

September 19, 2018



# Molecular Templates, Inc. Announces Proposed Public Offering of Common Stock

AUSTIN, Texas, Sept. 19, 2018 (GLOBE NEWSWIRE) -- Molecular Templates, Inc. (Nasdaq: MTEM) (the "Company" or "Molecular"), a clinical-stage oncology company focused on the discovery and development of proprietary engineered toxin bodies (ETBs), which are differentiated, targeted, biologic therapeutics for cancer, today announced that it intends to offer and sell, subject to market and other conditions, \$30 million of its shares of common stock in an underwritten public offering. Molecular also intends to grant the underwriters a 30-day option to purchase up to an additional 15% of the shares of common stock offered in the public offering on the same terms and conditions. All of the shares in the offering are to be sold by Molecular.

Molecular intends to use the net proceeds from the offering, together with its existing cash and cash equivalents, to fund: its ongoing Phase Ib and Phase II clinical studies and planned additional Phase II clinical studies for MT-3724 in DLBCL; its share of development expenses in its CD38 collaboration with Takeda; its programs targeting HER2 and PD-L1; further preclinical development and drug discovery activities in its other programs and for working capital and general corporate purposes. The offering is subject to market and other conditions, and there can be no assurance as to whether or when the offering may be completed, or as to the actual size or terms of the offering.

Cowen, Evercore ISI and UBS Investment Bank are acting as joint book-running managers for the offering. Laidlaw & Company (UK) Ltd. is acting as lead manager for the offering.

The shares are being offered by Molecular pursuant to a shelf registration statement on Form S-3 that was previously filed with the U.S. Securities and Exchange Commission (the "SEC") and declared effective by the SEC. A preliminary prospectus supplement relating to the offering will be filed with the SEC. When available, copies of the preliminary prospectus supplement and the accompanying prospectus relating to these securities may be obtained from Cowen and Company, LLC, c/o Broadridge Financial Services, 1155 Long Island Avenue, Edgewood, NY 11717, Attention: Prospectus Department, or by telephone at (631) 274-2806; Evercore Group L.L.C., Attention: Equity Capital Markets, 55 East 52nd Street, 36th Floor, New York, NY 10055, by telephone at 888-474-0200, or by email at [ecm.prospectus@evercore.com](mailto:ecm.prospectus@evercore.com) or UBS Securities LLC, Attention: Prospectus Department, 1285 Avenue of the Americas, New York, NY 10019, by telephone at 1-888-827-7275 or by emailing [ol-prospectus-request@ubs.com](mailto:ol-prospectus-request@ubs.com). You may also obtain these documents free of charge by visiting the SEC's website at [www.sec.gov](http://www.sec.gov).

This press release does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer,

solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

### **Forward-Looking Statements**

This press release contains forward-looking statements for purposes of the Private Securities Litigation Reform Act of 1995 (the "Act"). Molecular disclaims any intent or obligation to update these forward-looking statements, and claims the protection of the Act's Safe Harbor for forward-looking statements. All statements, other than statements of historical facts, included in this press release regarding strategy, future operations, future financial position, future revenue, projected expenses, prospects, plans and objectives of management are forward-looking statements. In addition, when or if used in this press release, the words "may," "could," "should," "anticipate," "believe," "estimate," "expect," "intend," "plan," "predict" and similar expressions and their variants, as they relate to Molecular, may identify forward-looking statements. Examples of such statements include, but are not limited to, statements relating to Molecular's expectations with respect to its proposed offering, Molecular's expectations with respect to its collaboration with Takeda, its intention to grant the underwriters an option to purchase additional shares and its intended use of proceeds from the proposed offering.

Forward-looking statements are not guarantees of future performance and involve risks and uncertainties. Actual events or results may differ materially from those discussed in the forward-looking statements as a result of various factors including, but not limited to, the uncertainties inherent in the preclinical and clinical development process; whether the Company's cash resources will be sufficient to fund its continuing operations for the periods and/or trials anticipated; the ability of the Company to protect its intellectual property rights; and legislative, regulatory, political and economic developments, as well as those risks identified under the heading "Risk Factors" in the Company's filings with the SEC. Any forward-looking statements contained in this press release speak only as of the date hereof, and the Company specifically disclaims any obligation to update any forward-looking statement, whether because of new information, future events or otherwise.

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Source: Molecular Templates, Inc.