**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 5, 2025

# 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 ☐

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 5, 2025, the Company issued a press release announcing its results of operations and financial condition for the first quarter March 31, 2025. 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 5, 2025, the Company released an updated corporate presentation to the investor section of the Company's website. A copy of the presentation is attached hereto as Exhibit 99.2 to this Current Report on Form 8-K and incorporated into this Item 7.01 by reference.

The information furnished pursuant to Item 2.02 (including Exhibit 99.1) and 7.01 (including Exhibits 99.2 and 99.3) 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.

**Forward Looking Statements**

The Company cautions you that statements contained in this report includes or is based upon "forward-looking statements" within the meaning of the Securities Litigation Reform Act of 1995, including, without limitation, those regarding all actions and anticipated performance under the Tempus Agreement and the Restated Agreement, 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 such as those described under the heading "Risk Factors" in the Company's filings with the SEC, including the Company's most recent Annual Report on Form 10-K and all subsequently filed Quarterly Reports on Form 10-Q. All forward-looking statements are based on management's current estimates, projections, and assumptions, and the Company 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.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

| Exhibit Number | Description |
|---|---|
| 99.1 | Press release issued by the Company dated May 5, 2025 |
| 99.2 | Company presentation dated May 5, 2025 |
| 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 5, 2025.

RECURSION PHARMACEUTICALS, INC.

By: /s/ Ben Taylor
Ben Taylor
Chief Financial Officer

# Recursion Reports First Quarter 2025 Financial Results and Provides Business Update

- Pipeline: Delivered on our commitment to a more focused R&D strategy by advancing a streamlined portfolio of 5+ clinical and preclinical programs in oncology and rare disease, while deprioritizing 3 clinical programs and 1 pre-clinical program following a strategic, data-driven review
- Partnerships: Achieved fourth milestone in Sanofi collaboration, generating $7 million for an orally active small-molecule lead with best-in-class potential in autoimmune diseases
- Platform and Operations: Implemented meaningful synergies and streamlined operations while maintaining capabilities, resulting in cash runway until mid 2027

SALT LAKE CITY, May 5, 2025 (GLOBE NEWSWIRE) — Recursion (Nasdaq: RXRX), a leading clinical stage TechBio company decoding biology to radically improve lives, today reported business updates financial results for its first quarter ending March 31, 2025.

Recursion will host a L(earnings) Call on May 5, 2025 at 8:00 am ET / 6:00 am MT / 1:00 pm BST from Recursion's X (formerly Twitter), LinkedIn, and YouTube accounts giving analysts, investors, and the public the opportunity to ask questions of the company by submitting question here: https://forms.gle/ciFX2KbLfkAvh3Q87.

"Recursion's decade-long investment in AI is driving a decisive, data-led portfolio strategy," said Chris Gibson, Co-Founder and CEO of Recursion. "We are prioritizing high-potential programs to accelerate better treatments to patients, building on our platform's unique ability to learn and lead this transformative shift in drug discovery. Our deep appreciation goes to the patients and investigators whose participation is invaluable on this journey."

**Summary of Business Highlights**

**Pipeline Updates**
"Our portfolio evolution reflects Recursion's commitment to advancing medicines in areas of high unmet need where we believe we can have the greatest impact," said Najat Khan, Chief R&D Officer and Chief Commercial Officer at Recursion. "As part of our business combination with Exscientia, we are proactively streamlining our portfolio, platform, and operations, making deliberate tradeoffs to focus resources on programs with the strongest scientific rationale and the highest potential for near- and long-term impact. Powered by the integrated Recursion OS platform, we are advancing a focused set of differentiated internal and partnered programs. Our approach is grounded in rigorous science and evidenced by the consistent delivery of key milestones with leading pharmaceutical and technology collaborators."

| | Candidate | Target | BIC/FIC | Indication | Preclinical | IND-Enabling | Phase 1 / 2 | Phase 3 |
|---|---|---|---|---|---|---|---|---|
| ONCOLOGY | REC-617 | **CDK7** | BIC | Advanced solid tumors[1] | | | ELUCIDATE | |
| | REC-1245 | **RBM39** | FIC | Biomarker-enriched solid tumors & lymphoma | | | DAHLIA | |
| | REC-3565 | **MALT1** | BIC | B-cell malignancies | | | EXCELERIZE | |
| | REC-7735 | **PI3Kα H1047R** | BIC | Breast Cancer | | | | |
| RARE | REC-4881 | **MEK1/2** | FIC | Familial adenomatous polyposis (FAP) | | | TUPELO | |
| | REV102[2] | **ENPP1** | FIC | Hypophosphatasia (HPP) | | | | |
| | REC-4539 – strategic pause[3] | **LSD1** | BIC | Solid tumors (e.g., SCLC) | | | ENLYGHT | |

3 clinical programs deprioritized: REC-994 for CCM, REC-2282 for NF2, REC-3964 for prevention of recurrent *C. difficile* infection
1 preclinical program (REC-4209 for IPF) has also been deprioritized as part of a disciplined, strategic portfolio prioritization, following the integration

1. Includes non-small cell lung cancer (NSCLC), colorectal cancer, breast cancer, pancreatic cancer, ovarian cancer, head and neck cancer
2. Joint Venture with Rallybio
3. Strategic pause to ensure a competitive Target Product Profile

- **Preliminary Program Data:**
  - **REC-4881 (MEK1/2):** Preliminary data presented at DDW as a late-breaking oral presentation on May 4, 2025 from the ongoing Phase 1b/2 TUPELO study of REC-4881 in familial adenomatous polyposis (FAP):
    - In the Phase 2 open-label study, REC-4881 (4 mg QD) led to a preliminary median 43% reduction (n=6 patients) in polyp burden at the week 13 assessment at time of data cutoff.
    - Five of six patients (83%) experienced reductions in polyp burden ranging from 31% to 82%, however, one patient showed a substantial increase from baseline.
    - At Week 13, 50% of patients (3 out of 6) achieved ≥1-point improvement in Spigelman stage, a measure of upper GI disease severity.
    - The early safety profile of REC-4881 was generally consistent with that of prior MEK1/2 inhibitors; among 19 patients across Phase 1b and 2, most treatment-related adverse events were Grade 1 or 2, with Grade 3 events in 16% of patients and no Grade ≥4 TRAEs reported to date.
  - **REC-7735 (PI3Kα H1047R):** Candidate profiling ongoing targeting PI3Kα H1047R mutant breast cancer; DC nomination expected 2H25:
    - Highly selective and structurally differentiated molecule to reduce dose-limiting hyperglycemia.
    - REC-7735 showed dose-dependent tumor regression in PI3Kα H1047R CDX models, with no elevation in insulin levels or hyperglycemia markers in wild-type mice, unlike standard-of-care PI3K inhibitors.
    - Demonstrated dose-dependent tumor regression in preclinical models, with low-dose REC-7735 outperforming high-dose capivasertib (AKT inhibitor) in efficacy and tolerability.
  - **REV102 (ENPP1):** IND-enabling studies ongoing for hypophosphatasia (HPP) in development with Rallybio; Phase 1 initiation expected 2H26:
    - Highly selective and orally bioavailable molecule supports QD or BID dosing.

        - In vivo data in early-onset HPP model shows improved survival while treatment in late-onset HPP model improves bone defects.
        - Preliminary data supports first-in-class potential for adult-onset HPP.
- **Additional Strategic Pipeline Programs**
    - Focus on highest value programs in core therapeutic areas (oncology and rare disease):
        - **REC-617 (CDK7):** Phase 1/2 ELUCIDATE study ongoing in advanced solid tumors; molecule designed to maximize therapeutic index; best-in-class potential.
        - **REC-1245 (RBM39):** Phase 1/2 DAHLIA study with dose-escalation ongoing for biomarker-selected solid tumors and R/R lymphomas; novel mechanism of action identified to modulate DDR; first-in-class potential.
        - **REC-3565 (MALT1):** Phase 1 EXCELERIZE study recently initiated for B cell malignancies; designed to avoid UGT1A1 on-target toxicity; best-in-class potential.
        - **REC-4539 (LSD1):** Precision designed for reversibility and CNS penetration in solid tumors (e.g.; SCLC); strategic pause to ensure a competitive Target Product Profile.
        - Continued focus on advancing additional discovery programs that meet key criteria.
    - As part of this prioritization, the Company will discontinue development and/or pursue partnering opportunities for the following clinical programs:
        - **REC-2282 (NF2)**: Totality of data supports the discontinuation of the study
            - New findings: Phase 2 passed the futility threshold primarily driven by the 40mg cohort, however the 60mg and combined dose arms did not pass the futility criteria.
            - Limited overall tumor shrinkage and clinical activity across all arms.
        - **REC-994 (CCM)**: Totality of data supports the discontinuation of study
            - Early data suggested potential promising trends in exploratory efficacy endpoints at 400mg (mean volume reduction, mRS), negative trends in efficacy at 200mg (data were not statistically significant).
            - New findings: Long-term extension results showed no promising trends in MRI or functional outcomes in the placebo-to-400mg crossover, and the 400mg-to-400mg arm did not continue prior trends and was indistinguishable from natural history.
        - **REC-3964 (*C. difficile*)**: The company will consider out-licensing opportunities
            - Evolved treatment options result in low recurrence rates (~5%); thus limiting unmet need.
            - Strategic decision to focus on other areas with greater unmet need.

- **Upcoming milestones:**
    - **REC-617 (CDK7):** On track to initiate CDK7 combination studies in 1H25, additional monotherapy data expected in 2H25.
    - **REC-4881 (MEK1/2):** Additional data in FAP from TUPELO expected in 2H25.

- **REC-7735 (PI3Kα H1047R):** preclinical studies ongoing with development candidate expected in 2H25.
- **REC-1245 (RBM39):** Early Phase 1 safety and PK monotherapy data expected in 1H26.
- **REC-3565 (MALT1):** Early Phase 1 safety and PK monotherapy data expected in 2H26.
- **REV102 (ENPP1):** Phase 1 initiation expected in 2H26.

**Partnerships Updates**
Recursion and Sanofi advanced their fourth partnered program through a significant discovery milestone. This milestone involved the Recursion OS identifying differentiated, orally active small molecule leads against a high-interest immune cell target. These leads exhibit potential best-in-class properties, addressing significant liabilities seen in other candidates. As a result of this milestone, Recursion has received a $7 million milestone payment with the potential for over $300 million in additional milestone payments for this program. In total, the partnership has generated $130 million of cash inflows (including an upfront payment) to Recursion to date.

Recursion's collaboration within Neuroscience and a GI Oncology Indication for Roche and Genentech continues to bring unbiased novel biological insights to potential programs. To date, the collaboration has built five phenomaps derived from a vast dataset of over one trillion iPSC-derived cells, one hundred billion GI Oncology relevant cells, alongside around 5,000 transcriptomes representing approximately 171 TB of data. Our approach continues to integrate high-throughput screens of genetics and small molecules with detailed cell measurements, informing our AI/ML models. Looking ahead, we are actively building additional maps and are focused on leveraging the Recursion OS and collaborating with Roche and Genentech to identify new novel programs that will fuel program advancement in both a GI Oncology indication and within Neuroscience.

