
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): July 27, 2023

Molecular Templates, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

001-32979
(Commission
File Number)

94-3409596
(I.R.S. Employer
Identification No.)

9301 Amberglen Blvd, Suite 100
Austin, Texas 78729
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (512) 869-1555

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations 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, \$0.001 par value per share	MTEM	The Nasdaq Capital 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.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Resignation of Roger Waltzman, M.D. as Chief Medical Officer

On July 27, 2023, Roger Waltzman, M.D. notified the Board of Directors (the “Board”) of Molecular Templates, Inc. (the “Company”) of his decision to resign from his position as Chief Medical Officer of the Company, effective as of August 4, 2023. Dr. Waltzman’s decision to resign was not due to any disagreement with the Company on any matter relating to the Company’s operations, policies or practices.

Appointment of Jason S. Kim as Chief Financial Officer

On August 1, 2023, the Board also appointed Jason S. Kim, the Company’s Interim Chief Financial Officer, as its Chief Financial Officer. There were no changes to Mr. Kim’s employment or compensation arrangements, and (a) there are no understandings or arrangements between Mr. Kim and any other person pursuant to which he was appointed as Chief Financial Officer of the Company and (b) Mr. Kim has no material interest in any transaction or proposed transaction in which the Company is or is to be a party. Mr. Kim’s qualifications and experience were included in Item 10 of the Company’s Annual Report on Form 10-K as amended and filed with the U.S. Securities and Exchange Commission on April 28, 2023, and the description of such qualifications and experience is hereby incorporated by reference.

Appointment of Gabriela Gruia, M.D. as Interim Chief Medical Officer

On August 1, 2023, the Company appointed Gabriela Gruia, M.D. to serve as the Company’s interim Chief Medical Officer. Dr. Gruia has served on the Company’s Board since March 2022. Dr. Gruia is an oncologist with over 25 years of experience in oncology drug development, spanning cell and gene therapy, bi-specifics, biologics, immunotherapy, and small molecules. Dr. Gruia previously served as Chief Development Officer at Ichnos Sciences, where she oversaw development activities for several key functions, including Clinical Development and Clinical Operations, Regulatory Sciences, Clinical Pharmacology, Toxicology, and Biostatistics. Prior to Ichnos Sciences, Dr. Gruia was Senior Vice President and Global Head of Regulatory Affairs for Novartis Oncology, where she led the world class oncology regulatory affairs organization and oversaw all regulatory activities in close partnership with research collaborators, preclinical development, development organization and senior management. While at Novartis, Dr. Gruia spearheaded the worldwide submission and approval of multiple new molecular entities, including Tassigna[®], Jakavi[®], Afinitor[®], Signifor[®], Zykadia[®], Farydak[®], Rydapt[®], Odomzo[®], Kisqali[®], Kymriah[®], Adakveo[®], and Piqray[®]. Prior to that, she held oncology clinical research and development roles at Pfizer, Pharmacia, Aventis, and Rhone Poulenc Rorer. Dr. Gruia earned a doctorate in medicine from Bucharest Medical School in Romania and a Masters in Breast Pathology and Mammography from the Rene Huguenin/Curie Institute Cancer Center in Paris, France. She completed training in oncology and hematology at Rene Descartes University in Paris, France.

There are (a) no understandings or arrangements between Dr. Gruia and any other person pursuant to which she was appointed as interim Chief Medical Officer of the Company and (b) Dr. Gruia has no material interest in any transaction or proposed transaction in which the Company is or is to be a party. Dr. Gruia has no family relationship with any director or executive officer of the Company. Dr. Gruia will continue to serve on the Board but will no longer serve as a member of the Board’s Nominating and Corporate Governance Committee.

In connection with the appointment of Dr. Gruia to the position of interim Chief Medical Officer, the Company entered into an employment agreement with Dr. Gruia on August 1, 2023 (the “Employment Agreement”). The Employment Agreement provides that Dr. Gruia will receive an annual base salary of \$471,960, a target annual incentive of up to 40% of base salary, long-term incentive plan and employee benefit plan participation, and the reimbursement of business expenses. Dr. Gruia will be granted under the Company’s 2018 Equity Incentive Plan (the “Plan”) an option to purchase 175,000 shares of the Company’s common stock at an exercise price equal to the fair market value of the Company’s common stock on the date of grant, upon which 25% shall vest on the first anniversary of the grant date and the remainder of the option shares shall vest thereafter in 36 equal monthly installments, subject to continued service to the Company pursuant to the terms of her Employment Agreement.

