UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number: 001-40522

Monte Rosa Therapeutics, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**84-3766197**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
321 Harrison Avenue, Suite 900 Boston, Massachusetts	**02118**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (617) 949-2643

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value $0.0001 per share	GLUE	The Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of August 1, 2025, the registrant had 61,759,350 shares of common stock, $0.0001 per share, outstanding.

Special note regarding forward-looking statements

This Quarterly Report on Form 10-Q, or Quarterly Report, contains forward-looking statements which are made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended, or the or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. All statements other than statements of historical facts contained in this Quarterly Report are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “may”, “will”, “should”, “expects”, “intends”, “plans”, “anticipates”, “believes”, “estimates”, “predicts”, “potential”, “continue” or the negative of these terms or other comparable terminology. These statements are not guarantees of future results or performance and involve substantial risks and uncertainties. Forward-looking statements in this Quarterly Report include, but are not limited to, statements about:

- the initiation, timing, progress, results, costs, and any expectations and/or predictions of success of our current and future research and development programs and preclinical studies, including our expectations for our molecular glue degraders, or MGDs, molecules, including our GSPT1-directed MGD MRT-2359, VAV1-directed MGD MRT-6160 and NEK7-directed MGDs, including MRT-8102, and our CDK2 and CCNE1 MGDs;
- the initiation, timing, progress, results, costs, and any expectations and/or predictions of success of our current and any future clinical trials, including our clinical trials for our GSPT1-directed MGD MRT-2359, VAV1-directed MGD MRT-6160, including statements regarding the nature of or the timing for when any results of any clinical trials will become available;
- our ability to continue to develop our proprietary discovery engine, called QuEEN™, and to expand our proteomics and translational medicine capabilities;
- the potential advantages of our discovery engine technology and product candidates;
- the extent to which our scientific approach and discovery engine technology may target proteins that have been considered undruggable or inadequately drugged;
- our plans to submit Investigational New Drug, or IND applications to the U.S. Food and Drug Administration, or the FDA for current and future product candidates;
- the potential benefits of strategic collaborations and our ability to enter into strategic collaborations with third parties who have the expertise to enable us to further develop our biological targets, product candidates and discovery engine technologies, including our agreement with Novartis AG, or Novartis, for MRT-6160 and our agreement with F. Hoffmann-La Roche Ltd., or Roche Basel, and Hoffmann-La Roche Inc., or Roche US, and together with Roche Basel referred herein as Roche;
- our ability to obtain and maintain regulatory approval of our product candidates;
- our ability to maintain and expand, including through third-party vendors, our library of MGDs;
- our ability to manufacture, including through third-party manufacturers, our product candidates for preclinical use, future clinical trials and commercial use, if approved;
- our ability to commercialize our product candidates, including our ability to establish sales, marketing and distribution capabilities for our product candidates;
- the rate and degree of market acceptance of our product candidates;
- the size and growth potential of the markets for our product candidates, and our ability to serve those markets;
- our ability to establish and maintain intellectual property rights covering our current and future product candidates and technologies;
- the implementation of our business model and strategic plans for our business, product candidates, and technology;
- estimates of our future expenses, revenues, capital requirements, and our needs for additional financing;
- our expected use of proceeds from sales of our common stock in "at-the-market" offerings and other offerings, and the period over which such proceeds, together with existing cash, will be sufficient to meet our operating needs;
- our ability to obtain funding for our operations necessary to complete further development and commercialization of our product candidates;
- our financial performance;

- developments in laws and regulations in the United States, or the U.S., and foreign countries;
- the success of competing therapies that are or may become available;
- our ability to attract and retain key scientific or management personnel;
- the effect of global economic uncertainty and financial market volatility caused by economic effects of rising inflation and interest rates, global health crises, geopolitical events, elections, changes in international trade relationships and military conflicts on any of the foregoing or other aspects of our business or operations;
- the effect of any geopolitical conflicts or new or increased international tariffs, including mitigation efforts and economic effects, on any of the foregoing or other aspects of our business operations, including but not limited to our preclinical studies, ongoing clinical trials and future clinical trials; and
- other risks and uncertainties, including those listed under the section entitled “Risk factors" and those included in "Part 1, Item 1A, Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2024, or our 2024 Annual Report, filed with the Securities and Exchange Commission, or the SEC, on March 20, 2025.

Any forward-looking statements in this Quarterly Report reflect our current views with respect to future events and with respect to our future financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. Factors that may cause actual results to differ materially from current expectations include, among other things, those described under Part II, Item 1A, “Risk Factors” and elsewhere in this Quarterly Report. Given these uncertainties, you should not place undue reliance on these forward-looking statements.

All of our forward-looking statements are as of the date of this Quarterly Report only. In each case, actual results may differ materially from such forward-looking information. We can give no assurance that such expectations or forward-looking statements will prove to be correct. An occurrence of or any material adverse change in one or more of the risk factors or risks and uncertainties referred to in this Quarterly Report or included in our other public disclosures or our other periodic reports or other documents or filings filed with or furnished to the SEC could materially and adversely affect our business, prospects, financial condition and results of operations. Except as required by law, we do not undertake or plan to update or revise any such forward-looking statements to reflect actual results, changes in plans, assumptions, estimates or projections or other circumstances affecting such forward-looking statements occurring after the date of this Quarterly Report, even if new information becomes available in the future or if such results, changes or circumstances make it clear that any forward-looking information will not be realized. Any public statements or disclosures by us following this Quarterly Report that modify or impact any of the forward-looking statements contained in this Quarterly Report will be deemed to modify or supersede such statements in this Quarterly Report.

We may from time to time provide estimates, projections and other information concerning our industry, the general business environment, and the markets for certain diseases, including estimates regarding the potential size of those markets and the estimated incidence and prevalence of certain medical conditions. Information that is based on estimates, forecasts, projections, market research or similar methodologies is inherently subject to uncertainties, and actual events, circumstances or numbers, including actual disease prevalence rates and market size, may differ materially from the information reflected in this Quarterly Report. Unless otherwise expressly stated, we obtained this industry, business information, market data, prevalence information and other data from reports, research surveys, studies and similar data prepared by market research firms and other third parties, industry, medical and general publications, government data, and similar sources, in some cases applying our own assumptions and analysis that may, in the future, prove not to have been accurate.

TRADEMARKS

Solely for convenience, our trademarks and trade names in this report are sometimes referred to without the ® and ™ symbols, but such references should not be construed as any indicator that we will not assert, to the fullest extent under applicable law, our rights thereto.

Table of Contents

Part I – Financial Information

Item 1. Financial Statements

Monte Rosa Therapeutics, Inc.
Condensed consolidated balance sheets (unaudited)

(in thousands, except share and per share amounts)	June 30, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	$ 69,429	$ 224,254
Marketable securities	221,165	147,895
Other receivables	2,370	173
Prepaid expenses and other current assets	6,501	5,118
Total current assets	299,465	377,440
Property and equipment, net	29,052	29,483
Operating lease right-of-use assets	25,674	26,831
Restricted cash	4,950	4,863
Other long-term assets	445	115
Total assets	$ 359,586	$ 438,732
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 5,581	$ 17,215
Accrued expenses and other current liabilities	13,767	18,785
Current deferred revenue	18,410	117,232
Current portion of operating lease liability	4,094	3,714
Total current liabilities	41,852	156,946
Deferred revenue, net of current	8,059	16,147
Defined benefit plan liability	4,558	3,702
Operating lease liability, net of current	37,037	39,001
Total liabilities	91,506	215,796
Commitments and contingencies (Note 8)		
Stockholders' equity		
Preferred stock, $0.0001 par value, 10,000,000 shares authorized	—	—
Common stock, $0.0001 par value; 500,000,000 shares authorized, 61,717,349 and 61,507,446 shares issued and outstanding as of June 30, 2025 and December 31, 2024, respectively	6	6
Additional paid-in capital	675,445	664,874
Accumulated other comprehensive loss	(3,373)	(3,356)
Accumulated deficit	(403,998)	(438,588)
Total stockholders' equity	268,080	222,936
Total liabilities and stockholders' equity	$ 359,586	$ 438,732

See accompanying notes to the condensed consolidated financial statements.

Monte Rosa Therapeutics, Inc.
Condensed consolidated statements of operations and comprehensive (loss) income (unaudited)

(in thousands, except share and per share amounts)	Three months ended June 30, 2025	Three months ended June 30, 2024	Six months ended June 30, 2025	Six months ended June 30, 2024
Collaboration revenue	$ 23,194	$ 4,695	$ 108,123	$ 5,759
Operating expenses:				
Research and development	30,653	28,055	62,843	55,081
General and administrative	8,095	9,282	16,798	18,267
Total operating expenses	38,748	37,337	79,641	73,348
(Loss) income from operations	(15,554)	(32,642)	28,482	(67,589)
Other income:				
Interest income	3,068	2,637	6,507	5,079
Foreign currency exchange gain (loss), net	1,390	(53)	1,563	567
Gain on disposal of property and equipment	—	—	59	—
Total other income	4,458	2,584	8,129	5,646
Net (loss) income before income taxes	(11,096)	(30,058)	36,611	(61,943)
Provision for income taxes	(1,199)	(252)	(2,021)	(335)
Net (loss) income	$ (12,295)	$ (30,310)	$ 34,590	$ (62,278)
Comprehensive (loss) income:				
Provision for pension benefit obligation	53	35	101	70
Unrealized loss on available-for-sale securities	(97)	(12)	(118)	(16)
Comprehensive (loss) income	$ (12,339)	$ (30,287)	$ 34,573	$ (62,224)
(Loss) earnings per share:				
Basic	$ (0.15)	$ (0.43)	$ 0.42	$ (0.95)
Diluted	$ (0.15)	$ (0.43)	$ 0.42	$ (0.95)
Weighted average number of shares outstanding:				
Basic	82,186,768	71,233,992	82,167,849	65,695,095
Diluted	82,186,768	71,233,992	82,890,063	65,695,095

See accompanying notes to the condensed consolidated financial statements.

Monte Rosa Therapeutics, Inc.
Condensed consolidated statements of stockholders' equity (unaudited)

(in thousands, except share amounts)	Common stock Shares	Common stock Amount	Additional paid-in capital	Accumulated other comprehensive loss	Accumulated deficit	Total Stockholders' equity
Balance—January 1, 2025	61,507,446	$ 6	664,874	$ (3,356)	$ (438,588)	$ 222,936
Exercise of common stock options	2,375	—	14	—	—	14
Provision for pension benefit obligation	—	—	—	48	—	48
Stock-based compensation expense	—	—	5,298	—	—	5,298
Unrealized loss on available-for-sale securities	—	—	—	(21)	—	(21)
Net income	—	—	—	—	46,885	46,885
Balance—March 31, 2025	61,509,821	$ 6	$ 670,186	$ (3,329)	$ (391,703)	$ 275,160
Restricted common stock vesting	112,159	—	—	—	—	—
Provision for pension benefit obligation	—	—	—	53	—	53
Stock-based compensation expense	—	—	4,894	—	—	4,894
Unrealized loss on available-for-sale securities	—	—	—	(97)	—	(97)
Issuance of shares under employee stock purchase plan	95,369	—	365	—	—	365
Net loss	—	—	—	—	(12,295)	(12,295)
Balance—June 30, 2025	61,717,349	$ 6	$ 675,445	$ (3,373)	$ (403,998)	$ 268,080

See accompanying notes to the condensed consolidated financial statements

Monte Rosa Therapeutics, Inc.
Condensed consolidated statements of stockholders' equity (unaudited) - Continued