**Platform Updates**
- The platform is continuing to expand its ClinTech focus including high-quality, linked data assets, to industrialize clinical development, reduce costs, and accelerate the development of novel therapeutics. Updates include:
  - Leveraging Tempus data across Recursion's oncology programs to expand therapeutic areas, which the Company believes will enrich patient population subgroups, and help increase likelihood of response for oncology clinical programs.
  - Signing an agreement with HealthVerity to integrate de-identified data for over 340 million covered lives within the US into Recursion OS, allowing for deeper insights into patient populations, enhanced trial design and feasibility assessments, as well as clinical operations workflows.
- The collaboration with Enamine, leveraging Recursion's massive data layer of predicted protein-small molecule interactions, resulted in the generation of enriched screening libraries to target 100 key and clinically relevant drug targets. The screening libraries are now available for purchase from Enamine.

**Financial and Corporate Updates**
"Recursion is stronger as a combined company, allowing us to not only deliver on operational goals more efficiently, but also be nimble in periods of uncertainty," stated Ben Taylor, CFO of

Recursion and President Recursion UK. "We have been able to significantly lower costs without cutting important platform capabilities by decreasing overall capacity. We maintain the ability to restore capacity in the future to respond to market needs. This aligns closely with our fundamental goal of using AI and automation to make drug discovery more flexible, efficient and effective."

**First Quarter 2025 Financial Results**

- **Cash Position:** Cash and cash equivalents and restricted cash were $509 million as of March 31, 2025 compared to $603 million as of December 31, 2024.
- **Revenue:** Total revenue, consisting primarily of revenue from collaborative agreements, was $15 million for the first quarter of 2025, compared to $14 million for the first quarter of 2024 due to the timing of projects from the Company's Sanofi, Roche and Merck KGaA, Darmstadt, Germany collaborations.
- **Research and Development Expenses:** Research and development expenses were $130 million for the first quarter of 2025, compared to $68 million for the first quarter of 2024. The increase was primarily driven by the Company's agreement with Tempus as well as our business combination with Exscientia in November 2024. This includes $27 million in non-cash expenses for use of Tempus' patient-centric multimodal oncology data for Recursion programs.
- **General and Administrative Expenses:** General and administrative expenses were $55 million for the first quarter of 2025, compared to $31 million for the first quarter of 2024. The increase compared to prior period was primarily due to the inclusion of G&A expenses from the business combination with Exscientia.
- **Net Loss:** Net loss was $202.5 million for the first quarter of 2025, compared to a net loss of $91.4 million for the first quarter of 2024.
- **Net Cash:** Net cash used in operating activities was $132 million for the first quarter of 2025, compared to net cash used in operating activities of $102 million for the first quarter of 2024. The difference was primarily driven by higher costs incurred for R&D and G&A due to the Company's business combination with Exscientia, in addition to $16 million of one-time transaction related costs in the first quarter of 2025.

**Integration update and guidance**

- Operational teams have been functioning as consolidated groups since immediately after closing. Core integration plans are completed or on schedule across the company.
- Expected cash burn* excluding partnering or financing inflows for 2025 of equal to or less than $450 million, excluding the benefit of potential cash inflows from existing or new partnerships. In 2024, the combined cash burn excluding partnering or financing inflows was approximately $606 million, including $203 million of change in cash from Exscientia prior to the business combination and $403 million from Recursion, excluding $49 million of respective partnership inflows.
- 1Q25 cash burn excluding partnering or financing inflows of approximately $118 million, excluding transaction related costs
- Projected cash runway into mid 2027 based on current business plan.
- Primary areas of combination synergies and operational savings beyond pipeline prioritization:
    - Duplicated corporate expenses
    - Reduction in capacity of drug discovery operations
    - Utilization of broader platform capabilities to reduce project costs

- Increasing administrative efficiency
- Rationalization of facilities and office locations
- Greater purchasing power with vendors
- Spin-out of Austrian operations

**Cash burn is a non-GAAP financial measure. See "Non-GAAP Financial Measures" below for additional information regarding cash burn and for a reconciliation of cash burn to net cash used in operating activities for historical periods, the most directly comparable GAAP financial measure. With respect to the expected cash burn for 2025, certain items that affect the calculation of the GAAP financial measure for net cash used by operating activities are not available on a forward-looking basis because such items cannot be reasonably calculated without unreasonable effort due to the unpredictability of the amounts and timing of events affecting the items we exclude from cash burn. Consequently, the Company is unable to provide a reconciliation of net cash used in operating activities to cash burn for the Company's fiscal 2025 guidance.*

**Expanded Board:**

- Namandjé Bumpus, Ph.D, and Elaine Sun have been appointed to Recursion's Board of Directors, effective as of March 15th.
- Dr. Bumpus brings deep experience in scientific innovation and regulatory strategy, while Elaine Sun adds extensive leadership in life sciences finance and corporate strategy.

**About Recursion**

Recursion (NASDAQ: RXRX) is a clinical stage TechBio company leading the space by decoding biology to radically improve lives. Enabling its mission is the Recursion OS, a platform built across diverse technologies that continuously generate 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, Montréal, New York, London, Oxford area, and the San Francisco Bay area. Learn more at www.Recursion.com, or connect on X (formerly Twitter) and LinkedIn.

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

| | Three months ended March 31, | |
|---|---|---|
| | **2025** | **2024** |
| **Revenue** | | |
| Operating revenue | $ 14,818 | $ 13,491 |
| Grant revenue | (73) | 303 |
| **Total revenue** | 14,745 | 13,794 |
| | | |
| **Operating costs and expenses** | | |
| Cost of revenue | 21,829 | 11,166 |
| Research and development | 129,634 | 67,560 |
| General and administrative | 54,650 | 31,408 |
| **Total operating costs and expenses** | 206,113 | 110,134 |
| | | |
| **Loss from operations** | (191,368) | (96,340) |
| Other income (loss), net | (11,277) | 4,188 |
| **Loss before income tax benefit** | (202,645) | (92,152) |
| Income tax benefit | 158 | 779 |
| **Net loss** | $ (202,487) | $ (91,373) |
| | | |
| **Per share data** | | |
| **Net loss per share of Class A, B and Exchangeable common stock, basic and diluted** | $ (0.50) | $ (0.39) |
| **Weighted-average shares (Class A, B and Exchangeable) outstanding, basic and diluted** | 402,771,972 | 236,019,349 |

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

| | March 31, 2025 | December 31, 2024 |
|---|---|---|
| **Assets** | | |
| **Current assets** | | |
| Cash and cash equivalents | $ 500,453 | $ 594,350 |
| Restricted cash | 3,075 | 3,045 |
| Other receivables | 46,124 | 49,166 |
| Prepaid data assets | 2,470 | 29,601 |
| Other current assets | 32,023 | 38,107 |
| **Total current assets** | 584,145 | 714,269 |
| Restricted cash, non-current | 5,629 | 5,629 |
| Property and equipment, net | 126,834 | 141,063 |
| Operating lease right-of-use assets | 53,186 | 65,877 |
| Financing lease right-of-use assets | 24,757 | 26,273 |
| Intangible assets, net | 335,790 | 335,855 |
| Goodwill | 158,112 | 148,873 |
| Deferred tax assets | 2,003 | 1,934 |
| Other assets, non-current | 14,778 | 8,825 |
| **Total assets** | $ 1,305,234 | $ 1,448,598 |
| **Liabilities and stockholders' equity** | | |
| **Current liabilities** | | |
| Accounts payable | $ 25,086 | $ 21,613 |
| Accrued expenses and other liabilities | 56,804 | 81,872 |
| Unearned revenue | 39,651 | 61,767 |
| Operating lease liabilities | 11,853 | 13,795 |
| Notes payable and financing lease liabilities | 8,587 | 8,425 |
| **Total current liabilities** | 141,981 | 187,472 |
| Unearned revenue, non-current | 129,609 | 118,765 |
| Operating lease liabilities, non-current | 56,024 | 67,250 |
| Notes payable and financing lease liabilities, non-current | 16,446 | 19,022 |
| Deferred tax liabilities | 22,437 | 16,575 |
| Other liabilities, non-current | 4,790 | 4,732 |
| **Total liabilities** | 371,287 | 413,816 |
| Commitments and contingencies | | |
| **Stockholders' equity** | | |
| Common stock (Class A, B and Exchangeable) | 4 | 4 |
| Additional paid-in capital | 2,553,492 | 2,473,698 |
| Accumulated deficit | (1,633,694) | (1,431,283) |
| Accumulated other comprehensive loss | 14,145 | (7,637) |
| **Total stockholders' equity** | 933,947 | 1,034,782 |
| **Total liabilities and stockholders' equity** | $ 1,305,234 | $ 1,448,598 |

**Non-GAAP Financial Measures**
To supplement our financial statements prepared in accordance with U. S. GAAP, we monitor and consider cash burn, which is a non-GAAP financial measure. We define cash burn as the

net cash used in operating activities, excluding non-ordinary course transaction costs, plus partnership cash inflows and purchases of property and equipment. This non-GAAP financial measure is not based on any standardized methodology prescribed by U.S. GAAP and is not necessarily comparable to similarly-titled measures presented by other companies. We believe cash burn to be a liquidity measure that provides useful information to management and investors about the amount of cash consumed by the operations of the business, including our purchases of property and equipment. A limitation of using this non-U.S. GAAP measure is that cash burn does not represent the total change in cash and cash equivalents for the period because it excludes cash provided by or used for other investing and financing activities. We account for this limitation by providing information about our capital expenditures and other investing and financing activities in the statements of cash flows in our financial statements and by presenting cash flows from investing and financing activities in our reconciliation of cash burn. In addition, it is important to note that other companies, including companies in our industry, may not use cash burn, may calculate cash burn in a different manner than we do or may use other financial measures to evaluate their performance, all of which could reduce the usefulness of cash burn as a comparative measure. Because of these limitations, cash burn should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with U.S. GAAP. The reconciliation of cash burn to net cash used in operating activities and cash and cash equivalents is provided in the tables below (in millions of dollars):

| **Cash burn - 1Q 25** | **(in millions)** | |
|---|---|---|
| Recursion net cash used in operating activities | 132 | * |
| Subtract: transaction costs | (16) | |
| Add: purchases of property and equipment | 2 | * |
| **Cash burn - 1Q 25** | 118 | |

***:** This is from Recursion inc Condensed Consolidated Statement of Cash Flows for the three months ended March 31, 2025

| **Cash burn - 2024** | | **(in millions)** | |
|---|---|---|---|
| Exscientia change in cash, cash equivalents and bank deposits | $ | 184 | & |
| Recursion net cash used in operating activities | | 359 | * |
| Add: partnership cash inflows | | 49 | |
| Add: purchases of property and equipment | | 14 | * |
| **Cash burn - 2024** | $ | 606 | |

**&:** See below table for the calculation of this amount
***:** This is from Recursion inc Consolidated Statement of Cash Flows for the year ended December 31, 2024

**Cash, cash equivalents and bank deposits - Exscientia**

| **(in millions)** | | **November 20, 2024** | | **December 31, 2023** | | **Change** |
|---|---|---|---|---|---|---|
| Cash and cash equivalents | $ | 277 | £ | 259 | | |
| Short term bank deposits | | — | | 104 | | |
| Total - GBP | | N/A | £ | 363 | | |
| GDP to USD rate | | N/A | | 1.27 | | |
| Total USD | $ | 277 | $ | 461 | $ | (184) |

**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 Recursion’s cash position, cash burn and cash runway; the potential to deliver effective therapies to patients in high-need areas; Recursion’s ability to demonstrate the potential of technology-driven approaches to increase speed, quality and the scalability of drug discovery; the potential outlook for programs being prioritized and deprioritized; Recursion's future as a leader in TechBio and ability to deliver better treatments to patients faster; the completion of core integration plans and the results of the business combination with Exscientia; expectations relating to early and late stage discovery, preclinical, and clinical programs, including timelines for commencement of and enrollment in studies, data readouts, and progression toward IND-enabling studies; expectations and developments with respect to licenses and collaborations, including option exercises by partners and additional partnerships, the value of data generated for the Roche-Genentech partnership, the value of data from new partnerships, and the promising future of partnership programs, the acceleration of progress across multiple partnered programs; prospective products and their potential future indications and market opportunities; developments with 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 Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. 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.


