PRESS RELEASE

MolMed approves first quarter 2018 results, significantly improved compared to the first quarter 2017; positive trend of the Company strengthened:

- ***+47.9% Revenues from Sales, equal to Euro 5.5 million, thanks to the increase in revenues from third party activities and from Zalmoxis® agreement***
- ***Operating Result and Net Result further improved, by +65.8% and by +66.1% respectively***
- ***Positive Net Financial Position for 16.5 million (Euro 18.1 million at December, 31st 2017)***

Milan (Italy), May 11st 2018 – The Board of Directors of MolMed S.p.A. (MLMD.MI), medical biotechnology company focusing on research, development, manufacturing, and clinical validation of Cell & Gene therapies to treat cancer and rare diseases, met today under the chairmanship of Professor Claudio Bordignon, reviewed and approved the interim financial results as of March 31st, 2018, reported on a voluntary basis[1].

Riccardo Palmisano, MolMed's CEO, commented on the business trend of the first quarter 2018: "*Our first quarter results confirm the extremely positive trend of the Company since 2015, by optimizing its resources and enhancing its main assets, with reference to both proprietary products, starting from Zalmoxis® reimbursement, and CAR T CD44v6 development, as well as GMP activities for third parties. Recent agreements with Orchard Therapeutics and Boston Children's Hospital represent a further acknowledgement of MolMed's excellence in this innovative field. Based on these rewarding results, the Company confirms its strategic focus on its own products, with further enhancement of Zalmoxis®, the beginning of the CAR T CD44v6 clinical trials, and the pipeline expansion in immuno-oncology. Concurrently the activities aimed at the approval of the new facility and the extension of the client portfolio for GMP services will continue".*

[1] MolMed S.p.A. following the continuity with the practice adopted up to now and with the aim of ensuring continuity in the information to the market, communicates, on a voluntary basis, the additional periodic financial information referred to in Article 82-ter of Consob Regulation 11971/99. Please note that the Legislative Decree 25/2016, implementing the Directive 2013/50 / EU, eliminated the obligation to publish the interim management report, previously envisaged by paragraph 5 of art. 154-ter of Legislative Decree 58/1998

Interim financial report as of March 31st 2018

Key financial results for the three months ended March, 31st 2018

(amounts in Euro thousand)	1st quarter 2018 (a)	1st quarter 2017 (b)	Variation (a-b)	Variation %
Operating Revenues	5,809	4,409	1,400	31.8%
Revenues from sales	*5,534*	*3,741*	*1,793*	*47.9%*
Other revenue	*275*	*668*	*(393)*	*(58.9%)*
Operating costs	7,063	8,074	(1,011)	(12.5%)
Operating result	(1,254)	(3,665)	2,411	65.8%
Net financial income & charges	6	(15)	21	140.0%
Result for the period	(1,248)	(3,680)	2,432	66.1%

Operating Revenues in the first quarter 2018, equal to Euro 5,809 thousand (Euro 4,409 thousand in the first quarter 2017), increased by +31.8% thanks to a growth in **Revenues from Sales** of +47.9% (Euro 5,534 thousand the first quarter 2018 compared to Euro 3,741 thousand in the first quarter 2017), reported both in the proprietary pipeline as well as in the GMP activities for third parties, and specifically:

- in development and manufacturing activities for third parties, with Revenues equal to Euro 4,385 thousand (+17.2% compared to the first quarter 2017);
- in the proprietary pipeline, with Revenues equal to Euro 1,149 thousand, deriving from Zalmoxis® supply and distribution agreement signed on July, 26th 2017 with Dompé farmaceutici S.p.A., and from the sales of the product (Revenues not existing in the first quarter 2017).

This significant increase in Revenues from Sales is partially offset by the reduced weight of the Other Revenue amount, mainly including R&D public grants.

Operating Costs totalling Euro 7,063 thousand, decreased by 12.5% compared to the first three months of 2017 (Euro 8,074 thousand), mainly thanks to lower Service costs, and specifically:

- lower development costs, totalling Euro 334 thousand, decreased by 55.0% (Euro 743 thousand in the first quarter 2017), due to lower development costs for one of the proprietary product;
- lower Business Development costs, totalling Euro 57 thousand and decreased by 89.8% (Euro 561 thousand in the first quarter of 2017, referred to the consulting expenses for Zalmoxis® price & reimbursement dossier).

