



# **BECOMING A GLOBAL LEADER IN PRECISION MEDICINE OF NEURODEGENERATIVE DISEASES**



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# Precision medicine in Alzheimer's disease

**Andrea Pfeifer**  
CEO

# Agenda

- **Alzheimer's disease: updated facts**
- **ACIU: Precision Medicine as factor of differentiation**
- **Achievements 2017**
- **Financial figures**
- **Pipeline & Catalysts 2017/18**
- **People & Values**
- **Outlook**

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# Alzheimer's disease

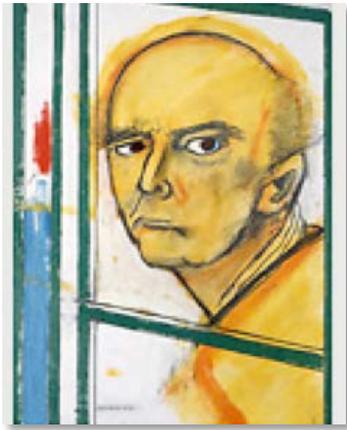
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# “...he was dead long before...”

William Utermohlen, Artistic decline through Alzheimer's disease



1967

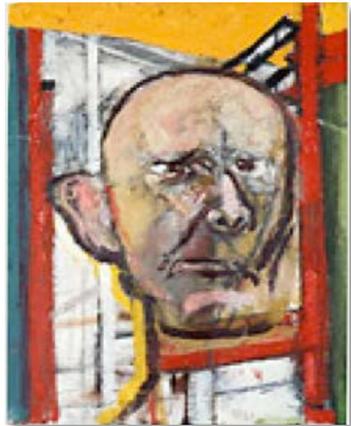


1996



1997

“He died in 2007, but really he was dead long before that.”