In the event of a termination without Cause (as defined in the Plan) three months prior to or twelve months after a Change in Control (as defined in the Plan), Dr. Gruia would be entitled to receive (1) a lump sum amount equal to 1x the sum of her base salary and annual target bonus and (2) fully-accelerated vesting of time-based equity awards held by Dr. Gruia, contingent upon execution of a separation agreement and a general release form within sixty days following the last date of employment.

The foregoing description of the Employment Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Employment Agreement, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Committee Appointments

On August 1, 2023, the Board appointed Harold Selick as a member of the Company's Audit Committee and Corsee Sanders as a member of the Company's Nominating and Corporate Governance Committee. Following these appointments, the Company reconstituted its committees as indicated in the chart below:

Director	Audit	Compensation	Nominating
David Hoffman	Chair	—	—
Jonathan Lanfear	X	—	—
Kevin Lalande	—	Chair	—
Corsee Sanders	—	X	X
Harold Selick	X	X	Chair

Item 8.01 Other Events.

On August 2, 2023, the Company issued a press release with respect to the changes in the Company's leadership. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1*^	Employment Agreement, dated August 1, 2023, by and between the Company and Gabriela Gruia, M.D.
99.1	Press Release dated August 2, 2023.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

* Management Compensation Plan or Arrangement.

^ Certain schedules to this exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. Copies of the omitted schedules will be furnished to the SEC upon request.

SIGNATURES

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.

Molecular Templates, Inc.

Date: August 2, 2023

By: /s/ Eric E. Poma, Ph.D.

Name: Eric E. Poma, Ph.D.

Title: Chief Executive Officer



August 1, 2023

Gabriela Gruia, M.D.
350 Albany Street, Apt 2D
New York, NY 10280

Dear Dr. Gruia,

On behalf of Molecular Templates, Inc. ("MTEM" or the "Company"), I am pleased to offer you the position of interim Chief Medical Officer, reporting directly to me. This is a full-time, exempt position, and you will generally work remotely from your home office subject to the specifications outlined herein. You agree to devote your best efforts to perform the duties as are customary for this role. Your current anticipated start date in this position and the effective date of this letter agreement is August 1, 2023. For clarity, it is acknowledged that you will continue serving on the Company's Board of Directors under the same terms and conditions currently in effect.

Compensation and Benefits

Annual Salary

You will receive a base salary in the gross amount of \$471,960.00 per year, less legally required deductions and withholdings, paid monthly in accordance with the Company's regular payroll practices. Your salary will be paid in 24 installments annually or under such similar payroll procedure and is intended to compensate you for all hours worked.

Target Bonus

You will be eligible to receive a target discretionary annual bonus of up to 40% of your base salary. Actual bonus awards, if any, may be above or below the targeted amount based on the Company's performance and your individual performance. Such bonus, if any, shall be payable at the time the Company pays bonuses generally to employees at your level.

Whether the Company awards bonuses for any given year, the allocation of the bonuses based upon Company and individual performance, and the amounts of such bonuses, if awarded, will be in the sole discretion of the Company as determined by its Compensation Committee of the Board of Directors (the "Committee"). If the Committee approves payment of bonuses for any given calendar year, the bonus amounts generally will be determined and paid on or before March 15 of the calendar year based on the prior year's performance. You must be employed by the Company on the date any bonus is paid in order to earn and receive the bonus. If your employment terminates for any reason prior to the payment of the bonus, then you will not have earned the bonus and will not receive any portion of it. Notwithstanding the foregoing, if MTEM terminates your employment without "Cause" (as defined in MTEM's 2018 Equity Incentive Plan) after the close of the calendar year and prior to payment of the bonus, the Company may, in its sole discretion and subject to you signing and not revoking a general release in a form acceptable to the Company, pay you any bonus awarded by the Compensation Committee on or before March 15 of the calendar year following the calendar year to which the bonus relates.

