UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 8, 2022

RECURSION PHARMACEUTICALS, INC.
(Exact name of registrant as specified in its charter)

Delaware	**001-40323**	**46-4099738**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(I.R.S. Employer Identification No.)**

41 S Rio Grande Street
Salt Lake City, UT 84101
(Address of principal executive offices) (Zip code)

(385) 269 - 0203
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Class A Common Stock, par value $0.00001 per share	RXRX	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 or (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company X

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition.

On November 8, 2022, Recursion Pharmaceuticals, Inc. issued a press release announcing its results of operations and financial condition for the third quarter September 30, 2022. A copy of the press release is furnished as Exhibit 99.1 and is incorporated herein by reference.

Item 7.01. Regulation FD Disclosure.

On November 8, 2022, Recursion Pharmaceuticals, Inc. released an updated investor presentation. The investor presentation will be used from time to time in meetings with investors. A copy of the presentation is attached hereto as Exhibit 99.2.

The information furnished pursuant to Item 2.02 (including Exhibit 99.1) and 7.01 (including Exhibit 99.2) on this Form 8-K, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any other filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
99.1	Press release issued by Recursion Pharmaceuticals, Inc. dated November 8, 2022
99.2	Investor presentation of Recursion Pharmaceuticals, Inc. dated November 8, 2022
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized on November 8, 2022.

RECURSION PHARMACEUTICALS, INC.

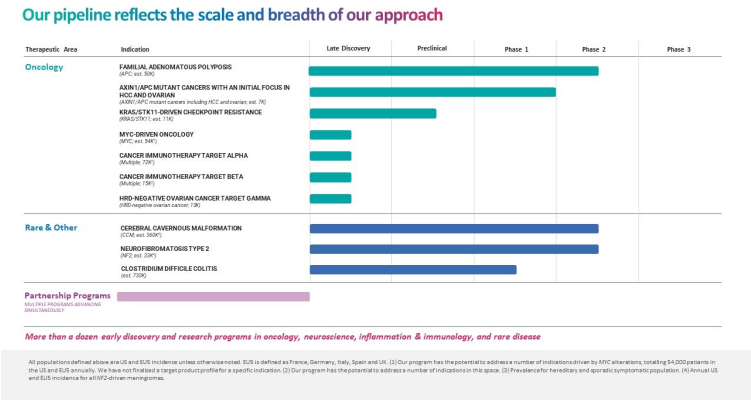
By: /s/ Michael Secora
Michael Secora
Chief Financial Officer

Recursion Provides Business Updates and Reports Third Quarter 2022 Financial Results

- Initiated our Phase 2 clinical trial for the potential treatment of familial adenomatous polyposis (FAP)
- Initiated our Phase 1 clinical trial for the potential treatment of Clostridium difficile colitis
- Nominated a new clinical program in *AXIN1/APC* mutant cancers with an initial focus on hepatocellular carcinoma and ovarian cancer, for which a Phase 2 clinical trial is being planned
- Raised gross proceeds of approximately $150 million in a private placement offering

SALT LAKE CITY, November 8, 2022 — Recursion (Nasdaq: RXRX), the clinical-stage biotechnology company industrializing drug discovery by decoding biology, today reported business updates and financial results for its third quarter ending September 30, 2022.

“We are excited to have initiated four clinical trials in the past three quarters,” said Chris Gibson, Ph.D., Co-Founder & CEO at Recursion. “In addition, our first clinical stage program discovered using our mapping and navigating approach to biology was nominated as a clinical stage program, with a Phase 2 clinical trial being planned now. We believe that our consistency in advancing our internal pipeline and transformational partnerships coupled with our willingness to continuously evolve our platform to more completely map and navigate biology and chemistry highlight Recursion as a leader within technology-enabled drug discovery.”



Summary of Business Highlights

- **Internal Pipeline**
  - **Cerebral Cavernous Malformation (CCM) (REC-994):** In March 2022, we announced the initiation of our Phase 2 SYCAMORE clinical trial, which is a double-blind, placebo-controlled safety, tolerability and exploratory efficacy study

of this drug candidate in 60 participants with CCM. At this time, we continue to actively enroll participants.
    - **Neurofibromatosis Type 2 (NF2) (REC-2282):** In June 2022, we announced the initiation of our Phase 2/3 POPLAR clinical trial, which is a parallel group, two stage, randomized, multicenter study of this drug candidate in approximately 90 participants with progressive *NF2*-mutated meningiomas. At this time, we continue to actively enroll participants.
    - **Familial Adenomatous Polyposis (FAP) (REC-4881):** In September 2022, we announced the initiation of our Phase 2 TUPELO clinical trial, which is a multicenter, randomized, double-blind, placebo-controlled two-part clinical trial to evaluate efficacy, safety and pharmacokinetics of REC-4881 in patients with FAP.
    - ***AXIN1/APC* Mutant Cancers (REC-4881):** In October 2022, we announced the nomination of REC-4881 for the potential treatment of *AXIN1/APC* mutant cancers with an initial focus on hepatocellular carcinoma and ovarian cancer. We have prioritized resources to accelerate planning to initiate a Phase 2 trial. The advancement of this program highlights our intent to focus our internal pipeline on oncology and oncology-like opportunities.
    - ***Clostridium difficile* Colitis (REC-3964):** In September 2022, we announced the initiation of our Phase 1 clinical trial, which is a first-in-human protocol evaluating single and multiple doses of REC-3964 in healthy volunteers and will assess the safety, tolerability and pharmacokinetic profile of REC-3964.
    - **GM2 Gangliosidosis (REC-3599):** Due to the advancement of our program in AXIN1/APC mutant cancers and the increasing number of oncology programs moving towards the clinic, we deprioritized our GM2 gangliosidosis program and redirected resources. We will make efforts to work with patient foundations to transfer relevant scientific knowledge.
- **Transformational Collaborations**

  We continue to advance efforts to potentially discover new therapeutics with our strategic partners in the areas of fibrotic disease (Bayer) as well as neuroscience and a single indication in gastrointestinal oncology (Roche and Genentech).
- **Recursion OS**
    - **Transcriptomics and Industrialized Validation:** We continue to build out our scaled transcriptomics platform which has now been adopted into the research operating plans of the majority of Recursion's active programs in order to drive validation, lead selection, and optimization. We are developing an end-to-end industrialized validation process in order to translate phenomic and transcriptomic insights from our maps of biology and chemistry.
    - **InVivomics and Digital Tolerability:** Digital tolerability is a novel *in vivo* method for analytical dose selection and interpretation prior to initiating efficacy studies. By the end of the year, we are planning to have 100% of new chemical entities evaluated using digital tolerability before starting any long-term efficacy studies in animals. Furthermore, we continue to increase the dimensionality of digital biomarker signals measured in our preclinical *in vivo* studies.
    - **Chemical Technology and Machine Learning:** We have completed the design of the remaining core component modules of our automated chemical microsynthesis platform. We envision advanced machine learning approaches as guiding experiment design and drug candidate selection while exploring new ways of building maps of biology and chemistry in order to improve our ability to predict treatments and understand causal mechanisms. Likewise, in the third

quarter, we began an initiative in molecular modeling to use predictive and generative methods to drive chemistry optimization.

- **Additional Corporate Updates**
  - **Private Placement Offering:** On October 27, 2022, we completed a Private Placement of common stock, raising gross proceeds of approximately $150.3 million, before deducting placement agent fees and other expenses.
  - **ESG Reporting:** In August 2022, we announced receiving a Prime Rating for ESG performance from the industry-renowned Institutional Shareholder Services (ISS). A Prime Rating is awarded to companies with ESG performance above a sector-specific threshold and is assessed by ISS using an "absolute best in class" methodology.

Third Quarter 2022 Financial Results

- **Cash Position:** Cash and cash equivalents were $454.6 million as of September 30, 2022, which excludes proceeds from the above private placement offering.
- **Revenue:** Total revenue, consisting primarily of revenue from collaborative agreements, was $13.2 million for the third quarter of 2022, compared to $2.5 million for the third quarter of 2021. The increase was due to revenue recognized from our Roche-Genentech collaboration.
- **Research and Development Expenses:** Research and development expenses were $40.8 million for the third quarter of 2022, compared to $33.2 million for the third quarter of 2021. The increase in research and development expenses was due to increased clinical costs as studies progressed.
- **General and Administrative Expenses:** General and administrative expenses were $19.5 million for the third quarter of 2022, compared to $15.7 million for the third quarter of 2021. The increase in general and administrative expenses was due to the growth in size of the company's operations, including an increase in salaries and wages of $4.0 million and other administrative costs associated with operating a public company.
- **Net Loss:** Net loss was $60.4 million for the third quarter of 2022, compared to a net loss of $47.4 million for the third quarter of 2021.

About Recursion

Recursion is the clinical-stage biotechnology company industrializing drug discovery by decoding biology. Enabling its mission is the Recursion OS, a platform built across diverse technologies that continuously expands one of the world’s largest proprietary biological and chemical datasets. Recursion leverages sophisticated machine-learning algorithms to distill from its dataset, a collection of trillions
of searchable relationships across biology and chemistry unconstrained by human bias. By commanding massive experimental scale — up to millions of wet lab experiments weekly — and massive computational scale — owning and operating one of the most powerful supercomputers in the world, Recursion is uniting technology, biology and chemistry to advance the future of medicine.

Recursion is headquartered in Salt Lake City, where it is a founding member of BioHive, the Utah life sciences industry collective. Recursion also has offices in Toronto, Montreal and the San Francisco Bay Area. Learn more at www.Recursion.com, or connect on Twitter and LinkedIn.

