Control of hyperinflammation due to dysregulation of the terminal complement pathway and the "lipid" mediated storm

Role of the innate immune system Learnings from COVID-19 to prevent winter exacerbations from respiratory viral and bacterial infections

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October 27th 2021

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Certain statements in this presentation constitute contains "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements reflect our current views about our plans, intentions, expectations, strategies and prospects, which are based on the information currently available to us and on assumptions we have made. Although we believe that our plans, intentions, expectations, strategies and prospects as reflected in or suggested by those forward-looking statements are reasonable, we can give no assurance that the plans, intentions, expectations or strategies will be attained or achieved. Furthermore, actual results may differ materially from those described in the forward-looking statements and will be affected by a variety of risks and factors that are beyond our control. Such risks and uncertainties for our company include, but are not limited to: needs for additional capital to fund our operations, our ability to continue as a going concern; uncertainties of cash flows and inability to meet working capital needs; an inability or delay in obtaining required regulatory approvals for nomacopan (Coversin) and any other product candidates, which may result in unexpected cost expenditures; our ability to successfully develop nomacopan as a treatment for COVID-19-related pneumonia and to successfully commercialize any product in that indication; our ability to obtain orphan drug designation in additional indications; risks inherent in drug development in general, and risks specific to the development of potential treatments for COVID-19-related illnesses; uncertainties in obtaining successful clinical results for nomacopan and any other product candidates and unexpected costs that may result therefrom; difficulties enrolLung patients in our clinical trials; failure to realize any value of nomacopan and any other product candidates developed and being developed in light of inherent risks and difficulties involved in successfully bringing product candidates to market; inability to develop new product candidates and support existing product candidates; the approval by the FDA and EMA and any other similar foreign regulatory authorities of other competing or superior products brought to market; risks resulting from unforeseen side effects; risk that the market for nomacopan may not be as large as expected; risks associated with the impact of the outbreak of COVID-19; risks associated with the SEC investigation; inability to obtain, maintain and enforce patents and other intellectual property rights or the unexpected costs associated with such enforcement or litigation; inability to obtain and maintain commercial manufacturing arrangements with third party manufacturers or establish commercial scale manufacturing capabilities; the inability to timely source adequate supply of our active pharmaceutical ingredients from third party manufacturers on whom the company depends; unexpected cost increases and pricing pressures and risks and other risk factors detailed in our public fiLung s with the U.S. Securities and Exchange Commission, including our most recently filed Annual Report on Form 20-F filed with the SEC on March 31, 2020.

The statements made in this presentation speak only as of the date stated herein, and subsequent events and developments may cause our expectations and beliefs to change. Unless otherwise required by applicable securities laws, we do not intend, nor do we undertake any obligation, to update or revise any forward-looking statements contained in this presentation to reflect subsequent information, events, results or circumstances or otherwise. While we may elect to update these forward-looking statements publicly at some point in the future, we specifically disclaim any obligation to do so, whether as a result of new information, future events or otherwise, except as required by law.

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Topics to be covered

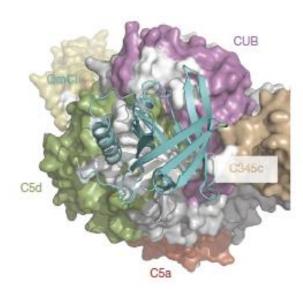


- Introduction to nomacopan, learning from COVID–19 pneumonia about at-risk patient populations in order to control the wide range of winter respiratory viral & bacterial infections
- A focus on chronic lung diseases and winter infections the lung as the site of initiation of "Hyper inflammatory state"
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Introducing nomacopan, a bifunctional anti-inflammatory protein that independently inhibits C5 & LTB4



