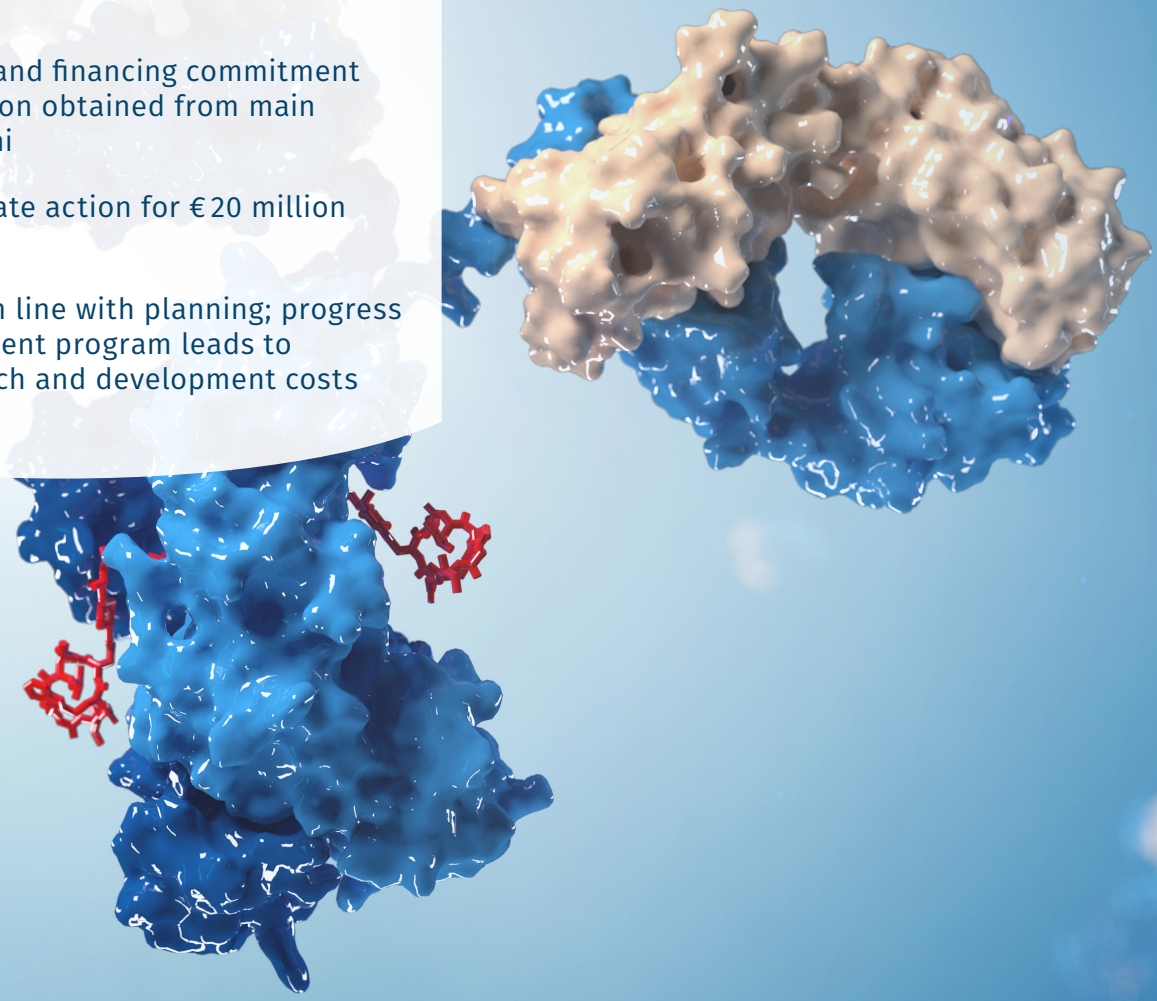
Heidelberg PHARMA

Focused Cancer Therapies

- HDP-101: application to initiate clinical trial green-lighted by the FDA in February 2021; clinical trial centers prepare to receive their first patient; clinical trial application also submitted to the Paul Ehrlich Institute in Germany
- New preclinical data on the immunomodulatory potential of Antibody Targeted Amanitin Conjugates presented at the AACR 2021 Annual Meeting
- Shareholder loan and financing commitment for up to € 30 million obtained from main shareholder dievini
- Successful corporate action for € 20 million implemented
- Operating result in line with planning; progress made in development program leads to increase in research and development costs



HALF-YEARLY FINANCIAL REPORT 2021

KEY FIGURES

	H1 2021[1] € '000	H1 2020[1] € '000
Earnings		
Sales revenue	818	3,120
Other income	264	637
Operating expenses	(14,001)	(13,173)
of which research and development costs	(10,111)	(8,703)
Operating result	(12,919)	(9,417)
Earnings before tax	(13,089)	(9,423)
Net loss for the period	(13,089)	(9,423)
Earnings per share in €	(0,42)	(0,33)
Balance sheet at end of period		
Total assets	15,691	29,075
Cash and cash equivalents	930	15,129
Equity	(74)	21,530
Equity ratio[2] in %	(0.5)	74.1
Cash flow statement		
Cash flow from operating activities	(13,135)	(8,298)
Cash flow from investing activities	(872)	(733)
Cash flow from financing activities	9,959	14,289
Employees (number)		
Employees as of the end of the period (headcount)[3]	94	78
Employees as of the end of the period (full-time equivalents)[3]	87	73

[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 in all tables of this report.

LETTER TO THE SHAREHOLDERS

Dear Ladies and Gentlemen,

Early in 2021, Heidelberg Pharma filed an application (IND) with the US Food and Drug Administration (FDA) to conduct a Phase I/IIa clinical trial of HDP-101 for the treatment of patients with multiple myeloma and received a green light at the beginning of February. This was a very important milestone for us and marked the start of setting up the clinical trial centers in the United States. The clinical trial centers selected for the study in the United States have specific requirements as regards the equipment to be used in preparing the infusion. We are forging ahead with the required supplementary tests together with our CRO. As we will need additional time for this process, the start of patient recruitment will be delayed for technical reasons.

An application to conduct a trial in Germany was submitted as planned to the Paul Ehrlich Institute (PEI) in March. The PEI application process is still ongoing, but we expect a decision to be made soon. In parallel, we are preparing the next steps in Germany as well. These include clearance by the ethics committee after approval, contracts with the clinical trial centers, training and induction of the teams there, and coordination of the logistics for the trial drug.

For Heidelberg Pharma's clinical development activities, the team has been expanded to include experienced managers with broad expertise in drug development. Dr. András Strassz, who had held the post of Senior Medical Officer since April 2020, was appointed Chief Medical Officer, while Dr. Mathias Locher was named Chief Development Officer.

Magenta, one of our licensing partners for the ATAC technology, is currently preparing its first clinical trial for MGTA-117. It plans to file an application for the trial with the FDA mid-year.

The projects our other partners are implementing are going according to plan as well. RedHill initiated a Phase II / III trial of RHB-107 (upamostat) with COVID-19 non-hospitalized patients in the United States in early 2021. Our partner Telix completed the Phase I component of a Phase I/II study in Japan in mid-April evaluating TLX250-CDx for imaging renal cancer, which successfully demonstrated safety and tolerability in Japanese patients. Recruitment for the Phase III ZIRCON trial is expected to be completed later this year. Telix recently commenced an indication expansion for the diagnostic imaging agent to explore CAIX expression in other cancers such as bladder cancer and has already dosed its first patient in a Phase I study of TLX250-CDx.

Our Annual General Meeting held in May took place in a virtual format for the second time and all proposed resolutions were adopted by a large majority.

Heidelberg Pharma still plans to generate the majority of sales revenue in the second half of the year. However, like expenses and funds used, sales revenue has so far been at the lower end of expectations.

In mid-June, we implemented a corporate action aimed at safeguarding further development of our ATAC candidates and our innovative ATAC technology, particularly clinical development of the proprietary lead project HDP-101. In a private placement, more than three million new shares were placed with institutional biotech investors, Polar Capital and Invus, as well as with DH-LT-Investments, an investment company owned by Mr. Dietmar Hopp, generating proceeds of around € 20 million.

We are delighted to have new investors on board as we are about to enter clinical development and welcome the trust that Mr. Hopp has placed in us once again.