(in thousands, except share amounts)	Common stock Shares	Common stock Amount	Additional paid-in capital	Accumulated other comprehensive loss	Accumulated deficit	Total Stockholders' equity
Balance—January 1, 2024	50,140,233	$ 5	547,857	$ (2,724)	$ (365,888)	$ 179,250
Restricted common stock vesting	4,691	—	—	—	—	—
Exercise of common stock options	45,108	—	246	—	—	246
Provision for pension benefit obligation	—	—	—	35	—	35
Stock-based compensation expense	—	—	4,873	—	—	4,873
Unrealized loss on available-for-sale securities	—	—	—	(4)	—	(4)
Issuance of common stock pursuant to the at-the market sales agreement	10,272	—	87	—	—	87
Net loss	—	—	—	—	(31,968)	(31,968)
Balance—March 31, 2024	50,200,304	$ 5	$ 553,063	$ (2,693)	$ (397,856)	$ 152,519
Restricted common stock vesting	85,249	—	—	—	—	—
Exercise of common stock options	190,160	—	422	—	—	422
Provision for pension benefit obligation	—	—	—	35	—	35
Stock-based compensation expense	—	—	4,502	—	—	4,502
Unrealized loss on available-for-sale securities	—	—	—	(12)	—	(12)
Issuance of shares under employee stock purchase plan	93,859	—	298	—	—	298
Issuance of common stock pursuant to the at-the market sales agreement, net of issuance costs of $89	120,234	—	797	—	—	797
Issuance of common stock pursuant to the Underwritten Public Offering, net of issuance cost of $3,290	10,638,476	1	46,709	—	—	46,710
Issuance of pre-funded warrant, net of issuance costs of $290	—	—	49,710	—	—	49,710
Net loss	—	—	—	—	(30,310)	(30,310)
Balance—June 30, 2024	61,328,282	$ 6	$ 655,501	$ (2,670)	$ (428,166)	$ 224,671

See accompanying notes to the condensed consolidated financial statements

Monte Rosa Therapeutics, Inc.
Condensed consolidated statements of cash flows (unaudited)

(in thousands)	Six months ended June 30, 2025	2024
Cash flows from operating activities:		
Net income (loss)	$ 34,590	$ (62,278)
Adjustments to reconcile net loss to net cash used in operating activities		
Stock-based compensation expense	10,192	9,375
Depreciation	4,173	3,957
Net accretion of discounts/premiums on marketable securities	(1,766)	(1,163)
Gain on disposal of property and equipment	(59)	—
Changes in operating assets and liabilities		
Accounts receivable	—	(9,000)
Other receivables	(2,196)	(337)
Prepaid expenses and other current assets	(1,713)	(2,412)
Accounts payable	(11,976)	(4,676)
Accrued expenses and other current liabilities	(5,077)	(1,842)
Defined benefit plan liability	957	(29)
Right-of-use assets and operating lease liabilities	(427)	(768)
Deferred revenue	(106,910)	3,241
Net cash used in operating activities	$ (80,212)	$ (65,932)
Cash flows from investing activities:		
Purchases of property and equipment	(3,282)	(3,406)
Purchases of marketable securities	(157,047)	(130,027)
Proceeds from maturities of marketable securities	85,424	82,128
Net cash used in investing activities	$ (74,905)	$ (51,305)
Cash flows from financing activities:		
Proceeds from sale of common stock pursuant to the at-the-market sales agreement, net of underwriter's discount of $29	—	944
Proceeds from underwritten public offering, net of underwriter's discount of $3,000	—	47,001
Proceeds from the issuance of pre-funded warrants	—	50,000
Payment of common stock and pre-funded warrant issuance costs	—	(641)
Proceeds from exercise of employee stock options	14	667
Proceeds from employee stock purchase plan	365	298
Net cash provided by financing activities	$ 379	$ 98,269
Net decrease in cash, cash equivalents and restricted cash	$ (154,738)	$ (18,968)
Cash, cash equivalents and restricted cash—beginning of period	229,117	132,681
Cash, cash equivalents and restricted cash—end of period	$ 74,379	$ 113,713
Reconciliation of cash, cash equivalents and restricted cash		
Cash and cash equivalents	$ 69,429	$ 108,847
Restricted cash	4,950	4,866
Total cash, cash equivalents and restricted cash	$ 74,379	$ 113,713
Supplemental disclosure of noncash items		
Purchases of property and equipment in accounts payable and accrued expenses	$ 450	$ 235

See accompanying notes to the condensed consolidated financial statements.

Monte Rosa Therapeutics, Inc.
Notes to the condensed consolidated financial statements
(unaudited)

1. Description of business and liquidity

Business

Monte Rosa Therapeutics, Inc. is a biotechnology company developing a portfolio of novel small molecule precision medicines that employ the body's natural mechanisms to selectively degrade therapeutically-relevant proteins. As used in these condensed consolidated financial statements, unless the context otherwise requires, references to the Company or Monte Rosa refer to Monte Rosa Therapeutics, Inc. and its wholly owned subsidiaries Monte Rosa Therapeutics AG and Monte Rosa Therapeutics Securities Corp. Monte Rosa Therapeutics AG, a Swiss operating company, was incorporated under the laws of Switzerland in April 2018. Monte Rosa Therapeutics, Inc. was incorporated in Delaware in November 2019. The Company is headquartered in Boston, Massachusetts with research operations in both Boston and Basel, Switzerland.

Liquidity considerations

Since inception, the Company has devoted substantially all its efforts to business planning, research and development, recruiting management and technical staff, and raising capital and has financed its operations primarily through issuance and sale of convertible promissory notes, convertible preferred stock, public offerings of common stock or warrants to purchase common stock, registered direct offerings, and through its collaborations with F. Hoffman-La Roche Ltd. and Hoffman-La Roche Inc., or Roche, and with Novartis AG, or Novartis.

The Company's continued discovery and development of its product candidates will require significant additional research and development efforts, including extensive preclinical and clinical testing and regulatory approval prior to commercialization. These efforts require significant amounts of additional capital, adequate personnel and infrastructure and extensive compliance-reporting capabilities. Even if product development efforts are successful, it is uncertain when, if ever, the Company will realize significant revenue from product sales.

As of June 30, 2025, the Company had an accumulated deficit of $404.0 million. The Company has incurred losses and negative cash flows from operations since inception. The Company expects that its operating losses and negative cash flows will continue for the foreseeable future as the Company continues to develop its product candidates. The Company currently expects that its cash, cash equivalents, and marketable securities of $290.6 million as of June 30, 2025 will be sufficient to fund operating expenses and capital requirements for at least 12 months from the date the second quarter interim condensed consolidated financial statements are issued. However, additional funding will be necessary to fund future discovery research, pre-clinical and clinical activities. The Company will seek additional funding through public financings, debt financings, collaboration agreements, strategic alliances and licensing arrangements. Although it has been successful in raising capital in the past, there is no assurance that the Company will be successful in obtaining such additional financing on terms acceptable to it, if at all, and the Company may not be able to enter into collaborations or other arrangements. If the Company is unable to obtain funding, it could be forced to delay, reduce or eliminate its research and development programs, product portfolio expansion or commercialization efforts, which could adversely affect the Company's business prospects, and even the ability to continue operations.

2. Summary of significant accounting policies

Basis of presentation

The accompanying condensed consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the U.S., or GAAP, and are stated in U.S. dollars. Any reference in these notes to applicable guidance is meant to refer to the authoritative GAAP as found in the Accounting Standards Codification and Accounting Standards Updates, or ASUs, of the Financial Accounting Standards Board, or FASB. All intercompany balances and transactions have been eliminated in consolidation.

Unaudited financial information

The Company's condensed consolidated financial statements included herein have been prepared in conformity with GAAP and pursuant to the rules and regulations of the Securities and Exchange Commission, or the SEC. In the Company's opinion, the information furnished reflects all adjustments, all of which are of a normal and recurring nature, necessary for a fair presentation of the financial position and results of operations for the reported interim periods. The Company considers events or transactions that occur after the balance sheet date but before the financial statements are

issued to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure. The results of operations for interim periods are not necessarily indicative of results to be expected for the full year or any other interim period.

Recently issued accounting pronouncements

The Company has elected to use the extended transition period for complying with new or revised accounting standards as available under the Jumpstart Our Business Startups Act, or the JOBS Act.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which is intended to provide enhancements to annual income tax disclosures. The standard will require more detailed information in the rate reconciliation table and for income taxes paid, among other enhancements. The standard is effective for years beginning after December 15, 2024 and early adoption is permitted. The Company is currently evaluating the impact the adoption of this standard will have on its consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-03, *Income Statement Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*, which requires disaggregated disclosure of income statement expenses for public business entities. ASU 2024-03 requires disclosure of, in a tabular presentation, each relevant expense caption on the face of the income statement that includes any of the following natural expenses: (1) purchases of inventory, (2) employee compensation, (3) depreciation, (4) intangible asset amortization, and (5) depreciation, depletion, and amortization (DD&A) recognized as part of oil- and gas-producing activities or other types of depletion expenses. The tabular disclosure would also include certain other expenses, when applicable. The standard is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. The Company is currently evaluating the impact the adoption of this standard will have on its consolidated financial statements and related disclosures.

3. Fair value measurements

The following tables present information about the Company's financial assets and liabilities measured at fair value on a recurring basis and indicate the level of the fair value hierarchy utilized to determine such fair values (in thousands):

	As of June 30, 2025			
	Level 1	Level 2	Level 3	Total
Current assets				
Money market funds	$ 68,832	$ —	$ —	$ 68,832
Pension plan assets	—	10,859	—	10,859
Corporate debt securities	—	100,011	—	100,011
U.S Treasury securities	—	121,154	—	121,154
Total assets measured at fair value	$ 68,832	$ 232,024	$ —	$ 300,856

	As of December 31, 2024			
	Level 1	Level 2	Level 3	Total
Current assets				
Money market funds	$ 223,657	$ —	$ —	$ 223,657
Pension plan assets	—	9,413	—	9,413
Corporate debt securities	—	63,758	—	63,758
U.S Treasury securities	—	84,137	—	84,137
Total assets measured at fair value	$ 223,657	$ 157,308	$ —	$ 380,965

Money market funds are highly liquid investments and are actively traded. The pricing information on the Company's money market funds is based on quoted prices in active markets for identical securities. This approach results in the classification of these securities as Level 1 of the fair value hierarchy.

The fair value of pension plan assets has been determined as the surrender value of the portfolio of active insured members held within the Columna Collective Foundation Group investment fund and is classified within Level 2 of the fair value hierarchy.

Marketable securities consist of corporate debt securities and U.S. Treasury securities which are classified as available-for-sale pursuant to ASC 320, *Investments—Debt and Equity Securities*. Marketable securities are classified within Level 2 of the fair value hierarchy because pricing inputs are other than quoted prices in active markets. The fair values of these investments are estimated by taking into consideration valuations obtained from third-party pricing services. The pricing services utilize industry standard valuation models, including both income- and market-based approaches, for which all significant inputs are observable, either directly or indirectly, to estimate fair value. These inputs include reported trades of

and broker/dealer quotes on the same or similar securities, issuer credit spreads, benchmark securities based on historical data and other observable inputs.

There were no transfers among Level 1, Level 2 or Level 3 categories in the six months ended June 30, 2025 and 2024.

4. Marketable securities

Marketable securities as of June 30, 2025 consisted of the following (in thousands):

	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Description				
Corporate debt securities	$ 99,996	$ 23	$ (8)	100,011
U.S Treasury securities	121,170	7	(23)	121,154
Total	$ 221,166	$ 30	$ (31)	$ 221,165

Marketable securities as of December 31, 2024 consisted of the following (in thousands):

	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Description				
Corporate debt securities	$ 63,710	$ 56	$ (8)	63,758
U.S Treasury securities	84,068	75	(6)	84,137
Total	$ 147,778	$ 131	$ (14)	$ 147,895

As of June 30, 2025, unrealized gain and losses on marketable securities are recorded in accumulated other comprehensive loss in equity on the accompanying condensed consolidated balance sheet. There were no realized gains or losses recognized on the sale or maturity of marketable securities for the six months ended June 30, 2025 and 2024 and, as a result, the Company did not reclassify any amounts out of accumulated other comprehensive loss for the same periods.

The Company holds debt securities of companies with high credit quality and has determined that there was no material change in the credit risk of any of its debt securities. The Company also believes that it will be able to collect both principal and interest amounts due to it at maturity.

5. Property and equipment, net

Property and equipment, net, consist of the following (in thousands):

	June 30, 2025	December 31, 2024
Laboratory equipment	$ 26,130	$ 25,041
Computer hardware and software	1,299	1,256
Furniture and fixtures	1,157	1,099
Leasehold improvements	22,711	22,387
Construction in process	1,184	64
Total property and equipment, at cost	$ 52,481	$ 49,847
Less: accumulated depreciation	(23,429)	(20,364)
Property and equipment, net	$ 29,052	$ 29,483

The following table summarizes depreciation expense incurred (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Depreciation expense	$ 2,125	$ 2,060	$ 4,173	$ 3,957

6. Accrued expenses and other current liabilities

Accrued expenses and other current liabilities consist of the following (in thousands):

	June 30, 2025	December 31, 2024
Accrued compensation and benefits	$ 5,130	$ 8,220
Accrued research and development	7,125	7,211
Other	1,512	3,354
Total accrued expenses and other current liabilities	$ 13,767	$ 18,785

7. Leases

The Company determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use, or ROU, assets and operating lease liabilities in the condensed consolidated balance sheets. The Company has no finance leases as of June 30, 2025.

