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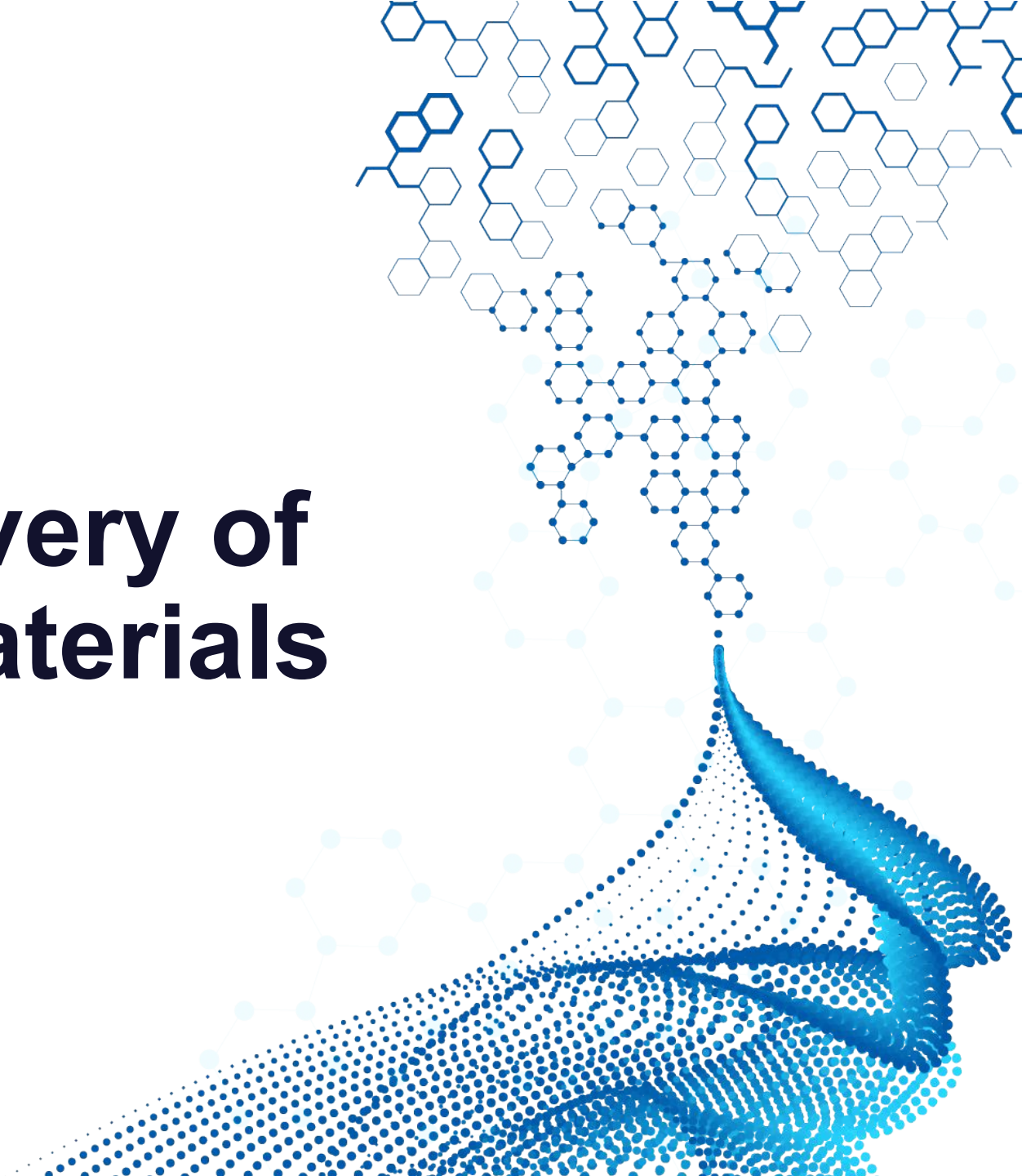
Transforming Discovery of Therapeutics and Materials