Media Contact
Media@Recursion.com

Investor Contact
InvestorRelations@Recursion.com

Recursion Pharmaceuticals, Inc.
Condensed Consolidated Statements of Operations (unaudited)
(in thousands, except share and per share amounts)

	Three months ended September 30,		Nine months ended September 30,	
	2022	**2021**	**2022**	**2021**
Revenue				
Operating revenue	$ 13,053	$ 2,500	$ 26,005	$ 7,500
Grant revenue	107	34	162	145
Total revenue	13,160	2,534	26,167	7,645
Operating costs and expenses				
Cost of revenue	15,409	—	37,435	—
Research and development	40,836	33,246	111,716	86,979
General and administrative	19,488	15,690	61,761	38,481
Total operating expenses	75,733	48,936	210,912	125,460
Loss from operations	(62,573)	(46,402)	(184,745)	(117,815)
Other income (loss), net	2,128	(1,026)	2,761	(3,731)
Net loss	$ (60,445)	$ (47,428)	$ (181,984)	$ (121,546)
Per share data				
Net loss per share of Class A and B common stock, basic and diluted	$ (0.35)	$ (0.28)	$ (1.06)	$ (1.10)
Weighted-average shares (Class A and B) outstanding, basic and diluted	173,435,970	168,533,550	172,122,974	110,513,231

Recursion Pharmaceuticals, Inc.
Condensed Consolidated Balance Sheets (unaudited)
(in thousands)

	September 30, 2022	December 31, 2021
Assets		
Current assets		
Cash and cash equivalents	$ 454,646	$ 285,116
Restricted cash	2,090	1,552
Accounts receivable	—	34
Other receivables	11,635	9,056
Investments	—	231,446
Other current assets	13,247	7,514
Total current assets	481,618	534,718
Restricted cash, non-current	8,154	8,681
Property and equipment, net	85,777	64,725
Operating lease right-of-use assets	33,726	—
Intangible assets, net	1,457	1,385
Goodwill	801	801
Other non-current assets	—	35
Total assets	$ 611,533	$ 610,345
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	$ 3,890	$ 2,819
Accrued expenses and other liabilities	26,757	32,333
Unearned revenue	46,753	10,000
Notes payable	95	90
Operating lease liabilities	5,541	—
Lease incentive obligation	—	1,416
Total current liabilities	83,036	46,658
Deferred rent	—	4,110
Unearned revenue, non-current	93,909	6,667
Notes payable, non-current	561	633
Operating lease liabilities, non-current	45,993	—
Lease incentive obligation, non-current	—	9,339
Total liabilities	223,499	67,407
Commitments and contingencies		
Stockholders' equity		
Common stock (Class A and B)	2	2
Additional paid-in capital	970,096	943,142
Accumulated deficit	(582,064)	(400,080)
Accumulated other comprehensive loss	—	(126)
Total stockholders' equity	388,034	542,938
Total liabilities and stockholders' equity	$ 611,533	$ 610,345

Forward-Looking Statements

This document contains information that includes or is based upon "forward-looking statements" within the meaning of the Securities Litigation Reform Act of 1995, including, without limitation, those regarding early and late stage discovery, preclinical, and clinical programs; licenses and collaborations; prospective products and their potential future indications and market opportunities; Recursion OS and other technologies; business and financial plans and performance; and all other statements that are not historical facts. Forward-looking statements may or may not include identifying words such as “plan,” “will,” “expect,” “anticipate,” “intend,” “believe,” “potential,” “continue,” and similar terms. These statements are subject to known or unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such statements, including but not limited to: challenges inherent in pharmaceutical research and development, including the timing and results of preclinical and clinical programs, where the risk of failure is high and failure can occur at any stage prior to or after regulatory approval due to lack of sufficient efficacy, safety considerations, or other factors; our ability to leverage and enhance our drug discovery platform; our ability to obtain financing for development activities and other corporate purposes; the success of our collaboration activities; our ability to obtain regulatory approval of, and ultimately commercialize, drug candidates; our ability to obtain, maintain, and enforce intellectual property protections; cyberattacks or other disruptions to our technology systems; our ability to attract, motivate, and retain key employees and manage our growth; inflation and other macroeconomic issues; and other risks and uncertainties such as those described under the heading “Risk Factors” in our filings with the U.S. Securities and Exchange Commission, including our most recent Quarterly Report on Form 10-Q and our Annual Report on Form 10-K. All forward-looking statements are based on management’s current estimates, projections, and assumptions, and Recursion undertakes no obligation to correct or update any such statements, whether as a result of new information, future developments, or otherwise, except to the extent required by applicable law.

Decoding Biology To Radically Improve Lives

End of Q3 2022

Recursion

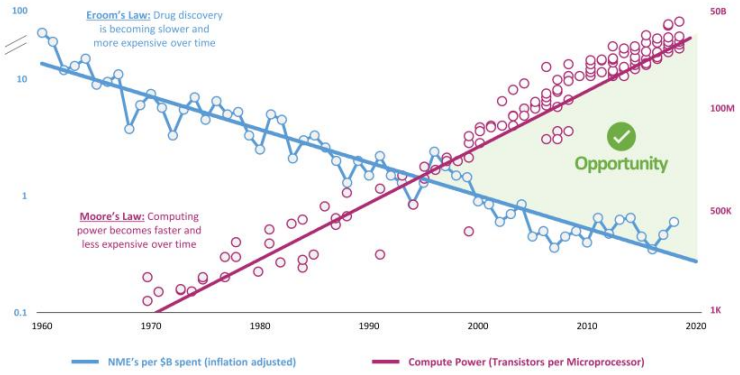
Forward-Looking Statements

This presentation and any accompanying discussion or documents contains information that includes or is based upon "forward-looking statements" within the meaning of the Securities Litigation Reform Act of 1995. These forward-looking statements are based on our current expectations, estimates and projections about our industry and our company, management's beliefs and certain assumptions we have made. The words “plan,” “anticipate,” “believe,” “continue,” “estimate,” “expect,” “intend,” “may,” “will” and similar expressions are intended to identify forward-looking statements. Forward-looking statements made in this presentation include statements about Recursion's use of the proceeds from its private placement, the initiation, timing, progress, results, and cost of our research and development programs and our current and future preclinical and clinical studies, the potential size of the market opportunity for our drug candidates, our ability to identify viable new drug candidates for clinical development and the accelerating rate at which we expect to identify such candidates, our expectation that the assets that will drive the most value for us are those that we will identify in the future using our datasets and tools, and many others. Forward-looking statements made in this presentation are neither historical facts nor assurances of future performance, are subject to significant risks and uncertainties, and may not occur as actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. For a discussion of factors that could affect our business, please refer to the "Risk Factors" sections in our filings with the U.S. Securities and Exchange Commission, including our most recent Quarterly Report on Form 10-Q and our Annual Report on Form 10-K. This presentation does not purport to contain all the information that may be required to make a full analysis of the subject matter. We undertake no obligation to correct or update any forward-looking statements, whether as a result of new information, future events or otherwise.

Certain information contained in this presentation relates to or is based on studies, publications, surveys and other data obtained from third-party sources and the Company’s own internal estimates and research. While the Company believes these third-party sources to be reliable as of the date of this presentation, it has not independently verified, and makes no representation as to the adequacy, fairness, accuracy or completeness of, any information obtained from third-party sources. In addition, all of the market data included in this presentation involves a number of assumptions and limitations, and there can be no guarantee as to the accuracy or reliability of such assumptions. Finally, while the Company believes its own internal research is reliable, such research has not been verified by any independent source.

Any non-Recursion logos or trademarks included herein are the property of the owners thereof and are used for reference purposes only.

The multi-trillion dollar biopharma industry faces pressure amidst declining efficiency in drug discovery…

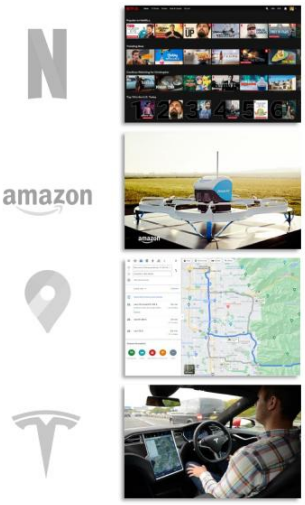


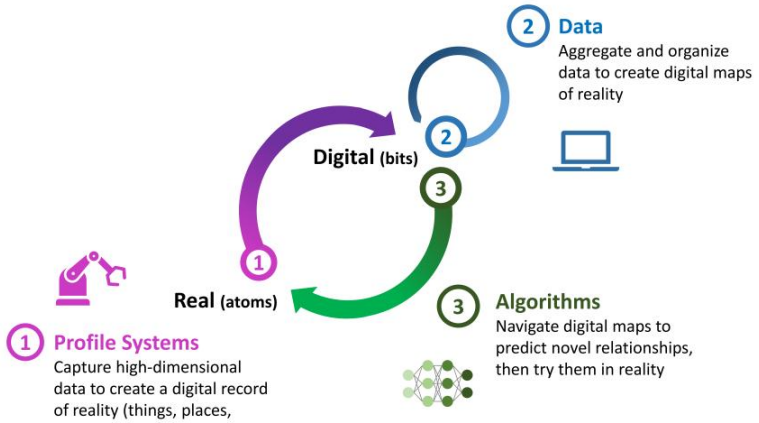
Recursion

… while technology expands value creation across virtually every industry, creating an arbitrage Recursion is designed to exploit.