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As the Company's leases do not provide an implicit rate, management estimated the incremental borrowing rate based on the rate of interest the Company would have to pay to borrow a similar amount on a collateralized basis over a similar term. The Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments.

Klybeckstrasse Lease

In March 2021, the Company entered into an operating lease agreement for office and lab space with Wincasa AG, or the Basel Landlord, that occupies approximately 21,422 square feet located at Klybeckstrasse 191, 4057 Basel, Basel-City, Switzerland. In April 2023, the Company and the Basel Landlord amended the Klybeckstrasse Lease which increased the office and lab space square footage from 21,422 square feet to 44,685 square feet and extended the term of the lease through June 30, 2027. The amendment was accounted for as a lease modification and resulted in an increase to each of the related ROU asset and operating lease liability of $1.8 million.

Harrison Avenue Lease

In December 2021, the Company entered into a non-cancelable lease agreement, or the Harrison Avenue Lease, for 63,327 square feet of office and laboratory space to support its expanding operations. The term of the lease commenced on April 1, 2022 and the Company's obligation to pay rent began on December 21, 2022. The initial term of the lease is 128 months following the commencement date, at which point the Company has the option to extend the lease an additional 5 years. The Company has determined that it is not reasonably certain to exercise the option to extend the lease and has not included the extension period in the lease term. The annual base rent under the Harrison Avenue Lease is $95 per square foot for the first year, which is subject to scheduled annual increases of 3%, plus certain costs, operating expenses and property management fees.

Pursuant to the terms of the Harrison Avenue Lease, the landlord reimbursed the Company for $13 million of tenant improvements. The Company reduced the related ROU asset by the amounts reimbursed by the landlord and capitalized the leasehold improvements as fixed assets on the consolidated balance sheet.

The components of lease expense for the three and six months ended June 30, 2025 and 2024 are as follows (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Operating lease expense	$ 1,623	$ 1,598	$ 3,257	$ 3,249
Variable lease expense	280	1,252	1,132	2,131
Total lease expense	$ 1,903	$ 2,850	$ 4,389	$ 5,380

The variable lease expenses generally include common area maintenance and property taxes.

The following table summarizes lease expense incurred (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Research and development	$ 1,608	$ 2,387	$ 3,686	$ 4,497
General and administrative	294	464	702	884
Total lease expense	$ 1,902	$ 2,851	$ 4,388	$ 5,381

Short-term lease costs for the six months ended June 30, 2025 and 2024 were immaterial.

The weighted average remaining lease term and discount rate related to the Company's leases are as follows:

	June 30, 2025	December 31, 2024
Weighted average remaining lease term (years)	7.2	7.7
Weighted average discount rate	9.8%	9.8%

Supplemental cash flow and other information relating to the Company's leases for the three and six months ended June 30, 2025 and 2024 is as follows (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Right-of-use assets obtained in exchange for operating lease obligations	$ —	$ —	$ —	$ 108
Cash paid for amounts included in the measurement of lease liabilities	$ 948	$ 613	$ 1,856	$ 1,372
Amortization of ROU assets	$ 615	$ 211	$ 1,190	$ 1,011

Future minimum lease payments under non-cancelable leases as of June 30, 2025 for each of the years ending December 31 are as follows (in thousands):

Undiscounted lease payments	
2025	$ 3,896
2026	8,005
2027	7,684
2028	7,360
2029	7,581
Thereafter	23,443
Total undiscounted minimum lease payments	57,969
Less: Imputed interest	(16,838)
Total operating lease liability	$ 41,131

8. Commitments and contingencies

Legal Proceedings

From time to time, the Company may be subject to legal proceedings, claims and disputes that arise in the ordinary course of business. The Company accrues a liability for such matters when it is probable that future expenditures will be made and that such expenditures can be reasonably estimated. As of June 30, 2025, the Company is not a party to any litigation and does not have a contingency reserve established for any litigation liabilities.

9. Collaboration and license agreements

Roche Collaboration and License Agreement

Description

In October 2023, Monte Rosa Therapeutics AG, a wholly-owned subsidiary of Monte Rosa Therapeutics, Inc, or the Company, entered into a collaboration and license agreement, or the Roche Agreement, with F. Hoffman-La Roche Ltd. and Hoffman-La Roche Inc., or Roche. Pursuant to the Roche Agreement, the parties will seek to identify and develop molecular glue degraders, or MGDs, against cancer or neurological disease targets using the Company’s proprietary drug discovery engine for an initial set of targets in oncology and neuroscience selected by Roche, with Roche having an option to expand the collaboration to include additional option targets, wherein a certain number of targets selected by Roche are subject to replacement rights owned by Roche. The Company will lead pre-clinical discovery and research activities with Roche leading late pre-clinical and clinical development activities.

Under the Roche Agreement, Roche will have a worldwide, exclusive license under patents and know-how controlled by the Company to develop and commercialize products directed to applicable targets. The license exclusivity is subject to the Company's retained rights solely to fulfill its obligations under the arrangement.

The research collaboration activities governed by the Roche Agreement will be overseen by a joint research committee.

Unless earlier terminated, the Roche Agreement will remain in effect for each product licensed under the Agreement until expiration of the royalty term for the applicable product. The parties have included termination provisions in the Roche Agreement, allowing termination of the Roche Agreement in its entirety, on a country-by-country or a target-by-target basis.

Pricing

In November 2023, the Company received a $50.0 million non-refundable upfront payment for the initial set of targets. Pursuant to the terms of the Roche Agreement, the Company expects to be entitled to receive from Roche certain variable consideration including potential pre-clinical milestones up to $172 million, and potential clinical, commercial and sales milestones exceeding $2 billion. For the additional option targets, upon Roche's exercise of their option, the Company is entitled to receive an upfront payment of up to $28 million and potential pre-clinical, clinical, commercial and sales milestones exceeding $1 billion. The Company is also eligible to receive tiered royalties ranging from high-single-digits to low-teens on any products that are commercialized by Roche as a result of the collaboration.

To date through June 30, 2025, the Company has received $9.0 million related to Roche's decision to exercise its option rights for continued research and development services. The related payments are initially classified as deferred revenue in the accompanying condensed consolidated balance sheet and recognized in revenue as the related research and development services are performed.

Accounting

This agreement represents a transaction with a customer and therefore is accounted for under ASC 606, *Revenue From Contracts With Customers*.

The Company determined that the development and commercialization licenses for each of the collaboration targets is neither capable of being distinct nor distinct within the context from the promised initial research services. In addition, the Company has determined that each target in the agreement is distinct from other targets because: (i) Roche can benefit from the license and research services for a given target on their own since the results related thereto can be evaluated discretely and (ii) the results of the research and development of each target does not affect either the Company's ability to perform or Roche's ability to assess the results for any other target. As such, the Company has identified certain performance obligations within the agreement as follows:

- Performance obligations for the research and development of initial targets; and
- Performance obligations for the research and development services related to Roche's option to replace certain targets.

The total transaction price of the Roche Agreement is allocated to the performance obligations based on their relative standalone selling price. The Company developed the standalone selling price for the performance obligations included in the Roche Agreement by determining the total estimated costs to fulfill each performance obligation identified with the objective of determining the price at which it would sell such an item if it were to be sold regularly on a standalone basis. The allocated transaction price is recognized as revenue from collaboration agreements in one of two ways:

- Research and development of the initial targets: The Company recognizes the portion of the transaction price allocated to each of the research and development performance obligations as the research and development services are provided, using an input method, in proportion to costs incurred to date for each research development target as compared to total costs incurred and expected to be incurred in the future to satisfy the underlying obligation related to said research and development target. The transfer of control occurs over this period and, in management's judgment, is the best measure of progress towards satisfying the performance obligation.
- Option rights: The transaction price allocated to the options rights, which are considered material rights, is deferred until the period that Roche elects to exercise or elects to not exercise its option right to license and commercialize the underlying research and development target. Upon Roche's exercise of an option right, the Company will recognize the portion of the transaction price allocated using the input method described above. Any payments made to exercise option rights will be added to the allocated value and recognized as the related services are performed.

To date through June 30, 2025, $43.5 million related to the Roche Agreement has been recognized as collaboration revenue in the condensed consolidated statements of operations and comprehensive loss and the remaining $15.5 million of the upfront payment and subsequent milestone payments related to customer options are recorded as deferred revenue in the liabilities section of the condensed consolidated balance sheets.

The following table summarizes the deferred revenue amounts allocated to performance obligations (in thousands):

	June 30, 2025	December 31, 2024
Roche Agreement performance obligations		
Research and development of initial targets	$ 9,862	$ 19,395
Research and development for replacement targets	5,622	5,622
Total Roche Agreement deferred revenue	$ 15,484	$ 25,017

The Company expects that that the remaining deferred revenue for the initial targets will be recognized within 27 months. As of June 30, 2025, Roche had not elected to develop any of the replacement targets. See Note 16, *Subsequent events*, for additional information on replacement targets. Once Roche exercises its option to develop a replacement target, the Company expects that deferred revenue related to replacement targets will be recognized within 39 months. Due to the uncertain nature of the research and development being performed by the Company, it may take longer than anticipated to recognize revenue related to the performance obligations for the initial and replacement targets. Any amounts remaining in deferred revenue will be recognized at the conclusion of the Roche Agreement in October 2028.

Novartis License Agreement

Description

In October 2024, Monte Rosa Therapeutics AG, a wholly-owned subsidiary of the Company, entered into a license agreement with Novartis, or the Novartis Agreement. Pursuant to the Novartis Agreement, the Company granted to Novartis an exclusive, royalty-bearing, sublicensable and transferable license to develop, manufacture, and commercialize VAV1 MGDs, including MRT-6160, which is currently in Phase 1 clinical development for immune-mediated conditions. The Company is responsible for completing the ongoing Phase 1 clinical study and Novartis is responsible for all subsequent development and commercial activities starting at Phase 2.

Pricing

In December 2024, the Company received a $150 million non-refundable upfront payment. Pursuant to the Agreement, the Company is entitled to receive from Novartis up to $2.1 billion in development, regulatory, and sales milestones, beginning upon initiation of Phase 2 studies including (a) potential development and regulatory milestone payments, exceeding $1.5 billion if multiple indications achieve regulatory approval in multiple territories, (b) potential sales milestones payments in connection with sales outside of the U.S., and tiered royalties on sales outside of the U.S. The Company will continue to be responsible for costs associated with the ongoing Phase 1 clinical study and Novartis will be responsible for costs associated with any subsequent clinical studies. The Company and Novartis also agreed to a net profit and loss sharing arrangement, pursuant to which the Company could co-fund any global clinical development from Phase 3 onwards and will share 30% of any profits and losses associated with the manufacturing and commercialization of the licensed products in the U.S. The Company has defined opportunities to opt out of the net profit and loss sharing arrangement prior to the initiation of Phase 3 clinical trials, in such case, sales in the U.S. would be entitled to the potential sales milestones payments and tiered royalties as sales outside of the U.S. Any costs for any co-funded development and commercialization activities are subject to budgets reviewed by the Company and Novartis.

Accounting

The goods and services that the Company is obligated to deliver and perform (the License and Licensor Clinical Trial) will be accounted for under ASC 606 as they represent a transaction with a customer.

The Company has concluded that the License and the completion of the Licensor Clinical Trial promises are treated as a single, combined performance obligation. The Company has determined the total transaction price to be $150 million, which consists solely of the upfront payment. All milestone payments were constrained as the achievement of the milestones are contingent upon the success of the underlying research and development activities and are generally outside the control of the Company. The Company's options to share in further development and commercialization efforts via its opt-in/opt-out rights will be assessed and accounted for as separate units of accounting under the relevant guidance if, and when, such options are exercised by the Company.