November 1, 2023

Cautionary Note and Disclaimer

This presentation contains certain "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 that involve substantial risks and uncertainties. All statements, other than statements of historical fact, contained in this presentation, including, without limitation, statements regarding the potential advantages of our computational platform, our strategic plans to accelerate the growth of our software licensing business, our financial outlook for the fiscal year ending December 31, 2023, our research and development efforts for our proprietary drug discovery programs and our platform, the initiation, timing, progress, and results of our proprietary drug discovery programs and the drug discovery programs of our collaborators, the clinical potential and favorable properties of our CDC7, MALT1, and Wee1/Myt1 inhibitors, including SGR-1505, SGR-2921, and SGR-3515, and other compounds discovered with our platform, the timing of potential IND applications as well as initiation of clinical trials for our proprietary drug discovery programs, the clinical potential and favorable properties of our collaborators' product candidates, our ability to realize milestones, royalties, and other payments from our collaborative and proprietary programs, our plans to discover and develop product candidates and to maximize their commercial potential by advancing such product candidates ourselves or in collaboration with others, our plans to leverage the synergies between our businesses, our expectations regarding our ability to fund our operating expenses and capital expenditure requirements with our existing cash, cash equivalents, and marketable securities, and our expectations related to the key drivers of our performance, are forward-looking statements. The words "aim," "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "goal," "intend," "may," "might," "plan," "potential," "predict," "project," "should," "target," "will," "would" or the negative of these words or other similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

These forward-looking statements reflect our current views about our plans, intentions, expectations, strategies and prospects, which are based on the information currently available to us and on assumptions we have made. Actual results may differ materially from those described in the forward-looking statements and are subject to a variety of assumptions, uncertainties, risks and important factors that are beyond our control, including the demand for our software platform, the reliance upon our third-party drug discovery collaborators, factors adversely affecting the life sciences industry, fluctuations in the value of the U.S. dollar and foreign currencies, the uncertainties inherent in drug development and commercialization, such as the conduct of research activities and the timing of and our ability to initiate and complete preclinical studies and clinical trials, uncertainties associated with the regulatory review of clinical trials and applications for marketing approvals, and other risks detailed under the caption "Risk Factors" and elsewhere in our Securities and Exchange Commission ("SEC") filings and reports, including our Quarterly Report on Form 10-Q for the quarter year ended September 30, 2023, filed with the SEC on November 1, 2023, as well as future filings and reports by us. Any forward-looking statements contained in this presentation speak only as of the date hereof. Except as required by law, we undertake no duty or obligation to update any forward-looking statements contained in this presentation as a result of new information, future events, changes in expectations or otherwise.

This presentation includes statistical and other industry and market data that we obtained from industry publications and research, surveys, and studies conducted by third parties as well as our own estimates of potential market opportunities. All of the market data used in this presentation involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such data. We have not independently verified such third-party data, and we undertake no obligation to update such data after the date of this presentation.

3Q23 Financial Highlights vs. 3Q22

	Three Months Ended September 30		
	2022	2023	% Change
	(in millions)		
Total revenue	$37.0	$42.6	15.1%
Software revenue	$24.7	$28.9	17.2%
Drug discovery revenue	$12.3	$13.7	11%
Gross profit	$17.2	$23.6	37.4%
Software gross margin	72%	76%	
Operating expenses	$63.4	$79.8	26%
Other income (expense)	$6.5	($8.7)	*n/a*
Net income (loss)	($39.9)	($62.0)	*n/a*
	as of 9/30/22	**as of 9/30/23**	
Cash and cash equivalents, restricted cash, and marketable securities	$479.4	$502.5	4.8%
Deferred revenue, current and long term	$65.9	$55.4	(15.9%)

2023 Financial Guidance

(as of November 1, 2023)

Expectation	FY22 Actual	Year-to-Date 3Q23	Previous FY23 Guidance*	Revised FY23 Guidance*
Total revenue	$181.0	$142.5M	–	–
Software revenue	$135.6M	$90.5M	15% - 18%	Unchanged
Drug discovery revenue	$45.4M	$52.1M	$50-70M	Unchanged
Operating expense growth	40%	28%	Lower than 2022	Unchanged
Software gross margin	78%	77%	Similar to 2022	Unchanged
Cash used in operating activities	$119.7M	$99.5M	Lower than 2022	Higher than 2022**