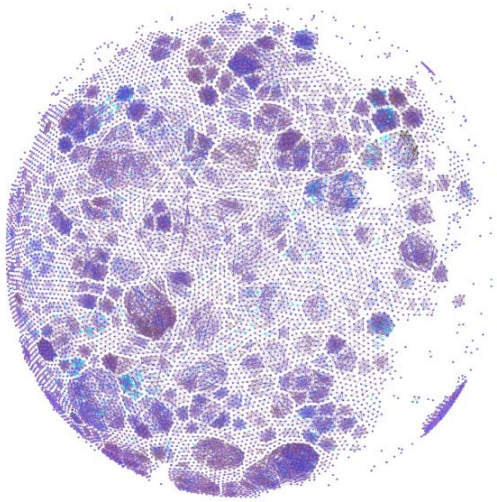
Adapted from Scannell et al and Our World in Data

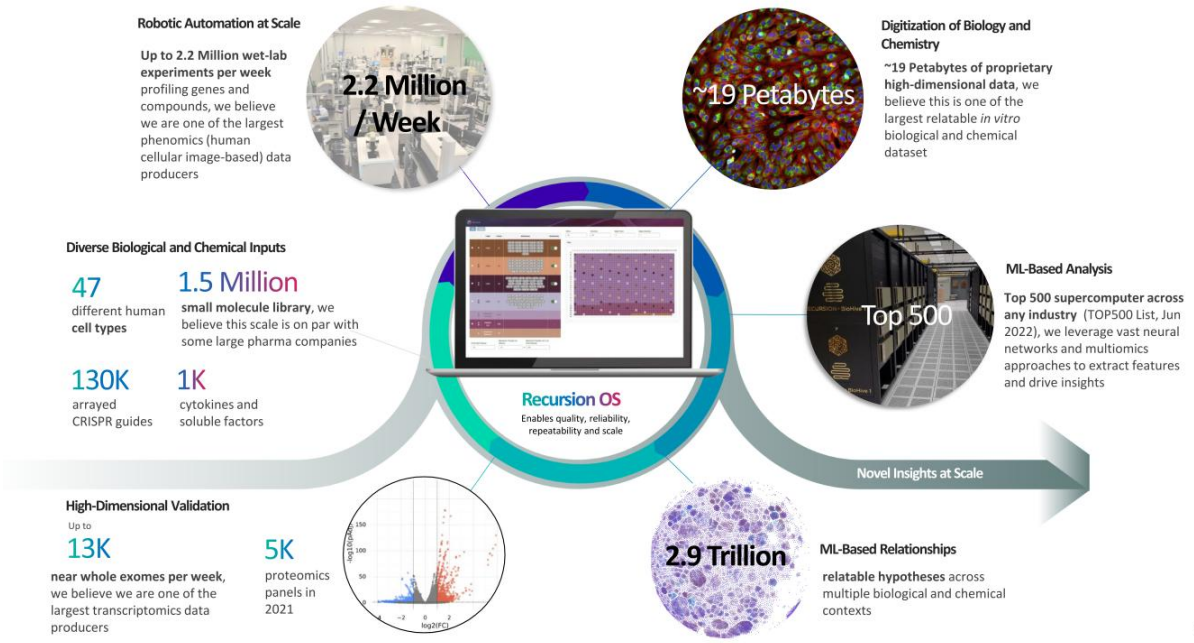
Many successful tech companies exploit an iterative loop of data collection and algorithms designed to predict and test complex relationships





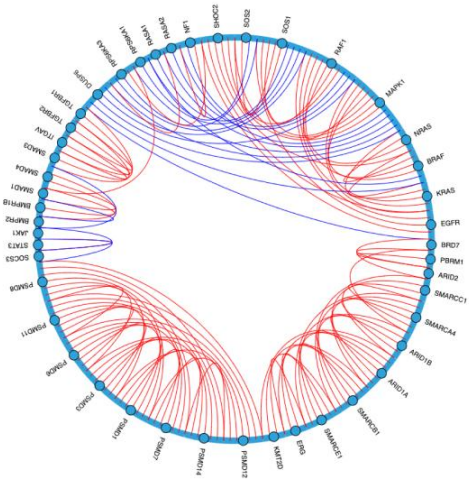
How we build maps of biology and chemistry to drive value




Robotic Automation at Scale
Up to 2.2 Million wet-lab experiments per week profiling genes and compounds, we believe we are one of the largest phenomics (human cellular image-based) data producers
2.2 Million / Week
~19 Petabytes
Digitization of Biology and Chemistry
~19 Petabytes of proprietary high-dimensional data, we believe this is one of the largest relatable in vitro biological and chemical dataset
Diverse Biological and Chemical Inputs
47
different human cell types
1.5 Million
small molecule library, we believe this scale is on par with some large pharma companies
130K
arrayed CRISPR guides
1K
cytokines and soluble factors
Recursion OS
Enables quality, reliability, repeatability and scale
Top 500
ML-Based Analysis
Top 500 supercomputer across any industry (TOP500 List, Jun 2022), we leverage vast neural networks and multiomics approaches to extract features and drive insights
Novel Insights at Scale
High-Dimensional Validation
Up to
13K
near whole exomes per week, we believe we are one of the largest transcriptomics data producers
5K
proteomics panels in 2021
2.9 Trillion
ML-Based Relationships
relatable hypotheses across multiple biological and chemical contexts

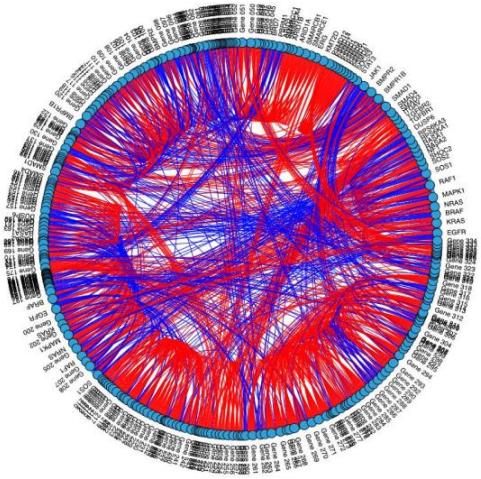
Historical tools and the limits of human cognition have led to oversimplifying complex biological systems

Traditional Approach to Biology



Well-known primary relationships
between key members of five pathways:
JAK/STAT | SWI/SNF | TGFβ | RAS | Proteasome

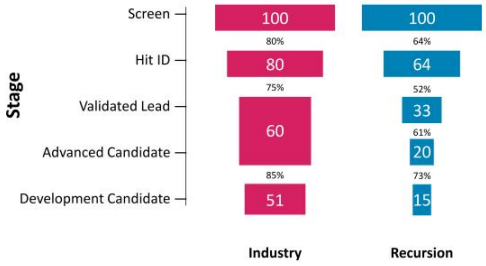
Recursion's Approach to Biology

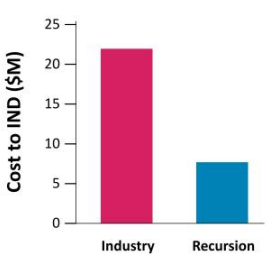


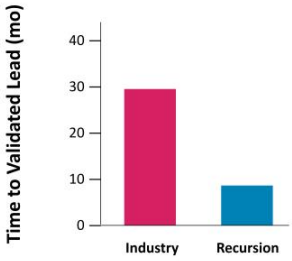
All primary relationships found by the Recursion OS
between key members of five pathways:
JAK/STAT | SWI/SNF | TGFβ | RAS | Proteasome

Mapping and navigating the complex systems of biology and chemistry has demonstrated leading indicators of efficiency

Failing faster and earlier to › **› spend less ›** **› and go faster**

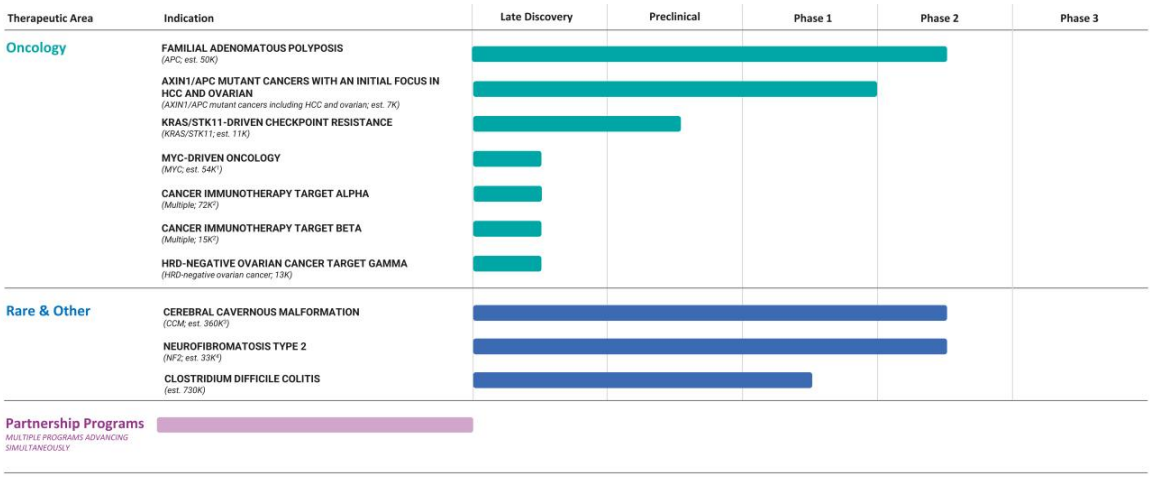






Data shown are the averages of all our programs from 2017 through 2021. All industry data adapted from Paul, et al. Nature Reviews Drug Discovery, (2010) 9, 203–214

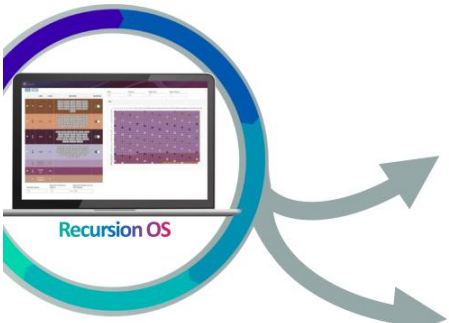
Our pipeline reflects the scale and breadth of our approach



More than a dozen early discovery and research programs in oncology, neuroscience, inflammation & immunology, and rare disease

All populations defined above are US and EU5 incidence unless otherwise noted. EU5 is defined as France, Germany, Italy, Spain and UK. (1) Our program has the potential to address a number of indications driven by *MYC* alterations, totalling 54,000 patients in the US and EU5 annually. We have not finalized a target product profile for a specific indication. (2) Our program has the potential to address a number of indications in this space. (3) Prevalence for hereditary and sporadic symptomatic population. (4) Annual US and EU5 incidence for all *NF2*-driven meningiomas.

