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): May 10, 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 May 10, 2022, Recursion Pharmaceuticals, Inc. issued a press release announcing its results of operations and financial condition for the first quarter March 31, 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 May 10, 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 May 10, 2022
99.2	Investor presentation of Recursion Pharmaceuticals, Inc. dated May 10, 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 May 10, 2022.

RECURSION PHARMACEUTICALS, INC.

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

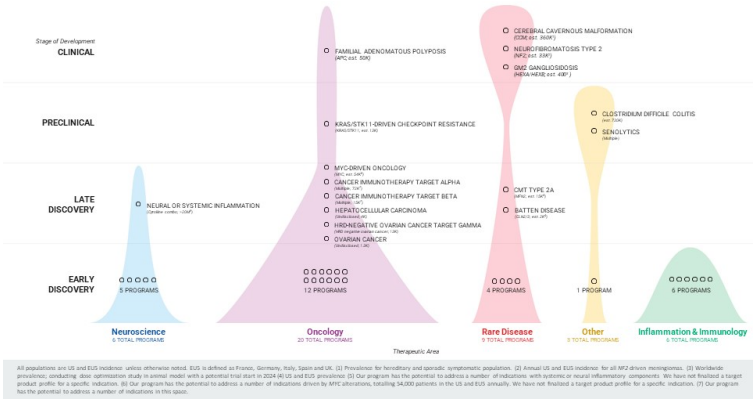
Exhibit 99.1

Recursion Provides Business Updates and Reports First Quarter 2022 Financial Results

- Enrolled the first participant in our Phase 2 clinical trial for CCM and dosed multiple participants
- Expecting to enroll the first participant in our Phase 2/3 clinical trial for progressive NF2-mutated meningiomas in the second quarter 2022
- Received Fast Track Designation for REC-4881, a potential treatment for FAP, and expect to enroll the first participant in a Phase 2 trial in the third quarter 2022

SALT LAKE CITY, May 10, 2022 — Recursion (Nasdaq: RXRX), the clinical-stage biotechnology company industrializing drug discovery by decoding biology, today reported business updates and financial results for its first quarter ending March 31, 2022.

“Recursion achieved several key milestones, including dosing the first participants in our clinical trial for CCM, advancing our science across multiple other programs and continuing the evolution of our Recursion OS to take on additional steps in the drug discovery process beyond target discovery and lead identification,” said Recursion Co-Founder & CEO Chris Gibson, Ph.D. “It is exciting to be at this inflection point of our platform and making progress towards translating molecules into medicines with our potential treatments beginning to move through clinical development. We look forward to the additional clinical trials we plan to initiate later this year and the potential of our work and partnerships to positively impact the lives of patients and their loved ones.”



Summary of Business Highlights

- **Clinical Programs**

- **Cerebral cavernous malformation (CCM) (REC-994):** In March 2022, we enrolled the first participant in 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, multiple participants have been enrolled and dosed.
- **Neurofibromatosis type 2 (NF2) (REC-2282):** We plan to enroll the first participant in our Phase 2/3 POPLAR-NF2 clinical trial, which is a parallel group, two stage, randomized, multicenter study of this drug candidate in participants with progressive NF2-mutated meningiomas, in the second quarter of 2022.
- **Familial adenomatous polyposis (FAP) (REC-4881):** In April 2022, the U.S. Food and Drug Administration granted Fast Track designation for REC-4881 for the potential treatment of FAP. We plan to initiate a Phase 2, randomized, double-blind, placebo-controlled study to evaluate safety, pharmacokinetics and efficacy of this drug candidate in the third quarter of 2022.

- **Preclinical and Discovery Programs**
  - ***Clostridium difficile* colitis (REC-3964):** We made progress in IND-enabling studies for REC-3964 and plan to initiate a Phase 1 study in the second half of 2022.
  - **Oncology pipeline:** We continued to make progress advancing numerous oncology programs discovered using our next generation mapping and navigating technology, including programs related to immune checkpoint resistance in STK11-mutant non-small cell lung cancer, cancer immunotherapy target 'alpha', HRD-negative ovarian cancer target 'gamma', hepatocellular carcinoma, small molecule MYC inhibition, ovarian cancer and other indications. We highlighted this progress at the annual meeting of the American Association for Cancer Research (AACR).

- **Roche and Genentech Collaboration:** We have initiated laboratory efforts and are scaling our pilot work to create our first partnership-specific maps in an oncology indication. We have also begun the initial work for development of phenomaps in neuroscience.

- **Bayer AG Collaboration:** We have profiled Bayer's compound library for next generation map-based drug discovery and are actively navigating the map to seed potential programs. We have multiple first-generation brute-force programs related to the potential treatment of fibrotic diseases progressing simultaneously with our partner.

- **Recursion OS**
  - **Transcriptomics:** We automated key processes in our transcriptomics platform, TrekSeq, to enable higher scale and robustness related to the acquisition of transcriptomics data for use as an industrialized orthogonal validation assay.
  - **InVivomics:** We completed studies to enable the simultaneous monitoring of multiple mice and their respective individual digital biomarkers within the same cage and the tracking of digital biomarkers related to group social behaviors.

First Quarter 2022 Financial Results

- **Cash Position:** Cash, cash equivalents and investments were $591.1 million as of March 31, 2022.
- **Revenue:** Total revenue, consisting primarily of revenue from collaborative agreements, was $5.3 million for the first quarter of 2022, compared to $2.6 million for the first quarter of 2021. The increase was due to revenue recognized from our Roche-Genentech collaboration.
- **Research and Development Expenses:** Research and development expenses were $32.4 million for the first quarter of 2022, compared to $24.1 million for the first quarter of 2021. The increase in research and development expenses was primarily due to an increased number of pre-clinical assets being validated and increased clinical costs as studies progressed. These increases were partially offset by a decrease in platform costs due to partnership-related materials of $9.6 million, which has been capitalized on the balance sheet.
- **General and Administrative Expenses:** General and administrative expenses were $21.1 million for the first quarter of 2022, compared to $8.9 million for the first 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 $6.6 million, facilities costs, information technology and security costs and other administrative costs associated with operating a public company.
- **Net Loss:** Net loss was $56.0 million for the first quarter of 2022, compared to a net loss of $30.7 million for the first quarter of 2021.

Additional Corporate Updates

- **Annual Shareholder Meeting:** The Recursion Annual Meeting for shareholders will be held on Tuesday, June 14, 2022 at 12:00 pm Mountain Time.
- **Oncology:** Marie Evangelista, Ph.D., joined Recursion as Vice President, Oncology and will be responsible for translating Recursion's internal pipeline of oncology compounds into the clinic as well as driving aspects of the Roche-Genentech collaboration related to an indication in gastrointestinal oncology. Dr. Evangelista previously served as Senior Director, Translational Medicine at Frontier Medicines and before that spent nearly two decades at Genentech.
- **Communications:** Ryan Kelly joined Recursion as Chief Communications Officer and will be responsible for external and internal communications. Mr. Kelly previously served as Vice President, Marketing and Communications at Virgin Hyperloop where he supported commercializing the company's technology through global strategic communication campaigns.
- **Investor Relations:** Jared Allenbach joined Recursion as Senior Director, Investor Relations and will engage with investors and capital markets regarding strategic financing opportunities. Mr. Allenbach previously served as an investment banker within the healthcare sector at Goldman Sachs.

