

Condensed consolidated interim financial statements (unaudited)

Condensed consolidated interim statement of financial position as of

September 30, 2026 December 31, 2025

in CHF thousands

Note

Assets

Property, plant and equipment	3,786	5,229
Intangible assets	—	2
Total non-current assets	3,786	5,231
Short-term time deposits	—	10,405
Other current assets	1,667	1,985
Trade and other receivables	1,569	1,834
Cash and cash equivalents	57,493	82,653
Total current assets	60,729	96,876
Total assets	64,515	102,107

Shareholders' equity and liabilities

Share capital	5.2	4,037	4,037
Additional paid-in capital		391,937	389,179
Treasury share reserve	5.2	(1,240)	(1,129)
Cumulative losses		(344,072)	(311,753)
Total shareholders' equity		50,662	80,334
Trade and other payables		160	160
Lease liability		1,528	2,438
Employee benefits		2,757	8,147
Total non-current liabilities		4,445	10,746
Trade and other payables		1,205	1,767
Accrued expenses		6,991	8,055
Lease liability		1,212	1,206
Total current liabilities		9,408	11,027
Total liabilities		13,853	21,772
Total shareholders' equity and liabilities		64,515	102,107

See accompanying notes, which form an integral part of these unaudited condensed consolidated interim financial statements.

Condensed consolidated interim statement of profit or loss and other comprehensive result for the 9 months ended September 30,		2026	2025
in CHF thousands	Note		
Revenues and other income			
Revenues from research and development collaborations	5.1	—	—
Total revenues and other income		—	—
Operating expenses			
Research and development expenses		(27,331)	(30,954)
Selling, general and administrative expenses		(11,762)	(11,815)
Restructuring expenses	5.10	—	(2,733)
Total operating expenses		(39,093)	(45,502)
Operating result		(39,093)	(45,502)
Financial income	5.5	713	1,288
Financial expenses	5.5	(30)	(4,790)
Net finance result		683	(3,502)
Result before income taxes		(38,410)	(49,004)
Income taxes	5.6	—	2
Net result, attributable to shareholders		(38,410)	(49,002)
Other comprehensive result			
Items that will not be reclassified to profit or loss			
Remeasurement of net pension liabilities, net of tax	5.8	6,078	(301)
Items that are or may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		13	9
Other comprehensive result, net of tax		6,091	(292)
Total comprehensive result, attributable to shareholders		(32,319)	(49,295)
Basic and diluted net result per share (in CHF)	5.7	(1.01)	(1.32)

See accompanying notes, which form an integral part of these unaudited condensed consolidated interim financial statements.

Condensed consolidated interim statement of profit or loss and other comprehensive result for the 3 months ended September 30,

2026 2025

in CHF thousands

Note

Revenues and other income

Revenues from research and development collaborations 5.1 — —

Total revenues and other income — —

Operating expenses

Research and development expenses (8,276) (8,328)

Selling, general and administrative expenses (3,785) (3,602)

Restructuring expenses 5.10 — (116)

Total operating expenses (12,061) (12,045)

Operating result (12,061) (12,045)

Financial income 5.5 362 366

Financial expenses 5.5 (9) (157)

Net finance result 353 209

Result before income taxes (11,708) (11,836)

Income taxes 5.6 — —

Net result, attributable to shareholders (11,708) (11,836)

Other comprehensive result

Items that will not be reclassified to profit or loss

Remeasurement of net pension liabilities, net of tax 5.8 2,808 (372)

Items that are or may be reclassified subsequently to profit or loss

Exchange differences on translating foreign operations 4 3

Other comprehensive result, net of tax 2,812 (370)

Total comprehensive result, attributable to shareholders (8,896) (12,206)

Basic and diluted net result per share (in CHF) 5.7 (0.31) (0.33)

See accompanying notes, which form an integral part of these unaudited condensed consolidated interim financial statements.

