Heidelberg PHARMA

ANNUAL REPORT 2025

KEY FIGURES

	2025[1] €'000	2024[1] €'000
Earnings		
Sales revenue	**1,457**	6,849
Other income	**5,474**	5,112
Operating expenses	**(49,032)**	(32,626)
of which research and development costs	**(38,779)**	(21,843)
Operating result	**(42,100)**	(20,665)
Earnings before tax	**(41,231)**	(19,382)
Net loss for the year	**(42,281)**	(19,382)
Comprehensive income	**(42,281)**	(19,382)
Earnings per share in € (basic)	**(0.91)**	(0.42)
Balance sheet at end of period		
Total assets	**38,136**	60,720
Cash	**14,976**	29,422
Equity	**(10,918)**	30,866
Equity ratio[2] in%	**(28.6)**	50.8
Cash flow statement		
Cash flow from operating activities	**(31,600)**	(29,588)
Cash flow from investing activities	**(135)**	(449)
Cash flow from financing activities	**18,346**	16,077
Employees (number)		
Employees as of the end of the period (headcount)[3]	**120**	116
Employees as of the end of the period (full-time equivalents)[3]	**111**	105

[1] The reporting period begins on 1 December and ends on 30 November.
[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.

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OUR MISSION

We aim to develop innovative cancer therapies that are more effective and have fewer side effects than conventional therapies. Our approach is based on the highly potent toxin amanitin, derived from the death cap mushroom, which we are adapting for use in oncology.

Using our proprietary ADC technology, we conjugate Amanitin to specific antibodies that transport the toxin directly to tumor cells, which absorb it triggering tumor cell death. In this way, we combine the precision of modern antibody therapies with the exceptional efficacy of Amanitin to address even hard-to-treat cancers. Due to its unique mechanism of action, Amanitin offers the potential to overcome resistance to therapy and eliminate dormant tumor cells. For patients who no longer respond to any other treatment, this would represent a significant advance in treatment.

Our commitment is to translate scientific findings into clinically effective therapies, thereby creating new treatment options for cancer patients.

Our goal:
To develop a highly effective fungal toxin for targeted cancer therapy with few side effects

PORTFOLIO

ATAC pipeline

Product	Target	Indication	Research	Preclinic	Phase I	Phase II	Phase III	Approval	Partners
HDP-101	BCMA	Multiple myeloma							Huadong (China+)
HDP-102	CD37	Non-Hodgkin lymphoma (DLBCL/CLL)							Propri-etary
HDP-103	PSMA	Prostate cancer							Huadong (China+)
HDP-104	GCC	Gastrointestinal cancers (e.g. CRC)							Huadong (option China+)

ATAC partners

Product	Target	Indication	Research	Preclinic	Phase I	Phase II	Phase III	Approval	Partners
TAK-ATAC	n/a	Oncology							Takeda

TOPO

Product	Target	Indication	Research	Preclinic	Phase I	Phase II	Phase III	Approval	Partners
HDP-201	GCC	Colorectal cancer							Propri-etary

Legacy assets

Product	Target	Indication	Research	Preclinic	Phase I	Phase II	Phase III	Approval	Partners
TLX250-Px	CA-IX	Kidney cancer							Telix
TLX250-Px	CA-IX	Bladder cancer							Telix
TLX250-Tx	CA-IX	Kidney cancer							Telix

MILESTONES IN 2025

March

Heidelberg Pharma amends financing agreement with HealthCare Royalty

In March 2025, Heidelberg Pharma and HealthCare Royalty (HCRx) amend their existing agreement. The original agreement is based on the partial sale of royalties to which Heidelberg Pharma will be entitled following the market launch of TLX250-Px, a radiopharmaceutical imaging agent for the diagnosis and follow-up of clear cell renal cell carcinoma using positron emission tomography (PET). Heidelberg Pharma had developed the antibody and licensed it to the Australian company Telix in 2017.

Under the amended agreement, Heidelberg Pharma receives a payment of USD 20 million, and some contractual parameters are adjusted.

April

Heidelberg Pharma presents results of proprietary ADC technology platforms at the 2025 AACR meeting

Heidelberg Pharma presents two posters on its ADC technology platforms at the annual meeting of the American Association for Cancer Research (AACR).

May

Virtual Annual General Meeting approves all resolutions by large majority and elects new Supervisory Board

First patient treated in a Phase I study with ATAC candidate HDP-102 for non-Hodgkin's lymphoma

May

The second ATAC candidate enters clinical development with initiation of a Phase I study with HDP-102 for the treatment of non-Hodgkin's lymphoma.

Promising new clinical data on ATAC candidate HDP-101 presented at EHA 2025

June

Heidelberg Pharma presents new clinical data on HDP-101 at the 30th Congress of the European Hematology Association (EHA): HDP-101 shows very encouraging results, including a stringent complete remission in a patient from cohort 5 who had already undergone multiple prior treatments and has been continuously treated with HDP-101 alone for more than 19 months.

In addition, several patients show promising biological activity and objective improvements.

R&D webinar following presentation of new clinical data at the EHA meeting

Following the annual meeting of the European Hematology Association (EHA), Heidelberg Pharma hosts a webinar. Together with key opinion leaders in the field of multiple myeloma, the management team provides insights into the ongoing clinical trial with HDP-101 and discuss its potential as a treatment option for patients.

Setback for Telix in the approval process and for Heidelberg Pharma in its financing strategy

August

Telix receives a Complete Response Letter (CRL) from the US Food and Drug Administration (FDA) for TLX250-Px, identifying deficiencies relating to the CMC (Chemistry, Manufacturing and Controls) package. The FDA has requested additional data to establish comparability between the drug used in the ZIRCON Phase III clinical trial and the scaled-up manufacturing process intended for commercial use. In addition, the FDA has documented notices of deficiency to two external manufacturing and supply chain partners that will require remediation before resubmission.

As a result, the important milestone payment from HCRx to Heidelberg Pharma is delayed, as TLX250-Px has not yet received market approval.

MILESTONES IN 2025

September

New clinical data on HDP-101 presented at IMS 2025

At the annual meeting of the International Myeloma Society (IMS) in mid-September, Professor Dr. Jonathan L. Kaufman, clinical investigator of the study, presents new results from eight patient cohorts of the ongoing study evaluating HDP-101 in multiple myeloma. In cohort 8, HDP-101 consistently demonstrated a very good safety and tolerability profile and encouraging signs of clinical efficacy. Initial efficacy of HDP-101 was observed in half of the patients.

Strategic focus and cost-saving measures

The delayed milestone payment from HCRx leads to a strategic focus and extensive cost-reduction measures to extend the company's cash runway. In the future, Heidelberg Pharma will focus on the further development of its lead ADC candidate HDP-101. The second clinical program, HDP-102, will be paused. Early research activities will be phased out, and the workforce will be reduced by approximately 75% across the company by mid-2026. Based on these measures, the company will also adjust its forecast for fiscal year 2025 at the beginning of October.

October

HDP-101 receives Fast Track designation from the FDA for the treatment of multiple myeloma

Fast Track designation is intended to accelerate the development and review of therapies that treat serious or life-threatening conditions with unmet medical needs. This designation allows for more frequent engagement with the FDA, permits rolling review of the Biologics License Application (BLA), and may lead to eligibility for priority review or accelerated approval.

Heidelberg Pharma presents HDP-101 data at the World ADC Congress 2025 and hosts second webinar

November

HDP-101 data from the open-label, multicenter Phase I/IIa study in patients with relapsed or refractory multiple myeloma is presented at the most important ADC congress, including current efficacy data from the eighth patient cohort.

Following the congress, the company hosts a webinar to make the data available to a wider audience in detail. Investigators from the study centers and Heidelberg Pharma's Chief Medical Officer explain and present the unique mechanism of action, the very favorable side effect profile of HDP-101, and the impressive patient data available to date. All seven patients from cohort 8 consistently show a favorable safety and tolerability profile. Four patients show biological efficacy after administration of HDP-101, with one partial remission, one very good partial remission, and two stringent complete remissions.

Changes to the Executive Board

As a further step in the restructuring process, the Supervisory Board revokes the appointment of Professor Andreas Pahl as member and spokesperson of the Management Board and appoints Dr. Dongzhou Jeffery Liu as a member of the Management Board and Chief Executive Officer with immediate effect. Dr. Liu simultaneously resigns from his position as a member of the Supervisory Board.

Heidelberg Pharma publishes letter from new CEO Dr. Dongzhou Jeffery Liu with assessment and outlook

December

Dr. Dongzhou Jeffery Liu
Chief Executive Officer

LETTER TO THE SHARE-HOLDERS

Dear Shareholders,

Six months ago, we embarked on a path with Heidelberg Pharma, intended to guide us through the fiscal year 2025/2026 with a streamlined corporate structure and focused activities.

The cost-cutting measures initiated in 2025 were prompted by a funding shortfall we had not anticipated. We expected market approval for our out-licensed cancer diagnostic imaging agent TLX250-Px through our partner Telix and a related, significant milestone payment from HealthCare Royalty Partners (HCRx). Following the FDA's unexpected Complete Response Letter in late August 2025, the approval of this promising product will be postponed indefinitely.

This situation has placed our company in a financial predicament for which we had to find a swift and comprehensive solution. Only through a strict cost-cutting program and a focus on the clinical development of our ATAC candidate HDP-101 (INN: pamlectabart tismanitin) can we ensure the company's continued existence. We are convinced that the ongoing clinical development of the candidate – and thus of our ATAC technology – will once again increase its appeal to potential partners and, consequently, the valuation of our company.

Progress with pamlectabart tismanitin in Multiple Myeloma

The data available to date from the Phase I clinical trial with pamlectabart tismanitin are promising. Patients treated in patient cohorts 5–8 showed an average overall response rate of 37%. In the most recently fully analyzed cohort (Cohort 8) at a dose of 140 µg/kg, the response rate rose to 57%, including two patients with stringent complete remissions. Patients responded earlier and more strongly than in the previous cohorts, suggesting a dose-dependent improvement. At the same time, the safety profile remains manageable, with no evidence of dose-limiting toxicities or other serious adverse reactions to treatment.

Walter Miller
Chief Financial Officer

The ninth cohort has already been completed, and patient data is being analyzed. Since late December, patients have been recruited into Cohort 10 and are currently still undergoing treatment.

We are very pleased that the data clearly demonstrate the potential of our product candidate and technology and are generating interest within the Pharma and ADC community. Our focus is now on the rapid determination of the recommended dose for Phase II. The safety and efficacy profile observed to date in Multiple Myeloma clinical trials, as well as the Orphan Drug Designation and Fast Track Designation granted by the FDA, underscore the importance of and need for pamlectabart tismanitin for patients with this life-threatening disease.

Activities of our partners

In January, our partner Takeda initiated clinical development of an ADC based on our proprietary ATAC technology. This marks the first time an Amanitin-based ADC is being tested in patients with solid tumors – an important step toward further validating our technology, accompanied by an agreed-upon milestone payment.

In March 2026, our partner in China, Huadong Medicine, treated the first patient with pamlectabart tismanitin. The Phase I study is designed as a bridging study and evaluates safety, tolerability, and efficacy in the Chinese patient population. The start of clinical development in China is an important milestone for us and Huadong, as we are now evaluating this product candidate not only in Europe and the US but also in Asia. We are confident that pamlectabart tismanitin will also demonstrate a consistent safety and tolerability profile in the Chinese population and firmly believe in its therapeutic potential for various patient groups.

Financial update of Heidelberg Pharma

To ensure the Phase II development of pamlectabart tismanitin, we have been working intensively on financing options over the past months. In March 2025, Heidelberg Pharma and HealthCare Royalty (HCRx) agreed to amend the existing license agreement dated March 2024, providing us with an immediate payment of USD 20 million and waived future payments in the same amount. In early March 2026, we succeeded in bringing a new financing partner, Soleus Capital Management, into the agreement with HealthCare Royalty and concluding a new agreement. This provides for a short-term first milestone payment of USD 20 million as well as an additional payment of USD 25 million upon approval of TLX250-Px. The milestone payment from HCRx in the amount of USD 70 million upon approval remains in place but will decrease significantly over time as originally stipulated in the contract. Both the contract amendment and the consistently implemented cost-saving measures secure our funding runway until mid-2027.

The delay in the HCRx payment and the subsequent restructuring measures were accompanied by a forecast review in September/October 2025. At that time, revenues were lower than planned and were offset by lower expenses. In particular, the original forecast for the change in cash was significantly impacted by the delay in the HCRx milestone payment, as an anticipated inflow was no longer achievable.

These developments led to an adjustment of the 2025 forecast and a reassessment of the expected negative operating result in October. However, reference was already made to expected and not yet defined one-time charges from the cost-cutting program, which were expected to impact the result. If the operating expenses and operating result that ultimately occurred are adjusted for the now-determined one-time charges amounting to €10.6 million, the forecast for these two financial metrics would have been largely met. Regarding the adjusted cash flow requirement, which now implies a cash outflow rather than a significant inflow, we are even at the lower end of the forecast range.

Continuing on the path we have chosen

With the newly established structure, we have laid the necessary foundation for the future. The restructuring of the company is underway, and our focus is now entirely on operational implementation and value enhancement.

Our primary goal for the 2026 fiscal year is to further develop of our lead candidate, pamlectabart tismanitin, to generate additional clinical data, and to determine the recommended dose for the Phase IIa part of the clinical trial. For HDP-103, we intend to prepare the clinical trial package for clinical development and potential partnering. Our partner Telix is advancing its girentuximab-based programs for diagnostic and therapeutic radioimmunoconjugates. We are also looking forward to seeing Takeda's Amanitin-based ADC progress in the clinic. Regarding our strategic partner Huadong, we are currently conducting a Phase I-bridging study with pamlectabart tismanitin in China and we plan to strengthen our development collaboration in the future.

We thank our team, which drives our activities and partnerships forward with great commitment and dedication. Together, we aim to develop highly effective and safe cancer therapies for the benefit of patients. We are convinced that our technology offers a promising mechanism of action that secures a unique selling point for us in cancer therapy.

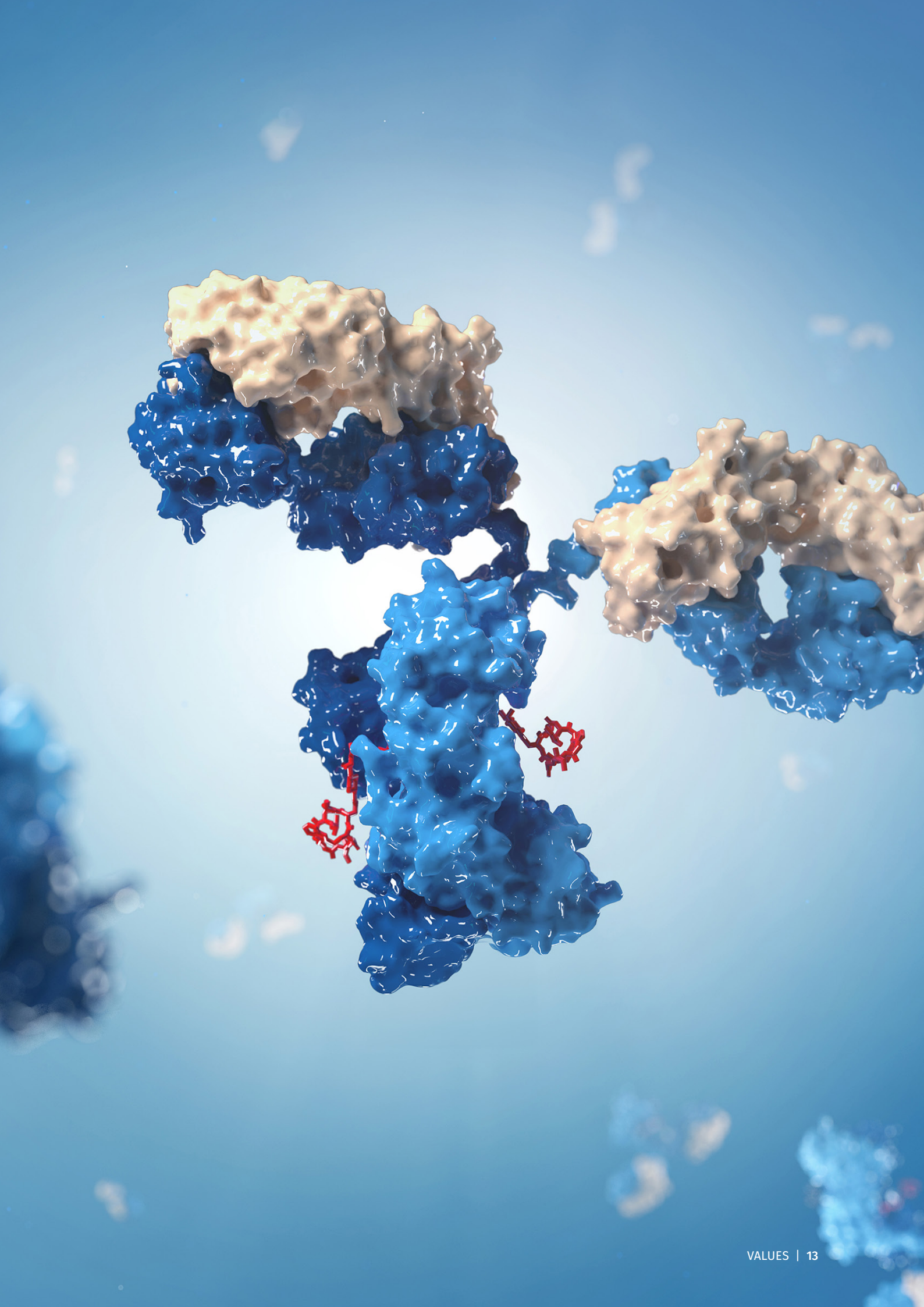
We are also grateful to our shareholders and business partners for their support and trust.

Ladenburg, 24 March 2026

Sincerely,

Dr. Dongzhou Jeffery Liu
Chief Executive Officer

Walter Miller
Chief Financial Officer



REPORT OF THE SUPERVISORY BOARD

During the reporting year, the Supervisory Board performed all its duties in accordance with the law, the Company's Articles of Association and its Internal Rules of Procedure.

The Supervisory Board worked closely with the Executive Management Board, regularly advising it on the management of the Company and monitoring the Executive Management Board's activities. The Executive Management Board presented all significant strategic and operational measures to the Supervisory Board and agreed their implementation in advance with the Supervisory Board. The Supervisory Board obtained regular reports on the situation and development of the Company, both at regular Supervisory Board meetings, which were held either virtually or in person, and in additional conference calls and face-to-face meetings. It also received regular, comprehensive and timely information on all major business developments and basic issues relating to business policy, corporate management and planning (including financial, investment and personnel planning). Discussions included, in particular, the following topics: Restructuring, cost-cutting measures, dismissal and reappointment of a Executive Management Board Member, amendment of the royalty financing agreement with HealthCare Royalty including Soleus Capital Management, development strategies for ATAC candidates HDP-101 and HDP-102, potential follow-up projects, licensing negotiations, technology partnerships, M&A matters and financing options. Without exception, the Supervisory Board examined all documents submitted and prepared by the Executive Management Board and the related departments. The parties providing the information, in particular the members of the Executive Management Board, were consulted on significant matters.

The Supervisory Board also obtained information about all significant events that were particularly important for the assessment of the status, implementation of strategy and achievement of goals, as well as for the development and management of Heidelberg Pharma AG and its operationally active subsidiary Heidelberg Pharma Research GmbH. The Chairman of the Supervisory Board regularly discussed the strategy and reviewed the progress of the business with the Executive Management Board. The Chairman of the Supervisory Board was advised promptly of all important resolutions taken by the Executive Management Board and, when necessary, arranged for the discussion of important issues by the Supervisory Board or the appropriate Supervisory Board subcommittees.

Supervisory Board meetings in the 2025 fiscal year

In the 2025 fiscal year (1 December 2024 to 30 November 2025), the Supervisory Board met for five regular meetings and several extraordinary meetings. All meetings were held in either virtually or in person. The Supervisory Board is made up of international members. The members based in Germany attended the Supervisory Board meetings in person wherever possible, while the two members based in China took part via video conference.

Attendance overview

Date	Hettich (until 15 May 2025)	Biesinger (from 15 May 2025)	Baur	Hothum	Von Bohlen und Halbach (until 15 May 2025)	Scholl-meier (from 15 May 2025)	Kudlek	Liu	Xia
21 Feb. 2025	X		X	X	X		X	X	X
20 March 2025	X		X (in person)	X (in person)	X		X	X	X
15 May 2025		X (in person)	X (in person)	X (in person)		X (in person)	X (in person)	X	X
8 July 2025		X (in person)	X	X (in person)		X (in person)	X (in person)	X	X
28 Aug. 2025		X (in person)	X (in person)	X (in person)		X (in person)	X (in person)	X	X
22 Sep. 2025		X (in person)	X	X (in person)		X (in person)	X (in person)	X	X
25 Sep. 2025		X (in person)	X	X (in person)		X (in person)	X (in person)	X	X
26. Nov. 2025		X (in person)	X			X (in person)	X (in person)	X	X

Main topics at the meetings of the Supervisory Board in the 2025 fiscal year

In the 2025 fiscal year, the Supervisory Board discussed and approved the following items requiring its approval:

- Evaluation of corporate objectives for the 2025 fiscal year and definition of corporate objectives for the 2026 fiscal year
- Budget for the 2026 fiscal year
- Approval of the 2024 annual and consolidated financial statements
- Appointment of Baker Tilly GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Düsseldorf
- Agenda and proposed resolutions for the 2025 Annual General Meeting
- Clinical development strategy of ATACs HDP-101 (INN: pamlectabart tismanitin) and HDP-102
- Further development of the ATAC candidate HDP-103
- Development strategy of candidate with new payload HDP-201
- Preparation and conclusion of a license agreement with HealthCare Royalty
- Negotiation mandates for potential contractual partnerships
- Preparation and discussion of possible relocation plans
- Delay in milestone payment due to non-approval of the licensed imaging diagnostic agent TLX250-Px
- Focusing corporate strategy and cost-saving measures plan
- Dismissal of Executive Board member Professor Andreas Pahl and reappointment of Dr. Dongzhou Jeffery Liu as Executive Board member and Chief Executive Officer, as well as conclusion of a corresponding contract

The full Supervisory Board approved all of the actions submitted for approval following in-depth review and discussion.

The Supervisory Board was informed, regularly and comprehensively, about the Company's financial situation, its future funding requirements and the risk management system and discussed the Company's future strategy with the Executive Management Board. The focus was on the progress of our own project pipeline. The Supervisory Board strongly endorsed the clinical development of HDP-101, an ATAC that is to be used against multiple myeloma, and the start of clinical development of HDP-102 against non-Hodgkin's lymphoma.

The Supervisory Board was regularly informed about activities at Heidelberg Pharma AG's out-licensed projects, in particular the progress of the kidney cancer diagnostic agent TLX250-Px, which is being further developed by Telix.

The Executive Management Board also continuously briefed the Supervisory Board on the business activities of the Company's subsidiary Heidelberg Pharma Research GmbH, which is focused on refining and marketing its technology platform for therapeutic antibody drug conjugates.

Virtual 2025 Annual General Meeting

The Annual General Meeting of Heidelberg Pharma AG was held on 15 May 2026 in a virtual format. All proposed resolutions were adopted by majorities ranging from 98,03% and 99,99%.

Corporate governance

The Supervisory Board together with the Executive Management Board decided on 3 February 2026 to implement the recommendations and suggestions of the German Corporate Governance Code (GCGC) to a large extent. The new joint Declaration of Conformity by the Executive Management Board and the Supervisory Board was adopted on the same day and is available at the Company's website under "Press & Investors > Corporate Governance > Declaration of Conformity". More information on corporate governance at Heidelberg Pharma is available on the Company's website under "Press & Investors" > "Corporate Governance".

Conflicts of interest on the Supervisory Board

Any conflicts of interest affecting members of the Supervisory Board pursuant to recommendation E.1 of the GCGC were disclosed to the other members of the Supervisory Board, and the Supervisory Board members affected by the given conflict of interest acted as follows during the respective deliberations and resolutions of the Supervisory Board:

Professor Christof Hettich, acting Chairman of the Supervisory Board until 15 May 2025, was a partner at Rittershaus law firm, which provides various legal consulting services to the Heidelberg Pharma Group. This relationship has been identified as a potential conflict of interest. To the extent that the services provided by the Rittershaus law firm were the subject of deliberations of the Supervisory Board, the Chairman of the Supervisory Board did not take part in these deliberations and abstained from any votes taken.

While a large part of the Supervisory Board members also holds positions on supervisory boards of other companies in the pharmaceutical and biotech sectors, none of these companies can be considered major competitors of Heidelberg Pharma, which complies with GCGC requirements.

Activities of the Committees

The Supervisory Board established three committees to efficiently fulfill its responsibilities; each committee is responsible for preparing issues within its purview for the full Supervisory Board. At the regular Supervisory Board meetings, each committee chairman reported to the Supervisory Board on the work of his committee.

For efficiency, a joint Compensation and Nomination Committee was established, which covers both areas separately in its meetings. The Compensation and Nomination Committee met three times in 2025 fiscal year. The discussions focused in particular on personnel matters related to the company's restructuring and the appointment of new members to the Executive Board. All decisions made by this committee were adopted by the full plenary session.

The Audit Committee met four times in the fiscal year. The Audit Committee discussed the 2024 annual financial statements with the auditor Baker Tilly GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Düsseldorf, (Baker Tilly). At the proposal of the Supervisory Board, based on the recommendation of its Audit Committee, Baker Tilly was elected by the Annual General Meeting on 15 May 2025 and subsequently commissioned by the Supervisory Board to audit the 2024/2025 financial statements. In advance, the Supervisory Board obtained a declaration of independence from the auditor. The Audit Committee also discussed the half-year report for 2025 with the Executive Board prior to publication. The committee also dealt in detail with the Company's risk management system.

The Scientific Committee was formed at the beginning of September and has since held four meetings. It deals with topics in the field of research and development and prepares these for the Supervisory Board. These include, in particular, the Amanitin-based ADC technology of Heidelberg Pharma Research GmbH and its strategic further development/partnering. In addition, the R&D Committee deals with the clinical development strategy for product candidates.

Adoption of the annual financial statements

The auditors Baker Tilly audited the combined management report, the annual financial statements of Heidelberg Pharma AG and the consolidated financial statements as of 30 November 2025, including the underlying accounting, and issued an unqualified auditor's report. The lead auditor of these consolidated financial statements was Mr. Andreas Weissinger. The auditors conducted their audit in compliance with the generally accepted German standards for the audit of financial statements of the German Institute of Public Auditors (IDW). The combined management report, the annual financial statements of Heidelberg Pharma AG and the consolidated financial statements were each prepared pursuant to the principles of the German Commercial Code and in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the EU, taking into account Section 315a (1) of the German Commercial Code.

The aforementioned documents as well as the dependent company report and the audit reports of Baker Tilly were made available to all members of the Supervisory Board in a timely manner and discussed in detail with the auditors both at the meeting of the Audit Committee held on 23 March 2026 and today's accounts meeting of the Supervisory Board. The auditors reported to the Supervisory Board on the material findings of their audit, that the combined management report presents a true and fair view of the risks and opportunities and that the measures taken by the Executive Management Board in accordance with Section 91 (2) of the German Stock Corporation Act were suitable for identifying at an early stage any developments which could jeopardize the Company's existence. The auditors also discussed the audit's scope, focal points and costs.

The Audit Committee discussed the audit result in detail and proposed to the Supervisory Board that it approve the financial statements as prepared by the Executive Management Board. The Supervisory Board also reviewed the audit result and examined both sets of annual financial statements and the combined management report, as well as the proposed appropriation of accumulated loss (under the German Commercial Code) in accordance with legal provisions and concurred with the results of the audit. Based on the conclusive findings of its examination, the Supervisory Board has no objections and at today's meeting approved the financial statements as prepared by the Executive Management Board; they are hereby adopted.

The Report by Heidelberg Pharma AG on Relationships with Affiliated Companies in Accordance with Section 312 (1) of the German Stock Corporation Act (dependent company report) prepared by the Executive Management Board was also reviewed by Baker Tilly in accordance with Section 313 (3) of the German Stock Corporation Act.

The auditors issued the following unqualified auditor's report on 24 March 2026:

"On completion of our review and assessment in accordance with professional standards, we confirm that
1. the actual disclosures contained in the report are accurate, and
2. that the consideration paid by the Company for the transactions listed in the report was not inappropriately high."

The dependent company report prepared by the Executive Management Board and the audit report prepared by the auditors for this dependent company report were examined and discussed in detail by the members of the Supervisory Board. The representative of the auditors reported in detail on the main findings of the audit. He also addressed questions from the Supervisory Board and was available to provide additional information. At the meeting to discuss the financial statements, the Supervisory Board concurred with the findings of the audit of the dependent company report and raised no objections. Following its own examination, the Supervisory Board raised no objections to the dependent company report.

Following the examination by the Supervisory Board, there were no objections to the statement by the Executive Management Board at the end of the dependent company report.

Recognition of commitment

The Supervisory Board would like to take this opportunity to thank the Executive Management Board and all employees, especially those who left the company in the fall, for their long and energetic service and their great commitment to Heidelberg Pharma AG and its subsidiary Heidelberg Pharma Research GmbH in the 2025 fiscal year.

Ladenburg, 24 March 2026

For the Supervisory Board

Dr. Karl Benedikt Biesinger
Chairman of the Supervisory Board

INVESTOR RELATIONS

Market development

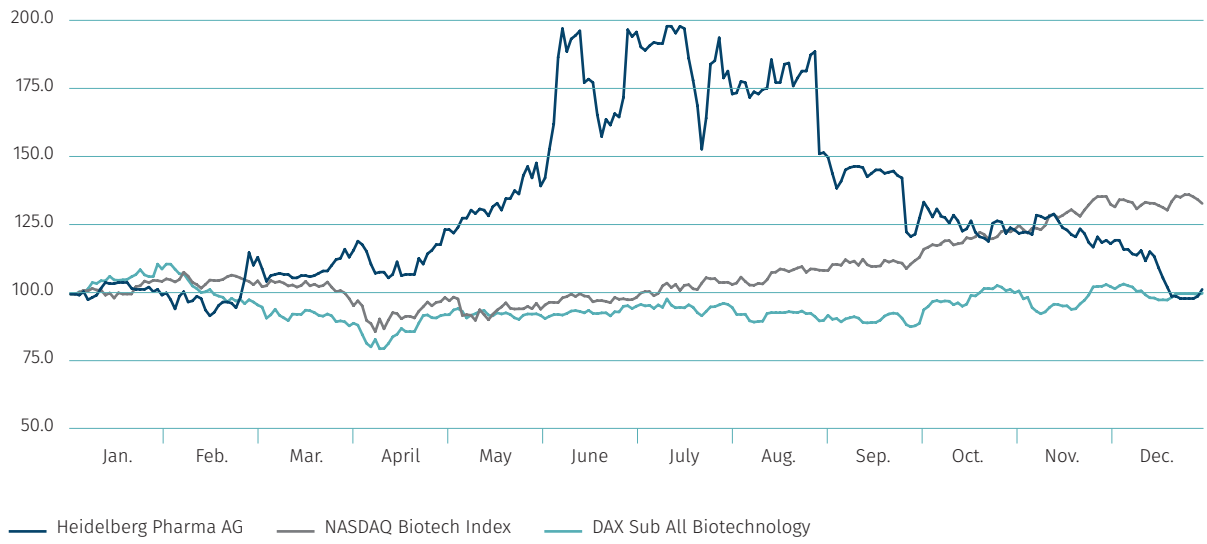
Despite the ongoing geopolitical turbulence and global economic upheavals, the stock market performed surprisingly well in 2025. The German benchmark index DAX ended the year up 23%, significantly outperforming the US indices.[1] Only the Nasdaq 100 Index closed at a similar level, up 21%.[2]

The biotechnology indices showed varying degrees of success. The Nasdaq Biotechnology Index closed up 32%, while the German DAX Subsector Biotechnology Index ended the year unchanged.

Heidelberg Pharma share price performance in 2025

The Heidelberg Pharma share started into 2025 at a price of €2.43 and fell to a low of €2.14 in mid-February. However, the share price then rose steadily on the back of positive company news, reaching its annual high of €5.50 on 6 June 2025. Following the announcement of a significantly delayed milestone payment at the end of August and the resulting financing gap, it lost 30% of its value. After the announcement of restructuring measures, the share price hovered around the €3 mark in the following months and fell to a closing price of €2.48 by the end of December.

Heidelberg Pharma's share price performance, indexed as of 1 January 2025



[1] Tagesschau, 30 December 2025: https://www.tagesschau.de/wirtschaft/finanzen/marktberichte/marktbericht-dax-kursgewinne-aktien-wallstreet-100.html

[2] Nasdaq, 31 December 2026: https://www.nasdaq.com/articles/global-indexes/2025-nasdaq-100-reconstitution-and-performance-highlights

Trading and liquidity

The average daily trading volume of Heidelberg Pharma shares on all German stock exchanges in 2025 (1 January to 31 December) was 10,942 shares (previous year: 7,317). Market capitalization at the end of December 2025 was €116.03 million (2024: €113.72 million).

Key share figures Period under review: 1 January - 31 December 2025[1]	**2025**	**2024**
Market capitalization at the close of the fiscal year in € million	**116.03**	113.72
Number of shares issued	**46,784,317**	46,604,977
Closing price (XETRA) in €	**2.48**	2.44
High[2] in €	**5.50** (on 6 June 2025)	3.73 (on 2 Jan. 2024)
Low[2] in €	**2.14** (on 13 Feb. 2025)	2.10 (on 27 Dec. 2024)
Volatility (260 days, XETRA) in %	**65.57**	38.94
Average daily trading volume[2] in shares	**10,942**	7,317
Average daily trading volume[2] in €	**39,009**	20,587

[1] As of the end of the period
[2] All stock exchanges
Source: Bloomberg

Annual General Meeting

The Annual General Meeting of Heidelberg Pharma AG took place in a virtual format on 15 May 2025. Of the Company's share capital at that time (46,604,977 no par value bearer shares), 38,000,121 shares, or 81.54%, were represented with the same number of votes.

In addition to dealing with recurring agenda items such as the approval of the annual financial statements, the formal approval of the actions of the members of the Executive Management Board and Supervisory Board and the election of the auditor, the following agenda items were adopted:

- Compensation system and report for the Management Board approved
- Compensation and compensation system for the Supervisory Board approved
- Resolutions on the election of Supervisory Board members
- Issuance of convertible bonds and bonds with warrants, cancellation of Contingent Capital 2020/I and creation of corresponding contingent capital, as well as corresponding amendments to the Articles of Association approved
- New authorization to hold virtual Annual General Meetings and corresponding amendment to the Articles of Association approved

Dr. Georg F. Baur, Dr. Mathias Hothum, Dr. Birgit Kudlek, Dr. Dongzhou Jeffery Liu, and Dr. Yan Xia were re-elected to the Supervisory Board. Professor Christof Hettich and Dr. Friedrich von Bohlen, who had been members of the Supervisory Board of Heidelberg Pharma AG since 2010 and 2005, respectively, did not stand for re-election. Dr. Karl Benedikt Biesinger and Dr. Klaus Schollmeier were elected to the Supervisory Board in their place. At the subsequent constituent meeting of the Supervisory Board, Dr. Biesinger was elected as the new Chairman and Dr. Baur and Dr. Hothum as Deputy Chairmen. Dr. Liu resigned from the Supervisory Board on 24 November 2025, effective 23 December, because he had been appointed Chairman of the Executive Board with immediate effect on 24 November.

All proposed resolutions were adopted by a significant majority of between 98.03% and 99.99%.

Investor and public relations activities

Representatives of Heidelberg Pharma participated in renowned global investor conferences in 2025, such as J.P. Morgan Healthcare Week, the Van Lanschot Kempen Life Science Conference, and the Jefferies London Healthcare Conference. Heidelberg Pharma also presented at the European Life Sciences CEO Forum in Zurich and the Spring Conference and German Equity Forum in Frankfurt, and was available for subsequent investor discussions.

In addition, the scientific data was presented at numerous congresses. Heidelberg Pharma subsequently held R&D webinars in both June and November to provide further insights into the ongoing clinical trial with its lead drug candidate HDP-101 (INN: pamlectabart tismanitin). The webinars included presentations by the management team and key opinion leaders (KOLs) in the field of multiple myeloma.

Shareholder structure of Heidelberg Pharma AG[1]	
Dietmar Hopp, parties related to him and companies controlled by him[2, 3]	**44.1%**
Huadong Medicine Co., Ltd.	**34.9%**
Free float	**21%**

[1] As of 30 November 2025
[2] Shares of dievini Hopp BioTech holding GmbH & Co. KG, DH-Holding Verwaltungs GmbH, Walldorf, and DH-LT-Investments GmbH (as of 30 November 2025)
[3] The former managing director of dievini Hopp BioTech holding GmbH & Co. KG, Dr. Friedrich von Bohlen und Halbach, and the managing director, Dr. Mathias Hothum, jointly hold 2.3% of Heidelberg Pharma shares and are affiliated with dievini via a pool agreement.

General information[1]	
Listed:	Regulated Market (Prime Standard)
Stock exchange symbol:	HPHA
WKN/ISIN:	A11QVV/DE000A11QVV0
Share capital:	€46,784,31
Admitted capital:	46,784,317 bearer shares of common stock
Designated sponsor:	Pareto Securities AS

[1] As of 30 November 2025

Please see page 160 for the 2026 financial calendar. The current conference calendar is available on the Company website at www.heidelberg-pharma.com.

COMBINED MANAGEMENT REPORT

for the fiscal year from 1 December 2024
to 30 November 2025

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COMBINED MANAGEMENT REPORT

for the Heidelberg Pharma Group and Heidelberg Pharma AG, Ladenburg for the fiscal year from 1 December 2024 to 30 November 2025

1 Company overview

Reporting is based on a combined management report for the Heidelberg Pharma Group (IFRS) and Heidelberg Pharma AG (HGB). Joint reporting is based on the entities' common activity profile, risks that almost match and consolidated financial reporting.

Chapters 1 through 6 and chapter 11 of this management report provide an overview of business activities in the past fiscal year, while chapters 8 through 10 outline the current situation and predict future developments. Reference is made particularly to chapter 8, "Risk report." *> Pages 52–63*

"Heidelberg Pharma" will be used as a synonym for the Group hereinafter. The entity's specific corporate name is stated whenever facts specific to Heidelberg Pharma AG as the parent company are reported. If information specifically concerns the subsidiary Heidelberg Pharma Research GmbH, its full corporate name or "Heidelberg Pharma Research" are used. In case of the subsidiaries HDP G250 AG & Co. KG and HDP G250 Beteiligungs GmbH, their respective full corporate name is used.

1.1 Corporate structure and reporting

The Company and its subsidiaries are domiciled in Ladenburg near Heidelberg, Germany. Since October 2017, the Company has been doing business as Heidelberg Pharma AG and has been registered in the Commercial Register of Mannheim Local Court under HRB 728735. Until 24 November 2025, the Company's Executive Management Board consisted of Professor Andreas Pahl and Walter Miller. Professor Pahl was dismissed from his position on the Executive Management Board with effect from 24 November 2025. At the same time, the Supervisory Board appointed Dr. Dongzhou Jeffery Liu as Chairman of the Executive Management Board and new Chief Executive Officer (CEO). Mr. Liu had been a member of the Company's Supervisory Board since September 2022. He resigned from this post on 24 November 2025 with effect from 23 December 2025. The Company has been listed on the Regulated Market (Prime Standard, stock exchange symbol HPHA, ISIN DE000A11QVV0) of the Frankfurt Stock Exchange since November 2006.

Heidelberg Pharma AG has three subsidiaries: Heidelberg Pharma Research GmbH, HDP G250 AG & Co. KG and HDP G250 Beteiligungs GmbH.

Heidelberg Pharma Research GmbH has been part of the Heidelberg Pharma Group since March 2011 and is mainly responsible for the Group's research activities. Its current Managing Directors are Dr. Dongzhou Jeffery Liu and Walter Miller. Until 24 November 2025, Professor Andreas Pahl was the subsidiary's Managing Director before being succeeded by Dr. Liu.

The Company founded its other subsidiaries HDP G250 AG & Co. KG and HDP G250 Beteiligungs GmbH in February 2024 as part of its transaction with HealthCare Royalty, Delaware, USA, (HCRx). These subsidiaries are no longer operationally active. The purposes of both companies are the acquisition, management, marketing, licensing and sale of intellectual property rights associated with the antibody girentuximab.

HDP G250 Beteiligungs GmbH is the limited partner of HDP G250 AG & Co. KG. Its Managing Directors are Dr. Dongzhou Jeffery Liu and Walter Miller.

These consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRSs) of the International Accounting Standards Board (IASB), London, United Kingdom, as applicable in the European Union (EU), taking into account the recommendations of the International Financial Reporting Standards Interpretation Committee (IFRS IC). The provisions applicable in accordance with Section 315e German Commercial Code (Handelsgesetzbuch – HGB) were also taken into account. The IFRS consolidated financial statements include Heidelberg Pharma AG as the parent company as well as the subsidiaries Heidelberg Pharma Research GmbH, HDP G250 AG & Co. KG and HDP G250 Beteiligungs GmbH for the full 2025 fiscal year (1 December 2024 to 30 November 2025).

1.2 Strategic review and cost-cutting measures

At the end of September 2025, the Company announced a strategic review of its business activities together with substantial cost-cutting measures. These initiatives were prompted by a delayed milestone payment from a partner that is still expected but will decrease. To extend the Company's cash reach and ensure its continued existence as a going concern, management agreed with the Supervisory Board to implement a comprehensive package of cost-cutting measures.

This program includes the following specific steps:

- Focus on further development of Heidelberg Pharma's lead Amanitin-based ADC candidate HDP-101 (INN: pamlectabart tismanitin), which is currently in a Phase I/IIa clinical trial.
- Our second clinical program, HDP-102, has been paused since September 2025. Heidelberg Pharma is exploring partnering options for this program.
- We plan to prepare the clinical trial application documents for our third ADC candidate, HDP-103.
- Heidelberg Pharma assessed and reprioritized its own research activities to take account of the Company's financial position. This will also entail a headcount reduction across the Company by around 75% by mid-2026.
- All essential contracts, including tenancy agreements for existing premises, are being reviewed.
- After a transition period, a core team will remain, which primarily will be performing roles in clinical development, CMC, business development, finance, corporate communications, legal, operations and patents.

1.3 Business activities

Heidelberg Pharma is a biopharmaceutical company that is working on a treatment approach in oncology. The Company researches, develops and produces antibody drug conjugates (ADCs), which combine the high affinity and specificity of antibodies with the potency of toxins for the treatment of cancer. Selected antibodies are loaded with toxins and transport these into the diseased cells, where the toxin then takes effect and kills the cell.

Heidelberg Pharma examined several payloads and has developed an ADC toolbox that uses various antibodies to address a variety of cancers, and which has the potential to deploy multiple strategies for overcoming tumor resistance.

Its activities focus on an its patented and proprietary ATAC technology that is based on Amanitin – the toxin of the death cap mushroom – and uses its biological mode of action as a novel therapeutic principle in cancer medicine. To the best of the Company's knowledge, Heidelberg Pharma is the first company to develop Amanitin for cancer therapies. The ATAC technology platform is being applied to develop the Company's proprietary therapeutic ADCs as well as in third-party collaborations.

In addition to Amanitin, the Company worked with other active compounds such as the topoisomerase inhibitor exatecan, thereby supplementing its proprietary ATAC technology with further ADCs technologies ("toolbox") with the aim of developing the best possible ADCs for additional target antigens and applications.

The new strategic focus will be on ADCs with the compound Amanitin. ADCs with other compounds will no longer be developed, but are available for partnerships.

Heidelberg Pharma AG is responsible for the development phase of the Group's internal projects. For this it continues projects, i.e., the development of potential product candidates, on completion of the research phase performed by the subsidiary Heidelberg Pharma Research GmbH, taking over their further preclinical and clinical development and future marketing. Heidelberg Pharma AG also performs functions relating to Group and research strategy, finance, corporate communications, business development, project management, human resources, legal and regulatory matters, and contract management. Alliance and data management, as well as intellectual property rights are also covered.

The subsidiary Heidelberg Pharma Research GmbH take care of the Group's research activities.

Heidelberg Pharma Research remains responsible for the Amanitin linker material manufactured in collaboration with production partners. The company delivers good manufacturing practice (GMP) quality material to its licensing partners and supplies its own development projects with the trial medication as required.

Detailed information regarding the projects and the current status of development is presented in chapter 3, "Course of business in 2025." *> Page 32*

1.4 Business model

Through its subsidiary Heidelberg Pharma Research GmbH, Heidelberg Pharma has developed extensive expertise and an extensive patent portfolio for the compound Amanitin, which can be linked with different tumor-specific types of antibodies. The strategy is to validate the technology platform in clinical trials, broaden its application based on its mode of action and use it to develop new therapeutic options for patients. The company has a high level of expertise in ADC development.

A hybrid business model that comprises both developing a proprietary product pipeline and licensing the technology to other companies provides the commercial basis for this.