Equity Incentives

Subject to approval by the Committee, you will be granted an option to purchase 175,000 shares of the Company's common stock at an exercise price equal to the fair market value of the Company's common stock on the date of grant, which will be appropriately adjusted for any stock split, reverse stock split, or other similar transaction, with such date to be specified at the time of the grant. The option will be subject to the terms and conditions of MTEM's 2018 Equity Incentive Plan and a stock option grant notice and agreement that will be provided to you. The grant agreement will include a four (4) year vesting schedule, such that 25% of the shares will vest on the first anniversary of the date the option is granted, with the balance vesting in equal monthly installments over the subsequent thirty-six (36) months, until either your option shares are fully vested or your employment ends, whichever occurs first. The stock option award vesting is subject to acceleration in certain circumstances following a Change in Control, as set forth below under "Termination Without Cause in Connection With a Change in Control".

Benefits

You will continue to be eligible to participate in MTEM's complete package of wellness and insurance benefits available to similarly situated employees, including health, dental and vision care insurance for you and your family, as well as life insurance for yourself, as more fully described in separate plan documents and summary plan descriptions which exclusively govern those plans. MTEM may, in its sole discretion, discontinue, change or modify any such plans, programs or practices at any time, with or without notice. Details about these benefit plans will be made available for your review.

Paid Time Off

Vacation. You are eligible for four weeks of paid vacation during each fiscal year at times that are mutually convenient for you and the Company, subject to change from time to time in accordance with MTEM's Paid Time Off policy and employee handbook.

Holidays. You are eligible for paid holidays in accordance with MTEM's employee handbook. This currently includes most major federal holidays, two floating holidays per year, and a winter break (typically starting at the end of the last business day before Christmas Eve and ending on the first business day of the New Year).

Work Location and Travel Requirements

MTEM agrees to you working remotely from your current home in New York with the understanding that (i) you agree to travel to any and all MTEM locations or other sites as requested from time to time by MTEM in connection with your position and (ii) MTEM agrees to reimburse you for all reasonable and reimbursable expenses in accordance with MTEM's reimbursement policies as currently in effect and as amended from time to time and subject to applicable law.

At-Will Employment

Your employment with MTEM remains "at will," which means you may terminate your employment with the Company at any time and for any reason by notifying MTEM, and likewise, MTEM may terminate your employment at any time and for any reason, with or without cause or advance notice. This at-will employment relationship cannot be changed except in a writing signed by you and a Company officer.

Termination of Employment

Termination in General

In the event your employment with MTEM terminates for any reason, you will receive (i) your base salary through the date of termination; (ii) reimbursement of all expenses incurred but not yet reimbursed prior to your separation date for which you are entitled to be reimbursed; and (iii) if you participate in MTEM's group health plans, the right to continue health care benefits under COBRA, at your cost, to the extent required and available by law.

Termination Without Cause in Connection With a Change in Control

In the event that a Change in Control (as defined in MTEM's 2018 Equity Incentive Plan) occurs during your employment with us and MTEM terminates your employment without Cause (as defined in MTEM's 2018 Equity Incentive Plan) three months prior to or twelve months after the Change in Control, provided you execute, deliver to MTEM and do not revoke a separation agreement and general release within 60 days following your last date of employment, the Company will (i) pay you a lump sum amount equal to one times (1x) the sum of your current annual base salary and your annual target bonus, and (ii) accelerate your vesting in all Company time-based equity awards that you then hold. All stock options then held by you shall immediately become exercisable in full and any other stock awards held by you will become free of restrictions. MTEM will pay you the lump sum severance payment on the next payroll period following the date the separation agreement becomes enforceable, provided that if the 60-day period to sign the separation agreement extends into the following calendar year, the lump sum payment will be made in the new calendar year.

Confidentiality

As a MTEM employee, you shall abide by all Company rules and regulations, including but not limited to, the Company's Proprietary Information and Inventions Agreement executed by you concurrently with this agreement, which shall remain in full force and effect and which prohibits the unauthorized use or disclosure of company proprietary information.

In your work for the Company, you acknowledge and agree that you will not use or disclose any confidential information, including trade secrets, of any former employer or other person to whom you have an obligation of confidentiality.