We harness the value and scale of our maps of biology and chemistry using a capital efficient business strategy



Discovery Partnerships

Partnership strategy

- Partner in **complex therapeutic areas** requiring large financial commitment and competitive market dynamics
- **Leverage partner knowledge** and clinical development capabilities

- **Fibrosis**
- **Neuroscience**
  *and a single oncology indication
- **Other large, intractable areas of biology**

Internal Pipeline

Pipeline strategy

- Build wholly-owned pipeline in indications with potential for **accelerated path** to approval

- **Oncology**
- **Rare Disease**

Our existing partnerships represent some of the most significant scientific collaborations in biopharma

(Announced Sep 2020; Expanded Dec 2021)

Fibrosis

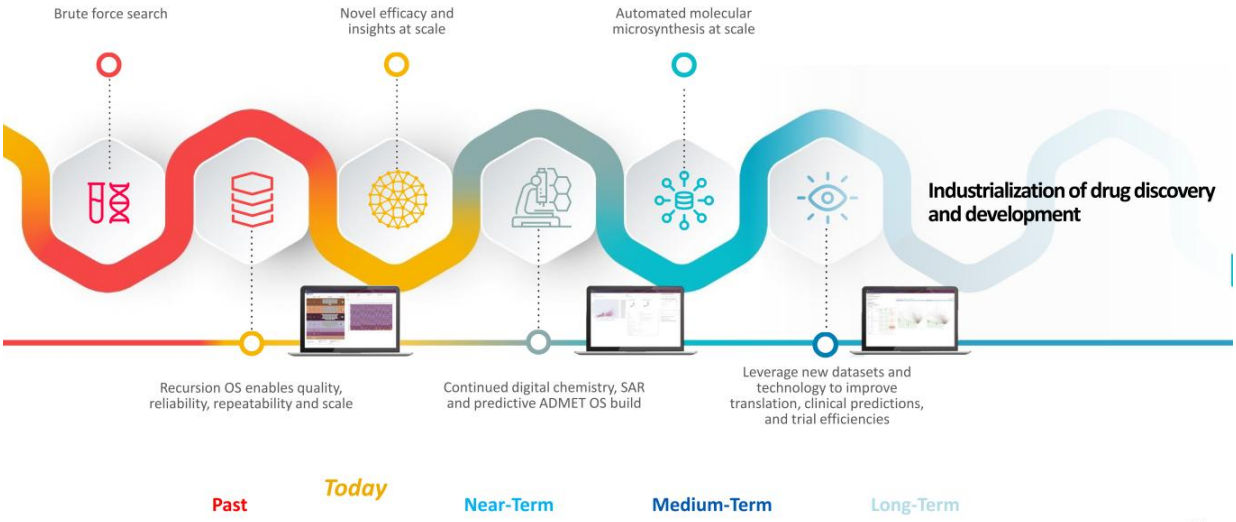
- **$30M upfront** and **$50M equity investment**
- Up to or exceeding **$1.2B in milestones** for up to or exceeding **12 programs**
- **Mid single-digit royalties** on net sales
- **Recursion owns all algorithmic improvements**

(Announced Dec 2021)

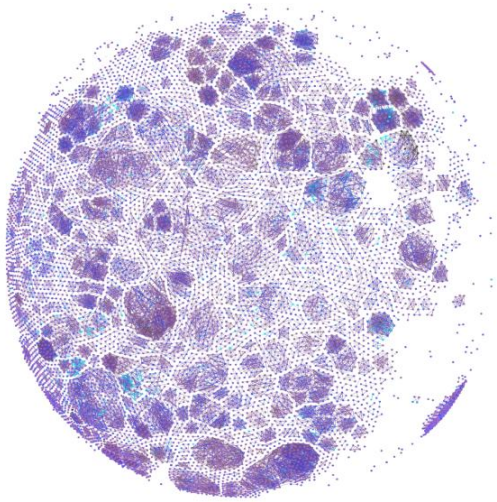
Neuroscience
*and a single oncology indication

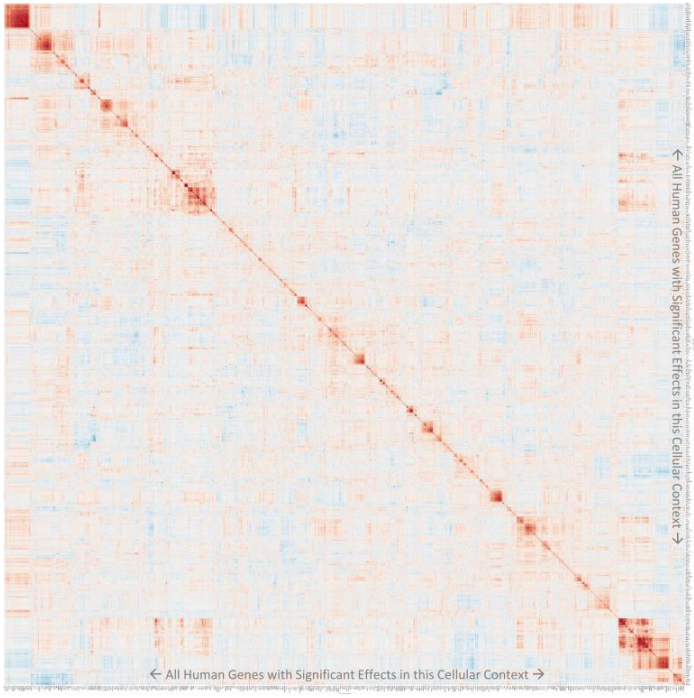
- **$150M upfront** and up to or exceeding **$500M in research milestones and data usage options**
- Up to or exceeding **$300M in possible milestones per program** for up to **40 programs**
- **Mid to high single-digit tiered royalties** on net sales
- **Recursion owns or co-owns all algorithmic improvements**

The roadmap – multiple cycles of learning and iteration



How we navigate maps of biology and chemistry to turn drug discovery into a search problem





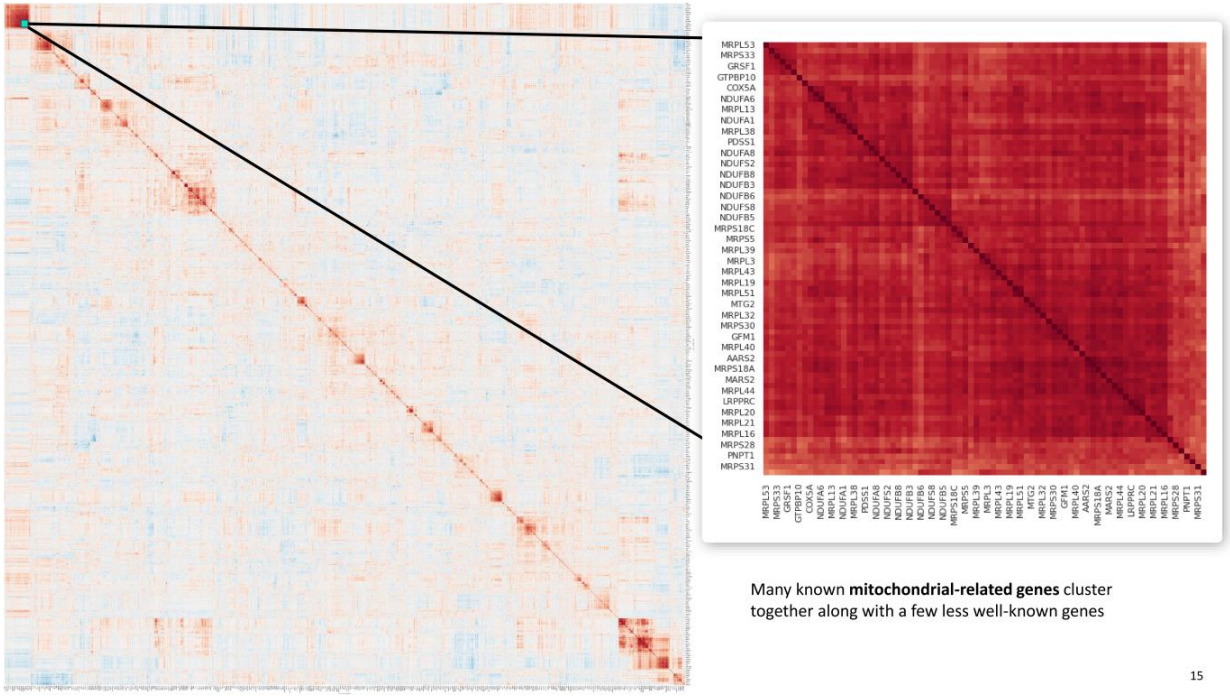
Genome-scale mapping

This is a **whole-genome arrayed CRISPR knock-out Map** generated in primary human endothelial cells

