

To the Shareholders of Molecular Partners AG

Invitation to the Annual General Meeting

Tuesday, April 16, 2019, 2:00 p.m. CEST (doors open at 1:30 p.m.)
Molecular Partners AG, 5th Floor, **Wagistrasse 14, 8952 Schlieren**, Switzerland

Agenda and Proposals of the Board of Directors

1. Approval of the Annual Report and the Annual Financial Statements for the Financial Year 2018

The Board of Directors proposes to approve the Annual Report 2018 and the Annual Financial Statements 2018.

2. Consultative Vote on the Remuneration Report

The Board of Directors proposes to approve in a consultative vote the Compensation Report 2018.

Explanations

The Compensation Report 2018 is included in the Annual Report 2018 (pages 58ff.). The Board of Directors has decided, in accordance with the Swiss Code of Best Practice for Corporate Governance, to submit the Compensation Report to shareholders for a separate consultative vote in addition to the binding approvals of compensation under agenda item 8.

3. Approval of the Appropriation of Results

The Board of Directors proposes to carry forward the net loss of CHF 23,766,541 thereby bringing the loss carried forward position from CHF 42'056'153 to CHF 65,822,694.

4. Discharge of the Board of Directors and the Management Board

The Board of Directors proposes that its members and the members of the Management Board be granted discharge for their activities in the financial year 2018.

5. Re-Elections to the Board of Directors and the Nomination and Compensation Committee

5.1 Re-Elections to the Board of Directors

The Board of Directors proposes the re-election of:

- 5.1.1 Göran Ando;
- 5.1.2 William (Bill) Burns;
- 5.1.3 Gwen Fyfe;
- 5.1.4 Steven H. Holtzman;
- 5.1.5 William A. Lee;
- 5.1.6 Petri Vainio; and
- 5.1.7 Patrick Amstutz;

each as member of the Board of Directors for a term of office of one year until the conclusion of the 2020 annual general meeting. All elections are held individually.

Explanations

For biographical details on the candidates please refer to the Company's website¹.

¹ www.molecularpartners.com/aboutus/board-of-directors

5.2 Re-Election of the Chairman of the Board of Directors

The Board of Directors proposes the re-election of William (Bill) Burns as Chairman of the Board of Directors for a term of office of one year until the conclusion of the 2020 annual general meeting.

5.3. Re-Election to the Nomination and Compensation Committee

The Board of Directors proposes the re-election of:

- 5.3.1 Göran Ando;
- 5.3.2 William (Bill) Burns; and
- 5.3.3 William A. Lee;

each as member of the Nomination and Compensation Committee, for a term of office of one year until the conclusion of the 2020 annual general meeting. All elections are held individually.

Explanations

If William (Bill) Burns is re-elected, the Board of Directors intends to re-appoint him as Chairperson of the Nomination and Compensation Committee.

6. **Re-Election of the Statutory Auditors**

The Board of Directors proposes to re-elect KPMG AG, Zurich, as statutory auditors for the financial year 2019.

7. **Election of the Independent Proxy**

The Board of Directors proposes that Anwaltskanzlei Keller KLG, Zurich, be elected as the independent proxy for a term of office until the conclusion of the 2020 annual general meeting.

8. **Approval of the Compensation Amounts for the Board of Directors and the Management Board**

8.1 Approval of the Compensation Amount for the Board of Directors for the Next Term of Office

The Board of Directors proposes to approve the maximum aggregate amount of compensation of the Board of Directors for the term of office from the annual general meeting 2019 until the annual general meeting 2020 of CHF 955,500.

Explanations

The compensation of the Board of Directors is expected to consist of a fee in cash for the board and committees work in an aggregate amount of up to CHF 357,000 and an allocation in restricted share units (RSUs) in an aggregate amount of up to CHF 598,500. RSUs are subject to a three-year blocking period. For purposes of this proposal the RSUs will be valued as of the grant date. The maximum amount includes estimated social security contributions, except for mandatory employer contributions to state social security institutions².