**Condensed consolidated interim cash flow statement for the
9 months ended September 30,**

2026

2025

in CHF thousands

Net result attributable to shareholders	(38,410)	(49,002)
Adjustments for:		
Depreciation and amortization	1,464	1,632
Share-based compensation	2,784	3,446
Social security and tax paid on behalf of employees on shares vested under the PSU and RSU program	(406)	(322)
Other equity-settled transactions	169	—
Change in employee benefits	687	(770)
Income tax	—	(2)
Financial income	(713)	(1,288)
Financial expenses	30	4,790
Changes in working capital:		
Change in other current assets	247	131
Change in trade and other receivables	276	215
Change in trade and other payables	(568)	425
Change in accrued expenses	(1,064)	687
Exchange gain/(loss) on working capital positions	(7)	(24)
Interest paid on lease liabilities	(18)	(12)
Other financial expense	(12)	(11)
Net cash used in operating activities	(35,541)	(40,106)
Proceeds from investments in short term time deposits	18,257	115,591
Investments in short term time deposits	(8,036)	(55,765)
Acquisition of property, plant and equipment	(20)	(575)
Interest received	301	1,346
Net cash from investing activities	10,501	60,597
Proceeds from issuance of shares under LTI plans	—	1
Proceeds from vesting under the LTI plans	100	62
Payment of lease liabilities	(903)	(912)
Net cash used in financing activities	(803)	(849)
Exchange gain (loss) on cash positions	683	(1,159)
Net increase (decrease) in cash and cash equivalents	(25,160)	18,485
Cash and cash equivalents at January 1	82,653	63,874
Cash and cash equivalents at September 30,	57,493	82,359

See accompanying notes, which form an integral part of these unaudited condensed consolidated interim financial statements.

**Condensed consolidated interim
statement of changes in equity**

	Share capital	Additional paid-in capital	Treasury share reserve	Cumulative losses	Total shareholders' equity
in CHF thousands					
At January 1, 2025	4,036	384,875	(981)	(246,293)	141,636
Net result	—	—	—	(49,002)	(49,002)
Remeasurement of net pension liabilities	—	—	—	(301)	(301)
Exchange differences on translating foreign operations	—	—	—	9	9
Total comprehensive income	—	—	—	(49,294)	(49,294)
Share-based compensation costs ⁽¹⁾	—	3,446	—	—	3,446
Issuance of new shares under LTI plans	1	—	—	—	1
Exercise of LTI plans	—	(112)	173	—	62
Treasury shares withheld to cover social security and tax	—	—	(322)	—	(322)
At September 30, 2025	4,037	388,209	(1,129)	(295,588)	95,529
At January 1, 2026	4,037	389,179	(1,129)	(311,753)	80,334
Net result	—	—	—	(38,410)	(38,410)
Remeasurement of net pension liabilities	—	—	—	6,078	6,078
Exchange differences on translating foreign operations	—	—	—	13	13
Total comprehensive income	—	—	—	(32,319)	(32,319)
Share-based compensation costs ⁽¹⁾	—	2,784	—	—	2,784
Other equity-settled transactions	—	154	15	—	169
Exercise of LTI plans	—	(180)	280	—	100
Treasury shares withheld to cover social security and tax	—	—	(406)	—	(406)
At September 30, 2026	4,037	391,937	(1,240)	(344,072)	50,662

⁽¹⁾ See note 5.4

See accompanying notes, which form an integral part of these unaudited condensed consolidated interim financial statements.

Explanatory notes to the condensed consolidated interim financial statements

1. General Information

Molecular Partners AG ("Company") and its subsidiary (collectively "Molecular Partners" or "Group") is a clinical-stage biopharmaceutical company pioneering designed ankyrin repeat proteins (DARPin) candidates to treat serious diseases, with a current focus on oncology and virology. The Company was founded on November 22, 2004, and is domiciled at Wagistrasse 14, 8952 Schlieren, Canton of Zurich, Switzerland. It is subject to the provisions of the articles of association and to article 620 et seq. of the Swiss Code of Obligations, which describe the legal requirements for limited companies ("Aktiengesellschaften").

Molecular Partners Inc. is a wholly owned subsidiary of Molecular Partners AG. Molecular Partners Inc. was incorporated in the United States in the State of Delaware on October 8, 2018. Molecular Partners Inc. is based in Cambridge, Massachusetts.

The unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2026, were approved for issuance by the Audit and Finance Committee on October 26, 2026.

The Company's shares are listed on the SIX Swiss Exchange (Ticker: MOLN) since November 5, 2014, and on the Nasdaq Global Select Market (Ticker: MOLN) since June 16, 2021.

2. Basis of Preparation

These unaudited condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended December 31, 2025. They do not include all the information required for a complete set of consolidated financial statements prepared in accordance with IFRS® Accounting Standards ("IFRS") as issued by the IASB. However, selected explanatory notes are included to explain events and transactions that are significant to gain an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended December 31, 2025.

The Board of Directors and management have assessed the Group's ability to continue as a going concern for a period of at least twelve months from the date these financial statements are authorized for issue. That assessment concluded that the going concern basis of preparation remains appropriate; however, material uncertainties exist on the current ability to raise funds and on the level of cash and cash equivalents that may cast significant doubt on the Group's ability to continue as a going concern, as described below.