Ladenburg, 8 July 2021

Yours sincerely,

Dr. Jan Schmidt-Brand
Chief Executive Officer and Chief Financial Officer

INTERIM MANAGEMENT REPORT

Reporting period from 1 December 2020 to 31 May 2021

Introduction

Heidelberg Pharma AG is a biopharmaceutical company and oncology specialist. As far as Heidelberg Pharma is aware, it 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 and other hematologic conditions. Further ATAC candidates include HDP-102, a CD37 ATAC to treat non-Hodgkin lymphoma, and HDP-103, a PSMA ATAC to treat metastatic castration-resistant prostate cancer.

Key events in the first six months

HDP-101 (BCMA ATAC) development program

The study protocol for HDP-101, a BCMA Antibody Targeted Amanitin Conjugate for treating multiple myeloma, was submitted with the FDA early this year. On 4 February 2021, the FDA gave clearance (IND) to begin the Phase I/IIa trial for HDP-101. The clinical trial application (CTA) was submitted to the German authority, the Paul Ehrlich Institute, in March 2021, with the decision expected to be made shortly.

Results on HER2-ATAC for targeted immunotherapy of triple-negative breast cancer published in *Science Translational Medicine*

In February, Heidelberg Pharma published new study results on Antibody Targeted Amanitin Conjugate (ATAC) technology in the journal *Science Translational Medicine* in a joint report by a research group from the School of Medicine, Indiana University, Indianapolis, IN, USA. Trastuzumab-ATAC, which consists of the antibody Trastuzumab targeting HER2 and the toxin Amanitin, demonstrated extraordinary efficacy in the treatment of certain triple-negative breast cancers (TNBC). The preclinical data from this exploratory study shows that the ATAC exhibits superior efficacy in treating aggressive tumors with a certain aggressive chromosomal change (17p deletion) and also has immunostimulatory potential. In the trial conducted, Trastuzumab-ATAC induced an immunogenic cell death of the tumor cells that elicits an immune response. Consequently, the ATAC could be effectively combined with immune checkpoint blockade therapy, as also demonstrated by further data from the MD Anderson Cancer Center.

Shareholder loan and financing commitment by main shareholder dievini

In late 2020, the Group's main shareholder dievini Hopp BioTech holding GmbH & Co. KG, Walldorf, (dievini) committed to providing a loan in the amount of € 15 million, which is to be drawn down in several tranches in 2021. The uncollateralized and indefinite loan bearing annual interest of 6 % implements the financing commitment made in July 2020. Heidelberg Pharma AG drew down two tranches of € 5 million each in the first half of 2021.

On 19 March 2021, dievini made a further financing commitment for up to € 30 million to the Company to secure its financing including the expanded development program until mid-2022. After the end of the reporting period, Heidelberg Pharma implemented a capital increase by way of a private placement (see the report on post-balance sheet date events).

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Heidelberg Pharma expands its management team

At the beginning of March, Dr. András Strassz, who had held the post of Senior Medical Officer in the company since April 2020, was appointed Chief Medical Officer, while Dr. Mathias Locher was named Chief Development Officer. Dr. Strassz has many years of experience in clinical development with a focus on oncology and is building up this area at Heidelberg Pharma. Prior to this, Dr. Strassz served as Medical Director at Affimed and held roles in clinical development at companies like Sandoz and Amgen. Along with a doctorate in medicine, Dr. Strassz has an MBA from the University of Pécs, Hungary.

Dr. Mathias Locher has nearly 30 years of experience in drug development. He joined from Janssen (Pharmaceutical Companies of Johnson & Johnson), where he worked as Senior Director – External Innovation for J&J Innovation Centre, London. Prior to this, he had held executive positions at Covagen, Merck Serono, Micromet (now part of Amgen) and ASTA Medica. Dr. Locher has a PhD in biochemistry from the University of Tübingen.

New preclinical data from the ATAC technology platform presented at the AACR 2021 Annual Meeting

At the American Association for Cancer Research (AACR) 2021 Annual Meeting in April, Heidelberg Pharma presented preclinical data on its novel ATAC candidates HDP-102 and HDP-103 and, in another poster presentation, data on synergistic effects of ATACs with checkpoint indicators.

Research and development activities

ADC technology (antibody drug conjugates)

Heidelberg Pharma is developing a technology platform for antibody drug conjugates. The core of this technology is to offer new approaches to antitumor therapy by exploiting a previously unused biological mode of action for treatment of cancer.

Heidelberg Pharma is developing the compound Amanitin for the first time as a new cancer therapy. Amanitin has a unique biological mode of action which could serve as the basis for developing highly effective, innovative drugs. The toxin is a member of the amatoxin group of natural poisons, which occur in the death cap mushroom (Amanita phalloides), among others. By inhibiting RNA polymerase II, Amanitin triggers natural cell death, or apoptosis. This novel principle in cancer therapy offers the possibility of breaking through drug resistance and destroying dormant tumor cells, which could produce major clinical advances.

This toxic compound is chemically combined with antibodies so that it can be used for therapy. The resulting products – so called ATACs (Antibody Targeted Amanitin Conjugates) – are designed to transport the cross-linked toxin specifically into the cancer cell. After binding to the tumor cell, the ATAC is taken up and releases the toxin within the cell. The released toxin then destroys the tumor cell without affecting healthy tissue.

Amanitin's mechanism of action also has the potential to be particularly effective against tumors that have changed due to so-called 17p deletion to bypass a special mechanism of cell protection. These kinds of change are found in most cancers, and especially in those that are very aggressive. Tumors with 17p deletion could be a particularly effective target for treatment with ATACs.

One focus of Heidelberg Pharma's business model is on business-to-business activities where the compound linker technology developed by Heidelberg Pharma is licensed by pharmaceutical and biotechnology companies to make their antibodies more effective in treating tumors. Within this framework, under license agreements, Heidelberg Pharma gives partners not only the licensing rights but also technological support in the manufacture and purification of the conjugates, the production and delivery of the compound, and selected preclinical research.

Partnerships are already in place with US company Magenta Therapeutics, Cambridge, MA, USA, (NASDAQ: MGTA, Magenta) and Japanese company Takeda Oncology, Cambridge, MA, USA, (Takeda).

Heidelberg Pharma has also been working on developing its proprietary ATAC candidates for several years. The Company is testing in-licensed or internally generated antibodies with its Amanitin linker technology and plans to conduct further research and development activities with these antibodies, if warranted. Building up its own pipeline has become increasingly important for Heidelberg Pharma in order to demonstrate the potential of the platform technology with compelling, proprietary data for different indications and develop the potential to add value within the Company. The most advanced project, HDP-101, is about to enter clinical development. Further ATAC candidates in preclinical development include HDP-102, a CD37 ATAC to treat non-Hodgkin lymphoma, and HDP-103, a PSMA ATAC to treat metastatic castration-resistant prostate cancer.

Proprietary ATAC pipeline

Project HDP-101 (BCMA-ATAC)

HDP-101 is a BCMA-ATAC that is to be tested in the indication of multiple myeloma. BCMA (B-cell maturation antigen) is a surface protein that is highly expressed in multiple myeloma cells, to which BCMA antibodies specifically bind, bringing the Amanitin to the tumor cell.

In preclinical models of multiple myeloma, HDP-101 showed excellent anti-tumor activity including complete tumor remission, and very good tolerability in relation to the effective doses. Finally, the efficacy of HDP-101 was also shown for the first time *ex vivo* with human tumor cells taken from the multiple myeloma of patients.

Multiple myeloma is a cancer affecting bone marrow and the second most common hematologic cancer; it represents a major unmet medical need where new, more effective therapies are urgently needed. HDP-101 also has potential in further hematologic indications.

After completion of multiple preparatory steps in the 2020 fiscal year, including tolerability testing, development of the clinical trial protocol, selection of the clinical centers and preparation of the clinical trial logistics, as well as production of the clinical drugs from the precursors, the application to conduct the clinical trial was submitted to the FDA in early January. In February, the FDA announced that the Phase I/IIa clinical trial with HDP-101 could begin. Since then, work has been continuing apace on setting up the planned clinical trial centers, finalizing contracts, agreeing medication logistics, etc. The planned clinical trial centers in the United States have specific requirements as regards the equipment to be used in preparing the infusion. The required supplementary tests are being rapidly advanced, but will take additional time. Patient recruitment is now scheduled to start in the third quarter.

