PRESS RELEASE

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Outcome of ordinary and extraordinary Shareholders' Meeting

Milan (Italy), November 7, 2016 – The ordinary and extraordinary Shareholders' Meeting of MolMed S.p.A. (MLM.MI), chaired by Professor Claudio Bordignon, met today to resolve upon the items of the agenda.

Ordinary part

Approval of Stock Options Plan 2016-2021

The ordinary Shareholders' Meeting approved a stock options plan for MolMed ordinary shares, named "Stock Options Plan 2016-2021", reserved to executive directors, executives with strategic responsibilities, employees and collaborators of Molecular Medicine S.p.A.

The Stock Options Plan 2016-2021 is instrumental to stimulate, retain and attract its beneficiaries and aims to achieve a more direct involvement in the Company's value creation process of people holding crucial positions and/or carrying out important activities with respect to its growth and development. In particular, the Plan is reserved to the Chairman of the Board Claudio Bordignon, to the CEO Riccardo Palmisano, to executives with strategic responsibilities, as identified in the Remuneration Policy in the persons of the general manager Paolo Rizzardi and the director of business development & strategic affairs Germano Carganico, as well as to employees and collaborators of the Company.

For details of the Plan, please refer to the dedicated Information Document - drafted pursuant to art. 114-bis of the Italian Consolidated Law Finance of finance (CLF) and of Article 84-bis of Consob resolution 11971 of May 14, 1999 (Issuers' Regulation) – filed together with the publication of the notice of Shareholders' Meeting.

Extraordinary part

Share capital increase for the purpose of the Stock Options Plan 2016-2021

The extraordinary Shareholders' Meeting approved the proposal of share capital increase against payment and in divisible form, excluding option rights pursuant to art. 2441, paragraphs 5 and 8, of the Italian Civil Code, up to a maximum nominal amount of Euro 595,250.46, by issuance, even in more tranches, of maximum 12,643,520 MolMed ordinary shares with no par value, for the purpose of the Stock Options Plan 2016-2021 approved in the ordinary session.

Grant to the Board of Directors of the powers to carry out a capital increase by issuance of maximum 42,000,000 ordinary shares, to be reserved to *Société Générale* under terms and conditions of the Standby Equity Facility agreement

The Extraordinary Shareholders' meeting resolved upon the proposal to grant the Board of Directors of the Company, pursuant to Article 2443 of the Italian Civil Code, the power to increase the share capital against payment, in one or more tranches, in divisible form, by not later than 31 October 2018, without pre-emptive rights pursuant to Article 2441, fourth paragraph, second sentence of the Italian Civil Code (the "**Share Capital**

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Share capital € 10,874,215.42 fully paid - Office of Milan Company Registry number 1506630 - Tax identification number 11887610159

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Increase"), to be reserved to Société Générale ("**SG**") by means of an issue, in one or more tranches, at the terms and conditions specified in the agreement named "SEF – Standby Equity Facility" executed on 6 October 2016 between the Company and SG (the "**SEF Agreement**"), of up to maximum No. 42,000,000 ordinary shares and in any event within the limit of 10% of the existing share capital.

In particular, pursuant to the SEF Agreement, SG has undertaken toward MolMed, for 24 months following the date of the execution, to subscribe the Share Capital Increase, for up to maximum No. 42,000,000 ordinary shares (the "**Shares**"), equal to approximately 9.97% of the outstanding MolMed shares as of the date of the execution of the SEF Agreement upon discretional utilization requests submitted by MolMed to SG pursuant to the terms and conditions set forth in the SEF Agreement.

The execution of the SEF Agreement and the Share Capital Increase will enable the Company to find resources, by benefiting from the flexibility of such tool, to satisfy the Company's periodic liquidity needs, as well as to contribute to the development of the industrial plans, over the term of 24 months of the SEF Agreement.

Below are the principal terms of the Agreement, as disclosed to the market on 6 October 2016.

<u>Information on the SEF Agreement</u>

a) Subscription Price of the Shares of each tranche

Pursuant to the SEF Agreement, the subscription price will be determined in respect of a period of three trading days immediately following the date on which the utilisation request has been delivered by the Company to SG (the "**Pricing Period**").

The subscription price of each tranche will be equal to 95% of the volume weighted average price (VWAP) of the ordinary shares of the Company as observed during the Pricing Period.

Furthermore, pursuant to the SEF Agreement, in the event that the closing price of the last trading day of the Pricing Period is lower than 97% of the volume weighted average price of the Pricing Period, MolMed and/or SG shall be entitled to postpone the subscription process by one trading day for up to three times ("stop loss").

