PRESS RELEASE

Heidelberg Pharma Reports on First Half-Year 2022

- First clinical trial with HDP-101 in multiple myeloma on track, third cohort in preparation
- Signing of a strategic partnership with Huadong Medicine with an overall deal volume of up to one billion US dollars and an investment agreement of up to EUR 105 million; rights issue of up to EUR 80 million to be launched in August
- Significantly increased sales due to license payment from Huadong

Ladenburg, Germany, 12 July 2022 - Heidelberg Pharma AG (FSE: HPHA) published today its financial report on the first six months of 2022 (1 December 2021 - 31 May 2022).

Dr. Jan Schmidt-Brand, CEO and CFO of Heidelberg Pharma AG, commented: "We are looking back on an exceptionally successful first half of the year. A significant milestone was the dosing of the first patient with our lead ATAC® project HDP-101 in February. The first cohort of patients, and thus the first dose level has been completed and the second cohort has already been treated. We hope to publish first safety data by the end of this year.

“The signing of the partnership with the Chinese pharmaceutical company Huadong Medicine, which consists of a licensing and an investment agreement, was a landmark decision for us. Through this partnership, we gain an established licensing partner for our ATAC® portfolio in Asia and another strategic investor supporting our strategy to become a major global ADC player. As a result of the license payment from Huadong, our sales developed very positively, which is encouraging. We will make an adjustment to our 2022 financial outlook after the planned capital increase has been completed."

Key events in the first six months of 2022

- **HDP-101 program in multiple myeloma is progressing:** Mid-February 2022, the first patient was dosed in the Phase I/IIa study with HDP-101, an BCMA antibody-Amanitin conjugate. The open-label, multi-center study is evaluating HDP-101 for the treatment of relapsed or refractory multiple myeloma, a bone marrow cancer. The first patient cohort and dose level has been completed and patients have already been treated in the second dose level.
- **Financing commitment by main shareholder dievini**: In order to support the financial reach and the negotiations with Huadong, which were ongoing at the beginning of the year, the main shareholder dievini Hopp BioTech holding GmbH & Co. KG, Walldorf, (dievini) made a financing commitment of up to EUR 36 million in February 2022. The funds pledged will be made available if and to the extent that this amount is not secured through alternative capital measures. This commitment replaces the not yet fully used financing commitment from March 2021.
- **Signing of strategic partnership with Huadong:** At the end of February, Heidelberg Pharma and Huadong Medicine Co., Ltd., Hangzhou, China, (Huadong) signed an exclusive licensing deal and investment agreement. This strategic partnership includes a licensing agreement for the development and commercialization of the ATAC® candidates HDP-101 and HDP-103 as well as an exclusive option for the early

candidates HDP-102 and HDP-104 for Asia.[1] In addition, Huadong intends to make an equity investment in Heidelberg Pharma totaling EUR 105 million, which will represent 35% of total shares outstanding after the transaction. The investment consists of a capital increase with rights issue (up to EUR 80 million) and a share transfer from the pool of the main shareholder dievini. By now, Huadong has obtained the exemption from the submission of a mandatory offer if the 30% shareholding is exceeded issued by the Federal Financial Supervisory Authority (BaFin) and received the certificate of no-objection to carry out the planned transaction from the Federal Ministry of Economic Affairs and Climate Action (BMWK).

- **New preclinical data from the ATAC® technology platform presented at the AACR 2022 Annual Meeting:** At the American Association for Cancer Research (AACR) 2022 Annual Meeting in April, Heidelberg Pharma presented preclinical data on its ATAC® technology. Data were shown on the synergy of ATACs® together with immune checkpoint inhibitors, as well as data indicating that repeated treatment with ATACs® in preclinical models results in better tolerability without compromising efficacy.
- **Milestone reached in partner program:** ATAC®-Partner Magenta Therapeutics, Cambridge, MA, USA, (Magenta; NASDAQ: MGTA) dosed the first patient with MGTA-117 in a Phase I/II study in March. The achievement of this milestone triggered a payment to Heidelberg Pharma.
- **Out-licensed clinical projects are on track at partners:** Telix Pharmaceuticals Limited, Melbourne, Australia, (Telix) announced in July that the last patient had been dosed and that enrollment of the Phase III study (ZIRCON) for imaging diagnostics of renal cancer was now complete. Telix had expanded enrollment for this global study from 252 to 300 patients in March. Data are expected in the second half of 2022.

  RedHill Biopharma Ltd., Tel Aviv, Israel, (RedHill; NASDAQ: RDHL) announced that RHB-107 delivered positive efficacy results in a Phase II/III trial with COVID-19 non-hospitalized patients demonstrating a 100 % reduction in hospitalizations due to COVID-19 and an 87.8 % reduction in reported new severe COVID-19 symptoms. RedHill is currently in discussions with regulatory authorities regarding further development steps.

