TRACON PHARMACEUTICALS
Investor Presentation
June 2020

NASDAQ: TCON

Forward-Looking Statements

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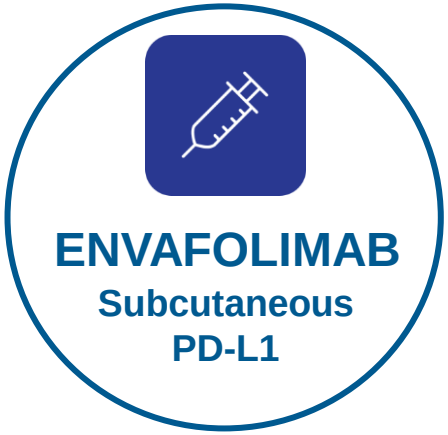
This presentation also contains estimates, projections and other information concerning our industry, our business, and the markets for our drug candidates, as well as data regarding market research, estimates and forecasts prepared by our management. Information that is based on estimates, forecasts, projections, market research or similar methodologies is inherently subject to uncertainties and actual events or circumstances may differ materially from events and circumstances reflected in this information.

Investment Highlight: Envafolimab



Potential for Near-term U.S. Commercialization of the 1st Subcutaneous Checkpoint Inhibitor

Rapid Execution:
ENVASARC pivotal study expected to begin in sarcoma in 2H 2020 following successful FDA meeting

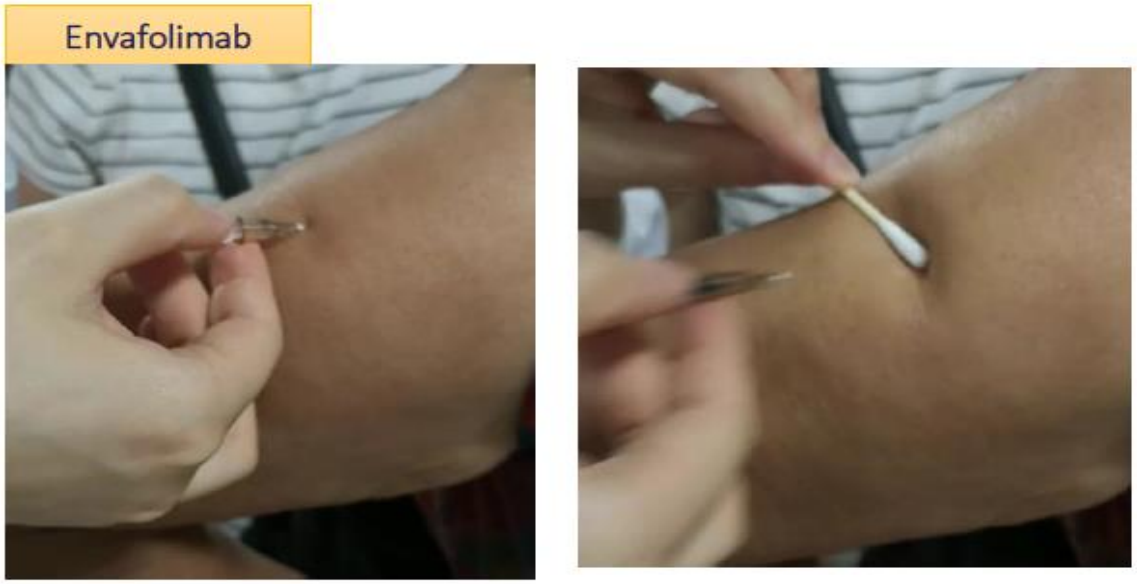
Orphan Indication:
Peak U.S. annual revenue estimated at $200M using parity pricing to approved PD-(L)1 products[2]

Fast to Market Strategy:
ENVASARC pivotal data expected in 2022
U.S. commercialization potentially in 2023[1]

Financial Upside:
ENVASARC pivotal trial cost estimated at ~$15M
Low royalty burden of teens to mid double-digits

1: Assuming successful pivotal study and BLA approval
2: TRACON internal estimate