1998



1999

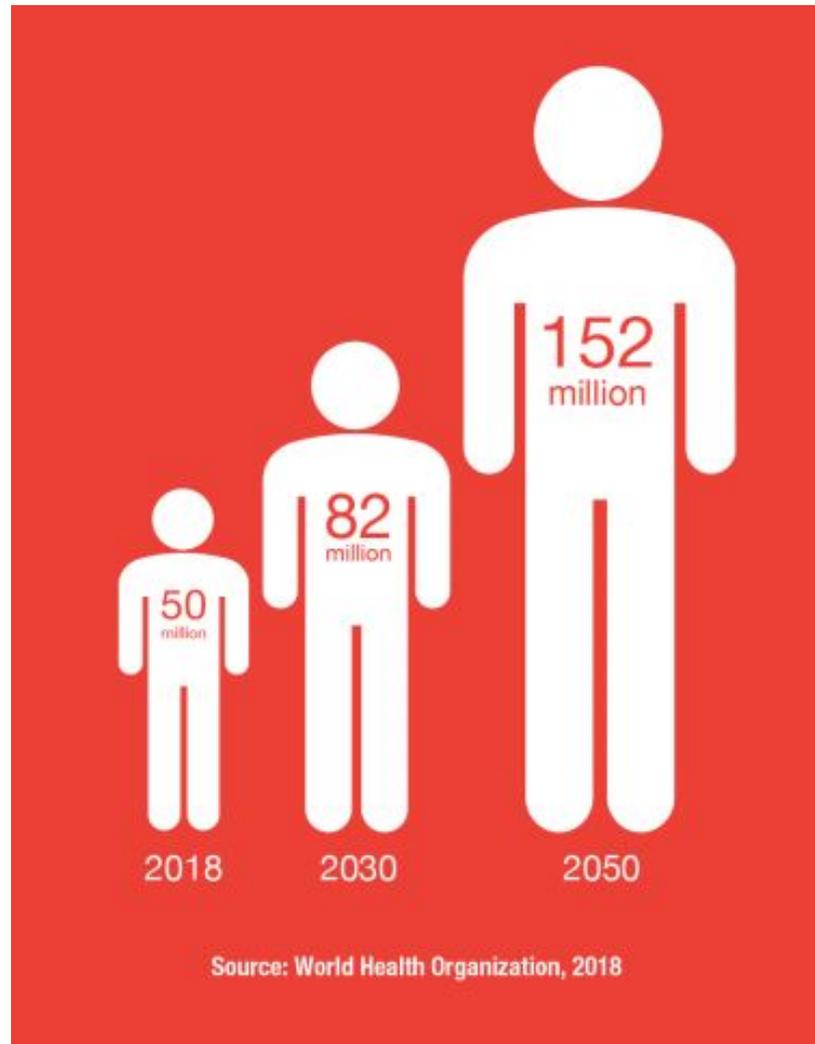


2000

**Patricia Utermohlen**  
GV Art Gallery London, January 2012

# A growing problem...

Nearly 10 million new cases every year

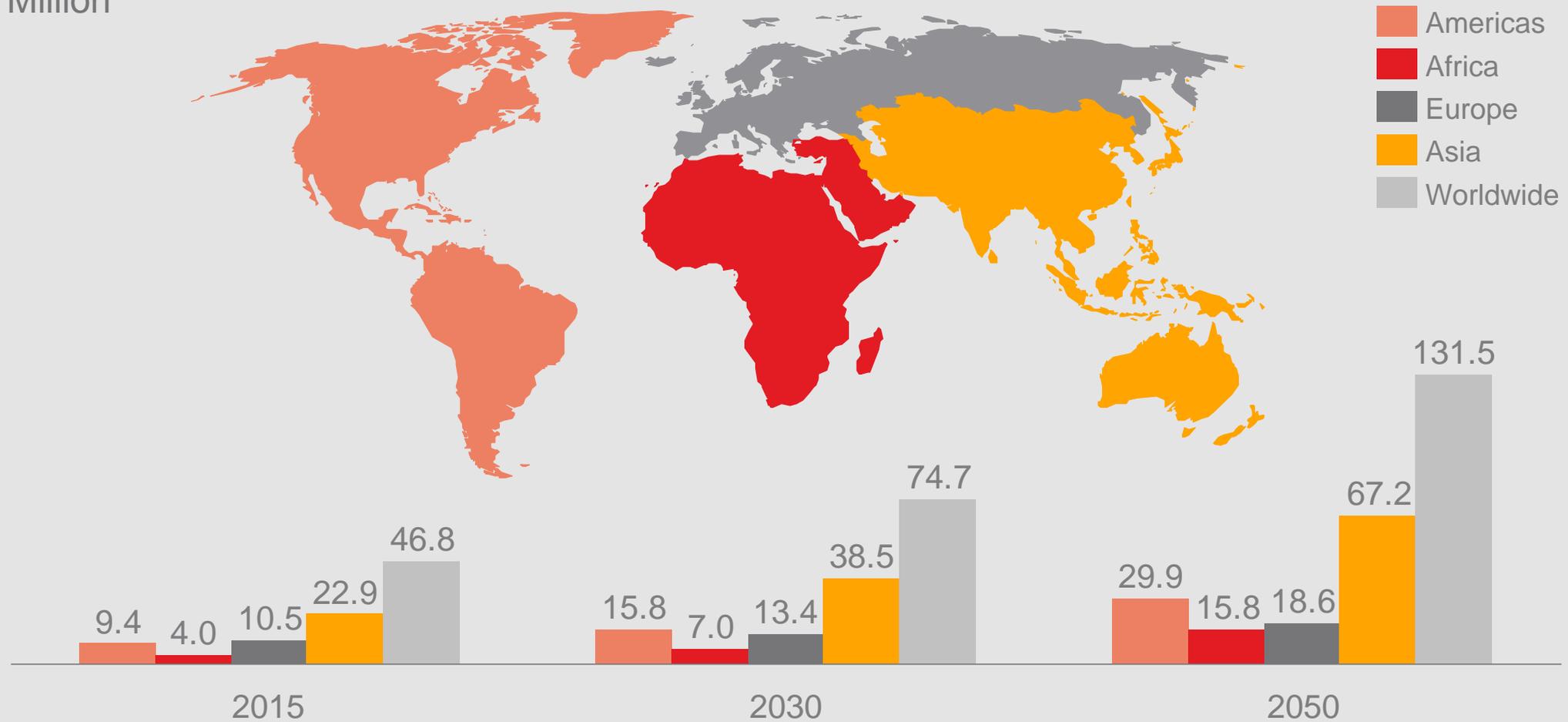


Source: WHO; Alzheimer's Disease International, ADI;

# ...and a worldwide problem

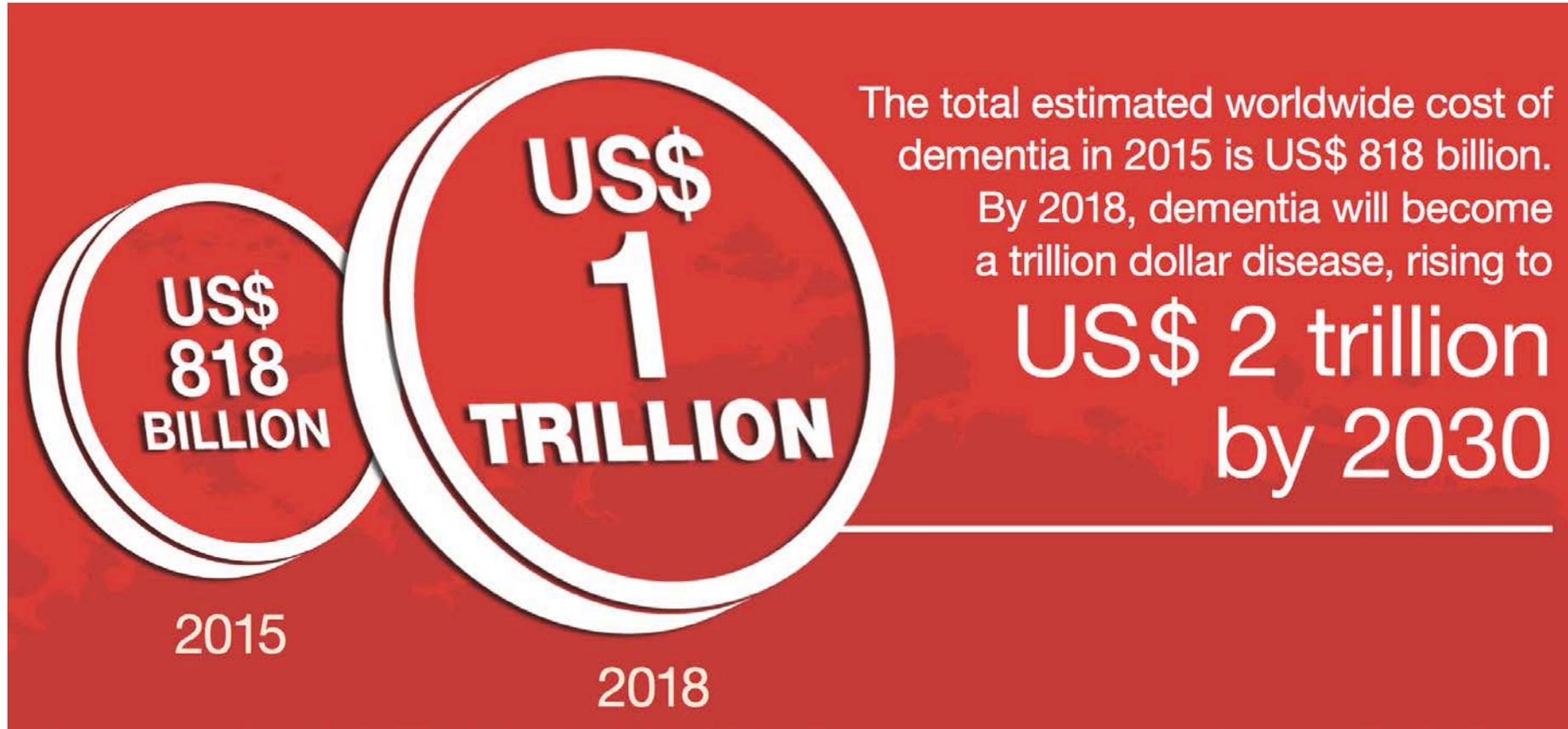
Increasing global burden and long-term market opportunities