The revenue the Company recognizes associated with the combined performance obligation will be recognized over time using a cost-based input methodology. The transfer of control occurs over the course of the Licensor Clinical Trial promise and, in management's judgment, is the best measure of progress towards satisfying the combined performance

obligation. The amounts received that have not yet been recognized as revenue are classified as deferred revenue on the Company's condensed consolidated balance sheet and will be recognized over the remaining Phase 1 clinical trial period until the performance obligation is satisfied.

In 2025, at the request of Novartis, the Company performed services not previously contemplated by the Agreement. The Company will be reimbursed for the costs incurred related to the additional services. The Company has concluded that these changes represent contract modifications and that additional services are not distinct from the combined performance obligation previously identified in the License Agreement. As such, the contract modifications have been accounted for as a cumulative catch-up adjustment of $2.2 million to date as an increase to collaboration revenue in the condensed consolidated statements of operations and comprehensive (loss) income.

To date through June 30, 2025, $140.2 million of revenue related to the Novartis Agreement has been recognized as collaboration revenue in the condensed consolidated statements of operations and comprehensive income (loss) and the remaining $11.1 million has been recorded as deferred revenue in the current liabilities section of the condensed consolidated balance sheets as related performance obligations are expected to be completed within the next 12 months.

10. Equity

Undesignated preferred stock

The Company had 10,000,000 shares authorized of undesignated preferred stock, par value of $0.0001, of which no shares were issued and outstanding as of June 30, 2025.

Common stock

The Company had 500,000,000 shares of common stock authorized, of which 61,717,349 shares were issued and outstanding as of June 30, 2025.

Additionally, the Company has issued pre-funded warrants to purchase 20,638,924 shares of the Company's common stock to accredited investors. The pre-funded warrants are immediately exercisable at an exercise price of $0.0001 per share. The pre-funded warrants are exercisable at any time after the date of issuance. A holder of a pre-funded warrant may not exercise such pre-funded warrant if the holder, together with its affiliates, would beneficially own more than 4.99% (or, at the election of the holder, up to 19.99%) of the number of shares of the Company's common stock outstanding immediately after giving effect to such exercise. No pre-funded warrants have been exercised as of June 30, 2025.

The holders of common stock are entitled to dividends when and if declared by the Company's board of directors, subject to the preferences applicable to any outstanding shares of preferred stock. The Company's board of directors has not declared any dividends and the Company has not paid any dividends.

The holders of common stock are entitled to one vote per share on all matters to be voted upon by the stockholders.

As of June 30, 2025 and December 31, 2024, the Company has reserved the following shares of common stock for the vesting of restricted stock and exercise of stock options:

	June 30, 2025	December 31, 2024
Options to purchase common stock	15,190,513	11,589,269
Unvested restricted common stock units	777,325	112,159
Pre-funded warrants	20,638,924	20,638,924
	36,606,762	32,340,352

Underwritten public offering

In May 2024, the Company entered into an underwriting agreement with TD Securities (USA) LLC, as representative of the several underwriters, related to an underwritten public offering, or the Offering, of 10,638,476 shares of common stock at a price of $4.70 per share, and, in lieu of common stock to certain investors, pre-funded warrants to purchase 10,638,524 shares of common stock at a price of $4.6999 per pre-funded warrant, which represents the price per share at which shares of common stock were sold in this Offering, minus $0.0001, which is the exercise price of each pre-funded warrant. The pre-funded warrants are immediately exercisable and may be exercised at any time until the pre-funded warrants are exercised in full. Aggregate gross proceeds from the Offering were $100 million, or aggregate net proceeds of $96.4 million after deducting the underwriter discounts, commissions, and other offering costs.

At-the-market offering

In July 2022, the Company entered into a sales agreement, or the Sales Agreement, with Jefferies LLC, or Jefferies, as amended on March 20, 2025, pursuant to which the Company may offer and sell shares of its common stock pursuant to the then-effective prospectus from time to time in "at-the-market" offerings through Jefferies, as the Company's sales agent. The Company had a prospectus for $100 million pursuant to which it could sell shares through July 2025, and has a prospectus for $150 million, pursuant to which it may sell shares through March 2028. The Company agreed to pay Jefferies a commission of up to 3.0% of the gross proceeds of any shares sold by Jefferies under the Sales Agreement. During the six months ended June 30, 2025, the Company did not sell shares under the Sales Agreement. During the six months ended June 30, 2024, the Company sold 130,506 shares of common stock under the Sales Agreement for aggregate gross proceeds of $1.0 million, respectively, or aggregate net proceeds of $0.9 million, after deducting sales agent discounts, commissions, and other offering costs.

11. Stock-based compensation

2020 Stock incentive plan

The Company's 2020 Stock Option and Grant Plan, or the 2020 Plan, provided for the Company to grant stock options, restricted stock and other stock awards, to employees, non-employee directors, and consultants. Upon the effectiveness of the 2021 Plan (as defined below), no further issuances were made under the 2020 Plan.

2021 Stock incentive plan

The Company's 2021 Stock Option and Incentive Plan, or the 2021 Plan, was approved by the Company's board of directors on May 28, 2021 and the Company's stockholders on June 17, 2021 and became effective on the date immediately prior to the date on which the registration statement for the Company's initial public offering, or IPO, was declared effective. The 2021 Plan provides for the grant of incentive stock options; non-qualified stock options; stock appreciation rights; restricted stock units, or RSUs; restricted stock awards; unrestricted stock awards; cash-based awards and dividend equivalent rights to the Company's officers, employees, directors and consultants. The number of shares initially reserved for issuance under the 2021 Plan was 4,903,145. Under the evergreen provision of the 2021 Plan, the shares available for issuance under the 2021 Plan will be automatically increased each January 1st by 5% of the outstanding number of shares of the Company's common stock on the immediately preceding December 31st or such lesser number of shares as may be determined by the Company's compensation, nomination and corporate governance committee. Effective January 1, 2025 the number of shares available under the 2021 Plan automatically increased by 3,075,372 shares pursuant to the evergreen provision of the 2021 Plan. As of June 30, 2025, 1,920,593 shares were available for issuance under the 2021 Plan.

2021 Employee stock purchase plan

The Company's 2021 Employee Stock Purchase Plan, or the 2021 ESPP, was approved by the Company's board of directors on May 28, 2021 and the Company's stockholders on June 17, 2021 and became effective on the date immediately prior to the date on which the registration statement for the Company's IPO was declared effective. A total of 439,849 shares of the Company's common stock were initially reserved for issuance under the 2021 ESPP. The shares available for issuance under the 2021 ESPP will be automatically increased on each January 1st, through January 1, 2031, by the least of (i) 439,849 shares of the Company's common stock, (ii) 1% of the outstanding number of shares of the Company's common stock on the immediately preceding December 31st or (iii) such lesser number of shares of the Company's common stock as determined by the plan administrator of the 2021 ESPP. Effective January 1, 2025 the number of shares available under the 2021 ESPP automatically increased by 439,849 shares pursuant to the evergreen provision of the 2021 ESPP. As of June 30, 2025, 1,780,308 shares were available for issuance under the 2021 ESPP.

Stock option activity

The following summarizes stock option activity:

	Number of options	Weighted average exercise price	Weighted average remaining contractual term (years)	Aggregate intrinsic value (in thousands)
Outstanding—December 31, 2024	11,589,269	$ 8.10	7.6	$ 11,419
Granted	3,811,650	6.92		
Exercised	(2,375)	5.71		
Forfeited	(208,031)	8.70		
Outstanding—June 30, 2025	15,190,513	$ 7.80	7.7	$ 2,797
Vested or expected to vest—June 30, 2025	15,190,513	$ 7.80	7.7	$ 2,797
Exercisable—June 30, 2025	8,075,932	$ 8.57	6.6	$ 2,664

The aggregate intrinsic value of options granted is calculated as the difference between the exercise price of the options and the estimated fair value of the Company's common stock.

Restricted stock unit activity

Starting in 2022, the Company granted RSUs to employees under the 2021 Plan. Each of the RSUs represents the right to receive one share of the Company's common stock upon vesting. The RSUs will typically vest over two or four years provided the individual remains in continuous service of the Company. Accordingly, stock-based compensation expense for each RSU is recognized on a straight-line basis over the vesting term. The fair value of each RSU is based on the closing price of the Company's common stock on the date of grant.

The following summarizes RSU activity:

	Number of shares	Weighted average grant date fair value
Unvested restricted stock units as of December 31, 2024	112,159	$ 7.55
Granted	789,175	$ 7.04
Vested	(112,159)	$ 7.55
Forfeited	(11,850)	$ 7.11
Unvested restricted stock units as of June 30, 2025	777,325	$ 7.04

The aggregate fair value of restricted stock units that vested during the six months ended June 30, 2025 and 2024 was $0.5 million and $0.3 million, respectively. The weighted average grant date fair value RSUs that vested during each of the six months ended June 30, 2025 and 2024 was $7.55.

Stock-based compensation expense

Stock-based compensation expense is classified as follows (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Research and development	$ 2,905	$ 2,638	$ 6,040	$ 5,315
General and administrative	1,989	1,864	4,152	4,060
Total stock-based compensation expense	$ 4,894	$ 4,502	$ 10,192	$ 9,375

As of June 30, 2025 total unrecognized stock-based compensation cost related to unvested stock options and restricted stock units was $33.1 million and $4.8 million, respectively. The Company expects to recognize this remaining cost over a weighted average period of 2.7 years and 3.5 years, respectively.

12. Income taxes

The following table summarizes the income tax provision recorded (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Income tax provision	$ (1,199)	$ (252)	$ (2,021)	$ (335)

For the three and six months ended June 30, 2025, the income tax provision was primarily driven by the current federal and state taxes related to the $150 million upfront payment for the Novartis License Agreement, which will be recognized as taxable net controlled foreign corporation tested income, or NCTI. For the three and six months ended June 30, 2024, the income tax provision was primarily related to interest income on marketable securities in Massachusetts and the U.S. taxable income generated from the capitalization of research and development expenses.

The Company continues to maintain a full valuation allowance against all of its deferred tax assets. The Company has evaluated the positive and negative evidence involving its ability to realize our deferred tax assets. The Company has considered its history of cumulative net losses incurred since inception and its lack of any commercial products. The Company has concluded that it is more likely than not that it will not realize the benefits of its deferred tax assets. The Company reevaluates the positive and negative evidence at each reporting period.

On July 4, 2025, H.R. 1, the “One Big Beautiful Bill Act”, was signed into law. In accordance with U.S. GAAP, the Company will account for the tax effects of changes in tax law in the period of enactment which is third quarter of calendar year 2025. See Note 16, *Subsequent events*, for additional information on the expected impact of this tax law.

13. Net (loss) earnings per common share

Basic and diluted net (loss) earnings per share is calculated based upon the weighted-average number of shares of common stock outstanding during the period. Shares of the Company's common stock underlying pre-funded warrants are included in the calculation of the basic and diluted earnings per share. Basic and diluted net (loss) earnings per share are as follows (in thousands except share and per share amounts):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Net (loss) income	$ (12,295)	$ (30,310)	$ 34,590	$ (62,278)
Basic weighted average shares outstanding	82,186,768	71,233,992	82,167,849	65,695,095
Effect of potentially dilutive securities:				
Stock options to purchase common stock	—	—	651,925	—
Restricted stock units	—	—	70,289	—
Diluted weighted average shares outstanding	82,186,768	71,233,992	82,890,063	65,695,095
Basic net (loss) earnings per share	$ (0.15)	$ (0.43)	$ 0.42	$ (0.95)
Diluted net (loss) earnings per share	$ (0.15)	$ (0.43)	$ 0.42	$ (0.95)

The following outstanding potentially dilutive securities have been excluded from the calculation of diluted net (loss) earnings per common share, as their effect is anti-dilutive:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Stock options to purchase common stock	15,190,513	11,535,569	14,538,588	11,535,569
Restricted stock awards	—	5,315	—	5,315
Restricted stock units	777,325	153,634	707,036	153,634

14. Employee retirement plans

The Company, in compliance with Swiss Law, is contracted with the AXA Leben AG, or AXA, for the provision of pension benefits in a defined benefit plan. All benefits are organized in a semi-autonomous collective foundation within the framework of the contract with AXA. Insurance benefits due are paid directly to the entitled persons by AXA in the name of and for the account of the collective foundation. The pension plan is financed by contributions of both employees and the Company. The contract between the Company and the collective foundation can be terminated by either side. In the event of a termination, the Company would have an obligation to find alternative pension arrangements for its employees. Because there is no guarantee that the employee pension arrangements would be continued under the same conditions,

there is a risk, albeit remote, that a pension obligation may fall on the Company. The pension assets are pooled for all affiliated companies; the investment of assets is done by the governing bodies of the collective foundation.