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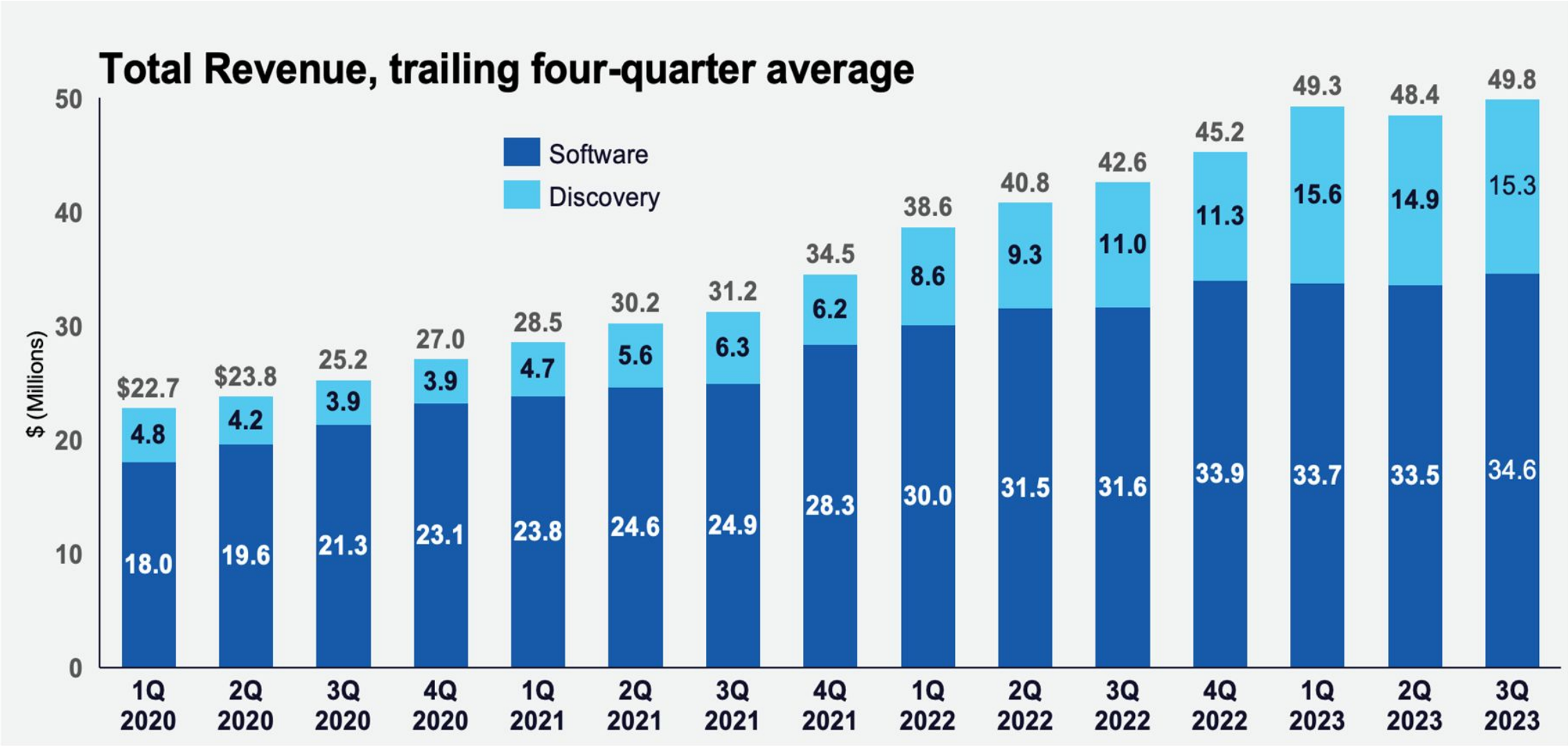
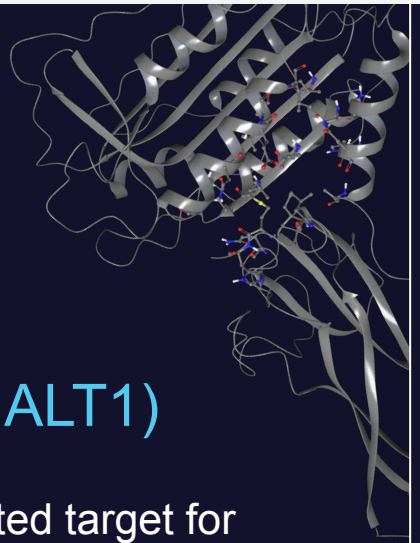
* Previous guidance provided August 2, 2023, revised guidance as of November 1, 2023.

** Based on the mix of revenue, the timing and size of milestones and expectations for new business development activity this year.

Four-Quarter Trailing Average Quarterly Revenue Trend

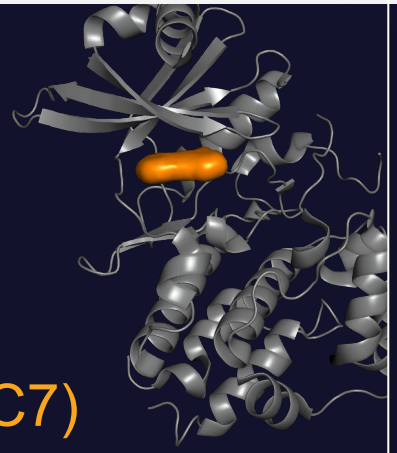


Advancing Programs with Breakthrough Potential



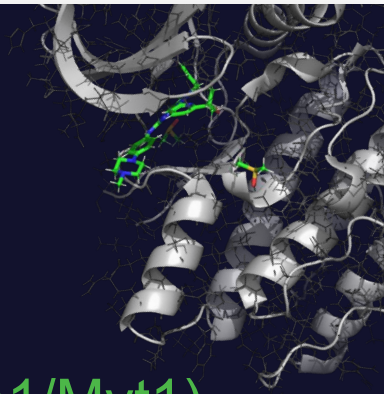
SGR-1505 (MALT1)

