



# Custom Built Biology for Patients

Year End Results: 2021

March 16, 2022

Molecular Partners AG, Switzerland  
(SIX: MOLN, NASDAQ: MOLN)



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# Accomplishments

## R&D

- Ensovibep: advanced from preclinical up to Phase 2 read-out (EMPATHY A) with Novartis
  - AMG 506 progressing in weekly dosing, thesis to reduce IRR's and optimize 4-1BB activation
  - Initiated Phase 1 for MP0317, dose escalation ongoing
  - Nominated MP0533, a first-in-class, tri-specific T-cell engager, for the treatment of AML
  - Initiated DARPin-based RLT program in collaboration with Novartis
  - Introduced "Switch-DARPin" concept at December Oncology Day.
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## Corporate

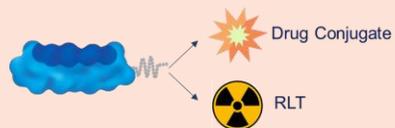
- Successful listing on NASDAQ, raising proceeds of \$63m
- EMPATHY data triggered option exercise of ensovibep, CHF 150m option payment, 22% royalties\*
- RLT partnership with Novartis, \$20m upfront, up to \$560m in milestones, Low double-digit royalties

# Translating DARPin Properties into Differentiated Therapeutics

## Delivery Vectors “Radical Simplicity”

### RLT & DDC

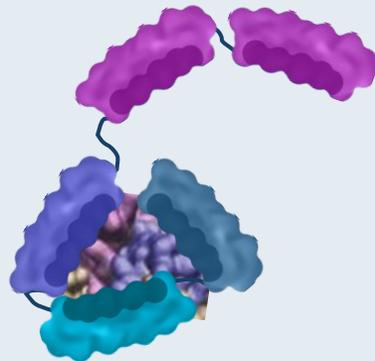
Small size: high affinity delivery, limited systemic exposure



## Multispecificity enabled possibilities

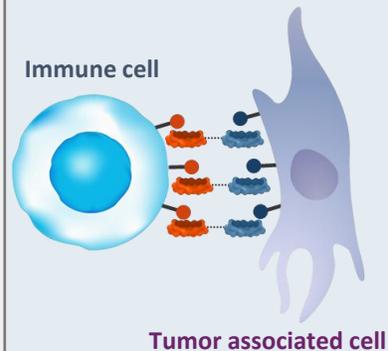
### Ensovibep

Cooperative binding to inhibit SARS-Cov-2 and prevent escape



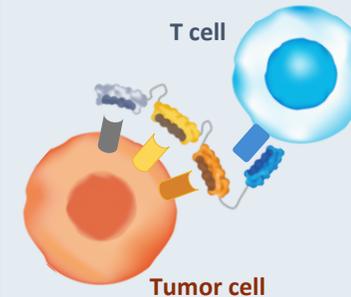
### MP0310 & MP0317

Tumor localized clustering activates effector cells in tumor



### MP0533

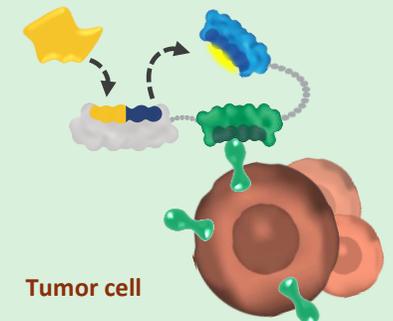
Avidity driven TCE for tumor specificity and heterogeneity



