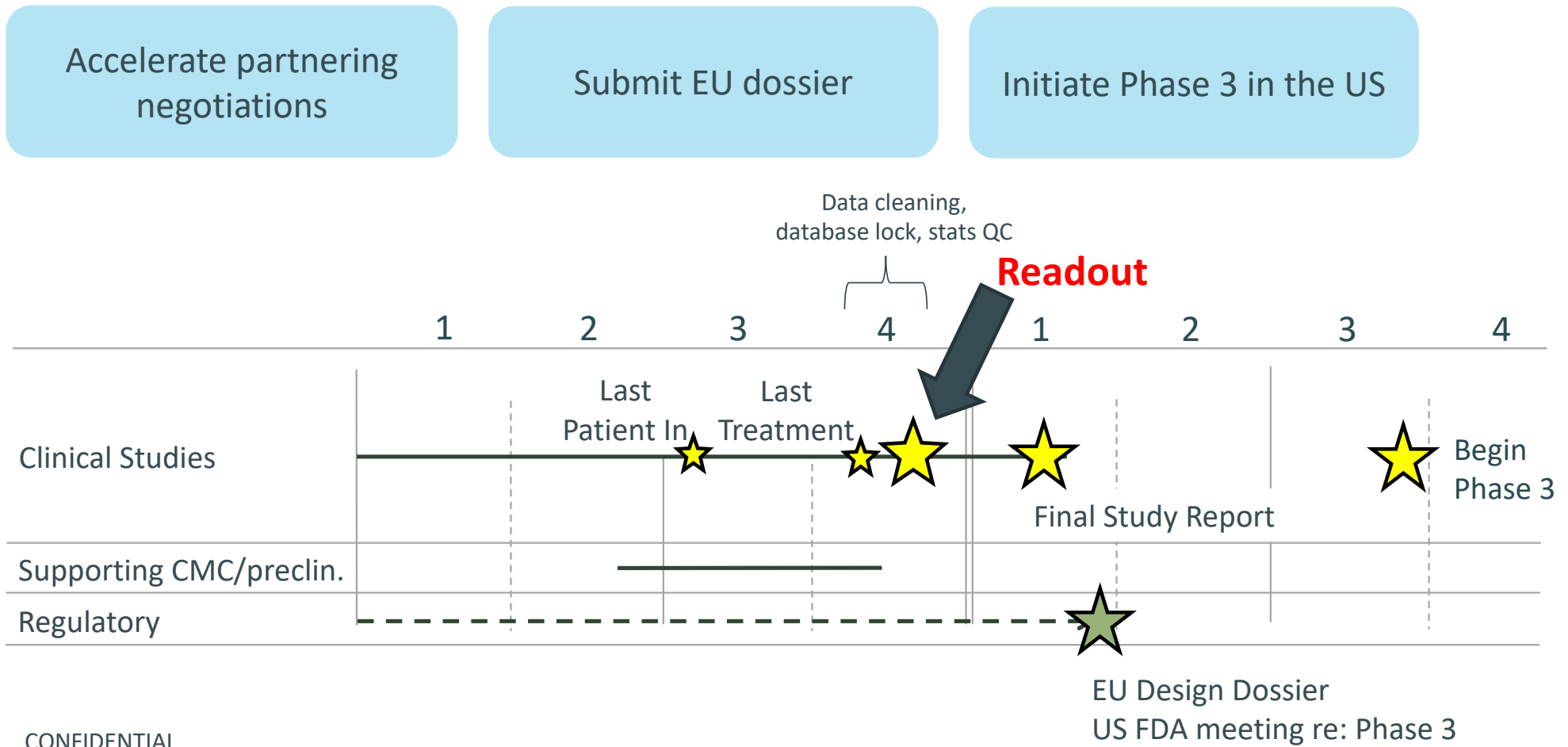
Our Deal



Wound Care Evidence: Room for Improvement

| Year | Intervention | Benefit | Evidence | Authors |
|------|---------------------------------------|-------------------------------------|--------------|---------------------------|
| 2017 | Ultrasound | Uncertain | Low quality | Cullum & Liu |
| 2016 | Protease-modulating matrix (dressing) | Uncertain | Low quality | Westby et al |
| | Sulodexide | Possible | Low quality | Wu et al |
| | Autologous platelet-rich plasma | Possible (DFU) | Low quality | Martinez-Zapata et al |
| | Oral aspirin | Uncertain | Low quality | Oliveira Carvalho et al |
| 2015 | Debridement | No clear benefit | Limited | Gethin et al |
| | Alginate dressings | No clear benefit | Limited | O'Meara et al |
| | NPWT | Possible (limited setting) | Low quality | Dumville et al |
| | Electromagnetic therapy | No clear benefit | Insufficient | Aziz & Cullum |
| | Hyperbaric oxygen | Short-term benefit (DFU) | More needed | Kranke et al |
| | Honey | Possible (some burns) | Low quality | Jull et al |
| 2014 | Compression bandaging for prevention | Possible | Insufficient | Nelson & Bell-Syer |
| | Oral zinc | No benefit | Low quality | Wilkinson |
| | Intermittent pneumatic compression | Possible | Limited | Nelson et al |
| | Antibiotics/antiseptics | No clear benefit | Insufficient | O'Meara et al |
| 2013 | Foam dressings | No clear benefit | Insufficient | O'Meara & Martyn-St James |
| | Flavinoids | Possible | Low quality | Scallon et al |
| | Skin grafting | Benefit (some techniques/products) | | Jones et al |
| 2012 | Pentoxifylline | Some benefit (adjunct treatment) | | Jull et al |
| | Compression bandaging for treatment | Benefit for multi-component systems | | O'Meara et al |
| | Aloe vera | No benefit | Low quality | Dat et al |

Positive Phase 2 Readout is a Major Catalyst



Building Competitive Tension in Wound Care

CLEAR, PATIENT-LED FOCUS
Targeted population

+

WIDER PERSPECTIVE
Address the needs of patients,
clinicians, regulators and payers

+

EXECUTION
Deliver a quality data package