Million



Ref: Rhoda, Boston University and Aging Well Institute, March 2017

# Alzheimer's disease – a public health and costly problem



Source: WHO; Alzheimer's Disease International, ADI;

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# AC Immune: Precision medicine as factor of differentiations

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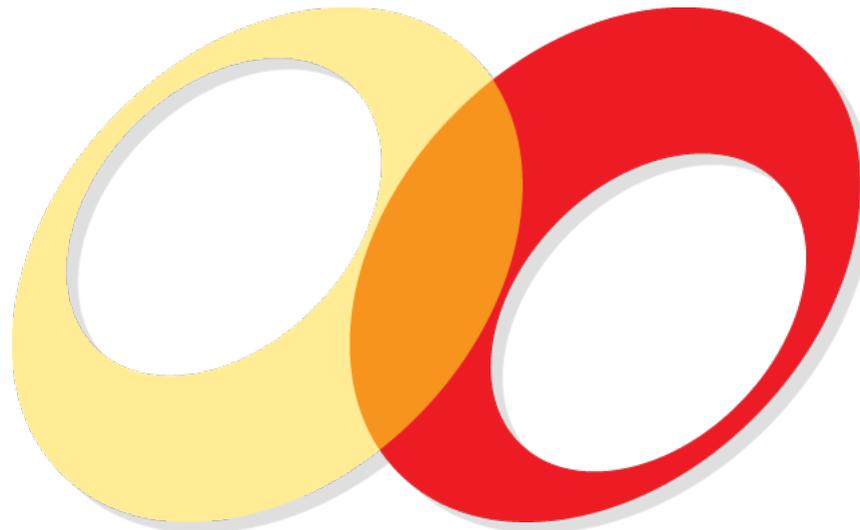
# Vision

*To become a global leader in **precision medicine**<sup>1</sup> of neurodegenerative diseases leveraging dual proprietary technology platforms to develop breakthrough therapies*

## Dual Proprietary Technology Platforms

### SupraAntigen™

Vaccines and antibodies specific to disease causing conformations



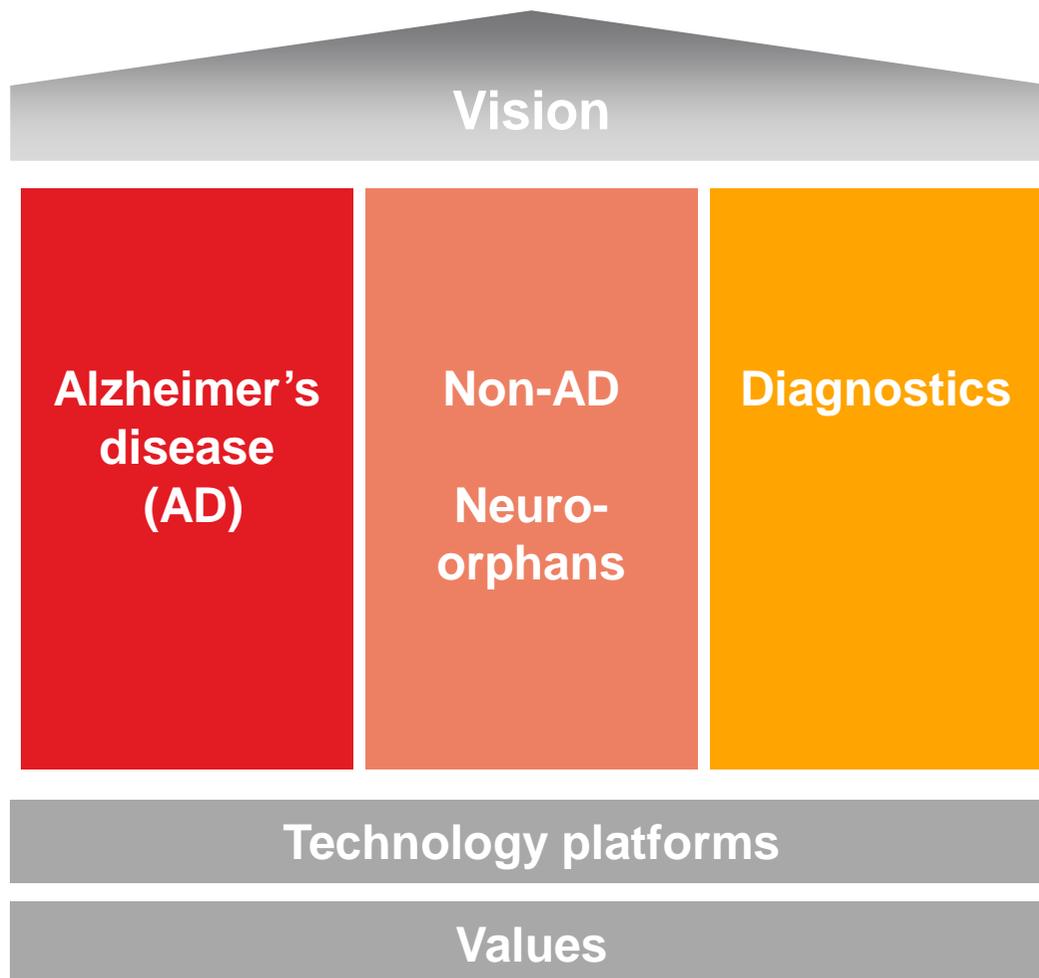
### Morphomer™

Conformation-sensitive small molecules

(1) The goal of precision medicine is to deliver optimally targeted and timed interventions tailored to the individual disease drivers.