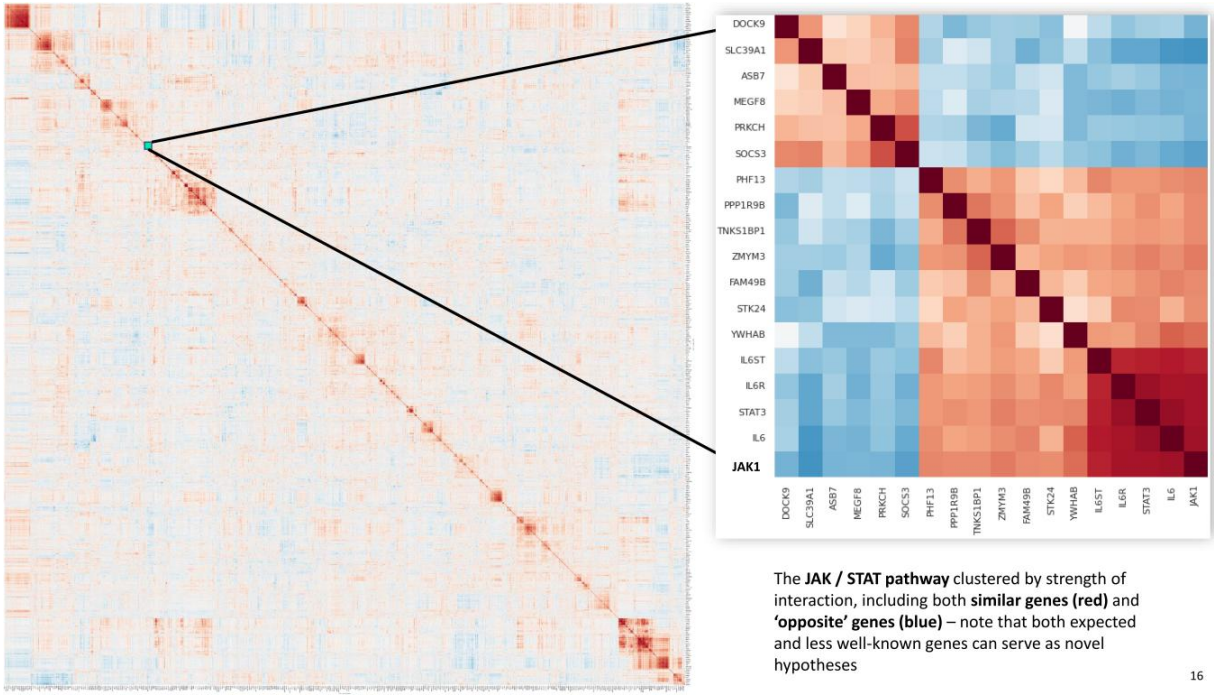
Every gene is represented in a pairwise way (each is present in columns and rows)

Dark Red indicates phenotypic similarity according to our neural networks while Dark Blue indicates phenotypic anti-similarity (which in our experience often suggests negative regulation)

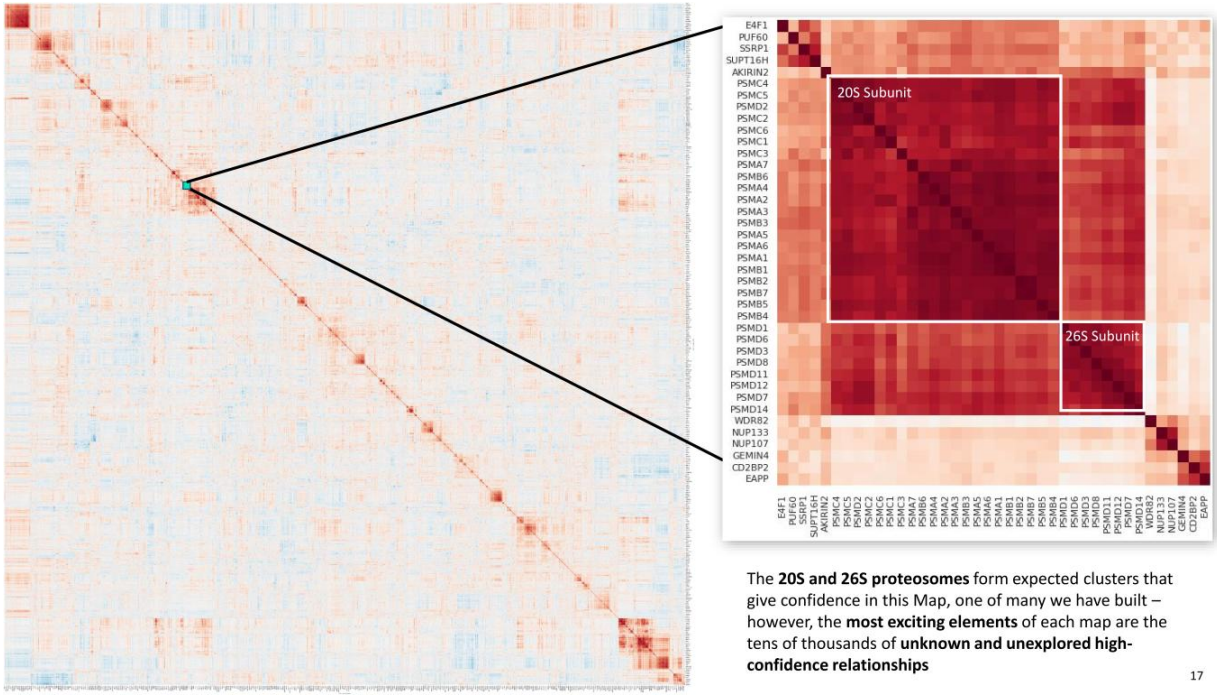
We can add the phenotypes of hundreds of thousands of small molecules at multiple doses and query and interact with these maps using a web application



Many known **mitochondrial-related genes** cluster together along with a few less well-known genes



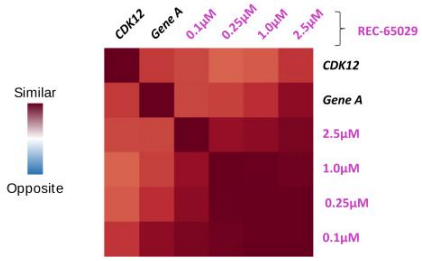
The **JAK / STAT pathway** clustered by strength of interaction, including both **similar genes (red)** and **'opposite' genes (blue)** – note that both expected and less well-known genes can serve as novel hypotheses



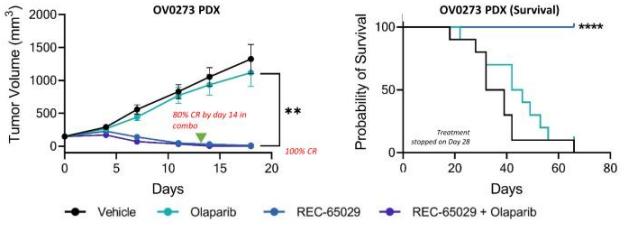
The **20S and 26S proteosomes** form expected clusters that give confidence in this Map, one of many we have built – however, the **most exciting elements** of each map are the tens of thousands of **unknown and unexplored high-confidence relationships**

Target γ: Novel CDK12-adjacent target for potentially treating HRD-negative ovarian cancer

- **Goal:** Identify potential first-in-class tumor-targeted precision therapeutic NCE with novel MOA capable of potentially treating HRD-negative ovarian cancer
- **Phenomap insight:** Inhibition of target *Gene A* (for example, with REC-65029) may mimic inhibition of CDK12 while mitigating toxicity due to CDK13 inhibition
- **Result:** Single agent and in combination with olaparib in HRD-negative ovarian cancer CDX and PDX models showed **durable efficacy** – including **100% complete response**

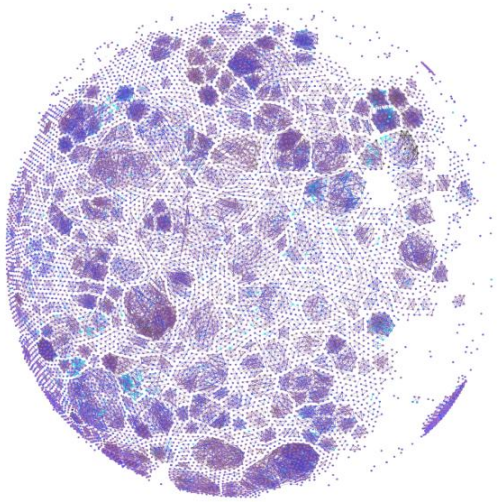


Single agent and combination (with olaparib) in an HRD-*negative* ovarian cancer PDX model with durable response



OV0273 PDX – REC-65029 dosed at 85 mg/kg PO, BID, olalparib dosed at 90mg/kg PO QD; ** p<0.01 **** p<0.0001

Recursion's Clinical Programs



Phase 2 Trial Underway – REC-994 for Cerebral Cavernous Malformation (CCM)

PREVALENCE

360,000 **US + EU5**

CAUSE

LOF mutations in genes *CCM1*, *CCM2* & *CCM3*, key for maintaining the structural integrity of the vasculature due to unknown mechanisms

PATHOPHYSIOLOGY

Vascular malformations of the CNS leading to focal neurological deficits, hemorrhage and other symptoms

OUR REASON TO BELIEVE

Efficacy in Recursion OS as well as functional validation via scavenging of massive superoxide accumulation in cellular models; reduction in lesion number with chronic administration in mice