The first pillar of the business model involves producing proprietary ADCs based on licensed or internally generated antibodies, testing these as development candidates and further refining them. The focus is on the clinical development of existing ADC candidates. The most advanced of the Company's pipeline projects is pamlectabart tismanitin (HDP-101), an ATAC based on an antibody targeting the protein BCMA that is connected to the Amanitin toxin via a linker. Patients with relapsed/refractory multiple myeloma (RRMM) are being treated with HDP-101 in a Phase I/IIa clinical trial. In fall 2024, applications to perform clinical testing for another ATAC candidate, HDP-102, which targets the CD37 antigen, were submitted in a number of countries. The first patient was included in a Phase I trial in non-Hodgkin lymphoma (NHL) in May 2025. This clinical program was temporarily suspended as part of the strategic review and cost-cutting measures. After the end of the reporting period, the clinical trial was put on hold and no more patients were included. The trial is scheduled to be terminated as soon as the current participants have finished treatment and observation as per the study protocol. For the third ATAC candidate, HDP-103, the clinical team is to prepare an application for a Phase I clinical trial. A partner will be sought for clinical development. Heidelberg Pharma has also conducted preclinical trials to determine the efficacy and tolerability of other ADC candidates with different active ingredients and to identify additional potential development candidates. These early-stage research projects are continuously assessed and prioritized according to the current financial situation. Further ADCs in various stages of research are available for partnering.

The business model's second pillar involves working with partners in research collaborations to produce ATACs using the partners' antibodies. The goal is to enter into license agreements based on which the partners would make payments for using the ADC technology, granting licenses and supplying GMP material. Heidelberg Pharma expects such ADC alliances to continually generate sales revenue and royalties.

Outside of ADC technologies, there are already out-licensed clinical product candidates that are developed solely by licensing partners. In addition to milestone payments during development, Heidelberg Pharma is entitled to royalties following successful market approval.

Since the total income generated to date has not been sufficient to finance Heidelberg Pharma's ongoing research and development activities, the Company will require additional funding in the next years as well.

1.5 Internal management system

Cash funds, cash reach, sales revenue and other income, as well as operating expenses and the operating result, are reviewed at least monthly and are the key control variables of Heidelberg Pharma. These expenses still significantly exceed income and will probably continue to do so in the next few years. The average change in cash funds therefore is a key financial indicator. The ratio of liquid funds to cash usage shows how long sufficient cash will be available to fund operations based on the Company's planning. Chapter 5, "Results of operations, financial position and net assets of the Group", contains a qualitative and quantitative assessment of the Company's internal control system. *> Page 40*

1.6 Intellectual property

The ADC technology as well as the development and product candidates resulting from this are the cornerstones for Heidelberg Pharma's development and business activities. The Company continually endeavors to safeguard its proprietary platform technology as well as future products and the associated inventions, which may encompass compound protection, treatment methods, manufacturing processes and applications, by submitting the appropriate IP applications, thereby expanding the Company's patent portfolio. Building up and securing Heidelberg Pharma's patent portfolio is therefore a top priority.

Patents for the ATAC technology held by Heidelberg Pharma Research GmbH

Heidelberg Pharma Research holds technology patents protecting its ATAC technology. The technology patents on which this technology is based have been filed by Professor Heinz Faulstich and the German Cancer Research Centre (DKFZ), Heidelberg, and Heidelberg Pharma Research has been granted an exclusive license to use them in an ATAC technology context. Patent protection has been granted in the USA and Europe, among others. In recent years, Heidelberg Pharma Research has systematically enhanced the technology and significantly expanded its patent portfolio with several new filings. In the meantime, applications for more than 20 additional international patents have been filed. To date, three international patent applications have been submitted in relation to the development candidate pamlectabart tismanitin (HDP-101). Heidelberg Pharma also filed property right applications that protect specific methods for the modification and manufacture of antibodies. Patent protection for the improved toxin linker technology has been strengthened in recent years through the granting of intellectual property rights in Europe and the United States. Of particular relevance here are the intellectual property rights granted in Europe and the USA for the chemical synthetic building block dihydroxyisoleucine for the production of Amanitin, since this synthetic building block has no natural source, as well as property right applications in the USA and Europe, among others, covering the synthesis of (S)-hydroxytryptophan, which is another synthetic building block for Amanitin. These intellectual property rights and applications are key for producing Amanitin in GMP quality in clinical applications. In recent fiscal years, we have also succeeded in obtaining industrial property rights protecting position-specific ATAC conjugates in important countries such as the USA, Europe and China. Site-specific ATAC conjugates comprise a genetically engineered antibody with a mutation crucial for coupling specific linker amatoxin conjugates, allowing for the coupling of Heidelberg Pharma's proprietary amatoxin payloads. Heidelberg Pharma Research currently assumes potential exclusivity for individual ATAC technology-based development candidates to run until 2045.

New platform technology from Heidelberg Pharma Research GmbH

Looking to expand its proprietary platform technologies, Heidelberg Pharma Research developed a novel linker platform. This platform makes it possible to achieve higher toxin payloads for antibodies in a site-specific manner using branched linkers. Thanks to the use of a solubilizer that also forms part of the novel linker platform technology, the novel linker platform is particularly suitable for use with hydrophobe toxins. National and international patent applications have been filed for both the linker platform technology and the HDP-201 development candidate, which is based on the linker platform technology in conjunction with the use of the topoisomerase-I-inhibitor exatecan.

Patents held by Heidelberg Pharma AG

These patents refer to the portfolio beyond the platform technologies and were submitted by the Company under its former name WILEX AG. At the end of the 2025 fiscal year, Heidelberg Pharma AG held licensed intellectual property rights and still owned more than 20 patents worldwide, which are set to expire gradually by early 2034.

2 Economic environment in 2025

2.1 Macroeconomic environment

The global economic environment remains challenging due to persistent geopolitical tensions and increasing uncertainty over trade policy. These factors continue to weigh heavily on investment decisions, supply chains and the international trading environment. At the same time, the global economy generally appears resilient, a trend primarily driven by continued investments in technology, efficiency gains and a high degree of structural flexibility on the part of companies and institutions to help absorb the negative effects of geopolitical and trade policy risks.[1]

The International Monetary Fund (IMF) anticipates global economic growth of 3.3% for both 2025 and 2026.[2] Growth in the eurozone increases from 0.9% in 2024 to a predicted 1.4% in 2025 and is expected to reach 1.3% in 2026.[3] After recording negative growth of –0.5% in 2024, the German economy recovered slightly in 2025 growing at a rate of 0.2%, with more significant growth of 1.1% expected for 2026.[4]

While inflation rates are also falling, they remain high. After reaching 4.1% in 2025, the IMF experts expect this figure to drop slightly to 3.8% in 2026.[5]

Although Heidelberg Pharma's business operations are not directly affected by the weak economy, the Company is impacted by reduced availability of materials as well as interest rate and price increases for products and services.

2.2 Development of the pharmaceutical and biotechnology industry

Political and regulatory factors dominated the biopharma industry in 2025. The market environment was impacted by uncertainty over potential tariffs and drug pricing initiatives from the US government and occasionally unpredictable regulatory processes on the part of the US Food and Drug Administration (FDA). Despite these challenges, a positive prevailing mood emerged within the sector over the course of the year, driven by successful approvals, increased investment activity and strategic partnerships.[6]

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1 International Monetary Fund, January 2026: https://www.imf.org/-/media/files/publications/weo/2026/january/english/text.pdf

2 International Monetary Fund, January 2026: https://www.imf.org/-/media/files/publications/weo/2026/january/english/text.pdf

3 International Monetary Fund, January 2026: https://www.imf.org/-/media/files/publications/weo/2026/january/english/text.pdf

4 International Monetary Fund, January 2026: https://www.imf.org/-/media/files/publications/weo/2026/january/english/text.pdf

5 International Monetary Fund, January 2026: https://www.imf.org/-/media/files/publications/weo/2026/january/english/text.pdf

6 BioPharma Dive, 12 January 2026: "5 questions facing biopharma in 2026", https://www.biopharmadive.com/news/biotech-pharma-outook-2026-trump-rfk-china-fda/808670/?utm_source=chatgpt.com

Despite significant changes in personnel at the FDA, 2025 was another strong year for new drug approvals, with a total of 46 new drugs approved by the Center for Drug Evaluation (CDER) and a further 18 drugs approved by the Center for Biologics Evaluation and Research (CBER).[7,8] The largest group of CDER approvals were therapies for oncology indications (16 approvals).[9] Of the new drugs approved in 2025, Datroway from AstraZeneca and Daiichi Sankyo – the first antibody-drug conjugate (ADC) targeting TROP2 to treat breast cancer – is considered to be one of the next blockbuster drugs with the highest revenue potential by 2030.[10]

In Europe, the European Medicines Agency (EMA) approved a total of 38 new drugs during the past year.[11] In Germany, 36 new drugs were introduced to the market over the same period (2024: 43), the majority of which (13) are designed to treat cancers. In addition, approvals for at least 20 drugs – largely in the field of oncology – were expanded to include additional indications.[12]

Therapies with antibody drug conjugates (ADCs)

According to an industry report by Grand View Research, the global ADC market was valued at USD 12.26 billion in 2024 and is estimated to grow by around 10% annually to reach over USD 32 billion in 2033.[13] Most ADCs are developed as cancer therapies, especially those designed to treat breast cancer (around 40%), followed by lymphomas and leukemia.[14]

According to recent publications, more than 400 antibody-drug conjugates (ADCs) are currently being developed worldwide, more than 200 of which are in clinical development phases. To date, 24 ADC candidates have reached Phase III development.[15] The current Phase III programs focus on oncological indications, especially breast cancer (HER2-positive, metastatic, triple-negative) and lung cancers, particularly non-small cell lung cancer. Other Phase III trials are studying gynecological tumors (ovarian, endometrial and cervical cancers), gastrointestinal tumors (gastric, gastroesophageal junction and colorectal cancers) and head and neck tumors. ADCs are also being evaluated in advanced development phases for the treatment of urothelial carcinoma and bladder cancer, certain hematological malignancies and other solid tumor entities.[16]

The FDA approved two new ADCs in 2025: Datroway (datopotamab deruxtecan), developed by AstraZeneca and Daiichi Sankyo for the treatment of hormone receptor-positive, HER2-negative breast cancer after endocrine-based therapy and chemotherapy; and Emrelis (telisotuzumab vedotin), developed by AbbVie for the treatment of locally advanced or metastatic, non-squamous non-small cell lung cancer (NSCLC) with high c-Met protein overexpression.[17,18] This was followed in October 2025 by the FDA approval of Blenrep (belantamab mafodotin-blmf, GlaxoSmithKline) in combination with bortezomib and dexamethasone for treating adult patients with relapsed or refractory multiple myeloma who have received at least two prior lines of therapy.[19] This means that 15 ADCs are currently approved in the United States.[20]

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7 U.S. Food and Drug Administration, 17 January 2026: https://www.fda.gov/drugs/novel-drug-approvals-fda/novel-drug-approvals-2025

8 Fierce Pharma, 5 January 2026: "2025 drug approvals: Despite FDA tumult and macro uncertainty, biopharma scored with 55 new products." https://www.fiercepharma.com/pharma/2025-drug-approvals#:~:text=There%20were%2046%20novel%20drug%20approvals%20in%202025%2C,to%2025%20in%202023%20and%2018%20in%202024.

9 Mullard, Asher. "2025 FDA approvals." *Nature Reviews Drug Discov.* 24.2 (2026).

10 Mullard, Asher. "2025 FDA approvals." *Nature Reviews Drug Discov.* 24.2 (2026).

11 EMA press release, 15 January 2026: https://www.ema.europa.eu/en/news/human-medicines-2025

12 vfa, press release, 18 December 2025: https://www.vfa.de/de/presse/pressemitteilungen/pm-056-2025-arzneimittelinnovation-2025-bilanz-vor-dem-hintergrund-globaler-herausforderungen.html

13 Grand View Research, Antibody Drug Conjugates Market (2025–2033): https://www.grandviewresearch.com/industry-analysis/antibody-drug-conjugates-market

14 Grand View Research, Antibody Drug Conjugates Market (2025–2033): https://www.grandviewresearch.com/industry-analysis/antibody-drug-conjugates-market

15 Wang, R., Hu, B., Pan, Z. et al. Antibody–Drug Conjugates (ADCs): current and future biopharmaceuticals. *J Hematol Oncol* 18, 51 (2025). https://doi.org/10.1186/s13045-025-01704-3

16 Wang, R., Hu, B., Pan, Z. et al. Antibody–Drug Conjugates (ADCs): current and future biopharmaceuticals. *J Hematol Oncol* 18, 51 (2025). https://doi.org/10.1186/s13045-025-01704-3

17 Mullard, Asher. "2025 FDA approvals." *Nature Reviews Drug Discov.* 24.2 (2026).

18 FDA press release, 14 May 2025: https://www.fda.gov/drugs/resources-information-approved-drugs/fda-grants-accelerated-approval-telisotuzumab-vedotin-tllv-nsclc-high-c-met-protein-overexpression

19 FDA press release, 23 October 2025: https://www.fda.gov/drugs/resources-information-approved-drugs/fda-approves-belantamab-mafodotin-blmf-relapsed-or-refractory-multiple-myeloma

20 Jang, Heewon, and Ji-Eun Chang. "Strategic Combinations of Antibody–Drug Conjugates from 2023 to 2025: From Dual Therapies to Innovative ADC-Based Regimens." *Pharmaceutics* 17.12 (2025): 1581.

The FDA placed a partial clinical hold on the Phase III program for ifinatamab deruxtecan (I-DXd), developed by Daiichi Sankyo/Merck & Co., after a higher-than-expected number of patient deaths during the Phase III IDeate-Lung02 trial in which an increased incidence of interstitial lung disease was detected.[21]

Datroway was approved in the EU in 2025 as well.[22] In addition, Blenrep received fresh approval last year based on positive new Phase III data after its conditional approval was not extended in 2024.[23,24,25] This means that Blenrep is approved in the EU for the treatment of adult patients with relapsed or refractory multiple myeloma, specifically as a second-line therapy in combination with bortezomib and dexamethasone (BVd) as well as in combination with pomalidomide and dexamethasone (BPd).[26]

Competitive environment for pamlectabart tismanitin (HDP-101)

The B-cell maturation antigen (BCMA), a cell surface protein generally expressed by malign plasma cells, has proven to be an extremely selective antigen and is thus a target of novel treatments for multiple myeloma (MM), the second most common type of blood cancer, chronic lymphatic lymphoma (CLL) and diffuse large B-cell lymphoma (DLBCL).[27] The ATAC candidate pamlectabart tismanitin (HDP-101) will initially be developed with the MM indication and is now in the Phase I part of a Phase I/IIa trial.

There were two important approvals in the area of BCMA-targeted therapies: In 2025, the Blenrep ADC developed by GlaxoSmithKline received approval in both the EU and United States as a combination therapy with other compounds.[28,29] The FDA also granted accelerated approval to Regeneron Pharmaceuticals for Lynozyfic (Linvoseltamab-gcpt), a bispecific anti-BCMA antibody with a CD3 T-cell engager function for the treatment of adult patients with relapsed or refractory multiple myeloma (RRMM) who have received at least four prior lines of therapy.[30] In the EU, the European Commission and EMA granted approval for this ADC to be used as a fourth-line therapy for the same patient group.[31]

Johnson & Johnson also reported positive results from the Phase III MajesTEC-3 trial of their bispecific antibody. The trial achieved its most important secondary endpoints with a combination of Tecvayli® (teclistamab, anti-BCMA) and Darzalex® (daratumumab, anti-CD38) for patients with RRMM, demonstrating the potential of this combination regimen as a treatment option as early as second line.[32]

In addition, one other BCMA-directed ADC – JS115, an ADC developed by Shanghai Junshi Biosciences Co. Ltd. – is in preclinical development for the treatment of multiple myeloma, while other BCMA-independent therapeutic approaches for multiple myeloma are also being developed.

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21 https://www.fiercebiotech.com/biotech/patient-deaths-prompt-partial-hold-daiichi-mercks-global-phase-3-adc-program

22 Daiichi Sankyo press release, 8 April 2025: https://www.daiichisankyo.com/files/news/pressrelease/pdf/202504/20250408_E2.pdf

23 EMA press release, 11 March 2024: https://www.ema.europa.eu/en/documents/public-statement/public-statement-blenrep-belantamab-mafodotin-non-renewal-conditional-marketing-authorisation-european-union_en.pdf

24 EMA press release, 15 December 2023: https://www.ema.europa.eu/en/news/ema-confirms-recommendation-non-renewal-authorisation-multiple-myeloma-medicine-blenrep

25 GSK, press release, 24 July 2025: https://www.gsk.com/en-gb/media/press-releases/blenrep-belantamab-mafodotin-combinations-approved-in-eu-for-treatment-of-relapsedrefractory-multiple-myeloma/

26 GSK, press release, 24 July 2025: https://www.gsk.com/en-gb/media/press-releases/blenrep-belantamab-mafodotin-combinations-approved-in-eu-for-treatment-of-relapsedrefractory-multiple-myeloma/

27 BioCentury, 14 December 2019: BCMA programs begin to find their niches

28 FDA press release, 23 October 2025: https://www.fda.gov/drugs/resources-information-approved-drugs/fda-approves-belantamab-mafodotin-blmf-relapsed-or-refractory-multiple-myeloma

29 FDA press release, 23 October 2025: https://www.fda.gov/drugs/resources-information-approved-drugs/fda-approves-belantamab-mafodotin-blmf-relapsed-or-refractory-multiple-myeloma

30 Regeneron, press release, 2 July 2025: https://investor.regeneron.com/news-releases/news-release-details/lynozyfictm-linvoseltamab-gcpt-receives-fda-accelerated-approval/

31 Regeneron, press release, 28 April 2025: https://newsroom.regeneron.com/news-releases/news-release-details/lynozyfictm-linvoseltamab-approved-european-union-treatment/

32 Johnson & Johnson, press release, 9 December 2025: https://www.jnj.com/innovativemedicine/emea/media-center/press-releases/unprecedented-results-from-the-phase-3-majestec-3-study-support-tecvayli-teclistamab-plus-darzalex-daratumumab-subcutaneous-formulation-as-a-potential-standard-of-care-as-early-as-second-line-for-patients-with-relapsed-refractory-multiple-myeloma

Newly approved drugs and combination therapies have improved the prognosis of patients with multiple myeloma in recent years. Quadruplet regimens with a CD38 antibody combined with subsequent autologous blood stem cell transplantation have now become a standard first-line treatment. However, this therapeutic approach can only be used for physically fit patients.[33]

Competitive environment for HDP-103

Heidelberg Pharma is developing HDP-103, an anti-PSMA ATAC for the treatment of prostate cancer, the most common malignant tumor affecting the male urogenital system. Prostate specific membrane antigen (PSMA) is a surface protein that specifically appears on prostate cells and is overexpressed in prostate cancer, making it an attractive target for an ADC approach.[34]

In recent years, significant advances have been made in PSMA-based molecular imaging, radioligand therapy and the development of novel targeted therapies for prostate cancer.[35] Antibodies and antibody drug conjugates (PSMA ADCs) as well as bispecific T-cell engagers (BiTEs) and chimeric antigen receptor T-cell therapies (CAR-T) are being continuously refined and show promising clinical potential.[36]

In March 2025, the FDA expanded the indication for Novartis' radioligand therapy Pluvicto (^{177}Lu-PSMA-617). The approval now includes patients with metastatic castration-resistant prostate cancer (mCRPC) who are considered appropriate to delay taxane-based chemotherapy.[37]

Three radioactive conjugated antibody therapies are currently in Phase III clinical trials: TLX591 (^{177}Lu-DOTA-Rosopatamab) from Telix[38], ^{177}Lu-PNT2002 from Eli Lilly[39] and ^{177}Lu-PSMA-I&T from Curium Pharma[40]. In addition, the cell-based vaccine DCVax-Prostate developed by Northwest Biotherapeutics has received FDA approval for a Phase III trial; to date, the company has not published any further updates on progress in the trial.[41] Other companies apart from Heidelberg Pharma are also developing PSMA ADCs. The candidates developed by Johnson & Johnson[42], AbbVie[43] and Hangzhou DAC Biotechnology[44] are currently in Phase I trials. Further programs are at the preclinical development stage.[45]

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33 The German Cancer Research Center (DKFZ)'s Cancer Information Service, 8 December 2025: "Multiple myeloma: with new therapeutic options, is a cure in sight?" ["Multiples Myelom: Neue Therapiemöglichkeiten – Heilung in Sicht?" in German] https://www.krebsinformationsdienst.de/fachkreise/nachrichten/detail/multiples-myelom-neue-therapiemoeglichkeiten

34 P. Bühler, P. Wolf, U. Elsässer-Beile: Targeting the prostate-specific membrane antigen for prostate cancer therapy. In: Immunotherapy. volume 1, no. 3, May 2009, p. 471–481, ISSN 1750-7448. doi:10.2217/imt.09.17. PMID 20635963

35 X. Ren, et al: Focusing on Prostate-Specific Membrane Antigen in Precision Diagnosis and Treatment of Prostate Cancer. In: Biomedicines 2026, 14(2), 482; https://doi.org/10.3390/biomedicines14020482

36 X. Ren, et al: Focusing on Prostate-Specific Membrane Antigen in Precision Diagnosis and Treatment of Prostate Cancer. In: Biomedicines 2026, 14(2), 482; https://doi.org/10.3390/biomedicines14020482

37 FDA: https://www.fda.gov/drugs/resources-information-approved-drugs/fda-expands-pluvictos-metastatic-castration-resistant-prostate-cancer-indication

38 Telix, press release, 8 December 2025: https://telixpharma.com/news-views/prostact-global-phase-3-update-first-patient-dosed-in-randomized-treatment-expansion-part-1-readout-plans-confirmed/

39 Hansen AR, et al: Initial clinical experience with [^{177}Lu]Lu-PNT2002 radioligand therapy in metastatic castration-resistant prostate cancer: dosimetry, safety, and efficacy from the lead-in cohort of the SPLASH trial. Front Oncol. 2025 Jan 7. https://pubmed.ncbi.nlm.nih.gov/39839782/

40 https://www.curiumpharma.com/resources/current-clinical-trials/eclipse-clinical-trial/

41 Northwest Biotherapeutics: https://nwbio.com/product-candidates/

42 https://clinicaltrials.gov/study/NCT04662580

43 https://www.abbvie.com/science/pipeline.html#abbv-969

44 https://clinicaltrials.gov/study/NCT06926283

45 Yousef Mirzaei, et al: Clinical and preclinical advances in PSMA-Directed Antibody-Drug conjugates (ADCs): Current status and hope for the future, Bioorganic Chemistry, volume 153, 2024, https://doi.org/10.1016/j.bioorg.2024.107803.

3 Course of business in 2025

3.1 Research and development projects

Amanitin as an innovative compound for cancer therapy

Heidelberg Pharma is developing the compound Amanitin for the first time as a cancer therapy. Amanitin has a unique biological mode of action which could serve as the basis for developing highly effective, innovative drugs. Amanitin is a member of the amatoxin group of natural poisons, which occur in the death cap mushroom (Amanita phalloides), among others. It works by inhibiting RNA polymerase II, which results in programmed 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.

To enable therapeutic use of this natural toxin, Heidelberg Pharma is utilizing already clinically proven ADC technology, which is being refined for use with Amanitin. The core of the ADC technology consists of using a chemical compound (linker) to crosslink a suitable antibody to a toxin. The role of the antibody is to transport the crosslinked toxin specifically to – and then into – the cancer cell. After binding to the tumor cell, the ADC is taken up by the cell and releases the toxin within the cell. The released toxin then destroys the tumor cell without affecting healthy tissue. ADCs that use Amanitin as payload, are called ATACs and are third generation ADCs that have shown improved efficacy in preclinical models, including in quiescent and therapy-resistant tumor cells.

Amanitin's mode of action also has the potential to be particularly effective against tumors that have changed due to so-called 17p deletion, enabling them to bypass a special mechanism of cell protection. This change is more or less common in almost all cancers, especially in very advanced cancers. For example, in metastatic castration-resistant prostate cancer (mCRPC), the prevalence of 17p deletion is 60%.[46] Tumors with 17p deletion could be a particularly effective target for treatment with ATACs.

Immunological effects of ATAC molecules

In addition to killing cells directly, ATACs could have an additional anti-tumor effect by stimulating the immune system.[47] Heidelberg Pharma's earlier work with PDX models (where tumor cells derived from patients are induced to grow in immunodeficient mice) indicated that treatment with ATAC molecules induces immune response. Using certain markers, it was demonstrated that in addition to the direct effect of pamlectabart tismanitin (HDP-101) on tumor cells, the innate immune system was stimulated to destroy cancer cells (known as immunogenic cell death). Therapy with the ATAC was also shown to immunize the treated animals against renewed growth of cancer cells.[48]

Exatecan – expansion of compound portfolio

Exatecan is a synthetic derivative of the naturally occurring toxin camptothecin. Camptothecin is a cytostatic agent and a topoisomerase I inhibitor.

In recent years, this class of substances has achieved positive results in clinical trials with ADCs.

Heidelberg Pharma developed and preclinically tested ADCs with the compound Exatecan in recent years. While our strategic review has resulted in focusing development activities in this area primarily on Amanitin-based ADCs, ADCs with other compounds are available for partnerships.

[46] Nature, 22 October 2018: https://www.nature.com/articles/s41467-018-06811-z

[47] https://heidelberg-pharma.com/images/managed/finanzberichte/629937ff75687_Poster_AACR_2022_1754.pdf

[48] https://ash.confex.com/ash/2020/webprogram/Paper141615.html

Proprietary ATAC pipeline

Project pamlectabart tismanitin (HDP-101; BCMA-ATAC)

During the past fiscal year, the World Health Organisation (WHO) published pamlectabart tismanitin as the international non-proprietary name (INN) for the ATAC candidate HDP-101 to replace the development name of HDP-101.

Pamlectabart tismanitin consists of an anti-BCMA antibody, a specific linker and the Amanitin toxin. BCMA (B-cell maturation antigen) is a surface protein that is highly expressed in multiple myeloma cells and to which BCMA antibodies specifically bind. The candidate has been evaluated since February 2022 in a Phase I/IIa clinical trial for treatment of relapsed or refractory multiple myeloma. 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 required. The ATAC also has potential in further hematologic indications.

Heidelberg Pharma's Phase I/IIa clinical study is a non-randomized, open-label, dose escalation trial enrolling patients with relapsed or refractory multiple myeloma. The study is designed to evaluate the safety, tolerability, pharmacokinetics, and preliminary efficacy of pamlectabart tismanitin in this patient population.

The first nine patient cohorts and dose levels have been completed.

Cohorts 5-7:

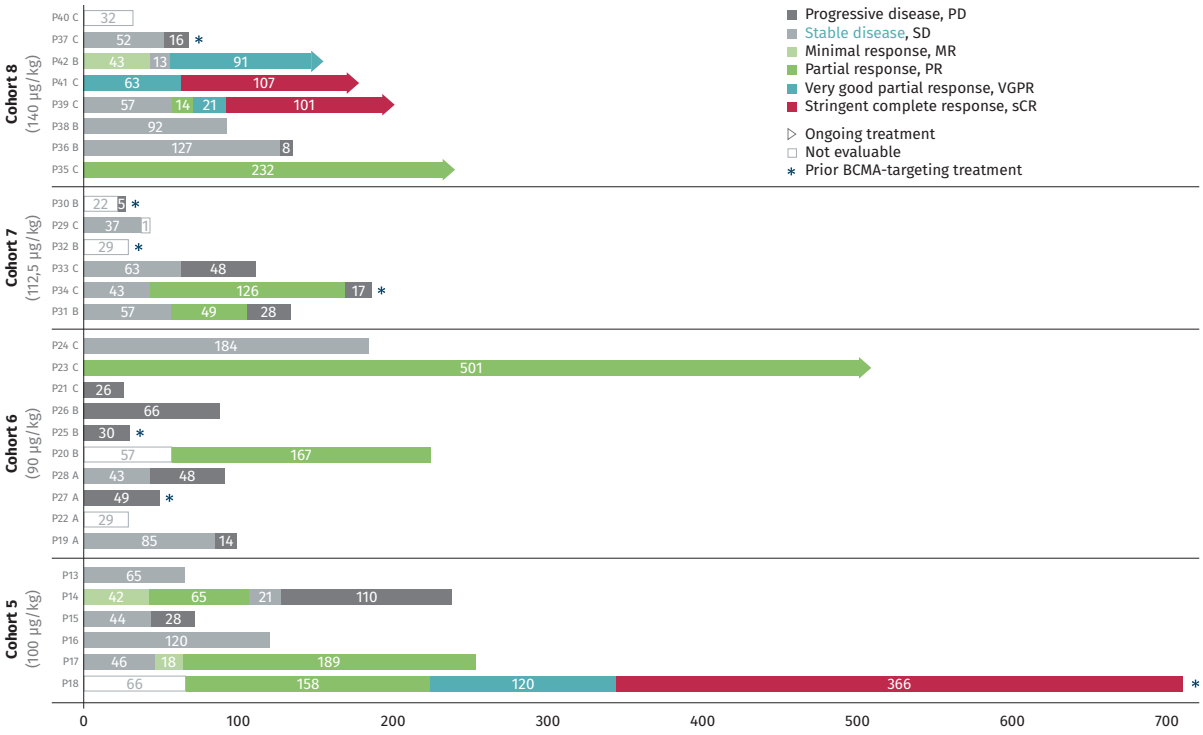
A total of 22 patients with doses of between 90 and 112.5 µg/kg were treated in Cohorts 5-7. The substance was shown to be safe and well tolerated with a few mild side effects. There were no indications of ocular or renal toxicity, bone marrow depression or liver damage. A short-term drop in thrombocyte count (thrombocytopenia) in some patients was improved considerably by optimizing the dosing regimen.

Several patients exhibited promising biological activity and an objective improvement in disease, including one patient in Cohort 5 who had previously undergone several different therapies and achieved stringent complete remission (sCR: no tumor cells are detectable in the blood or bone marrow) with no detectable tumor cells remaining after undergoing monotherapy with pamlectabart tismanitin over a period of 18 months.

Cohort 8:

All patients in Cohort 8 also exhibited a favorable safety and tolerability profile at a dose of 140 µg/kg, with no toxicities occurring that would have prevented further dose escalation. Encouraging signs of clinical activity have also been observed. Four patients showed biological activity of pamlectabart tismanitin, with one partial response, one very good partial response and two stringent complete remissions.

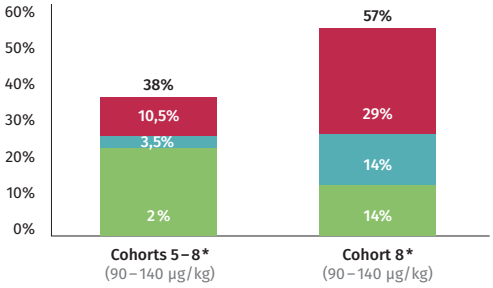
pamlectabart tismanitin – Phase I efficacy data of cohorts 5–8



The results from these cohorts show that patients' positive response to the substance increases as the dose rises, and that these reactions occurred more quickly and were more profound.

The objective response rate of Cohorts 5-8 was 38%, rising to 57% in the eighth cohort.

Objective response rate



Preliminary efficacy

- Multiple responses were seen (from 90 µg/kg) across different dosing arms, confirming that changes in the dose distribution maintained the anti-tumor effect while improving drug tolerability.
- We observed 38% ORR in cohorts 5 to 8 responders, with 11 responders out of 29 patients (7 PR, 1 VGPR and 3 sCR)
- At the current highest dose of 140 µg/kg, we observed 57% ORR, with 4 responders out of 7 patients (1 PR, 1 VGPR, 2 sCR)

Partial response, PR
Very good partial response, VGPR
Stringent complete response, sCR

These results substantiate the therapeutic potential of the candidate for patients with relapsed or refractory multiple myeloma who have already received several treatments.

Cohorts 9 and 10:
Until early February, four patients in Cohort 9 were treated at a dose of 175 µg/kg. While the full evaluation of this cohort is not yet complete, the safety review committee (SRC) found the dose level to be safe and tolerable and recommended continuing the trial with Cohort 10 at a dose level of 218 µg/kg. The first patients in the Cohort 10 have been treated since late December.

The Phase IIa part of the trial will begin as soon as its recommended dose has been reached. The objectives of this trial part are to assess the preliminary anti-tumor activity of pamlectabart tismanitin along with further evaluation of the drug's safety.

Regulatory advances:
In October 2025, the US Food and Drug Administration (FDA) granted fast track designation to pamlectabart tismanitin. This status was supported by both non-clinical data and clinical data from the ongoing Phase I/IIa trial.

Fast track designation is intended to accelerate the development and review of therapies that address serious or life-threatening conditions with unmet medical needs. It enables more frequent engagement with the FDA, allows rolling review of the Biologics License Application (BLA), and may provide eligibility for priority review or accelerated approval.

Together with the orphan drug designation (ODD) granted in March 2024, the fast track designation underlines the significance of pamlectabart tismanitin in potentially treating patients with multiple myeloma.

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).

Heidelberg Pharma announced the dosing of the first patient with HDP-102 at the end of May 2025. The first cohort consisted of three patients treated at a dose of 40 µg/kg. Initial data showed promising results. The treatment was well tolerated, and initial signs of biological activity were observed even at this extremely low dose. Two patients showed stabilization of the disease with regression and reduction of the size of lymph nodes. The safety committee recommended increasing the dose of HDP-102 to 65 µg/kg in Cohort 2.

We paused recruitment for the trial after the first cohort in line with our strategic review from September 2025 and did not recruit a second cohort. The remaining patients in Cohort 1 will continue to be treated with HDP-102 as long as there is no progression of the disease. After the end of the reporting period, we closed all trial centers where patients were no longer receiving treatment. The project is available for partnerships.

Project HDP-103 (PSMA-ATAC)
HDP-103 will be developed for the treatment of metastatic castration-resistant prostate cancer (mCRPC). The antibody used binds to PSMA, a surface antigen that is overexpressed on prostate cancer cells. This is a promising target for ATAC technology because PSMA shows only very 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 60% there is a very high prevalence of a 17p deletion in this indication. The increased sensitivity of prostate cancer cells with 17p deletion has already been preclinically validated.[49] Therefore, PSMA-ATACs might be particularly suitable for treating metastatic, castration-resistant prostate cancer.

The clinical team is currently preparing the study application for a Phase I clinical trial. As part of our current strategic review, we are looking for partners outside of China for the clinical development of HDP-103. This does not affect our development partnership with Huadong in its license territory.

[49] Nature, 22 October 2018: https://www.nature.com/articles/s41467-018-06811-z

Project HDP-104 (GCC-ATAC)
The ATAC candidate HDP-104 targets the protein guanylyl cyclase C (GCC). This surface protein is overexpressed in over 95% of colorectal cancers and around 65% of the esophageal, gastric and pancreatic tumors. As Heidelberg Pharma is refocusing its resources elsewhere, it is currently not pursuing further development of this project and is seeking a partnership.

Extended ADC pipeline

Project HDP-201
Alongside ADCs based on Amanitin, Heidelberg Pharma is also working on conjugates featuring other compounds. HDP-201 is the first development candidate that does not use the toxin Amanitin. It is an exatecan-based ADC (ETAC) that targets guanylyl cyclase-C (GCC), a receptor that is expressed on the surface of intestinal cells and cancer cells in various gastrointestinal tumors. Heidelberg Pharma is currently not pursuing further development of this project, either, and is seeking a partnership.

Amanitin production in accordance with Good Manufacturing Practice (GMP) – provision of material to partners (supply model):
Heidelberg Pharma Research ensures the supply of material for the Group's own projects and those of its partners by providing Amanitin linker material in GMP quality as required.

ADC research projects
Heidelberg Pharma was continuously working to identify further potential targets which, in combination with the properties of Amanitin, could represent new treatment options for diseases that are difficult to treat. Antibodies and ATACs were produced for this and research conducted. The strategic realignment since October 2025 no longer includes any proprietary early-stage research activities.

Predictive biomarker p53/RNA polymerase II project: The available preclinical data show that Amanitin has the potential to be particularly effective against aggressive tumors in connection with a 17p deletion. The name '17p' refers to the short arm of chromosome 17, whose DNA includes both the gene for the tumor suppressor protein TP53 and the largest subunit for RNA polymerase II (POLR2A). 17p deletion in tumors results in TP53 being less effective in tumor cells, thus weakening the cells' natural defenses. Since POLR2A is also partially deleted at the same time, the tumor cell altered in this way has less RNA polymerase II, making it particularly sensitive to Amanitin. Results from the collaboration with different research groups regarding 17p deletion have already been published in previous years (including with the MD Anderson Cancer Center and the Indiana University School of Medicine).[50,51]

To examine the possibility of using these findings for clinical treatment, patients in the ongoing Phase I/IIa clinical trial with pamlectabart tismanitin are being tested and evaluated for their 17p status. The patient groups have not yet been stratified. Heidelberg Pharma holds an exclusive license to the patent rights for this diagnosis and treatment approach.

ADC partnerships
The second pillar in the business model of Heidelberg Pharma involves the granting of ADC technology licenses and application on antibodies provided by customers. Integrated into license agreements, Amanitin linker variants are to be made available and cross-linked to antibodies developed by partners and tested biologically. These technology partnerships give licensees access to the technology platforms and generate initial sales revenue for the Company. These license agreements are also intended to provide attractive potential for generating sales revenue and creating added value long-term. The agreements provide for upfront payments, assumption of development costs, milestone payments and royalties. The partnerships concluded to date all relate to the Amanitin-based ADC technology.

[50] https://ash.confex.com/ash/2020/webprogram/Paper141615.html
[51] Science Translational Medicine, 10 February 2021: https://www.science.org/doi/10.1126/scitranslmed.abc6894

Partnership with Takeda: An exclusive research agreement has been in place with Takeda Oncology, Cambridge, MA, USA, (Takeda) for several years, the subject of which is several targets for joint development of ADCs using the compound Amanitin. Under the terms of the exclusive research agreement, Heidelberg Pharma produced several ATACs using antibodies from Takeda's proprietary portfolio. As a result of this work, Takeda acquired an exclusive license in September 2022 to commercially develop an ATAC with a selected target. Takeda is responsible for further preclinical and clinical development, as well as potential commercialization, of the licensed product candidate.

At the beginning of 2026, after the end of the reporting period, Heidelberg Pharma announced that Takeda had started clinical development and dosed the first patient with its ATAC candidate. Reaching this development milestone triggered a payment to Heidelberg Pharma.

Research Allowance Act

The Research Allowance Act (Forschungszulagengesetz, FZulG) is a German federal act that entered into force on 1 January 2020. The law introduced tax relief on the personnel expenses incurred by research and development projects in the form of a research allowance. Projects are eligible for tax relief if they focus on basic research, industrial research, or experimental research. Market launch projects are not eligible. Projects may be managed within the company, contracted out, or organized together with other actors.

In the fiscal year now ended, Heidelberg Pharma applied for €0.5 million in research grants for 2024 in this context. In the previous year, €2.7 million was approved for the period 2020 to 2023 and recognized in profit or loss (see section 5.1, "Sales revenue and other income"). *> Page 41*

3.2 Out-licensed legacy portfolio of Heidelberg Pharma AG – partnering

TLX250-Px (girentuximab) – diagnostic antibody

TLX250-Px (proposed trade name: Zircaix) is a radiolabeled form of the antibody girentuximab, which binds to the tumor-specific antigen CAIX on clear cell renal cell carcinoma (ccRCC) and possibly other tumor types. Accumulation of this antibody in tumor tissue can be visualized by positron emission tomography (PET) scans. This could fundamentally improve therapy planning for renal cancer patients and avoid potentially unnecessary surgery. The diagnostic agent may also prove suitable for monitoring response to treatment, detecting metastases and diagnosing other kinds of tumors.

The antibody was developed up to an initial, completed Phase III trial at Heidelberg Pharma AG and licensed in 2017 to Telix Pharmaceuticals Limited, an international biopharmaceutical company headquartered in Melbourne, Australia, (Telix). The license agreement also covers the development of a therapeutic radioimmunoconjugate program.

Positive topline data from the Phase III ZIRCON study on using PET imaging for diagnosing kidney cancer were published in November 2022.[52] The study results delivered 86% sensitivity and 87% specificity, exceeding the pre-determined threshold required to demonstrate the ability of TLX250-Px to achieve non-invasive detection the clear cell phenotype. The first peer-reviewed results from ZIRCON were published in October 2024.[53]

[52] Telix, press release, 7 November 2022: https://telixpharma.com/news-views/zircon-phase-iii-top-line-data-study-meets-primary-objectives/

[53] The Lancet, October 2024: https://www.thelancet.com/journals/lanonc/article/PIIS1470-2045(24)00402-9/fulltext

The study has also met the key secondary endpoint, achieving 85% sensitivity and 89% specificity in detecting ccRCC in tumors < 4 cm ("T1a" classification), currently a significant clinical challenge in the diagnosis of ccRCC.

In December 2024, Telix submitted the complete revised Biologics License Application (BLA) for TLX250-Px to the FDA. The FDA accepted the BLA, granted a priority review, and designated a Prescription Drug User Fee Act (PDUFA) goal date of 27 August 2025.

On this date, Telix received a Complete Response Letter (CRL) from the FDA in which the authorities identified deficiencies regarding the product's chemistry, manufacturing and controls (CMC) package. According to Telix, the company immediately began working to rectify these deficiencies and applied to hold two Type A meetings with the FDA; these took place in December 2025 and January 2026. Telix believes it has reached an agreement with the FDA on the remediation of identified deficiencies relating to the product's CMC package.[54]

At the second meeting in January, the FDA reviewed Telix's plan for the additional data required to ensure comparability between the drug used in the Phase III clinical trial and the product from scaled-up manufacturing intended for commercial use.[55] New timetables will be announced as soon as they are available.

Heidelberg Pharma will be eligible to receive milestone payments and royalties reaching double digit percentages, should the product receive marketing approval. In March 2024, Heidelberg Pharma sold a portion of the future royalties to HealthCare Royalty (HCRx); this made the company eligible to receive USD 70 million from HCRx after FDA approval of TLX250-Px, with reductions if approval was granted after the end of 2025. Amendments were made to this agreement in March 2025 and March 2026.

Telix has been carrying out a global Expanded Access Program (EAP) since December 2023 to provide patients with pre-approval continuous access to TLX250-Px for the detection of ccRCC.[56] Patients are routinely dosed in the EU[57,58], the US[59] and Australia[60].

In April 2024, the European Association of Urology (EAU) recognized TLX250-Px in its guidelines as an emerging technology for the diagnosis of renal cell carcinoma (RCC).[61]

Alongside the EAP, Telix is also conducting further clinical trials with TLX250-Px to potentially expand the indication beyond kidney cancer to other areas such as bladder cancer and solid tumors or a trial on the detection of ccRCC recurrences.[62]

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54 Telix, press release, 21 December 2025: https://ir.telixpharma.com/news-releases/news-release-details/precision-medicine-portfolio-update-illuccix-china-phase-3-study

55 Telix, press release, 21 December 2025: https://ir.telixpharma.com/news-releases/news-release-details/precision-medicine-portfolio-update-illuccix-china-phase-3-study

56 Telix, press release, 11 December 2023: https://telixpharma.com/news-views/first-patient-dosed-in-u-s-expanded-access-program-for-tlx250-cdx-telixs-breakthrough-kidney-cancer-imaging-agent/

57 Telix, press release, 25 March 2024: https://telixpharma.com/news-views/first-patient-dosed-in-italian-named-patient-early-access-program-for-tlx250-cdx-telixs-kidney-cancer-imaging-agent/

58 Telix, press release, 2 May 2024: https://telixpharma.com/news-views/first-patient-dosed-in-austrian-named-patient-early-access-program-for-tlx250-cdx-telixs-kidney-cancer-imaging-agent/

59 Telix, press release, 11 December 2023: https://telixpharma.com/news-views/first-patient-dosed-in-u-s-expanded-access-program-for-tlx250-cdx-telixs-breakthrough-kidney-cancer-imaging-agent/

60 Telix, press release, 26 April 2024: https://telixpharma.com/news-views/first-patient-dosed-in-special-access-scheme-in-australia-for-tlx250-cdx-telixs-kidney-cancer-imaging-agent/

61 Telix, press release, 12 April 2024: https://telixpharma.com/news-views/tlx250-cdx-zircaix-recognised-in-eau-guidelines-as-an-emerging-technology-for-the-management-of-rcc-kidney-cancer/

62 Telix, website, retrieved 9 January 2025: https://telixpharma.com/our-portfolio/clinical-trials/

TLX250-Tx (girentuximab) – therapeutic antibody

In addition to further developing the TLX250-Px antibody, Telix is also advancing the further development of the therapeutic radioimmunoconjugates. The company has labeled the antibody girentuximab with different radioactive elements and is testing it in various indications.

Under the license agreement with Telix, Heidelberg Pharma is eligible to receive milestone payments and royalties in the single-digit percentage range if this therapeutic product is granted marketing approval.

3.3 Other key events in fiscal year 2025

Amendment to agreement with HealthCare Royalty secures USD 20 million

In March 2025, Heidelberg Pharma and HealthCare Royalty, Delaware, USA (HCRx) signed an amendment to their original license agreement dated March 2024. After receiving an upfront payment of USD 25 million in 2024, Heidelberg Pharma received an additional USD 20 million upon signing the amendment. In return, the sales-related milestone of USD 15 million for 2025 no longer applies due to the delayed potential launch of TLX250-Px. The originally agreed USD 75 million payment upon FDA approval of TLX250-Px was reduced to USD 70 million, with further reductions if approval occurs after the end of 2025. The March 2024 royalty financing agreement and current amendment cover the partial monetization of Heidelberg Pharma's future royalties on the worldwide sales of TLX250-Px, a radiopharmaceutical Positron Emission Tomography (PET) imaging agent for the diagnosis and characterization of clear cell renal cancer.

