

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 23, 2021

Finch Therapeutics Group, Inc.

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-40227

82-3433558
(IRS Employer
Identification No.)

200 Inner Belt Road, Suite 400
Somerville, Massachusetts 02143
(Address of Principal Executive Offices)

(Commission File Number)

02143
(Zip Code)

Registrant's Telephone Number, Including Area Code: (617) 229-6499

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value per share	FNCH	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On April 23, 2021, the Board of Directors (the “Board”) of Finch Therapeutics, Inc. (the “Company”), upon the recommendation of the Nominating and Corporate Governance Committee of the Board, increased the size of the Board from seven members to eight members and elected Susan Graf to its Board, effective immediately, to serve as a Class II director whose term will expire at the Company’s 2023 Annual Meeting of Stockholders.

The Board determined that Ms. Graf qualifies as independent under the director independence standards set forth in the rules and regulations of the Securities and Exchange Commission and applicable Nasdaq listing standards. In addition, the Board has determined that Ms. Graf qualifies as an “audit committee financial expert,” as such term is defined in Item 407(d)(5) of Regulation S-K.

On April 23, 2021, Ms. Graf was also appointed to serve as the chairperson of the Audit Committee of the Board. Dominic Ferrante, the prior chairperson of the Audit Committee, will continue to serve as a member of the Audit Committee. In connection with Ms. Graf’s appointment to the Audit Committee, Nicholas Haft resigned as a member of the Audit Committee. Mr. Haft will continue as a member of the Board.

There are no family relationships between Ms. Graf and any director or executive officer of the Company, and she does not have any direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

Ms. Graf will be compensated in accordance with the Company’s standard compensation arrangements for non-employee directors. Pursuant to the Company’s Non-Employee Director Compensation Policy (the “Policy”), Ms. Graf will receive an annual cash retainer in the amount of \$35,000 for service on the Board, an additional annual cash retainer in the amount of \$7,500 for service as a member of the Audit Committee and an additional annual cash retainer in the amount of \$15,000 for service as the chairperson of the Audit Committee. These retainers will be payable in arrears in four equal quarterly installments within thirty days after the end of each calendar quarter, provided that the amount of such payment will be prorated for any portion of such quarter that Ms. Graf is not serving on the Board. The Company will also reimburse Ms. Graf for reasonable out-of-pocket expenses in connection with her attendance at Board and committee meetings.

In addition to cash compensation, Ms. Graf will be eligible to receive equity compensation under the Policy. Each option granted under the Policy will be a nonstatutory stock option granted under the Company’s 2021 Equity Incentive Plan (the “Plan”) and will have an exercise price per share equal to the fair market value of a share of common stock on the date of grant. Any options granted under the Policy will have a term of ten years from the date of grant, subject to earlier termination in connection with a termination of the director’s continuous service with the Company. Vesting schedules for equity awards will be subject to the director’s continuous service on each applicable vesting date. Upon the termination of the membership of the non-employee director on the Board for any reason, his or her options granted under this Policy shall remain exercisable for three months following his or her date of termination (or such longer period as the Board may determine in its discretion on or after the date of grant of such options). Notwithstanding any vesting schedule, for each non-employee director who remains in continuous service with the Company until immediately prior to the closing of a change in control (as such term is defined in the Plan), the shares subject to his or her then-outstanding initial or annual equity awards that were granted pursuant to the Policy will become fully vested immediately prior to the closing of such change in control.

In accordance with the Policy, on April 23, 2021, Ms. Graf was granted an initial, one-time equity award of options to purchase the Company’s common stock with a grant date fair value of \$200,000. The award consists of an option to purchase 23,419 shares of the Company’s common stock with an exercise price of \$14.00, which was the closing price of the Company’s common stock on the date of grant. The option has a ten-year term, and one-third of the shares underlying the option will vest on the first anniversary of the date of grant, with the remainder vesting in equal monthly installments thereafter until the third anniversary of the date of grant, subject to Ms. Graf’s continuous service through each applicable vesting date.

Ms. Graf will also be entitled to receive an annual award of an option to purchase common stock with a grant date fair value of \$100,000 pursuant to the Policy. Such annual awards will be granted starting with the Company’s 2022 Annual Meeting of Stockholders, and the award will vest in equal monthly installments over the 12 months following the date of grant.

The Company also intends to enter into its standard form of indemnification agreement with Ms. Graf, a copy of which has been filed as Exhibit 10.2 to the Company’s Registration Statement on Form S-1 (File No. 333-253622) filed with the Securities and Exchange Commission on March 15, 2021 and is incorporated herein by reference.

Item 7.01. Regulation FD.

A copy of the Company's press release relating to this announcement is being furnished as Exhibit 99.1 to this Form 8-K.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated April 27, 2021.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FINCH THERAPEUTICS GROUP, INC.