KEY ELEMENTS

- Targeting sporadic and familial symptomatic CCM patients with *CCM1*, *CCM2*, and *CCM3* mutations
- Phase 2 clinical trial initiated in Q1 2022
- Once daily oral dosing
- US & EU Orphan Drug Designation

Phase 2a Study Design:

Julia – living with CCM

Phase 2/3 Trial Underway – REC-2282 for *NF2*-Mutated Progressive Meningioma

PREVALENCE

33,000 **US + EU5**

CAUSE

LOF mutations in *NF2* tumor suppressor gene

PATHOPHYSIOLOGY

Inherited rare CNS tumor syndrome leading to loss of hearing and mobility, other focal neurologic deficits

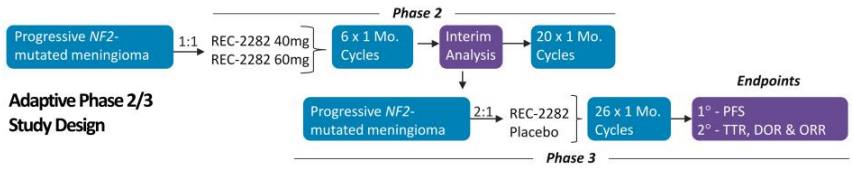
OUR REASON TO BELIEVE

Efficacy in Recursion OS, cellular, and animal models; suppression of aberrant ERK, AKT, and S6 pathway activation in a Phase 1 PD Study in NF2 patient tumors

KEY ELEMENTS

- Targeting familial and sporadic NF2 meningioma patients
- Phase 2/3 clinical trial initiated in Q2 2022
- Oral bioavailability and CNS exposure together are unique among clinical-stage HDAC inhibitors
- Fast-Track and US Orphan Drug Designation

Adaptive Phase 2/3 Study Design



Ricki – living with NF2

Phase 2 Trial Underway – REC-4881 for Familial Adenomatous Polyposis (FAP)

PREVALENCE

50,000 **US + EU5**

CAUSE

Inactivating mutations in the tumor suppressor gene *APC*

PATHOPHYSIOLOGY

Polyps throughout the GI tract with extremely high risk of malignant transformation

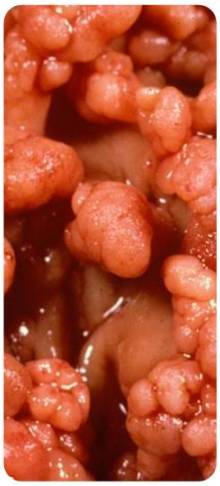
OUR REASON TO BELIEVE

Efficacy in the Recursion OS shows that specific MEK 1/2 inhibitors had an effect in context of *APC* LOF. Subsequent mouse model APC^{min} showed potent reduction in polyps and dysplastic adenomas

KEY ELEMENTS

- Targeting Classical FAP patients (w/ *APC* mutation)
- Phase 2 clinical trial initiated in Q3 2022
- Oral Dosing & Gut-Biased
- Fast-Track and US & EU Orphan Drug Designation

Phase 2 Study Design:



Phase 1 Trial Underway – REC-3964 for Clostridium difficile Colitis

PREVALENCE

730,000 **US + EU5**

CAUSE

Release of C. difficile toxins by colonizing bacterium causes degradation of colon cell junction, toxin transit to bloodstream, and morbidity to host

PATHOPHYSIOLOGY

Highly recurrent infectious disease with severe diarrhea, colitis, and risk of toxic megacolon, sepsis, and death

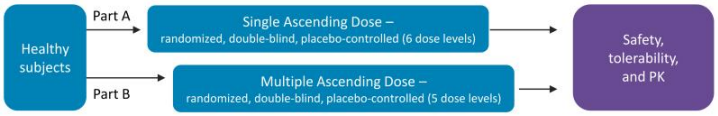
OUR REASON TO BELIEVE

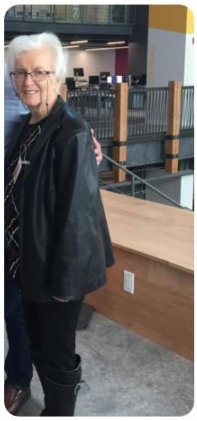
Recursion OS identified a new chemical entity for recurrent C. difficile infection and potentially prophylaxis via glycosyl transferase inhibition with potential to be orally active

KEY ELEMENTS

- Orally active small molecule toxin effect inhibitor
- Non-antibiotic approach with potential for combination with SOC and other therapies for recurrent disease
- Designed for selective antitoxin pharmacology to target infection with minimal off-target systemic effects
- Phase 1 clinical trial initiated in Q3 2022

Phase 1 Study Design:





Colleen – overcame recurrent C diff.

New Clinical Program – REC-4881 for the potential treatment of *AXIN1/APC* mutant cancers with an initial focus in HCC and Ovarian

PREVALENCE

7,100 **US + EU5**

CAUSE

LOF mutations in *AXIN1/APC* tumor suppressor genes

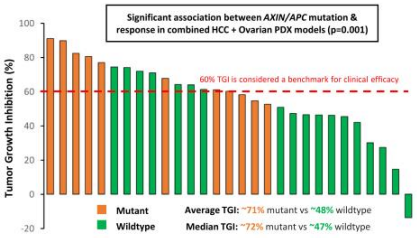
PATHOPHYSIOLOGY

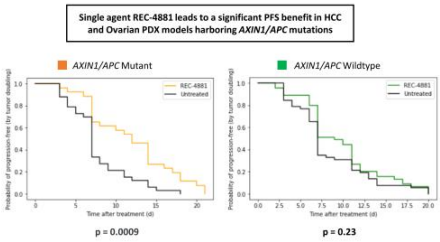
Alterations in the WNT pathway are found in a wide variety of tumors, in particular HCC and Ovarian cancers, and confer poor prognosis and resistance to standard of care

OUR REASON TO BELIEVE

Efficacy in the Recursion OS and favorable results in PDX models harboring *AXIN1/APC* mutations vs. wild-type leading to a significant PFS benefit in HCC and Ovarian tumors

Gross morphology of HCC





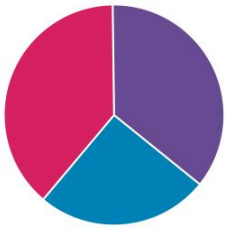
REC-4881 dosed at 3 mg/kg QD for up to 21 days. 3 mice per treatment per model (3 x 3 x 3) design; REC-4881 dosed at 3 mg/kg QD for up to 21 days. 3 mice per treatment per model (3 x 3 x 3) design. Combined HCC + Ovarian PDX mouse models

What it takes to make this happen – a new kind of team and culture

Team Members

~500 Employees

43% Advanced degrees



- Life Sciences – biology, chemistry, development, etc.
- Technology – data science, software engineering, automation, etc.
- Strategic Operations

44% Female

54% Male

1% Non-Binary

Parity Pledge Signer - gender parity and people of color parity

ESG Highlights

- ✓ Inaugural ESG report in 2022 – reporting on **Healthcare and Technology Metrics**
- ✓ **100% of electricity** powering our Biohive-1 supercomputer comes from renewable sources

Community Impact

altitude lab
Founding Partner,
Life Science Accelerator

biohive
Founding Member,
Life Science Collective

Committed to ESG Excellence

Corporate ESG Performance
Prime
RATED BY ISS ESG

2030 Goals

- Achieve net-zero GHG emissions
- Achieve equal gender representation

Data shown reflective of Q3 2022 and Recursion's 2022 ESG report

Our leadership team brings together experience & innovation to lead TechBio

Board of Directors

R. MARTIN CHAVEZ, PHD
Chairman, RXRX
Board Member of Alphabet, Vice-Chair of 6th Street, Former CFO/CIO of GS

CHRIS GIBSON, PHD
Co-Founder & CEO, RXRX

DEAN LI, MD/PHD
RXRX Co-Founder, President of Merck Research Labs

ZAVAIN DAR
Co-Founder & Partner, Dimension

TERRY-ANN BURRELL, MBA
CFO & Treasurer, Beam Therapeutics

ROB HERSHBERG, MD/PHD
Co-Founder/CEO/Chair of HilleVax, Former EVP, CSO & CBO at Celgene

BLAKE BORGESON, PHD
RXRX Co-Founder, Board Member Machine Intelligence Research Institute

ZACHARY BOGUE, JD
Co-Founder & Partner, Data Collective

Executive Team

CHRIS GIBSON, PHD
Co-Founder & CEO

TINA LARSON
President & COO

SHAFIQUE VIRANI, MD FRCS
Chief Business Officer & Interim CMO

MICHAEL SECORA, PHD
Chief Financial Officer

HEATHER KIRKBY, MBA
Chief People Officer

BEN MABEY
Chief Technology Officer

LOUISA DANIELS, JD MBA
Chief Legal Officer & General Counsel

KRISTEN RUSHTON, MBA
SVP of Business Operations

What's new at Recursion

Recent Milestones Achieved

- **Expanded Bayer** collaboration to use mapping and navigating techniques to explore **fibrotic diseases**
- Announced transformational collaboration with **Roche-Genentech** focused on **neuroscience**
- **Initiated 4 clinical trials in 3 quarters**
  - **Phase 2** clinical trial evaluating REC-994 for the potential treatment of **CCM**
  - **Phase 2/3** clinical trial evaluating REC-2282 for the potential treatment of **NF2**
  - **Phase 2** clinical trial evaluating REC-4881 for the potential treatment of **FAP**
  - **Phase 1** clinical trial evaluating REC-3964 for the potential treatment of **Clostridium difficile Colitis**
- **Nominated** REC-4881 as a clinical program for the potential treatment of ***AXIN1/APC* mutant cancers with an initial focus in HCC and Ovarian**; **Phase 2** trial in planning