Recursion
(L)earnings 1Q25
May 2025

# Important Information

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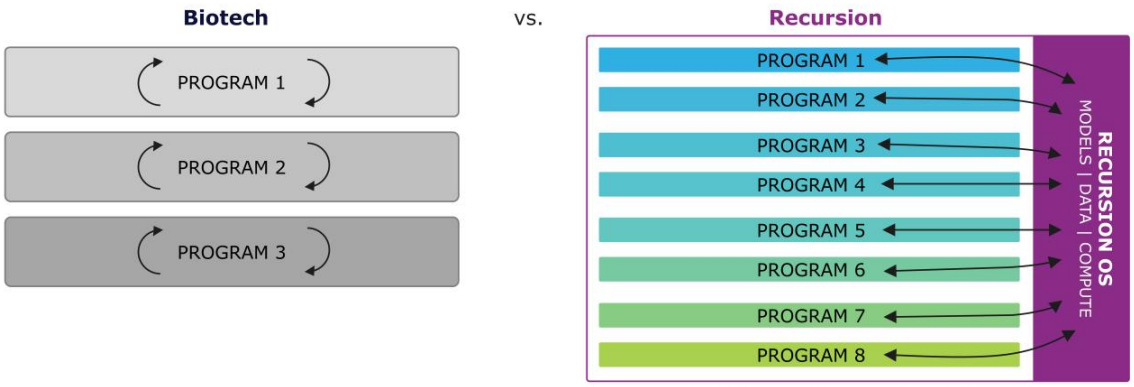
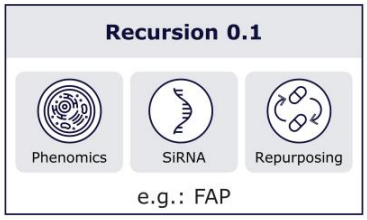
# Recursion's Mission: Decode Biology to Radically Improve Lives




*Recursion OS delivers a decisive, data-led portfolio strategy*

# Evolution of our platform reflects the evolution of our portfolio



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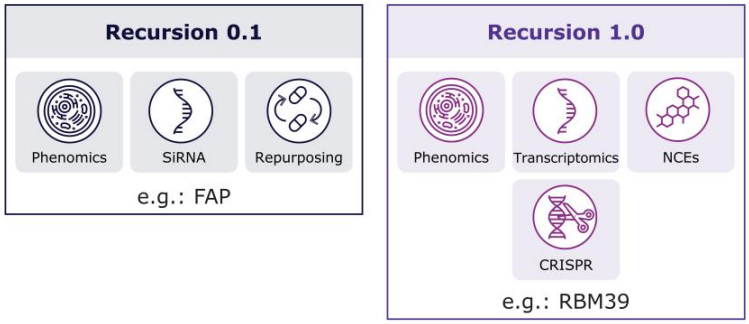

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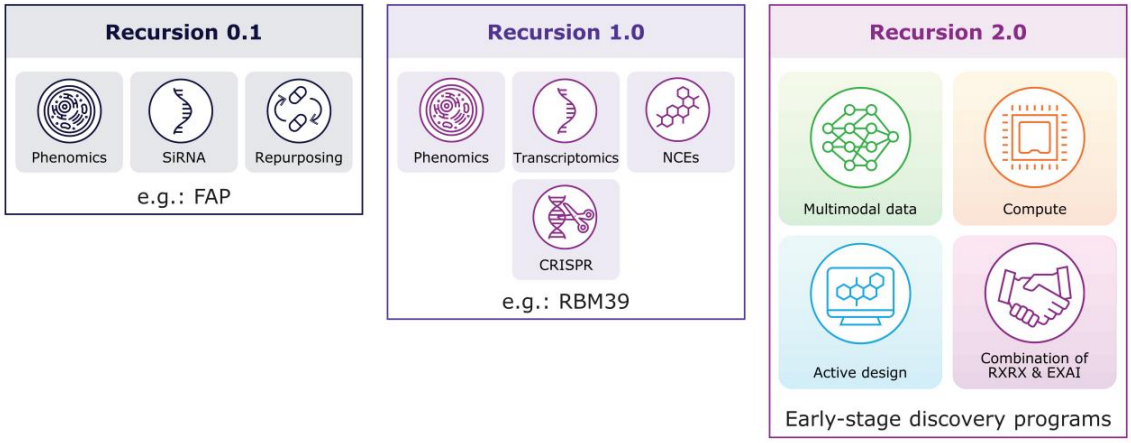
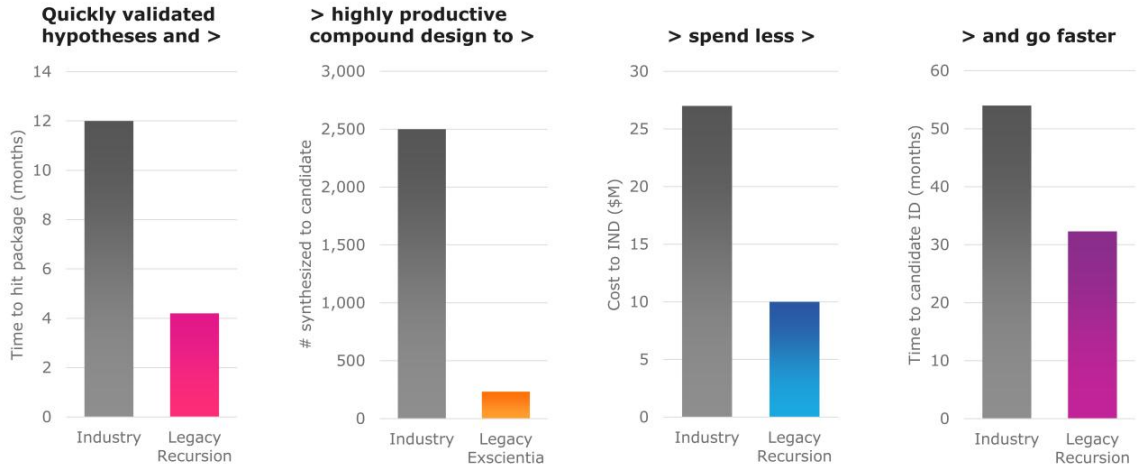


# Recursion OS moves medicines to clinic faster and at a lower cost




(Far Left): Time from hypothesis screening to validated hit package for legacy Recursion programs. (Center Left): Legacy Exscientia compounds synthesized from hit to candidate ID. (Center Right): Total spend from hypothesis screening to the completion of IND-enabling studies for legacy Recursion novel chemical entity (NCE) programs that advanced to clinical trials. The cost to IND has been inflation-adjusted using the US Consumer Price Index (CPI) (Far Right). Time to validated lead is the average of >280 legacy Recursion programs since late 2017 through 2024. Industry data adapted from Paul, et al., Nature Reviews Drug Discovery (2010) 9, 203–214



Recursion

# **Sharpening our focus:** Why Now

**Commit to streamlined integrated portfolio**

Deliver on our commitment to a streamlined post-integration pipeline and overall operations by 1Q25, enabling a disciplined R&D strategy built for near and long-term impact

**Prioritize with integrated Recursion OS 2.0 platform**

Rapidly validate emerging opportunities, double down on winners, and decisively exit efforts that do not meet our bar

**Continue to invest in transformational value creation**

Focused go-forward strategy, allows for targeted investment in platform and high impact programs, and to fuel innovation with financial discipline amid an uncertain macro environment

# **Go-Forward Pipeline:** Advancing 5+ High-Potential Programs Across Oncology & Rare Disease

| | Candidate | Target | BIC/FIC | Indication | Preclinical | IND-Enabling | Phase 1 / 2 | Phase 3 |
|---|---|---|---|---|---|---|---|---|
| ONCOLOGY | REC-617 | **CDK7** | BIC | Advanced solid tumors[1] | *ELUCIDATE* | | | |
| ONCOLOGY | REC-1245 | **RBM39** | FIC | Biomarker-enriched solid tumors & lymphoma | *DAHLIA* | | | |
| ONCOLOGY | REC-3565 | **MALT1** | BIC | B-cell malignancies | *EXCELERIZE* | | | |
| ONCOLOGY | REC-7735 | **PI3Kα H1047R** | BIC | Breast Cancer | | | | |
| RARE | REC-4881 | **MEK1/2** | FIC | Familial adenomatous polyposis (FAP) | *TUPELO* | | | |
| RARE | REV102[2] | **ENPP1** | FIC | Hypophosphatasia (HPP) | | | | |
| | REC-4539 – strategic pause[3] | **LSD1** | BIC | Solid tumors (e.g., SCLC) | *ENLYGHT* | | | |

3 clinical programs deprioritized: REC-994 for CCM, REC-2282 for NF2, REC-3964 for prevention of recurrent *C. difficile* infection
1 preclinical program (REC-4209 for IPF) has also been deprioritized as part of a disciplined, strategic portfolio prioritization, following the integration

1. Includes non-small cell lung cancer (NSCLC), colorectal cancer, breast cancer, pancreatic cancer, ovarian cancer, head and neck cancer
2. Joint Venture with Rallybio
3. Strategic pause to ensure a competitive Target Product Profile

# Pharma partnerships with approximately $455M[1] earned to date and potential to receive more than $20B in additional milestones


**NEUROSCIENCE & ONCOLOGY**
- **$150M upfront | Up to $300M per program for 40 programs**
- Identifying novel targets and small molecules, with the potential to advance up to 40 programs in neuroscience & a GI oncology indication.