For further details, please refer to section 5 of this Group management report, and to section 19.2 and chapter 21 of the notes to the consolidated financial statements. *> Pages 40, 119 and 122*

Supervisory Board appoints Dr. Dongzhou Jeffery Liu as Chairman of the Executive Management Board

The Supervisory Board appointed Dr. Dongzhou Jeffery Liu as Chairman of the Executive Management Board and new CEO effective 24 November 2025. Professor Andreas Pahl was dismissed from office and left the Company at the same time, having served as a member of the Executive Management Board since 2016 and as its Chairman since February 2024. Dr. Liu also serves as one of the Managing Directors of the subsidiaries. When taking on his new role on the Executive Management Board, Dr. Liu resigned from the position on the Supervisory Board he had held since 2022. Dr. Liu is also Chief Scientific Officer (CSO) and President of Huadong Global Development at Huadong Medicine in Hangzhou, China.

4 Non-financial performance indicators

Employees

The Heidelberg Pharma Group employed 120 (30 November 2024: 116) people (including members of the Executive Management Board) at the end of the fiscal year. The expectation of having a stable workforce in fiscal year 2025 has therefore been fulfilled.

The employees were distributed among the different areas as follows:

Employees[1]	30 Nov. 2025	30 Nov. 2024
Research and development	**84**	76
Business development	**2**	3
Central functions (corporate)	**16**	15
Administration	**18**	22
Total	**120**	**116**

[1] Without postdocs, staff on extended sick leave and interns

The cost-cutting program adopted at the end of September 2025 provides for a 75% reduction in the workforce by mid-2026 and mainly affects departments for early research activities.

5 Results of operations, financial position and net assets of the Group

The 2025 fiscal year concerns the period from 1 December 2024 to 30 November 2025. Due to rounding, it is possible that individual figures in this combined management report may not add up exactly to the totals and that percentages given may not precisely reflect the absolute figures to which they relate. The results of operations, financial position and net assets according to the German Commercial Code (HGB) of Heidelberg Pharma AG as an independent company are explained separately in chapter 11. > *Page 70*

The basis of consolidation comprises Heidelberg Pharma AG and Heidelberg Pharma Research GmbH. HDP G250 AG & Co. KG and HDP G250 Beteiligungs GmbH were established as part of the HCRx agreement in 2024. These two, fully consolidated companies are affiliated below the parent company Heidelberg Pharma AG and are not operationally active. For more information on the subsidiaries, please see chapter 11. > *Page 70*

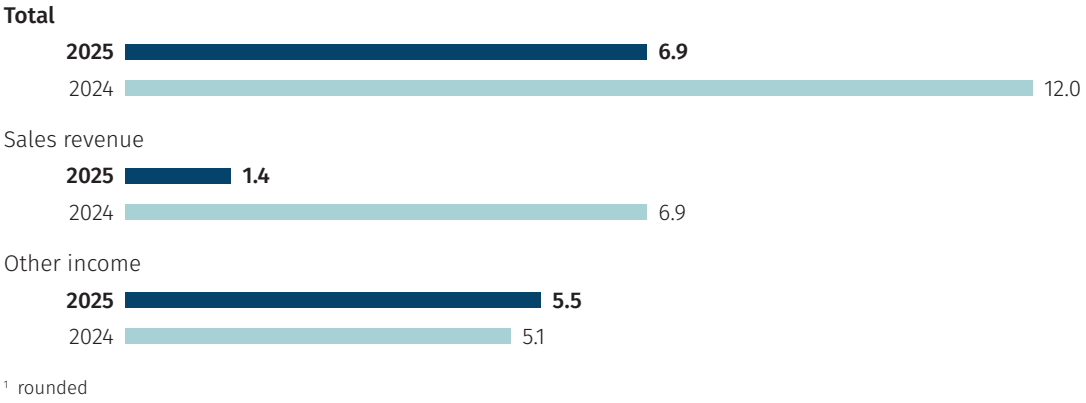
Heidelberg Pharma does not have business units that differ materially in their risk/reward profiles and would therefore require segment reporting.

5.1 Sales revenue and other income

The Heidelberg Pharma Group generated sales revenue and other income totaling €6.9 million in fiscal year 2025 (2024: €12.0 million).

Sales revenue totaling €1.4 million (previous year: €6.9 million) exclusively comprised revenue from collaboration agreements for the ATAC technology (previous year: €6.8 million). An additional €0.1 million was generated from the service business in the past fiscal year. Sales revenue in 2025 dropped year-over-year as planned, given the lower level of monetization from partnerships, including related material deliveries.

Income in € million[1]



[1] rounded

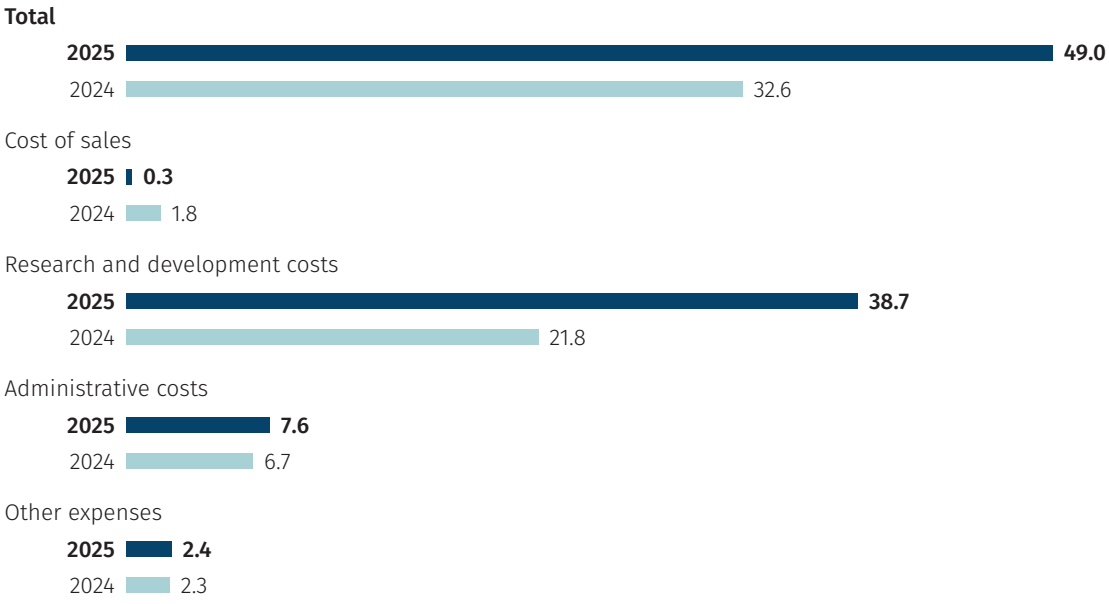
Other income amounted to €5.5 million (previous year: €5.1 million) and mainly comprised exchange rate gains (€3.2 million; previous year: €0.4 million), research allowances and government funding (€0.5 million; previous year: €2.8 million), and a milestone payment of €1.4 million recognized in 2025 in connection with the previous sale of a minority interest.

The total amount of income also includes income from the reversal of unused accrued liabilities (€0.1 million; previous year: €1.2 million), and a compensation payment received only in 2024 (€0.5 million) as well as all other items (€0.3 million; previous year: €0.2 million).

5.2 Operating expenses

Operating expenses including depreciation and amortization increased considerably to €49.0 million in 2025 compared to the previous year (€32.6 million). This includes expenses for the restructuring measures initiated, which amounted to €10.6 million and were incurred in particular for departing staff (€1.9 million), onerous contracts (€0.7 million) and write-downs on assets (€7.6 million).

Operating expenses in € million[1]



[1] rounded

The **cost of sales** concerns the Group's costs directly related to sales revenue. These costs were mainly related to expenses for the supply of Amanitin linkers to licensing partners. In 2025, these costs amounted to €0.3 million, well below the previous year's figure of €1.8 million, and represented 1% of operating expenses.

Research and development costs of €38.7 million rose year-over-year (previous year: €21.8 million) due to higher costs for the ongoing clinical trial with pamlectabart tismanitin (HDP-101), the launch of the second clinical trial with HDP-102, and expenses for the restructuring measures initiated (€9.6 million). At 79% of operating expenses, R&D remained the largest cost item.

Administrative costs were €7.6 million, an increase on the prior year figure of €6.7 million, and accounted for 15% of operating expenses.

These include staff costs of €4.5 million (previous year: €4.1 million), of which €0.1 million (previous year: €0.4 million) concerned expenses from stock options in the reporting period. This line item also includes legal and operating consulting costs in the amount of €1.1 million (previous year: €1.2 million), internal/external costs of preparing the annual financial statements (€0.4 million; previous year: €0.3 million), and expenses related to the Annual General Meeting, Supervisory Board remuneration and the stock market listing (€0.8 million; previous year: €0.8 million). Other items amounted to €0.8 million (previous year: €0.3 million). Restructuring expenses in administration came to € 1.0 million

Other expenses for business development, marketing, commercial market supply activities and all other items, which mainly comprise staff and travel costs, increased slightly to €2.4 million year-over-year (previous year: €2.3 million) and made up 5% of operating expenses.

Similar to the previous year, the Company also generated significant **finance income** of €0.9 million in 2025 (previous year: €1.4 million) despite lower interest rates and cash holdings. Heidelberg Pharma exclusively used short-term deposits for investing its liquid funds (e.g. overnight and term money); at no time were investments made in stock or share-based financial instruments. There were no longer any significant **finance costs** (previous year: €0.1 million). The **financial result** was therefore €0.9 million (previous year: €1.3 million).

Due to a surplus of deferred tax liabilities that arose during the calculation of deferred taxes, €1.1 million had to be expenses as **income taxes**.

5.3 Earnings

The Heidelberg Pharma Group recognized a net loss for the year of €42.3 million (previous year: €19.4 million) in fiscal year 2025. The deterioration in earnings is due to lower sales revenues and significantly higher expenses for research and development, as well as the restructuring measures initiated (see notes to the consolidated financial statements, note 7). Basic earnings per share fell from €–0.42 in the previous year to €–0.91. *> Page 106*

5.4 Financing and liquidity

The Group had cash of €15.0 million at the close of the fiscal year (30 November 2024: €29.4 million).

After the end of the reporting period, on 6 March 2026, the Company signed an expanded agreement with HealthCare Royalty (HCRx) and Soleus Capital Management (Soleus Capital) for the sale of additional royalties. Taking into account the upfront payment of USD 20 million, the cash available as of the 30 November 2025 reporting date, and based on the current budget, the Executive Management Board assumes that funding will be available to the Group until the middle of 2027.

5.5 Cash flow statement

Net cash outflow from operating activities during the reporting period was €31.6 million (previous year: €29.6 million). The increase is mainly due to the fact that Heidelberg Pharma was able to carry out research activities as planned until August 2025. The non-cash expenses and the provisions are related to the restructuring expenses.

The outflow of funds for investing activities was € 0.1 million (previous year: € 0.4 million), reflecting the low need for investment.

The net change in cash flows from financing activities improved from an inflow of €16.1 million in the previous year to an inflow of €18.3 million in the reporting period. The higher figure is due to last year's loan repayment in the amount of €5 million, offsetting the lower second HCRx payment in March 2025.

The exchange rate effect and other effects on cash amounted to €1.1 million, significantly exceeding the previous year's figure of €58 thousand. This is mainly due to the high level of foreign currency liabilities and the lower USD exchange rate.

The total change in cash in the 2025 fiscal year was therefore €–14.4 million, at a similar level to the previous year (€–14.0 million). This change corresponded to an average outflow of cash of €1.2 million per month (previous year: €1.2 million).

Cash flow	2025 € million	2024 € million
Cash as of 1 December	**29.4**	**43.4**
Net change in cash from operating activities	(31.6)	(29.6)
Net change in cash from investing activities	(0.1)	(0.4)
Net change in cash from financing activities	18.3	16.1
Exchange rate effect	(1.1)	(0.1)
Cash as of 30 November	**15.0**	**29.4**

5.6 Assets

The Company has prepared its financial statements on a going-concern basis. The previous year's figures relate to 30 November 2024.

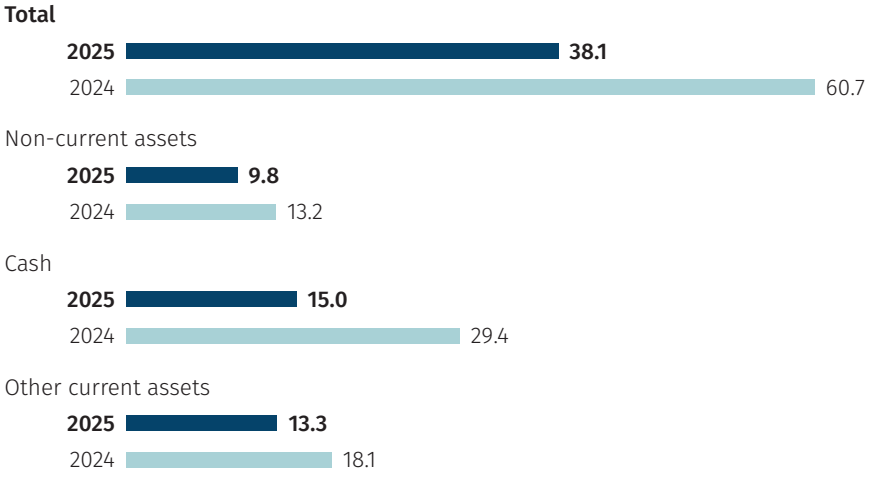
Non-current assets at €9.8 million as of 30 November 2025 were down considerably on the prior-year figure of €13.2 million. As in 2024, they mainly included the goodwill of Heidelberg Pharma Research (€6.1 million) as well as the recognition of the not yet ready for use intangible assets "In Process Research & Development" (IP R&D) of €2.5 million identified in connection with the purchase price allocation.

Property, plant and equipment as of 30 November 2025 decreased to €0.9 million from €3.5 million mainly as a result of impairment charges of €2.0 million on portions of property, plant and equipment, with lower capital expenditures also being a factor. Intangible assets excluding goodwill and IP R&D remained virtually stable at €0.2 million (previous year: €0.3 million). Other non-current financial assets fell to €0.1 million (previous year: €0.8 million), mainly as a result of a write-down of €1.1 million on upfront payments in connection with the clinical trial of HDP-102.

Current development expenses for Heidelberg Pharma's product and development candidates were not capitalized because they were not deemed to fully meet the requirements of IAS 38 for capitalization. They were expensed in full as current research and development costs.

Assets on the balance sheet are structured as follows:

Balance sheet structure – assets in € million[1]



[1] rounded

Current assets decreased to €28.3 million (previous year: €47.6 million). Cash included in this item amounted to €15.0 million and were down on the prior-year figure of €29.4 million due to outflows triggered by the business.

All **other current assets** decreased to €13.3 million (previous year: €18.1 million). Despite additions during the year, inventories contained in this figure fell to €10.6 million, due partly to write-downs of €4.5 million.

Other receivables decreased from €5.7 million to €2.3 million. Fiscal year 2025 saw a drop in receivables from the public sector for research allowances (€0.5 million; previous year: €2.7 million), with last year's sale of the Emergence investment (€1.0 million) no longer having an impact. Trade receivables came to just €5 thousand (previous year: €0.3 million) while prepayments remained at €0.4 million.

Total assets at the end of the fiscal year amounted to €38.1 million (previous year: €60.7 million). This decrease was mainly due to the outflow of cash.

5.7 Liabilities

Lease liabilities, which due to the application of IFRS 16 Leases have to be disclosed separately as non-current or current lease liabilities (>12 or <12 months), totaled €0.1 million in fiscal year 2025, down on the previous year's combined figure of €0.2 million. They concern leases for office and building rent as well as company cars.

Non-current financial liabilities rose from €21.8 million to €36.8 million and are attributable to the additional upfront payment of USD 20 million received from HCRx in the fiscal year now ended, which was also recognized as a liability.

In the event of FDA approval, the non-current financial liabilities totaling USD 45 million will be settled through future royalty payments. If approval is not granted, no repayment of the amount is necessary.

A **deferred tax liability** of €1.1 thousand was also recognized (previous year: €0).

Non-current liabilities therefore totaled €37.8 million (previous year: €21.8 million).

Current liabilities rose to €11.2 million at the close of the reporting period (previous year: €8.0 million).

Current lease liabilities totaled €0.1 million, unchanged from the preceding fiscal year. **Current contract liabilities** fell to €27 thousand (previous year: €1.2 million) and in 2024 almost exclusively consisted of a deferral for the in-licensing of HDP-103 by Huadong in 2022.

Trade payables rose to €7.2 million due to reporting date factors (previous year: €5.5 million). **Other current liabilities** decreased from €1.1 million in the previous year to €0.9 million as of 30 November 2025. Heidelberg Pharma had to recognize **restructuring provisions** of €3.0 million for staff, building vacancies, litigation costs, asset retirement obligations and onerous contracts for the first time.

5.8 Equity

Equity of the Heidelberg Pharma Group at the end of the reporting period was €–10.9 million (30 November 2024: €30.9 million). The high extraordinary charges of €10.6 million incurred as a result of the restructuring measures contributed significantly to negative equity.

The total number of Heidelberg Pharma shares issued (or subscribed capital) rose from 46,604,977 to 46,784,317 at the end of the reporting period as a result of the exercise of 179,340 stock options.

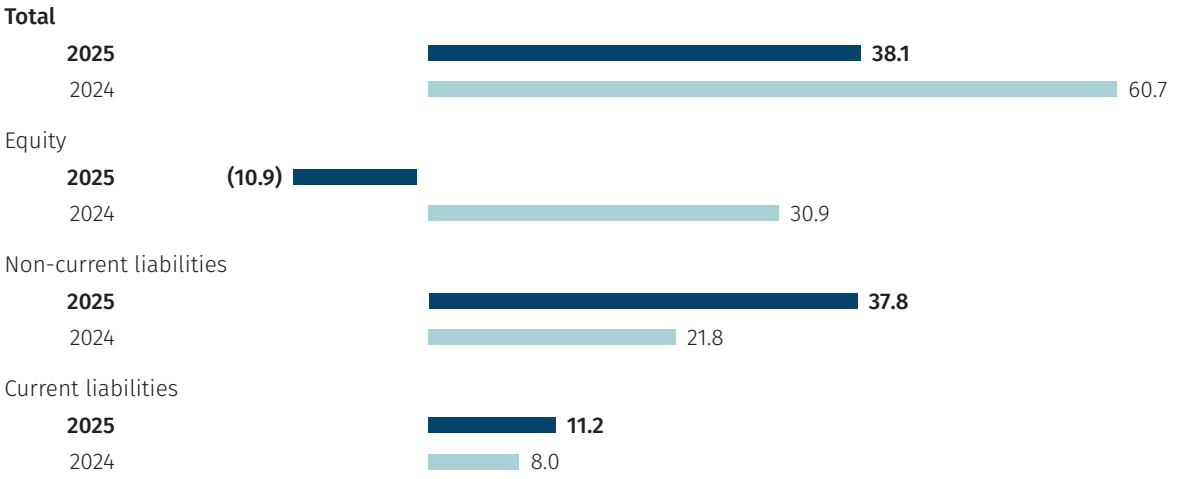
Taking into account the measurement of stock options issued and the options exercised by beneficiaries during the year, the **capital reserve** increased by a net €0.3 million to €313.7 million as of the 2025 reporting date (previous year: €313.4 million).

The **other reserve** of €2.0 million, which was created in 2023 due to the sale of the interest in Emergence, remained unchanged compared to 2024.

The losses accumulated since the foundation of the Heidelberg Pharma Group totaled €373.4 million (previous year: €331.1 million). The equity ratio was –28.6% (previous year: 50.8%).

Equity and liabilities on the balance sheet are structured as follows:

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



[1] rounded

6 Overall assessment of the course of business and position of the Group by the Executive Management Board

The first nine months of the past fiscal year proceeded as planned and were highly successful in terms of development activities.

We completed three patient cohorts with our most advanced Amanitin-based ADC candidate, pamlectabart tismanitin, with increasing dose levels in the indication of multiple myeloma. The candidate was shown to be safe and well tolerated at each of these dose levels, with no serious side effects recorded. Several patients in Cohorts 5 to 8 exhibited biological efficacy after administration of pamlectabart tismanitin, with a total of five patients achieving remission.

The response to treatment in later cohorts was quicker and more pronounced than in earlier cohorts. This observation suggests that the effect of pamlectabart tismanitin improves with higher doses.

Even with long-term use, there were no effects impacting the assessment of the substance's safety or tolerability.

The clinical findings of the first Phase I trial with the toxin Amanitin reinforce the Company's belief that a treatment approach using Amanitin-based ADCs works and could benefit severely ill patients who have already received several treatments. The orphan drug designation (ODD) and fast track designation granted by the FDA also underline the significance of pamlectabart tismanitin. The Executive Management Board of Heidelberg Pharma is confident that these encouraging results will be confirmed in the further course of this trial. Our goal remains to determine the recommended dose for Phase IIa in the first half of 2026.

A second candidate, HDP-102, which was to be developed for specific indications of Non-Hodgkin lymphoma (NHL), started clinical development in May 2025. The first cohort consisted of three patients treated at a dose of 40 µg/kg. Initial data were highly positive. The treatment was well tolerated, and initial signs of biological activity were observed even at this extremely low dose. Having to suspend this study for financial reasons is regrettable.

By contrast, the final few months of the past fiscal year were challenging for the Company. The USD 70 million milestone payment for the approval of the renal cancer diagnostic agent TLX250-Px expected at the end of August 2025 has been delayed due to a decision by the FDA.

Due to the absence of this milestone payment, Heidelberg Pharma was unable to continue the research programs as planned. As a result, the Executive Management and Supervisory Board of Heidelberg Pharma opted to carry out a strategic review and comprehensive cost-cutting program. All early-stage research activities were discontinued. We are now focusing our development activities on the further clinical development of our leading ATAC candidate pamlectabart tismanitin, and reviewing partnership options for our remaining proprietary pipeline projects. This package of measures also includes reducing the workforce by 75%. While this decision was extremely difficult, it was the only feasible option for meeting our current financial requirements and ensuring the continued existence of the Company. We expect to complete this process by mid-2026.

In October, we adjusted the guidance issued in March 2025, with lower sales revenue than expected and significantly higher expenses weighing on our operating result. The delay to the HCRx milestone payment had a particularly severe effect on the funding requirement forecast (anticipated inflow).

Financials	Guidance 03/2025 € million	Updated guidance 10/2025 € million	Actual 2025 € million
Sales revenue and other income	9.0 – 11.0	7.5 – 9.0	**6.9**
Operating expenses	40.0 – 45.0	36.0 – 40.0	**49.0**
Operating result	(30.0) – (35.0)	(28.5) – (31.0)	**(42.1)**
Change in cash funds, total[1]	50.0 – 55.0	(14.0) – (17.0)[1]	**(14.4)**
Change in cash funds, per month[1]	4.2 – 4.6	(1.2) – (1.5)[1]	**(1.2)**

[1] Not including any corporate actions

Despite the restructuring measures implemented, the guidance updated in early October 2025 was mostly achieved. Taking into account the extraordinary charges of €10.6 million recognized in profit or loss (see note 5) – reference to whose initiation was explicitly made in an unspecified amount when the guidance was being updated – a midpoint in the range projected for operating expenses was reached. However, because a milestone payment was postponed until the new fiscal year at short notice, the Company narrowly missed its targets for revenue and income and consequently for the operating result. The funding requirements, which were initially unaffected by the measures, were met in full at the lower end of the range, though. *> Page 40*

It must be noted that the ranges set out in the original guidance were not met overall, due in part to the restructuring measures implemented. An absence of partnerships and a decrease in deliveries of materials to partners led to the revenue and income targets not being achieved. Extraordinary charges (€10.6 million) that were not yet foreseeable in March 2025 gave rise to higher operating expenses after Telix's application had not been approved. Similarly, the targeted operating result was missed. The funding requirement, which turned out to be far too high, was based on the assumption that three clinical trials would be running at the end of the fiscal year and that investments would be made in provision of material and technology transfer. This mostly did not come about after the milestone payment of USD 70 million was not made and sweeping cost-cutting measures were implemented.

After the end of the reporting period, on 6 March 2026, the Company signed an expanded agreement with HCRx and Soleus Capital for the sale of additional royalties. Taking into account the first milestone payment of USD 20 million, the cash available as of the 30 November 2025 reporting date, and based on the current budget, the Executive Management Board assumes that funding will be available to the Group until the middle of 2027.

The Chairman of the Executive Management Board was replaced at the end of November 2025. Until that date, Dr. Dongzhou Jeffery Liu had been a member of the Supervisory Board of Heidelberg Pharma AG; he resigned from this position at the same time. He was appointed as a member and Chairman of the Executive Management Board, succeeding Professor Andreas Pahl. Dr. Liu also holds the position of Chief Scientific Officer at Heidelberg Pharma's partner Huadong Medicine.

In summary, the Executive Management Board is satisfied with the progress of the pipeline projects, particularly with the promising results of the clinical trial with pamlectabart tismanitin. However, the Company's financial situation was not satisfactory, which led to the rollout of a cost-cutting program at the end of the fiscal year, together with large-scale redundancies.

The new structure, the focus on the main project and the recently concluded financing agreement were a necessary consolidation. The Executive Management Board is confident that the coming fiscal year will be a successful one for Heidelberg Pharma.

7 Corporate governance

7.1 Statement on Corporate Governance pursuant to Sections 289f, 315d German Commercial Code for the 2025 fiscal year

The Statement on Corporate Governance pursuant to Sections 289f and 315d of the German Commercial Code contains the Declaration of Conformity of the Executive Management Board and the Supervisory Board with the German Corporate Governance Code (GCGC) pursuant to Section 161 of the German Stock Corporation Act (Aktiengesetz, AktG). Both corporate bodies had an in-depth discussion regarding compliance with the requirements of the GCGC as amended on 28 April 2022.

In addition, the Statement addresses the principles of proper corporate governance and makes relevant disclosures about the Company's actual corporate governance practices above and beyond statutory requirements. It also describes the procedures of the Executive Management Board and the Supervisory Board as well as the composition and procedures of their committees.

Heidelberg Pharma's Statement on Corporate Governance was posted on the Company's website at www.heidelberg-pharma.com under "Press & Investors > Corporate Governance" on 3 February 2026. Pursuant to Section 317 (2) sentence 6 of the German Commercial Code, the content of the statement on corporate governance in accordance with Sections 289f and 315d of the German Commercial Code is not part of the audit of the financial statements. The audit of the disclosures pursuant to Section 289f (2) and (5) and Section 315d shall be limited to whether the disclosures have been made.

The remuneration report on the last fiscal year and the auditor's report as well as the applicable remuneration system and the last resolution on remuneration are available in the public domain at www.heidelberg-pharma.com in the "Press & Investor > Corporate Governance" section.

7.2 Disclosures under Section 289a (1) and 315a (1) of the German Commercial Code as well as explanatory report

Summary of subscribed capital

The Company's subscribed capital increased to €46,784,317 as of the end of the reporting period as a result of the exercise of 179,340 stock options.

The share capital is composed of 46,784,317 no par value bearer shares. The Company does not hold any treasury shares.

Restrictions on voting rights or on the transfer of shares

The rights and duties related to the shares arise, in particular, from Sections 12, 53a ff, 118 ff and 186 of the German Stock Corporation Act and the Company's Articles of Association. There are no restrictions on voting rights or on the transfer of shares. No shareholder or shareholder group has special rights. Each share entitles the holder to one vote at the Annual General Meeting and determines the proportion of the Company's profits the shareholder will receive.

No shareholder was prohibited from selling, pledging or otherwise disposing of the Company's securities (shares and options) as of 30 November 2025.

Equity interests exceeding 10% of voting rights

Section 315a sentence 1 number 3 of the German Commercial Code requires any interest in a company's capital in excess of ten percent of the voting rights to be disclosed.

Entity with disclosure requirement	Voting interest as of the reporting date
Dietmar Hopp, Walldorf, parties related to him and companies controlled by them[1, 2]	44.1%
Huadong Medicine Co., Ltd.	34.9%

[1] Shares of dievini Hopp BioTech holding GmbH & Co. KG, DH-Holding Verwaltungs GmbH, Walldorf, and DH-LT-Investments GmbH (as of 30 November 2025)

[2] The former managing director of dievini Hopp BioTech holding GmbH & Co. KG, Dr. Friedrich von Bohlen und Halbach, and the current managing director, Dr. Mathias Hothum, jointly hold 2.3% of Heidelberg Pharma shares and are affiliated with dievini via a pool agreement.

Shares with special rights conferring powers of control

None of the shareholders have shares with special rights conferring powers of control. In particular, no individual may claim a right to be appointed to the Supervisory Board pursuant to Section 101 (2) of the German Stock Corporation Act.

Nature of voting control where employees have an equity interest and do not directly exercise their control rights

Any employees of Heidelberg Pharma AG who hold an equity interest in the Company exercise their voting rights directly.

Legal regulations and provisions of the Articles of Association on the appointment and dismissal of members of the Executive Management Board and on amendments to the Articles of Association

The members of the Executive Management Board are appointed for a maximum of five years by the Supervisory Board in accordance with Section 84 German Stock Corporation Act and Articles 7 to 9 of the Articles of Association. The appointment of members of the Executive Management Board may be renewed, or the term of office extended, provided that the term of each such renewal or extension does not exceed five years. The Supervisory Board may revoke appointments to the Executive Management Board for good cause as defined by Section 84 (3) of the German Stock Corporation Act.

If the Executive Management Board does not have the required number of members, a court shall make the necessary appointment in urgent cases in accordance with Section 85 of the German Stock Corporation Act.

Pursuant to Section 179 (1) of the German Stock Corporation Act, any amendment to the Articles of Association requires a resolution by the Annual General Meeting be passed with a majority of at least three-quarters of the share capital represented at the adoption of the resolution. This does not apply to changes which only affect the wording and which may be made by the Supervisory Board in accordance with the Articles of Association.

Authority of the Executive Management Board to issue and buy back shares

Authorized capital:

Authorized capital currently amounts to €21,002,488, divided into 21,002,488 new no-par value bearer shares (Authorized Capital 2024/I). The Executive Management Board is thus authorized pursuant to Article 5 (5) of the Articles of Association to increase the Company's share capital, with the approval of the Supervisory Board, by up to €21,002,488 by issuing up to 21,002,488 new no par value bearer shares in return for cash contributions and/or contributions in kind on one or several occasions up to and including 19 June 2029.

Further authorized capital amounts to €2,300,000, divided into 2,300,000 new no-par value bearer shares (Authorized Capital 2022/II). The Executive Management Board is authorized pursuant to Article 5 (10) of the Articles of Association to increase the Company's share capital, with the approval of the Supervisory Board, by up to a total of €2,300,000, divided into 2,300,000 new no par value bearer shares, on one or several occasions up to (and including) 27 June 2027, which opens up additional opportunities for employee participation.

Contingent capital:
The Company's share capital was contingently increased by a total of up to €27,705,993 as of the 30 November 2025 reporting date (30 November 2024: €17,291,355). The various underlying contingent capitals after stock options and convertible bonds including the previous year's are summarized in the following table:

Contingent capital	As of 30 Nov. 2024 €	New issue €	Reduction €	As of 30 Nov. 2025 €	Purpose of use: To satisfy
2011 / I	360,672	0	132,800	227,872	2011 Stock Option Plan
2017 / I	588,255	0	8,670	579,585	2017 Stock Option Plan
2018 / I	1,016,360	0	41,347	975,013	2018 Stock Option Plan
2023 / I	2,621,035	0	0	2,621,035	2023 Stock Option Plan
2020 / I	12,705,033	0	12,705,033	0	Conversion or option rights
2025 / I	0	23,302,488	0	23,302,488	Conversion or option rights
Total	**17,291,355**	**23,302,488**	**12,887,850**	**27,705,993**	

The Executive Management Board, with the approval of the Supervisory Board, and – to the extent that members of Executive Management Board are affected – the Supervisory Board are authorized to determine any other details concerning the contingent capital increase and its implementation in connection with all contingent capital. The Supervisory Board is authorized to change the wording of the Articles of Association to reflect the scope of the respective capital increase from Contingent Capital.

Acquisition of own shares
The Company is not authorized at present to acquire own shares pursuant to Section 71 (1) No. 8 of the German Stock Corporation Act.

Compensation agreements for members of the Executive Management Board or employees in the event of a takeover bid

Heidelberg Pharma AG has not entered into any compensation agreements that provide for remuneration to members of the Executive Management Board or employees in the event of a takeover bid.

Key agreements entered into by the parent company providing for a change of control following a takeover bid

There are no key agreements entered into by Heidelberg Pharma AG providing for a change of control following a takeover bid.

7.3 Closing statement from the dependent company report

In fiscal year 2025, Heidelberg Pharma AG was a dependent company within the meaning of Section 17 (1) of the German Stock Corporation Act because a majority of its shares are held by Mr. Dietmar Hopp, parties related to him and companies controlled by them such as by dievini Hopp BioTech holding GmbH & Co. KG. Despite a share of voting rights of less than 50%, the Company expects to maintain a stable majority presence at Annual General Meetings in the future.

Pursuant to Section 312 (1) of the German Stock Corporation Act, the Executive Management Board of Heidelberg Pharma AG therefore prepared a dependent company report that includes the following closing statement:

"In accordance with Section 312 (3) of the German Stock Corporation Act, the Executive Management Board of Heidelberg Pharma AG hereby declares that, with respect to the legal transactions listed in this dependent company report in the 2025 fiscal year during the period from 1 December 2024 to 30 November 2025, and according to the circumstances that were known to the Executive Management Board when those legal transactions were performed, the Company received appropriate consideration for each legal transaction and was not placed at a disadvantage."

8 Risik report

8.1 Risk management and control

Heidelberg Pharma's business risks predominantly relate to the development of compounds, protection of intellectual property, collaboration with partners, capital recovery and sustainable financing of the Group in the medium to long term. At Heidelberg Pharma, risk management and control is a key function managed by the Executive Management Board that involves those responsible for the various divisions as well as all of our employees. Potential risks are recorded, assessed as risks using specific criteria, and closely monitored on a regular basis, taking into account the requirements of our established risk management system. This system is an important part of corporate control and monitoring.

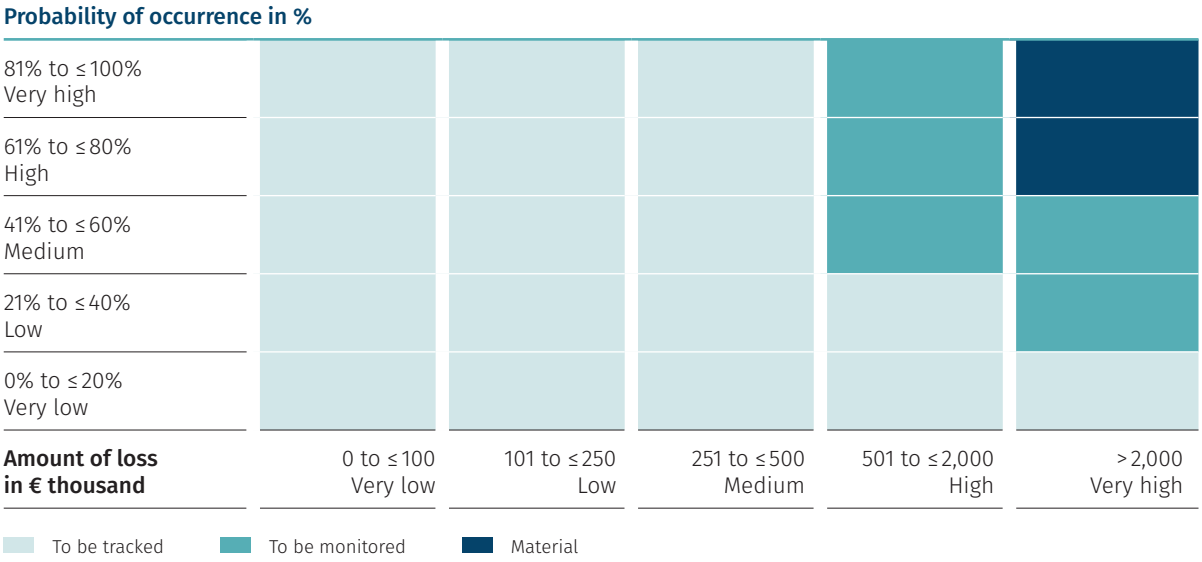
Based on a process defined in our risk management policy, Risk Officers from the various divisions appointed by the Executive Management Board identify and analyze individual threats and assess the resulting risks according to the criteria of probability of occurrence, potential amount of loss, and existing and planned countermeasures. The Risk Officers once a month brief the Risk Management Officer, who in turn updates the Executive Management Board on the status of the risks. In the interests of the entire company, each employee must report any existing or emerging threats and risks without delay. This ensures that existing risks are monitored and managed.

All material risks are addressed in a risk report that is made available to the Executive Management Board once a quarter in order to record the risk situation. The risk situation is regularly discussed with the Supervisory Board with regard to material risks.

In accordance with the corresponding guidelines, risk management is designed to detect, assess, avoid and mitigate threats and resulting risks as early as possible. Heidelberg Pharma uses this risk management system to monitor risks and manage the measures designed to minimize them. Comprehensive risk assessments are carried out on a quarterly basis as part of a systematic process that includes and assesses all material risks related to the different departments and the subsidiaries in a standardized way in accordance with predetermined criteria.

Use of the risk management system, which comprises the basis of consolidation of the consolidated financial statements and lists risks but not opportunities, is described in detail in internal company policy, which is reviewed annually and updated as necessary. The policy is accessible to all employees. Employees also undergo regular training on using the risk management system, both when necessary as well as on a case-by-case basis ("on-the-job training"). The risk early warning system is reviewed by the Company's auditor once a year in order to ensure that it meets the requirements of Section 91 (2) of the German Stock Corporation Act.

The identified risks are subjected to a risk assessment, taking into account their potential impact on the Company's business activity, and are categorized according to their potential amount of loss and probability of occurrence. All risks relate to a short-term or medium-term period (1-2 years). The first step entails assessing the risks without taking planned countermeasures into account (gross assessment). The next step is to assess them after countermeasures have been implemented (net assessment). The assessment categories for probability of occurrence and amount of loss are as follows for the Company:



The risk categories and subcategories are set out in the following table. Risks are listed summarized by subcategory in descending order of net expected loss (EL). The EL results from multiplying the probability of occurrence and the net loss amount of the risk.

A total of 45 individual risks were recorded as extant risks at the end of fiscal year 2025, distributed across six categories and a total of 19 subcategories, with one material individual risk identified in the liquidity subcategory.

Two subcategories recorded an aggregate total risk of > €2,000 thousand ("material" and "going-concern"), while nine subcategories recorded an aggregated total risk of between €500 thousand and €2,000 thousand each ("to be monitored").

Of these nine risk subcategories, two each were attributable to "R&D operational risks", "financial risks", "compliance risks" and "operational risk", with one risk being classified as "strategic". The two risks defined as "material" relate to the "liquidity" subcategory of "financial risks" and the "patent protection" subcategory of "legal risks".

Classification	Category	Subcategory	Total net EL €'000	Maximum amount of loss €'000	Avgerage probability of occurrence	No. of individual risks	Change year-over-year
Material	Financial	Liquidity	15,143	19,425	40%	4	▲
	Legal	Patent protection	2,580	12,000	21.5%	4	▲
Monitor	Compliance	General compliance risk	1,498	3,250	41.5%	4	▲
	R&D operational	Execution of development projects	1,293	3,825	32.9%	8	—
	R&D operational	Selecting and collaborating with service providers	1,004	1,675	37.7%	3	▼
	Financial	Impairment of assets	990	3,000	33%	1	▲
	Operational	Fluctuation and shortage of skilled workers	875	1,250	70%	1	▲
	Strategic	License agreements and other partnerships	749	1,625	14.5%	2	▼
	Operational	Ladenburg site	673	1,725	20%	4	▼
	Compliance	R&D quality standard	643	1,425	30%	2	—
	Financial	Capital market	600	1,625	41.5%	2	—
Track	Operational	IT security	391	800	37.7%	3	—
	Legal	Third-party rights	300	3,000	10%	1	—
	Strategic	Research and development portfolio	125	1,250	10%	1	▼
	Legal	Disputes with business partners	124	375	33%	1	▼
	Strategic	Business model	88	175	50%	1	▼
	Strategic	Shareholder structure	58	175	33%	1	—
	Operational	Employee health and safety	18	175	10%	1	▼
	Legal	Pharmaceutical law – patient safety	18	175	10%	1	—

Only the risks which summarized are classified as "material" and "to be monitored" in the subcategories relevant for the Company are described in detail below. Material individual risks are defined as risks that are classified as involving a high or very high amount of loss.

8.2 Internal control system for financial reporting

8.2.1 General internal control system (unaudited)

Embedded in the risk management system, the Heidelberg Pharma Group's internal control system entails the accounting-related internal control system along with controls of the other business processes. Policies, standard operating procedures (SOPs) and controls are in place to safeguard the processes involved in the development of ADCs and cancer therapy and to ensure patients' wellbeing. Heidelberg Pharma has also developed a compliance system to promote observance of the rules within the Company.

8.2.2 Internal control system relevant for the financial reporting process

Pursuant to Section 91 and 93 of the German Stock Corporation Act, the Executive Management Board is responsible for ensuring compliance with an effective internal control system designed to ensure reliable financial reporting. Section 289 (4) and 315 (6) of the German Commercial Code requires the Executive Management Board to prepare a report on this. The Company's internal control system (ICS) is an integral part of its risk management system and serves primarily to ensure that its financial statements comply with all rules and regulations. It comprises all principles, methods and actions aimed at ensuring the effectiveness, economy and propriety of the Company's accounting system as well as ensuring compliance with material legal requirements. The Company's auditor assesses whether the Executive Management Board has set up a functional risk early warning system in accordance with Section 91 (2) of the German Stock Corporation Act (AktG) as part of their audit and in accordance with Section 317 (4) of the German Commercial Code (HGB). This assessment is carried out in accordance with IDW AuS 340, new version (Audit of the risk early recognition system), in particular.

Financial control in the Group is divided into planning, monitoring and reporting. Based on its strategic business plan, Heidelberg Pharma prepares annual budgets for internal management and control purposes that are applicable not only to the Group but also to the parent company and the operating subsidiary. Based on these plans, a monthly as well as a more comprehensive quarterly variance analysis is prepared for all financial and non-financial key performance indicators and reported to the Executive Management Board with the support of the relevant departments. This control tool enables the Finance Department and the Executive Management Board to identify opportunities and risks at an early stage.

The corporate bodies of Heidelberg Pharma AG receive a report on the effectiveness of the internal control system based on this audit. In particular, reports on this system are submitted to the Audit Committee of the Supervisory Board, which generally discusses the audit results.

To ensure reliable financial reporting, Heidelberg Pharma AG observes the International Financial Reporting Standards (IFRSs) and the provisions of the German Commercial Code (HGB). The ICS follows the framework "Internal Control – Integrated Framework" of the Committee of Sponsoring Organizations of the Treadway Commission (COSO Framework). In keeping with the COSO Framework, the ICS has the following components:

- Control environment
- Risk assessment
- Control activities
- Information and communication
- Monitoring the internal control system

Using IT-based solutions, among others, the ICS is intended to ensure compliance with applicable accounting principles required for reliable financial reporting. The system comprises actions that are managed automatically and manually. Preventive and downstream risk controls are carried out, and care is taken to maintain both the division of responsibilities in the Finance Department and compliance with corporate guidelines (e. g., dual-control principle when approving expenditures).

If necessary, the Company also includes external experts in the process, such as for questions related to the measurement of stock option grants, the preparation of securities prospectuses and purchase price allocations.

8.2.3 Overall statement on the risk management system and the internal control system (unaudited)

With Heidelberg Pharma's organizational, control and monitoring structures, the ICS makes it possible to record, process and measure all transactions pertaining to the Company and to present them appropriately through the accounting of the Group companies and the Group. However, personal discretion, defective controls, criminal acts or other circumstances cannot be precluded and, as a result, may limit the effectiveness and reliability of the ICS such that even group-wide application of the systems utilized cannot guarantee with absolute certainty complete, accurate and timely recording of transactions as part of the financial reporting process. The risk management system is adjusted, as necessary and in a timely manner, to account for changes in the risk environment.

When this combined management report was prepared, there were no indications in all material respects suggesting that the internal control and risk management system as a whole was inadequate or ineffective.

8.3 Risks classified as MATERIAL

8.3.1 Financial risks – Liquidity (EL: €15,143 thousand) – Going-concern risk

Based on the assessment of the Executive Management Board, and based on the current budget and taking into account the payment of USD 20 million from Soleus Capital (net of transaction costs), the cash available as of the balance sheet date of 30 November 2025, was sufficient to finance the Group's business activities for a further 12 months.

The individual risk of delayed cash inflows was increased by delays to a milestone payment from partner HCRx. The cash inflow of USD 70 million from HCRx was subject to the diagnostic candidate TLX250-Px, which is out-licensed to our partner Telix, obtaining market approval from the US Food and Drug Administration (FDA). This approval was expected in the second half of 2025. Telix announced that it has received a Complete Response Letter (CRL) from the FDA identifying deficiencies related to the Chemistry, Manufacturing and Controls (CMC) package. The FDA asked the company to present additional data before a new submission and subsequent approval review can take place. While Telix has not specified a timeframe for meeting the requirements set out by the authorities, Heidelberg Pharma expects the approval and associated payment, which will decrease on a quarterly basis after 2025, to be delayed by more than 12 months. The possibility that the payment will completely fail to materialize if approval is ultimately refused cannot be ruled out.