Upcoming Potential Milestones

Near-Term

- Potential for **additional INDs and clinical starts**
- Potential for **additional partnership(s)** in large, intractable areas of biology
- Potential **option exercises** for partnership **programs**
- Potential **option exercises** for **map building** initiatives or data sharing
- Potential for consolidation of **technologies**, **talent** and **assets** to accelerate the Recursion OS

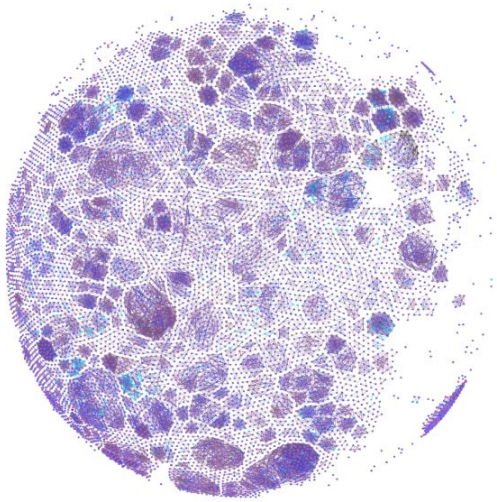
Medium-Term

- Multiple **POC readout(s)** for AI-discovered programs
- Potential **additional partnership(s)** in large, intractable areas of biology
- Potential additional **option exercises** for partnership programs
- Potential significant **option exercises** for map building or data sharing
- Recursion OS begins to move to **Autonomous Map Building** and **Navigation** with automated chemical synthesis, digital chemistry and predictive ADMET tools

Strong Financials **~$455M** in cash and cash equivalents at the end of Q3 2022 **(excludes recent equity offering)**

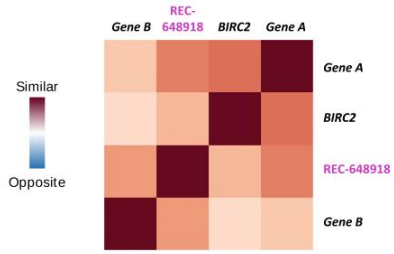

Impact
RECURSION

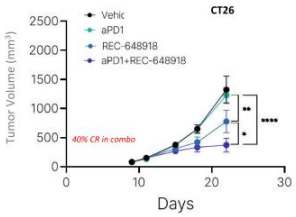
Recursion's Notable Preclinical Oncology Programs



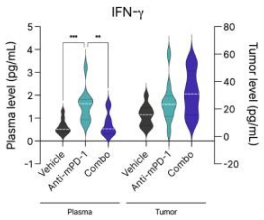
Target α: Potential first-in-class NCE with novel MOA to enhance anti-PD-(L)1 response

- **Goal:** Identify novel compounds capable of re-sensitizing tumors with tumor-intrinsic resistance factors to checkpoint therapy
- **Phenomap insight:** Novel compound (REC-648918) identified with similarity to knockout of potential immunotherapy resistance gene targets (*Gene A*, *Gene B*)
- **Result:** Reduction in tumor growth vs anti-PD-1 alone in both CT26 checkpoint resistance and EMT6 models – including **40% and 80% complete response** in combination in each model, respectively





- Efficacy demonstrated in CT26 checkpoint resistance mouse model
- Complete response (CR) in 4 of 10 mice was observed, with resistance to re-challenge in 3 of 4 mice
- Similar results were observed in the EMT-6 syngeneic model where 8 of 10 mice achieved CR and resisted rechallenge



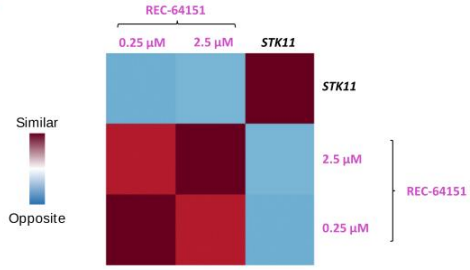
- Immunotherapy-induced markers of inflammation are reduced in the periphery
- IFN-γ increased in plasma under immunotherapy but was suppressed in combination with REC-648918
- Higher relative levels of IFN-γ were maintained under combination treatment

CT26: mouse colon carcinoma. REC-648918 was dosed PO, QD for 5 weeks at 100mg/kg. Anti-PD-1 was dosed IP, BIW for 5 weeks at 10mg/kg. 10 mice per group, dosing initiated when tumors reached ~ 80 mm³; * p<0.05 ** p<0.01 **** p<0.0001; ^ Combination treatment in EMT6 resulted in 8 CR and 8 rejections on re-challenge

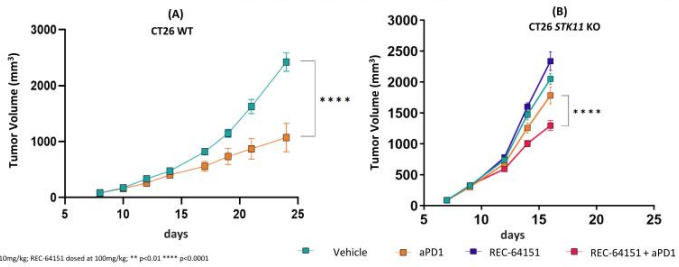
Tumor-intrinsic immune resistance

KRAS/STK11: Potential first-in-class NCE with novel MOA to enhance anti-PD-(L)1 response in KRASm/STK11m cancers

- **Goal:** Identify novel compounds capable of re-sensitizing tumors to checkpoint therapy in *STK11* mutant cancers
- **Phenomap insight:** Novel class of compounds (REC-64151) inferred to rescue loss of *STK11*
- **Result:** REC-64151 restores anti-PD1 (aPD1) response of *STK11* mutant CT26 tumors (Fig. A, B) and demonstrated enrichment of CD8+ T-cells (Fig. C)

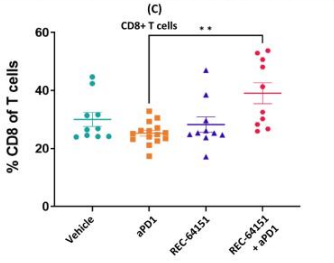


REC-64151 restores anti-PD1 response of *STK11* mutant CT26 tumors



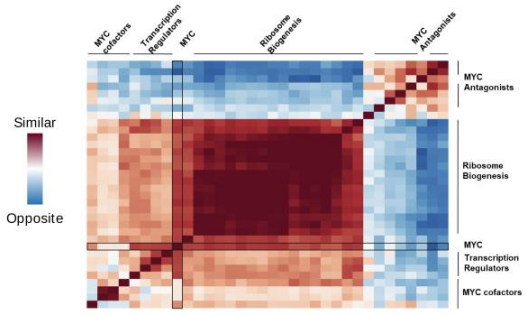
Anti-PD-1 dosed at 10mg/kg; REC-64151 dosed at 100mg/kg; ** p<0.01 **** p<0.0001

REC-64151 combination with anti-PD1 enriches CD8 T-cells

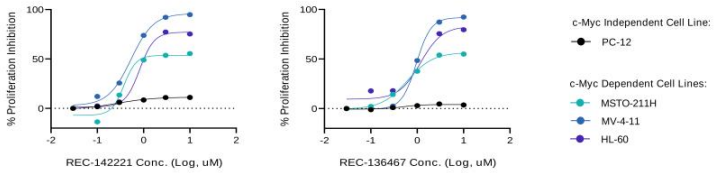


MYC: Platform to identify small molecule inhibitors of *MYC*

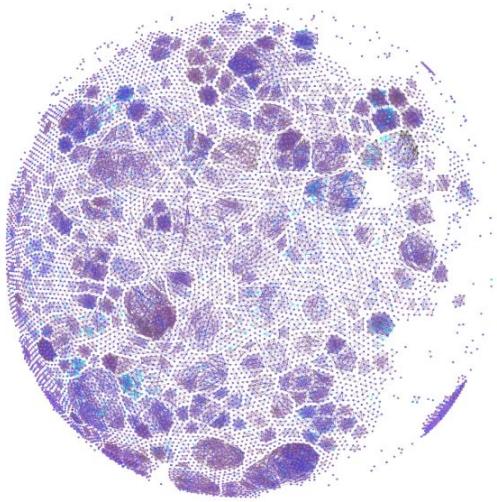
- **Goal:** Use the map-based inference platform to:
  - Identify novel small molecules that inhibit MYC activity for the treatment of diverse cancers characterized by aberrant activation of MYC pathway
  - Identify multiple hit series that mimic the functional consequence of MYC knockout by multiple mechanisms of action (MYC degradation, inhibition, molecular glues)
- **Phenomap insight:** Complex MYC biology is represented in the map with MYC inhibitors identified due to their inferred relationship to the MYC gene knockout
- **Result:** Identified hits selectively induce cell death in c-MYC dependent cell lines, while not affecting cell viability in c-MYC independent cells



Selective effect on c-MYC amplified and c-MYC dependent cell line proliferation for two hit molecules identified using Recursion's Platform



Additional Context



Recursion is leading the TechBio revolution

Recursion is a clinical stage **TechBio** company **Mapping and Navigating** biology and chemistry with the goal of bringing better medicines to patients faster and at lower cost via an **Internal Pipeline** and **Partnerships**

The Leading TechBio

Mission is to decode biology to radically improve lives

>150 biologists, chemists and drug developers

>150 data scientists, software programmers, and engineers

Mapping & Navigating

1st novel biological insights identified with AI-enabled mapping

~19 petabytes of proprietary biological & chemical data generated in-house

2.9 trillion predicted biological and chemical relationships to mine for compelling novel programs