# Business strategy: 3-pillar approach

Precision medicine creates ultimate differentiation



## Alzheimer's disease

- Develop best-in-class late stage assets in partnership
- Develop preventive/therapeutic vaccines as fully owned assets
- Establish a pipeline of disease modifying small molecules

## Non-AD, neuro-orphans

- Discover therapeutics in Parkinson's disease
- Leverage AD therapeutics in Down syndrome (DS), PSP<sup>1</sup> and other neuro-orphan diseases

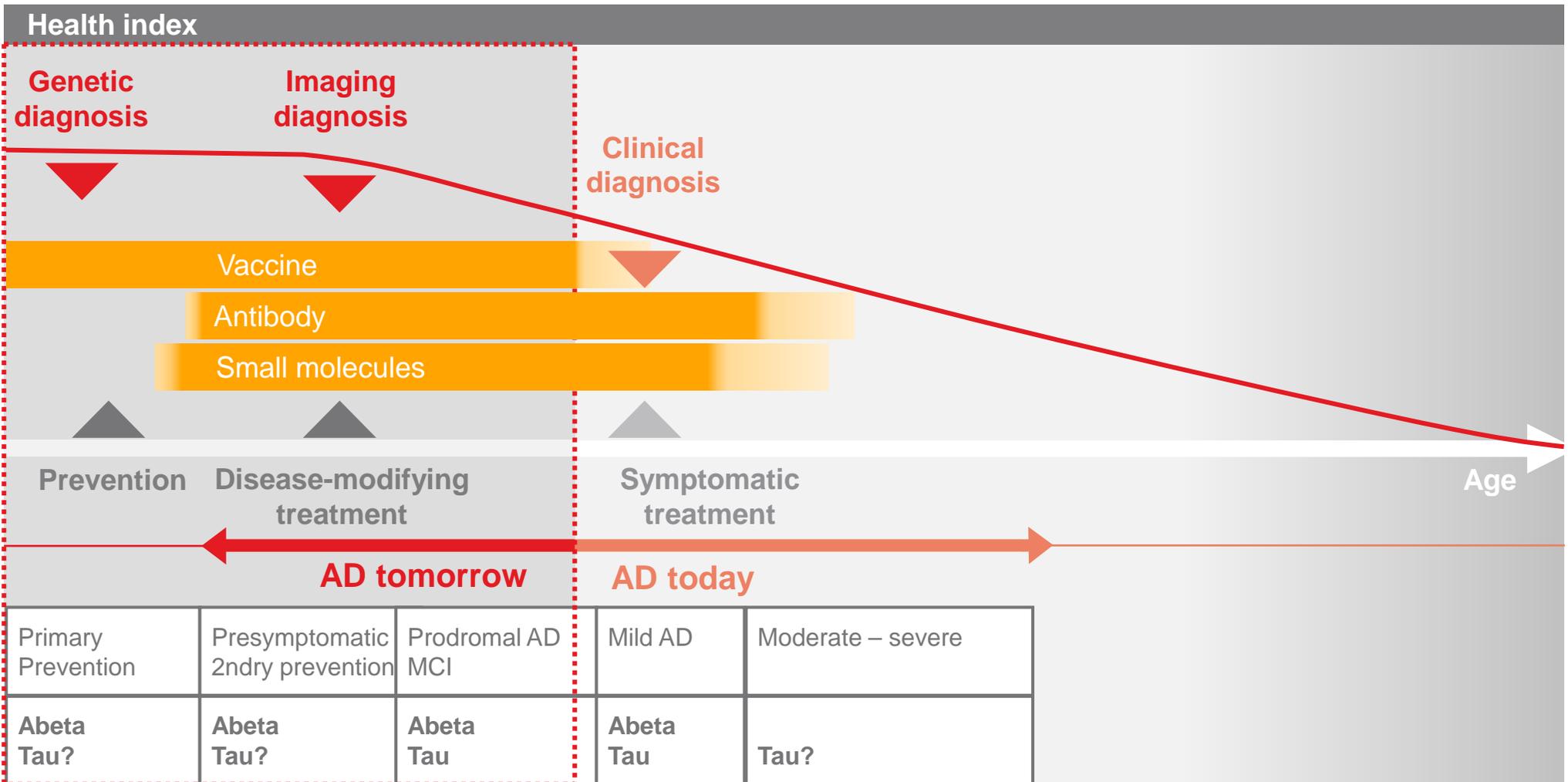
## Diagnostics

- Accelerate diagnostic pipeline to late stage development
- Use diagnostics for improved clinical trials and external partnerships

(1) Progressive supranuclear palsy

# Alzheimer's disease treatment

Early diagnosis translates into earlier treatment and better outcome



- The future treatment paradigm for neurodegenerative diseases may involve **different disease-modifying treatments used at various points in the progression of the disease**

- Possible **combination** therapies:
  - Passive immunization targeting Abeta (e.g. crenezumab) together with anti-Tau antibodies
  - Immunotherapies and small molecules targeting Abeta or Tau

# Investment highlights

AC Immune: a leader in neurodegenerative diseases

6

Multiple validating high-profile strategic alliances with leading industry partners

1

Pioneering precision medicine in neurodegenerative diseases, a significant unmet medical need and potentially largest market opportunity in healthcare

2

Highly productive proprietary technology platforms (SupraAntigen, Morphomer) as engines for sustained growth

5

Well-positioned financially with CHF 109.7 million in cash at Q1 2018, financed through at least Q2 2019. Increasing investment into key areas of neuro-orphan and neuro-inflammation.



4

Broad and robust product pipeline with complementary diagnostics in clinical development and increasing focus on neuro-orphan and neuro-inflammation

3

Lead product, crenezumab, in Phase 3 development with compelling Phase 2 data and favorable safety profile

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# AC Immune: Achievements 2017

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# Highlights and achievements 2017/18

## Finance and Business Operations



- Strong cash position of 109.7 million (Q1 2018) provides resources to advance pipeline of nine therapeutic and three diagnostic candidates, through Q2 2019<sup>1</sup>
- Received CHF 14 million milestones from Genentech (a member of the Roche group) for first dosing in a Phase 2 clinical trial for Alzheimer's disease with an anti-Tau antibody
- During 2017 we were pleased to strengthen our relationships with the investment community
  - 9 non-deal roadshows (NDRs): USA (4), Europe (4), Asia (1)
  - Overall more than 150 individual investor presentations
- Hosted a Key Opinion Leader (KOL) event focused on Tau as a Therapeutic and Diagnostic Target in Alzheimer's and other Neurodegenerative Diseases