No Prior Restrictions

You represent that you are not a party to any agreement that would prohibit you from entering into employment with the Company and have otherwise brought to the Company's attention any agreement that purports to restrict the activities in which you can engage on behalf of the Company. You agree that you will not bring onto Company premises any unpublished documents or property belonging to any former employer or other person to whom you have an obligation of confidentiality.

Miscellaneous

You acknowledge and agree that the Company reserves the right to modify, supplement and discontinue all policies, rules, benefit plans and programs, at any time, in its sole discretion.

To the extent that any benefits, payments, and reimbursements are nonqualified deferred compensation under Section 409A of the Internal Revenue Code, and are paid or provided during the six months after the date of termination of employment by reason of your termination of employment, MTEM shall take the following actions. If you are a specified employee on the date of termination of employment, and to the extent not otherwise provided in this letter agreement, or the plans, policies, or programs referred to in this agreement, MTEM shall withhold these benefits, payments, and reimbursements from the date of termination of employment through the end of the sixth month after the date of termination of employment. MTEM shall pay and provide these benefits, payments, and reimbursements in a single lump sum on the first business day of the seventh month after the date of termination of employment, or if earlier, no later than thirty days after the date of your death.

The terms of this letter agreement are governed by the laws of Texas without regard to its or any other state's conflict of law rules. In addition, this letter agreement, and the plans, policies, and programs referred to in this letter agreement, will be construed, interpreted, and administered in accordance with Section 409A of the Internal Revenue Code or an exemption thereto.

This letter, together with the Proprietary Information and Inventions Agreement, which you executed concurrently, attached hereto as Exhibit A, forms the complete and exclusive statement of your agreement with MTEM. The terms in this letter replace and supersede any other letters, agreements, or promises made to you by anyone, whether oral or written. Changes to this Agreement's terms, other than those changes expressly reserved to the Company's discretion in this letter, require a written modification signed by an officer of the Company.

Please indicate your acceptance to this letter agreement by executing this letter in the space provided below, and returning it to Eric E. Poma, Ph.D., Chief Executive Officer and Chief Scientific Officer.

We appreciate your ongoing efforts and hard work on behalf of MTEM and look forward to your continued contributions to the Company's success.

Kind regards,

/s/ Eric E. Poma, Ph.D.

Chief Executive Officer and Chief Scientific Officer
Molecular Templates, Inc.

Agreed and Accepted:

/s/ Gabriela Gruia, M.D.

Gabriela Gruia, M.D.
Date: August 1, 2023

Molecular Templates Announces Executive Leadership Changes

- **Dr. Gabriela Gruia to assume the role of interim Chief Medical Officer**
- **Jason Kim to assume the role of President and Chief Financial Officer**
- **Kristen Quigley to assume the role of Chief Operating Officer**
- **Dr. Grace Kim to assume the role of Chief Strategy Officer and Head of IR**

AUSTIN, Texas, August 2, 2023 (GLOBE NEWSWIRE) — Molecular Templates, Inc. (Nasdaq: MTEM, “Molecular Templates,” or “MTEM”), a clinical-stage biopharmaceutical company developing novel therapeutics for oncology with potent differentiated mechanisms of action, today announced executive management changes to implement its next phase of development. Dr. Gabriela Gruia will assume the role of interim Chief Medical Officer to succeed Dr. Roger Waltzman, Jason Kim will assume the role of President and Chief Financial Officer, Kristen Quigley will assume the role of Chief Operating Officer, and Dr. Grace Kim will assume the role of Chief Strategy Officer and Head of Investor Relations. These appointments were made to better enable Molecular Templates to execute on its clinical and corporate objectives.

Dr. Gabriela Gruia joined Molecular Templates in 2022 as a Board Director for MTEM. She has over 25 years of experience in oncology drug development. Dr. Gruia previously served as Chief Development Officer at Ichnos Sciences. Prior to Ichnos Sciences, Dr. Gruia was Senior Vice President and Global Head of Regulatory Affairs for Novartis Oncology. Prior to that, she held oncology clinical research and development roles at Pfizer/Pharmacia, Aventis/Rhone Poulenc Rorer. Dr. Gruia earned a doctorate in medicine from Bucharest Medical School in Romania. She completed training in oncology and hematology at Rene Descartes University in Paris, France and a Masters in Breast Pathology and Mammography from the Rene Huguenin/Curie Institute Cancer Center in Paris, France. The Company has initiated a search for a permanent Chief Medical Officer. Dr. Gruia will remain a Board Director for MTEM.