Heidelberg Pharma submitted the clinical trial protocol to the German regulatory authorities, the Paul Ehrlich Institute, in March and is consultation with the authorities. At the same time, the initiation of the German trial centers is being prepared.

Project HDP-102 (CD37-ATAC)

HDP-102 is an ATAC targeting CD37 that is overexpressed on B-cell lymphoma cells. HDP-102 will be developed for specific indications of non-Hodgkin lymphoma (NHL). The production of antibody material for toxicological testing of HDP-102 was completed on time, with high yields and very good product quality. In the coming months, HDP-102 will be manufactured into a CD37-ATAC for testing in preclinical toxicology studies.

Project HDP-103 (PSMA-ATAC)

HDP-103 will be used to treat metastatic castration-resistant prostate cancer (mCRPC). The antibody used binds to PSMA, a membrane antigen that is overexpressed on prostate cancer cells. This is a promising target for ATAC technology because PSMA shows only limited expression in normal tissue. Preclinical studies on *in vitro* and *in vivo* efficacy, tolerability and pharmacokinetics have shown that HDP-103 has a promising therapeutic window. This is confirmed by the fact that at 63 % there is a very high prevalence of a 17p deletion in mCRPC. The increased sensitivity of prostate cancer cells with a 17p deletion has already been preclinically validated.[1] Since tumor cells with a 17p deletion are particularly sensitive to Amanitin, this in turn means that PSMA-ATACs might be particularly suitable for tumor therapy of mCRPC.

Further preclinical studies are planned for both projects.

Collaboration with Magenta

The Company's partner Magenta is developing MGTA-117 as its first clinical ATAC candidate for the targeted preparation, or conditioning of patients for stem cell transplants or gene therapy. MGTA-117 is an ATAC that consists of a CD117 antibody and the toxin Amanitin, and which was developed by Magenta based on a license granted by Heidelberg Pharma. The development of MGTA-117 is going according to plan. The GLP toxicology studies have been completed and the material required has been successfully manufactured according to GMP standards and delivered by Heidelberg Pharma. Magenta expects to file an Investigational New Drug (IND) application with the FDA mid-year for a Phase I/II dose escalation study in the indication of relapsed /refractory acute myeloid leukemia (AML) and myelodysplastic syndrome (MDS). Initial safety and pharmacokinetic data from the first dose cohort is scheduled to be evaluated internally in the fourth quarter of 2021.

Clinical portfolio

Upamostat (formerly MESUPRON®)

Upamostat is an oral serine protease inhibitor designed to block the activity of tumor-relevant serine proteases and prevent tumor growth and metastasis. New scientific findings show that serine proteases also play a key role in COVID-19 and several other viral diseases.

Since 2014, license agreements have been in place for the development and potential commercialization of upamostat with Link Health Co., Guangzhou, China, (Link Health), and RedHill Biopharma Ltd. (NASDAQ: RDHL, RedHill). All further development and marketing activities for this product candidate will be carried out by these partners.

1 https://www.nature.com/articles/s41467-018-06811-z

At the end of 2018, the Chinese National Medical Products Administration (NMPA) approved the IND application submitted by Link Health to conduct a Phase I/II trial with the product candidate upamostat. Link Health informed Heidelberg Pharma that it had started a Phase I trial of 9 to 18 patients with locally advanced or metastatic pancreatic cancer. The trial, which is scheduled to run until the end of 2021, will be conducted at a clinical trial center of the Sun Yat-sen Memorial Hospital, Sun Yat-sen University, Guangzhou, China.

Heidelberg Pharma's partner RedHill is also developing upamostat (referred to as RHB-107 by RedHill) in COVID-19. RHB-107 has demonstrated both antiviral and potential tissue-protective effects, with RHB-107 strongly inhibiting SARS-CoV-2 replication in a preclinical human bronchial tissue study. RedHill started a Phase II/III trial with non-hospitalized patients in the United States in early 2021, dosing the first patient in February 2021. In May 2021, RedHill announced receipt of a Notice of Allowance from the US Patent and Trademark Office (USPTO) covering RHB-107 as a method for the treatment of COVID-19.

RHB-107 is also planned to be tested in combination with RedHill's other development candidate opaganib for the treatment of advanced cholangiocarcinoma, subject to approval from the FDA. Based on preclinical results showing a strong anti-tumor effect of RHB-107 in combination with opaganib, RedHill plans to enroll a third cohort in its ongoing Phase IIa study of cholangiocarcinoma to evaluate this combination. RedHill also announced in 2020 that it had received a Notice of US Patent Allowance for the combination of RHB-107 and opaganib for the oral treatment of solid tumors.

TLX250-CDx (formerly REDECTANE®) – diagnostic antibody

The diagnostic agent is a radiolabeled form of the antibody girentuximab, which binds to the tumor-specific antigen CAIX on clear cell renal cell carcinoma. Accumulation of this antibody in tumor tissue can be visualized by positron emission tomography (PET) scans. This could fundamentally change therapy planning for renal cancer patients and avoid potentially unnecessary surgery. The diagnostic agent may also prove suitable for monitoring response to treatment and for diagnosing other kinds of tumors.

The Company has an exclusive license agreement for the global development and marketing of the radiolabeled antibody with Telix Pharmaceuticals Limited (Telix), headquartered in Melbourne, Australia.

The product candidate TLX250-CDx (^{89}Zr-DFO-girentuximab), the antibody girentuximab labeled with zirconium-89, has been tested by Telix in a Phase III study (ZIRCON) for diagnosing renal cancer using positron emission tomography (PET) since August 2019. The study is being carried out as a global multicenter Phase III trial at sites in Europe, Turkey, Australia, Canada and the USA. The study will determine the sensitivity and specificity of TLX250-CDx PET imaging to detect clear cell renal cell cancer (ccRCC) in comparison with histology as standard of truth determined from surgical resection specimens. A total of 35 study sites are currently participating in the trial, with recruitment expected to be completed later in 2021. Telix plans to submit its Biologics License Application (BLA) to the US Food and Drug Administration in 2022.

Telix announced in mid-April that the Japanese Phase I/II 'ZIRDAC-JP' clinical study of the renal cancer imaging product has reported results and met the study endpoints, demonstrating safety and tolerability of TLX250-CDx in Japanese patients. The results showed no difference between Japanese and Caucasian patient

populations compared for these endpoints as well as for pharmacology and dosing compared to previous studies. Based on these data, Telix will consult with the Japanese regulator to confirm the design of the next stage of development for TLX250-CDx in Japan, with the objective of bridging to Telix's Phase III ZIRCON study.

In June, Telix announced that a first patient had been dosed in a Phase I study (ZiP-UP) of TLX250-CDx in patients with urothelial carcinoma or bladder cancer. ZiP-UP is the first in a series of studies that will harness TLX250-CDx to evaluate CAIX expression in cancers other than renal cancer. Other collaborative studies are in development for ovarian, triple negative breast, colorectal, head and neck, lung, and pancreatic cancers.

Telix is also planning the further development of a therapeutic radioimmunoconjugate (^{177}Lu-DOTA-girentuximab, TLX250) program based on the lutetium-177-labeled girentuximab antibody. The start of this trial has been delayed on account of the COVID-19 crisis. Subject to approval by the authorities, Telix plans to enroll the first patients later in 2021.