- Clinically validated target for leukemias and lymphomas
- Single agent and combination activity in preclinical models[1]
- Phase 1 trial in *healthy volunteers* nearing completion, data expected 4Q23
- Phase 1 *patient trial* progressing



SGR-2921 (CDC7)

- Key cell cycle checkpoint for DNA repair
- Active as monotherapy and synergistic in combination with standards of care in preclinical models[2]
- Phase 1 trial in acute myeloid leukemia and myelodysplastic syndrome underway



SGR-3515 (Wee1/Myt1)

- Therapeutic potential across a broad range of solid tumors
- IND-enabling activities ongoing with submission expected 1H24

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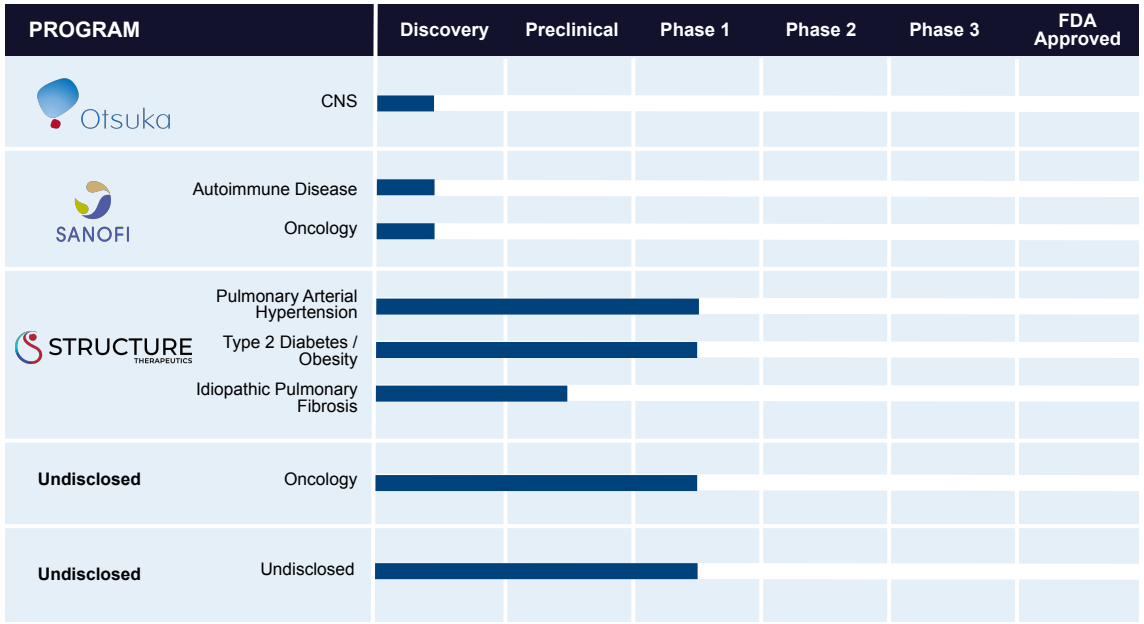
[1]Yin et al. ASH 2021. [2]Tsvetkov et al. ASH 2022.

Platform Validated by Advancing Collaboration Programs[(1)(2)]





9 programs
currently in the clinic

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(1)Based on publicly available information or information disclosed to us.
(2)All of the programs being pursued under these collaborations are owned and controlled by each respective collaborator.
*Acquired by Servier **Acquired by Lilly ***Acquired by Gilead ****Acquired by Takeda

Retained and Partnered Proprietary Programs

PROGRAM	DISCOVERY	PRECLINICAL	PHASE I
SGR-1505 (MALT1) Relapsed / Resistant Non-Hodgkin's Lymphoma			
SGR-2921 (CDC7) Hematological Cancers and Solid Tumors			
SGR-3515 (Wee1/MYT1) Gynecological Cancers and other Solid Tumors			
PRMT5-MTA Oncology			
LRRK2 Neurology			
Multiple Oncology Programs			
Multiple Immunology Programs			