Internal Pipeline

3 programs initiated Ph2 or Ph2/3 clinical trials

1 program preparing to initiate a Ph2 clinical trial

1 program initiated Ph1 clinical trial

Dozens of preclinical, discovery, and research programs

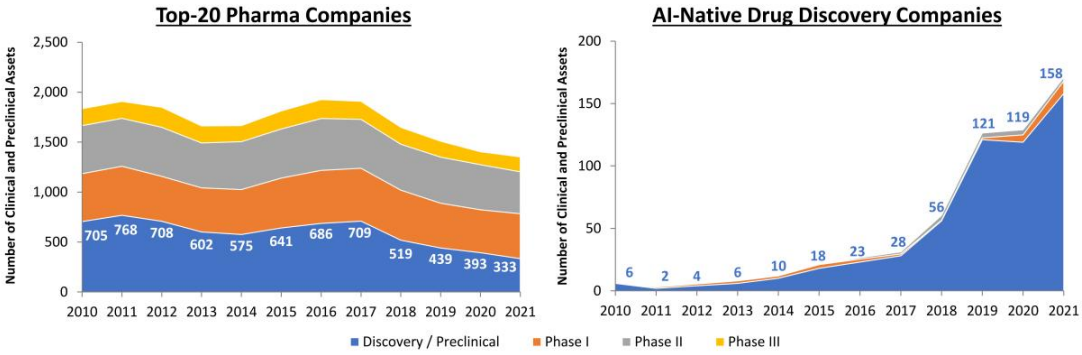
Transformational Partnerships

>$230M in upfront payments and investment to date from partners

>$500M in potential research milestones and data usage options

>$13B in potential project milestones across 50+ possible programs in addition to royalties

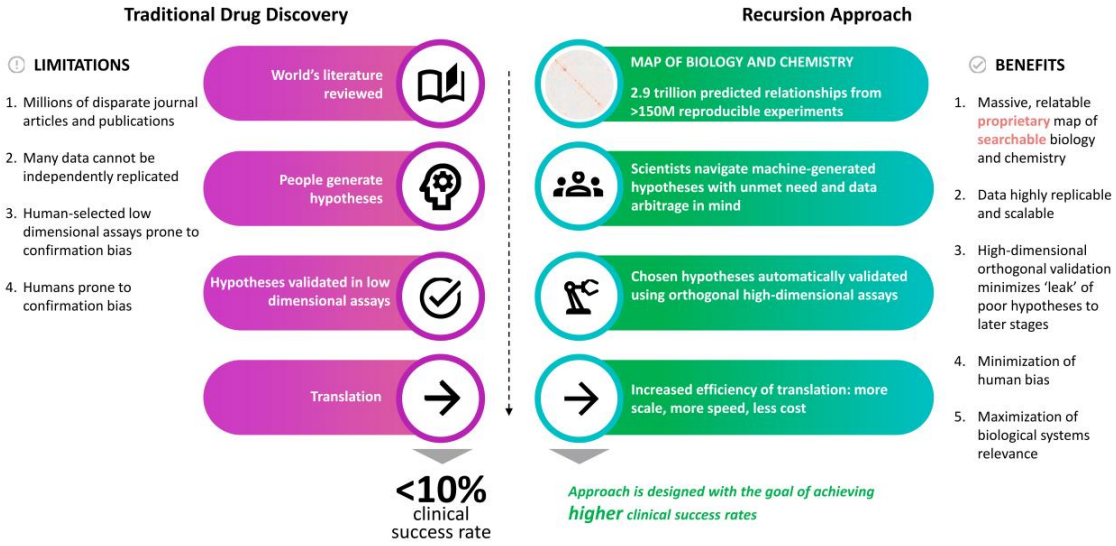
The biopharmaceutical industry faces pressure amidst declining efficiency in drug discovery



AI-enabled drug discovery efforts have proliferated alongside the declining efficiency of traditional approaches

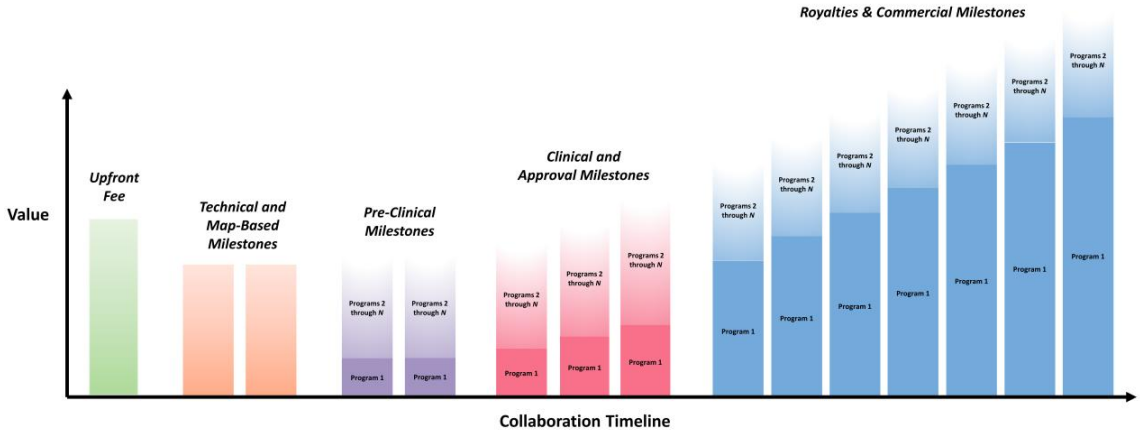
Images adapted from Jayatunga, M., et al. Nature Reviews Drug Discovery 2022.

A move from traditional drug discovery towards mapping and navigating biology and chemistry



Transformational collaborations provide multiple potential value inflection points

Illustrative example of potential value inflection points



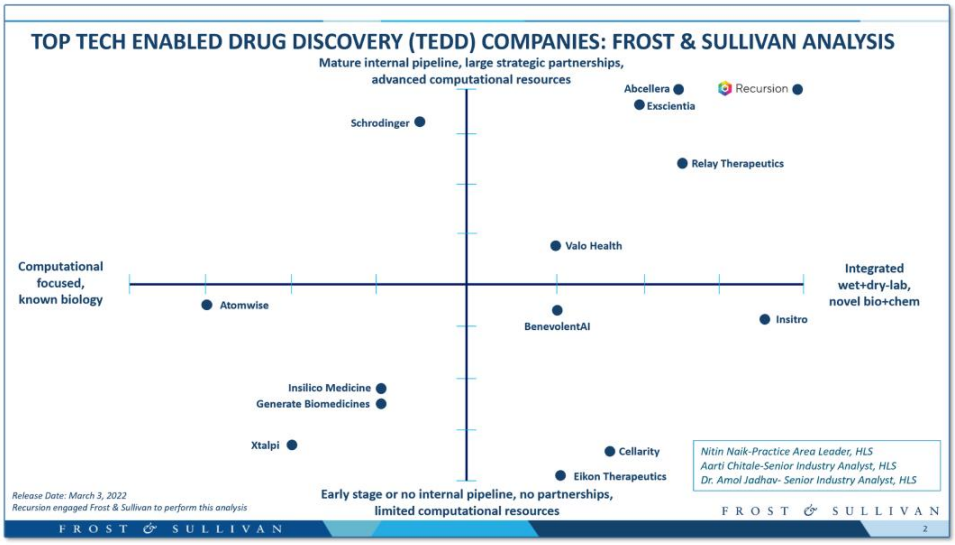
COVID-19 research

Drug	Prediction	Correct?
Hydroxychloroquine	x	✓
Lopinavir	x	✓
Ritonavir	x	✓
Remdesivir	✓	✓
Baricitinib	✓	✓
Tofacitinib	✓	✓
Ivermectin	x	✓
Fluvoxamine	x	✓
Dexamethasone	x	x

- Recursion conducted several AI-enabled experiments in April 2020 to investigate therapeutic potential for COVID-19
  - Drugs investigated included FDA-approved drugs, EMA-approved drugs or compounds in late-stage clinical trials for modulation of the effect of SARS-CoV-2 on human cells
- The resulting experiments were then compiled into the RxRx19 dataset, which comprised of 860+ GB of data from our screens
  - Data was made available to the community to accelerate the development of methods and pandemic treatments.
- **The Recursion OS predicted 8 of 9 randomized clinical trials correctly, in both early and late-stage COVID-19**

https://www.biorxiv.org/content/10.1101/2020.04.21.054387v1

Recursion is a leading TechBio company



A biotechnology company scaling more like a technology company

- Growth in capabilities, proprietary data, programs, and partnerships

- Increasing business opportunities
- Reducing binary risks

Year	2018	2019	2020	2021
Total Phenomic Experiments (Millions)	8	24	56	115
Data (PB)	1.8	4.3	6.8	12.9
Cell Types	12	25	36	38
Total Chemical Library[1] (Thousands)	24	106	706	978
In Silico Chemistry Library (Billions)	0	0.02	3	12
Predicted Biological and Chemical Relationships[2] (Billions)	NA	NA	13	203
IND-Enabling and Clinical Stage Programs	1	2	4	5
Cumulative Upfront and Investment Payments Committed by Partners[3]	$0	$0	$80M	$230M
Cumulative Potential Payments from Partners Excluding Royalties	$0	$0	>$1B	>$13B

We are a biotechnology company scaling more like a technology company, as demonstrated by our growth in inputs (experiments) and growth in outputs (data, biological and chemical relationships, programs, and partnerships). (1) Includes approximately 500,000 compounds from Bayer's proprietary library. (2) 'Predicted Relationships' refers to the number of Unique Perturbations that have been predicted using our maps. (3) Announced a collaboration with Roche and Genentech in December 2021 and received an upfront payment of $150 million in January 2022.