

Convenience Translation

(The text decisive for the invitation to the Annual General Meeting (AGM) of Heidelberg Pharma AG is the one written in German language.)

Heidelberg Pharma AG
Ladenburg, Germany
German Securities Identification Number: A11QVV
ISIN: DE000A11QVV0

Invitation to the Annual General Meeting of Heidelberg Pharma AG

We hereby invite our shareholders to our Company's Annual General Meeting ("AGM")

on Tuesday, 26 June 2018,
at 11:00 a.m.

at Villa Bosch, Schloß-Wolfsbrunnenweg 33, 69118 Heidelberg, Germany.

Agenda

- 1. Presentation of the adopted annual financial statements of Heidelberg Pharma AG and the approved consolidated financial statements and the combined management report for Heidelberg Pharma AG and the Heidelberg Pharma Group, including the explanatory report of the Executive Management Board regarding the disclosures pursuant to section 289 (4) and section 315 (4) of the German Commercial Code as well as the report of the Supervisory Board – in each case for the 2016/2017 fiscal year ended 30 November 2017**

The documents mentioned in agenda item 1 are available on the Internet at <http://www.heidelberg-pharma.com/en/press-and-investors/annual-general-meeting/agm2018> and may be inspected at the offices of Heidelberg Pharma AG, Schriesheimer Str. 101, 68526 Ladenburg. They will also be sent to shareholders at their request free of charge. The documents will also be available and explained in greater detail at the AGM. The Supervisory Board approved the annual financial statements and the consolidated financial statements prepared by the Executive Management Board. The annual financial statements are therefore adopted. Hence there is no need for the AGM to adopt a resolution on this agenda item.

- 2. Resolution on the formal approval of the actions of the members of the Executive Management Board**

The Supervisory Board and the Executive Management Board propose to formally approve the actions of the members of the Executive Management Board during the 2016/2017 fiscal year ended 30 November 2017.

3. Resolution on the formal approval of the actions of the members of the Supervisory Board

The Executive Management Board and the Supervisory Board propose to formally approve the actions of the members of the Supervisory Board during the 2016/2017 fiscal year ended 30 November 2017.

4. Resolution on the appointment of the auditor of the annual financial statements and the consolidated financial statements for the 2017/2018 fiscal year

Following the recommendation of the Supervisory Board's Audit Committee, the Supervisory Board proposes to adopt the following resolution:

Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Mannheim, is elected to serve as the auditor of the annual financial statements and the consolidated financial statements for the 2017/2018 fiscal year ending 30 November 2018.

5. Resolution to create new Authorized Capital 2018/I and to amend the Articles of Association correspondingly

The existing Authorized Capital 2017/I (Article 5 (5) of the Articles of Association), which was created by resolution of the Annual General Meeting on 20 July 2017 under agenda item 5, has since been fully utilized. Article 5 (5) of the Articles of Association was revoked due to the complete utilization of Authorized Capital 2017/I. New Authorized Capital 2018/I is to be created in order to continue to give management adequate scope for action.

The Executive Management Board and the Supervisory Board thus propose to adopt the following resolution:

1. The Executive Management Board shall be authorized to increase the Company's share capital, with the approval of the Supervisory Board, by up to EUR 14,051,267.00 by issuing up to 14,051,267 new no par value bearer shares in return for contributions in cash and/or in kind on one or several occasions up to (and including) 25 June 2023 (Authorized Capital 2018/I).

The shareholders generally have a subscription right in connection with cash capital increases. The shares may also be acquired by one or more banks, subject to the obligation to offer them to the shareholders for subscription. The Executive Management Board shall be authorized, however, subject to the approval of the Supervisory Board, to exclude shareholders' subscription rights in connection with cash capital increases in the following cases:

- a) In the event of a cash capital increase, if the issue price of the new shares is not substantially lower than the market price and if the total share of the new shares issued in direct or analogous application of section 186 (3) sentence 4 of the German Stock Corporation Act in return for cash contributions subject to the exclusion of shareholders'

subscription rights, while this authorization is in effect, does not exceed a total of 10% of the share capital, specifically, neither at the date this authorization takes effect nor at the time it is exercised. Shares that are, or shall be, issued for the purpose of satisfying bonds that are issued with conversion rights or options shall be counted toward this 10% limit of the share capital, to the extent that and insofar as these bonds are issued in analogous application of section 186 (3) sentence 4 of the German Stock Corporation Act subject to the exclusion of shareholders' subscription rights while this authorization is in effect; or

b) to avoid fractions of shares.

The Executive Management Board shall also be authorized to exclude shareholders' subscription rights in connection with capital increases in return for contributions in kind with the approval of the Supervisory Board.

Finally, the Executive Management Board shall be authorized to determine both the additional content of the rights embodied in the shares and the conditions of the share issue, subject to the approval of the Supervisory Board.

The Supervisory Board shall be authorized to amend the wording of the Articles of Association to reflect the scope of the capital increase from Authorized Capital 2018/I.

2. A new article 5 (5) of the Articles of Association is to be inserted as follows, replacing the revoked Article 5 (5):

"The Executive Management Board is authorized to increase the Company's share capital, with the approval of the Supervisory Board, by up to EUR 14,051,267.00 by issuing up to 14,051,267 new no par value bearer shares in return for contributions in cash and/or in kind on one or several occasions up to (and including) 25 June 2023 (Authorized Capital 2018/I).

