Positive phase 3 efficacy data for abicipar, ongoing clinical trials for MP0250 in oncology and further advancement of I/O pipeline

November 1, 2018

Research & Development:

- **MP0250 in multiple myeloma: Clinical trial ongoing with dose set at 8mg/kg every 3 weeks in combination with bortezomib/dexamethasone. Durable responses were seen in patients who came from proteasome inhibitor (PI) based pretreatment, suggesting that MP0250 might be capable of reversing PI adaptive resistance**
- **MP0250 in EGFR-mutated Non-Small Cell Lung Cancer (EGFR mut NSCLC): Clinical trial ongoing in first patient cohort with initial safety data expected by year-end 2018**
- **Immuno-oncology: Additional research and preclinical data on DARPin® "toolbox", including lead candidate MP0310 and FAP x CD40 candidate, to be presented at multiple scientific conferences in Q4 2018**
- **Abicipar: Positive phase 3 topline data reinforced with secondary endpoint data presented at AAO Conference in Chicago on Oct 26, 2018. Data suggest potential to become the first fixed 12-week anti-VEGF therapeutic**
- **MAPLE trial run by partner Allergan fully recruited in Q3 2018, testing further optimized formulation of abicipar. Results expected in H1 2019 and Allergan plans to file abicipar with FDA in H1 2019 pending pre-BLA meeting**
- **Company will hold its 2nd R&D Day in New York on "Building Tomorrow's Breakthroughs" on December 6, 2018**

Team:

- **Talent base with 113 full-time employees (+6% year-on-year), reflecting further build-out of oncology expertise**

Financial highlights:

- **Ongoing strong financial position with CHF 110.8 million in cash and short-term deposits as of September 30, 2018**
- **Net cash used in operating activities of CHF 30.4 million in first three quarters of 2018, reflecting further build-out of R&D and clinical pipeline**

Zurich-Schlieren, November 1, 2018. Molecular Partners AG (SIX: MOLN), a clinical-stage biopharmaceutical company pioneering the use of DARPin® therapeutics* to treat serious diseases, today announced its Interim Management Statement for the period ending September 30, 2018.

"In July 2018, our partner Allergan presented positive results on the primary endpoints in the phase 3 trial of abicipar, our long-acting anti-VEGF in ophthalmology. Allergan has now presented on the secondary endpoints reinforcing the potential of abicipar to be the first fixed 12-week anti-VEGF therapeutic, constituting a major milestone for our company," said Dr. Patrick Amstutz, Chief Executive Officer of Molecular Partners. "In parallel, we have been advancing our clinical trials of MP0250 in oncology as well as our research and development programs in immuno-oncology, specifically for our promising asset MP0310 which is scheduled to move into the clinic in 2019."

Update on phase 2 study of MP0250 in multiple myeloma at ASH in December 2018

MP0250, Molecular Partners' lead oncology asset, is a multi-DARPin® candidate that binds hepatocyte growth factor (HGF) and vascular endothelial growth factor (VEGF), two prominent pathways involved in tumor progression. HGF is known to confer resistance to several targeted therapies and MP0250 has the potential to overcome this adaptive resistance mechanism. An ongoing phase 2 study is evaluating MP0250 in combination with bortezomib (Velcade®) and dexamethasone in patients with multiple myeloma who have failed standard therapies. The dose level for the expansion part of the trial has been set at 8 mg/kg, administered every 3 weeks.

Durable responses have been observed in several patients with immediately previous proteasome inhibitor (PI) based treatment, suggesting the potential of MP0250 to reverse HGF-mediated adaptive resistance to the PI. The company will present an update on the trial at the ASH conference in San Diego on December 1, 2018. Molecular Partners anticipates further safety data and initial efficacy data before year-end 2018 and will discuss the drug candidate and potential development strategies in more detail at the company's R&D Day in New York on December 6, 2018.

Patient recruiting for second phase 2 study of MP0250 in Non-Small Cell Lung Cancer (NSCLC) ongoing in first patient cohort

Molecular Partners is continuing patient recruitment for its phase 1b/2 clinical study of MP0250 in combination with osimertinib (Tagrisso®) in patients with EGFR-mutated Non-Small Cell Lung Cancer (NSCLC) who were pre-treated with osimertinib. The study is being conducted in the United States and initial safety data are expected by the end of 2018 with initial efficacy data in 2019.

Immuno-oncology: Pre-clinical data on the company's DARPin® "toolbox" and on MP0310 to be presented at multiple scientific conferences in Q4 2018

At the Society for Immunotherapy of Cancer (SITC) conference in Washington, the company will present additional data on MP0310, its most advanced multi-specific (FAP x 4-1BB) DARPin® immuno-oncology compound. MP0310 will also be presented and discussed at the scientific conferences in Bari, San Diego, London and Berlin.

