PRESS RELEASE

WILEX reports first half 2017 results

- Financing commitment from main shareholder; rights issue completed
- Net loss for the period in line with planning
- License agreement signed for worldwide development and marketing of REDECTANE®
- BCMA antibodies in-licensed for development of proprietary BCMA-ATAC (HDP-101)
- Strategic milestone achieved: ATAC research agreement with Takeda
- Public conference call to be held on 13 July 2017 at 3:00 p.m. CEST

Munich, 13 July 2017. WILEX AG (ISIN DE000A11QVV0 / WL6 / FSE) today published its financial report for the first six months of 2017 (1 December 2016 - 31 May 2017).

Dr Jan Schmidt-Brand, CEO and CFO of WILEX AG, commented: “The first half of 2017 was a successful period for us operationally. We signed two key license agreements and achieved a highly important milestone shortly after the end of the reporting period by entering into an agreement with a major pharmaceutical company - Takeda - for the application of our ATAC technology. This collaboration is an excellent validation of our ATAC technology since Takeda has broad expertise in oncology and is a leading ADC company. With a potential total value of up to USD 339 million plus royalties, this collaboration offers us a great opportunity. This important contract covers up to three biological targets, leaving us sufficient opportunities to enter into other similar collaborations as well as continue our internal development efforts. We were also successful on the financing front. We utilized a portion of the EUR 10 million financial commitment made by our main shareholder dievini to conduct a rights issue in May, generating proceeds of just under EUR 5.0 million.”

Key events in the first six months of 2017

- **Successful due diligence and contract negotiations lead to a collaboration with Takeda:** WILEX’s subsidiary Heidelberg Pharma signed an exclusive research and option agreement for ATAC technology with Takeda Pharmaceutical Company Limited in June. Under the terms of the research agreement, Heidelberg Pharma will produce Antibody Targeted Amanitin Conjugates (ATACs) using antibodies from Takeda’s proprietary portfolio for up to three targets. Takeda has an option for an exclusive license for global development and commercialization rights to each of the product candidates resulting from the research collaboration. If it exercises the option, Takeda would be responsible for further preclinical and clinical development, as well as potential commercialization, of any product candidate it licenses.

  Upon signing the contract, Heidelberg Pharma received an upfront technology access fee in the third quarter and will receive payments for the research services to be provided. In the event Takeda exercises its option for an exclusive license, Heidelberg Pharma is entitled to receive an option fee for each product candidate. Under the exclusive license agreement, Heidelberg Pharma would be eligible to receive clinical development, regulatory and sales-related milestone payments of up to USD 113 million for each product candidate, as well as royalties. The effects of this collaboration on WILEX’s financial results will be seen in the third quarter and were included in the 2017 guidance.

- **Worldwide license agreement signed for REDECTANE® diagnostic antibody:** In January 2017, WILEX AG signed an exclusive license agreement for the worldwide development and commercialization of the diagnostic antibody REDECTANE® (INN: 124I-Girentuximab) with Telix Pharmaceuticals Limited, Melbourne, Australia (Telix). In accordance with the terms of the agreement, WILEX received an upfront payment and could receive milestone payments totaling up to USD 3.7 million. In addition, WILEX is eligible to receive royalties on global net sales of REDECTANE® if the collaboration is successful. Telix is responsible for all development costs, as well as manufacturing and commercialization costs.

  The agreement also covers radiotherapy applications of the Girentuximab antibody. Telix plans to develop a therapeutic radioimmunoconjugate program based on the Lutetium-177-labeled Girentuximab antibody. The agreement also provides for WILEX to receive royalties if a therapeutic product developed by Telix is ultimately granted marketing approval.

- **License agreement signed with the MDC for BCMA antibodies:** In January 2017, WILEX's subsidiary Heidelberg Pharma signed a license agreement with the Max Delbrück Center for Molecular Medicine in the Helmholtz Association (MDC) in Berlin covering BCMA antibodies. The license agreement follows an option agreement signed in September 2016. Financial details are confidential but will not have an impact on WILEX's cash reach. Of the BCMA antibodies licensed under this agreement, the ATAC candidate HDP-101 was selected as the lead candidate, was optimized and is now being prepared for clinical development, which is expected to begin at the end of 2018.

- **Financing commitment and corporate action:** In early February 2017, WILEX announced that it had secured an additional financing commitment from its main shareholder dievini Hopp BioTech holding GmbH & Co. KG, Walldorf, Germany (dievini). dievini will provide the Company up to EUR 10 million. With this additional commitment, the Company's cash reach is secured until the end of the second quarter of 2018.

  As part of this financing commitment, a rights issue was conducted in May 2017. The shareholders subscribed to all 2,040,816 new no par value bearer shares at a price of EUR 2.45 per share by exercising subscription and additional subscription rights. The Company's main shareholder – dievini – exercised all of its subscription rights and subscribed to more shares under additional subscription. The rights offering increased the Company's share capital to EUR 14,968,380.00, after it was entered in the Commercial Register. WILEX will use the issue proceeds from the rights issue of almost EUR 5.0 million mainly to finance the preclinical development of its proprietary ATAC candidate HDP-101 and establish the GMP manufacturing process for ATACs.