PROGRAM	DISCOVERY	PRECLINICAL	CLINICAL	RIGHTS
SOS1 RAS-Mutant Cancers				Schrödinger, Bristol Myers Squibb
Undisclosed Immunology				
Undisclosed Neurology				
Protein Degraders Oncology, Immunology and Neurology				
Undisclosed Oncology				Schrödinger, Takeda
Undisclosed				Schrödinger, Lilly

Upcoming Milestones



- Report initial SGR-1505 healthy volunteer data in 4Q23
- Present SGR-1505 and SGR-2921 preclinical data at ASH, December 9-14, 2023
- Submit IND for SGR-3515 in 1H24
- Pipeline Day, December 14, 2023

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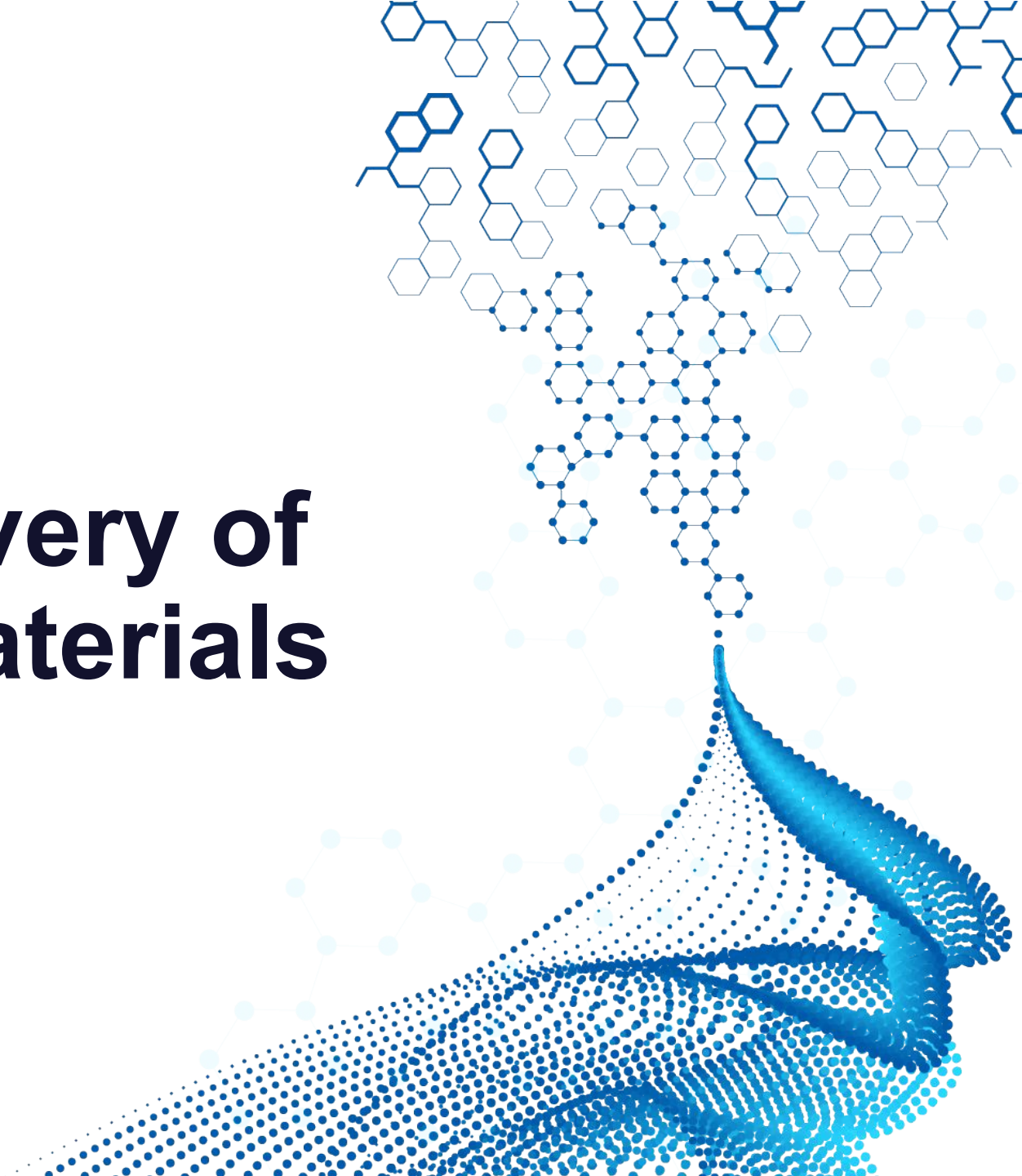

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