**ONCOLOGY & IMMUNOLOGY**
- **$100M upfront | >$5B total value**
- Focusing on up to 15 novel small molecule candidates across oncology & immunology

**ONCOLOGY**
- **$80M upfront + investment | ~$1.5B total value**
- Focusing on up to seven programs in oncology

**ONCOLOGY & IMMUNOLOGY**
- **$20M upfront | >$650M deal value**
- Focused on three projects in oncology & immunology

1. Upfront and milestone payments from these therapeutic partnerships
Note: Total deal value may include program milestones (for development, commercialization and net sales) and tiered royalties on net sales

# Portfolio Update

Recursion

# **Go-Forward Pipeline:** Advancing 5+ High-Potential Programs Across Oncology & Rare Disease

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1. Includes non-small cell lung cancer (NSCLC), colorectal cancer, breast cancer, pancreatic cancer, ovarian cancer, head and neck cancer
2. Joint Venture with Rallybio
3. Strategic pause to ensure a competitive Target Product Profile

# **Sharpening our focus**: Go-forward programs powered by Recursion OS

| **REC-617 \| CDK7** | **REC-1245 \| RBM39** | **REC-4881 \| MEK1/2** |
|---|---|---|
| Ph 1/2 Mono; Ph 1 Combo 1H25<br>Solid tumors[1] | Ph 1<br>Solid tumors[2], Lymphoma | Ph 1b/2<br>Familial adenomatous polyposis (FAP) |
| Optimized PK/PD with potential for improved efficacy and safety via a wider therapeutic index | Phenotypic insight to identify novel MOA to modulate DDR biology | Phenotypic insight on MEK1/2 inhibition for APC-mutant FAP |
| *~185,000 addressable patients* | *~100,000 addressable patients* | *~50,000 addressable patients* |

| **REC-3565 \| MALT1** | **REC-7735 \| PI3Kα H1047R** | **REV102[3] \| ENPP1i** |
|---|---|---|
| Ph 1<br>B cell malignancies | IND-enabling 2H25<br>Breast Cancer | IND-enabling<br>Hypophosphatasia (HPP) |
| Potential for less UGT1A1 inhibition and off-target AEs | Highly selective with potential for improved efficacy and safety via a wider therapeutic index | Oral, highly selective & potent, suitable for lifetime dosing |
| *~41,000 addressable patients* | *~11,000 addressable patients* | *~7,800[4] addressable patients* |

**REC-4539 | LSD1:** Precision designed for reversibility and CNS penetration

*Strategic pause to ensure a competitive Target Product Profile*

Note: Addressable patient populations estimate based on annual US+EU5 and currently identified indications
1. Includes ovarian cancer, breast cancer, non-small cell lung cancer (NSCLC), colorectal cancer, pancreatic cancer, head and neck cancer
2. Biomarker-enriched
3. Joint Venture with Rallybio
4. Diagnosed patients

## **Sharpening our focus**: Disciplined deprioritization – focus where we can win

| | |
|---|---|
| **REC-2282**<br>NF2 | • New findings:<br>  • Phase 2 for NF2-related meningioma passed the futility threshold, primarily driven by the 40 mg cohort; however, the 60 mg and combined dose arms did not pass the futility criteria<br>  • Limited tumor shrinkage and clinical activity across all arms<br>• Totality of data supports the discontinuation of study |
| **REC-994**<br>CCM | • Early data suggested potential promising trends in exploratory efficacy endpoints at 400mg (mean volume reduction, mRS), negative trends in efficacy at 200mg (data were not statistically significant)<br>• New findings: Long-term extension results showed no promising trends in MRI or functional outcomes in the placebo-to-400mg crossover, and the 400mg-to-400mg arm did not continue prior trends and was indistinguishable from natural history<br>• Totality of data supports the discontinuation of study |
| **REC-3964**<br>*C. difficile* | • Evolved treatment options result in lower recurrence rates (~5%); thus limiting unmet need<br>• Strategic decision to focus on areas with greater unmet need<br>• Will consider out license opportunities |

# Targeted, Differentiated Go-Forward Portfolio Strategy

*Powered by the Recursion OS 2.0 platform*

**Differentiated, product first mindset, powered by Recursion OS 2.0**
Integrated, end-to-end tech stack
Multimodal Biology · Design · ClinTech

**Explore the uncharted** by going after **novel targets** to develop differentiated medicines
First-in-class molecules

Provide **significantly meaningful advancements** with differentiated medicines
Best-in-class molecules

Double down on areas of **expertise and efficiency**
Oncology · I&I · Neuroscience · Rare

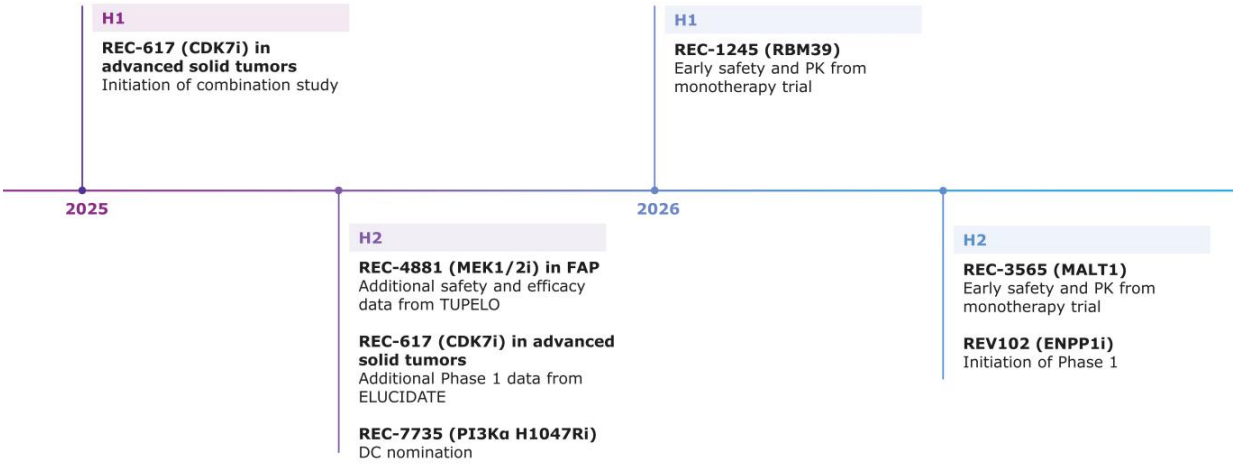
Develop **innovative molecules in-house, powered by our platform**

Focus on **quick and clear go/no-go**, **differentiated TPP that enable rapid POC**



Note: Leverage platform insights to strategically in-license

# **Internal pipeline momentum:** Near Term Catalysts Through 2025 and 2026

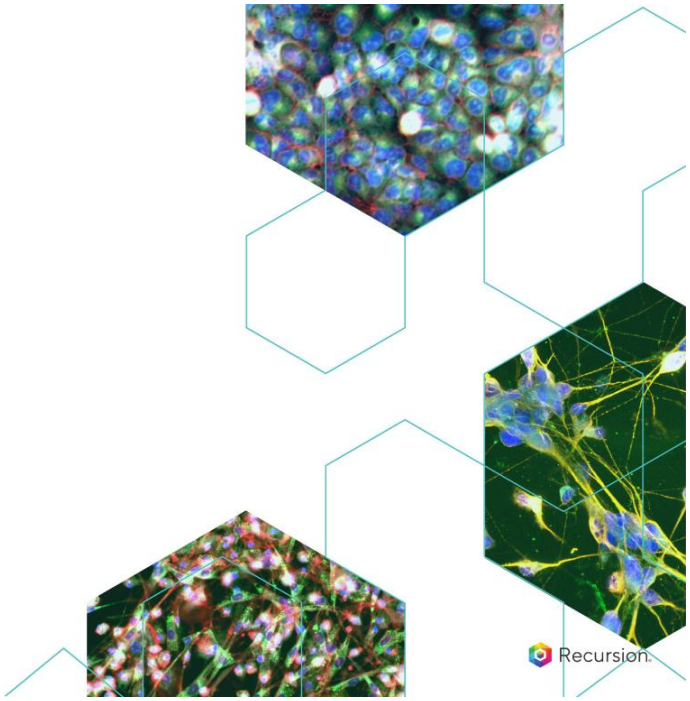





Note: REC-4539 (LSD-1i), Phase 1 TBD

Rare Disease

# MEK 1/2



# **REC-4881:** Allosteric MEK1/2 Inhibitor

A highly selective, potent MEK1/2 inhibitor as chemoprevention for Familial Adenomatous Polyposis (FAP)

### Unmet need[1]

- **No systemic therapies** for ~50,000 FAP patients beyond colectomy
- **~15,000 patients** post colectomy, >55 years old

### Mechanism of Action

- **Potent, non-competitive, allosteric** MEK1/2 inhibitor

### Thesis & Differentiation

- **First oral therapy,** targeting underlying genetic mechanisms
- **Preferential distribution to GI tissues ->** greater activity at lower doses

### Recursion Approach

- **Unbiased ML-aided phenotypic** drug screen in **human cancer cells**
- **Validated findings** in vivo demonstrating significant reductions in polyps and adenomas

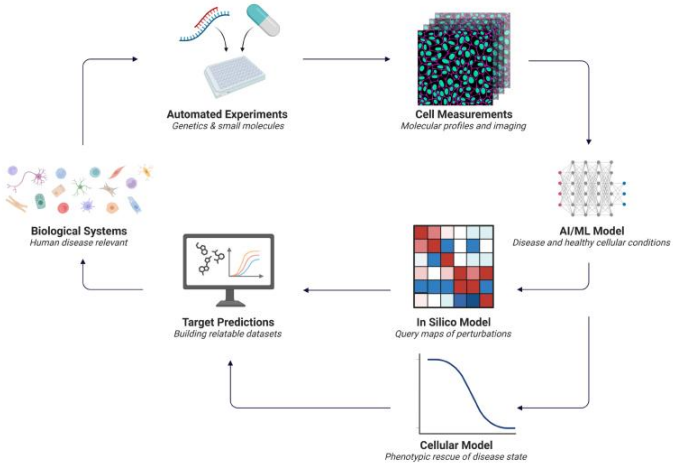
### Program Status

- **Enrollment ongoing**; additional efficacy and safety data, **2H25**



1. US + EU5 diagnosed prevalence of FAP (adult and pediatric), Internal company estimates.

# **Platform Insight:** The AI-powered Recursion OS was leveraged to uncover novel therapeutic mechanisms relevant for FAP



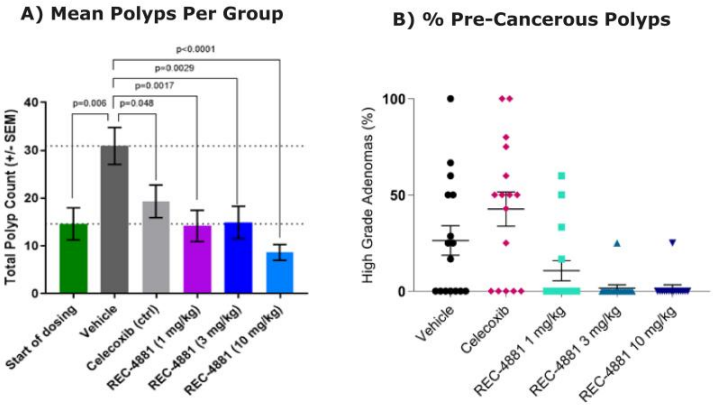

## REC-4881 Discovery

- The platform analyzed cellular models of APC gene loss—the root cause of FAP
- **AI/ML** extracts morphological features to **distinguish** "**diseased**" vs. "**healthy**" states
- Numerous compounds screened to identify therapeutic mechanisms that **reverse disease state back to healthy** in a concentration-dependent manner
- **REC-4881** (an **allosteric MEK 1/2 inhibitor**) demonstrated **potent** and **concentration dependent rescue**



1. Data on File

# **Preclinical Data:** REC-4881 significantly decreased polyps and high-grade adenomas in FAP mouse models




**Preclinical Summary**[1]

REC-4881:

- **Reduces polyp count more effectively** than **celecoxib** in $APC^{min/-}$ mice
- **Decreases** both **polyp number and high-grade adenoma** percentage, unlike celecoxib

1. REC-4881 reduces polyp count and eliminates high grade adenomas in $Apc^{min}$ mouse model of FAP.
A) Mean GI polyp count after oral administration of indicated dose of REC-4881, celecoxib or vehicle control for 8 weeks. Polyp count at start of dosing reflects animals sacrificed at the start of study (15 weeks of age). P < 0.001 for all REC-4881 treatment groups versus vehicle control.
B) Same data displayed in A shown for individual animals on study suggests that at lowest dose tested (1 mg/kg) REC-4881 demonstrates maximum efficacy



Recursion

# **Phase 1b and Phase 2**: REC-4881-201 study design & objectives

- Two stage study designed to assess safety, tolerability, PK/PD and **preliminary efficacy of REC-4881 in FAP**
- Phase 1b (safety run-in) followed by Phase 2 (open-label) evaluating once-daily **REC-4881 for 12 weeks**