<sup>1</sup> Excluding any potential milestones

# Highlights and achievements 2017/18

## Finance and Business Operations



- Entered research collaboration agreement with Essex Bio-Technology for development of novel biological therapeutic for the treatment of neurodegenerative diseases and neuroinflammation
- Awarded a continuation grant from The Michael J. Fox Foundation for Parkinson's Research
- Increased staff by 28% over 12 months with strong focus on R&D (neuroinflammation and neuro-orphan)
- Appointed Head of Corporate Communications and hired back Director of Global Program Management

# Highlights and achievements 2017/18

## Clinical stage programs



- **Crenezumab<sup>1</sup>**:
  - Second pivotal Phase 3 trial of CREAD 2 initiated in 750 subjects with prodromal to mild Alzheimer's disease in Q1 2017
  - CREAD 1 is fully enrolled in Q4 2017
- **ACI-24 in AD**: Encouraging interim data of Phase 1/2a; advancing to Phase 2
- **ACI-35<sup>2</sup>**: Promising interim data of Phase 1 study; joint decision with Janssen Pharma to move program forward and scientific advice from regulatory authorities for next phase of development
- **Anti-Tau antibody<sup>1</sup>**: Phase 2 started in November 2017 based on encouraging Phase 1 data
- **Antibody**: Discovered next-generation antibodies for two targets that are important in the pathogenesis of significant neurodegenerative and neuro-orphan diseases (TDP-43 and alpha-synuclein)
- **ACI-24 in DS**: Completed recruitment for low-dose cohort of participants in a Phase 1 trial targeting Alzheimer's disease-like characteristics in individuals with Down syndrome

Developed under out-licensing agreements with <sup>1</sup>Genentech/Roche; <sup>2</sup>Janssen

# Highlights and achievements 2017/18

Pre-clinical stage programs supporting ACIU's Precision Medicine approach



- **A-synuclein-PET tracer<sup>1</sup>**: Discovered potentially first selective alpha-synuclein positron emission tomography (PET) tracer for Parkinson's disease
- **Tau Morphomers (AD)**: Selected Tau small molecules (Tau Morphomers) have entered into IND/CTA enabling studies; Phase 1 to commence by the end of 2018
- **Tau-PET imaging agent in AD<sup>2</sup>**: Encouraging pre-clinical and Phase 1 data with favorable kinetics and densitometry; specific binding to different Tauopathies

Developed under collaboration agreement with <sup>1</sup>Biogen; <sup>2</sup>Piramal Healthcare

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# AC Immune: Finance

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**Joerg Hornstein**  
CFO

# Financial overview

## Key financial data

(all figures in CHF millions, except for share and per share data)

	Twelve months ended December 31, 2017	Twelve months ended December 31, 2016
<b>Income statement</b>		
Revenues	20.3	23.2
R&D expenses	(32.7)	(25.8)
G&A expenses	(10.1)	(7.9)
IFRS (Loss) for the period	(26.4)	(7.1)
IFRS EPS – basic and diluted <sup>1</sup>	(0.46)	(0.14)
Non-IFRS Adjustments <sup>1</sup>	5.8	(2.1)
Non-IFRS (Loss) for the period <sup>1</sup>	(20.6)	(9.2)
Non-IFRS EPS – basic and diluted <sup>1</sup>	(0.36)	(0.18)
	<b>As of</b>	
	<b>December 31, 2017</b>	<b>December 31, 2016</b>
<b>Balance sheet</b>		
Cash and cash equivalents	124.4	152.2
Total shareholder's equity	116.8	142.4

<sup>1</sup> Adjustments are comprised of non-cash share based compensation totaling CHF 1.6 million and 1.3 million, respectively, and foreign currency remeasurement losses/(gains) totaling CHF 4.2 million and (CHF 3.4 million), respectively

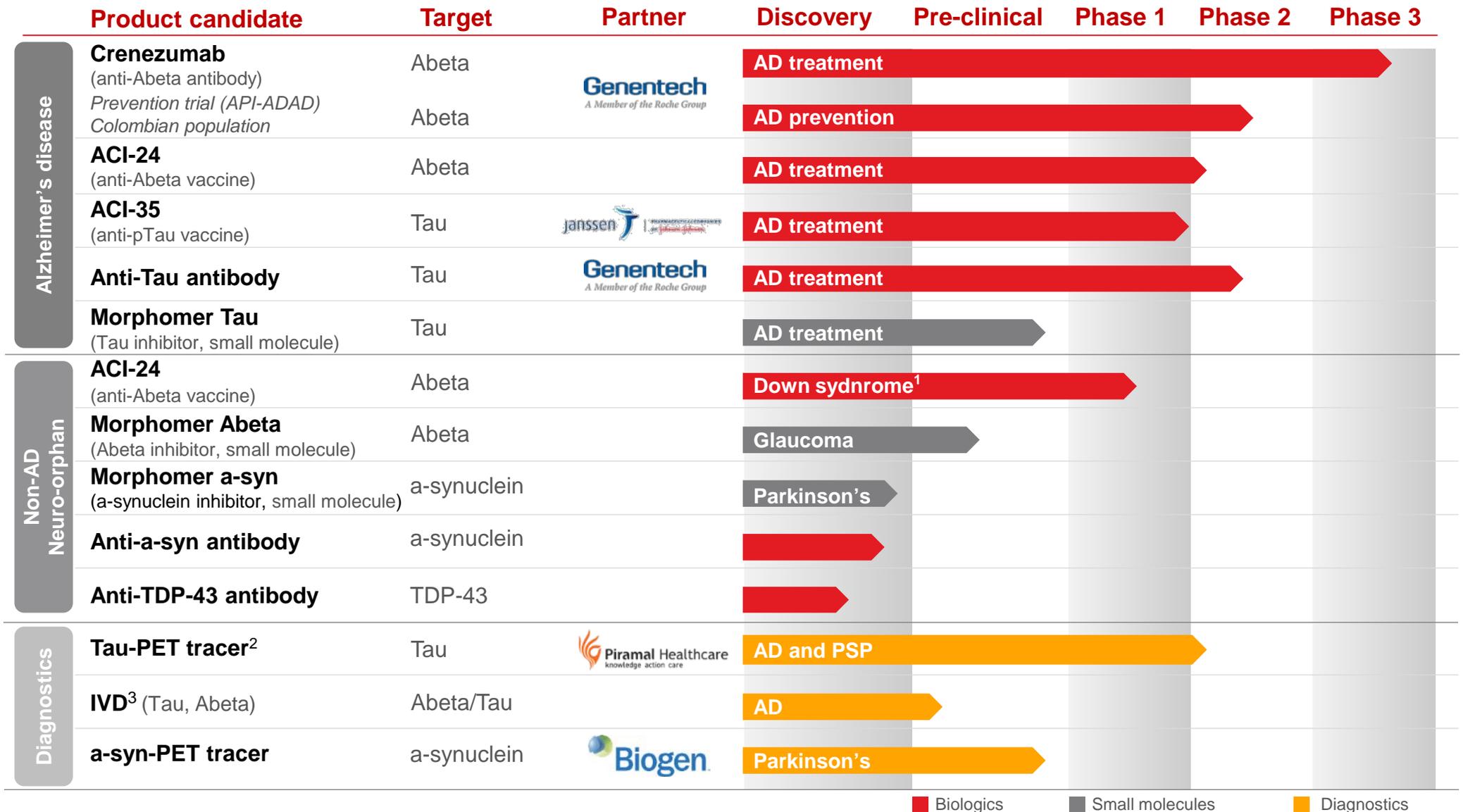
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# Pipeline & Catalysts for 2018/19