While the equity compensation in the form of RSUs remains unchanged compared to the compensation amount 2018, the maximum amount 2019 for the compensation in cash will allow for a potential limited increase of the cash fee. The reasons for this increase are (i) the expected participation of three directors to the newly renamed Research and Development Committee (instead of only two directors so far) and (ii) the necessity to offer a higher cash fee to attract and retain qualified directors from the

² Molecular Partners will be obliged to make employer contributions to social security insurance (providing for old age, unemployment, handicap, etc.) on top of the compensation of members of the Board of Directors, pursuant to applicable mandatory law. Based on currently applicable contribution rates and assuming vesting of all RSUs the employer contributions relating to fixed and long term compensation are expected not to exceed CHF 85,995 in the aggregate.

biotech industry in the United States. Given the importance on a global scale of US biotech companies and US market and regulations, it is key for Molecular Partners' development to be able to attract US Board members. In addition, the compensation offered to US Board members should appropriately reflect the time commitment required to attend Board meetings in Europe.

Additional information on the compensation model of the Board of Directors may be found in Molecular Partners' Annual Report and Compensation Report.

8.2 Approval of the Fixed Compensation Amount for the Management Board from July 1, 2019 until June 30, 2020

The Board of Directors proposes to approve the maximum aggregate amount of fixed compensation for the five members of the Management Board for the period from July 1, 2019 until June 30, 2020 of CHF 2,091,770.

Explanations

The fixed compensation of the five current members of the Management Board shall consist of a fixed compensation in cash, which includes the base salaries as well as social security and pension contributions, except for the mandatory employer contributions to state social security institutions³.

The increase of the above proposal compared to the fixed compensation amount for the Management Board for the previous period from July 1, 2018 until June 30, 2019 is essentially due to the increase of members of the Management Board from four to five. The above proposal newly includes the fixed remuneration of Molecular Partners' Chief Scientific Officer who was appointed on June 21, 2018⁴.

Additional information on the compensation model of the Management Board may be found in Molecular Partners' Annual Report and Compensation Report.

8.3 Approval of the Variable Compensation Amount for the Management Board for the Current Financial Year

The Board of Directors proposes to approve the maximum aggregate amount of variable compensation of the five members of the Management Board for the current financial year of CHF 2'736,471.

Explanations

The proposed variable compensation consists of a variable short-term compensation element in cash and a variable long-term compensation element in the form of performance share units (PSUs) as well as estimated social security and pension contributions except for the mandatory employer contributions to state social security institutions³. PSUs are subject to a three-year vesting period. At the vesting date, participants may receive between zero and maximum 1.2 Molecular Partners shares per PSU based on achievement of predetermined performance criteria for the year 2019. The PSUs will be valued as of the date of grant. For purposes of this proposal the valuation will be based on the issuance of 1.2 shares for each PSU, i.e., assuming maximum target achievement. The proposal also assumes maximum target achievement for the variable short-term compensation.

The increase of the above proposal compared to the variable compensation amount for the Management Board for 2018 is largely due to the increase of members of the Management Board from four to five. The above proposal newly includes the variable

³ Molecular Partners will be obliged to make employer contributions to social security insurance (providing for old age, unemployment, handicap, etc.) on top of the compensation of members of the Management Board pursuant to applicable mandatory law. As an estimate based on currently applicable contribution rates the employer contributions are expected not to exceed (i) with respect to the fixed compensation CHF 165,140, and (ii) with respect to the variable compensation (assuming full target achievement and full vesting of the PSUs) CHF 246,282.

⁴ The compensation of the new Chief Scientific Officer was not included in the compensation amount submitted to the Annual General Meeting 2018 as her appointment occurred after the Annual General Meeting 2018. For more details, please refer to page 67 of the Annual Report 2018.

remuneration of Molecular Partners' Chief Scientific Officer who was appointed on June 21, 2018.

Additional information on the short-term and long-term compensation model of the Management Board may be found in Molecular Partners' Annual Report and Compensation Report.

The annual general meeting will be conducted in English.

Schlieren, March 19, 2019

William (Bill) Burns, Chairman of the Board of Directors

Organizational Information

Documents

The Annual Report 2018, which is published only in English and which includes the Compensation Report and the reports of the statutory auditors, is available for inspection at the domicile of Molecular Partners AG, Wagistrasse 14, 8952 Schlieren (Zurich). It is also available on the Company's website: www.molecularpartners.com.

Participation and Voting Rights

Shareholders registered with voting rights in the share register as of April 8, 2019, 5:00 p.m., CEST, will be authorized to participate and vote at the annual general meeting. They will receive their admission card and voting materials upon returning the enclosed registration form. Please use therefor the enclosed pre-addressed envelope.