About Recursion
Recursion is the clinical-stage biotechnology company industrializing drug discovery by decoding biology. Enabling its mission is the Recursion Operating System, a platform built across diverse technologies that continuously expands one of the world's largest proprietary biological and chemical datasets, the Recursion Data Universe. Recursion leverages sophisticated machine-learning algorithms to distill from its dataset the Recursion Map, a

collection of hundreds of billions 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 proudly 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 March 31,	
	2022	**2021**
Revenue		
Operating revenue	$ 5,299	$ 2,500
Grant revenue	34	62
Total revenue	5,333	2,562
Operating costs and expenses		
Cost of revenue	7,799	—
Research and development	32,441	24,109
General and administrative	21,074	8,937
Total operating expenses	61,314	33,046
Loss from operations	(55,981)	(30,484)
Other income (loss), net	2	(233)
Net loss	$ (55,979)	$ (30,717)
Per share data		
Net loss per share of Class A and B common stock, basic and diluted	$ (0.33)	$ (1.33)
Weighted-average shares (Class A and B) outstanding, basic and diluted	170,690,392	23,035,623

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

	March 31, 2022	December 31, 2021
Assets		
Current assets		
Cash and cash equivalents	$ 507,891	$ 285,116
Restricted cash	1,521	1,552
Accounts receivable	34	34
Other receivables	11,363	9,056
Investments	83,214	231,446
Other current assets	15,432	7,514
Total current assets	619,455	534,718
Restricted cash, non-current	8,713	8,681
Property and equipment, net	70,704	64,725
Operating lease right-of-use assets	33,301	—
Intangible assets, net	1,309	1,385
Goodwill	801	801
Other non-current assets	36	35
Total assets	$ 734,319	$ 610,345
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	$ 4,162	$ 2,819
Accrued expenses and other liabilities	23,118	32,333
Unearned revenue	54,247	10,000
Notes payable	92	90
Operating lease liabilities	4,086	—
Lease incentive obligation	—	1,416
Total current liabilities	85,705	46,658
Deferred rent	—	4,110
Unearned revenue, non-current	107,121	6,667
Notes payable, non-current	610	633
Operating lease liabilities, non-current	47,317	—
Lease incentive obligation, non-current	—	9,339
Total liabilities	240,753	67,407
Commitments and contingencies		
Stockholders' equity		
Common stock (Class A and B)	2	2
Additional paid-in capital	949,932	943,142
Accumulated deficit	(456,059)	(400,080)
Accumulated other comprehensive loss	(309)	(126)
Total stockholders' equity	493,566	542,938
Total liabilities and stockholders' equity	$ 734,319	$ 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; the impact of the COVID-19 pandemic and force majeure events; 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; 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 Q1 2022

Recursion

Forward Looking Statements

This presentation and any accompanying discussion or documents may contain 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, management's beliefs and certain assumptions we have made. They are neither historical facts nor assurances of future performance, are subject to significant risks and uncertainties, and may turn out to be wrong. 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.

Recursion is a 21st century biopharma company

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

The Leading Pharmatech

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

>14 petabytes of proprietary biological and chemical data generated in-house

>240B inferred biological relationships to mine using our maps of biology

Internal Pipeline

3 programs entering Ph2 or Ph2/3 and **1** program entering Ph1 in 2022

>10 programs in late discovery or preclinical

Dozens of programs in early discovery

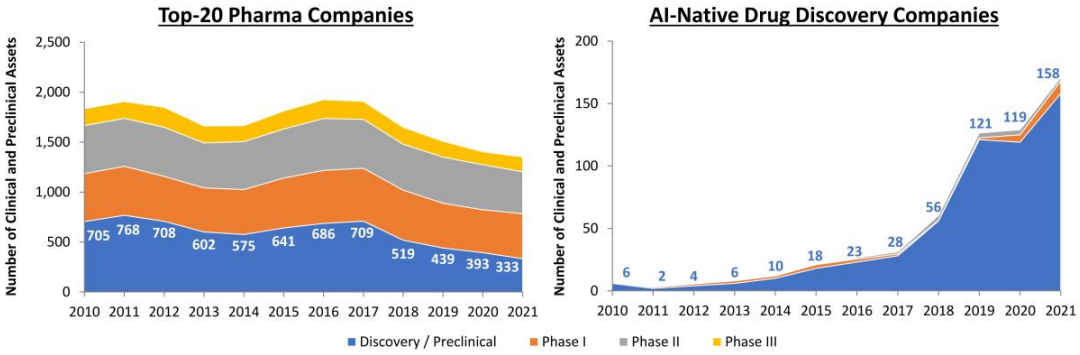
Transformational Partnerships

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

>$500M in performance/data-sharing milestones possible in intermediate term

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

The biopharmaceutical industry faces pressure amidst declining efficiency in drug discovery

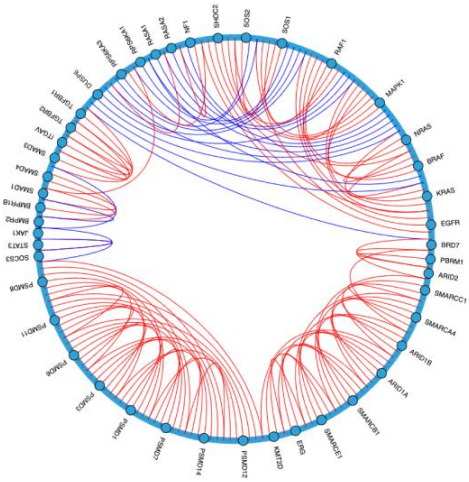


AI-enabled drug discovery has proliferated due to declining efficiency of traditional approaches

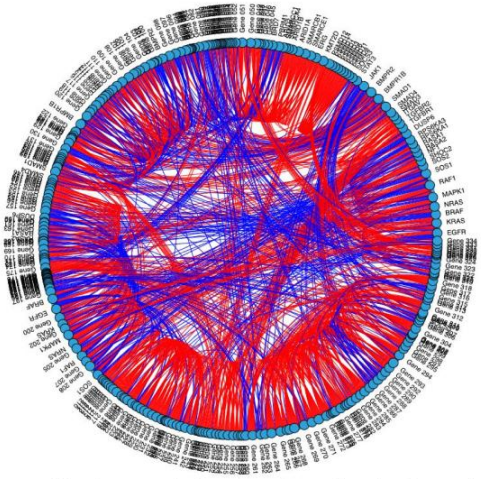
Images adapted from Jayatunga, M., et al. Nature Reviews Drug Discovery 2022.

Historical tools and the limits of human cognition led to biological reductionism

Traditional Approach to Biology



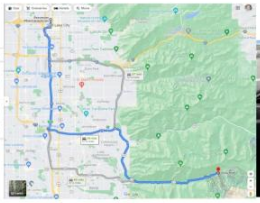
Well-known primary relationships found by the Recursion OS between key members of five pathways: JAK/STAT | SWI/SNF | TGFβ | RAS | Proteasome



Recursion's Approach to Biology

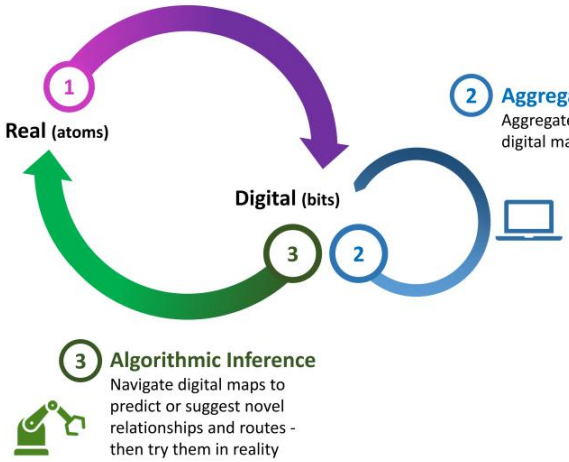
All primary relationships found by the Recursion OS between key members of five pathways: JAK/STAT | SWI/SNF | TGFβ | RAS | Proteasome

Technology has reshuffled major industries by bringing order and prediction to complex systems


An underlying theme of many disruptive and successful technology companies is an iterative loop of data and algorithms

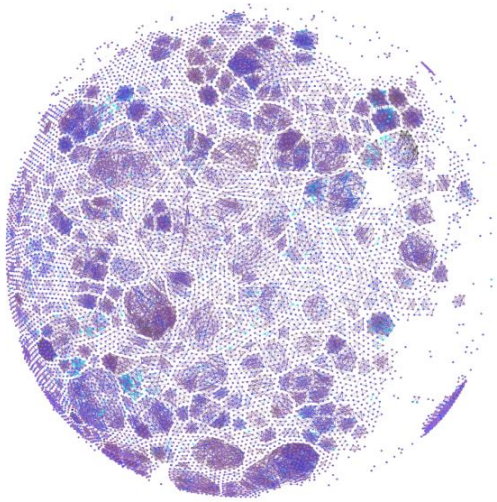
1 Profile real systems
Capture high-dimensional data to create a digital record of reality (things, places, behaviors, preferences, etc)