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# Broad and robust pipeline in neurodegenerative diseases

Driven by proprietary technology platforms for sustained growth



<sup>1</sup>AD and cognitive impairment associated with Down syndrome; <sup>2</sup>Positron emission tomography; <sup>3</sup>*in-vitro* diagnostics

# Successful delivery of strategy with multiple near-term catalysts for 2018/19

## Data read-outs

- ACI-24 in AD **Phase 1/2a (safety data)** reported in Q1 2018
- ACI-35 in AD **Phase 1b** reported in Q1 2018
- ACI-24 **Phase 1b** in **DS interim data** in 2018
- Morphomer Tau **IND enabling studies** in 2018
- a-synuclein PET tracer **IND enabling studies** in H1 2018
- a-synuclein antibodies **lead selection** in 2018
- TDP-43 antibodies **lead selection** in 2019

## Study initiations

- ACI-24 in AD **Phase 2 recruitment** in 2018
- ACI-35 next phase of development based on **Phase 1b data and scientific advice** in 2018
- Morphomer Tau **start of Phase 1**
- Tau-PET tracer **longitudinal study** in 2018
- a-synuclein-PET tracer **start of Phase 1** in H2 2018

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# AC Immune: People & Values

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# Statistics

HR statistics as of December 2017



## Strong diversity

- 19 nationalities spread over the world
- More than 20 spoken languages
- Equally treatment of salaries between male and female
- Gender balance: 55% female vs. 45% male
- Large spectrum of age: from 23 up to 67 years with an average of 39.5 years



## Highly qualified Staff

- ~ 90 employees
  - 47 with Ph.D.'s
  - 28 with M.Sc. Degrees
- Employee retainment
  - 13 employees more than 10 years
  - 13 employees between 5 and 10 years