At the end of September, Heidelberg Pharma launched a comprehensive cost-cutting program that includes focusing its business on one clinical project and discontinuing all early-stage research activities. This was accompanied by a 75% reduction in headcount. Heidelberg Pharma redoubled its efforts to find partners for the projects in its research and development portfolio.

Various options for medium-term financing were reviewed, and activities in this area were intensified.

Cash inflows from sales revenue and licensing fees are not yet sufficient to sustainably finance Heidelberg Pharma. The further expansion of the ATAC pipeline will result in future research and development expenses that cannot be financed with the company's existing financial resources. The Group is therefore dependent on the FDA's market approval of the diagnostic agent TLX250-Px in the US, upon which it is entitled to receive further contractually agreed payments from its financial investors. Alternatively, the Company would be required to secure additional financing.

Should the market approval of TLX250-Px not be granted or be further delayed, should the Management Board fail to implement the corporate strategy focused on ATAC technology as planned, and/or should there be no possibility of raising additional liquidity, the Company's continued existence would be at risk.

As a result, it cannot be ruled out that the companies of the Heidelberg Pharma Group could be unable to satisfy their payment obligations and/or that they could become overindebted due to loss allowances resulting from a failure to meet targets, for example. This would jeopardize the Group's and/or consolidated entities' existence as a going concern and shareholders could lose some or all of their invested capital. This means that the Company may not be able to realize its assets and settle its liabilities in the regular course of business. This would jeopardize the existence of the Heidelberg Pharma Group or individual affected companies.

The IFRS consolidated financial statements and the HGB annual financial statements are prepared on a going-concern basis in accordance with IAS 1.25 and Section 252 (1) No. 2 German Commercial Code (HGB), as the Executive Management Board expects the Group's operations to continue beyond mid-2027.

8.3.2 Legal risks – Patent protection (EL: €2,580 thousand)

Heidelberg Pharma's success depends on its ability to obtain the most comprehensive patent protection possible for proprietary or acquired technologies, methods and product candidates, protect its trade secrets, defend itself effectively against violations of its rights and enforce its own rights.

The granting of a patent is no guarantee of its usefulness nor that it is free of third-party rights arising from the patents of third parties. In addition, any patents granted or patent applications submitted may be challenged in a court of law, which may result in the loss of patent rights or a significant financial burden. Where Heidelberg Pharma enters into scientific and medical collaborations with third parties, these third parties may hold a stake in any new intellectual property, rights or generated data or, alternatively, may be entitled to future remuneration. Failure to agree reasonable compensation or acquire any such outstanding third-party rights may adversely affect the licensing or marketing of Heidelberg Pharma's product candidates.

The Company typically concludes confidentiality agreements with its collaboration partners, employees, consultants and other contracting parties. However, it is possible that these agreements may not provide effective protection. Any breach of a confidentiality agreement or discovery of the Company's trade secrets in this or any other way may have a negative impact on the assets, liability and financial position of Heidelberg Pharma.

Countermeasures

Appropriate supplementary patent applications should be submitted (where possible) to provide multiple layers of protection for developments based on different technological elements. Concluding corresponding agreements and appointing specialized lawyers in a timely manner is also recommended.

8.4 Risks classified as TO BE MONITORED

8.4.1 Compliance risks – General risk (EL: €1,498 thousand)

Risks relating to compliance with regulations (compliance rules) can arise when business processes are not properly configured and implemented, or are not followed in day-to-day business, due to legal, regulatory or other external requirements or self-imposed policies.

The Company's spectrum of obligations ranges from specific transparency obligations as a listed company and statutory provisions for general business activities as well specific research and development activities, to quality standards for experimental work.

The applicable legal and administrative provisions are undergoing rapid change, which could occasionally create gaps in knowledge, awareness, necessary conclusions and operational implementation in the affected areas.

Non-compliance or delays in implementing or adjusting requirements may result in penalties, fines or other government sanctions. Compliance violations could also have an adverse effect on the Company's reputation as well as its net assets, financial position and results of operations.

Countermeasures

Heidelberg Pharma has taken organizational precautions, including a risk management system, to comply with relevant regulations and monitor, control and manage its internal processes accordingly.

Many tasks are overseen by internal or external representatives, e.g. data protection officer, safety officer, radiation protection officer, risk management officer, animal facility manager, archive manager, etc.). Appropriate systems have also been set up, such as a risk management system, whistleblower system, and clinical emergency hotline, partly supported by IT tools. These functions and systems are designed to identify, analyze, manage and document any risks that may arise.

8.4.2 R&D operational risks – Carrying out development projects (EL: €1,293 thousand)

Developing any drug candidate in a timely and cost-efficient way that meets applicable quality standards carries specific project risks arising from the interplay of the risk areas of production (CMC), preclinical and clinical development, quality assurance, project and portfolio management with other associated project-specific interfaces such as controlling, IT or legal.

Manufacturing complex pharmaceuticals requires early process development, including technology transfers, up until a marketable product is achieved, so that provision of investigational drugs for pivotal clinical trials can be ensured. Delays in process development, production downtime, variations in quality or rising costs for basic materials could delay a trial, result in patients not being supplied with trial materials or bring about additional financial pressure.

For example, contract research organizations (CROs) with experience in managing non-clinical or clinical trials are engaged to conduct non-clinical or clinical trials, including the monitoring of other external, subcontracted services (e.g. clinical trial centers, data management, laboratory services, pharmacovigilance and other operating or scientific advice).

Each of these providers must have a sufficient GLP and/or GCP system. Deviations from applicable trial plans, failure to sufficiently consider relevant trial parameters and interfaces with significance for trial schedules and budgets, violations of standard operating procedures, insufficient documentation regarding compliance with GLP, GCP or GMP, insufficient database validation and insufficient competence/expertise and/or training of individuals involved in the non-clinical and clinical trials could impair the quality and scientific results of the trial. Depending on the quality deviation, a temporary or full termination of the non-clinical or clinical trials may become apparent and result in significant additional costs that could have a negative impact on the assets, liabilities and financial position of Heidelberg Pharma.

Clinical trials could also be delayed by difficulties in recruiting patients, setbacks in securing regulatory approval or obstacles in the generation and analysis of clinical data and could likewise give rise to additional expenses. The operational and strategic risks of each project are reviewed with a high degree of granularity in a specific project risk tracker (PRT) by the relevant global project team (GPT). To assess any resulting business risk, the Risk Management Officer (RMO) and Risk Committee (RiskComm) are given access to the PRTs to carry out or initiate this risk assessment in accordance with the guidelines for assessing business risks.

Countermeasures

Management of risks requires systematic recording, assessment, mitigation and tracking of operational and strategic project risks, including the related GLP-, GCP- or GMP-compliant documentation. In addition, the presentation and assessment of risks are used by the GPT and EMT for risk management purposes; these are compiled regularly – at least once per quarter, though ideally on a monthly basis. The clinical trials are also subject to continuous operational monitoring, which includes recruitment forecasts, timely regulatory communication and cost-oriented management of current orders.

The following processes also contribute to risk management: critically assessing and selecting competent providers to render necessary services in a comprehensive, cost-efficient and timely way to high quality standards; rigorously assessing non-clinical and/or clinical sites during the selection process; putting suitable, comprehensive and risk-balanced agreements in place; regularly conducting audits/co-monitoring of CROs and following up on action plans (corrective and preventive action, or CAPAs); immediately discussing defects with the relevant authorities where appropriate to rectify defects in cooperation with the parties involved; providing training for the individuals involved in the trials, especially hospital staff and doctors.

These activities are supplemented by forward-looking planning and management of manufacturing operations, including process development and planning of the technology transfer to qualified external manufacturers, taking into account the progress of clinical development and the funding basis. Critical manufacturing steps are safeguarded by pinpointed post-production to ensure continuous patient care.

8.4.3 R&D operational risks – Selecting and collaborating with service providers (EL: €1,004 thousand)

Heidelberg Pharma outsources operational tasks and duties to service providers. The Company is exposed to the risk that service providers do not render the required service in a timely manner, to a sufficient extent or to sufficient quality standards for quality or capacity reasons. Particularly high-risk areas include:

- the production of various components (e.g. antibodies, toxins or other payloads) and conjugates for the manufacture of development candidates by service providers (contract development and manufacturing organizations – CDMOs); and
- the performance of non-clinical and clinical trials that are also conducted by external service providers (contract research organizations – CROs); as well as
- consultants with relevant and specific expertise to clarify important critical issues or prepare any expert opinions required for regulatory purposes.

To identify suitable providers who are able to render services in a complete, cost-efficient, timely and high-quality manner, the selection process should allow for a transparent comparison to provide an objective basis for decision-making.

To ensure that service providers meet their contractual obligations to the extent agreed upon and within the agreed timeframe, it is vital for both parties to have a mutual understanding of the service and interfaces involved. The services to be rendered by the service providers, the roles and responsibilities of the contracting party (Heidelberg Pharma) and service provider, and arrangements for communicating the status of the service, risks, problems, concerns and corrective actions must be clearly defined.

The contractually agreed services must be carefully monitored and the service documents, invoices and release of payments must be carefully reviewed to ensure that services are rendered in a timely manner and to the agreed quality standards and to avoid any incorrect or improper payments. Budgets must be reviewed at regular intervals in order to calculate, plan and allocate sufficient financial resources and identify any deviations from the budget at an early stage.

Any deviations from timetables, quality standards or budgets may result in the provision of an inadequate service, delays, loss of investment, loss of funding and/or quality issues with the services provided. All of this could have a negative impact on the assets, liabilities and financial position of Heidelberg Pharma.

Countermeasures

Requests for proposals should be conducted based on a standardized protocol or proposal grid to ensure comparability of the proposals submitted. It is essential to define the service provider's responsibilities precisely, qualify relevant service providers in a timely manner and set up and calibrate instrumentation and/or systems with each other to ensure that contractually agreed services are managed, controlled, coordinated, monitored and geared towards their objectives (e.g. by using trackers, protocols, etc.). Other measures include providing those involved with extensive training, introducing corrective measures that take various scenarios into account, and stipulating suitable and timely warning signals.

8.4.4 Financial risks – Impairment of assets (EL: €990 thousand)

Assets, particularly equity investments, goodwill, not yet ready for use in process research and development assets (IP R&D) and trade receivables are subject to an inherent impairment risk. Such impairment risk might be triggered by a negative business development at the Company or by the insolvency of a creditor.

This would have a negative effect on the earnings and equity of Heidelberg Pharma AG, which in turn could impact the share price as well as the net assets, financial position and results of operations of the Company and Group. Furthermore, a potentially negative effect on the value of intangible assets and goodwill recognized in the IFRS consolidated balance sheet cannot be excluded.

Countermeasures

Suppliers and cooperation partners should be carefully selected and continuously reviewed and their financial status assessed.

8.4.5 Operational risk – Fluctuation and shortage of skilled workers (EL: €875 thousand)

The loss of executives, research staff, experienced laboratory technicians and specialists in non-scientific departments could delay the Company's research and development work. To implement the Company's business strategy, it is vital to keep and/or recruit highly-qualified employees and develop and retain them over the long term.

There is no guarantee that the remaining employees will stay with the Company now that its focus has changed. What is more, the headcount reduction and a lack of stand-in options could result in employees being overworked, with potential knock-on effects for their health or restrictions.

The restructuring process and related cost-cutting could damage Heidelberg Pharma's reputation as an employer, making it more difficult to fill vacant positions.

Countermeasures

Management and individual supervisors are obligated to set their employees clear goals and give them a clear understanding of their roles and responsibilities. Additional criteria for employee satisfaction include annual performance reviews, appropriate career opportunities, recognition of performance and reasonable remuneration, including bonuses and/or share option plans.

Involving employees in decision-making processes, particularly in the context of restructuring measures, is intended to strengthen their loyalty to the Company.

8.4.6 Strategic risks – License agreements and other collaborations (EL: €749 thousand)

Heidelberg Pharma maintains various licensing, collaboration and other agreements with business partners across the pharmaceutical industry and academia for the technologies and product candidates developed by the Company. When collaborating with licensees, challenges can arise during development, as the scope of a license may include the use of different components of a development candidate (e.g. antibody, toxin, linker), expertise or the use of the entire development candidate, with licensees generally conducting their own development program. The licensee's freedom to act is determined by the scope of the license granted by Heidelberg Pharma, which – in addition to provisions regarding the use and protection of Heidelberg Pharma's patents – also specifies the scope of problem management in the event of incidents impacting the assets of the Company.

Licensors and licensees may breach the provisions of one of these agreements. Disputes among partners may result in the loss of specific rights, termination of the relevant collaboration or agreement, loss of investment, or contractual penalties.

Cases that present a particular risk include those in which Heidelberg Pharma acts as a supplier of non-GMP and GMP-compliant materials or as the interface between manufacturers and licensees, as Heidelberg Pharma assumes a specific responsibility and risk for all delays or quality issues that occur on the part of the manufacturer. The occurrence of these risks can result in changes to the operating basis of the collaboration, or to liabilities that may impair the commercial prospects of the collaboration in question. This, in turn, may result in additional financial, timing and legal risks in the collaboration with the licensees and may therefore have a negative impact on the Company's assets, liabilities and financing.

Countermeasures
All relevant functions are integrated into the contract process from the very start to ensure that all aspects have been taken into account when drafting the license agreement, including a possible need to determine the appropriate degree of influence the Company should have over strategic and operational decisions about out-licensed or in-licensed assets.

Risk-balanced agreements with appropriate milestones that take all affected functional areas into account should be drafted and concluded.

It is essential to coordinate and establish tools and/or systems to ensure that license agreements are managed, controlled, coordinated, monitored and tailored to the goals of the license agreement in question (e.g. alliance management, trackers, protocols, etc.) using tools and/or systems. The contract managers are trained on the content of the contract and their responsibilities.

If any contractual violations occur, corrective measures should be taken that involve mediators, arbitrators or lawyers in the process from an early stage.

8.4.7 Operational risks – Ladenburg site (EL: €673 thousand)

Termination of the lease for business premises in Ladenburg
The lease for the business premises in Ladenburg can be terminated by both parties in writing with notice of twelve months. If the other party were to terminate the lease and if the Company were unable to lease new business premises during this time, the Company's business activities may be halted temporarily.

Building fabric
Heidelberg Pharma's business premises at its headquarters in Ladenburg are situated in a building that was constructed in the early 1960s. The fabric and infrastructure of the building are only of limited suitability for operating laboratories with up-to-date equipment. The premises no longer meet requirements in terms of energy supply, network technology, occupational safety, building security, burglary and vandalism protection or fire safety. Potentially more stringent legal requirements (in the areas of environmental protection and fire safety, for example) will require significant financial outlay if these requirements are to be implemented to the extent necessary to maintain operations.

Countermeasures
Heidelberg Pharma is aware of its public responsibility and is actively committed to saving fossil fuels, promoting e-mobility as a company, and focusing on the railway when it comes to travel management.

All internal planning (user requirements) for relocating by 2028 has been completed and the next phases (investors, developers, fitters) are underway. The current cost-cutting measures, the no longer needed laboratory space and the reduced office space requirements associated with staff reductions necessitate a significantly faster relocation to another building than originally planned. Heidelberg Pharma plans to rent new premises by mid-2026.

8.4.8 Compliance risk – R&D quality standards (EL: €643 thousand)

As a research and development company, Heidelberg Pharma reviews its compliance with GMP, GLP and GCP quality standards. This ensures that all non-clinical and clinical trials are carried out according to the necessary standards and thus guarantees that all information, data, studies and trials will be accepted by regulatory authorities.

Refusals from the authorities may lead to delays to R&D programs, additional costs, reputational damage and a lack of investor interest, with a corresponding impact on the Company's financial situation.

Countermeasures

Heidelberg Pharma has introduced and makes continuous improvements to a quality management system based on GMP and GCP principles, in accordance with corresponding internationally recognized quality guidelines. Employees receive training based on the standard operating procedures (SOPs) required for each individual activity.

8.4.9 Financial risks – Capital markets (EL: €600 thousand)

As part of its business activities, the Company is exposed to market risks, particularly liquidity and debt risks but also, to a certain extent, exchange rate, interest rate and currency risks as well as risks associated with the impairment of assets.

A low share price constitutes a fundamental financial risk because it casts doubt on the Company's market value and reputation and may deter investors from investing in it. Moreover, it limits the Company's financing options by means of a capital increase and/or other financing instruments.

Countermeasures

The technology of Heidelberg Pharma Research GmbH and the out-licensed candidates of Heidelberg Pharma AG are valuable. Heidelberg Pharma intends to capitalize on these assets in the future by taking on new licensing and development partners to positively influence the share price. The Company has only an extremely limited direct influence on the share price; its ability to present itself to the capital markets as a successful and reliable company is restricted to ensuring the integrity of plans and forecasts as well as the Company's fundamental technological and economic framework data. Furthermore, in the specific case of Heidelberg Pharma AG, the Company's long-term relationship with its main shareholder dievini as well as the strategic partnership concluded with Huadong in 2022 and the associated reduction in free float is a stabilizing element.

8.4.10 Additional risks for Heidelberg Pharma AG

At the level of Heidelberg Pharma AG, there is a risk of higher carrying amounts of equity investments and intercompany receivables. The Company counters this risk by carrying out regular impairment tests on its equity investments.

Impairment testing of the respective equity investment is based on a model that makes assumptions in respect of company planning and uses the present value of the cash flow calculated in this way to determine the enterprise value.

8.5 Overall assessment of the risk situation

The aforementioned risk categories are those classified cumulatively as "material" and "to be monitored" (see 8.1) that have the potential to jeopardize the Company's position as a going concern. The Executive Management Board endeavors to reduce the Company's risk profile by leveraging opportunities, minimizing risks and deploying countermeasures.

The individual risk that arose in the third quarter of fiscal year 2025 and threatened the continued existence of the Company as a going concern still exists.

Based on the assessment of the Executive Management Board at the time this report was prepared, the anticipated impact of the restructuring measures introduced will enable the Company to continue its business activities until mid-2027, based on the approved 2025/2026 budget and taking into account the inflow of funds of USD 20 million from the agreement concluded with HCRx/Soleus Capital.

In the view of the Executive Management Board, however, the increasing maturity of ATAC technology should produce better marketing opportunities for this technology and/or ATAC candidates, and should therefore enhance Heidelberg Pharma's revenue potential. Positive safety and efficacy data and progress on projects by our partners should significantly reduce the risks to which the Company is exposed.

8.6 Risk-bearing capacity

Risk-bearing capacity is the level of risk an organization can absorb without jeopardizing its position as a going concern. It sets off the overall risk against the financial resources available to cover the risk, although this comparison also includes factors that do not necessarily have a financial impact but may, for example, affect results of operations.

At the end of the fourth quarter of the 2025 fiscal year, the total net expected loss – excluding dependencies – was approximately €27.2 million.

After the Company received a further USD 20 million from HCRx/Soleus in March 2026, the overall risk diminished due to the elimination of portions of the liquidity risk (€–13.5 million) with a simultaneous increase in the risk compensation potential of €16 million.

This means Heidelberg Pharma, at the time these annual and consolidated financial statements are prepared, has sufficient risk-bearing capacity to cope with the current level of risk (as defined by the sum total of all net expected losses).

9 Report on post-balance sheet date events

Detailed information on the events is provided in section 34, "Events after the reporting period" in the notes to the consolidated financial statements. *> Page 146*

10 Heidelberg Pharma – Report on expected developments and on opportunities 2025

The following paragraphs contain forecasts and expectations regarding future developments. These forward-looking statements relating to the Company's business activities are neither promises nor guarantees and are contingent on many factors and uncertainties, some of which are beyond Company's control and could have a significant impact on the statements made herewith.

10.1 Economic environment

As in previous years, numerous geopolitical crises continue to create uncertainty. What on the surface appears to be the stable development of the global economy results from the balancing of divergent forces. Headwinds from escalating trade conflicts are offset by tailwinds from surging investment related to technology, especially artificial intelligence (AI), as well as fiscal and monetary support, broadly favorable financing conditions and the adaptability of the private sector.[63]

[63] International Monetary Fund, January 2026: https://www.imf.org/-/media/files/publications/weo/2026/january/english/text.pdf

The International Monetary Fund (IMF) anticipates global economic growth of 3.3% for the current year 2026, the same level as the estimated growth figure for 2025.[64] Economic growth in the eurozone and the German economy lags behind global levels, with figures of 1.3% (Europe) and 1.1% (Germany) forecast for 2025.[65] In Germany, the main problems to be solved are structural issues such as high energy prices, bureaucratic hurdles and outdated infrastructure.[66] By comparison, the US economy is predicted to expand by 2.4% in 2026.[67] The IMF expects global inflation to fall to 3.8% in 2026 and 3.4% in 2027.[68]

Yet the level of risk remains elevated. In particular, a further escalation of geopolitical conflicts, new trade restrictions and uncertainty or an anticipated weakening of global demand could hamper economic growth. In light of this, strategic flexibility, innovation, digitalization and active risk management are becoming increasingly important.[69]

The activities of the Heidelberg Pharma Group are not directly restricted by the current macroeconomic and political turmoil and do not see any material risks with regard to either its research and development activities or supply chains at the present time. However, it does need to factor in price increases.

10.2 Market opportunities in the biotechnology industry

The biotechnology industry had a solid year in 2025 in terms new drug approvals, both in the US and elsewhere (see Section 2.2, "Development of the pharmaceutical and biotechnology industry"). The focus of both new therapies and expanded indications was on oncology. However, the German Association of Research-Based Pharmaceutical Companies (vfa) points out that potentially more new drugs would have been available, as market launches are increasingly impacted by regulatory, pricing and structural conditions and not all approved drugs are actually brought to market in Germany.[70] *> Page 28*

In spite of improved options for cancer treatment, there is still a high unmet need for new innovative therapies. According to the World Health Organization (WHO), nearly 10 million people died of cancer in 2022, with the number of new cases estimated at 20 million.[71,72] The number of new cancer cases per year is expected to grow to over 30 million by 2045, with around 17 million deaths per year.[73] Cancer medicine spending came to USD 252 billion in 2024, with global oncology spending expected to exceed USD 441 billion by 2029.[74] The high demand for cancer therapies is also reflected in the number of clinical trials. In 2024, over 2,100 clinical trials were launched in oncology, with a rising number of cell and gene therapies, ADCs and multispecific antibodies.[75] Demographic change in industrialized nations is driving demand for therapies for cancer and neurodegenerative diseases.

Despite all these risks associated with drug development, the biotechnology sector remains a fast-growing market. Market opportunities for the biotechnology industry are shaped by technological innovations and increasing demand for personalized therapies. The sector benefits from AI-supported research and development, which is expected to shorten development times and reduce costs. Industry service IQVIA estimates that biotechnology spending will reach USD 651 billion in 2026 and USD 820 billion in 2029.[76]

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64 International Monetary Fund, January 2026: https://www.imf.org/-/media/files/publications/weo/2026/january/english/text.pdf

65 International Monetary Fund, January 2026: https://www.imf.org/-/media/files/publications/weo/2026/january/english/text.pdf

66 https://www.sachverstaendigenrat-wirtschaft.de/jahresgutachten-2025.html

67 International Monetary Fund, January 2026: https://www.imf.org/-/media/files/publications/weo/2026/january/english/text.pdf

68 International Monetary Fund, January 2026: https://www.imf.org/-/media/files/publications/weo/2026/january/english/text.pdf

69 International Monetary Fund, January 2026: https://www.imf.org/-/media/files/publications/weo/2026/january/english/text.pdf

70 vfa, press release, 18 December 2025: https://www.vfa.de/de/presse/pressemitteilungen/pm-056-2025-arzneimittelinnovation-2025-bilanz-vor-dem-hintergrund-globaler-herausforderungen.html

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73 World Health Organization: https://gco.iarc.fr/tomorrow/en/dataviz/isotype (as of 20 January 2026)

74 IQVIA Global Oncology Trends 2025, 22 May 2025: https://www.iqvia.com/insights/the-iqvia-institute/reports-and-publications/reports/global-oncology-trends-2025

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10.3 Opportunities

ADC technology

According to TD Cowen's sector report 'ABCs of ADCs', ADCs have transformed cancer treatment, with 13 approved therapies amounting to an USD 11.5 billion market in 2024 that Cowen expects to grow to USD 31 billion by 2030. According to their estimates and conversations with key opinion leaders (KOLs), the next generation of ADCs is likely to make a meaningful contribution as differentiation characteristics such as target selection (antigen), bispecific formats and alternative payloads help the next ADC winners to stand out.[77]

Heidelberg Pharma's ATACs occupy a special position due to the Amanitin toxin used and its unique mode of action. Preclinical models demonstrated that Amanitin-based ADCs have shown improved efficacy in quiescent and therapy-resistant tumor cells. The available initial efficacy data from the Phase I/IIa study with pamlectabart tismanitin confirm this assumption as they show biological activity or complete response in heavily pretreated patients who do not respond to other therapies aimed at the same target.

The toxin Amanitin 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. 17p deletion mainly appears in very aggressive cancers with a poor prognosis. Cancers with 17p deletion could be a particularly effective target for treatment with ATACs.

10.4 Strategy and outlook for ADC technology

Heidelberg Pharma firmly believes that it is developing targeted and highly effective therapies for the treatment of cancer by leveraging its ADC technology based on the toxin Amanitin, which could be of great medical benefit for patients.

The strategy's core elements are the development of the pipeline projects until clinical proof of concept, the initiation of further research and option agreements and their extension to include long-term license agreements.

Own pipeline

The proprietary ATAC candidate pamlectabart tismanitin (HDP-101) is being tested for the first time in patients with multiple myeloma. Patients are currently being treated in a Phase I dose escalation study with increasing dose levels to determine a safe and optimum dosage for the Phase IIa part of the trial.

A total of 50 patients have been treated in ten cohorts at different dose levels[78] during the Phase I trial as of early February 2026. Heidelberg Pharma plans to complete this part of the trial in the first half of 2026 before starting the Phase IIa part at the recommended dose determined in Phase I. The objective of the Phase IIa part of the trial is to assess the drug's preliminary anti-tumor activity along with further evaluation of its safety.

Our strategic partner Huadong is planning to launch a trial in China with the dose established for the Phase IIa part of clinical trials. Before they can carry out this planned trial, a 'bridging study' must be conducted with a small cohort of patients to demonstrate the comparability of the substance in the Chinese population.

At Heidelberg Pharma, we are working hard to continually review partnership opportunities for pipeline projects that we are not actively developing at present (HDP-102, HDP-103, HDP-104 and HDP-201) due to our focus on HDP-101.

[77] TD Cowen Sector Research: ABCs of ADCS: A Guide to Evaluating the Next Generation, September 2025

[78] As of 3 February 2026

BCMA-ATAC (pamlectabart tismanitin) and CD37-ATAC (HDP-102) could potentially be used to treat certain autoimmune diseases caused by diseased plasma or B cells. Pamlectabart tismanitin targets plasma cells, while HDP-102 targets B cells. The candidates could also help to remove diseased cells and enable an immune reset in which the diseased cells are then replaced by healthy cells. While this mode of action has been demonstrated in CAR-T cell therapies, for example, these therapies have serious side effects. The use of ATACs may prove beneficial as they are tolerated better with fewer side effects. Serious side effects such as cytokine storm syndrome with fever and organ dysfunction have not yet been observed when using ATACs.

Technology collaborations and partner program

In order to further expand the therapeutic potential beyond the Antibody Targeted Amanitin Conjugates available at Heidelberg Pharma, additional research and option agreements are to be signed with pharmaceutical partners. The collaboration with existing partners is expected to be continued and expanded as planned, ideally culminating in one or more therapeutic candidates.

The current and future ADC partnerships could expand the range of applications for the technology to additional oncological applications as well as including possible applications outside oncology and underpin validation of the technology. Furthermore, the conclusion of further partnership agreements whereby the granting of exclusive license rights for the testing, development and marketing of each individual ADC could generate increasingly significant and growing revenues as projects mature, in the form of customary upfront payments, co-funding of development, milestone payments and royalties.

Heidelberg Pharma's technology partner Takeda is developing a proprietary Amanitin-based ADC Conjugate under exclusive license with a selected, yet undisclosed target and is responsible for its further preclinical and clinical development as well as for the potential commercialization of the licensed product candidate. The start of clinical development of this ATAC at Takeda is another important milestone in the third-party validation of the technology and increases the chances of future license payments.

There are also early-stage research collaborations (material transfer agreements, MTAs) in place, as are negotiations with additional companies on continuing and expanding such collaborations under license agreements.

Biotechnology remains a growth market with a high unmet medical need in oncology. Heidelberg Pharma is focusing on developing an Amanitin-based drug conjugate for treating cancer. The Executive Management Board is confident that ATAC technology in general and the candidate pamlectabart tismanitin in particular could be a promising new therapeutic option for seriously ill patients and could cover the unmet need. The refinement of the candidate is expected to drive the Company's growth, underpinned by strategic collaboration with its pharmaceutical partners.

Both Heidelberg Pharma's own development activities and the ATAC partner programs have the potential to evolve into innovative therapies. The focus is on the further clinical development of the ATAC candidates, which should produce better marketing opportunities for this technology and/or ATAC candidates, and therefore enhance Heidelberg Pharma's revenue potential. Additional positive safety and efficacy data and progress on projects by our partners should significantly reduce the risks to which the Company is exposed.

Based on the assessment of the Executive Management Board at the time this report was prepared, the restructuring measures introduced will enable the Company to continue its business activities until mid-2027, based on the approved 2025/2026 budget and taking into account the inflow of funds of USD 20 million from the agreement concluded with HCRx/Soleus Capital.

10.5 Outlook and opportunities for partner programs beyond ADC technology

Telix is performing the clinical development of the antibody girentuximab licensed by Heidelberg Pharma AG with different forms of radioactive labeling. This entails a diagnostic project (TLX250-Px labeled with zirconium, formerly TLX250-CDx, planned trade name: ZircaixTM) and a therapeutic project (TLX250-Tx labeled with lutetium in Phase II).

TLX250-Px (girentuximab) – diagnostic antibody

The partner Telix has applied for regulatory approval in the USA for TLX250-Px in the diagnostic imaging of renal cancer using positron emission tomography (PET). Benefits of the diagnostic agent could include active surveillance, surgical staging and treatment response monitoring for renal cancer.

As described in section 3.2, the FDA issued a Complete Response Letter (CRL) on the Prescription Drug User Fee Act (PDUFA) goal date of 27 August 2025,[79] in which it identified deficiencies regarding the product's chemistry, manufacturing and controls (CMC) package. According to Telix, the company immediately began working to rectify these deficiencies and applied to hold two Type A meetings with the FDA. The first meeting in December 2025 addressed the CMC deficiencies and was positive. Telix believes it has reached an agreement with the FDA on the remediation of identified deficiencies relating to the product's CMC package.[80] *> Page 37*

At the second meeting in January 2026, the FDA reviewed Telix's plan for the additional data required to ensure comparability between the drug used in the Phase III clinical trial and the product from scaled-up manufacturing intended for commercial use.[81]

Telix plans to resubmit the Biologics License Application (BLA). New timetables for this submission and a potential new PDUFA goal date will be announced as soon as they are available.

In the event of a positive decision and market launch, Heidelberg Pharma would be eligible to receive milestone payments and royalties reaching double digit percentages. In March 2024, Heidelberg Pharma sold a portion of the future royalties to HealthCare Royalty (HCRx); this made the company eligible to receive USD 70 million from HCRx after FDA approval of TLX250-Px, with significant quarterly reductions if approval was granted after the end of 2025. Amendments were made to this agreement in March 2025 and March 2026.

Telix has been carrying out a global Expanded Access Program (EAP) since December 2023 to provide patients with pre-approval continuous access to TLX250-Px for the detection of ccRCC.[82] Patients are routinely dosed in the EU[83,84], the US[85] and Australia[86]. This program is being continued to provide renal cancer patients with ongoing support.

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79 Telix, press release, 26 February 2025: https://telixpharma.com/news-views/fda-accepts-bla-for-tlx250-cdx-zircaix-for-kidney-cancer-imaging-grants-priority-review/

80 Telix, press release, 21 December 2025: https://ir.telixpharma.com/news-releases/news-release-details/precision-medicine-portfolio-update-illuccix-china-phase-3-study

81 Telix, press release, 21 December 2025: https://ir.telixpharma.com/news-releases/news-release-details/precision-medicine-portfolio-update-illuccix-china-phase-3-study

82 Telix, press release, 11 December 2023: https://telixpharma.com/news-views/first-patient-dosed-in-u-s-expanded-access-program-for-tlx250-cdx-telixs-breakthrough-kidney-cancer-imaging-agent/

83 Telix, press release, 25 March 2024: https://telixpharma.com/news-views/first-patient-dosed-in-italian-named-patient-early-access-program-for-tlx250-cdx-telixs-kidney-cancer-imaging-agent/

84 Telix, press release, 2 May 2024: https://telixpharma.com/news-views/first-patient-dosed-in-austrian-named-patient-early-access-program-for-tlx250-cdx-telixs-kidney-cancer-imaging-agent/

85 Telix, press release, 11 December 2023: https://telixpharma.com/news-views/first-patient-dosed-in-u-s-expanded-access-program-for-tlx250-cdx-telixs-breakthrough-kidney-cancer-imaging-agent/

86 Telix, press release, 26 April 2024: https://telixpharma.com/news-views/first-patient-dosed-in-special-access-scheme-in-australia-for-tlx250-cdx-telixs-kidney-cancer-imaging-agent/

TLX250-Tx (girentuximab) – therapeutic antibody

In TLX250-Tx, Telix is also progressing the further development of a therapeutic radioimmunoconjugate (^{177}Lu-DOTA-girentuximab, TLX250-Tx) program based on the lutetium-177-labeled girentuximab antibody.

Telix's primary focus is on the Phase IIa/III LUTEON program, which began in fall 2025 and is being conducted in the USA, Europe and Australia. It is treating patients with advanced relapsed or recurrent clear cell renal cell carcinoma (ccRCC) who previously received a positive PET/CT with TLX250-Px. Part 1 (Phase IIa) evaluates two dosing regimens to determine the recommended Phase III dose (RP3D). Part 2 compares TLX250-Tx with the investigator's choice of monotherapy aligned with the Australian standard of care.[87] Previous data from the Phase I and II trials have given Telix grounds for optimism about this therapeutic program.

The Phase II combination studies (STARLITE 1 and 2) with immunotherapies are so-called investigator initiated trials (IITs). Both studies are investigating the response rate of the combination therapy compared to the current standard of care in solid tumors. The STARLITE 1 study is testing TLX250-Tx in combination with Cabometyx® and Opdivo® in treatment of advanced renal cancer at MD Anderson Cancer Center in Houston, Texas, in 100 patients. The STARLITE 2 trial, conducted at the Memorial Sloan Kettering Cancer Center in New York, examines TLX250-Tx in combination with Opdivo® anti-PD-1 immunotherapy. In October 2024, Telix announced that the maximum tolerated dose (MTD) of TLX250-Tx has been established in the STARLITE 2 trial when administered in combination with Opdivo® (nivolumab). STARLITE 2 is continuing to dose patients with the possibility of an expansion cohort at the MTD before concluding.

In collaboration with Merck KGaA, Telix is also testing TLX250-Tx in an open-label, single-arm, multicenter Phase Ib dose escalation and dose expansion study (STARSTRUCK) in combination with the DNA protein kinase inhibitor peposertib, a DNA damage response inhibitor (DDRi). The study is currently recruiting patients.

Investigator-initiated trials showed that radiolabeled girentuximab antibodies bound with triple-negative breast cancer and non-muscle-invasive bladder cancer, indicating potential for a CAIX-targeted alpha therapy beyond renal cancer.[88] In particular, there is an unmet need for patients with CAIX-expressing tumors and a marker for hypoxia (oxygen deficiency) who have significantly poorer overall survival rates, a shorter disease-free survival period and a higher risk of relapses and metastases.[89] As a result, Telix has labeled girentuximab with the radioactive element Actinium-225 and preclinically developed it under the name TLX252 (^{225}Ac-DOTA-girentuximab). Telix submitted an application to the ethics commission in Australia to conduct a Phase I (first-in-human, or FIH, study).[90] TLX252 could represent a potential addition to the TLX250 program.

Telix's therapeutic program has significantly developed and expanded in the area of CAIX-targeted radionuclides. Heidelberg Pharma will participate in all therapeutic developments with the girentuximab antibody in the event of marketing approval, receiving a low single-digit percentage of sales revenue.

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87 Telix, Interim Report 2025, 21 August 2025: https://ir.telixpharma.com/static-files/b5aca3df-2d3e-4e44-9790-f577cca85a5e

88 Telix JP Morgan presentation dated 12 January 2026, Abruf 21. January 2026: https://telixpharma.com/wp-content/uploads/2026/01/3010970.pdf

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90 Telix, Interim Report 2025, 21 August 2025: https://ir.telixpharma.com/static-files/b5aca3df-2d3e-4e44-9790-f577cca85a5e

10.6 Financial forecast and non-financial forecast

The following paragraphs contain forecasts and expectations regarding future developments. These forward-looking statements are neither promises nor guarantees and are contingent on many factors and uncertainties, some of which are beyond management's control and could have a significant impact on the statements made herewith.

Expected results of operations

The Executive Management Board expects the Heidelberg Pharma Group to generate between €11.0 million and €15.0 million in sales revenue and other income in the 2026 fiscal year. Sales revenue generated by Heidelberg Pharma Research GmbH (especially from ATAC technology) is expected to account for about two thirds of this figure, with potential milestone payments to Heidelberg Pharma AG also making a contribution. Other income will mainly comprise government grants and the passing on of patent costs in the context of out-licensing.

Heidelberg Pharma expects to be able to fully implement the cost-cutting measures, including staff reductions, by mid-2026, resulting in a significant reduction in operating expenses.

Heidelberg Pharma assumes that over the next few years total expenses will exceed income.

Expected financial position

To start with, it should be noted that the following expected amounts do not factor in exchange rate effects between the euro and foreign currencies, which cannot be forecast reliably.

If income and expenses develop as anticipated, the change in cash funds in the 2026 fiscal year for Heidelberg Pharma AG's business operations is expected to remain stable or decline slightly compared to 2025 (€–14.4 million). The forecast takes into account the inflows from Soleus. The change in cash funds could be in the range of €0.0 million to €–4.0 million. This would correspond to an average monthly change of €0.0 million to €–0.3 million (2025: outflow of €1.2 million). The cash balance at the end of the next fiscal year should therefore amount to between €11.0 million and €15.0 million (2025: €15.0 million).

The Group's financing is secured until mid-2027 based on current internal planning.

Financial outlook	Actual 2025 € million	2026 plan € million
Sales revenue and other income	6.9	**11.0 – 15.0**
Operating expenses	(49.0)	**(25.0) – (29.0)**
Operating result	(42.1)	**(13.0) – (17.0)**
Change in cash funds, total[1]	(14.4)	**0.0 – (4.0)**
Change in cash funds, per month[1]	(1.2)	**0.0 – (0.3)**

[1] Not including any corporate actions

Non-financial forecast

As a result of the restructuring measures, it is expected that the number of employees will be significantly reduced to approximately 30–35 by the middle of the fiscal year. Consequently, a significant reduction in personnel expenses (2025: €12.2 million) is also anticipated.

11 Disclosures on Heidelberg Pharma AG (HGB)

The management report of Heidelberg Pharma AG and the Group management report for the 2025 fiscal year have been combined in accordance with Section 315 (5) in conjunction with Section 298 (2) of the German Commercial Code (HGB). The annual financial statements of Heidelberg Pharma AG prepared in accordance with the German Commercial Code and the combined management report are published in the Company Register.

Domiciled in Ladenburg, Germany, Heidelberg Pharma AG is the parent company of the Heidelberg Pharma Group. Heidelberg Pharma AG wholly owns the company Heidelberg Pharma Research GmbH, Ladenburg, Germany (formerly: Heidelberg Pharma GmbH, Ladenburg, Germany).

The Company founded the other subsidiaries HDP G250 AG & Co. KG and HDP G250 Beteiligungs GmbH in March 2024 as part of its transaction with HCRx. HDP G250 Beteiligungs GmbH acts as the limited partner of HDP G250 AG & Co. KG. Both companies are affiliated below the parent company Heidelberg Pharma AG. They are headquartered at the same address in Ladenburg, are not operationally active and share the same fiscal year.

Heidelberg Pharma AG is the sole owner and controlling shareholder of both companies and fully consolidates its subsidiaries Heidelberg Pharma Research GmbH, HDP G250 AG & Co. KG and HDP G250 Beteiligungs GmbH in its consolidated financial statements under IFRSs.

The business activities, economic environment, financial and non-financial key performance indicators, including important contracts, and the risks and opportunities for Heidelberg Pharma AG have been described in detail in the relevant sections or do not differ materially from the situation of the Group.

11.1 Results of operations, financial position and net assets of Heidelberg Pharma AG

Heidelberg Pharma AG reported an operating result of €–27.5 million (previous year: €258.9 million) in the 2025 fiscal year (1 December 2024 to 30 November 2025) according to German commercial law. The net loss for the year came to €94.3 million (previous year: net income of €175.1 million).

Since the beginning of the 2020 fiscal year, a profit and loss transfer agreement has been in place between Heidelberg Pharma AG and Heidelberg Pharma Research GmbH. Under this agreement, the subsidiary has an obligation to transfer any profit to the parent company after the close of the fiscal year. Conversely, the parent company has an obligation to absorb losses in accordance with Section 302 of the German Stock Corporation Act. This led to expenses from loss absorption in the amount of €19.4 million in 2025 (previous year: €11.7 million).

Both sales revenue and operating income decreased year-on-year (combined €5.5 million; previous year combined: €278.5 million), whereas expenses triggered by operations including reduced inventories at €33.0 million increased compared to 2024 (€19.5 million). This led to operating result of €–27.5 million (previous year: €258.9 million).

Heidelberg Pharma was thus able to meet the expected target ranges for sales revenue and other income (€5.0 million to €7.0 million) and operating expenses (€29.0 million to €34.0 million), while it fell slightly short of the target range for operating result (€–23.0 million to €–27.0 million) on account of the restructuring expenses.

Sales revenue and other operating income

In the 2025 fiscal year, Heidelberg Pharma for the last time generated **sales revenue** from the out-licensing of HDP-103 to Huadong for parts of Asia. These payments were no longer recognized as deferred income as of the 30 November 2025 reporting date and were reported as €1,168 thousand of sales revenue. In the previous year, that amount of €1,168 thousand was deferred while €4,671 thousand was recognized as sales revenue. Intragroup sales during the year under review that occurred primarily due to the sale of inventories added €3,685 thousand (previous year: €126 thousand) to total sales revenue (€4,853 thousand; 2024: €4,797 thousand).

Other operating income of €687 thousand (previous year: €273,655 thousand) mainly consisted of government research grants (€459 thousand; previous year: €2,747 thousand) as well as prior-period income from the reversal of other provisions in the amount of €69 thousand (previous year: €581 thousand). Furthermore, an amount of €35 thousand (previous year: €32 thousand) was generated by charging on patent costs in the context of out-licensing; reimbursement under the Expenditure Compensation Act (Aufwendungsausgleichsgesetz, AAG) accounted for €18 thousand (previous year: €48 thousand). Income of €41 thousand was recognized from non-monetary benefits (previous year: €45 thousand). Other items, which in the year under review mainly comprised exchange rate effects (€49 thousand; previous year: €122 thousand), added up to €65 thousand (previous year: €202 thousand).

However, the previous year's income was dominated by the recognition of hidden reserves in profit or loss in the context of the contribution in kind of €270,000 thousand to HDP G250 AG & Co. KG in connection with the sale of receivables to HCRx.

Operating expenses

A **decrease in the inventory of finished and unfinished goods** (€972 thousand) is due to the complete sale of this item.

Cost of materials resulting from development activities totaled €19,464 thousand (previous year: €9,897 thousand). This includes expenses for raw materials, consumables and supplies and for purchased goods in the amount of €3,632 thousand (previous year: €411 thousand). Expenses for purchased services (€15,832 thousand; previous year: €9,487 thousand) disaggregate into third-party services (€11,139 thousand; previous year: €6,430 thousand), intragroup third-party services charged on (€2,006 thousand; previous year: €879 thousand) and intragroup cost allocations (€2,687 thousand, previous year: €2,178 thousand).

Personnel expenses were increased significantly on the 2024 figure (€5,393 thousand) to €6,893 thousand in the past fiscal year. Besides the rise in headcount, periodic salary increases also had an impact.

Personnel expenses comprise salaries (€6,105 thousand; previous year: €4,721 thousand), social security contributions (€725 thousand; previous year: €624 thousand) and pension expenses of €64 thousand (previous year: €48 thousand). The salaries in particular include expenses of €739 thousand for the initiated restructuring measures, which had to be recognized for departing employees and a former member of the Executive Management Board.

The **amortization of intangible fixed assets and depreciation of tangible fixed assets** totaled €16 thousand (previous year: €26 thousand). Restructuring expenses also included significant **write-downs on current assets** of €1,156 thousand as prepayments for material deliveries had to be written down due to the strategic review.

Other operating expenses of €4,548 thousand (previous year: €4,232 thousand) consisted primarily of legal and consulting costs (€1,750 thousand), which rose compared to 2024 (€1,370 thousand). This expense item contains both expenses for conventional legal advice and consulting costs for business development, business strategy and business financing as well as for industrial property rights and patents.