The shareholders generally have a subscription right in connection with cash capital increases. The shares may also be acquired by one or more banks, subject to the obligation to offer them to the shareholders for subscription. The Executive Management Board is authorized, however, subject to the approval of the Supervisory Board, to exclude shareholders' subscription rights in connection with cash capital increases in the following cases:

- a) *In the event of a cash capital increase, if the issue price of the new shares is not substantially lower than the market price and if the total share of the new shares issued in direct or analogous application of section 186 (3) sentence 4 of the German Stock Corporation Act in return for cash contributions subject to the exclusion of shareholders' subscription rights while this authorization is in effect does not exceed a total of 10% of the share capital, specifically, neither at the date this authorization takes effect nor at the time it is exercised. Shares that are, or shall be, issued for the purpose of satisfying bonds that are issued with conversion rights or options shall be counted toward this 10% limit of the share capital, to the extent that and insofar as these bonds are issued in analogous application of section 186 (3) sentence 4 of the German Stock Corporation Act subject to the exclusion of shareholders' subscription rights while this authorization is in effect; or*

b) to avoid fractions of shares.

The Executive Management Board is also authorized to exclude shareholders' subscription rights in connection with capital increases in return for contributions in kind with the approval of the Supervisory Board.

Finally, the Executive Management Board is authorized to determine both the additional content of the rights embodied in the shares and the conditions of the share issue, subject to the approval of the Supervisory Board.

The Supervisory Board is authorized to amend the wording of the Articles of Association to reflect the scope of the capital increase from Authorized Capital 2018/I."

6. Resolution on the authorization to grant subscription rights (stock options) to members of the Executive Management Board of the Company and employees of the Company or affiliates (Heidelberg Pharma 2018 Stock Option Plan), on the reduction of Contingent Capital II, on the creation of Contingent Capital 2018/I to satisfy the Heidelberg Pharma 2018 Stock Option Plan, and on corresponding amendments to the Articles of Association

Motivated employees are one of the keys to success for a company. Stock options, which confer the right to subscribe for shares, are one way to motivate our company's employees. They provide incentive for boosting our company's stock price – and along with it, the Company's value. Stock options also allow us to offer our employees an attractive employment benefit. A medium- to long-term remuneration component such as the granting of stock options thus serves to attract high-performance employees and encourages them to remain with the Company.

In addition, the German Stock Corporation Act calls for the remuneration of the Executive Management Board of a stock exchange-listed company to be structured so as to promote the company's sustainable development. Stock options are an appropriate component to include in overall remuneration in this context.

The Executive Management Board and Supervisory Board therefore consider it necessary to supplement the remuneration of the Executive Management Board and employees of the Company and affiliates by issuing stock options. They therefore propose introducing a new stock option plan, the Heidelberg Pharma 2018 Stock Option Plan, which would require the creation of new contingent capital, among other steps. As a result, the Executive Management Board and employees of the Company and of affiliates would continue to have the chance to acquire stock options. This is in the interests not only of the beneficiaries, but also, as mentioned above, the shareholders and the Company.

In the past, the Company has passed resolutions to issue stock options, including on 8 September 2005. The authorization granted by the Annual General Meeting on 8 September 2005 has already expired, which is why no new stock options can be granted under this resolution. Furthermore, the full amount of the contingent capital raised to satisfy these earlier stock options, i.e., Contingent Capital, is no longer required because some of the stock options issued can no longer be exercised. The plan is therefore to reduce the contingent capital to the amount still required to satisfy the stock options issued and not yet expired.

The Executive Management Board and the Supervisory Board thus propose adopting the following resolution:

1. Partial cancellation of Contingent Capital II and corresponding amendment of the Articles of Association

a) Contingent Capital II, presently amounting to EUR 237,194.00, shall be reduced to EUR 59,994.00, so that it can be used to issue only up to 59,994 new no par value bearer shares.

b) Article 5 (4) sentence 1 of the Articles of Association shall be revised as follows:

“The Company’s share capital is contingently increased by a further EUR 59,994.00 through the issue of up to 59,994 new no par value bearer shares (Contingent Capital II).”

2. Authorization to grant stock options

The Executive Management Board is authorized, with the approval of the Supervisory Board, to issue up to 1,490,622 subscription rights (“**stock options**”) up to (and including) 25 June 2023, that collectively entitle the beneficiaries to subscribe for up to 1,490,622 no par value bearer shares of the Company with a notional value of EUR 1.00 each (“**Heidelberg Pharma share**”) in accordance with the terms and conditions outlined below (“**Heidelberg Pharma 2018 Stock Option Plan**”). To the extent that stock options are issued to members of the Executive Management Board of the Company, this authorization applies exclusively to the Supervisory Board. Shareholders are not entitled to subscription rights.

The following shall apply to the issue of stock options and their exercise as part of the Heidelberg Pharma 2018 Stock Option Plan:

a) Beneficiaries/distribution of subscription rights

Stock options may be issued to members of the Executive Management Board of the Company, employees of the Company and employees of domestic and foreign affiliates. The specific group of beneficiaries and the number of stock options to be granted to each will be determined by the Executive Management Board of the Company with the approval of the Supervisory Board. If members of the Company’s Executive Management Board are to receive stock options, this determination and the decision on issuing the stock options will be made exclusively by the Supervisory Board of the Company according to the rules governing the appropriateness of such actions in section 87 of the German Stock Corporation Act.

The total volume of stock options in the Heidelberg Pharma 2018 Stock Option Plan will be distributed among the groups of beneficiaries as follows:

- Members of the Executive Management Board of the Company receive a maximum total of up to 298,100 stock options (approx. 20%);
- Employees of the Company receive a maximum total of up to 176,950 stock options (approx. 12%);

- Employees of domestic and foreign affiliates receive a maximum total of up to 1,015,572 stock options (approx. 68%).

The status as beneficiary in one group rules out being a beneficiary in another group. Individuals are assigned to a group for purposes of issuing stock options according to the order above. At the time the stock options are granted, beneficiaries must be in an unterminated employment or service relationship with the Company or a domestic or foreign affiliate.