# AC Immune values



**PASSION TO WIN**  
we will find a way

**ENTRE-  
PRENEURSHIP**  
is our attitude

**INNOVATION**  
we create and innovate

**TEAM SPIRIT**  
we grow together

**LEADERSHIP**  
we make it happen

**COMMUNICATION**  
we know we will get there

**OPERATIONS  
MANAGEMENT**  
we keep AC Immune rolling

**MODESTY**  
we have the power to serve

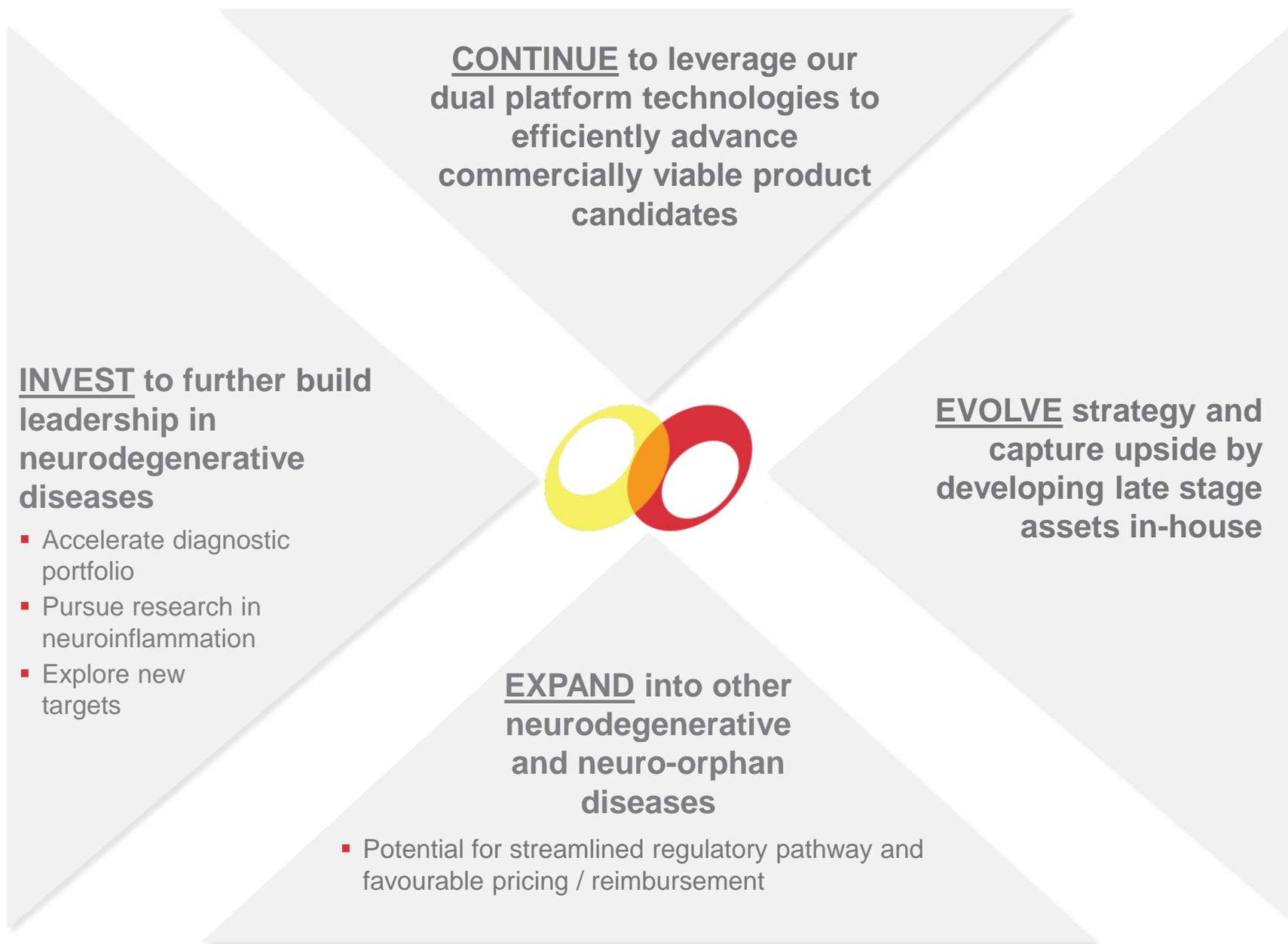
**WE MAKE IT HAPPEN**

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# Strategic outlook

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# Strategy for value creation



# Agenda items and proposals of the Board of Directors

# Agenda

1. Approval of the Annual Report, Annual Statutory Financial Statements and Financial Statements under IFRS of AC Immune SA for the year 2017
2. Appropriation of Loss
3. Discharge of the Members of the Board of Directors and the Executive Committee
4. Compensation for the Members of the Board of Directors and the Executive Committee
5. Election of the Members of the Board
6. Election to the Compensation, Nomination & Corporate Governance Committee
7. Re-election of the independent proxy
8. Election of the Auditors
9. Extension of Authorization for Share Capital Increase

# Agenda item 1

## Approval of the Annual Report, Annual Statutory Financial Statements and Financial Statements under IFRS of AC Immune SA for the year 2017

- The Board proposes to approve the Annual Report, the Annual Statutory Financial Statements and the Financial Statements under IFRS of AC Immune SA for the year 2017, and to take note of the Reports of the Auditors.

# Agenda item 2

## Appropriation of Loss

- The Board of Directors proposes that the net loss of the year 2017 in the amount of KCHF 25'868 is added to the loss brought forward of KCHF 32'558 resulting in a reduced new balance of loss brought forward of KCHF 58'426. Under IFRS accounting principles, the net loss for the business year 2017 amounted to KCHF 26'411.

# Agenda item 3

## Discharge of the Members of the Board of Directors and the Executive Committee

- The Board proposes that the members of the Board and the Executive Committee are discharged from their liabilities for their activities in the financial year 2017.

# Agenda item 4

## Compensation for the Members of the Board of Directors and the Executive Committee

- The Board of Directors proposes to hold the following separate votes on the non-performance-related and the variable compensation of the Board of Directors and the Executive Committee.

# Agenda item 4

## Compensation for the Members of the Board of Directors and the Executive Committee

- The Board of Directors proposes to hold the following separate votes on the non-performance-related and the variable compensation of the Board of Directors and the Executive Committee:

### **4.a Vote on Total Non-Performance-Related Compensation for Members of the Board of Directors from 1 July 2018 to 30 June 2019**

The Board of Directors proposes that shareholders approve the total maximum amount of non-performance-related compensation for the members of the Board of Directors covering the period from 1 July 2018 to 30 June 2019, i.e., CHF 547'000 (cash base compensation plus social security costs).

# Agenda item 4

## Compensation for the Members of the Board of Directors and the Executive Committee

- The Board of Directors proposes to hold the following separate votes on the non-performance-related and the variable compensation of the Board of Directors and the Executive Committee:

### **4.b Vote on Equity for Members of the Board of Directors**

The Board of Directors proposes that shareholders approve the maximum grant of equity or equity linked instruments for the members of the Board of Directors from 1 July 2018 to 30 June 2019 with maximum value of CHF 515'000 (equity or equity linked instruments value plus social security costs).

# Agenda item 4

## Compensation for the Members of the Board of Directors and the Executive Committee

- The Board of Directors proposes to hold the following separate votes on the non-performance-related and the variable compensation of the Board of Directors and the Executive Committee:

### **4.c Vote on Total Non-Performance-Related Compensation for Members of the Executive Committee from 1 July 2018 to 30 June 2019**

The Board of Directors proposes that shareholders approve the total maximum amount of non-performance-related cash compensation for the members of the Executive Committee from 1 July 2018 to 30 June 2019, i.e., CHF 1'807'000 (cash base compensation plus social security costs).

# Agenda item 4

## Compensation for the Members of the Board of Directors and the Executive Committee

- The Board of Directors proposes to hold the following separate votes on the non-performance-related and the variable compensation of the Board of Directors and the Executive Committee:

### **4.d Vote on Total Variable Compensation for Members of the Executive Committee for the current year 2018**

The Board of Directors proposes that shareholders approve the total maximum amount of variable compensation for the members of the Executive Committee for the current year 2018, i.e., CHF 799'000 (cash compensation plus social security costs).

# Agenda item 4

## Compensation for the Members of the Board of Directors and the Executive Committee

- The Board of Directors proposes to hold the following separate votes on the non-performance-related and the variable compensation of the Board of Directors and the Executive Committee:

### **4.e Vote on Equity for Members of the Executive Committee**

The Board of Directors proposes that shareholders approve the maximum grant of equity or equity linked instruments for the members of the Executive Committee from 1 July 2018 to 30 June 2019 with maximum value of CHF 2'527'000 (equity or equity linked instruments value plus social security costs).