Market environment

For detailed information on the market environment for Heidelberg Pharma's product candidates and indications, see pages 21 to 26 of the 2020 Annual Report. Antibody drug candidates (ADCs) have evolved into very attractive development projects from both a financing and a collaborative perspective. ADCs are emerging as a sought-after therapeutic modality with ten approved drugs and nearly as many in registration trials or under evaluation. Next-generation ADCs presented at the AACR are being developed for new target molecules and with constructs that could lead to improved tissue penetration, lower toxicity, and faster onset of action than conventional ADCs.[2]

In April, the FDA granted Gilead (Immunomedics) full approval to Trodelvy™ (sacitzumab govitecan-hziy) for patients with unresectable locally advanced or metastatic triple-negative breast cancer who have received two or more prior systemic therapies.[3] Accelerated approval had already been granted for the treatment in April 2020.[4] The FDA also approved ZYNLONTA™ (loncastuximab tesirine-lpyl) from ADC Therapeutics as a single-agent treatment for adult patients with relapsed or refractory (r/r) diffuse large B-cell lymphoma (DLBCL) as the first and only CD19-targeted ADC.[5] Marketing of the first ADC biosimilar followed in May: Kadcyla®(trastuzumab emtansine) from Genentech/Roche will be distributed by Zydus Cadila under the brand name Ujvira®.[6]

The large number of financing arrangements and collaborations in the ADC sector is also testimony to the fact that interest in ADCs is greater than ever. At the end of March, Pyxis Oncology announced the closing of a USD 152 million Series B financing for development of three preclinical ADC candidates.[7] In April, Adcentrx secured USD 50 million in Series A financing to power the development of its preclinical ADC for solid tumors.[8] Adcendo raised USD 62 million in Series A financing in what was one of the 15 biggest financing

2 BioCentruy, 15 May 2021: www.biocentury.com
3 Gilead press release, 7 April 2021: www.gilead.com
4 Immunomedics press release, 22 April 2020: www.immunomedics.com
5 ADC Therapeutics press release, 23 April 2021: www.adctherapeutics.com
6 Zydus press release, 24 May 2021: www.zyduscadila.com
7 Pyxis Oncology press release, 30 March 2021: www.pyxisoncology.com
8 Adcentrx Therapeutics, 28 April 2021: www.adcentrx.com

rounds in Europe to date.[9] Duality Biologics in China secured USD 90 million in Series B financing to expand its pipeline of ADCs and bispecific antibodies.[10] Iksuda Therapeutics completed a USD 47 million Series A financing round to accelerate clinical progression of its preclinical ADCs and expanded its licensing agreement with LegoChem from three to six targets.[11]

ADCs are also gaining strategic importance in the pharmaceutical industry and are expanding the range of therapeutic options. Daiichi Sankyo reported on planned investments up to 2025 of over USD 13.8 billion in three comprehensive ADC programs evaluating different solid tumors under its development alliance with AstraZeneca.[12] In a USD 650 million collaboration with Elsai, BMS acquired an anti-FOLR1 ADC targeting solid tumors for its pipeline, which already includes a BCMA ADC from Sutro and a CD22 ADC from Triphase Accelerator for the treatment of hematological cancers.[13]

Results of operations, financial position and net assets

The Heidelberg Pharma Group – as of the reporting date comprising Heidelberg Pharma AG and its subsidiary Heidelberg Pharma Research GmbH – reports consolidated figures. The reporting period referred to below concerns the period from 1 December 2020 to the 31 May 2021 balance sheet date (H1 2021). The period-based comparative figures refer to the period from 1 December 2019 to 31 May 2020 (H1 2020). The reporting date-based comparative figures refer to 30 November 2020 or 31 May 2020.

Heidelberg Pharma does not have business units that differ materially in their risk/reward profiles and would therefore require segment reporting.

Due to rounding, it is possible that individual figures in this report may not add up exactly to the totals and that percentages given may not precisely reflect the absolute figures to which they relate.

Sales revenue and other income

In the first six months of the 2021 fiscal year, the Heidelberg Pharma Group generated sales revenue and income totaling € 1.1 million, thus falling short of the prior-year figure of € 3.8 million.

Sales revenue totaling € 0.8 million comprises the collaboration agreements for Heidelberg Pharma Research's ATAC technology (€ 0.6 million) and from its service business (€ 0.2 million). Sales revenue in the prior-year quarter was boosted by revenue generated from supplying the Amanitin linker to partners. Due to the higher yields achieved in the last production campaigns and the higher delivery volumes resulting from this, demand for Amanitin linkers has been satisfied for the time being.

9 Adcendo press release, 29 April 2021: www.adcendo.com

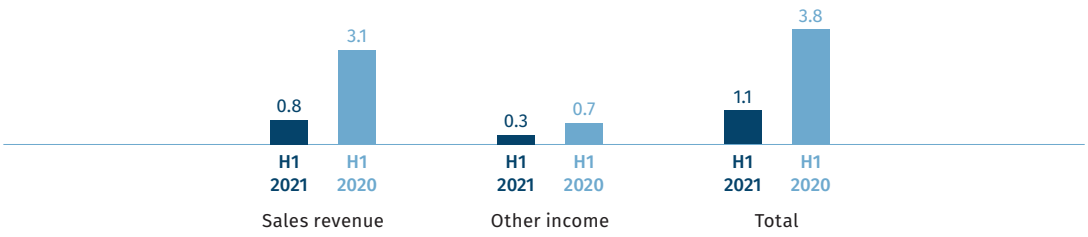
10 Duality Biologics press release, 19 May 2021: www.prnewswire.com

11 Iksuda Therapeutics press release, 7 June 2021: www.iksuda.com,
Iksuda Therapeutics press release, 22 June 2021: www.iksuda.com

12 Daiichi Sankyo press release, 19 May 2021: https://www.daiichisankyo.com

13 Bristol Myers Squibb press release, 17 June 2021: https://news.bms.com

Income in € million[1]



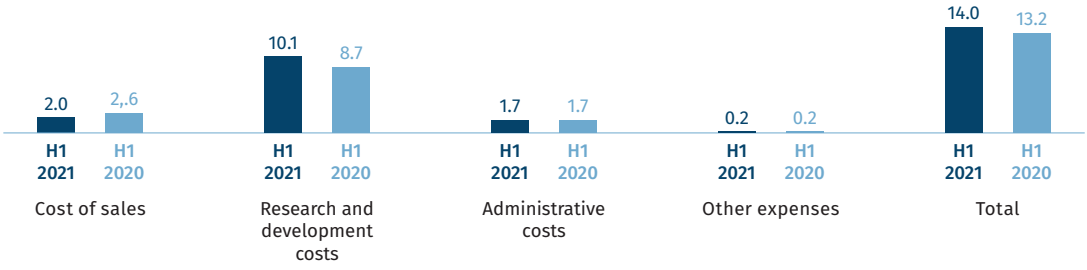
[1] rounded

Other income of € 0.3 million was also lower than the previous year's figure of € 0.7 million and comprised income from the reversal of unused accrued liabilities (€ 0.1 million), government grants (€ 0.1 million) and other items (€ 0.1 million).

Operating expenses

Operating expenses, including depreciation, amortization and impairment, amounted to € 14.0 million in the reporting period (previous year: € 13.2 million).

Operating expenses in € million[1]



[1] rounded

The cost of sales concerns the Group's costs directly related to sales revenue. These costs mainly related to expenses for customer-specific research and for the supply of Amanitin linkers to licensing partners. These showed a disproportionate development in the period under review of the first half of the fiscal year as a result of IFRS accounting policies and the fact that they also serve as a basis for sales revenue generated at a later time. They amounted to € 2.0 million (previous year: € 2.6 million), representing 14 % of operating expenses.

Research and development costs rose year-over-year to € 10.1 million (previous year: € 8.7 million) due to the expansion of cost-intensive external manufacturing for all three ATAC projects and preparations for the clinical trial with HDP-101. At 72 % of operating expenses, R&D remained the largest cost item.

Administrative costs of € 1.7 million (previous year: € 1.7 million), which include the costs for the holding activities and the stock exchange listing, remained virtually unchanged compared with the first six months of 2020 and accounted for 12 % of operating expenses.

Other expenses for business development, marketing and commercial market supply activities, which mainly comprise staff and travel costs, were € 0.2 million, as in the previous year, and continue to make up 2 % of operating expenses.

Financial result

In the first half of fiscal year 2021, the Group reported a financial result of € –170 thousand. Given the low or even negative interest rates prevalent on the market, Heidelberg Pharma is currently unable to generate interest income. Interest expense was incurred for the shareholder loan from dievini (€ 165 thousand) and lease liabilities in connection with the application of IFRS 16.

In the first six months of fiscal year 2020, a financial result of € –6 thousand was reported.