2 Aggregate and analyze
Aggregate data to create digital maps of reality

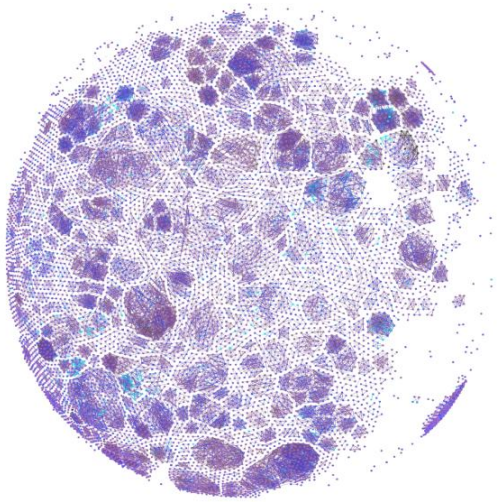
3 Algorithmic Inference
Navigate digital maps to predict or suggest novel relationships and routes - then try them in reality

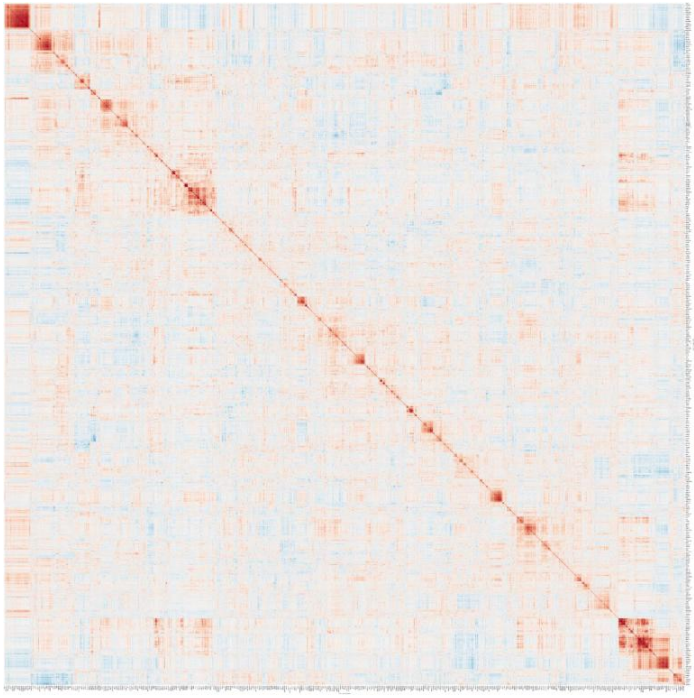
How we build maps of biology



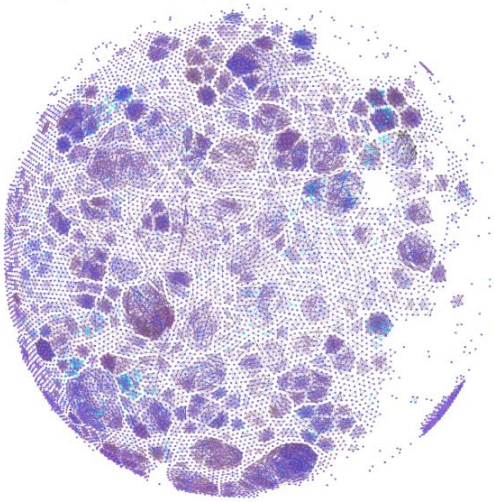

How we build maps of biology
Automated Execution at Scale
Up to
2.2 M
Experiments per week
Digitization of Complex Biology
>14 PB
Proprietary High-Dimensional Biological Data
Biological and Chemical Diversity
44
Human cell types
~1.3M
Small Molecules
130K
Arrayed CRISPR guides
1K
Cytokines & soluble factors
Recursion OS
Enables quality, reliability, repeatability and scale
ML/AI-Based Analysis
Top 100
Supercomputer on Earth (TOP500 List - Nov 2021)
Novel Efficacy and Insights At Scale
High-Dimensional Validation
Up to
6K
Near whole exomes per week
5K
Proteomics panels in 2021
ML/AI-Based Exploration
>240B
ML-enabled hypotheses

How we navigate our maps of biology to rapidly identify novel insights that can drive better programs faster