Expenses were also incurred for the stock market listing in the broader sense (€577 thousand; previous year: €625 thousand), internal and external preparation and audit of the annual financial statements (€437 thousand; previous year: €221 thousand), travel costs and conventions (€463 thousand; previous year: €432 thousand), Supervisory Board remuneration (€224 thousand; previous year: €200 thousand), insurance and contributions (€159 thousand; previous year: €109 thousand), office costs (€29 thousand; previous year: €30 thousand), other ancillary personnel expenses (€65 thousand; previous year: €187 thousand) and IT costs including relevant license fees (€251 thousand; previous year: €182 thousand). There were also foreign currency valuations (€140 thousand; previous year: €59 thousand) and other third-party services (€41 thousand; previous year: €169 thousand). All other operating costs accounted for €412 thousand (previous year: €648 thousand), of which €96 thousand was incurred as restructuring expenses for the first time in 2025. In 2024, an amount of €421 thousand was incurred for the first time for intragroup write-offs of inventories.

All of the aforementioned items gave rise to an **operating result** of €–27,510 thousand (previous year: €258,903 thousand).

The **expenses from loss absorption** required to be reported as a result of the profit and loss transfer agreement with the subsidiary Heidelberg Pharma Research GmbH came to €19,399 thousand (previous year: €11,672 thousand)

Interest

Other interest and similar income of €3,255 thousand (previous year: €4,592 thousand) consisted of interest income from the interest-bearing loan to affiliated company Heidelberg Pharma Research GmbH (€3,078 thousand; previous year: €3,719 thousand) and traditional interest income on monetary assets (€177 thousands; previous year: €873 thousand). The latter decreased as a result of a reduced level of cash holdings and a lower interest rate.

There were no **interest and similar expenses** to recognize in the past fiscal year. Interest and similar expenses (€136 thousand) in the previous year solely concerned an outstanding shareholder loan. As a result, **net interest income** totaled €3,255 thousand (previous year: €4,456 thousand).

Write-down of long-term financial assets

Due to a new financing round for TLX250-Px (Telix) and a resulting lower revenue share for HDP G250 AG & Co. KG, the carrying amount of the investment had to be written down by EUR 84,039 thousand.

Taxes

Taxes on income and earnings were incurred in both reporting periods as part of the recognition of deferred tax liabilities. The determined deferred tax assets and liabilities of the Company in the previous year resulted in surplus deferred tax liabilities of €76,539 thousand, which was recognized as a tax expense in profit or loss. This became necessary in connection with the contribution to HDP G250 AG & Co. KG, which resulted in the recognition of other income of €270,000 thousand due to the disclosure of hidden reserves. In fiscal year 2025, the surplus of deferred tax liabilities decreased to €43,185 thousand as a result of the investment's lower carrying amount, meaning that the difference of €33,354 thousand compared to the previous year could be recognized in profit or loss.

The **earnings after taxes** on income was therefore €–94,339 thousand (previous year: €175,148 thousand).

Earnings

All of the aforementioned items resulted in a **net loss for the past fiscal year** of €94,339 thousand (previous year: net income of €175,148 thousand). Together with the accumulated **losses brought forward** from the previous fiscal year in the amount of €90,375 thousand (previous year: €265,523 thousand), **net accumulated losses** came to €184,714 thousand (previous year: €90,375 thousand).

Last year's expected range for the net loss for the year of between €29.0 million and €33.0 million was therefore missed by a wide margin, in particular due to the write-down of long-term financial assets.

Financing and liquidity

Heidelberg Pharma AG and its subsidiaries had sufficient funds throughout fiscal year 2025 to ensure the financing of its business operations.

Heidelberg Pharma AG showed cash of €4,041 thousand at the close of the fiscal year (30 November 2024: €7,889 thousand). It should be noted that the HCRx payment of USD 20 million made during the year was received by the subsidiary HDP G250 AG & Co. KG.

Both the expected cash inflow of between €47.0 million and €52.0 million and the expected average monthly cash inflow of €3.9 million to €4.3 million were missed by a wide margin because Heidelberg Pharma did not receive an approval-based milestone payment from Telix. This resulted in a cash outflow of €3.7 million, which represents an average monthly outflow of €0.3 million.

If the current financial planning is implemented successfully, the available cash are expected to secure the Heidelberg Pharma Group's cash reach until mid-2027 (see section 5.4, "Financing and liquidity"). *> Page 43*

Capital expenditures

Tangible fixed assets (€36 thousand; previous year: €31 thousand) saw additions of €20 thousand in 2025.

Net assets and financial position

Total assets in the past fiscal year fell by €117.6 million to €253.9 million compared to €371.5 million in the previous year as a result of the loss induced by operations.

Property, plant and equipment of €36 thousand (previous year: €31 thousand) related to **technical equipment and machinery** of €21 thousand (previous year: €22 thousand) and to other **equipment, operating and office equipment** (€15 thousand; previous year: €9 thousand).

Within **long-term financial assets**, the equity investment in Heidelberg Pharma Research GmbH was classified as an **investment in an affiliated company** unchanged from the previous year at €13,262 thousand, as was the investment in the ordinary share capital of HDP G250 Beteiligungs GmbH in the amount of €25 thousand. The contribution in kind to HDP G250 AG & Co. KG of €270,000 thousand in the previous year decreased to €157,839 thousand as a result of cash withdrawals by the parent company (€28,122 thousand) and an impairment loss (€84,039 thousand). As a consequence, this balance sheet item amounted to €171,126 thousand.

The **inventories** of Heidelberg Pharma AG were sold to Heidelberg Pharma Research GmbH during the year under review, which means there were no longer any inventories to recognize. In the previous year, the antibody inventory was reported as **raw materials, consumables and supplies** totaling €2,388 thousand. There were also **work in progress** (€965 thousand), **finished goods and merchandise** (€8 thousand), and **prepayments** of €164 thousand.

Receivables from affiliated companies almost exclusively include loan and interest receivables from Heidelberg Pharma Research GmbH under a fixed-rate, uncollateralized and indefinite loan (overdraft or credit line) granted to Heidelberg Pharma Research GmbH to secure its financing. Overall, the receivable (including interest) due from Heidelberg Pharma Research GmbH increased from €71,981 thousand to €76,849 thousand in the past fiscal year. This loan will allow the subsidiary to finance most of its research and development expenses and will be continuously built up as the cash required is drawn down. Other receivables in the amount of €114 thousand (previous year: €125 thousand) result from intragroup services.

Other assets of €1,581 thousand (previous year: €4,478 thousand) comprise several items including security deposits and other receivables amounting to €661 thousand (previous year: €3,714 thousand). The considerable decrease in 2025 can be explained by lower receivables from the government for scientific grants amounting to €570 thousand, which accounted for as much as €2,759 thousand in the previous year. Other items included under this heading also decreased from €955 thousand in the previous year to €91 thousand in 2025.

Bank balances decreased to €4,041 thousand as of the balance sheet date (previous year: €7,889 thousand) as a result of the cash outflows from operating activities and the financing of the operating subsidiary Heidelberg Pharma Research GmbH. It should be noted that the HCRx payment of USD 20 million made in 2025 was received by HDP G250 AG & Co. KG and funds were drawn down from there to the parent company during the year.

For more information on the Company's financial position and a possible threat to its continuation as a going concern, refer to the section 8.3.1, "Financial risks – Liquidity (EL: €15,143 thousand) – Going-concern risk (EL: unspecified amount). *> Page 56*

Prepaid expenses (€157 thousand; previous year: €209 thousand) were solely attributable to advance payments to service providers.

As of 30 November 2025, **subscribed capital** again consisted of 46,604,977 no par value bearer shares with a notional value of €1.00 per share. As of the reporting date, the **capital reserves** amounted to €320,678 thousand, also unchanged from the previous year. The **losses accumulated** since the start of the Company's business activities in 1997 totaled €184,714 thousand as of the end of the fiscal year, of which €90,375 thousand was brought forward to new account from

the previous fiscal year and €94,339 thousand was attributable to the **net loss for the year**. The equity of Heidelberg Pharma AG therefore decreased from €276,908 thousand in the previous year to €182,569 thousand as of the 2025 reporting date.

In the context of 179,340 stock options exercised during the year, the special item **"Contributions made to implement the resolved capital increase"** that was recognized for the first time (€386 thousand) comprises €179 thousand for subsequent subscribed capital and a premium of €207 thousand, which will be added to the capital reserves once the capital increase has been entered in the commercial register.

Other provisions (€4,652 thousand; previous year: €2,549 thousand) were recognized for staff costs (€1,222 thousand; previous year: €624 thousand) and services €3,334 thousand; previous year: € 1,925 thousand). The latter were incurred in the context of clinical development (€2,666 thousand; previous year: €1,025 thousand), other services (€266 thousand; previous year: €663 thousand), both internal and external costs of preparing and auditing financial statements (€401 thousand; previous year: €237 thousand), and provisions, which had to be recognized for the first time for restructuring measures initiated.

Just under 27% (previous year: 25%) of the total amount of this balance sheet item had to be provided for the Executive Management Board and employee bonus program (€134 thousand; previous year: €356 thousand), vacation entitlements (€286 thousand; previous year: €226 thousand), overtime worked (€47 thousand; previous year: €30 thousand) and anniversaries (€8 thousand; previous year: €12 thousand) as well as provisions recognized here as well for the first time for restructuring measures (€756 thousand for severance payments, leaves of absence, any litigation costs) and other human resources items (€9 thousand).

Trade payables came to €1,828 thousand (previous year: €1,521 thousand) and consisted of compensation for services and suppliers. As in the previous year, all liabilities had a residual term of up to one year.

Liabilities to affiliated companies related to the consolidated VAT tax group (€113 thousand; previous year: €124 thousand), the obligation to absorb the loss of Heidelberg Pharma Research GmbH (€19,399 thousand; previous year: €11,672 thousand) and the intragroup business relations with the subsidiary (€1,587 thousand; previous year: €862 thousand), among others. This increase is primarily attributable to the significantly higher loss of the subsidiary. As in the previous year, all liabilities had a residual term of up to one year.

The **other liabilities** item (€185 thousand; previous year: €182 thousand) mainly comprised wage and church tax liabilities (€120 thousand; previous year: €104 thousand). Liabilities of €23 thousand for a social insurance body were also recognized (2024: €22 thousand). In addition, miscellaneous other liabilities of €42 thousand and €56 thousand were recognized in the two comparative fiscal years. As in the previous year, all such liabilities are due for payment within one year.

Deferred income was no longer recognized as of the 2025 reporting date, with €1,168 thousand still reported in the previous year for the out-licensing of HDP-103 to Huadong Medicine Co., Ltd., Hangzhou, China (Huadong).

The Company recognized **deferred tax liabilities** of €43.2 million, which are mainly attributable to temporary differences in connection with the investment of HDP G250 AG & Co. KG.

11.2 Overall assessment of the financial position, net assets and results of operations

In summary, the Executive Management Board is satisfied with the progress of the pipeline projects, particularly with the promising results of the clinical trial with pamlectabart tismanitin. However, the Company's financial situation was not satisfactory, which led to the rollout of a cost-cutting program at the end of the fiscal year, together with large-scale redundancies.

The new structure, the focus on the main project and the recently concluded financing agreement were a necessary consolidation. The Executive Management Board is confident that the coming fiscal year will be a successful one for Heidelberg Pharma.

11.3 Other disclosures

Heidelberg Pharma AG employed an average of 45 people (salaried employees) during the year, 26 of them in R&D, five in administration, one in business development and 13 in central functions. The Company had also appointed two Executive Management Board members as of the balance sheet date of 30 November 2025.

11.4 Financial outlook for the parent company, Heidelberg Pharma AG

Expected results of operations

To start with, it should be noted that the following expected amounts do not factor in exchange rate effects between the euro and foreign currencies, which cannot be forecast reliably.

The Executive Management Board expects the Company to generate between €4.0 million and €6.0 million in sales revenue and other operating income in the 2026 fiscal year (2025: €5.5 million). The earnings target for 2026 does not include potential sales revenue from a potential additional license agreement.

Total operating expenses in 2026 are expected to be in the range of €20.0 million to €24.0 million if business proceeds as planned, thus coming in clearly below the level seen in the 2025 reporting period (€33.0 million). The Company also assumes that expenses will continue to exceed income in the next few years.

The operating result in the 2026 fiscal year is expected to come in between €–15.0 million and €–19.0 million (2025: €–27.5 million).

Expected financial position and net assets

If income and expenses develop as anticipated, the projected change in cash funds in the 2026 fiscal year for Heidelberg Pharma AG's business operations will probably remain essentially the same as in 2025 (€3.8 million financing requirement including the funds of €28.1 million drawn down from the subsidiary HDP G250 AG & Co. KG). Heidelberg Pharma therefore assumes that its cash at the end of the fiscal year will be on a similarly level as in 2025 (€4.0 million). On average, therefore, there should be no change in monthly funding.

Equity as defined by German commercial law (30 November 2025: €182,569 thousand) would decrease regardless of any corporate actions given the anticipated loss for the 2026 fiscal year.

All measures being discussed to improve the Company's financial situation are described in detail in section 8.3.1, "Financial risks – Liquidity (EL: €15,143 thousand) – Going-concern risk (EL: unspecified amount" of chapter 8, "Risk report." *> Page 52*

Ladenburg, 24 March 2026

The Executive Management Board of Heidelberg Pharma AG

Dr. Dongzhou Jeffery Liu
Chief Executive Officer

Walter Miller
Chief Financial Officer

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for fiscal year 2025

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)

for the fiscal year from 1 December 2024 to 30 November 2025

	Note	2025 €	2024 €
Sales revenue	22	1,457,403	6,849,257
Other income	23	5,474,486	5,111,623
Income		**6,931,889**	**11,960,880**
Cost of sales	24	(272,347)	(1,780,450)
Research and development costs	24	(38,778,938)	(21,843,474)
Administrative costs	24	(7,609,393)	(6,737,685)
Other expenses	24	(2,371,483)	(2,264,740)
Operating expenses	**24**	**(49,032,162)**	**(32,626,348)**
Operating result		**(42,100,273)**	**(20,665,468)**
Finance income	27	874,061	1,424,970
Finance costs	27	(4,913)	(141,496)
Financial result	**27**	**869,148**	**1,283,473**
Earnings before tax		**(41,231,124)**	**(19,381,995)**
Income taxes	28	(1,050,277)	0
Net loss for the year		**(42,281,401)**	**(19,381,995)**
Net gain/loss from investments in equity instruments designated at fair value through other comprehensive income	18	0	0
Other comprehensive income		**0**	**0**
Comprehensive income		**(42,281,401)**	**(19,381,995)**
Earnings per share in EUR			
Earnings per share (basic)	29	(0.91)	(0.42)
Average weighted number of shares issued		46,668,901	46,604,977

Rounding of exact figures may result in differences.

CONSOLIDATED BALANCE SHEET (IFRS)

for the fiscal year ended 30 November 2025

Assets	Note	30 Nov. 2025 €	30 Nov. 2024 €
Property, plant and equipment and right-of-use assets	10	912,115	3,486,122
Intangible assets	11	2,717,298	2,747,689
Goodwill	11	6,111,166	6,111,166
Other non-current financial assets	12	66,062	809,338
Non-current assets		**9,806,641**	**13,154,315**
Inventories	13	10,609,220	11,816,178
Prepayments	14	397,853	374,989
Trade receivables and contract assets	15	5,505	283,895
Other receivables	16	2,340,944	5,669,234
Cash	17	14,976,038	29,421,706
Current assets		**28,329,560**	**47,566,003**
Total assets		**38,136,201**	**60,720,317**

Equity and liabilities	Note	30 Nov. 2025 €	30 Nov. 2024 €
Subscribed capital	18	46,784,317	46,604,977
Capital reserve	18	313,679,896	313,361,692
Other reserves	18	2,022,021	2,022,021
Accumulated losses	18	(373,404,357)	(331,122,955)
Equity		**(10,918,122)**	**30,865,735**
Lease liabilities (non-current)	19	12,503	48,582
Contract liabilities (non-current)	19	36,781,935	21,808,662
Financial liabilities (non-current)	28	1,050,277	0
Non-current liabilities		**37,844,715**	**21,857,244**
Trade payables	20	7,163,972	5,548,795
Lease liabilities (current)	20	101,777	115,448
Contract liabilities (current)	20	26,675	1,202,040
Restructuring provisions	7/20	3,006,451	0
Other current liabilities	20	910,733	1,131,055
Current liabilities		**11,209,608**	**7,997,339**
Total equity and liabilities		**38,136,201**	**60,720,317**

Rounding of exact figures may result in differences.

CONSOLIDATED CASH FLOW STATEMENT (IFRS)

for the fiscal year from 1 December 2024 to 30 November 2025

	Note	2025 €	2024 €
Net loss for the year		**(42,281,401)**	**(19,381,995)**
Adjustment for items in the statement of comprehensive income			
Stock options	25	111,330	907,933
Depreciation and amortization	24	2,817,981	871,221
Increase in provisions	20	3,006,451	0
Other non-cash expenses	7/24	5,649,966	0
Losses (+) / gains (–) on disposal of other non-current assets	10	6,761	64,000
Exchange rate effects	26	(2,100,946)	682,572
Income taxes (addition to deferred tax liabilities)	28	1,050,277	0
Finance income	27	(874,061)	(1,424,970)
Finance costs	27	4,913	141,496
		9,672,672	**1,242,252**
Changes in balance sheet items			
Inventories	13	(3,286,874)	(1,328,386)
Prepayments	14	(22,863)	7,711
Trade receivables	15	278,390	694,941
Other receivables	16	3,368,612	(4,228,862)
Other non-current assets	12	(412,858)	165,480
Trade payables	20	1,615,177	(2,326,446)
Contract liabilities	20/21	(1,175,365)	(4,931,010)
Other liabilities	20	(220,322)	(42,512)
		143,897	**(11,989,085)**
Cash flow from operating activities		**(32,464,833)**	**(30,128,827)**
Finance costs paid	27	(9,460)	(788,997)
Finance income received	27	874,061	1,330,048
Net cash flow from operating activities		**(31,600,233)**	**(29,587,776)**

	Note	2025 €	2024 €
Cash flow from investing activities			
Proceeds from disposal of property, plant and equipment	10	0	28,523
Payments to acquire property, plant and equipment	10	(128,652)	(456,020)
Payments to acquire intangible assets	11	(6,395)	(21,633)
Net cash flow from investing activities		**(135,048)**	**(449,130)**
Cash flow from financing activities			
Change in shareholder loan	20	0	(5,000,000)
Proceeds from the capital increase	19	18,390,600	22,760,781
Transaction costs of financing activities	19	(304,077)	(1,577,060)
Proceeds from creating shares for stock options exercised	18	386,214	0
Principal portion of lease payments	10/30	(126,339)	(106,401)
Net cash flow from financing activities		**18,346,398**	**16,077,320**
Exchange rate and other effects on cash	26	(1,056,784)	(57,631)
Net change in cash		**(14,445,668)**	**(14,017,216)**
at beginning of period	17	29,421,706	43,438,922
at end of period	17	14,976,038	29,421,706

Rounding of exact figures may result in differences.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS)

for the fiscal year from 1 December 2024 to 30 November 2025

	Note	Number of shares	Subscribed capital €	Capital reserve		Other reserves €	Accumulated losses €	Total €
				Corporate actions/ premium Other €	Measure-ment of stock options €			
				304,778,906	7,674,853			
As of 1 December 2023		**46,604,977**	**46,604,977**	**312,453,759**		**2,022,021**	**(311,740,961)**	**49,339,797**
Measurement of stock options	25				907,933			907,933
Net loss for the year							(19,381,995)	(19,381,995)
Net change in equity								**(18,474,062)**
				304,778,906	**8,582,786**			
As of 30 November 2024	**18**	**46,604,977**	**46,604,977**	**313,361,692**		**2,022,021**	**(331,122,955)**	**30,865,735**
				304,778,906	**8,582,786**			
As of 1 December 2024		**46,604,977**	**46,604,977**	**313,361,692**		**2,022,021**	**(331,122,955)**	**30,865,735**
Measurement of stock options	25				111,330			111,330
Net loss for the year							(42,281,401)	(42,281,401)
Creation of shares for stock options exercised	18	179,340	179,340	206,874				386,214
Net change in equity								**(41,783,857)**
				304,985,780	**8,694,116**			
As of 30 November 2025	**18**	**46,784,317**	**46,784,317**	**313,679,896**		**2,022,021**	**(373,404,357)**	**(10,918,122)**

Rounding of exact figures may result in differences.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

of Heidelberg Pharma AG, Ladenburg, in accordance with IFRSs for the 2024/2025 fiscal year from 1 December 2024 to 30 November 2025

1 Business and the Company

Heidelberg Pharma AG was founded in 1997 as WILEX GmbH by a team of physicians and cancer research specialists from the Technische Universität München (TUM). The Company was converted into a stock corporation (Aktiengesellschaft) under German law in 2001 and Wilex AG was recorded in the Commercial Register in the same year. In November 2006, the Company was listed on the Regulated Market (Prime Standard) of the Frankfurt Stock Exchange, where it is listed under ISIN DE000A11QVV0/securities identification number A11QVV/symbol HPHA. On 29 September 2017, the Company moved its registered office to Gregor-Mendel-Straße 22, 68526 Ladenburg, near Heidelberg, Germany. Since its entry in the Mannheim Commercial Register on 18 October 2017 under registration number HRB 728735, the Company has been doing business as Heidelberg Pharma AG.

As of the 30 November 2025 reporting date, the Company's Executive Management Board consisted of Dr. Dongzhou Jeffery Liu and Diplom-Kaufmann Walter Miller (Chief Financial Officer).

"Heidelberg Pharma" will be used as a synonym for the Group hereinafter. Each entity's full corporate name is stated whenever facts specific to Heidelberg Pharma AG as the parent company or the subsidiaries are reported.

Heidelberg Pharma AG is responsible for the development phase of the Group's own projects, which the Company took over on completion of the research phase performed by the subsidiary Heidelberg Pharma Research GmbH under a license agreement for further preclinical and clinical development and production of the clinical material.

The subsidiary Heidelberg Pharma Research GmbH conducts research in the field of therapeutic antibody drug conjugates (ADCs). To the best of the Company's knowledge, Heidelberg Pharma Research is the first company to develop the compound Amanitin for cancer therapies. It uses the mushroom toxin's biological mode of action as a new therapeutic principle, employing its proprietary technology platform for the purpose of producing, researching and developing selected proprietary Antibody Targeted Amanitin Conjugates as well as new candidates in collaborations with external partners. Heidelberg Pharma Research also supplies its partners with good manufacturing practice (GMP)-quality compound linker material for their development projects as required.

1.1 Consolidated companies

The operating subsidiary Heidelberg Pharma Research GmbH has been part of the Heidelberg Pharma Group since March 2011. Its Managing Directors are Dr. Dongzhou Jeffery Liu and Walter Miller. The registered office of Heidelberg Pharma Research GmbH is at Gregor-Mendel-Straße 22, 68526 Ladenburg, Germany.

As part of the financing agreement concluded in 2024 with HealthCare Royalty, Delaware, USA, (HCRx), two additional companies were established: HDP G250 AG & Co. KG (in which Heidelberg Pharma AG is a partner with unlimited liability) and HDP G250 Beteiligungs GmbH, which is also managed by the two Executive Management Board members. These two companies are affiliated below the parent company Heidelberg Pharma AG and are not operationally active. Their registered office is likewise Gregor-Mendel-Straße 22, 68526 Ladenburg, Germany.

The parent company holds 100% of the shares in all three subsidiaries, which means there are no non-controlling interests. All of the Group companies have the same fiscal year.

The subsidiaries Heidelberg Pharma Research GmbH, HDP G250 AG & Co. KG and HDP G250 Beteiligungs GmbH all are making use of the exemption options in accordance with Section 264 III HGB in the annual financial statements for fiscal year 2024/2025.

2 Application of new and revised standards

2.1 New and revised standards and interpretations

The following International Financial Reporting Standards (IFRSs) newly issued or amended by the International Accounting Standards Board (IASB) which must be applied to the consolidated financial statements as of 30 November 2025 had the following effects on Heidelberg Pharma AG's financial statements:

Standard/interpretation		Effective for fiscal years beginning on or after	Adopted by the European Union	Effects on Heidelberg Pharma
IAS 1 (Amendments)	Classification of Liabilities as Current or Non-current — De-ferral of Effective Date; Non-current Liabilities with Covenants	1 Jan. 2024	Yes	No material effects
IFRS 16 (Amendments)	Lease Liability in a Sale and Leaseback Transaction	1 Jan. 2024	Yes	None
IAS 7/IFRS 7 (Amendments)	Qualitative and Quantitative Information about Supplier Finance Arrangements	1 Jan. 2024	No	No material effects

2.2 New and revised standards and interpretations whose application in the consolidated financial statements was voluntary or who were not yet applicable

The following new and amended standards issued by the IASB or interpretations by the International Financial Reporting Interpretations Committee (IFRIC) which were not yet required to be applied in the reporting period or have not yet been adopted by the European Union will not be applied prior to the effective date. Effects on the consolidated financial statements by standards marked "Yes" are considered likely and are currently being reviewed. Only material effects are described in greater detail below. Standards marked "None" or "No material effects" are expected to have the corresponding effects on the consolidated financial statements.

Standard/interpretation		Effective for fiscal years beginning on or after	Adopted by the European Union	Possible effects on Heidelberg Pharma
IAS 21 (Amendments)	Determination of the Exchange Rate When there is a Long-term Lack of Exchangeability	1 Jan. 2025	Yes	No material effects
IFRS 7 / IFRS 9 (Amendments)	Amendments to the Classification and Measurement of Financial Instruments and of Contracts Referencing Nature-dependent Electricity	1 Jan. 2026	Yes	No material effects
Annual Improvements to IFRS Accounting Standards – Volume 11 (IFRS 1 / IFRS 7 / IFRS 9 / IFRS 10 / IAS 7)	Various quality improvements	1 Jan. 2026	Yes	No material effects
IFRS 18	Presentation and Disclosure in Financial Statements	1 Jan. 2027	No	Potentially material effects
IFRS 19 and IFRS 19 (Amendments)	Subsidiaries without Public Accountability: Disclosures	1 Jan. 2027	No	No material effects
IAS 21 (Amendments)	Translation to a Hyperinflationary Presentation Currency	1 Jan. 2027	No	No material effects
IFRS 10 and IAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Auf unbestimmte Zeit verschoben	No	None

3 Key accounting policies

The significant accounting policies applied are explained below and have been retained compared to the previous year.

3.1 Statement of conformity

These consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRSs) and the Interpretations of the International Financial Reporting Standards Interpretations Committee (IFRS IC) as applicable in the European Union (EU). Moreover, the supplementary provisions of Section 315e German Commercial Code (HGB) were applied.

3.2 Basis for preparation of the consolidated financial statements

- The reporting period begins on 1 December 2024 and ends on 30 November 2025. It is also referred to hereafter as the "2025 fiscal year/fiscal year 2025" ("2024 fiscal year/fiscal year 2024" for the previous period).
- Based on Group-wide financial and liquidity planning, the cash available and the expected future inflows trigger a cash reach until mid-2027 and therefore support the preparation of the IFRS consolidated financial statements on a going concern basis in accordance with IAS 1.25 a, at the time the financial statements were being prepared, it could be assumed that the Company would continue to operate as a going concern beyond the next twelve months.
- In accordance with Section 325 (3) German Commercial Code, Heidelberg Pharma transmits these IFRS consolidated financial statements to the Company Register. These IFRS consolidated financial statements as referred to in Section 315e (1) German Commercial Code exempt the Company from preparing consolidated financial statements in accordance with the German Commercial Code.
- These consolidated financial statements were prepared by the Executive Management Board on 24 March 2026, approved by the Supervisory Board and released for publication in accordance with IAS 10. The Supervisory Board can decline to approve, in which case the Annual General Meeting would have to decide on the approval of the consolidated financial statements.
- Due to commercial rounding up or down of exact figures, it is possible that individual figures in these consolidated financial statements may not add up exactly to the totals and that percentages given may not precisely reflect the absolute figures to which they relate.

3.3 Foreign currencies

The consolidated financial statements are prepared in euros (€), the Group's functional currency.

At the end of each reporting period the following steps are taken within the Group in accordance with IAS 21.23

- Monetary amounts in a foreign currency are translated at the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction;
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Heidelberg Pharma carries out business processes in US dollars (USD), Swiss francs (CHF), British pound (GBP) and, to a smaller extent, in other foreign currencies. In fiscal year 2025, a portion of both sales revenue and expenses were recognized in foreign currencies.

The translation of USD, CHF and GBP amounts within the Group was based on the following euro exchange rates: For reasons of materiality, no exchange rates of other currencies are shown.

US dollar:
- Closing rate 30 November 2025: €1 = USD 1.1566 (previous year: €1 = USD 1.0562)
- Average exchange rate in fiscal year 2025: €1 = USD 1.1204 (previous year: €1 = USD 1.0857)

Swiss francs:
- Closing rate 30 November 2025: €1 = CHF 0.9318 (previous year: €1 = CHF 0.9318)
- Average exchange rate in fiscal year 2025: €1 = CHF 0.9371 (previous year: €1 = CHF 0.9532)

British pound:
- Closing rate 30 November 2025: €1 = GBP 0.8752 (previous year: €1 = GBP 0.8321)
- Average exchange rate in fiscal year 2025: €1 = GBP 0.8532 (previous year: €1 = GBP 0.8492)

Differences may result from commercial rounding of exact figures.

3.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent company and the companies controlled by it, including structured companies (its subsidiaries). The Company has control where it:

– Has power over the investee;
– is exposed to variable returns from its involvement with the investee; and
– has the ability to affect those returns through its power over the investee.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

– The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
– potential voting rights held by the Company, other vote holders or other parties;
– rights arising from other contractual arrangements; and
– any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries are fully consolidated from the date on which the Company obtains control over the subsidiary and deconsolidated when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated income statement and the Group's other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent company. This applies even where this results in the non-controlling interests having a deficit balance.

The annual financial statements of the subsidiaries are adjusted, if necessary, to bring their accounting policies in line with those used by the Group.

All intra-group assets, liabilities, equity, income, expenses and cash flows associated with transactions between Group companies are eliminated in full during consolidation.

In the past fiscal year, the voting interest held in the Group's existing subsidiaries did not change, and nor was any new company acquired.

3.5 Property, plant and equipment and right-of-use assets

Heidelberg Pharma does not own plots of land or buildings. All office and laboratory premises used at present are rented. Property, plant and equipment consists of buildings on third-party land, technical equipment and machinery, other equipment, operating and office equipment, and right-of-use assets.

Property, plant and equipment is recognized at historical cost less accumulated depreciation and, if applicable, impairment losses. Right-of-use assets are subject to the provisions of IFRS 16 (Leases). The cost less net carrying amount is depreciated on a straight-line basis over the useful life of the asset. The expected useful lives, net carrying amounts and depreciation methods are reviewed at every reporting date and all necessary changes to estimates are applied prospectively. In addition, write-downs are recognized immediately if assets are impaired as defined by IAS 36.

Depreciation of property, plant and equipment is based on the following useful lives:

– Buildings on third-party land	3 to 10 years
– Technical equipment and machinery	3 to 14 years
– Other equipment, operating and office equipment	3 to 14 years
– Right-of-use assets (based on the term of the contract)	2 to 5 years

Expenses for the repair and maintenance and for the replacement of subordinate items are recognized in income at the time they arise. Extensive replacements and new fixtures and fittings are capitalized where they create a future economic benefit. Replacements are depreciated over their expected useful life. In the event of disposal, the cost and associated accumulated depreciation are derecognized. Any gains or losses resulting from such disposal are recognized in profit or loss in the fiscal year.

If the recoverable amount of property, plant and equipment is lower than the asset's net carrying amount, the Heidelberg Pharma recognizes an impairment loss or derecognizes the asset. In accordance with IAS 36.6, the recoverable amount is the higher of the asset's fair value less costs of disposal and its value in use. Heidelberg Pharma has not pledged any property, plant or equipment as collateral for liabilities including contingent liabilities.

3.6 Intangible assets

3.6.1 Separately acquired intangible assets

Intangible assets with a determinable useful life are carried at cost less accumulated amortization and impairment losses. Amortization is on a straight-line basis over the expected useful life of the asset and is recognized as an expense. The expected useful life and the amortization method are reviewed at every reporting date and all necessary changes to estimates are applied prospectively. Separately acquired intangible assets with an indefinite useful life are carried at cost less accumulated impairment losses.

In addition, write-downs are recognized if assets are impaired as defined by IAS 38.111 in conjunction with IAS 36.

The following useful lives are assumed for intangible assets, which comprise capitalized patents and software:

– Patent rights	20 years
– Software	3 to 7 years

3.6.2 Intangible assets acquired from a business combination

Intangible assets acquired from a business combination, as well as the not yet ready for use intangible assets (In Process Research & Development, or IP R&D) resulting from the takeover of Heidelberg Pharma Research GmbH, are recognized separately from goodwill and measured at fair value, i.e. cost, as of the date of acquisition.

The intangible assets not yet ready for use (IP R&D) are not yet being amortized. The development of the ADC technology and other IP components is ongoing, and no antibody-specific product license agreement (PLA) that would specify the current use and marketability of this technology asset in the form of a therapeutic development candidate has been signed to date. Hence this asset has not yet been classified as ready for use in accordance with IFRSs. Amortization of this asset will begin once the development work has been completed.

Goodwill and purchased IP & R&D are not amortized. Instead, they are tested for impairment annually (see notes 3.8 and 8.2). These can therefore be measured reliably and their completion is technically feasible in accordance with IAS 38.57 so that future benefits can be derived from them, for example through out-licensing. *> Pages 90 and 108*

3.6.3 Research and development costs

Costs for research activities are recognized as expenses in the periods in which they are incurred.

Internally generated intangible assets resulting from development activities are recognized if and only if the following has been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale.
- The Group's intention to complete production of the intangible asset and use or sell it.
- The Group's ability to use or sell the intangible asset.
- How the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output from the use of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- The Group's ability to measure reliably the expenditure attributable to the intangible asset during its development.

Since these requirements have not been met, no intangible assets could be recognized in the development phase.

At present, all research and development costs are therefore recognized in the income statement for the fiscal year in which they arise.

3.7 Impairment of property, plant and equipment, right-of-use assets and intangible assets with the exception of goodwill

The Company reviews the carrying amounts of property, plant and equipment and intangible assets at every reporting date to determine whether there is reason to believe that these assets are impaired. If there is indication of impairment, the recoverable amount of the asset is determined to identify the scope of a possible impairment loss. If the recoverable amount of the individual asset cannot be determined, then the recoverable amount of the cash-generating unit to which the asset belongs is estimated. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets (IAS 36.6)

In the case of intangible assets with an indefinite useful life and those not yet available for use, an impairment test is performed at least once a year and in all cases where there is indication of impairment.

The recoverable amount is the higher of the asset's fair value less costs of disposal and its value in use. The estimated future cash flows are discounted using a pre-tax rate when determining the value in use. On the one hand, this pre-tax rate takes into account the current market estimate of the present value of the funds. On the other hand, it reflects the risks inherent in the asset to the extent that these have not already been incorporated into the cash flow estimate.

If the estimated recoverable amount of an asset or a cash-generating unit falls below the carrying amount, then the relevant carrying amount is decreased to the recoverable amount. The impairment is recognized immediately in profit or loss.

If there is a subsequent reversal of the impairment loss, the carrying amount of the asset or the cash-generating unit is increased to the new estimate of the recoverable amount. The increase in carrying amount is limited to the amount that would have resulted if no impairment losses had been recognized in previous years. An impairment reversal is recognized immediately in profit or loss.

3.8 Goodwill

The goodwill resulting from a business combination is recognized at cost less impairment losses, as required, and is reported separately in the consolidated balance sheet. Goodwill is the difference between the purchase price of a company, and the difference between the assets and liabilities of that company, provided that this difference is positive.

For purposes of impairment testing, the goodwill must be allocated to the cash-generating unit of the Group (Heidelberg Pharma Research GmbH) that is expected to derive benefit from the synergies generated by the business combination.

Cash-generating units to which the goodwill is allocated must be tested for impairment at least annually. This involves determining and considering a value in use. As soon as there is some indication of impairment, the cash-generating unit must be tested for impairment immediately. If the recoverable amount of a cash-generating unit is less than the carrying amount of the unit, then the impairment loss must be initially allocated to the carrying amount of the allocated goodwill and subsequently pro rata to the other assets based on the carrying amounts of each asset within the cash-generating unit. Any impairment loss on goodwill is recognized directly in profit or loss in the consolidated statement of comprehensive income. An impairment loss recognized on goodwill may not be reversed in future periods.

3.9 Other non-current financial assets

When leases for buildings and laboratory equipment and motor vehicles are signed, rent security or security for leased equipment may have to be paid to the landlord or lessor. Depending on the duration of the lease, this item is allocated to non-current or current assets as of the reporting date; please also see note 3.13. *> Page 91*

3.10 Inventories

Inventories comprise raw materials, consumables and supplies, work in progress, finished goods and prepayments.

Inventories are measured at the lower of cost and net realizable value based on the FIFO method. The cost of sales for internally generated inventories contains all directly attributable costs as well as a reasonable percentage of the general overhead costs. Borrowing costs are not included in the cost of inventories because the performance period is shorter than 12 months.

3.11 Prepayments

The other assets and prepayments, e.g. to service providers or insurers, are either recognized in income in accordance with progress on the relevant order or offset against the final supplier invoice.

3.12 Trade receivables

Trade receivables belong to the category of financial instruments measured at amortized cost (see note 3.14). They are therefore recognized at the initial invoice amount net of any allowances for doubtful accounts. Such allowances are based on an assessment by management of the recoverability and aging structure of specific receivables. *> Page 91*

3.13 Other receivables

Receivables are initially recognized at fair value and subsequently at amortized cost, less any impairment losses. An impairment of other receivables is recognized if there is an objective, substantial indication that not all of the amounts due according to the original contractual terms and conditions are recoverable or discounting that is adequate for the maturity and risk-adjusted seems reasonable. The impairment is recognized in profit or loss. Receivables from research grants or government assistance for scientific purposes are recognized as soon as the conditions for receiving them have been met and the application for the funding has been submitted. No further government assistance was granted beyond these matters.

IAS 20.39 requires a disclosure that unfulfilled conditions and other contingencies attaching to government assistance may exist. The research grants applied for were recognized in profit or loss in the fiscal year now ended. Expenses were not reduced nor were the grants recognized as deferred income.

3.14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or an equity instrument of another entity (IAS 32.11).

The trade and settlement dates generally do not coincide in regular cash purchases or sales of financial assets. There is the option to use either trade date accounting or settlement date accounting in connection with such regular cash purchases or sales. The Heidelberg Pharma Group uses trade day accounting in connection with regular cash purchases and sales of financial assets at the time of both initial measurement and disposal.

Financial assets

As of their initial measurement, financial assets are classified for the purpose of their subsequent measurement as measured either at amortized cost, at fair value through other comprehensive income or at fair value through profit or loss.

The classification of financial assets as of their initial recognition depends on the characteristics of the contractual cash flows of the financial assets and on the business model of Heidelberg Pharma for management of its financial assets.

Trade and other receivables are measured at amortized cost. Equity instruments are measured at fair value through other comprehensive income and structured financial instruments are measured at fair value through profit or loss.

In order that a financial asset can be classified as measured at amortized cost or at fair value through other comprehensive income and measured accordingly, the cash flows may solely consist of payments of principal and interest (SPPI) on the outstanding capital amount. This assessment is known as the SPPI test and is implemented at the level of the individual financial instrument.

The Group's business model for management of its financial assets reflects how a company manages its financial assets in order to generate cash flows. Depending on the nature of the business model, the cash flows will arise either through the collection of contractual cash flows, the sale of financial assets or both.

Purchases or sales of financial assets which envisage the delivery of these assets within a period of time which is determined according to rules or conventions on the market in question (normal market purchases) will be recognized on the trade date, i.e. the date on which the Group entered into the obligation to purchase or sell the asset.

For the purpose of subsequent measurement, financial assets will be classified in terms of the following four categories:

1) Financial assets measured at amortized cost (debt instruments)
2) Financial assets measured at fair value through other comprehensive income with reclassification of cumulative profit and loss (debt instruments)
3) Financial assets measured at fair value through other comprehensive income without reclassification of cumulative profit and loss upon derecognition (equity instruments)
4) Financial assets measured at fair value through profit or loss

Re. 1) Financial assets measured at amortized cost (debt instruments) – AC category

The Group measures financial assets at amortized cost where the following two conditions are met:

a) The financial asset is held within the scope of a business model whose purpose is to hold financial assets in order to collect the contractual cash flows; and
b) the contractual terms of the financial asset give rise on specified dates to cash flows which solely consist of payments of principal and interest on the outstanding capital amount.

Financial assets measured at amortized cost will be measured in subsequent periods using the effective interest method and must be tested for impairment. Gains and losses will be recognized through profit or loss upon derecognition, modification or impairment of the asset.

The Group's financial assets measured at amortized cost comprise trade receivables, other receivables, other non-current financial assets as well as cash.

Re. 2) Financial assets measured at fair value through other comprehensive income (debt instruments) – FVtOCI category

The Group measures debt instruments at fair value through other comprehensive income where the following two conditions are met:

a) The financial asset is held within the scope of a business model whose purpose is the collection of the contractual cash flows as well as the sale of financial assets; and
b) the contractual terms of the financial asset give rise on specified dates to cash flows which solely consist of payments of principal and interest on the outstanding capital amount.

In case of debt instruments which are measured at fair value through other comprehensive income, interest income, remeasurements of currency translation gains and losses and well as impairment losses and impairment reversals are recognized in the income statement and calculated in the same way as financial assets measured at amortized cost. The remaining fair value changes are recognized through other comprehensive income. Upon derecognition, the cumulative gain or loss resulting from fair value changes which is recognized through other comprehensive income will be reclassified to the income statement.

No such assets were recognized in the period under review.

Re. 3) Financial assets measured at fair value through other comprehensive income (equity instruments) – FVtOCI category

As of initial measurement, the Group may irrevocably opt to classify its equity instruments as equity instruments measured at fair value through other comprehensive income if they fulfill the definition of equity according to IAS 32 "Financial Instruments: Presentation" and are not held for trading purposes.

The classification will be made individually for each instrument. Gains and losses from these financial assets will never be reclassified to the income statement. Dividends will be recognized in the income statement as other income in case of a legal right to payment, unless a portion of the cost of the financial asset is recovered through the dividends. In this case, the gains will be recognized through other comprehensive income. Equity instruments measured at fair value through other comprehensive income are not tested for impairment.

In the past, the Group exercised the option to measure equity instruments at fair value through other comprehensive income.

Re. 4) Financial assets measured at fair value through profit or loss – FVtPL category

The group of financial assets measured at fair value through profit or loss consists of the financial assets held for trading purposes, which are classified as measured at fair value through profit or loss upon initial recognition and financial assets which must be measured at fair value. Financial assets will be classified as held for trading purposes if they are purchased in order to be sold or repurchased in the near future. Derivatives, including separately recognized embedded derivatives, will likewise be classified as held for trading purposes, with the exception of derivatives which have been designated as hedging instruments and are effective as such. Independently of the business model, financial assets with cash flows which are not solely payments of principal and interest are classified at fair value through profit of loss and measured accordingly. Irrespective of the criteria outlined above for classification of debt instruments in terms of the categories "measured at amortized cost" or "measured at fair value through other comprehensive income," upon initial recognition debt instruments may be classified as measured at fair value through profit or loss if this would eliminate or at least significantly reduce an accounting anomaly.

Financial assets measured at fair value through profit or loss are recognized at fair value in the balance sheet, while the fair value changes are recognized on a net basis in the income statement.

Allowance for financial assets

Heidelberg Pharma recognizes an allowance for expected credit losses (ECL) on all debt instruments which are not measured at fair value through profit or loss. Expected credit losses are based on the difference between the contractual cash flows which are contractually payable and the total cash flows which the Group expects to receive, discounted by an approximation of the original effective interest rate. The expected cash flows include the inflows from the sale of collateral held or other credit enhancements which are integral to the contractual terms.

In case of trade receivables and contract assets without a significant financing component, the Company applies a simplified method for calculation of the expected credit losses. Instead of monitoring changes in the credit risk, it recognizes risk provisioning at each reporting date on the basis of the ECL for the overall term. Heidelberg Pharma has produced an analysis of its experience to date of credit losses, which it has adjusted in line with future factors which are specific to the borrowers and the economic outline conditions.

In case of a financial asset, the Company will not necessarily assume a default if contractual payments are 90 days past due. However, in certain cases the Group may assume a default in case of a financial asset if internal or external information indicates that it is unlikely that the Group will receive the outstanding contractual amounts in full before all of the credit enhancements which it holds have been taken into consideration. A financial asset will be written down where there is no legitimate expectation that the contractual cash flows will be realized.

Derecognition of financial assets

The Company derecognizes financial assets when either the payment claims arising from these instruments have expired or all of the material risks and opportunities associated with this instrument have been transferred.

Financial liabilities

All financial liabilities are initially measured at fair value, in case of loans and liabilities less the directly attributable transaction costs. In many cases, cost is the most appropriate measurement standard for financial liabilities and therefore represents the fair value.

