PRESS RELEASE

WILEX publishes Half-yearly Financial Report 2014

- Capital reduction resolved and implemented
- Licence agreements with IBA and UCB terminated
- New licence agreement signed for MESUPRON®
- Sales revenue and earnings in line with expectations, costs reduced substantially
- Public conference call on 15 July 2014 at 3:00 p.m. CEST

Munich, 15 July 2014 - WILEX AG (ISIN DE0006614720 / WL6 / FSE) today published its financial report on the first six months of 2014 (1 December 2013 - 31 May 2014).

The second quarter has been dominated by consolidation and realignment. One important task was adjusting and/or terminating our licence agreements with existing partners and conducting negotiations concerning the out-licensing of WILEX's portfolio.

- **Termination of the licence agreement with IBA:** At the end of April 2014, WILEX and its partner IBA Pharma SPRL agreed to terminate their licence agreement for REDECTANE® dating back to 2008 and retransfer all rights granted to IBA under the licence agreement with immediate effect to WILEX, particularly the exclusive licence granted for the production and global marketing of this diagnostic antibody. WILEX is now in a position to contact new partners for the external development, financing, production and marketing of REDECTANE®.
- **Termination of the licence agreement with UCB:** At the end of May 2014, WILEX ended its development partnership with UCB Pharma S.A. for the small molecule programmes WX-554 and WX-037 as well as the three preclinical antibody programmes and agreed a final payment for the development services provided by WILEX. As part of this arrangement, UCB, as a shareholder of WILEX, agreed that it would waive repayment of the EUR 2.5 million shareholder loan extended to WILEX plus any outstanding interest after the proper transfer of all rights and data for the programmes has been concluded. This would be a great help and an improved basis for the liquidity planning and financing of the WILEX Group.
- **Licence agreements for MESUPRON®:** After signing the licence agreement with the Chinese company Link Health Group at the end of March for China, Hong Kong, Macao and Taiwan, great efforts were made to secure a second partnership for MESUPRON®. In late June – i.e. after the reporting period – WILEX succeeded in concluding a licence agreement with the Israeli biopharmaceutical company RedHill Biopharma Ltd. Under this licence agreement, RedHill will acquire the exclusive development and marketing rights to MESUPRON® in all indications outside of the Greater China regions. WILEX will receive an upfront payment of USD 1 million as well as staged royalty payments ranging from the mid-teens up to 30%. RedHill will be responsible for the entire development, regulatory approval and marketing of MESUPRON®.
- **Capital reduction:** On 23 May 2014, the Annual General Meeting of WILEX AG approved by a majority of 99.87% the proposal of the Executive Management Board and the Supervisory Board to reduce the Company's share capital in accordance with Sections 222 ff. German

Stock Corporation Act. The share capital was reduced – after cancelling three shares – from then EUR 31,275,504.00 by EUR 23,456,628.00 to EUR 7,818,876.00 through the combination of the outstanding no par value shares in a ratio of 4:1. The new share capital has been entered in the Commercial Register. The conversion of the shares in the deposit accounts and on the stock exchanges is to take place on 18 July 2014.

Dr Jan Schmidt-Brand, Spokesman of the Executive Management Board and Chief Financial Officer of WILEX AG, commented: "In recent months, we worked hard on consolidating and realigning our company and achieved important objectives. We are especially delighted about the partnerships for MESUPRON® as this will enable both the advancement of this novel anti-metastatic approach and WILEX to participate by way of payments made by partners and royalties in the event of successful clinical development and approval. As regards the other programmes – and our ADC technology platform in particular – we are also working on commercialising them further and we look ahead to the next months with both excitement and confidence."

Financial results for the first six months of financial year 2014

The WILEX Group comprising WILEX AG and the subsidiary Heidelberg Pharma GmbH reports consolidated figures and on three segments (Rx-Therapeutics, Dx-Diagnostics and Cx-Customer Specific Research).