In situations where stock options no longer confer a subscription right due to beneficiaries resigning from the Company or a domestic or foreign affiliate of the Company during the authorization period, a corresponding number of stock options can be reissued.

b) Issue of stock options

As of entry in the Commercial Register of Contingent Capital 2018/I approved for purposes of the Heidelberg Pharma 2018 Stock Option Plan, stock options may be issued to the beneficiaries within the acquisition periods in accordance with c) up to (and including) 25 June 2023.

The stock options may be issued annually either in a single tranche or in several tranches. To simplify calculations and management of the stock options, the Executive Management Board with the approval of the Supervisory Board or - if the beneficiaries are members of the Executive Management Board - the Supervisory Board may specify one day in an acquisition period as the uniform issuing date in the terms of the Heidelberg Pharma 2018 Stock Option Plan ("**issuing date**").

c) Acquisition periods

Stock options may be issued to the beneficiaries

- in the 20 trading days following the day on which the annual or half-yearly results are announced,
- in the 20 trading days following the day on which an interim management statement is released,
- in the 20 trading days following the day of the Annual General Meeting,
- in the 20 trading days following the day of an extraordinary Annual General Meeting.

The limitations stipulated by general legal provisions (e.g., Regulation (EU) No 596/2014 (market abuse regulation)) must also be observed. In some cases, these could prevent the issue of stock options.

Trading days within the meaning of the Heidelberg Pharma 2018 Stock Option Plan are days on which Heidelberg Pharma shares are traded on the Frankfurt Stock Exchange. If Heidelberg Pharma shares are no longer traded on the Frankfurt Stock Exchange, the Executive Management Board with the approval of the Supervisory Board or - if the stock options are held by members of the Executive Management Board

- the Supervisory Board is entitled to specify another comparable stock exchange on which Heidelberg Pharma shares are traded as a substitute.

d) Lock-up period for initial exercise, term and exercise periods

The first time the stock options can be exercised is after a lock-up period of four years from the respective issuing date. Section 193 (2) no. 4 of the German Stock Corporation Act must be observed. The stock options each have a term of ten years from the issuing date. The stock options expire following the end of their term without compensation.

Exercising the stock options after the end of the lock-up period is possible only during the following periods ("**exercise periods**"):

- in the 20 trading days following the day of the Annual General Meeting,
- in the 20 trading days following the day of an extraordinary Annual General Meeting,
- in the 20 trading days following the day on which the half-yearly results are announced,
- in the 20 trading days following the day on which an interim management statement is released.

The limitations stipulated by general legal provisions (e.g., Regulation (EU) No 596/2014 (market abuse regulation)) must also be observed. In some cases, these could prevent the exercise of stock options.

e) Exercise price

The price to be paid when exercising the stock options ("**exercise price**") corresponds to the Heidelberg Pharma share price defined in the following paragraph during the last ten trading days prior to the issuing date. At minimum, the exercise price is equal to the proportionate amount of the Company's share capital attributable to a Heidelberg Pharma share (section 9 (1) of the German Stock Corporation Act).

The **Heidelberg Pharma share price** within the meaning of the Heidelberg Pharma 2018 Stock Option Plan is the volume-weighted, average closing price for Heidelberg Pharma shares in Deutsche Börse AG's Xetra trading in Frankfurt am Main. The weighting is based on the total trading volume on the relevant trading days in Xetra trading. If Heidelberg Pharma shares are no longer traded in Xetra trading, if a closing price is no longer determined in Xetra trading, or if Xetra trading is discontinued, the Executive Management Board with the approval of the Supervisory Board or - if the stock options are held by members of the Executive Management Board - the Supervisory Board is entitled to specify another comparable successor system on which Heidelberg Pharma shares are traded, or a comparable method for determining the share price, as a substitute.

f) General exercise conditions (vesting)

The holders of stock options may only exercise vested stock options. For each quarter of a fiscal year of the Company, or part thereof, in which the beneficiary is in an unterminated employment or service relationship with the Company or one of its affiliates from the issuing date onward, 1/16 of the stock options granted to the beneficiary on this issuing date shall vest. In special cases, other terms may be stipulated according to k).

g) Performance targets as a special condition of exercise

The stock options may only be exercised if the following two conditions (collectively “**performance target**”) are met:

- Heidelberg Pharma’s share price during the last ten trading days preceding the start of the relevant exercise period (“**reference price**”) exceeds the exercise price by at least 20%.
- The reference price exceeds the exercise price by at least the ratio by which the TecDAX (share price index) on the last trading day prior to the relevant exercise period exceeds the TecDAX (share price index) on the issuing date.

If the TecDAX (share price index) is no longer calculated, the Executive Management Board with the approval of the Supervisory Board or - if the stock options are held by members of the Executive Management Board - the Supervisory Board is entitled to specify another comparable stock index as a substitute.

The second paragraph of e) applies accordingly.

h) Cap

To the extent that the stock options in question were granted to members of the Executive Management Board, the Supervisory Board shall stipulate a cap for extraordinary developments in the terms of the Heidelberg Pharma 2018 Stock Option Plan. The same may be stipulated for stock options granted to employees of the Company and employees of domestic and foreign affiliates.

(i) Settlement of the stock options

Each stock option exercised in accordance with the terms of the Heidelberg Pharma 2018 Stock Option Plan entitles the beneficiary, in exchange for payment of the exercise price, to subscribe for one Heidelberg Pharma share based on the Contingent Capital 2018/I raised for this purpose. The new Heidelberg Pharma shares participate in profits from the start of the fiscal year for which, at the time they are issued, a resolution regarding the appropriation of net profits has not yet been adopted.