The subsequent measurement of financial liabilities will depend on their classification as follows:

Financial liabilities measured at fair value through profit or loss

Financial liabilities measured at fair value through profit or loss consist of the financial liabilities held for trading purposes as well as other financial liabilities classified as measured at fair value through profit or loss upon initial recognition.

Financial liabilities will be classified as held for trading purposes if they have been entered into in order to be repurchased in the near future. Gains or losses from financial liabilities held for trading purposes are recognized through profit or loss. Financial liabilities are classified as measured at fair value through profit or loss as of the date of their initial recognition, subject to fulfillment of the criteria stipulated in IFRS 9. The Group has not classified any financial liabilities as measured at fair value through profit or loss.

Financial liabilities measured at amortized cost

Financial liabilities which do not represent any contingent consideration of an acquirer within the scope of a business combination, are not held for trading purposes and have not been designated as measured at fair value through profit or loss are measured at amortized cost in accordance with the effective interest method.

All financial liabilities of Heidelberg Pharma shall subsequently be measured at amortized cost using the effective interest method.

These financial liabilities are classified on initial recognition. Heidelberg Pharma reviews it at regular intervals or at least at every reporting date.

The net profit always contains all other expenses and income associated with the financial instruments in the given measurement category. Besides interest income and dividends, in particular this includes the results of both the initial and the subsequent measurement.

Carrying amounts and fair values are identical in all cases due to their short maturities.

In addition, financial instruments are divided into current or non-current liabilities as of the balance sheet date depending on their remaining life. Financial instruments with a remaining life of more than one year at the reporting date are recognized as non-current financial instruments while those with a remaining life of up to one year are recognized as current assets or liabilities.

A class of financial instruments encompasses financial instruments that are grouped in accordance with the disclosures required under IFRS 7 and the features of the financial instruments an entity uses.

Hedges

Heidelberg Pharma does not utilize hedge accounting for hedging currency risks. Potential currency risks concern the US dollar, the Swiss franc and the British pound in particular. A portion of cash is held in US dollars and British pound to minimize risk.

Derecognition

A financial liability will be derecognized if the underlying obligation has been fulfilled, has been cancelled or has expired. Where an existing financial liability is replaced by another financial liability of the same lender subject to substantially different contract terms or where the terms of an existing liability are subject to substantial change, this replacement or change will be treated as derecognition of the original liability and recognition of a new liability. The difference between the respective carrying amounts will be recognized in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis.

3.15 Capital management

3.15.1 Composition of equity

The Group's equity consists of the subscribed capital, which is denominated in common bearer shares with a notional value of €1.00 each. Additional costs directly attributable to the issue of new shares and a capital measure are recognized under equity as a deduction from equity (e.g. from capital reserves).

The Company's capital comprises its equity including subscribed capital, capital reserves, other reserves and accumulated deficits. Equity as of the end of the reporting period was €–10.9 million (30 November 2024: €30.9 million).

As a result of the exercise of 179,340 stock options during the year, the total number of Heidelberg Pharma shares issued increased to 46,784,317 (previous year: 46,604,977 shares).

3.15.2 Capital management

The capital management program of Heidelberg Pharma serves to safeguard the currently strained capital base in a sustainable manner so as to be able to continue to assume the going-concern premise and to operate under this premise.

Given the losses the Company has incurred since its founding, it focuses mainly on using cash to fund the ongoing development of its technology and product pipeline and, not least, to maintain the confidence and trust of investors and business partners alike in the Company. At no time was any capital borrowed from banks.

Management regularly monitors the liquidity and equity ratios and the sum of the items recognized in equity. There were no changes during the reporting year in the Company's strategy or objectives as they relate to its capital management program.

	30 Nov. 2025 €'000	30 Nov. 2024 €'000
Liquidity	**14,976**	**29,422**
In % of total capital	39.3	48.5
In % of current liabilities (cash ratio)	133.6	367.9
Equity	**(10,918)**	**30,866**
In % of total capital	(28.6)	50.8
Liabilities	**49,054**	**29,855**
In % of total capital	128.6	49.2
Total capital	**38,136**	**60,720**

The liquidity ratios (ratio of available cash to either total capital or current liabilities) were impacted in particular by the cash outflows from operating activities and decreased year-over-year.

The ratio of liquidity to total capital fell from 48.5 % to 39.3 %. Similarly, the cash ratio, defined as cash divided by current liabilities, fell from 367.9% to 133.6%.

The equity ratio was –28.6% as of 30 November 2025. This figure is down considerably from the previous year (50.8%) and negative overall, mainly due to the loss generated in the fiscal year now ended and the increase in financial liabilities. Total liabilities rose by €19.2 million also due to restructuring provisions and because more income from the HCRx financing agreement has been recognized as a non-current liability.

Their share of the reduced total capital accordingly jumped to 128.6% as of the 2025 reporting date, from 49.2% in the previous year.

Preventing the share capital from being reduced by more than half by losses in the annual financial statements prepared under German commercial law is the main quantitative control variable of equity management.

3.16 Liabilities and provisions

Liabilities are recognized if a legal or constructive obligation exists towards third parties. With the exception of any financial liabilities, liabilities are carried at their settlement amount. In contrast, any financial liabilities are initially measured at their fair value. They are subsequently measured at amortized cost. All liabilities that fall due within at least one year are recognized as non-current liabilities; they are discounted to their present value.

Provisions are recognized if the Group has a present obligation from a past event, it is probable that the Group will have to meet this obligation and its amount can be estimated reliably. The provision amount recognized is the best estimated amount as of the reporting date for the expenditure required to fulfill the present obligation, taking into account the risks and uncertainties inherent in the obligation. If it is expected that the amount required to settle the provision will be reimbursed by a third party in whole or in part, this claim is recognized accordingly under other receivables.

3.17 Income taxes

Income tax expense is composed of the current tax expense and deferred taxes. However, the significant loss carryforwards prevented material tax liabilities from occurring.

Deferred income taxes are recognized by applying the balance sheet liability method for temporary differences which arise between the tax base of the assets and liabilities and their carrying amounts in the financial statements according to IFRS. Deferred income taxes are to be measured in accordance with the tax rates (and tax regulations) that are applicable as of the reporting date or that have essentially been passed as law and are expected to be applicable during the period in which an asset is realized or a debt is settled. Deferred tax assets and deferred tax liabilities are not recognized when the temporary differences arise from the initial recognition of goodwill or from the initial recognition of other assets and liabilities in transactions which are not business combinations and affect neither accounting profit nor taxable profit (tax loss).

Deferred tax assets are recognized to the extent it is probable that a taxable profit will be available against which the temporary differences can be applied. Deferred tax assets for tax loss carryforwards are recognized to the extent it is probable that the benefit arising will be realized in future.

If relevant, current or deferred taxes are recognized in profit or loss, unless they are related to items that are either recognized in other comprehensive income or directly in equity. In this case, the current or deferred tax must also be recognized in other comprehensive income or directly in equity.

3.18 Earnings per share

Undiluted earnings per share are calculated as that proportion of net profit or loss for the year available to common shareholders, divided by the weighted average number of common shares outstanding during the period under review. The Treasury Stock Method is usually applied to calculate the effect of subscription rights (stock options). It is assumed that the options are converted in full in the reporting period. The number of shares issued to the option holder as consideration for the proceeds generated, assuming exercise at the exercise price, is compared with the number of shares that would have been issued as consideration for the proceeds generated assuming the average market value of the shares. The difference is equal to the dilutive effect resulting from the potential shares and corresponds to the number of shares issued to the option holder compared to another market participant receiving no consideration. The proceeds assumed from the issue of potential common shares with dilutive effect must be calculated as if they had been used to repurchase common shares at fair value. The difference between the number of common shares issued and the number of common shares which would have been issued at fair value must be treated as an issue of common shares for no consideration and is reflected in the denominator when calculating diluted earnings per share. The profit or loss is not adjusted for the effects of stock subscription rights. The conditional increase of the share capital to grant stock option rights to employees and members of the Executive Management Board (see note 3.19) could potentially dilute the diluted earnings per share in future. *> Page 96*

3.19 Employee and Executive Management Board member benefits

3.19.1 Share-based payment

Equity-settled share-based payment provided to employees in the form of stock options is recognized at the fair value of the relevant option prevailing on the respective grant date. Additional information on calculation of the fair value of share-based payment is presented in note 25. *> Page 130*

The fair value calculated upon equity-settled share-based payment is recognized as an expense over the period until vesting with a corresponding increase in equity and is based on the Company's expectations with regard to the equity instruments which are likely to vest. At each reporting date, the Group must review its estimates regarding the number of equity instruments vesting. The effects of changes to the original estimates, if any, must be recognized as in profit or loss in such a way that the cumulative expense reflects the change in the estimate and results in a corresponding adjustment in the reserve for equity-settled share-based payments to employees.

3.19.2 Profit-sharing scheme

Heidelberg Pharma recognizes both a liability and an expense for bonus entitlements of both Executive Management Board members and employees. A liability is recognized if there is a contractual obligation or if an obligation is assumed to have arisen as a result of past business practice.

Bonus entitlements and variable remuneration are contingent on the achievement of personal targets and the Heidelberg Pharma's performance targets. The performance-based remuneration of the members of the Executive Management Board and non-executive personnel is based for one on corporate goals and for another on performance targets that are fixed on an individual basis. These goals and targets comprise and essentially refer to the achievement of defined milestones in research and development, the securing of the Company's further funding and the future performance of Heidelberg Pharma's shares.

Since some of the profit-sharing payments are made subsequently as of the reporting date and there is uncertainty in terms of their amount as a result, the Company recognizes a corresponding accrued liability that is measured using estimates and judgments based on previous payments.

3.19.3 Pension costs

Payments for defined-contribution pension plans for current and former Executive Management Board members and managing directors are recognized as expenses when the beneficiaries have performed the work that entitles them to the contributions. Currently there is a defined-contribution pension plan at Heidelberg Pharma Research into which contributions are still being paid.

The payments, which were pledged in exchange for the work performed by the beneficiaries, are expensed in the fiscal year in question.

3.19.4 Employer's contributions to the statutory pension insurance scheme

In the 2025 fiscal year, Heidelberg Pharma paid €732 thousand in employer contributions to the statutory pension insurance scheme; this expense is allocated to staff costs (previous year: €603 thousand).

3.20 Recognition of revenue and earnings

3.20.1 Sales revenue from contracts with customers

Revenue from contracts with customers will be recognized where the power of disposal over these goods or services is transferred to the customer. Revenue is recognized in line with the value of the consideration which the entity is expected to receive in exchange for these goods or services. The payment terms typically require a payment within a period of 30 to 90 days of receipt of an invoice.

Heidelberg Pharma's business activities are aimed at generating revenue from cooperation agreements and/or license agreements (depending on the design of the given contract in the form of upfront payments, milestone payments, material supplies, cost reimbursements and royalties).

Up-front payments are usually due as prepayments at the start of a given agreement.

Milestone payments are contingent upon achievement of targets previously stipulated in the cooperation or license agreement. Earlier realization under IFRS 15 entails a high risk of revenue correction. This option has therefore not been exercised.

Thanks to the technology transfer of Amanitin production to an industrial scale, the Group is now able to ensure the supply of material not only for its own projects but also to provide its license partners with the necessary GMP-quality Amanitin linker material.

The cooperation agreements also normally generate sales revenues in the form of cost reimbursements for ongoing project development with the respective partner that are billed as the costs are incurred and reported as sales.

Revenue from royalties can become payable after the successful marketing of technologies or programs, for example when licensees generate sales revenue from these. This is recognized in the period in which the sales revenue report or the payment is received. Payment may occur together with the sales revenue report or subsequently. Royalties typically involve contract components with variable consideration which, in line with the above comments, is only recognized as revenue where it is highly probable that this will be received.

3.20.2 Sales revenue from granting licenses

Heidelberg Pharma provides research services and grants research licenses as defined in IFRS 15 B52 ff. for a large number of customers and through various sets of agreements. A distinction must be made between a right of access to licenses, which represent performance obligations that are fulfilled over time, and a right to use licenses, which represent performance obligations that are fulfilled at a specific point in time.

Where these agreements relate to separate performance obligations which are distinct in the context of the agreement, the Group will allocate the transaction price to these individual service components on the basis of the stand-alone selling prices of the separate services. However, particularly in service agreements for research services which involve the provision of a large number of individual services which are remunerated by means of a fee which is paid in advance, either in whole or in part, and whose general purpose is to produce new research findings, Heidelberg Pharma has identified agreements where the services are in some cases strongly dependent on one another in the context of the agreement and has defined these as an individual performance obligation.

3.20.3 Evaluation of sales revenue

In accordance with IFRS 15 Revenue from Contracts with Customers, license agreements are evaluated according to the five-step framework model. Moreover, according to IFRS 15.B34 for each specific, i.e. distinct service or provision of goods that has been promised to the customer an assessment must be made of whether the entity is acting as an agent or principal. The latter applies due to the power of control over the service and material, which also suggests itself in view of the licensor or rights holder status.

Step 1 – Identification of contracts with customers

A contract with a customer falls within the scope of IFRS 15 if the following conditions pursuant to IFRS 15.9 are met:

- The contract has been approved by the parties to the contract;
- each party's rights in relation to the goods or services to be transferred can be identified;
- the payment terms for the goods or services to be transferred can be identified;
- the contract has commercial substance; and
- it is probable that the consideration to which the entity is entitled to in exchange for the goods or services will be collected.

Step 2 – Identification of a separate performance obligation

At the start of the contract, Heidelberg Pharma is required to assess the goods or service that has been promised to the customer in accordance with IFRS 15.22 and must identify it as a performance obligation. A performance obligation is a promise to transfer distinct goods or services to the customer.

Step 3 – Identification of the transaction price

The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for the transfer of the promised goods and services.

When making this determination, pursuant to IFRS 15.47 past customary business practices must be taken into consideration. Where a contract contains elements of variable consideration, the amount of variable consideration to which Heidelberg Pharma expects to be entitled under the contract will be estimated (IFRS 15.50). Variable consideration is also present if the Group's right to consideration is contingent on the occurrence of a future event (IFRS 15.51). According to IFRS 15.B63, revenue arising from sales or usage-based royalty revenue arising from licenses of intellectual property will be recognized only when and after the underlying sales or usage occur.

If the consideration is to be paid upfront or afterwards, the entity shall consider whether the contract contains a significant financing arrangement. If this is the case, the transaction price must be adjusted for the time value of money (IFRS 15.60). A practical expedient exists for cases where the period between performance and payment by the customer is likely to be less than twelve months (IFRS 15.63). However, Heidelberg Pharma did not use this practical expedient.

Step 4 – Allocation of the transaction price

According to IFRS 15.73, the transaction price is to be allocated to the individual performance obligations. If a contract consists of multiple performance obligations, the transaction price is to be allocated to the performance obligations in the contract on the basis of the stand-alone selling prices (IFRS 15.74). If a stand-alone selling price is not directly observable, this must be estimated based on historical data.

Step 5 – Revenue recognition

According to IFRS 15.31, revenue will be recognized as control is passed, i.e. the ability to direct the use of and obtain substantially all of the remaining benefits from the asset. This may occur either over time or at a point in time.

IFRS 15.35 prescribes recognition of revenue over time if:

- The customer continuously receives all of the benefits provided by the entity as the entity performs; or
- an asset that the customer controls as the asset is created or enhanced;
- the entity's performance creates an asset with no alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If an entity does not satisfy its performance obligation over time, it satisfies it at a point in time. Revenue will therefore be recognized when control is passed at a certain point in time. According to IFRS 15.38, factors that may indicate the point in time at which control passes include, but are not limited to:

- The entity is currently entitled to receive payment for the asset; or
- the customer has legal title to the asset; or
- the entity has transferred physical possession of the asset; or
- the customer has the significant risks and rewards related to the ownership of the asset; or
- the customer has accepted the asset.

Heidelberg Pharma also generates sales revenue from the provision of preclinical services as part of a customer specific service business.

Heidelberg Pharma measures the progress of satisfaction, depending on the respective performance obligation, on the one hand on the basis of output methods, such as measuring the services already provided in relation to the contractually agreed services. On the other hand, input methods, such as the expense incurred in relation to the total expense at project level, are also used for revenue recognition. Changes to the progress estimates may therefore result in a restatement of revenue in the current period or future periods.

3.20.4 Contract balances

A contract asset is an entity's right to consideration in exchange for goods or services that the entity has transferred to a customer, other than receivables. The costs to obtain a contract must be recognized as an asset if the entity expects to recover those costs in the future and would not have incurred those costs if the contract had not been obtained.

Payments for performances not yet provided (e.g. as a prepayment) will be recognized as a contract liability. A contract liability corresponds to the liability of the company to transfer goods or services to a customer from whom it has received (or is yet to receive) consideration for these goods or services. If the customer pays consideration before the Group transfers goods or services to it, a contract liability will be recognized once the payment is made or falls due (whichever occurs first). Contract liabilities will be recognized as revenue once the Group meets its contractual liabilities.

3.20.5 Other income

In addition to the reversal of unused provisions from prior periods through profit or loss, other income relates to positive effects from exchange rate differences. In addition, income was generated from costs passed on to third parties to maintain patents in the context of out-licensing and from the sale of equity interests.

Government grants, such as those from the Federal Ministry of Education and Research (BMBF), are also included in other income. These government grants are used to support certain projects by reimbursing (portions of) research expenses from public funds. Reimbursement is based on the project costs incurred and non-refundable. However, it is usually linked to conditions such as remuneration for the work of scientific staff. The cash amounts received in advance are recognized over the underlying service period according to the research project's stage-of-completion.

3.21 Cost of sales

All costs directly related to generating sales revenue are reported as cost of sales. Cost of sales thus comprise staff costs, material costs and other costs directly attributable to manufacturing in reference to the respective goods and services sold.

3.22 Research and development

Research and development activities comprise all associated costs not related to the generation of sales revenue, including staff costs, consulting costs, depreciation, amortization and impairment losses, material and cost of sales, third party services, laboratory costs and fees for legal advice. They are recognized as expenses in the period in which they are incurred.

3.23 Administrative expenses

This expense item essentially comprises staff costs, operating costs, consumables, depreciation and amortization, and costs for external services and the stock listing.

Under IFRSs, the costs of a capital increase are closely related conceptually to the inflow of funds. Costs necessarily incurred as a result of and directly attributable to the capital increase are therefore not recognized as an expense in profit or loss, but taken to the capital reserves and offset directly against the capital received (IAS 32.37).

Administrative expenses therefore do not include expenses for capital increases.

3.24 Other expenses

Other expenses are incurred for business development, marketing and commercial market supply activities, and also include expenses arising from exchange rate differences.

3.25 Interest income

Any interest income is recognized in the statement of comprehensive income at the time it is generated, taking into account the effective yield on the asset.

3.26 Interest expense

Any interest expense generally comprises interest expense on non-current and current liabilities including the utilized shareholder loan and, since the initial application of IFRS 16, interest expenses on lease liabilities. Since the Group does not own qualifying assets, borrowing costs are recognized as an expense in the period in which they are incurred.

4 Segment reporting in accordance with IFRS 8

According to IFRS 8, operating segments are to be defined on the basis of the internal segment reporting, which is regularly reviewed by the Company's chief operating decision maker with respect to decisions on the allocation of resources to these segments and the assessment of their profitability. For the purpose of monitoring segment performance and allocating resources to segments, the Group's chief operating decision maker monitors the tangible, intangible and financial assets attributable to the individual segments.

No business activities are currently conducted within the Group that differ materially in their risk/reward profiles. Furthermore, internal reporting is not broken down by operating segment. This means that Heidelberg Pharma no longer has any reportable business segments for internal management purposes. The Executive Management Board is currently in charge of all control variables and decisions of the Group as a whole. R&D activities focus on ADC technology.

5 Financial risk management

5.1 Financial risk factors

Given its business activities, Heidelberg Pharma is exposed to certain risks, in particular market risk (including currency risks, interest and price risks), liquidity risk and default risk. Heidelberg Pharma's risk management focuses on the unpredictability of the financial markets and aims to minimize any potential adverse effects on the Group's ability to finance its business activities. However, Heidelberg Pharma does not use embedded derivatives or other derivative financial instruments to hedge against risks.

Responsibility for Groupwide risk management rests with the full Executive Management Board. It has implemented a Groupwide risk management system throughout the entire Heidelberg Pharma Group and monitors compliance with the risk management principles approved by the Supervisory Board with the help of the respective individuals responsible for the individual fields of risk identified as well as in cooperation with Controlling. The Executive Management Board specifies written principles for all risk management aspects. The Risk Officer identifies, assesses and communicates financial and corporate risks in close cooperation with the Executive Management Board. Moreover, all potential risks, particularly financial risks with substantial ramifications and a reasonable probability of occurring are closely monitored and discussed by the Company's Executive Management and Supervisory Boards at every quarterly reporting date.

The Groupwide risk management system serves to identify and analyze risks to which Heidelberg Pharma is exposed, making it possible to take appropriate countermeasures as necessary. The principles underlying the risk management system are reviewed and adjusted in a regular and ongoing process in order to ensure that any changes in and requirements of Heidelberg Pharma's business environment are covered. Internal policies and training ensure that every employee is aware of their tasks and duties in connection with the risk management system.

5.1.1 Market risk

5.1.1.1 Currency risk

Currency risks arise when future business transactions, or recognized financial assets or liabilities are denominated in a currency other than the Group's functional currency. Heidelberg Pharma operates internationally and cooperates with different customers and service providers worldwide and is therefore exposed to currency risks in connection with currency positions, mainly in US dollars, British pound, Swiss francs and, to a lesser extent, in other foreign currencies (see note 21.3). This risk includes the relative decrease or increase of the euro vis-à-vis the other currencies during the period until payment of the liability or receivable. *> Page 121*

As the currency risk is limited overall, Heidelberg Pharma has not concluded any hedging transactions but is attempting to achieve financial hedging by matching cash inflows and outflows in the same currency.

5.1.1.2 Price risk

Heidelberg Pharma is not exposed to risks from share price fluctuations related to equity securities, nor to risks from changes in the price of commodities, as these are not purchased.

5.1.1.3 Interest rate risk

Fluctuations in market interest rates affect the cash flows of floating-rate assets or liabilities or their fair values.

Since Heidelberg Pharma does not hold any floating-rate or fixed-rate financial instruments as assets as of the reporting date other than bank balances, the Company is not exposed to any interest rate risks in this context. As banks are paying noticeable interest on balances again, Heidelberg Pharma is no longer subject to negative interest rate risks as it was several year ago. Given a lack of materiality, no interest rate sensitivity analysis was carried out.

Furthermore, in accordance with IFRS 7.33(a), the Company is required to disclose in connection with the HCRx financing arrangement that the U.S. Food and Drug Administration (FDA) has not yet approved the diagnostic agent TLX250-Px developed by the licensee Telix Pharmaceuticals Limited, Melbourne, Australia (Telix).

Reliable estimates of the royalty payments for determining the effective interest rate cannot be made until approval has been granted. Depending on the amount of the potential royalty payments, the terms of the agreement may result in these having a significant impact on the financial liabilities and the applicable effective interest rate.

5.1.2 Liquidity risk

Heidelberg Pharma has a detailed cash planning system, which is updated regularly, at least once a month. It serves to ensure that Heidelberg Pharma is aware of the available cash and the due dates of its liabilities at all times in order to be able to pay liabilities as they fall due. With regard to any long-term liquidity risks, please see note 6, “Going concern risks” and note 21.3. *> Pages 106 and 123*

5.1.3 Default risk

The default risk is the risk of a business partner failing to meet its obligations within the scope of a financial instrument or customer framework agreement and this resulting in a financial loss. Within the scope of its operating business, the Group is exposed to default risks (particularly in case of trade receivables) as well as risks associated with financing activities, including those resulting from deposits with banks and financial institutions, foreign exchange business and other financial instruments. This conservative investment approach ensures that there is no nonpayment risk (see note 3.15). An estimate of expected future defaults is extrapolated from the analysis of historical defaults. On this basis and taking into account the individual debtors, no loss allowances had to be recognized. *> Page 95*

The maximum default risk in connection with trade receivables is just €6 thousand (previous year: €284 thousand) and corresponds to the “trade receivables and contract assets” balance sheet item. The maximum default risk from other receivables is €2,341 thousand (previous year: €5,669 thousand). The default risk regarding the drawdown of cash is considered to be low since these receivables mainly relate to German tax authorities (see note 16). *> Page 117*

5.1.4 Cash flow and fair value interest rate risk from financial instruments

Heidelberg Pharma invests cash only in bank accounts or short-term fixed deposits. Market interest rate fluctuations may therefore affect the Company's ability to generate interest income from these financial instruments or avoid interest expenses in the form of deposit fees. Despite lower interest rates for capital investors, the Company was able to generate interest cash flow in 2025, as was the case in 2024.

Furthermore, Heidelberg Pharma maintains domestic credit balances only with major banks that belong to the German Deposit Insurance Fund and/or the German Savings Banks Organization's deposit assurance fund. The default risk in connection with these credit balances is therefore minimal.

5.2 Determination and measurement of fair value

The rules in IFRS 13 Fair Value Measurement must always be applied if fair value measurement is stipulated or permitted by another IAS or IFRS, or if disclosures about fair value measurement are required. The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). The fair value of a liability therefore reflects the default risk (i.e. own credit risk). Measurement at fair value assumes that the asset is being sold or the liability is being transferred in the principal market or — if such is unavailable — in the most favorable market. The principal market is the market with the largest volume and the greatest activity to which the entity has access.

Fair value is determined using the same assumptions and taking into account the same characteristics of an asset or a liability on which independent market participants would base their assessment. Fair value is a market-based, not entity-specific measurement. For non-financial assets, the fair value is determined based on the best possible use of the asset by a market participant.

Heidelberg Pharma uses the following hierarchy to determine and disclose the fair value of financial instruments (see note 21): *> Page 122*

Level 1: Quoted (unadjusted) prices in an active market for identical assets and liabilities that the entity can access. The fair value of financial instruments traded on an active market is based on the quoted market price at the reporting date.

Level 2: Inputs, other than quoted prices in Level 1, that are observable for the asset or liability either directly (such as prices) or indirectly (derived from prices). The fair value of financial instruments not traded on an active market can be determined using a valuation technique. In this case, fair value is estimated on the basis of the results of a valuation technique that makes maximum use of market inputs, and relies as little as possible on entity-specific inputs. If all of the inputs required to determine fair value are observable, the instrument is classified in Level 2.

Level 3: Inputs for the asset or liability that are not observable. If important inputs are not based on observable market data, the instrument is classified in Level 3.

The carrying amounts of financial assets and liabilities such as cash, marketable securities as well as trade receivables and payables are equal to their fair value on account of the short maturities.

6 Going concern risk

Based on current budget, the Heidelberg Pharma Group's cash available as of the 30 November 2025 reporting date, as well as the expected inflows, at the time of preparing the annual financial statements are sufficient to ensure the continuation of the Company as a going concern until mid-2027. The budget includes an amount of USD 20 million (net of transaction costs) that was contractually promised.

Cash inflows from sales revenue and royalties are not yet sufficient to sustain Heidelberg Pharma's operations. Further expanding the ATAC pipeline will increase research and development expenses beyond the Group's existing financial resources. The Group therefore depends on FDA approval of the diagnostic agent TLX250-Px in the USA by the beginning of the second quarter of 2027, at which time it is entitled to further contractually agreed payments from the financial investors. The total of these payments will decrease if approval is delayed. Alternatively, the Group would need to raise additional funds. If FDA approval of TLX250-Px were delayed, it is questionable to what extent the Company would be able to secure additional funding.

This means that the Group may not be able to realize its assets and settle its liabilities in the regular course of business. As a result, there is currently material uncertainty about the Group's and/or the Group companies' ability to continue as a going concern. It can therefore not be ruled out that shareholders could lose some or all of their invested capital.

For information on the most important events and conditions that cast significant doubt on the Company's ability to continue as a going concern, as well as on its plans and measures to deal with these events and conditions, please refer to the explanations in section 8.3.1, "Financial risks – Liquidity (EL: €15,143 thousand) – Going-concern risk (EL: unspecified amount)" of the Group's combined management report. *> Page 56*

7 Restructuring measures

On 25 September 2025, Heidelberg Pharma announced in an ad-hoc release that it would implement extensive cost-saving measures and as a result focus all development activities exclusively on its lead ADC candidate HDP-101 to extend the Company's cash reach. The Company's second clinical program, HDP-102, was temporarily suspended. Heidelberg Pharma still plans to prepare the clinical trial application for its third ADC, HDP-103.

This decision, along with the reduction in the workforce by around 75% by mid-2026, necessitated a wide range of restructuring measures that have significant accounting effects.

A constructive obligation of the restructuring measures in accordance with IAS 37.75 has arisen due to the prompt implementation of the restructuring measures and the announcement made to the workforce.

The obligations and resulting provisions consist of the following matters:

- Severance payments for staff as a result of actions against wrongful dismissal
- Leave of absence of staff before the terminated employment relationship expires
- Litigation as a result of actions against wrongful dismissal
- Write-downs on inventories and goods in transit due to the lower number of development projects
- Write-downs on prepayments due to the lower number of development projects
- Depreciation of property, plant and equipment, in particular as a result of the laboratory closure
- Asset retirement obligations relating to parts of the laboratory due to provisions of the lease
- Building vacancies due to staff reduction
- Effects of onerous contracts

The following expenses were incurred in connection with the restructuring in the fiscal year:

Item	Expense recognized €'000	Balance sheet item affected €'000	Amount recognized in provisions €'000
Severance payments for staff as a result of actions against wrongful dismissal	1,241	Provisions	1,241
Leave of absence of staff before the terminated employment relationship expires	698	Provisions	698
Litigation costs as a result of actions against wrongful dismissal	113	Provisions	113
Write-downs on inventories due to the lower number of development projects	4,494	Inventories	
Write-downs on prepayments due to the lower number of development projects	1,156	Other non-current assets	
Depreciation of property, plant and equipment, in particular as a result of the laboratory closure	1,965	Property, plant and equipment	
Asset retirement obligations relating to parts of the laboratory due to provisions of the lease	230	Provisions	230
Building vacancies due to staff reduction	50	Provisions	50
Effects of onerous contracts	675	Provisions	675
Total	**10,621**		**3,006**

Heidelberg Pharma assumes that none of the matters will entail reimbursements, that they are current (due in less than 12 months) and that they will result in outflows. Due to their current nature, no discounting is applied; therefore a change in the discount rate would have no effect.

The operating expenses recognized mainly concerned research and development costs, but also administrative expenses. They are reflected in the impairment of assets, for example through write-downs of property, plant and equipment. They also led to the recognition of provisions, whose timing or amount as of the reporting date is uncertain.

It should generally be noted that provisions, by definition, are uncertain as regards their amount and timing, but are highly likely to occur.

8 Critical estimates and discretionary decisions

Application of the accounting policies described under note 3 requires management to assess facts, perform estimates and make assumptions with respect to the carrying amounts of assets and liabilities that cannot be readily determined from other sources.

Estimates and judgments are continually evaluated and are based on historical data and experience and other factors, including expectations of future events that are believed to be reasonable and realistic under the circumstances. The Company makes estimates and assumptions concerning the future. By their nature, the resulting estimates rarely reflect the exact subsequent circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next fiscal year are discussed below.

The assumptions underlying the estimates are regularly reviewed. Changes in the estimates that concern only a specific period are considered solely in that period; if the changes concerns both the current and subsequent reporting periods, then they are considered in all relevant periods.

Assumptions underlying the recognition of sales revenue (€1.4 million; previous year: €6.9 million) and other income (€5.5 million; previous year: €5.1 million) are in some cases based on estimates by the Executive Management Board.

Determining the expense in the reporting year from the measurement of stock options granted and the parameters underlying the impairment test for goodwill and IP R&D materially concern assumptions and judgments that are made by management and regularly reviewed.

It is generally possible that Heidelberg Pharma could deviate in the future from the assumptions made to date, which could necessitate a material adjustment of the carrying amounts of the assets or liabilities in question.

8.1 Expense from the granting of stock options

Heidelberg Pharma recognizes expenses in the amount of €111 thousand (previous year: €908 thousand) under staff costs from the granting of stock options (see note 25). For this purpose, future assumptions need to be made regarding the different calculation parameters, such as the expected volatility of the share price, the expected dividend payment, the risk-free interest rate during option terms and staff and Executive Management Board turnover. Should these assumptions change, Heidelberg Pharma would need to change the relevant parameters and adjust its calculations and staff costs accordingly. *> Page 130*

8.2 Impairment testing pursuant to IAS 36

The impairment tests of both goodwill (see note 9) in the amount of €6,111 thousand (previous year: €6,111 thousand) and the IP R&D technology asset – which is not yet ready for use – in the amount of €2,493 thousand (previous year: €2,493 thousand) require estimating either the fair value less costs of disposal or, alternatively, the recoverable amount as the value in use, determined on the basis of the cash-generating unit's expected future cash flows and a reasonable discount rate. *> Page 109*

Factors such as revenue that is lower than expected and the resulting decrease in net cash flows as well as changes in the WACC could have a material effect on the determination of the value in use and/or the fair value less costs of disposal and, in the final analysis, on the impairment of the goodwill or the IP R&D technology asset acquired.

8.3 Revenue recognition according to IFRS 15

8.3.1 Identification of performance obligations, allocation of the transaction price and determination of progress in discharge of performance obligations in service agreements

Heidelberg Pharma provides research services for a large number of customers and through various sets of agreements. Where these agreements relate to separate performance obligations which are distinct in the context of the agreement, the Group will allocate the transaction price to these individual service components on the basis of the stand-alone selling prices of the separate services. However, particularly in service agreements for research services which involve the provision of a large number of individual services which are remunerated by means of a fee which is paid in advance, either in whole or in part, and whose general purpose is to produce new research findings, Heidelberg Pharma has identified agreements where the services are in some cases strongly dependent on one another in the context of the agreement and has defined these as an individual performance obligation. Where further distinct performance obligations are included in this type of agreement, Heidelberg Pharma likewise allocates the transaction price on the basis of the stand-along selling prices of the separate services. Heidelberg Pharma typically measures progress in the

discharge of performance obligations on the basis of input methods, such as the ratio of the number of hours worked on research projects to the total number of hours estimated to be necessary for provision of the service in full. Changes to the progress estimates may therefore result in a restatement of revenue in the current period or future periods.

8.3.2 Determination of the method for the estimation of variable consideration and assessment of a limitation

Customer agreements frequently include additional remuneration which is associated with the achievement of research findings as well as other potential payments which are dependent on future events. Since this generally involves a small number of concrete events, which are partially dependent on research services, the Group estimates the variable consideration by determining the most probable amount which will be received on account of this. Heidelberg Pharma also reviews whether this variable consideration is subject to a limitation which would prevent recognition of revenue. Due to past experience and the inherent uncertainty associated with research activities, Heidelberg Pharma has concluded that potential remuneration as variable consideration will not be included in the determination of the transaction price at the start of the contract and that revenue can instead only be recognized upon fulfillment or when fulfillment is highly probable.

9 Impairment testing pursuant to IAS 36

The following is a description of the updated impairment testing carried out on the 30 November 2025 measurement date and in January 2026 (previous year: January 2025) of the acquired goodwill and the intangible and not yet ready to use (and therefore not yet amortized) technology asset (IP R&D) acquired in the course of the 2011 business combination with Heidelberg Pharma Research GmbH. This testing, which takes into account expected milestone payments and royalties, was conducted in 2025 using a different approach than in the previous year. In addition to the primary development program HDP-101, only HDP-103 was included in the assessment. The programs HDP-102 and HDP-201 were not included in the planning process as a result of the strategic review.

For purposes of annual impairment testing, goodwill and the IP R&D technology asset are assigned to Heidelberg Pharma's lowest and only identifiable cash-generating unit (Heidelberg Pharma Research GmbH), which is monitored by the Executive Management Board as a cash-generating unit based on the management approach.

The impairment test described below is performed for the intangible asset (IP R&D technology asset) first and then for the acquired goodwill as a second step. The conditions covering the assumptions and underlying measurement parameters used for impairment testing in the measurement model are the same due to the fact that there is one consistent business purpose.

When measuring goodwill, the intangible asset is included in the underlying cash-generating unit for the purposes of comparing the carrying amount and recoverable amount.

The historical background is that Heidelberg Pharma AG acquired Heidelberg Pharma Research GmbH in March 2011. This acquisition generated goodwill of €6,111 thousand. Furthermore, an IP R&D asset consisting of the ADC technology with a net carrying amount of €2,493 thousand was identified as a not-yet-ready-for-use technology asset in the course of the purchase price allocation performed at the time. The carrying amounts as of 30 November 2025 correspond to the value at acquisition in each case. Despite the progress made in development, management believes that the general conditions under which Heidelberg Pharma Research GmbH operates have not changed significantly since 2011.

Impairment testing, and therefore the calculation of the recoverable amount as the value in use, is based on a model in which assumptions in respect of company planning are included and in which the present value of the cash flows forecast in this way are calculated to determine the value in use. The expected future cash flows from Heidelberg Pharma Research GmbH were discounted applying a company-specific risk-adjusted interest rate.

The ADC technology platform is a cornerstone of Heidelberg Pharma Research GmbH's business model. It is expected to be used to optimize antibodies for specific customers and manufacture corresponding antibody-drug conjugates to improve cancer treatments in the future. Heidelberg Pharma Research intends to market the ADC technology to third parties and plans to generate sales revenue in the form of milestone payments and royalties. Particularly in the final phase of an ADC agreement (product license agreement), these payments are essential to the business model. They come due as soon as the contractual partner pursues development of a drug candidate and completes the approval process. The development phase comprises the execution of several clinical trials and can therefore take several years, which necessitates a second long-term planning phase for purposes of the impairment test.

The mid-term planning for the ADC business used for the impairment test comprises detailed planning over a two-year period from 2026 to 2027 (clinical phases I and IIa). This is followed by a second, longer-term 18-year planning phase from 2028 to 2045 (clinical phases IIb and III, approval and market launch) that is based on model assumptions and continues the first planning phase.

Medium-term planning is based on the following assumptions in the model:

- Derivation of potential sales revenue based on comparison data of approved cancer drugs;
- significant license income from 2027 onwards with sustained positive cash flows starting in the market phase;
- maximum exploitation period for license income until 2045 through patents granted and new patent applications;
- discounts for the success rates of individual clinical phases based on scientific literature.

Overall, a sustained positive cash flow is expected from 2030 onwards. In the phase from 2026 to 2027, the model projects cumulative discounted cash flows (adjusted for tax effects) of €13.6 million in total, while for the phase starting in 2028 it assumes cumulative discounted cash flows (adjusted for tax effects) of €49.0 million. These assumptions are based on market studies conducted by an external service provider. The total value in use amounts to €62.6 million. Unlike in previous years, a terminal value for the service business of Heidelberg Pharma Research GmbH is no longer assumed, as this business unit is no longer being maintained.

The carrying amount of the cash-generating unit analyzed was €17.6 million as of the reporting date (previous year: €20.5 million), which corresponds to the sum total of assets of Heidelberg Pharma Research GmbH. Allowing for the risks and opportunities arising from the business activities, the discount rate (WACC – Weighted Average Cost of Capital) used for the impairment test was 17.54% (previous year: 11.6%) before taxes and 12.75% after taxes (2024: 9.0%).

These weighted average costs of capital are calculated using a risk-free interest rate (base rate) plus a market risk premium multiplied by the Company's beta factor. Individual risk premiums were not used because deductions for risk had already been factored into the planning.

If the discount rate were to increase by one percentage point, the value in use would decrease by €4.5 million.

The impairment test showed that there was no need to recognize impairment losses on goodwill or the IP R&D technology as of 30 November 2025.

The income tax rate underlying the cash flows in the model is between 23.15% and 28.43% with a downward trend (previous year: always 28.43%). The change is due to a future tax law amendment, with the corporation tax on the income of legal entities currently being 15%. However, starting in 2028, the tax rate will be reduced by 1% each year until it reaches 10% in 2032.

The calculation of fair value and the cash flow forecast is based on unobservable inputs (Level 3), that of WACC on Level 2 (see note 5.2). *> Page 105*

The cash flows included in the calculation are not influenced by internal transfer prices. There is an active market for the products and services of the cash-generating unit measured.

10 Property, plant and equipment and right-of-use assets

As of 30 November 2024 and 30 November 2025, property, plant and equipment comprised the following (see note 3.5):
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	Buildings on third-party land, technical equipment and machinery, other equipment €'000	Right-of-use assets		Operating and office equipment €'000	Total €'000
		Buildings €'000	Office equipment €'000		
Fiscal year 2024					
Opening carrying amount	3,129	117	63	538	3,847
Additions	290	63	31	130	514
Disposals	(301)	0	(38)	(591)	(930)
Impairment	279	0	38	557	874
Depreciation	(468)	(79)	(27)	(245)	(819)
Net carrying amount as of 30 Nov. 2024	**2,929**	101	66	**390**	**3,486**
As of 30 Nov. 2024					
Cost	8,370	483	187	2,329	11,369
Accumulated depreciation	(5,441)	(383)	(120)	(1,939)	(7,883)
Net carrying amount as of 30 Nov. 2024	**2,929**	**101**	**66**	**390**	**3,486**
Fiscal year 2025					
Opening carrying amount	2,929	101	66	390	3,486
Additions	47	74	0	95	216
Disposals	(38)	0	0	(87)	(125)
Derecognition of accumulated depreciation	29	0	0	87	116
Write-downs	(1,965)	0	0	0	(1,965)
Depreciation	(469)	(95)	(31)	(221)	(816)
Net carrying amount as of 30 Nov. 2025	**534**	**80**	**36**	**263**	**912**
As of 30 Nov. 2025					
Cost	6,443	558	187	2,424	9,611
Accumulated depreciation	(5,910)	(478)	(151)	(2,161)	(8,699)
Net carrying amount as of 30 Nov. 2025	**534**	**80**	**36**	**263**	**912**

In 2025, property, plant and equipment was impacted by write-downs on laboratory equipment due to restructuring amounting to €1,965 thousand, which were recognized as R&D expenses. No such items were recognized in the previous year. They became necessary as a result of the restructuring measures, because research operations are being discontinued.

Unless allocable to cost of sales, depreciation totaling €816 thousand (previous year: €819 thousand) was recognized in profit or loss as R&D costs and as general and administrative expenses. Impairment losses (or depreciation write-offs) of €116 thousand and €874 thousand were recognized on the value in use in fiscal years 2025 and 2024, respectively. These are mainly derecognition of accumulated depreciation and impairments of low-value assets. Unless allocable to cost of sales, these were also recognized in profit or loss as R&D costs and as general and administrative expenses.

Heidelberg Pharma has not pledged any property, plant or equipment as collateral for liabilities. There are no contractual obligations for the acquisition of property, plant and equipment.

An amount of €126 thousand in depreciation and €9 thousand in interest expense was recognized for right-of-use assets in the fiscal year ended (previous year: €106 thousand and €9 thousand, respectively).

Short-term leases and leases of low value are not recognized on the balance sheet in accordance with IFRS 16.5 and IFRS 16.6. Total cash outflows for leases in 2025 amounted to €135 thousand and €115 thousand in the previous year (IFRS 16.53(g)). In the cash flow statement, these outflows were split up into interest paid and a principal of lease liabilities. While the interest paid (€9 thousand) will continue to be allocated to the net change in cash from operating activities, the principal portions will be included in financing activities (€126 thousand) (previous year: €9 thousand and €106 thousand, respectively). Payments made within the scope of short-term and/or low-value leases are allocated to operating cash flow, in accordance with IFRS 16.50(c).

11 Intangible assets

As of 30 November 2024 and 30 November 2025, intangible assets comprised the following (see note 3.6): > *Page 89*

	Soft-ware €'000	Licenses €'000	Patents €'000	Other intangible assets €'000	Intangible assets not yet ready for use €'000	Goodwill €'000	Total €'000
Fiscal year 2024							
Opening carrying amount	**71**	**0**	**222**	**0**	**2,493**	**6,111**	**8,897**
Additions	18	0	4	0	0	0	22
Disposals	(42)	0	0	0	0	0	(42)
Impairment	34	0	0	0	0	0	34
Amortization	(35)	0	(17)	0	0	0	(52)
Net carrying amount as of 30 Nov. 2024	**45**	**0**	**209**	**0**	**2,493**	**6,111**	**8,859**
As of 30 Nov. 2024							
Cost	1,043	1	1,613	320	2,493	6,111	11,581
Accumulated amortization	(998)	(1)	(1,403)	(320)	0	0	(2,722)
Net carrying amount as of 30 Nov. 2024	**45**	**0**	**209**	**0**	**2,493**	**6,111**	**8,859**

	Soft-ware €'000	Licenses €'000	Patents €'000	Other intangible assets €'000	Intangible assets not yet ready for use €'000	Goodwill €'000	Total €'000
Fiscal year 2025							
Opening carrying amount	**45**	**0**	**209**	**0**	**2,493**	**6,111**	**8,859**
Additions	4	0	2	0	0	0	6
Amortization	(19)	0	(17)	0	0	0	(37)
Net carrying amount as of 30 Nov. 2025	**30**	**0**	**194**	**0**	**2,493**	**6,111**	**8,828**
As of 30 Nov. 2025							
Cost	1,047	1	1,615	320	2,493	6,111	11,587
Accumulated amortization	(1,017)	(1)	(1,421)	(320)	0	0	(2,759)
Net carrying amount as of 30 Nov. 2025	**30**	**0**	**194**	**0**	**2,493**	**6,111**	**8,828**

All of the additions stem from separate acquisitions. Unless allocable to cost of sales, €37 thousand (previous year: €52 thousand) in amortization were recognized in profit or loss as research and development costs and as general and administrative expenses.