The following table summarizes pension expense incurred (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Pension expense	$ 455	$ 261	$ 843	$ 543

In February 2021, the Company adopted a defined contribution plan intended to qualify under Section 401(k) of the Internal Revenue Code covering all eligible U.S. based employees of the Company. All employees are eligible to become participants of the plan immediately upon hire. Each active employee may elect, voluntarily, to contribute a percentage of their compensation to the plan each year, subject to certain limitations. The Company reserves the right, but is not obligated, to make additional contributions to this plan. The Company makes safe-harbor match contributions of 100% of the first 4% of each participant's eligible compensation. In January 2024, the Company adopted a defined contribution supplemental pension plan for eligible Swiss based employees defined by Swiss Law Art.1e BVV 2, or the 1e Plan. Employees earning above a defined threshold are eligible and automatically enrolled in the 1e Plan and required contributions are determined by age and salary under Swiss Law. The Company and the employee share the costs of the 1e Plan.

The following table summarizes defined contribution expenses incurred (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Defined contribution expense	$ 220	$ 181	$ 629	$ 537

15. Segment data

The Company defines its segments based on the way in which internally reported financial information is regularly reviewed by the chief operating decision maker, or CODM, to analyze financial performance, make decisions, and allocate resources. The Company manages its operations as a single operating and reportable segment committed to developing a portfolio of novel and proprietary MGDs. MGDs are small molecule drugs that employ the body's natural protein destruction mechanisms to selectively degrade therapeutically-relevant proteins. As the internal reporting is based on the consolidated results, the Company has identified one operating and reportable segment. The CODM uses net (loss) income in the budget and forecasting process and considers budget-to-actual variances on a quarterly basis when making decisions about the allocation of operating and capital resources. The measure of the operating segment assets is reported on the consolidated balance sheet as total assets.

The accounting policies used in the segment reporting are the same as those described in the summary significant accounting policies. (See Note 2 in our annual report on Form 10-K for the year ended December 31, 2024.) The Company's CODM is the Chief Executive Officer.

The Company's reportable segment net revenues and loss (income) for the three and six months ended June 30, 2025 and 2024 consisted of the following (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Revenue:				
Collaboration revenue	$ 23,194	$ 4,695	$ 108,123	$ 5,759
Operating expense:				
Research and development:				
External research and development expenses:				
MRT-2359	2,243	3,037	4,187	6,923
MRT-6160	1,477	2,576	5,458	4,554
MRT-8102	1,623	1,406	3,081	2,796
Other development and discovery programs	5,702	3,500	10,928	6,654
Personnel expense	11,758	9,914	23,110	19,723
Overhead and administrative expense	7,850	7,622	16,079	14,431
General and administrative expenses:				
Personnel expense	5,479	5,326	11,158	10,741
Professional services	1,050	1,356	2,528	3,278
Facility costs and other expense	1,566	2,600	3,112	4,248
Income (loss) from operations	(15,554)	(32,642)	28,482	(67,589)
Other income (expense):				
Interest and other income, net	4,458	2,584	8,129	5,646
Provision for income taxes	(1,199)	(252)	(2,021)	(335)
Net (loss) income	$ (12,295)	$ (30,310)	$ 34,590	$ (62,278)

Other development and discovery expenses are related to the development of our QuEEN™ discovery engine and our disclosed and undisclosed programs, including CDK2 and CCNE1. The Company's tangible assets are held in the U.S. and Switzerland with 30% of the assets held in Switzerland. All of the Company's revenue has been generated in Switzerland.

16. Subsequent Events

In July 2025, Roche exercised its option under the Roche Agreement to replace certain targets for research and development services. As a result, the Company will receive $3 million for replacement fees to be received from Roche in connection with this option exercise.

On July 4, 2025, H.R. 1, the “One Big Beautiful Bill Act”, was signed into law. In accordance with U.S. GAAP, the Company will account for the tax effects of changes in tax law in the period of enactment which is third quarter of calendar year 2025. The Company has analyzed the tax impacts of the law change. The modification to IRC Sec. 174 which allows the deduction of domestic based research and development expenses in the period in which they are incurred is expected to reduce the provision for income taxes by $1.9 million and will be reflected in the following quarter.

Item 2. Management’s discussion and analysis of financial condition and results of operations

The following discussion and analysis should be read in conjunction with the unaudited condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report. This discussion and analysis and other parts of this Quarterly Report contain forward-looking statements based upon current beliefs, plans and expectations that involve risks, uncertainties and assumptions, such as statements regarding our plans, objectives, expectations, intentions and projections. Our actual results and the timing of selected events could differ materially from those anticipated in these forward-looking statements as a result of several factors, including those set forth in “Part I, Item 1A, Risk Factors” in our 2024 Annual Report and under Part II, Item 1A, “Risk Factors” and elsewhere in this Quarterly Report. You should carefully read the “Risk Factors” section of this Quarterly Report to gain an understanding of the important factors that could cause actual results to differ materially from our forward-looking statements. Please also see the section entitled “Special note regarding forward-looking statements.”

Overview

We are a biotechnology company developing a portfolio of novel and proprietary MGDs. MGDs are small molecule drugs that employ the body’s natural protein destruction mechanisms to selectively degrade therapeutically-relevant proteins.

MGDs work by inducing the engagement of defined surfaces identified on target proteins by an E3 ligase, such as cereblon. We have developed a proprietary and industry-leading protein degradation discovery engine, called QuEEN™ to enable our unique, target-centric, MGD discovery and development and our rational design of MGD products. We believe our small molecule MGDs may give us significant advantages over existing therapeutic modalities, including other protein degradation approaches. We prioritize our product development on therapeutic targets backed by strong biological and genetic rationale with the goal of discovering and developing novel medicines.

Monte Rosa Therapeutics AG, a Swiss operating company, was incorporated under the laws of Switzerland in April 2018. Monte Rosa Therapeutics, Inc. was incorporated in Delaware in November 2019. In 2020, through a common control reorganization, Monte Rosa Therapeutics, Inc. acquired the net assets and shareholding of Monte Rosa Therapeutics AG. Monte Rosa Therapeutics, Inc. includes wholly owned subsidiaries Monte Rosa Therapeutics AG and Monte Rosa Securities Corporation. We are headquartered in Boston, Massachusetts with research operations in both Boston and Basel, Switzerland.

Recent Developments

In June 2025, the United States Food and Drug Administration cleared the investigational new drug application for MRT-8102, a NEK7-directed MGD being developed for the treatment of inflammatory diseases driven by the NLRP3 inflammasome and IL-1β. In July 2025, we initiated a Phase 1 study evaluating MRT-8102, with the first patients being dosed. The MRT-8102 Phase 1 study is a randomized, double-blind, placebo-controlled trial in healthy volunteers that includes both single ascending dose (SAD) and multiple ascending dose (MAD) cohorts. The study is designed to evaluate safety and tolerability, pharmacokinetics (PK), and pharmacodynamics (PD), including NEK7 degradation and *ex vivo* responses to inflammasome stimulation. Part 3 of the Phase 1 study is a randomized, placebo-controlled trial that will enroll subjects with increased CVD risk due to obesity and elevated CRP, designed to evaluate safety and tolerability, change in CRP levels, pharmacokinetics, and changes in other inflammatory markers. Initial results from the Phase 1 study are anticipated in the first half of 2026.

Liquidity

To date, we have financed our operations primarily through the issuance and sale of convertible promissory notes, convertible preferred stock, public offerings of our common stock or warrants to purchase common stock, registered direct offerings, and through our collaboration agreements. From our inception through the date hereof, there have been aggregate inflows of $836.0 million of gross proceeds from such transactions. Since inception, we have had significant operating losses. Our primary use of cash is to fund operating expenses, which consist primarily of research and development expenditures and, to a lesser extent, general and administrative expenditures. For the six months ended June 30, 2025, we reported net income of $34.6 million. For the years ended December 31, 2024 and 2023, we reported net losses of $72.7 million and $135.4 million, respectively. As of June 30, 2025, we had an accumulated deficit of $404.0 million and $295.5 million in cash, cash equivalents, restricted cash and marketable securities.

Impact of global economic and political developments

The development of our product candidates could be disrupted and materially adversely affected in the future by global economic or political developments. In addition, economic uncertainty in global markets caused by political instability and conflict, and economic challenges caused by global pandemics or other public health events, may lead to market disruptions, including significant volatility in commodity prices, credit and capital market instability and supply chain interruptions. Our business, financial condition and results of operations could be materially and adversely affected by negative impacts on the global economy and capital markets resulting from these global economic conditions, particularly if such conditions are prolonged or worsen.

Components of operating results

Collaboration revenue

Collaboration revenue represents amounts earned from our collaboration and license agreements with Roche and Novartis. We expect that our revenue for the next several years will be derived primarily through our current collaboration and license agreements and any additional collaborations that we may enter into in the future.

Research and development expenses

Our research and development expenses include:

- expenses incurred under agreements with consultants, third-party service providers that conduct research and development activities on our behalf;

- personnel costs, which include salaries, benefits, pension and stock-based compensation;
- laboratory and vendor expenses related to the execution of preclinical and clinical studies;
- laboratory supplies and materials used for internal research and development activities; and
- facilities and equipment costs.

Most of our research and development expenses have been related to the development of our QuEEN™ discovery engine and advancement of our GSPT1 and VAV1 programs, advancement of our disclosed and undisclosed programs including for NEK7, CDK2, and CCNE1.

We expense all research and development costs in the periods in which they are incurred. Costs for certain research and development activities are recognized based on an evaluation of the progress to completion of specific tasks using information and data provided to us by our vendors and third-party service providers.

The process of conducting the necessary clinical research to obtain regulatory approval is costly and time-consuming, and the successful development of our product candidates is highly uncertain. As a result, we are unable to determine the duration and completion costs of our research and development projects, the costs of related clinical development costs or when and to what extent we will generate revenue from the commercialization and sale of any of our product candidates.

We expect our research and development expenses to increase substantially for the foreseeable future as we continue to invest in research and development activities related to developing our product candidates, including investments in manufacturing, as we advance our programs and conduct clinical trials. The process of conducting the necessary clinical research to obtain regulatory approval is costly and time-consuming, and the successful development of our product candidates is highly uncertain. As a result, we are unable to determine the duration and completion costs of our research and development projects, the costs of related clinical development costs or when and to what extent we will generate revenue from the commercialization and sale of any of our product candidates.

General and administrative expenses

Our general and administrative expenses consist primarily of personnel costs and other expenses for outside professional services, including legal fees relating to patent and corporate matters, professional fees for accounting, auditing, tax and administrative consulting services, insurance costs and other operating costs. We expect our general and administrative expenses to increase over the next several years to support our continued research and development activities, manufacturing activities, and the potential commercialization of our product candidates and development of commercial infrastructure. We also anticipate our general and administrative costs will increase with respect to the hiring of additional personnel, fees to outside consultants, lawyers and accountants, and increased costs associated with being a public company, such as expenses related to services associated with maintaining compliance with Nasdaq listing rules and SEC reporting requirements, insurance and investor relations costs.

Non-operating income and (expense)

Our non-operating income and (expense) includes (i) interest earned on our investments, including principally U.S. government-backed money-market funds and marketable securities; (ii) gains and losses on transactions of our Swiss subsidiary denominated in currencies other than the U.S. Dollar; and (iii) proceeds from the sale of fixed assets.

Results of operations for the three months ended June 30, 2025 and 2024

The following sets forth our results of operations (in thousands):

Collaboration revenue

	Three months ended June 30,		
	2025	2024	Dollar change
Collaboration revenue	$ 23,194	$ 4,695	$ 18,499
Operating expenses:			
Research and development	$ 30,653	$ 28,055	$ 2,598
General and administrative	8,095	9,282	(1,187)
Total operating expenses	38,748	37,337	1,411
Loss from operations	(15,554)	(32,642)	17,088
Other income	4,458	2,584	1,874
Net loss before income taxes	(11,096)	(30,058)	18,962
Provision for income taxes	(1,199)	(252)	(947)
Net loss	$ (12,295)	$ (30,310)	$ 18,015

Collaboration revenue of $23.2 million and $4.7 million for the three months ended June 30, 2025 and 2024, respectively, represents revenue recorded under our collaboration and license agreements with Roche and Novartis. As of June 30, 2025, $18.4 million was classified as current deferred revenue on the condensed consolidated balance sheet.