**Phase 1b**

**Completed:**

**Single and Multiple Dose Safety**

Randomized, double-blind, placebo-controlled (N=7)

5 patients dosed 4 mg, 2 on placebo

**Study Objectives:**

Safety/tolerability
Pharmacokinetics
Pharmacodynamics

**Key Eligibility:** FAP ≥ 18 years old



1. Efficacy Evaluable Population: Defined as all participants who have measurable disease (non-zero polyp burden) at end of baseline endoscopy, received at least 75% of study drug, and have at least one post-baseline on study endoscopic assessment
2. After analysis in Phase 1b the eligibility criteria was shifted to enroll only patients 55+ years of age to minimize TRAEs associated with MEK1/2 inhibition
3. Participants from RP2D in Dose Finding will Contribute to the sample size in Cohort Expansion

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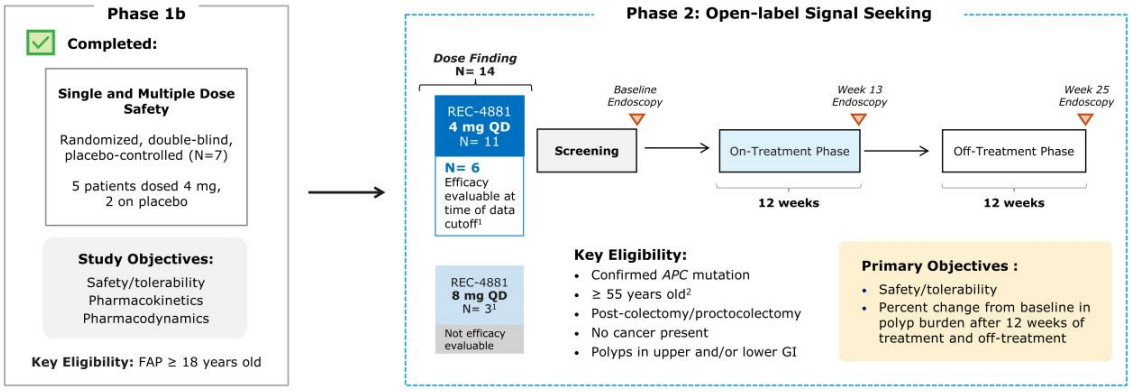


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# **Phase 1b and Phase 2:** REC-4881 summary of adverse events

| Event, n (%) | Placebo (N=2) | REC-4881 4 mg (N=16)[3] | REC-4881 8 mg (N=3) | REC-4881 Total (N=19) |
|---|---|---|---|---|
| **Any Treatment Emergent Adverse Event (TEAE)** | **2** (100) | **13** (81.2) | **3** (100) | **16** (84.2) |
| TEAEs Grade ≥3 | **0** | **5** (31.2) | **0** | **5** (26.3) |
| **Any TEAE related to study drug (TRAE)** | **1** (50.0) | **13** (81.2) | **2** (66.7) | **15** (78.9) |
| Grade ≥3 TRAE | **0** | **3** (18.8) | **0** | **3** (15.8) |
| Discontinuation due to Related-TEAE | **0** | **3** (18.8) | **0** | **3** (15.8) |
| Dose interruption due to Related-TEAE | **0** | **1** (6.20) | **0** | **1** (5.3) |
| Dose modification due to Related-TEAE | **NA** | **0**[2] | **1** (33.3) | **1** (5.3) |

REC-4881 Preliminary Safety

**4 mg dose:**

- **Most common TRAEs**: dermatitis acneiform (50%; All G1/2), rash (31.2%; 25% G1/2 and 6% G3), diarrhea (31.2%; All G1/2), blood CPK increase (25%; All G1/2), and LVEF decrease (25%; 19% G1/2, 6% G3)
- **Grade 3 TRAEs:** Rash (6%, n=1), CRP increase (6%, n=1), LVEF Decrease (6%, n=1)[1]

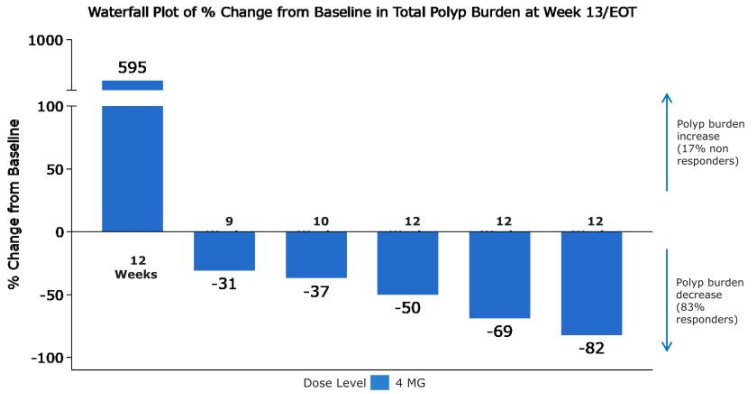
**8 mg dose:**

- **No Grade 3 TRAEs**
- **Grade 2 TRAEs:** Rash (33%, n=1)



1. LVEF decrease was transient, and patient recovered following drug withdrawal
2. 4 mg is the lowest dose available in this Study
3. For 4mg, N=5 patients in Phase 1b and N=11 patients in Phase 2 were dosed

# **Preliminary Results:** 43% median reduction in total polyp burden on 4 mg REC-4881




Data excludes one 4mg patient who received only 3 weeks of REC-4881 dosing and WK13 endoscopy was performed 10 weeks post last dose. Percent (%) change from baseline calculates the change between post-resection value from screening visit to the pre-resection value at Week 13/EOT visit. Subjects with absolute value of 0 at baseline are not displayed.
Data Snapshot Date: 2025-04-02; Data Cut-off Date: 2025-03-17; Report generated on: 2025-04-28

**REC-4881 Preliminary Efficacy**

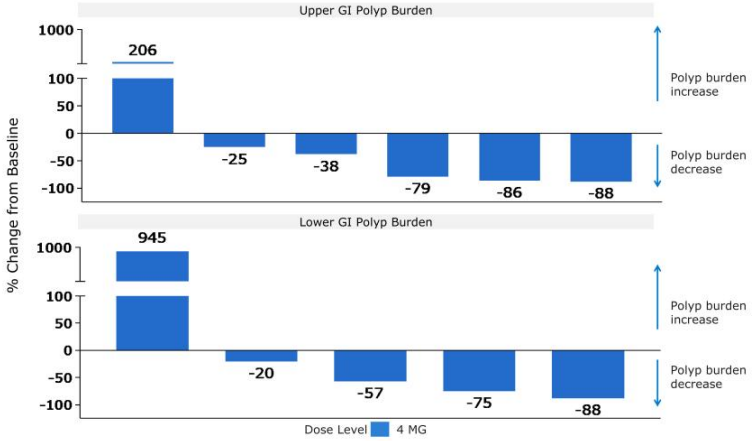
- **6 patients** on 4 mg efficacy evaluable[1]
  - 100% (n=6) on therapy for at least 9 weeks
- **43% median reduction** in total polyp burden
- **> 30% reduction** in total polyp burden (sum of polyp diameters) at week 13 assessment
- **At week 25, 2 out of 2 patients** on the 12-week on/12-week off regimen **maintained a durable >30% reduction[2]**



1. Efficacy Evaluable Population: Defined as all participants who have measurable disease (non-zero polyp burden) at end of baseline endoscopy, received at least 75% of study drug, and have at least one post-baseline on study endoscopic assessment.
2. A third patient, Patient 001-2001, who reached W25, did not perform W25 Assessment

# **Preliminary Results:** Reductions in polyp burden seen across upper and lower GI tract

Waterfall Plot of % Change from Baseline in Upper or Lower Polyp Burden at Week 13/EOT




**REC-4881 Preliminary Efficacy**

- **Upper GI Burden**
  - **6 patients** efficacy evaluable[1]
  - **58% median reduction** in UGI polyp burden
- **Lower GI Burden**
  - **5 patients** efficacy evaluable[1]
  - **57% median reduction** in LGI polyp burden

Data excludes one 4mg patient who received only 3 weeks of REC-4881 dosing and WK13 endoscopy was performed 10 weeks post last dose. Percent (%) change from baseline calculates the change between post-resection value from screening visit to the pre-resection value at Week 13/EOT visit. Subjects with absolute value of 0 at baseline are not displayed.
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1. Efficacy Evaluable Population: Defined as all participants who have measurable disease (non-zero polyp burden) at end of baseline endoscopy, received at least 75% of study drug, and have at least one post-baseline on study endoscopic assessment.

# **Preliminary Results:** 50% of patients on 4 mg REC-4881 demonstrated a reduction in Spigelman stage

| Subject ID | Polyp Burden Screening -> W13 (CfB%) | Polyp Count Screening -> W13 (CfB%) | Spigelman Stage Screening ->W13 |
|---|---|---|---|
| 001-2001 | -31% | -22% | NA-> II |
| 016-2001 | -50% | -56% | III -> I |
| 016-2002 | -69% | -78% | IV -> II |
| 003-2001 | -82% | -79% | III -> II |
| 003-2002 | -37% | -35% | II -> II |
| 001-2003 | +595% | +454% | II -> IV |

| >20% decrease (PR) | ±20% increase/decrease (SD) | >20% increase (PD) |
|---|---|---|

*Spigelman Stage can be confounded by sampling errors

**REC-4881 Preliminary Efficacy**

- **Two patients** with a 2-point change in Spigelman Stage
- **Effects in upper GI include** polyp burden reduction, polyp count, and Spigelman downstaging

# **REC-4881:** MEK1/2 – Summary and Next Steps

**Biological Insight**

**MEK1/2 inhibition identified** as a unique mechanism for FAP through an unbiased ML-aided phenotypic screen



**In Vivo Data**

**Significant** reduction in **both polyp count** and **precancerous adenomas** at lowest dose tested



**Clinical**

**43% median reduction** in total polyp burden at week 13 and **50%** of patients demonstrated **reduction in Spiegelman Stage**

**REC-4881 Target Profile**

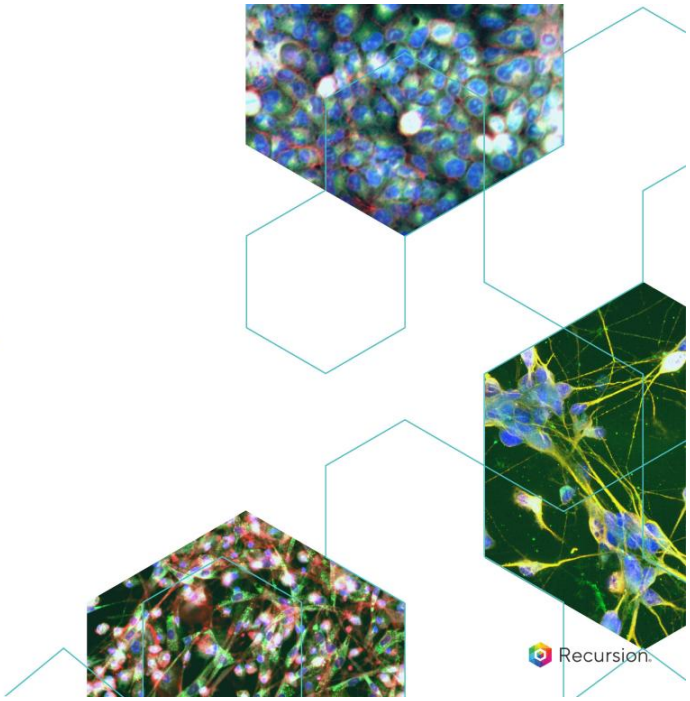
- **Orally bioavailable**, highly potent and selective MEK1/2 inhibitor
- **Differentiated ADME** profile may enhance exposures at the site of GI adenomas
- 4mg dose **well-tolerated** with a safety profile consistent with MEK inhibitors
- **ODD** in US and EU; **FTD** in US

