



Molecular Partners announces the launch of a Private Placement of Shares by way of an Accelerated Bookbuilding

July 6, 2020

- Proceeds used to accelerate early stage pipeline, inclusive of MP0310, MP0317 and the SARS-CoV-2 antiviral program MP0420

Zurich-Schlieren, Switzerland, July 6, 2020. Molecular Partners AG (SIX: MOLN), a clinical-stage biotech company that is developing a new class of custom-built protein therapeutics known as DARPin® therapeutics, today announced the launch of a private placement of up to approximately 5.5 million newly issued shares with a nominal value of CHF 0.10 each (the **Offered Shares**), to be issued from existing authorized share capital of the company under exclusion of the existing shareholders' pre-emptive rights by way of an accelerated bookbuilding (the **Offering**).

The offer price will be determined through an accelerated bookbuilding process (the **Bookbuilding**) which starts immediately and the Offered Shares will be offered exclusively to (a) professional investors in Switzerland on the basis of applicable exemptions from the prospectus requirements under the Swiss Financial Services Act and outside of the United States in compliance with Regulation S under the U.S. Securities Act of 1933, as amended (the **U.S. Securities Act**), (b) certain qualifying investors outside of Switzerland and outside of the United States by way of private offerings in reliance on Regulation S under the U.S. Securities Act and exemptions from prospectus, registration and/or filing requirements available under local securities laws and (c) a limited number of persons within the United States who are reasonably believed to be qualified institutional buyers in a private placement pursuant to Section 4(a)(2) of the U.S. Securities Act or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

The offer price of the Offered Shares and the final number of shares will be announced upon completion of the Bookbuilding, which is expected prior to market opening on July 7, 2020.

As a result of the capital increase and assuming all Offered Shares are placed, Molecular Partners AG's registered share capital will increase by approximately 25% from CHF 2,160,119.20 to CHF 2,712,928.10, divided into 27,129,281 registered shares with a nominal value of CHF 0.10 each. Molecular Partners AG intends to use the net proceeds from the Offering to fund R&D activities as well as for general corporate purposes.

The Offered Shares, if issued, are expected to be listed and admitted to trading on SIX Swiss Exchange as of July 9, 2020. Payment and settlement is expected to take place on the same date. The Offered Shares will rank pari passu with the existing shares.

The company, members of the board of directors and members of the management board have agreed to a 90-day lock-up period after settlement of the Offered Shares, subject to certain customary exceptions.

SVB Leerink LLC, Cowen and Company, LLC, Credit Suisse AG and Van Lanschot Kempen Wealth Management N.V. are acting as Joint Bookrunners.

About Molecular Partners AG

Molecular Partners AG is a clinical-stage biotech company developing a new class of custom-built proteins known as DARPin® therapeutics, designed to address challenges current modalities cannot. The company has compounds in various stages of clinical and preclinical development with a focus on oncology. Molecular Partners has formed partnerships with leading pharmaceutical companies to advance DARPin® therapeutics across multiple therapeutic areas.

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If located in a relevant state, each person who initially acquires any securities, and to the extent applicable any funds on behalf of which such person acquires such securities that are located in a relevant state, or to whom any offer of securities may be made will be deemed to have represented, acknowledged and agreed that it is a Qualified Investor as defined above.

The offer of the securities referred to herein will be made pursuant to exemptions under the Prospectus Regulation from the requirement to produce a prospectus in connection with offers of securities.

For readers in the United Kingdom, this press release is only being distributed to and is only directed at Qualified Investors who are (i) outside the United Kingdom or (ii) investment professionals falling within Article 19(5) (Investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the Order) or (iii) certain high value persons and entities who fall within Article 49(2)(a) to (d) ("High net worth companies, unincorporated associations etc.") of the Order; or (iv) any other person to whom it may lawfully be communicated (all such persons in (i) to (iv) together being referred to as relevant persons). The Offered Shares are expected to only be available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Offered Shares will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this announcement or any of its contents.

The offering of the shares in Switzerland is exempt from the requirement to prepare and publish a prospectus under the Swiss Financial Services Act (FinSA) because such offering is made to professional clients within the meaning of the FinSA only. This press release does not constitute a prospectus as such term is understood pursuant to the FinSA, the Swiss Code of Obligations in its version as it was effective immediately prior to the entering into force of the FinSA or pursuant to the listing rules of any stock exchange or regulated trading venue in Switzerland.

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Information to Distributors

Solely for the purposes of the product governance requirements of EU Directive 2014/65/EU on markets in financial instruments, as amended (MiFID II); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the MiFID II Product Governance Requirements), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the securities the subject of the offering described herein have been subject to a product approval process, which has determined that such securities are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the Target Market Assessment). Notwithstanding the Target Market Assessment, distributors should note that: the price of the securities may decline and investors could lose all or part of their investment; the securities offer no guaranteed income and no capital protection; and an investment in the securities is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the offering. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Managers will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the securities.

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