Amortization and depreciation for the first three months of 2018 are equal to Euro 369 thousand, slightly increased compared to the same period of the previous year (Euro 317 thousand) as a consequence of the start of the amortization period for the laboratories of the new facility in Bresso.

As a consequence of this trend, the Operating Result, negative for Euro 1,254 thousand, shows a 65.8% increase, compared to the same period of previous year (Operating Result negative for Euro 3,665 thousand).

Net Financial Income and Charges are positive for Euro 6 thousand (negative for Euro 15 thousand in the first quarter 2017) mainly following a decrease in exchange losses.

As a consequence of the above mentioned changes, **Net Result**, negative for Euro 1,248 thousand, increased by +66.1% compared to the same period of the previous year (Net Result negative for Euro 3,680 thousand).

Investments of the period**,** equal to Euro 208 thousand, are mainly related to the operating unit in Bresso, to the ordinary renewal of the laboratory equipment, as well as to revamping and optimisation of the existing GMP facility.

Net Financial Position as of March 31st, 2018 is positive for Euro 16,453 thousand (Euro 18,111 thousand as of December 31st, 2017) and consists solely of cash and cash equivalents, with no financial debt.

Key events occurred in the period

January 15th: Zalmoxis® price & reimbursement dossier filed in Germany, making the product prescribed and reimbursed in one of the main European market

February 8th: Dompé exercises the option right to undertake the market access and commercialization activities for Zalmoxis® in Switzerland, Turkey and Australia.

February 15th: AIFA Determina on reimbursement regime and market price for the proprietary cell therapy Zalmoxis® published on the Official Gazette. Starting the fifteenth day subsequent to the publication, March 1st, the product becomes can be commercialized in Italy.

Key events occurred in the period

April 12nd: MolMed and Orchard Therapeutics, privately held clinical-stage biotechnology company dedicated to the development of innovative gene therapies, based in UK and US, announce the beginning of their collaboration in the field of gene therapy for rare diseases, with a partnership granting continuity to the Strategic Manufacturing and Development Agreement in place between MolMed and GlaxoSmithKline.

May 4th: signing of a five years Master Service Agreement, and a related first Project Agreement, with Boston Children's Hospital for the production of lentiviral vectors to be used for clinical application in rare diseases.

Business Outlook

In 2018, the Company plans to continue the clinical and industrial development of its main proprietary investigational products.

The Company will continue to further enhance Zalmoxis®, both in terms of new market penetration, as well as in therapeutic indications, thanks to the positive risk/benefit ratio in the clinical use of the product.

With reference to the CAR CD44v6 project, based on the advancement of all preliminary activities concluded in the first quarter, the Company is confident to be able to submit the authorization request for the 1st in-man clinical trial on schedule, foreseen for summer of the current year.

Furthermore, the following months will focus, both on the development of the product portfolio in the onco-hematology field, on the expansion of the CAR T proprietary pipeline, with the development of new therapeutic targets and the introduction of new technological platforms, by the exploration of potential new partnerships and investments aimed at enhancing the internal preclinical research.

As for NGR-hTNF, after the end of the first quarter, the Company started new interactions towards finding new partnerships.

Finally, in 2018 the new facility in Bresso will be gradually activated, in line with the evolution of the existent and future portfolio of collaborations. Also in consideration of the new available areas, business development activities aimed at enlarging the ongoing collaborations and signing new alliances in the development and manufacturing of cell & gene therapies for third parties, will be increased.

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The official manager responsible for preparing the Company's financial reports, Andrea Quaglino, herewith attests, pursuant to Article 154-bis, paragraph 2 of the Legislative Decree 58/1998 ("Testo Unico della Finanza"), that the accounting disclosure contained in this press release matches documentary evidence, corporate books, and accounting records. In this press release, use is made of "alternative performance indicators" which are not provided for under European IFRS, and whose significance and content - in line with Recommendation CESR/05-178b published on November 3, 2005 - are illustrated below:

- *Operating Result: defined as the difference between sales revenues and other income and costs for materials, costs of services received, costs for use of third-party assets, personnel costs and amortisation, depreciation & write downs. It represents the profit before financial flows and taxes;*
- *Net Financial Position: is the algebraic sum of cash, cash equivalents, financial receivables and other financial assets, and current and non-current financial debt.*