As a rule, software and patents and licenses as part of intangible assets have a finite useful life.

There were no currency effects from the translation of foreign currencies into the reporting currency for any group of intangible assets. Heidelberg Pharma has not pledged any intangible assets as collateral for liabilities. The Company has no contractual obligations for the acquisition of intangible assets.

11.1 Goodwill

The goodwill recognized arises from the business combination of Heidelberg Pharma AG with Heidelberg Pharma Research GmbH completed in 2011. The assets and liabilities acquired as well as the deferred tax assets and liabilities are recognized separately as of the acquisition date.

Using the acquisition method, goodwill of €6,111 thousand was identified in connection with the acquisition of Heidelberg Pharma and the subsequent purchase price allocation; it will be tested for impairment annually in accordance with IAS 36 (see note 9). *> Page 109*

11.2 Intangible assets not yet ready for use

In the purchase price allocation carried out in 2011 in connection with the acquisition of Heidelberg Pharma Research GmbH, the novel ADC technology still under development and not yet ready for use was defined as IP R&D and identified as an intangible asset. The carrying amount is €2,493 thousand, as in the previous year.

The Company believes that the ADC technology has the potential to improve the efficacy of many antibody-based compounds, including those marketed.

This technology will not be amortized until its development has been successfully completed and the technology can thus be deemed ready for use, i.e. a therapeutic agent can be marketed. Subsequent costs are recognized through profit and loss as research and development expenses. They are not capitalized pursuant to IAS 38 in keeping with the treatment of other development costs and given Heidelberg Pharma's industry-related specificities. It is typical for the biotechnology industry that particularly the technical feasibility pursuant to IAS 38.57 (a) as well as any future economic benefits pursuant to IAS 38.57 (c) are uncertain, even in projects where the research has largely been completed. This IP R&D technology asset was tested for impairment as of 30 November 2025 during the impairment test carried out in January 2026. Heidelberg Pharma has not found any indication of impairment of this intangible asset.

11.3 Patents and licenses

There was no need to write down the patents and licenses of the Heidelberg Pharma Group in the fiscal year.

11.4 Software

Software includes various capitalized office and laboratory software items written down over their useful lives.

12 Other non-current financial assets

The other non-current assets in the amount of €66 thousand (previous year: €809 thousand) mainly include the recognition of prepayments for clinical service providers (€25 thousand; previous year: €772 thousand) and security for leased equipment and property in the amount of €30 thousand (previous year: €30 thousand). The latter are each deposited in bank accounts. Other items accounted for €11 thousand (previous year: €7 thousand).

This balance sheet item had to be written down by €1,156 thousand – in part due to advance payments made during the year – as part of the restructuring, and the related expense was recognized in research and development costs.

Heidelberg Pharma expects no non-current financial assets to be realized within the next 12 months.

13 Inventories

The inventories and work in progress recognized at cost (2025: €10,609 thousand; previous year: €11,816 thousand) concern finished goods/work in progress and raw materials, consumables and supplies, and prepayments made in this connection.

Write-downs on inventories in the amount of € 4,493 thousand (previous year: € 421 thousand) were recognized in research and development costs. In the fiscal year now ended, these are due to restructuring.

	30 Nov. 2025 €'000	30 Nov. 2024 €'000
Raw materials, consumables, and supplies	690	3,268
Work in progress	8,474	7,873
Finished products	0	8
Prepayments made	1,445	667
Inventories	**10,609**	**11,816**

No inventories were pledged as collateral for liabilities. Heidelberg Pharma projects that all inventories will be used up within the next 12 months and work in progress/unfinished goods will be completed/realized.

14 Prepayments

Prepayments in the sense of prepaid expenses (€398 thousand; previous year: €375 thousand) comprise the following items:

	30 Nov. 2025 €'000	30 Nov. 2024 €'000
Prepayments related to clinical development	79	5
Prepayments to other service providers	319	370
Prepayments	**398**	**375**

All prepayments made are of a current nature (< 12 months).

15 Trade receivables and contract assets

The trade receivables of €6 thousand (previous year: €284 thousand) result from collaborations including related material supplies and services invoiced by Heidelberg Pharma Research GmbH. As in the previous year, no contract assets were to be recognized as of the reporting date.

	30 Nov. 2025 €'000	30 Nov. 2024 €'000
Trade receivables	6	284
Contract assets	0	0
Total	**6**	**284**

The aging structure of trade receivables only (not including contract assets) as of the reporting date was as follows:

	30 Nov. 2025 €'000	30 Nov. 2024 €'000
0–30 days	0	21
30–90 days	0	263[2]
More than 90 days	6[1]	0
Total	**6**	**284**

[1] Percentage-of-completion receivable with a fixed payment schedule, not past due on the reporting date
[2] Payment term of 60 days, not past due on the reporting date

As a result, no past due receivables need to be recognized.

Heidelberg Pharma expects all trade receivables and contract assets to be realized within the next 12 months. Due to the manageable debtor structure, no global valuation allowance was recognized for reasons of materiality.

16 Other receivables

Other receivables are comprised as follows:

	30 Nov. 2025 €'000	30 Nov. 2024 €'000
VAT claim	251	93
Other tax receivables	906	946
Income from funding schemes	459	2,759
Receivables from the sale of the minority interest in Emergence	0	973
Receivables from interest on bank balances	14	221
Goods in transit	0	12
Receivables from lost material	0	466
Prepayments	395	163
Other items	316	36
Other receivables	**2,341**	**5,669**

Heidelberg Pharma expects all other receivables to be realized within the next 12 months. With regard to details on funding schemes, please see note 23. > *Page 127*

17 Cash

	30 Nov. 2025 €'000	30 Nov. 2024 €'000
Cash	14,976	29,422
Total	**14,976**	**29,422**

Cash consists exclusively of bank balances and due to the cash outflows from operating activities was down on the prior-year figure.

The following table shows the change in the Group's liabilities from financing activities, including cash changes during fiscal year 2025:

	1 Dec. 2024 €'000	New loans (+) repayment (–) of loans from affiliated companies €'000	Principal portion of lease payments €'000	Liabilities from new leases €'000	30 Nov. 2025 €'000
Proceeds from financing activities	22,761	18,391	–	–	41,152[1]
Transaction costs of financing activities	(1,577)	(304)	–	–	(1,881)
Lease liabilities	164	–	(126)	76	114

[1] Difference compared to the financial liabilities shown in the balance sheet due to EUR/USD exchange rate changes

18 Equity

As of 30 November 2025, the share capital (or subscribed capital) consisted of 46,784,317 (30 November 2024: 46,604,977) no par value bearer shares with a notional value of €1.00 per share (fully paid-up).

The increase of 179,340 shares is due to the exercise of stock options during the fiscal year 2025.

With regard to contingent and authorized capital, please refer to the disclosures in section 7.2, "Disclosures under Section 289a (1) and 315a (1) of the German Commercial Code as well as explanatory report" of the combined management report of the Group. > *Page 49*

The following shares were issued or created by way of exercising stock options in the reporting period or in the previous year:

Issue date	Entry in the Commercial Register	Number of shares	€
On 30 Nov. 2023		**46,604,977**	**46,604,977**
On 30 Nov. 2024		**46,604,977**	**46,604,977**
Exercise of stock options in fiscal year 2025	After the preparation of the consolidated financial statements	179,340	179,340
On 30 Nov. 2025		**46,784,317**	**46,784,317**

The arithmetical nominal amount and any premium on the issue of shares are reported under "subscribed capital" and "capital reserves" respectively. For the most part, the capital reserve includes the premiums exceeding the par value from the issue of new shares from capital increases as well as the share-based payment granted as consideration to employees in the form of stock options.

In accordance with IFRS 2, equity-settled share-based payments to employees are recognized in the capital reserve in the amount of the share earned as an offsetting item to the staff costs incurred. A total of €111 thousand (previous year: €908 thousand) was recognized in this context in the period under review (see note 25). > *Page 130*

The decrease is due to the restructuring measures initiated, as a result of which the options of numerous beneficiaries can no longer vest (since the service condition in terms of length of service was not met), and due to the fact that no new options were issued in 2025, unlike in 2024. The fact that the service condition was not met reduces the capital reserve by €257 thousand and reduces personnel expenses by the same amount. The more than offsetting effect of regular personnel expenses from stock options amounted to €368 thousand, resulting in a net effect of €111 thousand.

As of the reporting date of 30 November 2025, the capital reserves including €207 thousand in share premium amounted to € 313,680 thousand (previous year: € 313,362 thousand) and other reserves came to €2,022 thousand, with the latter having been recognized in 2023 in connection with the sale of the minority interest in Emergence and remaining unchanged.

Taking into account the cumulative losses of €373,404 thousand accumulated from the date of the Company's establishment through to the reporting date (previous year: €331,123 thousand), the equity of Heidelberg Pharma amounted to €–10,918 thousand (previous year: €30,866 thousand).

19 Non-current liabilities

19.1 Lease liabilities (non-current)

Non-current lease liabilities – which must be reported separately – total €13 thousand (previous year: € 49 thousand) and consist of liabilities for office, laboratory and archive space as well as vehicles.

19.2 Financial liabilities (non-current)

Non-current financial liabilities, which have to be recognized since 2024, amounted to €36,782 thousand at the end of the 2025 reporting period (2024: €21,809 thousand).

These consist solely of the upfront payments of USD 25 million from HCRx (2024) and the additional USD 20 million received in the fiscal year now ended, which both are initially required to be recognized as a non-current liability less the necessary transaction costs. IFRS 9, which is relevant in this case, stipulates that the carrying amount of the liability will only be gradually reduced and recognized in profit or loss after Telix has received the royalties.

Under the terms of the agreement, HCRx has been awarded security interests in the income from the out-licensing agreement with Telix up to a defined amount. Shares in HDP G250 Beteiligungs GmbH and the intellectual property transferred to HDP G250 AG & Co. KG were also pledged. In addition, a usufruct agreement was concluded with regard to all income from this intellectual property.

The financial liabilities are classified as financial instruments (see note 3.14). As a rule, the financial liabilities recognized are subsequently measured at amortized cost using the effective interest method. However, the timing and amount of future cash flows must be estimated to calculate the effective interest rate. Heidelberg Pharma decided to initially perform the subsequent measurement without taking future cash flows into account because there is significant planning uncertainty and reliable estimates of the cash flows are not available. What is more, if FDA approval is not granted, the liability will not be repaid. *> Page 91*

The Company therefore decided that it would calculate the effective interest rate as soon as an approval announcement for the product candidate has been made. Unless HCRx makes further payments as a result of a contract amendment (as was the case in 2025), the liability will remain at €36,782 thousand (previous year: €21,809 thousand). Since the liability is denominated in US dollars, translating and reporting the liability in euros may result in noticeable exchange differences.

So far, the sale of the receivables to HCRx has generally been recognized in the financial statements outside profit or loss and therefore did not have an impact on the statement of comprehensive income (IFRS 7.20). Interest expense will be recognized using the effective interest method from the date of FDA approval (IFRS 7.20b).

19.3 Deferred tax liabilities (non-current)

Due to a surplus of deferred tax liabilities, a deferred tax liability of €1,050 thousand was recognized (previous year: €0).

20 Current liabilities and provisions

20.1 Trade payables

Trade payables – equity and liabilities	30 Nov. 2025 €'000	30 Nov. 2024 €'000
Current trade payables	3,112	3,233
Current accrued trade payables	4,052	2,316
Trade payables	**7,164**	**5,549**

Current trade payables decreased as of the reporting date from €3,233 thousand in fiscal year 2024 to €3,112 thousand at the end of the 2025 reporting period. Current accrued trade payables witnessed a more significant rise to €4,052 thousand, due to an increase in liabilities for project services (previous year: €2,316 thousand).

Heidelberg Pharma recognizes accrued current trade payables for goods and services where it has a present obligation arising from the supply of goods and services received. Accruals were recognized in the amount of the payment outflow required to fulfill the current obligation. Most obligations in this category relate to research and development costs of service providers.

20.2 Lease liabilities (current)

Current lease liabilities totaled €102 thousand (previous year: €115 thousand) and consist of liabilities for office, laboratory and archive space as well as vehicles.

20.3 Contract liabilities (current)

Current contract liabilities decreased from €1,202 thousand in the previous year to €27 thousand. Previous year's current contract liabilities were mainly due to the advance payment made by Huadong in connection with in-licensing.

20.4 Provisions

The following provisions have been recognized as a result of the restructuring measures initiated:

	1 Dec. 2024 €'000	Additions €'000	Use €'000	Reversal €'000	30 Nov. 2025 €'000
Severance payments for staff	0	1,241	0	0	1,241
Leaves of absence of staff	0	698	0	0	698
Litigation costs as a result of actions against wrongful dismissal	0	113			113
Asset retirement provisions	0	230	0	0	230
Building vacancies	0	50	0	0	50
Onerous contracts	0	675	0	0	675
Provisions	**0**	**3,006**	**0**	**0**	**3,006**

The provisions that arose only in the fiscal year now ended as a result of the restructuring measures initiated in connection with staff relate to severance payments, leaves of absence and any litigation costs. Other provisions were recognized for onerous contracts, building vacancies and asset retirement obligations. Please also see note 7. *> Page 106*

20.5 Other current liabilities

Other current liabilities included the following:

	30 Nov. 2025 €'000	30 Nov. 2024 €'000
Obligation for holidays not taken	373	359
Social security and other taxes	244	227
Overtime	61	42
Employee bonuses and profit-sharing bonuses	144	356
Service anniversaries	23	50
Other items	66	97
Other current liabilities	**911**	**1,131**

Employee bonuses are granted depending on the performance of the Company and of individual employees or members of the Executive Management Board, and, once determined, are due for payment. They are recognized as an expense when the remunerated service is provided by the employee. The portion of the expense in excess of the payments already made is presented as an accrued liability as of the reporting date. The amount is attributable to the assumption that lower bonuses will be paid than in the past fiscal year.

21 Other disclosures on financial instruments

In summary, Heidelberg Pharma applied the following classification to financial assets:

21.1 Fair values

Carrying amounts and fair values follow from the table below. In addition, the financial instruments were broken down into categories pursuant IFRS 9 (see note 3.14): > *Page 91*

30. November 2025	IFRS 9 measurement category	Carrying amount €'000	Fair value €'000	Fair value by level			
				Level 1	Level 2	Level 3	Total
Assets							
Trade receivables	AC	6	6				
Other receivables	AC	2,341	2,341				
Cash	AC	14,976	14,976				
Liabilities							
Trade payables	AC	(7,164)	(7,164)				
Lease liabilities (current/non-current)	AC	(114)	–				
Financial liabilities (non-current)	AC	(36,782)	(36,782)				

Trade receivables and other receivables all have remaining maturities of less than one year. No default risks are discernible in connection with the assets.

The carrying amounts of liabilities such as cash and trade payables correspond to their fair values on account of their current nature.

There were no net gains or losses within the meaning of IFRS 7.20 during the fiscal year.

No more interest expense arose from financial liabilities carried at amortized cost (previous year: €136 thousand).

As of 30 November 2024, the figures were as follows:

30 November 2024	IFRS 9 measure-ment category	Carrying amount €'000	Fair value €'000	Fair value by level			
				Level 1	Level 2	Level 3	Total
Assets							
Trade receivables	AC	284	284				
Other receivables	AC	5,669	5,669				
Cash	AC	29,422	29,422				
Liabilities							
Trade payables	AC	(5,549)	(5,549)				
Lease liabilities (current/non-current)	AC	(164)	–				
Financial liabilities	AC	(21,809)	(21,809)				

21.2 Fair value hierarchy levels

In accordance with IFRS 13.76 ff., hierarchy levels are to be used to determine and disclose the fair value of financial instruments (see note 5.2). *> Page 105*

Fair value is determined using the same assumptions and taking into account the same characteristics of an asset or a liability on which independent market participants would base their assessment.

As of the balance sheet date, the Company held no underlying financial instruments measured at fair value. In 2025 and 2024, there were no reclassifications of items between fair value hierarchy levels.

For assets that the Group holds and liabilities that the Group reports, the carrying amounts are generally used as approximate fair values. The fair value of financial liabilities was determined using cash flows discounted at the risk-adjusted market interest rate; it is a fair value of hierarchy level 2.

21.3 Risks from financial instruments

In respect of risks from financial instruments, see for example the section on the management of financial risks (see note 5). *> Page 103*

Financial instruments with an inherent default and liquidity risk mainly comprise cash, financial assets as well as other receivables. The carrying amounts of the financial assets generally reflect the maximum default risk.

Liquidity risk

Most of the cash (€14,976 thousand; previous year: €29,422 thousand) is denominated in US dollar due to the payments received from HCRx, with a smaller amount denominated in euros and British pounds, and have been invested essentially with banks belonging to the German Deposit Insurance Fund and/or the deposit assurance fund of the German Savings Banks Organization. But Heidelberg Pharma monitors the positions held and the respective bank's credit rating on an ongoing basis nonetheless. No such risks were identifiable at the reporting date.

Since the Company's cash as of the reporting date were invested exclusively in demand deposits and current accounts, the Company believes there is no interest rate risk and cash would not react sensitively to interest rate changes.

The Company is exposed to a liquidity risk given both its business model and the still insufficient cash flows from the marketing of its own products and services. Heidelberg Pharma employs a rolling, monthly cash flow planning and age analysis in order to be able to recognize liquidity risks in due time. Heidelberg Pharma was able to meet its payment obligations at all times in the fiscal year just ended.

The financial liabilities of €36.8 million shown on the balance sheet will be repaid solely by Telix through its royalty payments to HCRx following approval of the diagnostic agent. No additional payments need to be made by Heidelberg Pharma.

The Group's financial liabilities have the following maturities. The disclosures are based on contractual, undiscounted payments.

30 November 2025	Due on demand €'000	Up to 3 months €'000	3 to 12 months €'000	1 to 5 years €'000	More than 5 years €'000	Total €'000
Trade payables	1,248	5,346	570	0	0	7,164
Other liabilities	40	699	165	0	7	911
Financial liabilities	–	–	–	36,782	–	36,782

The following maturities applied in the previous year:

30 November 2024	Due on demand €'000	Up to 3 months €'000	3 to 12 months €'000	1 to 5 years €'000	More than 5 years €'000	Total €'000
Trade payables	1,464	3,999	86	–	–	5,549
Other liabilities	57	641	423	3	7	1,131
Financial liabilities	–	–	–	21,809	–	21,809

With regard to the maturity analysis for lease liabilities, please see note 30. > *Page 140*

Default risk

The company in question controls the default risk arising from receivables due from customers in line with the Group's policies, procedures and controls for the management of the default risk for customers. However, the customer's credit quality is not checked.

The trade receivables (€6 thousand; previous year: €284 thousand) at the close of the fiscal year were attributable to business customers; they were mainly invoiced as of the 30 November 2025 reporting date or immediately preceding it. No trade receivables were past due as of the reporting date (see note 15). No loss allowances are necessary in the Executive Management Board's view because Heidelberg Pharma does not expect any default risks to arise. > *Page 116*

Market risk

Heidelberg Pharma is also exposed to a market risk, e. g. from changes in interest rates, and a currency risk from the euro's exchange rate vis-à-vis other currencies. This exchange rate risk includes the relative decrease or increase of the euro vis-à-vis the other currencies during the period until payment of the liability or receivable. Heidelberg Pharma reviews the need for foreign currency hedges on an ongoing basis during the year but does not engage in any hedging. Instead, the Company aims to pay liabilities in foreign currencies using existing bank balances in the respective currency in order to keep the risk of exchange rate fluctuations as low as possible.

As of 30 November 2025, there were foreign currency risks concerning trade payables in the amount equivalent to €38,607.6 thousand in US dollars and €773.8 thousand in British pounds and €47.8 thousand in Swiss francs. Any increase or decrease in the euro by 10% compared to the given foreign currency would have had the following effect on earnings and equity in the fiscal year ended:

2025	Liabilities in €'000	10% increase in €'000	10% decrease in €'000
Euro vs. US dollar	38,607.6	3,509.8	(4,289.7)
Euro vs. British pound (GBP)	47.8	4.3	(5.3)
Euro vs. Swiss franc (CHF)	773.8	70.3	(86.0)

The financial liabilities in US dollar from the sale of receivables to HCRx were taken into account here.

In 2025 and 2024, a significant portion of the sales revenue was affected by the respective USD/euro exchange rate (see note 22). These were one-off cash transactions that were translated at the transaction date exchange rate, and recognized as revenue or accrued. The Company generated sales revenue equivalent to €1.2 million in USD in the 2025 fiscal year (previous year: €4.7 million). > *Page 126*

An increase of 10% in the average USD exchange rate in fiscal year 2025 as part of a sensitivity analysis (i.e. the USD appreciates against the euro) would have lifted sales revenue by €130 thousand (previous year: €519 thousand). A decrease of 10% in the average USD exchange rate (i.e. the USD depreciates against the euro) would have depressed sales revenue by €106 thousand (previous year: €425 thousand). Sales revenue in currencies other than the euro and the US dollar was not generated in 2024 or 2025 (see note 22). > *Page 126*

Heidelberg Pharma's cash held in foreign currencies (only USD and GBP, no CHF) are exposed to foreign currency risks. Heidelberg Pharma monitors the USD exchange rate throughout the year in order to intervene as necessary by selling or buying foreign currencies without however hedging such transactions by means of derivative financial instruments.

Cash in USD as of the 30 November 2025 reporting date were equivalent to €11,202 thousand (30 November 2024: €1,508 thousand). The amount held in British pounds was equivalent to €463 thousand (30 November 2024: €733 thousand).

Non-derivative financial liabilities in the form of trade payables must be classified as current. As a rule, trade payables are due within one month.

22 Sales revenue

Sales revenue (or revenue from contracts with customers) of the Heidelberg Pharma Group in the fiscal year just ended totaled €1,457 thousand (previous year: €6,849 thousand).

	2025 €'000	2024 €'000
ATAC technology sales revenue	1,452	6,815
Service business sales revenue	5	34
Sales revenue	**1,457**	**6,849**

At €1.2 million, around 80% of sales revenue stems from granting the development and commercialization rights to HDP-103 for parts of Asia to Huadong in 2022 (previous year: €4.6 million). This three-year accrual has therefore expired as planned and will no longer generate any future sales revenue.

There was also sales revenue of €0.3 million from the ADC business and €5 thousand from the service business (previous year: €5.1 million and €34 thousand, respectively).

The sales revenue realized from ADC technology was recognized either at a point in time or over time, depending on the respective contractual arrangements. Sales revenue from out-licensing was recognized at a point in time, sales revenue from service business was recognized over time.

Sales revenue which was exclusively allocated to the current contract liabilities as of 1 December 2024 was fully realized in the amount of €1.2 million in fiscal year 2025 (previous year: €5.0 million).

The transaction price allocated to the (unfulfilled or partially unfulfilled) remaining performance obligations results from expected sales revenue from the ADC technology in the amount of €27 thousand (previous year: €1,202 thousand).

Heidelberg Pharma estimates that the remaining €27 thousand, which was recognized as a contract liability as of the 30 November 2025 reporting date, can be realized in the 2026 fiscal year.

Regional distribution

The following table shows the regional distribution of 2025 sales revenue in terms of a customer's or collaboration partner's domicile:

	2025		2024	
Region	**€'000**	**%**	**€'000**	**%**
Germany	5	0	34	0
Europe	–	–	–	–
of which CH	–	–	–	–
USA	285	20	2,144	32
Rest of the world	1,168	80	4,671	68
of which China	1,168	–	4,671	–
Total	**1,457**	**100**	6,849	100

As in 2024, all sales revenue was generated in euros (€0.3 million; 2024: €2.2 million) and US dollar (€1.2 million; 2024: €4.7 million) in 2025.

More than 10% of sales revenue (€0.3 million) was generated in 2025 with a US company under a research and license agreement. In addition, more than 10% of sales revenue was generated with a Chinese company as part of a strategic partnership (€1.2 million).

In the previous fiscal year, more than 10% of sales revenue (total of €6.8 million) was generated in each case with a US company under a research and license agreement and with a Chinese company as part of a strategic partnership.

Contract balances	30 Nov. 2025 €'000	30 Nov. 2024 €'000
Trade receivables	6	284
Contract assets	0	0
Contract liabilities	27	1,202

Trade receivables are not interest-bearing and, as a rule, they are due within a period of between 30 and 90 days. No loss allowances were recognized on these in 2025 and 2024. As a result, the closing balance of the allowances on trade receivables remained at €0 thousand.

The contract liabilities usually comprise current and non-current prepayments for collaboration agreements.

23 Other income

Other income (€5,474 thousand; previous year: €5,112 thousand) comprises the following items:

Other income	2025 €'000	2024 €'000
Income from milestone payments	1,440	0
Income from exchange rate gains	3,201	367
Income from government grants	530	2,818
Accrued liabilities not utilized to date	131	1,219
Proceeds from non-monetary benefits	56	58
Income from passing on patent costs	35	32
Income from sales of fixed assets	2	1
Reimbursement under the Expenditure Compensation Act	52	87
Income from damages	0	466
Other items	27	64
Total	**5,474**	**5,112**

A milestone payment in the context of a previous sale of a minority equity interest generated €1.4 million in income in 2025 as a result of clinical progress made. Heidelberg Pharma had previously classified the achievement of the milestone-triggering event as unlikely. There were no such effects in the previous year.

Exchange differences for relevant currencies led to considerably higher gains of €3,201 thousand being generated than in the previous year (€367 thousand). These are primarily due to the fact that the existing financial liabilities arising from HCRx payments in US dollars are reduced by the dollars weak performance against the euro this year, and the difference is recognized through profit or loss as an unrealized exchange rate gain.

In particular, income from German and European government grants under the German Research Allowance Act and various EU programs was available to support Heidelberg Pharma projects in the amount of €530 thousand (previous year: €2,818 thousand). The German grants (€459 thousand) were applied for retroactively for 2024, though final approval by the responsible body and a review by the tax office are still outstanding (IAS 20.39). No further government assistance was applied for in the 2025 fiscal year.

Furthermore, income of €131 thousand was recognized from the reversal of unused accrued liabilities (2024: €1,219 thousand). Compensation through damages also yielded income of €466 thousand in the previous fiscal year.

All other items such as the proceeds from non-monetary benefits, income from passing on patent costs, from sales of fixed assets, from the Expenditure Compensation Act (Aufwendungsausgleichsgesetz, AAG) and from all other items as in 2024 amounted to €0.2 million.

24 Types of expenses

The statement of comprehensive income breaks down operating expenses into the following categories:

- Cost of sales
- Research and development costs
- Administrative costs
- Other expenses

Operating expenses including depreciation and amortization increased considerably to €49.0 million in 2025 compared to the previous year (€32.6 million).

Operating expenses	2025 € million	2024 € million
Cost of sales	0.3	1.8
Research and development costs	38.7	21.8
Administrative costs	7.6	6.7
Other expenses	2.4	2.3
Total	**49.0**	**32.6**

The **cost of sales** concerns the Group's costs directly related to sales revenue. These costs were mainly related to expenses for the supply of Amanitin linkers to licensing partners. In 2025, these costs amounted to €0.3 million, well below the previous year's figure of €1.8 million, and represented 1% of operating expenses.

Research and development (R&D) costs of €38.7 million rose year-over-year (previous year: €21.8 million) due to higher costs for the ongoing clinical trial with pamlectabart tismanitin (HDP-101) and the launch of the second clinical trial with HDP-102. Around € 9.6 million was also incurred in this context as restructuring expenses, including write-downs on property, plant and equipment. At 79% of operating expenses, R&D remained the largest cost item.

Administrative costs were €7.6 million, an increase on the prior year figure of €6.7 million, and accounted for 15% of operating expenses.

These include staff costs of €4.5 million (previous year: €4.1 million), of which €0.1 million (previous year: €0.4 million) concerned expenses from stock options in the reporting period. This line item also includes legal and operating consulting costs in the amount of €1.1 million (previous year: €1.2 million), internal/external costs of preparing the annual financial statements (€0.4 million; previous year: €0.3 million), and expenses related to the Annual General Meeting, Supervisory Board remuneration and the stock market listing (€0.8 million; previous year: €0.8 million). Other items amounted to €0.8 million (previous year: €0.3 million). Restructuring expenses in administration came to € 1.0 million.

Other expenses for business development, marketing, commercial market supply activities and all other items, which mainly comprise staff and travel costs, fell slightly to €2.4 million year-over-year (previous year: €2.3 million) and made up 5% of operating expenses.

This also includes expenses for realized and unrealized exchange rate differences according to IAS 1.35, which amounted to €1.2 million (2024: €0.9 million).

The following expenses are recognized in the statement of comprehensive income:

	2025 €'000	2024 €'000
Staff costs	12,177	11,902
Travel costs (incl. conference fees)	588	608
Office costs (incl. utilities and maintenance)	623	608
Other internal costs	574	463
External research and development costs/laboratory	17,058	12,563
Legal and consulting costs (incl. patent costs)	3,653	2,856
Depreciation and amortization	853	871
Stock market listing	802	832
IT/licenses	858	862
Restructuring expenses	10,621	0
Expenses from exchange rate differences	1,225	889
Other expenses	0	172
Total	**49,032**	**32,626**

The rise in staff costs in the past fiscal year is mainly attributable to the recruitment of experts and general salary increases. Expenses from the granting of stock options under IFRS 2 Share-based Payments included in this item decreased significantly, however (see note 25). > Page 130

Travel costs fell despite a higher level of attendance at trade conferences and an increase in external employees due to cost savings made in the last quarter of the fiscal year.

Occupancy costs rose slightly as a result of necessary renovation work done at the Ladenburg site. In accordance with IFRS 16, the actual rental expense is not recognized as occupancy costs, but as depreciation in the respective amount of €95 thousand (previous year: €83 thousand).

In summary, other internal costs and other expenses have decreased compared to 2024.

Legal and consulting costs increased. The latter result from numerous projects related to business development, funding, strategy as well as R&D activities including the patent portfolio. This expense item contains the cost of conventional legal representation as well as operating consulting costs.

External research, development and laboratory costs mainly comprise the cost of purchased services. These increased compared to the previous year due to the cost-intensive implementation of two clinical trials.

Depreciation and amortization fell as a result of lower investment in depreciable assets in the reporting periods.

The costs of listing on the stock exchange include, among other things, expenses for the Annual General Meeting, the remuneration of the Supervisory Board and other investor relations expenses directly attributable to this matter.

IT and license expenses were virtually stable year-over-year as a result of continued digitalization efforts.

Restructuring expenses amounted to €10.6 million and are described in detail in note 7. > Page 106

25 Staff costs

In the comparative periods, Heidelberg Pharma employed the following number of staff on average (headcount):

Employees[1]	2025	2024
Research and development	85	71
Business development	3	3
Administration	19	22
Central functions (corporate)	15	14
Total	**122**	**110**

[1] Without postdocs, staff on extended sick leave and interns

Staff costs for this purpose comprise the following items:

	2025 €'000	2024 €'000
Wages and salaries	9,754	8,480
Social security costs	1,631	1,425
Costs of pensions	159	153
Expenses from accrued vacation entitlements and overtime	32	38
Bonuses	175	420
Expenses from share-based payment	111	908
Continuing professional development	77	83
Recruitment	33	145
Occupational safety and employer's liability insurance association	58	82
Other staff costs	145	168
Total staff costs	**12,177**	**11,902**

The wages and salaries and social security costs items rose year-over-year due to a higher number of employees and an elevated salary structure. The provisions for bonuses recognized for the 2025 fiscal year were significantly reduced on the assumption that fewer bonuses will be paid out in 2026.

The granting of stock options in accordance with IFRS 2 "Share-based Payments" resulted in considerably lower staff costs of €111 thousand in 2025 (previous year: €908 thousand) (see note 18). > *Page 118*

The following is a breakdown of the stock option plans (SOPs) in place during the reporting period, all of which were classified and measured as equity-settled share-based payments. There were no changes to or cancellations of plans in either the past fiscal year or the prior period.

2011 Stock Option Plan (2011 SOP)

The Annual General Meeting on 18 May 2011 voted to authorize Heidelberg Pharma AG to issue a total of 1,156,412 stock options as part of the 2011 Stock Option Plan to members of the Executive Management Board and employees of Heidelberg Pharma AG as well as beneficiaries of affiliates.

The first time the stock options can be exercised is after a lock-up period of four years from the respective issuing date. The stock options can only be exercised if Heidelberg Pharma AG's share price during the ten trading days preceding the start of the relevant exercise period ("reference price") exceeds the exercise price by at least 20% (absolute performance target). Furthermore, it must be noted that the options can only be exercised as long as the reference price exceeds the exercise price at least by the ratio by which the TecDAX on the last trading day prior to the relevant exercise period exceeds the TecDAX on the issuing date (relative performance target).

If the Heidelberg Pharma share price increases by more than 50% within the last three months prior to the respective exercise period and the percentage increase in the TecDAX (price index) in the same period is not equal to at least two thirds of the increase in the Heidelberg Pharma share price, the value of the new Heidelberg Pharma shares issued to a beneficiary in an exercise period is limited ("cap"). The cap corresponds to three times the annual gross remuneration (including all benefits subject to income tax, such as company cars, etc.) that the beneficiary received from the Company or its affiliates in the twelve months preceding the exercise date.

The authorization to grant stock options from the 2011 Stock Option Plan expired in 2016. No new options can therefore be granted under this plan. Tranche 1 from the 2011 Stock Option Plan (issued in 2012) expired without replacement after a ten-year term; tranche 2 (issued in 2016) can still be exercised. As in the previous year, Heidelberg Pharma no longer incurred any staff costs in 2025 under the 2011 Stock Option Plan.

2017 Stock Option Plan (2017 SOP)

The Annual General Meeting on 20 July 2017 voted to authorize Heidelberg Pharma AG to issue a total of 661,200 stock options as part of the 2017 Stock Option Plan to members of the Executive Management Board and employees of Heidelberg Pharma AG as well as beneficiaries of affiliates.

The first time the stock options can be exercised is after a lock-up period of four years from the respective issuing date. The stock options can only be exercised if Heidelberg Pharma AG's share price during the ten trading days preceding the start of the relevant exercise period ("reference price") exceeds the exercise price by at least 20% (absolute performance target). Furthermore, it must be noted that the options can only be exercised as long as the reference price exceeds the exercise price at least by the ratio by which the TecDAX on the last trading day prior to the relevant exercise period exceeds the TecDAX on the issuing date (relative performance target). If the Heidelberg Pharma share price increases by more than 50% within the last three months prior to the respective exercise period and the percentage increase in the TecDAX (price index) in the same period is not equal to at least two thirds of the increase in the Heidelberg Pharma share price, the value of the new Heidelberg Pharma shares issued to a beneficiary in an exercise period is limited ("cap"). The cap corresponds to twice the annual gross remuneration (including all benefits subject to income tax, such as company cars, etc.) that the beneficiary received from the Company or its affiliates in the twelve months preceding the exercise date.

The authorization to grant stock options from the 2017 Stock Option Plan expired in 2022. No new options can therefore be granted under this plan.

As in the previous year, Heidelberg Pharma no longer incurred any staff costs in 2025 under the 2017 Stock Option Plan.

2018 Stock Option Plan (2018 SOP)

The Annual General Meeting on 26 June 2018 voted to authorize Heidelberg Pharma AG to issue a total of 1,490,622 stock options as part of the 2018 Stock Option Plan to members of the Executive Management Board and employees of Heidelberg Pharma AG as well as beneficiaries of affiliates. The first time the stock options can be exercised is after a lock-up period of four years from the respective issuing date. The stock options can only be exercised if Heidelberg Pharma AG's share price during the ten trading days preceding the start of the relevant exercise period ("reference price") exceeds the exercise price by at least 20% (absolute performance target). Furthermore, it must be noted that the options can only be exercised as long as the reference price exceeds the exercise price at least by the ratio by which the TecDAX on the last trading day prior to the relevant exercise period exceeds the TecDAX on the issuing date (relative performance target). If the Heidelberg Pharma share price increases by more than 50% within the last three months prior to the respective exercise period and the percentage increase in the TecDAX (price index) in the same period is not equal to at least two thirds of the increase in the Heidelberg Pharma share price, the value of the new Heidelberg Pharma shares issued to a beneficiary in an exercise period is limited ("cap"). The cap corresponds to twice the annual gross remuneration (including all benefits subject to income tax, such as company cars, etc.) that the beneficiary received from the Company or its affiliates in the twelve months preceding the exercise date.

Heidelberg Pharma incurred staff costs of €14 thousand under the 2018 Stock Option Plan in 2025 (previous year: €108 thousand).

2023 Stock Option Plan (2023 SOP)

The Annual General Meeting on 25 May 2023 voted to authorize Heidelberg Pharma AG to issue a total of 2,621,035 stock options as part of the 2023 Stock Option Plan to members of the Executive Management Board and employees of Heidelberg Pharma AG as well as beneficiaries of affiliates. The first time the stock options can be exercised is after a lock-up period of four years from the respective issuing date. The stock options can only be exercised if Heidelberg Pharma AG's share price during the ten trading days preceding the start of the relevant exercise period ("reference price") exceeds the exercise price by at least 20% (absolute performance target). Furthermore, it must be noted that the options can only be exercised as long as the reference price exceeds the exercise price at least by the ratio by which the TecDAX on the last trading day prior to the relevant exercise period exceeds the TecDAX on the issuing date (relative performance target). If the Heidelberg Pharma share price increases by more than 50% within the last three months prior to the respective exercise period and the percentage increase in the TecDAX (price index) in the same period is not equal to at least two thirds of the increase in the Heidelberg Pharma share price, the value of the new Heidelberg Pharma shares issued to a beneficiary in an exercise period is limited ("cap"). The cap corresponds to twice the annual gross remuneration (including all benefits subject to income tax, such as company cars, etc.) that the beneficiary received from the Company or its affiliates in the twelve months preceding the exercise date.

Heidelberg Pharma incurred staff costs of €97 thousand under the 2023 Stock Option Plan in 2025 (previous year: €800 thousand).

The following table shows a summary of the Company's stock option plans/stock options with respect to their measurement:

Stock option plan	**2011**[1]	**2017**	**2018**		**2023**	
Issue	**Tranche 2**	**Tranche 1**	**Tranche 1**	**Tranche 2**	**Tranche 1**	**Tranche 2**
Measurement date	2 June 2016	23 Apr. 2018	19 June 2019	5 Aug. 2021	31 July 2023	8 Aug. 2024
Measurement method	Monte Carlo model in each case					
Fair value per option	€1.41	€1.07	€1.12	€3.07	€1.75	€1.08
Exercise price (uniform and therefore also average)	€1.89	€3.41	€2.79	€7.28	€3.57	€2.61
Price of the Heidelberg Pharma share as of the measurement date	€1.83	€2.82	€2.83	€6.90	€3.56	€2.45
Maximum term	10 years	10 years	10 years	10 years	10 years	10 years
Expected vesting period until the measurement date	3.95 years	4.00 years	3.96 years	3.96 years	3.96 years	4.00 years
Expected volatility of the Heidelberg Pharma share[2]	89.42%	54.96%	48.59%	60.33%	61.20%	48.22%
Expected dividend yield of the Heidelberg Pharma share	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate	–0.47%	–0.19%	–0.70%	–0.82%	2.60%	2.17%
Remaining term as of 30 Nov. 2025	0.50 years	2.39 years	3.51 years	5.68 years	7.67 years	8.68 years

[1] Tranche 1 of the AOP 2011 expired without replacement in fiscal year 2022 after a ten-year term

[2] Determined on the basis of the historical volatility of Heidelberg Pharma shares

The following table shows a summary of the Company's stock option plans/stock options under the 2011, 2017, 2018 and 2023 plans with respect to their issue:

All information provided in no. of options	2011 Plan	2017 Plan	2018 Plan	2023 Plan	Total
Max. number of stock options to be issued acc. to plan terms	**1,156,412**	**661,200**	**1,490,622**	**2,621,035**	**5,929,269**
of which Executive Management Board	346,924	201,200	298,100	786,311	1,632,535
of which employees	809,488	460,000	1,192,522	1,834,724	4,296,734
Stock options actually issued	**685,726**	**653,430**	**1,116,140**	**1,080,000**	**3,535,296**
of which Executive Management Board	364,000	201,200	223,050	255,000	1,043,250
of which employees	321,726	452,230	893,090	825,000	2,492,046
Max. number of stock options still available for issue	**0**	**0**	**0**	**1,541,035**	**1,541,035**
of which Executive Management Board	0	0	0	531,311	531,311
of which employees	0	0	0	1,009,724	1,009,724
Exercise of stock options by beneficiaries	**176,900**	**19,810**	**41,750**	**0**	**238,460**
of which Executive Management Board	90,000	0	0	0	90,000
of which employees	86,900	19,810	41,750	0	148,460
of which Executive Management Board in 2025	90,000	0	0	0	90,000
of which employees in 2025	42,800	8,670	37,870	0	89,340
Return of stock options by beneficiaries leaving the Company	**97,743**	**54,035**	**99,377**	**188,313**	**439,468**
of which Executive Management Board	26,500	0	0	0	26,500
of which employees	71,243	54,035	99,377	188,313	412,968
of which Executive Management Board in 2025	0	0	0	0	0
of which employees in 2025	0	0	298	155,844	156,141
Expiry of stock options without replacement after ten-year term	**183,211**	**0**	**0**	**0**	**183,211**
of which Executive Management Board	85,500	0	0	0	85,500
of which employees	97,711	0	0	0	97,711
of which Executive Management Board in 2025	0	0	0	0	0
of which employees in 2025	0	0	0	0	0

All information provided in no. of options	2011 Plan	2017 Plan	2018 Plan	2023 Plan	Total
Stock options outstanding	**227,872**	**579,585**	**975,013**	**891,687**	**2,674,157**
of which Executive Management Board	162,000	201,200	223,050	255,000	841,250
of which employees	65,872	378,385	751,963	636,687	1,832,907
Vested stock options (outstanding)	**227,872**	**579,585**	**975,013**	**621,875**	**2,404,345**
of which Executive Management Board	162,000	201,200	223,050	163,125	749,375
of which employees	65,872	378,385	751,963	458,750	1,654,970
of which have vested in 2025	0	0	43,325	217,469	260,794
of which Executive Management Board	0	0	4,625	48,750	53,375
of which employees	0	0	38,700	168,719	207,419
Non-vested stock options (outstanding)	**0**	**0**	**0**	**269,812**	**269,813**
of which Executive Management Board	0	0	0	91,875	91,875
of which employees	0	0	0	177,937	177,938
Exercisable stock options (outstanding)	**227,872**	**579,585**	**602,181**	**0**	**1,409,638**
of which Executive Management Board	162,000	201,200	149,050	0	512,250
of which employees	65,872	378,385	453,131	0	897,388

26 Currency gains/losses

Heidelberg Pharma generated a net unrealized currency gain of €1,976 thousand in fiscal year 2025 (previous year: currency loss of €545 thousand). The currency effects where shown as gross amounts in other income and other expenses.

27 Financial result

In the fiscal year now ended, finance income of €874 thousand (previous year: €1.425 thousand) was generated. Reasons for the reduction include a lower level of cash, and a general decline in interest rates. Heidelberg Pharma exclusively used short-term deposits for investing its liquid funds (e.g. overnight money); at no time were investments made in stock or share-based financial instruments.

There were no finance costs as such. This compares to finance costs of €136 thousand triggered by the dievini shareholder loan in 2024. The interest portion of leases (€5 thousand each) was also added to finance costs.

This gives a financial result of €869 thousand (previous year: €1,283 thousand).

	2025 €'000	2024 €'000
Interest income from bank accounts/Other	874	1.425
Finance income	874	1.425
Interest expense from shareholder loans	–	(136)
Interest expense from leasing agreements	(5)	(5)
Interest expense from other items	–	–
Finance costs	(5)	(141)
Financial result	**869**	**1.283**

28 Income taxes

Due to operating losses in previous periods, no income tax was incurred, nor was there income from deferred taxes. However, expenses from deferred taxes amounted to €1,050 thousand (previous year €0).

Deferred taxes were calculated on the basis of the tax rate that is expected to apply at the time the temporary differences reverse. However, starting in 2028, the current corporation tax rate of 15% will be reduced by percentage point each year until it reaches 10% in 2032.

For Heidelberg Pharma, this results in a composite tax rate of 28.60% on temporary differences, which will reverse by 2027 (previous year: 28,43%). This composite tax rate will gradually decrease to 23.32% in fiscal year 2032. It consists of a corporation tax rate of between 10% and 15% (previous year: 15%), solidarity surcharge of 5.5% (previous year: 5.5%) and trade tax of 12.60% (previous year: 12.60%).

The reported current tax expense deviates from the expected tax income. The nominal tax rate of 28.43% (previous year: 28.60%) must be applied to income in accordance with IFRSs. Reconciliation of the differences is shown in the following table.

	2025 €'000	2024 €'000
Earnings before tax	(41,231)	(19,382)
Tax rate	28.60%	28.43%
Expected tax income (earnings x tax rate)	**11,790**	**5,509**
Deferred taxes on losses for the period not qualifying for recognition	(11,559)	(4,868)
Change in non-recognized temporary differences	(1,050)	(366)
Non-deductible operating expenses/Other	(231)	(1,008)
Reported tax expense	**(1,050)**	**0**

The existing deferred tax assets and deferred tax liabilities as of 30 November are attributable as follows:

	2025 €'000	2024 €'000
Deferred tax assets		
Other current assets	0	164
Other non-current assets	594	272
Different carrying amount of the equity investment	74	94
Loss carryforwards taken into account	0	302
Other liabilities and provisions	617	219
	1,285	**1,052**
Deferred tax liabilities		
Intangible assets	713	709
Other current assets	857	0
Other non-current assets	436	0
Other liabilities	330	343
	2,335	**1,052**
Deferred income taxes, net	**(1,050)**	**0**

A portion of €74 thousand (previous year: €94 thousand) of the deferred tax assets resulted from outside basis differences in respect of different measurements of the equity investment.