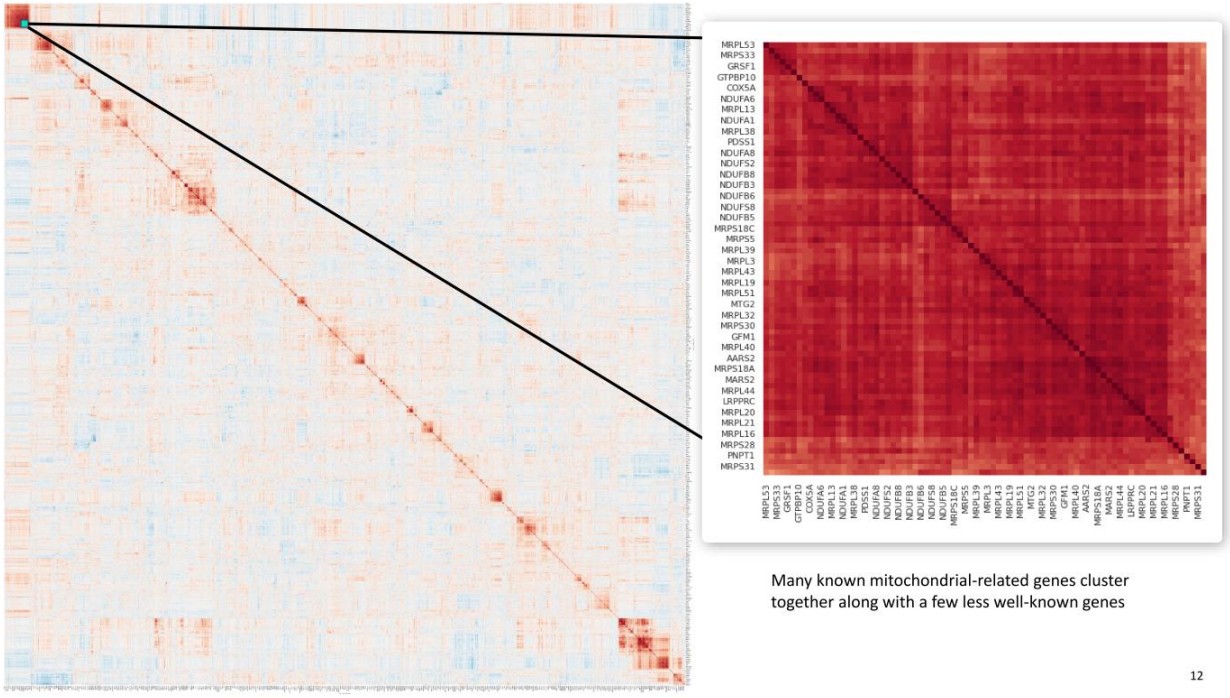




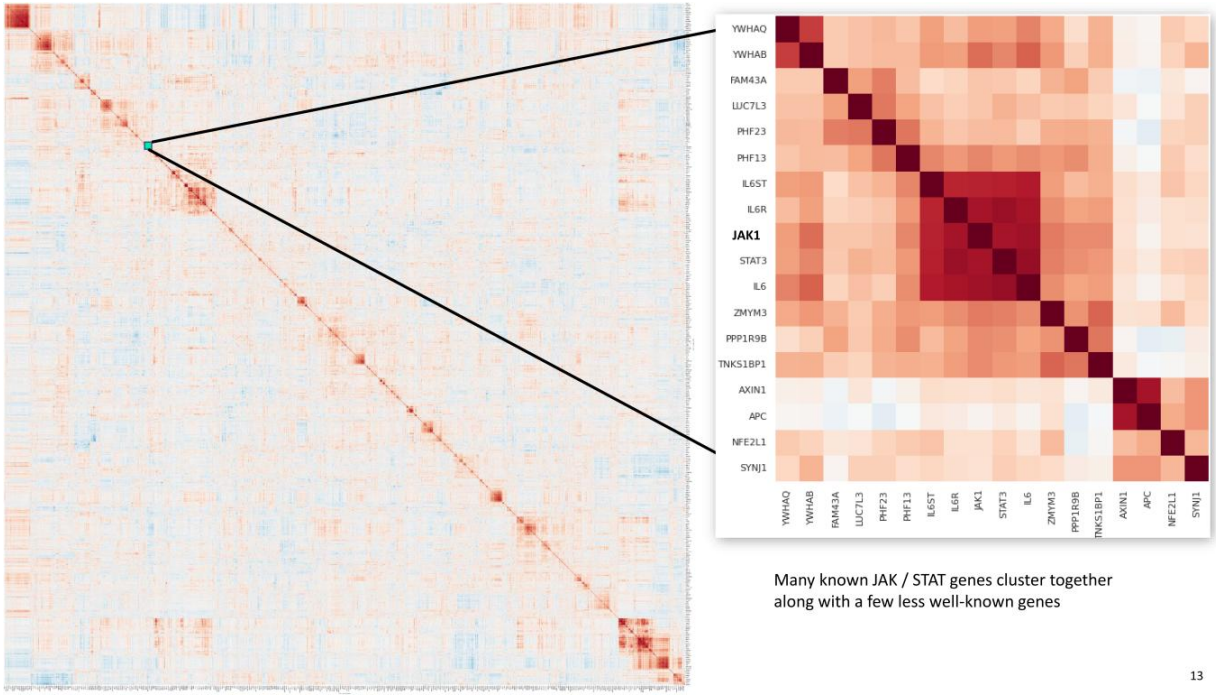
Recursion visualizes its Maps in different ways. Below is a Map of thousands of new chemical entities, clustered by chemical similarity and colored by potency, which demonstrated a strong anti-inflammatory response on the Recursion OS



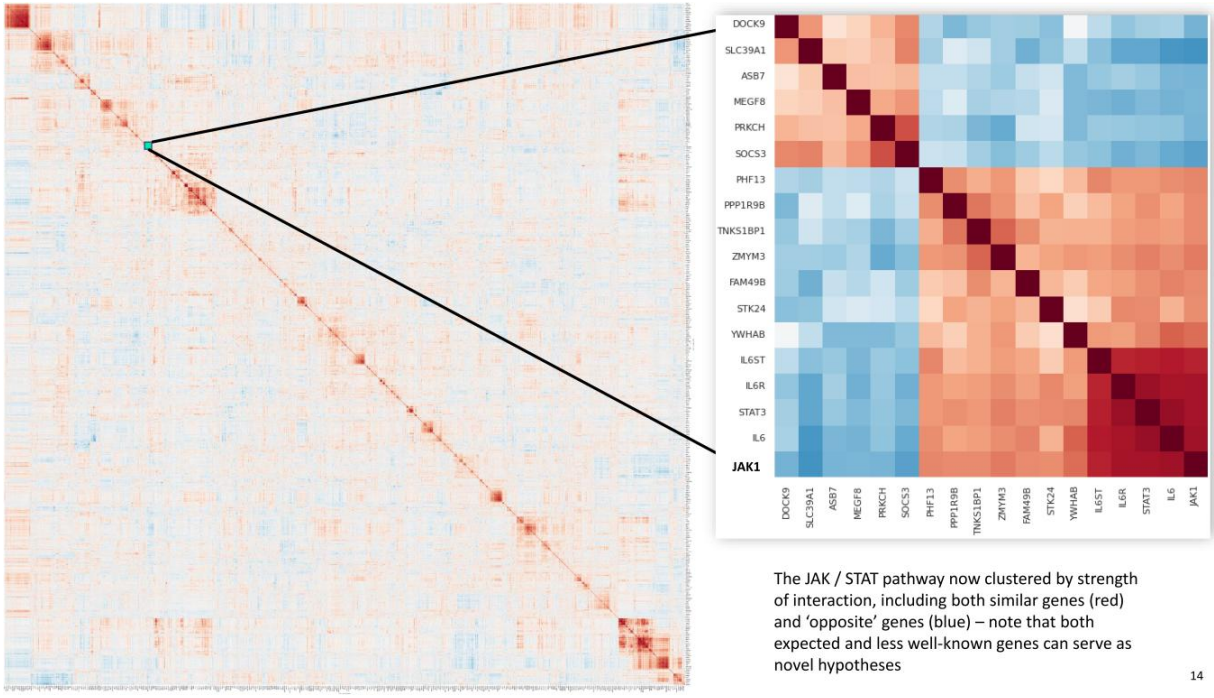
To the left is a whole-genome arrayed CRISPR KO Map generated in primary human endothelial cells



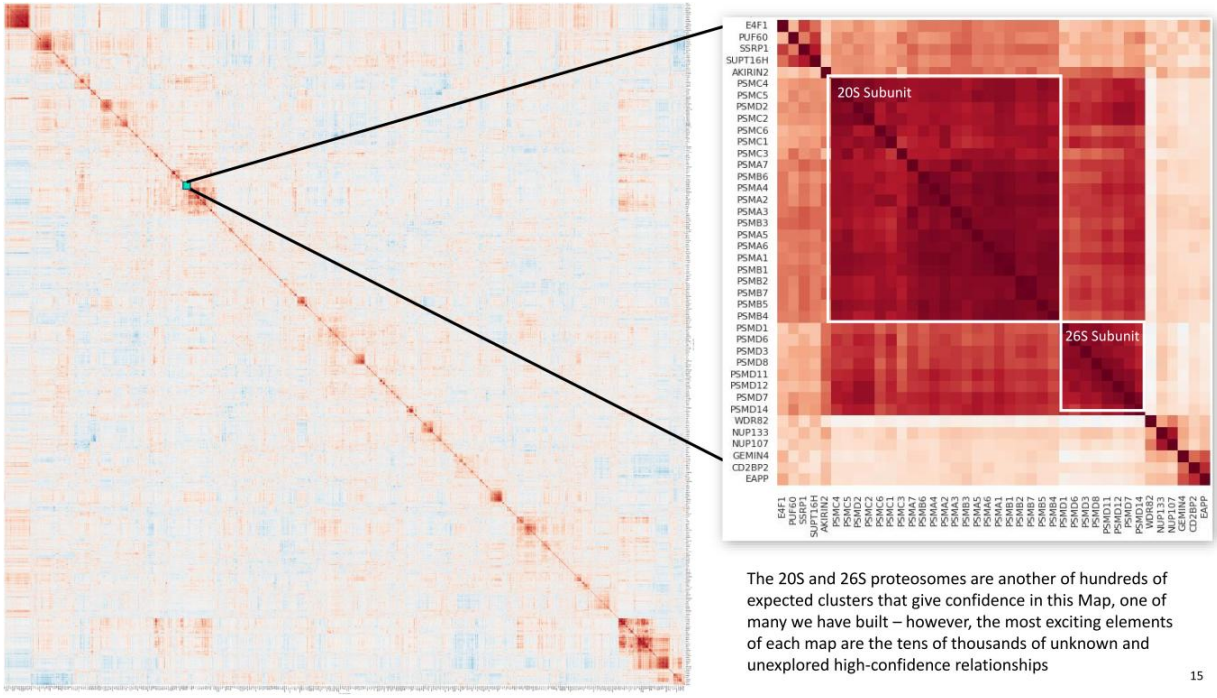
Many known mitochondrial-related genes cluster together along with a few less well-known genes



Many known JAK / STAT genes cluster together along with a few less well-known genes