Complement C5 binding K_D 0.1nM

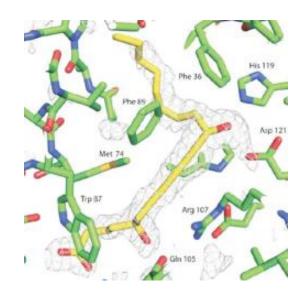


Top view of nomacopan (Cyan) bound to C5 Jore et al., Nat Struct Mol Biol. 2016

Independent C5 & LTB4 inhibitory activity

- Binds conserved region of C5 remote from eculizumab binding site
- Binding affinity tuned by natural selection:
 - a) Binds C5 at normal physiological levels, preventing release of C5a and formation of C5b-9 (the Membrane attack complex)
 - b) Binds LTB4 at the elevated levels (needed for cell activation) which occur at sites of inflammation due to synthesis of LTB4
- Inhibit the effects of 4 G-protein-coupled receptors (GPCRs: C5aR1, C5aR2, BLT1 and BLT2)

Eicosanoid LTB4 binding K_D 0.13nM

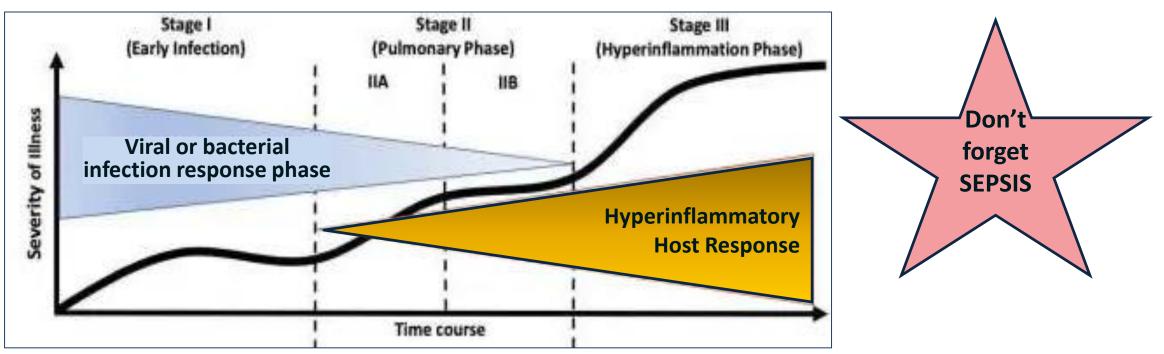


Detail nomacopan binding to LTB4 Roversi et al., J Immunol. 2013

Learning from COVID – the Patients & Diseases



In multiple respiratory infections (viral in particular) there are three overlapping phases



- <u>Stage 1 symptoms during the initial phase</u> are often limited to fever, headache, sneezing and malaise. Initial innate immune response
- <u>Stage 2 the host inflammatory phase</u> "kicks-in" with coughing and sore throat running nose and breathlessness may begin. Complement and leukotriene pathway may become dysregulated
- <u>Stage 3 Hyperinflammation host response</u> is characterised by development of respiratory failure and in some multiorgan failure for susceptible patients. Wide range of inflammatory mediators including cytokines

Who are at risk of the hyper-inflammation phase with a respiratory infection?



Multi- morbidity patients

Patients at risk of <u>hyperinflammation phase</u> usually have "winter exacerbations" of their chronic diseases. They are more often <u>elderly and male</u>.

They have chronic diseases e.g.: <u>obesity</u>, <u>diabetes</u>, <u>coronary</u> <u>artery disease</u>, <u>hypertension</u>, <u>immune disease</u> or chronic lung disease (**COPD** and **Asthma**) and <u>Cancers</u>

Elevated C5 and LTB4 found in all these illness including the Elderly

Hyperinflammation is disease agnostic



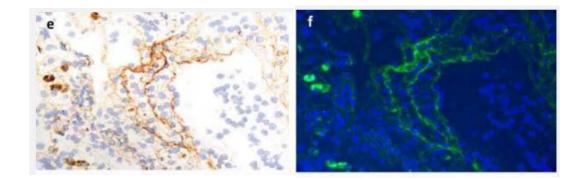
- Williamson, E. J. et al. OpenSAFELY: factors associated with COVID-19 death in 17 million patients. Nature https://doi.org/10.1038/s41586-020-2521-4 Nature www.nature.com
- WHO Sepsis https://doi.org/10.1038/s41586-020-2521-4 (2020).
- **Gotts JE, Matthay MA**. **Sepsis**: pathophysiology and clinical management. British Medical Journal 2016.
- NICE guideline [NG51]Published: 13 July 2016 Last updated: 13 September 2017 Winter Hospital Admissions

Complement terminal pathway dysregulation in COVID – 19 pneumonia (C5b-9 proposed as indicator of severity)



Complement C5b-9 associated microvascular injury pathogenesis of severe COVID-19 infection.

