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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): February 23, 2023

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**Morphic Holding, Inc.**  
(Exact Name of Registrant as Specified in its Charter)

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Delaware  
(State or other jurisdiction of  
incorporation or organization)

001-38940  
(Commission  
File Number)

47-3878772  
(I.R.S. Employer  
Identification No.)

35 Gatehouse Drive, A2  
Waltham, Massachusetts  
(Address of principal executive offices)

02451  
(Zip Code)

Registrant's telephone number, including area code: (781) 996-0955

Not Applicable  
(Former Name or Former Address, if Changed Since Last Report)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

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

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

Emerging growth company

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

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**Item 2.02 Results of Operations and Financial Condition.**

On February 23, 2023, Morpic Holding, Inc. (the Company”) issued a press release (the “Press Release”) announcing its preliminary financial results for the year ended December 31, 2022. The Press Release is attached hereto as Exhibit 99.1.

The preliminary financial results are estimates and subject to completion of the applicable year-end closing procedures. The Company’s actual results for the year ended December 31, 2022 may vary from these estimates. In addition, estimated financial information is necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the estimated financial results described in the Press Release will not materialize or will vary significantly from actual results. Accordingly, undue reliance should not be placed on these estimates.

The information in Exhibit 99.1 is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. The information in Exhibit 99.1 shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended.

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**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

<b>Exhibit Number</b>	<b>Description</b>
99.1	<a href="#">Press release issued by Morphic Holding, Inc. dated February 23, 2023.</a>
104	The cover page on this Current Report on Form 8-K, formatted in Inline XBRL

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**SIGNATURE**

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

**MORPHIC HOLDING, INC.**

Date: February 23, 2023

By: /s/ Marc Schegerin

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Marc Schegerin, M.D.

Chief Financial Officer and Chief Operating Officer



## Morphic Announces Corporate Highlights and Financial Results for the Full Year 2022

*-Initiated and completed enrollment for EMERALD-1 phase 2a trial of MORF-057 in ulcerative colitis; topline data expected 2Q23-*

*-Launched EMERALD-2 phase 2b global randomized trial of MORF-057 in ulcerative colitis-*

*-Ended 2022 with \$348 million in cash and equivalents; ~\$100 million from February private placement extends cash runway into second half of 2026*

**WALTHAM, Mass. – Feb 23, 2023** – Morphic Therapeutic (Nasdaq: MORF), a biopharmaceutical company developing a new generation of oral integrin therapies for the treatment of serious chronic diseases, today reported corporate highlights and financial results for the full year 2022.

### 2022 and Recent Corporate Highlights

#### *EMERALD phase 2 trials of MORF-057 in ulcerative colitis*

- Completed enrollment of the EMERALD-1 open-label phase 2a trial of MORF-057 in patients with moderate to severe ulcerative colitis (UC)
  - Study met target enrollment in the third quarter of 2022
  - EMERALD-1 topline results expected in the second quarter of 2023 including primary endpoint (change in Roberts Histopathological Index (RHI)), key secondary measures including modified mayo clinical score (mMCS), safety and pharmacokinetic data
- Initiated EMERALD-2 phase 2b study of MORF-057 in patients with moderate to severe UC
  - EMERALD-2 is a global phase 2b randomized, double-blind, placebo-controlled trial of MORF-057 in patients with moderate-to-severe ulcerative colitis
  - The primary endpoint of EMERALD-2 is clinical remission rate as measured by mMCS at 12 weeks and is expected to report in the first half of 2025

#### *MORF-057 Preclinical and Phase 1 Studies*

- Presented new MORF-057 preclinical and clinical data at European Congress for Crohn's and Colitis, the United European Gastroenterology Week and the American College of Gastroenterology further supporting the ongoing EMERALD phase 2 trials in UC

#### *Integrin Science and Technology*

- Celebrated the publication in the scientific journal *Cell* by Albert Lin, PhD and Timothy Springer, PhD, describing critical insights into the function of integrins, a central biologic receptor class, based on conformation changes
  - The discovery made by Drs. Lin and Springer led directly to the foundation of Morphic Therapeutic
  - Dr. Springer is the Latham Family Professor at Harvard Medical School and recipient of the 2022 Lasker Prize for his pioneering work with integrins, and a founder, Director, and SAB member of Morphic
  - Dr. Lin is Executive Director of Biology at Morphic and a founder of Morphic