**What's Next**

- **Enrollment ongoing;** additional efficacy and safety data, **2H25**

Oncology

# PI3Kα H1047R



# **REC-7735**: PI3Kα H1047R

A precision designed highly selective for PI3Kα H1047R for PI3K mutant-selective cancers

## Unmet need

- **14%[1] of all HR+/HER2- Breast cancer** with PI3Kα-H1047R mutation
- **~11,000[2]** advanced or metastatic patients

## Mechanism of Action

- **PI3Kα-H1047R mutant selective inhibitor**

## Thesis & Differentiation[3]

- **CNS penetrant** molecule, **>100x selectivity** vs WT PI3Kα
- **Low risk** of AEs
- **Superior in vivo efficacy vs Alpelisib & Capivasertib,** comparable to STX-478
- **Synergy with SERD ± CDK4/6i** combo at **low doses**

## Recursion Approach

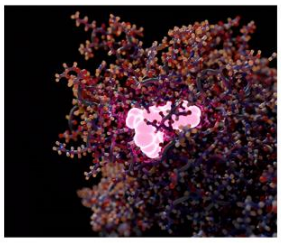
- AI-powered precision design to **optimize selectivity** and **limit** metabolic liabilities such as **hyperglycemia**
- 242 novel compounds synthesized to candidate ID

## Program Status

- Candidate Profiling
- **DC nomination 2H25**

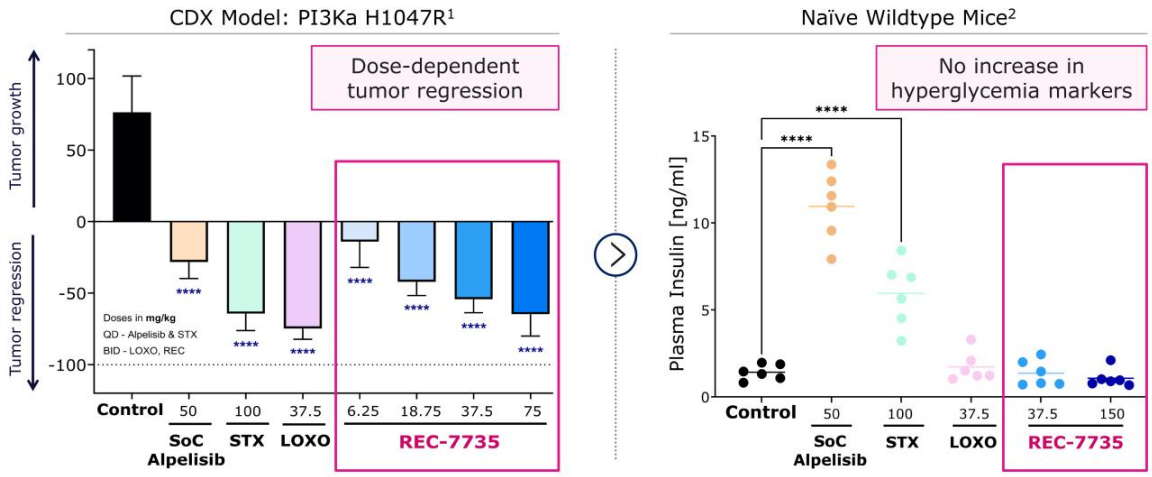
1. Mutation prevalence: Millis et al. (2016); Martinez-Saez et al. (2020)
2. First Line treated incidence for HR+ HER2- BC in US and EU5 from 2024 EvaluatePharma Epi multiplied by mutation prevalence
3. Based on preclinical data

# **Platform Insight:** Recursion OS leveraged to maximize selectivity, developing a structurally differentiated molecule with superior ADME

| Biology | Design | | Prioritize |
|---|---|---|---|
| **Novel insights**<br>• Generated **proprietary structural biology** insights | **Molecular Dynamics (MD) simulations**<br>• Utilized to explore binding pocket of interest and ligand flexibility<br>**MD-identified "hotspots"**<br>• To inform efficient ML-guided optimisation<br>**Novel molecules with optimized potency**<br>• Designed using generative 3D evolution and scored with ML and physics-based methods |  | **Class leading selectivity**<br>• Over WT enzyme to maximize efficacy and therapeutic index<br>**Novel structures**<br>• 2D ML methods guided optimization into distinct and preferable physico-chemical space |

Recursion OS built fit-for-purpose assay cascade and delivered a differentiated Candidate in **18 months and fewer than 250 compounds**

# Demonstrated preliminary competitive efficacy with no hyperglycemia versus SoC in preclinical models




Note: Alpelisib and STX (STX-478) were dosed QD; LOXO (LOXO-783) and REC-7735 were dosed BID. Doses are represented as mg/kg. LOXO has been discontinued

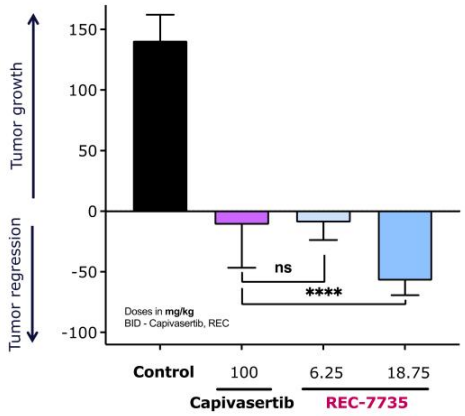
1. In vivo CDX Model using T47D (PI3Ka H1047R mutant) cell line. n=10 mice per group. Data represents tumor growth inhibition and regression after 14 days of dosing. Pharmacokinetic (plasma and tumor) and pharmacodynamic (tumor pAKT) data were consistent with the observed tumor growth inhibition and regression.
2. In vivo naive wild-type, non-tumor bearing mice. n=6 mice per group. Data represents plasma insulin after 5 days of dosing. To note, plasma glucose and serum C-peptide, an inflammation marker, showed similar trends.



Recursion

# Low dose outperforms high dose SoC Capivasertib (AKTi)[1]

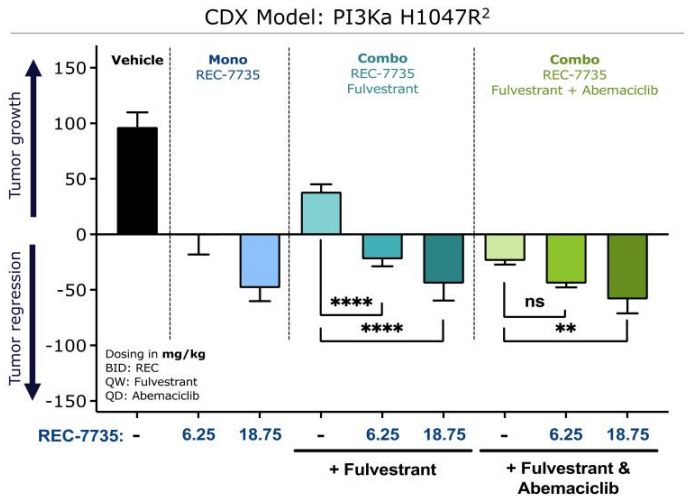
CDX Model: PI3Ka H1047R[2]




- REC-7735 (6.25mg/kg BID) shows similar anti-tumor activity to Capivasertib (100mg/kg BID)
  - AKT inhibitor, shown promising clinical efficacy with endocrine therapy
- **REC-7735 (18.75mg/kg BID) significantly outperforms high-dose Capivasertib** (100mg/kg BID)
- Capivasertib caused significant body weight loss and animal deaths, while **REC-7735 was well-tolerated**

1. Capivasertib (AKTi) in combination with fulvestrant (SERD) is used in breast cancer (HR+/HER2-) for patients with PIK3CA, AKT1, or PTEN alterationin combination with fulvestrant (SERD).
2. In vivo CDX Model using T47D (PI3Ka H1047R mutant) cell line. n=8 mice per group. Data represents tumor growth inhibition and regression after 21 days of dosing.

# Low dose outperforms & synergizes SoC Fulvestrant (SERD) ± Abemaciclib (CDK4/6i) combo[1]




- REC-7735 shows strong, significant tumor regression at low doses (≥6.25mg/kg BID)
- REC-7735 alone outperforms Fulvestrant/Abemaciclib combination therapy
- Even low-dose REC-7735 significantly enhances the efficacy of Fulvestrant ± Abemaciclib

1. Fulvestrant (SERD) alone and or in combination with Abemaciclib (CDK4/6i) is used in HR+/HER2- advanced or metastatic breast cancer.
2. In vivo CDX Model using T47D (PI3Ka H1047R mutant) cell line. n=8 mice per group. Data represents tumor growth inhibition and regression after 14 days of dosing.

# **REC-7735:** PI3Kα H1047R – Summary & Next Steps

**Biological Insight**

**High selectivity** for **H1047R mutant PI3Kα** over WT to reduce dose-limiting hyperglycemia

**Design**

AI-driven generative design via **hotspot molecular dynamics** to discover a **unique chemical series**

**In Vivo Data**

**Significant tumor regressions** at low doses **outperforms** clinically approved agents

**Clinical**

Data supports targeting **H1047R mutant breast cancer** as a **monotherapy** or in **combination** with standard of care treatments

## REC-7735 Target Profile

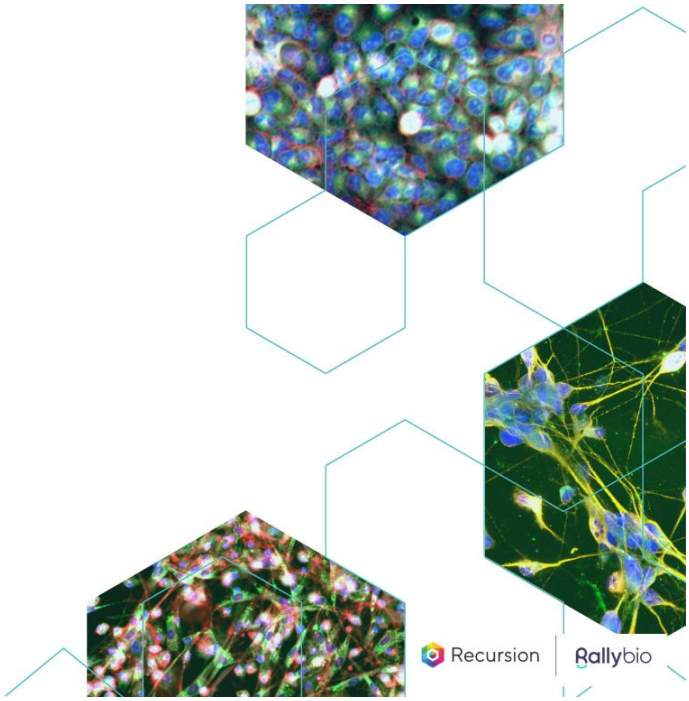
- Potential **best-in-class** PI3Kα H1047R inhibitor
- **>100-fold selective** against WT PI3Kα
- **No significant** in-vitro safety concerns, superior BSEP, off-target & liver spheroid profile **versus competitors**
- **Highly CNS penetrant** with **low-risk** of dose-limiting AEs