Prior to an exercise period, the Executive Management Board with the approval of the Supervisory Board or - if the stock options are held by members of the Executive Management Board - the Supervisory Board may specify that, instead of the delivery and issue of new Heidelberg Pharma shares based on Contingent Capital 2018/I, either a corresponding number of Heidelberg Pharma shares held by the

Company as treasury shares will be delivered, or a corresponding cash payment will be made, with the effect of discharging the obligation (collectively “**alternative settlement**”). The alternative settlement may be stipulated generally, for several exercise periods, or in individual cases. The holders of the stock options must be timely informed of such a determination.

If the alternative settlement is by way of a cash payment, this shall be equal to the difference between the exercise price and the reference price.

The acquisition of treasury shares for purposes of alternative settlement must comply with the legal requirements. No authorization as outlined in section 71 (1) no. 8 of the German Stock Corporation Act is issued by way of this resolution.

j) Adjustment for corporate actions/protection against dilution

If, during the term of stock options, the Company increases its share capital by issuing new shares while granting a direct or indirect subscription right to its shareholders, or sells treasury shares, or issues bonds with conversion and/or option rights or obligations, the terms of the Heidelberg Pharma 2018 Stock Option Plan stipulate that the exercise price, and therefore also the performance target, must be adjusted. The terms of the Heidelberg Pharma 2018 Stock Option Plan may additionally stipulate an adjustment of the subscription rights in the event of a capital increase from the Company’s own funds or capital reduction, and in the event of a forward or reverse stock split. If an adjustment is made, the exercise price shall, at minimum, equal the proportionate amount of the Company’s share capital attributable to a Heidelberg Pharma share (section 9 (1) of the German Stock Corporation Act).

k) Further details

The further details of the Heidelberg Pharma 2018 Stock Option Plan shall be specified by the Executive Management Board with the approval of the Supervisory Board or - if the stock options are held by members of the Executive Management Board - the Supervisory Board in the terms of the Heidelberg Pharma 2018 Stock Option Plan. In particular, unless already stated above, the additional rules include the following:

- the procedure for issuing/granting and exercising the stock options;
- additional personalized performance targets;
- the specification of additional exercise periods in the event of a takeover of the Company or its affiliates, a restructuring of the Company or the Group, entry into a control or profit transfer agreement, or other comparable special cases;
- Special rules concerning the general exercise conditions (incl. vesting) in the event of death, disability or the inability to work, retirement, mutually agreed resignation, termination, and other

exceptional cases (including a change of control at the Company) as well as cases where the Company terminates the affiliate status of a company (e.g., by selling the equity investment);

- transferability, heritability and securitization of the stock options;
- provisions concerning taxes and other levies.

To the extent that stock options are offered to employees of affiliates, the further details shall be determined by the Executive Management Board of the Company with the approval of the Supervisory Board in consultation with the governing bodies of the affiliates responsible for determining their remuneration.

l) Reporting obligation of the Executive Management Board

The Executive Management Board and the Supervisory Board shall report on the stock options granted and the exercise of stock options for each fiscal year in accordance with the applicable regulations in the notes to the annual financial statements, the notes to the consolidated financial statements or in the annual report.

3. Creation of Contingent Capital 2018/I

The Company's share capital shall be contingently increased by up to EUR 1,490,622.00 through the issue of up to 1,490,622 no par value bearer shares (Contingent Capital 2018/I). The contingent capital increase is exclusively for the purpose of satisfying subscription rights issued on the basis of the authorization adopted by the Annual General Meeting on 26 June 2018 with respect to Agenda item 6. The contingent capital increase will only be implemented to the extent that the holders of the subscription rights issued under the Heidelberg Pharma 2018 Stock Option Plan exercise their right to subscribe for shares of the Company and the Company does not grant treasury shares or offer a cash settlement to satisfy the stock option rights. The new shares participate in profits from the start of the fiscal year for which, at the time they are issued, a resolution regarding the appropriation of net profits has not yet been adopted.

4. Amendment to the Articles of Association with regard to Contingent Capital 2018/I

A new paragraph 9 shall be added to Article 5 of the Articles of Association as follows:

„(9) *The Company's share capital is contingently increased by up to EUR 1,490,622.00 through the issue of up to 1,490,622 no par value bearer shares (Contingent Capital 2018/I). The contingent capital increase is exclusively for the purpose of satisfying subscription rights issued on the basis of the authorization adopted by the Annual General Meeting on 26 June 2018 with respect to Agenda item 6. The contingent capital increase will only be implemented to the extent that the holders of the subscription rights issued under the Heidelberg Pharma 2018 Stock Option Plan exercise their right to subscribe for shares of the Company and the Company does not grant treasury shares or offer a cash settlement to satisfy the option rights. The new shares participate in profits from the start of the fiscal year for which, at the time they are*

issued, a resolution regarding the appropriation of net profits has not yet been adopted.

The Supervisory Board is authorized to adapt the wording of Article 5 (9) of the Articles of Association in line with the respective issue of shares and to make all other associated amendments to the Articles of Association that relate solely to the wording. The preceding applies accordingly in the event of the non-utilization of the authorization to issue subscription rights after expiration of the authorization period and in the event of the non-utilization of the contingent capital after expiration of the periods for exercising the subscription rights.”

7. Resolution on the approval of the system for the remuneration of the members of the Executive Management Board

The Act on the Appropriateness of Executive Management Board Remuneration of 31 July 2009 allows the Annual General Meeting to adopt a resolution on approving the system for the remuneration of Executive Management Board members (Section 120 (4) of the German Stock Corporation Act).