## Conditional activation “Radical Complexity”

### SWITCH

Programming highly potent effectors to omit off-tumor activity



# Upcoming Milestones in 2022

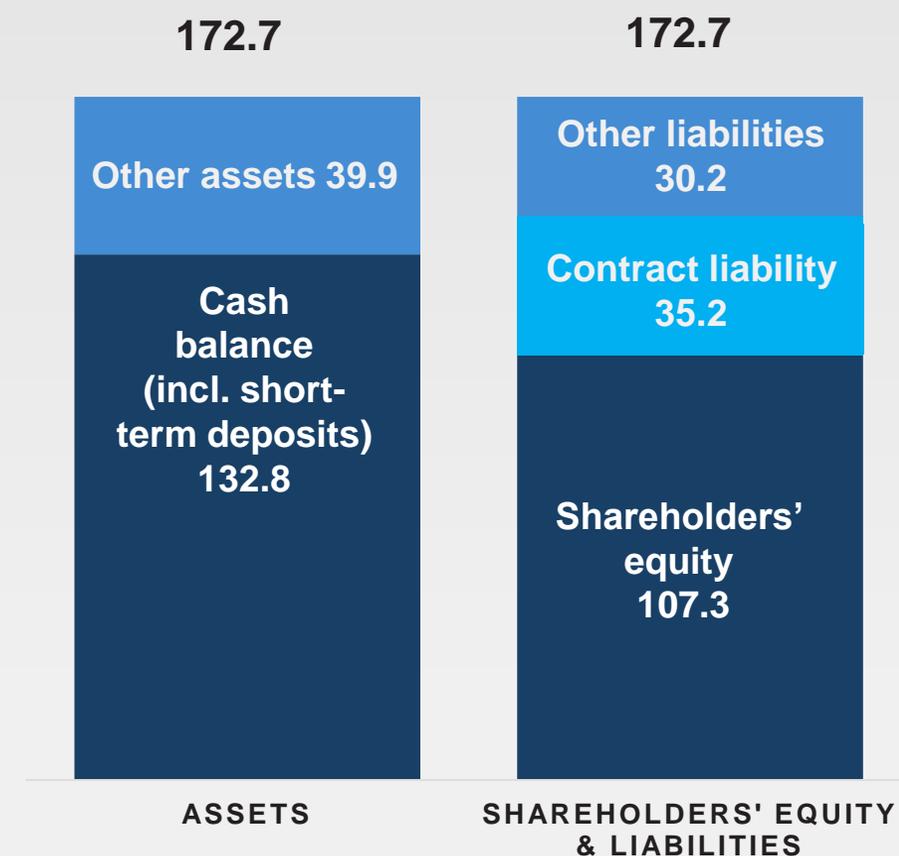
- **Ensovibep – licensed to Novartis:**
  - EUA review ongoing
  - Ongoing discussions with governments
  - Preparation of data for presentation and publication
- **AMG 506 / MP0310** – Data from weekly dosing expected in Q2 allowing Amgen review
- **MP0317** – Initial human data available late 2022
- **MP0533** – Advance into clinic in Q4 2022
- **DARPin Radioligand Therapy:**
  - Continuing NIBR collaboration
  - Additional proprietary work ongoing
- **Abicipar** – Agency feedback allows for informed discussion with potential collaborators

# Key Figures FY2021

| <i>(CHF million, except per share and FTE data)</i>                | <b>FY 2021</b> | <b>FY 2020</b> | <b>change</b> |
|--|----------------|----------------|---------------|
| <b>Revenues</b>  | <b>9.8</b>     | <b>9.3</b>     | <b>0.5</b>    |
| <b>Total operating expenses<sup>1</sup></b>                        | <b>(73.2)</b>  | <b>(67.7)</b>  | <b>(5.5)</b>  |
| <b>Operating result – EBIT</b>                                     | <b>(63.4)</b>  | <b>(58.3)</b>  | <b>(5.1)</b>  |
| <b>Net financial result</b>  | <b>(0.4)</b>   | <b>(4.4)</b>   | <b>4.1</b>    |
| <b>Net result</b>  | <b>(63.8)</b>  | <b>(62.8)</b>  | <b>(1.0)</b>  |
| <b>Basic net result per share (in CHF)</b>                         | <b>(2.06)</b>  | <b>(2.51)</b>  | <b>0.45</b>   |
| <b>Net cash used in operations</b>                                 | <b>(91.0)</b>  | <b>(29.0)</b>  | <b>(62.0)</b> |
| <b>Cash balance (incl. s.t. deposits) as of Dec 31<sup>2</sup></b> | <b>132.8</b>   | <b>173.7</b>   | <b>40.9</b>   |
| <b>Number of FTE's as of Dec 31</b>                                | <b>163.2</b>   | <b>145.4</b>   | <b>17.8</b>   |