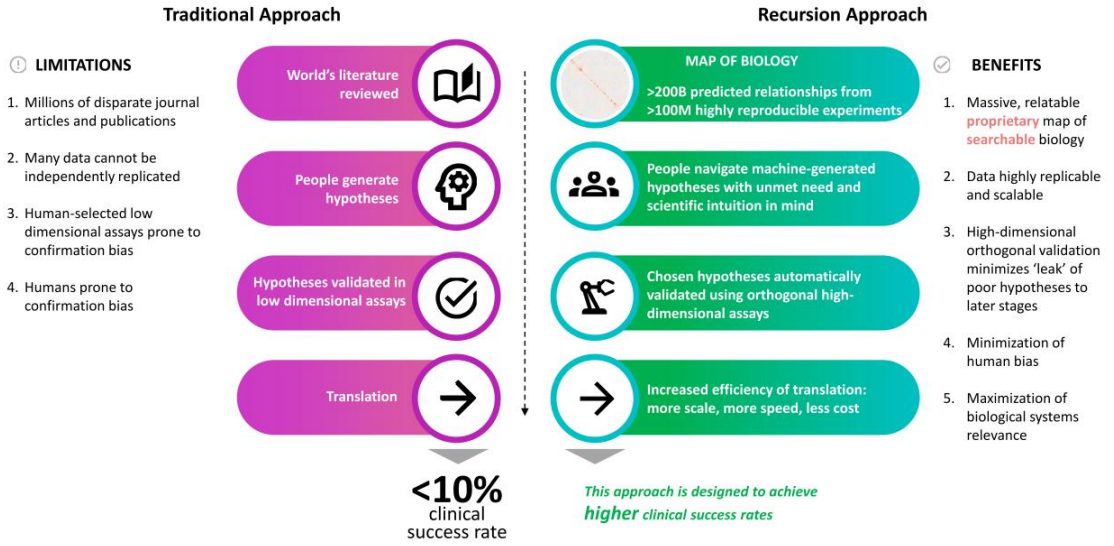


The JAK / STAT pathway now clustered by strength of interaction, including both similar genes (red) and 'opposite' genes (blue) – note that both expected and less well-known genes can serve as novel hypotheses

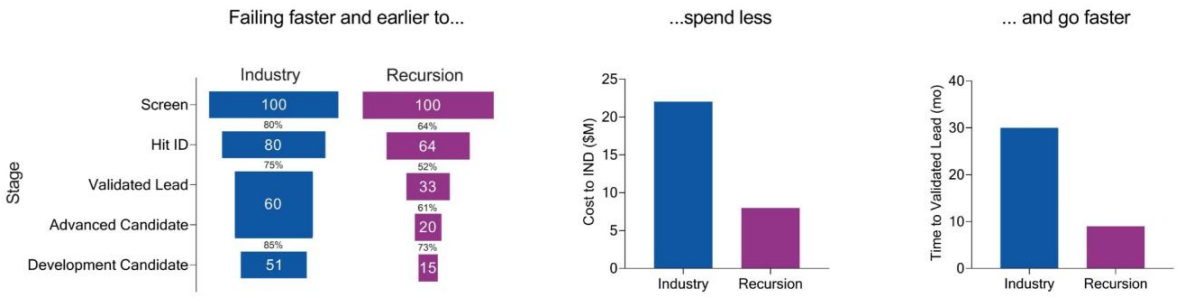


The 20S and 26S proteosomes are another of hundreds of expected clusters that give confidence in this Map, one of many we have built – however, the most exciting elements of each map are the tens of thousands of unknown and unexplored high-confidence relationships

A departure from the traditional approach towards mapping and navigating biology

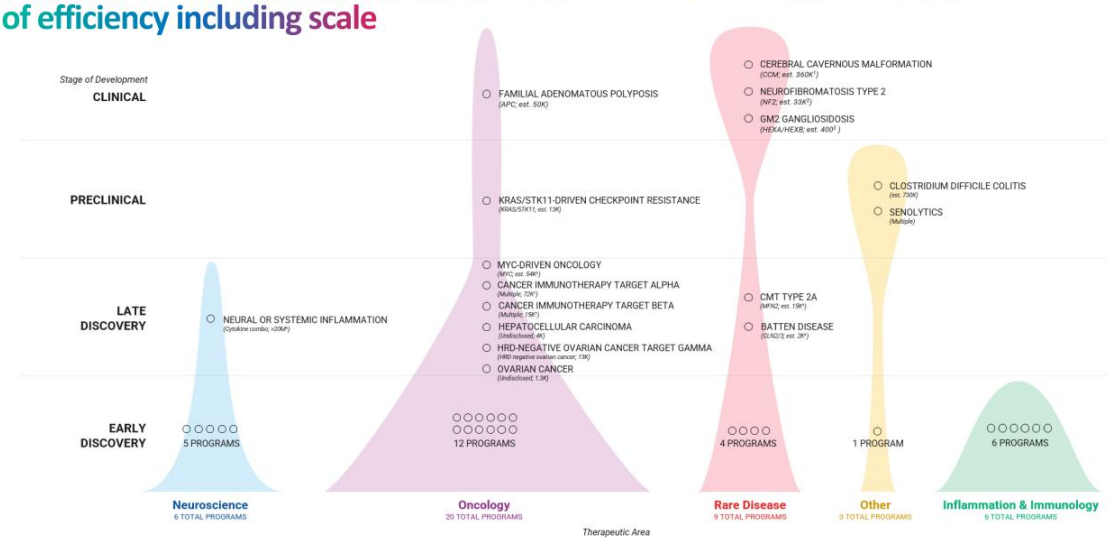


Mapping and Navigating Biology has demonstrated leading indicators of efficiency including speed and cost benefits



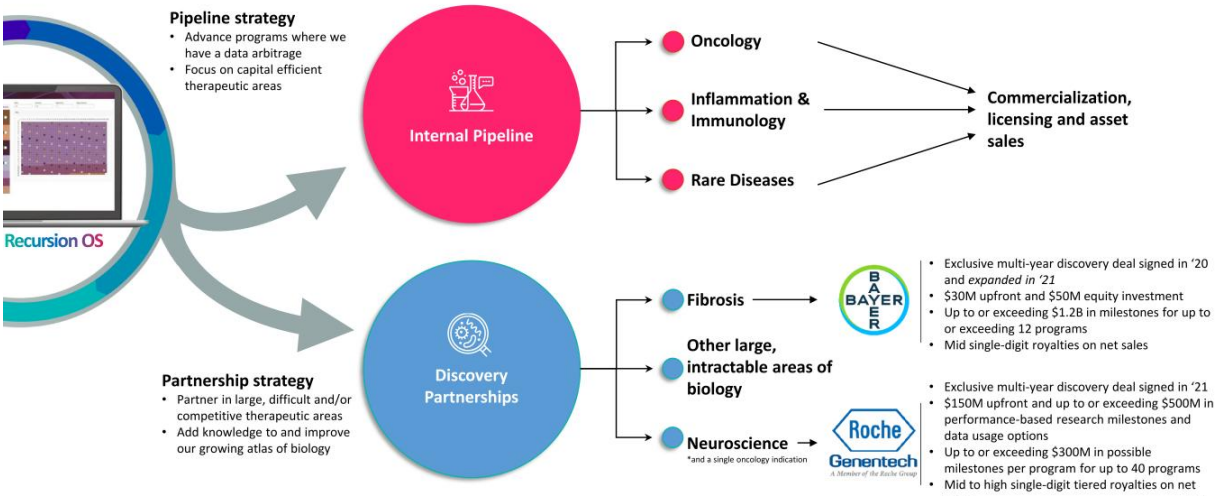
Data shown are the averages of all our programs from 2017 through 2021. All industry data adapted from Paul, et al. Nature Reviews Drug Discovery. (2010) 9, 203–214

Mapping and Navigating Biology has demonstrated leading indicators of efficiency including scale