A report on the system for the remuneration of members of the Executive Management Board of Heidelberg Pharma AG can be inspected at the offices of Heidelberg Pharma AG, Schriesheimer Str. 101, 68526 Ladenburg, Germany, from the date on which the Annual General Meeting is convened, and will be available for download at <http://www.heidelberg-pharma.com/en/press-and-investors/annual-general-meeting/agm2018/> from the date on which the Annual General Meeting is convened.

The Executive Management Board and Supervisory Board propose that the remuneration system for the members of the Executive Management Board of Heidelberg Pharma AG, as described in the aforementioned report on the system for the remuneration of the members of the Executive Management Board of Heidelberg Pharma AG, be approved.

According to the law, the resolution of the Annual General Meeting does not establish any rights or obligations. Furthermore, voidability pursuant to Section 120 (4) sentence 3 of the German Stock Corporation Act is excluded.

Written report of the Executive Management Board on agenda item 5 pursuant to section 203 (2) sentence 2 and section 186 (4) sentence 2 of the German Stock Corporation Act on the reasons for authorizing the Executive Management Board to exclude shareholders' subscription rights:

1. Utilization of the previous Authorized Capital 2017/I and reasons for the amendment:

The Company made full use of the authorization granted by the resolution adopted by the Annual General Meeting on 20 July 2017 under agenda item 5 to issue up to 7,484,190 new shares once or several times with the option to exclude subscription rights (Authorized Capital 2017/I) by having issued a total of 7,484,190 new shares by the time this year's invitation to the Annual General Meeting was published in the Federal Gazette, specifically:

On 3 November 2017, the Executive Management Board of the Company adopted a resolution, with the approval of the Supervisory Board of the Company given on that same day, to increase the Company's share capital from EUR 14,968,380.00 by up to EUR 7,484,190.00 to up to EUR 22,452,570.00 through the utilization of Authorized Capital 2017/I by issuing up to 7,484,190 no par value bearer shares with a notional interest in the share capital of EUR 1.00 each in return for contributions in cash and/or in kind, granting subscription rights to the shareholders. The capital increase was carried out as a "mixed capital increase in return for contributions in cash and/or in kind". The majority shareholder dievini Hopp BioTech holding GmbH & Co. KG, Walldorf, ("dievini") was entitled to acquire new shares with a notional interest in the share capital of EUR 1.00 each in return for contributions in kind (the contribution of its repayment claim (including interest) against the Company under the loan agreement between dievini and the Company dated 11 October 2016, which amounted to EUR 3,928,933 on 20 November 2017) for a portion of the subscription rights attributable to it.

On 16 November 2017, the subscription price was fixed at EUR 2.60 per share. The capital increase was fully subscribed and its execution entered in the Commercial Register of the Mannheim Local Court on 22 November 2017. As a result, the Company's share capital, as recorded in the Commercial Register, increased by a total of EUR 7,484,190.00 to EUR 22,452,570.00.

The gross issue proceeds from the new shares amounted to EUR 19,458,894, of which EUR 15,529,961 was attributable to the cash contribution and EUR 3,928,933 to the contribution in kind.

Together with the issue of 14,968,380 convertible bonds with a nominal value of EUR 1.00 each approved at the same time as the capital increase, the Company achieved a total transaction volume of EUR 34,427,274 (including the contribution in kind).

As part of the corporate action, the Company's main shareholder, dievini, acquired 1,511,128 new shares in return for contributing a repayment claim under the loan agreement dated 11 October 2016, 4,241,834 new shares in return for a cash contribution, and 13,882,276 convertible bonds.

Until this year's invitation to the Annual General Meeting was announced in the Federal Gazette, 14,760,779 convertible bonds were converted into 5,677,212 shares.

To offer the Company as much flexibility as possible after having fully utilized Authorized Capital 2017/I, new authorized capital (Authorized Capital 2018/I) shall be created which authorizes the Company's Executive Management Board to increase the Company's share capital, with the approval of the Supervisory Board, by up to EUR 14,051,267.00 by issuing up to 14,051,267 new no par value bearer shares in return for contributions in cash and/or in kind on one or several occasions up to (and including) 25 June 2023.

2. New Authorized Capital 2018/I and the attendant benefits for the Company:

The intention is to create new Authorized Capital 2018/I up to an amount of EUR 14,051,267.00. Authorized Capital 2018/I enables the Executive Management Board to increase the Company's share capital, with the approval of the Supervisory Board, by up to EUR 14,051,267.00 by issuing new no par

value bearer shares in return for contributions in cash and/or in kind on one or several occasions. The Executive Management Board is authorized to exclude shareholders' statutory subscription rights under special circumstances with the approval of the Supervisory Board (see below, item 3). This authorization shall be in effect up to (and including) 25 June 2023.

The proposed authorization regarding the issuing of new shares from Authorized Capital 2018/I is designed to enable the Executive Management Board to react to short-term funding requirements in connection with the implementation of strategic decisions with the Supervisory Board's approval. A prompt and flexible funding tool is not only necessary, given the current economic situation, it is also in the interest of both the Company and all of its shareholders (e.g. for the purpose of enabling an acquisition and procuring liquidity). The aim is also that the Executive Management Board, with the approval of the Supervisory Board, will continue to be able to procure new capital for the Company at all times and acquire companies, business units, stakes in companies, new technologies, additional products or product candidates in return for shares. Such an anticipatory resolution is customary, both nationally and internationally.

With regard to the amount of the proposed Authorized Capital 2018/I (50% of the share capital recorded in the Commercial Register), it should be noted that the Company has the usual capital requirements for a company in its sector and therefore might require substantial authorized capital, among others to finance the further development of the ATAC technology and the clinical and preclinical trials required in this context. Since the Company no longer has any authorized capital, it would be unable to meet this capital requirement.