# Balance Sheet as of Dec 31, 2021

in CHF million

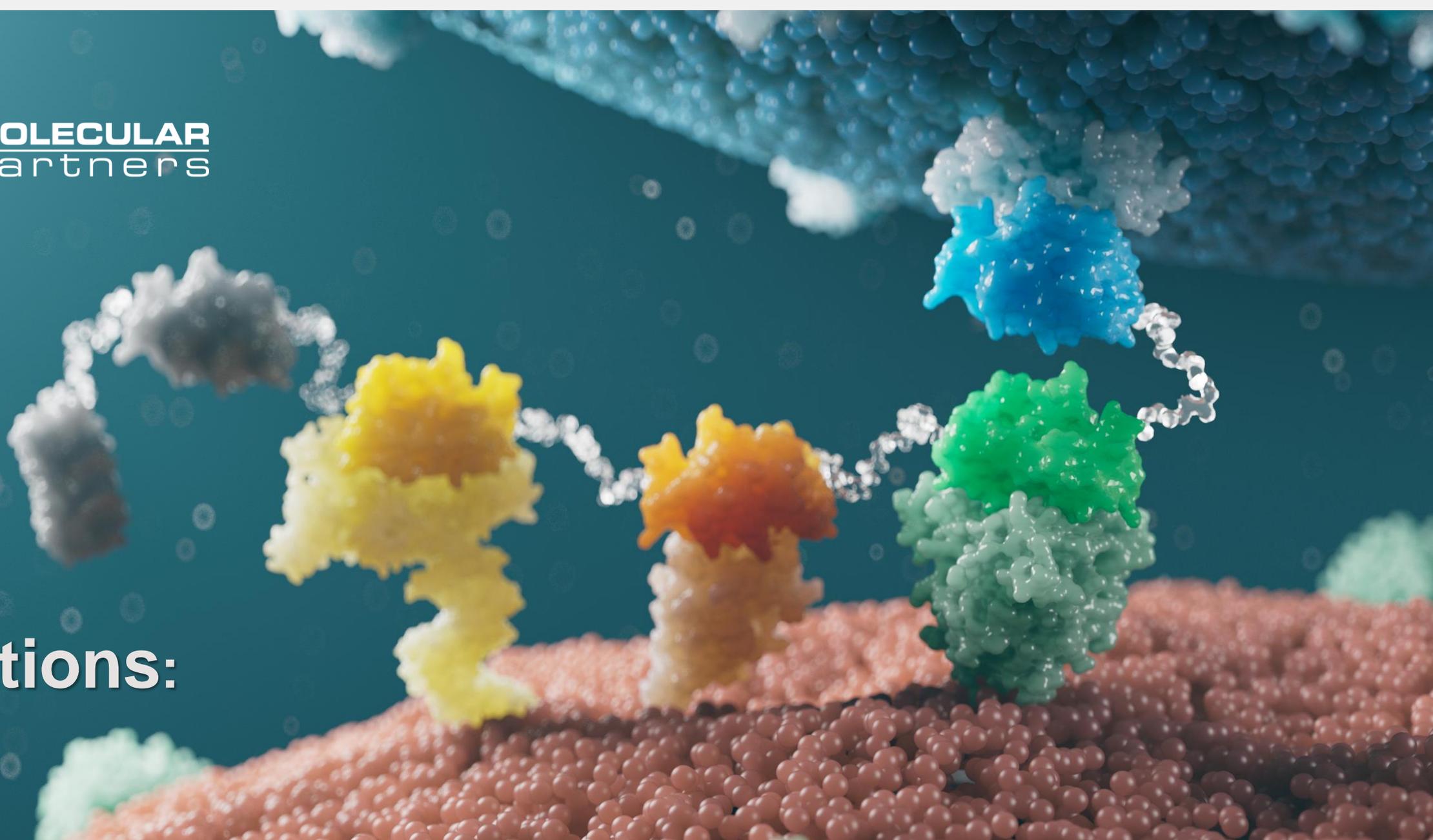


## Highlights

- CHF 132.8 million cash balance (incl. short-term deposits) as per Dec 31, 2021
- Contract liability of CHF 35.2 million of which 28.3mn is expected to be recognized into revenue in 2022, 5.8mn in 2023 and 1.1mn in 2024
- Solid equity base with CHF 107.3 million
- Debt free
  
- Post balance sheet note: With the receipt of the CHF 150 million Ensovibep milestone and the \$20 million upfront payment from NIBR for the RLT collaboration, the cash balance rose to CHF 291.3 million as per Feb 28, 2022

# Financial Guidance and Outlook

- **Further strengthened balance sheet with the funds received from Novartis in early 2022**