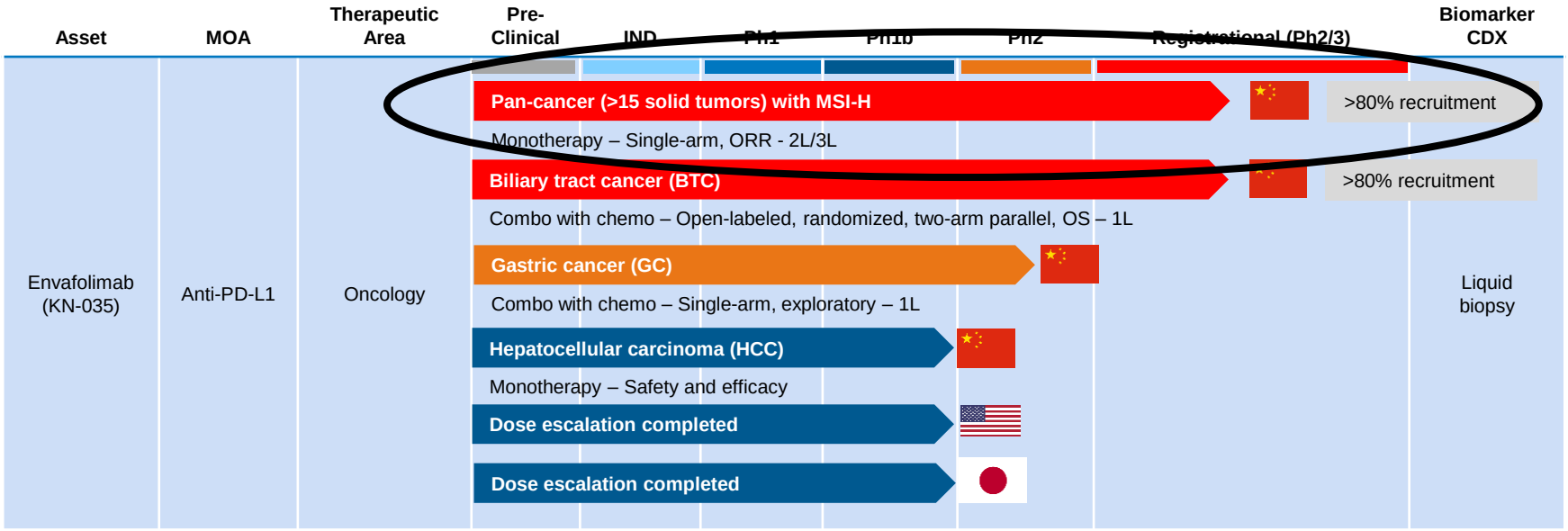
Envafolimab Subcutaneous Administration Does Not Require an Adjuvant: Potential Best-in-Class Profile



- Envafolimab, a much improved subcutaneous formulation:
  - Small injection volume: ≤ 2 mL
  - Infrequent injection site reactions in clinical trials to date
  - Fast injection: in seconds
  - Stable at room temperature for months
  - Potential for development as a combination therapy

Envafolimab has been Dosed to > 650 Patients and is being Studied in Two Pivotal Trials in China

3D Medicines retains global rights
other than in the field of sarcoma in North America



Filing for approval in China in MSI-H colorectal cancer is expected in mid 2020

Envafolimab Efficacy in Pivotal Trial in MSI-H/dMMR Cancer Patients Similar to Opdivo and Keytruda[1]

- ***Confirmed ORR in MSI-H/dMMR colorectal patients who failed a fluoropyrimidine, oxaliplatin and irinotecan is nearly identical to ORR reported for Opdivo and Keytruda in separate trials in that patient population***

	Envafolimab	Opdivo (CHECKMATE-142)	Keytruda (KEYNOTE-164)
Indication	MSI-H/dMMR colorectal cancer that progressed following treatment with fluoropyrimidine, oxaliplatin and irinotecan		
Sample Size	39	53	61
ORR by independent radiographic review	28.2%	28%	27.9%

- Six month duration of response of 72%
- Safety profile was similar to other PD-(L)1 antibodies but without infusion reactions; no cases of colitis or pneumonitis were reported

DOI: 10.1200/JCO.2020.38.15_suppl.3021 Journal of Clinical Oncology 38, no. 15_suppl (May 20, 2020) 3021-3021; Diaz L, et al. Annals of Oncology. 2017; 28(S5): 128-129; Opdivo package insert

1: Data from separate clinical trials may not be directly comparable due to differences in trial protocols, conditions and patient populations.

Unmet Need in Undifferentiated Pleomorphic Sarcoma (UPS) and High-grade Myxofibrosarcoma (MFS)

- Common soft tissue sarcomas
- First line chemotherapy with doxorubicin is typical with objective response rate of ~15 - 20%
- ***Only approved second line agent, Votrient, has 4% objective response rate***
- Advanced or metastatic UPS/MFS has 5 year overall survival of < 5%
- ***Keytruda, a PD-1 inhibitor, demonstrated a 23% objective response rate in UPS/MFS***
- ***The combination of Opdivo, a PD-1 inhibitor, and Yervoy, a CTLA-4 inhibitor, tripled the objective response rate compared to Opdivo alone, in UPS resulting in a 29% objective response rate***

Orpha.net; Widemann and Italiano, 2018; Pazopanib package insert 2019; Savina et al 2017; Tap et al, 2017

PD-(L)1 Accelerated Approval in Refractory Solid Tumors has been Based on ~15% Objective Response Rates

