Letter from the CEO

Dear shareholders, partners, and friends of Heidelberg Pharma,

The past few months have been turbulent and difficult for Heidelberg Pharma. We have been confronted with events and changes that required swift and decisive action. Today, I am writing to you to explain where we stand - and, above all, why I am deeply convinced that the difficult path we have now embarked upon will be worthwhile.

The expected milestone payment for the approval of the kidney cancer imaging agent TLX250-CDx has been delayed because the FDA's Complete Response Letter (CRL) to our our Partner Telix Pharmaceuticals has identified deficiencies in the Chemistry, Manufacturing and Controls (CMC) package with no clinical efficacy or safety concerns, noted in Telix' communication. The medical potential of TLX250-CDx is undisputed, and we share our partner's assessment that this product will fundamentally change the diagnosis of kidney cancer, which will enhance the therapeutic efficacy. We have now reached an amicable agreement with Telix to ensure a constructive communication and work closely together with the aim to launch the product for the benefit of patients who need it.

To ensure the continued operation of the company, we launched a thorough cost-cutting program at the end of September. This includes the painful decision to part ways with 85 highly qualified and dedicated colleagues and to significantly adjust our science-oriented R&D capacities to the current financial reality. This tough business decision was taken after several long discussions and debates in the Management and Supervisory Board. We made this decision because there was no responsible alternative to saving the operational core of our company. On behalf of myself and my colleague on the Management Board Walter Miller, I would like to express my heartfelt thanks to the employees who have to leave us. Their dedicated and outstanding work has laid the foundation on which we can now continue to build.

I only recently took over as CEO, but I know Heidelberg Pharma and its products in detail from my time on the Supervisory Board. I was and remain convinced of our ATAC technology and the benefits that the product candidates can bring to severely ill patients.

That is why our goal remains unchanged: to continue developing pamlectabart tismanitin (HDP-101) to proof-of-concept. The results from Cohort 8 in our clinical phase I study give us great cause for optimism:

- Four out of seven evaluable patients responded to the therapy in Cohort 8.
- This translates to a response rate of 57%
- Two patients in this cohort showed stringent Complete Remission (sCR), meaning that no tumor cells are detectable - they are currently tumor-free. One more patient had a Very Good Partial Response (VGPR), meaning there is hardly any detectable activity of cancer in this patient's body.
- The response occurred faster and was deeper than in patients from previous cohorts; we see a dose-dependent improvement here.
- Last but not least, there were no dose-limiting toxicities, or other severe reaction to the treatment in this cohort. The patients tolerated the therapy well.

These results reinforce our belief that our technology works and justify our uncompromising focus on this program. The Orphan Drug Status and the Fast Track Designation granted by the FDA also underscore the importance of pamlectabart tismanitin. Our goal now is to determine the recommended Phase II dose by Q2 2026.

The most pressing corporate task at present remains short- and mid-term financing. Despite our cost-cutting program, our cash reach is currently only secured until mid-2026. We assume that the potential milestone payment from our royalty partner Healthcare Royalty (HCRx) will be only realized after this date, with decreases on a quarterly basis. In the interests of continuing operations and securing our very successful clinical program, we are currently working with the highest priority to discuss various financing options with the Supervisory Board and our partners. We are in advanced talks on this matter and are confident that we will soon be able to report concrete progress.

With the newly established structure, we have laid the necessary foundation for the future. The restructuring of the company is underway, and our focus is now entirely on operational implementation and value enhancement through pamlectabart tismanitin. A second clinical program with HDP-102 is on temporary recruitment hold, and we intend to prepare the clinical trial package for HDP-103 for clinical development.

I have been and will be at the Ladenburg site regularly, closely involved in the activities and leading the transformation process – together with the new Heidelberg Pharma team, my colleague on the Executive Management Board, and the Supervisory Board.

I kindly invite the remaining team and you, our shareholders, to join us in shaping this new chapter in the company's history. I thank you for your trust and support along the way.

Sincerely,

Dr. Dongzhou Jeffery Liu

Chairman of the Executive Management Board and CEO