  - CHF 291.3 million cash at hand (incl. s.t. deposits) and no debt as of February 28, 2022
  - Funding secured into 2025, excluding any potential further payments from R&D partners
  - Financial flexibility to capture upcoming value inflection points
- **Expect total P&L expenses of CHF 75-85 million for FY2022**
  - Approximately CHF 8 million non-cash effective costs
- Anticipate to report an operating profit as well as positive cash flows from operations for FY2022 - no assurance that such positive metrics will be maintained in future periods
- Guidance subject to progress and changes in pipeline



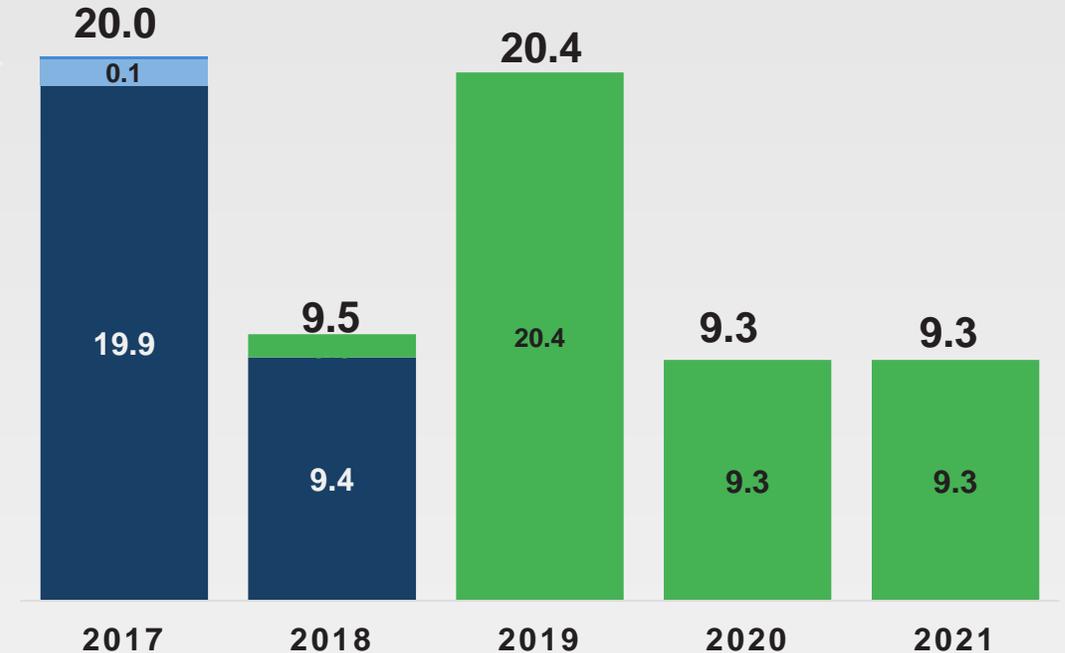
Questions:

