Molecular Partners Doses First Cohort in Phase 1 Trial of COVID-19 DARPin® Therapeutic Candidate MP0420

November 23, 2020

Zurich-Schlieren, Switzerland, November 23, 2020. Molecular Partners AG (SIX: MOLN), a clinical-stage biotech company that is developing a new class of custom-built protein drugs known as DARPin® therapeutics, today announced that a first cohort of eight healthy volunteers has been dosed in a Phase 1 first-in-human study of MP0420 (ensovibep), a DARPin® therapeutic candidate for the potential treatment and prevention of COVID-19. MP0420 is designed to bind the receptor-binding domain (RBD) of the SARS-CoV-2 spike protein at three distinct locations to prevent viral entry into cells. Preclinical data support MP0420's potential efficacy as both a prophylactic and as an acute therapy. MP0420 is subject to an option and license agreement with Novartis AG to develop, manufacture and commercialize Molecular Partners' anti-COVID-19 DARPin® program.

"Our anti-COVID-19 program is aimed at delivering an efficacious, highly scalable, and globally distributable therapeutic that has the potential to both treat infected patients and protect high risk populations," said Nicolas Leupin, M.D., Chief Medical Officer of Molecular Partners. "In collaboration with our partner, Novartis, our team continues to move at extraordinary speed from idea to bench to clinical trials, driven by a common desire to help patients against this devastating disease and help bring the world back closer to normalcy."

Conducted in the United Kingdom, the trial is a Phase 1, randomized, double-blind, placebo-controlled, first-in-human single ascending dose study to evaluate the safety, tolerability, and pharmacokinetics of intravenously administered MP0420 in up to 24 healthy volunteers divided into three dose cohorts, with each cohort stratified 3:1 in favor of MP0420.

About Molecular Partners' anti-COVID-19 program

Molecular Partners two antiviral DARPin® candidates, MP0420 and MP0423, are designed to target multiple different sites on the SARS-CoV-2 virus simultaneously for enhanced antiviral effects and potential use as both prophylactics and treatments. The benefits of this multi-specificity include cooperative binding, extremely high potencies and potential prevention of viral 'escape' via mutations. The candidates are formatted with a half-life extending DARPin® domain that binds to human serum albumin (HSA) to support long-acting activity. All DARPin® candidates are constructed to benefit from high-yield and low-cost microbial manufacturing. Molecular Partners is investigating whether the high thermal stability of DARPin® molecules can be used to overcome cold-chain requirements.

Following strong preclinical data supporting the anti-COVID-19 program candidates, in October 2020 the Company entered into a collaboration with Novartis AG in the form of an option and license agreement to develop, manufacture and commercialize Molecular Partners' anti-COVID-19 DARPin® program. Per the terms of the agreement, Molecular Partners will conduct Phase 1 clinical trials for MP0420 (ensovibep) and perform all remaining preclinical work for MP0423; Novartis will conduct Phase 2 and Phase 3 clinical trials, with Molecular Partners as sponsor of these trials. Upon option exercise, Novartis would be responsible for all further development and commercialization activities. Molecular Partners is also collaborating with AGC Biologics, Baccinex, and Ivers-Lee Clinical Supply Management (IL-CSM) to support development of its anti-COVID-19 program, and has reached an agreement with the Swiss Government regarding rights to purchase up to 3.2 million doses of MP0420, if it is approved in Switzerland.

About DARPin® therapeutics

DARPin® therapeutics are a new class of custom-built protein therapeutics based on natural binding proteins that open a new dimension of multi-functionality and multi-target specificity in drug design. A single DARPin® candidate can be built to engage more than five targets, and its flexible architecture and small size offer benefits over conventional monoclonal antibodies or other currently available protein therapeutics. DARPin® therapeutics have been clinically validated through to the registrational stage. The DARPin® platform is a fast and cost-effective drug discovery engine, producing drug candidates with optimized properties for development and very high production yields. DARPin® is a registered trademark owned by Molecular Partners AG.

About Molecular Partners AG

Molecular Partners AG is a clinical-stage biotech company developing DARPin® therapeutics, a new class of custom-built protein drugs designed to address challenges current modalities cannot. The Company has formed partnerships with leading pharmaceutical companies to advance DARPin® therapeutics in the areas of ophthalmology, oncology and infectious disease, and has compounds in various stages of clinical and preclinical development across multiple therapeutic areas. www.molecularpartners.com; Follow the Company on Twitter at @MolecularPrtnrs.

For further details, please contact:

Seth Lewis, SVP IR, Comms, & Strategy
seth.lewis@molecularpartners.com

Tel: +1 781 420 2361

Stefan Riley, U.S. Media
stefan@tenbridgecommunications.com
Tel: +1 617 461 2442

Thomas Schneckenburger, IR & European Media
thomas.schneckenburger@molecularpartners.com
Tel: +41 79 407 9952

Forward-looking statements

This press release may contain certain forward-looking statements relating to the company and its business. Although the company believes its expectations are based on reasonable assumptions, all statements other than statements of historical fact included in this press release about future events are subject to (i) change without notice and (ii) factors beyond the company's control. These statements may include, without limitation, any statements preceded by, followed by, or including words such as "target," "believe," "expect," "aim," "intend," "may," "anticipate," "estimate," "plan," "project," "will," "can have," "likely," "should," "would," "could", and other words and terms of similar meaning or the negative thereof. Forward-looking statements involve certain risks, uncertainties and other factors which could cause the actual results, financial condition, performance or achievements of the company to be materially different from those expressed or implied by such statements. Readers should therefore not place undue reliance on these statements, particularly not in connection with any contract or investment decision. Except as required by law, the company assumes no obligation to update any such forward-looking statements, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.