- **Legal dispute with Siemens Corporation:** As previously reported in detail in the 2016 Annual Report, in accordance with the principle of prudence, WILEX AG recognized a provision in the amount of EUR 408 thousand for the liability from a rent guarantee to Siemens Corporation (USA) as of 30 November 2015. WILEX AG had to assume this rent guarantee in 2010 in connection with the acquisition of WILEX Inc. (Oncogene Science). WILEX Inc. was sold to Nuclea Biotechnologies Inc. in 2013 and merged with Nuclea shortly afterwards. Since bankruptcy proceedings were opened for Nuclea in mid-2016, Siemens is now demanding that WILEX pay the rent in arrears and compensation for Nuclea for the period through July 2016 totaling USD 832 thousand. In May 2017, Siemens Corporation brought an action against WILEX for this amount before the United States District Court for the District of Massachusetts, MA, USA.

WILEX AG considers these claims to be completely unjustified and has already submitted an answer to the complaint. WILEX's economic and legal evaluation has not changed since the 2016 Annual Report; the Company considers the existing provision to be adequate. A ruling is not expected before mid-2018.

Financial results for the first six months of fiscal year 2017

The WILEX Group (WILEX) comprising WILEX AG and the subsidiary Heidelberg Pharma GmbH reports consolidated figures.

In the first six months of the 2017 fiscal year, WILEX generated sales revenue and income totaling EUR 1.1 million, a decrease of 42% compared to the previous year (EUR 1.9 million). This figure includes sales revenue of EUR 0.8 million (previous year: EUR 0.9 million), primarily from customer-specific research conducted by Heidelberg Pharma. Payments from the agreement with Telix that are relevant for sales revenue will only be reflected in earnings when the initial milestones have been reached, mainly following the successful resumption of antibody production and in the course of the clinical trial. Initial payments from Takeda will not be received until the third quarter.

Other income of EUR 0.3 million was lower than the previous year's figure of EUR 1.0 million and mainly included income of EUR 0.1 million each from a grant from the Federal Ministry of Education and Research (BMBF) for research projects and the reversal of accrued liabilities that were not needed in the projected amount. The prior-year figures for these two items were EUR 0.5 million and EUR 0.3 million, respectively. In addition, income of EUR 0.2 million was recorded in 2016 from the 2013 sale of former subsidiary WILEX Inc. to Nuclea Biotechnologies Inc.

Operating expenses, including depreciation and amortization, amounted to EUR 5.2 million – as planned – in the reporting period, slightly higher than the previous year (EUR 4.3 million).

Net loss for the first half of the year rose to EUR 4.1 million from EUR 2.4 million for the same period in 2016. Loss per share was EUR 0.32, compared to loss per share of EUR 0.22 for the same period in 2016. The disproportionally smaller increase in loss per share compared to the increase in net loss for the period was due to the higher number of shares resulting from capital increases.

WILEX had cash and cash equivalents of EUR 5.5 million as of 31 May 2017 (30 November 2016: EUR 4.6 million). The Group's average monthly funding requirement in the first six months of the fiscal year – excluding the capital increases – was EUR 0.7 million (previous year: EUR 0.5 million).

Total assets at the end of the reporting period amounted to EUR 16.2 million, up from EUR 15.2 million as of the 30 November 2016 reporting date. Equity at the end of the reporting period was EUR 10.5 million (30 November 2016: EUR 9.7 million). This corresponded to an equity ratio of 65.1% (30 November 2016: 64.0%).

WILEX confirms its guidance for the current fiscal year provided at the end of March 2017.

Key figures for the WILEX Group

In EUR thsd.	H1 2017 EUR thsd.	H1 2016 [1] EUR thsd.
Earnings		
Sales revenue	838	910
Other income	252	988
Operating expenses	(5,236)	(4,273)
of which research and development costs	(3,521)	(2,797)
Operating result	(4,147)	(2,375)
Earnings before tax	(4,259)	(2,376)
Net loss for the period	(4,259)	(2,386)
Earnings per share in EUR	(0.32)	(0.22)
Balance sheet as of the end of the period		
Total assets	16,188	15,948
Cash and cash equivalents	5,504	5,142
Equity	10,539	13,695
Equity ratio[2] in %	65.1	85.9
Cash flow statement		
Cash flow from operating activities	(3,787)	(2,435)
Cash flow from investing activities	(186)	(284)
Cash flow from financing activities	4,977	6,587
Employees (number)		
Employees as of the end of the period[3]	54	53
Full-time equivalents as of the end of the period[3]	50	49

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) is available at http://www.wilex.de/press-investors/financial-reports/.

Invitation to the conference call

On 13 July 2017, WILEX 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 (WILEX) and take your name and company. The presentation for the conference (in English) will be available for download at www.wilex.com from 2:30 p.m. CEST.

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About WILEX and Heidelberg Pharma

WILEX AG is a biopharmaceutical company based in Munich, Germany, that serves as a parent and holding company. The Company's research and development work is conducted by its subsidiary Heidelberg Pharma GmbH in Ladenburg. Heidelberg Pharma is 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. WILEX's clinical assets MESUPRON® and REDECTANE® have been partnered, while RENCAREX® is available for out-licensing and further development. WILEX AG is listed on the Frankfurt Stock Exchange: ISIN DE000A11QVV0 / WKN A11QVV / Symbol WL6. More information is available at http://www.wilex.com/.