Upon the third postponement, the aforesaid provision shall no longer apply and the utilisation request shall be cancelled.

b) Determination of the number of Shares to be subscribed for in respect of each

Pursuant to the SEF Agreement, SG has undertaken to subscribe for each tranche a number of Shares equal to the lesser of:

(i) the number of Shares mentioned in the utilisation request;

(ii) a number of Shares equal to the maximum number of Shares to be issued under the Share Capital Increase minus the aggregate number of Shares issued as a consequence of all the utilisations made prior to such utilisation; and

(iii) a granted number of Shares, equal to the lesser of (1) No. 10,000,000 Shares, (2) a number of Shares equal to fourth times the daily volume weighted average price of MolMed Shares observed over twelve trading days before the end of the Pricing Period (included), after eliminating the two highest daily volume of transactions and excluding block trades and (3) a number of Shares equal to the ratio between Euro 8,000,000 and the subscription price of the Shares.

SG, at its sole discretion, will decide to subscribe for a number of Shares indicated in the relevant utilization request, regardless of the limits of the preceding point (iii).

c) Conditions precedent to SG's subscription undertaking

Pursuant to the SEF Agreement, the undertakings of SG to subscribe, upon the Company's request, each tranche is subject to, inter alia, the following conditions precedent:

(i) on the subscription date of each tranche, any Shares issued as a result of a previous utilisation have been issued, admitted to listing on the Italian Stock Exchange and delivered to SG;

(ii) on any day between the date of receipt by SG of a utilisation request and the related subscription date: (a) all representations made by the Company to SG pursuant to the SEF Agreement are true and valid, (b) the admission to listing on the Exchange of the Shares mentioned in the utilization request shall not be subject to the filing of a prospectus with the CONSOB and (c) it does not contemplate any transaction like a detachment of a subscription or an allotment right from the Shares or an event not giving rise to a detachment of rights but affecting the price of the Shares, such as stock splits, reverse stock splits which will need Borsa Italiana to make an adjustment to maintain the situation of buyers and sellers during the Lock-up Period (as defined below) in relation to a previous tranche;

(iii) the subscription date does not fall within the thirty days before the disclosure by the Company, of an half year financial report or a year-end financial report required by the applicable laws and regulations;

(iv) the subscription date does not fall within the "lock-up period" of a preceding tranche; a "lock-up period" is, in relation to each tranche, the period from the date of receipt by SG of the utilization request to, and including, the earlier of: (a) the date falling 20 trading days after the listing date of the Shares; and (b) the date notified by SG to MolMed as being the last day of such period (the "**Lockup Period**");

(v) no default is continuing on any day between the date of receipt by SG of the utilisation request and the subscription date.

d) Undertakings of the parties and other contractual provisions

Pursuant to the SEF Agreement, SG has undertaken (i) to subscribe for Shares upon MolMed's request in the manner and under the terms and conditions described in the SEF Agreement; (ii) not to buy or sell any Shares during the Pricing Period, save for certain activities falling within the ordinary course of its business, such as execution of orders on behalf of third parties or client facilitation activities; (iii) not to sell any Shares until the publication by MolMed of the press release announcing that MolMed requested a subscription of a tranche and the related subscription price; (iv) when selling Shares on the Italian Stock Exchange in relation to a utilisation, not to sell more than 25% of the volume of trades in the Shares on the related trading day on the Italian Stock Exchange, excluding block trades, subject to SG's request to increase that threshold, which may not be unreasonably withheld or refused by MolMed.

MolMed has undertaken, inter alia, (i) to issue and deliver to SG the Number of Shares in the manner and under the terms and conditions set forth in the SEF Agreement, (ii) not to communicate to SG any price sensitive information before the disclosure to the market, (iii) not to make any utilisation request within two trading days following the disclosure of a price sensitive information, (iv) not to buy or sell, directly or indirectly, or enter into any kind of hedging activity having the same economic effect as a purchase or sale of Shares, from, and including, the date it has sent a utilisation request to, and including, the last day of the related Lockup Period.

Without prejudice to the foregoing, pursuant to the Agreement SG is not subject to any lock-up on the subscribed Shares and the Company has not executed any agreement with SG for the resale of such Shares on the market. No stock lending agreement or guarantee on the Shares is in place between SG and the Company.

MolMed is not obliged to issue a minimum number of Shares for each tranche and will submit any utilization request subject to favourable market conditions in the interest of the Company and its shareholders.