Conditions and events giving rise to material uncertainty

At September 30, 2026, the Group had cash and cash equivalents and short-term financial assets of CHF57,493. Based on the approved operating plan, existing cash resources are expected to fund operations into Q4 2027. The Company has been unable to obtain additional funding since the last issuance of shares in October 2024. As the Company historically has been dependent on raising funding through the capital markets and to a lesser extent on revenue or cost sharing arrangements, the current situation gives rise to the material uncertainty.

Management's plans and mitigating actions

Management, with oversight from the Board of Directors, has developed and is executing the following plans to address the identified conditions:

- A deepened focus on radiopharmaceuticals and streamlining of capabilities and resources resulting in a pipeline prioritization and operating cost reductions. As a result of this pipeline prioritization, the Company expects there to be no or immaterial impairment exposure. In regard to the operating cost reductions, the Company has informed on October 29, 2026, the Amt für Wirtschaft of Kanton Zürich (Office for Economic Affairs) of its intention to reduce its current workforce by no more than 55 positions, representing a potential of ~44% of all positions. Molecular Partners foresees the full implementation of these changes enacted by Q2 2027 and the reduction of costs to become fully effective early in H2 2027. See note 5.11 for further information.
- Capital raise / equity financing — ongoing efforts to secure additional funding, either through a direct issuance of shares or alternative structures.

The accounting policies set forth in the notes to those annual consolidated financial statements have been consistently applied to all periods presented, except as per below.

The condensed consolidated interim financial statements are presented in thousands of Swiss Francs (TCHF), unless stated otherwise.

The business is not subject to any seasonality. Revenues largely depend on the underlying collaboration agreements and the achievement of agreed milestones, while expenses are largely affected by the phase of the respective projects, particularly with regard to external research and development expenditures.

Due to rounding, the numbers presented in the financial statements might not precisely equal the accompanying notes.

3. New or Revised IFRS Standards and Interpretations

A number of new or amended standards became applicable for annual periods beginning on or after January 1, 2026. These standards were assessed to not have any significant impact on the Group's accounting policies and did not require any retrospective adjustments.

A preliminary assessment on the impact of the implementation of IFRS 18 has been performed; based on this assessment, the Company expects there to be no significant impact on the Company's overall financial statements. Based on the initial assessment the Company also expects there to be no Management defined Performance Measures or MPM's to be reported on. IFRS 18 will not be early adopted. Possible impacts from other new or revised standards have not yet been assessed but are anticipated to be immaterial.

4. Accounting estimates and judgments

The condensed consolidated interim financial statements have been prepared under the historical cost convention. In preparing these condensed consolidated interim financial statements, management made judgments, estimates and assumptions that not only assess the determination on operating as a going concern, based on the development of our cash balance, but also affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

5. Other explanatory notes

5.1 Other group-wide disclosures

On January 5, 2024, the Group announced it entered into a co-development agreement with Orano Med to co-develop ²¹²Pb-based Radio Darpin Therapies (RDT). Under the terms of the co-development agreement, Molecular Partners previously disclosed RDT target DLL3 (delta-like ligand 3) is included in

the collaboration with Orano Med. Both companies agree to share the cost of preclinical and clinical development with additional commitments to supply their respective materials.

The cost sharing in the first nine months of 2026 resulted in a reimbursement of expenses by Orano Med of TCHF710 (First nine months of 2025: TCHF2,030) and for the three months ended September 30, 2026: TCHF285 (Three months ended September 30, 2025: TCHF633) reported under research and development expenses.

5.2 Share capital

As of September 30, 2026, the issued share capital of the Company amounted to CHF 4,037,464 divided into 40,374,641 fully paid registered shares, inclusive of 2,039,227 treasury shares (December 31, 2025: CHF 4,037,464 divided into 40,374,641 shares, of which 2,962,973 were treasury shares).

In CHF thousands	Number of Treasury shares	Average price in CHF	Total TCHF value
As of January 1, 2026	2,962,973	0.38	1,129
Shares vested under the PSU program	(881,169)	0.28	(247)
Shares withheld to cover social security and tax liabilities	105,614	3.08	326
Shares vested under the RSU program	(120,144)	0.28	(34)
Shares withheld to cover social security and tax liabilities	24,890	3.23	80
Other equity-settled transactions	(52,937)	0.28	(15)
Shares as of September 30, 2026	2,039,227	0.61	1,240

Treasury shares are measured at a FIFO principle.

The 130,504 shares were withheld from vested awards to cover employees' and Board of Directors income tax and social security contributions.

5.3 Dividends

The Group has paid no dividends since its inception and does not anticipate paying dividends in the foreseeable future.