Magro C et al. J 2020;220:1-13

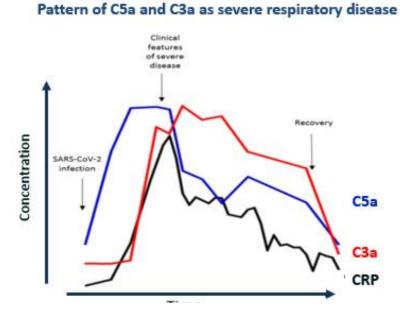


Staining of alveolar epithelium and endothelial cells plus fluorescence staining Associated staining of systemic arteries

Relative time scale for the appearance of C5a and CRP during severe COVID-19 Pneumonia in renal failure patients

Dialysate levels in severe COVID-19 pneumonia Prendecki M, Clarke C, Medjeral-Thomas N et al.

Clin Kidney J 2020; R1

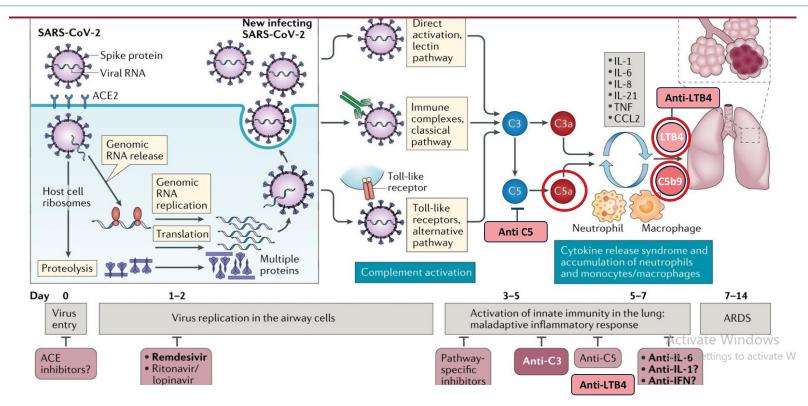


SARS-CoV-2 involves all complement pathways and leukotrienes leading to multiple cytokines elevations in serum and lung



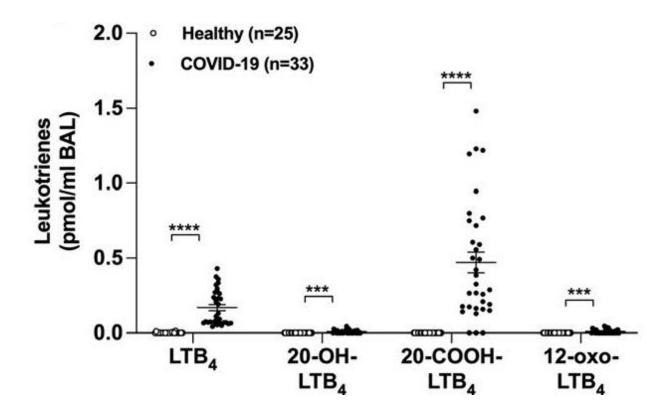
Targeting complement in SARS-CoV-2-associated lung injury. Complement activation may contribute to the "super" inflammatory response seen in some patients with severe COVID-19. Inhibition of C3 or C5 may have therapeutic potential. ARDS, acute respiratory distress syndrome

Amoretti, M., Amsler, C., Bonomi, G. et al. Nature 419, 456–459 (2020). https://doi.org/10.1038/nature01096