Applying IAS 12.74, deferred tax assets and liabilities were offset in the past, if they exist vis-à-vis the same taxation authority, arise in the same periods and entail corresponding rights. Deferred tax assets on loss carryforwards were recognized only in an amount that is equal to the existing deferred tax liabilities.

The Minimum Taxation Act did not apply in this context. Accordingly, there were no deferred tax assets and liabilities in connection with "Pillar 2 income taxes".

A liability must be recognized in accordance with IAS 12 if the carrying amount of an asset/liability differs from the corresponding tax base. Since there was a surplus of deferred tax liabilities for the first time, deferred tax liabilities had to be recognized for all taxable temporary differences.

As further losses can be expected over the next years, no deferred tax assets were recognized regarding the following matters:

	2025 €'000	2024 €'000
Loss carryforwards		
for corporation tax	384,592	339,689
for trade tax	379,579	334,829
Deductible temporary differences	**0**	**0**

The tax loss carryforwards shown in the table above based on tax notices issued and current tax calculations are mainly attributable to Heidelberg Pharma AG (corporation tax loss carryforward of €317,468 thousand; trade tax loss carryforward of €314,029 thousand) and may be carried forward indefinitely. Further loss carryforwards concern the subsidiary Heidelberg Pharma Research GmbH, which based on the tax notices issued by the tax office and its current tax calculations shows €67,124 thousand and €65,550 thousand in losses carried forward for corporation tax and trade tax purposes, respectively. No deferred tax assets were recognized for tax loss carryforwards in the current fiscal year (previous year: €302 thousand).

Note the following in regards to the tax loss carryforwards available to Heidelberg Pharma AG and Heidelberg Pharma Research GmbH: The deduction of existing losses carried forward is excluded if the company carrying forward these losses loses its tax identity. In accordance with Section 8 (4) German Corporation Tax Act (version applicable until the end of 2007), a company is deemed to have lost its tax identity if the two following criteria are met cumulatively: (i) more than 50% of the shares in the company have been transferred and (ii) the company continues or relaunches its operations mainly with new assets. The legal limit on deductibility of operating losses applies to corporation tax and trade tax.

In fiscal year 2025, Heidelberg Pharma AG was subject to a tax audit for the period from 2020 to 2022. Since the audit did not result in any changes in the tax base, the final determination was made that the loss carryforwards accrued by 31 December 2022 amounted to €304.8 million (corporation tax) and €300.0 million (trade tax).

According to the amendment of Section 8c German Corporation Tax Act pursuant to the 2018 Annual Tax Act (Jahressteuergesetz, JStG), the amended Section 8c now only provides for a single set of circumstances, i.e. the full extinguishment of loss carryforwards in the event of the transfer of more than 50% of the shares in a corporation within five years. As a result, the loss carryforwards are no longer extinguished proportionately, if more than 25% and up to 50% of the shares are transferred within five years. The group clause and the hidden reserve clause in Section 8c of the KStG and the loss carryforward subject to continuation of the business ("fortführungsgebundener Verlustvortrag") in Section 8d of the KStG were preserved unchanged.

Because capital increases also cause shifts in shareholdings and thus adverse acquisitions of equity as defined in Section 8c of the KStG, the capital increases implemented after 2022 and the changed identity of the Company as a result of the restructuring measures could lead to the elimination of the tax loss carryforwards.

In 2011, Heidelberg Pharma AG acquired 100% of the shares in Heidelberg Pharma Research GmbH, which had recognized accumulated tax loss carryforwards of €40,286 thousand up to the acquisition date. The only thing not in doubt was that the tax loss carryforwards corresponding to the undisclosed reserves transferred may be retained. The undisclosed reserves result from the difference between the transaction price under German tax law and the equity of Heidelberg Pharma Research under German tax law; they amounted to €12,808 thousand. Pursuant to tax notices issued in the meantime, a portion of the accumulated loss carryforwards of Heidelberg Pharma Research were not recognized by the tax authorities.

A purchase price allocation carried out in connection with this transaction resulted in the identification of intangible assets and goodwill. As of 30 November 2025, deferred tax liabilities on these intangible assets amounted to €713 thousand (previous year: €709 thousand).

29 Earnings per share

29.1 Basic

Basic earnings per share are calculated by dividing the net profit for the year available to shareholders by the weighted average number of shares issued during the fiscal year.

The total number of Heidelberg Pharma shares issued as of the reporting date was 46,784,317 shares (previous year: 46,604,977 shares).

		2025	2024
Net loss for the year attributable to equity providers	€'000	(42,281)	(19,382)
Level of capital and corporate actions in the fiscal year			
Number of issued shares at the beginning of the fiscal year	**in thousand**	**46,605**	**46,605**
Number of shares newly issued during the fiscal year	in thousand	–	–
Number of new shares created by converting stock options	in thousand	179	–
Average number of shares issued during the fiscal year	**in thousand**	**46,784**	**46,605**
Basic earnings per share based on the weighted average number shares issued in the reporting period	**in € per share**	**(0.91)**	**(0.42)**
Diluted earnings per share based on the weighted average number shares issued in the reporting period	**in € per share**	**(0.91)**	**(0.42)**

Basic earnings per share in 2025

In fiscal year 2025, basic earnings per share amounted to €–0.91 based on the weighted average number of shares issued in the reporting period (46,668,901 shares and earnings attributable to equity providers of €–42,281 thousand).

Basic earnings per share in 2024

In fiscal year 2024, basic earnings per share amounted to €–0.42 based on the weighted average number of shares issued in the reporting period (46,604,977 shares and earnings attributable to equity providers of €–19,382 thousand).

29.2 Diluted

The Company's Annual General Meetings in 2011, 2017, 2018 and 2023 each adopted resolutions to contingently increase the share capital of the Company for the purpose of satisfying subscription rights. The associated granting or possibility of granting stock option rights to employees and members of the Executive Management Board could potentially dilute the basic earnings per share in the future.

In the fiscal year now ended, the average market price of Heidelberg Pharma's shares at €3.22 (basis: XETRA closing prices) in some cases exceeded the exercise price payable to the Company for the exercisable stock options (€1.89 / €3.41 / €2.79). Potential common shares from the exercise of stock options are only dilutive if the new common shares from the exercise of the stock options would reduce the annual earnings per share from continuing operations.

Due to Heidelberg Pharma's earnings position, the potential new common shares issued under the stock option programs in the reporting year will therefore not be dilutive.

30 Leases, guarantees and obligations

As of the reporting date, a total of €30 thousand in security were made available for right-of-use assets (buildings and vehicles) (previous year: €30 thousand).

Heidelberg Pharma has leased office equipment and vehicles under operating leases, which will expire at different times until 2027. All leases for office space currently still used by the Company were terminated as part of the restructuring and will be used until 30 September 2026 at the latest.

In accordance with IFRS 16, the cost of office and laboratory equipment as well as office and laboratory premises under the operating leases are reported as depreciation in the statement of comprehensive income, together with the obligations under lease agreements for company cars:

Expense/depreciation of right-of-use assets	€'000
2025	**126**
of which from tenancy agreements (property)	95
of which from other leases (cars)	31
2024	**106**
of which from tenancy agreements (property)	79
of which from other leases (cars)	27

Heidelberg Pharma has not provided any other guarantees.

The future minimum annual payments under tenancy agreements and leases comprised the following items:

Obligations as of 30 Nov. 2025	Up to 1 year €'000	1–5 years €'000	More than 5 years €'000	Total €'000
Rental obligations for laboratory and office premises[1]	77	0	0	77
Obligations under other leases (laboratory and other office equipment, vehicles)	25	12	0	37
	102	**12**	**0**	**114**

[1] Taking into account previous terminations of laboratory and office space leases.

Below are previous year's figures:

Obligations as of 30 Nov. 2024	Up to 1 year €'000	1–5 years €'000	More than 5 years €'000	Total €'000
Rental obligations for laboratory and office premises[1]	84	12	0	96
Obligations under other leases (laboratory and other office equipment, vehicles)	31	36	0	68
	115	**49**	**0**	**164**

[1] Due to short notice periods (three, six and twelve months) assuming that the leases for the offices have been terminated effective at the end of 2024 at the latest.

These leases do not stipulate contingent lease payments, nor do they impose restrictions in respect of dividends, additional liabilities or other leases. No price adjustment clauses were stipulated, and there is no obligation to purchase the leased equipment once the given lease expires.

31 Corporate bodies and remuneration

31.1 Executive Management Board

The Executive Management Board members of Heidelberg Pharma AG in the reporting period were:

Dr. Dongzhou Jeffery Liu, Chairman of the Executive Management Board and Chief Executive Officer (CEO) since 24 November 2025 (appointed until 30 November 2030).

Dr. Liu previously stepped down from his position as a member of the Supervisory Board of Heidelberg Pharma, with effect as of 23 December 2025. His permanent appointment as Chairman of the Executive Management Board and Chief Executive Officer became effective as of 24 December 2025. For the transition period from 24 November 2025 to 23 December 2025, he was seconded as a deputy member to the Executive Management Board pursuant to Section 105 (2) of the German Stock Corporation Act (Aktiengesetz).

Diplom-Kaufmann Walter Miller, Chief Financial Officer (CFO) for the entire year (appointed until 30 April 2026).

Professor Andreas Pahl was Chairman of the Executive Management Board and CEO until he was dismissed from the Executive Management Board on 24 November 2025. His original appointment ends on 31 December 2026.

31.2 Supervisory Board

The Supervisory Board members of Heidelberg Pharma AG as of 30 November 2025 were:

Dr. Karl Benedikt Biesinger (since 15 May 2025; Chairman of the Supervisory Board of Heidelberg Pharma AG)
- Lawyer and former partner at biesinger diener Rechtsanwaltsgesellschaft mbH, Heidelberg,
- Managing Director of Oorcca GmbH, Heidelberg

Dr. Georg F. Baur (Deputy Chairman of the Supervisory Board of Heidelberg Pharma AG)
- Managing Director of Park & Garden Organisations GbR

Dr. Mathias Hothum (Deputy Chairman of the Supervisory Board of Heidelberg Pharma AG)
- Managing Director of dievini Verwaltungs GmbH, the general partner of dievini Hopp BioTech holding GmbH & Co. KG, Walldorf, Germany

Dr. Birgit Kudlek
- Self-employed pharmaceutical manager

Dr. Yan Xia, MD, PhD
- Director of ADC Research Center, Huadong Medicine Co. Ltd., Hangzhou, China

Dr. Klaus Schollmeier (since 15 May 2025)
- Independent consultant in the pharmaceutical/biotech industry

Dr. Dongzhou Jeffery Liu's Membership of the Supervisory Board of Heidelberg Pharma AG has been suspended since 24 November 2025 (see section 31.1, "Executive Management Board"). *> Page 141*

31.2.1 Supervisory Board committees

For reasons of efficiency, a joint Compensation and Nomination Committee was established, which covers both areas separately in its meetings. The Compensation Committee deals with employment issues and with the remuneration of the members of the Executive Management Board. The tasks of the Nomination Committee include proposing suitable candidates for the Supervisory Board to the Annual General Meeting and the appointment of new members of the Executive Management Board.

The Supervisory Board also established an Audit Committee, whose tasks include the discussion and preparatory examination of the IFRS consolidated financial statements, the HGB annual financial statements, the consolidated half-yearly report, the consolidated interim management statements, and the preselection of the auditor of the financial statements.

Furthermore, the Research and Development Committee tasked with issues related to Heidelberg Pharma's oncological projects, has been reactivated in the fiscal year now ended; it addresses issues related to the overall R&D strategy, as well as Amanitin technology and clinical and preclinical projects in particular.

Below is an overview of the composition of the Supervisory Board applicable until the end of the Annual General Meeting in May 2025:

Supervisory Board member	First appointed in	Term ends in	Audit Committee	Compensation and Nomination Committee	R&D Committee
Dr. Karl Benedikt Biesinger	2025	2030		C	
Dr. Georg F. Baur (IFRE)	2000	2030	C		
Dr. Mathias Hothum	2015	2030		M	
Dr. Birgit Kudlek	2012	2030	M		M
Dr. Yan Xia	2023	2030			
Dr. Klaus Schollmeier (IEA)	2025	2030	M		M

C = Chair; M = Member; IAE = Independent auditing expert; IFRE = Independent financial reporting expert

31.2.2 Other appointments of the Supervisory Board members

In addition to being a member of the Supervisory Board of Heidelberg Pharma AG, **Dr. Mathias Hothum** is also the Chairman or a member of the following bodies:

Company	Position
– Apogenix GmbH, Heidelberg, Germany	Member of the Advisory Board
– Joimax GmbH, Karlsruhe, Germany	Chairman of the Advisory Board
– Novaliq GmbH, Heidelberg, Germany	Member of the Advisory Board
– Molecular Health GmbH, Heidelberg, Germany	Member of the Supervisory Board (up to and including 5 March 2026)
– Geuder AG, Heidelberg, Germany	Chairman of the Supervisory Board
– Immatics N.V., Tübingen, Germany	Member of the Supervisory Board
– CureVac AG, Tübingen, Germany	Member of the Supervisory Board (up to and including 15 December 2026)

In addition to being a member of the Supervisory Board of Heidelberg Pharma AG, **Dr. Birgit Kudlek** is also a member of the following bodies:

Company	Position
– Pharmanovia Pharma Limited, London, United Kingdom	Member of the Advisory Committee
– Cidron Atrium SE (Alloheim Gruppe), Düsseldorf, Germany	Member of the Advisory Board
– Rottendorf Pharma GmbH, Ennigerloh, Germany	Member of the Supervisory Board
– Remedica Ltd., Limassol, Cyprus	Member of the Advisory Committee
– Lohmann GmbH & Co. KG, Neuwied, Germany	Member of the Advisory Board

In addition to being a member of the Supervisory Board of Heidelberg Pharma AG, **Dr. Klaus Schollmeier** is also a member of the following bodies:

Gesellschaft	Position
– Tacalyx GmbH, Berlin, Germany	Member of the Supervisory Board
– Novaliq GmbH, Heidelberg, Germany	Member of the Advisory Board
– Affiris AG, Vienna, Austria	Member of the Supervisory Board
– Embark Laboratories ApS, Copenhagen, Denmark	Member of the Supervisory Board
– Modra Pharmaceuticals, Amsterdam, The Netherlands	Member of the Supervisory Board
– CureVac AG, Tübingen, Germany	Member of the Supervisory Board (up to and including 15 December 2026)

The Supervisory Board members Dr. Karl Benedikt Biesinger, Dr. Georg F. Baur and Dr. Yan Xia do not hold any such positions in control bodies. The members of the Company's Supervisory Board were not active in any other control bodies at the reporting date above and beyond the activities described in the foregoing.

31.3 Remuneration of corporate bodies

In fiscal year 2025, the members of the Executive Management Board were paid total remuneration of €647 thousand (previous year: €869 thousand). The reduction compared to the previous year is mainly due to the fact that no stock options were issued and the departure of Dr. Schmidt-Brand, a former member of the Executive Management Board.

According to IAS 24.17, the total remuneration of the Executive Management Board is comprised as follows:

Item	2025 Remuneration in €'000	2024 Remuneration in €'000
a) Short-term employee benefits	647	788
b) Post-employment benefits	0	0
c) Other long-term benefits	0	0
d) Termination benefits	0	0
e) Share-based payment	0	81
Total	**647**	**869**

The members of the Supervisory Board were paid remuneration of €224 thousand (previous year: €200 thousand), plus reimbursement of travel expenses.

32 Related party transactions

Details concerning transactions between the Group and other related parties are listed below.

32.1 Other transactions

- Heidelberg Pharma generated sales revenue of €1.2 million in the past fiscal year with its strategic partner Huadong. However, this did not have an impact on cash flows because it involves a pro rata reversal of contract liabilities through profit and loss, which in turn are reduced by the same amount. The triggering event for this was the in-licensing of HDP-103 for parts of the Asian market by Huadong in 2022.
- Under the 2011, 2017, 2018 and 2023 stock option plans, Heidelberg Pharma AG issued a total of 497,125 subscription rights were issued to current members of the Executive Management Board. For reasons of transparency, Professor Pahl's pre-emption rights are included in this total (see note 30.1). All 497,125 options are still outstanding. As of the end of the reporting period, 351,875 of these options are vested, of which 115,000 options vested in 2024. In the fiscal year now ended, no options held by the current Executive Management Board expired without replacement or were forfeited before fully vesting due to a member's departure from the Board. No options have yet been exercised by current or former members of the Executive Management Board.

- In fiscal year 2025, a transaction in the amount of €227 thousand took place between Heidelberg Pharma AG and an entity by dievini or its affiliated companies, namely the payment recipient Molecular Health GmbH, Heidelberg. Molecular Health is also an affiliate of the Company because Dr. Friedrich von Bohlen und Halbach, who serves as a member of the Supervisory Board until 15 May 2025, is the Chief Executive Officer (CEO) of that company. No collateral or guarantees were agreed. This transaction took place without any influence or action on the part of dievini or its affiliated companies and strictly at arm's length.
- The Rittershaus law firm invoiced legal consulting services provided at arm's length in the total amount of approximately around €12.1 thousand in the reporting period. Rittershaus is a related party because Professor Christof Hettich, who served as Chairman of the Supervisory Board until 15 May 2025, is a partner in this law firm.
- The biesinger diener law firm invoiced legal consulting services provided at arm's length in the total amount of approximately around €37.4 thousand in the reporting period. biesinger diener is a related party because Dr. Karl Benedikt Biesinger, who served as Chairman of the Supervisory Board from 15 May 2025 until his departure during the year, was a partner in this law firm and still works there in an advisory capacity.

No other relationships to related parties exist in addition to the relations and financing services listed. Furthermore, no transactions that were not at arm's length within the meaning of IAS 24.23 were entered into.

32.2 Disclosures regarding the majority shareholder

The main shareholder in Heidelberg Pharma AG is dievini Hopp BioTech holding GmbH & Co. KG, Walldorf, (dievini). In this company, Mr. Dietmar Hopp bundles his investments in the field of biotechnology. This entity also prepares the largest group of consolidated financial statements. However, the Executive Management Board of Heidelberg Pharma AG is not aware whether dievini as the parent prepares consolidated financial statements for the largest and smallest group of consolidated companies.

Together with all entities attributable to or affiliated with it at that time, such as DH-Holding Verwaltungs GmbH and Curacyte GmbH, and the shares in Heidelberg Pharma AG held personally by Mr. Dietmar Hopp, dievini held approximately 51.7% of the 9,305,608 Heidelberg Pharma shares extant as of 13 April 2015 following the capital increase at Heidelberg Pharma that became effective upon its entry in the Commercial Register on 10 April 2015. An interest of over 50% in Heidelberg Pharma was therefore attributable to dievini and its affiliated companies for the first time in the 2015 fiscal year.

Following various interim changes in subsequent years, this share attributable to Mr. Hopp initially increased and later decreased (including due to the entry of Huadong in 2022) to 44.1%. In fiscal year 2025, the former Chairman of the Supervisory Board, Professor Christof Hettich, withdrew his share from a pool agreement, which explains the reduction compared to the end of the previous year (45.7%).

The shareholdings of Dietmar Hopp, parties related to him, and the companies they control, therefore no longer exceed the 50% threshold. This group of persons remains the majority shareholder and can still exercise control of or has power over Heidelberg Pharma AG as a stable majority can be assumed based on that share at general meetings.

33 Expenses for the auditors

Baker Tilly GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Düsseldorf, Munich branch office, (Baker Tilly) was appointed the auditor of the Company's annual and consolidated financial statements at its Annual General Meeting on 15 March 2025. The Supervisory Board commissioned Baker Tilly with the audit.

The total fee billed by the auditor of the consolidated and annual financial statements of Heidelberg Pharma AG in fiscal year 2024/2025 amounts to €250 thousand (of which 33 T€ relates to the previous year).

All of these services were rendered exclusively for audits of financial statements, i.e. the audit of the consolidated financial statements and the parent company's annual financial statements.

The fee paid to Baker Tilly totaled €221 thousand in the previous year.

34 Events after the reporting period

- On 29 January 2026, Heidelberg Pharma announced that its partner Takeda had dosed the first patient with its ATAC candidate. This marked the start of clinical development for another Amanitin-based ADC. The achievement of this development milestone triggered a payment to Heidelberg Pharma.
- On 7 March 2026, the company announced a further amendment to its existing license agreement with HealthCare Royalty, as well as the participation of Soleus Capital Management, L.P. The amended agreement covers the partial monetization of Heidelberg Pharma's future royalties from the worldwide sales of the imaging diagnostic TLX250-Px from Telix Pharmaceuticals. In connection with the amendment, Heidelberg Pharma is entitled to USD 20 million from Soleus Capital, subject to customary closing conditions. An additional payment of USD 25 million will be due upon FDA approval of TLX250-Px.

Ladenburg, 24 March 2026

The Executive Management Board of Heidelberg Pharma AG

Dr. Dongzhou Jeffery Liu
Chief Executive Officer

Walter Miller
Chief Financial Officer

RESPONSIBILITY STATEMENT OF THE EXECUTIVE MANAGEMENT BOARD

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

Ladenburg, 24 March 2026

The Executive Management Board of Heidelberg Pharma AG

Dr. Dongzhou Jeffery Liu
Chief Executive Officer

Walter Miller
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To Heidelberg Pharma AG

Report on the audit of the consolidated financial statements and of the combined management report

Audit opinions

We have audited the consolidated financial statements of Heidelberg Pharma AG, Ladenburg, Germany, and its subsidiaries (the Group), which comprise the balance sheet as of 30 November 2025, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the fiscal year from 1 December 2024 to 30 November 2025, and the notes to the consolidated financial statements, including key information on accounting policies. In addition, we have audited the combined management report of Heidelberg Pharma, Ladenburg, Germany, for the fiscal year from 1 December 2024 to 30 November 2025. In accordance with the German legal requirements, we have not audited the content of the statement on corporate governance pursuant to Sections 289f, 315d German Commercial Code (HGB), which is referred to in section 7.1 of the combined management report. > *Page 49*

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply in all material respects with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter "IFRS Accounting Standards"), as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) German Commercial Code (HGB) and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as of 30 November 2025, and of its financial performance for the fiscal year from 1 December 2024 to 30 November 2025; and
- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of of the sections titled "General Internal Control System (unaudited)" and "Overall Statement on the Risk Management System and the Internal Control System (unaudited)," nor does it extend to the corporate governance statement pursuant to Sections 289f and 315d of the German Commercial Code (HGB) included in the "Corporate Governance" section of the consolidated management report. > *Pages 55, 56 and 49*

Pursuant to Section 322 (3) Sentence 1 German Commercial Code (HGB), we declare that our audit has not led to any reservations relating to propriety of the consolidated financial statements and of the combined management report.

Basis for the audit opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 German Commercial Code (HGB) and the EU Audit Regulation (No. 537/2014; referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and of the combined management report" section of our auditor's report. We are independent of the Group entities in accordance with the requirements of European law and German commercial law and rules of professional conduct and we have fulfilled our other ethical responsibilities applicable in Germany in accordance with these requirements. In addition, in accordance with Article 10 (2) (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the combined management report.

Material uncertainty associated with the Company's ability to continue as a going-concern (also a key audit matter)

Matter and issue

We refer to the disclosures in "8.3.1 Financial risks – Liquidity (EL: €15,143 thousand) – going-concern risk of the combined management report as well as those in note "6 Going-concern risk" in the notes to the consolidated financial statements, in which the executive directors state that, in which the legal representatives describe the Group as being in a strained financial situation. The current business plan includes an inflow of USD 20 million (net of transaction costs), which has been contractually committed by a financial investor and is intended to cover liquidity needs until mid-2027.
> Pages 56 and 106

Regardless of this, it is further stated that cash inflows from sales revenue and license payments are fundamentally insufficient to finance Heidelberg Pharma on a sustainable basis. The continued expansion of the ATAC pipeline will require future research and development expenditures at a level that cannot be financed with the available financial resources.

Should the corporate strategy focused on ATAC technology fail and/or should there be no possibility of raising additional liquidity, the Group's continued existence would be at risk.

As outlined in the above-mentioned sections of the combined management report and the notes to the consolidated financial statements, these events and circumstances show that there is material uncertainty that may cast significant doubt on the ability of the Group to continue as a going-concern and constitute a risk that jeopardizes the existence of the Group as a going-concern within the meaning of Section 322 (2) Sentence 3 German Commercial Code (HGB).

As a result, the assessment of the appropriateness of the going-concern assumption provided was a key audit matter for us as part of our audit.

Audit approach in accordance with Article 10 (2) c) ii) of the EU Statutory Audit and findings

To assess the going-concern assumption, the integrated plan was reviewed for mathematical accuracy. In addition, the company's planning assumptions and planning model were subjected to plausibility assessments. We included in our assessment an expert opinion prepared by an independent expert commissioned by the company regarding the consolidated integrated planning for the years 2026 through 2028. As part of the plausibility assessment of the assumptions, we reviewed the assumptions as well as the feasibility of planned measures.

Based on the budget planning and the expert opinion presented here, we have evaluated whether the assessment of Heidelberg Pharma AG's ability to continue as a going-concern made by management is appropriate, and whether the disclosures of going-concern risks presented in the financial statements and combined management report are appropriate.

The going-concern assumption depends largely on the Heidelberg Group receiving USD 20 million (net of transaction costs) from the financial investor. In this regard, we have verified whether the legal requirements for the receipt of payment were met and whether the receipt of USD 20 million (net of transaction costs) is reasonably certain.

To assess the competence, capabilities, and objectivity of the experts, we gained an understanding of the experts' work and evaluated the suitability of the experts' work as audit evidence for the relevant assertion.

We do not provide a separate audit opinion on this matter. Having completed our audit, we consider the underlying going-concern assumptions made by the executive directors to be appropriate.

Our audit opinions regarding the financial statements and the combined management report have not been modified with respect to this matter.

Key audit matters in the audit of the consolidated financial statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the fiscal year from 1 December 2024 to 30 November 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters. In additional to the matter described in the section "Material uncertainty in connection with the Company's ability to continue as a going-concern", we identified the matters described below as the key audit matters to be reported in our auditor's report.

In our view, the matter of most significance in our audit was as follows:

Reporting of financial liabilities

Our presentation of this key audit matter has been structured as follows:

1.) Matter and issue
2.) Audit approach and findings
3.) Reference to further information

Hereinafter we present the key audit matter:

Reporting of financial liabilities

1. Heidelberg Pharma signed a Royalty Purchase Agreement with HealthCare Royalty, Delaware, USA, (HCRx) in fiscal year 2024. In this agreement Heidelberg Pharma undertakes to pass on the royalties in connection with the out-licensed diagnostic agent TLX250-Px to HCRx in the future. In return, Heidelberg Pharma received an upfront payment of USD 25 million in the 2023/2024 fiscal year and an additional payment of USD 20 million in March 2025, and is also entitled to USD 70 million upon approval. The payments upon approval of HCRx will decrease on a quarterly basis starting in the 2026 calendar year until approval is granted.

   After HCRx has received a defined cumulative amount, the royalties will revert to Heidelberg Pharma, and HCRx will receive a low single-digit percentage of Heidelberg Pharma's royalties.

   This matter is accounted for under financial liabilities in accordance with IFRS 9. They are initially measured at fair value less the directly attributable transaction costs and subsequently measured at amortized cost using the effective interest method. However, the timing and amount of future cash flows must be estimated to calculate the effective interest rate. Heidelberg Pharma decided to initially perform the subsequent measurement without taking future cash flows into account because there is significant planning uncertainty and reliable estimates of the cash flows are not available. What is more, if FDA approval is not granted, the liability recognized will not be repaid. The Company therefore decided that it would calculate the effective interest rate as soon as an approval announcement for the product has been made. The financial liability as of the reporting date is €36,782 thousand after currency translation. The liability will only be reduced after FDA approval and the collection of future royalties.

Due to the underlying complexity of the contractual arrangement and the amount of the payment received, the accounting presents a high risk of material misstatement, which is why we consider this matter to be of particular significance.

2. When auditing the accounting treatment of the Royalty Purchase Agreement, we acknowledged that this item was recognized in accordance with the provisions of IFRS 9. In this respect, we were satisfied that all contractual agreements have been sufficiently taken into account. We assessed whether the transaction costs incurred fit the definition set out in IFRS 9, were correctly recognized and whether the financial liability had been correctly measured as of the reporting date. In addition to the presentation in the consolidated balance sheet, we were satisfied that the corresponding disclosures provided in the notes to the consolidated financial statements were complete and correct.

3. The Company's disclosures on the financial liability are presented in the notes to the consolidated financial statements in the sections "3.14 Financial instruments," "19.2 Financial liabilities (non-current)," and "21 Other disclosures on financial instruments" and in the combined management report in the section "3.3 Other key events in fiscal year 2024 – Agreement regarding the sale of royalties to HealthCare Royalty.". *> Pages 91, 119, 122 and 39*

Other information

The executive directors and the Supervisory Board are responsible for the other information. The other information comprises:

- The sections titled "General Internal Control System (unaudited)" and "Overall Statement on the Risk Management System and the Internal Control System (unaudited)" contained in the consolidated management report, *> Pages 55 and 56*
- The statement on corporate governance pursuant to Sections 289f, 315d HGB, which is referred to in section 7.1 of the combined management report; *> Page 49*
- The executive directors' responsibility statement regarding the consolidated financial statements and the combined management report pursuant to Section 297 (2) sentence 4 and Section 315 (1) sentence 5 HGB respectively, *> Page 49*
- The report of the Supervisory Board; *> Page 14*
- all remaining parts of the annual report;
- but not the consolidated financial statements, not the audited content of the combined management report, and not our auditor's report thereon.

Our audit opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, the information in the management report that was reviewed for content or the findings we obtained during the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed on the other information received by us before the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the executive directors and the Supervisory Board for the consolidated financial statements and the combined management report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs Accounting Standard as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) German Commercial Code (HGB) and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i. e. fraudulent financial reporting and misappropriation of errors) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going-concern. They also have the responsibility for disclosing, as applicable, matters related to going-concern. In addition, they are responsible for financial reporting based on the going-concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor's responsibilities for the audit of the consolidated financial statements and of the combined management report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 German Commercial Code (HGB) and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal controls relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the Group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effec-tiveness of the Group's internal controls and these arrangements and measures;
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates and related disclosures made by the executive directors;
- conclude on the appropriateness of the executive directors' use of the going-concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going-concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going-concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs Accounting Standards as adopted by the EU and with the additional requirements of German commercial law pursuant to Section 315e (1) German Commercial Code (HGB);
- We plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the companies or business segments within the group as a basis for forming our audit opinions on the consolidated financial statements and the combined management report. We are responsible for directing, supervising, and reviewing the audit work performed for the purposes of the audit of the consolidated financial statements. We remain solely responsible for our audit opinions.
- evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides;
- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Assurance report in accordance with Section 317 (3a) HGB on the electronic reproduction of the consolidated financial statements and the combined management report prepared for publication purposes

Conclusion

We have performed an assurance engagement in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the reproduction of the consolidated financial statements and the combined management report (hereinafter the "ESEF documents") contained in the electronic file "391200E09XYBYITR1W32-2025-11-30-1-de.zip" made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance engagement only extends to the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained within this reproduction nor to any other information contained in the above-mentioned electronic file.

In our opinion, the reproduction of the consolidated financial statements and the combined management report contained in the above-mentioned electronic file made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. We do not express any opinion on the information contained in this reproduction nor on any other information contained in the above-mentioned file beyond this reasonable assurance conclusion and our audit opinion on the accompanying consolidated financial statements and the accompanying combined management report for the fiscal year from 1 December 2024 to 30 November 2025 contained in the "Report on the audit of the consolidated financial statements and on the combined management report" above.

Basis for the opinion

We conducted our assurance engagement on the reproduction of the consolidated financial statements and the combined management report contained in the above-mentioned electronic file made available in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance in Accordance with Section 317 (3a) HGB on the Electronic Reproduction of Financial Statements and Management Reports Prepared for Publication Purposes (IDW AuS 410 (06.2022)). Accordingly, our responsibilities are further described below in the "Group auditor's responsibilities for the assurance engagement on the ESEF documents" section. As an auditing firm, we apply the requirements of the IDW Quality Management Standard: Requirements for Quality Management in the Auditing Practice (IDW QMS 1), which are consistent with the International Standard on Quality Management 1 (ISQM1) issued by the International Auditing and Assurance Standards Board (IAASB). > *Page 155*

Responsibilities of the executive directors and the Supervisory Board for the ESEF documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic reproduction of the consolidated financial statements and the combined management report in accordance with Section 328 (1) sentence 4 no. 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 no. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format, whether due to fraud or error.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Group auditor's responsibilities for the assurance engagement on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of Section 328 (1) HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material non-compliance with the requirements of Section 328 (1) HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance conclusion;
- obtain an understanding of internal control relevant to the assurance engagement on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance conclusion on the effectiveness of these controls;
- evaluate the technical validity of the ESEF documents, i. e. whether the electronic file made available containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version applicable as at the balance sheet date on the technical specification for this electronic file;
- evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited consolidated financial statements and the audited combined management report;
- evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version applicable at the date of the consolidated financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further information pursuant to Article 10 of the EU Audit Regulation

We were elected as Group auditor by the Annual General Meeting on 15 May 2025. We were engaged by the Supervisory Board on 29 August 2025. We have served as the auditor of Heidelberg Pharma AG's consolidated financial statements without interruption since the 2023/2024 fiscal year.

We confirm that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Other matter – use of the auditor's report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as the assured ESEF documents. The consolidated financial statements and the combined management report converted to the ESEF format – including the versions to be published in the Company Register – are merely electronic renderings of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

German public auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Andreas Weissinger.

Munich, 24 March 2026

Baker Tilly GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Ninnemann	Weissinger
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

GLOSSARY

17p-Deletion: "17p deletion" refers to the partial loss of genetic material located on the short arm of chromosome 17, whose DNA includes both the gene for tumor suppressor protein TP53 and the gene encoding the largest subunit of RNA polymerase II (POLR2A).

Amanitin: Toxin that is a member of the amatoxin group of natural poisons occurring in the death cap (Amanita phalloides), among others.

Antibodies: Proteins which are produced by the immune system with the aim of identifying and destroying foreign substances that cause disease, such as viruses and bacteria.

Antibody Drug Conjugate (ADC) technology: Antibody drug conjugates are monoclonal antibodies attached to biologically active drugs by chemical linkers. Combining the specific targeting of antibodies with cancer-killing cytotoxic drugs enables ADCs to discriminate between healthy and tumor tissue and to bring the cytotoxin only to the cancer cells. This combination improves the transport to the cancer tissue and allows better control of the pharmacokinetics of the active ingredients.

Antibody Targeted Amanitin Conjugate: Antibody drug conjugate using the amanitin toxic. ATACs are third-generation ADCs characterized by improved efficacy, also as regards quiescent tumor cells. Quiescent tumor cells are scarcely reached with existing standard therapies and contribute to tumor recurrence and resistance formation. These ATACs will also be used to treat therapy-resistant tumors that no longer respond to standard chemotherapy or anti-tumor antibodies.

Antigen: Structure onto which an antibody specifically binds.

Apoptosis: Programmed cell death.

BCMA (B-cell maturation antigen): Surface protein that is highly expressed in multiple myeloma cells.

BLA (Biologics License Application): Application for drug approval of a biological product to the US Food and Drug Administration (FDA), which drug manufacturers must submit in order to obtain marketing approval.

CAIX: Antigen that binds to the antibody girentuximab.

Camptothecin: A cytostatic drug obtained from the seeds, roots, bark, wood and (young) leaves of the Chinese tree of happiness (Camptotheca acuminata).

CBER: Center for Biologics Evaluation and Research.

CD37: Surface molecule expressed by B-cells.

CDER: Center for Drug Evaluation.

CDMO: Contract Development and Manufacturing Organization.

Chemotherapy: Use of cell toxins to destroy tumor cells in the body.

CLL: Chronic lymphocytic lymphoma.

Cohort: A group of people selected according to certain criteria and examined over a certain period of time.

CRO (Contract Research Organization): Contract research organization for conducting clinical trials.

DDRi: Inhibitor of the DNA damage response.

Diagnostic agent: A tool, gene or protein that aids in the diagnosis of an illness.

DLT: Dose limiting toxicities.

EAP (Early Access Program): Earlier access to not yet approved medicines for patients with particularly severe illnesses that cannot be treated satisfactorily with approved medicines.

EL: Net expected loss: Assessment standard for risk management.

EMA (European Medicines Agency): Agency of the European Union that coordinates the evaluation and monitoring of all medicinal products for human and veterinary use.

Exatecan: The active ingredient exatecan is a synthetic derivative of the naturally occurring toxin camptothecin.

Fast Track Designation: Fast Track Designation is intended to accelerate the development and review of therapies that address serious or life-threatening conditions with unmet medical needs.

FDA (Food and Drug Administration): Regulatory authority in the US.

FZulG (Forschungszulagengesetz): Research Allowance Act.

GCC (guanylatecyclase): Surface protein on the luminal side of intestinal cells that is also present in various gastrointestinal tumors.

girentuximab: International non-proprietary name (INN) for TLX250. TLX250 is the development name for the therapeutic antibody WX-G250, which is based on the chimeric antibody cG250. The radiolabeled antibody developed under the name TLX250-CDx has the INN Iodine (124I) girentuximab.

Going concern: Assumption of the company's continued existence.

Good Clinical Practice (GCP): International set of guidelines that helps make sure that the results of a clinical trial are reliable and that the patients are protected.

Good Laboratory Practice (GLP): International regulations governing the conduct of tests in laboratories.

Good Manufacturing Practice (GMP): International regulations governing the production of pharmaceutical products.

HPD-101: Development name for the proprietary ATAC candidate that is composed of a BCMA antibody, a linker and the Amanitin toxin.

HDP-102: Development name for the proprietary ATAC candidate, which consists of an antibody targeting the CD37 molecule, a linker and the toxin Amanitin.

HDP-103: Development name for the proprietary ATAC candidate HDP-103, which consists of an antibody targeting the prostate-specific membrane antigen (PSMA), a linker and the toxin Amanitin.

HDP-104: Development name for the proprietary ATAC candidate HDP-104, which is composed of an antibody against the target molecule GCC, a linker and the toxin Amanitin.

HDP-201: Development name for the ADC candidate HDP-201, which consists of the antibody against the target molecule GCC, a linker and the toxin Exatecan.

ICS: Internal control system.

IMF: International Monetary Fund.

Immunodeficient: E.g. laboratory animals with an underdeveloped immune system.

Immunogenic cell death: Form of cell death that triggers an immune reaction and thus leads to rejection of the tumor.

Inhibitor: Substance which reduces or inhibits specific biological activities.

In vitro: Refers to a procedure or reaction that takes place in a test tube.

In vivo: Refers to a procedure or reaction that takes place in the body.

IP R&D (In Process Research & Development): Not yet ready for use intangible assets.

Linker: Bridging molecule, used e.g. to connect a toxin to an antibody.

Lymphoma (malignant): Cancer of the lymphatic system. In lymphomas, white blood cells, known as lymphocytes, grow uncontrollably.

Metastases: The spread of malignant tumor cells in the body and the formation of secondary tumors.

Molecule: A chemical structure composed of at least two particles (atoms).

Monoclonal antibodies: Monoclonal antibodies are produced by cells created by fusing an antibody-producing cell (such as B-lymphocytes) with an immortalized (immortalized) cancer cell. This process is performed in the laboratory and creates a hybrid cell (hybridoma) that has the characteristics of both cells. These cells are all identical because they are derived from one cell, and are referred to as "monoclonal." They each produce large amounts of a specific antibody that binds to a specific antigen.

MTD: Maximum tolerated dose.

Multiple myeloma (MM): MM is a cancer of the hematopoietic system. Its typical characteristic is the proliferation of antibody-producing cells, the plasma cells. Multiple myeloma is the most common malign neoplasm of the bone marrow.

Non-Hodgkin lymphoma (NHL): All malignant cancers of the lymphatic system (malignant lymphomas), which are not Hodgkin lymphomas.

Oncology: Research field which focuses on cancer studies.

Orphan Drug Status: Granted by the US FDA to a drug or biological product intended for the prevention, diagnosis or treatment of rare diseases affecting fewer than 200,000 people in the USA.

Overexpressed: Increased production of, for example, protein.

Partial response: Objective improvement of the disease.

PDUFA-date (Prescription Drug User Fee Act): End of the review period for an application to the US Food and Drug Administration (FDA).

PDX model: Tumor cells taken from patients are induced to grow in immunodeficient mice.

Phase I: Clinical trial of a substance carried out on a low number of healthy subjects or patients under strict supervision that serves to investigate toxicity, pharmacokinetics, form of administration and safe dosage of a substance.

Phase II: Clinical trial with a low number of patients with the aim of testing the efficacy of a substance for specific indications, identifying any side effects and safety risks and determining the tolerance and optimum dosage.

Phase III: Clinical trial with a large number of patients (several hundred to several thousand) to ascertain the safety, tolerance and efficacy as well as optimum dosage of a substance under real therapy condition.PLA (Product License Agreement): Agreement for the use of a product/technology on the basis of a license a license, which usually relates to a patent or protected secret knowledge (know-how).

POLR2A: Genes containing the information for RNA-polymerase II. RNA-polymerase II is a protein complex, which enables the synthesis of mRNA and thus the reading of DNA. This process is fundamental for protein synthesis in eukaryotic cells (in animals and humans).

Positron emission tomography (PET): A radio nuclide imaging procedure, which can visualize biochemical and physiological processes by means of radioactive materials.

Preclinical: The preclinical phase comprises all *in vitro* and *in vivo* test systems for examining the features of a substance prior to the start of the clinical phases.

Priority Review: Expedited approval process for drug review by the FDA to make novel drugs for serious or life-threatening diseases available to patients more quickly.

Product license agreement (PLA): Agreement for the use of a product/technology based on a license that usually concerns a patent or protected, secret know-how.

Prostate cancer, metastatic castration-resistant (mCRPC): Malignant tumor disease of the prostate gland developing metastasis, which progresses despite hormone therapy. In the case of mCRPC the prostate specific antigen (PSA) value rises despite hormone therapy and low testosterone levels.

PSMA: Prostate-specific membrane antigen. PSMA is overexpressed in prostate cancer specifically and is a promising target for an ADC approach, as it shows very low expression in normal tissues.

R&D: Research and development.

Recurrent: The recurrence of a disease after it has already been successfully treated.

Refractory: The reappearance of a disease or the diminishing of its effect after an initial response to treatment or immediately after the end of treatment.

Replication: Multiplication.

RNA-polymerase II: Enzyme complex that mainly catalyzes the synthesis of mRNA (messenger ribonucleic acids) in the transcription of DNA in eukaryotes.

RRMM: Relapsed or refractory multiple myeloma.

Sensitivity: Indicates how reliably a diagnostic procedure detects diseased patients.

Stable disease: No visible progression of the disease.

Stringent complete remission (sCR): No tumor cells are detectable in the blood or bone marrow.

Therapeutic agent: Drug applied for the treatment of illnesses.

Thrombin: Enzyme that enables blood to coagulate.

Thrombocytes: Blood components that are responsible for blood clotting.

Thrombocytopenia: (Temporarily) reduced number of blood platelets.

TLX250: Development name for the antibody-based platform with the antibody girentuximab for diagnosis (PET imaging with ^{89}zr-girentuximab) and treatment (^{177}lu-girentuximab) of different types of cancer (Partner Telix).

TLX250-Px (before: TLX250-CDx): Development name for the zirconium-89 (^{89}Zr) radiolabeled antibody girentuximab for PET diagnosis of kidney tumors (Partner Telix).

Topoisomerase: An enzyme responsible for the unwinding of DNA double strands during processes such as DNA replication and transcription.

Toxin: Poison.

Tumor suppressor gene TP53: Part of the genetic sequence of chromosome 17, where the p53 protein is located. P53 regulates and activates among others DNA repair mechanisms and programmed cell death TP53 is the tumor gene that mutates the most frequently.

FINANCIAL CALENDAR 2026

Date	Type of report/event
26 March 2026	Annual Report 2025
26 March 2026	Financial press conference and analysts' meeting 2026
29 April 2026	Interim management statement on the first three months of 2026
23 June 2026	Annual General Meeting 2026
15 July 2026	Half-yearly Financial Report 2026
15 October 2026	Interim management statement on the first nine months of 2026

Please see our website www.heidelberg-pharma.com for the current list of conferences in 2026.

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PUBLISHING INFORMATION

Published by:	Heidelberg Pharma AG, Gregor-Mendel-Str. 22, 68526 Ladenburg, Germany
Responsible for the project:	Sylvia Wimmer, Heidelberg Pharma AG
Editors:	Sylvia Wimmer (Heidelberg Pharma AG), MC Services AG
Photos:	Heidelberg Pharma AG/Verena Müller

The Annual Report is also published in German and is available for download from our website at www.heidelberg-pharma.com. The English translation of the Annual Report is provided for convenience only. The German original is definitive.

As of 24 March 2026

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