- FDA has been supportive of therapeutics that address unmet needs, with the bar for accelerated approval being ~ 15% response rate in those indications
  - Keytruda was approved in refractory gastric cancer with response rate of 13%
  - Tecentriq was approved in refractory urothelial cancer with response rate of 15%
  - Opdivo was approved in refractory small cell lung cancer with response rate of 12%

	PD-L1+ Gastric (Keytruda)	Urothelial (Tecentriq)	Small Cell Lung (Opdivo)
ORR	**13%**	**15%**	**12%**

Keytruda package insert 2019; Tecentriq package insert 2019; Opdivo package insert 2019

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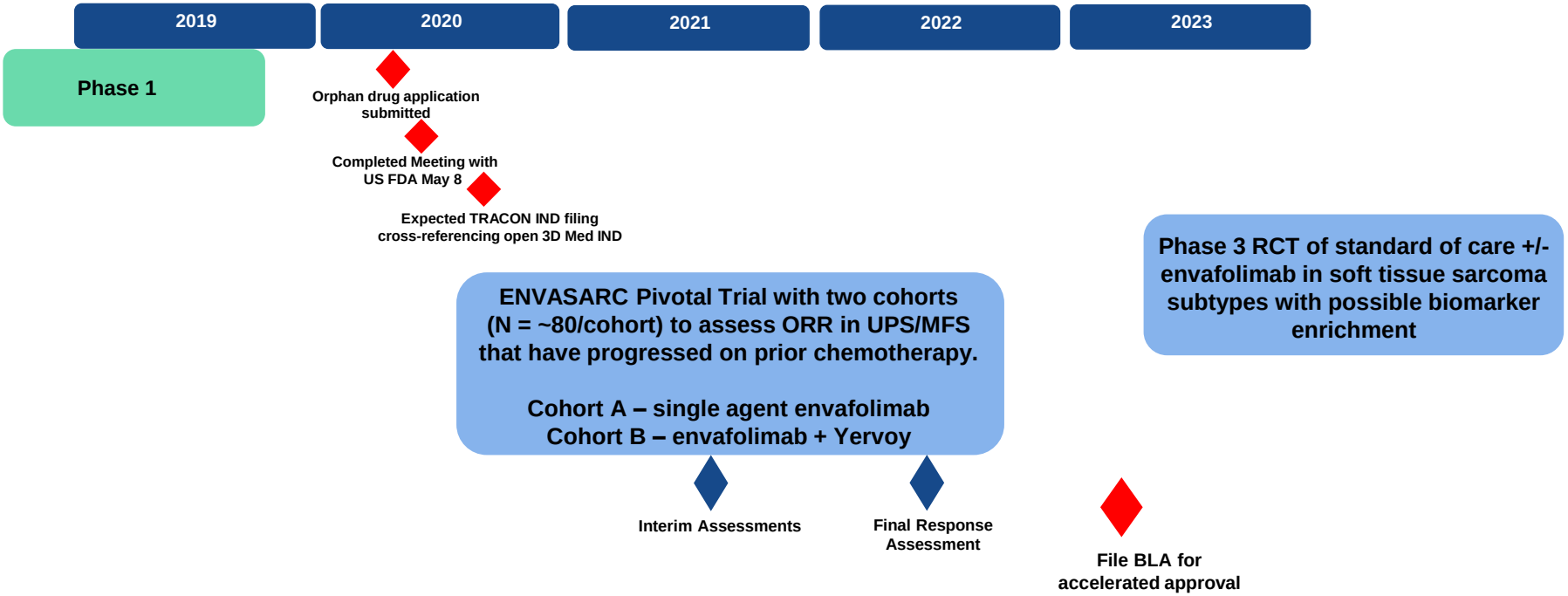
Envafolimab Development Plan in Sarcoma Following Successful Type B Meeting with US FDA



Two cohort non-comparative pivotal trial in refractory UPS and MFS, with **each cohort targeting ORR of 15% as the primary endpoint** for accelerated approval based on high unmet need. Our goal is a dual approval of envafolimab as a single agent and in combination with Yervoy in UPS/MFS. Note Opdivo is approved as a single agent and in combination with Yervoy in colorectal cancer.

Envafolimab Target Product Profile:

Dual approval based on single agent ORR of ~15% and combination agent ORR of ~30% in refractory UPS/MFS with majority of patients having duration of response > 6 months, with a superior safety profile compared to other approved PD-(L)1 therapies

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Expected Key Envafolimab Milestones

Envafolimab Milestones Over 6 Months:

- Meeting with US FDA on ENVASARC (Done)
- Updated clinical data at ASCO by our partners (Done)
- File ENVASARC Pivotal Trial with US FDA
- Orphan drug designation in STS
- Submission for approval in China by our partners
- Enroll first patient in ENVASARC Pivotal Trial