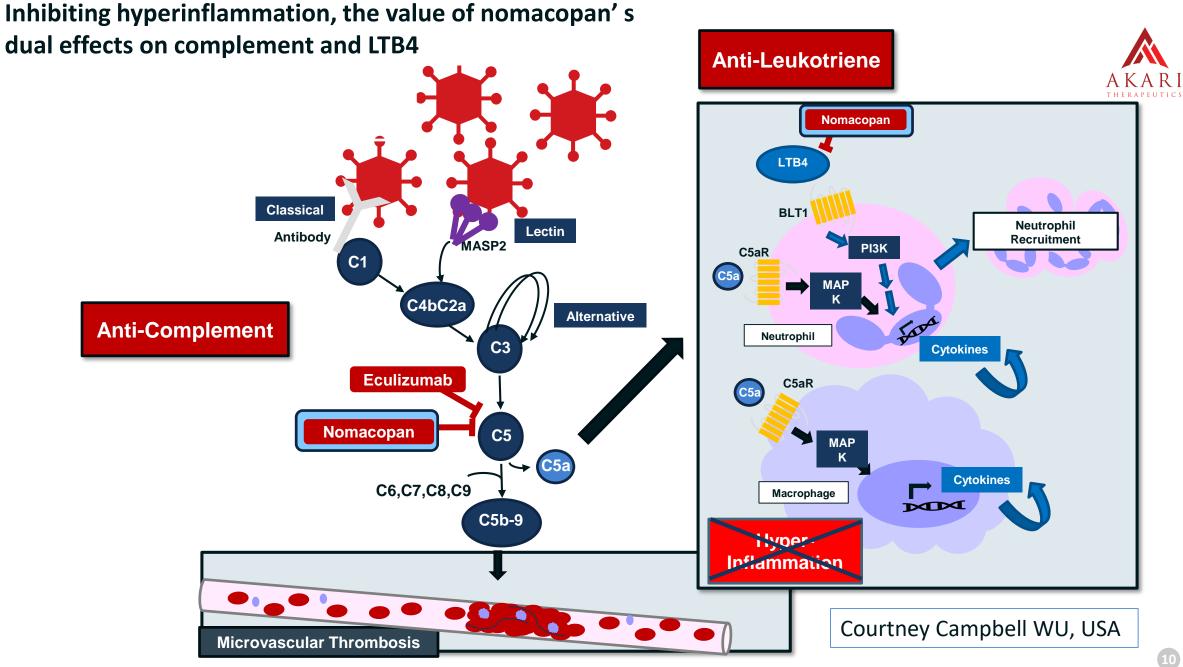
High levels of eicosanoids and docosanoids, a lipid storm", in the lungs of intubated COVID-19 patients

Elevated Lipides on Lipidomic analysis of Bronchoalveolar Lavage but not seen in plasma



Anne-Sophie Archambault, Younes Zaid, Volatiana Rakotoarivelo...... Nicolas Flamand. The FASEB Journal. 2021;35:e21666. | https://doi.org/10.1096/fj.202100540R

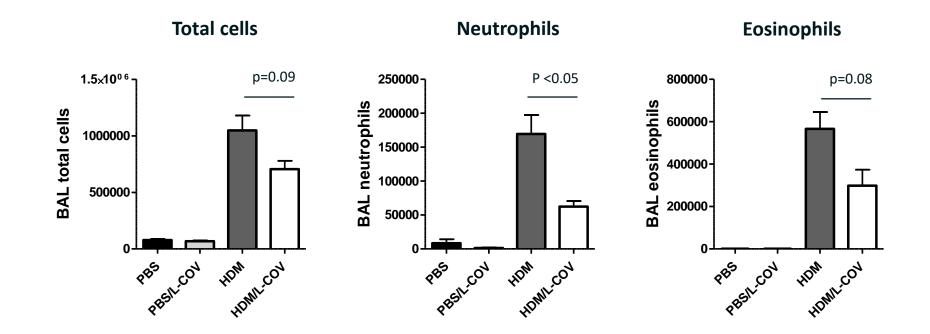
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Inhibition of LTB4 leukotriene alone (here named L-COV) significantly reduced airway eosinophils and neutrophils (pre-clinical)