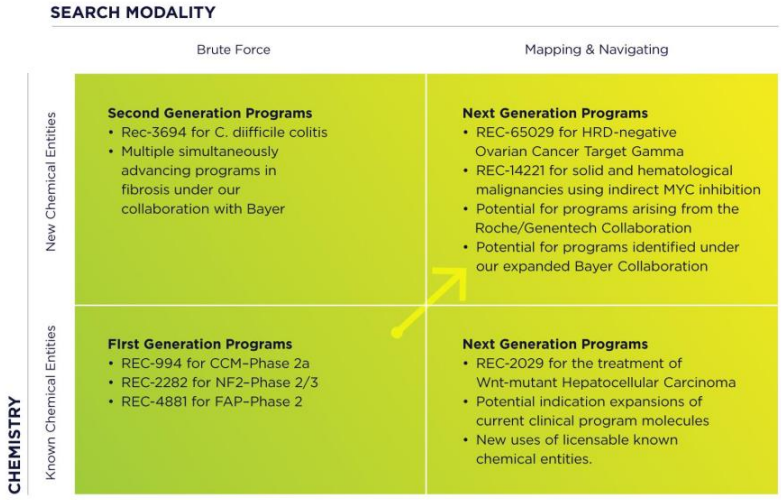


All populations are US and EU5 incidence unless otherwise noted. EU5 is defined as France, Germany, Italy, Spain and UK. (1) Prevalence for hereditary and sporadic symptomatic population. (2) Annual US and EU5 incidence for all *NF2*-driven meningiomas. (3) Worldwide prevalence; conducting dose optimization study in animal model with a potential trial start in 2024 (4) US and EU5 prevalence (5) Our program has the potential to address a number of indications with systemic or neural inflammatory components We have not finalized a target product profile for a specific indication. (6) 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. (7) Our program has the potential to address a number of indications in this space.

We harness the value and scale of our Maps of Biology using a capital efficient business strategy



Iterations of the Recursion OS and program generations



The earliest iterations of the Recursion OS leveraged brute-force search (where small molecules were tested directly in the context of each disease model we built) and used a small molecule library restricted primarily to known chemical entities. Programs arising from this iteration of the Recursion OS are deemed **First Generation Programs**. As we developed our chemistry capabilities and new chemical entity library at Recursion, **Second Generation Programs** arose, though the throughput needed to screen large libraries of new chemical entities presents a powerful but relatively inefficient solution. Today, most of our new programs, as well as new partnerships or expansions of prior partnerships, are **Next Generation Programs**, whereby we use our maps of biology to navigate to novel or unexpected relationships between molecules (known or new chemical entities) and then validate those predictions in our wet labs

Clinical Program – 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

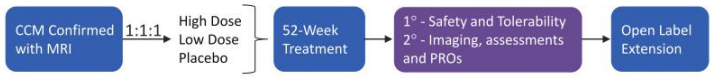
Efficacy in Recursion OS as well as functional validation via scavenging of massive superoxide accumulation in cellular models; reduction in lesion number with chronic administration in mice

KEY ELEMENTS

- Multiple participants dosed since Q1 2022
- Targeting sporadic and familial symptomatic CCM patients with *CCM1*, *CCM2*, and *CCM3* mutations
- Once daily oral dosing
- US and EU Orphan Drug Designation granted

Julia – living with CCM

Phase 2a Study Design



Clinical Program – REC-2282 for *NF2*-Mutated Progressive Meningioma

INCIDENCE

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

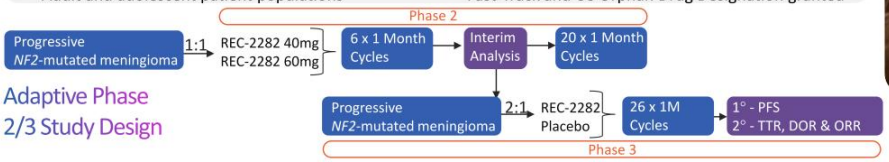
Efficacy in Recursion OS, cellular, & animal models; suppression of aberrant ERK, AKT, and S6 pathway activation in a Phase 1 PD Study in NF2 patient tumors

KEY ELEMENTS

- Targeting familial and sporadic NF2 meningioma patients
- Adult and adolescent patient populations
- Oral bioavailability and CNS exposure together are unique among clinical-stage HDAC inhibitors
- Fast-Track and US Orphan Drug Designation granted

Ricki – living with NF2

Adaptive Phase 2/3 Study Design



Clinical Program – REC-4881 for Familial Adenomatous Polyposis (FAP)

PREVALENCE

50,000 **US + EU5**

CAUSE

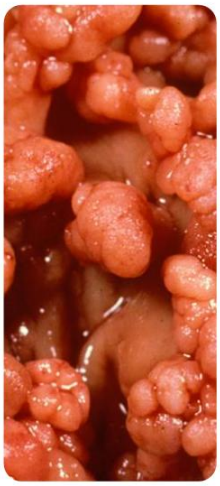
Inactivating mutations in the tumor suppressor gene *APC*

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)
- Benign polyps and dysplastic adenomas
- Oral Dosing & Gut-Biased
- Fast-Track and US Orphan Drug Designation granted

Phase 2 Study Design

FAP with *APC* mutation confirmed → 2:2:1 → High Dose / Low Dose / Placebo → Food Effect → 48 Week Treatment → 1° - Δ Polyp burden at 12M; 2° - PL, Safety, polyp # and histological grade → Open Label Extension

Near Clinical Program – REC-3964 for Recurrence or Prevention of Clostridium difficile Colitis

INCIDENCE

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

Efficacy on the Recursion OS identified a new chemical entity for prophylaxis and recurrent C. difficile infection via glycosyl transferase inhibition with potential to be both orally active and gut-biased

KEY TPP ELEMENTS

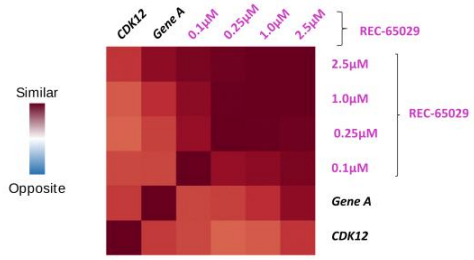
- Orally active small molecule toxin inhibitor
- Non-antibiotic approach with potential for combination with SOC and other therapies for recurrent disease
- Designed for gut-biased pharmacology to target infection in the GI tract while reducing systemic exposure and potential systemic effects
- Not expected to negatively impact the gut microbiome

Colleen – overcame recurrent C diff.

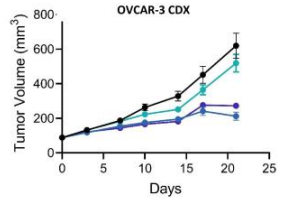
Tumor-targeted precision therapeutics

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

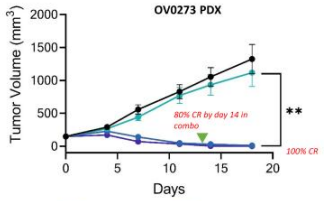
- **Goal:** Identify potential first-in-class NCE with novel MOA capable of potentially treating HRD-negative ovarian cancer
- **Phenomap insight:** Inhibition of target *Gene A* (for example, with REC-65029) may mimic inhibition of CDK12 while mitigating toxicity due to CDK13 inhibition
- **Result:** Single agent and combo activity with olaparib in HRD-negative ovarian cancer CDX and PDX models with durable response