At the Society for Immunotherapy of Cancer (SITC) conference in Washington and the ENA in Dublin, Molecular Partners will highlight preclinical data on FAP x CD40, a second multi-specific DARPin® immuno-oncology compound.

"We are very pleased with the progress of our immuno-oncology portfolio. The DARPin® platform provides the ability to design and develop novel multi-specific I/O molecules," commented Dr. Pamela A. Trail, Chief Scientific Officer of Molecular Partners. "Our lead I/O construct, MP0310, has the potential to be combined with existing therapies and provide substantial clinical benefit, and we have additional I/O molecules advancing towards clinical development."

Abicipar: Positive topline data for ongoing phase 3 trials has been complemented with reinforcing data on secondary endpoints presented at AAO in Chicago

In July 2018, Allergan and Molecular Partners announced positive phase 3 topline data from two clinical trials of abicipar. Those trials, SEQUOIA and CEDAR, demonstrated that both the 8-week and 12-week treatment regimens of abicipar met the pre-specified primary endpoint of non-inferiority to ranibizumab (Lucentis®). SEQUOIA and CEDAR are ongoing identical global phase 3 studies designed to assess the efficacy and safety of abicipar compared with ranibizumab in treatment-naive patients with neovascular age-related macular degeneration (nAMD).

On October 26, 2018, additional phase 3 safety and efficacy data of abicipar were presented at the American Academy of Ophthalmology (AAO) conference in Chicago. The data show that the initial vision gains for both abicipar treatment regimens of either 2 mg abicipar every 12 weeks (2q12) or every 8 weeks (2q8) were maintained throughout week 52. The anatomical data (OCT) on abicipar-treated patients showed reductions of central retinal thickness (CRT) in all arms in both studies in the same range as for ranibizumab. Overall, the efficacy endpoints at week 52 showed comparable efficacy with 6 to 8 injections of abicipar vs. 13 injections of ranibizumab.

The overall incidence of treatment emergent adverse events was comparable among all three treatment groups. Abicipar-treated patients had a higher risk of developing intraocular inflammation (IOI) compared to ranibizumab-treated patients. The majority of IOI were mild to moderate and were treated with topical corticosteroids.

The data presented underline that abicipar has the potential to become the first fixed 12-week anti-VEGF therapeutic.

Allergan reiterated its plan to file abicipar with the Food and Drug Administration (FDA) in H1 2019 pending a pre-BLA (biologics license application) meeting with the FDA. Additionally, Allergan expects to share results from the MAPLE trial, using a further optimized formulation of abicipar, in H1 2019 and plans the market launch of abicipar for 2020.

Balance Sheet: Strong cash and equity positions as of September 2018

Molecular Partners' financial performance for the first nine months of 2018 was in line with management's expectations and reflects investments in the ongoing clinical trials as well as in the expansion of the company's proprietary pipeline, specifically in immuno-oncology. Cash and short-term deposits decreased by CHF 30.4 million over the course of the first three quarters of 2018 to CHF 110.8 million as of September 30, 2018.

As of September 30, 2018, the company employed 113 FTEs (+6% year-over-year), with approximately 90% of employees serving in R&D functions.

Business outlook and priorities

Molecular Partners will present additional oncology data from its ongoing phase 2 study of MP0250 in patients with multiple myeloma (MM) at the ASH conference in San Diego on December 1, 2018, as well as at its R&D Day in New York on December 6, 2018. The company also expects initial safety data from its ongoing phase 1b/2 study of MP0250 in NSCLC at the end of 2018. For MP0274, the proprietary, single-pathway DARPin® drug candidate for the treatment of HER2-positive cancer, Molecular Partners expects additional safety and first efficacy data in 2019.

The company will continue to advance its immuno-oncology pipeline and will present further research and preclinical data for its DARPin® candidate MP0310 as well as for additional therapeutic candidates resulting from the company's immuno-oncology toolbox. The focus in this field remains clearly on activating agonists in a tumor-restricted way. Molecular Partners will highlight its preclinical data at multiple international scientific conferences over the course of Q4 2018.

In ophthalmology, following the positive phase 3 primary and secondary endpoint data of abicipar, Molecular Partners will continue to support Allergan in advancing abicipar through phase 3 studies in patients with neovascular AMD and in further optimizing the abicipar formulation in order to minimize inflammation. Molecular Partners will also continue to support Allergan in the preparation of the launch of the phase 3 study for abicipar in DME, expected for 2019, using the further optimized formulation of abicipar, as well as in advancing the three preclinical ophthalmology assets optioned-in from the existing research collaboration.

Allergan plans to file abicipar with the FDA in H1 2019 pending a pre-BLA (biologics license application) meeting with the FDA. Allergan also continues to expect results in H1 2019 from the MAPLE trial using the further optimized formulation of abicipar.