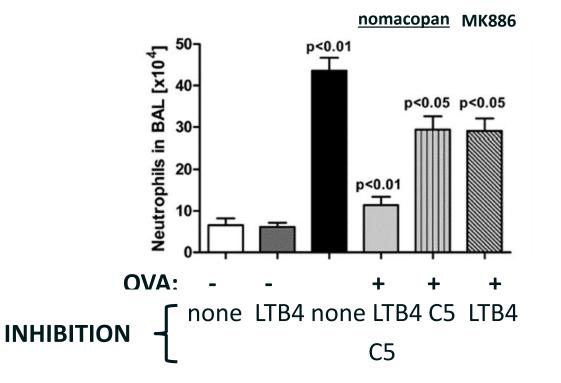


LTB4 inhibition alone significantly reduces leukocyte and Eosinophil recruitment to bronchoalveolar space after <u>House Dust Mite challenge in Mice</u>

Nomacopan's inhibition of both C5 & LTB4 shows additivity on inhibits neutrophil response in alveolitis (preclinical)



Lung model of immune-complex alveolitis - Dual inhibition superior to C5 or LTB4 inhibition alone



• Two forms of Nomacopan one inhibiting C5+LTB4, the other inhibiting C5 only (pre-saturated with LTB4)

• LTB4 inhibition only is MK886 a leukotriene inhibitor that inhibits 5-lipoxygenase activator protein (FLAP) Roversi et al (2013) JBC 288: 18789 - 18802

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Hyperinflammation seen during viral infections in patient populations with a wide range of chronic diseases – it is disease agnostic



Diseases/complement and Hyperinflammation

Diseases where genetic abnormalities are associated COVID-19 pneumonia

- **Increased risk** in patients with complement induced disease e.g., age-related macular degeneration $(AMD)^*$
- **Reduced risk** in patients with complement deficiencies **

Chronic Inflammatory diseases with complement activation

- Severe Asthma (steroid requiring), COPD, Diabetes, Obesity, Coronary artery disease, Cancers, Immunological diseases (e.g., Rheumatoid Arthritis), Elderly people, Males and Deprivation
- Slow B lymphocyte antibody responses to infection

Extreme insults

Sepsis & Major Trauma

Ramlall V, Thangaraj PM, Meydan C et al., Immune complement and coagulation dysfunction in adverse outcomes of SARS-CoV-2 infection Nat Med. 2020 October ; 26(10): 1609–1615. doi:10.1038/s41591-020-1021-2

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Gavriilaki E, Asteris PG, Touloumenidou T, et al., Genetic justification of severe COVID-19 using a rigorous algorithm. Clin Immunol. 2021 May; 226: 108726. doi: 10.1016/j.clim.2021.108726

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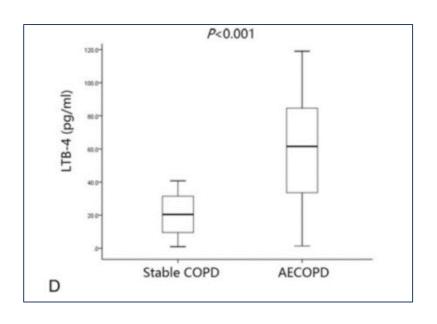
Subjects to be covered



- Introduction to nomacopan, learning from COVID–19 pneumonia about at-risk patient populations to a wide range of respiratory viral (bacterial)
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Complement C5a and LTB4 in COPD exacerbations

Blood levels of LTB4 during exacerbations (AECOPD)

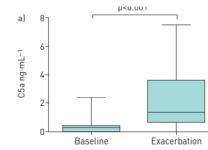


Hu H-L, Nie Z-Q, Lu Y, et.al., Medicine 2017; 96: 51(e9059) 4 August 2017. http://dx.doi.org/10.1097/MD.000000000009059 C5a is involved in response to infections

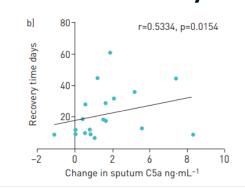
- 1. In exacerbations the C5a levels rise
- 2. Raised levels of C5a are also seen in the <u>sputum</u>
- 3. Elevated sputum levels predict a longer period to recover for the exacerbation
- LTB4 is elevated in the blood of COPD patients with exacerbations

Sputum C5a levels in COPD exacerbations compared with

stable COPD



Sputum C5a levels in COPD patients enable prediction of the rate of recovery



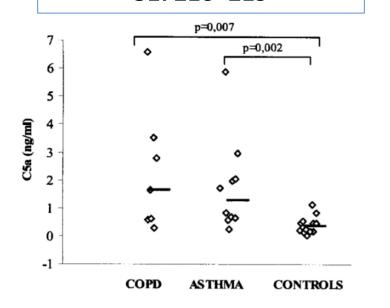
Westwood J-P et al. ERJ Open Res 2016; 2: 00027-2016 | DOI: 10.1183/23120541.00027-2016.