Date: April 27, 2021

By: /s/ Mark Smith
Mark Smith, Ph.D.
Chief Executive Officer

Finch Therapeutics Appoints Susan E. Graf to Board of Directors

SOMERVILLE, Mass., April 27, 2021 (GLOBE NEWSWIRE) -- Finch Therapeutics Group, Inc. (“Finch” or “Finch Therapeutics”) (Nasdaq: FNCH), a clinical-stage microbiome therapeutics company leveraging its *Human-First Discovery* platform to develop a novel class of orally administered biological drugs, today announced that Susan E. Graf has joined Finch’s Board of Directors and will serve as Chair of the Audit Committee. Ms. Graf is an accomplished biopharma executive with more than 25 years of experience spanning corporate strategy, finance, business development, M&A, and the development and commercialization of biopharmaceuticals.

“With Finch’s recent IPO, strong Phase 2 data from their lead candidate, and innovative programs in chronic hepatitis B and autism entering the clinic soon, I am thrilled to join Finch at this exciting time,” said Susan Graf. “I look forward to working with Finch’s board and leadership team to execute on Finch’s strategy and its mission to serve patients.”

“On behalf of the Finch team, I am delighted to welcome Susan to our board,” said Mark Smith, PhD, Chief Executive Officer of Finch Therapeutics. “Susan’s extensive experience and demonstrated ability to guide the strategic growth of organizations and enable the development of new therapeutics will be invaluable as we continue to rapidly advance our pipeline, platform, and this new modality.”

Ms. Graf currently serves as Chief Executive Officer of Akamara Therapeutics. Prior to Akamara, she was Chief Business Officer and Principal Financial Officer at Epizyme, Inc., leading finance, investor relations, corporate and business development and alliance management as well as implementing Epizyme’s corporate strategy. Prior to Epizyme, Ms. Graf held the position of Vice President, Corporate Development and Strategy for NPS Pharma before it was acquired by Shire in 2015. She was closely involved in the company’s sale to Shire for \$5.2B, in addition to serving on the executive team that transformed NPS Pharma into a global, commercial-stage, rare-disease biopharmaceutical company. During her tenure, NPS Pharma brought two rare disease products – Gattex® and Natpara®– to market. Prior to NPS Pharma, Ms. Graf spent nearly 18 years at Roche in a number of leadership and executive positions in business development, commercial assessment, due diligence, mergers & acquisitions, marketing, market research, sales, and manufacturing. Ms. Graf has an MBA from the Stern School of Business at New York University and a Bachelor of Pharmacy degree from Purdue University.

About Finch Therapeutics

Finch Therapeutics is a clinical-stage microbiome therapeutics company leveraging its *Human-First Discovery* platform to develop a novel class of orally administered biological drugs. With the capabilities to develop both complete and targeted microbiome therapeutics, Finch is advancing a rich pipeline of candidates designed to address a wide range of unmet medical needs. Finch’s lead candidate, CP101, is in late-stage clinical development for the prevention of recurrent *C. difficile* infection (CDI), and has received Breakthrough Therapy and Fast Track

designations from the U.S. Food and Drug Administration. In June 2020, Finch announced that CP101 met its primary efficacy endpoint in PRISM3, the first of two pivotal trials to support the development of CP101 for the prevention of recurrent CDI. Finch plans to initiate a Phase 3 trial, referred to as PRISM4, as its second pivotal trial of CP101 for recurrent CDI. Finch is also developing CP101 for the treatment of chronic hepatitis B virus, and FIN-211 for the treatment of the gastrointestinal and behavioral symptoms of autism spectrum disorder. In partnership with Takeda, Finch is advancing FIN-524 and FIN-525 for the treatment of ulcerative colitis and Crohn's disease, respectively.

Cautionary Note Regarding Forward-Looking Statements

Statements contained in this press release regarding matters that are not historical facts are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. Words such as "anticipates," "believes," "expects," "intends," "plans," "potential," "projects," "would" and "future" or similar expressions are intended to identify forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding: the commencement of the chronic hepatitis B and autism clinical trials and Finch's ability to rapidly advance its pipeline, platform, and the microbiome modality. Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. These risks and uncertainties include, among others: Finch's limited operating history and historical losses; Finch's ability to raise additional funding to complete the development and any commercialization of its product candidates; Finch's dependence on the success of its lead product candidates, CP101; Finch's may be delayed in initiating, enrolling or completing any clinical trials; competition from third parties that are developing products for similar uses Finch's intellectual property position Finch's ability to qualify and scale its manufacturing capabilities in anticipation of commencement of multiple global clinical trials; Finch's dependence on third parties in connection with manufacturing, clinical trials and preclinical studies; and risks relating to the impact and duration of the COVID-19 pandemic on Finch's business. These and other risks are described more fully in Finch's filings with the Securities and Exchange Commission ("SEC"), including the section titled "Risk Factors" in in Finch's final prospectus dated March 18, 2021 filed with the Securities and Exchange Commission pursuant to Rule 424(b)(4) on March 22, 2021, as well as discussions of potential risks, uncertainties, and other important factors Finch's subsequent filings with the SEC. All forward-looking statements contained in this presentation speak only as of the date on which they were made. Except to the extent required by law, Finch undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made.

Human-First Discovery® is a registered trademark of Finch Therapeutics Group, Inc.

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