# Accounting Revenues

## Highlights

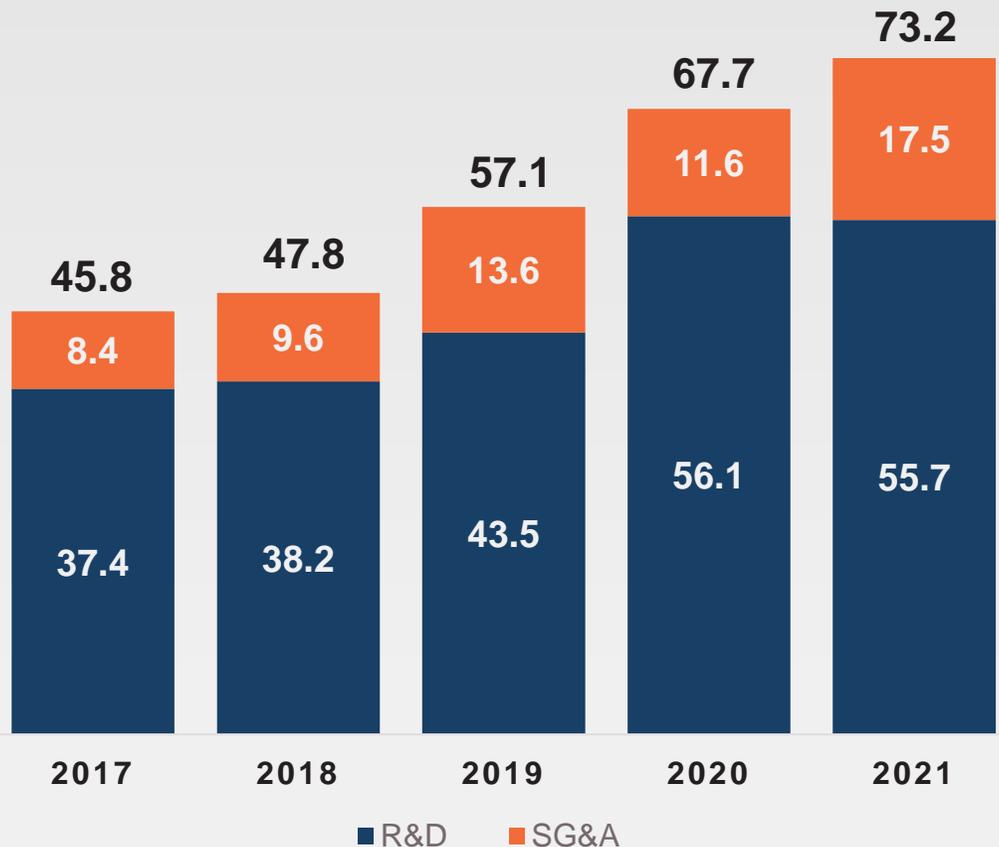
- CHF 9.3 million accounting revenues in 2021, exclusively related to the Amgen collaboration
- In 2021 we also recorded CHF 0.4 million as other income related to the Novartis collaboration
- Revenue in 2017 and 2018 largely came from Allergan; from 2019 onwards, the revenue relates to the Amgen collaboration.

in CHF million



# Operating Expenses

in CHF million (incl. depreciation & amortization)



## Highlights

- Expense development in line with expectations and budget
- Main cost drivers in 2021:
  - Costs related with the US listing (D&O insurance as well as professional fees)
  - Personnel cost, reflecting ongoing build-out and growth of organization
  - Ongoing scale-up of R&D to accelerate pipeline growth
  - Expenses include CHF 7.7 million non-cash effective costs