# Agenda item 5

## Election of the Members of the Board

- The Board of Directors proposes the re-election of Martin Velasco as member and as Chairman of the Board, Peter Bollmann, Friedrich von Bohlen, Andrea Pfeifer, Detlev Riesner, Thomas Graney and Douglas Williams as well as the election of Werner Lanthaler as members of the Board of Directors, each until the end of the next ordinary General Meeting. As Detlev Riesner has exceeded the general age limit of 75 years foreseen in the Articles of Association, his election therefore requires an exception by the Shareholders' Meeting.

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# Dr. Werner Lanthaler

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# Dr. Werner Lanthaler

- CEO of Evotec AG since 2009
- Previously served as:
  - CFO Intercell AG
  - Director of the Federation of Austrian Industry
- Non-executive member of the Board of directors of arGEN-X
- Member of Supervisory Board of Topas Therapeutics



# Agenda item 5

## Election of the Members of the Board

- The Board of Directors proposes the re-election of Martin Velasco as member and as Chairman of the Board, Peter Bollmann, Friedrich von Bohlen, Andrea Pfeifer, Detlev Riesner, Thomas Graney and Douglas Williams as well as the election of Werner Lanthaler as members of the Board of Directors, each until the end of the next ordinary General Meeting. As Detlev Riesner has exceeded the general age limit of 75 years foreseen in the Articles of Association, his election therefore requires an exception by the Shareholders' Meeting.

### **5.a Re-election of Martin Velasco as member and Chairman of the Board of Directors**

### **5.b Re-election of Peter Bollmann**

### **5.c Re-election of Friedrich von Bohlen**

### **5.d Re-election of Andrea Pfeifer**

### **5.e Re-election of Detlev Riesner, including granting an exception to the age limit**

### **5.f Re-election of Tom Graney**

### **5.g Re-election of Douglas Williams**

### **5.h Election of Werner Lanthaler**

# Agenda item 6

## Election to the Compensation, Nomination & Corporate Governance Committee

- The Board of Directors proposes the re-election of Martin Velasco, Tom Graney and Douglas Williams as members of the Compensation, Nomination & Corporate Governance Committee, each until the end of the next ordinary General Meeting.

### **6.a Re-election of Tom Graney**

### **6.b Re-election of Martin Velasco**

### **6.c Re-election of Douglas Williams**

# Agenda item 7

## Re-election of the independent proxy

- The Board of Directors proposes that Bugnion Ballansat Ehrler, represented by Gérald Virieux, avocat, rue de Rive 6, case postale 3143, CH-1211 Geneva 3 shall be re-elected as the independent proxy of the Company until the end of the next ordinary General Meeting.

# Agenda item 8

## Election of the Auditors

- The Board of Directors proposes to elect PricewaterhouseCoopers SA, in Pully, for a term of office of one year.

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# Share Capital Increase

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**Joerg Hornstein**  
CFO

# Agenda item 9: Share Capital Increase

## Example process for a potential equity offering

### Background

- Shareholder approval is required under Swiss law for a company to increase its share capital
- Previous timeline for increase of authorized capital expired on October 20, 2017 and existing authorization for the two ordinary capital increases expires on July 27, 2018
- Funding alternatives for ACIU are represented by additional collaboration arrangements, capital raises or a combination of both

### Rationale

- Preserve subscription rights of existing shareholders while minimizing potential market risk (share price pressure) at the same time

### Process

- Tranche 1: Share Capital Increase for Institutional Investors
  - Aim for a subscription period of 1 business day in order to avoid long durations of market exposure that could result in pressure on our share price
- Tranche 2: Share Capital Increase for Current Shareholders
  - Allows existing shareholders to subscribe shares at identical terms and conditions as tranche 1
  - Aim for a subscription period of 6 business days

# Agenda item 9

## Extension of Authorization for Share Capital Increase

- The Company's Extraordinary Shareholders' Meeting of 27 April 2018 authorized the Board of Directors to increase the share capital of the Company by 26 July 2018. The Board proposes to extend such authorization for another three months by adopting the following resolution, the content of which is identical to the resolution approved at the Extraordinary Shareholders' Meeting of 27 April 2018. This extension shall replace the previous resolution authorization granted at the Extraordinary Shareholders' Meeting of 27 April 2018 and shall become effective upon expiration of the three-month period to implement the initial resolution if and to the extent such initial resolution has not been implemented.

# Agenda item 9a

## Share Capital Increase for Institutional Investors

- a) the share capital of the Company is increased by way of an ordinary increase by up to CHF 170'000 by issuing up to 8'500'000 registered shares with a nominal value of CHF 0.02 each;
- b) the pre-emptive rights of the shareholders for the newly issued registered shares shall be preserved; the Board of Directors shall be entitled to publish the subscription price by electronic media including press release and e-mail and to limit the subscription period to one business day; any new shares not subscribed shall be allocated by the Board of Directors at its discretion;
- c) the technical issuance price of the new shares to be paid in cash shall be determined by the Board of Directors;
- d) the new shares are entitled to dividends for the business year starting 1 January 2018;
- e) the new shares are subject to the transfer restrictions as outlined in article 4 of the Articles of Association;
- f) the stamp duty shall be paid by the Company; and
- g) the Board of Directors is authorized and instructed to implement and register this capital increase with the competent commercial register.

# Agenda item 9b

## Share Capital Increase for Current Shareholders

- a) the share capital of the Company is increased by way of an ordinary increase of by up to CHF 30'000 by issuing up to 1'500'000 registered shares with a nominal value of CHF 0.02 each;
- b) the pre-emptive rights of the shareholders for the newly issued registered shares shall be preserved; the Board of Directors shall credit each shareholder with a corresponding number of non-tradable subscription rights with identical terms as offered to institution investors in the ordinary share capital increase resolution resolved today. Such subscription rights may be exercised during a subscription period of at least six business days; any new shares not subscribed shall be allocated by the Board of Directors at its discretion in first priority to current shareholders;
- c) the technical issuance price of the new shares to be paid in cash shall be determined by the Board of Directors;
- d) the new shares are entitled to dividends for the business year starting 1 January 2018;
- e) the new shares are subject to the transfer restrictions as outlined in article 4 of the Articles of Association;
- f) the stamp duty shall be paid by the Company; and
- g) the Board of Directors is authorized and instructed to implement and register this capital increase with the competent commercial register.

We thank you for coming and your continued support.