Research and development expenses

Research and development expenses were comprised of (in thousands):

	Three months ended June 30,		
	2025	2024	Dollar change
External research and development expense:			
MRT-2359	$ 2,243	$ 3,037	$ (794)
MRT-6160	1,477	2,576	(1,099)
MRT-8102	1,623	1,406	217
Other development and discovery programs	5,702	3,500	2,202
Personnel expense	11,758	9,914	1,844
Overhead and administrative expense	7,850	7,622	228
Total research and development expense	$ 30,653	$ 28,055	$ 2,598

As of June 30, 2025, we had 112 employees engaged in research and development activities in our facilities in the U.S. and Switzerland. As of June 30, 2024, we had 103 research and development employees in our facilities in the U.S. and Switzerland.

Most of our research and development expenses were driven by the successful achievement of key research milestones in our research and development organization, including the continuation of the MRT-2359 clinical study, continued program activities for MRT-6160 in preparation for Phase 2 studies, the advancement of MRT-8102 into the clinic, the progression of our preclinical pipeline including research performed for our collaboration with Roche, and the continued development of our QuEEN™ discovery engine, and reflect increased personnel expense and external R&D costs to achieve these milestones. Research and development expenses for the three months ended June 30, 2025 and 2024 included non-cash stock-based compensation expense of $2.9 million and $2.6 million, respectively.

General and administrative expenses

General and administrative expenses to support our business activities were comprised of (in thousands):

	Three months ended June 30,		
	2025	2024	Dollar change
Personnel costs	$ 5,479	$ 5,326	$ 153
Professional services	1,050	1,356	(306)
Facility costs and other expense	1,566	2,600	(1,034)
Total general and administrative expense	$ 8,095	$ 9,282	$ (1,187)

As of June 30, 2025 and 2024 we had 30 and 26 employees engaged in general and administrative activities, respectively. General and administrative expenses for the three months ended June 30, 2025 and 2024 included non-cash stock-based compensation expense of $2.0 million and $1.9 million, respectively.

Other income (expense)

Other income (expense), net was comprised of (in thousands):

	Three months ended June 30,		
	2025	2024	Dollar change
Interest income, net	$ 3,068	$ 2,637	$ 431
Foreign currency exchange gain (loss), net	1,390	(53)	1,443
Other income	$ 4,458	$ 2,584	$ 1,874

The increase in interest and other income for the three months ended June 30, 2025, is primarily due to the revaluation of Swiss-franc denominated deposits.

Provision for income taxes

For the three months ended June 30, 2025, we recorded a provision for income taxes of $1.2 million, primarily driven by the current federal and state taxes related to the $150 million upfront payment for the Novartis License Agreement, which will be recognized as taxable net controlled foreign corporation tested income, or NCTI. For the three months ended June 30, 2024, the income tax provision was primarily related to interest income on marketable securities in Massachusetts and the U.S. taxable income generated from the capitalization of research and development expenses.

Results of operations for the six months ended June 30, 2025 and 2024

The following sets forth our results of operations (in thousands):

	Six months ended June 30,		
	2025	2024	Dollar change
Collaboration revenue	$ 108,123	$ 5,759	$ 102,364
Operating expenses:			
Research and development	62,843	55,081	7,762
General and administrative	16,798	18,267	(1,469)
Total operating expenses	79,641	73,348	6,293
Income (loss) from operations	28,482	(67,589)	96,071
Other income	8,129	5,646	2,483
Net loss before income taxes	$ 36,611	$ (61,943)	$ 98,554
Provision for income taxes	(2,021)	(335)	(1,686)
Net income (loss)	$ 34,590	$ (62,278)	$ 96,868

Collaboration revenue

Collaboration revenue of $108.1 million and $5.8 million for the six months ended June 30, 2025 and 2024, respectively, represents revenue recorded under our collaboration and license agreements with Roche and Novartis. As of June 30, 2025, $18.4 million was classified as current deferred revenue on the condensed consolidated balance sheet.

Research and development expenses

Research and development expenses were comprised of (in thousands):

	Six months ended June 30,		
	2025	2024	Dollar change
External research and development expense:			
MRT-2359	$ 4,187	$ 6,923	$ (2,736)
MRT-6160	5,458	4,554	904
MRT-8102	3,081	2,796	285
Other development and discovery programs	10,928	6,654	4,274
Personnel expense	23,110	19,723	3,387
Overhead and administrative expense	16,079	14,431	1,648
Total research and development expense	$ 62,843	$ 55,081	$ 7,762

As of June 30, 2025, we had 112 employees engaged in research and development activities in our facilities in the U.S. and Switzerland. As of June 30, 2024, we had 103 research and development employees in our facilities in the U.S. and Switzerland.

Most of our research and development expenses were driven by the successful achievement of key research milestones in our research and development organization, including the continuation of the MRT-2359 clinical study, continued program activities for MRT-6160 in preparation for Phase 2 studies, the advancement of MRT-8102 into the clinic, the progression of our preclinical pipeline including research performed for our collaboration with Roche, and the continued development of our QuEEN™ discovery engine, and reflect increased personnel expense and external R&D costs to achieve these milestones. Research and development expenses for the six months ended June 30, 2025 and 2024 included non-cash stock-based compensation expense of $6.0 million and $5.3 million, respectively.

General and administrative expenses

General and administrative expenses to support our business activities were comprised of (in thousands):

	Six months ended June 30,		
	2025	2024	Dollar change
Personnel costs	$ 11,158	$ 10,741	$ 417
Professional services	2,528	3,278	(750)
Facility costs and other expenses	3,112	4,248	(1,136)
Total general and administrative expenses	$ 16,798	$ 18,267	$ (1,469)

As of June 30, 2025 and 2024 we had 30 and 26 employees engaged in general and administrative activities, respectively. General and administrative expenses for the six months ended June 30, 2025 and 2024 included non-cash stock-based compensation expense of $4.2 million and $4.1 million, respectively.

Other income (expense)

Other income (expense), net was comprised of (in thousands):

	Six months ended June 30,		
	2025	2024	Dollar change
Interest income, net	$ 6,507	$ 5,079	$ 1,428
Foreign currency exchange gain (loss), net	1,563	567	$ 996
Gain on disposal of property and equipment	59	—	$ 59
Other income	$ 8,129	$ 5,646	$ 2,483

The increase in interest and other income for the six months ended June 30, 2025, is principally attributable to higher interest rates on marketable securities.

Provision for income taxes

For the six months ended June 30, 2025, we recorded a provision for income taxes of $2.0 million, primarily driven by the current federal and state taxes related to the $150 million upfront payment for the Novartis License Agreement, which will be recognized as taxable NCTI. For the six months ended June 30, 2024, the income tax provision was primarily related to interest income on marketable securities in Massachusetts and the U.S. taxable income generated from the capitalization of research and development expenses.

Liquidity and capital resources

Overview

Due to our significant research and development expenditures, we have generated operating losses since our inception. We have funded our operations primarily through the issuance and sale of convertible promissory notes, convertible preferred stock, public offerings of our common stock or warrants to purchase common stock, registered direct offerings, and through our collaboration agreements. As of June 30, 2025, we had $295.5 million in cash, cash equivalents, restricted cash and marketable securities. We have incurred losses since our inception and, as of June 30, 2025, we had an accumulated deficit of $404.0 million. Our primary use of cash is to fund operating expenses, which consist primarily of research and development expenditures, and to a lesser extent, general and administrative expenditures. Cash used to fund operating expenses is impacted by the timing of when we pay these expenses, as reflected in the change in our outstanding accounts payable and accrued expenses.

Underwritten public offering

In May 2024, we entered into an underwriting agreement with TD Securities (USA) LLC, as representative of the several underwriters, related to an underwritten public offering, or the Offering, of 10,638,476 shares of common stock at a price of $4.70 per share, and, in lieu of common stock to certain investors, pre-funded warrants to purchase 10,638,524 shares of common stock at a price of $4.6999 per pre-funded warrant, which represents the price per share at which shares of common stock were sold in this Offering, minus $0.0001, which is the exercise price of each pre-funded warrant. The pre-funded warrants are immediately exercisable and may be exercised at any time until the pre-funded warrants are exercised in full. Aggregate gross proceeds from the Offering were $100 million, or aggregate net proceeds of $96.4 million after deducting the underwriter discounts, commissions, and other offering costs.

At-the-market offering

On July 1, 2022, we filed a registration statement on Form S-3 (File No. 333-266003) with the SEC, which was declared effective on July 13, 2022, or the 2022 Shelf Registration Statement, in relation to the registration of common stock, preferred stock, debt securities, warrants and/or units of any combination thereof for the purposes of selling, from time to time, our common stock, debt securities or other equity securities in one or more offerings. We also simultaneously entered into the Open Market Sale Agreement℠, or the Sales Agreement, with Jefferies LLC, or Jefferies, to provide for the offering, issuance and sale of up to an aggregate amount of $100.0 million of our common stock from time to time in "at-the-market" offerings, or the ATM Program, under the 2022 Shelf Registration Statement and subject to the limitations thereof.

On March 20, 2025, we filed a registration statement on Form S-3 (File No. 333-285942) with the SEC, which was declared effective on March 31, 2025, or the 2025 Shelf Registration Statement, in relation to the registration of common stock, preferred stock, debt securities, warrants and/or units of any combination thereof for the purposes of selling, from time to time, our common stock, debt securities or other equity securities in one or more offerings. We also simultaneously entered into the Amendment No. 1 to the Sales Agreement, or the Amendment, with Jefferies, to provide for the offering, issuance and sale of up to an aggregate amount of $150.0 million of our common stock from time to time under the ATM Program, pursuant to the 2025 Shelf Registration Statement and subject to the limitations thereof.

We will pay to the Jefferies cash commissions of up to 3.0% of the aggregate gross proceeds of sales of common stock under the Sales Agreement. To date through June 30, 2025, 2,612,514 shares have been sold pursuant to the ATM Program.

Cash flows

The following table summarizes our cash flows for the periods indicated (in thousands):

	Six months ended June 30,	
	2025	**2024**
Net cash (used in) provided by:		
Operating activities	$ (80,212)	$ (65,932)
Investing activities	(74,905)	(51,305)
Financing activities	379	98,269
Net decrease in cash, cash equivalents and restricted cash	$ (154,738)	$ (18,968)

Operating activities

Net cash used in operating activities of $80.2 million during the six months ended June 30, 2025, was attributable to decreases in our working capital of $20.4 million and a decrease in deferred revenue of $106.9 million, partially offset by our net income of $34.6 million. The decreases in working capital accounts and deferred revenue were partially off-set by non-cash charges of $12.5 million, principally with respect to depreciation expense and stock-based compensation.

Net cash used in operating activities of $65.9 million during the six months ended June 30, 2024 was attributable to our net loss of $62.3 million and decreases in our working capital of $6.8 million, partially off-set by non-cash charges of $12.2 million, principally with respect to depreciation expense and stock-based compensation.

Investing activities

Cash used in investing activities of $74.9 million during the six months ended June 30, 2025 was primarily attributable to purchases of marketable securities of $157.0 million and purchases of property and equipment of $3.3 million, partially offset by proceeds from the maturity of marketable securities of $85.4 million.

Cash used in investing activities of $51.3 million during the six months ended June 30, 2024 was primarily attributable to proceeds from the maturity of marketable securities of $82.1 million, offset by purchases of marketable securities of $130.0 million and purchases of property and equipment of $3.4 million.

Financing activities

Cash provided by financing activities of $0.4 million for the six months ended June 30, 2025 was primarily due to the proceeds of purchases from the 2021 ESPP.

Net cash provided by financing activities of $98.3 million for the six months ended June 30, 2024 was primarily due to the net proceeds from our Offering of $96.4 million.