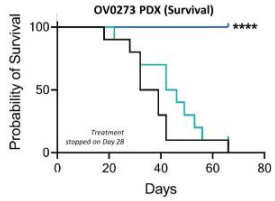


Single agent activity in olaparib-resistant CDX mouse model



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



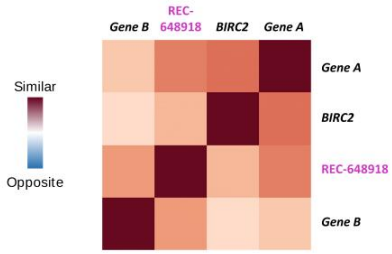


Vehicle Olaparib REC-65029 REC-65029 + Olaparib

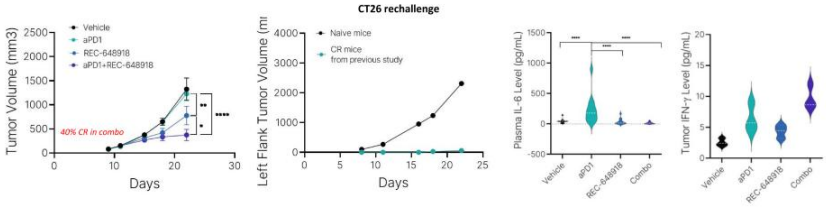
OVCAR-3 CDX – animals dosed with REC-65029 for 5 days at 100 mg/kg BID, a holiday from days 6-9 (due to body weight loss) and dosing resumed at 85 mg/kg BID; OV0273 PDX – REC-65029 dosed at 85 mg/kg PO, BID, olaparib dosed at 90mg/kg PO QD; ** p<0.01 **** p<0.0001

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

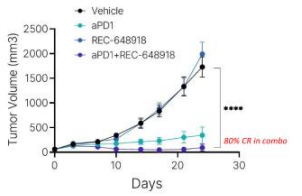
- **Goal:** Identify novel compounds capable of re-sensitizing tumors with tumor-intrinsic resistance factors to checkpoint therapy
- **Phenomap insight:** Novel compound (REC-648918) identified with similarity to knockout of potential immunotherapy resistance gene targets (*Gene A*, *Gene B*)
- **Result:** 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 (left) mouse model; complete response (CR) mice show minimal tumor growth when rechallenged (middle left). Peripheral IL-6 remain unchanged (middle right) while intertumoral IFNγ increases



Efficacy demonstrated in EMT6 mouse model

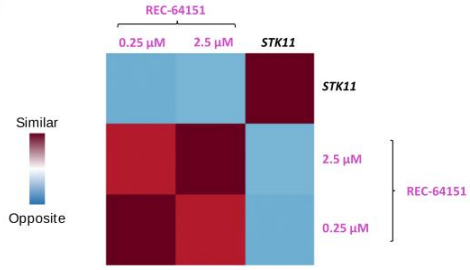


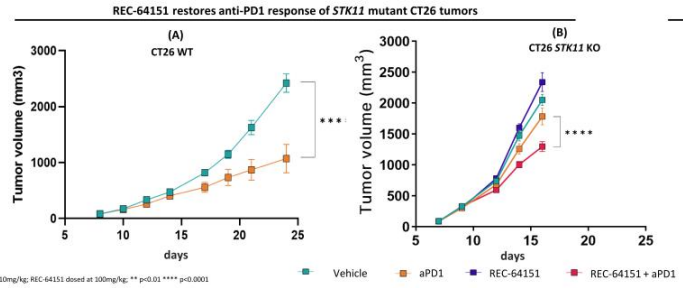
CT26: mouse colon carcinoma. REC-648918 was dosed PO, QD for 5 weeks at 100mg/kg. Anti-PD-1 was dosed IP, BIW for 5 weeks at 10mg/kg. 10 mice per group, dosing initiated when tumors reached ~ 80 mm3; * p<0.05 ** p<0.01 **** p<0.0001; ^ Combination treatment in EMT6 resulted in 8 CR and 8 rejections on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

Tumor-intrinsic immune resistance

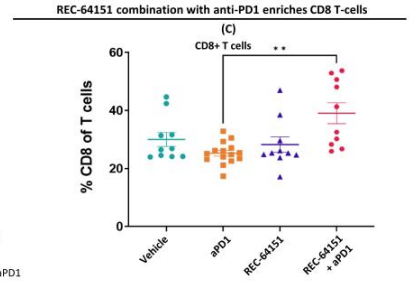
KRAS/STK11: Potential first-in-class NCE with novel MOA to enhance anti-PD-(L)1 response in KRASm/STK11m cancers

- **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)



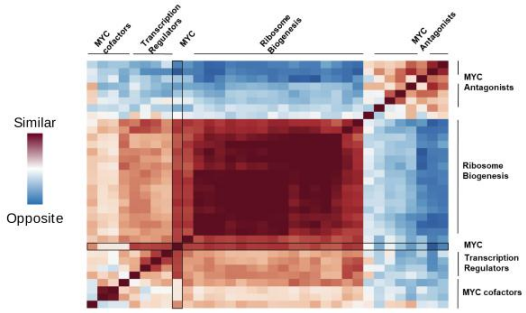


Anti-PD-1 dosed at 10mg/kg; REC-64151 dosed at 100mg/kg; ** p<0.01 **** p<0.0001

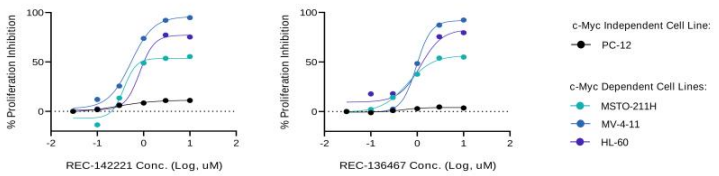


MYC: Platform to identify small molecule inhibitors of *MYC*

- **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



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

Team Members

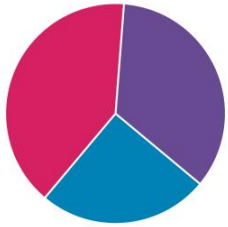
450+ Employees today

43% Advanced degrees

Gender: % Women

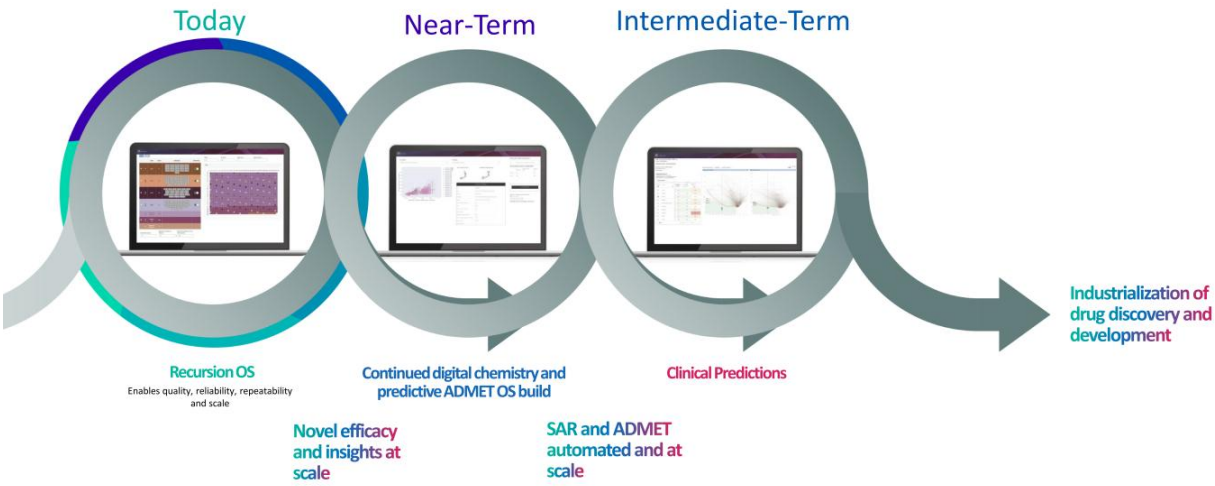
46% All employees

44% VP and above



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

The roadmap


Today
Near-Term
Intermediate-Term
Industrialization of drug discovery and development
Recursion OS
Enables quality, reliability, repeatability and scale
Continued digital chemistry and predictive ADMET OS build
Clinical Predictions
Novel efficacy and insights at scale
SAR and ADMET automated and at scale

What to expect from Recursion

Recent Milestones Achieved

- **Expanded Bayer** collaboration to use mapping and navigating techniques to explore **fibrotic diseases**
- Announced transformational collaboration with **Roche-Genentech** focused predominantly in **neuroscience**
- Enrolled and **dosed multiple participants** in **Ph2** clinical trial evaluating REC-994 for the potential treatment of **CCM**