5.4 Share-based compensation

As of September 30, 2026, a total of 3,253,411 PSUs and 586,723 Restricted Share Units ("RSUs") were outstanding (as of December 31, 2025, a total of 2,918,458 PSUs and 504,543 RSUs were outstanding). The changes in the number of share-based awards (PSUs and RSUs) outstanding during the nine month period ended September 30, 2026, is as follows:

PSU/ RSU movements ³	PSU / RSU (numbers)
Balance outstanding at January 1, 2026	3,423,001
Granted	1,965,301
(Performance adjustment) ¹	(396,151)
(Forfeited) ²	(150,704)
(Expired)	—
(Exercised grants), vested PSU / RSU	(1,001,313)

Balance outstanding at September 30, 2026	3,840,134
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¹Performance adjustments indicate additional grants or forfeitures due to non-market performance conditions (under) over-achieved

²Forfeited due to service conditions not fulfilled

³All outstanding PSU / RSU have an exercise price of CHF 0.10.

The share-based compensation costs recognized during the nine months ended September 30, 2026, amounted to TCHF 2,784 (TCHF 3,446 for the nine months ended September 30, 2025). For the three months ended September 30, 2026, the share-based compensation costs amounted to TCHF 941 (TCHF 1,076 for the three months ended September 30, 2025).

5.5 Financial income and expense

Financial income for nine months

in CHF thousands, for the nine months ended September 30	2026	2025
Interest income on financial assets held at amortized cost	230	1,288
Net foreign exchange gain	483	—
Total	713	1,288

Financial expense for nine months

in CHF thousands, for the nine months ended September 30	2026	2025
Net foreign exchange loss	—	(4,767)
Interest expense on leases	(18)	(12)
Other financial expenses	(12)	(11)
Total	(30)	(4,790)

Financial income for three months

in CHF thousands, for the three months ended September 30	2026	2025
Interest income on financial assets held at amortized cost	16	366
Net foreign exchange gain	346	—
Total	362	366

Financial expense for three months

in CHF thousands, for the three months ended September 30	2026	2025
Net foreign exchange loss	—	(151)
Interest expense on leases	(5)	(3)
Other financial expenses	(4)	(4)
Total	(9)	(158)

Exchange results primarily represent unrealized foreign exchange results on the cash and short-term time deposit balances held in USD.

5.6 Income taxes

The Group has in recent years reported operating losses, with the exception of the year ended December 31, 2022, that resulted in a tax loss carry-forward in Switzerland of TCHF 252,980 as of December 31, 2025. No deferred tax assets have been recognized for these tax loss carry forwards, because it is not probable that such loss carry forwards can be utilized in the foreseeable future. In addition, no deferred tax positions were recognized on other deductible temporary differences (e.g., pension liabilities under IAS 19) due to the significant tax loss carry forwards.

5.7 Earnings per share

for the nine months ended September 30	2026	2025
Weighted average number of shares used in computing basic and diluted earnings per share	38,047,613	37,223,971

for the three months ended September 30	2026	2025
Weighted average number of shares used in computing basic and diluted earnings per share	38,326,000	37,399,154

5.8 Other Comprehensive result

In order to recognize remeasurements of the net defined benefit obligation in the period in which they arise, the Group utilizes its independent actuaries to update the calculation of the defined benefit obligation and plan assets at each reporting date. The primary components of the remeasurement as of and for the nine month period ended September 30, 2026, relate to an increase in the value of the assets held under the defined benefit plan and changes to demographic assumptions.

5.9 Related parties

The Group did not enter into any related party transactions in the interim periods presented.

5.10 Restructuring expense

For the nine months ended September 30, 2026 no restructuring expense was recognized. For the nine months ended September 30, 2025, the Group recognized TCHF 2,733 as expenses related to the restructuring initiated June 10, 2025. The restructuring charges primarily consisted of personnel related cost.

5.11 Events after the balance sheet date

On October 29, 2026 the Company has informed the Amt für Wirtschaft of Kanton Zürich (Office for Economic Affairs) of its intention, as part of a company restructuring, to reduce its current workforce by no more than 55 positions, representing a potential of ~44% of all positions. In accordance with Swiss employment law, a consultation process with employees has been initiated. Upon completion of the consultation process, the Company will offer affected employees support. Molecular Partners foresees the full implementation of these changes enacted by Q2 2027 and the reduction of costs to become fully effective early in H2 2027. The financial impact from the restructuring is not estimable at this time, as the Company is still assessing the specifics of affected employees.

Other than the workforce reduction described above, no other events occurred between the balance sheet date and the date on which these condensed consolidated interim financial statements were approved for issuance by the Board of Directors that would require adjustment to these condensed consolidated interim financial statements or disclosure under this section.