#### *Morphic Operations*

- Strengthened the Morphic team across research, regulatory, clinical, and executive functions
  - Key additions in 2022 included: the appointment of Dr Brihad Abhyankar as Vice President, Clinical Operations. Dr. Abhyankar was recently promoted to Senior Vice President, Clinical Development, the appointment of Joanne Gibbons as Senior Vice President of Regulatory Affairs. Ms. Gibbons was recently promoted to Senior Vice President, Regulatory Affairs and Quality

“Morphic executed well against our corporate objectives in 2022 which has positioned us ideally for a strong 2023, a key year in the clinical development of MORF-057, our oral  $\alpha 4\beta 7$  inhibitor in phase 2 studies for UC”, commented Praveen Tipirneni, Chief Executive Officer of Morphic. “We are looking forward to the EMERALD-1 readout in the second quarter while advancing our earlier stage pipeline across multiple therapeutic areas including pulmonary hypertensive diseases, myelofibrosis, and beyond.”

## Financial Results for the Full Year 2022

- Net loss for the year ended December 31, 2022, was \$59.0 million or \$1.55 per share compared to a net loss of \$95.5 million or \$2.67 per share for the year ended December 31, 2021.
- Revenue was \$70.8 million for the year ended December 31, 2022, compared to \$19.8 million for the year ended December 31, 2021. The change was primarily due to recognition of revenue due to the conclusion of the AbbVie collaboration and reduction in the scope of the Janssen collaboration.
- Research and development expenses were \$102.1 million for the year ended December 31, 2022, as compared to \$87.8 million for the year ended December 31, 2021. The increase was primarily attributable to higher manufacturing and development costs along with clinical trial costs to support our lead product candidate MORF-057.
- General and administrative expenses were \$32.1 million for the year ended December 31, 2022, compared to \$27.8 million for the year ended December 31, 2021. The increase was due to increased headcount and higher professional and consulting costs associated with ongoing business development activities and Morphic operating as a public company.

As of December 31, 2022, Morphic had cash, cash equivalents and marketable securities of \$348.2 million, compared to \$408.1 million as of December 31, 2021. In 2022, Morphic raised net proceeds of \$39.2 million from the use of our At-The Market (ATM) facility through its use on a single day in the second quarter. To date in 2023, Morphic has not issued any stock through its ATM facility. On February 13, 2023, the Company entered into a securities purchase agreement pursuant with existing investors for a private placement where the Company agreed to sell and issue 848,655 shares of its common stock at a price of \$35.35 per share and pre-funded warrants to purchase 1,980,198 shares of common stock at a purchase price of \$35.3499 for an aggregate net proceeds of approximately \$100.0 million. We believe that our cash, cash equivalents and marketable securities of \$348.2 million as of December 31, 2022, together with the \$100.0 million raised in our private issuance of common stock and pre-funded warrants in February 2023, will enable us to fund our operating expenses and capital expenditure requirements into the second half of 2026.

## About MORF-057

Morphic is developing MORF-057 as a selective, oral small molecule inhibitor of the  $\alpha 4\beta 7$  integrin for patients with inflammatory bowel disease (IBD).  $\alpha 4\beta 7$  has been clinically validated as a target for the treatment of IBD by the success of the approved injectable antibody therapeutic vedolizumab. MORF-057, like vedolizumab, is designed to block the interactions between  $\alpha 4\beta 7$  on the surface of lymphocytes and the mucosal endothelial cell ligand MAdCAM-1, substantially reducing lymphocyte migration from the bloodstream into intestinal mucosal tissues and avoiding inflammation that is associated with IBD.

## About the EMERALD-1 Study

EMERALD-1 (MORF-057-201) is an open-label multi-center phase 2a trial designed to evaluate the efficacy, safety, and tolerability of MORF-057 in adults with moderate to severe ulcerative colitis. EMERALD-1 has completed enrollment of the main cohort of 30-35 patients who will be treated with 100 mg BID (twice daily) at sites in the United States and Europe. The primary endpoint of the trial is the change in Robarts Histopathology Index (RHI), a validated instrument that measures histological disease activity in ulcerative colitis at 12 weeks compared to baseline. Patients will then continue for an additional 40 weeks of maintenance therapy followed by a 52-week assessment. Secondary and additional outcome measures in the EMERALD-1 study include change in the modified Mayo clinic score, safety, pharmacokinetic parameters and key pharmacodynamic measures including  $\alpha 4\beta 7$  receptor occupancy and lymphocyte subset trafficking.