Funding requirements

Any product candidates we may develop may never achieve commercialization and we anticipate that we will continue to incur losses for the foreseeable future. We expect that our research and development expenses, general and administrative expenses and capital expenditures will continue to increase. As a result, until such time, if ever, as we can generate substantial product revenue, we expect to finance our cash needs through a combination of equity offerings, debt financings or other capital sources, including potential collaborations, licenses and other similar arrangements. Our primary uses of capital are, and we expect will continue to be, compensation and related expenses, third-party clinical research, manufacturing and development services, costs relating to the build-out of our headquarters, laboratories and manufacturing facility, license payments or milestone obligations that may arise, laboratory and related supplies, clinical costs, manufacturing costs, legal and other regulatory expenses and general overhead costs.

Based upon our current operating plan, we believe that our existing cash, cash equivalents and marketable securities will enable us to fund our operating expenses and capital expenditure requirements for at least the next twelve months. We base this estimate on assumptions that may prove to be wrong, and we could utilize our available capital resources sooner than we currently expect.

We will continue to require additional financing to advance our current product candidates through clinical development, to develop, acquire or in-license other potential product candidates and to fund operations for the foreseeable future. We will continue to seek funds through equity offerings, debt financings or other capital sources, including potential collaborations, licenses and other similar arrangements. However, we may be unable to raise additional funds or enter into such other arrangements when needed on favorable terms or at all. If we do raise additional capital through public or private equity offerings, the ownership interest of our existing stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect our stockholders' rights. If we raise additional capital through debt financing, we may be subject to covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. Any failure to raise capital as and when needed could have a negative impact on our financial condition and on our ability to pursue our business plans and strategies. If we are unable to raise capital, we will need to delay, reduce or terminate planned activities to reduce costs.

Because of the numerous risks and uncertainties associated with research, development and commercialization of pharmaceutical products, we are unable to estimate the exact amount of our operating capital requirements. Our future funding requirements will depend on many factors, including, but not limited to:

- the scope, progress, results and costs of researching, developing and manufacturing our current product candidates or any future product candidates, and conducting preclinical studies and clinical trials;
- the timing of, and the costs involved in, obtaining regulatory approvals or clearances for our lead product candidates or any future product candidates;
- the number and characteristics of any additional product candidates we develop or acquire;
- the cost of manufacturing our lead product candidate or any future product candidates and any products we successfully commercialize, including costs associated with building-out our manufacturing capabilities;
- our ability to establish and maintain strategic collaborations, licensing or other arrangements and the financial terms of any such agreements that we may enter into;
- the expenses needed to attract and retain skilled personnel;
- the costs associated with being a public company;
- the timing, receipt and amount of sales of any future approved or cleared products, if any; and
- the impact of global economic and political developments, future public health events and the corresponding responses of businesses and governments.

Further, our operating plans may change, and we may need additional funds to meet operational needs and capital requirements for clinical trials and other research and development activities. We currently have no credit facility or

committed sources of capital. Because of the numerous risks and uncertainties associated with the development and commercialization of our product candidates, we are unable to estimate the amounts of increased capital outlays and operating expenditures associated with our current and anticipated product development programs.

Critical accounting policies and significant judgments and estimates

Our unaudited interim condensed consolidated financial statements are prepared in accordance with generally accepted accounting principles in the U.S. The preparation of our unaudited interim condensed consolidated financial statements and related disclosures requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, costs and expenses, and the disclosure of contingent assets and liabilities in our condensed financial statements. We base our estimates on historical experience, known trends and events and various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. We evaluate our estimates and assumptions on an ongoing basis. However, even though we believe we have used reasonable estimates and assumptions in preparing our interim condensed consolidated financial statements, the future effects of global economic and political developments and any future public health events on our results of operations, cash flows, and financial position are unclear. Our actual results may differ from these estimates under different assumptions or conditions.

There have been no significant changes to our critical accounting policies from those described in “Part II, Item 7, Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in our 2024 Annual Report.

For a complete discussion of our significant accounting policies and recent accounting pronouncements, see Note 2 to our condensed consolidated financial statements appearing elsewhere in this Quarterly Report and Note 2 to our 2024 Annual Report.

Recently issued and adopted accounting pronouncements

Refer to Note 2, “Summary of Significant Accounting Policies,” in the accompanying notes to our and consolidated financial statements appearing elsewhere in this Quarterly Report on Form 10-Q for a discussion of recent accounting pronouncements.

Contractual obligations and commitments

During the three months ended June 30, 2025, there have been no material changes to our contractual obligations and commitments from those described under “Part II, Item 7, Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in our Annual Report on Form 10-K for the year ended December 31, 2024, filed with the Securities and Exchange Commission on March 20, 2025.

Emerging growth and smaller reporting company status

In April 2012, the Jumpstart Our Business Startups Act of 2012, or the JOBS Act, was enacted. Section 107 of the JOBS Act provides that an “emerging growth company” may take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. Therefore, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to avail ourselves of this extended transition period and, as a result, we may adopt new or revised accounting standards on the relevant dates on which adoption of such standards is required for non-public companies instead of the dates required for other public companies. However, we may early adopt these standards.

We will cease to be an emerging growth company on the date that is the earliest of (i) the last day of the fiscal year in which we have total annual gross revenues of $1.235 billion or more, (ii) the last day of our fiscal year following the fifth anniversary of the date of the closing of our initial public offering, or our IPO, (iii) the date on which we have issued more than $1.0 billion in nonconvertible debt during the previous three years or (iv) the date on which we are deemed to be a large, accelerated filer under the rules of the SEC.

We are also a “smaller reporting company,” meaning that the market value of our stock held by non-affiliates plus the aggregate amount of gross proceeds to us as a result of our IPO is less than $700 million and our annual revenue was less than $100 million during the most recently completed fiscal year. We may continue to be a smaller reporting company after our IPO if either (i) the market value of our stock held by non-affiliates is less than $250 million or (ii) our annual revenue was less than $100 million during the most recently completed fiscal year and the market value of our stock held by non-affiliates is less than $700 million. If we are a smaller reporting company at the time we cease to be an emerging

growth company, we may continue to rely on exemptions from certain disclosure requirements that are available to smaller reporting companies. Specifically, as a smaller reporting company we may choose to present only the two most recent fiscal years of audited financial statements in our annual reports on Form 10-K and, similar to emerging growth companies, smaller reporting companies have reduced disclosure obligations regarding executive compensation.

Item 3. Quantitative and qualitative disclosures about market risk

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information required under this Item 3.

Item 4. Controls and procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and our principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, or the Exchange Act, as of June 30, 2025. The term “disclosure controls and procedures,” as defined in the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company’s management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Based on the evaluation of our disclosure controls and procedures as of June 30, 2025, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures as of such date are effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during three months ended June 30, 2025 that materially affected, or were reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving the desired control objectives. Our management recognizes that any control system, no matter how well designed and operated, is based upon certain judgments and assumptions and cannot provide absolute assurance that its objectives will be met. Similarly, an evaluation of controls cannot provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, have been detected.

Part II – Other Information

Item 1. Legal proceedings

From time to time, we may become subject to various legal proceedings and claims that arise in the ordinary course of our business activities. Although the results of litigation and claims cannot be predicted with certainty, as of June 30, 2025, we do not believe we are party to any claim or litigation the outcome of which, if determined adversely to us, would individually or in the aggregate be reasonably expected to have a material adverse effect on our business. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

Item 1A. Risk factors

Investing in our common stock involves a high degree of risk. You should carefully consider the following risks and uncertainties, those risks and uncertainties discussed in "Part I, Item 1A, Risk Factors" in our 2024 Annual Report, as amended and supplemented by the information in our subsequent Quarterly Reports on Form 10-Q, together with all of the other information contained in this Quarterly Report, including our unaudited condensed consolidated financial statements and the related notes appearing elsewhere in this Quarterly Report. The risk factor disclosure in our 2024 Annual Report and subsequent Quarterly Reports on Form 10-Q is qualified by the information that is described in this Quarterly Report. If any of the risks described below or in our 2024 Annual Report actually occur, our business, prospects, operating results and financial condition could suffer materially. In such event, the trading price of our common stock could decline and you might lose all or part of your investment.

Other than as set forth below, there have been no material changes to the risk factors set forth in our 2024 Annual Report.

We have incurred significant operating losses since our inception and anticipate that we will incur continued losses for the foreseeable future.

Since our inception, we have focused substantially all of our efforts and financial resources on developing our proprietary QuEEN™ discovery engine, our proprietary MGD library and our initial pipeline of product candidates. To date, we have financed our operations primarily through the issuance and sale of convertible promissory notes, convertible preferred stock, public offerings of our common stock or warrants to purchase common stock, registered direct offerings, and our collaboration agreements with Roche and Novartis. From our inception through the date hereof, we raised an aggregate of $836.0 million of gross proceeds from such transactions. As of June 30, 2025, our cash, cash equivalents, restricted cash and marketable securities were $295.5 million. We have incurred significant operating losses since our inception, and we had an accumulated deficit of $404.0 million as of June 30, 2025. For the six months ended June 30, 2025, we reported net income of $34.6 million. For the years ended December 31, 2024 and 2023, we reported net losses of $72.7 million and $135.4 million, respectively. Substantially all of our operating losses have resulted from costs incurred in connection with our research and initial pipeline programs and from general and administrative costs associated with our operations. We expect to continue to incur significant expenses and increasing operating losses over the next several years and for the foreseeable future. Our prior losses, combined with expected future losses, have had and will continue to have an adverse effect on our stockholders' deficit and working capital. We expect our expenses to significantly increase in connection with our ongoing activities, as we:

- conduct our clinical trial for MRT-2359, our MGD product candidate targeting GSPT1;
- finalize our Phase 1 clinical trial for MRT-6160, our MGD candidate targeting VAV1 for immune-mediated conditions and, if applicable, co-fund any global clinical development of Phase 3 onward;
- finalize our Phase 1 clinical trial for MRT-8102, our NEK7-directed MGD being developed for the treatment of inflammatory conditions driven by the NLRP3 inflammasome, IL-1β, and IL-6;
- continue preclinical activities for our NEK7, CDK2, CCNE1, and other currently undisclosed programs;
- prepare and submit IND applications with the FDA for other current and future product candidates;
- complete preclinical studies for current or future product candidates;
- progress MGD molecules from our initial programs through lead optimization to development candidates and multiple areas of interest and indication;
- initiate and complete clinical trials for current or future product candidates;

- expand and improve the capabilities of our QuEEN™ discovery engine;
- continue to build our proprietary library of MGDs;
- contract to manufacture our product candidates;
- advance research and development related activities to expand our product pipeline;
- seek regulatory approval for our product candidates that successfully complete clinical development;
- develop and scale up our capabilities to support our ongoing preclinical activities and future clinical trials for our product candidates and commercialization of any of our product candidates for which we may obtain marketing approval;
- maintain, expand, and protect our intellectual property portfolio;
- hire additional staff, including clinical, scientific and management personnel; and
- secure facilities to support continued growth in our research, development and commercialization efforts.

In addition, if we obtain marketing approval for our current or future product candidates, we will incur significant expenses relating to our commercialization of such product candidates via our sales, marketing, product manufacturing and distribution efforts. Because of the numerous risks and uncertainties associated with developing pharmaceutical drugs, including in light of economic fluctuations, we are unable to predict the extent of any future losses or when we will become profitable, if at all.

Even if we achieve profitability, we may not be able to sustain or increase our profitability on a quarterly or annual basis. Our failure to become and remain profitable would depress the value of our company and could impair our ability to raise capital, expand our business, maintain our development efforts, obtain product approvals, diversify our offerings or continue our operations. A decline in the value of our company could also cause you to lose all or part of your investment.

Preclinical and clinical drug development is a lengthy and expensive process, with an uncertain outcome. Our preclinical and clinical programs may experience delays or may never advance, which would adversely affect our ability to obtain regulatory approvals or commercialize our product candidates on a timely basis or at all, which could have an adverse effect on our business.

