PRESS RELEASE

Heidelberg Pharma reports on first half-year 2020

- HDP-101: Preclinical development program almost completed; preparation of IND application can start in Q3; newly created position of Senior Medical Officer for clinical development filled
- Licensing partner Magenta announces MGTA-117 as the first ATAC candidate for clinical development and presents encouraging data
- Important patents received for ATAC technology for patient stratification in the USA and as tumor therapy in Europe
- Heidelberg Pharma AG generates gross proceeds of EUR 14.4 million by way of a corporate action
- Financials in line with planning; progress made in preclinical development program triggers increase in research and development costs
- Public conference call to be held on 9 July 2020 at 3:00 p.m. CEST

Ladenburg, Germany, 9 July 2020 - Heidelberg Pharma AG (FSE: HPHA) today published its financial report on the first six months of 2020 (1 December 2019 - 31 May 2020).

Dr. Jan Schmidt-Brand, CEO and CFO of Heidelberg Pharma AG, commented: "At Heidelberg Pharma, we have been in the fortunate position that the coronavirus crisis has so far only had a minor impact on our day-to-day business processes. Our proprietary projects proceeded according to plan in the first half of the 2020 financial year. The final GLP toxicity study for our development candidate HDP-101 was started and is now nearing completion. At the same time, we have been working on the protocol for the Phase I trial for HDP-101 and on regulatory requirements. In this context, I am pleased to report that Dr. András Strassz, who joined Heidelberg Pharma in April as Senior Medical Officer, has been driving forward the work of our clinical team in his role as Senior Medical Officer since April. As soon as the final data package from the toxicology program is available, we will discuss the clinical trial protocol with the FDA and subsequently with the Paul Ehrlich Institute. We are confident that we will be able to submit the application for this trial during the second half of the year.

Our half-year financial results have developed in line with our planning. As expected, the development progress of our projects is reflected in increased research and development costs. We are particularly pleased to have successfully raised EUR 14.4 million through a capital increase, which will ensure the further development and commercialization of our ATAC technology until mid-2021."

Key events in the first six months of 2020

- **HDP-101 program in multiple myeloma is progressing:** The development of our proprietary candidate HDP-101 has been proceeding according to plan in recent months. The final GLP toxicity study has started and is well advanced. At the same time, the clinical development team has been working on the protocol of the Phase I trial for HDP-101 and on further preparations according to the regulatory requirements for the clinical trial. The next step is to discuss with the authorities on the study protocol and the start of the clinical trial.

- **Successful implementation of a corporate action:** Heidelberg Pharma AG implemented a corporate action in April. There were 2,820,961 new shares issued from authorized capital, which corresponded to just under 10% of the share capital at that time. The shares were placed with dievini Hopp Biotech holding GmbH & Co. KG, Walldorf, (dievini), the majority shareholder, and with several new institutional investors at a price of EUR 5.10 per share. This measure increased the share capital to 31,030,572 shares and generated gross proceeds of EUR 14.4 million.
- **Partner MD Anderson Cancer Center is granted a US patent for diagnosis and treatment of patients with TP53/RNA polymerase II deletion:** In March 2020, Heidelberg Pharma's partner University of Texas, MD Anderson Cancer Center, Houston, TX, USA, (MD Anderson) was granted a key patent by the US patent office for the diagnosis and treatment of select patient groups with TP53/RNA polymerase II deletion. The patent application entitled "Methods of Treating Cancer Harbouring Hemizygous Loss of TP53" had been submitted with the US patent office by MD Anderson. Heidelberg Pharma holds the exclusive licensing rights to this patent.
- **Heidelberg Pharma is granted a European patent for amatoxin conjugates for tumor therapy:** In late March, the European Patent Office granted Heidelberg Pharma an important patent for its proprietary ATAC technology for the production of Antibody Targeted Amanitin Conjugates. The patent is based on a 2009 patent application entitled "Amatoxin armed therapeutic cell surface binding components designed for tumor therapy" that was submitted by Professor Heinz Faulstich and employees of the German Cancer Research Centre (DKFZ). Heidelberg Pharma exclusively in-licensed the patent in the same year.
- **Licensing partner Magenta announces MGTA-117 as the first ATAC candidate for clinical development:** In January 2020, the Company's partner Magenta Therapeutics, Cambridge, MA, USA, (Magenta) (NASDAQ: MGTA) announced MGTA-117, which was developed within the partnership, as its first clinical ATAC candidate for the targeted preparation, or conditioning, of patients for stem cell transplants or gene therapy. Magenta presented preclinical data from its work with Heidelberg Pharma's ATAC technology at various scientific conferences. Magenta has indicated it will conduct further preclinical studies and prepare for MGTA-117 to enter clinical trials in 2021.