Jason Kim joined Molecular Templates in 2010 and serves as President and previous Chief Operating Officer. He also served as Molecular Templates’ President and Chief Financial Officer from February 2010 to August 2017. Previously, Mr. Kim led corporate development and strategic planning initiatives at OSI Pharmaceuticals and ImClone Systems. He served as an investment professional at Domain Associates and Safeguard Scientifics where he focused on venture and public investments in biotechnology. Mr. Kim holds a Master of Business Administration from The Wharton School and a Bachelor of Arts in Neuroscience from Wesleyan University.

Kristen Quigley joined Molecular Templates in 2017 and previously served as Senior Vice President of Clinical Operations. She has 27 years of clinical research experience, including 24 years in phase I-IV clinical trial and project management, and over 6 years in executive roles. Kristen served in Vice President/ Senior Vice President of Clinical Operations roles at two biotech companies prior to joining Molecular Templates, she co-directed the Nordic region for a large global CRO, and she has successfully governed clinical development portfolios worth as much as \$147M. Ms. Quigley holds a Bachelor of Arts in Psychology from Washington University in St. Louis.

Dr. Grace Kim joined Molecular Templates in 2022 with 20 years of experience driving investor strategy, corporate strategy, and business development. Previously, she led two biopharma advisories in Senior Vice President and Founder roles and served on matrixed leadership teams. Companies she worked with include BeiGene, BioMarin, Cullinan Oncology, Celularity, Aimmune (Nestlé), and others. Dr. Kim earned a doctorate in pharmacology from the University of Florida with post-doc immunology training and graduate studies at the University of Chicago. She is published in Nature Clinical Oncology and holds an adjunct faculty position at Columbia University.

“We thank Roger for all his hard work in advancing our compounds in the clinic. We are now at an exciting inflection point at MTEM. We have seen evidence of monotherapy activity during dose escalation with our ETBs and now look to define the rate of activity in dose expansion studies with these agents over the next 12 months. These management changes will help enable us to execute efficiently in the clinic and in our corporate goals”, said Eric Poma, PhD., Chief Executive and Chief Scientific Officer of Molecular Templates.

About Molecular Templates

Molecular Templates is a clinical-stage biopharmaceutical company focused on the discovery and development of targeted biologic therapeutics. Our proprietary drug platform technology, known as engineered toxin bodies, or ETBs, leverages the resident biology of a genetically engineered form of Shiga-like Toxin A subunit to create novel therapies with potent and differentiated mechanisms of action for cancer.

Forward-Looking Statements

This press release contains forward-looking statements for purposes of the Private Securities Litigation Reform Act of 1995 (the “Act”). Molecular Templates 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, including, but not limited to those regarding strategy, inflection points, future operations, the Company’s ability to execute on its objectives, prospects, plans, future execution of corporate goals, and the skills and experiences of the newly appointed officers of Molecular Templates and expectations with respect to their future contributions to the Company and statements, evaluations and judgements regarding future clinical development of the Company’s product candidates, including any implication that results or observations in earlier clinical trials will be representative of results or observations in later clinical trials and the expected timing of such results. 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 Templates may identify forward-looking statements. 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 following: the continued availability of financing on commercially reasonable terms, whether Molecular Templates’ cash resources will be sufficient to fund its continuing operations; the results of MTEM’s ongoing clinical studies and its collaboration activities with BMS, the ability to effectively operate MTEM and retain key employees post-MTEM’s previously announced restructuring, the ability of MTEM to maintain the continued listing of its common stock on Nasdaq, and those risks identified under the heading “Risk Factors” in Molecular Templates’ filings with the Securities and Exchange Commission, including its Quarterly Report on Form 10-Q for the quarter ended March 31, 2023 and any subsequent reports filed with the Securities and Exchange Commission. Any forward-looking statements contained in this press release speak only as of the date hereof, and Molecular Templates specifically disclaims any obligation to update any forward-looking statement, whether because of new information, future events or otherwise.

Contacts:

Grace Kim
grace.kim@mtem.com