## What's Next

- Development candidate nomination **2H25**

Rare Disease

# ENPP1



# **REV102**: ENPP1 Inhibitor

A preliminarily non-immunogenic, potent, highly selective ENPP1 inhibitor for hypophosphatasia (HPP) in development with Rallybio

### Unmet need[1]

- **~7,800 diagnosed** HPP patients, mostly with limited ERT access
- Opportunity to **significantly reduce costs**

### Mechanism of Action

- **Potent, highly selective ENPP1** inhibitor

### Thesis & Differentiation

- **First oral disease-modifying therapy**
- **ENPP1** inhibition **a genetically validated** target in HPP models
- **Non-immunogenic** small molecule, potentially safer than ERT
- **More tolerable and affordable** vs ERTs

### Recursion Approach[2]

- **Precision designed for** both **high potency, chronic dosing**
- **Maintained selectivity** for candidate with **high oral bioavailability** in clinic

### Program Status

- **IND-enabling studies ongoing**
- **Phase 1 initiation expected 2H26**

Note: ERT = Enzyme Replacement Therapy
1. HPP prevalence at birth across US+EUS. Mornet et al, 2020
2. Joint Venture with Rallybio



Recursion | Rallybio

# **Platform Insight:** Precision designed for both high potency and a lifetime of chronic dosing using Recursion OS

**Biology**

**Novel insights**

- **ENPP1 inhibition** helps correct phenotypes caused by **LOF mutations in *ALPL* gene**
- **Oral drug** reduces cost and improves convenience and access over ERT

**Design**

Generative Approach

ML models

Selection Coverage Score

**Novel scaffolds**

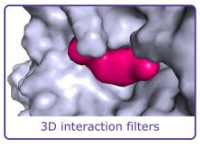
- Structurally distinct molecules to prevent selectivity issues

**High bar for safety**

- Optimized pharmacophore against closely-related metalloenzymes through structural enablement and 3D / ML model platform

**Low (predicted) human oral dose**

- Highly optimized ADME using robust 2D ML methods

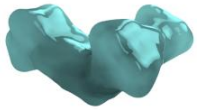


3D interaction filters

**Prioritize**

**Efficient unbiased testing**

- Modern use of information theory to select fewest compounds for testing but with maximal information gain

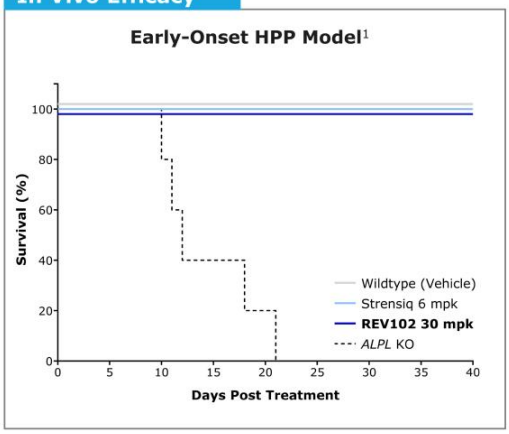


**Recursion OS Platform:**

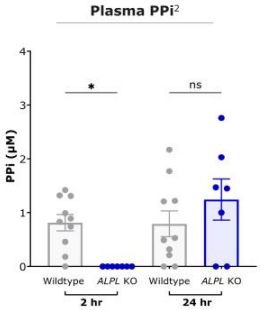
*A highly potent, selective, orally bioavailable compound developed through our multi-parameter optimization engine*

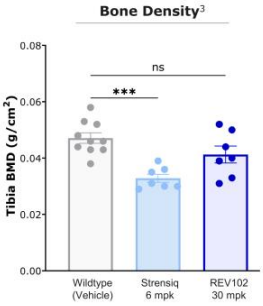
# **Preclinical:** REV102 restores bone health and survival in an unpublished *ALPL* early-onset knockout mouse model of HPP

**In Vivo Efficacy**




- REV102 **extends survival** in an early-onset *ALPL* KO mice model
- REV102 **transiently reduces PPi levels** to enhance mineralization
- **Tibia BMD** is **fully restored** to **wildtype** levels in treated mice




1. N=10 mice in wildtype group, N=5 mice in ALPL KO group, N=7 in Strensiq and REV102 groups. REV102 and Strensiq administered QD SC. Vehicle treated ALPL KO mice stopped growing at day 7-10 and all died at day 22
2. PPi concentrations at 2h or 24h after the last dose of 30 mg/kg REV102. <LLOQ data points are shown on the graph as 0 values.
3. ALPL KO group not shown given all mice die around weaning age



Recursion | Rallybio

# **Preclinical:** Chronic dosing of REV102 improves bone phenotype in a late-onset knockout mouse model of HPP

**In Vivo Efficacy**[1]

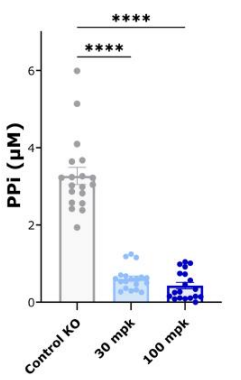
**Late-Onset HPP Model**[2]

Wildtype | Control KO | REV102 30mpk | REV102 100mpk

Patella (yellow arrow)
Growth plate (green arrow)

- Untreated mice present **underdeveloped patellofemoral** joints
- REV102 treatment corrects bone defect and **improves patella structure**
- REV102 treatment **significantly reduces plasma PPi concentrations**

**Plasma PPi**

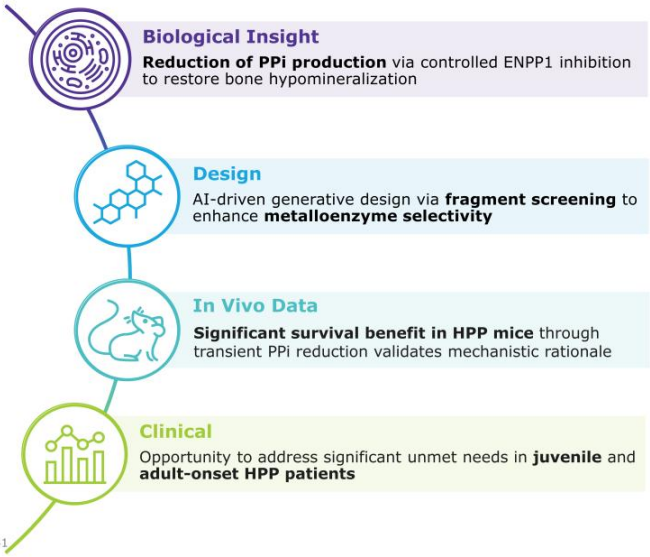



1. Unpublished, data in collaboration with Professor Jose Luis Millán
2. Foster et al. 2017.



Recursion | Rallybio

# **REV102:** ENPP1 – Next Steps



**Biological Insight**

**Reduction of PPi production** via controlled ENPP1 inhibition to restore bone hypomineralization

**Design**

AI-driven generative design via **fragment screening** to enhance **metalloenzyme selectivity**

**In Vivo Data**

**Significant survival benefit in HPP mice** through transient PPi reduction validates mechanistic rationale

**Clinical**

Opportunity to address significant unmet needs in **juvenile** and **adult-onset HPP patients**

**REV102 Target Profile**

- Potential **first-in-class** ENPP1 inhibitor
- **High oral bioavailability** supports QD or BID dosing
- **No kinases** inhibited >70% at 10 μM
- No significant in-vitro safety liabilities identified

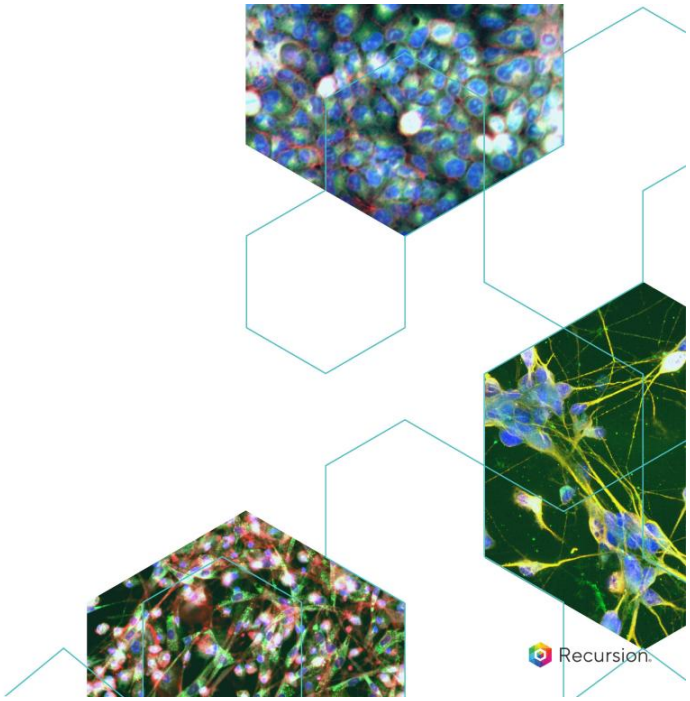
**What's Next**

- IND-enabling studies **ongoing**
- **Phase 1 initiation 2H26**

Clinical Portfolio

# Oncology

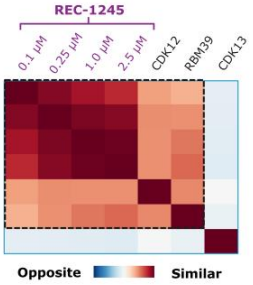
RBM39 · CDK7 · MALT1



# **REC-1245 (RBM39 degrader):** Summary & next steps

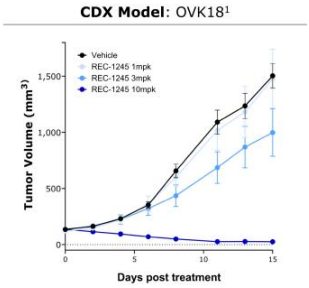
Monotherapy dose escalation ongoing with preliminary update 1H26

Recursion OS Insight | Preclinical Validation | Clinical Development



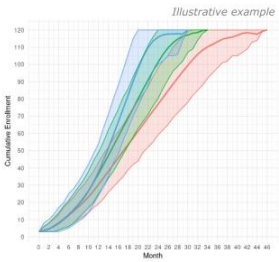

**Identified through phenotypic discovery platform**

- Novel target mimicking CDK12 loss
- Hypothesized to modulate DDR




**Compelling efficacy and PK/PD with REC-1245 treatment**

- REC-1245 shows significant monotherapy regressions
- Dose-dependent antitumor activity correlates with PD




**Ongoing ClinTech work to accelerate enrollment and identify new indications**

- Using RWD to identify quality sites for faster enrollment
- Ongoing causal AI modeling to explore potential additional indications

1. N=8 mice per group in TV portion. REC-1245 administered BID PO.
2. PD evaluated after 5 days BID oral of REC-1245 at doses noted; N=3 mice per group in PD portion.