Financial outlook 2018

For the full year 2018, at constant exchange rates, the company expects total expenses of around CHF 50million, of which around CHF 6 million will be non-cash effective costs for share-based payments, IFRS pension accounting and depreciation. This guidance is subject to the progress of the pipeline, mainly driven by manufacturing costs, the speed of enrollment of patients in clinical studies and data from research and development projects. No guidance can be provided with respect to net cash flow projections. Timelines and potential milestone payments from existing and potentially new partnerships are not disclosed.

R&D Day in New York on December 6, 2018

Molecular Partners is hosting its 2nd R&D update on “Building Tomorrow’s Breakthroughs” in New York City on December 6, 2018. This event is intended for institutional investors, sell-side analysts, investment bankers and business development professionals.

Discussion topics will include the development strategy for MP0250 in multiple myeloma and an update on the clinical trials in NSCLC and multiple myeloma. Moreover, the company will highlight the advancement of its immuno-oncology pipeline. Dr. Pamela Trail, the company’s CSO, will present the research strategy and new research data of the company. Finally, a representative of the company’s strategic partner Allergan will present the latest clinical data on Allergan-licensed abicipar.

A detailed agenda, including speakers and presentation titles as they are confirmed, can be found on the Molecular Partners’ R&D Day 2018 website ahead of the event. Please RSVP by emailing Susan A. Noonan at susan@sanoonan.com.

Conference call and audio webcast

Molecular Partners will conduct a conference call and audio webcast related to its Q3 Interim Management Statement on November 01, 2018, at 2:00pm CET (1:00pm GMT, 9:00am EST).
In order to register for the conference call, please dial the following numbers approximately 10 minutes before the start of the presentation:

	+41
	(0)
	58
Switzerland	310
/ Europe	5000
	+44
	(0)
	207
	107
UK	0613
	+1
	(1)
	631
	570
USA	5613

Participants will have the opportunity to ask questions after the presentation.

The corresponding audio webcast will be accessible, both live and as a replay, on the investors section of the company’s website, along with the accompanying presentation slides.

Financial Calendar

- November 1, 2018 – Q3 2018 Management Statement
- December 6, 2018 – R&D Day in New York
- February 7, 2019 – Publication of Full-year Results 2018 (unaudited)
- March 15, 2019 – Expected Publication of Annual Report 2018
- April 16, 2019 – Annual General Meeting
- May 9, 2019 – Interim Management Statement Q1 2019
- August 27, 2019 – Publication of Half-year Results 2019 (unaudited)
- October 31, 2019 – Interim Management Statement Q3 2019

http://investors.molecularpartners.com/financial-calendar-and-events/

About the DARPin® Difference

DARPin® therapeutics are a new class of protein therapeutics opening an extra dimension of multi-specificity and multi-functionality.
DARPin® candidates are potent, specific, safe and very versatile. They can engage more than 5 targets at once, offering potential benefits over those offered by conventional monoclonal antibodies or other currently available protein therapeutics.
The DARPin® technology is a fast and cost-effective drug discovery engine, producing drug candidates with ideal properties for development and very high production yields.

With their good safety profile, low immunogenicity and long half-life in the bloodstream and the eye, DARPin® therapeutics have the potential to advance modern medicine and significantly improve the treatment of serious diseases, including cancer and sight-threatening disorders. Molecular Partners is partnering with Allergan to advance clinical programs in ophthalmology, and is advancing a proprietary pipeline of DARPin® drug candidates in oncology and immuno-oncology. The most advanced global product candidate is abicipar, a molecule currently in phase 3, in partnership with Allergan. Several DARPin® molecules for various ophthalmic indications are also in development. The most advanced DARPin® therapeutic candidate wholly owned by Molecular Partners, MP0250, is in phase 2 clinical development for the treatment of solid tumors and hematological tumors. MP0274, the second-most advanced DARPin® drug candidate owned by Molecular Partners, has broad anti-HER activity; it inhibits HER1,

HER2 and HER3-mediated downstream signaling via Her2, leading to induction of apoptosis. MP0274 is currently in phase 1. Molecular Partners is also advancing a growing preclinical pipeline that features several immuno-oncological development programs. DARPin® is a registered trademark owned by Molecular Partners AG.

About Molecular Partners AG

Molecular Partners AG is a clinical-stage biopharmaceutical company that is developing a new class of therapies known as DARPin® therapeutics. With a management team that includes many of the founding scientists, the company continues to attract talented individuals who share the passion to develop breakthrough medicines for serious diseases. Molecular Partners has compounds in various stages of clinical and preclinical development and several more in the research stage, with a current focus on oncology and immuno-oncology. The company establishes research and development partnerships with leading pharmaceutical companies and is backed by established biotech investors.

For more information regarding Molecular Partners AG, go to: www.molecularpartners.com.

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