3. Exclusion of shareholders' subscription rights:

The proposed resolution provides for an authorization to exclude shareholders' subscription rights, which exist in principle when authorized capital is utilized, for certain purposes individually listed in the proposed resolution:

- The Executive Management Board is authorized to exclude shareholders' subscription rights in the event of capital increases in return for cash considerations up to a maximum of 10% of the share capital, where the issue price of the new shares may not be substantially lower than the market price of the Company's share. The Executive Management Board shall count all shares that are, or shall be, issued for the purpose of satisfying conversion rights or options toward the 10% limit of the share capital, to the extent that and insofar as the convertible bonds or bonds with warrants giving rise to these rights are issued in analogous application of section 186 (3) sentence 4 of the German Stock Corporation Act subject to the exclusion of shareholders' subscription right while this authorization is in effect.

This option to exclude shareholders' subscription right enables the Company to exploit favorable opportunities in the stock market as they arise and achieve the highest possible issue amount in order to increase the Company's equity to the greatest extent possible by setting an issue price that closely tracks the market. Experience shows that such a

capital increase results in a greater inflow of funds due to the ability to react more quickly than a comparable capital increase that includes shareholders' subscription right. Such a capital increase is thus in the best interest of both the Company and its shareholders. While it may result in lower relative shareholdings and a lower relative voting interest of existing shareholders, shareholders wanting to maintain their relative shareholdings and their relative voting interest shall nevertheless have the option to purchase the number of shares required to this end in the stock market.

- The Executive Management Board shall also be authorized in connection with Authorized Capital 2018/I to exclude shareholders' subscription rights to fractional shares with the approval of the Supervisory Board. The authorization to exclude shareholders' subscription rights for the purpose of using fractional shares is necessary to bring about a viable subscription ratio in a capital increase and thus only serves to use authorized capital in rounded amounts. Fractional shares arise whenever it is impossible to distribute all new shares equally among the shareholders due to either the subscription ratio or the amount of the capital increase. Absent this authorization, carrying out the capital increase would be substantially more difficult in technical terms, especially if the capital was increased by a rounded amount. The cost of trading subscription rights related to the fractional shares is disproportionate to the advantages for the shareholders. The new shares created by excluding shareholders' subscription rights for fractional shares are not subject to subscription rights and may be disposed of in the Company's best interest on the stock market (if possible) or by other means. A dilutive effect, if any, will be minor given the limitation to fractional amounts.
- Subject to the approval of the Supervisory Board, the shareholders' subscription rights may also be excluded in connection with capital increases in return for contributions in kind. The Company's management should be able at any time to acquire companies, business units, stakes in companies, new technologies, additional products or product candidates in return for shares. The Company wants to be able to acquire companies, business units, stakes in companies, new technologies, additional products or product candidates with the aim of strengthening its competitiveness, enhancing its financial position and boosting its earning power. Using shares under authorized capital frequently constitutes the only meaningful compensation for such acquisitions in an era of tight financial resources and credit facilities. The ability to use shares of the Company from authorized capital as acquisition currency gives the Company the leeway it needs to exploit acquisition opportunities rapidly and flexibly. Because such acquisitions must be made on short notice in most cases, they cannot be resolved by the AGM which convenes just once a year, not to mention that there is no time to convene an extraordinary General Meeting in such situations owing to statutory deadlines. This calls for authorized capital that the Executive Management Board can access quickly – subject to the Supervisory Board's approval of course.

Having weighed all aforementioned circumstances, the Executive Management Board and the Supervisory Board believe that the option to exclude shareholders' subscription rights in the aforementioned cases is justified and appropriate, even if it has a dilutive effect for shareholders.

The Executive Management Board shall report any utilization of the Authorized Capital 2018/I to the AGM.

**Total number of shares and voting rights
at the time this Annual General Meeting is convened**

The Company's share capital of EUR 28,129,782.00 is divided into 28,129,782 no par value bearer shares at the time the AGM is convened. Each no par value share grants one vote. Consequently, there are 28,129,782 voting shares at the time the AGM is convened. The Company does not hold any treasury shares at the time this AGM is convened.

**Requirements for participating in the Annual General Meeting
and exercising the right to vote**

Shareholders who have (i) registered with the Company prior to the AGM and (ii) verify their shareholdings to the Company shall be entitled to participate in the AGM and exercise their voting right pursuant to article 15 of the Articles of Association.

The **registration** must be provided in German or English and received by the Company in text form (pursuant to section 126 b of the German Civil Code) at the postal address, fax number or e-mail address mentioned below.

The **evidence of shareholdings** must be provided by means of a confirmation in text form (pursuant to section 126 b of the German Civil Code) prepared by the depository bank in German or English. Such evidence by the depository bank must refer to the beginning of the twenty-first day before the AGM, i.e. to

5 June 2018
(0:00 hrs.).

The significance of the Record Date for evidencing shareholdings is explained separately below.

In accordance with article 15 (2) and (3) of the Articles of Association, the Company must receive both the registration and the evidence of shareholdings no later than on

19 June 2018
(24:00 hrs.)

at the following postal address, fax number or e-mail address:

Heidelberg Pharma AG
c/o Better Orange IR & HV AG
Haidelweg 48
81241 Munich, Germany
Fax: +49 89 889 690 633
E-mail: anmeldung@better-orange.de

Better Orange IR & HV AG is the Company's agent authorized to receive both the registrations and the evidence of shareholdings.

Upon timely receipt of the registration, including the evidence of shareholdings, the tickets for the AGM will be sent to the relevant shareholders or deposited at the place where the meeting is to take place. The tickets are only tools to facilitate organization; they are not a requirement for participating in the AMG and exercising the right to vote.