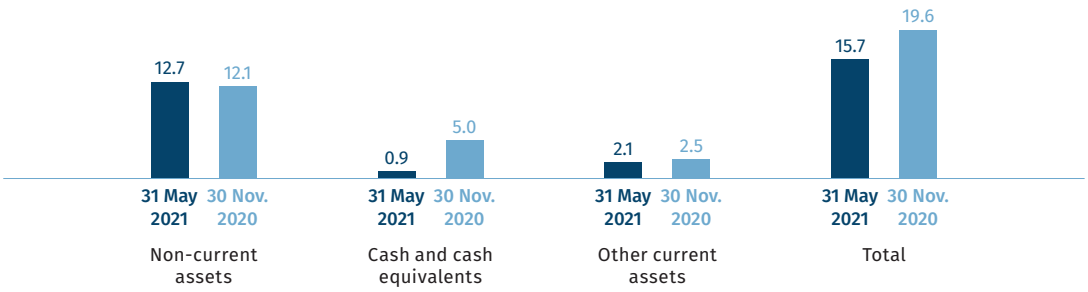
Profit/loss for the period

The net loss posted by the Heidelberg Pharma Group for the first six months of 2021 came to € 13.1 million (previous year: € 9.4 million). With increased expenses, this was due in particular to lower sales. Reflecting the increase in the loss for the period, loss per share was € 0.42, up from € 0.33 in the previous year.

Assets

Total assets as of 31 May 2021 amounted to € 15.7 million, down from € 19.6 million as of the 30 November 2020 reporting date.

Balance sheet – assets in € million [1]



[1] rounded

Non-current assets at the end of the reporting period amounted to € 12.7 million, an increase on the previous year (30 November 2020: € 12.1 million) due to PPE investments. Non-current assets include property, plant and equipment (€ 3.6 million, previous year: € 3.1 million), intangible assets (€ 2.9 million, previous year: € 2.8 million), other non-current assets (€ 0.1 million, as in the previous year), and goodwill of Heidelberg Pharma Research (€ 6.1 million, again as in the previous year).

Current assets decreased from € 7.5 million in the previous year to € 3.1 million. Cash and cash equivalents included in this item amounted to € 0.9 million and were down on the prior-year figure of € 5.0 million due to outflows triggered by the business.

Equity

Equity as of the end of the reporting period was € –0.1 million (30 November 2020: € 12.9 million). This corresponded to an equity ratio of –0.5 % (30 November 2020: 65.7 %). Further information can be found in the notes to this report.

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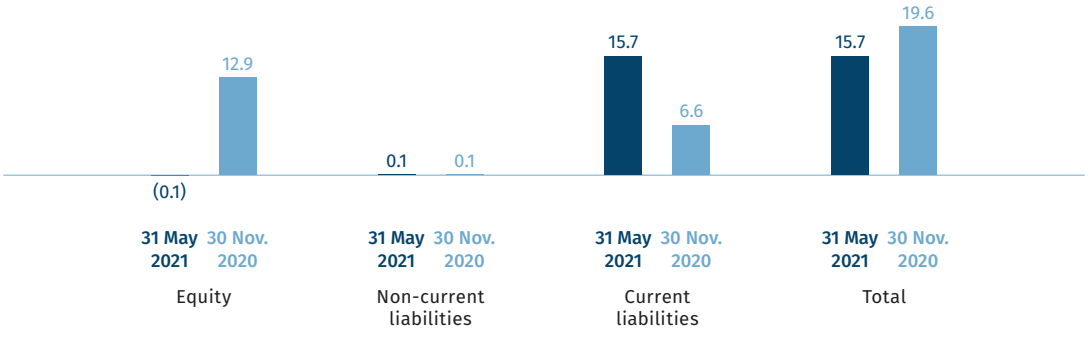
Balance sheet – equity and liabilities in € million[1]



[1] rounded

Liabilities

Non-current liabilities were € 0.1 million at the end of the reporting period, the same as at the 2020 reporting date.

Current liabilities increased to € 15.7 million as of the end of the reporting period (30 November 2020: € 6.6 million). Of this amount, € 10.2 million is attributable to the shareholder loan from dievini (including interest).

Whereas trade payables (€ 1.6 million) decreased from the figure on 30 November 2020 (€ 2.8 million), other current liabilities (obligations for holidays not taken, social security and other taxes, deferred income and accrued liabilities) at € 3.5 million and current lease liabilities at € 0.1 million remained virtually stable year-over-year, as did current contract liabilities at € 0.3 million.

Cash flow statement

Net cash outflow from operating activities of € 13.1 million in the first six-months of the current fiscal year increased year-over-year (prior-year period: € 8.3 million), reflecting a rise in R&D expenses incurred in connection with preparations for the clinical trial and lack of sales.

Cash outflow from investing activities, which is attributable primarily to laboratory expansion, was € 0.9 million (previous year: € 0.7 million).

There was a net change year-over-year in cash and cash equivalents triggered by financing activities in the first six months of the 2021 fiscal year. In the period ended, dievini granted an interest-bearing shareholder loan in the amount of € 10 million in two tranches of € 5 million each. In the second quarter of 2020, there was an inflow of € 14.3 million due to a capital increase.

Taking into account exchange rate effects, the net outflow of cash and cash equivalents amounted to € 4.1 million (previous year: net inflow of € 5.2 million).

Excluding both financing effects, Heidelberg Pharma's average monthly funding requirement in the first six months of the two fiscal years was € 2.3 million (2021) and € 1.5 million (2020), respectively.

Cash flow[1]	H1 2021 € million	H1 2020 € million
Cash as of 1 December 2020 / 1 December 2019	5.0	9.9
Net change in cash from operating activities	(13.1)	(8.3)
Net change in cash from investing activities	(0.9)	(0.7)
Net change in cash from financing activities	10.0	14.3
Exchange rate effect	(0.0)	(0.01)
Cash as of 31 May 2021 / 31 May 2020	**0.9**	**15.1**

[1] rounded

Employees and remuneration system

Including the members of its Executive Management Board, the Heidelberg Pharma Group had 94 employees (87 FTEs) at the close of the reporting period (30 November 2020: 84 employees /78 FTEs; 31 May 2020: 78 employees /73 FTEs).

Heidelberg Pharma has a performance-related remuneration system for its employees comprising a fixed annual salary and a variable salary component. In addition, the stock option plans give employees a stake in the Company's performance.

For more information, see section C. Issue and measurement of stock options" in the notes. Page 22

Report on risks and opportunities

Heidelberg Pharma is exposed to the risks typical for a biotechnology company, namely those arising from the development and production of potential drug candidates for the treatment of cancer. The time between the commencement of drug development and marketing approval spans many years. There is a high risk that none of the product candidates or ATAC development candidates will receive regulatory approval. For Heidelberg Pharma, there is the risk that efficacy and safety data from animal models will not be confirmed in humans.

To date, neither Heidelberg Pharma nor a licensing partner has completed clinical development for any of the product candidates in the Heidelberg Pharma portfolio or applied for regulatory approval for them. Two projects (girentuximab and upamostat) have been completely transferred to a licensee for further development and marketing. The licensees are also exposed to the risks typical for the industry.

The Company is currently unable to finance itself solely through product sales and license revenue and is dependent on funding from equity providers or additional licensees. Risks and opportunities in connection with the Heidelberg Pharma Group's business are described in detail on pages 49 to 58 of the 2020 Annual Report. They remain unchanged unless otherwise noted below.

There also remain risks triggered by the global pandemic, e.g. in terms of logistics chains, restrictions on laboratory and manufacturing capacities, processing bottlenecks at regulatory authorities, especially due to priority processing of COVID-19 studies, but also limited availability of resources and access restrictions at trial centers. If the crisis situation persisted, this could also have a negative impact on the development activities planned by Heidelberg Pharma.

Report on post-balance sheet date events

Successful implementation of a corporate action

On 15 June 2021, a capital increase was implemented in connection with a private placement, generating gross issue proceeds of approximately € 20 million. Heidelberg Pharma AG issued 3,106,637 new shares from authorized capital, which corresponded to just under 10 % of share capital. The new shares were allocated to new institutional investors specializing in biotechnology, including Polar Capital Biotech Investment Fund and Invus, and 1,943,565 shares were placed with DH-LT-Investments GmbH, St. Leon-Rot, an investment company owned by Mr. Dietmar Hopp. The price per share was € 6.44, a markdown of approximately 3.9 % on the day's closing price.