Recursion

# **REC-617 (CDK inhibitor):** Summary & next steps

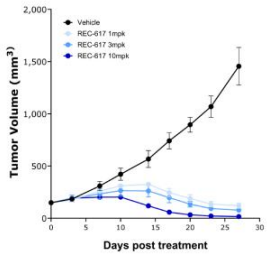
Monotherapy dose escalation ongoing with update 1H26; Combination study to initiate 1H25

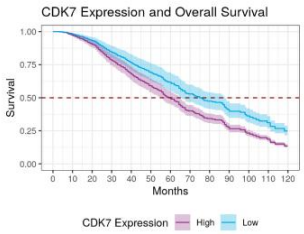
Recursion OS Insight | Preclinical Validation | Clinical Development

| | | |
|---|---|---|
| Target affinity and selectivity | CDKC $IC_{50}$ (nM) | |
| | CDK family selectivity | |
| Cell potency | HCC70 (breast cancer) $IC_{50}$ (nM) | |
| | OVCAR-3 (ovarian cancer) $IC_{50}$ (nM) | |
| Safety and metabolism | hERG $IC_{10}$ (μM) | |
| | Human microsome Clint μL/min/mg | |
| | Human hep Clint μL/min/$10^6$ cells | |
| ADME | Caco-2 A2B (efflux) $10^6$ cm/s | |
| | pH 7.4 μg/mL | |
| | F % (p.o.) | |

**136 novel compounds**
to Candidate ID in **<12 months**

**CDX Model**: OVCAR[1]




**Designed to optimize PK/PD and maximize potential therapeutic index**

- 2D ML to optimize ADME for high permeability and low efflux
- 3D ML maximized key pocket interactions & selectivity against related kinases

**Potent tumor regression with REC-617 treatment**

- <10 hours of exposure above IC80 to optimize benefit-risk
- No body weight loss

**Human Genetics Data and Cell Line screens to validate new indications**

- Causal AI approach to determine impact of CDK7 inhibition on survival
- 2 new potential indications identified

1. Besnard et al, AACR (2022)
2. By RECIST 1.1. Response evaluation criteria in solid tumors, PR: decrease of more than 30% in the sum of the longest diameters of target lesions + no new lesions + no progression of non target lesions.

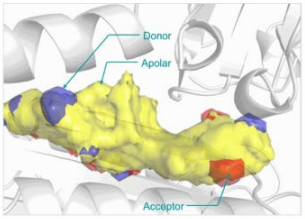


Recursion

# **REC-3565 (MALT1 inhibitor):** Summary & next steps

Monotherapy dose escalation ongoing with preliminary update 1H26

Recursion OS Insight | Preclinical Validation | Clinical Development

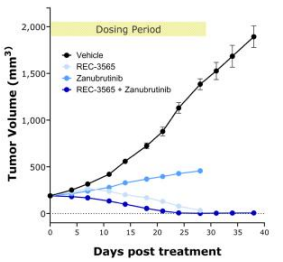



**344 novel compounds**
to Candidate ID

**Designed to deliver balanced compound with improved safety (UGT1A1) and efficacy**

- Leveraged molecular dynamics & hotspot analysis

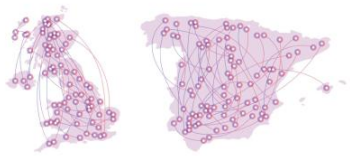
**CDX Model:** OCI-Ly10[1]




**Single-agent and synergistic activity**

- Single agent showed tumor growth regression
- 70% of mice in combo arm had no palpable tumors 10-days after last dose

*Illustrative example*



**RWD to combat competition for trial enrollment**

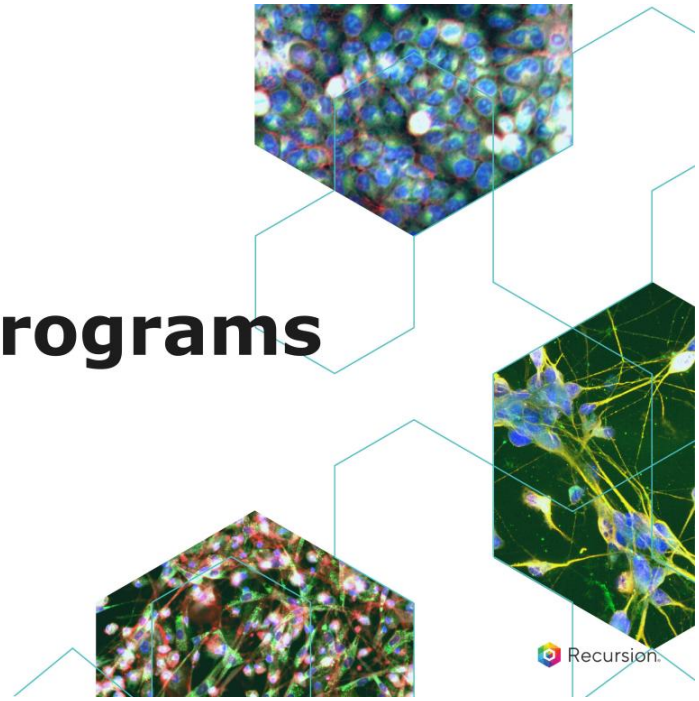
- Advanced analytics for strategic site recommendations and patient targeting
- >50 new potential sites identified in UK and Spain



1. Payne et al. ENA, (2024).

Portfolio

# Partnered Programs



# **Sanofi collaboration** advancing novel targets in I&I and oncology – 4 milestones achieved, multiple additional expected

Biology → Design → Optimize

*Leveraging suite of tools tailored for each program to collaboratively identify and drive up to Development Candidate[1]*

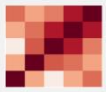
State of the art **in-vivo facilities & biology labs**
- In-Vivomics
- Digital Toxicology
- Bespoke biological validation

Applying **Recursion OS** cutting-edge generative design platform
- Gambit
- MMPA
- Retrosynthesis
- ML based MPO filter options

**QM/MD simulations** to explore protein and ligand flexibility
- ABFE
- RBFE
- Co-folding
- QM based confirmational analysis

**Active Learning** to maximize optimization and exploration
- GP Learning
- Coverage Score

Future Biological Insights to be identified from Recursion Phenomap



**Recursion OS Platform**

**4** **Program milestones achieved** to date

**What's next**
- **Complete first development candidates** and advance programs into the clinic
- Continue to **advance broad pipeline** of first-in-class and best-in-class medicines with Recursion OS

1. Sanofi to take Development Candidate through IND enabling studies, clinical trials, regulatory approval & commercialization

# **Roche and Genentech collaboration** within Neuroscience and GI Oncology Indication – unbiased novel biological insights to programs

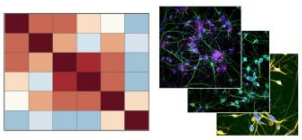
Biology | Design | Optimize

## ~5 Phenomaps

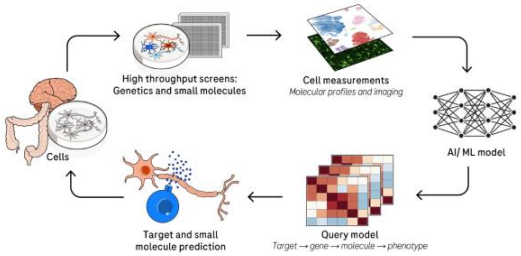
Derived from over
**1 Trillion iPSC cells and**
**100 Billion GI Onc relevant cells**

## ~5,000 transcriptomes

From multiple disease-relevant cell types, subjected to **compound treatments and/or gene KO**, resulting in **~ 171 TB of data**



## Lab in the Loop




Collaboratively working to identify novel biological insights from phenomaps for validation

**Recursion OS Platform**

### What's next

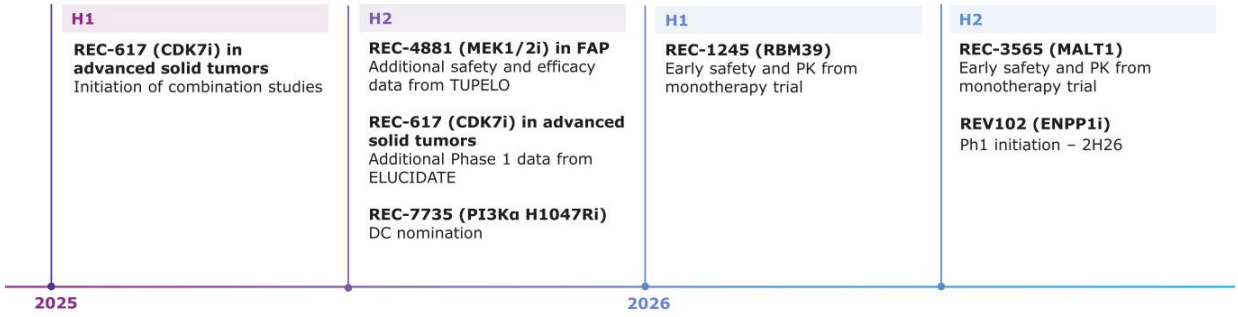
- **Additional phenomap** builds ongoing
- Leveraging Recursion OS and collaborating with Roche and Genentech to **identify new programs** in a GI Oncology Indication & Neuroscience



Lab in the Loop image credit: Genentech 2024

# Internal and External Pipeline Momentum

## FY 2025 and 2026 Upcoming Pipeline Catalysts




**Partnership Catalysts**

Potential for **additional phenomap options**

Potential for **multiple new project initiations**

Potential for **multiple programs optioned** by partners

Roche Genentech · sanofi · Merck KGaA Darmstadt, Germany · BAYER



Recursion

# Financial Update

Recursion

# Focusing resources on core capabilities to improve probability of success in the industry

- Prioritized pipeline and streamlined operations
- Reduced platform costs associated with capacity, while protecting capability
- Continued investment in key aspects of platform to drive near and long-term value
- Delivering on partnerships and continue to achieve cash-generating milestones
- Limited expected impact to business from macro factors (China & tariffs)

$509.2 million in cash[1] as of March 31, 2025

1Q25 cash burn[2] of $118 million, excluding:
- Partnership inflows
- Financing inflows
- Transaction costs

Expected cash runway until mid-2027



1. Cash, cash equivalents and restricted cash
2. Cash burn, defined as operating cash flow less capital expenditures, excluding partnership and financing inflows and approximately $16m of transaction expenses

# On track to achieve substantial cost savings as a combined entity

**FY2024**

**$606 million**
combined cash burn, excluding partnership and financing inflows:

| Cash flow items[1] | 2024 ($m) |
|---|---|
| RXRX cash flow from operating activities | (359) |
| RXRX capital expenditures | (14) |
| RXRX partnership inflow addback | (30) |
| | |
| EXAI pre-combination net cash flows | (184) |
| EXAI partnership inflow addback | (19) |
| **Total combined** | **$(606)** |

**FY2025E**

**≤$450 million**
expected cash burn, excluding potential partnership and financing inflows:

**Primary areas of budget savings:**
- Pipeline prioritization
- Duplicated corporate expenses
- Reduction in capacity of platform
- Increasing administrative efficiency
- Rationalization of facilities and office locations
- Greater purchasing power with vendors
- Carve out of Austrian operations

1. RXRX numbers are for FY2024; EXAI pre-combination net cash flows (November 20, 2024 cash minus January 1, 2024 cash for EXAI), EXAI partnership inflows of $19 million for FY24

# Recursion 2.0

Recursion

# Solidifying Recursion's leadership in TechBio

## Our sustainable and continued growth plan

- **Commitment to internal pipeline** – Strong investment behind more focused pipeline
- **Execution on partnerships** – Fully resourced to deliver on programs and achieve milestones
- **Transforming drug discovery and development** – Expanding leadership in AI-based drug discovery and automation by advancing differentiated molecules
- **Increasing efficiency** – Our scale and technologies continue to allow us to do more with less
- **Investment in Recursion OS** – Integrated end-to-end tech stack driving better decision making

# Q&A

Recursion