Significance of the Record Date

The Record Date is the date that governs both the scope and the exercise of a shareholder's right to participate in and vote at the AGM. Relative to the Company, a person shall only be considered a shareholder for the purpose of participating in or exercising the voting right at the AGM if they have verified their shareholdings by the Record Date. Any changes in shareholdings after the Record Date are irrelevant in this regard. Shareholders who do not acquire their shares until the Record Date are not entitled to participate in and vote at the AGM unless they are appointed as proxies or authorized to exercise legal rights. Shareholders who have duly registered and verified their shareholdings may even participate in the AGM and exercise their voting right if they sell their shares after the Record Date. The Record Date has no effect on the ability to sell shares, and it is not a date that is relevant to any right to participate in dividends.

Procedure for voting by proxy

Shareholders may also exercise their right to vote at the AGM by appointing a proxy – e.g. a bank or a shareholders' association. Timely registration for the AGM and timely submission of evidence of shareholdings in accordance with the foregoing provisions are required even if a proxy is appointed (see above, "Requirements for participating in the AGM and exercising the right to vote"). If a shareholder appoints more than one person to serve as their proxy, the Company may reject one or more of these appointments.

If neither a bank or a shareholders' association nor an institution or person considered equivalent pursuant to section 135 (8) of the German Stock Corporation Act or section 135 (10) in conjunction with section 125 (5) of the German Stock Corporation Act is appointed, then appointing a proxy or revoking such appointment and evidencing it to the Company must be made in text form (section 126 b of the German Civil Code).

Neither law nor the Articles of Association require the appointment of banks, shareholders' associations or other institutions or persons considered equivalent pursuant to section 135 (8) of the German Stock Corporation Act or section 135 (10) in conjunction with section 125 (5) of the German Stock Corporation Act to be made in writing. However, an entity or person to be appointed as proxy in these cases may require a special form of proxy because section 135 (1) sentence 2 of the German Stock Corporation Act (in conjunction with section 135 (8) or section 135 (10) in conjunction with 125 (5) of the German Stock Corporation Act, if applicable) requires them to record such authorization in a verifiable way. Hence we request that shareholders coordinate with the entities or persons to be appointed as proxies in regards to the form of the proxy.

The proxy itself may furnish evidence of appointment as such on the day of the AGM on site. Evidence of proxy may also be transmitted to the following postal address, fax number or e-mail address (e.g. as a pdf file):

Heidelberg Pharma AG
c/o Better Orange IR & HV AG
Haidelweg 48
81241 Munich, Germany
Fax: +49 89 889 690 655
E-mail: hdpharma@better-orange.de

Better Orange IR & HV AG is the Company's agent authorized to receive the evidence of appointment as proxy.

A form that can be used to grant proxies is contained on the back of the ticket, which will be sent to the shareholders who registered in due time and pursuant to the aforementioned formal procedure; the form is also available for download from the website <http://www.heidelberg-pharma.com/en/press-and-investors/annual-general-meeting/agm2018/>.

The Company offers its shareholders the option of having the Company-appointed proxy represent them at the AGM pursuant to their instructions. This proxy exercises voting rights solely on the basis of the relevant shareholder's instructions and is obliged to vote as instructed. The Company's proxy shall not accept any proxies for filing objections to shareholder resolutions, exercising the right to speak and ask questions or making applications.

Once they have registered in due time and form in accordance with the procedure set forth above, shareholders will receive along with their ticket shareholders additional information on voting by proxy as well as a form that they may use to appoint and instruct the Company's proxy. The information is also available for download from the website <http://www.heidelberg-pharma.com/en/press-and-investors/annual-general-meeting/agm2018/>. Evidence that the Company's proxy has been appointed along with the attendant instructions shall, for organizational reasons, be received at the aforementioned postal address, fax number or e-mail address no later than by the end of 25 June 2018.

In addition, shareholders and proxies attending the AGM will also have the option to appoint the Company's proxy during the AGM and have them exercise their voting right as instructed.

**Shareholder inquiries, applications, requests for information
(Information on shareholder rights pursuant to section 122 (2), section 126 (1),
section 127 and section 131 (1) of the German Stock Corporation Act)**

**Requests to supplement the Agenda pursuant to section 122 (2) German Stock
Corporation Act**

Shareholders whose total shareholdings are equivalent to 1/20th of the Company's share capital (i.e. 1,406,489 shares) or the pro rata amount of EUR 500,000.00 (i.e. 500,000 shares) may request to have items placed on the agenda and published. Every request for a new agenda item must be accompanied by an explanation of the reasons therefor or a proposed resolution. The request shall be sent to the Executive Management Board of Heidelberg Pharma AG, in writing, and the Company must receive it no later than by the end of

26 May 2018
(24:00 hrs.).

Please send your request to the following postal address:

The Executive Management Board of Heidelberg Pharma AG
Schriesheimer Str. 101
68526 Ladenburg, Germany

The submitter of the application must provide evidence of having held the shares for at least 90 days prior to the date of receipt of the application and of holding the shares until a decision is made on the application by the Executive Management Board; section 70 of the German Stock Corporation Act is applicable to the calculation of holding period of the shares. The day the application is received is not counted. If a deadline falls on a Saturday, Sunday or holiday, it shall not be advanced to a preceding or postponed to a subsequent business day. Sections 187 to 193 of the German Civil Code (Bürgerliches Gesetzbuch) shall not be applicable mutatis mutandis.

Any supplements to the agenda that must be published – provided they were not already made public at the time the AGM was convened – shall be published in the Federal Gazette immediately after the request has been received and shall also be furnished to such suitable media as may be expected to disseminate the information throughout the European Union. They shall also be published online and communicated to the shareholders at the website <http://www.heidelberg-pharma.com/en/press-and-investors/annual-general-meeting/agm2018/>.