The cash generated by the placement will be used to safeguard further development of proprietary ATAC pipeline candidates and the ATAC technology, particularly clinical development of the proprietary lead project HDP-101.

The corporate action increased the total number of registered shares after the issue from 31,066,372 to 34,173,009. The new shares were admitted to listing on the Frankfurt Stock Exchange following the entry of the capital increase in the Commercial Register.

Extension of the research agreement with Takeda

Heidelberg Pharma's partner Takeda extended its option agreement in June 2021 for a further 18 months until the end of 2022 and will conduct preclinical testing of the ATAC technology on another target molecule. In return, Heidelberg Pharma will receive payment for technology access.

Outlook

Heidelberg Pharma believes that Amanitin is an innovative toxin with attractive properties for the development of ATACs and will continue its strategy for the development and marketing of proprietary ATAC technology. The focus is on expanding the Company's own product pipeline, improving and further developing the therapy platform, and entering into license agreement with partners.

The proprietary ATAC candidate HDP-101 is about to enter clinical development in the indication of multiple myeloma. Three clinical centers in the United States are currently preparing to include patients. The trial design provides initially for a dose-finding study which will examine, starting from a low dosage, how high a dose patients could subsequently tolerate. Then safety and tolerability will be tested by administering the achieved dose to approximately 30 patients, who will be stratified by the proportion of myeloma cells harboring the 17p deletion biomarker. This will serve to examine whether these patients could derive a particular benefit from therapy with HDP-101. Patients will be stratified using the diagnostics provided by Heidelberg Pharma, which will be tested for their clinical applicability at the same time.

The application to conduct the clinical trial in Germany is currently being examined by the Paul Ehrlich Institute, with Heidelberg Pharma expecting a decision to be made during the third quarter.

Dosing of the first patients is now scheduled to take place in the third quarter of 2021. Meaningful patient data is expected to become available in 2022.

Formal preclinical development for the other ATAC candidates, HDP-102 and HDP-103, is slated to begin in 2021.

The Company's partner Magenta plans to submit the IND for MGTA-117 mid-year. Dosing of the first patient is to begin during the second half of 2021.

In addition, Magenta is working on the preclinical validation of a CD45 ATAC that could be used for the treatment of various autoimmune diseases such as multiple sclerosis.

Heidelberg Pharma's partner Takeda will conduct preclinical testing of the ATAC technology on a new target molecule.

The clinical product candidates outside the ATAC technology are further developed by the partners Telix, RedHill and Link Health. In the event of approval and marketing, Heidelberg Pharma will receive milestone payments and attractive royalties.

The Company is not yet in a position to fully finance its own R&D activities using its own funds in the short to medium term. Stable revenue from the services business and increased payments from Heidelberg Pharma Research GmbH's technology partnerships or from license agreements are expected to help finance in-house development work. Depending on the development plan, the Company still needs to raise funds for product development via the capital markets. As a result of the corporate action implemented in June 2021, which generated proceeds of € 20 million, and the remaining financing commitment of approx. € 17 million made by the main shareholder dievini Heidelberg Pharma's financing is currently secured until mid-2022 based on current planning.

The Heidelberg Pharma Group confirms its full-year financial guidance issued on 25 March 2021. Heidelberg Pharma still plans to generate the majority of sales revenue in the second half of the year. However, like expenses and funds used, sales revenue has so far been at the lower end of expectations.

Financial outlook	Actual 2020 € million	2021 plan € million
Sales revenue and other income	9.6	5.5 – 7.5
Operating expenses	27.9	36.0 – 40.0
Operating result	(18.3)	(30.0) – (34.0)
Total funding requirement	19.2	30.0 – 34.0 [1]
Funds required per month	1.6	2.5 – 2.8 [1]

[1] Not including any corporate actions

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)

Reporting period from 1 December 2020 to 31 May 2021

	H1 2021 €	H1 2020 €
Sales revenue	818,233	3,119,552
Other income	264,133	636,570
Income	**1,082,366**	**3,756,122**
Cost of sales	(1,934,479)	(2,631,047)
Research and development costs	(10,110,855)	(8,702,543)
Administrative costs	(1,723,824)	(1,650,735)
Other expenses	(231,877)	(188,524)
Operating expenses	**(14,001,036)**	**(13,172,848)**
Operating result	**(12,918,670)**	**(9,416,727)**
Finance income	0	0
Finance costs	(170,383)	(6,017)
Financial result	**(170,383)**	**(6,017)**
Share of the profit/loss of associates	0	0
Earnings before tax	**(13,089,053)**	**(9,422,743)**
Income tax	0	0
Net loss for the period	**(13,089,053)**	**(9,422,743)**
Net currency gain/loss from consolidation	0	0
Other comprehensive income	**0**	**0**
Comprehensive income	**(13,089,053)**	**(9,422,743)**
Earnings per share		
Basic earnings per share	(0.42)	(0.33)
Average weighted number of shares issued	31,063,529	28,749,139

Rounding of exact figures may result in differences.

Quarterly comparison	Q2 2021 €	Q1 2021 €	Q4 2020 €	Q3 2020 €	Q2 2020 €
Revenue	447,949	370,284	1,000,108	4,368,279	1,621,419
Other income	172,908	91,224	300,453	150,902	369,086
Operating expenses	**(7,255,890)**	**(6,745,146)**	**(7,124,144)**	**(7,563,592)**	**(6,840,120)**
of which cost of sales	(858,459)	(1,076,020)	(1,142,466)	(1,826,264)	(1,124,030)
of which research and development costs	(5,247,280)	(4,863,575)	(4,741,248)	(4,843,189)	(4,823,321)
of which administrative costs	(1,014,855)	(708,970)	(1,116,836)	(813,606)	(794,837)
of which other expenses	(135,296)	(96,581)	(123,594)	(80,532)	(97,931)
Operating result	**(6,635,032)**	**(6,283,638)**	**(5,823,583)**	**(3,044,410)**	**(4,849,614)**
Finance income	0	0	0	0	0
Finance costs	(133,474)	(36,909)	(6,688)	(859)	(2,590)
Financial result	**(133,474)**	**(36,909)**	**(6,688)**	**(859)**	**(2,590)**
Share of the profit/loss of associates	0	0	(70,754)	0	0
Earnings before tax	**(6,768,506)**	**(6,320,547)**	**(5,901,025)**	**(3,045,270)**	**(4,852,204)**
Income tax	0	0	0	0	0
Net loss for the period	**(6,768,506)**	**(6,320,547)**	**(5,901,025)**	**(3,045,270)**	**(4,852,204)**
Net currency gain/loss from consolidation	0	0	0	0	0
Comprehensive income	**(6,768,506)**	**(6,320,547)**	**(5,901,025)**	**(3,045,270)**	**(4,852,204)**
Basic earnings per share	(0.22)	(0.20)	(0.19)	(0.10)	(0.17)
Average weighted number of shares issued	31,065,149	31,061,872	31,052,043	31,032,724	29,282,803

Rounding of exact figures may result in differences.