Linkage between C5a and LTB4 in Asthma as well as in COPD



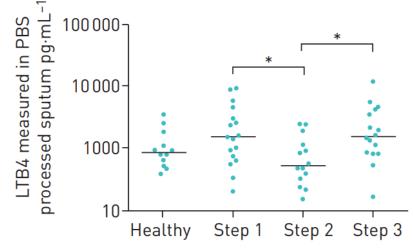
Marc MM, Korosec P, Kosnik M, et,al., Am. J. Respir. Cell Mol. Biol. 2004; 31: 216–219



C5a concentrations in sputum were significantly elevated in stable COPD (P 0.007), Asthma (P 0.002) patients compared to Controls

- 1. In asthma C5a are raised when stable as in COPD
- 2. C5a rises on allergen bronchial challenge in allergic asthmatics
- 3. LTB4 is elevated in "broncho dilator therapy" asthmatics and those experiencing repeated exacerbation

Higham A, Singh D, et.al., ERJ Open Res 2016; 2: 00088-2015 DOI:10.1183/23120541.000 88-2015



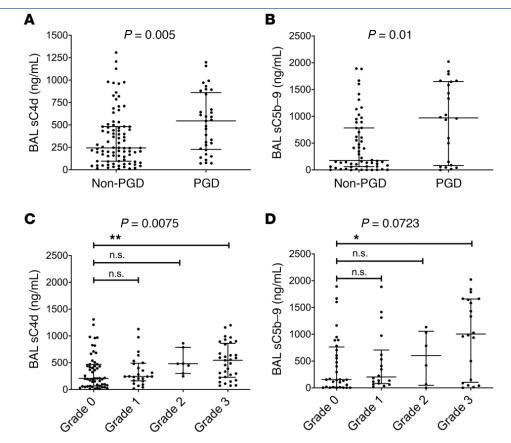
Sputum LTB4 levels are raised in patients were confined to GINA steps 1 and 3, and not step 2. This suggests a role for LTB4 those not using inhaled steroids and those with more continuous dual therapy for asthma

In a number of diseases, the lung seems to be the principle site of complement activation



Hrishikesh S. Kulkarni, Kristy Ramphal, Lina Ma et.al., **University of Pennsylvania and Washington study for primary graft failure in Lung Transplantation**: JCI Insight. 2020;5(17):e138358. https://doi.org/10.1172/jci. insight.138358

- Lung transplants' experience early graft failure that has proved difficult to diagnose and to treat.
- By measuring both blood and lavage in those patients on ventilation it has proved possible to show both lung & systemic <u>activation of all three</u> <u>complement pathways occurs</u>
- MBL and FCN-3 had a moderate-to-strong correlation with the <u>terminal complement</u> <u>complex in the BAL but not in the plasma</u>.
- Lung levels from bronchoalveolar lavage predict severity but not plasma
- Similar to COVID-19 Pneumonia C5b-9 is histological associated with the alveolar septum