e) Events of Default

The SEF Agreement will be early terminated by SG upon the occurrence, among other things, of the following events or circumstances, unless the same are remedied by the Company within a reasonable time (not exceeding one month): (i) MolMed is in material breach of any of its obligations under the SEF Agreement, (ii) MolMed is in breach of any legal or regulatory requirements applicable to it and this breach has a material effect on the execution of the SEF Agreement; (iii) any representation or warranty made by MolMed under the SEF Agreement is untrue, incorrect, incomplete or misleading in any material respect; (iv) any of the authorizations allowing MolMed to perform its obligations under the SEF Agreement becomes invalid or is not obtained; (vi) MolMed is subject to an insolvency proceeding or is insolvent; (v) MolMed has been threatened in writing of any proceeding, action, suit or administrative proceeding, or such proceeding, action, suit or administrative proceeding is pending, that is in each case likely, in the reasonable opinion of MolMed, to challenge the validity of the issue of the Shares upon subscription by SG or its ability to meet its obligations under the SEF Agreement; (vii) the Shares are delisted from the Exchange or the trading of the Shares is suspended by a competent regulator or authority during at least 10 consecutive trading days (or 5 consecutive trading days if any day of such period falls between the date on which SG receives an utilisation request and the last day of the Pricing Period relating to any utilisation) on which the Italian Stock Exchange should be open for trading; (viii) a legal or regulatory restriction on the free negotiation or transfer of the Shares issued pursuant to an utilisation has taken place for at least 2 consecutive trading days between the date on which SG receives an utilisation Request and the last day of the Pricing Period relating to any utilisation.

f) Information on SG GBIS (Global Banking & Investor Solutions)

With 20,000 employees and a global coverage in more than 50 countries, GBIS focuses on Corporates, financial institutions, public sector, family offices and High Net Worth Individuals. It regroups Corporate & Investment Banking, Private Banking, Asset Management and Investor Services.

GBIS offers a focused and different positioning. With a multi-specialist business model, at the heart of economic flows between issuers and investors, GBIS offers to its clients integrated and tailored solutions to respond to their specific needs, as well as adapting continuously to the regulatory environment.

The SEF – Standby Equity Facility is an equity financing solution, based on Shares, designed by SG. Such tool allows issuers to diversify their funding sources, while preserving the financial balances. SG, the leading institution for equity lines, has arranged and completed more than 54 SEF transactions around Europe, a testament of innovation, client confidence and expertise in equity financing deals.

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g) Information on the fees applied to the transaction

Pursuant to the SEF Agreement, each utilisation request, MolMed shall pay to SG a fee comprised between 1% and 5% of the amount of the relevant tranche, depending on the ratio of the number of Shares of the relevant utilisation request and the daily volume weighted average price of the MolMed Shares over twelve trading days before the end of the Pricing Period (included), after eliminating the two highest daily volume of transactions and excluding block trades.

Obligation to publish a prospectus

It is foreseen that the Share Capital Increase shall be exempt from the obligation to publish a listing prospectus as, pursuant to Article 57, first paragraph, letter a) of the regulation approved by CONSOB resolution no. 11971/1999, the Shares issued as a consequence of each utilisation request, together with any other ordinary shares of the Company issued in the 12 months preceding the date of the relevant utilisation request, may not exceed 10% of the ordinary shares of the Company already admitted to trading on the Italian Stock Exchange on such date.

Dilutive effects of the Share Capital Increase

The Reserved Capital Increase will result in a dilutive effect, which cannot be determined as of today, depending upon the amount of each tranche to be subscribed for by SG in furtherance of the Agreement, based on the utilisation requests to be submitted by the Company, as well as upon the relevant Subscription Price of each tranche.

Adoption of a new text of the Articles of Association

The extraordinary Shareholders' Meeting approved the adoption of a new text of the Articles of Association, according to the proposal contained in the dedicated report by the Board of Directors, drafted in order to make them more organic and linear, adapt them to the law and regulatory provisions in force, introduce some changes in the Company's governance structure and, finally, to introduce some clarification of terminology in the corporate purpose.

This press release is written in compliance with public disclosure obligations established by CONSOB (Italian securities & exchange commission) resolution no. 11971 of 14 May 1999, as subsequently amended.

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About MolMed

MolMed S.p.A. is a medical biotechnology company focused on research, development and clinical validation of novel anticancer therapies. MolMed's pipeline includes anti-tumour therapeutics in clinical and preclinical development: Zalmoxis® (TK) is a cell-based therapy enabling bone marrow transplants from partially compatible donors, in absence of post-transplant immune-suppression prophylaxis, currently in Phase III in high-risk acute leukaemia and granted a Conditional Marketing Authorisation by the European Commission; NGR-hTNF is a novel therapeutic agent for solid tumours which displays antitumor activity through its specific binding to blood vessels feeding the cancer and to the concentration of immune system cells into the tumour mass, currently investigated in a broad clinical programme, involving more than 1000 treated patients; CAR-CD44v6, an immune gene therapy project potentially effective for many haematological malignancies and several epithelial tumours, currently in preclinical development. MolMed also offers top-level expertise in cell and gene therapy to third parties to develop, conduct and validate projects from preclinical to Phase III trials, including scale-up and cGMP production of clinical-grade viral vectors, and manufacturing of patient-specific genetically engineered cells. MolMed is headquartered at the San Raffaele Biotechnology Department (DIBIT) in Milan, Italy, and a local unit at OpenZone, in Bresso (Milan). MolMed is listed on the main market (MTA) of the Milan stock exchange managed by Borsa Italiana (ticker Reuters: MLMD.MI).

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