



Molecular Partners successfully completes Private Placement of 5,528,089 Shares by way of an Accelerated Bookbuilding

July 7, 2020

- **Proceeds from the Offering will help accelerate development of the SARS-CoV-2 antiviral candidate, MP0420, as well as early stage clinical and preclinical pipeline assets**

Zurich-Schlieren, Switzerland, July 7, 2020. Molecular Partners AG (SIX: MOLN), a clinical-stage biotech company that is developing a new class of custom-built proteins known as DARPin® therapeutics, today announced that it has successfully placed 5,528,089 registered shares (the **New Shares**), corresponding to approximately 25% of the company's currently registered share capital, by way of an accelerated bookbuilding process (the **Offering**), at an offering price of CHF 14.50 per share. The gross proceeds of the Offering, before deducting commissions and offering expenses, amount to approximately CHF 80.2 million (~USD 85.1 million). The offering included participation by new and existing institutional investors in Switzerland, the United States and the European Union, including Suvretta Capital Management, LLC, Camber Capital Management LP, BVF Partners L.P., Federated Hermes Kaufmann Funds and Monashee Investment Management LLC.

The New Shares will be issued from existing authorized share capital of the company under exclusion of the existing shareholders' pre-emptive rights.

SVB Leerink LLC, Cowen and Company, LLC, Credit Suisse AG and Van Lanschot Kempen Wealth Management N.V. acted as Joint Bookrunners. HC Wainwright & Co. and Octavian AG served as Financial Advisors.

The New Shares 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. Molecular Partners AG intends to use the net proceeds from the Offering to fund R&D activities, in particular to accelerate its early stage pipeline, as well as for general corporate purposes.

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 New Shares, subject to certain customary exceptions.

The New Shares were 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.

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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The offer referred to herein, when made in member states of the European Economic Area (**EEA**) and the United Kingdom, is only addressed to and directed to "qualified investors" within the meaning of Article 2(e) the Prospectus Regulation (**Qualified Investors**). For these purposes, the expression **Prospectus Regulation** means Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, and includes any relevant delegated regulations.

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 New Shares are expected to only be available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such New 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.

This press release does not constitute or form part of, and should not be construed as an offer or the solicitation of an offer to subscribe for or purchase the New Shares, and nothing contained therein shall form the basis of or be relied on in connection with any contract or commitment whatsoever, nor does it constitute a recommendation regarding the New Shares. An investment decision to buy any of the New Shares must be made solely on the basis of publicly available information. Such information is not the responsibility of, and has not been independently verified by, SVB Leerink LLC, Cowen and Company, LLC, Credit Suisse AG or Van Lanschot Kempen Wealth Management N.V. or any of their respective affiliates (the **Managers**). The Managers are acting only for the company in connection with the Offering and no one else. They will not regard any other person as their respective clients in relation to the Offering and will not be responsible to anyone other than the company for providing the protections afforded to their respective clients, nor for providing advice in relation to the Offering, the contents of this announcement or any transaction, arrangement or other matter referred to herein. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by the Managers as to or in relation to the accuracy or completeness of this announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

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