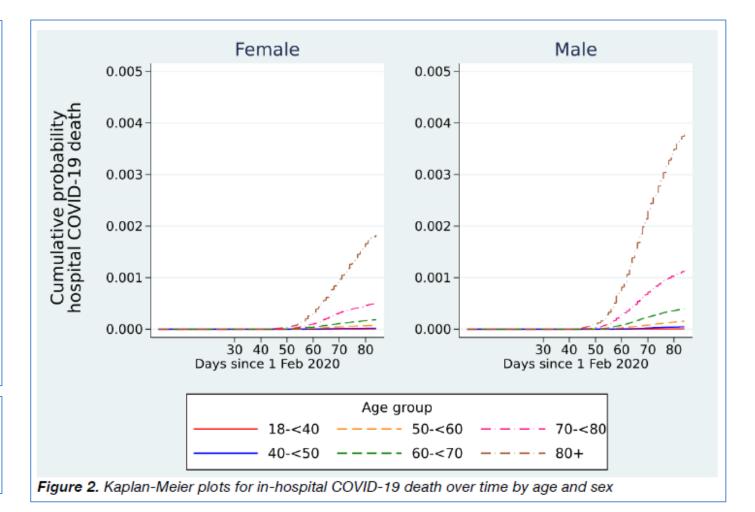
Hyperinflammation in COVID-19 was not confined to chronic lung disease - it is disease agnostic



Comorbidities associated with higher risk of COVID-19 hospital death:

a) diabetes (with a greater HR for those with recent HbA1c >= 58 mmol/mol), b)
<u>asthma</u>, c) respiratory disease, d)
<u>chronic heart disease</u>, e) liver disease,
f) <u>stroke/dementia</u>, g) reduced kidney
function, <u>autoimmune diseases</u>, h) use of other <u>immunosuppressive conditions</u>
<u>https://opensafely.org/outputs/2020/0</u>
<u>5/covid-risk-factors/</u>

Persistently elevated levels of C3 or C5 plus leukotrienes incl. LTB4 found in all these diseases and age groups



Complement and LTB4, organ involvement, triggers, numbers susceptible and duration of treatment



	C5a	C5b9	LTB4	Target	Triggers	Susceptible	Treatment
COVID				systemic and		0.1% with	
pneumonia	XX	XX	XX	lung	SARS-CoV-2	COVID	2-4 weeks
COPD				lung and	winter virus /		
exacerbation	XX	XX	XX	systemic	bacteria	20% COPD	2-4 weeks
Asthma				lung and	winter virus /	3%	
exacerbation	XX	XX	XX	systemic	bacteria	asthmatics	2-4 weeks
TMA-HSCT	Х	XX	Х	systemic	unknown	10% of HSCT	12+ weeks
Sepsis	XX	Х	XX	whole body	bacteria	unknown	1-4 weeks
Trauma	XX	XX	XX	systemic / brai	n tissue injury	unknown	1-2 weeks

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- Vascular Disease Thrombotic Micro-Angiopathy (TMA) defining severity with a biomarker and that helps to decide who to treat after human stem cell treatment (HSCT)
- Sepsis and trauma biomarkers needed to guide the choice of patients to treat and the effectiveness of dual inhibition of C5 and LTB4

Pediatric HSCT-TMA : production of the C5b-9 is a useful biomarker for start complement therapy



Conceptual Treatment Profile Moderate HSCT-TMA Severe HSCT-TMA Extreme sC5b9 only Elevation sC5b9 & Proteinuria **Proteinuria Only** Elevated of Markers 100% **HSCT-TMA Responders** 75% Treatment objective 50% SOC 25% 0%

Association between marker at time of TMA diagnosis and death at 1 year

100

90

80 70

60

50

40 30

20

10 0

TMA

dead

Elevated sC5b-9

p=0.005

TMA

alive

HSCT-TMA Severity

Conceptual graphic based on review of treatment renal failure literature, including Jodele et al Blood 2014 and Jodele et al Transfus Apher Sci 2016

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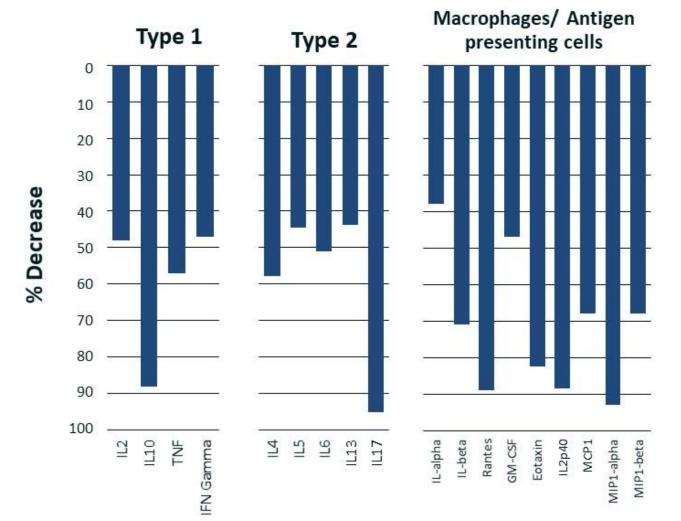