[1] Asia (excluding Japan, India, Pakistan, Sri Lanka): People's Republic of China, Hong Kong, Macao, Taiwan, South Korea, Indonesia, Singapore, The Philippines, Thailand, Bangladesh, Bhutan, Brunei, Myanmar, Cambodia, Laos, Malaysia, Maldives, Mongolia, Nepal and Vietnam

Financial results for the first six months of fiscal year 2022

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 2022 fiscal year, the Heidelberg Pharma Group generated **sales revenue and income** totaling EUR 12.2 million, thus significantly increasing the previous year's total (EUR 1.1 million) as a result of the partnership with Huadong.

Sales revenue totaling EUR 11.9 million comprises the Group-wide collaboration agreements for ATAC® technology (EUR 11.6 million) and the service business of Heidelberg Pharma Research (EUR 0.3 million).

Other income of EUR 0.3 million was at the previous year's figure and comprised income from the reversal of unused accrued liabilities, government grants and other items.

Operating expenses, including depreciation, amortization and impairment, amounted to EUR 18.5 million in the reporting period (previous year: EUR 14.0 million).

The **net loss** posted by the Heidelberg Pharma Group for the first six months of 2022 came to EUR 8.6 million (previous year: EUR 13.1 million). With increased expenses, the improvement is due to significantly higher sales. Earnings per share amounted to EUR - 0.25 and, taking into account the higher number of shares, developed positively compared with the previous year (EUR -0.42).

Heidelberg Pharma had **cash and cash equivalents** of EUR 18.0 million at the end of the reporting period. This increase compared to the prior-year figure of EUR 6.1 million was due in particular to the payment from Huadong. Heidelberg Pharma had an average cash inflow of EUR 1.2 million per month in the first six months of 2022 and an average funding requirement of EUR 2.3 million per month in H1 2021.

Total assets as of 31 May 2022 amounted to EUR 33.9 million, up from EUR 21.7 million as of the 30 November 2021 reporting date. **Equity** as of the end of the reporting period was EUR -1.6 million (30 November 2021: EUR 6.7 million). This corresponded to an equity ratio of -4.6% (30 November 2021: 30.8%).

Although all necessary approvals for the transaction have been granted in the meantime, the financial outlook is still subject to the condition precedent of a successful capital increase, which is planned for the end of August/beginning of September. Thereafter, Heidelberg Pharma will review and, if necessary, adjust not only the results of operations, but also the financial position, net assets and the cash reach.

In this respect, the full-year financial guidance issued on 24 March 2022 for the Heidelberg Pharma Group will not be adjusted at this time.

Financial outlook	**Actual 2021 EUR million**	**2022 Plan EUR million**
Sales revenue and other income	2.3	7.5 – 9.5
Operating expenses	27.9	41.0 – 45.0
Operating result	(25.6)	(32.5) – (36.5)
Total funding requirement [1]	28.1	33.0 – 37.0
Funds required per month [1]	2.3	2.8 – 3.1

[1] Not including any corporate actions

Key figures for the Heidelberg Pharma Group

In EUR thsd.	H1 2022 [1] EUR thsd.	H1 2021 [1] EUR thsd.
Earnings		
Sales revenue	11,935	818
Other income	235	264
Operating expenses	(18,517)	(14,001)
of which research and development costs	(11,839)	(10,111)
Operating result	(6,348)	(12,919)
Earnings before tax	(6,736)	(13,089)
Net loss for the period	(8,605)	(13,089)
Earnings per share in EUR	(0.25)	(0.42)
Balance sheet as of the end of the period		
Total assets	33,937	15,691
Cash and cash equivalents	18,017	930
Equity	(1,576)	(74)
Equity ratio[2] in %	(4.6)	(0.5)
Cash flow statement		
Cash flow from operating activities	7,063	(13,135)
Cash flow from investing activities	(135)	(872)
Cash flow from financing activities	4,953	9,959
Employees (number)		
Employees as of the end of the period[3]	102	94
Full-time equivalents as of the end of the period[3]	93	87

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.

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About Heidelberg Pharma

Heidelberg Pharma is an oncology specialist and the first company to develop the toxin Amanitin into cancer therapies using its proprietary ATAC® technology and to advance the biological mode of action of the toxin as a novel therapeutic principle. The proprietary technology platform is being applied to develop the Company's own therapeutic ATACs® as well as in third-party collaborations. The lead candidate HDP-101 is a BCMA ATAC in clinical development for multiple myeloma. HDP-102, a CD37 ATAC for Non-Hodgkin lymphoma and HDP-103, a PSMA ATAC for metastatic castration-resistant prostate cancer, are in preclinical testing.

Heidelberg Pharma AG is based in Ladenburg, Germany, and is listed on the Frankfurt Stock Exchange: ISIN DE000A11QVV0 / WKN A11QVV / Symbol HPHA. More information is available at http://www.heidelberg-pharma.com/.