Representation and Proxy

Shareholders who do not attend the annual general meeting in person may be represented by another shareholder or by the independent proxy, Raphael Keller, attorney-at-law, Alfred-Escher-Strasse 11, 8002 Zurich. Shareholders wishing such representation by the independent proxy are asked to sign the enclosed proxy form and to forward it, together with any directives, to the Company's share registrar areg.ch ag (see below). For practical reasons, the decision to be represented by the independent proxy may be revoked by the shareholder in favor of personal attendance or attendance by another shareholder no later than April 12, 2019.

In the absence of specific instructions on the proxy form, general authorization is granted to the independent proxy to vote the shares in favor of the proposals of the Board of Directors. This also applies to proposals which were not included in this invitation and submitted during the annual general meeting.

Electronic Proxy and Voting

You have also the option to issue proxies and voting instructions to the independent proxy via the Internet. Enter www.netvote.ch/molecularpartners in your browser and follow the user prompts on the display. You have the same reply options as with the paper format. You will find your personal access data (ID and password) for the initial registration on the registration form. Electronic participation and any changes to directives issued electronically may be made until April 12, 2019, 11:59 a.m., CEST.

Entries in the Share Register – Trading of Shares

No entries will be made in the share register in the period from April 9, 2019 until the end of the 2019 annual general meeting. However, shares may be traded without restrictions. Shareholders who sell part or all of their shares before the 2019 annual general meeting are no longer entitled to vote to that extent. They are requested to return or to exchange their admission card and voting material.

Future electronic receipt of AGM invitation

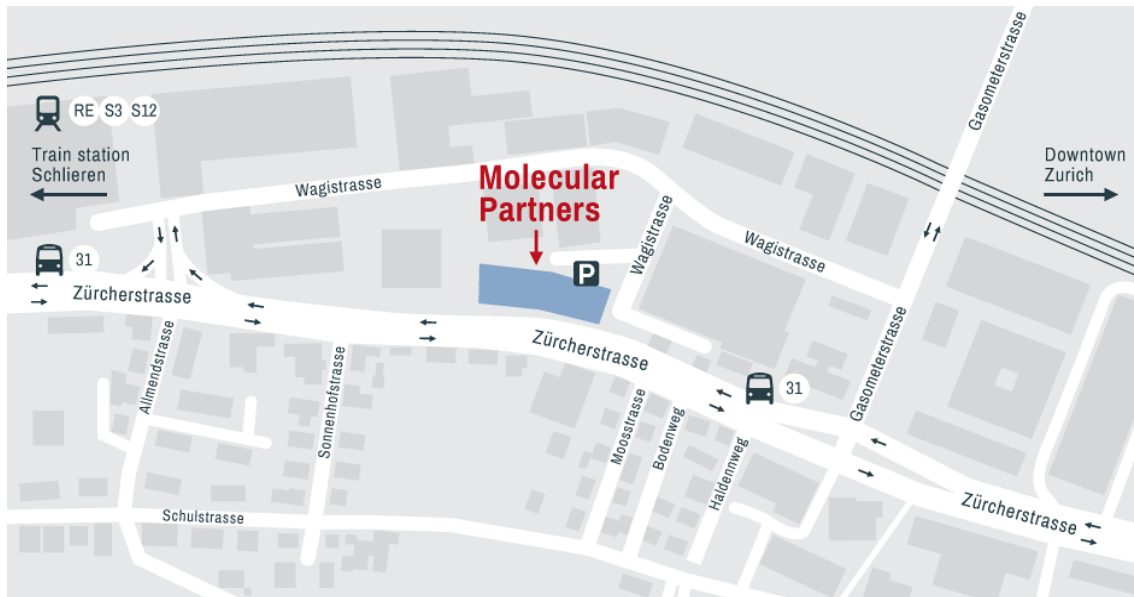
If you would like to receive invitations to AGMs electronically in the future, you can access the instruction issuance system under www.netvote.ch/molecularpartners and click on "Select correspondence method". The login details can be found on the enclosed reply slip.

Questions

Please direct your administrative questions directly to our share registrar (areg.ch ag, Fabrikstrasse 10, 4614 Hägendorf, Tel +41 62 209 16 60, e-mail: info@areg.ch).

Location

Molecular Partners AG, 5th Floor, Wagistrasse 14, 8952 Schlieren, Switzerland



Limited parking spaces are available in the underground garage upon prior notice at +41 44 755 77 00 or investors@molecularpartners.com.