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Nomacopan Inhibition drops levels a wide range of cytokines and neutrophils in sepsis and improves survival (pre-clinical)

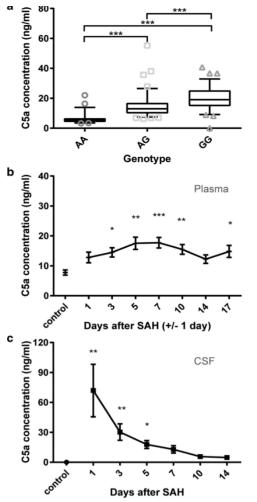


Cytokines inhibited by nomacopan in polymicrobial sepsis mouse model



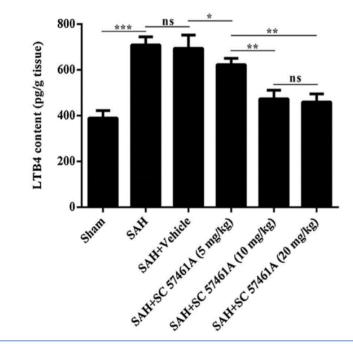
C5 and LTB4 in trauma (pre-clinical)

CSF C5 levels 1,400 x elevated vs control at Day 1 post-ictus



A KARI PEUTICS

LTB4 induced influx of neutrophils after experimental stroke is associated with the development of early brain injury (EBI) in rats 24 hours after ictus using a model of SAH. Reduction of LTB4 reduce the signs of damage



van Dijk B J et al, Translational Stroke Research (2020) 11:678- 699 Zhan-Nan Y et al. Behavioural Brain Research339 (2018) 19-27

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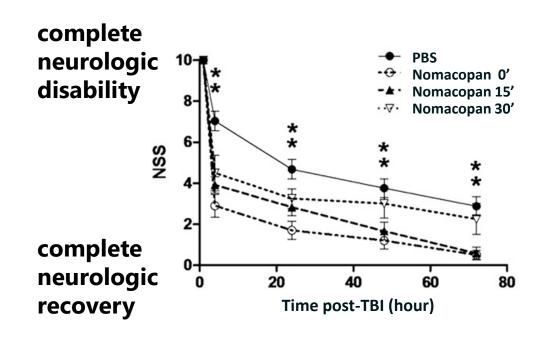
Complement and Leukotriene pathways both implicated in trauma (clinical and pre-clinical)



USAISR study of complement level in trauma patients

4x increase in sC5b-9 levels in trauma patients 4x increase in sC5b-9 levels in trauma patients 4x increase in sC5b-9 levels in trauma patients 4x increase in sC5b-9 levels in trauma patients

Nomacopan reduces neural damage in mouse trauma model



Conclusions and next steps



- At risk populations are annually afflicted with hyperinflammatory illnesses in the winters due to respiratory infections both viral and bacterial
- There is emerging evidence that both complement, and lipid mediators are responsible
- In trauma and in sepsis there appears similar hyperinflammatory responses
- Biomarkers such a C5b-9, C5a and LTB4 could be used to select patients for treatment with effective inhibitors
- Now is the time to use the learning from COVID-19 illnesses to focus on better care for patients at risk – we should move from supportive hospital and community care to medication for the hyperinflammation
- The ideal therapy is for short periods

May I acknowledge and thank all the contributors



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- Dr Thomas Brown Consultant Portsmouth University Hospital
- Dr Sanjeev Khindri SMO Akari Tx Ltd
- Clive Richardson CEO Akari Tx Ltd





Role of the innate immune system Learnings from COVID-19 to prevent winter exacerbations from respiratory viral and bacterial infections

Thank you for your attention

October 26th to 27th 2021