Report on post-balance sheet date events

- **Partner Telix is granted Breakthrough Therapy Designation for TLX250-CDx:** On 1 July 2020, Heidelberg Pharma's partner Telix Pharmaceuticals Limited, Melbourne, Australia, (Telix) announced that it has been granted Breakthrough Therapy Designation (BT) from the FDA for the diagnostic candidate TLX250-CDx (^{89}Zr-girentuximab). BT designation offers a number of significant benefits to Telix, including eligibility for fast track designation, more frequent and intensive interactions with the FDA, and the opportunity to submit a "rolling" Biological License Application (BLA) for TLX250-CDx, where the application can be submitted in separate modules to streamline the FDA review process for approval. The criteria for BT designation require preliminary clinical evidence that demonstrates the product candidate may have substantial improvement on at least one clinically significant endpoint over available care.

Financial results for the first six months of fiscal year 2020

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 2020 fiscal year, the Heidelberg Pharma Group generated sales revenue and income totaling EUR 3.8 million, thus falling short of the prior-year figure of EUR 4.1 million, as individual planned orders and milestones at the partners were postponed until the second half of the year. Revenues in the amount of EUR 3.1 million (previous year: EUR 3.8 million) mainly included revenue from the collaboration agreements for Heidelberg Pharma Research's ATAC technology (EUR 2.7 million) and from its service business (EUR 0.2 million). The parent company was able to contribute EUR 0.2 million in revenue from out-licensing the product candidate TLX250-CDx.

Other income of EUR 0.7 million was higher than the previous year's figure of EUR 0.3 million and comprised income from the reversal of unused accrued liabilities (EUR 0.4 million), grants under the Horizon 2020 Framework Program (EUR 0.1 million) and other items (EUR 0.2 million).

Operating expenses, including depreciation, amortization and impairment, amounted to EUR 13.2 million in the reporting period, higher than the previous year (EUR 8.4 million). This is mainly due to the planned increase in research and development costs in the amount of EUR 8.7 million (previous year: EUR 5.0 million) due to the expansion of cost-intensive external Good Manufacturing Practice (GMP) production and preclinical and regulatory preparations for the clinical trial with HDP-101.

The Heidelberg Pharma Group expanded its net loss for the first six months of 2020 from EUR 4.3 million in the previous year to EUR 9.4 million. With revenue being down, this increase was due in particular to higher expenses. Earnings per share amounted to EUR - 0.33 (previous year: EUR -0,15).

Heidelberg Pharma had cash and cash equivalents of EUR 15.1 million on 31 May 2020 (30 November 2019: EUR 9.9 million). The Group's average monthly funding requirement in the first six months of the fiscal year was EUR 1.5 million (previous year: EUR 1.1 million), excluding the effect of the capital increase.

Total assets as of 31 May 2020 amounted to EUR 29.1 million, up from EUR 23.0 million as of the 30 November 2019 reporting date. Equity as of the end of the reporting period was EUR 21.5 million (30 November 2019: EUR 16.3 million). This corresponded to an equity ratio of 74.1% (30 November 2019: 70.9%).

Heidelberg Pharma confirms its guidance for the current fiscal year provided on 19 March 2020.

Financial outlook	**Actual 2019 EUR million**	**2020 Plan EUR million**
Sales revenue and other income	8.0	8.0 – 10.0
Operating expenses	18.1	20.0 – 24.0
Operating result	(10.1)	(11.0) – (15.0)
Total funding requirement	9.6	11.0 – 15.0
Funds required per month	0.8	0.9 – 1.3

Key figures for the Heidelberg Pharma Group

In EUR thsd.	H1 2020 [1] EUR thsd.	H1 2019 [1] EUR thsd.
Earnings		
Sales revenue	3,120	3,752
Other income	637	351
Operating expenses	(13,173)	(8,432)
of which research and development costs	(8,703)	(4,977)
Operating result	(9,417)	(4,329)
Earnings before tax	(9,423)	(4,329)
Net loss for the period	(9,423)	(4,329)
Earnings per share in EUR	(0.33)	(0.15)
Balance sheet as of the end of the period		
Total assets	29,075	26,968
Cash and cash equivalents	15,129	13,109
Equity	21,530	21,578
Equity ratio[2] in %	74.1	80.0
Cash flow statement		
Cash flow from operating activities	(8,298)	(5,740)
Cash flow from investing activities	(733)	(587)
Cash flow from financing activities	14,289	0
Employees (number)		
Employees as of the end of the period[3]	78	66
Full-time equivalents as of the end of the period[3]	73	60

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 9 July 2020, 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. The proprietary technology platform is being applied to develop the Company's proprietary therapeutic ATACs as well as in third-party collaborations. The proprietary lead candidate HDP-101 is a BCMA ATAC for multiple myeloma.

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