# Balance Sheet (as per Dec 31)

| <i>(CHF million)</i>                    | <i>FY 2021</i>           | <i>FY 2020</i> | <i>FY 2019</i> | <i>FY 2018</i> | <i>FY 2017</i> |
|---|--------------------------|----------------|----------------|----------------|----------------|
| <b>Non-current assets</b>               | <b>8.5</b>               | <b>9.7</b>     | <b>5.0</b>     | <b>1.8</b>     | <b>1.9</b>     |
| <b>Other current assets<sup>1</sup></b> | <b>31.4<sup>2</sup></b>  | <b>4.1</b>     | <b>4.8</b>     | <b>54.5</b>    | <b>1.4</b>     |
| <b>Cash balance</b>                     | <b>132.8<sup>3</sup></b> | <b>173.7</b>   | <b>95.1</b>    | <b>99.0</b>    | <b>141.1</b>   |
| <b>Shareholders' equity</b>             | <b>107.3</b>             | <b>107.2</b>   | <b>54.1</b>    | <b>91.7</b>    | <b>116.7</b>   |
| <b>Non-current liabilities</b>          | <b>18.5</b>              | <b>22.7</b>    | <b>22.2</b>    | <b>26.6</b>    | <b>13.6</b>    |
| <b>Current liabilities</b>              | <b>46.9</b>              | <b>57.7</b>    | <b>28.6</b>    | <b>36.9</b>    | <b>14.1</b>    |

<sup>1</sup> Prepayments and other assets, trade and other receivables

<sup>2</sup> Includes a receivable of CHF 18.6 on Novartis, paid in January 2022

<sup>3</sup> Includes CHF 61 million of short-term time deposits

Note: Rounding differences may occur

# Income Statement

| <i>(CHF million)</i>        | <i>FY 2021</i> | <i>FY 2020</i> | <i>FY 2019</i> | <i>FY 2018</i> | <i>FY 2017</i> |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|
| <b>Revenues</b>             | <b>9.8</b>     | <b>9.3</b>     | 20.4           | 10.4           | 20.0           |
| <b>R&amp;D expenses</b>     | <b>(55.7)</b>  | <b>(56.1)</b>  | (43.5)         | (38.2)         | (37.4)         |
| <b>SG&amp;A expenses</b>    | <b>(17.5)</b>  | <b>(11.6)</b>  | (13.6)         | (9.6)          | (8.3)          |
| <b>Operating result</b>     | <b>(63.4)</b>  | <b>(58.3)</b>  | (36.7)         | (37.4)         | (25.8)         |
| <b>Net financial result</b> | <b>(0.4)</b>   | <b>(4.4)</b>   | 0.4            | 0.4            | 0.4            |
| <b>Net result</b>           | <b>(63.8)</b>  | <b>(62.8)</b>  | (36.3)         | (37.0)         | (25.4)         |

Note: Rounding differences may occur

# Cash Flow Statement

| <i>(CHF million)</i>                             | <i>FY 2021</i>            | <i>FY 2020</i>           | <i>FY 2019</i> | <i>FY 2018</i> | <i>FY 2017</i> |
|--|---------------------------|--------------------------|----------------|----------------|----------------|
| Net cash from / (used in) operations             | <b>(91.0)<sup>1</sup></b> | <b>(29.0)</b>            | <b>(1.2)</b>   | <b>(42.5)</b>  | <b>(40.0)</b>  |
| Net cash from / (used in) investing <sup>2</sup> | <b>(22.2)</b>             | <b>(21.7)</b>            | <b>(19.8)</b>  | <b>9.6</b>     | <b>20.9</b>    |
| Net cash from / (used in) financing              | <b>50.6<sup>3</sup></b>   | <b>113.2<sup>3</sup></b> | <b>(0.2)</b>   | <b>0.4</b>     | <b>0.8</b>     |
| Exchange gain / (loss) on cash                   | <b>0.7</b>                | <b>(4.5)</b>             | <b>(2.0)</b>   | <b>0.1</b>     | <b>(0.1)</b>   |
| Net cash increase / (decrease)                   | <b>(61.9)</b>             | <b>58.0</b>              | <b>(23.2)</b>  | <b>(32.4)</b>  | <b>(18.4)</b>  |
| Cash balance at year end                         | <b>132.8</b>              | <b>173.7</b>             | <b>95.1</b>    | <b>99.0</b>    | <b>141.1</b>   |