In order to obtain FDA approval to market a new small molecule product, we must demonstrate the safety and efficacy of our product candidates in humans to the satisfaction of the FDA. To meet these requirements, we will have to conduct adequate and well-controlled clinical trials. Clinical testing is expensive, time-consuming and subject to uncertainty. Before we can commence clinical trials for a product candidate, we must complete extensive preclinical studies that support our planned and future INDs in the United States. Other than MRT-2359, which is being evaluated in an ongoing clinical trial, MRT-6160 and MRT-8102, both of which are being evaluated in Phase 1 single ascending dose/multiple ascending dose studies, we are currently selecting lead development candidates for preclinical development. We cannot be certain of the timely completion or outcome of our preclinical studies and cannot predict if the FDA will allow our proposed clinical programs to proceed or if the outcome of our preclinical studies will ultimately support further development of our programs. We cannot be sure that we will be able to submit INDs or similar applications with respect to our other product candidates on the timelines we expect, if at all, and we cannot be sure that submission of an IND or similar applications will result in the FDA or other regulatory authorities allowing clinical trials to begin.

Conducting preclinical testing and clinical trials represents a lengthy, time-consuming and expensive process. The length of time may vary substantially according to the type, complexity and novelty of the program, and often can be several years or more per program. Delays associated with programs for which we are directly conducting preclinical studies may cause us to incur additional operating expenses. The commencement and rate of completion of preclinical studies and clinical trials for a product candidate may be delayed by many factors, including, for example:

- inability to generate sufficient preclinical or other in vivo or in vitro data to support the initiation of clinical studies;
- timely completion of preclinical laboratory tests, animal studies and formulation studies in accordance with the FDA's good laboratory practice requirements and other applicable regulations;
- approval by an independent Institutional Review Board, or IRB, ethics committee at each clinical site before each trial may be initiated;
- delays in reaching a consensus with regulatory agencies on study design and obtaining regulatory authorization to commence clinical trials;

- delays in reaching agreement on acceptable terms with prospective contract research organizations, or CROs, and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and clinical trial sites;
- delays in identifying, recruiting and training suitable clinical investigators;
- delays in recruiting suitable patients to participate in our clinical trials;
- delays in manufacturing, testing, releasing, validating or importing/exporting sufficient stable quantities of our product candidates for use in clinical trials or the inability to do any of the foregoing;
- insufficient or inadequate supply or quality of product candidates or other materials necessary for use in clinical trials, or delays in sufficiently developing, characterizing or controlling a manufacturing process suitable for clinical trials;
- imposition of a temporary or permanent clinical hold by regulatory authorities;
- developments on trials conducted by competitors for related technology that raises FDA or foreign regulatory authority concerns about risk to patients of the technology broadly, or if the FDA or a foreign regulatory authority finds that the investigational protocol or plan is deficient to meet its stated objectives;
- delays in recruiting, screening and enrolling patients and delays caused by patients withdrawing from clinical trials or failing to return for post-treatment follow-up;
- difficulty collaborating with patient groups and investigators;
- failure by our CROs, other third parties or us to adhere to clinical trial protocols;
- failure to perform clinical trials in accordance with the FDA's good clinical practice requirements, or GCPs, or applicable regulatory guidelines in other countries;
- occurrence of adverse events associated with the product candidate that are viewed to outweigh its potential benefits, or occurrence of adverse events in a trial of the same class of agents conducted by other companies;
- changes to the clinical trial protocols;
- clinical sites dropping out of a trial;
- changes in regulatory requirements and guidance that require amending or submitting new clinical protocols;
- changes in the standard of care on which a clinical development plan was based, which may require new or additional trials;
- selection of clinical endpoints that require prolonged periods of observation or analyses of resulting data;
- the cost of clinical trials of our product candidates being greater than we anticipate;
- clinical trials of our product candidates producing negative or inconclusive results, which may result in our deciding, or regulators requiring us, to conduct additional clinical trials or abandon development of such product candidates;
- transfer of manufacturing processes to larger-scale facilities operated by a contract manufacturing organization, or CMO, and delays or failure by our CMOs or us to make any necessary changes to such manufacturing process; and
- third parties being unwilling or unable to satisfy their contractual obligations to us.

Further, conducting clinical trials in foreign countries, as we may do for our product candidates, presents additional risks that may delay completion of our clinical trials. These risks include the failure of enrolled patients in foreign countries to adhere to clinical protocol as a result of differences in healthcare services or cultural customs, managing additional administrative burdens associated with foreign regulatory schemes, as well as political and economic risks relevant to such foreign countries. Delays in the completion of any preclinical studies or clinical trials of our product candidates will increase our costs, slow down our product candidate development and approval process and delay or potentially jeopardize our ability to commence product sales and generate product revenue. In addition, many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of our product candidates. Any delays to our preclinical studies or clinical trials that occur as a result could shorten any period during which we may have the exclusive right to commercialize our product candidates and our competitors may be able to bring products to market before we do, and the commercial viability of our product candidates could be significantly reduced. Any of these occurrences may harm our business, financial condition and prospects significantly.

Our business is dependent on the success of our lead programs, and any other product candidates that we advance into the clinic. We cannot be certain that we will be able to obtain regulatory approval for, or successfully commercialize, any of our current or future product candidates.

All of our pipeline programs other than MRT-2359, MRT-6160 and MRT-8102 are currently in preclinical development. The preclinical studies and future clinical trials of our current or future product candidates are, and the manufacturing and marketing of our current or future product candidates will be, subject to extensive and rigorous review and regulation by numerous government authorities in the U.S. and in other countries where we intend to test or, if approved, market any of our current or future product candidates. Before obtaining regulatory approvals for the commercial sale of any of our current or future product candidates, we must demonstrate through preclinical studies and clinical trials that each product candidate is safe and effective for use in each target indication. Drug development is a long, expensive and uncertain process, and delay or failure can occur at any stage of any of our preclinical studies and clinical trials. This process can take many years and may include post-marketing studies and surveillance, which will require the expenditure of substantial resources beyond the proceeds we raised in our IPO. Of the large number of drugs in development in the U.S., only a small percentage will successfully complete the FDA regulatory approval process and will be commercialized, with similarly low rates of success for drugs in development in the European Union obtaining regulatory approval from the European Medicines Agency, or EMA. Accordingly, even if we are able to obtain the requisite financing to continue to fund our development and preclinical studies and clinical trials, we cannot assure you that any of our current or future product candidates will be successfully developed or commercialized.

We are not permitted to market our current or future product candidates in the U.S. until we receive approval of a new drug application, or NDA, from the FDA, or in the European Economic Area, until we receive approval of a marketing authorization application, or an MAA, from the European Commission, or in any other foreign countries until we receive the requisite approval from such countries. Obtaining approval of an NDA or MAA is a complex, lengthy, expensive, and uncertain process, and the FDA or EMA may delay, limit or deny approval of any of our current or future product candidates for many reasons, including, among others:

- we may not be able to demonstrate that our current or future product candidates are safe and effective in treating their target indications to the satisfaction of the FDA or applicable foreign regulatory agency;
- the results of our preclinical studies and clinical trials may not meet the level of statistical or clinical significance required by the FDA or applicable foreign regulatory agency for marketing approval;
- the FDA or applicable foreign regulatory agency may disagree with the number, design, size, conduct or implementation of our preclinical studies and clinical trials;
- the FDA or applicable foreign regulatory agency may require that we conduct additional preclinical studies and clinical trials;
- we may be unable to demonstrate that a product candidate's clinical and other benefits outweigh its safety risks;
- the FDA or applicable foreign regulatory agency may not approve the formulation, labeling or specifications of any of our current or future product candidates;
- the CROs that we retain to conduct our preclinical studies and clinical trials may take actions outside of our control that materially adversely impact our preclinical studies and clinical trials;
- the FDA or applicable foreign regulatory agency may find the data from preclinical studies and clinical trials insufficient to demonstrate that our current or future product candidates' clinical and other benefits outweigh their safety risks;
- the FDA or applicable foreign regulatory agency may disagree with our interpretation of data from our preclinical studies and clinical trials;
- the FDA or applicable foreign regulatory agency may not accept data generated at our preclinical study and clinical trial sites;
- if our NDA, if and when submitted, is reviewed by an advisory committee, the FDA may have difficulties scheduling an advisory committee meeting in a timely manner or the advisory committee may recommend against approval of our application or may recommend that the FDA require, as a condition of approval, additional preclinical studies or clinical trials, limitations on approved labeling or distribution and use restrictions;
- the FDA may require development of a Risk Evaluation and Mitigation Strategy, or REMS, as a condition of approval or post-approval;

- the FDA or the applicable foreign regulatory agency may determine that the manufacturing processes or facilities of third-party manufacturers with which we contract do not conform to applicable requirements, including current Good Manufacturing Practices, or cGMPs;
- the FDA or applicable foreign regulatory agency may be delayed in their review processes due to staffing or other constraints arising from public health crises; or
- the FDA or applicable foreign regulatory agency may change its approval policies or adopt new regulations.

Any of these factors, many of which are beyond our control, could jeopardize our ability to obtain regulatory approval for and successfully market our current or future product candidates. In addition, the FDA and other applicable foreign regulatory agencies have substantial discretion in the approval process and determining when or whether regulatory approval will be granted for any product candidate that we develop and may decide that our data are insufficient for approval or require additional preclinical, clinical, or other data. The U.S. Supreme Court's July 2024 decision to overturn prior established case law giving deference to regulatory agencies' interpretations of ambiguous statutory language has introduced uncertainty regarding the extent to which FDA's regulations, policies and decisions may become subject to increasing legal challenges, delays, and/or changes. Any setbacks in our pursuit of regulatory approval would have a material adverse effect on our business and prospects.

Significant economic, trade, regulatory, or geopolitical developments, and other circumstances beyond our control, could have a material effect on our financial condition or results of operations.

Significant economic, trade, regulatory, or geopolitical developments are difficult to predict and may have a material effect on us. The U.S. recently imposed tariffs on virtually all imports to the U.S. and significantly higher reciprocal tariffs applicable to imports from many countries, certain of which reciprocal tariffs were subsequently temporarily paused. If tariffs are broadly imposed it could lead to additional corresponding punitive actions by the countries with which the U.S. trades. Historically, tariffs have led to increased trade and political tensions, between not only the U.S. and China, but also between the U.S. and other countries in the international community. Political tensions could reduce trade volume, investment, technological exchange and other economic activities between major international economies, resulting in a material adverse effect on global economic conditions and the stability of global financial markets. Any changes in political, trade, regulatory, and economic conditions, or new legislative and/or regulatory developments, could have a material adverse effect on our financial condition or results of operations. Until we know how such changes may impact our business and the business of our competitors, suppliers and other parties we work with over the long term, we will not know if, overall, we will benefit from them or be negatively affected by them.

Item 2. Unregistered sales of equity securities, use of proceeds and issuer purchases of equity securities

Recent sales of unregistered equity securities

None.

Issuer purchases of equity securities

None.

Item 3. Defaults upon senior securities

None.

Item 4. Mine safety disclosures

Not Applicable.

Item 5. Other information

Rule 10b5-1 Trading Plans

During the fiscal quarter ended on June 30, 2025, none of our directors and officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted, modified or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as those terms are defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

Exhibit Number	Description
3.1	Fourth Amended and Restated Certificate of Incorporation of Registrant, as currently in effect (incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K (File No. 001-40522) filed on June 28, 2021).
3.2	Certificate of Amendment to the Fourth Amended and Restated Certificate of Incorporation of Registrant (incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K (File No. 001-40522) filed on June 14, 2023).
3.3	Second Amended and Restated By-laws of the Registrant, as currently in effect (incorporated by reference to Exhibit 3.3 of the Registrant's Quarterly Report on Form 10-Q (File No. 001-40522) filed on May 9, 2024)
31.1*	Certification of Principal Executive Officer and Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Principal Executive Officer and Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
104*	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith.

** Deemed to be furnished with this Quarterly Report on Form 10-Q and will not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, except to the extent that the registrant specifically incorporates it by reference.

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 thereunto duly authorized.

Monte Rosa Therapeutics, Inc.

Date: August 7, 2025

By: /s/ Markus Warmuth

Markus Warmuth
Chief Executive Officer
(Principal Executive Officer and Principal Financial Officer)

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Markus Warmuth, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ending June 30, 2025 of Monte Rosa Therapeutics, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2025

By: /s/ Markus Warmuth
Markus Warmuth
Chief Executive Officer
(Principal Executive Officer and Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Monte Rosa Therapeutics, Inc. (the "Company") on Form 10-Q for the period ending June 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: August 7, 2025

By: /s/ Markus Warmuth
Markus Warmuth
Chief Executive Officer
(Principal Executive Officer and Principal Financial Officer)