PRESS RELEASE

Heidelberg Pharma reports on first half-year

- Financials in line with planning; sales revenue up significantly by 88% YoY
- Heidelberg Pharma signs contract with partner Magenta Therapeutics to provide GMP material
- Development timeline updated for BCMA Antibody Targeted Amanitin Conjugate HDP-101
- Progress made by partners Link Health and Telix triggers milestone payments
- Public conference call to be held on 11 July 2019 at 3:00 p.m. CEST

Ladenburg, Germany, 11 July 2019 - Heidelberg Pharma AG (FSE: WL6) today published its financial report on the first six months of 2019 (1 December 2018 - 31 May 2019).

Dr. Jan Schmidt-Brand, CEO and CFO of Heidelberg Pharma AG, commented: "We are delighted about the positive business performance and the significant increase in sales revenue we achieved in the first half of the fiscal year. In terms of operations, our focus has been on optimizing the formulation within the manufacturing process of HDP-101, as the initial approach has not yet produced the desired results. Additional process steps, which we are currently carrying out together with our production partner Carbogen, are delaying the continuation of the toxicity studies and thus the overall development program. We have made good progress and expect the preclinical data package for the clinical trial application to be available during the first quarter of 2020, enabling the application to be made thereafter. As a sophisticated manufacturing process has top priority for successfully entering the clinical trial phase, we need to accept that this will require additional time.

We are very pleased with the progress of our collaboration with Magenta. In addition to our ongoing and very active research collaboration, we also negotiated and signed a contract to supply Magenta with GMP quality Amanitin-linkers. This is having a positive impact on our revenue performance."

Key events in the first six months of 2019

- **Amanitin production in accordance with Good Manufacturing Practice (GMP) – provision of material to partners (supply model):** The technology transfer of the Amanitin production to the industrial scale was a key milestone for securing the supply of material both for our own projects and for our licensees. As a result, Heidelberg Pharma is now in a position to provide its license partners with a sufficient quantity of the required GMP quality Amanitin-linker material.

  After coordinating the procedure of this transfer with GMP manufacturer Carbogen AMCIS AG and partner Magenta Therapeutics, we have now successfully signed a contract under which Heidelberg Pharma will supply Magenta with the necessary GMP quality Amanitin-linker material in cooperation with Carbogen. The production process for this has been initiated.

- **Poster presentation at the AACR Annual Meeting 2019:** In March, Heidelberg Pharma presented preclinical data on an ATAC that targets the breast cancer antigen HER2 at the Annual Meeting of the American Association for Cancer Research (AACR). These data from an experimental case study showed that the HER2-ATAC has the

potential to efficiently target tumors with low HER2 expression, such in triple negative breast cancer (TNBC), and to preferentially attack tumor cells in aggressive cancers in connection with a 17p deletion.

- **IND approval and milestone payment from Link Health:** In January 2019, Heidelberg Pharma announced that the Investigational New Drug (IND) application for conducting a clinical program with MESUPRON® in China was approved at the end of 2018. When the IND approval was granted in principle, a milestone payment became payable to Heidelberg Pharma and EUR 421 thousand were recognized as revenue.

Report on post-balance sheet date events

- **Milestone payment received from partner Telix:** After the end of the reporting period, Heidelberg Pharma announced in June that it had received a milestone payment of USD 250 thousand from its cooperation partner Telix Pharmaceuticals. After licensing the imaging, radiolabeled antibody TLX250-CDx (formerly REDECTANE®), Telix has set up a new and modernized production process for the antibody girentuximab. With the setup of this process, one of the contractually defined milestones was reached and payment became due.

Financial results for the first six months of fiscal year 2019

The Heidelberg Pharma Group (Heidelberg Pharma) – comprising Heidelberg Pharma AG and its subsidiary Heidelberg Pharma Research GmbH – reports consolidated figures.

In the first six months of the 2019 fiscal year, Heidelberg Pharma generated sales revenue and income totaling EUR 4.1 million, significantly surpassing the prior-year figure of EUR 2.2 million. The 2019 figure included sales revenue of EUR 3.8 million, up 88% compared to the previous year (EUR 2.0 million), primarily from collaboration agreements for the ATAC technology, including the supply model and the service business of Heidelberg Pharma Research.

Other income of EUR 0.3 million was slightly higher than the previous year's figure of EUR 0.2 million and mainly comprised income from patent related fees, EU grants under the Horizon 2020 Framework Programme and the reversal of accrued liabilities that were not utilized (EUR 0.1 million each).