Counter-applications pursuant to section 126 (1) and election proposals pursuant to section of the 127 German Stock Corporation Act

In addition, the Company's shareholders may send counter-applications to proposals of the Executive Management Board and/or the Supervisory Board concerning specific agenda items as well as election proposals in connection with the election of Supervisory Board members (if it is on the agenda) or auditors. Counter-applications, election proposals and other inquiries from shareholders in regards to the AGM may only be sent to:

Heidelberg Pharma AG
Investor Relations
Schriesheimer Str. 101
68526 Ladenburg, Germany
Fax: +49 6203 1009 19
E-mail: investors@hdpharma.com

Counter-applications and election proposals that are sent to any other address shall not be considered. Subject to the provisions of section 126 (2) and (3) of the German Stock Corporation Act, the Company shall post all counter-applications and election proposals that it receives from shareholders, including the respective shareholder's name, as well as any underlying reasons online at <http://www.heidelberg-pharma.com/en/press-and-investors/annual-general-meeting/agm2018/>. All counter-applications and election proposals regarding the items of this agenda that have been received no later than by the end of

11 June 2018
(24:00 hrs.)

at the address, fax number or e-mail address specified above shall be taken into consideration. Statements, if any, by the Company's management will also be posted at the aforementioned Internet address.

Pursuant to section 127 sentence 2 of the German Stock Corporation Act, the proposal of a shareholder in regards to the election of Supervisory Board members or auditors need not be justified. Aside from the reasons set forth in section 126 (2) of the German Stock Corporation Act, the Executive Management Board also need not make an election proposal available if the proposal does not contain the candidate's name, profession and domicile. Proposals concerning the election of Supervisory Board members need not even be made available if they are not accompanied by information on the proposed candidate's appointments to other statutory supervisory boards as defined in section 125 (1) sentence 5 of the German Stock Corporation Act.

Please be advised that counter-applications and election proposals that were sent to the Company ahead of the AGM in due time shall only be considered at the AGM if they are submitted orally during the AGM.

This shall not affect every shareholder's right to submit counter-applications concerning various Agenda items or election proposals regarding the election of the Supervisory Board or the auditor during the General Meeting even without having submitted them to the Company in advance and due time.

Right under section 131 (1) of the German Stock Corporation Act to request information

Every shareholder or proxy may ask the Executive Management Board at the AGM to provide information on matters pertaining to the Company, to the extent that such information is necessary for making a reasonable assessment of an agenda item and provided there is no statutory right to refuse to divulge the information required.

The duty to provide information also extends to the Company's legal and commercial relations with affiliates and the situation of the Group and the companies included in the consolidated financial statements.

All such requests for information must be made orally at the AGM during the general debate. The Executive Management Board may refuse to provide the information requested if the circumstances set forth in section 131 (3) of the German Stock Corporation Act apply.

Pursuant to article 16 (2) of the Articles of Association, the chairperson may set appropriate limits in regards to shareholders' right to ask questions and speak; in particular, the chairperson may reasonably determine the time allotted to the entire AGM, to the discussion of individual agenda items as well as to the length of each individual's questions and statements.

Further explanations

Additional information on shareholder rights pursuant to section 122 (2), section 126 (1), section 127 and section 131 (1) of the German Stock Corporation Act are available online at <http://www.heidelberg-pharma.com/en/press-and-investors/annual-general-meeting/agm2018/>.

Data protection information for shareholders

Heidelberg Pharma AG processes personal data (name, address, e-mail address, number of shares, class of shares, type of ownership of shares and number of the admission ticket) on the basis of applicable data protection laws in order to enable shareholders to exercise their rights at the Annual General Meeting.

Processing your personal data is absolutely necessary for you to participate in the Annual General Meeting. Heidelberg Pharma AG is the data controller responsible for processing. Art. 6 (1) c) of the General Data Protection Regulation is the legal basis for processing the data.

The service providers of Heidelberg Pharma AG that are commissioned for the purpose of organizing the Annual General Meeting will receive only personal data from Heidelberg Pharma AG that is necessary for providing the commissioned service and process the data exclusively in accordance with the instructions of Heidelberg Pharma AG.

You have the right at any time to require information, the right to require the correction and restriction of data, the right to object to the use of data and the right to require the erasure of data in connection with the processing of your personal data, and a right to data transfer in accordance with Chapter III of the General Data Protection Regulation. You can exercise these rights vis-à-vis Heidelberg Pharma AG at no cost by sending an e-mail to

datenschutz@hdpharma.com

or by using the following contact information:

Heidelberg Pharma AG
Schriesheimer Str. 101
68526 Ladenburg, Germany
Fax: +49 6203 1009 19

You also have the right to lodge a complaint with the data protection supervisory authorities pursuant to Art. 77 of the General Data Protection Regulation.

You can contact our company's Data Protection Officer at:

Heidelberg Pharma AG
Data Protection Officer
Schriesheimer Str. 101
68526 Ladenburg, Germany
Fax: +49 6203 1009 19
E-mail: datenschutz@hdpharma.com

More information on data protection is available on the website of Heidelberg Pharma AG at

www.heidelberg-pharma.com

Other information

All information and documents required under section 124 a of the German Stock Corporation Act may be inspected online at <http://www.heidelberg-pharma.com/en/press-and-investors/annual-general-meeting/agm2018/> and may be downloaded from there. All documents to be made available to the AGM by law will be available for inspection during the meeting.

The voting results shall be published at the same Internet address after the AGM.

This invitation to the AGM was furnished to such suitable media for publication as may be expected to disseminate the information throughout the European Union and was published in the Federal Gazette.

Ladenburg, May 2018

Heidelberg Pharma AG
The Executive Management Board