Upcoming Potential Milestones

Near-Term

- Rec-2282 for **NF2 Ph2/3** clinical start in Q2
- Rec-4881 for **FAP Ph2** clinical start in Q3
- Rec-3964 for **C diff. IND** and **Ph1** start in 2H
- Potential for additional INDs and clinical starts
- Potential option exercises for partnership programs

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
- Recursion OS begins to move to Autonomous Map Building and Navigation with automated chemical synthesis, digital chemistry and predictive ADMET tools
- In-house small molecule manufacturing capabilities

Strong Financials

- **$591M** in cash, equivalents & investments at end of Q1 2022


IMPACT
RECURSION

Appendix: Our leadership team brings together experience & innovation to build the OS for scaling biopharma discovery

Board of Directors

CHRIS GIBSON, PHD
Co-founder & CEO

DEAN LI, MD/PHD
Recursion Co-founder, President of Merck Research Labs

BLAKE BORGESON, PHD
Recursion Co-founder, Board member Machine Intelligence Research Institute

ZAVAIN DAR
Partner, Lux Capital

ZACHARY BOGUE, JD
Partner, Data Collective

ROBERT HERSHBERG, MD/PHD
Former EVP CSO & BD, Celgene

TERRY-ANN BURRELL, MBA
CFO & Treasurer Beam Therapeutics

R. MARTIN CHAVEZ
Vice-Chair of 6th Street Financial. Former CFO/CIO at GS

Executive Team

CHRIS GIBSON, PHD
Co-Founder & CEO

TINA LARSON
President & COO

SHAFIQUE VIRANI, MD FRCS
Chief Corp Dev Officer

MASON VICTORS
Chief Product Officer

RAMONA DOYLE, MD
Chief Medical Officer

HEATHER KIRKBY
Chief People Officer

BEN MABEY
Chief Technology Officer

MICHAEL SECORA, PHD
Chief Financial Officer

LOUISA DANIELS, JD
Chief Legal Officer & General Counsel

Appendix: A biotechnology company scaling more like a technology company

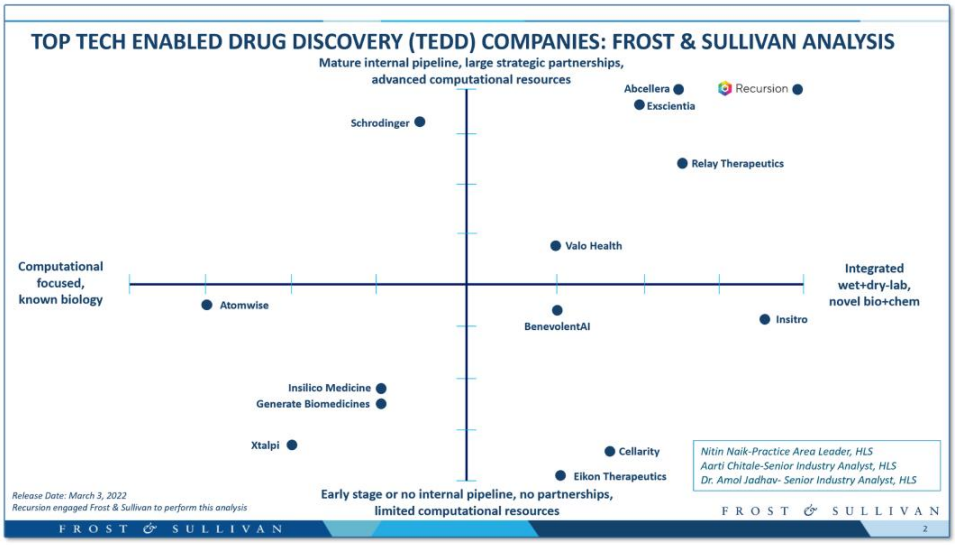
- Growth in capabilities, proprietary data, programs, and partnerships

- 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.

Appendix: Recursion is a leading pharmatech company



Appendix: Highlights from our inaugural ESG report

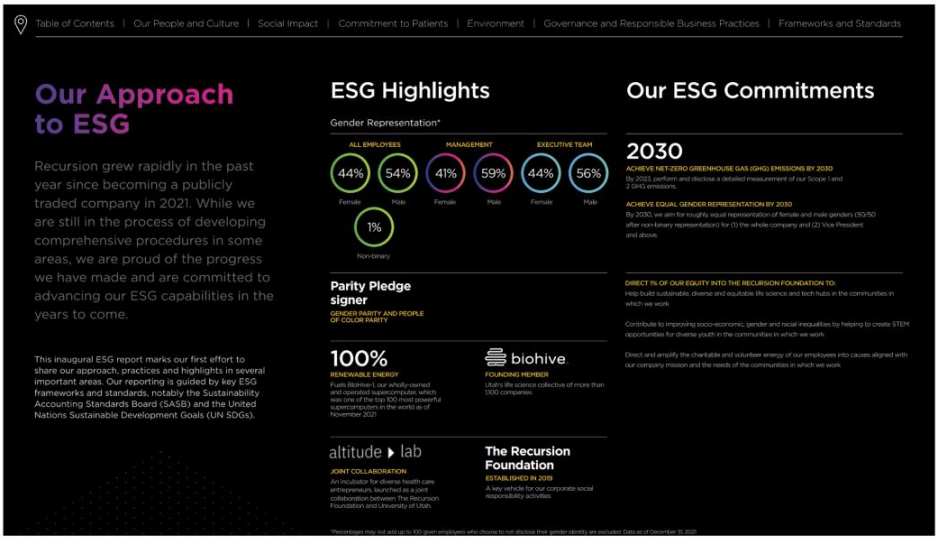


Table of Contents | Our People and Culture | Social Impact | Commitment to Patients | Environment | Governance and Responsible Business Practices | Frameworks and Standards

Our Approach to ESG

Recursion grew rapidly in the past year since becoming a publicly traded company in 2021. While we are still in the process of developing comprehensive procedures in some areas, we are proud of the progress we have made and are committed to advancing our ESG capabilities in the years to come.

This inaugural ESG report marks our first effort to share our approach, practices and highlights in several important areas. Our reporting is guided by key ESG frameworks and standards, notably the Sustainability Accounting Standards Board (SASB) and the United Nations Sustainable Development Goals (UN SDGs).

ESG Highlights

Gender Representation*

ALL EMPLOYEES		MANAGEMENT		EXECUTIVE TEAM	
44%	54%	41%	59%	44%	56%
Female	Male	Female	Male	Female	Male

1% Non-binary

Parity Pledge signer
GENDER PARITY AND PEOPLE OF COLOR PARITY

100%
RENEWABLE ENERGY
Fuels BioHive-1, our wholly-owned and operated supercomputer, which was one of the top 100 most powerful supercomputers in the world as of November 2021

biohive
FOUNDING MEMBER
Utah's life science collective of more than 1,000 companies

altitude ▸ lab
JOINT COLLABORATION
An incubator for diverse health care entrepreneurs, launched as a joint collaboration between The Recursion Foundation and University of Utah.

The Recursion Foundation
ESTABLISHED IN 2019
A key vehicle for our corporate social responsibility activities

*Percentages may not add up to 100 given employees who choose to not disclose their gender identity are excluded. Data as of December 31, 2021

Our ESG Commitments

2030

ACHIEVE NET-ZERO GREENHOUSE GAS (GHG) EMISSIONS BY 2030
By 2023, perform and disclose a detailed measurement of our Scope 1 and 2 GHG emissions.

ACHIEVE EQUAL GENDER REPRESENTATION BY 2030
By 2030, we aim for roughly equal representation of female and male genders (50/50 after non-binary representation) for (1) the whole company and (2) Vice President and above.

DIRECT 1% OF OUR EQUITY INTO THE RECURSION FOUNDATION TO:
Help build sustainable, diverse and equitable life science and tech hubs in the communities in which we work

Contribute to improving socio-economic, gender and racial inequalities by helping to create STEM opportunities for diverse youth in the communities in which we work

Direct and amplify the charitable and volunteer energy of our employees into causes aligned with our company mission and the needs of the communities in which we work