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This press release is available on the Company website www.molmed.com

About MolMed

MolMed S.p.A. is a biotechnology company focused on research, development, manufacturing and clinical validation of innovative anticancer therapies. MolMed's product portfolio includes proprietary anti-tumor therapies in clinical and preclinical development: Zalmoxis® (TK) is a cell therapy based on donor T cells genetically engineered to enable bone marrow transplants from partially compatible donors for patients with high-risk hematological malignancies, eliminating post-transplant immunosuppression prophylaxis and inducing a rapid immune reconstitution. Zalmoxis® received Orphan Drug Designation and is currently in Phase III in a high-risk population of acute leukemia patients, but has already obtained a Conditional Marketing Authorization by the European Commission in the second half of 2016 as well as reimbursement conditions in Italy at the end of 2017 and in Germany at the beginning of 2018. Still focusing on this cell & gene technology, the company is developing a therapy based on Chimeric Antigen Receptor (CAR), specifically the CAR-T CD44v6, an immune gene therapy project, currently in advanced preclinical development, potentially effective for hematological malignancies and several solid epithelial tumors. MolMed is also the first company in Europe to have obtained the GMP manufacturing authorization for cell & gene therapies for its proprietary products (Zalmoxis®) as well as for third parties and/or in partnership (Strimvelis, a GSK gene therapy for the ADA-SCID). With reference to GMP development and manufacturing activities for third parties, MolMed signed numerous partnership agreements with leading European and US companies. In the framework of innovative anticancer therapies, MolMed's pipeline also includes NGR-hTNF, a therapeutic agent for solid tumors investigated in a broad clinical program, involving more than 1,000 treated patients. MolMed, founded in 1996 as an academic spin-off of the San Raffaele Scientific Institute, is listed on the main market (MTA) of the Milan stock exchange managed by Borsa Italiana since March 2008. MolMed is headquartered and based in Milan, at the San Raffaele Biotechnology Department (DIBIT) and has an operating unit at OpenZone in Bresso.

For further information:

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Attachments

- Quarterly Income Statement for the first three months ended March 31st 2018
- Net Financial Position as of March 31st 2018

Quarterly Income Statement for the first three months ended March 31st 2018

(amounts in Euro thousand)	1st quarter 2018 (a)	1st quarter 2017 (b)	Variation (a-b)	Variation %
Revenues from sales	5,534	3,741	1,793	47.9%
Other revenues	275	668	(393)	(58.8%)
Total operating revenues	**5,809**	**4,409**	**1,400**	**31.8%**
Purchases of raw materials and consumables	1,092	1,144	(52)	(4.5%)
Costs for services	1,987	2,991	(1,004)	(33.6%)
Costs for use of third-party assets	376	362	14	3.9%
Personnel costs	3,188	3,214	(26)	(0.8%)
Other operating costs	51	46	5	10.9%
Amortization and depreciation	369	317	52	16.4%
Total operating costs	**7,063**	**8,074**	**(1,011)**	**(12.5%)**
Operating result	**(1,254)**	**(3,665)**	**2,411**	**65.8%**
Financial income	19	10	9	90.0%
Financial charges	(13)	(25)	12	48.0%
Net financial income (charges)	**6**	**(15)**	**21**	**140.0%**
Pre-tax result	**(1,248)**	**(3,680)**	**2,432**	**66.1%**
Income taxes	-	-	-	-
Profit (loss) for the period	**(1,248)**	**(3,680)**	**2,432**	**66.1%**

Net Financial Position as of March 31st 2018

(amounts in Euro thousand)	March 31, 2018	December 31, 2017
Cash on hand	14	12
Other cash	16,439	13,093
Cash equivalents		-
A. Total cash and cash equivalents	**16,453**	**13,105**
B. Current financial receivables and other financial assets	-	**5,006**
Finance lease payables	-	-
Current financial debt	-	-
C.Current financial debt	-	-
D. Net current financial position (A+B+C)	**16,453**	**18,111**
Finance lease payables	-	-
Non current financial debt	-	-
E. Non-current financial debt	**-**	**-**
F. Net financial position (D+E)	**16,453**	**18,111**