## **About the EMERALD-2 Study**

EMERALD-2 (MORF-057-202) is a global phase 2b randomized, double-blind, placebo-controlled trial of MORF-057 that is currently enrolling patients with moderate-to-severe ulcerative colitis. The primary endpoint of EMERALD-2 is clinical remission rate as measured by the Modified Mayo Clinic Score (mMCS) at 12 weeks. EMERALD-2 will also measure several secondary and exploratory endpoints based on the mMCS as well as histologic, pharmacokinetic and pharmacodynamic measures, and safety parameters. Patients in the EMERALD-2 study will be randomized to receive either 200 mg BID (twice daily) MORF-057, 100 mg BID MORF-057, a QD (once daily) dose of MORF-057, or a placebo dose. Following the 12-week induction phase, all patients will receive MORF-057 for 40 weeks of maintenance dosing. For more information about the EMERALD clinical trials of MORF-057, please [click here](#).

## **About Morphic Therapeutic**

Morphic Therapeutic is a biopharmaceutical company developing a portfolio of oral integrin therapies for the treatment of serious chronic diseases, including autoimmune, cardiovascular, and metabolic diseases, fibrosis, and cancer. Morphic is also advancing its pipeline and discovery activities in collaboration with Schrödinger using its proprietary MInT technology platform which leverages the Company's unique understanding of integrin structure and biology. For more information, visit [www.morphictx.com](http://www.morphictx.com).

## **Cautionary Note Regarding Forward-Looking Statements**

This press release contains "forward-looking" statements within the meaning of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including, but not limited to: the MInT Platform's ability to discover drug candidates, Morphic's plans to develop and commercialize oral small-molecule integrin therapeutics and any proposed timing thereof, the initiation, execution and completion of the future MORF-057 phase 2 clinical trial, any expectations about safety, efficacy, timing and ability to commence or complete clinical studies and/or trials and to obtain regulatory approvals for MORF-057 and other candidates in development, the timing of further data presentation and the ability of MORF-057 to treat inflammatory bowel disease, including ulcerative colitis, or related indications. Statements including words such as "believe," "plan," "continue," "expect," "will be," "develop," "signal," "potential," "anticipate" or "ongoing" and statements in the future tense are forward-looking statements. These forward-looking statements involve risks and uncertainties, as well as assumptions, which, if they do not fully materialize or prove incorrect, could cause our results to differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements are subject to risks and uncertainties that may cause Morphic's actual activities or results to differ significantly from those expressed in any forward-looking statement, including risks and uncertainties in this press release and other risks set forth in our filings with the Securities and Exchange Commission, including Morphic's or a partner's ability to complete a current or future clinical trial of any of our current or future product candidates, develop or obtain regulatory approval for or commercialize any product candidate, Morphic's ability to protect intellectual property, the potential impact of the COVID-19 pandemic, and the sufficiency of our cash, cash equivalents and investments to fund our operations. These forward-looking statements speak only as of the date hereof and Morphic specifically disclaims any obligation to update these forward-looking statements or reasons why actual results might differ, whether as a result of new information, future events or otherwise, except as required by law.

*-Financial tables to Follow-*

**Morphic Holding, Inc.**  
**Condensed Consolidated Statements of Operations**  
(unaudited)  
(in thousands, except share and per share data)

	Year Ended December 31,	
	2022	2021
Collaboration revenue	\$ 70,808	\$ 19,794
Operating expenses:		
Research and development	102,062	87,789
General and administrative	32,142	27,811
Total operating expenses	<u>134,204</u>	<u>115,600</u>
Loss from operations	(63,396)	(95,806)
Other income:		
Interest income, net	4,567	272
Other expense, net	(145)	(8)
Total other income, net	<u>4,422</u>	<u>264</u>
Loss before provision for income taxes	(58,974)	(95,542)
Provision for income taxes	(67)	—
Net loss	<u>\$ (59,041)</u>	<u>\$ (95,542)</u>
Net loss per share, basic and diluted	\$ (1.55)	\$ (2.67)
Weighted average common shares outstanding, basic and diluted	38,112,498	35,797,969



**Morphic Holding, Inc.**  
**Condensed Consolidated Balance Sheets**  
(unaudited)  
(in thousands)

	December 31, 2022	December 31, 2021
<b>Assets</b>		
Cash, cash equivalents and marketable securities	\$ 348,248	\$ 408,135
Other current assets	13,934	10,199
Total current assets	362,182	418,334
Other assets	6,407	7,956
Total assets	<u>\$ 368,589</u>	<u>\$ 426,290</u>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities	\$ 17,126	\$ 38,264
Long-term liabilities	2,344	51,327
Total liabilities	19,470	89,591
Total stockholders' equity	349,119	336,699
Total liabilities and stockholders' equity	<u>\$ 368,589</u>	<u>\$ 426,290</u>

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**Contact**  
Morphic Therapeutic  
Chris Erdman  
chris.erdman@morphictx.com  
617.686.1718