CONSOLIDATED BALANCE SHEET (IFRS)

as of 31 May 2021 and as of 30 November 2020

Assets	31 May 2021 €	30 Nov. 2020 €
Property, plant and equipment	3.563.667	3.113.628
Intangible assets	2,898,358	2,818,316
Goodwill	6,111,166	6,111,166
Other non-current assets	44,900	44,900
Non-current assets	**12,618,091**	**12,088,010**
Inventories	598,053	229,820
Prepayments	243,279	798,948
Trade receivables	854,421	1,187,684
Other receivables	447,437	322,098
Cash and cash equivalents	930,145	4,982,232
Current assets	**3,073,335**	**7,520,782**
Total assets	**15,691,426**	**19,608,792**

Equity and liabilities	31 May 2021 €	30 Nov, 2020 €
Subscribed capital	31,066,372	31,061,872
Capital reserve	227,502,545	227,370,862
Accumulated losses	(258,642,729)	(245,553,676)
Equity	**(73,812)**	**12,879,058**
Lease liabilities (non-current)	56,730	102,030
Contract liabilities (non-current)	0	0
Non-current liabilities	**56,730**	**102,030**
Trade payables	1,554,934	2,811,832
Lease liabilities (current)	96,355	100,649
Contract liabilities (current)	367,602	252,112
Other current liabilities	3,524,617	3,463,112
Financial liabilities	10,165,000	0
Current liabilities	**15,708,509**	**6,627,704**
Total equity and liabilities	**15,691,426**	**19,608,792**

Rounding of exact figures may result in differences.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS)

Reporting period from 1 December 2020 to 31 May 2021

	Shares	Subscribed capital €	Capital reserve: Corporate actions/ premium €	Capital reserve: Stock options €	Accumulated losses €	Total €
			210,364,460	4,903,988		
As of 1 December 2019	**28,209,611**	**28,209,611**	**215,268,448**		**(227,184,639)**	**16,293,420**
Measurement of stock options				322,110		322,110
Net loss for the period					(9,422,743)	(9,422,743)
Capital increase after accounting for capital procurement costs	2,820,961	2,820,961	11,516,571			14,337,532
Net change in equity						**5,236,899**
			221,881,031	5,226,098		
As of 31 May 2020	**31,030,572**	**31,030,572**	**227,107,129**		**(236,607,382)**	**21,530,319**
			221,896,978	5,473,884		
As of 1 December 2020	**31,061,872**	**31,061,872**	**227,370,862**		**(245,553,676)**	**12,879,058**
Measurement of stock options				127,678		127,678
Net loss for the period					(13,089,053)	(13,089,053)
Creation of shares for stock options exercised	4,500	4,500	4,005			8,505
Net change in equity						**(12,952,870)**
			221,900,983	5,601,562		
As of 31 May 2021	**31,066,372**	**31,066,372**	**227,502,545**		**(258,642,729)**	**(73,812)**

Rounding of exact figures may result in differences.

CONSOLIDATED CASH FLOW STATEMENT (IFRS)

Reporting period from 1 December 2020 to 31 May 2021

	H1 2021 €	H1 2020 €
Net loss for the year	**(13,089,053)**	**(9,422,743)**
Adjustment for items in the statement of comprehensive income		
Stock options	127,678	322,110
Depreciation, amortization and impairment losses	384,042	260,078
Exchange rate effects	3,674	11,317
Finance costs	170,383	6,017
	644,138	**599,522**
Changes in balance sheet items		
Inventories	(368,233)	(345,588)
Prepayments	555,669	(70,365)
Trade receivables	333,263	735,258
Other receivables	(125,339)	(452,603)
Trade payables	(1,256,897)	803,317
Contract liabilities	115,490	(281,413)
Other liabilities	61,505	143,706
	(684,542)	**532,311**
Cash flow from operating activities	**(13,129,457)**	**(8,290,910)**
Finance costs paid	(5,383)	(7,467)
Net cash flow from operating activities	**(13,134,840)**	**(8,298,377)**
Cash flow from investing activities		
Purchase of property, plant and equipment	(781,152)	(728,340)
Purchase of intangible assets	(90,935)	(5,078)
Net cash flow from investing activities	**(872,087)**	**(733,418)**
Cash flow from financing activities		
Change in shareholder loan	10,000,000	0
Proceeds from capital increases	0	14,386,901
Capital procurement costs of capital increases	0	(49,369)
Proceeds from creating shares for stock options exercised	8,505	0
Principal portion of lease payments	(49,992)	(48,969)
Net cash flow from financing activities	**9,958,513**	**14,288,563**
Influence of exchange rate and other effects on cash and cash equivalents	(3,674)	(11,317)
Net change in cash and cash equivalents	**(4,052,087)**	**5,245,451**
Cash and cash equivalents		
at beginning of period	4,982,232	9,883,592
at end of period	930,145	15,129,043

Rounding of exact figures may result in differences.

SELECTED NOTES

A. General disclosures

The interim consolidated financial statements include the Group's parent, Heidelberg Pharma AG, Ladenburg, Germany, as well as its subsidiary Heidelberg Pharma Research GmbH, Ladenburg, Germany, – jointly, the "Group". This report was prepared in accordance with the same accounting policies as the consolidated financial statements as of 30 November 2020. The Company's results of operations, financial position and net assets, as well as key items in these financial statements, are explained in detail in the interim management report. The Company's business activities are not subject to seasonal or macroeconomic influences.

The interim consolidated financial statements for the first half of fiscal year 2021 that appear in this report were prepared in accordance with the International Financial Reporting Standards (IFRS) endorsed and adopted by the European Union (EU), specifically in accordance with IAS 34 ("Interim Financial Reporting") issued by the International Accounting Standards Board (IASB) and in compliance with the Interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC). New standards issued by the IASB and adopted by the EU are applied starting in the fiscal year in which their application becomes mandatory.

These interim financial statements are abbreviated, do not include all the information and disclosures required for consolidated financial statements as of the end of a fiscal year, and should be read in the context of the IFRS consolidated financial statements as of 30 November 2020 published for the 2020 fiscal year. They were not subjected to a review by an auditor. Pursuant to the Company's Declaration of Conformity issued in January 2021 and updated in April 2021 concerning the German Corporate Governance Code, both the interim financial statements and the interim management report for the Group were made available to the Supervisory Board's Audit Committee before being published. This interim report was approved for publication by the Executive Management Board of Heidelberg Pharma AG on 8 July 2021.

B. Change in equity

As of the reporting date, the total number of shares issued (subscribed/share capital) was 31,066,372 (30 November 2020: 31,061,872).

Equity of the Heidelberg Pharma Group at the end of the reporting period was € –0.1 million (30 November 2020: € 12.9 million). The decrease is due to the loss incurred for the period. Funding in the first half of the year via the subordinated shareholder loan from dievini did not result in an inflow of equity on the balance sheet. The loss for the period therefore temporarily caused equity to be negative. Capital reserves were € 227.5 million (30 November 2020: € 227.4 million) and the losses accumulated totaled € 258.6 million (30 November 2020: € 245.6 million). The equity ratio of the Heidelberg Pharma Group was –0.5 % (30 November 2020: 65.7 %).

C. Issue and measurement of stock options

Similar to the approach described in the Annual Report as of 30 November 2020, Heidelberg Pharma's obligation vis-à-vis the beneficiaries resulting from the issuance of options under the 2011, 2017 and 2018 Stock Option Plans was recognized in accordance with IFRS 2 in the reporting period. The estimated number of options expected to become exercisable is reviewed at each reporting date. The effects of any adjustments to be considered regarding initial estimates are recognized in the statement of comprehensive income as well as by adjusting equity accordingly.

The measurement of the stock options in the first six months of the 2021 fiscal year entailed staff costs of € 128 thousand (previous year: € 322 thousand).

As of the 31 May reporting date, no options had been issued during the 2021 fiscal year. No stock options were returned because employees left the Company, but 4,500 stock options were exercised.

Heidelberg Pharma issued a total of 1,993,746 subscription rights to employees and members of the Executive Management Board under the 2011, 2017 and 2018 Stock Option Plans, of which 1,800,975 options (687,750 for current or former Executive Management Board members and 1,113,225 for current or former employees) were outstanding as of the end of the reporting period.

A total of 43,781 options of the Executive Management Board and 109,531 options of employees vested in the first six months of the 2021 fiscal year.

D. Related party transactions

During the reporting period, executives of Heidelberg Pharma AG did not report any transactions subject to disclosure in accordance with Article 19 of the Market Abuse Regulation (Directors' dealings).

There were no related party transactions during the reporting period.

E. Key events after the interim reporting period (report on post-balance sheet date events)

Significant events that occurred after the end of the reporting period are explained in the report on post-balance sheet events that is part of the interim management report.

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RESPONSIBILITY STATEMENT OF THE EXECUTIVE MANAGEMENT BOARD

"To the best of our knowledge, and in accordance with the applicable reporting principles, the financial statements for the first six months give a true and fair view of the assets, liabilities, financial position and profit or loss of the Heidelberg Pharma Group, and the interim management report includes a fair review of the development and performance of the business and the position of the Heidelberg Pharma Group, together with a description of the material opportunities and risks associated with the expected development of the Heidelberg Pharma Group."