Operating expenses, including depreciation, amortization and impairment, amounted to EUR 8.4 million in the reporting period, higher than the previous year's figure (EUR 6.9 million) as planned.

The net loss for the first half of the year was reduced to EUR 4.3 million from EUR 4.7 million for the same period in 2018. Given that expenses were up, this reduction is due to higher sales revenue. Earnings per share was EUR -0.15, improving in line with the reduction in net loss from EUR -0.17 in the previous year.

Heidelberg Pharma had cash and cash equivalents of EUR 13.1 million on 31 May 2019 (30 November 2018: EUR 19.4 million). The Group's average monthly funding requirement in the first six months of the fiscal year was EUR 1.1 million (previous year: EUR 0.8 million).

Total assets as of the end of the reporting period amounted to EUR 27.0 million, down from EUR 31.2 million as of the 30 November 2018 reporting date. Equity as of the end of the reporting period was EUR 21.6 million (30 November 2018: EUR 25.9 million), corresponding to an equity ratio of 80% (30 November 2018: 83%).

Heidelberg Pharma confirms its guidance for the current fiscal year provided at the end of March 2019.

Financial outlook	**Actual 2018 EUR million**	**2019 Plan EUR million**
Sales revenue and other income	4.4	5.0 – 7.0
Operating expenses	16.0	14.0 – 18.0
Operating result	(11.7)	(8.0) – (12.0)
Total funding requirement	10.9	10.0 – 14.0
Funds required per month	0.9	0.9 – 1.2

Key figures for the Heidelberg Pharma Group

In EUR thsd.	H1 2019 [1] EUR thsd.	H1 2018 [1] EUR thsd.
Earnings		
Sales revenue	3,752	1,993
Other income	351	200
Operating expenses	(8,432)	(6,906)
of which research and development costs	(4,977)	(4,641)
Operating result	(4,329)	(4,713)
Earnings before tax	(4,329)	(4,713)
Net loss for the period	(4,329)	(4,713)
Earnings per share in EUR	(0.15)	(0.17)
Balance sheet as of the end of the period		
Total assets	26,968	36,900
Cash and cash equivalents	13,109	25,535
Equity	21,578	32,555
Equity ratio[2] in %	80.0	88.2
Cash flow statement		
Cash flow from operating activities	(5,740)	(4,103)
Cash flow from investing activities	(587)	(743)
Cash flow from financing activities	0	0
Employees (number)		
Employees as of the end of the period[3]	66	65
Full-time equivalents as of the end of the period[3]	60	59

1 The reporting period begins on 1 December and ends on 31 May
2 Equity / total assets
3 Including members of the Executive Management Board
Rounding of exact figures may result in differences.

The full half-yearly financial report including the consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) was published at http://heidelberg-pharma.com/en/press-and-investors/announcements/financial-reports.

Invitation to the conference call
On 11 July 2019, Heidelberg Pharma will hold a public conference call for media, analysts and investors in English at 3:00 p.m. CEST. Please dial in ten minutes before the conference call using the following dial-in numbers:

1. Germany: +49 69 71044 5598
2. UK: +44 20 3003 2666
3. USA: +1 212 999 6659
4. USA Toll-free: +1 866 966 5335

You will be welcomed by an operator who will ask for the password (Heidelberg Pharma) and take your name and company. The presentation for the conference (in English) will be available for download at www.heidelberg-pharma.com from 2:30 p.m. CEST.

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About Heidelberg Pharma

Heidelberg Pharma AG is a biopharmaceutical company based in Ladenburg, Germany. Heidelberg Pharma is an oncology specialist and the first company to develop the toxin Amanitin into cancer therapies using its proprietary Antibody Targeted Amanitin Conjugate (ATAC) technology and to advance the biological mode of action of the toxin as a novel therapeutic principle. This proprietary technology platform is being applied to develop the Company's proprietary therapeutic ATACs as well as in third-party collaborations to create a variety of ATAC candidates. The proprietary lead candidate HDP-101 is a BCMA ATAC for multiple myeloma.

The Company has entered into partnerships to further develop and commercialize its clinical assets MESUPRON® and REDECTANE®, Heidelberg Pharma AG is listed on the Frankfurt Stock Exchange: ISIN DE000A11QVV0 / WKN A11QVV / Symbol WL6. More information is available at www.heidelberg-pharma.com.