In the first six months of the 2014 financial year, the WILEX Group generated sales revenue and income totalling EUR 1.7 million, down 78% on the previous year (EUR 7.6 million). This figure includes sales revenue of EUR 1.2 million from the Rx and Cx segment (previous year: EUR 6.6 million). Prior year's sales revenue were mainly generated from individual components of the terminated licence agreement with Prometheus for RENCAREX®. In line with planning, the Dx segment did not post any sales revenue. At EUR 0.5 million, other income also came in below the prior-year figure (EUR 1.0 million) and mainly stemmed from the reversal through profit or loss of provisions that were not required in the amounts planned. Furthermore, both the Rx segment and the Cx segment received grants from the Federal Ministry of Education and Research (BMBF) for research projects.

Operating expenses including depreciation and amortisation amounted to EUR 6.0 million in the reporting period, down 46% compared with the previous year (EUR 11.1 million). Cost of sales fell to EUR 0.9 million (previous year: EUR 2.7 million) in the reporting period and accounts for 15% of operating expenses. Research and development costs, which were EUR 5.4 million the previous year, fell by EUR 2.1 million to EUR 3.3 million, as a result of the restructuring programme initiated and the phasing out of the R&D activities at the Munich site. Administrative costs were reduced to EUR 1.5 million (previous year: EUR 1.9 million) and account for 26% of operating expenses. Other expenses for activities in the areas of business development, marketing and commercial market supply amounted to EUR 0.3 million (previous year: EUR 1.1 million). They account for 5% of operating expenses.

The WILEX Group reported an improved financial result of EUR -33 k (previous year: EUR -50 k). The net loss for the period was EUR 4.4 million (previous year: EUR 3.5 million) and is attributable to lower sales revenue and income. Reflecting the net loss for the period, earnings per share fell by 27% to EUR -0.14 (previous year: EUR -0.11).

Cash and cash equivalents as of 31 May 2014 amounted to EUR 2.8 million (30 November 2013: EUR 8.9 million). This figure does not yet include inflows from terminated and newly signed licence agreements. WILEX's average monthly funding requirement in the first six months was EUR 1.0 million (previous year: EUR 1.7 million). Due to the follow-up costs of the restructuring, the significant reduction planned will not materialise until later quarters.

Total assets as of the end of the reporting period amounted to EUR 16.6 million (30 November 2013: EUR 22.3 million); equity amounted to EUR 10.6 million (30 November 2013: EUR 14.9 million). The equity ratio was 63.8% (30 November 2013: 67.0%).

There is no change to the guidance for the current financial year issued on 31 March 2014.

Key figures for the WILEX Group

	H1 2014 [1] EUR'000	H1 2013 [1] EUR'000
Earnings		
Sales revenue	1,189	6,595
Other income	475	1,038
Operating expenses	(5,974)	(11,123)
of which research and development costs	(3,253)	(5,415)
Operating result	(4,310)	(3,490)
Earnings before tax	(4,344)	(3,540)
Net loss for the year	(4,391)	(3,540)
Earnings per share in EUR	(0.14)	(0.11)
Balance sheet as the end of the period		
Total assets	16,574	27,983
Cash and cash equivalents	2,832	12,894
Equity	10,569	16,439
Equity ratio[2] in %	63.8	58.7
Cash flow statement		
Cash flow from operating activities	(6,017)	(10,504)
Cash flow from investing activities	(129)	(43)
Cash flow from financing activities	(49)	(115)
Employees (number)		
Employees as of 31.05.2014 [3, 4]	67	111

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
4 WILEX Inc. is no longer included in 2014.
Rounding of exact figures may result in differences.

The full half-yearly financial report including the segment reporting and the consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) was published at www.wilex.com.

Invitation to the conference call

On 15 July 2014, WILEX will hold a public conference call in English for media, analysts and investors 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 Freephone: +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 from www.wilex.com at 2:30 p.m. CEST.

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About WILEX

WILEX AG is a biopharmaceutical company based in Munich, Germany. Focused on oncology, the Company develops diagnostic and therapeutic product candidates based on antibodies and small molecules, which are available for out-licensing. The subsidiary Heidelberg Pharma GmbH offers preclinical contract research services and an antibody drug conjugate (ADC) technology platform. Our customers and partners include leading international pharmaceutical companies. More information is available at www.wilex.com