Ladenburg, 8 July 2021

The Executive Management Board of Heidelberg Pharma AG

Dr. Jan Schmidt-Brand
Chief Executive Officer and Chief Financial Officer

Prof. Dr. Andreas Pahl
Chief Scientific Officer

HEIDELBERG PHARMA'S SHARES

Share price performance in 2021

Heidelberg Pharma's shares opened 2021 at € 6.90 and shed value in the first weeks of the year before reaching a low of € 5.10 at the beginning of February. After the first clinical trial was green-lighted by the FDA and new data on ATACs' immunological potential was published, the share price rose continuously to reach multi-year high of € 9.70 on 18 February. In the weeks that followed, the share price remained volatile, hovering in a corridor between € 6 and € 8. Heidelberg Pharma's share price rose to € 8.20 in the last days of June before dipping again due to profit-taking at quarter-end. The share closed the first half of 2021 up 13 % trading at € 7.80, a significant increase year-over year (30 June 2020: € 4.22).

The DAXsubsector Biotechnology Index closed the first half of the year up 15% whereas the NASDAQ Biotechnology Index performed slightly weaker at a plus of 7 %. The DAX and TecDax indices also performed well, recording growth of 13 % and 10 %, respectively.

Heidelberg Pharma's share price performance, indexed as of 1 January 2021

In line with the increase in the share price and reflecting the issue of new shares, the market capitalization of Heidelberg Pharma doubled from € 130.9 million to € 266.6 million over the year. In the first half of 2021, the average daily trading volume of Heidelberg Pharma shares was 26,361 shares (previous year's volume: 49,221 shares).

Key share figures as of the end of the first six months of the year	1 Jan. to 30 June 2021	1 Jan. to 30 June 2020
Number of shares issued	34,173,009	31,030,572
Market capitalization in € million	266.55	130.95
Closing price (XETRA) in €	7.80	4.22
High[1] in €	9.70 (18 Feb. 2021)	9.30 (19 March2020)
Low[1] in €	5.10 (01 Feb. 2021)	2.06 (02 Jan. 2020)
Volatility (260 days[1]) in %	69.217	106.586
Average daily trading volume[1] in shares	26,361	49,221
Average daily trading volume[1] in €	193,837.23	252,976.17

[1] All stock exchanges

Source: Bloomberg

Annual General Meeting 2021

The Annual General Meeting of Heidelberg Pharma AG was held on 18 May 2021. Pursuant to the COVID-19 Act, it took place in a virtual format. In addition to resolutions on the formal approval of the actions of the members of the Executive Management Board and the Supervisory Board for the 2020 fiscal year and the appointment of the auditor of the annual financial statements and the consolidated financial statements for the 2020 /2021 fiscal year, a resolution was passed to revoke Contingent Capital II and amend the Articles of Association accordingly. A resolution on a further amendment to the Articles of Association to reflect a change in the law was also adopted, as was a resolution concerning the remuneration system of the members of the Executive Management and Supervisory Boards.

Presence at the Annual General Meeting 2021 corresponded to 81.57 % of the current share capital. Registered shareholders were able to follow the entire Annual General Meeting live via video and audio, exercise their voting rights and submit questions using a password-protected Internet service. The Annual General Meeting adopted the resolutions proposed by the management with a large majority (between 98.40 % and 99.99 %).

Investor relations

Following the green light from the FDA for the clinical development of the first ATAC, Heidelberg Pharma significantly intensified its IR activities in the first half of the year. Virtual meetings were held with many new and specialized biotech investors across Europe and the US. Investors showed strong interest in ATAC technology, its potential and the Company's strategy. Bryan, Garnier & Co. began analyst research in April with an initiation study. In June, shares were successfully placed with new institutional investors (including Polar Capital and Invus) by way of a private placement.

Shareholder structure of Heidelberg Pharma AG	
Dietmar Hopp, parties related to him and companies controlled by them[1]	75%
UCB	3%
Corporate bodies (held directly)	1%
Free float	21%

[1] Also includes dievini Hopp BioTech holding GmbH & Co. KG, DH-Holding Verwaltungs GmbH and DH-LT-Investments GmbH. All figures are assumptions by Heidelberg Pharma AG based on the most recent notifications in accordance with the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG) and/or the voting rights reported at the most recent General Meeting.

Financial calendar 2021

Date	Type of report/event
7 October 2021	Interim management statement on the first nine months of 2021

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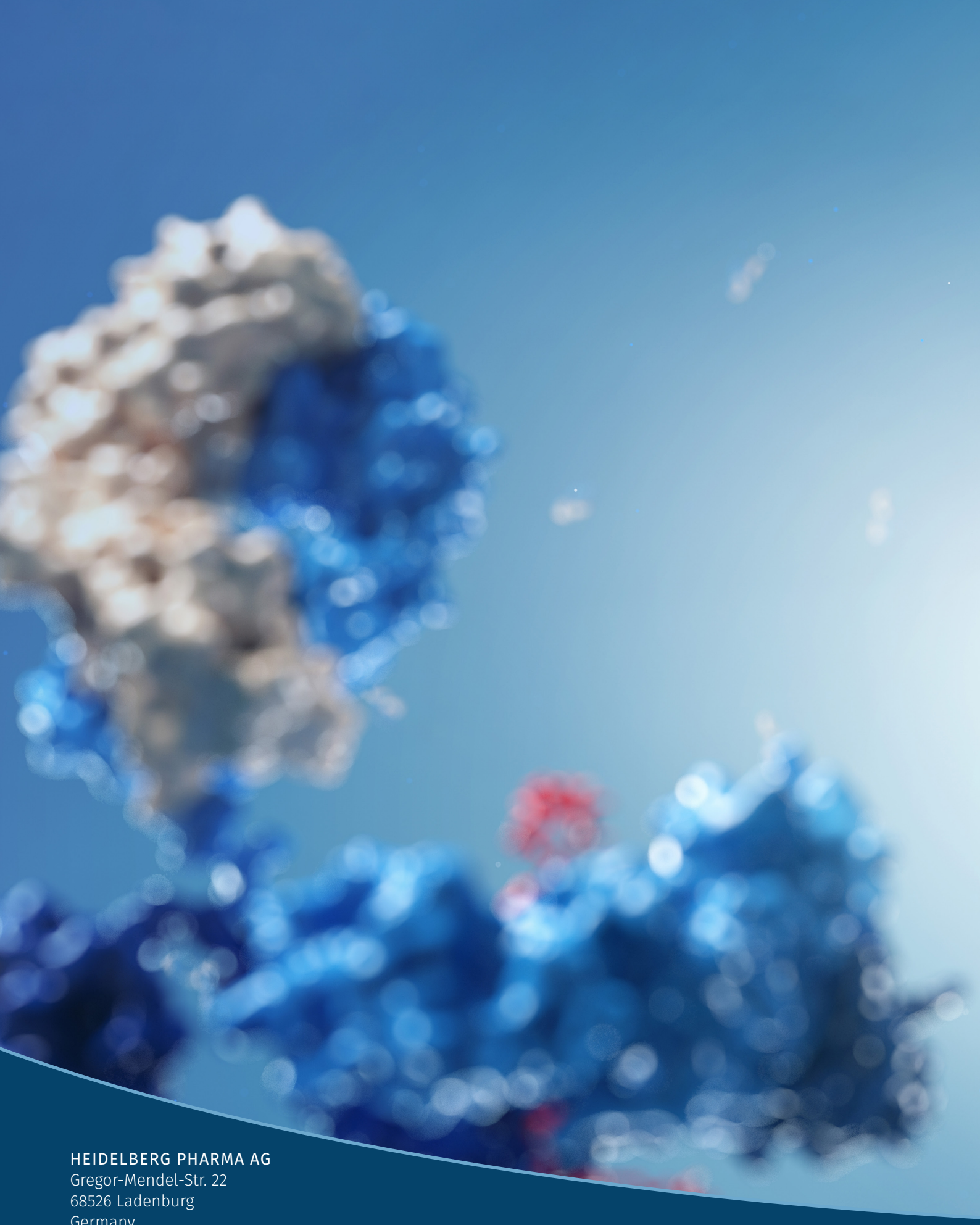
The half-yearly financial report is also published in German and is available for download from our website at www.heidelberg-pharma.com.

The English translation of the half-yearly financial report is provided for convenience only. The German original is definitive.

As of: 7 July 2021



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