<sup>1</sup> includes CHF 20 million paid to Novartis

<sup>2</sup> includes movements in short-term time deposits

<sup>3</sup> for 2021 this includes the funds received from the listing in the US; for 2020 this includes two capital raises

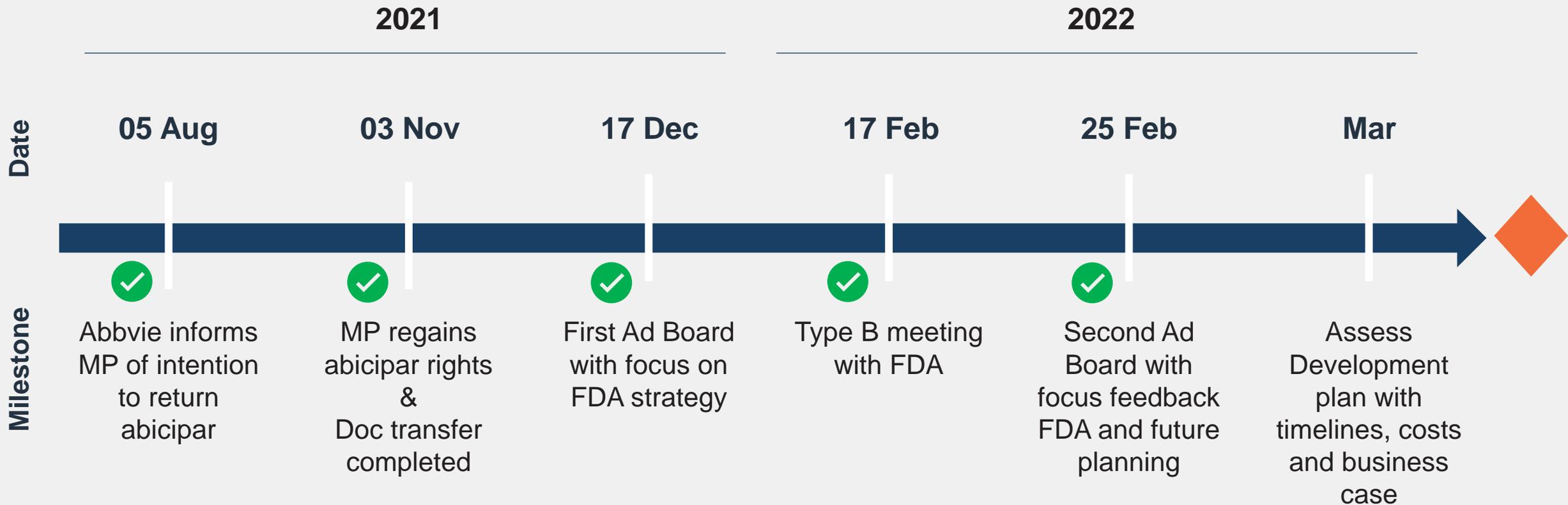
Note: Rounding differences may occur



# Abicipar update



# Abicipar – Milestones to Development Plan



# Abicipar Update: FDA Guidance will Inform Partner Discussions

## Current state

- CEDAR and SEQUOIA ph3 trials
  - Efficacy maintained through week 104
  - Intraocular inflammation ~15% 
- MAPLE ph 2 trial – modified manufacturing
  - Intraocular inflammation 8.9% 
- Manufacturing improvement
  - In vivo studies with reduced inflammation – syringe type dependent

abbvie

- AbbVie returns Abicipar to MP Q3/21

## Future options as per agency

- BLA resubmission
  - One additional clinical trial demonstrating safety and efficacy
  - Primary endpoint readout at 48 wks
    - Total length of study 2 years
- Mixed patient population, treatment-naïve and previously treated
- Aflibercept (Eylea) as control
- CEDAR and SEQUOIA data can be considered for the label if efficacy seen in the new study aligns with these older studies.